

## Submission on Proposal for a new CCO re Creative HQ

### Greater Wellington Regional Council

#### Introduction

My concerns fall into three areas:

- 1 Democratic Process
- 2 Scope
- 3 Direction

#### *Democratic Process:*

While it is asserted that the consultation process followed has strictly met the requirements under the Local Government Act, it is clear that neither the spirit of consultation nor Greater Wellington's own standards have been met. That the LGA Act requires consultation on such a proposal signals the importance Parliament has attached to the creation of new CCOs. The proposal is buried on pages 88 to 91 of the Proposed Annual Plan yet is not part of that annual plan, and there is no indication in the Message from the Chair that there is such a proposal. The dates for hearing of submissions are given as 12 to 14 May, even on the tear out form on page 93 which explicitly lists the Creative HQ proposal, whereas for the Creative HQ proposal the hearing date is 29 April.

The establishment of a new CCO with options for external investment and share issues to a third party many would see as significant. That would require the proposal to have been in the LTCCP.

The need for such a separate entity was neither mentioned in the Greater Wellington 2009 Annual Report nor in the Greater Wellington LTCCP; both of which underwent considerable consultation last year. The current consultation is not even listed under *consultations* on the Greater Wellington website and no mention of it appears to have been made on the Wellington Regional Strategy website.

Objectives of consultation include promoting public debate, ensuring transparency, and enabling informed decisions to be made. None of which has been met. No public debate has ensued. Burying the proposal in the annual plan and largely excluding it from the websites indicates a failure to empower all members of the community to participate. The matter of costs is not quantified even though the proposal alleges it contains the costs of each option. Furthermore an estimate of the cost of the proposal did not appear in the public papers presented with the proposal to the WRS.

The separate report to WRS in February, WRS/09/01/01, refers to two risks which need to be considered. The risk relating to the appointment of directors has not been presented to the public and neither risk has been listed in the disadvantages/costs analysis.

And of course a healthy democracy requires an informed electorate.

Most people I have spoken to have no idea there was such a proposal and it is my considered opinion that the proposal needs to be opened up for further debate with an extended period of public consultation and appropriate publicity before any decision on it can safely be made by Greater Wellington.

### ***Scope***

The proposal lists actions of the proposed CCO which must be approved by 'Council' or 'Greater Wellington', but it is not stated whether it is intended that such approvals be delegated to the Wellington Regional Strategy Committee.

No indication is given for what purpose groups may invest in the new CCO nor is there any indication that there will be limitations on what may be invested in. The question of the issue of shares to a third party and its implications are inadequately canvassed. There is no indication whether or not the intention is that the new subsidiary be designated as a public benefit entity.

No indication is given of the form the likely objectives or initial statement of intent will take.

Taking these issues into account it is clear that the possible scope of the proposal is far wider than required; a matter on which the Greater Wellington Community can expect certain safeguards.

### ***Direction***

While many aspects of the work of the Wellington Regional Strategy Committee are to be applauded there is a clear need for a shift in direction from the current model of 'sustainable growth' to one of 'sustainable development'. The evidence and implications of climate change, peak oil, biodiversity, and world population require this shift be urgently undertaken.

Creative HQ, Wellington's business incubator, has an opportunity and some responsibility for leadership in this area. Wellington can show New Zealand; which in turn has an excellent opportunity to set an international example, to take an ethical position, and to lead by example while at the same time developing resilience and strategies for dealing with the inevitable upheaval.

### ***Recommendation***

That the proposal to create a new CCO be reopened to further public consultation prior to a decision being made on its implementation.

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