

23 December 2021

Hon Nanaia Mahuta

Minister for Local Government

Via email: n.mahuta@ministers.govt.nz

Tēnā koe Minister Mahuta,

THREE WATERS REFORM – AN OPEN LETTER

Following your recent decision to mandate local government to adopt the Three Waters model which would see Councils lose effective control over a range of vital community assets, the Queenstown Lakes District Council feels compelled to write to express our disappointment and concern with your decision. As you will be aware, QLDC has taken the position that it will strongly and actively oppose Government mandating the proposed Entity-based model for water services delivery, but we are nonetheless committed to maintaining a constructive dialogue in the pursuit of a good outcome for our community.

We are further concerned that the ramifications of removing the community's ability to opt in or out of the reforms will create a legacy of mistrust that will harm the reputation of Central Government with local communities across New Zealand. While the Council welcomed your initial collaborative endeavours, any sense of a central / local government relationship has been eroded to the extent that we, as a growth Council seeking a strong Central Government partnership, feel bound to bring this sentiment to your attention.

The Future for Local Government Review interim report (Ārewa ake te Kaupapa) describes a "culture of mistrust" between central and local government and the need to build "mutual respect and collaboration, consistent with a spirit of unified public service¹." Unfortunately, the three waters reform has exacerbated these tensions and demonstrated that central government also has a significant role to play in transforming the nature of its relationship with local authorities. QLDC recognises the sovereign role of government but notes that the assets and services delivered in the three waters space has been built up by local communities over many generations. That such an important change to the ownership structure of ratepayer-funded assets can occur without formal community engagement raises significant concerns for our communities. The government has failed to recognise the role that effective community voice and meaningful local governance plays in the life of a thriving community. Any action that undermines the role of community voice and local agency has implications for community wellbeing.

Consultation with the public on matters of significance is a convention embedded in both the history of local government in New Zealand and the provisions of the Local Government Act 2002. It is

¹ https://www.futureforlocalgovernment.govt.nz/assets/Uploads/DIA_16724_Te-Arotake-Future-of-Local-Government-Interim-report_22.pdf p.32

particularly disturbing that this convention has been disregarded at such a critical juncture, and councils can only speculate at the precedence that this may set for future government action.

We also consider that the decisions the government has taken have overshadowed and clouded the debate to the point where it is difficult for all parties to engage with the issue meaningfully. Many of the benefits claimed for the reforms have been lost, largely due to the government's decision to end its dialogue with local government and its communities. The process of working together to build broad consensus was called to a halt. In doing so, the debate has moved away from the core water issues to the highly held values of democracy and open consultation; values which the government's action in the face of widespread opposition has undermined.

This letter urges you to demonstrate leadership and transparency in the delivery of this reform programme and **re-establish a full programme of meaningful engagement with New Zealanders** before taking any further steps.

We unequivocally support the need for safe drinking water, environmental protection, efficient service provisions and improved Māori participation in decision-making about three waters. To this end, we are committed to listening to our communities and achieving the best possible outcomes for them. We remain convinced that the programme for reform needs to be re-designed to tackle three waters, resource management and the Future for Local Government review in a staged and integrated manner.

As a council we also continue to endorse the importance of local government acting collectively and in the best long-term interests of the country. Safeguarding the health, resilience and wellbeing of our communities is our ultimate goal.

We will continue to support LGNZ in its work with government and contribute to the optimum three waters solution for this generation and future generations. We would therefore urge you not to mandate the transfer of council assets, to remain open to different reform options, and to actively adopt a pathway towards implementation that allows communities to formally participate in the decision-making on the future of their 3 water assets. This will help to build back part of the trust which has been most recently eroded.

Yours sincerely, Nāku noa nā

A handwritten signature in blue ink, appearing to read 'Jim Boulton', with a large, sweeping flourish at the end.

Jim Boulton ONZM
Mayor

On behalf of Queenstown Lakes District Councillors;

Cr Calum MacLeod, Cr Penny Clark, Cr Craig Ferguson, Cr Valerie Miller, Cr Heath Copland, Cr Glyn Lewers, Cr Niamh Shaw, Cr Quentin Smith, Cr Niki Gladding, Cr Esther Whitehead

