Normandale Residents Association c/o 301 Normandale Road Lower Hutt

His Worship the Mayor Ray Wallace Hutt City Council Lower Hutt

08 August 2013

Dear Ray,

On behalf of the Normandale Residents Association, I am writing to support the position taken by Hutt City Council (HCC) on the proposed re-structuring of Local Government within the Greater Wellington area.

The consultation held within the Normandale area held in conjunction with the HCC Western Community Committee has demonstrated that the view of our community aligns with the results obtained by HCC in its repeated and widespread consultation.

That is, that we consider no viable case has been made for any change to the current structure of Local Government within the wider Wellington area. On the contrary, we believe that the proposed changes will be detrimental to our community, the city of Lower Hutt and the region. We further note that the proposal to amalgamate TLAs within the Wellington region and reduce representation, is contrary to the trends overseas where there is an increased emphasis on partnership with the community and the involvement of a broad range of stakeholders in direction setting and implementation.

We consider that the area most adversely affected by any proposed amalgamation is local democracy. The principle of subsidiarity recognises public satisfaction with spending decisions on public goods and services is highest when local government representatives have immediate and close contact with their community. The removal of one or two tiers of governance and the reduction in the number of elected representatives would directly and adversely affect this level of contact.

Although it is argued by proponents of amalgamation that economies of scale can exist in administration, and theoretical modelling suggests that an optimum size exists for a local authority, we note that no formal evidence is available to support this contention. On the contrary, empirical and anecdotal evidence suggests that the opposite is true. We further note that studies indicate the fiscal costs of amalgamation are frequently grossly underestimated, and the social and cultural costs ignored.

With regard to economies of scale in the delivery of services, we note that this is also a contentious area, and that different services have different optimum scope. We consider that the evidence available shows that any savings are more closely correlated to a reduction in service level than an increase in delivery capacity. Nonetheless we fully support the integration and sharing of services between TLAs where this results in a more effective service delivery.

Normandale Residents Association c/o 301 Normandale Road Lower Hutt

We therefore support the position of HCC in recommending the retention of the status quo so far as the structure of local Government in the Wellington area is concerned, and the wider use of shared delivery of services where this is appropriate and effective.

Yours sincerely

Pete Matcham

President, Normandale Residents Association

P. Matel

References

Oates, W. E, 1999, An Essay on Fiscal Federalism, Journal of Economic Literature Dollery, B, Byrnes J, Crase L, 2007, Is Bigger Better? Local Government Amalgamation and the South Australian Rising to the Challenge Inquiry, Economic Analysis & Policy

Aulich C, Gibbs M, Gooding A, McKinlay P, Pillora S, Sansom G, 2011, Consolidation in Local Government, A Fresh Look, ACELG Drezgic S, Grudenic I, Ionescu A, Przulj N, 2012, A technical approach to local government amalgamation