

Local Water Done Well

FAQ

Frequently Asked Questions



For further information check out
westlanddc.govt.nz/yourwater

Frequently Asked Questions

What is Local Water Done Well?

Local Water Done Well is the Government's plan to address New Zealand's long standing water infrastructure challenges. It replaces the previous government's Three Water reform proposals. It aims to:

- Tackle New Zealand's long-standing water infrastructure challenges by enhancing the quality, sustainability, and affordability of water services nationwide.
- Introduce new economic and quality regulations to improve service standards.
- Ensure water services are future-proofed and financially sustainable.
- Make water services delivery more effective and efficient.

While the reforms provide some local flexibility on how this is achieved, it puts a strong emphasis on compliance with central government rules and regulations.

Why do legislative changes necessitate a new approach to managing our water?

Local Water Done Well introduces changes to how water services are managed in the future. There are new rules for investment, borrowing and pricing, and new options for delivering water services.

Local Water Done Well requires councils to choose a water services delivery model that will best meet their community's needs, provided it also meets financial sustainability and compliance standards.

It incentivises councils to collaborate, by allowing jointly owned council-controlled organisations to borrow more money, specifically against three waters assets, to invest only in water infrastructure. This allows councils to continue to invest in other key infrastructure areas more easily.

Under Local Water Done Well, all councils must:

- Meet new financial and regulatory requirements, ensuring water services are ring-fenced (i.e. the financial administration of water services must be kept separate from the rest of council).

- Invest in infrastructure to address long-standing issues.
- Set fair prices that reflect the cost of delivering water services.
- Develop a fit-for-purpose Water Services Delivery Plan by early September 2025 outlining how they will meet these requirements.

What water services does Council provide?

- The Council provides water services which includes drinking water, wastewater and stormwater.
- Drinking water – ensuring the provision of safe and reliable drinking water to communities.
- Wastewater – Managing the collection, treatment and disposal of wastewater to protect public health and the environment.
- Stormwater – Handling stormwater drainage to reduce flood risk and manage run off in urban area.

What are the 3Waters?

'3Waters' is the standard term for the infrastructure supplying residents and businesses with drinking water (water that we drink from our taps), wastewater (what goes down your sink and shower, from your washing machine and your toilet) and stormwater (run off rain caught by your house or work building gutters and street gutters) services.

What do we mean by water service delivery models?

Water service delivery models refer to the different ways councils manage and deliver the services associated with drinking water, wastewater and stormwater. An example of these is an internal business unit, council-owned organisation, consumer trust owned.

What is an internal business unit?

An internal business unit is a specialised division within the council that operates with a degree of autonomy but remains fully owned and overseen by the council. The revenue and expenditure associated with water services will be 'ring-fenced'. The internal business unit would be responsible for planning, funding, building and maintaining water services.

Why would we work with Grey and Buller to deliver water services?

Collaborating with neighboring councils like Grey and Buller can enhance service efficiency through shared resources and expertise, leading to better outcomes and cost savings for ratepayers.

What would happen to our 3 Waters team?

The future structure of our 3 Waters team will depend on the selected service delivery model. Options may include integration into a new business unit within council or transition to a CCO.

What water services delivery models are we consulting on?

During our current consultation process, we are considering the following models for the delivery of water services:

- Internal Business Unit: This model proposes setting up an internal business unit within the council that operates with a degree of autonomy. This means that the revenue and expenditure associated with water services will be 'ring-fenced'. The internal business unit would be responsible for planning, funding, building and maintaining water services. But remain fully accountable to council.
- West Coast CCO (Westland, Grey and Buller): This option involves establishing a Council-Controlled Organisation (CCO) that would manage water services for the three West Coast District Councils. This model aims to leverage economies of scale, shared expertise, and resources to improve service delivery across the West Coast Region.
- Westland + 1 (Westland and another council): Similar to the above, this model proposes a CCO that would provide water services for two councils. This approach also seeks to benefit from shared management while being slightly smaller in scale compared to the three-council model, potentially allowing for more focused management tailored to the specific needs of the two councils involved.

Each of these models offers advantages and disadvantages. These are outlined in our consultation document. We invite community feedback to help determine the most suitable model for our future water services delivery.

Why is everyone talking about Water Services Delivery Plans?

Water Services Delivery Plans are being discussed widely because they are required under the Local Government (Water Services Preliminary Arrangements) Act. These plans are a 'one-off' way for councils to reflect on their current approach to the delivery of drinking water, wastewater and stormwater services and demonstrate their commitment to a future model that is financially sustainable and meets quality standards.

Water Services Delivery Plans:

- Must include detailed information about water services operations, assets, revenue, expenditure, pricing, future capital expenditure, and how councils plan to finance and deliver their preferred delivery model.
- Are for a minimum 10-year timeframe but can be up to 30 years. The first three years must be detailed.
- Must demonstrate how the water services will be financially sustainable by June 2028.

The Government can reject plans if they do not meet legislative requirements. If the Government is not satisfied with a council's water services delivery proposal, it can also direct what councils should do.

What is a Council Controlled Organisation or CCO?

A Council Controlled Organisation (CCO) is a company or entity owned by one or more local authorities. A CCO operates independently from Council with its own board structure and management. The CCO would be responsible for planning, funding, building and maintaining water services infrastructure, as well as running the day-to-day customer-facing services. Ownership of all water services assets could be transferred to the CCO. As these assets are strategic assets of Council, the transfer would need to be provided for our Long-Term Plan.

As a ratepayer, what do I need to know?

As a ratepayer, it's important to understand how these changes might affect your rates, the quality of water services, and the long-term sustainability of water infrastructure. Information sessions and consultation documents will be available to outline these aspects.

Keep yourself informed on Council's progress as we consult on our three models. Most importantly, ensure you have your say on the proposed water services delivery model options when Council consults on these from 16th May – 16th June.

Do I get to have a say on the future delivery of water services?

Yes! We value your opinion and your say on the future delivery of water services.

Ensure you have your say on the proposed Water Services Delivery Model options when Council consults on these from 16th May – 16th June. You can do this through a written submission on our website or via a paper form. Council will also be holding drop-in sessions in person and online where you can share your opinion.

Which model will cost me more?

Under all three models, the amount you pay for water services will rise. The cost could perhaps double over the next 20 years no matter what model we go with.

We don't know if the way we charge now will be the same in coming years (e.g. if government regulators require change).

When using a per connection charge (which includes all connections for households, businesses and other properties), the annual water services charge of the next 20 years is forecast to:

- Increase from \$3,740 to \$3,771 under the internal business unit model
- Increase from \$2,549 to \$2,344 under the West Coast CCO model
- We are unsure what it would be with two councils as it would depend on what Council we work with.

Financial modelling contains uncertainties and requires certain assumptions. The figure quote above are therefore subject to change. They do, however, provide an indication of the level of expected cost increase.

The financial forecasts are discussed in our consultation document, this includes charts and graphs.

Where do I find out more about the Government's Local Water Done Well reform?

For more information about the Government's reform, please visit the official Department of Internal Affairs [website](#) or our Council's dedicated Local Water Done Well page, which includes our consultation document, FAQs, fact sheets and information on how you can get involved in the consultation process.



Scan me



For further information check out
westlanddc.govt.nz/yourwater/