



Ref: s.7(2)(a) -

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10 September 2021

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s.7(2)(a) -

New Zealand Taxpayers Union
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Dear s.7(

OFFICIAL INFORMATION REQUEST FOR THREE WATERS REFORM

I refer to your official information request dated 20 August 2021 regarding the above. Your requests are set out below with Council's response:

We request a copy of the Council's "Significance and engagement policy" as required by s 76AA of the Local Government Act 2002.

- 1. Has your council, or Mayor, taken a position (even if just 'in principle') for or against opting into the government's proposed three waters reforms?*
- 2. If so, what is that position, how was it come to, by whom, and on what date?**

Nelson City Council's Significance and Engagement Policy is publicly available on Council's website, located at <http://www.nelson.govt.nz/assets/Our-council/Downloads/Plans-strategies-policies/2021/Significance-and-Engagement-Final-Current-Policy-adopted-by-Council-Dec-2020.pdf>

Questions 1 and 2: Nelson City Council has not taken a position for or against opting into the government's proposed Three Waters reforms as in Council's media release on 19 July 2021, as set out in Appendix 1 to this letter (which is on the Council website under Shape Nelson/Three Waters reform).

All councils have until 1 October 2021 to provide feedback on the Three Waters proposals and financial support package. Council will be provided with the opportunity to provide questions and feedback to central government on the current proposal. Councils have been advised that the Government will then consider next steps and revised timing for decision making, which would accommodate the time required for any community or public consultation. At this stage it is not possible to confirm any date for a decision. The information, at this stage, will be for noting rather than any decision making. Council is not being asked to opt in/out at this stage just consider the proposal and provide feedback to Government.

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3. *Have you made a determination under your Significance and Engagement Policy?*
 - a. *If so, what is that position, how was it come to, by whom, and on what date?**
 - b. *What is the timeline for engagement under this determination?****
 - c. *If not, what is the anticipated timeline to make that determination?*

Question 3: Nelson City Council has not made a determination under its Significance and Engagement Policy on Three Waters. See the response above regarding the current stage of the reform process.

Council is providing ongoing updates on our website as we receive information regarding the reform process and proposals. This is available at <https://shape.nelson.govt.nz/three-waters-reform> and includes Frequently Asked Questions, links to the Department of Internal Affairs website for more information and a recording of the Council workshop on 31 August 2021 where councillors spent time receiving information on the proposals and asking questions. A further Council workshop was held by zoom on Thursday 9 September 2021 to continue discussing the proposals and this was also recorded and put on Council's website.

Council had planned to host public meetings but due to the 2m spacing restrictions at alert level 2, Council is now holding two public webinars online on the following days:

Tuesday 14 September 5:30 pm – 7:30 pm

Thursday 16 September 5:30 pm – 7:30 pm

The public will have an opportunity to ask questions during the webinars. The webinars will be recorded and put on Council's website as well. Please check Council's website to access the webinars and for any further information on them.

You have the right to seek an investigation and review by the Ombudsman of this response. Information about how to make a complaint is available at www.ombudsman.parliament.nz or Freephone 0800 802 602.

If you wish to discuss this decision with us, please feel free to contact Jennie McFarlane, Strategic Adviser Infrastructure (jennie.mcfarlane@ncc.govt.nz).

Yours sincerely



Alec Louverdis
Group Manager Infrastructure

Appendix 1: Copy of Nelson City Council media release 19 July 2021

A \$2.5 billion package to support Three Waters reforms was welcomed by Nelson Mayor Rachel Reese on Thursday 15 July, following an announcement by Local Government Minister Nanaia Mahuta.

The proposed reforms aim to transfer New Zealand's drinking water, wastewater and stormwater services from local authorities to four new regional water services entities.

Speaking at the Local Government New Zealand (LGNZ) Conference in Blenheim, where the support package was announced, Mayor Reese described the announcement as a pivotal moment for local government.

"We know that the Three Waters status quo is not working – and will not work in much more obvious ways in the future, when we factor in growth and climate change.

"But today, we have in front of us a new package that focuses not on what councils might lose, but what communities could gain. Local government can start to see what a future without water service delivery might look like – and how that would allow us to focus more rapidly on delivering wellbeing to our communities."

The package is split into two component parts.

"No worse off" component: \$500 million is set aside to provide certainty for local authorities that they will be supported through the transition process, and to ensure the financial impacts of reform will be managed. This "no worse off" component of the support package seeks to address the costs and financial impacts that councils would incur such as the transfer of water assets, liabilities, revenue and staff to a new water services entity. The funding also ensures councils will be able to continue to sustainably perform their non-water related roles and functions.

The "better off" component: comprises \$1 billion Crown funding and \$1 billion from the new water services entities and is allocated to councils on the basis of a nationally consistent formula. Councils will be able to use this funding to support the three waters service reform and focus on other local wellbeing outcomes associated with climate change and resilience, housing and urban design and planning, and community wellbeing. Under this formula, Nelson would receive a support package in the region of \$20 million.

Mayor Reese said the next eight weeks are for Nelson City Council to review the information and resolve any outstanding issues including accountability, influencing local decisions, and making sure council's plans for growth are appropriately integrated with water services planning.

"I want to acknowledge that not everyone will agree with the proposal, but it does aim to balance the many complex considerations, common challenges and local differences across communities throughout New Zealand. It's obvious to everyone that the water reforms work if

everyone participates, so every community can benefit. As a Council, we will take this time to consider how this proposal can work for Nelson.

“I also want to stress the importance of iwi engagement and partnership - and the significance of walking together through these reforms. Iwi have an innate interest in the protection of wai Māori. The Government has put great emphasis on building flexibility into the model, so that councils and mana whenua can adapt elements of the structure to suit local needs and tikanga.”

Local Government Minister Nanaia Mahuta said all water assets would be retained in local ownership and a public referendum provision would provide “the ultimate protection” against privatisation. Mechanisms would also be put in place to provide communities with a say in how water assets and services are managed.