

Full Council

31 July 2025

Report for Agenda Item | Rīpoata moto e Rāraki take [9]

Department: Property & Infrastructure

Title | Taitara: Drinking Water Safety Leadership Commitment Statement

Purpose of the Report | Te Take mō te Pūroko

The purpose of this report is to seek approval from Queenstown Lakes District Council (QLDC) on the proposed Drinking Water Safety Leadership Commitment Statement for inclusion in the latest updates of the Drinking Water Safety Plans.

Executive Summary | Whakarāpopototaka Matua

The Water Services Act 2021 sets out requirements for water suppliers in relation to the supply of drinking water. The legislation requires that the owner of a drinking water supply must prepare a Drinking Water Safety Plan (DWSP) which identifies how the water supplier will manage risk and ensure the safety of the water supplied to its users.

DWSPs have been prepared for each of QLDC's water supply schemes, of which the Council has 11. These plans were first submitted to the drinking water regulatory Taumata Arowai in November 2022 as required by the legislation. Officers are now reviewing the plans to ensure they remain current.

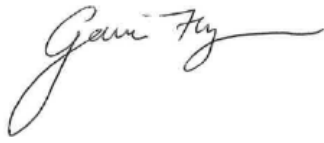
As part of the review process inclusion of a leadership commitment to water safety is sought, (to be approved by Council) as part of the updated plans. Such a commitment is consistent with the expectations of Taumata Arowai and will help to ensure decision makers are cognisant of the requirements of the Act and the principles of drinking water safety.

Recommendation | Kā Tūtohuka

That the Council:

1. **Note** the contents of this report; and
2. **Approve** the Drinking Water Safety Leadership Commitment Statement.

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27 June 2025

Reviewed and Authorised by:



Name: Tony Avery
Title: General Manager Property &
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7 July 2025

Context | Horopaki

1. The Water Services Act 2021 received royal assent in October 2021. This Act sets out requirements for water suppliers in relation to the supply of drinking water. The primary purpose of the Act is to ensure that drinking water suppliers provide safe drinking water to consumers by:
 - providing a drinking water regulatory framework that is consistent with internationally accepted best practice, including a duty on drinking water suppliers to:
 - i. have a drinking water safety plan; and
 - ii. comply with legislative requirements (such as drinking water standards) on a consistent basis
 - providing a source water risk management framework that, together with the Resource Management Act 1991, regulations made under that Act, and the National Policy Statement for Freshwater Management, enables risks to source water to be properly identified, managed, and monitored; and
 - providing mechanisms that enable the regulation of drinking water to be proportionate to the scale, complexity, and risk profile of each drinking water supply
2. Specifically, in relation to the supply of drinking water, the Act sets out clear duties relating to duties of drinking water suppliers. Those duties that relate to QLDC as a water supplier are reproduced below:
 - Duty to supply safe drinking water
 - Duty to comply with drinking water standards
 - Duty of owner of drinking water supply to register supply
 - Duty to take reasonable steps to supply aesthetically acceptable drinking water
 - Duty to provide sufficient quantity of drinking water
 - Duties where sufficient quantity of drinking water at imminent risk
 - Duty to protect against risk of backflow
 - Duties relating to end-point treatment
 - Duty of officers, employees and agents to exercise due diligence
3. QLDC operates 11 water schemes that supply drinking water within the district. These have

been registered with Taumata Arowai and work is ongoing to ensure the Council's services deliver to the requirements of the Water Services Act.

4. The legislation requires that the owner of a drinking water supply must prepare a Drinking Water Safety Plan (DWSP) which identifies how the Water Supplier will manage risk and ensure the safety of the water supplied to its users.
5. In relation to the preparation of Drinking Water Safety Plans, the Act requires that the plans consider the following:
 - be proportionate to the scale and complexity of, and the risks that relate to, the drinking water supply; and
 - identify any hazards that relate to the drinking water supply, including emerging or potential hazards; and
 - assess any risks that are associated with those hazards; and
 - identify how those risks will be managed, controlled, or eliminated to ensure that drinking water is safe and complies with legislative requirements; and
 - identify how the drinking water safety plan will be reviewed on an ongoing basis, and how its implementation will be amended, if necessary, to ensure that drinking water is safe and complies with legislative requirements; and
 - identify how the drinking water supply will be monitored to ensure that drinking water is safe and complies with legislative requirements; and
 - include procedures to verify that the drinking water safety plan is working effectively; and
 - include a multi-barrier approach to drinking water safety that will be implemented as part of the plan; and
 - include a source water risk management plan if required by section 43; and
 - where a drinking water supply includes reticulation, require, and provide for the use of, residual disinfection in the supply unless an exemption is obtained under section 58; and
 - identify how a supplier will meet the supplier's duty under section 25 to ensure that a sufficient quantity of drinking water is provided to each point of supply; and
 - identify how a supplier will respond to events and emergencies; and
 - comply with any requirements set out in compliance rules.

6. The Act also introduced significant liabilities for offences relating to the provision of unsafe drinking water. These offences include imprisonment for up to 5 years or a fine not exceeding \$600k for individuals, and in the case of a body corporate or unincorporated body a fine not exceeding \$3M. Elected members are exempt from these liabilities under the Act.
7. In October 2022 officers briefed the Executive Leadership Team around the implications of the Act and received endorsement of a Leadership Commitment for inclusion in the Drinking Water Safety Plans. The Leadership Commitment was not presented to Council for approval in 2022 because of the tight submission deadline set by Taumata Arowai (November 2022) and local government elections occurring in parallel.
8. In accordance with the legislation, QLDC submitted Drinking Water Safety Plans (WSPs) for each of its schemes in November 2022 and has been progressively revising and updating these plans as necessary since this time.
9. Significant investment has occurred in recent years to increase the levels of compliance across drinking water treatment infrastructure with the Drinking Water Quality Assurance Rules (DWQAR). As a result, only two schemes (Luggate and Corbridge) now lack the required protozoa treatment barriers required to enable compliance with the Drinking Water Quality Assurance Rules (DWQAR). Investment is planned to address these areas of non-compliance by 31 December 2025.
10. Given the consequences of a water safety issue and the significant potential liability to QLDC and officers associated with offences under the Act, it is appropriate to seek commitment from the highest level of leadership within the Water Supplier to ensure drinking water safety is suitably prioritised.
11. Taumata Arowai's Guidance for Drinking Water Safety Planning specifically calls out the expectation for the leaders of a water supply to demonstrate a duty of care around drinking water safety and sees this commitment as being fundamental to increasing the focus on risk management throughout an organisation.
12. Taumata Arowai states that leaders of a drinking water supply must ensure that:
 - there are sufficient resources and processes for the water supply to be established and maintained in a way that ensures a sustained supply of a sufficient quantity of safe drinking water;
 - people with the right skills and experience are available to operate the supply and there is a commitment to ongoing capability building and succession planning;
 - they understand that the risk controls are effective and appropriate for the level of risk;
 - they have sufficient information available to them, so they are assured that the controls are implemented and are working as intended.

13. Taumata Arowai also expects Leaders to embed a culture of risk awareness and management throughout their organisation through:

- Ensuring all organisational planning documents support their commitment – for example in an Asset Management Plan and Long-Term Plan.
- Actively involving all people across the water supply operation in risk management planning. The people who operate the system may be best placed to identify the risks and to suggest workable solutions.

14. The proposed Leadership Commitment is provided in Attachment A.

Analysis and Advice | Tatāritaka me kā Tohutohu

15. This report identifies and assesses the following reasonably practicable options for assessing the matter as required by section 77 of the Local Government Act 2002.

16. Option 1 Approve the drinking water safety commitment without any amendments

Advantages:

- A commitment from elected members best reflects the Council's dedication to protecting water safety and legislative compliance.
- Commitment from Council helps to ensure that water safety is kept front of mind when making decisions associated with capital and operational expenditure.
- This commitment will help to address the potential misalignment of liabilities between officers and elected members under the Act.

Disadvantages:

- None identified.

17. Option 2 Do not approve the drinking water safety commitment as presented and require Officers to undertake further work to respond to Elected Member feedback.

Advantages (same as option 1):

- A commitment from elected members best reflects the Council's dedication to protecting water safety and legislative compliance.
- Commitment from Council helps to ensure that water safety is kept front of mind when making decisions associated with capital and operational expenditure.

- This commitment will help to address the potential misalignment of liabilities between officers and elected members under the Act.

Disadvantages:

- Will delay inclusion of the Leadership Commitment in the current update of the Drinking Water Safety Plans

18. Option 3 Do not approve the proposed leadership commitment and defer approval to the Chief Executive.

Advantages:

- None identified and will be contrary to the direction indicated by Water Services Act.

Disadvantages:

- If there is not a robust commitment from elected members to drinking water safety, there is a risk that funding may not be made available when required to ensure QLDC is able to meet the requirements of the Water Services Act and to protect drinking water safety.

19. This report recommends **Option 1** for addressing the matter because it best reflects QLDC's commitment to the provision of safe drinking water.

Consultation Process | Hātepe Matapaki

Significance and Engagement | Te Whakamahi I kā Whakaaro Hiraka

20. This matter is of high significance, as determined by reference to the Council's Significance and Engagement Policy 2024 because the DWSP have a high impact on future level of service requirements, investment profile and therefore Council rates and borrowing. It is also a core service and has high community interest especially relevant when that service is not available.

21. The persons who are affected by or interested in this matter are all residents/ratepayers of the Queenstown Lakes district community, and water users including domestic and international visitors.

Māori Consultation | Iwi Rūnaka

22. No direct consultation with Māori has been undertaken as part of the development of the Leadership commitment.

23. However, the concept of Te Mana o te Wai has been given regard when preparing and implementing the Drinking Water Safety Plans. As part of this process Council consultants have

consulted with mana whenua in the development of Source Water Risk Management Plans within the DWSPs.

Risk and Mitigations | Kā Raru Tūpono me kā Whakamaurutaka

24. This matter relates to the Regulatory/Legal/Compliance risk category. It is associated with RISK10048 Health, safety or wellbeing incident affecting member of the public within the QLDC Risk Register. This risk has been assessed as having a moderate residual risk rating.
25. The approval of the recommended option will allow Council to implement additional controls for this risk. This will be achieved by monitoring the contract maintenance requirements and risk tables on a regular basis, addressing the non-conformance audit tasks and completing asset upgrades/renewals as per the improvements table. Any significant new risks will be managed in line with the QLDC Risk Policy.

Financial Implications | Kā Riteka ā-Pūtea

26. Costs for the work to finalise Water Safety Plans are covered via existing Three Waters Operational budgets.
27. No other financial implications have been identified.

Council Effects and Views | Kā Whakaaweawe me kā Tirohaka a te Kaunihera

28. The following Council policies, strategies and bylaws were considered:

- QLDC's Strategic Framework
- Integrated Three Waters Bylaw
- Backflow Prevention Policy
- Risk Management Policy

Legal Considerations and Statutory Responsibilities | Ka Ture Whaiwhakaaro me kā Takohaka Waeture

29. Council will need to consider consequences for offences under the Act. Penalties under the Act are significant, up to 5 years imprisonment, and/or a fine not exceeding \$600,000 for certain offences for individuals. Elected members are exempt under the Act.
30. It is possible that deferral of investment in water infrastructure that would enable compliance with the Drinking Water Standards could be considered an offence under the Act.

Local Government Act 2002 Purpose Provisions | Te Whakatureture 2002 o te Kāwanataka ā-Kiaka

31. 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. A safe and reliable drinking water supply is a core council responsibility and essential for the well-being of the community. As such, the recommendation in this report is appropriate and within the ambit of Section 10 of the Act

32. The recommended option:

- Can be implemented through current funding under the Long Term Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not significantly alter the intended level of service provision for any significant activity undertaken by or on behalf of the Council or transfer the ownership or control of a strategic asset to or from the Council.

Attachments | Kā Tāpirihaka

A	Proposed Drinking Water Safety Leadership Commitment Statement
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Attachment A: Proposed Drinking Water Safety Leadership Commitment Statement

Queenstown Lakes District Council - Drinking Water Safety Leadership Commitment Statement

The Queenstown Lakes District Council is committed to managing its water supply effectively to provide safe, high-quality drinking-water that consistently meets the requirements of the Water Services Act 2021 and its reference rules, guidelines and standards.

QLDC seeks to achieve this by being continually mindful of the six fundamental principles of drinking water safety in New Zealand:

- Principle 1: A high standard of care should be embraced
- Principle 2: Protection of source water is of paramount importance
- Principle 3: Maintain multiple barriers to contamination
- Principle 4: Change precedes contamination
- Principle 5: Suppliers must own the safety of drinking water
- Principle 6: Apply a preventative risk management approach

To give effect to these principles QLDC will:

- Embrace a high duty of care in the management of water at all points along the delivery chain from the source through treatment and on to the consumer, striving for a continuous supply of safe drinking-water.
- Employ appropriately skilled, competent and trained staff throughout the delivery chain, including management, engineers and operators. Prioritising investment in training and professional development of QLDC staff and supporting our suppliers to do the same.
- Instill in its staff, consultants and contractors a sense of personal responsibility and dedication to providing consumers with safe drinking-water.
- Integrate the needs and expectations of our partners, consumers, stakeholders, regulators, and employees into our planning.
- Use a preventive risk-based approach in which potential threats to water quality and quantity are identified and managed.
- Acknowledgement that the protection of the quality of the source water is primary in protecting consumers against drinking-water contamination and illness.
- Maintain robust multiple barriers against contamination appropriate to the level of potential contamination and harm.
- Provide adequate operational funding to meet the regulatory requirements and corporate commitments.
- Acknowledge that contamination is almost always preceded by some kind of change (including changes to processes and hazardous events) and adopt conservative change management practices and processes to protect its consumers from this risk.
- Ensure appropriate contingency plans are available in conjunction with incident response capability.
- Continue to invest in the renewal and upgrade of treatment, storage and distribution

components of the water supply, delivering on the actions identified in Water Safety Plans, Asset Management Plans and Long-Term Plans.

- Undertake regular monitoring of the quality of drinking-water and effective reporting mechanisms to provide relevant and timely information and promote confidence in the water supply and its management.
- Participate in appropriate investigative activities to ensure continued understanding of drinking-water quality issues and performance.
- Continually improve our practices by assessing performance against corporate commitments, stakeholder expectations and regulatory requirements.