


Local Water Done Well

Local Government (Water Services) Bill submission

12 Feb 2025

Abstract teal wavy lines on a dark blue background, resembling water ripples or topographical contours, located in the bottom right corner of the slide.

Background

- The Bill is the third piece of legislation to implement the Government's Local Water Done Well policy
- It will establish the detailed arrangements for delivery of water services including entity governance
- Expected to be enacted mid 2025 following Select Committee hearings process
- Draft joint submission from GW and Wellington Metro Councils prepared by Simpson Grierson, Regional Team and Council officers



Submission Timeline

- AOG to review at meeting of 14 February 2025
- CEOs to proof final version at meeting on 20 February 2025
- AOG members will be signatories (for HCC the Mayor)
- Submissions close on 23 February 2025
- Oral submission to be led by Chair of AOG (Kerry Prendergast)



Key Definitions

- Water Service Providers (WSPs) are:
 - A territorial authority; or
 - A water organisation to which a territorial authority has transferred responsibility for the provision of water services; or
 - A regional council that provides water services
- Water Organisations (WOs) are:
 - An incorporated company established by one or more territorial authorities to provide water services in their district(s)
 - An existing CCO providing water services that will continue to do so after the Act commences (**Note will apply to WWL**)



Six Key Concerns

- Water Service Providers (WSPs) require broader objectives
- Excessive controls over Water Organisations (WOs)
- Bill needs to better define relationships with iwi/Māori
- Bill should not require transfer agreement between Council and a WO within 6 months
- Provisions regarding works on private land are prohibitive
- Unnecessary compliance costs for WOs and WSPs



Key Concern – broader objectives needed

Objectives (as set out in clause 15) for all Water Service Providers (WSPs) should be the same and be extended to include:

- Support for urban development in their service areas
- Safety objective should not be confined to just drinking water
- Exhibiting a sense of social and environmental responsibility
- Relationships with iwi/Māori strengthened
- Be requirements rather than currently aspirational in nature



Key Concern – Excessive controls

- The Bill gives greater control over the WO through the SOE than is currently the case under the LGA
- WOs could be unduly constrained by that level of control and political influence
- May compromise WO to act successfully and on a sound commercial basis
- Other measures in place such as Water Services Strategy (WSS) and shareholder performance monitoring should suffice



Key Concern – Define relationships with iwi/Māori

- Greater clarity required on the role and relationship with iwi/Māori
- Difference will exist between WSPs that are TAs and those that are WOs (LGA provisions will only apply to the former)
- The Bill should include equivalent LGA provisions for WOs to meaningfully engage with iwi/Māori



Key Concern – transfer agreement with a WO within 6 months

- WWL will likely become a WO once the Bill is enacted
- This is despite the intention of Councils to establish a new WO as soon as practically possible as per the WSDP
- WWL will have a six-month window to make changes to meet all statutory requirements
- Shareholder Councils will be required to formalize these arrangements in a transfer agreement within the six months
- Clarification being sought from DIA



Key Concern – works on private land

- Rights and interests of landowner over WO are not balanced
- No general power of entry available to WO unlike with the LGA
- Will require a highly prescriptive notice procedure (30 working days for WO)
- Will likely be a significant impediment to a WOs operations
- Likely make delivery slower and more expensive
- For Hutt City a major concern with many kms of wastewater and stormwater pipes on private land without any legal easement



Key Concern – complexity and compliance costs for WOs and WSPs

- In general, the Bill is extremely detailed and complex,
- This is in contrast to its overriding purpose set out in S3
- Flexibility and cost effectiveness are likely to be undermined by aspects of the Bill.
- For Councils that are WSPs it is unclear how the LGA and the Bills provisions on the same matter will work
- Council involvement in Drinking Water Catchment Plans is an example of unnecessary complexity



Other Concerns

- The draft submission includes detailed comments on a clause-by-clause basis (30 pages)
- These have been prepared by



Patai

