

2 March 2021

Committee Secretariat
Health Committee
Parliament Buildings
Wellington

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To the Health Committee

SUBMISSION ON THE WATER SERVICES BILL

Queenstown Lakes District Council (QLDC) would like to thank the Committee for the opportunity to present its submission on the Water Services Bill and looks forward to submitting further on later legislation within this suite of reforms.

QLDC does not wish to appear before the committee to speak to its submission. It should be noted that this submission reflects the position of officers and has not been ratified by full council.

If the Committee requires any further information or clarification, please contact QLDCSubmissions@qldc.govt.nz.

Yours faithfully



Jim Boulton
Mayor



Mike Theelen
Chief Executive

SUBMISSION ON THE WATER SERVICES BILL

Queenstown Lakes District Council's submission, reflects the specific challenges faced by the district with regards to the Water Services Bill. The Queenstown Lakes is a district with traditionally high visitor numbers¹ and carries significant responsibility for the reputation of New Zealand tourism. The safety of drinking water supplies is of importance on a scale larger than the resident population would suggest. QLDC is therefore broadly supportive of the steps that have been outlined within the Water Services Bill and supportive of the intent shown to ensure that drinking water supplies across the country are safe and reliable.

QLDC does however have concerns regarding the lack of resourcing facing the sector and the limited operational budgets that many, including territorial authorities are working to after the impact of the Covid pandemic. Furthermore Council is mindful of the financial burden the Bill may cause the community to carry, given the district's many water supplies are spread across a large geographical area.

Queenstown Lakes District Council has also been a part of a submission on this Bill as one of eight territorial authorities of the Otago and Southland Region, namely the Otago Southland Councils. In respect of many aspects of the Bill, it's important to demonstrate QLDC's commitment to the wider region and to provide a unified voice for the area. QLDC's individual submission herein, should be read alongside Council's support for the joint statement.

Whilst QLDC has provided constructive commentary in relation to the specifics of the Bill across both submissions, insufficient information is currently available for the Council to determine its position as to whether or not it fully supports the overarching model of reform proposed. There are a number of unanswered questions relating to the implications of these reforms for our communities and headwater catchment areas. Better understanding of community engagement, investment prioritisation and levels of service achievable through a consolidated approach will be needed before such a position can be taken. The implications of these reforms for local democracies and economies are significant, particularly when considered in tandem with pending RMA reform. Engagement with this process should not be misconstrued as support for reform.

1.0 Definition of Drinking Water

1.1 Section 25(2) defines sufficient quantity as the quantity of drinking water that is sufficient to support the ordinary drinking water needs of consumers at the point of supply where drinking water is "water used for human consumption, oral hygiene, preparing food and drink or other products for human consumption and washing utensils used for eating, drinking or preparing, serving or storing food or drink for human consumption".

1.1.1 Currently, the community expects not only a sufficient supply of drinking water (as defined by the Act) but also water to meet other household requirements, as it is artificial to separate the two as within the current model. QLDC recommends that the definition should be amended to include all water supplied through the water supply scheme.

1.1.2 Further consideration needs to be given to the improvement and encouragement of other water schemes that can better meet the need for

¹ <https://ecoprofile.infometrics.co.nz/queenstown-lakes%2bdistrict/Tourism/TourismGdp>

non-drinking water. The reduction of emissions and improvement of water health should be key objectives.

2.0 Liability of Elected Officials

2.1 QLDC notes that the Bill seeks to outline parameters of liability that provide broad exemption for elected members of Council. QLDC recommends that this section is given far greater consideration before being finalised and that alternative models of shared liability are considered.

2.1.1 QLDC recommends that exemptions for elected members should follow the Health and Safety at Work Act 2015 (HSWA) model where an exemption for elected members should apply to offences relating to failure to comply with the due diligence duties of officers. The HSWA does not exempt elected officials from other serious offences relating to adverse, coercive, or misleading conduct.

3.0 Concerns over Available Resources

3.1 The administrative burden on local authorities with multiple large water supplies will lead to resourcing issues given the timeframe given for compliance.

3.1.1 QLDC currently has responsibility for eight water supplies that each serve 500 or more consumers for at least 60 days, as well as three smaller supplies. Given the large number of water supplies and the requirement in the Bill to provide an updated water safety plan for each water supply within a relatively short period, QLDC would request for an approach to be designed to stagger this provision.

3.1.2 A stepped, risk based approach would alleviate the administrative burden on already stretched resources, and would also alleviate the heavy financial burden placed on the rate paying community on funding additional resources within one year.

3.1.3 An alternative option to alleviate the administrative burden would be to allow plans to be updated as they become due under the previous Health Act provisions which would see all water safety plans being updated within five years.

4.0 Private Supplier Resources and Expertise

4.1 QLDC interprets the Bill having been written in a way that will lead to smaller private suppliers being unable to comply with the regulations due to compliance and financial obligations.

4.1.1. The cost to each supplier, and the administrative load placed on small private suppliers to provide complex documentation, regulation, and implementation of measures may prove prohibitive. This may lead to Council intervention to manage individual water supplies if the new regulator enforces the territorial

authority to step in, putting additional strain on Council services, resources and rate payers.

- 4.1.2. At this stage the risk to Council is an unknown quantity as, where private water schemes are a permitted activity within the Regional or District Plan or are long established, few records are held of the number of these schemes in operation.
- 4.1.3. Of those private suppliers that are able to provide and implement a water safety plan, there will be a number that will be drawing from the same source water. There is concern that there will be a large amount of unnecessary doubling up of source water risk management plans provided by each of these suppliers.
- 4.1.4. Annual renewal of supply registration may be unnecessary, and an alternative could be updating the register upon change of ownership or supply configuration. One of the six fundamental principles articulated in the Havelock North Drinking Water Inquiry is 'change precedes contamination of drinking water, and must never be ignored'. Applying this principle and updating Taumata Arowai, and re-registering when changes occur may be sufficient for some suppliers. Additionally this approach may be appropriate for larger suppliers in some cases.
- 4.1.5. QLDC looks forward to reviewing Taumata Arowai's Drinking water compliance, monitoring, and enforcement strategy with robust details of how Taumata Arowai intends to support drinking water suppliers of different types, sizes, and abilities to build and maintain capability to comply with their regulatory responsibilities.

5.0 Exemption Powers

5.1 Further information is required regarding the exemptions powers contained in the Bill.

- 5.1.1 Exemption powers should not be used as a means to cover the transitional period while suppliers work to meet regulatory requirements. Any transition periods should be stated clearly within each relevant part of the Bill.
- 5.1.2 It is not clear as to why section 56(2) requires exemption from all of the requirements in 56(1) and there is no option to apply for an exemption from a singular requirement or any combination of.
- 5.1.3 A framework around the minimum expectation for exemptions regarding residual disinfection should be included in the Bill to clarify the limitations that will be applied to each exemption request. QLDC requests that Taumata Arowai does not grant any exemptions to the requirement for residual disinfection until such a framework is released.
- 5.1.4 QLDC would also like to see exemption powers sit with an appropriately skilled review board, specifically appointed for this purpose.

6.0 Fluoridation and Aesthetic Values

6.1 QLDC supports s46(3) and the general position that fluoridation of water supplies should not be a requirement. QLDC also supports the requirement at s47 to issue or adopt aesthetic values. Just as there is a duty (at s21) to supply safe drinking water, there should also be a duty to provide water that people will drink.

6.1.1 QLDC does not want to see the community turning to bottled water because the tap water is objectionable or disagreeable. Efforts are being made to increase the number of drinking water fountains in the district and Council has supported the work of Sustainable Queenstown to grow the number of cafes and other retailers subscribed to the Refill NZ programme. Bottled water is expensive, generates plastic waste and has significantly higher water and carbon footprints than tap water.