



Office of the Mayor

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 **tasman** | Te Kaunihera o
district council | **te tai o Aorere**

29 September 2021

Hon Nanaia Mahuta
Minister of Local Government
Private Bag 18888
Wellington 6160

By email: ThreeWaters@dia.govt.nz

Dear Minister Mahuta

Feedback from the Tasman District Council to the Government's Three Waters Reform Programme

Thank you for the opportunity to provide feedback on behalf of the Tasman District Council on the Government's Three Waters Reform Programme.

Over the last two to three weeks, the Tasman District Councillors and I have received a lot of feedback from members of the Tasman community all expressing opposition to the Council's involvement in the reforms. In that context, the Council met today, Wednesday 29 September 2021 and debated the various aspects of the reforms and its implications for the Tasman District.

Having carefully considered and discussed the Government's Three Waters Reform proposal the Council resolved the following:

That the Full Council:

- 1. receives the Three Waters Reform Programme report, RCN21-09-10, and;**
- 2. notes the analysis of the three waters information provided to Council, the impacts and the service delivery options available to the Council at this time, and;**
- 3. notes that from a financial perspective the sensitivity analysis indicates that there may be a financial case for change for the Tasman District, but the other non-financial factors relating to governance, ratepayer concerns, ongoing Council influence on the Water Service Entity and the impacts, benefits, issues and risks of reform may influence the Council's final decision, and;**
- 4. notes that a decision to support the Government's preferred three waters service delivery option is not lawful (would be ultra vires) at present due to section 130 of the Local Government Act 2002 (LGA), which prohibits the Council from divesting its ownership or interest in a water service except to another local government organisation, and what we currently know about the Government's preferred option, and;**

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5. notes that if the Council chooses to opt out of the Three Waters Reform then the Water Services Bill, in its current form, should non-Council supplies not be able to meet standards and requirements from Taumata Arowai, those non-Councils supplies will default to the Council for delivery (this will affect a significant number of community and small rural supplies and will be beyond the Council's ability to resource currently), and;
6. notes that the Council cannot make a formal decision on its three waters service delivery without doing a Long Term Plan (LTP) amendment and ensuring it meets section 130 of the LGA, and;
7. notes that the Government intends to make further decisions about the three waters service delivery model after 30 September 2021, and;
8. agrees that it is vital to gain an understanding of the community's views once the Council has further information from the Government on the next steps in the reform process, and;
9. agrees that the reforms as currently proposed, do not respond to the concerns widely expressed by this and other councils, and that if those concerns are not addressed, the Council would likely not support the reform programme as proposed; and
10. notes that the Council's position is that its territorial boundary remains intact, and;
11. authorises the Mayor to formally write to the Minister of Local Government requesting an extension in the Three Waters Reform timeline to enable:
 - a) a comprehensive information campaign be undertaken by the Government to inform the community of the proposed three waters reform and options; and
 - b) greater clarity to be obtained on the Water Entity governance arrangements and in particular the influence Tasman District Council will have on the prioritisation of the capital and renewal investment within the Tasman District; and
 - c) better understanding the impacts of the Water Services Bill in terms of the responsibilities that will be transferred to the new Water Service Entity and those that remain with the Council; and
 - d) more certainty be obtained on the financial transition arrangements to the Water Services Entity and the associated impacts; and
 - e) better understanding of the Government's position on transferring the Council's interests and associated debt in the Waimea Community Dam into the Water Service Entity; and
 - f) the Council to have greater certainty of the Three Waters Reform in the context of the Future of Local Government Review; and
 - g) consideration of alternatives; and
 - h) noting that the reforms as currently proposed, do not respond to the concerns widely expressed by this and other councils, and that if those

concerns are not addressed, the Council would likely not support the reform programme as proposed; and

- 12. agrees that any support the Council may give to its water services moving to the control of a water entity is likely to be subject to the Council's interest in the Waimea Community Dam and associated rights and financial commitments, (including all Council debt and operational costs) being transferred to the new entity, otherwise the Council would likely opt out subject to public consultation; and**
- 13. notes that Council staff will report back with advice once further information and guidance has been received from the Government, Local Government New Zealand and Taituarā on the next steps; and**
- 14. notes that the Council's Significance and Engagement Policy lists the three waters as significant activities and this along with the provisions of the Local Government Act 2002 require a special consultative procedure on a Long Term Plan variation proposal before any decision can be made to opt in or opt out of the Three Waters Reform Programme; and**
- 15. notes that the Council's Significance and Engagement Policy also lists the Council's Shareholding in Waimea Water Ltd (Waimea Community Dam) as a strategic asset, and that the current agreements for the project do not allow the Council to transfer its interest in the dam; and**
- 16. agree that the Government needs to own and front the need for change with our communities and iwi partners, including co-ordination of any consultation process; and**
- 17. agrees that the inclusion of stormwater is problematic and a full examination of the impacts, options and costs including on the Council's roading, regulatory and parks and reserves functions is required; and**
- 18. notes that all feedback is subject to the assumption that all councils are included in the reforms for the current proposal to be viable.**

The Council clearly understands that the status quo is not an option. We wish to continue to engage with the Government on potential reforms in good faith, so that the Council's concerns are reflected accordingly.

Please find attached a copy of the Three Waters Reform Programme report considered by the Council on 29 September 2021.

Thank you again for this opportunity to provide feedback.

Yours sincerely



Tim King
Koromatua | Mayor

Encl.