

**Government Response to
Petition of Kenneth Mulholland: Appoint a Commission to replace
Wellington City Council**

Presented to the House of Representatives

In accordance with Standing Order 380

Government response to Petition of Kenneth Mulholland: Appoint a Commission to replace Wellington City Council

Introduction

- 1 Your petition requests that a Commission is appointed to replace Wellington City Council (the Council).
- 2 The Government has considered your petition, and is responding to the Petition in accordance with Standing Order 380.

Background

- 3 On 13 November 2024, your petition titled “Appoint a Commission to replace Wellington City Council” was submitted to the Petitions Committee.
- 4 On 13 February 2025, your petition was referred to the Minister of Local Government (the Minister) for response.
- 5 Part 10 of the Local Government Act 2002 gives powers to the Minister to intervene in a council if they believe that a significant problem exists. Your petition requests that the House of Representatives urge the Minister to appoint a Commission to replace the Council.
- 6 You specified the reason for your petition as follows: “In my view, poor city planning has introduced new cycle lanes, removed hundreds of on-street carparks, and has adversely affected the free flow of transport and commerce with livelihoods destroyed. I believe the Council is both dysfunctional and incapable of properly managing the city finances and that ratepayers are now faced with unreasonable rate increases.”

The Minister of Local Government appointed a Crown Observer to the Wellington City Council

- 7 The Government acknowledges the concerns you raised.
- 8 As you know, on 12 November 2024, the then Minister of Local Government announced the appointment of Lindsay McKenzie as Crown Observer to the Council.
- 9 The then Minister made this decision after determining that a significant problem existed. The Council’s financial challenges put at risk its ability to plan, fund, and deliver services and infrastructure for residents and ratepayers.
- 10 Additionally, the governance issues among the elected members made it unclear whether they could effectively work together, and with Council staff, to identify a path to financial sustainability.
- 11 The then Minister made the decision to appoint a Crown Observer to advise elected Council members, the Chief Executive, and senior management on

governance, financial strategy, and planning, while also monitoring their progress.

- 12 The Crown Observer works closely with the Council, keeps the Department of Internal Affairs (the Department) updated with the progress, and reports to the Minister. The Government is satisfied with the progress of the Council in addressing some of the issues since the Crown Observer was appointed. There are no plans to appoint a Commission to replace the Council.
- 13 In order to address the concerns you raised, you may wish to engage with the Council and the local councillors. The Crown Observer is not involved in decision-making. The decision-makers are the democratically elected Mayor and councillors.

Conclusion

- 14 On 12 November 2024, the then Minister of Local Government appointed Lindsay McKenzie as Crown Observer after identifying significant financial and governance issues within the Council.
- 15 The Crown Observer advises elected Council members, the Chief Executive, and senior management while monitoring their progress. The Crown Observer also updates the Department and reports to the Minister.
- 16 The Government is satisfied with the Council's progress since the Crown Observer was appointed. There are no plans to appoint a Commission.