Absolutely POSITIVELY
Me Heke ki Pōneke
WELLINGTON CITY COUNCIL
Wellington

REGIONAL GOVERNANCE: RESPONSE TO REORGANISATION

1. Purpose of report

The Local Government Commission is considering potential changes to the organisation of local government in the Wellington region.[1]

The mechanism to influence the Commission and advance the view of Wellington city residents is through the submission of an alternative application. Any such submission would be made in anticipation that a poll will be held so that Wellingtonians can decide whether change should occur.[2]

This paper, therefore, presents the best alternative model to be considered against the status quo in such a poll – the paper does not require a decision to change.

The single tier metropolitan model proposed in this report:
• best meets the Commission's criteria
• delivers best on the principles of good governance, and
• has demonstrable community support.

The Council has the choice to influence the Commission's considerations or to not submit. Other councils are expected to submit alternative applications.

2. Executive summary

The purpose of the report is *not* to advocate for change – because that question is now formally being asked through the Wairarapa reorganisation application – it is simply to outline the best alternative governance model should change come.

It will be the people of the Wellington region who will inform whether structural change is organised in the region following consultation by the Commission. A binding poll of electors is then highly likely to be held which will determine the final outcome for the region.

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[1] An application for reorganising the region has been made by the Wairarapa. It is expected to be accepted, but their application does not address what structure should be formed in the area west of the Rimutakas. As an affected area, Wellington may make a formal submission (alternative application)

[2] A poll will be held where 10% of registered electors in an affected area demand one through a petition.

The governance model that is proposed in this application:

- has demonstrable community support
- builds on earlier models and has been modified to strengthen connections between decision-makers and the local community
- is complementary to the Wairarapa model
- meets all the Commission's criteria for reorganisation
- meets the 'purpose' intent of the Local Government Act 2002 (the Act) to deliver services as efficiently and effectively as possible
- meets the principles of good governance agreed in the report by the Local Government Reform Working Party (the Working Party) [3]
- will meet most residents' expectations of what the region needs today, and
- offers the best structural position to meet the challenges of the future.

The proposed governance model is for a single tier unitary council for the metropolitan Wellington area west of the Rimutakas, with strengthened relationships between councillors and local communities, enhanced checks and balances to strengthen transparency and accountability, and more flexible and effective approaches to representation of local interests – ultimately creating a more democratically responsive, agile and effective alternative to consider against the status quo.

Specifically, the proposal includes:

- Replacement of five existing Wellington councils and the Regional Council with a single unitary council made up of a Mayor and 29 councillors elected from 29 single member local wards

- Establishment of semi-autonomous commissioners to provide independent oversight of Council activities (including administrative matters and management of the environment)

- Strengthened support for councillors so they can more effectively represent their local communities

- Flexible, effective and responsive approaches to local representation, which may include community boards and other mechanisms that reflect community preferences.

The proposed alternative application for a single tier governance model is attached as Appendix One.

A summary of community views from consultation and research is included in Appendix Two[4].

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[3] Comprising Wellington City Council, Porirua City Council, Greater Wellington Regional Council and Kapiti Coast District Council.
[4] The Working Party report on consultation results and the Colmar Brunton Survey results have been previously circulated

3.   Recommendations

It is recommended that the Strategy and Policy Committee:

1.   *Receive the information.*

2.   *Note that the three Wairarapa Councils have submitted an application to the Local Government Commission to establish a Wairarapa unitary authority.*

3.   *Note that – subject to the application being accepted by the Commission – we are considered affected and will have twenty working days to respond.*

4.   *Note that the proposed alternative application attached to this report comprises a single tier governance structure that is complementary to the Wairarapa application.*

5.   *Note that Wellington City Council's position on reform is that it is a decision for the community to make through consultation, and/or a binding poll, carried out by the Commission.*

6.   *Note that submitting this alternative application ensures that the Commission has before it the best alternative governance model to the status quo as part of its determination of a preferred option.*

7.   *Agree to the alternative application as outlined in appendix 1 for submission to the Commission to inform its consideration of the best alternative governance model.*

8.   *Agree that officers continue to explore opportunities for shared and transferred services, irrespective of the possible process of reorganisation, so that the region can be in a position to deliver efficiencies and services at least cost to households and businesses.*

9.   *Delegate to the Chief Executive Officer, the Mayor, and Portfolio Leader (governance) the authority to make any minor editorial changes to the application as part of the submission process.*

3.   Background

3.1   The context for reorganisation

How local government in the Wellington region is governed has been a matter of interest to councils in the region for many years. The establishment of Auckland Council in 2009 was the catalyst for the Wellington region to

commence a work programme on a review of governance in the Wellington region.[5]

At the same time central government made legislative changes to the purpose of local government to make it clear that its primary function was to deliver *good quality* services to residents and ratepayers, and defined 'good quality' as services that are delivered in an *efficient* and *effective* way.

Central government also made legislative changes to make local government reorganisation easier, and initiated the *Better Local Government* programme aimed at delivering a broad range of improvements from the local government sector.

Following the establishment of the Auckland Council, the Prime Minister and the then Minister of Local Government stated that the government did not wish to impose governance changes on other regions, and that any reorganisations would need to be community led. However, given the changes to the Act making local government reorganisation easier, it is clear that the government is interested in change to allow councils to deliver 'good quality' services for residents and ratepayers 'at least cost to households and businesses' as required under the amended Act.

3.2   How the region responded

As part of the 2010 review of governance and subsequent work programmes, a number of alternative governance models with a range of benefits and limitations have been discussed with the community. Formal consultation across the region in 2012 on these models received varying levels of community support.

In 2012 the Wellington Region Local Government Review Panel (the Panel) was established by the Greater Wellington Regional Council and Porirua City Council. Following consultation, the Panel identified a single region-wide unitary council as its preferred governance model for the region.

Following on from the Panel's findings, the Working Party concluded that a single unitary council, with or without the Wairarapa, would best deliver on the criteria established by the Commission, and provide the necessary scale to deliver improvements for the region.

Two variations of the preferred model were developed – one with two tiers of representation (incorporating local boards), and the other with a single tier of representation.

These two options were consulted on with the community over a six week period from late March to early May 2013.

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[5] Refer SPC Paper 11 February 2010.

Each council is now considering its position based on the findings for their communities.

Throughout this time the Hutt councils have been exploring options and the benefits of those for their communities.   Wellington City Council committed to share information with the Hutt and supported their desire to explore options. The Hutt councils are currently consulting on options with their communities that include, enhanced status quo, a united Hutt Valley Unitary Council and a single unitary council for the region.

3.3   Consultation and research results – overview

A high level overview of community feedback on key questions is outlined below. More detailed information is available in Appendix Two.

Change from status quo or not

- Over half of Wellington City residents support change to the way local government is structured in the region.

- Over half of submissions from across the *region* supported change to the way local government is structured in the region.

- Consultation results show that Lower Hutt and Upper Hutt residents are least supportive of change, and Kapiti and Wairarapa residents are most supportive of change.

- More Wellington City residents support change compared to last year and opposition to change has decreased compared to last year.

Preferred structure

- Should changes be made, Wellington City residents prefer a single tier council.

- Should changes be made, most submitters in the *region* prefer a two tiered council.

- The principles of good governance were consulted on with the community and they were seen as important by submitters in the region and by Wellington residents.

- Wellington City residents believe a single tier council will deliver on those principles better than a two tiered council for the region.

4. Discussion

4.1 The benefits and limitations of the alternative governance models
The community could clearly identify the benefits of each model, and also their limitations.

The single tier model was seen as more efficient and responsive, and survey results show that Wellington City residents believe that it would be more effective at delivering on the principles of good governance.

The principles of 'good governance' were identified by the Working Party, and the application of these principles is anticipated deliver advantages for the region. The principles include:
- delivering services efficiently and effectively
- delivering infrastructure in an integrated way
- a simple planning process
- effective regional leadership
- delivering integrated economic development
- ensuring the region is resilient and adaptive to changing circumstances.

The fact that Wellington city residents believe a single tier model will deliver on these principles better than the two tier model is important, because these are the principles of good governance identified by the Working Party before consultation commenced for why structural change should happen in the region in the first place.

The limitation of the single tier model according to the survey results is that it is not considered by the community to be a model that is able to represent 'local voice' and provide access to decision-making about the community. Local voice and access to decision-making is associated with a preference for a two tiered governance model.

While the two tier model is clearly favoured for being better able to deliver 'local voice', the community believes it is not as good as the single tier model when it comes to delivering on the other six principles of good governance.
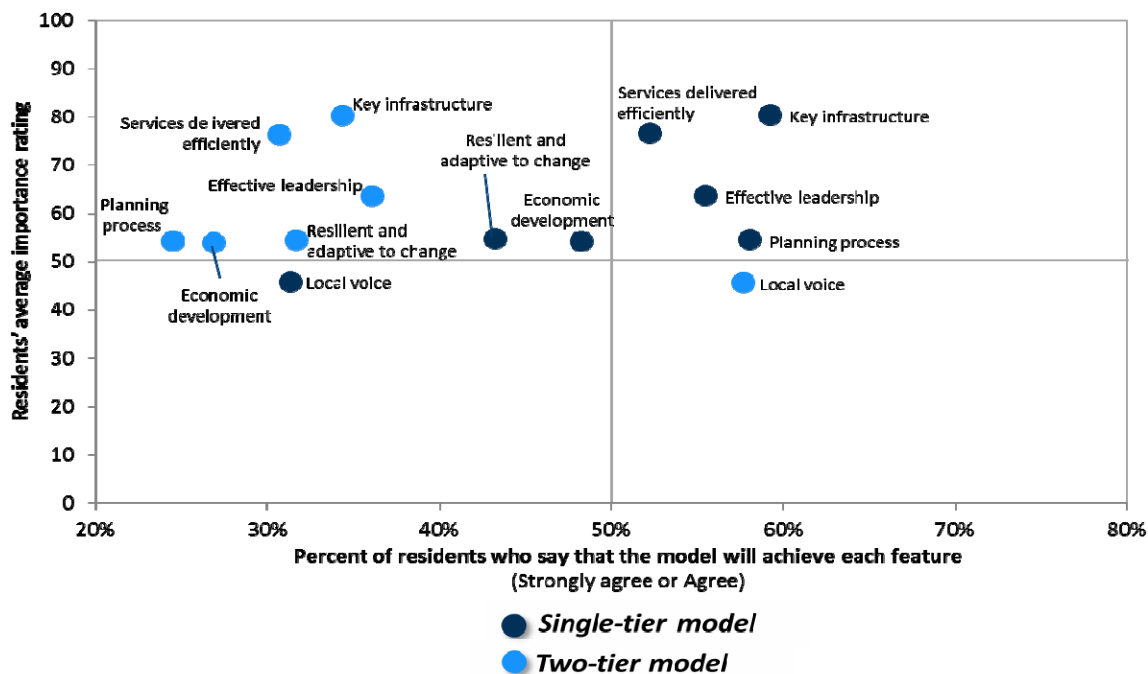
What the results show is that while each model is considered to have its limitations, there is a significant gap in perceived performance between the two models.

The key question therefore becomes whether it is possible to modify either of the options to maximise their benefits and reduce their limitations eg: is it possible to:

• modify the single tier model so it is more effective at representing local voice

 or

• modify the two tier model so it can better deliver the principles of good governance identified by the Working Party for why change should happen in the first place.

4.2 Possible modifications to the governance models to reflect community feedback

Two tier model

This model was most favoured across the region and is currently also operating in Auckland.

The survey results show that the advantages of moving to a region-wide council are compromised, because the second layer of representation

complicates planning and budgeting processes, slows down decision-making, and is administratively more burdensome. It is also seen as a model less able to deliver services efficiently or provide effective regional leadership. Discussions with Auckland City Council confirm that this is the case.

There are options to reduce the number of boards or board representatives and this will result in some efficiency gains, but ultimately the limitations of the model are grounded in its overall structure in that it requires high levels of communication and exchange between the two tiers of representation on an ongoing basis.

At the centre of the two tier model is the principle of subsidiarity, that local decisions are made closest to the community that is impacted by it eg. through local boards. While the principle is sound – in practice drawing an arbitrary line between what is local and what is regional is problematic because there are aspects of all the functions of local government that are both regional and local.

Not withstanding the difficulties in separating issues into regional and local, the Working Party has done some analysis to determine the extent of decision-making control for the second tier, and it is anticipated that the second tier of representation collectively would only have decision-making powers of *up to* 5% of the overall Council budget – in short, the vast majority of all decisions have a regional component and would be made by the parent Council rather than by local boards in any case. Local boards would in effect have more of an advocacy role, rather than a decision-making role – which is contrary to the principle of subsidiarity.

If the role, powers and functions of local boards was increased and they had greater control over budget decisions this would only further compound a blur in accountability between the two tiers of representation.

Single tier model

Survey results show this model was most favoured by Wellington City residents and was seen to be a model that would be better able to deliver on the principles of good governance that were identified by the Working Party.

Where it was considered less strong was its ability to reflect 'local voice and decision-making about your community' and there was also a perception that it centralised power.

It is important to note that 'local voice' and the ability to influence decision-making about issues facing the community is protected by law regardless of the structure of local government. For example:

- *service levels and rates* – residents, households, community organisations and businesses can influence decisions on service levels, the level of rates and borrowings, and who pays for each activity through the long-term plan and annual plan processes. This does not change if the structure changes.

- *land use* – the District Plan helps the Council manage the development of the city by regulating the environmental effects created by new buildings and activities. The rules that govern the plan are subject to extensive consultation with the community, and non-permitted activities under those rules are subjected to further formal regulatory processes that ensure affected parties have their input. This would not change.

- *regulatory activities* – bylaws regulate specific activities in the city and this can affect local communities. This can range from regulating where liquor outlets are located in a suburb, speed limits in suburbs, to where dogs can walk off the leash. All bylaws have a formal consultation process to ensure local communities can influence the rules of the bylaw before it is adopted.

In terms of the perception that the model centralises power, it is important to note that representation is ultimately based on population, and while a considerable proportion of the region's population lives in what is the current the Wellington city boundary, the overall majority of the population resides outside the city itself – and this would be reflected in overall representation levels of any new council for the region.

Notwithstanding the protection provided by the law, and the representation balance across the region, both of these perceived limitations can be resolved by introducing a number of key changes. These are:

- *Enhancing local voice and access to decision-making*

    To improve the connection between ward councillors and their constituents, and to ensure local voice in, and influence over decision-making is enhanced, the proposed application includes small local wards with single members offering high ratios of representation

    This would mean that there would be 29 wards and one ward councillor would represent approximately 15,500 residents and ratepayers[6].

    The smaller more locally orientated wards mean that residents can enjoy closer relationships with their representatives, will more likely know who their elected representative is because they have elected them from their community, and they will provide a local voice at the decision-making table to reflect that ward.

    To ensure that councillors have freedom to engage as a representative and to fulfil their duties to their local communities, it would be necessary to establish hub offices in each ward. Hub-offices will present a visible community presence for councillors and the Council alike, but they will also be liaison officers in the community, engaging with residents out in the community and reducing the day to day burden of councillors. They

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[6] e.g. wards would in effect be the size of one or two suburbs e.g. Tawa + Grenada North = 14,628 residents; Johnsonville + Newlands = 17,805 residents

would be established within the existing infrastructure of current councils or within community centres where possible.

- *Stronger checks and balances*

  Under a single tier model it will be clearer where decision-making responsibilities lie, and this will enhance transparency and accountability. But, the importance and influence of a single unitary authority means that additional checks and balances are justified. This is why semi-autonomous commissioners are part of the proposed governance model. They will be able to report on Council operations and functions, providing additional safeguards on the Council's administrative decision-making and management of the environment.

  Based on the same approach taken with the offices of Ombudsmen and the Parliamentary Commissioner for the Environment, Council Commissioners would be semi-autonomous officers with powers to ensure that residents are protected and council can be held to account for its decisions and actions.

4.3 Key features of the proposed model

The proposed one tier model metropolitan council would have the following key attributes:

Structure and functions
There is one metropolitan unitary council with a single tier of decision-making, made up of a mayor elected at large, and 29 councillors. In the single tier model, councillors represent regional and local interests at the decision-making table. The council may delegate functions and powers to community boards or other arm's length entities such as CCOs.

Boundary
The overall boundary will include all the area currently controlled by the Wellington Regional Council excluding the Wairarapa region eg. it includes the territory of the following Councils: Wellington City Council, Porirua City Council, Lower Hutt City Council, Upper Hutt City Council, and Kapiti District Council.

Wards and representation
The mayor is elected at large and there will be 29 councillors elected from wards to directly connect strategic decision-making to local community preferences. There will be approximately one councillor for every 15,500 residents[7].

Ward councillors will have their own ward offices to strengthen the connection between the community, decision-makers and the Council administration.

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[7] Comparisons – Auckland 1:66,000; Christchurch 1:28,000; Minister for Parliament 1:74,000. The application argues for single member wards and acknowledges that two member wards could also work effectively.

Checks on power
The proposed model includes commissioners as semi-autonomous officers of the council with powers of review and recommendation to act on the residents' behalf in relation to decisions the council has taken

Specialist advice
Community Boards and sub-council bodies such as specialist advisory groups could be a feature of the new council to ensure engagement can occur on issues of specific interest or where councillors may benefit from engaging with subject matter experts.

Decision-making process
Committees will be the 'engine room' of the council to ensure that residents have the opportunity to participate in the decision-making process.

The new council would be called Wellington Council and it would mean that a number of councils would be abolished, these are:

* Wellington City Council
* Porirua City Council
* Kapiti Coast District Council
* Hutt City Council
* Upper Hutt City Council
* Greater Wellington Regional Council.

4.3 Key benefits of a single tier model

Key benefits that will be delivered through the model include:

* stronger and more effective regional leadership and streamlined processes for decision-making

* improved local democracy through direct access to decision-makers and increased accountability for councillors back to residents (compared to a two tier model)

* a single regional decision-maker with increased capacity and capability, increased scale and strategic financial investment capability, and because of scale – greater resilience

* a simpler, faster, clearer planning framework and process for residents and businesses.

* reduced duplication with greater efficiency and effectiveness and because of scale, greater buying power

* enhanced capability to meet the demand for world-class infrastructure and a more integrated approach to economic development.

4.5 How the single tier model delivers on the Commission's criteria

The Commission's criteria articulate the characteristics of good governance. They provide a guideline for the nature of improvements that should emerge from any reorganisation proposal. In short, any change proposal must facilitate: efficiencies and cost savings, productivity improvements and deliver a simplified planning process. The proposed one tier model:

- will facilitate improved economic performance, efficiencies and productivity improvements through scale, improved procurement capacity and a simplified and streamlined structure for decision-making and service delivery

- will provide democratic local decision-making and action by, and on behalf of, communities by having small local wards that connect communities directly with the representatives that make decisions on their behalf

- will be a structure with high levels of integration and coordination and where a single regional view can easily be formed at a scale not seen before in Wellington

- will be resilient and adaptive because of the simplicity and flexibility of its design e.g. if additional representation and support is required for a particular community or area in the future, this can be achieved through the formation of a community board

- will be representative, responsive, transparent and accountable because there are no barriers, distance and bureaucracy between residents and their elected decision-makers

- will have the size, scale and resources necessary to enable it to carry out effectively its responsibilities

- has boundaries that are appropriate for the efficient performance of its role. The boundaries are a natural delineation, reflect natural water catchment boundaries, and are supported by communities inside the proposed boundaries, and by those outside which are predominantly rural

- contains within the proposed district a number of distinct communities of interest.

4.6 Consideration of other governance models

A number of alternative governance models have been discussed over a period of years with the community and all have a range of benefits, limitations and varying levels of community support.

The Local Government Act 2002 requires councils to deliver 'good quality' services at least cost to households and businesses, and 'good quality' is defined in law as services being delivered in an 'efficient and effective' manner.

While many of the alternative models, including multi-unitary, and a two tier unitary council for the region, have a range of benefits, they all have structural limitations that compromises their ability to be as efficient and effective as possible on a regional basis and are therefore less likely to meet the Commissions test for reorganisation.

These structural limitations relate to:
- having to rely on cooperation on regional matters (multi-unitary)
- strategic regional focus is not embedded (multi-unitary)
- process dominated and slow (two tier)
- accountability unclear (two tier)
- blurred accountability for regional decisions (multi unitary, two tier)
- additional governance arrangements required for regional decisions (multi-unitary)

While these other models have a range of benefits, they also have significant trade-offs that mean they are less able to meet the Commission's and the act's requirement to be as efficient and effective as possible.

These trade-offs are rooted in the structure of the models and therefore cannot easily, or effectively, be mitigated.

4.7 Pursuing efficiencies regardless of whether structural change happens or not

Whether there will be structural change to the way local government is organised in the Wellington region is something that will be determined by the Commission and ultimately by the people of the Wellington region. That decision may be some time away.

By way of indication, the consideration of applications, public consultation, the conducting of a referendum as well as the potential for judicial review of the decision-making processes means it is unlikely a final decision could be made any sooner than September 2014 but may continue in to 2015. Following this, the establishment of a transition authority, the appointment of a chief executive and policy decisions may mean that it is up to four years before any new council is fully operational. This being the case, it may be six years or more before real and tangible benefits will materialise.

In the interim, it is important to continue to pursue all opportunities that allow services to be delivered at least cost to communities. One way to achieve that is to continue investigations into whether there are shared service opportunities that could be achieved across the region.

While region-wide cooperation on shared-services has to date delivered limited success and is generally slow and cumbersome to achieve, officers will

be looking to take a two staged approach going forward which seeks to identify "low hanging fruit" and to gather momentum towards a broader approach where possible.

Pursuing this course of action ensures benefits are achieved for the community regardless of the result of reorganisation. Work is being undertaken to identify opportunities for the development and implementation of a more enhanced approach to the sharing of services that seek to realise opportunities in our procurement practices, the way in which back-office services are delivered and the tangible opportunities that may exist in key areas of potential cooperation throughout the region.

There is some difficulty, as has been experienced to date, in developing a shared services approach in which – at first there may be winners and losers – the intended approach through this work will be to identify opportunities for all parties to be "winners" from the process and to create a robust track record of cooperation.

There are services that can be identified as generic to councils regardless of their scale and scope and those services can benefit from improved coordination and some centralisation without an impact on residents' customer service experiences.

The approach would also be to investigate those opportunities within the region now, leaving the door open to other councils being able to join those processes at a later date. These value-for-money opportunities may arise through any number of areas but obvious opportunities exist in:
- economic development
- transport
- water management and
- most particularly in councils' corporate services.

Westminster City Council, the London Borough of Hammersmith and Fulham and the Royal Borough of Kensington and Chelsea have already undertaken a shared approach through a Tri-Borough agreement shares £300m worth of services per year and delivers savings of around £50m.

The key advantage of this work is to reflect on the potential opportunities that may arise from any potential reorganisation of local government in future and to undertake work that seeks to expose those benefits that are possible under current arrangements and any others in the future. Some initial high-level discussions are being undertaken with other councils with the intention of leading towards firm action this year.

5.   Conclusion

An application for reorganisation the region has been made by the Wairarapa. It is expected to be accepted.

The mechanism to influence the Commission and advance the view of Wellington residents on what structure is preferred is through a formal submission (alternative application) to the Commission.

The single tier governance model proposed in this report meets the Commission's criteria, delivers on the principles of good governance, and has demonstrable community support.

Contact Officers: Strategy Team

SUPPORTING INFORMATION

1) Strategic fit / Strategic outcome

The Council seeks to influence parties where their decisions have impact on Wellington city. This report is consistent with that intention.

2) LTP/Annual Plan reference and long term financial impact

No impacts arise directly from this report.

3) Treaty of Waitangi considerations

The report includes consideration of mana Whenua participation in any future governance structure.

4) Decision-making

This report presents a submission and as such does not constitute a significant decision.

5) Consultation
The paper provides feedback on consultation. The process has included consultation with mana whenua.

6) Legal implications

Council's lawyers have been consulted during stages of the project.

[Title Page]

Alternative

Reorganisation

Application

Direct Access, Direct Accountability

Response to the Local Government Commission's request for alternative applications to the Local Government Reorganisation Application for the Wellington Region

June 2013

Contents

Introduction

One Voice, One Table, One Wellington

In May 2013, the Local Government Commission received an application from the Masterton, Carterton and South Wairarapa district councils for the establishment of a single Wairarapa unitary authority.[1]

The Commission subsequently sought responses from affected local authorities in the rest of the Wellington region. This is Wellington City Council's (WCC's) response. It supports the Wairarapa proposal, and sets out its own proposal for a single unitary authority for the Wellington metropolitan region. This is a complementary approach to the Wairarapa's proposal because both reside within the current Wellington region boundary.

Wellington has a once-in-a-generation opportunity to examine its local government structures – to ask whether local government can do better for the people of Wellington. Can we help the region to reach its potential? Can we develop a model that meets residents' expectations, not only now, but well into the future? In considering these questions, it is essential that we learn from others, and develop solutions that are forward-looking.

Our proposal is for a simple, accessible democratic governance arrangement, underpinned by a high-quality customer service delivery organisation. It is built from the ground up, and represents fresh thinking. It is based not on the structures of the past but on the challenges Wellington is likely to meet in future, and the expectations and aspirations of the region's communities.

It aims to link residents with local decision-makers, without barriers or distance between them. It prioritises local voice and local democracy in a flexible and responsive way that aims to genuinely address community needs. It will deliver more effective leadership, more efficient and effective services, greater resilience, and the ability to meet future challenges head-on. Of the options available, it most effectively achieves the purposes of local government as set out in the Local Government Act 2002. We look forward to the Commission's consideration.

> *This application has been developed in light of an expectation that the Greater Wellington Regional Council will submit an alternative application to the Local Government Commission on the basis of establishing a region-wide two-tier council.*
>
> *This application has also been developed in anticipation that residents throughout the Wellington region will be invited to take part in a binding referendum on whether reorganisation should be undertaken or not.*

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[1] South Wairarapa, Carterton and Masterton District Councils submitted a reorganisation application to the local government commission on 17 May 2013

Executive summary

Proposal summary

This proposal is for a single council for the whole Wellington metropolitan area, with strengthened relationships between councilors and local areas, enhanced checks and balances to strengthen transparency and accountability, and more flexible and effective approaches to representation of local interests.

Specifically, the proposal includes:

- Replacement of the five existing Wellington metropolitan councils and the Wellington Regional Council with a **single unitary Council** made up of a Mayor and 29 councillors elected from small local single-member wards.

- Establishment of **semi-autonomous commissioners** to provide independent oversight of Council activities (including administrative matters and management of the environment).

- **Strengthened support for councillors** so they can more effectively represent their local communities.

- **Flexible and effective approaches to local representation**, which may include community boards and other mechanisms depending on community preferences.

This option proposes changes to decision-making structures; it will enable improvements to the services that are delivered; the ways in which residents engage with their council based on what they need and where they need it.

Drivers of change

A new focus on efficiency and effectiveness in local government law

The 2012 amendments to the Local Government Act 2002 focus local government on the provision of good-quality local infrastructure and public services in a cost-effective manner. The Act defines "good-quality" as meaning efficient, effective, and appropriate to present and future circumstances. These changes require a sharper focus on the delivery of core local government services that are value for money – all of which are potentially delivered by changes to local government structures.

The 2012 amendments also made changes to the Act's local government reorganisation provisions, with the overarching purpose of improving efficiency and effectiveness. Under the amended Act, any person who can demonstrate community support can apply to the Local Government Commission asking it to investigate changes to local government structures.

Establishment of a single Auckland Council

The establishment of a single Auckland Council in 2009 has caused other parts of New Zealand to reconsider their local government structures. The single Auckland Council was established through amalgamation of six territorial authorities and a regional council into a single unitary authority. It is responsible for the delivery of services to 1.4 million people, its budget reaches in to the billions of dollars, and it is responsible for some of the most significant decision-making at the local government level New Zealand has ever seen.

Policy has changed

In March 2012, the Government released Better Local Government (BLG) – its sister policy to the Better Public Services framework. A two-year programme of reform with 10 action points sets out new expectations about how local government will work.

BLG requires greater emphasis on value for money, greater financial transparency and accountability, and a more regional focus. As part of the programme, taskforces were established on local government efficiency and infrastructure provision, also with an emphasis on efficiency and effectiveness.

Communities considering local government reorganisation

Throughout New Zealand, a number of reviews are under way with respect to local government structures.

In Wellington, this discussion has been underway for some time. Since 2009, various reviews have been undertaken to identify whether there is a better way of doing things including a Mayoral Forum work programme. In 2010, the region's local authorities began work on a range of shared services approaches.

Since that time, discussion has continued among Wellington communities and community leaders about whether current local government structures were impeding progress towards long-term objectives. The various reviews and other initiatives have demonstrated that, without structural change, progress can be fraught with difficulty because of sub-regional viewpoints.

Wellington's communities are interested in change

Residents in Wellington city and throughout the Wellington region have been asked to give their views about whether change is necessary and what kind of change might be the catalyst for our region to perform better.

More than half of Wellington city residents believe that change should be made (WCC Survey) and more than half of submitters from the Wellington region believe that change should be made (Working Party Consultation).

Arguments for a single-tier model

The single-tier approach proposed in this application:

- is the option that can most effectively achieve the purposes of local government as set out in the Local Government Act 2002

- is the option that most effectively meets the Commission's criteria for consideration of local government reorganisation

- complies with principles of good governance

- has demonstrable community support

- will meet residents' expectations, and

- offers the best, most flexible and therefore most resilient local governance structure to meet the region's future challenges.

Although there are arguments against a single-tier model, in our view these arguments are largely based more on perception than reality and have been addressed through subsequent design refinement.

Direct access, direct accountability

This option proposes a single-tier Council, with councillors elected from small local single-member wards. It also proposes to strengthen support for councillors so they can more effectively understand and represent community and resident interests.

Direct access means that residents will know who their elected representative is because they have elected them from their community. Councillors will be the representatives of the people who live in their ward, and they will provide a local voice at the decision-making table.

Being able to influence decision-makers directly is already part of our culture. When we write to the Prime Minister, we get a reply; when we ask a question of our leaders, we get an answer. Each of Wellington's local authorities already offers direct access to decision-makers at a local level.

But, establishment of a single-tier Wellington council provides an opportunity to build on that. It can bring genuine power closer to the people, by providing residents with direct access to decision-makers on a body with genuine clout at regional and national levels.

Direct accountability means that residents will be able to hold their councillors accountable for the decisions they make. There will be no confusion about where decision-making responsibilities lie. Councillors will engage directly with their communities, without additional layers of bureaucracy or red tape in the way.

Councillors are elected to be representatives at the decision-making table, they're responsible to residents and ratepayers, and so they should be. There should be nothing between citizens and their councillor, who should be able to talk to their elected representative and trust that their views are accurately expressed before the Council makes a decision.

A second-tier of decision-making diminishes the quality of democratic representation that citizens receive. It means that councillors may not be directly linked to what residents think. With a local board model, residents will not always know who does what – who provides what services, who is responsible for decisions and for how money is spent.

Any model of governance that blurs accountability and allows elected officials to be sheltered from their decisions is a model that should be avoided.

Efficient decision-making, efficient service delivery

This model proposes one set of decision-makers supported by one organisation. There will be less duplication, fewer overheads, greater ability to use resources where they are needed most, and clearer more transparent decision-making processes.

Efficient decision-making: When you elect your councillor, you expect them to make decisions with your best interests in mind, you expect to influence that decision but most of all, you elect them to make decisions in the first place.

A single-tier Council means that there will be one voice for the region, one table of decision-making. Rather than having two or more bodies negotiating and making compromises, there will be one body able to make clear and durable decisions that reflect the region's interests while being directly informed by community views.

Efficient service delivery: Councillors make decisions about what services are most important, how much they can afford to spend to make them happen and for holding council officers to account for the quality of services they've been asked to deliver.

A single council organisation will deliver those services right across the region, tailored to communities and neighbourhoods. This will ensure an appropriate, consistent, high standard of service delivery across the region. It will mean that duplication is eliminated, costs can be managed more effectively, and innovations can be harnessed more effectively for region-wide benefit.

A more flexible, responsive approach to community aspirations

This model provides for genuine, responsive representation of local communities and genuine support for their wishes and aspirations – not a fixed, inflexible structure that purports to represent local needs without having the power to do so effectively.

More flexible local decision-making

This approach does not assume that a 'one size fits all' approach will be the best option for all of the region's communities or reflective of specific community identity or preferences. It does not assume that what works for central Wellington apartment dwellers will also work for people in Ohariu Valley or Belmont or the Kapiti Coast. This model also does not assume that the 'board meeting' model of local decision-making will continue to be the best way to support community aspirations in the 21st century.

This approach therefore provides for flexibility, depending on the wishes and aspirations of the local community. Under this model, community boards will be established where there is demand. There will also be greater use of participatory democracy, in which residents and communities are invited to develop their own solutions rather than rely just on councillors and council staff.

This flexible, responsive approach recognises that local communities do not stand still. Issues will come and go. Communities need to be able to express themselves in ways that most suit them as each issue arises – not a single, fixed approach to identifying, supporting and implementing local solutions.

The future of local services: It is important to be clear that this option is about how and where decisions are made. Under this option, local communities will continue to have high-quality parks, pools, libraries, and the huge range of other Council-run services and facilities.

Residents expect and deserve to have high quality, value-for-money local services. Under this proposal, the Council will be responsible for determining the service standards that will apply across the Wellington region, and a single Council organisation will be responsible for efficiently and effectively delivering those services.

It is fundamental to this approach that residents will be able to directly influence decision-making about standards of service, and will be able to see the results of their input.

Established protection of local voice

At is simplest, local government has responsibility for decisions on three key matters. It is important to note that 'local voice' and the ability to influence decision-making about issues facing the community is protected by law[2] regardless of the structure of local government. For example:

- *service levels and rates* – residents, households, community organisations and businesses can influence decisions on service levels, the level of rates and borrowings, and who pays for each activity through the long-term plan and annual plan processes. There is a rich history throughout the region of community involvement in decision-making at long-term and annual plan time, and this would not change under a different governance structure.

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[2] S78 – Local Government Act 2002

- *land use* – the District Plan helps the Council manage the development of the city by regulating the environmental effects created by new buildings and activities. The rules that govern the plan are subject to extensive consultation with the community, and non-permitted activities under those rules are subjected to further formal regulatory processes that ensure affected parties have their input. This would not change.

- *regulatory activities* – bylaws regulate specific activities in the city and this can affect local communities. This can range from regulating where liquor outlets are located in a suburb, speed limits in suburbs, to where dogs can walk off the leash. All bylaws have a formal consultation process to ensure local communities can influence the rules of the bylaw before it is adopted.

This proposal ensures that the simplest and most transparent approach to enabling democratic participation on these key facets of local government is being proposed. As is canvassed throughout this proposal, there should be no barrier, distance or bureaucracy that must be managed by the resident to interfere with a resident's ability to influence those decision-making processes.

A stronger regional voice

A single Council delivers a strong, coherent regional voice, able to advocate for and represent the interests of all parts of the region. It will provide a governance structure that is agile and resilient, and therefore capable of meeting the region's future challenges – economic and environmental – and the many and varied needs of citizens in a fast changing world.

Stronger emphasis on access and accountability

Under a single-tier Council it will be clearer than in other models where decision-making responsibilities lie, and this will enhance transparency and accountability. But the importance and influence of a single unitary authority means that additional checks and balances are justified.

This model proposes the establishment of semi-autonomous commissioners, able to report on Council operations and functions, providing additional safeguards on the Council's use of public funds and management of the environment.

Limitations of other models

Each of the other possible options for Wellington local governance – such as a two-tier or multi unitary model – has positives and limitations. For most of the alternative models, the limitations are significant and compromise their ability to meet the Commission's criteria and comply with principles of good governance. Mostly, these limitations are structural and cannot easily be resolved. The single-tier Council model proposed in this application also has limitations but these are perception-based, not structural.

The proposed structure

One Voice, One Table, One Wellington

Wellington Council

1 Mayor
Elected by all the people of the metropolitan Wellington area.

29 Councillors
Elected by residents from small local single member wards.

1 Council Organisation
A single chief executive will head Wellington Council.
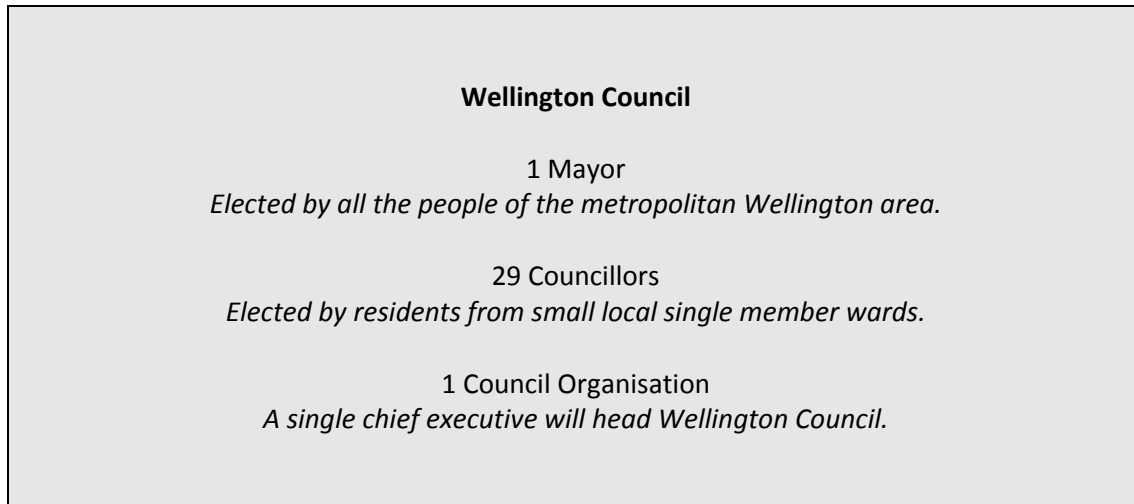
This proposal is for a new council, called Wellington Council, which would replace a number of existing councils:

- Wellington City Council

- Porirua City Council

- Kapiti Coast District Council

- Hutt City Council

- Upper Hutt City Council

- Greater Wellington Regional Council.

The proposal does not include Wairarapa. We are strongly of the view that the Wairarapa should determine its own future, and note that Wairarapa residents have given their councils a clear message that they support a single Wairarapa council. [3]

Under the proposal, all services would be delivered and all infrastructure and assets managed by a single Council organisation headed by a chief executive.

A single tier of decision-making

The proposal is for a single tier of Council decision-making, with flexible approaches to local representation as explained in the sections that follow.

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[3] Refer to the WCC Proposal Legislative Compliance Table as attached [Part3, s24(1) Local Government Act 2002]

The key advantage of a single-tier decision-making structure revolves around the two key purposes of local government: enabling democratic local decision-making; and meeting current and future community needs for good-quality and cost-effective infrastructure, services and performance of regulatory functions.

A single tier will mean that residents know who their representatives are, ensuring that decision-making is transparent and accountable. A single tier also represents an efficient use of resources. And, it recognises that the vast majority of decisions made by Wellington's local authorities – concerning, for example, infrastructure, environment, transport, urban development, and economic development (including tourism and events) – have regional implications and so deserve consideration by a regional body.

One of the arguments for a two-tier approach is the perceived importance of local decision-making over local services and amenities. However, this argument confuses decision-making with service provision.

The provision of high-quality local services and infrastructure for all Wellington communities will remain important no matter what local government structure is adopted. The question is: who should make decisions about those services? Is it necessary to have a second decision-making tier in order to do so?

The reality is that up to 5%[4] of decisions are genuinely local. Examples include decisions about dog control, library opening hours, and the placement of rubbish bins. Under a single-tier model, decisions about service levels can be made by a single Council with input from local communities (through the mechanisms explained in the 'Local influence' section below).

This approach ensures transparency of decision-making and budget-setting, fair and consistent levels of service across the region, and efficiency and effectiveness. It ensures that people know who is responsible for making a decision, and where to go in order to have their say. A second tier merely creates the appearance of local control when in fact the key budget and policy decisions will still be made at regional level. Furthermore, it creates this appearance at the expense of efficiency, transparency and accountability, consistency and fairness across the region, and quality of service.

Representation – 29 Councillors and a Mayor

The single-tier model ensures direct access and direct accountability between residents and their councillors. For that reason, it is not proposed that councillors be elected "at large". Instead, to ensure that direct accountability to residents, our proposal is for councillors to be elected from small local wards.

These wards would generally be based on existing local authority ward boundaries, reflecting broader and existing communities of interest, but with some further granulation to establish 29 individual wards and so ensure direct accountability to residents. The table to follow provides an **approximate representation** of proposed ward boundaries, excluding a fourth ward for the current Porirua area which has not been possible to draw on currently available information.

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[4] As per the report of the Wellington Working Party

We recommend the establishment of single-member wards. We believe they are likely to encourage a more diverse range of representation compared with other approaches.

We believe that two-member and at large wards are clearly representative, but barriers can be posed to the election of councillors who are more reflective of their communities[5].

For example, under the single member ward approach (which results in a 1 councillor to around 15,500 residents ratio), we are of the view that because of the smaller population that candidates are required to engage with, the more intimately communities will come to know those seeking election to the council.
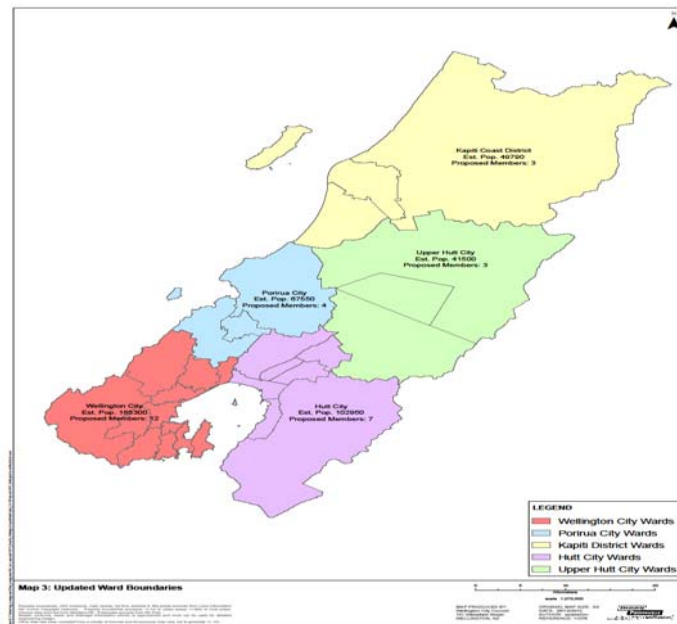
While representation is of course driven by the type of system that is used to elect members to council, smaller local wards as those proposed here will further encourage diversification of representation because the election process can be made cheaper, more local and more direct.

We have worked to ensure that not only will this proposal reflect the special democratic culture of Wellington, but that any proposal put forward for consideration maximises potential democratic engagement of our residents. We believe that by ensuring the wards from which potential councillors are elected are small in terms of population and geography – for the most part – the intimate nature of the election process could improve democratic participation rates in local government.

Checks and balances

The single-tier model enhances accountability and transparency by ensuring that it is clear who makes decisions, and ensuring that communities have direct access to those decision-makers. However, a single-tier Council will have significant powers and responsibilities. Additional checks and balances are therefore justified in order to further reinforce transparency and accountability, and to guard against excessive or abusive exercise of executive decision-making power.

For those reasons, we propose the establishment of Council Commissioners. Based on the same approach taken with the offices of Ombudsmen and the Parliamentary Commissioner for the Environment, Council Commissioners would be semi-autonomous officers with powers to ensure that residents are protected and the council is held accountable for its decisions and actions.

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[5] WCC acknowledges 2 member wards are possible and we are eager to discuss with the Commission.

As well as providing a check and balance, the Commissioners will also be able to raise issues and advocate on behalf of residents.

Council Commissioners will not be officers of the council organisation; they will be appointed directly by the Wellington Council and supported by the chief executive. As semi-autonomous officers, they will report directly to the council as independent advisors, both proactively in their areas of interest and reactively in response to matters brought to their attention by residents.

We propose that the Local Government Commission expresses its expectation that Council Commissioners would be established by the Wellington Council consistent with the scope outlined below.

Commissioner (*Environment*)

- Semi-Autonomous
- Appointed by Wellington Council (5 years)
- Supported by the chief executive of Wellington Council
- May undertake investigations of their own volition
- Must undertake investigations as directed by Wellington Council
- May undertake investigations in response to matters raised by residents
- May make recommendations to Wellington Council that:
    o Seek consideration of environmental matters
    o Propose amendments to environmental regulations
    o Inform decision-making as an independent voice
    o Seek consideration of applications from residents on environmental matters
    o Provide independent assurance with respect to obligations under a range of environmental legislation.

Commissioner (*Administrative Review*)

- Semi-Autonomous
- Appointed by Wellington Council (5 Years)
- Supported by the Chief Executive of Wellington Council
- May undertake investigations of their own volition
- Must undertake investigation of matters arising from applications from residents
- May make recommendations to Wellington Council that the chief executive be directed to:
    o Undertake consideration of service delivery policy and practice, and report back with findings and any remediation steps for implementation
    o Appoint an officer to provide support to any residents whose applications result in a direction from the Commissioner that the chief executive undertake an investigation of service delivery policy and practice
    o May undertake research investigating potential effects of service delivery, policy and/or practice, and make such recommendations as appropriate to Wellington Council consistent with the Commissioner's mandate from the Council.

Local influence and the role of community boards

It is proposed that the new Wellington Council adopts a flexible and responsive approach to local democracy, depending on community wishes. That approach may include establishing community boards in some areas, but it also may include other approaches that are more in tune with how local communities are likely to express themselves in the 21st century.

Right now, some parts of the Wellington region want to have community boards; others don't. In addition, community boards have a variety of roles; the appropriate role for a community board in, say, Ohariu, may be completely different to the role of a board in Kapiti.

Under the proposed approach, there would be community boards where communities demonstrably want them. Existing community boards would be retained, and any communities who want to have a new community board established will be able to do so. The roles of those boards would also reflect community wishes. Some boards will have a representative role, allowing the local councillor to engage with residents on a range of issues. Some will be delegated special functions or activities and given funding to manage and deliver those activities. The Wellington Council will be expected to support community boards based on what the law says they can do and what communities want them to do (as per the provisions of the Local Government Act)[6].

This approach recognises that each community is very different, not only in size of population but also in other characteristics such as the extent to which they have a local identity separate from broader Wellington identity, the extent to which they want to do things for themselves, and their technology uptake and preferred methods of engagement and influence. This flexible, responsive community-oriented approach is therefore the best way to ensure that communities can retain influence over local decision-making and services in the manner most appropriate to them.

Community boards are special and this proposal wants to continue the important role they play in allowing communities to do the things they have asked to do for themselves.

Regardless of where community boards are formed, the new Council would also be expected to explore other opportunities for local input into decision-making. Not all communities will want a 'board meeting' approach to decision-making; many will prefer direct democracy models, such as online participation in decision-making. The approach set out in this proposal is therefore not prescriptive; it does not assume that a 'one size fits all' approach will be the best option for all of the region's communities or for every issue that arises. Rather, it provides for flexibility, depending on the wishes and aspirations of the local community and the nature of the decisions to be made.

Crucially, community boards offer a level of granulation not possible with other approaches such as local boards. Community boards instead enable the formation of communities that may be as small as Ohariu-Makara with fewer than 10,000 residents concerned or as large as Tawa at around 25,000 residents.

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[6] Refer Part 4, Subpart 2, ss49 – 54, Local Government Act 2002

Regardless of the populations, those community boards are self-determined and reflective of an almost neighbourhood to neighbourhood approach rather than arbitrary areas with populations of around 65,000 residents as may be the case with local boards[7].

Māori representation

We understand that the Commission is unable to provide for Māori representation in any reorganisation scheme. Nonetheless, we wish to record the importance we place on the partnership between mana whenua Māori and local government, and our wish that arrangements that protect and enhance this relationship are appropriately reflected in any new structure.

The representation arrangements discussed when outlining the small local ward based approach for the election of 29 councillors does not specifically provide for Māori representation on the council. We have met with mana whenua Iwi leaders regarding the proposal to establish a unitary authority in Wellington. Currently, there is no clear consensus within Māori communities as to what form of representation or influence might be preferred.

While some are of the view that Māori seats may be an appropriate mechanism to address Māori representation, others are of the view that the establishment of such seats reduces the influence of local government's partner in this relationship. While a variety of options have been broadly canvassed, there is agreement that there should be no erosion of the special partnership relationship.

As this application is filed, WCC engagement with Māori leaders and Māori communities on the question of governance structures for the Wellington is continuing. We support the Commission engaging with Māori communities as it formulates any draft reorganisation proposal for the region.

If a new Wellington Council were to resolve that Māori should be represented through Māori seats, based on the current population there would be an entitlement for two Māori seats.

Council committees

A single table of decision-making which is built from communities up and which is enhanced by ensuring there are no barriers, red tape or bureaucracy between residents and their councillors offers clear benefits of efficiency of decision-making, increased transparency and accountability.

However, it is recognised that there will be issues that councillors will take a deeper interest in which reflect the aspirations of their community or which reflect legislative requirements such as financial accountability.

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[7] Refer Schedule 3, Part 2, s15(3) – Local Government Act 2002

To ensure that Councillors are equipped with the depth of information and expertise they need, Council committees will also be established.

Known as the engine room of Parliament, select committees perform the function of undertaking deeper analysis, hearing from submitters, and providing recommendations to Parliament. The proposed Wellington Council can be expected to also adopt this model as an appropriate mechanism for deeper analysis and decision-making.

Committees would be established in line with the kinds of decisions the council will have to make, in line with its planning, finance, asset management, and administrative responsibilities. This is an approach with which residents will be familiar.

Empowering committees is a feature of this approach because we propose they be more broadly empowered to make recommendations to Council and that they be the place where deeper consideration is given to issues.

Councillors who are members of these committees will be responsible for reporting on issues that the committees have been tasked with investigating; the committees will hear from residents and provide recommendations to Council for consideration.

We propose that the Commission expresses its expectation that a new council will establish its committees consistent with the approach taken in establishing Parliamentary select committees.

Advisory bodies

Advisory bodies have an important role in enhancing the quality of decisions Wellington Council can make for the region. Our approach would establish a number of bodies that would be empowered to provide advice and expertise independent of council officers.

These bodies would be constituted on a triennial basis, with councillors and others from the community. This would enable clusters of councillors with specific portfolio interests to engage with a broader base from the community that crosses ward boundaries and which reflects a subject matter interest as opposed to a ward or geographic interest. Councillors on these bodies would be expected to act as intermediaries, reporting advisory body views to the council and council decisions and plans to the advisory bodies.

In this way, advisory bodies can form part of a robust decision and policy-making process that is in the best interests of the wider community.

As part of the establishment of advisory bodies, there would be an expectation that councillors and community representatives would develop an annual agreement setting out the shared work programme. Each advisory body would be supported by a Wellington Council officer as an advisor and another officer to act as a secretary.

We propose that the Commission expresses its expectation that a new council will establish, from time to time a range of sub-council bodies consistent with the approach outlined here.

Resourced councillors

Councillors have responsibilities to their communities to advocate, represent and make decisions. The council organisation has a responsibility to deliver high-quality, value-for money services and activities to residents throughout the region.

To ensure that councillors have freedom to engage as representatives and to fulfil their duties to their communities, our approach would establish Council 'hub' offices in each ward.

Those hub offices would be staffed with Wellington Council officers to deal with a range of administrative matters such as setting up clinic days, making appointments for residents to meet councillors, dealing with customer service delivery enquiries, and other administrative duties similar to the duties carried out by electorate agents in the electorate offices of Members of Parliament.

Hub offices will present a visible community presence for councillors and Wellington Council alike, while also liaising with the community, engaging with residents, and reducing the day-to-day burden on councillors.

Hub offices would be established using the infrastructure of existing territorial authorities, including council offices and community centres, ensuring that communities know where to find councillors and Council offices.

We propose that the Commission expresses its expectation that ward offices and direct resourcing be considered and established in consultation with residents through any transition phase toward the commencement of any new council.

Asset management

No preference is given in this proposal for whether assets owned by Wellington Council should be operated by Council Controlled Organisations or not. There are a range of options that deserve consideration, but decisions should be left for the Wellington Council if it is established.

Three options should be considered for how Wellington Council's assets and resources are managed:

- Council-operated business units

- Council committee controlled businesses

- Council controlled organisations

Each approach has benefits and risks. A council-operated business unit relies on expertise and management services being available within Wellington Council, whereas a Council Controlled Organisation may be perceived as too far removed from accountability to residents. Council Controlled Organisations however offer potential for greater efficiency.

One of the advisory bodies referred to above would be a specialist business advisory group, which would make specialist business expertise available to councillors and council committees and so assist with asset management.

In our view, decisions about how assets are managed should be left to a new council in consultation with residents to ensure an accurate reflection of local preferences.

The Wairarapa

We are strongly of the view that the Wairarapa should determine its own future and note that Wairarapa residents have given their councils a clear message that they strongly support a single Wairarapa council.

Consultation (both region-wide and specific to the Wairarapa) almost uniformly shows that Wairarapa residents do not want the Wairarapa to be part of a single Wellington council. We support the proposal for a Wairarapa Unitary Authority.

The establishment of separate unitary authorities for Wairarapa and Wellington reflects the distinct communities of interest in the region, with one having the particular interests and concerns of a rural area, and the other having a predominantly metropolitan focus.

A metropolitan Wellington Council, where all the population growth is occurring, has a different set of strategic drivers and demand for services than the Wairarapa. Wellington, Porirua, Hutt and Kapiti areas also have highly integrated infrastructure, whereas the metropolitan area's links with Wairarapa infrastructure are no greater than its links with the infrastructure of the Horizons region.

Where there are areas of mutual interest, Wellington and Wairarapa unitary authorities would still be able to work together. The regions on both sides of the Rimutakas will always have strong economic, environmental, cultural and social links and both councils will wish to ensure that these are maintained.

By establishing separate unitary authorities for Wairarapa and metropolitan Wellington, the Commission:

- provides for a clearer focus in strategic planning for both distinct areas

- reflects the two distinct communities of interest, one of which is rural and the other which is predominantly urban

- ensures that each unitary authority has the appropriate scale and size to deliver the services their communities expect and deserve

- reflects the preferences of most residents in the Wairarapa and the rest of the Wellington region.

If, however, a Wairarapa unitary authority does not eventuate and while not the preferred approach of residents or WCC, it would be possible to accommodate the Wairarapa within our proposed model. The benefits of doing so include:

- sharing some transport, tourism and economic links

- protecting Wellington's strategic interest in having a well governed and efficiently functioning 'food bowl' and 'rural playground'

- Wairarapa residents benefiting through access to the greater capabilities of a larger council, particularly for 'regional' services

- supporting the Wairarapa's financial sustainability over time.

We recommend that the Commission's proposal include the establishment of separate unitary authorities for Wairarapa and Wellington.

Assessing the single-tier model

The Commission's criteria

The Commission's criteria provide a guideline for the nature of improvements that should emerge from any reorganisation proposal.

Any change proposal must facilitate:

- efficiencies and cost savings, productivity improvements and a simplified planning process.

Any change model will:

- have the resources necessary to enable it to carry out effectively its responsibilities, duties, and powers

- have a district or region that is appropriate for the efficient performance of its role

- contain within its district or region one or more communities of interest, but only if they are distinct communities of interest.

The single-tier governance model demonstrably meets these criteria, as explained below.

Improved effectiveness and efficiency

The single-tier model will facilitate improved economic performance including efficiencies, cost savings and productivity improvements through:

- Reducing the number of organisations required to deliver local government services throughout the region.

- Streamlined planning processes

- Improved strategic investment capacity and decision-making capability

- Consistency in the application of operational policy and service delivery approaches without impinging upon service level variations that reflect local preferences

- Reduced overheads and operational expenses

- Significantly improved procurement capacity and capability.

A more representative, responsive, transparent and accountable organisation

The proposed model will be representative, responsive, transparent and accountable because there will be no barriers, distance and bureaucracy between residents and their elected decision-makers. This is achieved in several ways.

First, Councillors will be elected from 29 small wards. The wards will be of a smaller scale than currently exist in most of the Wellington region. They will virtually reflect suburbs rather than collections of suburbs. This will allow councillors to bring a neighbourhood perspective to the decision-making table. It will ensure that strategic decision-making occurs at the right level – ward residents will have influence over local issues, while strategic and regional decisions will be made at the right level with all perspectives taken into account and appropriately balanced.

Second, the absence of a second layer of decision-making or multiple councils will mean it is clear who is making decisions and therefore clear who residents should speak to if they want to have a say. Other models, by contrast, have the potential to add a confusing bureaucratic brake on access to and influence of real decision-makers. Councillors will be directly accountable to the people they were elected to represent. This model deliberately provides no shelter from accountability nor any ability to defer responsibility.

Third, the proposed enhanced committee approach will provide additional opportunities for residents to engage, and additional checks and balances against the exercise of the Council's executive powers. The semi-autonomous commissioners will also provide additional accountability, transparency and checks and balances.

A more integrated and coordinated approach

Under this model, key decisions affecting the Wellington region will be made by a single decision-making body. All perspectives will be appropriately considered and balanced, before clear, durable decisions are made. By contrast, the status quo provides for slow and fragmented decision-making without a clear regional perspective. A single council responsible for the entire region will be able to take local perspectives into account while taking a broad, integrated regional approach.

A single council organisation will also be able to deliver services consistently across the whole region, while ensuring that those services have a specific local flavour where appropriate. The existence of small local wards will give a local flavour to broader regional decision-making.

With regional decisions being made from a local perspective, the level of integration that will be achieved is far greater than either the status quo or any other alternative model can offer. A single organisation will enable a high degree of horizontal management to link the organisation together cohesively.

A more resilient and adaptive organisation

This model will be resilient and adaptive, because of its simplicity and its greater resource base. Without a second decision-making tier, it will be able to respond quickly to changes in its operating environment where that is necessary.

Because it encourages direct engagement between decision-makers and residents, it will be highly responsive to local preferences yet will not be constrained by cumbersome processes and systems.

The fundamental basis for the simplicity of this proposed structure is that it will deliver high quality democratic engagement through direct access to decision-makers by empowered residents with reinforced influence in a structure that leads to focus on delivering high quality outcomes.

A more appropriate scale and size

This model will have the size, scale and resources necessary to enable it to efficiently and effectively carry out its responsibilities, because it will combine the assets and resources of the existing five city and district councils as well as a portion of the resources currently vested with the Greater Wellington Regional Council.

As a unitary authority responsible for delivering services to a population in excess of 450,000 people, the council will be of sufficient scale to attract the skilled resources it requires to undertake its activities. The council will also be able to achieve significantly improved commercial arrangements through its improved procurement position.

Given the scale of the new council, not only will it have sufficient resources necessary to carry out effectively its responsibilities and improved procurement outcomes, it will have significantly greater strategic financial investment capacity and capability.

Democratic local decision-making

This model will provide democratic local decision-making and action by, and on behalf of, local communities. This will be achieved through the direct election of councillors from small local wards, requiring them to bring a local perspective to the decision-making table. It will also be achieved through flexible and responsive approaches to local influence and decision-making.

As explained earlier, this will include community boards if that is what residents want, but it will also include other mechanisms for local input into decision-making. This approach will allow communities to determine the arrangements that suit them best, and it will also allow for greater flexibility in response to specific issues and changes in technology. In the 21st century, board meetings may be appropriate for some but by no means all issues and communities; a more flexible, responsive approach is required.

Where community boards are established, it will be crucial that their functions and responsibilities reflect local preferences. Delegations must be agreed between the council and the community, as is the case now. Although this proposal does not prescribe a 'one size fits all' approach, it does recognise that community boards are highly successful in the right circumstances and will remain fundamental to the delivery of high quality democratic engagement and representation.

Appropriate boundaries

The proposed Wellington Council would encompass the entire area from the existing Wellington Region boundary in the north to the Rimutaka Ranges in the east and south to the Cook Strait. These boundaries are appropriate for the efficient performance of the council's role as a unitary authority with sensible physical delineation in the east, complementing the Wairarapa application.

In addition, the proposed boundary reflects provisions in the legislation which allow for distinctions to be made between areas that are predominantly urban and those that are rural. Consistent with the views of most Wellingtonians, the Wairarapa should be permitted to form its own unitary authority. The areas west of the Rimutaka ranges and south of Wellington region's current northern boundary can reasonably be classified as predominantly urban and should be governed accordingly. The northern-most area which is currently under the jurisdiction of the Kapiti Coast District Council continues to be further integrated into the rest of the urban area through transport links such as Transmission Gully and the electrified rail service.

Appropriate water catchment boundaries

The proposed Wellington Council would be consistent with logical water management areas as well as natural flood zones. The natural physical boundary created by the Rimutaka Ranges separates water catchments and flood zones between Wairarapa in the east and the Wellington metropolitan area to the west.

Management of water services throughout most of the metropolitan area is undertaken through a jointly owned Council Controlled Organisation. Further integration of water management services could be easily achieved under the proposed metropolitan Wellington Council boundary.

Many communities of interest

The proposed Wellington Council would contain within the proposed district numerous communities of interest, ranging from a single Wellington metropolitan community of interest, to existing city and district communities (Wellington city, Hutt Valley, Porirua, Kapiti), to neighbourhoods such as Te Aro, Titahi Bay and Raumati. The proposed structure provides for effective representation of these smaller communities of interest while ensuring that the wider community is able to speak with a single voice.

Communities are no longer just defined by geography alone; changes in movement patters, society and culture are features of a more diverse view of communities of interest. This can be seen in the consultation process involved with WCC's draft annual plan where sectors and interests groups are as visible as residents representing a location-based view.

Principles of good governance

This proposal seeks to build on Wellington's special democratic culture. It recognises that Wellingtonians entrust their elected representatives with powers of decision-making, but in return for that trust they expect transparency, accountability and value for money.

This proposal seeks to deliver against those expectations in a new and very real way. By removing barriers and closing perceived distance between residents and their councillors, it will eliminate confusion and complexity while providing for more responsive, more durable, and higher quality decision-making.

Improved accountability mechanisms will demonstrate that residents have been heard and have influenced the decision-making process.

The focus of this proposal is on improving democratic engagement by reducing barriers between residents and decision-makers, and being clear about who makes decisions and is accountable for them.

Based on the work of the Wellington Region Local Government Review Panel (headed by Sir Geoffrey Palmer) and consideration of experiences elsewhere (in Auckland, Christchurch and overseas), several principles of good governance have been identified. In the following paragraphs, this proposal is assessed against those principles.

Stronger and more effective regional leadership

There is currently no single person or organisation empowered to speak on Wellington's behalf. Instead, nine leaders with differing visions and priorities compete for attention and resources. This puts Wellington at a disadvantage when negotiating and working with central government agencies and the private sector, and when promoting the region's economic development.

It also impacts on a range of matters that cross current jurisdictional boundaries including transport infrastructure and services, land development and resilience planning. Stronger regional and strategic leadership is important to support growth and help generate the conditions for the provision of jobs and the region's ongoing success.

A single council is also a better reflection of the existing strong community of interest that exists at the Wellington regional level.

APPENDIX 1

A more effective and integrated approach to economic development

Wellington's economy has recently been in the headlines with the release of two reports. The Wellington Regional Strategy Office reported in April 2013 that Wellington's gross domestic product is behind the national average, and research underpinning the report by economic consultancy *Infometrics* ranked Wellington 15th out of 16 regions for economic growth.

These findings align with the Ministry of Business, Innovation and Employment's Regional Economic Activity April 2013 Report, which put Wellington's employment and population growth behind the rest of the country.

In our view, a single council would enhance economic performance by reducing duplication and competition within the region and enabling key decisions to be made, supported by the prioritised delivery of essential regional infrastructure.

As the former Director of the Australian Centre of Excellence for Local Government (ACELG)[8] Professor Graham Sansom notes: "It is difficult for an outsider to understand the logic of having responsibility for key decisions about the future of the Wellington CBD split between the City and the Regional Council."

Improved local democracy

A single, well-resourced council will have an opportunity to provide more authentic neighbourhood level engagement and decision-making on local issues. This will allow local communities to focus on local matters while also being able to inform decisions that span larger areas and affect more people.

As already explained, the small local ward approach will ensure a direct link between councillors and residents. The absence of distance, barriers or bureaucracy will ensure that high quality democratic engagement is fostered. And the absence of a 'one size fits all' approach to community representation will allow a more flexible, responsive approach that reflects the wishes of each community, is appropriate to the issue under consideration, and is responsive to changes in technology and the ways in which communities prefer to engage.

Enhanced capability to carry out its responsibilities and meet the demand for world-class infrastructure

It is possible to achieve more efficient and effective delivery of key infrastructure and services through economies of scale, more integrated planning, better prioritisation of resources, and a greater pool and depth of expertise – but it requires a regional approach. This includes airports, ports, roads and cycleways and infrastructure associated with water supply and drainage. Currently, there are many councils with differing priorities and approaches.

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[8] Professor Sansom was co-author of ACELG's report 'Consolidation in Local Government: A Fresh Look', published in conjunction with the Local Government Association of South Australia and Local Government New Zealand in May 2011

The single-tier model seeks to achieve the optimal balance between making strategic regional decisions while ensuring that they are informed from within a local perspective giving residents the best opportunity to have their preferences reflected in the decision-making process.

Reduced duplication with greater efficiency and effectiveness

A regional approach would eliminate the duplication that currently exists between the region's nine councils. It would also enable more efficient service delivery and cost savings through economies of scale, streamlined plans and processes, reduced compliance costs, more efficient service delivery, and avoiding duplication and waste, which provides better value for money.

As demonstrated in support material provided with this application, we estimate that annual efficiency savings of between $16 million and $29 million per annum could be achieved – money that could be prioritised on improving services. This represents a significant opportunity to the region because of a new council's significantly improved strategic financial investment capacity and capability.

Savings are also possible in other models to varying extents. However, we note that we have only counted savings that do not diminish democratic engagement, transparency, accountability and effectiveness. Although some other models will also deliver some savings, these are likely to be less than the savings delivered by a single-tier model.

Greater resilience

WCC's proposal would establish a council that is better resourced, better able to prioritise, and better able to respond to changing circumstances than any other possible model. This will ensure that the council is resilient, agile, and adaptive when dealing with changes in circumstances.

A single-tier council will be able to more effectively improve the region's readiness for natural and other disasters, and environmental and economic challenges. It will be able to draw on the resources of the whole region and make effective decisions throughout the period of recovery following such events.

Simpler, faster, clearer planning

One of the key benefits of the single-tier approach is simplified planning for the region's future development. Instead of a multitude of overlapping and sometimes conflicting plans and priorities, there is an opportunity to develop a single, coherent approach to future growth and development, and to planning and decision-making about specific projects.

Similarly, instead of nine annual plans there would be one, creating more certainty about the region's overall direction and faster, clearer decision-making. Greatly simplified planning processes for statutory and non-statutory plans will deliver more streamlined and integrated results, with greater efficiency and effectiveness.

In our view, adopting single-tier model will make it easier to implement planning and will significantly reduce compliance costs for businesses and residents. As compared with other models, influencing planning decisions will be direct to the decision makers and not through a serious of processes.

While meetings of such a large council may take longer than is currently the case in existing Wellington local authorities, the process of decision making will be faster. The benefit of empowered committees, a streamlined process and resourcing of councillors means that focus can be given to decisions rather than the process of making them.

Engagement and decision making at the right level

An important design feature of our proposal is that it provides for direct representative democracy because there is no other layer of decision-making and because councillors are drawn from small local wards.

The proposal establishes a structure with strong and direct accountability between residents and councillors for the decisions they make and the advocacy they offer to the council table. The simplicity of the structural design allows for new and innovative approaches to participation and engagement with communities and partners who can be adapted over time to more accurately reflect the needs and preferences of residents.

A regional view works

Auckland Mayor Len Brown recently wrote that local government changes in that city had created "a much stronger sense of cohesion", and much less infighting. There had also been major benefits for planning and the pace of change.

Mayor Brown added that "…Agglomeration meant we could deliver change at a much faster pace. With a number of our projects there has been extraordinary momentum. There's no way they'd have been delivered at that pace under the former councils."

Establishing a single council for the Wellington region brings all the current fragmented councils together and would enable Wellington to achieve the cohesion that Mayor Brown sees as an important aspect of Auckland's future success.

Mayor Brown's view has received widespread support from a number of quarters, including Professor Sansom. As discussed in his paper 'The Governance of Wellington: Revisiting the Basis for Change' prepared for WCC during his tenure in 2012 as Victoria University's Don Trow Fellow "The governance implication for Wellington is the need for a structure that can help maximise the City's potential as an economic force in its own right and to complement the growth of Auckland."

Addressing limitations

During consultation and discussion about the single-tier model, some limitations have been identified. However, in our view those limitations are more perceived than real, and where they are real they can be reasonably easily addressed.

We also acknowledge that a number of elements key to the success of the single-tier model are reliant upon the culture of a new council. Where the Commission cannot give specific directions about the design of a new local government structure, we invite it to express its expectations. We also acknowledge that there may be benefits in factoring some flexibility into the Commission's proposal to ensure that there is sufficient opportunity to be adaptive, agile and responsive over time in responding to the needs of residents.

Perceived limitations

Perception of centralisation of power

Consultation has shown that residents who oppose change believe that "local representation will decrease, amounting to an erosion of democracy".[9]

Other objections to the single council model that have been raised are that:

- A single council for the region will inevitably be Wellington city-centric and the needs of the rest of the region will be ignored

- Amalgamation will disempower the average citizen while heightening the power of the business community.

Perception that decision-making is not driven from neighbourhoods and communities

Consultation has shown that the main concern raised by residents who oppose change is that a larger entity would be "further away from the people and this would make it more difficult for local voices to be heard"[10].

They also believe:

- smaller local councils are more 'community-minded', more responsive and less corrupt than a large conglomerate; and that local government should be just that – local.

- amalgamation will have a homogenising effect, resulting in a loss of individuality and identity for the diverse communities that make up the region

- each local authority area has a different environment and future-focus, as well as distinct issues, demographics and strengths. Putting them all together into 'the same bucket' will only result in some having more funding and resources to flourish, and the others falling behind.

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[9] Regional Reform: Analysis of public feedback by the Working Party
[10] Regional Reform: Analysis of public feedback by the Working Party

Elected members' workloads

Some residents have expressed some concern that it will not be possible for an elected member to adequately meet the demands of their local community while also dealing with the major strategic issues of a large region.

WCC's responses

We have responded to these concerns in the following ways:

- Revised the proposed ward structure from multiple councillor wards to small local wards with single members with higher ratios of representation.

- Ensured the inclusion of an expectation that community boards would remain a feature of the Wellington local government landscape where communities want them.

- Ensured the inclusion of an expectation that sub-council advisory bodies would be a feature of a new council to ensure high quality engagement on issues of specific interest or where councillors may benefit from engaging with subject matter experts.

- Empowered committees as the engine-room of the council to ensure that residents and interested parties have opportunities to engage with councillors on an issue-by-issue basis and to further inform council decision-making.

- Established council commissioners as semi-autonomous officers of the council with powers of review and recommendation to act on residents' behalf in relation to decisions the council has taken.

- Proposed that a direct resourcing approach be developed through the transition phase which would provide support to councillors through a ward office and dedicated staff.

- It is acknowledged that representation based on population will result in almost half of the total number of councillors being elected from what is currently the WCC territory given the concentration of population in the city, it is also acknowledge that the majority of councillors would be drawn from around the remainder of the region.

- It is acknowledged that WCC in this proposal has made a clear delineation between democratic engagement and decision-making and customer service.

Examples of successful single-tier councils

Councillors and officers visited Australia in October 2012 to meet with elected members and council staff at Brisbane and Gold Coast City Councils to view first hand how single-tier governance councils operate.

Brisbane

Brisbane City Council has an executive Lord Mayor, a parliamentary-style council of twenty-six councillors representing single-member wards of approximately 23,000 voters, and a Civic Cabinet comprising the Lord Mayor and the chairpersons of the standing committees drawn from the council membership.

The Chair of Brisbane Council, Councillor Margaret de Wit, sees the benefits of a single council over a large metropolitan area as "bringing uniformity across the city in terms of planning, economies of scale, and having real influence with the State Government". Cr de Wit noted that while councillors stood as political representatives, their primary focus was looking after the needs of the city and its residents.

It is also worth noting that residents' responses to annual client satisfaction surveys have, for consecutive years, continued to report extremely high levels of positive brand recognition with Brisbane Council. This, coupled with extremely high re-election rates for performing councillors indicates that an approach focused on direct accountability is highly successful from the perspective of residents.

Cr de Wit also believes a single ward system delivers highly transparent accountability – and that if you don't look after your community you will be "thrown out at the next election".

Each ward office is supported by staff who deal with all communications coming into the office. Ward councillors also have a personal assistant who deal with more complex issues, manage the office and the councillor's diary, and manage a ward budget as approved by the councillor.

Gold Coast City

Gold Coast City has a population of about 500,000 people. The city council is divided into 14 wards and the Mayor is elected at large. The council's current boundaries have been in place since 1995. In contrast to Brisbane City Council, councillors are able to act in the interests of their communities with varying degrees of independence from party politics and have a committee structure rather than a cabinet. As is the case in Brisbane, councillors have ward offices and are well resourced.

The Council's CEO, Dale Dickson, said that a single council for the Gold Coast region allows the city to make the most of its potential "to be the best it can be" and that a critical mass is needed for a city to be economically 'bullet proof' and to enhance its liveability.

Having visited Wellington, and being part of the governance debate in Australia, he noted that in considering Wellington's future, the question was not whether the current structure was 'broken', but rather: is the region realising its full potential?

Both Brisbane and Gold Coast councils are examples of how a single-tier governance model can deliver effective local democracy. The Gold Coast City Council in particular illustrates that a single-tier council can work well for a population similar to that of the Wellington region. While Gold Coast residents challenge their elected members in relation to the decisions they make, there has been no strong push by the community, or plans by state government, for structural change.

Community support

WCC has undertaken wide ranging consultation on local government reform during 2012 and 2013. In May 2012, WCC released a discussion document for public consultation on the question of governance reform in the region.

WCC also commissioned Colmar Brunton to undertake a regional survey of residents in conjunction with all territorial authorities in the Wellington region. Further consultation was carried out in April and May 2013, including a survey of Wellington city residents.

2012 consultation results

The purpose of the 2012 engagement was to understand the issues and drivers, and where public sentiment sat, on reform of local government. Submitters were asked for their views on four governance options for the Wellington region:

- **Option 1:** retain existing councils but with shared services;

- **Option 2:** merge all existing councils into three unitary councils;

- **Option 3:** merge all existing councils into two councils, a Wellington council and a Wairarapa Council; and

- **Option 4:** merge all councils into one council for the whole region.

We received 1,209 submissions. These 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.

Submitters were invited to state whether they wanted the current system to change or not. Of the 1,209 submitters, 1,092 (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–. A small number of those who stated a preference for change did not go on to choose an option.

Of the approximately 1,000 submitters that voted for a change option:[11]

- 252 voted for option 1 – all councils remain in place but with more shared services and collaboration (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 – three unitary authorities.

- 296 voted for option 3 - unitary authorities for Wairarapa and Wellington.

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[11] The remaining 200 or so submitters either chose 'no change' or didn't indicate either way.

- 234 voted for option 4 – a single unitary authority covering both Wairarapa and Wellington.

- 68 chose 'another option'.

- 745 chose options 2, 3, 4 or another option, meaning that around 60% of all 1,209 submissions voted for these options and around 40% did not.

A full copy of the report to WCC's Strategy and Policy Committee on 23 August 2012, detailing who the council consulted with, the methodology used, and the results of consultation is attached.

2013 Consultation results

Submissions

Between 21 March and 3 May 2013, the Local Government Reform Working Party (representing Greater Wellington, Wellington city, Porirua and Kapiti) and WCC consulted with the public on options for local governance reorganisation. We are aware that the Commission needs only to ascertain whether there is demonstrable – rather than significant – support for a reorganisation application, and for change.

Nonetheless, both the Working Party and the Council wished to engage the public in a robust debate about local government structures. During the consultation, people were asked their views on establishment of a single unitary authority for the Wellington region, either as a single-tier council or as a two-tier council with local boards.

During consultation, the public were asked about the importance of each of the principles of good governance referred to earlier (effective leadership, simplified planning processes, efficient delivery of services, integrated planning and delivery of key infrastructure, an integrated and regional approach to economic development, a resilient and adaptive region, and a local voice and access to decision making). Residents were then asked whether they felt a single council would deliver better results in relation to those criteria.

The results showed that people believed that each of the principles of good governance was important. A significant proportion of those who submitted believed that establishing a single council would deliver on those principles.

Specifically, 51% believed a single council would deliver more effective leadership; 52% believed a single council would deliver simplified and more effective planning processes; 50% believed a single council would deliver services more efficiently; 52% believed a single council would deliver key infrastructure more effectively and efficiently; 50% believed a single council would deliver a more effective and integrated approach to economic development; 47% believed a single council would be more resilient and adaptive to changing circumstances.

The only principle of good governance for which a single council was not favoured was local democracy: asked if a single council would provide a local voice and access to decision-making about their community, 33% agreed and 50% disagreed.

In the context of their answers to the questions about governance principles, people were then asked whether the current structure needs to change. The submission results shows that a total of 58% of submitters in the region support change to the way local government is structured in the region, a further 35% disagree with change and 7% are neutral or don't know[12].

There are some variations in the region. Most supportive of change are Kapiti (70%) Porirua (64%) and Wairarapa (82%). Least supportive are Upper Hutt (28%) and Lower Hutt submitters (44%). Wellington city – with just under half the regions population – occupies the middle ground with 58% support for change.

In terms of preference for a model of governance, there was a preference for a two-tier model (favoured by 51%) over a one-tier model (favoured by 23%); with 34% having no preference or saying they didn't know. Those who favoured a two-tier model did so because they believed it more effectively protected local voice. (As already explained, we do not believe that a second tier does in fact provide effective local democracy, and nor does it deliver on the other principles of good governance as effectively as a one-tier model.)

People were also asked if the Wairarapa should be included in the Wellington Council. Nearly half of submitters said no, a quarter said yes, and 30% were undecided.

WCC survey

To widen the pool of people we heard from, 503 Wellingtonians were surveyed by Colmar Brunton between 22 and 26 April 2013[13]. Of these:

- 52% either agreed or strongly agreed that the current structure of local government in Wellington should change

- 15% did not agree that change is needed

- 30% were neutral.

According to Colmar Brunton, residents who favoured change did so because they believed there were too many councils in the region and an amalgamated Council could offer financial efficiencies. Some also wanted to see more regional leadership.

Among all respondents:

- 43% preferred the single-tier model

- 37% preferred two-tier model

- 18% preferred the status quo
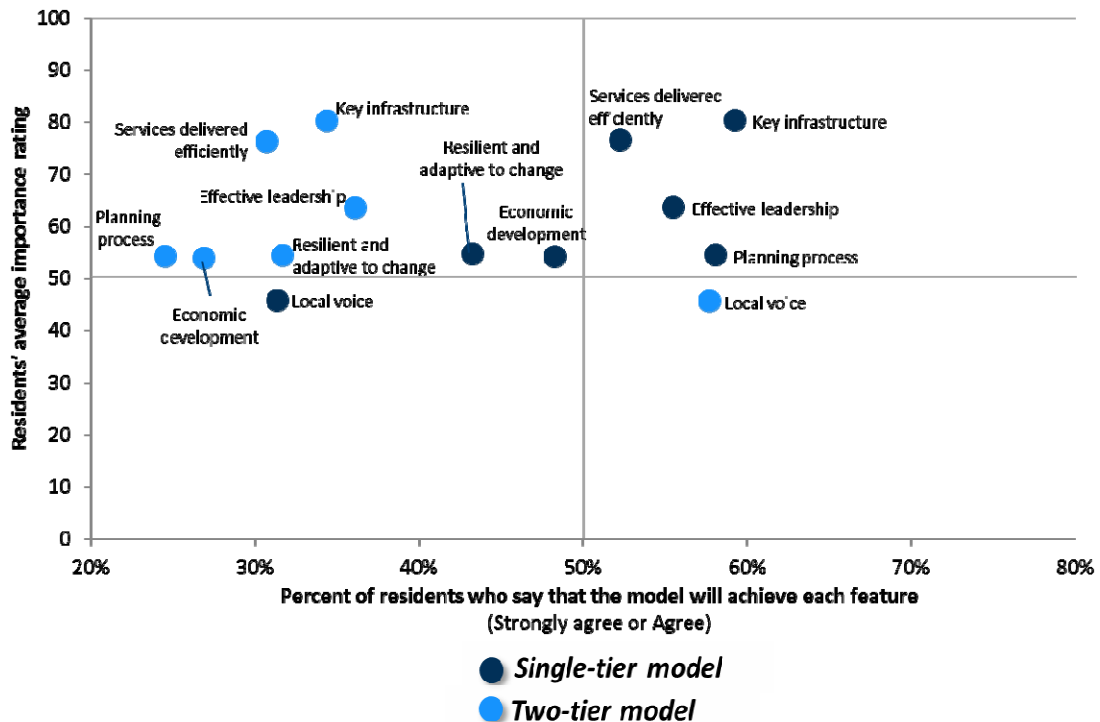
- 3% preferred another structure.

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[12] The short form submission form (completed by 333 submitters) showed a higher level of support for change with 70% supporting change, 23% wanting the status quo to remain, and 7% who did not know or no response.
[13] The survey has a margin of error of +/- 5%

When asked which model would best deliver the principles of good governance referred to above, significantly more people favoured single-tier than two-tier for effective leadership, simplified planning processes, efficient delivery of services, integrated planning and delivery of key infrastructure, an integrated and regional approach to economic development, a resilient and adaptive region. More people favoured two-tier for providing a local voice and access to decision making.

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WCC focus groups

WCC also used focus groups made up of young people, older people, parents of young children, and people with low incomes and professional people to ensure that we heard from all people – not just those who are passionate about the issue.

Most of the people in the focus groups preferred change, although older people preferred the status quo. Of those who preferred change, the majority were in favour of the two-tier model – although they noted the limitations with two tiers.

The focus group members also saw the Wairarapa as distinct from Wellington. Accordingly they felt the Wellington Council should not include the Wairarapa.

Shifts in responses between 2012 and 2013

Support for change has grown since 2012 across the region and in Wellington city. The table below sets out the degree to which people's views have changed:

The proportion of people in the Wellington *region* who want change has increased since 2012	2012: 41% want change (survey) 2013: 53% want change (questionnaire)
The proportion of people in Wellington *city* who want change has grown since 2012	2012: 39% want change (survey) 2013: 51% want change (survey)
The proportion of people in Wellington *city* who don't want change has decreased since 2012	2012: 49% want no change (survey) 2013: 15.3% want no change (survey)
The proportion of people in Wellington *city* who are neutral about change or don't know has grown	2012: 12% don't know (survey) 2013: 32.8% neutral and don't know (survey)

Public commentary

Wellington's local government arrangements have also been the subject of ongoing media coverage. A wide variety of views from no change, to the establishment of a single Wellington council, have been canvassed in the *Dominion Post* and other newspapers, and on social networking websites throughout the region.

While it is not possible based on public commentary to draw the conclusion that any one governance model has greater support, a range of people and organisations have expressed support through the media for a Wellington metropolitan unitary council.

Assessing other options

A single council with two-tiers of decision making

Under this model, proposed by the Greater Wellington Regional Council, there would be one council with two tiers of decision-making – a governing council and local boards. The first tier would be made up of a Mayor elected at large and councillors elected on a ward basis, and the second tier would comprise eight local boards, each with nine members and a chairperson elected by the board members.

In the two-tier model, the governing council represents regional interests and the local boards represent local interests. Local boards would also provide local input into region-wide policies and would be funded through the annual planning process.

The new council would merge all the current territorial councils in the Wellington region, including the Wairarapa councils, and disestablish the Greater Wellington Regional Council.

Representation and boundaries

The governing council			
	Number of councillors	Population	Population per councillor
Mayor	1 Mayor elected at large		
Lower Hutt Ward	4	93200	23300
Kapiti Coast Ward	2	49900	24950
Porirua Ward	3	68520	22840
Upper Hutt Ward	2	51340	25670
Wairarapa Ward	2	40630	20315
North-Central Wellington Ward	5	118540	23708
South Wellington Ward	3	68000	22667
Totals	22	490130	

Functions, duties and powers

In this model, the governing body is positioned as focusing on region-wide, strategic decisions and regional scale infrastructure and services, while local boards would represent their local communities and make decisions on a wide range of local issues, activities and facilities.

WCC's view

We do not believe that the two-tier model will deliver the efficiencies that the Wellington region requires. Rather, it introduces an unnecessary, expensive and additional layer of bureaucracy that will be confusing for residents to understand and engage with, and will slow down decision-making. Under this model, residents will be required to influence two layers of decision-making. Accountability is diminished as councillors may, or may not be, responsible for issues that emerge in communities.

We are aware of the many challenges that Auckland Council has experienced implementing the local board model. Wellington has the opportunity to learn from this experience and, rather than replicate a governance model that was put in place by central government, design a new model that has flexibility to meet the needs of our residents and create the conditions that enable Wellington to flourish.

In the words of one Wellingtonian, local boards are in our view ineffectual 'window dressing' representing incremental change only. Based on WCC's extensive experience of service delivery, we would argue that there are very few purely local issues which would truly fall within the decision-making responsibility of the local boards – we have quantified these as being as little as 3% of the new council's overall operating budget.

There is also the potential for a two-tier single council to become increasingly process-dominated as local aspirations are negotiated between the two layers of decision making. Of the functions allocated to the local boards in the Greater Wellington Regional Council application, many are largely managerial in nature and should remain the responsibility of staff (acting in accordance with council-determined policies and overall service level standards).

The other primary role of local boards would be to advocate to the council on behalf of local communities. While the council will consider the local board's view, it is not required to act on it. Nor do local boards have the ability to rate. They can only propose activities within their areas of jurisdiction and will then be reliant on the council funding.

Many of the arguments for a two-tier model are similar to those for a single tier; however, in our view a single-tier model significantly outperforms the two-tier model in fulfilling the purposes of local government and the principles of good governance.

Risks of a single council with two-tiers of decision making

The risks associated with a two-tier decision making model can be summarised as follows:

• There is potential for duplication and/or significant variation in the delivery of non-regulatory activity by the local boards

• Transaction costs between the council and local boards in relation to planning and reporting are high

• Confusion arises over accountability and responsibility for activity which may or may not fit within non-regulatory delegation principles

- The council is open to judicial review of decision-making by the local boards

- Service gaps may appear, as has happened in Auckland, where there is a lack of clarity over non-regulatory activity jurisdiction between the local boards and the council

- Residents may perceive that they are distanced from "real decision-makers" which may impact negatively on future local democratic participation and engagement

- There is potential for confusion and inefficiency in the management of operational budgets tagged to assets which also require regional budgetary control and management

- Smaller community identity may be lost within a local board framework.

Likely limits on local board functions and decision-making powers

The Auckland Council has experienced problems because of a lack of clarity about what functions would be undertaken by local boards. In light of this, the Working Party attempted to clearly articulate the division of functions between the council and local boards under a two-tier structure.

However, in our view it is likely that local board functions will ultimately be very limited. Under the Local Government Act, a council should retain decision-making responsibilities (rather than delegating them to local boards) if the nature of the activity is such that decision-making on a city-wide basis will better promote community well-being, because: the impact of the decision will extend beyond a single local board area; or effective decision-making will require alignment or integration with other decisions that are the council's responsibility; or the benefits of a consistent or co-ordinated approach across the city will outweigh the benefits of reflecting the needs and preferences of the communities within each local board area.

In our view it is highly likely that a new Wellington council, once established, will apply these provisions liberally, leaving the local boards with very few functions, while they will still require significant budget allocation for administration.

We also note that under the two-tier proposal a significant proportion of local board activity is likely to concern the internal processes of reporting and monitoring. While appropriate for the local board structure, this will create heavy administrative burdens without significantly enhancing representation.

Auckland's experience has highlighted that, while somewhat flawed and cumbersome, local boards are most effective when there is some flexibility in their relationship with the council. In our view, local boards if established must be enabled to make actual decisions rather than to just act as influencers. The proposed local board populations – around 60,000 people – suggest a reasonable degree of autonomy over decision-making. We do however acknowledge some are of the view that a very limited role for local boards is appropriate in order to minimise confusion and complexity.

Local democracy

There are risks in having two bodies responsible for different aspects of the same activity. For example, in the Local Government Reform Working Party's two-tier option it was proposed that swimming pools would be regarded as part of a regional network of service delivery, but local boards would have responsibility for programmes, design and fit out of new facilities, and grants. In our view this arrangement, extended over a wide range of activities, is highly likely to cause confusion for the public and give rise to disputes between the council and the local boards.

Community support

Consultation results show:

- residents see two tiers as a way to protect their local voice

- some residents recognise the issues associated with two tiers of representation and are willing to accept the additional cost and impact on speed of decision-making for enhanced local voice

- others associate local identity with local boards and believe without one they will be subsumed into a larger council and have no voice.

Māori representation

The two-tier proposal includes partnership agreements between iwi and local boards. In our view, this introduces a level of complexity to the relationship between mana whenua iwi and the council, the body with whom iwi will expect to have their primary relationships. We would argue that this further weakens the two-tier model approach.

Summary

The two-tier model fails to meet many of the Commission's criteria and principles of good governance. It is less effective than a single-tier model at delivering effective regional leadership, simplified planning processes, efficient delivery of services, integrated planning and delivery of key infrastructure, an integrated and regional approach to economic development, and a resilient and adaptive region. A two-tier model furthermore has significant limitations, most of which are structural in nature and cannot be mitigated to any significant degree.

The key argument in favour of the second tier is that it is perceived as protecting local voice. We do not agree. In our view, a 'one size fits all' second tier clouds accountability; makes decision-making less transparent; increases the distance between residents and the real decision-makers; adds an unnecessary layer of bureaucracy; and will in fact provide less effective local representation than the single-tier model, which as explained earlier in this proposal ensures direct access to and accountability of locally elected decision-makers, and provides for flexible and responsive approaches to local influence and decision-making.

Multiple unitary authorities

An alternative restructure model being considered by the Hutt and Upper Hutt City Councils is a separate unitary authority for the Hutt Valley. This implies the disestablishment of the Greater Wellington Regional Council and the establishment of multiple unitary authorities for the region. We do not support this model.

The various parts of metropolitan Wellington are interconnected and inter-reliant in terms of infrastructure, the environment, and economic, social and cultural interests. Major transport and water infrastructure networks are completely integrated across boundaries and the catchment in which both Wellington city and the Hutt Valley are located must be managed in an integrated way to protect the harbour. Any fragmenting of the metropolitan area will not only replicate the disadvantages of the status quo but actually make the situation worse. It will erode regional collaboration and reduce oversight on regional matters as a number of larger unitary authorities with strengthened powers compete for economic success.

If multiple unitary authorities were to be formed, council controlled organisations or some form of joint committees would be needed to manage the regionally-interconnected activities such as public transport and water. This would be inefficient and potentially undermine democratic principles.

In addition, a multiple unitary authority model will fail to deliver most of the principles of good governance referred to earlier. It will not deliver effective regional leadership, simplified planning processes, efficient delivery of services, integrated planning and delivery of key infrastructure, an integrated and regional approach to economic development, or a resilient and adaptive region.

Based on current attempts at regional planning, and due to each council having its own set of priorities and desired outcomes, it will be extremely difficult to agree on a shared vision and strategies. A single spatial plan or economic development strategy under a multiple unitary authority model will be at least as difficult to achieve as under the status quo; in fact, with fewer, better resourced councils, it's likely that competing priorities will be exacerbated.

Nor does a multiple unitary authority approach meet the Local Government Act 2002 performance and productivity, efficiency, and value criteria. While shared services arrangements may be considered, in practice these arrangements have had limited success – as the Commission has already noted in its consideration of the proposed Nelson/Tasman amalgamation. To meet the Act's criteria, a genuinely regional approach is required.

Assessment of multi-unitary councils against the Commission's criteria

The following is a summary of our assessment of multiple unitary authorities against the Commission's criteria. The Commission must decide whether the proposed authorities:

Have the resources necessary to enable it to carry out effectively its responsibilities

- There would be some scale constraints, particularly for Kapiti and Porirua

- Having several councils would dilute specialist expertise/talent pool

- Integration of regional and local function across boundaries would require the establishment of new regional bodies, who themselves will require specialist expertise

- Smaller councils would have increased cost pressures through having to undertake regional and local activities; the basis for reallocation of regional rates remains a consideration.

Have a district or region that is appropriate for the efficient performance of its role

- Regional planning would be reliant on a shared approach, drawing on agreements of the various unitary authorities

- New statutory bodies, imposing cost and complexity, would be required in some instances for the delivery of regional transport or water services

- Lack of scale is likely to significantly impact service levels for smaller authorities such as a Kapiti unitary authority.

Enable catchment-based flooding and water management issues to be dealt with effectively

- Regional planning is reliant on a shared approach, drawing on agreements between the various unitary authorities

- All unitary authority areas would split catchments

- These issues would almost certainly need to be dealt with by new statutory bodies.

Will facilitate improved economic performance, which includes: productivity improvements, efficiencies and cost savings

- Regional planning would be reliant on a shared approach, drawing on agreements of the various unitary authorities, which have historically been difficult to achieve

- Planning processes would deliver mixed success and would be highly inefficient

- There is a low to medium potential for savings, even with increased shared services.

Contain within the district one or more communities of interest

- Each unitary authority would contain more than one community of interest.

Are strategic

- It is highly unlikely that this model would be capable of generating a single vision for the region – instead, each council would bring local interests to the table

- There is little evidence that there would be sufficient scale to achieve improved strategic performance.

Will ensure engagement and decision making occurs at the right level

- This model might enable effective engagement and decision making at both regional and local levels, provided there was an effective regional body/committee in existence with delegations to address regional scale issues

- However, access to the regional body/committee is likely to be compromised because it will be one step removed from the local elected councillors

- Neighbourhood level engagement would be free to develop how, and as required, by residents and the method used can change according to the subject and to need.

Are integrated and coordinated

- Achieving integration and coordination would depend on shared services and/or joint regional bodies/committees

- Successfully achieving coordination and integration would not be guaranteed and would most likely be sub-optimal

- In particular, integrated and coordinated natural resource planning and public transport provision would be very difficult to achieve under this model

- Unitary authorities are not likely to all be of a scale sufficient to attract and retain the professional capability required.

Are resilient and adaptive

- The size of councils may limit their ability to ensure resources and capability are available

- Local neighbourhood resilience can be supported; however, there are limitations at a regional scale

- Coordinating across the authorities on issues such as climate change would be challenging.

Are representative and responsive

- The multiple unitary model would enable opportunities for individual citizens to access decision makers and influence decisions

- Where a joint body exists, there may be some difficulty for citizens to access that body, especially if it is in the form of a CCO as these bodies will be at arm's-length from residents

- The councils in each area would have the opportunity to provide all citizens with direct access to decision-makers and the ability to influence decision makers.

Are transparent and accountable.

- Local Government Act processes and requirements ensure a high level of transparency and accountability

- The size of the unitary authorities would provide relatively good access for citizens to decision makers.

Conclusion

We have undertaken an analysis of a range of potential options that have, over time, come down to two potential approaches. The first is a region-wide two tier council and the second is a single-tier metropolitan council.

Our analysis has shown that despite the Government's careful inclusion of provisions in the Local Government Act to allow for predominantly urban areas to entertain the implementation of local boards where population can reach 450,000 or more, there is a question of scale to be considered. At one-third the scale of Auckland, it is our view that this lack of comparable scale presents more problems than opportunity.

Auckland's scale of 1.4 million people warrants an approach separating responsibility for decisions between two tiers of representation. Indeed, we are of the view that Auckland progresses well to greater success as time passes. However, our proposal supports a single tier approach because it is likely to be more successful in reaching our long term objectives.

Our proposal highlights that high quality democratic representation is enhanced through direct access and direct accountability, that regional decision-making will be even more informed by local preferences than any other model because of the small local ward structure and that the simplicity of our approach provides the kind of agility that will enable an even more adaptive and responsive local government for Wellington.

In response to our proposal, some have commented that "Wellington is not ready for the kind of council you are promoting", while others have said the same of New Zealanders in general. It is our view that Wellingtonians expect and deserve to be offered the best choice possible about the kind of future they want for local government in the region.

It is our view that the proposal set out in this alternative application represents the best possible option for consideration in contrast with the status quo. It brings fresh thinking to the table, draws heavily upon the special democratic culture that exists in Wellington and looks not just at a structure that can endure for the next ten years, but the next century.

But local government reform is not only about structure. This proposal considers the best model to deliver on issues most important to people in the region: transport, economic development, strategic planning and water services and the many other facets of local government service delivery.

Wellington has a once in a generation opportunity to consider a model of local government that is adaptable, responsive and absolutely based upon New Zealand's high quality democratic traditions. This approach does not simply aim to "get over the line with residents", it is our view that this proposal sets out a very real and tangible opportunity to learn from those who have embarked on these processes before us and to look ahead to meeting the challenges that will come in our future.

While simple, we believe our proposal to be enduring, to be about the highest quality democratic relationship between residents and those they elect to represent their views at the decision making table.

We commend this proposal for consideration by the Local Government Commission.

Wellington Regional Governance: Community Feedback – 2013

Table of contents

1.0   Introduction

- The Working Party has concluded its consultation on regional governance options and has issued its report on the results.

- This appendix presents the key results from the Working Party consultation process, and the results of additional research carried out by Wellington City Council on local government reform. The supplementary research was carried out during the consultation period, is specific to Wellington city residents and includes a survey and a series of focus groups[1].

- Having three separate sources of community feedback to draw on has allowed information in this appendix to provide a regional and a Wellington city perspective. It also ensures Wellington city results have a scientific basis.

- While the views of the region and Wellington residents often coincide, on some issues they vary and it is important to highlight those differences.

Data sources for this appendix

- The information presented in this report has three main sources:

Data source	

- *Working Party consultation results* – a total of 1892 submissions from:
 	
  - 1,230 long submission forms
  - 330 short submission forms
  - 332 general submissions
	Used in this appendix to provide the regional view

- *Survey of Wellington residents* – an online survey was conducted of Wellington residents to understand their views on the proposals raised in the Working Party report. The survey has a margin of error of +/-5 percent. - *Focus groups of Wellington residents* – a small number of focus groups were held to better understand community views on key regional governance questions.	Used in this appendix to provide the Wellington City view

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[1] Both Porirua and Kapiti Councils carried out survey work but the focus of the questions and/or the methodology used did not allow for a combined survey

2.0   Executive summary

Consultation results show that more than half of all submitters in the region support change to the way local government is structured in the region

- The results of region-wide consultation show that the majority of submitters support change to the way local government is structured in the region.

- There are regional variations in the consultation results – respondents from Lower Hutt and Upper Hutt are least supportive of change while Kapiti, Porirua and Wairarapa residents are most supportive of change.

- Wellington residents also support change. The survey results show a preference for a single administration rather than maintaining the status quo, whether the current model is modified with greater focus on shared / transferred services or not.

- The view of Wellington residents has changed over time. There is a demonstrable swing in favour of changing the way local government is structured when comparing 2013 survey results with 2012 survey results. Opposition to change has also decreased comparatively.

Most submitters across the region supported a two tier model, but research in Wellington shows Wellington residents prefer a single tier model

- Regional consultation results show that, should change come, most submitters in the region, and in Wellington, would prefer a two tiered council.

- Wellington survey results however show that, should change come, most Wellington residents would prefer a single tiered council.

Survey results show that Wellington residents believe a single tier council will better deliver the principles of good governance (identified by the Working Party)

- The Working Party identified a number of principles of 'good governance' that underpins the reform options. The application of these principles is anticipated to deliver advantages for the region and these were seen as important by submitters across the region and by Wellington residents.

- Survey results show that a single tier council will deliver 6 of 7 principles better than a two tier model. Two tier was seen to deliver better on the least important principle – local voice.

- Consultation results show that submitters in the region believe a two tier council is better in terms of who to approach to get issues resolved and would be better at addressing local neighbourhood issues.

- Survey results show that Wellington residents believed a single tier council is clearer in terms of who to hold to account for decisions, would be better at making strategic regional decisions, and would be more efficient and effective.

More submitters than not believe the Wairarapa region should <u>not</u> be part of a single council in the region

- Most submitters believe the Wairarapa region should not be part of a single council for the region.

- However, the consultation results show that Wairarapa respondents *do* want to be part of single council for the region.

- However, this result conflicts with other consultation results carried out by Wairarapa councils which show demonstrable community support for a unified and separate Wairarapa council.

3.0   Community views on whether change should happen or not

Key points

- More than half of all submitters across the region support change to the way local government is structured in the region.

- Lower Hutt and Upper Hutt submitters are least supportive of change, and Kapiti, Porirua and Wairarapa submitters are most supportive of change.

- Over half of Wellington residents support change to the way local government is structured in the region.

- More Wellington residents support change compared to last year and opposition to change has decreased compared to last year.

Regional view

Over half of all submitters in the region support change to the way local government is structured in the region

- The submission results shows that a total of 58% of submitters in the region support change to the way local government is structured in the region, a further 35% disagree with change and 7% are neutral or don't know[2].

2013 consultation
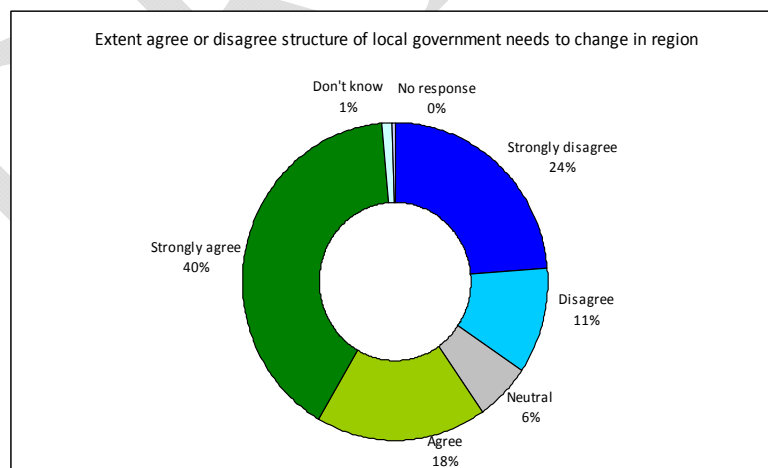
Extent agree or disagree structure of local government needs to change in region

- There are some variations in the region. Most supportive of change are Kapiti (70%) Porirua (64%) and Wairarapa (82%). Least supportive are Upper Hutt (28%) and Lower Hutt submitters (44%). Wellington city – with just under half the region's population – occupies the middle ground with 58% support for change.

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[2] The short form submission form (completed by 333 submitters) showed a higher level of support for change with 70% supporting change, 23% wanting the status quo to remain, and 7% who did not know or no response.

2013 consultation

Level of agreement or disagreement that local government structure needs to change in the region
(grouped by TA)

TA	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Don't Know	No response
Wellington city (673)	24%	10%	7%	17%	41%	0.6%	0%
Wairarapa (287)	6%	3%	5%	32%	50%	3%	0%
Upper Hutt (97)	49%	18%	5%	12%	16%		0%
Lower Hutt (222)	36%	14%	6%	14%	30%	0.5%	0%
Porirua (99)	20%	13%	2%	15%	49%	1%	0%
Kapiti Coast (113)	13%	11%	7%	15%	55%		0%
Elsewhere in NZ (8)		33%	0%	17%			17%
TA not stated (61)	42%	8%		17%	17%		17%

- The reasons provided in support of change focused on:

  - criticisms associated with the existing local government arrangements in the region eg. too many councils, lack of holistic regional planning, duplication, lack of regional voice etc

  - potential advantages associated with a single council for the region eg. single voice, efficiency gains, integrated infrastructure planning etc

- The reasons provided in opposition to change focused on:

  - current arrangements reflect communities of interest and local council has local knowledge and can best deliver solutions to local problems etc

  - identified benefits of a single council for the region are unproven, loss of local voice, 'one size fits all' approach will not work for everyone in the region etc

Wellington city view (survey)

Survey results show that Wellington residents support change to the way local government is structured in the region

- Of those surveyed, more than half (52%) agree or strongly agree that the current structure of local government needs to change. Less than one in five residents (15%) disagree that the structure needs to change and prefer the status quo (modified) arrangements, and 30% are neutral.

- The survey and consultation results for Wellington were also reflected in the focus groups where the majority of participants preferred changing to one council for the region, apart from older people who mostly preferred the status quo, and medium to high earners who wanted more evidence before making a decision.

- As part of the survey of Wellington, the reasons for support or opposition to change also emerged and these were broadly similar to the themes present in the regional consultation results (see above).

Survey results show that support for change to the way local government is structured in the region has grown in Wellington over the last year

- More Wellington residents support change compared to last year.

- The percentage of residents that don't know or are neutral has increased and opposition to change has decreased compared to last year.

2012 survey and 2013 survey

Survey results - comparing support for change 2012 to 2013

	2012 survey	2013 survey
Remain the same / disagree with change	49%	15%
Support change	39%	52%
Neutral or don't know	12%	33%
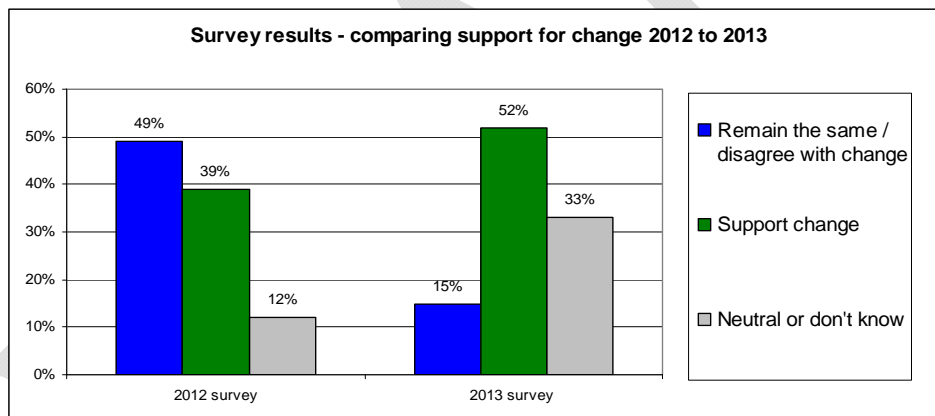
4.0   Community views on governance options should change come

Key points

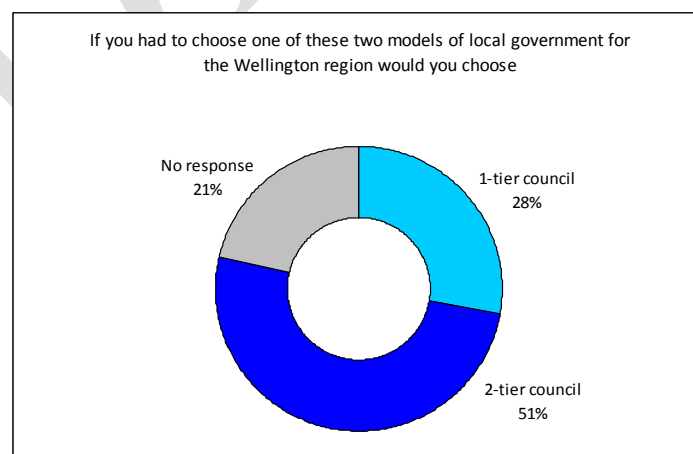- Should change happen, most submitters in the region prefer a two tiered council.

- Should change happen, most Wellington city residents prefer a single tier council.

- Wellington residents who had some knowledge of the proposed local government models tend to prefer the single tier model, but those who did not, tend to prefer the two tier model.

- Those who preferred a single tier model felt mostly strongly about their preference when compared to those that preferred the two tier model or a modified status quo.

Regional view

The majority of submitters in the region preferred a two tiered unitary council should change come

- Consultation results show that 51% of submitters in the region prefer a two tiered council should change come, 23% would prefer a single tier council, and 34% provided no response[3].

2013 consultation

If you had to choose one of these two models of local government for the Wellington region would you choose

No response 21%
1-tier council 28%
2-tier council 51%

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[3] The question was framed in terms of 'should change come, which option would you prefer'. It was made clear that completing the question and indicating a preference for either option did not imply that they support change from the status quo. Some respondents (21%) did not wish to complete this question as they had previously indicated that they did not support change from the status quo. The short-form submission results are that 54% support the two tier model, 25% the one tier model, and 22% did not know or were neutral.

- Submitters who supported a two tiered system said that the extra layer of representation provided a conduit for local input and ensured their area continued to have a voice in regional decisions. While the majority saw benefit in the additional layer of representation, a small group questioned whether there would be confusion around the role, functions and budgets of the two tiers.

- Submitters who supported a one tier regional governance system valued its simplicity and believed it would be more efficient and effective in decision-making and resource allocation. The perceived weakness of the model was that it would reduce 'local democracy' compared to the status quo and the two tier option – although others believed that 'local voice' would still be maintained through ward councillors.

- Submitters who supported the status quo believed that the current system works well and that moving to a regional governance system would result in a loss of local knowledge, services and identity. They also questioned the impact on rates and debt if change happened, and a number believed that a regional model offered little benefit over individual Councils working closer together and sharing benefits and services.

- Other governance models were mentioned by a number of submitters. Most of those were in support of some form of multiple unitary council that envisaged a separate and unified Hutt authority. Most of these submissions were from residents in the Hutt Valley.

2013 consultation

Support for governance options (grouped by TA)

	1 tier %	2 tier %	No response
Wellington city (673)	38%	45%	17%
Wairarapa (287)	15%	75%	9%
Upper Hutt (97)	6%	57%	36%
Lower Hutt (222)	20%	39%	41%
Porirua (99)	33%	49%	17%
Kapiti Coast (113)	32%	50%	17%
Elsewhere in NZ (8)	33%	67%	
TA not stated (61)	25%	25%	50%
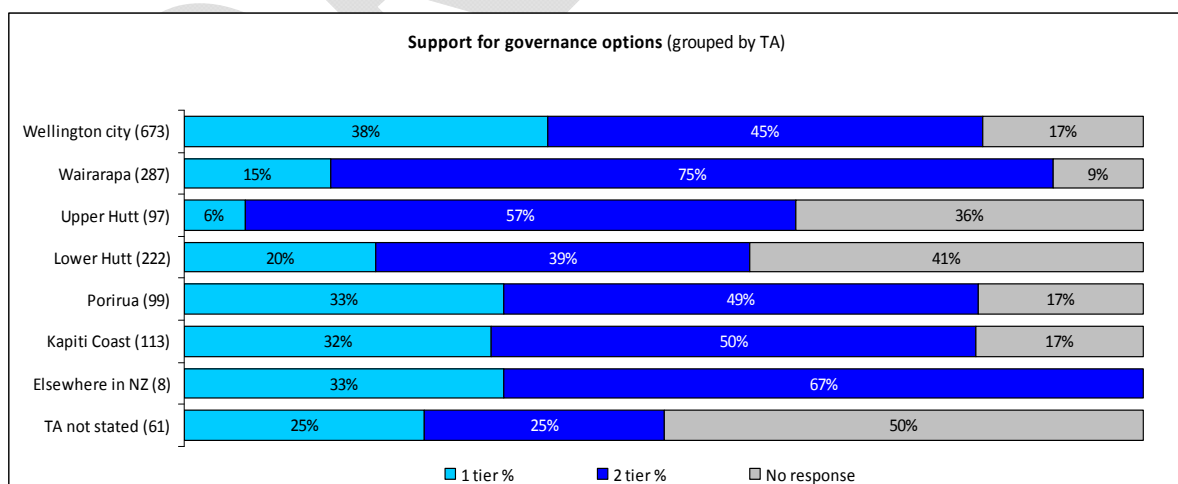
Wellington city view (survey)

Wellington residents prefer a single tier council for the region.

- Wellington residents prefer a single tier of representation (43%), while 37% prefer a two tier model, and 18% prefer to keep the status quo (or modified status quo).

2013 survey
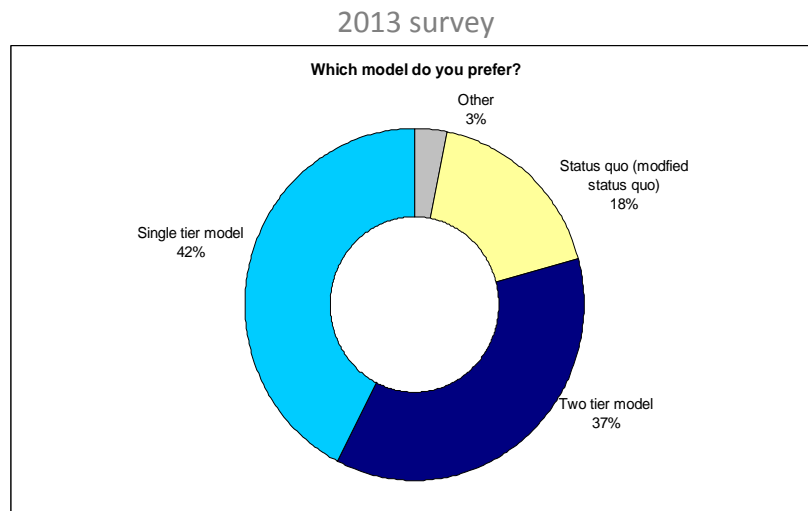
- When the survey results on the three governance options (one tier, two tier, status quo (modified)) are cross referenced back to the survey question on whether they support change or not:

    - those that supported change (52%) mostly prefer a single tier council (60%)

    - those that are neutral (33%) mostly prefer a two tier council (48%)

    - those that did not want change (15%) mostly prefer the status quo or modified status quo (63%)

2013 survey

Survey results: How much do you agree or disagree the current local government structure needs to change

(chart values: Strongly agree 19%, Agree 33%, Neutral 30%, Disagree 10%, Strongly disagree 5%, Don't know 3%)

Legend: Don't know, Strongly disagree, Disagree, Neutral, Agree, Strongly agree

Which model do you prefer?
Status quo 3%, Other 2%, Two tier 36%, Single tier 60%

Which model do you prefer?
Other 1%, Status quo 22%, Two tier 49%, Single tier 28%

Which model do you prefer?
Other 1%, Two tier 18%, Single tier 17%, Status quo 64%

Prior knowledge of local government models is associated with a preference for a single tier model.

- Results show that residents who are aware of the reform issues and proposed local government options tend to prefer the single tier model, and those who are not aware of the options tend to prefer the two tier model.

2013 survey

Survey: awareness of models and preference

Not aware of any models: 22%, 34%, 42%, 1%

Aware of at least one of the models: 16%, 47%, 35%, 2%

Legend: Prefer status quo (modified), Prefer single tier model, Prefer two tier model, Prefer another model
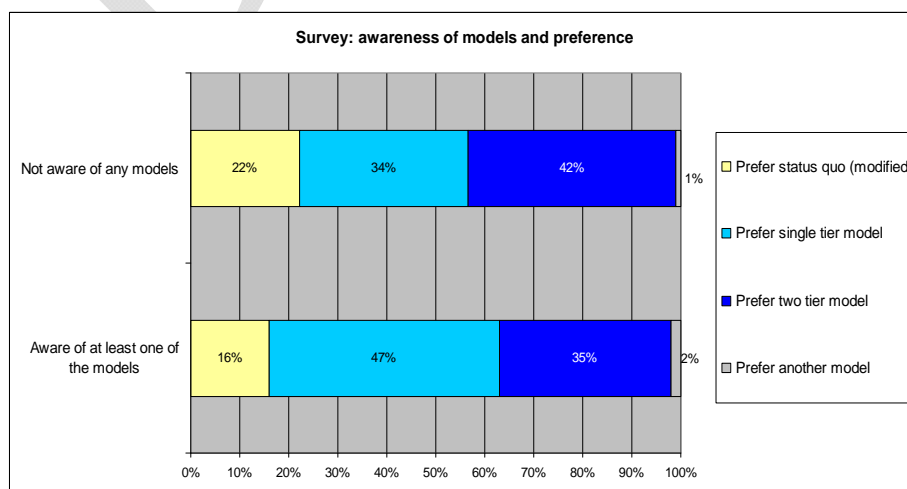
Those who preferred a single tier model felt most strongly about their preference when compared to those that preferred the two tier model
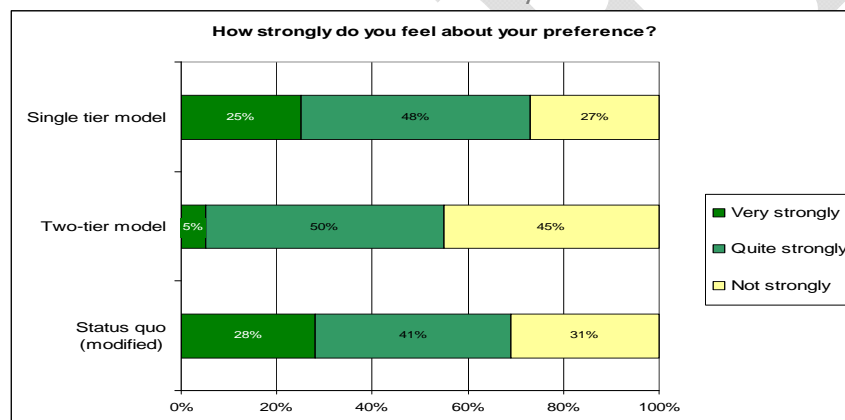
- Those who preferred a one tier model felt strongly about their preference with 73% feeling very strongly or quite strongly about their preference.

- Fifty five percent of those that supported a two tier model felt very strongly or quite strongly about their preference, and 69% of those who supported the status quo (modified status quo) felt very strongly or quite strongly about their preference.

- Those with the least strong feelings tended to lean towards a preference for the two-tier model, suggesting that this option is perceived as the 'middle ground'.

2013 survey

How strongly do you feel about your preference?

Model	Very strongly	Quite strongly	Not strongly
Single tier model	25%	48%	27%
Two-tier model	5%	50%	45%
Status quo (modified)	28%	41%	31%

5.0 Community view on boundaries and on whether Wairarapa should be included in a council for the region or not

Key points

- Consultation results show that more people than not believe the Wairarapa region should *not* be part of a single council in the region

- Many submitted that it should be up to the residents of Wairarapa to decide whether they wish to be a part of a single council or whether they wish to stand alone

- The consultation results show that Wairarapa residents *do* want to be part of a single council for the region that includes the Wairarapa.

- But, this result is in conflict with other consultation results carried out by Wairarapa councils which show demonstrable community support for a unified and separate Wairarapa unitary council.

Regional and Wellington city view

The majority of submitters in the region believe the Wairarapa should not be included in a single council for the region

- A total of 44% of submitters from the region thought the Wairarapa region should not be included in a single council for the region, 33% thought it should, and 22% didn't know[4].

2013 consultation

Consultation
Do you believe the Wairarapa should be included in a council for the region?

Yes 33%
Don't know 22%
No response 1%
No 44%

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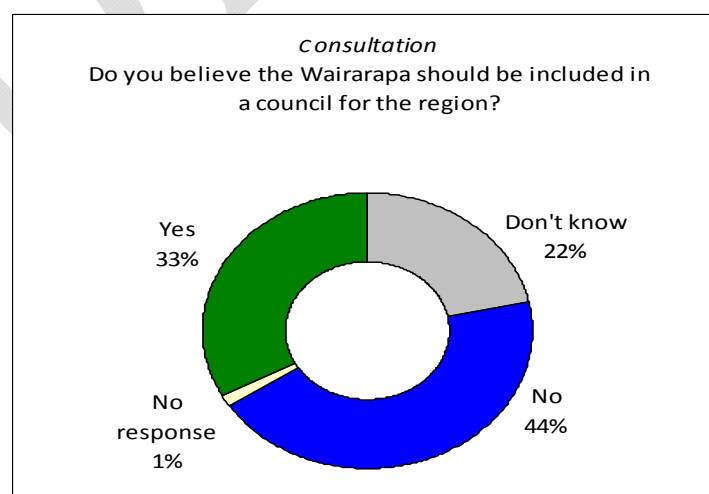
[4] A similar result emerged from the short submission form where 52% did not believe the Wairarapa should be included in a single council for the region, 39% thought it should, and the remaining 11% either did not know or provided no response.

- The consultation result is similar to survey results which show that 49% of Wellington residents believe the Wairarapa should not be included in a council for the region, 29% thought it should and 22% didn't know.

- Reasons provided for why Wairarapa should *not* be included in a single council for the region include:

    - Wairarapa is largely rural, has totally different needs, concerns, challenges and strengths from the rest of the region. Its inclusion will not add to either Wellington or Wairarapa

    - Wairarapa is separate geographically by the Rimutaka Range – a clear natural barrier – and it has its own water catchment

- Reasons provided for why Wairarapa should be included in a single council for the region include:

    - the Wairarapa is too small to go it alone

    - the costs of a Wairarapa Unitary Council would be too great for the population base

    - it is economically integrated into the Wellington region.

- The high proportion of respondents in the survey and submitters who 'don't know' (22%) is likely to reflect the commonly held view that it should be up to the residents of Wairarapa to decide whether they wish to be a part of a single council or whether they wish to stand alone

- A large number of submissions were also received from Tawa residents who stated that Tawa had a unique identity, was strongly supported by their local community board and that they did not want to loose this in any reorganisation process.

Wairarapa view

Consultation results show that the majority of respondents from the Wairarapa support joining the rest of the Wellington region under a single council for the region

- When submissions from Wairarapa residents are isolated on the question of whether they should join the rest of the region in a single council, 87% were in support.

- Most people from Wairarapa who were in favour of Wairarapa's inclusion in a single council for the Wellington region stressed that it would be vital to have the second tier of local boards to ensure that community input from across Wairarapa would be heard.

- This result is contrary to consultation results carried out by the Wairarapa Governance Review Working Party during the same consultation period which shows 70% of respondents in the region were in favour of a separate and unified unitary council for the Wairarapa and 23% against, with a further 7% undecided.

6.0   Community view on why change should happen or not

Key points

- The Working Party identified a number of principles of 'good governance' that underpins the reform options. The application of these principles is anticipated deliver advantages for the region and these advantages – or drivers for change – were seen as important by residents across the region and Wellington[5].

- More people than not believe a single council for the region will deliver those advantages.

- Wellington residents believe a single tier regional council will deliver those principles for good governance better than a two tiered council for the region, except for offering a local voice which was associated with the two-tier model.

Regional view

The majority of submitters in the region believe the principles of good governance are important

- There was strong agreement from across the region that the principles were important. In total, 84% agree (average across all drivers) that they are important or vey important.

- Efficient service delivery (94%), integrated infrastructure planning and delivery (90%) were seen as most important. The least important drivers (but still high) for change were simplified planning processes (75%) and integrated economic development (74%).

- Comments on economic development indicate that local government role in economic development is unclear to some respondents and this could be the reason why it was rated lower in importance than the other principles (but still high).

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[5] 'Drivers for change' reflect the principles of good governance adopted by the Working Party and particularly how the Working Party envisages the principles would be applied – see page 9 of the Working Party report (8 March 2013) for further information.

More submitters than not believe a single council for the region will deliver the principles that have been identified by the Working Party

- On average a total of 50% submitters in the region indicated that they believed a single council for the region would deliver on the principles identified by the Working Party, 40% did not believe a single council for the region would deliver, and a further 10% don't know.

- Submitters in the region did not believe a single council for the region would be effective in delivering a local voice.
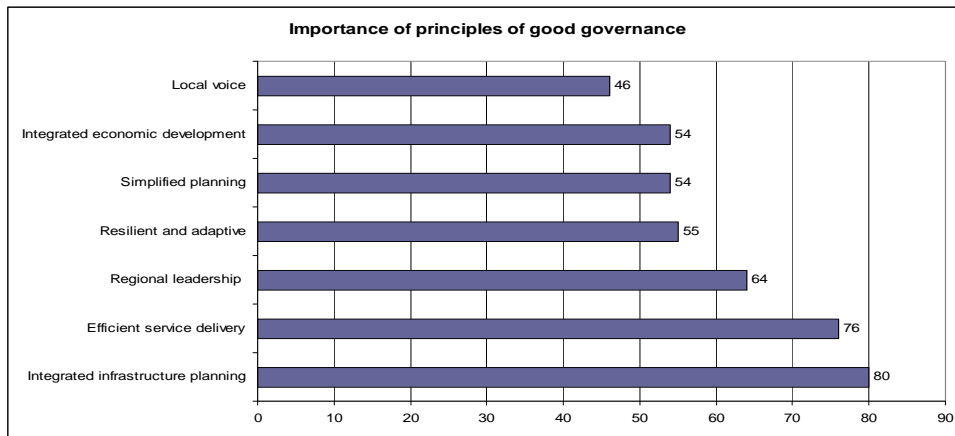
2013 consultation
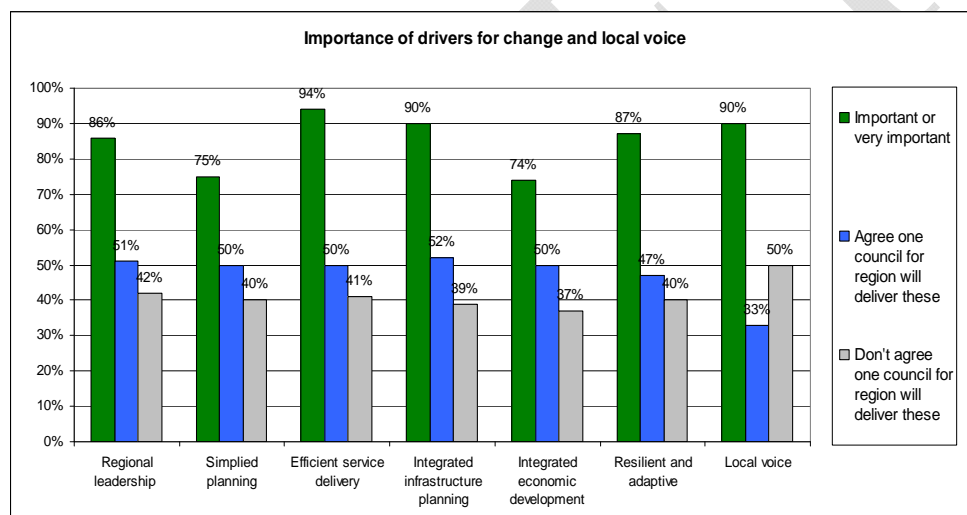
Wellington city view (survey)

Wellington residents rank 'key infrastructure planning and delivery in an integrated way' as the most important principle, and a 'local voice and access to decision-making about your community' as least important

- For Wellington City residents, the most important principle was having 'key infrastructure planned and delivered in an integrated way' and least important was 'having a local voice and access to decision-making about your community'[6].

- In order of importance they are:

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[6] Survey participants were asked to rank each driver from 1– 99 depending on how important they believed each was. The results are the average ranking score from all participants.
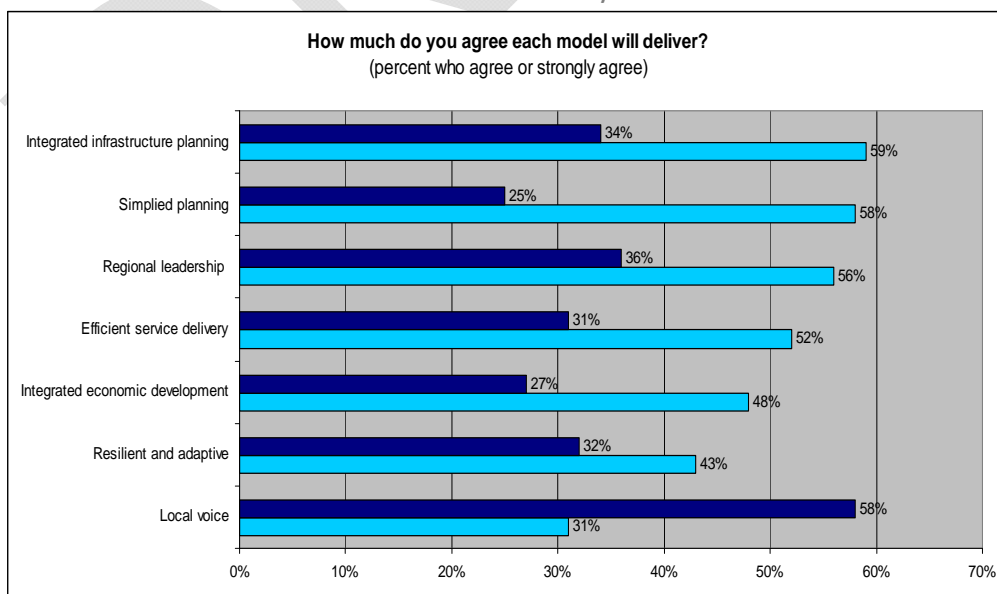
2013 survey

Importance of principles of good governance

Principle	Value
Local voice	46
Integrated economic development	54
Simplified planning	54
Resilient and adaptive	55
Regional leadership	64
Efficient service delivery	76
Integrated infrastructure planning	80

Wellington City residents believe a single tier regional council will deliver on the principles identified by the Working Party better than a two tiered council for the region

- Wellington city residents believe a single tier council delivers better on the principles identified by the Working Party for why we should change compared to a two tiered regional council.

2013 survey

How much do you agree each model will deliver?
(percent who agree or strongly agree)

Principle	Dark	Light
Integrated infrastructure planning	34%	59%
Simplied planning	25%	58%
Regional leadership	36%	56%
Efficient service delivery	31%	52%
Integrated economic development	27%	48%
Resilient and adaptive	32%	43%
Local voice	58%	31%

- When combining survey results on importance of each drivers for change against how well each model will deliver those principles, Wellington residents mainly associate principles of good governance with the single tier model (rather than the two tier model) except for offering local voice.

2013 survey
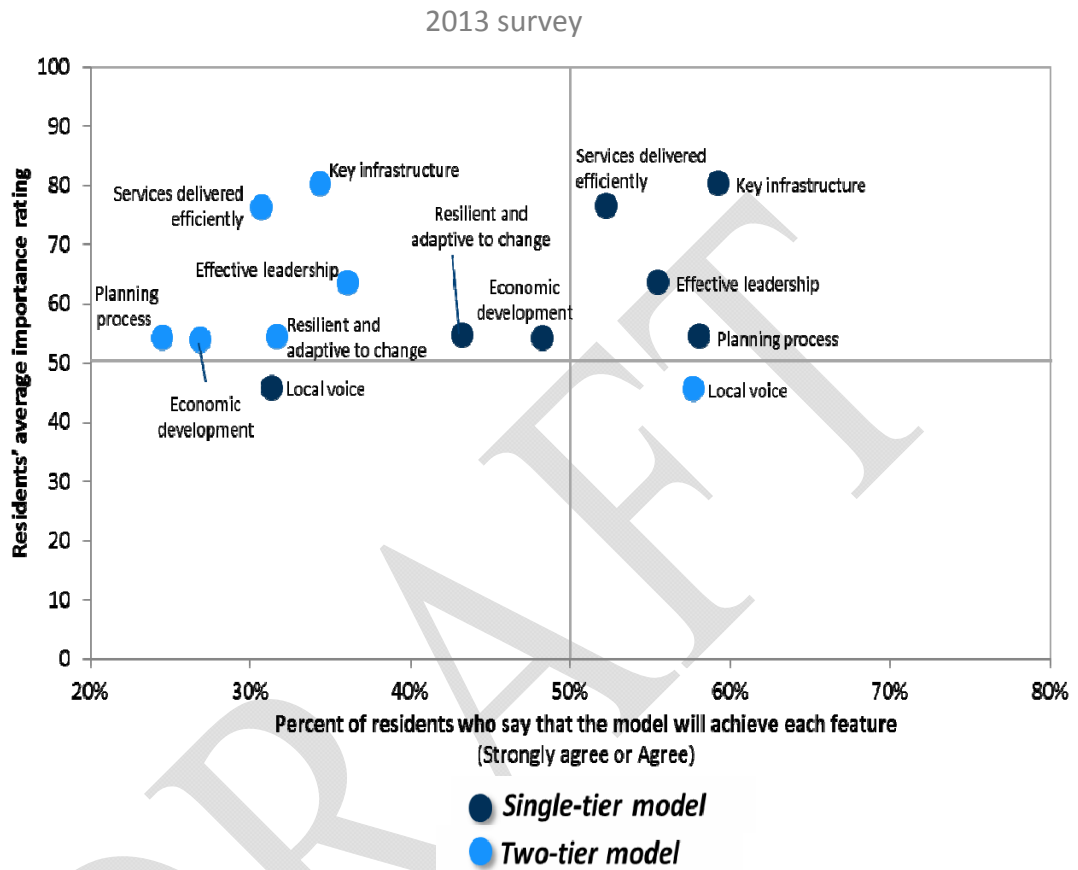
7.0 Community views on important features of governance and how the options deliver

Key points

- Residents in the region believe a two tier council is clearer in terms of who to approach in getting issues resolved and would be better at addressing local neighbourhood issues.

- Wellington residents believed a single tier council is clearer in terms of who to hold to account for decisions, would be better at making strategic regional decisions, and would be more efficient and effective.

Regional view

Consultation results show that most residents in the region believe a two tier model would be better at addressing local neighbourhood issues

- The questionnaire asked how effective each model would be against key governance features.

- Results from consultation for the region show that there is little to distinguish between the models apart from in two areas – knowing who to approach for getting issues resolved and addressing local neighbourhood issues – where residents believed a two tier model would be more effective.

2013 consultation

How effective each model is against key governance characteristics

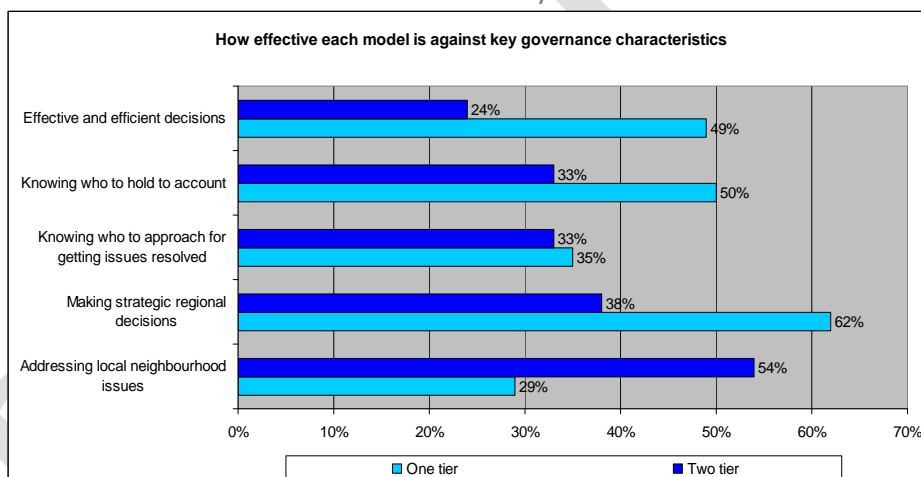| Characteristic	One tier	Two tier
Effective and efficient decisions	38%	38%
Knowing who to hold to account	40%	42%
Knowing who to approach for getting issues resolved	32%	42%
Making strategic regional decisions	44%	45%
Addressing local neighbourhood issues	24%	49%
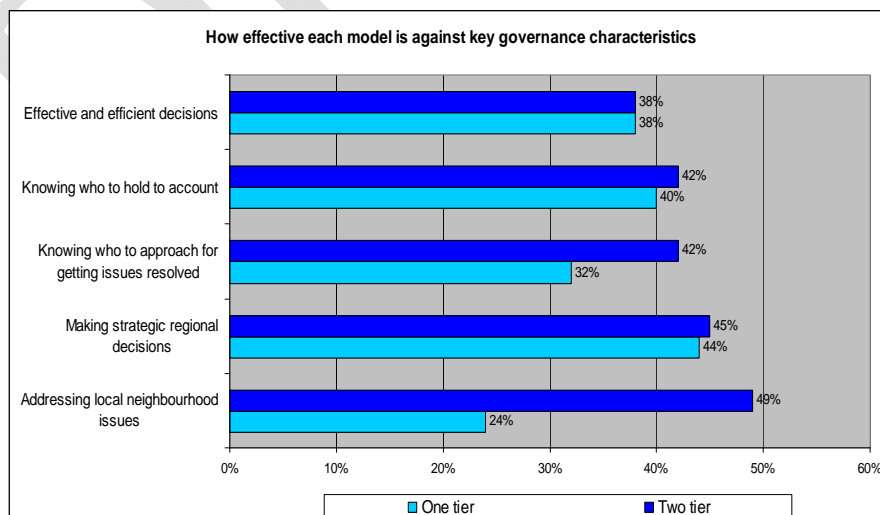
Wellington city view (survey)

Wellington residents believe the single tier model is clearer in terms of who to hold to account.

- Survey results reflect the consultation result that a two tier model would be better at addressing local neighbourhood issues.

- But where the consultation results did not distinguish significantly between the performance of each model, the survey results show Wellington residents believed a single tier council is:

    - clearer on accountability for decisions

    - would be better at making strategic regional decisions, and

    - more efficient and effective.

2013 survey

How effective each model is against key governance characteristics

	One tier	Two tier
Effective and efficient decisions	49%	24%
Knowing who to hold to account	50%	33%
Knowing who to approach for getting issues resolved	35%	33%
Making strategic regional decisions	62%	38%
Addressing local neighbourhood issues	29%	54%

8.0   Results of focus groups

Overview of results

- Most participants supported change.

- The key strengths of change is that it is seen to offer greater accountability, would enable local government to be more responsive to residents, and could lead to cost savings over time. Key opportunities of the one council model would be greater bargaining power with central government and could result in greater economic growth. The weakness of a single council for the region is that it could lose local flavour.

- A single council representing the Wellington region should include Wellington, Hutt Valley, Porirua and Kapiti Coast, but exclude the Wairarapa.

- At a rational level, most participants prefer the single-tier council, as it is considered more efficient and responsive. At an emotional level, participants prefer the two-tier council, with local boards that are considered more likely to represent local views.

Most participants prefer change for the region

- Young people, families and low/non earners in particular, prefer a single council for the region over the status quo arranegements. They feel that amalgamating resources with stronger leadership and clearer accountability is more likely to result in:

    - Healthy and happy families

    - Preparation for natural disasters

    - Resilience to environment and climate change

    - Business growth and employment opportunities

    - World-class infrastructure and services.

Older people prefer the status quo

- Despite older people holding negative views about local governance (chaotic, unfocussed, difficult to deal with), they prefer fixing the status quo, rather than moving to a single council for the region.

- Of all the groups, they are the most sceptical of the proposed change, and feel there is not a clear rationale for the change.

Medium/high earners are not 'closed' but want more evidence

- Medium-high income earners consider the consultation pamphlet lacks evidence to warrant a change from the status quo at this point in time.

- Rather than being 'closed' to the idea of a single council for the Wellington region, they consider that Wellington should review how the Auckland super-city governance arrangements are working before proposing a one council model for Wellington.

Participants support separate councils for Wellington and the Wairarapa

- Participants consider that Wellington, Hutt Valley, Porirua and Kapiti Coast have sufficient things in common (e.g. proximity to central government, café and museum/arts culture) to come under one council for the Wellington region.

- However, while there is people movement between Wairarapa and Wellington Regions for work and play, Wellington participants consider Wairarapa is distinct (with a focus on primary industry) and should form its own council.

At a rational level participants see the benefit of a single-tier council

- Participants viewed a single-tier council as more simple and straight-forward, which potentially would result in more consistent and responsive decision making. By comparison, decision making under a two-tier council model may be more protracted and lengthier and there could be more red tape.

At an emotional level, participants prefer a two-tier council

- The two-tier council model with a tier of elected local boards is considered more likely to be in tune with communities' needs and represent residents' views.

A two-tier council could mitigate the risks of moving to one council for the Wellington Region

- Participants have low awareness of the role and function of community boards under the status quo arrangements, and very few have engaged with them.

- While participants say they would be unlikely to vote in their local board elections, or go to their board with an issue, this mechanism offers an important safety net.

- A few participants consider that the two-tier council could be 'an in between step' before moving to a single-tier council in future. This iterative plan for local governance reform would allow the single council to become embedded with local communities (through boards) before moving to a model which would allow greater efficiencies.

Participants perceive the following strengths and weaknesses of a single council for the region

- Having one chief executive, one mayor and one governing council elected by ward would offer the Wellington Region greater accountability.

- A single council would allow local government to make faster decisions and be more responsive to residents.

- Pooling resources would lead to cost savings (in the medium-to-long term) which could result in a rate reduction (in some areas) and improved services (libraries, recreational facilities, etc.)

- Combining policy functions would lead to one set of policies (e.g. building consents and food safety inspections) for the Wellington Region.

- A single council would provide a more coordinated and streamlined service and there would be less red tape.

- Combining the functions and powers of the regional and local councils would result in clearer responsibility and lines of communication for these functions.

- When thinking about weaknesses about a single council for the region, participants thought social issues may be overlooked at the expense of cost savings and other efficiencies. This could result in some communities and groups falling through the cracks.

- Other perceived weaknesses include that services could become impersonal and lose their local flavour, and that mayors and councillors could become more inaccessible.

Participants perceive the following opportunities of a single council for the region

- A single council advocating for the Wellington Region with Central Government would result in greater bargaining power with other regions.

- A single council marketing the Wellington Region domestically and internationally would result in greater economic growth in key sectors (e.g. tourism, film, IT and education).

9.0   Conclusion

- Over half of residents in the region and Wellington support change to the way local government is structured in the region and significantly more residents in Wellington support change compared to last year.

- Residents who prefer the single-tier council consider it to be more efficient and responsive. They tend to have more pre-existing awareness of the reform options, and agree with the drivers for change the most strongly.

- Residents who prefer the two-tier council believe that local boards are more likely to represent local views, and are an important safety net. These residents are the most 'neutrally minded' on the view that change is needed, and have the least conviction in their preference.

- Those who prefer the status quo structure do not believe reform is either necessary or that it will deliver the stated benefits that have been identified. Those that prefer the status quo arrangement are a minority but have a strong conviction in their preference.

Data source used in this report

The information presented in this report has three main sources and include:

a) *Working Party region-wide consultation* – a total of 1892 submissions were received through:

- 1,230 long submission forms
- 330 short submission forms
- 332 general submissions

The submission form had set questions that focused on: drivers for change and whether they were important or not, whether change from the status quo was desired, key differences between the options, and whether they had a preference for a particular model should change come.

b) *Survey of Wellington residents* – an online survey was conducted of Wellington residents to understand their views on the proposals raised in the Working Party report. The survey largely mirrored the questionnaire and this has allowed comparisons to be made between questionnaire and survey results. The survey is representative of Wellington residents by age, gender, ward and income and has a margin of error of +/-5 percent.

c) *Focus groups of Wellington residents* – a small number of focus groups were held to better understand community views on the two main options for change. The focus groups were broadly representative of the Wellington community (including ward, age, and gender) and were specifically tailored to ensure we heard from what are traditionally hard to reach communities including young people, people on low incomes, and those that are often too busy to participate – parents with young families and professionals.