

RUNSHEET 3W MEETING – MARTON, BULLS & TAIHAPE

6pm Friendship Hall Marton 26 April 2022

1. Welcome

- Thank you for coming tonight
- Introduce Councillors and Staff
- Reminder tonight is about Three Waters, expecting that the meeting will be an hour – will take Annual Plan questions and other questions if time permits

2. Will deal tonight with -

- a) Government's position on Three Waters reform and why
- b) Our Council's position
- c) Other Councils' position including the Councils for Local Democracy (C4LD)
- d) Position of National Party and other parties
- e) Position of Iwi
- f) Working Party recommendations

3. Questions not covered

Government's Position on Three Waters Reform (which is open for dispute)

The need for reform was based on -

- a) Havelock North
- b) Number of unconsented water or water/wastewater plants that are non compliant
- c) \$180b estimated to be needed to fix these short comings over the short term (noting that rural councils per head of capita are the worst)
- d) Possible efficiency gains by reorganisation
- e) The ability for an entity (B in our case) to borrow
- f) Cross-subsidisation where the big Councils subsidise rural Councils?
- g) The ability to opt out as the initial position to be set aside later
- h) The need for a water regulator which is already been legislated by Government
- i) Entity set-ups including regional leadership groups/co-governance model currently going through a legal process to become law
- j) The simplified structure of these changes is –
 - Four entity boards with no option to opt out
 - Boards are selected on merit not co-governorship
 - Regional representation group is one of co-governance which appoints the Board and advises on Board strategy
 - Technically ownership sits by way of a shareholding with Councils
 - Assets and debts are passed to the entity

- Staff are protected
- Protection against privatisation

Our Council's position

1. Historic under investment but considerable expenditure over the last decade
2. We still have multiple compliance issues which are often technical in nature
3. We have odour taste issues in Marton
4. Significant expenditure in the Three Waters planned and rated for in recent history and within our Long Term Plan (noting \$11m, for example, for Marton Water).
5. We are planning for "business as usual" as if the Three Waters changes do not go ahead. This is because as the Three Waters legislation comes into play, if we have started the upgrades on our Three Waters we will be the "first cab off the rank". The alternative is that the large metros, which will have a greater say at the table, will have first call on the entity's resources.
6. We agree with the need for reform (alongside virtually all Councils)
7. Do not agree with the way the reform is being done
8. Voted not to join C4LD (Helen's group) but to fight to achieve change
9. Peter and I are on a working party, Entity B, taking possible reform options to Government
10. Support Local Government and the need for change
11. I am co-chair on the DIA Working Group looking at the lack of detail/policy around the changes

Other Councils' position

- Very very small minority totally in support of Government's position
- All other Councils are seeking change but agree reform is needed including C4LD
- C4LD or Councils for Local Democracy want –
 1. A pause in the process
 2. They recognise Iwi and their role in co-designing a governance framework recognising Te Mana o te Wai
 3. One size does not fit all and there are other regional setups on the table that should be considered.
 4. They recognise the need for regulatory reform
 5. They suggest that the asset owners (Councils) have to come up with a monitored plan to achieve the upgrades needed
 6. They suggest that financial assistance from Government should be available where needed
 7. They suggested a compulsory membership to a sector wide sector of best practice

Last Group of Councils

Very small number of Councils that are not engaging in the process or conversation so we don't know their views.

The position of National Party and other Parties

- a) Support the new regulator mandated by Government
- b) Recognise the need for sector reform
- c) Would repeal the mandated entities
- d) Would look to change how reform is to be actioned (but light on detail)

The position of Iwi

1. Most but not all Iwi want co-governance as proposed
2. Do not want ownership of Three Waters assets
3. Are unhappy with the consultation process
4. Overwhelming support for the recognition of Te Mana o Te Wai

The Principles of Te Mana o Te Wai are

- The health and wellbeing of water is protected as a priority
- Human health needs for water is provided for before other uses as a second priority
- The third priority for water is for people and communities to provide for social, economic and cultural wellbeing.

Working Party Recommendations for Three Waters

1. The Working Party is made up of Mayors, Advisors and Iwi. See attachment.
 2. Letter to Minister – Feedback from Rangitikei District Council on proposed reforms. See attachment.
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