

Water Services Entities Amendment Bill

Discussion with members

28 June 2023



Tūtawa mai i runga
Tūtawa mai i raro
Tūtawa mai i roto
Tūtawa mai i waho

Kia tau ai, Te mauri tū
Te mauri ora, ki te katoa
Haumi e, hui e, tāiki e

Come forth from above, below,
within and from the environment
Vitality and wellbeing for all
Strengthened in unity

The key purpose of the amendment Bill

- to establish 10 water services entities, and disestablish the 4 water services entities that were established
- entities commence delivery of water services between 1 July 2024 and 1 July 2026
- representation of all territorial authority owners on the regional representative group of the entity they own
- a new mechanism called community priority statements, which give community groups who have an interest in a water body an opportunity to make statements to their entity about their priorities for that body
- a locally led merger process to enable water services entities to merge if their regional representative groups decide to
- a Water Services Entities Funding Agency, together with arrangements for Crown financial support
- shared services arrangements, which entities may enter into voluntarily, or by ministerial direction in defined areas
- transitional arrangements for local government and water service entities.

Approach to submission

From the perspective of members who work throughout the water sector:

- Is the framework workable? If not, what is needed to make it workable?
- Is the transition framework feasible/workable? If not, what is required?
- Are there clear roles and responsibilities across legislation, government agencies and the Water Service Entities?

The key points of our submission are

- 10 water services entities
- Shared services arrangements
- Community priority statements
- Stand up timelines
- Voluntary amalgamation
- Water Services Entities Funding Agency
- Cohesion with other reforms
- Te Mana o te Wai definition.

10 water services entities

- ten regional entities will have expertise and be better equipped to address the deficit than the current arrangement
- ten entities will help give smaller or isolated communities assurance that they will be included in work programmes priorities and investment decision making.

Shared services arrangements

- necessary to achieve scale and efficiency gains under a ten-entity model
- capability and talent attraction will not be equal across all ten entities
- drafting changes required so not inconsistent with the WSEEC Bill, Commerce Act and the Commission.

Community priority statements

- the proposed community statements are a pragmatic way of enabling the Regional Representation Group to hear from local stakeholders, beyond mana whenua who will prepare Te Mana o te Wai statements
- we recommend water body is defined to account for the forms that a community might wish to make a statement on.

Staggered timeline

- allows the 9 WSEs outside of Northland and Auckland more time to prepare for the proposed amalgamation
- Clarity on timeline, sooner rather than later, would provide certainty to staff, contractors and consultants
- request a clear and considered transition across reforms to ensure efficiency and minimal confusion

Locally led merger process

- drafting changes for consistency with the WSEECB bill and the determinations and methodologies of the Commission
- support the provisions whereby further amalgamation is possible with support from the relevant WSEs.

Water Services Entities Funding Agency

- support the principle of balance sheet separation
- with the policy intent and drafting issues clarified, support in principle.

Cohesion with other reforms

- overlaps and risk of confusion with the plans and statements proposed under the various ongoing reforms.
- recommend rationalising requirements for use across both legislative regimes.
 - Te Mana o Te Wai Statements
 - Statement of Community Objectives and
 - Statements of Environmental Outcomes

Letter to the Minister: Te Mana o te Wai

Water New Zealand sought a change to the definition of Te Mana o te Wai in the Water Services Entities Act 2022, through the Water Services Legislation Bill legislative process.

Water New Zealand **recommended** replacing (b) of the Te Mana o te Wai definition with a modified version of the definition of water from the Resource Management Act.

Te Mana o te Wai—

- (a) has the meaning set out in the National Policy Statement for Freshwater Management issued in 2020 under [section 52](#) of the Resource Management Act 1991 and any statement issued under that section that amends or replaces the 2020 statement (and *see also* [sections 4, 5, and 14](#) of this Act); and
- (b) applies, for the purposes of this Act, ~~to: water (as that term is defined in [section 2\(1\)](#) of the Resource Management Act 1991)~~
 - (i) water in all its physical forms whether flowing or not and whether over or under the ground; and
 - (ii) fresh water, coastal water, and geothermal water.

Patai/questions/discussion

Where next

- Select Committee
- Second reading of bills 2 and 3
- NBE & SP bills interim reports
- NEMA bill & DPMC infrastructure resilience
- MBIE building consenting review
- Tell us your thoughts – nicci.wood@waternz.org.nz