

# Three Waters Reform Programme

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A proposal to transform the delivery  
of three waters services

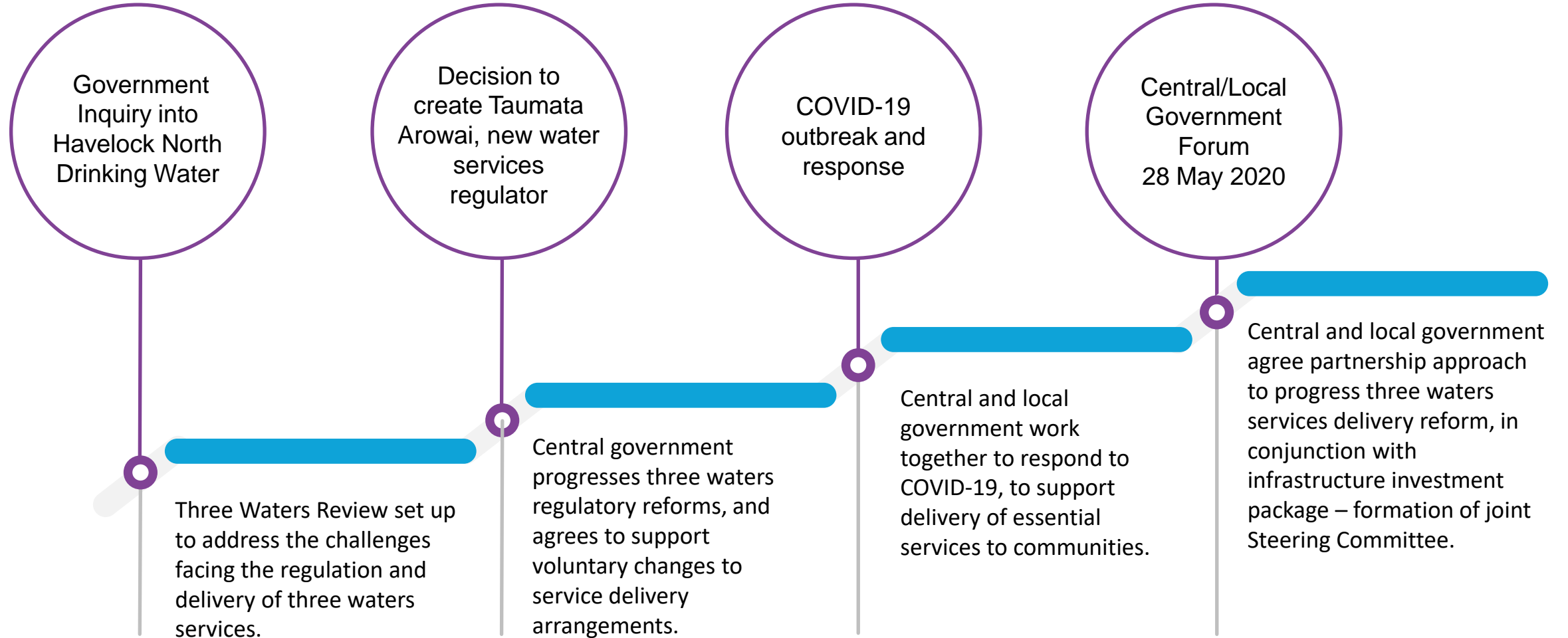


**Te Tari Taiwhenua**  
**Internal Affairs**

**We are.**  
**LGNZ.**  
Te Kāhui Kaunihera o Aotearoa.

 **SOLGM**  
New Zealand Society of  
Local Government Managers

# Background



# Proposal

The Government is proposing a programme for reforming three waters service delivery arrangements, which would be delivered in parallel with an economic stimulus package of Crown investment in water infrastructure.

## Economic stimulus package

- \$761m in the 2020/21 financial year.
- Funding provided to territorial authorities who opt-in to a partnership process, before the end of August.
- Funding to be invested in three waters infrastructure that support economic recovery.
- Further tranches will depend on Government decisions and progress against reform objectives.

## Service delivery reform programme

- A phased, three-year programme to reform three waters services delivery arrangements.
- Supported by joint central/local government steering committee.
- Engagement with sector, Iwi/Māori and stakeholders throughout the programme.

# Reform objectives

**A** Significantly improving safety and quality of drinking water services, and the environmental performance of wastewater and stormwater systems.

**B** Ensuring all New Zealanders have equitable access to affordable three waters services.

**C** Improving resource coordination and unlocking strategic opportunities to consider national infrastructure needs at a larger scale.

**D** Increasing resilience of three waters service provision to both short- and long-term risks and events, particularly climate change and natural hazards.

**E** Moving three waters services to a more financially sustainable footing, and addressing the affordability and capability challenges faced by small suppliers and councils.

**F** Improving transparency and accountability in cost and delivery of three waters services, including the ability to benchmark performance of service providers.

# Tranche one of the Reform Programme

Legal advice indicates signing the MoU for tranche one does not trigger significance policies

- An opt-in partnership with the Government on a no regrets basis
  - The MoU does not commit you to future stages of the reform
  - Good faith process
- Opportunity to join at a thought leadership level
  - Work together on design of new entities
  - Policy and commercial investigations to be progressed through tranche one
  - Explore mechanisms for community input in the new water entities
- Sharing information
  - Information sharing on assets to inform future analysis and options

# Tranche one funding

Decision to opt-in to tranche one required no later than the end of August to access initial stimulus funding

- Funding provided to maintain and accelerate three waters infrastructure investment

- Funding provided as a grant
- Can be used for Capex and/or Opex
- Drinking water and wastewater priority

- Funding allocation to be determined shortly

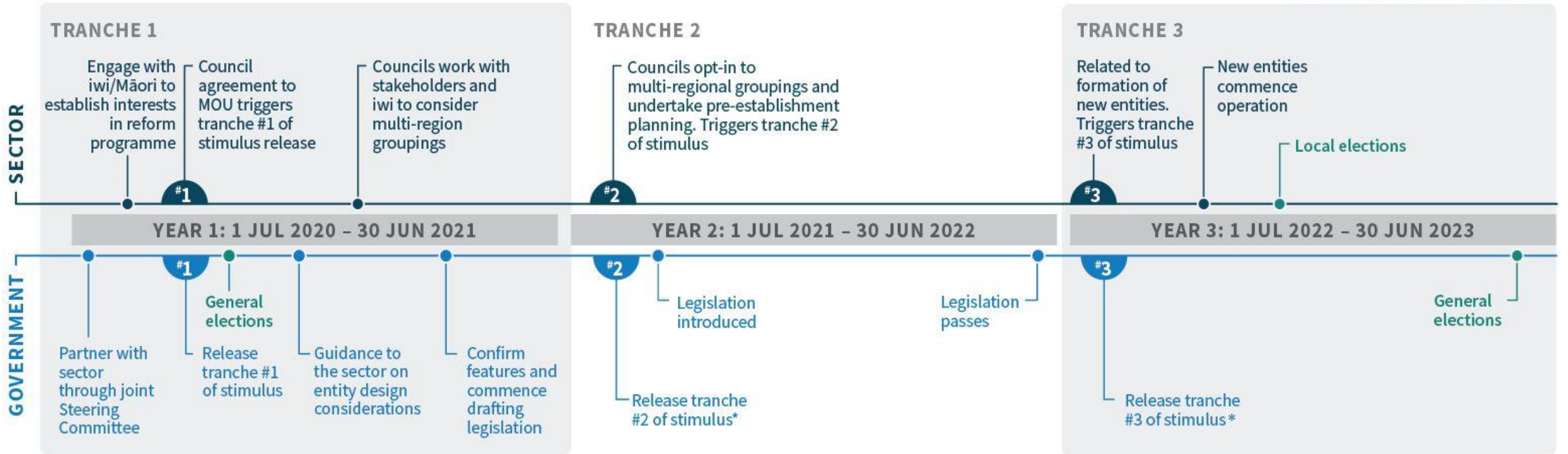
- Nationally consistent formula
- Population and land area based formula

- Planning implications

- Must be spent by 30 June 2021
- Likely focus on renewals and bringing forward of BAU capital works programme

# Indicative timeline

\* Subject to Government decision-making



# Future engagement

- Interactive, face-to-face workshops at 13 different locations across the country for territorial authorities and iwi/Māori
- Targeted workshops on iwi/Māori interests
- Webinars and meetings with special interest groups
- Ad-hoc engagements available on request
- Supporting information provided on the DIA three waters website
- Steering Committee contact for any questions relating to the reform programme

## Workshops in late July and early August

Date	Time	Location
<b>Mon 20 July</b>	10am-2pm	Auckland
<b>Tues 21 July</b>	10am-2pm	Whangarei
<b>Thurs 23 July</b>	10am-2pm	Tauranga
	10am-2pm	Wellington
<b>Fri 24 July</b>	11am-3pm	Hamilton
<b>Fri 24 July</b>	10am-2pm	Napier
<b>Mon 27 July</b>	11am-3pm	Nelson
<b>Tues 28 July</b>	11am-3pm	Christchurch
<b>Weds 29 July</b>	10am-2pm	Dunedin
	12 – 4pm	Timaru
<b>Thurs 30 July</b>	10am-2pm	Invercargill
<b>Fri 31 July</b>	12.15 – 4.15pm	New Plymouth
<b>Tues 4 Aug</b>	11am – 3pm	Palmerston North