

Report 13.200  
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Committee Council

## Wellington Region Local Government Reform – Draft Application

### 1. Purpose

To present a draft application for local government reform in the Wellington region and to seek Council's approval to submit the application for a unitary authority with local boards to the Local Government Commission.

### 1. The decision-making process and significance

The matters referenced in this report have a high degree of importance to affected or interested parties.

This report sets out a way forward, which may culminate in the Council lodging an application with the Local Government Commission for the reorganisation of local government in the Wellington region. Under the Local Government Act 2002 the Local Government Commission is the decision-maker on reorganisation of local government.

The matters requiring decision in this report have been considered against the requirements of Part 6 of the Local Government Act 2002 (the Act). Part 6 sets out the obligations of local authorities in relation to the making of decisions.

#### 1.1 Statutory significance of the decision

Part 6 requires the Council to consider the significance of the decision. The term 'significance' has a statutory definition set out in the Act.

Officers have considered the significance of the matter, taking the Council's significance policy and decision-making guidelines into account. Officers recommend that the matter be considered to have low significance under the criteria set out in the Act.

Officers do not consider that a formal record outlining consideration of the decision-making process is required in this instance.

## **2. Background**

At its meeting of 12 December 2012 (Report 12.608), the Council agreed to work with any other council in the region to develop an integrated unitary authority model for local governance in the Wellington region, and to set up a joint working group with elected representatives and senior staff for the detailed development of the model.

The Working Party on Local Government Reform was established in December 2012. The aim of the Working Party was to develop an agreed model for change which could ultimately form the basis of a joint application to the Local Government Commission. This would follow a community engagement process on a preferred model. Participating councils were:

- Wellington Regional Council
- Porirua City Council
- Kapiti Coast District Council
- Wellington City Council.

Wellington Regional Council representatives on the Working Party were Cr Fran Wilde, Cr Peter Glensor and Cr Chris Laidlaw and CEO David Benham. The Chair of the Working Party is Cr Ken Douglas from Porirua City Council.

The Working Party reported back to the councils on its conclusions in March 2013. The Council considered the report at the meeting of 20 March 2013 (Report 13.75) and resolved to consult jointly with Porirua City Council, Kapiti Coast District Council and Wellington City Council on two models and the status quo. The two change models, either of which could include or exclude Wairarapa, were:

- One council with a single tier of decision making
- One council with two tiers of decision making – a governing council and local boards.

There was a six week period of consultation with the regional community from late March to early May 2013.

## **3. Consultation and research**

### **3.1 Consultation**

The consultation and engagement process had two objectives. The first objective was to determine if there was support for change to local government structure in the region. The second objective was to establish if there was support for a single council (unitary authority) model and, if so, whether there was demonstrable support for either the single-tier or two-tier (local board) model.

During the consultation period Porirua City Council, Kapiti Coast District Council and Wellington City Council each held public meetings in their own districts. Wellington Regional Council held public meetings in Upper Hutt, Lower Hutt, Masterton, Carterton and South Wairarapa districts.

Each of the participating councils also hosted discussion and information sessions with various stakeholder groups from across the region such as community boards, health providers, education providers, business groups, environmental groups, ethnic councils and charity organisations.

Submissions were invited from people and organisations across the region. As well as inviting people to write 'free form' submissions, two different submission forms, a long version and a short version, were available for people to fill in.

#### *Submission analysis*

A total of 1,892 submissions were received. The full analysis of the feedback is in Appendix Eight of the draft application (**Attachment 1** enclosed separately). Key results from the consultation are:

- Over half of all submitters in the region supported change to the way local government is structured in the region. A total of 58% of submitters in the region supported change to the way local government is structured in the region, a further 35% disagreed with change and 7% were neutral or didn't know<sup>1</sup>.
- There were some variations across the region. Most supportive of change were Wairarapa (82%), Kapiti Coast (70%), Porirua City (64%) and Wellington City (58%). Least supportive were Upper Hutt City (28%) and Lower Hutt City (44%).
- The majority of submitters across the region, when asked if in the event that change was inevitable, preferred a two tier unitary council (51% of submitters). 23% would prefer a single tier council and 34% provided no response<sup>2</sup>.
- 44% of submitters thought Wairarapa should not be included in a single council for the region, 33% thought it should and 22% didn't know<sup>3</sup>.
- The majority of respondents from Wairarapa (87%) supported joining the rest of the region under a single council.

### **3.2 Research**

Porirua City Council, Kapiti Coast District Council and Wellington City Council conducted surveys of residents in their respective districts. The results of the Porirua City Council survey are not yet available.

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<sup>1</sup> 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

<sup>2</sup> 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.

<sup>3</sup> A similar result emerged from the short submission form where 52% did not believe 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

### 3.2.1 Wellington City Survey

Colmar Brunton surveyed Wellington City residents for Wellington City Council. It adapted the long form submission as the basis of its survey. The key results from the survey are:

- 52% of respondents agreed that the structure of local government in Wellington should change, 15% disagreed it should change and 30% were neutral.
- When asked if change was inevitable, 43% of respondents supported the single tier model, 37% supported the two tier (local board) model, and 18% supported the status quo.
- When asked if change was inevitable and the status quo was not available, 50% supported a single tier model, 46% supported a two-tier model.
- 49% of respondents thought Wairarapa should be excluded from the reorganised region, 29% believed it should be included and 22% were unsure.
- Respondents identified the two-tier model as more effective in addressing local neighbourhood issues (54%) than the single tier model (29%). In all other measures, a small majority thought the single tier model would be better than the two tier model (e.g. services delivered as efficiently as possible).

### 3.2.2 Kapiti Coast District survey

SIL Research surveyed Kapiti Coast District residents for Kapiti Coast District Council. The key results from the survey are:

- When asked if they preferred the status quo or a single city option, 54.7% said they preferred the status quo, 42.9% of respondents said they preferred the single city and 2.5% said “other”.
- Of those respondents who indicated they would prefer the single city option, 51% supported the two-tier council and 44.5% indicated they supported the single tier council.
- In answer to direct questions about the importance of community boards, 65.4% said they considered them to be very or somewhat important.

## 4. Other councils’ decisions

### 4.1 Wairarapa Councils

The three Wairarapa district councils jointly lodged an application with the Local Government Commission on 21 May 2013. The application is for a stand-alone Wairarapa unitary authority. The Commission is currently deciding whether or not to accept this application. If the application is accepted, then the Commission will call for alternative applications in the affected area.

#### **4.2 Wellington City Council**

Wellington City Council met on 6 June 2013 and agreed to lodge an alternative application with the Commission for a single tier unitary council for the region, excluding Wairarapa.

#### **4.3 Kapiti Coast District Council**

Kapiti Coast District Council also met on 6 June 2013 to consider whether or not to lodge or support an application for reorganisation. At the time of writing the outcome of its considerations was unknown.

#### **4.4 Hutt Valley councils**

The two Hutt Valley councils are currently consulting their communities on three options for local government arrangements, including a “United Hutt Valley Council model”. Hutt City Council has also engaged consultants to analyse reorganisation options, including the status quo. The councils are yet to make a decision on any possible application.

#### **4.5 Porirua City Council**

Porirua City Council will be discussing their next steps at a Council meeting on 19 June 2013.

### **5. Draft application**

#### **5.1 Alignment with Council’s previous decisions**

Wellington Regional Council participated in the Working Party on the basis that it would further develop an integrated unitary authority model and to provide more opportunity to understand community views.

The Council, at its meeting on 12 December 2012, resolved:

- *“The main reason for any agreed reform in the arrangements for regional and local government in the greater Wellington region would be to reinforce the collective capacity and shared capability of all regional and territorial agencies to:*
  - a. *facilitate collaborative strategic planning, regulation, evaluation and investment in services and activities likely to have an enduring impact on the social, economic, commercial, environmental, civic or cultural interests of current and future generations of citizens in this region, and their comparative wellbeing in New Zealand as a whole*
  - b. *protect the democratic basis for the mandatory payment of rates/taxes to support and enable the efficient delivery of regional and local services*
  - c. *efficiently deliver all the statutory purposes of the Resource Management Act 1991, having particular regard to the well-beings defined in that Act .*
- *To agree with the findings of the Wellington Region Local Government Review Panel’s report that local government reform is required to improve*

*the effectiveness and efficiency of local government in the Wellington region - particularly around leadership, infrastructure, resilience, integrated planning and economic development.*

- *To agree in principle that an integrated unitary authority model with either local boards or community boards would provide the best governance arrangements for the Wellington region.*
- *To agree that the following are the basic principles to take into negotiations:*
  - a. Subsidiarity of functions*
  - b. Regardless of the final internal boundaries, the governing body must have a minimum of two members from each area approximately equivalent to the current territorial areas in the western area and from Wairarapa.*
  - c. Provision for either local boards or community boards;*
  - d. The decisions regarding council controlled organisations be left to the new council to determine.*
- *Māori representation in the proposal should be determined in consultation with mana whenua iwi.”*

These matters were taken into account in the Working Party process, and the unitary authority model with local boards that was consulted on aligned well with the Council’s position.

The unitary authority model with local boards is considered to be the most appropriate model for local government structure in the Wellington region because it:

- best meets the Local Government Act’s criteria for reorganisation and the amended local government purpose statement;
- meets the principles of good governance agreed in the report by the Working Party on Local Government Reform;
- aligns well with the principle of subsidiarity and the expectations around representation and local democracy with the Wellington regional community;
- is flexible enough to respond to local conditions while, at the same time, allowing for regional decision-making on strategic matters relevant to the wider regional community;
- has “demonstrable community support”<sup>4</sup> - both in terms of desire for change, and preference for a two tier model.

## **5.2 Draft application**

The draft application for reorganisation, in **Attachment 1**, proposes a unitary authority with local boards for the Wellington region. Specifically, the proposal includes, in summary:

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<sup>4</sup> The Act (Schedule 1, cl 8(3)) states that the Commission, in considering whether a proposal has demonstrable support, does not need to determine that support is from a majority of people in the affected areas

- The abolition of all of the current councils;
- The constitution of the Wellington region and Wellington territorial authority district, encompassing the area of the current Wellington region, excluding the part of the Tararua District currently in the region. It is proposed the regional boundary is changed to include that area in the Manawatu-Wanganui region; and
- A new local authority for the Wellington region and the Wellington territorial authority district to be a unitary authority with local boards known as the ‘Wellington Council’.

The proposed structure has two complementary and shared decision-making parts:

- The governing body of 22 members, consisting of a mayor elected at large and councillors elected on a ward basis. The governing body would focus on region-wide strategic decisions, regional scale infrastructure and region-wide services. It would also provide regional leadership and representation.
- Eight local boards, each with up to nine members, including a chairperson elected by the members of each board. Each local board would represent its local community and make decisions on local issues, activities and facilities allocated to it. Local boards would provide important local input into region-wide policies and would be funded through the annual planning process in accordance with their functions, duties and powers under the Local Government Act 2002.

The draft application includes mana whenua views of the proposals, and current partnership arrangements. This is intended to inform the Commission of the importance the Council places on having robust arrangements that empower Māori participation in local government decision-making processes. The Local Government Commission has no power to make provision in its preferred proposal for Māori wards or constituencies.

## **6. Next Steps**

If the Council agrees to lodge an application with the Local Government Commission, letters may be received from groups and organisations supporting the proposed model. These will be included as part of the application.

Following Porirua City Council’s meeting on 19 June 2013, the application will be finalised and lodged with the Local Government Commission. This is expected to happen on 21 June 2013.

The Local Government Commission is currently considering whether it will formally accept the Wairarapa councils’ application. Once it does so it will invite other applications. The Act requires that at least 20 working days, from the time of notification, be provided for alternative applications. The Commission’s process will not impact on this council’s application. The application may be lodged before alternative applications are invited, and will

certainly be within the 20 working days (or longer) the Commission will give for other applications.

In terms of the status of applications, the Commission will treat all applications equally, whether they are made in response to another application, or are the first application(s) lodged. Further, in determining its preferred option for local government arrangements, the Commission may also consider options not included in applications. In doing so it must consider the status quo.

The timeline for the Commission to make a decision on a reorganisation proposal for the Wellington region is unknown, although the Act requires it to make its decisions as soon as practicable.

The first steps will involve the Commission determining its preferred option. It is expected the Commission will engage with the councils in Wellington prior to making its decision. That decision will then be formally communicated to the applicants and affected councils.

If the Commission's preferred option involves a change to local government in the region, it will then develop and release a draft proposal. The Council will have an opportunity to lodge a submission on the draft proposal.

The Commission will consider all submissions and may then develop a final proposal. Again, through this process it is expected to consult with the Wellington councils. Once a final proposal is notified a poll may be demanded through a petition. The Council has previously supported a poll.

## **7. Communication**

A media release will be issued following the Council's decision. A media release will also be issued when the application is lodged with the Local Government Commission. The application will be made available on the Council's website.

## **8. Recommendations**

*That the Council:*

- 1. **Receives** the report.*
- 2. **Notes** the content of the report.*
- 3. **Agrees** that local government reorganisation is required to improve the effectiveness and efficiency of local government in the Wellington region.*
- 4. **Agrees** that a unitary authority model with local boards is the best structure for local government in the Wellington region.*
- 5. **Agrees** to lodge an application as set out in Attachment 1 with the Local Government Commission.*



6. *Notes that any letters received of support of the application will be attached to the application prior to it being lodged.*
7. *Delegates to the Chair of the Council the authority to make minor editorial changes to the application.*
8. *Notes that there is an option for other councils to become a party to the application.*
9. *Authorises the Chair of the Council to sign the application.*
10. *Notes that, once the Local Government Commission has received the application, it will consult with the Council, and others, as it considers reorganisation options for the Wellington region.*
11. *Notes that the Council will have the opportunity to submit on any draft proposal released by the Local Government Commission.*
12. *Agrees that the Council supports a poll on any final proposal notified by the Commission.*

Report prepared by:

Report prepared by:

**David Benham**  
Chief Executive

**Fran Wilde**  
Chair

Attachment 1: Draft Application for Local Government Reform in the Wellington Region (enclosed separately)