

QLDC Council
2 August 2022

Report for Agenda Item | Rīpoata moto e Rāraki take [1]

Department: Corporate Services

Title | Taitara: Three Waters Reform – Submission to the Water Services Entity Bill 136-1

PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO

- 1 The purpose of this report to present the Three Waters Entities Bill 136-1 submission to Council.
- 2 This report seeks Council's approval of the submission content.

RECOMMENDATION | NGĀ TŪTOHUNGA

That Council:

1. **Note** the contents of this report; and
2. **Approve** the contents of the submission to the Department of Internal Affairs on the Water Services Entities Bill 136-1 (Attachment A).

Prepared by:

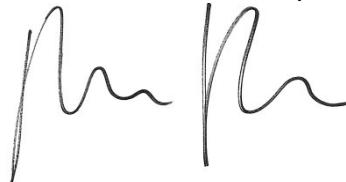


Carrie Williams

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28/07/2022

Reviewed and Authorised by:



Meaghan Miller

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28/07/2022

CONTEXT | HOROPAKI

- 3 The Water Services Entities Bill (the Bill) was introduced to Parliament on 2 June 2022. The Bill is now before the Select Committee to gather information and prepare a report on the Bill for the House, including recommending changes to the Bill.
- 4 The Bill:
 - establishes four publicly owned Water Services Entities that will provide water services in the place of councils
 - contains the ownership, governance and accountability arrangements related to those entities and provides for transitional arrangements during an establishment period
 - states that the entities will commence delivery of services on 1 July 2024.
- 5 It is intended that Queenstown Lakes District Council (QLDC) send a written submission to the Select Committee (Attachment A), confirming that Council would also like to speak to its submission orally.
- 6 Council was granted an extension by the Department of Internal Affairs to 15 August 2022 to provide its submission. The submission at Attachment A is further to a placeholder letter dated 18 July 2022.

ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU

- 7 QLDC supports the need for safe drinking water, environmental protection, efficient service provisions and improved participation by mana whenua in decision-making about three waters. However, significant concerns about the nature and programme of reform remain, and QLDC continues to oppose Government mandating the proposed entity-based model for water services delivery.
- 8 Council's concerns were outlined in a position paper dated 29 September 2021, that was provided to the Department of Internal Affairs (<https://www qldc govt nz/your-council/council-documents/submissions-from-qldc>).
- 9 Points of emphasis regarding the implications of the Bill to the Queenstown Lakes District include that:
 - a) Council fundamentally opposes the service delivery model as proposed under this Bill, the way in which the Bill is being progressed through Parliament and the current lack of detail in the Bill. It is difficult to provide a submission because so much detail will be contained in the second and following Bill, the constitution and other reform programmes.
 - b) The proposed shareholding model does not account for the high visitor numbers and rapid growth in the district.

- c) There is a general lack of community understanding around key aspects of this reform that requires urgent attention at a Central Government level. In addition, there is an overall lack of assurance in the current wording of the Bill that the community and territorial authority shareholder voice will be heard.
 - d) Council has significant concerns about the lack of representation and diversity of the Regional Representative Groups, the constitutions of the Water Services Entities, and future privatisation regarding joint arrangements by Water Services Entities.
- 10 Councillors have had opportunity to view and comment on the attached submission in draft form. As the submission deadline does not align with a Council meeting, the purpose of this extraordinary meeting is to ensure the submission is formally sanctioned by Full Council, and to give additional transparency to the community.
- 11 **Option 1:** Approve the contents of the submission at Attachment A, subject to any amendments.

Advantages:

- 12 It ensures that Council's position is presented effectively to the Select Committee.

Disadvantages:

- 13 There are no clear disadvantages to this option.

- 14 **Option 2:** Reject the draft position statement at Attachment A and request it be rewritten in full.

Advantages:

- 15 It ensures that Council's position is presented effectively to the Select Committee.

Disadvantages:

- 16 The submission must be provided no later than 15 August, and rewriting the submission will place this timeline under pressure.
- 17 This report recommends **Option 1** for addressing the matter to ensure that QLDC participates effectively in the consultation process.

CONSULTATION PROCESS | HĀTEPE MATAPAKI:

> SIGNIFICANCE AND ENGAGEMENT | TE WHAKAMAHİ I KĀ WHAKAARO HIRAKA

- 18 This matter is of medium significance, as determined by reference to the Council's Significance and Engagement Policy. This advice deals with a matter of interest to a range of individuals, organisations, groups, and sectors in the community.

- 19 The persons who are affected by or interested in this matter are residents and ratepayers, as well as visitors to the Queenstown Lakes District, who rely on Three Waters services.

> MĀORI CONSULTATION | IWI RŪNANGA

- 20 Council staff have been in discussions with Kāi Tahu to progress the takiwā approach, but broader consultation has not been undertaken. Government has managed a separate consultation process with iwi. Councillors will already be aware of Kāi Tahu's approach to the reform from their own well publicised comments to Council and in the media.

RISK AND MITIGATIONS | NGĀ RARU TŪPONO ME NGĀ WHAKAMAURUTANGA

- 21 This matter relates to the Strategic/Political/Reputation. It is associated with RISK00038 within the QLDC Risk Register. This risk has been assessed as having a moderate inherent risk rating.
- 22 The approval of the recommended option will support Council by allowing it to implement additional controls for this risk.

FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA

- 23 There are no financial implications as a result of the decision Council is being asked to make in this report.

COUNCIL EFFECTS AND VIEWS | NGĀ WHAKAAWEAWE ME NGĀ TIROHANGA A TE KAUNIHERA

- 24 The following Council policies, strategies and bylaws were considered:
- The outcomes and principles of the Vision Beyond 2050
 - 2021-31 Ten Year Plan
 - 2021-51 Infrastructure Strategy
 - 2021 Spatial Plan
 - Risk and Resilience Framework
- 25 The recommended option is consistent with the principles set out in the Council documents named above.

LOCAL GOVERNMENT ACT 2002 PURPOSE PROVISIONS | TE WHAKATURETURE 2002 O TE KĀWANATAKA Ā-KĀIKA

- 26 Section 10 of the Local Government Act 2002 states the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; and (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. The recommended option:
- can be implemented through current funding under the Ten Year Plan and Infrastructure Strategy
 - is consistent with the Council's plans and policies

- c) would not significantly alter the intended level of service provision for any significant activity undertaken by or on behalf of the Council.

ATTACHMENTS | NGĀ TĀPIRHANGA

A	Draft QLDC Submission to the Department Of Internal Affairs on the Water Services Entities Bill 136-1
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