

SPEAKING NOTES TO WCC – JOSH TAN

ORAL SUBMISSION ON WCC 2020/2021 ANNUAL PLAN

10 June 2020

- Kia ora tatou! Thank you for the opportunity to speak to the Annual Plan proposal on behalf of the Wellington Chamber of Commerce.
- As John said, my name is Josh Tan, I am the research, policy, and advocacy advisor at the Wellington Chamber.
- But first and foremost, I am a passionate Wellingtonian, I asked John if I could do this oral submission on behalf of the Chamber because I have a vested interest in the wellbeing of my city.
- I am too young to remember the dull grey Wellington of the 80s, but I grew up here in the 90s and early 2000s and to be honest it is hard to see much change since then, I am hoping you, our councillors have an ambitious vision, not for the next year or next 10 years, but the next 40 to 50 years, that's certainly the mindset we need going forward, and we need to start now.
- I want to be as brief as I can, so I trust you've all read our paper in detail.
- But, before I get into it, I want to acknowledge Council officers – all those hard-working staff that have worked diligently on the annual plan itself and continued to keep Council open and consulting over lockdown, it was fantastic and much appreciated.

- The Wellington Chamber of Commerce has been part of the city for 164 years and currently has around 1,300 members that call Wellington home, they are part of the 3,600 members we have region-wide.
- It is critical to note that Wellington's businesses contribute significantly to the city and region's rates intake. The figure is around 45 per cent of the City's rates intake, and 33 per cent of the Greater Regional Council's rates intake.
- The Chamber acknowledges the Council's efforts to date in minimising the rates increase.
- However, our organisation must point out that given the current economic situation and with many businesses already struggling, any increase in the general rates will hit businesses where it matters most – that's their cash flow.
- Following the news by AMP this morning, we would urge the council to ensure the rates increase is the absolute minimum on the commercial ratepayer. We've been saying for years the commercial ratepayers in the city have been overrated. And if commercial property demand is going to drop further, Council will not be able to access it as a honey pot in the future.
- Regarding the proposals included in the Annual Plan consultation, the Chamber holds the following views:
 - We disagree with the overall approach of the Annual Plan, and believe the Council needs to fundamentally rethink some of their business-as-usual methods.
 - We support the minimum 2.3 per cent increase, however, we support the Council making large-scale investments necessary to take the city forward.
 - We support the Tipu Toa: Build Back Better initiative.
 - We agree with holding the majority of fees and charges at their current levels.

- And finally, we agree with increasing the Southern Landfill fees to help fund 'polluter pays' and waste reduction initiatives.
- Regarding the Tipu Toa proposal, I am looking forward to what would come out of the resource recovery centre business case, last year I spoke to Councillors Foon and Pannett regarding possible international collaboration around the idea with another organisation we front, so we are keen on that aspect of the fund. As well as investment in the arts sector of the city, which is incredibly important.
- In preparing our submission, we surveyed our members and found that they were split regarding rates increases. 23 per cent supported the 5.1 per cent increase, 36 per cent support the 2.3 per cent option, and 31 per cent rejected both options.
- What was clear to me was the out-right support for significant investment in our water, transport, housing, and civic amenities, regardless of the rates increase. Something we'll talk to further.
- Though businesses are appreciative of the current recovery initiatives.
- It is clear to us, that many businesses are struggling, they don't think Council is doing enough to support them, and don't believe that Council sympathises with their current situation.
- This information came out of our latest business confidence survey which closed two weeks ago.
- We urge the Council to maintain its financial discipline when it comes to operational expenses.
- In the current situation, businesses are having to be prudent, to cut costs, and find savings in all areas.

- And we expect the Council to do the same.
- While this consultation is about the annual plan, we want to focus on the long-term ambitions of the city and consider the goals we want to achieve.
- Any short-term planning, here on out, needs to be in the post-COVID long term vision of the city.
- As such we have identified six key challenges where the city council needs to focus if it is to 'build back better'.
- The first challenge is economic recovery post-COVID. The Council can help businesses by investing in crucial infrastructure and maintaining their financial discipline.
- Any activities must show that they stimulate the local economy, enhance productivity, and keep businesses going over the long term.
- Second challenge is water. Initial estimates put the cost at \$1 billion over 10 years and such an investment programme is out of reach for the Council under existing funding streams.
- The Chamber is open to the idea of water metering to provide a user pays revenue stream that will also significantly improve water conservation in our city.
- Challenge three is our transport infrastructure, and the well-known problems with roads, tunnels, public transport and cycleways.
- Let's Get Wellington Moving passes too much of the cost onto local ratepayers relative to other parts of the country and the deals they have struck.

- We believe the Council must renegotiate the current funding split and re-introduce the idea of congestion charging.
- Wellington's fourth challenge is our lack of affordable housing within the city limits. Something I know well.
- The Council can encourage development through regulatory support, expediting consents, and better guidance through approval processes.
- This is an area where we need political leadership and leaders like yourselves to champion housing, articulate why housing is essential and why it needs to proceed.
- If Wellington does not pick up its housing game, Porirua, Wairarapa, Kapiti, and the Hutt will reap the benefits and the rates income that goes with it. Perversely, this would also exacerbate our regional emissions and traffic congestion issues as people continue to commute into the city from the wider region.
- Civic Square is the fifth challenge, it is extremely disappointing to see the heart of our city in the state that it is. But we must also remember that Civic Square was not functioning as well as it could have pre-building closures.
- The Chamber firmly believe there needs to be a civic space for people to access services, stay warm, study, and spend time casually.
- The library does not need to be rebuilt in the way it was before, we think the pop-up libraries are working very well and the multiple locations on the ground floor of the city are bringing a bit more life to those areas.

- The ground floor also acts as a visible indicator of the economic health of the city, so for the Council to utilise these spaces and attract foot traffic into different areas proves very effective use.
- The final challenge is resilience within the city and problems with insurance.
- Commercial business owners are facing insurance premiums doubling, tripling, and even quintupling in the space of a year or two.
- The Mayoral taskforce on insurance has gone quiet and we urge the Council to reopen the conversation, continue to work with Government, businesses, and residents.
- Without a solution, high premiums will severely impact the development of the city and its high rise buildings.
- Those are the six key areas we have identified, there is plenty more in our submission. I'll leave it there so I can bring John back in, as we are keen to answer any questions and engage on the issue.