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Local Government Commission
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Porirua City Council Submission on the Draft Proposal for Reorganisation of Local Government in Wellington

Introduction

1. Porirua City Council welcomes the opportunity to make a submission to the Local Government Commission's Draft Proposal for Reorganisation of Local Government in Wellington, released on 4 December 2014. The Council would like an opportunity to speak to this submission when the Commission undertakes hearings.
2. It is our view that the status quo governance arrangements are not viable. The Council largely supports the draft proposal as the best opportunity to achieve the desired change. We encourage the Commission to proceed to issue a final proposal for reorganisation.
3. Our submission sets out:
 - Porirua City Council - who we are;
 - Why change is essential;
 - Our principles for change;
 - Our views on the draft proposal;
 - Completion of the Commission's process; and
 - Our efforts to continue constructive dialogue with other councils.

Porirua City Council – Who we are

4. Porirua is a local authority of 52,000 with a diverse population of Pakeha (60%), Pasifika (25%), Māori (20%) and Asian (10%)¹ and a rich Māori and European heritage. We have the third highest median household income in New Zealand but also some low socioeconomic communities.
5. Porirua is part of the Wellington region, with Wellington city to the south, Kāpiti Coast to the north, Cook Strait/Tasman Sea to the west and Upper Hutt and Hutt cities to the east. Porirua is a coastal city of approximately 183 square kilometres. Urban areas are largely on the western coast around the two arms of Te Awarua-o-Porirua Harbour and there is a large rural hinterland. Urban areas include residential, commercial, industrial, institutional and recreational land use. Rural areas are largely farming. The natural catchment of Te Awarua-o-Porirua Harbour includes the northern suburbs of Wellington.
6. This year, Porirua celebrates its 50th year of city status.

¹ People are able to indicate a number of ethnicities in the Census, so the total does not equal 100%

Why change is essential

7. Porirua City Council recognises that there is a clear case for change for local government organisation in Wellington to assist the region overall and the current councils and communities. The status quo is not viable.
8. Locally, Porirua City Council has been in favour of practical and sustainable change for the medium and long-term for good reason:
 - Our size, ratepayer base and our aspirations for the future are not necessarily best served by the current structure;
 - Approximately 75% of the Council's income is derived from rates. Currently, Porirua has the least number of rateable units for its population of any council in New Zealand. This is not sustainable in the medium to long-term;
 - Like a number of TLAs, we have significant expenditure projected over the next 10 years which will put a significant strain on our ratepayer base which will need to fund these works; and
 - We have high resident expectations driven off the awareness of service levels in neighbouring Wellington city where many of our residents work, school, spend recreational and leisure time and shop.
9. As a region, we generally operate as a single economic, social and environmental unit. We have a common labour market, a common housing market and an interdependent network infrastructure. The physical catchments typically span current local authority boundaries. Yet there are 9 authorities each with their own planning, management and organisational imperatives.
10. The current lack of any coherent spatial planning capability for the region is a critical failure of a fragmented system that needs to be addressed as soon as possible. Spatial planning offers the clearest opportunity to realise long-term sustainable change.
11. Closely related to the lack of regional spatial planning is the lack of a coherent, consistent and agreed approach to regional economic development. Porirua City Council has participated in discussions and advocated for an effective approach to regional economic development for many years through the various bodies that have been tasked with the role. Despite having the Wellington Regional Strategy, the behaviour of contributing local authorities reverts to one of competition rather than the wider good. This has the effect of redistributing the region's GDP rather than growing it. The Wellington region needs to grow GDP by attracting and growing businesses nationally and internationally.
12. For at least 10 years we have engaged in the region on a programme of shared services that, if successful, would have delivered financial benefits and more rational policy decisions. The reality is that the progress of these shared service arrangements has been complex, very slow and the benefits extremely modest.
13. Wellington Water represents the boldest of these shared service arrangements. It has taken many years to get several local authorities in to a single management structure. The assets, however, remain in the ownership of the original local authority, each with their own asset management plan. The expenditure priorities remain with the ownership

interest and the relationship between Wellington Water and the end consumer is ‘filtered’ through each local authority. It is testimony to the stakeholder and technical skills of Wellington Water that they deliver as efficiently as they do.

14. The current situation, however, is clearly suboptimal. At the heart of this debate is the need to strike the right balance between what is done locally and regionally. One cannot be at the expense of the other. While a single entity brings its challenges, it also brings the greatest opportunities for sustainable long-term improvement for local government.

Our principles for change

15. On 13 March 2013, the Council agreed to a set of principles that any structural change would need to achieve for Porirua and the region. The principles are that:
 - our local community and village identities are protected as part of a local governance structure;
 - our local voice is heard through access to decision-making at all levels;
 - our elected representation at all levels reflects the diversity of the city;
 - the region has a stronger voice and Porirua has an enhanced voice in the region;
 - there is efficient and effective provision of core services; and
 - there is affordable local government.
16. For many years, we have been a consistent and keen advocate for rational and informed debate on the opportunities to best promote good local government in Wellington.
17. Two of the significant investigations we have participated in are:
 - with the Greater Wellington Regional Council, supporting the October 2012 Wellington Region Local Government Review Panel, chaired by the Rt Hon Sir Geoffrey Palmer; and
 - with the June 2013 Joint Local Government Reform Working Party with Greater Wellington Regional Council, Kapiti Coast District Council, Wellington City Council, and Porirua City Council).
18. Porirua City Council supported the June 2013 Greater Wellington Regional Council application to establish a single council, local board model for shared decision-making. The Council considered that the decision on Wairarapa was properly one for the Commission and the Wairarapa community to make.

Our views on the draft proposal

19. The Council supports the Commission’s draft proposal for change, but excluding Wairarapa if that is its wish.
20. We agree with the Commission’s case for change, including:
 - that the region is connected by strong economic and cultural factors, such as patterns of work, travel, spending, recreation, and settlement;
 - there are significant regional infrastructure, environmental and economic challenges facing the region over the next 30 years;

- the region's challenges require a regional response; and
- the current council structures make it difficult to achieve co-ordinated responses.

21. The draft proposal is closely aligned with our principles for change:

Principles for Porirua in local government reorganisation	Degree to which the Commission's Draft Proposal meets the principles
Our local community/village identities are protected as part of a local governance structure	✓✓✓
Our local voice is heard through access to decision-making at all levels	✓✓✓
Our elected representation at all levels reflects the diversity of the city	✓✓
The region has a stronger voice and Porirua has an enhanced voice in the region	✓✓✓
There is efficient and effective provision of core services	✓✓✓
There is affordable local government	✓✓✓

22. The draft proposal is also closely aligned with the application by the Greater Wellington Regional Council, supported by Porirua City Council, to establish a single council, local board model for shared decision-making. The draft proposal offers the best opportunity to achieve the priorities for the region set out in the application including:

- **stronger and more effective regional leadership** – One regional voice will be stronger and more effective with the government and private sector on issues such as transport, infrastructure and economic development and help realise the potential of the region. The region's relationship with central government is critical in terms of opportunities but also in being able to respond confidently and persuasively to the ongoing expectations and transfer to local government of the operational costs of central government initiatives;
- **simplified planning processes** – having a single vision and spatial plan for the region and integrated planning processes and documents is of paramount importance. Spatial planning is the real determinant in strengthening the voice of the region, economic growth, service delivery and funding stability;
- delivery of **effective, efficient and appropriate infrastructure**;
- **integrated regional catchment based flooding and water management** with territorial authority land use planning;
- **greater efficiencies** - better allocation and use of resources for local government in the region;
- **improved economic performance**; and
- being able to be **more responsive to regional issues** (eg climate change, emergency management).

23. In supporting the application for change, the Council considered that the decision on Wairarapa was properly one for the Commission and the Wairarapa community to make.

We have further considered our position on Wairarapa and have some further comments in support.

Wairarapa

24. The Council acknowledges that the three Wairarapa district councils were the first to make an application for change to become a unitary authority in May 2013, triggering an examination of local government in the region. In supporting the Greater Wellington Regional Council application in June 2013, Porirua City Council considered that the Commission and Wairarapa communities were best placed to make a decision on Wairarapa. In December 2014, the Council agreed to consider whether to have a more defined view on Wairarapa.
25. Porirua City Council recognises the complexity of the issues facing Wairarapa and the difficulty of identifying practical, sustainable and acceptable solutions. The Council notes the range of reports prepared on the viability of Wairarapa becoming a stand-alone unitary authority, and the concluding view of the Commission that a stand-alone Wairarapa unitary authority would not be viable.
26. Porirua City Council also acknowledges the views of the Wairarapa community, especially its elected officials, that the identity of the area would be compromised by them becoming part of a proposed Greater Wellington Council. Notwithstanding the economic and social interplay between Wairarapa and the greater region, the Rimutaka Hill does provide a significant geographic marker separating Wairarapa in a physical and symbolic way. There has been some discussion that the amount of subsidy required to allow Wairarapa to stand alone is not meaningful (around 1% of the region's operating expenditure) and there is conjecture about ways that a financial transfer could take place including the notion that a neighbouring authority (i.e. a smaller Greater Wellington Council) could effect a transfer. The mechanism currently does not exist to allow this to occur but the sustainability of rating one area to subsidise another works against the basic premise of 'local' in New Zealand.
27. The Council treated the question of Wairarapa as a matter of importance in supporting the application for change. The issue of Wairarapa's sustainability is a potential barrier to achieving some much needed amalgamation in the region. It is clear to Porirua City Council that there is a question over Wairarapa's viability if it became a stand-alone unitary authority. However, it is our view that some form of amalgamation for the region is a pressing issue.
28. If there is overwhelming support for a stand-alone option in Wairarapa, the Commission must consider this closely and consult with the Government on alternative funding models that enable Wairarapa to operate effectively. A metropolitan unitary authority without Wairarapa is viable.

The Porirua-Tawa ward and board

29. The Council supports the Commission's draft proposal including the creation of a Porirua-Tawa ward and board.
30. Porirua and the northern suburbs of Wellington city, including Tawa, are increasingly linked by employment, retail, and recreational activities. Tawa is part of the Porirua basin

and catchment. Porirua and Tawa share the magnificent Te Awarua-o-Porirua Harbour. There is joint ownership and service delivery of the Spicer Landfill and the Waste Water Treatment Plant, which also services Churton Park. As noted by the Commission, increasing residential development is challenging the separation of Wellington city's northern suburbs of Tawa and Grenada North, and Porirua city. Some growth is expected on Lincolnshire Farm, a Wellington city new growth area, and there is an appreciable amount of housing development proposed as a result of the Wellington Special Housing Accord. Both solid waste and wastewater needs for these developments will be serviced in Porirua under the existing Joint Venture.

31. The Commission has indicated that the Porirua-Tawa Local Board boundary to the south would need further consideration. The Council notes that the natural Te Awarua-o-Porirua Harbour catchment does not align with that of the Porirua-Tawa Local Board and excludes other current north Wellington city suburbs that contribute significantly and directly to the infrastructure and environment of the proposed Porirua-Tawa Local Board. The Council supports further discussion on the alignment of all local planning and advocacy within the one ward. The physical association of Porirua and Tawa is reflected in the current Porirua-Tawa constituency of the Greater Wellington Regional Council.
32. We recognise and support the communities of interest of Porirua and Tawa. On balance, it appears that common factors and points of difference between Tawa and Porirua would be reasonably accommodated.
33. Porirua and Tawa issues and interests will be represented on the board through having their own electoral subdivisions and elected representatives. The retention of the current Porirua City Council wards and the current Tawa Community Board as a basis for subdivisions of the local board is logical.
34. The Council notes, however, that there is a risk that the Tawa community might oppose local government reform simply because the boundaries of their local board are unsuitable. Recognising this risk, the Council urges the Commission to work closely with the Tawa and north Wellington communities to ascertain their views on which local board they might sit with and confirm the Commission's decision on boundaries in the final proposal.

Māori representation

35. The Council notes the way in which the Commission has proposed representation and partnership arrangements with Māori. At the council level, this includes the Māori Board and a natural resources body similar to the current Greater Wellington Regional Council's Te Upoko Taiao board of iwi representatives. At the local board level, the intent is to preserve existing relationships or where necessary establish new relationships. Porirua City Council has a valued relationship with the iwi of Ngati Toa as tangata whenua. The Council has had several informal discussions with Ngati Toa over the years around regional governance and we understand they are not opposed to change. Ngati Toa are interested in improving Māori representation and participation in local government. The Council supports this position.
36. The Council is interested in the way in which the Commission would expect the council and local boards to address the relationship with urban Māori and taura here.

Local boards and the opportunity of village planning

37. Porirua City Council is justifiably proud of its Village Planning Programme. This is a partnership between the community, the Council and other stakeholders. Facilitated by the Council, but with the encouragement that the community organises itself, the process of developing and implementing a village plan provides considerable value in community development, engagement and community-owned solutions. The plans are a statement of village and community history, values, priorities and partnerships. As identified in the Council's principles, we are determined to see that villages and the village planning model and way of working is preserved. The Council considers that this would be a further valuable input to the local board model and upwards to the council. It is a model that might find favour elsewhere.

Transition and employment

38. The Council acknowledges that employees would be particularly affected by any change. The Council is keen to ensure that every possible and reasonable support is provided to employees leading up to and through any transition that might occur, including the involvement of relevant groups (for example the Public Service Association and the Amalgamated Workers' Union) and processes (for example employment assistance).

Completion of the Commission's process

Petition and referendum

39. If the process continues to the stage that the Commission issues a final reorganisation proposal, it is highly likely to result in a poll. The Council is of the view that while a petition for a referendum is a legal requirement, it really is an unnecessary impediment to democracy. This view appears to be shared regionally. If there was a way of setting aside the need for a petition and proceeding directly to a referendum, that would be preferable. To this end we believe that the Commission should undertake extensive regional polling prior to issuing its decision as part of its consideration of submissions received.

Electoral enrolments and informed decision-making

40. In the event of the Commission issuing a final proposal and a referendum being held, change will be in the hands of electors. As the Commission has noted, voter turnout for local body elections across the country is very poor. In 2013, Porirua's voter turnout declined for the fourth consecutive time to 36%. This, combined with many and varied views on regional governance, raises two issues:
- Ensuring the number of people eligible to vote across the region is maximised; and
 - The need for simple, clear and consistent messaging to help people make an informed decision.
41. Although it is possible that more voters will be galvanised by a single issue such as regional government change than a local election, the Council recommends that the Local Government Commission encourages the Electoral Commission to take every

opportunity, with the region's councils, to increase voter enrolment for the likely referendum.

42. The Council appreciates the statutory limitations around local government at the time of a referendum, apart from encouraging people to take part and directing them to officially-approved resources, information and instructions.

Our efforts to continue constructive dialogue with other councils

43. Porirua City Council notes that while media coverage tends to focus on the differences between councils, we appear to be in agreement on several fundamental aspects:

- the importance of local people having a say in the way local government is delivered;
- the importance of local identity being retained and promoted;
- the need for efficiency in delivery given the financial challenges facing all of us; and
- the need for some decisions to be made on a regional basis.

44. There also appear to be other common regional positions and views regardless of views on change, such as:

- proceeding directly to a referendum if a final proposal is issued;
- the need for fair and consistent messaging for a referendum; and
- optimising enrolments to vote.

45. Recognising this, the Council is willing to continue discussion of its principles and position, and particularly to achieve:

- regional spatial planning;
- sustainable funding; and
- the protection and enhancement of local community/village identities, local voice and representation.

46. At the time of writing, Porirua City Council has invited all the region's local government leaders to a meeting on 4 March to discuss areas of common interest and agreement. We have had an excellent and willing response. Copies of the initial letter for an indication of interest and the subsequent invitation to meet are attached for information.

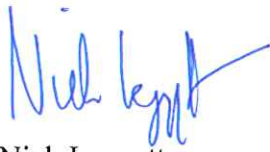
47. The invitation was sent under the heading of the Joint Local Government Reform Working Party. The Working Party was established in late 2012 and was chaired by Porirua City Council, with Greater Wellington Regional Council, Wellington City Council and Kapiti Coast District Council.

In conclusion

48. It is the view of the Porirua City Council that the status quo local government arrangement for the region is not viable.
49. The Council supports the Commission's draft proposal, excluding Wairarapa, and encourages the Commission to proceed to issue a final proposal for reorganisation.

50. The Council is willing to continue discussion of its principles and position.

51. Porirua City Council would like to speak in support of its submission.



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