



Hutt Valley Chamber of Commerce
Submission to the Local Government Commission
On the Draft Proposal for local government in the Wellington Region

Introduction

The Hutt Valley Chamber of Commerce welcomes this opportunity to submit on the draft proposal for local government in the Wellington Region.

Established in 1943, the Hutt Valley Chamber of Commerce has long been an important part of the business community in the Hutt Valley region. Our organisation works with the other chambers across the Wellington region, and we are also accredited through the New Zealand Chamber of Commerce network with links to a 20,000 strong worldwide Chamber of Commerce network. Through advocacy work, the Hutt Valley Chamber aims to create a positive, dynamic environment in which business can flourish. The Hutt Valley Chamber also provides expert business advice, guidance and training, as well as operating an active, business-generating, network-building programme right here in the Hutt region.

The Hutt Chamber has engaged our members on the local government commission proposal as well as with the wider Hutt Valley and business community at large. Our membership consists of the following membership demographic Wellington City 14%, Wairarapa/Kapiti/Porirua 6%, Lower Hutt 68%, Upper Hutt 11%, and National 1%. Our membership is more than 90% made up of small and medium sized businesses, who employ less than 20 people. We are the voice for the SME sector across the region.

The Hutt Valley Chamber of Commerce is making the submission based on the feedback we have received from our membership by carrying out an extensive survey. The Hutt Valley Chamber of Commerce surveyed its members over a four week period in January and February, with 540 respondents. (note that not all answered every question). The survey asked a series of 9 questions about the draft proposal. There was a significant amount of unsolicited additional comments and suggestions provided by the respondents as to what they would like to be engaged on.

Business Community Views

It is clear that our members do not support the local government proposal for a single unitary authority. However they are interested in considering some form of change. There are variations of perspective across different geographical, industrial and vocational lines across our membership.

Three key questions asked aimed to understand what the overall feeling on the proposal was, what benefits members see from the proposal, and what changes would be required for the proposal to meet their approval. The survey asked members to rank the effects of the proposal on the region, on a scale of 1-10. The mean rating was 4.64 of 10. Adding up the balance of sentiment, 58.7% felt negatively towards the proposal, while 41.3% felt more positively. While on the face of it this indicates that many respondents do not support the current proposal, many of them said they are open to some form of change. This is absolutely critical to consider.

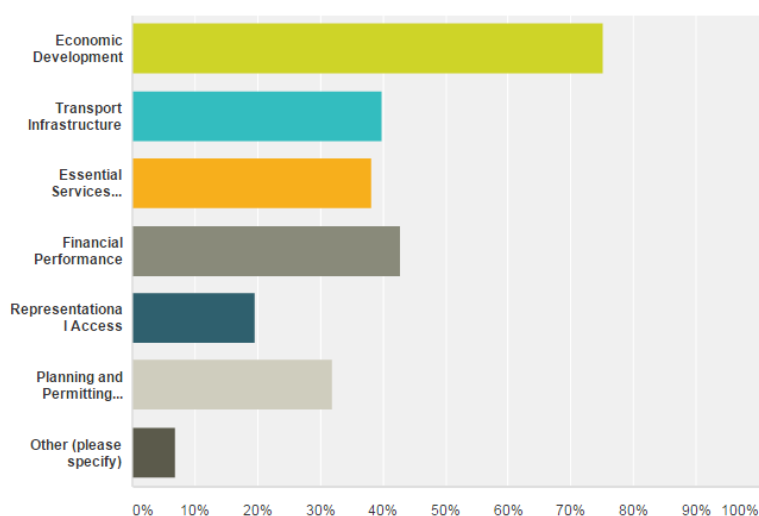
The Hutt Valley based business community is more clearly against the proposal with 64% of them considering the effect of the draft proposal being negative for the region.

The response from our Wellington city based members is however a different story. 59% of those surveyed consider the effect of the proposed single unitary authority to be positive and 41% consider the effect to be negative.

Survey respondents were also asked what major benefits they perceive from the proposal. The key benefits the members perceived were streamlined services, and a united direction/single voice for the region, followed closely by perceived cost savings.

When asked what changes would need to be made to the proposal for it to meet their approval, there was much comment about proposing a new structure which excluded the Wairarapa, or which created three councils instead of one. There were also strong concerns about loss of local leadership and representation. Additional comments included concern for absorbing other areas' debt.

The survey asked what key Local Government performance factors that are important to your business. Economic development, infrastructure and financial performance were seen as the top three most important roles. The below graph demonstrates this:



The survey also asked members open ended questions about the benefits and problems of the proposal generally. Some of our member's feedback is as follows:

"Evidence of true efficiencies of scale – I think in reality they are a myth"

"It seems pointless having multiple bodies replicating jobs and resources around the region"

"I'd like to see some solid accountability detailed – who is responsible?"

"There will be less hurdles to jump for consents and funding – one go to council and contacts"

"Local boards may attract a higher calibre of officers"

"Planning will be done more strategically. Consistent approvals, and ability for [my business] to engage once instead of multiple times"

"I do not support the changes as they are, the status quo should remain. I would however, as a compromise, like to know more about a unified Upper/Lower Hutt merger"

“The ability to reduce governance cost. The ability to improve transport infrastructure for the benefit of all in the area. The ability to target economic development within each "ward" A unified plan that encompasses all groups”

Our Survey indicated that only 49% of respondent had read the Local Government Commission’s report. Given that the report was 13 sections, approximately 400 pages long with a 64 page summary it was clear that the information provided was not in a form that was easy for our members and the wider business community to readily digest and understand.

Most importantly the Hutt Valley Chamber of Commerce believe there is a real need to better engage the business community in this debate. While the Local Government Commission has been well-intentioned, a much better job needed to be done with respect to this submissions process. With the timing of the report’s release being just prior to Christmas the consultation period and resulting timeline covering the extended summer holiday season has made it impossible to thoroughly inform, engage, and robustly debate the merits of all the possible options.

This was indicative at the recent debate the Hutt Valley Chamber hosted with 140 local business people getting together on the 25th of February to hear Lower Hutt Mayor Ray Wallace and Greater Wellington Regional Council Chair Ms Fran Wilde explain the pros and cons. This was the only date that allowed time for the necessary arrangements to be made but was only 5 days prior to submissions being due. Whilst the debate was very spirited and it was clear that many people were still seeking additional information upon which to make their decisions. Up until that last week of February there was little opportunity for engagement.

Conclusion

The Hutt Valley Chamber of Commerce’s membership does not support a single unitary authority to govern the greater Wellington region. However the business community does want to consider alternative Local Government structures to the current arrangements and is supportive of change.

Some examples that the business community wants to explore are a separate authority for the Wairarapa, and/or combined Hutt Valley, combined Wellington/Porirua. The debate needs to continue along these lines before any form of referendum on reorganisation is held, with a strong emphasis on better engagement with the business community to ensure proper informed consultation takes place.

We believe the Local Government Commission has failed with its process to enable or even support robust debate and engagement. By delaying the release of their documents by six months and then issuing it over the Christmas period the ability to ensure thorough engagement and feedback has been compromised. We would recommend from here the process requires a much stronger focus to engage the business community to ensure proper and informed consultation takes place and debate on all the options.

Yours sincerely

Mark Futter

Chief Executive