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13 June 2024

## **Submission on behalf of the collective councils of the Wellington region and Horowhenua District to the Finance and Expenditure Select Committee regarding the Local Government (Water Services Preliminary Arrangements) Bill**

This collective submission is made on behalf of the ten councils working together on a water service delivery plan in the Wellington regional area and Horowhenua District. Given the short timeframe we have made this submission collectively, noting that each of our councils holds a range of views and positions and have not had the time to engage with elected members to confirm whether they are in full support all the points outlined. As a result, some councils also intend to make individual submissions.

We thank the Finance and Expenditure Select Committee for the opportunity to submit on the Local Government (Water Services Preliminary Arrangements) Bill ('the Bill'). We would appreciate a hearing should there be the opportunity to do so.

### **Wellington regional approach to water service delivery planning**

The ten councils comprising the Wellington regional area and Horowhenua District signed a Memorandum of Understanding on 10 May 2024 to work together on a joint water services delivery plan.

This significant commitment formalised steps already put in place by the ten councils over the preceding months including a joint elected-member governance structure with our Iwi / Māori partners, a Chief Executives' steering group, project team, joint budget and an agreed development process.

The ten councils, representing over half a million people, are committed to this process and are working at pace to ensure we can land an enduring approach to water management ahead of the local government elections in 2025.

The first phase of our work has a strong focus on development of a joint delivery model that is able to address the challenging-long term funding and delivery requirements for water in our region. For our process to be successful we will need support from the Government to assess options and draft a water service delivery plan (WSDP) that aligns with rating agency requirements and Government legislation.

We wish to maintain traction on this process in order to bring earlier benefits and certainty to our partners, communities, and suppliers. We are committed to an enduring solution as a sustainable and long-term approach is required to address the challenges our water networks face – now and into the future. For the Government, this Wellington process is an opportunity to show *Local Water Done Well* in action and provide valuable insights to other councils and regions.

## Key points in our submission

The clarity and direction of the Bill is welcomed. It is generally well-aligned with the issues and process that we are working through in our region as we give effect to the direction of *Local Water Done Well*.

In particular, it is useful to have increased clarity on the content of water service delivery plans (WSDP) and simplified consultation and decision-making processes for establishing, joining, or amending a water services council controlled organisation (WSCCO).

We have focused our submission on the process to develop a WSDP and to establish a WSCCO. We note some specific issues in relation to the role of the Greater Wellington Regional Council.

Our submission is based on the practical experience of being underway with the development of a WSDP and through this submission there are particular points we wish to highlight:

- For water reform to be successful ongoing Government support for councils will be required. In our region, we know that achieving a financially sustainable water network will take 15-20 years of ongoing investment and will require some form of Government financial commitment.
- This Bill forms a small part of the overall legislative change, with further detail held over for Bill 3 later in the year. This limits the ability of councils to provide useful feedback or understand the implications of decisions required. Bill 3 will deal with many of the more challenging aspects of water reform giving rise to a number of risks and complexities that will directly impact on our ability to confidently develop a WSDP. Further detail on the Government's commitment to establish a separate class of financially separate, yet council owned WSCCO will be needed for councils to assess options for a WSCCO.
- Process, analysis and consultation requirements to ensure a robust and enduring WSDP across multiple councils is a *significant* resource undertaking and will be extremely challenging to achieve within 12 months of the Bill being enacted.
- The cost and resource implications are unclear for councils, making it challenging to plan or fund the reform. This includes the process and costs to establish a regional WSCCO which will be considerable and are not allowed for in our Long Term Plans.
- Further consideration, clarification and guidance is needed in relation to the content and requirements of a WSDP, including timeframe for these and how financial sustainability is achieved in practice.
- These are not small matters, the decisions that councils make in relation to a WSDP and potential establishment of a new WSCCO will cut to the heart of the future role, functions, community relationships and financial sustainability of councils.

## Timeline and resource implications for development of a WSDP

The direction of *Local Water Done Well* policy has been clearly signalled and as a result the ten councils in our regional area have proactively worked together to confirm a joint process and get underway. This approach was able to build upon existing relationships and the collective shareholding interests of the six Wellington Water Limited councils.

It is worth recognising that while we are now well underway with our joint process ahead of the Bill being released, the reality is that it has taken six months of hard work to get to this point. For other councils considering collective options from a standing start, there are significant challenges to developing joint arrangements and completing a WSDP within 12 months of the passage of the Bill.

Preparation of a joint WSDP across multiple councils, including robust testing of options for the delivery of water services (in the absence of Bill 3 – see comments below), is a significant undertaking and an extremely challenging process involving political alignment, a range of complex technical considerations, formal consultation, engagement and decision making.

This process must include working with our Iwi / Māori partners and our communities to ensure that the solutions we develop have acceptance and meet the needs of our communities into the future.

As we know from the previous water reform process under the last Government, if we do not bring our community and partners with us on this journey, there is a risk of significant backlash. This includes concerns in relation to the future privatisation of water, which are not addressed in this Bill.

Even with our accelerated start, it will be challenging for our councils to complete and submit a WSDP within 12 months of the Bill being enacted.

To illustrate some of the challenges we have appended our planned timeline and key phases for decision making by councils. This highlights council decision points and 'off-ramps' from the regional process, (should councils decide to pursue other delivery options such as a sub-regional WSCCO or continue with the status quo). Even with the simplified consultation process set out in the Bill, we consider that completion and adoption of a joint WSDP will still require three to four decision making points for councils.

Our process is bound by voluntary commitment and collaboration and we will have to work through a range of challenging issues such as governance and accountability arrangements, levels of service across the service area, debt transfer, and charging policies. This will rely on a level of support and collaboration with Government in a way that is not contemplated in the Watercare outcomes that have now been reached.

A further practical example of the challenges to complete a WSDP includes the process to work through the transfer of water related debt from a council to a new WSCCO. The principles, process and timing of agreement of the transfer of council debt will be challenging to work through. There will need to be consideration given to the effect of the lost revenue on councils' debt to revenue ratios. There will also need to be agreement in principle among partners regarding price harmonisation across participating councils in order to assuage concerns about regional cross-subsidisation. In addition to this, any new WSCCO entity(s) will require time to get established in order to have the sophistication required to issue debt and become self-reliant in this area.

If there is a disagreement on any of these critical financial matters, this will take time to resolve and potentially have significant ongoing cost implications for either councils or the WSCCO.

All of this needs to be sufficiently agreed before councils are able to formally commit to a WSDP or the establishment of a new WSCCO.

We therefore strongly disagree with the statement made on page 71 of the Regulatory Impact Statement that preparing WSDPs will only require 40 hours of 1 FTE in a small council, 60 hours in a medium council, and 80-100 hours in a large council (or a regional grouping).

The completion of WSDP also needs to ensure alignment with the broader planning for councils including LTP processes and annual plan requirements and this does not appear to have been robustly considered in the drafting of the Bill in order to streamline process and resource impacts on councils.

The reform process for three waters must result in arrangements that are enduring and therefore need to be 'done right' rather than 'done quickly'. On this basis we submit the due date for WSDP is extended to two years with robust expectations on progress and milestones to ensure progress is being made.

With the streamlined consultation process there is also the risk that the community could strongly oppose both options presented requiring further work on options. Also, those councils that join regional planning, but then withdraw, will require further time to complete a WSDP.

In such situations an extension under s17 may be required by a council. We would like to see these added as reasons an extension may be granted by the Minister.

We also submit that there should be a clear timeline for the Secretary of Local Government's consideration and acceptance of WSDPs. Delays in this process will have a significant impact on the ability of councils to give effect to these plans.

#### **Recommendations:**

- That the Select Committee should clarify how protections against future privatisation of water assets will be dealt with through legislation.
- That clause 16(1) be amended to allow local authorities up to two years from the date on which the Act comes into force with robust expectations on progress and milestones to ensure progress is being made.
- That clause 17 be amended to allow extension of time to complete a WSDP to allow for circumstances where there has been strong community opposition to both options in the consultation requiring further work on options; and to where a council that has attempted to join a regional process but has later withdrawn from the process.
- That clause 18 be amended to require the Secretary of Local Government to advise the territorial authority, or joint arrangement, of a decision to accept a plan or to direct amendments within two months of receipt.

#### **Lack of detail in relation to WSDPs and new WSCCOs in the Third Bill**

It remains unclear how the Government intends to give effect to its commitments to establish a separate class of financially separate, yet council owned Council Controlled Organisation and whether there are any differences in the powers and accountabilities of these. This is a

detail that impacts on a council's ability to complete a WSDP or assess options for a WSCCO.

The Bill is also silent on the detailed powers that non-council water providers will have. To take an example, will the financially separate WSCCO have powers to enter property and to set bylaws or collect development contributions, and under what conditions? These key issues will underpin the day-to-day operations of a new WSCCO.

Local authorities know very little about the financial sustainability rules that are referred to in the legislation, and the detail of the regimes for economic regulation. The former especially is critical to the analysis of different service delivery options.

The Department has committed to producing guidance – but at this point we've not seen any timetable for the production of this guidance.

These examples impact on the ability of councils to confidently consider different service options and to be able to effectively engage with and consult communities and our partners.

To illustrate this point, the information requirements for consultation on a proposal to establish a WSCCO will be difficult to comply with meaningfully, since key features of the new WSCCOs will still be unknown at the time of consultation as the Third Bill setting out these features is proposed to be introduced in December 2024. We note that the Explanatory Note to the Bill states that the Third Bill will:

- provide for the long-term replacement regime, including—*
- *long-term requirements for financial sustainability:*
  - *establishing new classes of council-controlled water organisations and service delivery models:*
  - *accountability, planning, and reporting regimes for water services:*

It is questionable to what extent councils can fully appreciate the implications of establishing a WSCCO, or meaningfully consult with their communities on a proposal to do so, in the absence of key information such as:

- WSCCO governance and accountability arrangements, and
- the powers a WSCCO will have, including charging powers and coercive powers that are presently conferred on local authorities under the LGA, but not CCOs.

Also, we note that at present, clause 54(1)(f) states that the information made publicly available must include:

if the proposal involves transferring ownership or control of a strategic asset to the WSCCO, a description of any **accountability or monitoring arrangements the authority will use to assess the performance of the WSCCO in regard to the asset:**

The words in bold in this clause confine accountability and monitoring to performance of the WSCCO in relation to an asset (such as a water supply or wastewater network), whereas accountability and monitoring should relate more broadly to the WSCCO's provision of water services.

It is critical that the relevant policy settings for WSCCOs are publicly available in time to inform council decisions whether to propose a WSCCO, and to consult on that proposal. The Select Committee should clarify the likely timing of consultation to establish a WSCCO, relative to the introduction of the Third Bill. Currently we are unclear whether the optimal timing to undertake consultation is in late 2024 or in early 2025.

### **Recommendations:**

- That the relevant policy settings for WSCCOs are publicly available in time to inform council decisions whether to propose a WSCCO, and to consult on that proposal.
- That the Select Committee should clarify the likely timing of consultation to establish a WSCCO, relative to the introduction of the Third Bill
- We ask that the Committee considers the impacts of these outstanding details in relation to the timeline for councils to submit a WSDP and considers what guidance is needed to support councils in this process.

### **Establishing Water Services Council-Controlled Organisations (Part 3)**

Clauses 50-54 of the Bill set out simplified consultation and decision-making requirements available to territorial authorities proposing to establish a WSCCO. To that extent, they facilitate the establishment of WSCCOs, by making consultation and decision-making simpler than it would otherwise be under the Local Government Act 2002 (LGA).

There are however several aspects of these clauses that are unclear and would benefit from redrafting. We note:

- Clause 50 of the Bill says that specified “alternative requirements” may be complied with instead of the LGA consultation and decision-making requirements that would otherwise apply. However, where there is no “alternative requirement”, LGA provisions continue to apply. As currently worded, it is unclear whether the principles of consultation in s82 of the LGA will continue to apply because they are not displaced by an “alternative requirement”.
- Simplified consultation and decision-making requirements under this Part of the Bill apply only to territorial authorities. However, a WSCCO (defined in clause 7) is a CCO that delivers water services, including through assets and operations currently owned by regional councils. Part 3 does not recognise that regional councils with water services assets and functions will also have to decide whether they stay with their existing approach to delivering water services, or instead form a WSCCO. In Wellington, Greater Wellington Regional Council owns bulk water supply assets including four water treatment plants, reservoirs, pumping stations, and over 180km of large diameter pipelines. Bulk water services are still water services. To allow for vertical integration of water services delivery across New Zealand in the same way as has been achieved in Auckland through Watercare, regional councils need to be included in WSCCOs.
- We seek clarity on clause 51(2)(i) “remaining with existing approach for delivering water services” and how this relates to:
  - Clause 11(1)(j) ...or will continue to deliver water services in its district alone; and
  - Clause 11(1)(k) explanation on how revenue from water service will be separated from TA other functions.

Our question is if this be achieved through a council’s internal financial policies and procedures, or does it require “structural” separation, i.e. establishing a separate entity?



### **Recommendations:**

- The wording of Clause 50 is reviewed and clarified to ensure alignment with s82 of the LGA.
- The definitions of joint arrangement, joint service area, joint water services CCO, and joint WSDP in clause 5 be amended to allow for regional council participation within these arrangements.
- Part 3 be amended to give regional councils, as well as territorial authorities, access to the alternative consultation and decision-making requirements when proposing to establish or join a WSCCO, including a joint WSCCO.
- Wording of Clause 51(2)(j) is clarified with respect to Clause 11.

### **Matters for decision-making and taking a regional view**

Clause 55 sets out matters that a territorial authority may consider when deciding whether to establish, join, or amend a joint WSCCO. These can include impacts and views relating to the entire joint service area i.e. considerations beyond the council's own district and communities.

Having this broader regional view will be critical to ensure that councils can fully consider the needs and challenges of the broader regional grouping, rather than being bound by making decisions only in the best interests of their councils.

### **Recommendation:**

- It is recommended that the views of the other territorial authorities who will be parties to the joint WSCCO, currently a matter that *may* be considered under clause 55 paragraph (c), is something territorial authorities *should* be required to consider.

### **Water Service Delivery plans and achieving financial sustainability (Part 2, Subpart 1)**

As currently worded it is not clear what financial sustainability will mean in practice or how this will be achieved or by when. We have made several comments as set out below in relation to how the Bill might help to clarify what is intended including in relation to the content of a WSDP.

### **Planning timeline**

Under clause 8, each territorial authority must prepare a water services delivery plan (WSDP). A WSDP must identify the current state of the territorial authority's water services, and "demonstrate publicly its commitment to deliver water services" in a way that:

- Meets relevant regulatory quality standards for stormwater, wastewater and water supply networks;
- Is financially sustainable;
- Ensures compliance with drinking water quality standards; and
- Supports the council's housing growth and urban development objectives.

We know from our technical analysis that reaching a financially sustainable model to meet the investment and regulatory requirements of our water networks will require a long-term approach over the next 20-30 years. However, Clause 13(1) only requires that WSDP must cover a period of at least ten years.

A ten-year outlook is far too short a period to make informed judgements about what is and isn't financially sustainable or what the challenges or impacts of investment requirements are over the next 20 to 30-year period. These include network renewal, regulatory requirements, resilience, climate change, enabling growth and improving the health and quality of waterways.

It is only over this longer-term period that these issues can be addressed and the real potential benefits of a new WSCCO type model would be able to be realised. Using a ten-year horizon for a WSDP may constrain planning and investment in water and run the risk that the mistakes of the past are repeated.

### **Financial sustainability**

Clause 8(1)(b)(ii) refers to financial sustainability for the territorial authority, whereas the territorial authority may not necessarily be the service provider. It would be better if this simply read "is financially sustainable", linking back to the definition of "financially sustainable" in clause 5, which covers delivery of water services irrespective of whether delivery is via the territorial authority itself or a WSCCO.

### **Joint arrangement and GWRC**

Significantly for the Wellington regional collective, clause 9 allows a territorial authority to enter into an arrangement with one or more other territorial authorities for the purposes of submitting a joint water services delivery plan. This is to cover where the territorial authorities anticipate or propose delivery water services through a joint arrangement. Joint arrangements must cover all water supply and wastewater services of the participating councils, but a council can choose to retain for itself delivery of some or all of its stormwater services, if it wishes.

Like Part 3, Part 2 appears to assume that only territorial authorities, and not regional councils, provide water services. For example, clause 12 which relates to joint WSDPs, refers only to territorial authorities and their water services. Given that in Wellington the joint WSDP will encompass bulk water services currently provided by Greater Wellington Regional Council, clause 12 should be amended to allow for the inclusion of a regional council within a joint arrangement, and for their water services to be included in a joint WSDP.

### **Content of WSDP**

The contents of a WSDP are set out in clause 11(1). While we consider that the content requirements are broadly appropriate, the burden of meeting some of these requirements could be excessive in terms of time and cost.

These include the requirement in paragraph (d) to state whether and to what extent water services comply with regulatory requirements (which could potentially include every resource consent held by the territorial authorities for their water services); and in paragraph (g) to provide an assessment of the current condition, lifespan, and value of the water services network (noting that most water and wastewater pipes are underground). Preparing the WSDP may require extensive fresh work, collation of existing information, and financial and other analysis on the part of territorial authorities.

We would like to see substantial further guidance from the Department on how to prepare a WSDP to avoid the need for significant rework and to minimise the administrative burden on councils. This guidance should include a template or sample WSDP.

For territorial authorities that have not already started there may be insufficient time to complete these tasks, if a WSDP is intended to take effect from 1 July 2025: see clause 13(1), which states that a WSDP must cover a period of at least 10 years starting with the



2024-25 financial year (we presume this is an error, and intended to refer to the 2025-26 financial year).

The Bill is unclear as to whether consultation on a draft WSDP is, or is not, required. Clauses 15(2) and (3) of the Bill state:

(2) Except as provided in Part 3 of this Act, a territorial authority must comply with subpart 1 of Part 6 of the LGA2002 (Planning and decision-making) when preparing, adopting, or amending a water services delivery plan.

(3) This Act does not require a territorial authority to consult in relation to a water services delivery plan, but another enactment (for example, the LGA2002) may require a territorial authority to consult.

However, clause 11(1)(l) says that the WSDP must include “a summary of any consultation undertaken as part of developing the information required to be included in the plan” relating to the proposed service delivery model, and how the revenue from, and delivery of, water services will be separated from the territorial authority’s other functions and activities.

In practice, the safest way to achieve compliance with LGA Part 6 obligations on a significant matter like a draft WSDP (especially the s78(1) requirement to “give consideration to the views and preferences of persons likely to be affected by, or to have an interest in, the matter”) will be to consult, even though section 78 states that a local authority is not required by this section alone to undertake a consultation process.

Because the Bill is ambiguous about whether there needs to be consultation in relation to a WSDP, it does not include streamlined processes which territorial authorities can choose to adopt, in the way it does for consultation on a proposed WSCCO. We consider it would be helpful if these were included, given that some form of consultation on WSDPs seems likely. The Bill could also usefully state the powers of joint committees in the development and adoption of a joint WDSP, in the same way it does in the context of a joint WSCCO (see clause 56).

We are also unclear in relation to what is required to meet Clause 11(m), in particular the reference to ensuring financial sustainability by 30 June 2028. The challenge will be as noted above, achieving real financial sustainability (including meeting all regulatory standards and requirements for the authority’s delivery of those water services) will take 15-20 years of investment. We ask that the Committee give consideration to rewording of this intent by:

- pushing out 2028 in clause 11(m) to something more realistic; or
- deletion of para (b) in the definition of “financially sustainable”; or suggest rewording the definition of “financially sustainable” to something that brings in elements from s100(1) LGA and s57 Local Government Auckland Council Act 2009

### **Recommendations:**

- That clause 13(1) be amended to require service delivery plans to cover a period of at least 30 consecutive financial years.
- As noted above, there should be a tidy up of clause 8(1)(b) to say that the WSDP must show how water services will be delivered in a financially sustainable way (rather than financially sustainable for the territorial authority in particular).
- Given the burden of preparing a WSDP, it is recommended that the starting date for WSDPs in clause 13 should be pushed back from 1 July 2025 to 1 July 2026. If not,

clause 13(1) should at least be amended to refer to the 2025-26 financial year, as was presumably intended.

- Reconsider the requirement in clause 11(1)(m) for a WSDP to explain “what the authority proposes to do to ensure that the delivery of water services will be financially sustainable by 30 June 2028”, and that this should be amended to a more realistic date along with consideration of deletion of para (b) in the definition of “financially sustainable”; or suggest rewording the definition of “financially sustainable” to something that brings in elements from s100(1) LGA and s57 Local Government Auckland Council Act 2009.
- It is recommended that clause 12 should be amended to allow for the inclusion of a regional council within a joint arrangement, and for their water services to be included in a joint WSDP.
- We recommend that clauses 15(2) and (3) of the Bill should be replaced by a clear statement of what consultation requirements (if any) apply to a WSDP. It should not be left to territorial authorities to work out whether the LGA requires them to consult on the WSDP.
- We recommend that the Bill include appropriate simplified consultation processes (where consultation is carried out) in the adoption of a WSDP, especially in relation to the identification and consideration of options.
- Further, there should be a provision equivalent to clause 56 (which sets out joint committee powers in the case of proposed joint WSCCOs) clarifying what joint committees can do where there is a proposed joint WSDP.

## **Partnership with Iwi / Māori and The Treaty of Waitangi**

The Bill is silent on the role or involvement of our Iwi / Māori partners or how it gives effect to the Crown’s Treaty of Waitangi obligations and of Te Mana o Te Wai as a korowai for future investment decisions and accountability arrangements.

Our councils are committed to actively engaging with our Iwi / Māori partners through this process and in relation to the development of future service delivery options and WSDP. This process needs to respect and respond to the tikanga of our partners and the range of views across multiple Māori / Iwi / Hapū in our regional area.

We note that precluding the consideration of the hierarchy of obligations in resource consents under the Resource Management Act 1991 is being advanced, amongst other matters, through the Resource Management (Freshwater and Other Matters) Amendment Bill. Submissions on that bill close on 30 June.

The approach to Te Mana o te Wai across both bills should be consistent. Further, the Local Government (Water Services Preliminary Arrangements) Bill process should take its lead from the Resource Management (Freshwater and Other Matters) Amendment Bill process. The latter is the more appropriate vehicle to consider the intricacies of how Te Mana o te Wai should be applied. An appropriate link from the Bill would be as part of the key considerations outlined in Clause 8(1).

### **Recommendations:**

- That clause 8(1)(b) have an additional point (v) added to recognise the cultural importance of Te Mana o te Wai.

- That the Committee gives further consideration to how the Bill gives effect to the Crown's Treaty of Waitangi obligations and the principles of Te Mana o te Wai in alignment with review of the RMA.

## **Interrelationship with broader reforms and the need for greater Government support**

The decisions that councils make in relation to a WSDP and potential establishment of a new WSCCO will cut to the heart of the future role, functions, community relationships and financial sustainability of councils. These will be significant and far-reaching decisions that will shape our communities, towns and cities for generations to come. Investment in water will underpin growth and the future economic, environmental and social well-being of New Zealand.

Implementation of these reforms requires increased commitment from Government to work effectively with councils and a recognition that aspects of the reforms will take years to bed in. The cost and resource implications are unclear for councils, making it challenging to plan or fund the reform. This includes the process and costs to establish a regional WSCCO which will be considerable and are not allowed for in our Long Term Plans.

This is possibly the most challenging and changing time for local government since the 1989 reforms. We will need to work through the process of a WSDP in the context of a rapidly changing global geo-political landscape, a cost-of-living crisis and a range of broader Government reforms which will have fundamental impacts on the future form and function of local government. There remains a lack of clear longer-term direction for what this means for councils and our ability to serve our communities sustainably.

We are motivated to have simple, clear and manageable institutional arrangements, accountabilities, regulation and transitional arrangements. This is important not only for water reforms but also councils to enable our communities to thrive. These will be challenging to navigate within the timeframe allowed to develop a WSDP.

In the context of these challenges, we know that local government cannot be successful alone. A stronger future can only be built by collaboration between local and central government. This will require Government to be willing to consider some form of increased support for water reforms.

We are signalling now in the case of the Wellington regional model, that achieving a financially sustainable water network will take 15-20 years of ongoing investment. To be successful we will need some form of Government financial commitment. We are developing options for further engagement with the Government on this matter.

### **Recommendations:**

- We ask that the Committee gives due consideration to challenges and complexities facing local government, including how more direct support and advice can be given to help navigate the processes required by the Bill.
- We ask that the Committee gives due consideration to interrelationship of water reforms with other Government policy and legislation change.
- We ask that the Committee consider the support that will be required to ensure councils are able to work towards a financially sustainable water network in a bespoke manner based on the needs of the particular region.

## Conclusion

Councils in our region are committed to a sustainable financial model for water services that can deliver on network resilience, enabling growth, improved harbour and catchment health, and excellent, affordable services to our community.

We want to work with Government to ensure that the new water services regime provides the right mechanisms for success. For these outcomes to be achieved, further consideration of the Bill as drafted is required, supported by a commitment to work with local government through the implementation process. This needs to recognise the significant cost and resource implications for councils and that many aspects of the reform will be challenging to put in place by the current establishment date.

We would like to speak to the Finance and Expenditure Select Committee in support of our submission.

Ngā mihi,

*Kerry Prendergast*

Dame Kerry Prendergast

**Chair, Advisory Oversight Group**

Wellington region and Horowhenua water services delivery plan.

### Copy to:

Members of the Advisory Oversight Group

<b>Council / organisation</b>	<b>Representative</b>
Chair	Dame Kerry Prendergast
Greater Wellington Regional Council	Cr Ros Connolly
Upper Hutt City Council	Mayor Wayne Guppy
Hutt City Council	Mayor Campbell Barry
Porirua City Council	Mayor Anita Baker
Wellington City Council	Mayor Tory Whanau
South Wairarapa District Council	Cr Colin Olds
Carterton District Council	Mayor Ron Mark
Masterton District Council	Cr David Holmes
Kāpiti Coast District Council	Mayor Janet Holborow
Horowhenua District Council	Mayor Bernie Wanden
Iwi membership being confirmed – current representative	Helmut Modlik, Tumu Whakarae - CEO, Te Rūnanga o Ngāti Toa

# Process and timeline for Wellington WSDP and WSCCO

**Our process will enable progressive decision making by councils on both a preferred future delivery model and a water services delivery plan.**

