

Rangitikei District Council's response to questions

Questions on Water - Foundational information disclosure – Discussion paper	
1	<p>What are the top two or three things you want to understand about water service providers' performance in the short term (in the context of the purpose of information disclosure (ID) outlined in Chapter 1 of the discussion paper)?</p> <p>The top four things are:</p> <ul style="list-style-type: none"> • Compliance with regulations, i.e. the extent to which water services meet compliance requirements from consents and standards and intended actions where there are gaps. • Reliability (including interruptions to the delivery of water services (both scheduled and unscheduled) or an availability of service measure (e.g. SAIDI and SAIFI as for the electricity sector) • Level of customer service (and how well the organisation meets this (including responsiveness to complaints) • Cost and affordability
2	<p>Are there any additional performance questions (Table 2.1 in the Discussion Paper) that you believe should be added and why?</p> <p>The listing of categories in para. 2.4 needs to include measures relating to 'organisation preparedness and capacity'.¹ Water organisations, although critical infrastructure and service providers, will not be included within the council led-Civil Defence Emergency Management, so it is important that this aspect of their performance is included in the ID requirements.</p> <p>There is no mention of the wastewater and sanitary assessment which the LGWS Bill allows a WO to undertake on behalf of a territorial authority.²</p> <p>(Purpose and outcomes)</p> <p>What parts of the community (and how many households/people) are not getting a service from the WO (disclosing a possible future investment need)</p> <p>Mana whenua are informed about the proposed work programme and provided with opportunities to comment or join a project team so that their interests are safeguarded and their role as kaitiaki is assured.</p> <p>(customer service)</p> <p>Disclosure of customer-related policies – for example, any policy in respect of vulnerable customers and hardship/affordability.</p> <p>(Levels of service)</p> <p>How does the levels of service for each Water Organisation compare – i.e. do some WO aim for a higher/lower performance than the mean?</p> <p>What strategies does the water service provider have in place (or is planning) to provide services in the event of natural disasters or emergencies?</p>

¹ This aligns with the requirements in the LGWS Bill Schedule 6 for the performance requirements to include a requirement for particular approach to risk management.

² Local Government (Water Services) Bill, Schedule 12, inserting section 71B into the Local Government Act 2002.

Page 17 notes 'Levels of resilience' but this would be better expressed as 'organisation preparedness and capacity, including a commitment to contingency planning'.

There is no mention of a Maori perspective.

(Asset condition and criticality)

What design standards does the WPO use as its primary determinant for its infrastructure?

3 Are we missing any types of information (**Table 2.2** in the Discussion Paper) that you think are needed to answer the performance questions we have posed and why?

Water NZ as a sector leader had led a number of benchmarking and network performance surveys over the past twenty years. We suggest talking with key staff at Water NZ to build on what exists.

The table is a bit light on ensuring customer perspectives are captured.

- It would be relevant to have the water service provider's Customer Service Code disclosed.
- An overall (at least annual) measure of customer satisfaction, percentage of customers paying by the due date, average debt of customers (distinguishing between residential and non-residential) nature and extent of actions taken for non-payment of bills.

There could be a specific heading for Māori engagement.

- The extent to which mana whenua consider they have participated meaningfully in the water provider's decision-making.

One specific high interest matter which warrants being included is the proportion of connections which are metered.

There is no mention of compliance with resource consents and relevant standards, so presumably the Commission will rely on the Water Services Authority – Taumata Arowai to provide that

4 Are there any areas that you think are the most important to ensure comparable information between providers?

Pricing

Number of breaks, bursts, spills, chokes and leaks, per [specified number] km of water or wastewater main.

Customer satisfaction score (%)

5 Is there anything else we should be doing to help keep down the costs of the ID regime?

Look to utilise existing reporting systems, data portals and so on. Many councils use Water Outlook as their primary compliance data warehousing and reporting tool. We think it would be worthwhile for the Commission to talk with what Water Outlook and other suppliers have available and to discuss enhancements of these current systems and practices.

Undertake periodic surveys of consumers asking for their views on the most important disclosures	
6	<p>What do you think are the key differences between providers and how could providers be grouped based on these differences?</p> <p>Scale and topography are the key differences</p>
<p>Initially, at least, distinguish between delivery models:</p> <ul style="list-style-type: none"> (i) in-house council operations and a single council-owned CCO for water services, (ii) multi-council CCO (iii) mixed council and consumer trust owned or fully consumer trust owned. 	
7	<p>Are there any other ways you think we should engage with the water sector to get technical input?</p>
<p>Work with the water sector to develop training on ID requirements: this will promote better practice.</p> <p>Convene an ongoing representative panel from the water sector to assist with evaluating matters such as:</p> <ul style="list-style-type: none"> • examples of measures used in other comparable jurisdictions, • perceived value to customers of the various IDs, and • the two different options to capital maintenance. 	
8	<p>Is there anything else we should do to minimise the impact on providers of working in a complex regulatory environment?</p>
<p>Provide a high-level advisory service for providers on the information systems used for managing assets, financial performance and customer service, with the objective of identifying where upgrades or other changes will enable a more robust and efficient reporting.</p>	
9	<p>What do you think are the most important obligations from other agencies for us to take into account when developing an ID regime?</p>
<p>Being clear what information disclosures such agencies require from water service providers so there is no duplication, and the Commission has access to this information.</p>	
10	<p>What are the characteristics of information that you think are most important to the success of an ID regime?</p>
<p>Accuracy, with the ability to review the information base together with evidence that the data reported has been independently verified.</p> <p>Consistency, so that there is the ability to compare results over time as well as between providers.</p> <p>Cost-effective, based on an assessment of the costs of collecting and verifying the specific information sought against the perceived value. The latter is essentially subjective, so we suggest that the Commission undertake research to examine that for the various IDs proposed.</p>	

11	Do you see any issues with our proposed timing or is there anything else we should align with?
	<p>We suggest the ID requirements for 2025/26 be those which are currently required by the rules set by the Secretary for Internal Affairs specifying performance measures for water supply, sewerage and the treatment and disposal of sewage (wastewater) and stormwater drainage, with the Commission’s initial ID requirements applying from 2026/27. This will give providers time to prepare for any additional requirements.</p> <p>We suggest the decision on changing the current accounting approach from OCN to FCM is deferred until after 30 June 2028, the Government’s deadline for demonstrating financial sustainability.</p>
12	Do you have any views on assurance requirements and what type of assurance should apply to the different types of information?
	<p>Audits are appropriate for backward-looking information, and these might typically be associated with the provider’s annual report. For forward-looking information, we suggest that initially ‘certification only’ be accepted with assurance under ISAE (NZ) 3000 implemented progressively over time.</p> <p>Since providers are not in competition with one another, we wonder whether it is feasible for their expertise to be used, i.e. to have one or more employees from one provider scrutinise the draft ID being prepared by another provider.</p>
13	Are there approaches other than Excel templates that you think would better support the publication of ID data?
	No. We agree that this is a simple (and cost-effective) approach to recording data, and allowing easy extraction for analysis and comparison with other providers.
14	What types of information do you think might be useful for the ID regime but best kept confidential?
	We suggest that the Ombudsman’s advice is sought so that potential breaches of LGOIMA are avoided. We don’t expect that the ID regime will require disclosure of personal information about the provider’s employees.