FROM THE
OFFICE OF THE MAYOR

RANGITIKEI
DISTRICT COUNCIL

File 3-OR-3-5

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Stuart Smith
Chair
Finance and Expenditure Committee
Parliament Buildings
Wellington

Via Parliament submission portal

Tēnā koe Stuart

Local Government (Water Services Preliminary Arrangements) Bill

Rangitīkei District Council appreciates the opportunity to make a submission on this Bill, which progresses the Government's water services reform programme. We have appreciated the information updates provided by the Minister: these have provided helpful information on what would be included in this Bill.

We have considered the Department's Disclosure Statement and Regulatory Impact Statement and the Cabinet papers released on 31 May 2024.

We have not considered the sections in the Bill relating to Watercare.

Since late 2023, the Council has been working with other territorial authorities in the Horizons region to examine the feasibility of formal regional collaboration (through a council-controlled organisation) to deliver three waters. GHD has been engaged to assist with this analysis.

At this time, the councils in this collaboration envisage reaching an in-principle decision in August-September 2024, but we are aware that the Government will be introducing a further Bill in December 2024 which will provide for a new class of financially independent council-owned organisations.

Council would have preferred to have discussed its views with Te Roopuu Ahi Kaa – the Council's standing Iwi advisory committee – which has been briefed on the regional discussions, but the tight timeframe for submission made that impossible.

06 327 0099 027 617 7668 andy.watson@rangitikei.govt.nz www.rangitikei.govt.nz 46 High Street, Private Bag 1102, Marton 4741

Council highlights 16 issues for the Committee's consideration, offering suggestions which we think would improve the effectiveness of the Bill.

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1. Technical Advisory Group

In December 2023 Cabinet agreed to the establishment of a Technical Advisory Group (TAG) hosted and supported by the Department of Internal Affairs (the Department). The Terms of reference stated that role of the TAG was 'to provide access to specialist and technical knowledge to the Department, as well as independent assurance and advice to the Minister'

Specific tasks for the TAG were:

- test options and proposals to inform the development of policy, regulations, and legislation to deliver Local Water Done Well;
- advise on the financial and practical impacts of options and proposals; and
- support the Department's engagement with key stakeholders.

The Department's Disclosure Statement notes that the proposals in the Bill 'were tested with the Technical Advisory Group through workshop sessions and the feedback received was incorporated into policy briefings and relevant Cabinet papers.[1] The Regulatory Impact Statement for the Bill prepared by the Department notes: 'The TAG provided input into the proposals included in this RIS

[1] Departmental Disclosure Statement, paragraph 3.7.

but the feedback on the proposals is not included (as this was not the role of the TAG).'[2] This means the input and influence of the TAG is virtually invisible

We suggest that the Committee ask Internal Affairs to release the minutes of the meetings and workshops of the Technical Advisory Group (if necessary, on a confidential basis) so that the Committee has full access to the TAG's views.

Interpretation

2. Definition of 'financially sustainable'

Council agrees with Local Government New Zealand that it is unhelpful to have to wait for further legislation to define the requirements for financial sustainability, given that it is part of the content for the water services delivery plans.

Part (a) of the definition in clause 5 requires that revenue applied to water services will be sufficient to ensure long-term investment. This is generally known as 'ring-fencing' and is intended to ensure that water revenues are not used for other purposes. There is ,however, a perhaps unintended consequence in that borrowing by territorial authorities has regard for the revenue earned for all functions, some of which do not require long-term investment, i.e. debt.

In its 2024-34 long-term plan, Rangitīkei District Council forecasts revenue for three waters in 2024/25 as $11.7 million and the debt as $42 million, i.e. 359% of revenue. This is higher than the limit set by the Local Government Fund Agency (LGFA) and much higher than the ratio for the full amount of Council's forecast debt.

If the Council decided not to join a formal regional collaboration, the test for financially sustainable would be meaningless. And if it did join such a three waters collaboration, given that Rangitikei's three waters debt position is similar to most other territorial authorities within the Horizons region, that joint entity would face an opening debt beyond the limits set by the LGFA.

We suggest the Committee ask Internal Affairs about the intended requirements for long-term financial sustainability and include that in the Bill.

We suggest amending part (a) of the definition of 'financially sustainable' in clause 5 to '…revenue earned for water services is applied solely to water services and that there is sufficient long-term investment', leaving part (b) unchanged, as that explains the test for sufficient long-term investment.

3. Definition of stormwater networks

We wonder why the definition of 'stormwater networks' has been used rather than the one in the now repealed Water Services Act 2022, which includes the changes made in section 6 of the Water Services Legislation Act 2023. This is a more accurate description of these systems.

(a) means the infrastructure owned or operated by, or processes used by, a water services entity to collect, treat, drain, store, reuse, or discharge stormwater in an urban area; and
(b) includes—
(i) an overland flow path (as defined in this section):

[2] Regulatory Impact Statement, page 6.

(ii) green water services infrastructure that delivers stormwater water services (as defined in this section):

(iii) watercourses that are part of, or related to, the infrastructure described in paragraph (a); but

(c) does not include a transport stormwater system

We suggest amending the definition of 'stormwater networks' in clause 5 to be that used in the now repealed Water Services Entities Act .

4. Definition of 'entity' and 'specified entity'

This term first appears in clause 33, referring to

(a) a territorial authority that delivers water services:
(b) a council-controlled organisation that delivers water services:
(c) a subsidiary of a council-controlled organisation that delivers water services

If this term is considered necessary, it is preferable to include it in the interpretation clause. The same applies to 'specified entity' which is defined in clause 34.

We suggest that 'entity' and 'specified entity' are included in clause 2, with the meanings as stated in clauses 33 and 34 .

Water services delivery plans

5. Content of water services delivery plans

Time horizon for preparing water services delivery plans.

These plans are intended as a transition measure to provide assurance that each territorial authority – either on its own or in collaboration with neighbours – has formally adopted a plan to provide three waters services. They are largely a compilation of existing information: council long-term plans and infrastructure strategies are expected to be the main source for information. The ten-year minimum period for the water service delivery plans coincides with that for long-term plans. Infrastructure strategies must provide information for thirty years so a longer timeframe may be what most councils prefer the water service delivery plan to cover.

However, there is a tension between the two elements of the plan as provided in clause 8. Demonstrating publicly the territorial authority's a commitment to meet regulatory standards, drinking-water standards, and financial sustainability are longer-term issues. These will generally have been identified in long-term plans and associated 30-year infrastructure strategies, along with challenges from climate change. Yet only housing growth and urban development are linked to long-term plans. The link to adopted long-term plans should be strengthened to make explicit that no new investigations are expected to support the information provided in the plans.

However, clause 11(1)(e) requires the plans to include "the anticipated or proposed model or arrangements for delivering water services (including whether the territorial authority is likely to enter into a joint arrangement under section 9 or will continue to deliver water

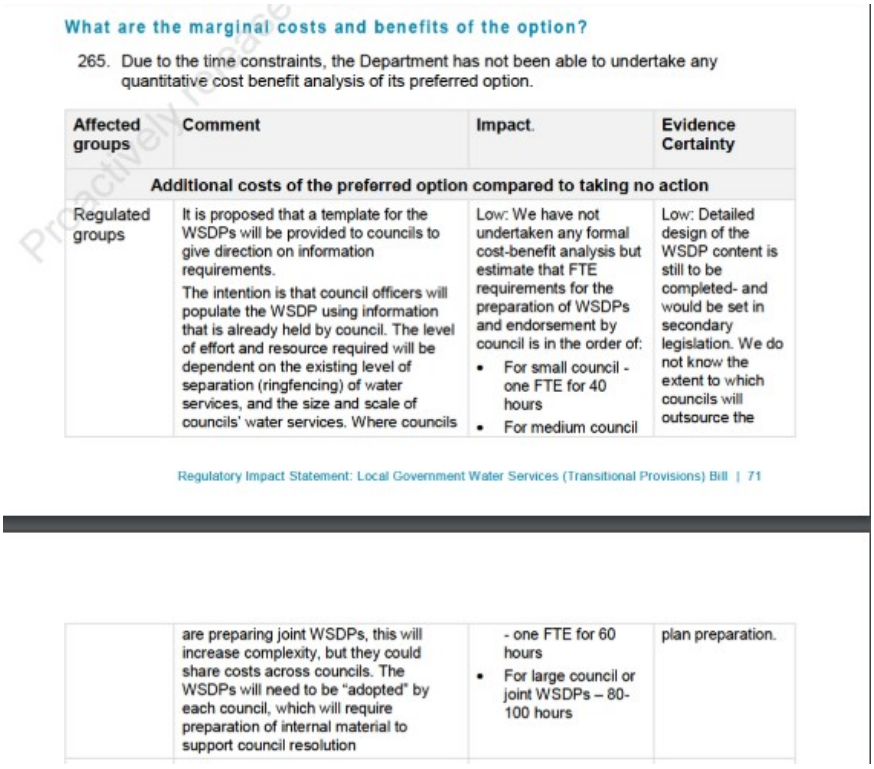
services in its district alone'. While this will reflect any conversations and analysis territorial authorities are having with their neighbours. It may be interpreted as implying a commitment to to such a joint arrangement. This needs explicit confirmation in the Bill, reinforced by a provision allowing amendment of an accepted plan. Without this, given that the accepted plan must be published on the territorial authority's website, the community may believe that a commitment has been made to enter into the joint arrangement described in the plan.

Without these changes, Council considers that an extended time to prepare the water services delivery plan will be needed, accepting that this would be likely to add both cost and time to establish formal joint arrangements.

> We suggest that adding clause 8(1)(b)) by after services adding "having regard for the territorial authority's most recent long-term plan"
>
> We suggest adding clause 8(3). A territorial authority (or group of territorial authorities, in the case of a joint plan) may amend a water services delivery plan which has been accepted by the Secretary, after resolution in a public meeting to do so, such amended plan to be published on the relevant territorial authority website.
>
> We suggest adding clause 11(1A) Nothing in the plan, including the information provided to satisfy clause 11(1)(j), implies a commitment from the territorial authority to enter into the anticipated or proposed joint arrangement

Cost

Paragraph 265 (as shown below) of the Regulatory Impact Statement includes the Department's view on the estimated costs to prepare such plan.



What are the marginal costs and benefits of the option?

265. Due to the time constraints, the Department has not been able to undertake any quantitative cost benefit analysis of its preferred option.

Affected groups	Comment	Impact	Evidence Certainty
Additional costs of the preferred option compared to taking no action			
Regulated groups	It is proposed that a template for the WSDPs will be provided to councils to give direction on information requirements. The intention is that council officers will populate the WSDP using information that is already held by council. The level of effort and resource required will be dependent on the existing level of separation (ringfencing) of water services, and the size and scale of councils' water services. Where councils	Low: We have not undertaken any formal cost-benefit analysis but estimate that FTE requirements for the preparation of WSDPs and endorsement by council is in the order of: • For small council - one FTE for 40 hours • For medium council	Low: Detailed design of the WSDP content is still to be completed- and would be set in secondary legislation. We do not know the extent to which councils will outsource the

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	are preparing joint WSDPs, this will increase complexity, but they could share costs across councils. The WSDPs will need to be "adopted" by each council, which will require preparation of internal material to support council resolution	- one FTE for 60 hours • For large council or joint WSDPs – 80-100 hours	plan preparation.

Resourcing this mandatory requirement will be an additional, unbudgeted, cost to councils: we think the Committee needs to be confident that the Department's view of the estimated costs is reasonable. And if the Committee is persuaded that a longer-time frame is needed to develop[such plans, we think the Committee needs to understand the potential additional costs.

> We suggest that the Committee ask Internal Affairs what external advice it took (from the Technical Advisory Group or any local councils) on the estimated costs to prepare the water services delivery plans presented in the Regulatory Impact Statement.
>
> We suggest that the Committee ask Internal Affairs for its view on additional costs if the time-frame for preparing water services delivery plan is extended, by a further twelve months.

Areas in the district that do not receive water services [from the local authority]

Clause 11(1)(c)(i) specifies *both* areas in the district which do receive water services *and* those areas which do not. We question the need for the latter, especially since 11(1)(c)(ii) requires the territorial authority to consider population growth

> We suggest that in clause 11(1)(c)(i) *either* the words 'areas in the district that do not receive water services' are deleted *or* the following words are added 'currently but where services are anticipated in the future'.

Regulatory compliance

Clause 11(1)(d) looks for information on whether and to what extent water services comply with regulatory requirements. Given that the water services delivery plan must be for a minimum period of ten years, there needs to be regard for anticipated regulatory requirements – and what actions are proposed to gain compliance in satiations where that is not the case, both now and anticipated.

> We suggest amending clause 11(1)(d) by inserting 'current and anticipated' before 'regulatory requirements' and adding 'and describing the actions being taken or proposed to be taken to address any current or anticipated non-compliance'.

Ring-fencing

Ring-fencing is a priority for the Government[3]. We draw the Committee's attention to the following aspects of clause 11(1):

> (f) financial projections for delivering water services over the period covered by the plan, including—
>
> (i) the operating costs and revenue required to deliver water services; and
>
> (ii) projected capital expenditure on water infrastructure; and
>
> (iii) projected borrowing to deliver water services:

[3] Cabinet Economic Policy Committee: Local Water Done Well Stage 2: Establishing the Framework and Transitional Arrangements, 20 Match 2024 (released 31 May 2024), paragraph 29: 'Ring-fencing is a key feature, which will help to provide transparency to communities about the costs and financing of water services, support financial sustainability, and ensure sufficient revenue is being raised to cover costs . This includes the cost of maintaining and refurbishing existing infrastructure and the cost of investment required to meet regulatory requirements and provide for growth.'

(k) an explanation of how the revenue from, and delivery of, water services will be separated from the territorial authority's other functions and activities.
(m) an explanation of what the authority proposes to do to ensure that the delivery of water services will be financially sustainable by 30 June 2028:

We have commented earlier (in **section 2**) on ring-fencing, recommending the definition of 'financially sustainable' is amended. The deadline stated in (m) is not foreshadowed in the Regulatory Impact Statement.

We suggest that the Committee ask Internal Affairs for its understanding of the implications of ring-fencing of three waters revenue, expenditure and borrowing for all local councils. This may mean that (k) is reworded 'an explanation of how the revenue from water services is applied solely to the delivery of water services and not to any of the territorial authority's other functions and activities'.

If the definition of 'financially sustainable ' is not amended, we suggest that (m) is *either* amended by, after 'do', adding 'in the anticipated or proposed joint arrangement' (so that it does not relate to a local authority going alone) *or* deleted.

'Asset management approach'

Clause 11(1)(h) requires the water services delivery plan to include a description of the asset management approach being used, including capital, maintenance, and operational programmes for delivering water services. It may be that the drafting of this provision had regard for Wellington Water which used that approach in 2022 to reposition that organisation: https://www.wellingtonwater.co.nz/assets/Reports-and-Publications/Asset-Management-Approach-August-2022.pdf That is focussed om strategy, performance and systems, none of which are given as examples in this clause. Capital and operational expenditure are the focus of clause 11(1)€ and (f) so need not be repeated

We suggest that clause 11(1)(h) is amended to be 'a description of the strategies, forecasting assumptions, performance indicators, and systems used in delivering water services', deleting the phrase 'asset management approach'.

Joint plans

Council considers it is helpful to allow territorial authorities to collaborate in submitting a joint water services delivery plan. In particular we note the requirement in clause 12(1)(d): information on the likely form of the joint arrangement, including whether it is anticipated it will involve water services being delivered by—

(i) a joint WSCCO; or
(ii) a joint local government arrangement or joint arrangement under section 137 of the LGA2002; or
(iii) another organisation or arrangement that the territorial authorities are considering.

The words 'likely' and 'anticipated' are realistic. However, they need to be reinforced by allowing territorial authorities to adopt some other arrangement since it is possible that they may conclude that either to prefer a shared service (to avoid many of the transition costs for

a formal council-controlled organisation) or a formal collaboration over a wider geographic area is needed (to gain the scale which will bring significant efficiencies and financial savings).

> We suggest adding a new clause 12(1)(e) The information provided under this clause does not commit any of the territorial authorities to establish the anticipated joint arrangement.

6. Consultation and decision-making requirements for water service delivery plans

Clause 15(2) requires engagement with Māori, taking into account their relationship with water sites as well as providing opportunity to contribute to Council decision-making and understanding and documenting Māori views on the water services delivery plan. To avoid this process being challenged later (by the Secretary when considering whether a submitted plan is compliant), a formal sign-off by iwi in the district would seem preferable.

Clause 15(3) says the Bill does not require consultation over a water services delivery plan 'but another enactment (for example, the LGA2002) may require a territorial authority to consult' One possible concern could be that individual territorial authority significance and engagement policies may require public consultation on this matter. However, clause 15 is subject to Part 3 of the Bill and that specifically provides (in clause 52(5)) that 'This section applies despite anything to the contrary in the [territorial] authority's significance and engagement policy adopted under section 76AA of the LGA2002'. Territorial authorities should not be required to ponder if there is a statutory requirement to consult on their water services delivery plans.

> We suggest (unless the Department advises that the template will address the requirements for engagement with Māori) adding a new clause 15(2)(A) A memorandum supporting the water services delivery plan signed by Iwi/Māori in each territorial authority's district will be evidence of compliance with subsection 2 in engaging with Māori.
>
> We suggest amending clause 15(3) to read 'Notwithstanding the Local Government Act 2002 or any other enactment, this Act does not require a territorial authority to consult in relation to a water services delivery plan, whether prepared for itself or with other councils'.

7. Role of the Department of Internal Affairs in making further rules for Water Service Delivery Plans and approving them

The Regulatory Impact Statement envisaged 'guidance (including a template) to clearly articulate what information councils must provide to meet the statutory requirements'[4]. It may be that the Department is waiting for the Bill to be passed before issuing this guidance, but the Committee needs an assurance that this will be done.

Given the twelve-month timeframe for developing the water services delivery plans, there will be little time for the Secretary for Internal Affairs to make further rules for the plans.

[4] Regulatory Impact Statement, para 356.

There needs to be adequate notice of such additional rules. And further rules may qualify the Department's estimates of time for local authorities to prepare the plans.

The Regulatory Impact Statement makes it clear that the Department's role is to ensure that the water services delivery plans are compliant with statutory requirements, meaning it is not a review by technical experts and councils are responsible for the content.[5] However, the Bill does not provide any clarity on the process which the Secretary will use, a marked contrast to the disclosures provided by auditors appointed to local authorities by the Auditor-General. There is no provision for appeal. Nor is there any requirement or dialogue between the Secretary and the territorial authorities and no timeframe for the Secretary to make a decision.

We think provision is needed in the Bill to clarify the process when the composition changes of territorial authorities participating in a joint arrangement. As the plans are intended to support transition to formal joint arrangements, we see no need to resubmit revised plans to the Secretary.

> We suggest that the Committee ask the Department to clarify when it will provide a template for territorial authorities to use in preparing their water services delivery plans
>
> We suggest that clause 14 is *either* deleted *or* amended by adding a new subclause (3A) Any new rule must be notified no later than six months before the due date for submitting the water service delivery plans to the Secretary.
>
> We suggest adding clause 18(1A) 'Within nine months of this Act coming into effect, the Secretary must publish the methodology to be used in assessing compliance of water service delivery plans, such methodology to have been approved by the Auditor-General.
>
> We suggest adding 18(2)(e) 'and the territorial authority or joint arrangement' so that there is the possibility of dialogue before the Secretary reached a final decision and amending clause 18(5): after 'Secretary' add 'within 28 working days of receiving the plan'.
>
> We suggest adding clause 19(c)(1) A territorial authority (or group of territorial authorities) may amend a plan by resolution in an open meeting. (2) In the case of a joint plan, all identified participating territorial authorities, including those which are not continuing in the anticipated or proposed joint arrangement must explain, in an associated report, the impact of the decision on the content of the plan. (3) Subsection 2 also applies to a joint plan where one or more territorial authorities are joining.

[5] Regulatory Impact Statement, pages 3-4.

8. Ministerial powers in relation to water services delivery plans

We understand the potential value in these powers to appoint a Crown facilitator and/or a Crown water specialist to help local authorities achieve compliant water services delivery plans. However, a sense of partnership between central and local government is missing as there is no requirement for discussion with the territorial authority or joint arrangement before such appointments are made. This is particularly important given clause 28, which provides that the Minister retains powers under part 10 of the Local Government Act 2002, with 'problem' related to failure to deliver a water services delivery plan or it not being accepted by the Secretary in a reasonable time. The territorial authorities concerned will pay for any such appointments.

We suggest

- Adding clause 20(2)A): Before appointing a Crown facilitator, the Minister shall inform the territorial authority or joint arrangement of that intention and consider the response.
- Amending clause 22(3) by adding after 'facilitator may' the words' 'after discussing the intention with the territorial authority or joint arrangement'
- Adding 23(2)(A) Before appointing a Crown water services specialist, the Minister shall inform the territorial authority or joint arrangement of that intention and consider the response.
- Amending clause 25(2) by adding after 'facilitator may' the words' 'after discussing the intention with the territorial authority or joint arrangement'

Foundational information disclosure requirements

9. Purpose of the information disclosure requirements

Council understands the importance of establishing sound economic regulation of water services and agrees that the Commerce Commission is the appropriate agency to undertake this role.

We disagree with the purpose statement. The delivery of water services is not a competitive market: it should be clearly identified as a public service. We think it is important to address the question of profits but think it would be better to clarify how such profits are to be used. It may be that the foreshadowed new class of financially independent council-owned organisations will impose the same limits on participating councils as is the case for Auckland Council with Watercare, in clause 94 of the Bill.

We suggest

- In clause 32(2) delete 'outcomes produced in competitive markets' and substitute 'highest standards of public service'
- In clause 32(2)(c) delete 'are limited in their ability to extract excessive profits' and substitute 'must apply any profits to investment in water services infrastructure or reduced charges'.

10. Process for Commerce Commission to make determinations and their scope

We have previously suggested that the definition of 'entity' and 'specified entity' be transferred from clause 33 and 34 (respectively) to clause 2 Interpretation.

Clause 35 outlines the process for the Commission to make a determination. It is preferable to name at least one or two 'Interested parties' and for territorial authorities and joint arrangements to be given a reasonable time to provide the required information.

Clause 36 should also safeguard personal information.

Clause 37 outlines the wide scope of a determination by the Commission. Because of this, the minimum time to comply with a determination needs to be included and the Commission required to have consideration for the 'scale, complexity and risk profile of each specified entity'.

The requirement in clause 37(5)(b) for an independent audit, in addition to providing certification by the territorial authority or joint arrangement, seems an unnecessary requirement and one which will be at a cost to the territorial authority or joint arrangement.

We suggest

- Amending clause 35(2)(a) by adding 'including Taituarā and Water New Zealand'.
- Adding new clause 35(3A) 'The determination must specify the date by which the specified information must be provided, which must be no sooner than two months after the determination is made'.
- Amending clause 36(4) after 'commercially sensitive' by adding 'or personal information'.
- Amending clause 37(1)(c) so that it is subject to the suggested amendment to clause 33(3)(c)
- Amending clause 37(2) 'may' to 'must'
- *Either* deleting clause 37(5)(b) *or* amending clause 37(5)(b) by adding 'to be at the Commission's expense'
- Amending clause 38(3) after 'entity' by adding "but only after consultation with that entity, having regard for its scale, complexity and risk profile'

11. Additional monitoring and investigation powers for the Commerce Commission

Clause 40 seems to overlap powers given to the Auditor-General, Taumata Arowai, Internal Affairs and regional councils. As such, the Committee may wish to question whether it is necessary. If this provision is retained, it needs revision to ensure that there is at least consultation with at least two of the key oversight agencies and to restrict investigations of water services delivery so that they may not be made for any period before the Act comes into effect, as being irrelevant to compliance with the Act. (In addition, for a joint arrangement, this could entail considerable additional cost in researching such information held by the partnering local authorities).

We suggest:

- *Either* deleting clause 40 *or* amending clause 40(1)(b) by adding after 'following' the words 'having consulted with the Office of the Auditor-General and the Secretary for Internal Affairs'.
- Amending clause 40(1)(c) by adding 'but not before the date this Act comes into effect'.

12. Sharing of information between the Commerce Commission and the Department of Internal Affairs

Section 41 allows the Commission and the Department to share information for two specified purposes but does not require the relevant territorial authority/authorities to be informed even though they will be the primary source of that information. For avoidance of doubt, it is preferable to specify that confidentiality of information includes personal information.

We suggest amending clause 41(1) by starting' Subject to prior engagement with the relevant territorial authority'.

13. Amendment to the Local Government Act 2002

Clause 48(2)(a) refers to local boards. This is outside the scope of the Bill.

Clause 48(2)(b) explicitly provides that section 255 of the Local Government Act 2002 applies to territorial authorities and joint arrangements insofar as they carry out their water services obligations specified in the Bill. We wonder whether this is needed given clause 28.

We suggest that clause 48 is deleted as irrelevant and unnecessary.

Establishing water services council-controlled organisations

14. Scope and limitations of the alternative requirements

Council appreciates the flexibility offered by the alternative requirements. This was foreshadowed in the Regulatory Impact Statement which reflects advice from some councils and the Technical Advisory Group. [6].

Clause 50 helpfully specifies the requirements in the Local Government Act 2002 which still apply – 77(1)(c), 81 and 82(2), all of which relate to engagement with Māori. The sign-off process suggested for clause 15 could be useful here too.

We suggest adding new clause 50(2)(A). A memorandum supporting the proposed water services council-controlled organisation signed by iwi/Māori in the territorial

[6] Regulatory Impact Statement, paragraphs 52-53: The consideration of 'all reasonably practicable options' in relation to the establishment of a water services CCO can be unnecessarily onerous, as well as resource and time intensive. In addition, councils also indicated that a key barrier and disincentive to setting up a CCO is the possibility of judicial review – driven primarily by the interpretation of what factors can be taken into consideration in a council's decision making – including that they may not have fully considered all of the reasonably practicable options'.

authority's district will be evidence of compliance with subsection 2 in engaging with Māori.

15. Exemption from cost-effectiveness review

We support the pause in this requirement for a cost-effectiveness review of a council-controlled organisation set up to deliver water services. However, given the oversight of the management and delivery of water services by various agencies, and the likely lack of any variable option, we question the need to repeal this provision.

We suggest clause 59 is deleted.

Amendment Paper

16. Consideration of alternatives

Council appreciates the explanation for this Amendment Paper provided by the Minister in his update on the Bill on the day it was introduced, and we have considered the Briefing: Wastewater standards – Amendments to the Water Services Act (released on 31 May 2024. We accept the need for consistency in the Government's policy, and intended changes to the Resource Management Act.

We have been committed to moving our wastewater discharges to land as far as possible, recognising that this comes at a substantial cost. To that extent, Council supports the proposal in the Amendment Paper. We are aware that monitoring the impact on the receiving environment is more accurate for discharges to waterways than for discharges to land.

The Ministerial briefing acknowledges a potential tension between Taumata Arowai and regional councils, who set the conditions for consents:[7] This is likely to lead to perceived inconsistency across the country.

Even more significant, the Ministerial briefing acknowledges that wastewater discharge to waterways is a hugely sensitive issue for Māori, a perspective which Council also knows. The Ministerial briefing paper commits to engagement with Māori with further consideration by Cabinet in June or July[8].

The Ministerial briefing also noted that Taumata Arowai will consult on its proposed wastewater standard only after considering advice from a technical advisory group made up of industry, engineering and sector expect advisors, including te ao Māori experts. This is the critical step. It may be that specifying a hierarchy of waterways and/or setting absolute

[7] Local Government Briefing: Wastewater standards -Amendments to the Water Services Act, paragraph 16: …regional councils, as the front-line regulator, are still able to impose requirements that are more demanding that the minimum standards, it is expected that well developed standards will be considered applicable for the majority of wastewater networks. This may mean that only a proportion of networks with specific characteristics (such as a particularly sensitive receiving environment) would require regional councils to impose performance requirements that are more onerous than the baseline standards. This will continue to be the decision of regional councils

[8] Local Government Briefing…. Paragraph 54. Officials from the Department will shortly undertake appropriate engagement with iwi and hapu in the design of the future policy and legislative settings for water services, which will be considered by Cabinet in late June and July for [the] next Bill.

limits on the quantity and quality of discharges relative to the minimum flow of waterways is a more acceptable alternative to the Amendment Paper's blanket provision.

Council acknowledges the potential financial savings and the possibility of getting consents finalised more quickly when discharge to land is not mandatory. However, the discretion available to regional councils needs to be clarified and a consensus from iwi/Māori secured during Taumata Arowai's development of its wastewater standards during 2024-2025.

I look forward to an opportunity to talk with the Committee. Please contact my Executive Assistant, Karen Cowper – karen.cowper@rangitikei.govt.nz – to arrange a time for this.

Ngā mihi

Andy Watson
Mayor of the Rangitīkei District