

Response ID ANON-7BPZ-81WC-6

Submitted to Consultation on Water Services Authority – Taumata Arowai levy for councils and CCOs
Submitted on 2025-01-24 15:43:41

Tell us about yourself

1 What is your name?

First name:

Arno

Last name:

Benadie

2 What is your email address? Your email address will only be used if we need to communicate with you about your submission.

Email:

arno.benadie@rangitikei.govt.nz

3 Where do you live? (If you are a member of an organisation that is based in more than one region – please select 'National')

Manawatū – Whanganui

4 Are you providing feedback as an individual or on behalf of an organisation?

On behalf of an organisation or group

Information about your organisation

5 If you're providing feedback on behalf of an organisation, please enter the organisation's name and your position/title within the organisation

Organisation :

Rangitikei District Council

Position/Title:

Group Manager Assets, Infrastructure and Projects

Publishing submissions and Official Information Act 1982 requests

6 Do you give us permission to proactively publish your submission?

Yes, you may publish this submission including my personal details (name, organisation, email address).

7 Do you approve including your personal details in response to any related future Official Information Act requests received by the Water Services Authority - Taumata Arowai?

Yes, include my personal details in response to Official Information Act requests.

Introduction

8 What are the most important issues that you/your organisation believe should be addressed by the Authority?

What are the most important issues that you believe should be addressed by the Authority? (Comment box) :

Finalisation of wastewater standards.

9 How would you like the Authority to engage with you/your organisation?

How would you like the Authority to engage with you/your organisation? (Comment box) :

Periodic visits from the Authority's Local government engagement specialist together with relevant technical staff.

Part 1 – Levy structure

10 Do you/your organisation agree with the preferred option detailed in the Levy Structure section of the discussion document?

No

Add a comment to explain your answer:

Rangitikei District Council considers that the Authority should be fully Crown funded. The entire purpose of the Authority is a public good. Local councils and their ratepayers should not be funding central government regulatory functions, especially as the consultation document notes that it is impractical to seek financial contributions from private water supply providers. We note that the levy is expressed on a GST exclusive basis. Councils will have to add GST when invoicing the levy to ratepayers.

11 Do you/your organisation agree with the focus, in the first levy period, on councils?

No

Add a comment to explain your answer:

The initial focus should be on wastewater rather than drinking water, given the greater costs of effectively managing wastewater, the number of expired consents and the Authority's intention to issue a new standard.

Part 2 - Levy design

12 Do you/your organisation have any comments on the proposal to separate levies for drinking water, wastewater and stormwater?

Do you have any comments on the proposal to separate levies for drinking water, wastewater and stormwater? :

Presumably this separation is proposed to reflect the possibility that some councils may decide to retain the management of stormwater services and transfer just drinking water and wastewater to a water organisation. But this complexity reinforces the Council's view that the Authority should be fully Crown funded.

13 Would splitting the levy between drinking water, wastewater and stormwater result in any benefit for your organisation, or create any barriers (whether now or in the future)?

No

If yes, what would these be in practice? :

Part 3 - Levy apportionment

14 Do you/your organisation have any comments on the preferred option of an apportionment approach of charging the levy on a per-person rate?

Do you have any comments on the preferred option of an apportionment approach of charging the levy on a per-person rate? :

The proposed per person apportionment is a recognition of the Authority's work being a public good, reinforcing the Council's view that the Authority should be fully funded by central government and not territorial authorities (or their associated water organisations). Such an apportionment is not appropriate for the levy: as noted in the consultation document, 84% of New Zealand's population are connected to council water services: this proportion is substantially lower in rural districts like Rangitikei.

Are any of the alternative options preferred and why? :

15 Would the proposed apportionment approach create any challenges for your organisation?

Yes

If yes, what would these be in practice? :

Yes. Explaining to ratepayers why the Council is collecting funds for a central government agency will be a challenge.

Part 4 - Levy implementation

16 Do you see any issues with your implementation of the levy (receipt of invoices, payment and passing the cost on as you may determine)?

Yes

If yes, what are those issues? :

This is an unnecessary administrative burden in managing the collection of this levy, paying it to central government and accounting for GST. Since the levy would form part of the rates process, payment to Council will be at varying times, thus requiring special documentation. Inevitably, some ratepayers will be in arrears, yet it seems that Council would be liable for the full assessment levy, irrespective of that. The proposed effective date for regulations authorising the levy, 1 July 2025, will create a complication for councils as by then they will have made their rate resolution for the 2025/26 year.

17 Would the proposed implementation approach create any challenges for your organisation?

Yes

If yes, what would these be in practice and are there solutions you wish to propose? :

18 Do you/your organisation have a preference for when the levy should be reviewed next?

Yes

If yes, what would these be in practice and are there solutions you wish to propose? :

If central government insists on retaining the levy, Rangitikei District Council considers that it should be reviewed annually in consultation with local government sector representatives to gain agreement on the following year's programme and costs.

19 Do you/your organisation have a preference for when the levy should be reviewed next?

Yes

If yes, when and why?:

Answered in question 18.