

# SUBMISSION

To WCC annual plan 2020-2021

## OVERVIEW

- The Plan does not adequately recognise that we cannot go back to ‘Business as usual’. We get no sense of significant reprioritisation for a changed future. The issues arising from Covid-19 and other unexpected occurrences are well set out but dealing with them simply seems to be added on to what WCC were planning to do anyway, rather than rethinking in a new frame. We recognise time has been limited but the Plan should at least address this in broad terms.
- The Cost Review by the CEO has no specific objectives to assist in future focus. Nor does it seem to include dropping some projects that should no longer be immediate priorities, like the snow tigers. We also question the Climate Lab – surely this should be a national priority, and not a cost to local ratepayers.
- We support the no fees/user charges as documented – and the rates deferral without penalty, although we note the latter will eventually have to be paid.
- Re Rates we are reluctant to support the 5.1% and believe somewhere around 4% should be achievable with cost savings.
- We register our concern that information is not always presented in an unbiased and non-emotive manner that meets legal requirements for Consultation.
- We are appalled that reopening of the Central City Library has no budget in this Plan.
- We expected notification of an immediate review of the 10 year Plan. We can’t just continue with that as the key framework when the assumptions underpinning it now need to be reviewed.

## INTRODUCTION

Wellington City Council’s Annual Plan 2020-21 must deal with a very different future because of Covid-19. We will NOT return to Business as Usual.

The Foreword by Mayor and CEO states *“Our top priority is working together to soften those (Covid-19) impacts and help rapid recovery. We will continue to deliver the services we all need, and work to create a vibrant and confident capital city. This will require us to walk a tightrope between affordability and service delivery, this year and years to come.”*

Inner City Wellington (ICW) is concerned that Wellington City Council (WCC) seems to have a mindset of getting back to ‘business as usual’. We do not see here or in the remainder of the

document any clear indication that Wellington can now enjoy a very different future and that the vision for that will be rapidly developed so that investment can support it.

While we recognise the imperative of dealing with immediate responses, it is incumbent on Council to provide a forward thinking strategy or, at least until they can do that, to recognise that is a priority and demonstrate that it will engage appropriately with Wellingtonians to create it.

## GOVERNANCE

Under the Local Government Act 2002 the purpose of Wellington City Council is

- *to enable democratic local decision making and action by and on behalf of the local Wellington community and*
- *to promote the social, economic, environmental and cultural wellbeing of the Wellington City Community in the present and for the future*

In this plan, and indeed in all its work, ICW contends that WCC has not adequately recognised this Purpose leading, we believe, to a much-diminished functional democracy in Wellington.

In the section Covid-19 and Wellington, we note *“The role of Wellington City Council is to deliver services that support a well-functioning city. We look after our city’s infrastructure and invest in key projects that address the current and future needs of our people”*. This is a clear example of how, in developing a Plan within this narrower definition, the Council does not address its wider responsibilities.

We draw attention to Section 3, under Governance where it states *‘We aim to build trust and confidence by being open, transparent and accountable’*. Although those are laudable goals for Councillors, currently the public disunity evident at the Council table means that trust in Councillors’ ability to keep the interests of the citizens of this city as their primary focus, is non-existent.

**ICW SUGGESTS that the Wellington City Council state its statutory purpose at the forefront of all its processes, policies, decisions, and actions. In so doing it should constantly strive “to enable democratic local decision-making and action by, and on behalf of, communities”**

Section 82 of the 2002 Act sets out Principles of Consultation which include amongst other principles,

- *‘reasonable access to relevant information in a manner and format appropriate to the preferences and needs of those persons’;*
- *‘that persons invited ...to present their views ...should be given clear information by the local authority concerning the purpose of the consultation and the scope of the decisions to be taken following the consideration of views presented’;*
- *‘that the views presented to the local authority should be received ..... with an open mind and should be given by the local authority, in making a decision, due consideration’; and*
- *‘that persons who present views to the local authority should have access to a clear record or description of relevant decisions made by the local authority and explanatory material relating to the decisions, which may include, for example, reports relating to the matter that were considered before the decisions were made’.*

**ICW CONTENDS that appropriate information, the criteria for which are set out above, is not always given to the public. A focus on delivery of information that WCC wants to present, rather than information that properly informs the public, has often usurped the role of credible and useful informed consultation. This is not acceptable.**

## ANNUAL PLAN CONSULTATION ISSUES

ICW acknowledges the unprecedented difficulties of this Covid-19 environment and much good work done by Council staff in unprecedented circumstances. We respectfully submit the following:

### RATES FOR 2020/21

Financial difficulties arising from the Covid-19 situation are clearly set out and reasons are offered for Council's preferred Rates option of an increase of 5.1%. However, we don't see specific costings or benefits to be delivered for the late amendments that resulted in the increase from 4.95%. Nor can we see how priorities have been determined for these in conjunction with all expenditure so we can assess whether we agree those reflect a 'what's best for the future of the city' approach.

The Plan states a 2.3% increase was considered but not supported because, according to the Mayor and CEO in their introduction, it would mean *'more borrowing TO COVER THE INCREASING COSTS OF MAINTAINING CORE INFRASTRUCTURE and significant rates increases in future years'*

**ICW CONTENDS that stating more borrowing is required to cover the costs of maintaining core infrastructure is misleading (and somewhat emotive) since other expenditure is also included.** We are not given clear information about how Council determined its priorities here and we are left wondering if some other projects could be dropped or delayed to still achieve the lower option. And whether highlighting infrastructure issues as the work that would be dropped is a ploy to get acceptance of the larger increase since it is clear citizens will not argue with the necessity for that.

This concern is strengthened when we read in the Section Rates 2020-21 that the difference between the two options is that the 2.3% increase does not rates-fund the additional depreciation costs incurred from the 2020 infrastructure revaluation as instead it is funded from additional borrowing. We want assurance that depreciation funding provided by rates over previous years has been spent on infrastructure upgrades and not used for other expenditure.

**ICW SUPPORTS borrowing to meet capital expenditure requirements in relation to upgrading existing assets. However, we would also expect specific information about any new infrastructure that is envisaged before supporting any borrowing for that.**

### RATES OPTIONS

**ICW ACCEPTS that 0% rates increase is not a viable option in the current environment.**

**Nor do we wish to have a rates increase that is so low, that it will result in significantly higher rates in future.**

**ICW WOULD STRONGLY SUPPORT a reduction to somewhere nearer 4% for this financial year given appropriate reprioritisation and cost cutting of currently planned budgets.**

**ICW NOTES** that should a 5.1% increase be approved this should be conditional on:

- Not introducing unacceptably high increases in future
- confirmation from WCC that all rates-funded depreciation in the last two terms has been spent on/reserved for the upgrade/replacement of associated infrastructure
- commitment of achieving substantive operational cost savings in 20/21 FY
- commitment to a 10% increase in 21/22.

## **COSTS**

**ICW welcomes the CEO's review of costs.** It must not be done with an assumption of a return to 'business as usual'. We cannot support borrowing to maintain operational spending, especially in the current climate, and we expect to see this very promptly controlled. It is difficult to support any specific rates increase without this having been done.

We question the commitment to a Climate Lab given the complete lack of information available to support the late amendment.

**WE SUBMIT that the Climate Lab needs to be a national initiative funded by Government and that local resources will not be best spent on what would necessarily be a limited local approach here.**

**WE CHALLENGE the continued inclusion in the Budget of the addition of snow tigers at the zoo.** Surely the assumptions in the business case for this must be revisited and the project put out to the future. It is simply not a priority within the short to medium term.

## **PAYMENTS**

**We support the recommendations for not changing fees and user charges**

**We also support and acknowledge the value of the options for payment of rates for those in financial difficulty due to Covid-19.**

## **TEN YEAR PLAN**

**ICW ALSO SEEKS CONFIRMATION that the 10-year Plan will now be promptly revised to take account of the vastly changed environment we live in and that there will be a new consultation, beginning with a revision of its assumptions.**

This revision should not wait a whole year as seems to be assumed. Council simply cannot continue to operate as if Wellington can return to business as usual and operate off existing plans.

## **STRATEGY AREA PROJECTS IN 2020/21**

The Plan states that WCC *'is developing an **Economic Recovery Plan**. The Plan will be developed in partnership with the Wellington Recovery Advisory Panel, which will be made up of key industry stakeholders.'*

**ICW CONTENDS that this is another example where WCC's focus is too narrow.**

While industry stakeholders are of course key to recovery, the wider accountability of WCC would be better served by broadening membership of this Panel to include at least some 'ordinary citizen' and resident input. Obtaining such contributions from the outset is a part of supporting democratic development of our city and can greatly assist in support for the desired outcomes. We note *'the eventual plan will be holistic and encompass business support, but also the community, cultural, creative and innovative dynamics of the city.'*

**ICW QUESTIONS WHY, then, would such interests not be included in the panel?**

### **CONVENTION AND EXHIBITION CENTRE**

We note the commencement of the Convention Centre and express our significant alarm that this now cannot bring the revenue projected in the business case which was already a cause for concern. The advent of Covid-19 and the world-wide implications this brings, along with an upsurge in virtual conferences and meetings likely to become more common, will severely impact on the viability of the convention centre in the short and medium term.

**ICW CONTENDS that the convention centre should be re-purposed now to ensure it can be best used at least in part as a community asset, with the possibility that should, at a later date, the environment indicate a case for the Convention centre as originally envisaged, it can again be re-purposed.**

### **CENTRAL CITY LIBRARY NETWORK AND OMISSION OF THE CENTRAL LIBRARY**

The Central City Library (used by one million Wellingtonians per year) was closed in March 2020, and temporary services set up. There has been no consultation relating to these temporary services morphing into what is now described later in the plan as a Central City Library Network. This includes a new Library hub in Brandon Street while there is no mention at all or budget for the restoration of our Central City Library, the future of which has been incorporated into the now delayed Te Ngakau Civic Precinct master plan.

Since its closure there has been ongoing significant public support for the iconic building to be strengthened and reopened. ICW points out that future of the Te Ngākau — Civic Precinct has been under discussion for some years with no resolution in sight. This has resulted in the bleak and abandoned city heart that saddens Wellingtonians daily.

**ICW contend the strengthening of City Library should be the first consideration, with any further development of Te Ngakau Civic Square being tied into that, just as it is now tied into development around the strengthened Town Hall and the redevelopment required for the National Centre for Music, both of which ICW supports.**

**ICW ASK FOR A CLEAR AND UNEQUIVOCAL RESPONSE** from the WCC that the Central Library will be strengthened, and a date given for remediation work to begin as soon as possible AND that the budget for this will be included in this Annual Plan. We also question whether a 10% proposed rate rise for 21/22 takes into account the strengthening of the Central Library.

### **GREEN SPACES – AN OMISSION**

There is little in the plan to support any immediate action to address the dearth of green spaces in the Inner City and we hope this omission can be speedily addressed.

**ICW STRONGLY SUPPORTS** the recommendations to WCC from The NZ Centre for Sustainable Cities

<http://sustainablecities.org.nz/wp-content/uploads/Green-Space-in-Wellington%E2%80%99s-Central-City.pdf>

In particular, the consultants have since identified a group of initiatives that could relatively cheaply be undertaken immediately, and we believe they should be incorporated into this Annual Plan and funded by some of the \$3.7m from Snow Leopards.

**Stephen King**

**CHAIR**

Inner City Wellington

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