



Three Waters Reform

RANGITĪKEI DISTRICT

Summary of Council's submission and the changes that occurred during the Select Committee process.

Council's submission:

Future ownership of community assets. Council supported the introduction of shareholding for local authorities, with the requirement for unanimous consent of each shareholding local authority to advance a proposal to privatise. However, as this provision could be changed in a future Parliament, Council asked that it be entrenched.

Outcome: The Government moved to entrench the legislation, however, it did so without public consultation or holding referenda. Because of this, the change was precedent setting, and a constitutional outcry occurred. The clause was removed – you can read more about it here [\[link\]](#).

Council's submission:

While the Council will be involved in the appointment of the new Water Entity Board, we are concerned that we will only have a small voice and won't be able to influence such a large entity. As a result, local Rangitikei issues may not get the same level of attention.

Outcome: The Select Committee did not accept the submission to introduce a local voice through a 'regional advisory panel'.

Council's submission:

The new Water Entity Board takes into account the promotion of local well-being.

Outcome: While this was not fully accepted, the Select Committee did amend the Bill in Section 13 (ba)(ii) to require employment and procurement practices of Water Entities to have regard to the areas where services are delivered to consumers and communities and ensure that there is capability in, and an understanding of the local cultural or environment factors in, those areas.'

Council's submission:

We suggest that Part 7 of the Local Government Official Information and Meetings Act should apply – as an assurance for transparency in decision-making and engagement to align with the entities being 'local authorities' in terms of the Public Records Act 2005.

Outcome: The Select Committee agreed and changed the legislation by applying part 7 of the Local Government Official Information and Meetings Act to ensure transparency in decision-making; and by extending the engagement process also to the Ministry and not just the Water Entity.

Council's submission:

The initial investment plans of the WSE consider the long-term investment priorities documented in the council's ten-year plan (2021-2031).

Outcome: The revised Bill does not reflect any such commitment on the part of the WSE and is silent as to the process which needs to be undertaken in the formulation of an investment priority. This is concerning for an entity proposed to cover 22 existing local councils with a high disparity of growth and population bases.

Council's submission:

Council requested a raft of changes to ensure that the regional representative groups have appropriate influence during the establishment period.

Outcome: No changes were made, and the Minister remains in control of all appointments during the establishment phase.

Council's submission:

Council was concerned about the effect of the employee secondment obligation on Council's ability to maintain capacity for operations.

Outcome: No changes were made.

Council's submission:

Council was concerned about the lack of attention to affordability, price harmonisation or cross-subsidisation of smaller/ rural localities by larger urban centres, noting that this was contrary to earlier publicity.

Outcome: The revised Bill makes no specific reference to these issues other than expanding the overall purpose of the Bill to include affordability of water services. On 8 December 2022, the Water Services Economic Efficiency and Consumer Protection Bill was introduced to provide for economic regulation of the WSEs. However, the economic regulation bill makes no mention of 'affordable water services' as an overall objective.

For a full analysis of our submission and the Select Committee's response please view [here](#).