

AGENDA

Extraordinary Meeting of the
Buller District Council

Commencing at 3:30PM
Wednesday 14 May 2025

To be held at the
Clocktower Chambers
Palmerston Street
Westport



CORE COUNCILLOR ROLE AND RESPONSIBILITIES

The Governance role entails:

- Strategic planning and decision-making;
- Policy and strategy review;
- Community leadership and engagement, and stewardship;
- Setting appropriate levels of service;
- Maintaining a financially sustainable organisation; and
- Oversight/scrutiny of Council's performance as one team.

The governance role focusses on the big picture of 'steering the boat' - management's role focusses on 'rowing the boat'

Our commitments to best support each other and meet the challenges and opportunities of 2025 include:

CLEAR AND RESPECTFUL COMMUNICATION

We are committed to:

Actively listening and not interrupting;

Remaining conscious of 'tone', body language, and amount of time speaking (allowing time for others);

Responding/answering in a timely manner; and

Being honest, reasonable, and transparent.

TRUST AND RESPECT

We recognise that trust and respect must be earned and that a team without trust isn't really a team. Trust can be built by:

Valuing long-term relationships; being honest; honouring commitments; admitting when you're wrong; communicating effectively; being transparent; standing up for what's right; showing people that you care; being helpful; and being vulnerable.

CONTINUOUS LEARNING AND IMPROVEMENT

Continuous learning and improvement are critical for growing together as a team.

We are committed to constantly reviewing what is going well and what needs to improve in relation to the way we work together, the processes we follow, and the outcomes we deliver.

NONE OF US IS AS SMART AS ALL OF US

Council

Chairperson:	Mayor
Membership:	The Mayor and all Councillors
Meeting Frequency:	Monthly – or as required.
Quorum:	A majority of members (including vacancies)

Purpose

The Council is responsible for:

1. Providing leadership to, and advocacy on behalf of, the people of Buller district.
2. Ensuring that all functions and powers required of a local authority under legislation, and all decisions required by legislation to be made by local authority resolution, are carried out effectively and efficiently, either by the Council or through delegation.

Terms of Reference

1. To exercise those powers and responsibilities which cannot legally be delegated by Council:
 - a) The power to set district rates.
 - b) The power to create, adopt and implement a bylaw.
 - c) The power to borrow money, or purchase or dispose of assets, other than in accordance with the Long Term Plan.
 - d) The power to adopt a Long Term Plan or Annual Plan, or Annual Report.
 - e) The power to appoint a Chief Executive Officer.
 - f) The power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the Long Term Plan, or developed for the purpose of the Council's governance statement, including the Infrastructure Strategy.
 - g) The power to adopt a remuneration and employment policy for Chief Executive Officer.
 - h) The power to approve or change the District Plan, or any part of that Plan, in accordance with the Resource Management Act 1991.
 - i) The power to approve or amend the Council's Standing Orders.
 - j) The power to approve or amend the Code of Conduct for Elected Members.
 - k) The power to appoint and discharge members of committees.
 - l) The power to establish a joint committee with another local authority or other public body.
 - m) The power to make the final decision on a recommendation from the Parliamentary Ombudsman, where it is proposed that Council not accept the recommendation.
 - n) Health & Safety obligations and legislative requirements are met.
-

2. To exercise the following powers and responsibilities of Council, which the Council chooses to retain:
- a) Resolutions required to be made by a local authority under the Local Electoral Act 2001, including the appointment of an electoral officer and reviewing representation arrangements.
 - b) Approval of any changes to Council's vision, and oversight of that vision by providing direction on strategic priorities and receiving regular reports on its overall achievement.
 - c) Adoption of governance level strategies, plans and policies which advance Council's vision and strategic goals.
 - d) Approval of the Triennial Agreement.
 - e) Approval of the local governance statement required under the Local Government Act 2002.
 - f) Approval of a proposal to the Remuneration Authority for the remuneration of Members.
 - g) Approval of any changes to the nature and delegations of the Committees.
 - h) Approval of funding to benefit the social, cultural, arts and environmental wellbeing of communities in Buller District
 - i) Ensuring Buller is performing to the highest standard in the area of civil defence and emergency management through:
 - i) Implementation of Government requirements
 - ii) Contractual service delivery arrangements with the West Coast Regional Group Emergency Management Office
 - j) All other powers and responsibilities not specifically delegated to the Risk and Audit Committee, subcommittees, independent hearing panels or Inangahua Community Board.

Buller District Council Extraordinary Meeting

Venue: Clock-tower Chambers, Westport. This meeting will be Live-Streamed on the Buller District Council YouTube Channel.



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BULLER DISTRICT COUNCIL

EXTRAORDINARY MEETING

14 MAY 2025

AGENDA ITEM: 1

Prepared by Simon Pickford
Chief Executive Officer

APOLOGIES

1. **REPORT PURPOSE**

That Buller District Council receive any apologies or requests for leave of absence from elected members.

DRAFT RECOMMENDATION

2. **That there are no apologies to be received and no requests for leave of absence.**

OR

3. **That Buller District Council receives apologies from (insert councillor name) and accepts councillor (insert name) request for leave of absence.**

**BULLER DISTRICT COUNCIL
EXTRAORDINARY MEETING**

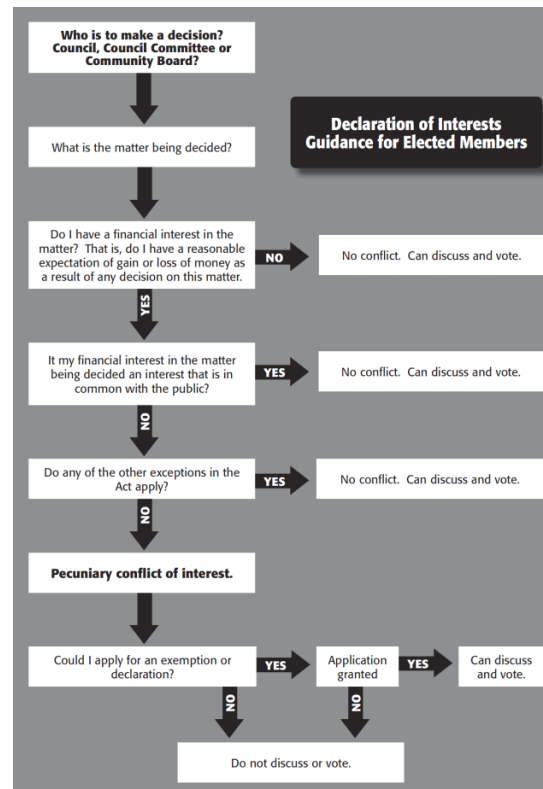
14 MAY 2025

AGENDA ITEM: 2

Prepared by Simon Pickford
Chief Executive Officer

MEMBERS INTEREST

1. Members are encouraged to consider the items on the agenda and disclose whether they believe they have a financial or non-financial interest in any of the items in terms of Council's Code of Conduct.
2. Councillors are encouraged to advise the Governance Secretary, of any changes required to their declared Members Interest Register.
3. The attached flowchart may assist members in making that determination (Appendix A from Code of Conduct).



4. **DRAFT RECOMMENDATION:**

That Members disclose any financial or non-financial interest in any of the agenda items.

BULLER DISTRICT COUNCIL

EXTRAORDINARY MEETING

14 MAY 2025

AGENDA ITEM: 3

Prepared by John Salmond
Corporate and Strategic Planning Manager

Reviewed by Simon Pickford
Chief Executive Officer

Attachments 1. Draft Local Water Done Well (LWDW) Consultation Document

Public Excluded: No

**REPORT FOR ADOPTION OF THE LOCAL WATER DONE WELL CONSULTATION
DOCUMENT**

1. **EXECUTIVE SUMMARY**
To consider and adopt the Draft Consultation document for Local Water Done well for public consultation.
2. How Councils deliver water services has been a focus of local and central government for many years. Large-scale investment is needed nationwide to keep water safe and resilient. While most of Buller District Councils supplies for drinking water do meet the requirements of the regulator, we do face significant costs in the years ahead to meet regulations as well as ongoing maintenance and renewals in not only our drinking water supplies but also around stormwater and wastewater.
3. Local Water Done Well is the government's approach to reforming the way water services are delivered in New Zealand in the future.
4. The aim is to address New Zealand's long-standing water infrastructure challenges.
5. The coalition government repealed legislation that had been established under the previous government and replaced it with new legislation enacting its Local Water Done Well policy. Although left to individual councils to decide overall arrangements for service delivery, the new approach is that water services must operate like an independent utility business and will be subject to strict economic,

environmental and water quality regulation.

6. This report is the next stage of the process for Council and the aim is to seek agreement on what options are being consulted on with the community. The next key decision will be the agreement as to how water services will be delivered in the future which will be taken later this year prior to the legislative deadline of the 3 September for the Water Services Delivery Plan (WSDP) being submitted.
7. Please note that there may be some amendments to what is potentially released for consultation on the 16 May (grammar, spelling, font, layout etc.) if there are any fundamental changes, they will be updated on diligent accordingly prior to the Extraordinary Council Meeting.

8. **DRAFT RECOMMENDATION**

That Council...

- 1. Receives the report**
- 2. Adopts the draft Local Water Done Well Consultation Document**
- 3. Approve the Chief Executive Officer or Mayor to sign off on any grammatical or minor amendments to the consultation document if required**
- 4. Confirms the preferred choice of creating a multi-council water services organisation with two or more councils**
- 5. Notes the consultation period will run from Friday 16 May 2025 and closes at 4.30pm on Monday 13 June 2025**
- 6. Notes the Submission hearings are scheduled for Monday 30 June and Tuesday 1 July 2025**
- 7. Notes the deliberations are scheduled for 2 and 3 July 2025 but could be moved forward if required after the hearings are finished**

9. **ISSUES & DISCUSSION**

10. **BACKGROUND**

Local Water Done well focuses on the importance of local decision making and the flexibility for communities and councils to determine how their water services will be delivered in the future. However, it requires future delivery models to meet economic, environmental and water quality regulatory requirements.

11. Under the new legislation, Councils are required to submit a Water Services Delivery Plan (WSDP) to the Department of Internal Affairs by 3 September 2025. The WSDP will outline the Council's intended approach to the delivery of water services and an implementation plan for how it will deliver those services over at least the next ten years.
12. The Water Services Delivery Plan **must**:
 - Identify the current state of each Council's water services.
 - Demonstrate each Council's commitment publicly to deliver water services that ensure compliance, meet drinking water standards, are financially sustainable, and support housing growth and urban development.
13. **What work has been undertaken so far?**
Councils can choose between five options on which to base their future water service delivery models. How this could be done is highlighted in the table below:

Overview of service delivery models

1	Internal business unit or division	<ul style="list-style-type: none"> • Status quo delivery model for many councils • New statutory requirements for water service providers will apply – including statutory objectives, financial principles and sustainability requirements, new planning and reporting framework • Economic regulation will apply (including monitoring and enforcement of ringfencing rules)
2	Single council-owned water organisation	<ul style="list-style-type: none"> • New company established, 100% owned by the council • Financial sustainability and ringfencing rules will apply, but retains a financial link to the council • New water organisations and existing water CCOs must meet statutory requirements that apply to water service providers and water organisations, and will be subject to new economic regulation regime (relevant to the models below, as well) • Can access LGFA financing up to the equivalent of 500% of operating revenues with the provision of parent support (through guarantee or uncalled capital)
3	Multi-council owned water organisation	<ul style="list-style-type: none"> • New company established with multi-council ownership • Appointment of a board through a shareholder council (or similar body) is advisable but not a statutory requirement • Can access LGFA financing up to the equivalent of 500% of operating revenues with the provision of parent support (through proportional guarantee or uncalled capital)
4	Mixed council/consumer trust owned water organisation	<ul style="list-style-type: none"> • Consumer trust established to part-own a water organisation • One or more councils own the remainder of the shares (as majority or minority shareholders) • Structure can enable financially independent organisation to be established while retaining some council ownership/involvement
5	Consumer trust owned water organisation	<ul style="list-style-type: none"> • One or more territorial authorities establish a consumer trust to wholly own a water organisation, and transfer all water assets and responsibilities • Consumers elect trustees to represent their interests in the organisation • Most financially independent of the available models

14. To date, there has been a significant amount of work undertaken with other councils as there are clear benefits of creating a multi-council water services council-controlled organisation (WSCCO).

15. Council representatives held initial discussions in 2024 with the West Coast councils to understand if there were any opportunities to work on a WSCCO, however at that point in time there was no consensus view. Council then engaged with other councils in the South Island to see whether there were any possibilities of a multi council water delivery service which also at that time didn't go any further. In recent months the possibility of a West Coast delivery model has been revisited.
16. Multiple workshops have been held with elected members alongside extensive work carried out by a steering group, consisting of the two Infrastructure portfolio leads, Cr Phil Grafton and Cr Grant Weston, key staff, and external experts.
17. The following key areas were determined as the critical success factors as well as the investment objectives:
 - **Compliance:** To become compliant and then be able to deliver water services with no unacceptable risks
 - **Financial Sustainability:** To become and retain financial sustainability
 - **Communities and Iwi:** Meet expectations of Buller residents and iwi, including responses to growth / settlement changes in the district
 - **Resilience:** Maximise resilience in the Buller district to natural hazards and climate change
18. **Critical Success factors**
 - Strategic fit
 - Governance
 - Value for money
 - Levels of Service
 - Operational
 - Achievability
19. The steering group completed a Multi-Criteria Analysis (MCA) which was then presented back to Council at a workshop in March 2025. The aim was to discuss all available options and create a shortlist of feasible options for public consultation.
20. **OPTIONS**
21. Under section 61 of the Local Government (Water Services Preliminary Arrangements) Act 2024, when deciding whether to establish/join a water services council-controlled organisation (WSCCO) or a joint local government arrangement, the Council must consider at least:
 - remaining with the existing approach for delivering water services (enhanced and adjusted status quo); and
 - establishing or joining a Water Services Council Controlled Organisation (WSCCO) or a joint local government arrangement.

22. The Council may identify other options for delivering water services. “Remaining with the existing approach for delivering water services” is assumed to refer to the situation where the Buller District Council continues to own three waters assets, holds three waters debt and carries out most water activities in house.
23. However, legislative requirements, particularly those relating to the economic regulation of water services, mean that there will be significant change in some aspects of water services irrespective of which option is adopted. The current status quo is not an option under the new legislation.
24. The various service delivery models were considered, and several were discounted for the reasons outlined below:
1. **In-house delivery (status quo)**
 - The LTP as it currently stands does not meet the new requirements for financial sustainability and future economic regulation. Adding in the additional investment requirements within the current model is not affordable or achievable for Buller residents and the Council.
 - There are no operational efficiency savings
 - Does not meet the requirements for independent governance and decision making
 - Increased operational, legal and financial implications for on-going non-compliance will be significant and increase over time as economic regulation is put in place.
 2. **Single council CCO**
 - Reduced scale for the CCO and the Council with significant stranded costs for Council
 - Increased governance and management costs with duplication of management functions
 - It could be hard to attract experienced and skilled directors and leaders to a small CCO within the Buller district
 - It requires a change for staff and transition costs including systems
 3. **Non-asset owning CCO**
 - The complexities and retained responsibilities outweigh any advantages of setting up a CCO.
 - Transition cost and complexity is extremely high and would be required within a relatively short period of time (aiming for 1 July 2027)
 - Potential decreased ability to align strategic goals for Buller with the water entity particularly as Buller may only represent a small part of the overall entity
 - Potential for on-going challenges and operational complexity with assets remaining inside each Council

4. Consumer Trust Options

- Cannot leverage increased Local Government Funding Agency borrowing.
- No access to debt funding from LGFA so is not likely to meet financial sustainability requirements.
- Unaffordable price path for residents
- Increased governance and management costs with duplication of management functions without any scale advantages so may not be able to meet financial sustainability requirements and investment objectives

25. The shortlist options for public consultation are:

1. Multi-Council WSCCO – Joining up with two or more councils (preferred option)
2. Stand Alone Business Unit – enhanced status quo with Water Services separated into a formally separate group.

26. **Option 1 - Multi-Council WSCCO (Preferred Option)**

27. **Advantages**

Some reasons for selecting the establishment of a Multi-Council WSCCO as the preferred option include:

- Under all models considered the tariffs for consumers in the Buller District increase significantly from the current status quo, however, from the work done to date a multi council CCO option has the lowest tariffs for consumers, best outcome for future Council borrowing ability and is the most likely to provide the community with safe, resilient, reliable, customer responsive water services at least cost over the longer term when evaluated against a number of criteria.
- A multi-council WSCCO would have independent directors appointed based on competence. Collectively they would be required to have a set of skills stipulated in legislation. The directors will be subject to obligations and liabilities under Part 4 of the Commerce Act.
- Establishing a WSCCO is in line with central government expectations regarding the Local Water Done Well programme. Having a WSCCO in place may make it easier to take advantage of future opportunities for working with others.
- Whilst being able to leverage off economies and efficiencies from size and scale, it is expected that each District will still only pay for the costs associated with their water services delivery (i.e. it is not expected that there would be cross-subsidisation of water activities between council).

28. **Disadvantages**

- Additional costs of a separate organisation and stranded costs for Council. Separating water services from Council operations would reduce the economies of scale for Council and incur stranded (leftover) costs. These overhead costs would remain even if the activity were now being delivered elsewhere, i.e. leadership, software, systems etc
- Attracting and retaining directors and leaders for a small CCO can be challenging due to the difficulty in recruiting the relevant expertise for these positions.
- Geographical constraints arise because the West Coast is a vast region. This option could result in additional travel costs and extended travel distances for staff and contractors.
- Establishing a new water organisation would incur significant implementation costs, including legal compliance and setup costs, however these costs would be transferred to the new entity.
- Staff disruption during such a change as it would likely impact most of Councils functions all at the same time as setting up the water entity.

29. Ultimately, a multi-council WSCCO is the most affordable option which meets the requirements of the legislation.

30. **Option 2 – Stand-alone internal business unit**

31. **Advantages**

- Minimal reduction in the efficiency of the expertise and skills of Council staff utilised across the entire infrastructure services department.
- No transfer of assets is required to an entity that includes other districts.
- Minimal implementation costs
- Ongoing control by elected members to ensure continued strategic alignment with the LTP.

32. **Disadvantages**

- The Long-Term Plan does not comply with the new requirements for financial sustainability and future economic regulation.
- Assets would continue to deteriorate because the required level of investment is unaffordable.
- If there is an increase in capital expenditure to respond to ongoing regulatory challenges, it could lead to a credit rating downgrade if we approach our LGFA funding limit, which cannot be increased under this option.
- In the current model, delivering the necessary capital programme is challenging.
- Additional costs for Council associated with financial disclosure and ring-fencing the water services.
- A risk of ongoing trade-offs for water services due to other Council services.
- Governance and management are focused on numerous activities, not solely on delivering the three waters services.
- Due to insufficient investment, no long-term operational efficiency savings can be realised.
- This option fails to meet the requirements for independent governance and decision making. Therefore, it does not comply with the Act's requirements.
- Travel distances for staff and contractors
- Establishing a new water organisation would incur significant implementation costs, including legal compliance and setup costs.
- The Commerce Commission would have extended powers to examine all of Council's activities as they seek to ensure sufficient funding is provided to Water
- Risk of other, larger CCO and water entities poaching skilled BDC staff (better wages and career opportunities)

33. **Next Steps:**

Engagement
Friday 16 May – Consultation opens
Friday 13 June – Consultation closes
Hearings
Monday 30 June – Tuesday 1 July
Deliberations
Wednesday 2 and Thursday 3 July
Adoption
16 July – Adopt preferred option
27 August – Adopt final Water Service Delivery Plan
3 September – Submit Water Service Delivery Plan to DIA

34. **CONSIDERATIONS**

35. **Strategic Impact**

Council must ensure the decision on how it delivers water services meet the strategic direction for the district

36. **Significance Assessment**

Section 76AA of the Local Government Act requires the Council to adopt a policy on significance and engagement. The Council Policy on significance can be found by clicking the following link:

37. <https://bullerdc.govt.nz/media/f2ofzb4z/buller-district-council-significance-and-engagement-policy-2021-2031-ltp.pdf>

38. This report is assessed as being high significance given the magnitude of the project and the financial and overall Council implications.

39. The key decision will be taken later in the year after consultation with the public however there will be ratepayer and public interest in this topic.

40. **Risk Management Implications**

There has been a full risk assessment undertaken on the local water done well project and the risks are outlined in there

41. **Policy & Legislative Considerations**
There are no policies relevant to this issue at this stage, but there are certainly legal and policy considerations as we move ahead with the decisions to be taken later this year.
42. We have started to seek legal advice in relation to this project and there will be significant decisions and implications as we move forward which will require legal advice i.e. relationship agreements etc
43. This consultation is being undertaken under the Local Government (Water Services Preliminary Arrangements) Act 2024. Under the Act's alternative processes, councils must identify and consult on at least two options for water services delivery: the status quo (existing approach) and establishing, joining, or amending a water services CCO or a joint local government arrangement.
44. The Act provides alternative consultation processes that councils can choose to use instead of the standard processes under the Local Government Act 2002. These alternative processes are designed to streamline the decision-making and consultation processes however our proposal is to hold the consultation with submissions, hearings and deliberations.
45. **Māori Impact Statement**
The decision will involve a significant decision in relation to ancestral land or a body of water or other elements of intrinsic value, therefore the next part of this process will specifically impact Tangata Whenua, their culture and traditions.
46. We have engaged with Mana Whenua throughout the process and will continue to do so as the project moves forward. It is expected that there will be high interest from Iwi in relation to this.
47. **Financial Considerations**
There are no extraordinary costs other than already budgeted for in production and consultation with respect to the process. There will need to be further consideration of the financial impact when a decision is made later on in the year.
48. It is expected that the costs of establish a water organisation will be at the cost of the new entity in whichever form that may be.
49. **Communication Internal / External**
There is expected to be public and media interest in this report and all communication will be managed using the Buller District Council communications strategy.

Consultation document



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“We must decide how to manage our drinking water, wastewater, and stormwater in the future.”

The Buller District Council manages a vast drinking water, wastewater, and stormwater network that delivers safe drinking water to thousands of taps, enabling our community to flush their toilets and ensuring that rainwater goes down the drains when it rains.

However, the costs of maintaining and improving this infrastructure to keep up with increasing legislative requirements and clear a backlog of three waters infrastructure improvements and investments are putting financial pressure on Buller District Council (Council) and ultimately on ratepayers.

Local Water Done Well is the government's approach to reforming the way our water

services are delivered in the future across New Zealand. It aims to address New Zealand's long-standing water infrastructure challenges and ensure water services are offered in a financially sustainable way.

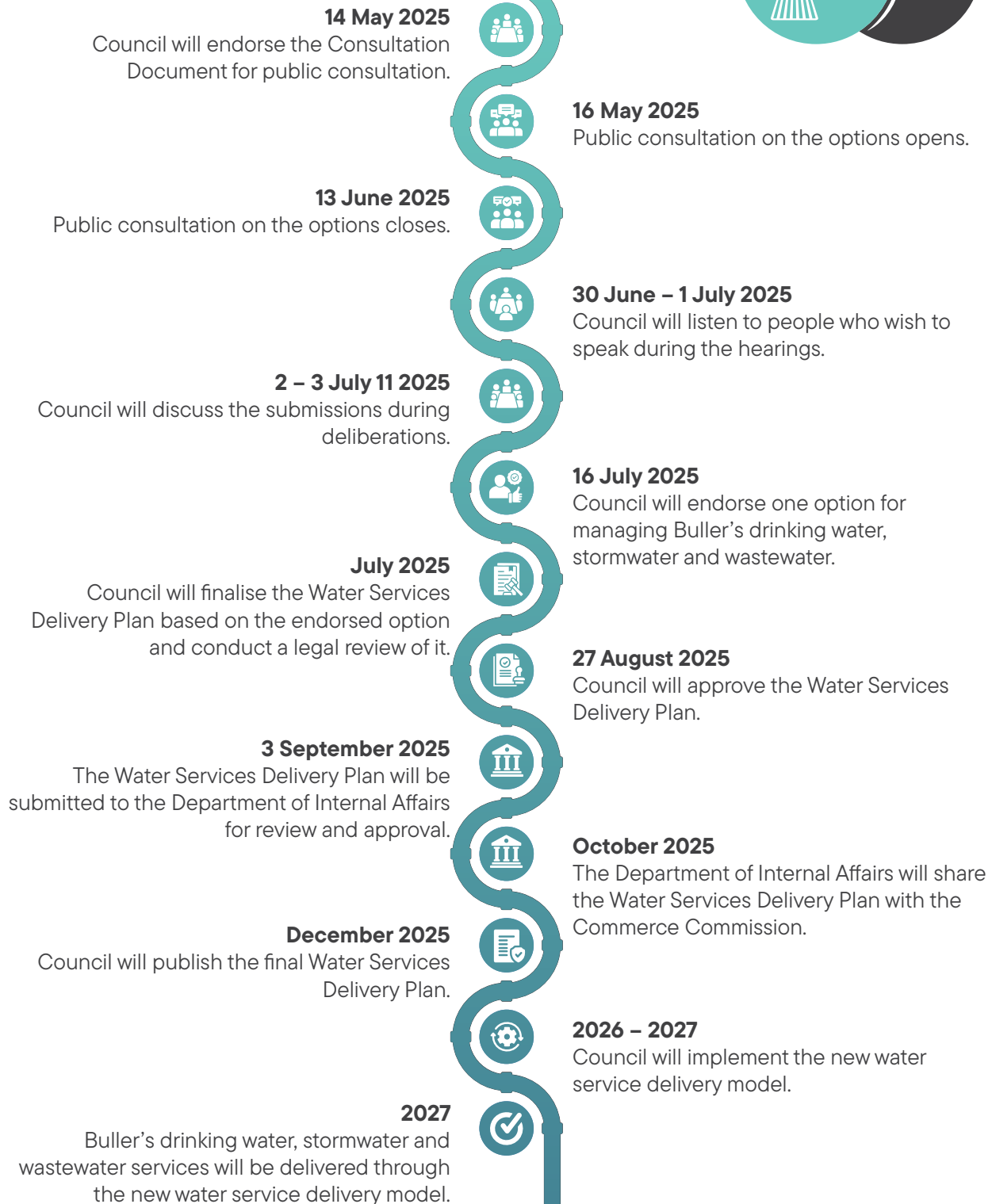
As per the Local Water Done Well legislation, we must rethink our approach to delivering water services in the future and consult on it.

We have two options for you to consider, which we present in this document, along with high-level cost estimates for the coming decades.

Both options come with advantages and disadvantages; however, one thing is clear: delivering safe drinking water, disposing of wastewater, and managing stormwater will incur higher costs regardless of which option is selected.

This is a complex issue, but you need to understand the challenges and engage in the conversation about the future of our water services.

Timeline



How to provide feedback

Share your feedback from Friday 16 May to 4:30 PM, Friday 13 June 2025.

There are several ways that you can provide your feedback. Choose a way that works best for you.

Online:

Submit feedback at
Let's Talk Buller

Scan this QR code using a phone or tablet to visit letstalk.bullerdc.govt.nz



Paper form:

Pick one up at Council offices, libraries, the Ngakawau Community Centre, the Karamea Information Centre, or at a drop-in session.

Email:

Send your submission to
submissions@bdc.govt.nz

Mail:

Post to Buller District Council, PO Box 21,
Westport 7866

Talk to a councillor:

Find their contact details on Buller District Council's website.

In-person:

Drop-in to one of our information evenings – sessions dates/times and venues will be advertised on Lets talk Buller, community newsletters, and Council's facebook page.

This big decision will significantly shape how your drinking water, stormwater and wastewater will be delivered in the future.

We need your input.

Join the conversation now!



letstalk.bullerdc.govt.nz





What is Local Water Done Well?

In September 2024, the Coalition Government enacted the first significant legislation under its Local Water Done Well policy. This policy aims to tackle New Zealand's water infrastructure challenges, focusing on financial sustainability, improved regulation of water services, and providing communities and councils the flexibility to determine how water services will be delivered. This also repealed the previous Government's Affordable Waters reform, known as the 3 Waters reform.

The Local Government (Water Services Preliminary Arrangements) Act 2024 (the Act) includes transitional provisions requiring Council, along with other district councils, to draft and submit a Water Services Delivery Plan (WSDP) to the government. This must be forwarded to the Department of Internal Affairs by 3 September 2025.

A WSDP must outline the current state of Council's water assets and services while detailing plans for these services. Additionally, the Local Government (Water Services) Bill, currently under parliamentary consideration, will provide a comprehensive framework for managing and delivering water services once enacted. As part of the WSDP, councils must also write an implementation plan that outlines how and when any changes will be implemented.

The Bill follows a separate timeline and will eventually govern Council's future water service arrangements. Meanwhile, the Act mandates that all councils consult with their communities about the future delivery of the three water services currently managed by Councils: drinking water, stormwater, and wastewater.

Further information can be found here:

dia.govt.nz/Water-Services-Policy-and-Legislation

Scan this QR code with your phone or tablet to read more.



What are we required to do?

In response to the Act and its requirements, Council has been proactive in exploring available options and considering which would be feasible for Buller to manage the district's drinking water, stormwater, and wastewater.

The options available to councils as per the Local Water Done Well legislation are:

- an internal business unit or division
- a single council-owned water organisation
- a multi-council-owned water organisation
- a mixed council/consumer trust-owned water organisation
- a consumer trust-owned water organisation.

Councils are not required to consult on their draft or final Water Services Delivery Plan. However, they are required to consult on their anticipated or proposed options for delivering water services before writing the plan.

Any chosen option will be subject to new requirements for managing water services. These are:

- **Minimum requirements** – New minimum requirements exist for local government water service providers in the legislation.
- **Economic regulation** – A new economic regulation regime for local government water service providers will be implemented by the Commerce Commission to ensure consumer protections and maintain an independent perspective with a focus on affordability.
- **Drinking water regulation** – Changes are being made to improve the efficiency and effectiveness of the drinking water regulatory framework. This includes the approach taken by the Water Services Authority, Taumata Arowai, in regulating the regime.

Overview of service delivery models

1	Internal business unit or division	<ul style="list-style-type: none"> • Status quo delivery model for many councils • New statutory requirements for water service providers will apply – including statutory objectives, financial principles and sustainability requirements, new planning and reporting framework • Economic regulation will apply (including monitoring and enforcement of ringfencing rules)
2	Single council-owned water organisation	<ul style="list-style-type: none"> • New company established, 100% owned by the council • Financial sustainability and ringfencing rules will apply, but retains a financial link to the council • New water organisations and existing water CCOs must meet statutory requirements that apply to water service providers and water organisations, and will be subject to new economic regulation regime (relevant to the models below, as well) • Can access LGFA financing up to the equivalent of 500% of operating revenues with the provision of parent support (through guarantee or uncalled capital)
3	Multi-council owned water organisation	<ul style="list-style-type: none"> • New company established with multi-council ownership • Appointment of a board through a shareholder council (or similar body) is advisable but not a statutory requirement • Can access LGFA financing up to the equivalent of 500% of operating revenues with the provision of parent support (through proportional guarantee or uncalled capital)
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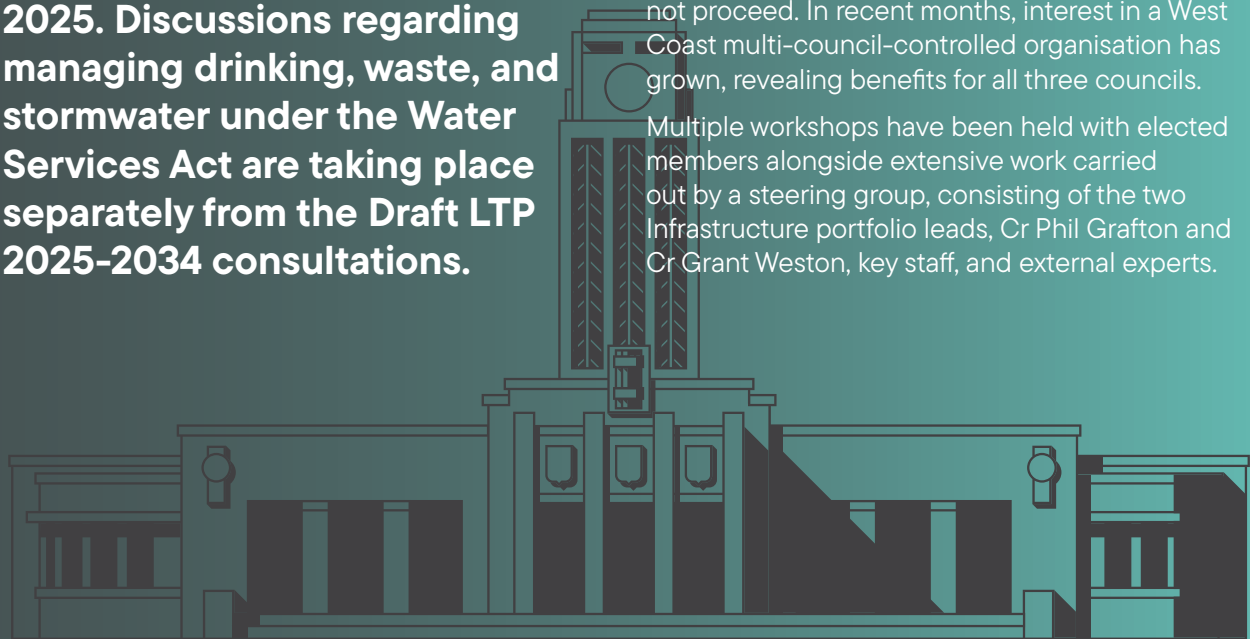
What has Council done so far?

To allow for the incorporation of the Local Water Done Well legislation, Council postponed its Long-Term Plan (LTP) until 2025. Discussions regarding managing drinking, waste, and stormwater under the Water Services Act are taking place separately from the Draft LTP 2025-2034 consultations.

Council engaged the engineering company Stantec to assist in developing a Water Services Development Plan (WSDP) that complies with the government's requirements under the Act. This plan must inform the development of the Long-Term Plan (LTP), including asset management plans for each of the three water services: drinking water, stormwater, and wastewater, as well as the 30-year Infrastructure Strategy.

Council representatives held initial discussions in 2024 with the West Coast Councils to explore the prospect of creating a West Coast multi-council-controlled organisation; however, no consensus was achieved at the time. Council then engaged with other councils on the South Island to investigate the possibility of a Top of the South multi-council-controlled organisation, which did not proceed. In recent months, interest in a West Coast multi-council-controlled organisation has grown, revealing benefits for all three councils.

Multiple workshops have been held with elected members alongside extensive work carried out by a steering group, consisting of the two Infrastructure portfolio leads, Cr Phil Grafton and Cr Grant Weston, key staff, and external experts.



One key point that has come out of the work done to date is that scale matters. The more people we have contributing to costs, the more affordable water services will be in the future.



What options were under consideration?

The steering group completed a Multi-Criteria Analysis (MCA), which was then presented to Council at a workshop in March 2025. The aim was to discuss all available options and create a shortlist of feasible options for public consultation.

The discounted options were as follows:

-  **In-house delivery (status quo)** – This option does not meet the government's requirements for financial ring-fencing, and the required level of investment is not achievable.
-  **Single council CCO** – Additional governance costs outweigh the benefits of creating a CCO.
-  **Non-asset owning CCO** – The complexities and retained responsibilities outweigh any advantages of setting up a CCO.
-  **Separated stormwater** – Investing in stormwater requires additional borrowing from the Local Government Funding Agency, leading to higher costs and increased complexity in separating it from water and wastewater.
-  **Consumer Trust** – Unable to leverage increased borrowing from the Local Government Funding Agency.

The shortlist options for public consultation are:

-  **Multi Council Water Services Council Controlled Organisation (WSCCO)**
-  **Stand Alone Business Unit – enhanced status quo with Water Services separated into a formally separate group.**

What is the Local Government Funding Agency?

The LGFA is a council-controlled trading organisation established by local authorities and the Crown. It is designed to allow local authorities to borrow at more favourable interest rates. All local authorities can borrow from the LGFA; however, when councils join, they can access increased borrowing.



What were the criteria used in the Multi-Criteria Analysis?

Following a review of the current situation and challenges for the 3 Waters, Council agreed that the investment objectives were:

- **Compliance:** This option meets regulatory standards for each of the three waters, and the operations/capital delivery are set up in a way that responds effectively to the Economic Regulator.
- **Financial sustainability:** This option enables complete financial separation of the three water services and meets the financial sustainability requirements of the legislation for revenue, investment, and financial sustainability.
- **Communities and iwi:** This option ensures accountability to Buller residents and iwi with ongoing alignment to the broader needs of the Buller district.
- **Resilience:** This option responds effectively to requirements to maintain/increase resilience to natural hazards and climate change.

Multiple critical success factors were required to ensure that the investment objectives could be met. These were:

- **Strategic fit:** This option strategically and culturally aligns with the needs of Buller and is sufficiently flexible to allow for further changes over time.
- **Governance:** This option demonstrates independence in governance whilst ensuring Buller has an equitable share and role.
- **Value for money:** This option enables a cost-effective and efficient approach to maximise affordability to Buller residents, including alignment with Council and WestReef Services Ltd.
- **Levels of Service:** Organisational and delivery arrangements enable the option to deliver all operational requirements, including those updated in the legislation, and maintain levels of service across the three waters
- **Operational:** This option focuses on staff retention and growth, regional procurement, and operational efficiency.
- **Achievability:** This option is the preferred solution for all parties, with costs, impacts, and risks to the three Waters and the residual Council being manageable.

Where are we with our storm, drinking and wastewater?

Who is currently managing drinking water, stormwater and wastewater in Buller?

Buller District Council manages drinking water, stormwater and wastewater through in-house teams and external contractors.



Your drinking water

Key infrastructure at a glance:

8



Council owned water supplies delivering water to your tap

1



Council owned stock water supply keeping local stock well hydrated

189.6 km



of pipes delivering water to your house

4



Water treatment plants making your drinking water safe to consume

12



water reservoirs collecting water pre and post treatment

39 years



is the average age of our drinking water infrastructure

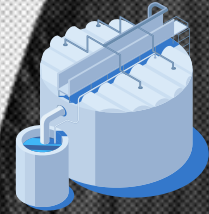
\$32.4m



of investment is required over the coming nine years (2025 – 2034) to provide our communities with drinking water.



Your drinking water



What is involved?

Water is an essential need for everyone in the community to be able to live, work, and play. Council provides sufficient quantities of drinking water for domestic and commercial users. This keeps home taps running, enables businesses large and small to operate and supplies community facilities and key public places like hospitals with safe drinking water.

This is a sizable undertaking and involves collecting water, treating it and delivering it to thousands of properties across Buller. These processes are regulated through a raft of acts, guidelines and standards that Council must comply with.

To keep water flowing, Council monitors the water levels in its water reservoirs and sometimes issues water notices to ensure the ongoing water supply to the community. If there are any issues with drinking water quality, it is the Council's responsibility to alert the public, for example, through a Boil Water Notice.

What does it cost?

Four thousand thirty-one residential properties in the Buller District are serviced with water across nine water supply schemes. Two Northern Buller schemes (Granity and Hector-Ngakawau) are community-operated.

Over the next nine years, the Council has budgeted to invest \$23.8m to renew parts of the drinking water infrastructure, \$8.5m to expand or upgrade its infrastructure.

How is it paid for?

Properties with Council's residential drinking water connections pay an annual targeted rate for drinking water services.

In Westport, metered properties are charged for any usage exceeding the 400 m³ annual allowance.

What about untreated water supplies?

There are five untreated water supplies in Buller, and all are on permanent Boil Water Notices:

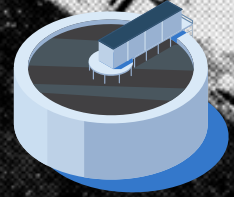
- The Cape Foulwind water supply (Wilson's Lead Road and Bulls Rd) is a stock supply not intended for human use.
- Little Wanganui Subdivision, Mōkihinui, Ngakawau/Hector, South Granity and Waimangaroa.

Under the new legislation, there will be no change to the stock supply or the community-operated supplies in Ngakawau/Hector and South Granity. Council has had some initial discussions with the water regulator about the community-owned schemes and, for this consultation, will leave them out of our plans. The required upgrades for Little Wanganui, and Waimangaroa to achieve and maintain compliance with drinking water regulations have been scheduled as part of the Water Service Delivery Plan in 2030-31.

What are the challenges?

- One of the main challenges for Buller is the age and non-compliance of the small rural schemes that are currently on permanent Boil Water Notices. The Water Services Regulator (Taumata Arowai) expects these small rural schemes to become compliant soon. This will require a significant investment.
- Buller also needs to catch up on renewing drinking water pipes throughout the district and install more backflow prevention devices to ensure that water flows in only one direction, from the main water pipes to private properties. Backflow prevention devices are an important safety measure that stops any contaminated water on a connected property, from being able to enter the network.

Your wastewater



What is involved?

Council is responsible for collecting, treating, and disposing of wastewater from urban areas connected to wastewater networks in Buller. This includes managing, operating, and maintaining several wastewater pump stations, treatment plants, oxidation ponds and wastewater mains.

Wastewater is produced by anything at your home or business that drains into the wastewater system, including sinks, showers, washing machines and toilets.

Council operates three wastewater treatment facilities in Westport, Reefton and Little Wanganui that treat wastewater before discharge. Under the Resource Management Act, Council requires a resource consent to discharge wastewater into any river or other water body. Resource consents prescribe physical, chemical and cultural requirements that must be met. These resource consents expire and have to be renewed.

What does it cost?

Over the next nine years, Council has budgeted \$25.9m on renewing wastewater pipes and plant, allocated \$625,000 for extending parts of the wastewater network, and set aside \$31.7m to collect, treat, and dispose of wastewater from urban areas in Buller.

How is it paid for?

Council's wastewater systems are paid for through an annual fixed targeted rate for wastewater services.

Commercial, rural and urban properties are charged via targeted rates. In Westport, a trade waste fee is charged for high volume and commercial discharges.

What are the challenges?

Westport's wastewater infrastructure requires upgrades to meet regulatory requirements and the expected new resource consent conditions. Separation of stormwater from the wastewater network will be a primary focus.

A resource consent for wet weather overflows to the Buller River is currently in the process of being renewed. An additional consent is required for overflows into the Orowaiti and Little Wanganui Rivers. Additional consents are also to be lodged for wastewater grit disposal and the composting of wastewater sludge and green waste.

Key infrastructure at a glance:

3,307



connections to our wastewater networks

95.9 km



of pipes from our houses to the treatment plant

3



wastewater treatment plants to process wastewater safely

49 years



is the average age of the wastewater pipe network

16.9%



of the wastewater pipes are in poor or very poor condition

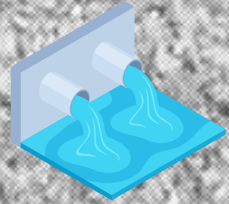
2



wastewater consents (Westport and Reefton), are due to expire



Your stormwater



What is involved?

Stormwater is excess rainfall or water that doesn't soak into the ground or runs off hard surfaces such as roofs, driveways, and roads and collects in the roadside kerb. Council is responsible for collecting and managing stormwater in the district to protect our community's health and safety and minimise property damage.

Stormwater in Buller is not treated, apart from sediment removal, and is discharged into natural waterways.

Most stormwater drainage along State Highways is managed by New Zealand Transport Authority/ Waka Kotahi and KiwiRail; however, Council maintains parts of this network in Grantly and Ngakawau on their behalf under a cost-share arrangement with NZTA and KiwiRail. Rural land drainage and natural waterways, including creeks, rivers and streams, are managed by the West Coast Regional Council in partnership with private property owners.

What does it cost?

Over the next nine years, Council has budgeted \$8.1 million for renewing parts of the stormwater infrastructure and \$12 million for maintaining the stormwater network.

How is it paid for?

Council's stormwater management is funded through differential general rates.

What are differential general rates?

There are three components to your rates.

Uniform annual general charge (UAGC) –

This is a fixed amount billed to all properties (regardless of the property's value). For the rating year starting 1 July 2024, this is \$580.

Targeted rates – are billed to each household for certain services or facilities available to the household. These include sewerage, waste collection and water supply.

General rates – general rates not recovered through the UAGC are set by dividing the remaining general rates required by the land value of the district's properties. Each property will pay its share based on its land value and the differential that applies to the property based on where it is located and the activity or use of the land.

Your stormwater is paid through the general rates component, whereas drinking and wastewater are paid through a targeted rate.

What are the challenges?


Reefton's stormwater infrastructure requires development. Reefton operates a combined wastewater and stormwater network in most parts of the township. A mix of piped network, overland flow paths, detention and soakage areas will need to be developed for the entire township.

This will require a scope and design study to determine what mix of options will deliver a suitable, and cost effective outcome for township.

Resilient Westport stormwater integration. In 2022, central government approved co-funding of flood walls around Westport, the building of which is underway and led by West Coast Regional Council. However, stormwater pumps were removed from the funding request. Since then, integrating stormwater services into the flood wall construction has become an urgent priority for Buller District Council. The estimated costs are \$17.5 million. An application has been made to the Regional Infrastructure Fund (RIF) for the anticipated cost. Without this funding, the project cannot proceed.

Key infrastructure at a glance:

8 
stormwater catchments are managed by Council

66.5 km 
of stormwater pipes drain rainwater from properties and roads

49 years 
is the average age of the stormwater pipe network

29.4% 
of the stormwater pipes are in poor or very poor condition

What are our options?

During the past year, Council staff and elected members have worked hard to understand the reform requirements. Our analysis revealed the advantages of collaborating with other West Coast District Councils, as it spreads the costs over a larger population and will make providing drinking, waste, and stormwater services more cost-efficient for residents on the West Coast.

Ultimately, whichever option is chosen, due to increased regulatory requirements, the cost of delivering water services will be more expensive in the future.

For each option, we have considered the required infrastructure, scheduled investments, necessary upgrades, the organisational structure needed to deliver water services, the impact on existing staff, and the likely financial implications.

This document outlines two options for potential arrangements:

Option 1

A multi-council controlled organisation

Option 2

An internal business unit.

Option one outlines the arrangements for creating a multi-council-controlled organisation with the Westland District Council and Grey District Council. We believe that this option offers the best outcomes for our community.

The second option describes how a stand-alone business unit outside of Buller District Council could deliver water services to residents in the Buller District.



What is our preferred option?

We propose creating a multi-council-controlled water organisation jointly owned with other West Coast Councils.

The proposed water organisation will deliver water services across the entire West Coast Region, serving as the foundational model for our water services delivery plan to be submitted to the government by September. This proposal complies with legislative requirements.

Some important things to know

The legislation requires us to have a Water Services Delivery Plan. The plan will outline how the selected option will meet legislative expectations for compliance, financial sustainability, affordability, and resilience. This includes clear forecasts of revenue and expenditure, plans for maintaining infrastructure, and mechanisms for managing debt and responding to emergencies. Modelling for the next ten years is likely to be more accurate because it is based on Councils' Long-Term Plan. Forecasting for twenty years is more challenging due to changing needs, legislation, and population.

We have conducted a range of different modelling scenarios, which is how we've been able to tell you potential costs for each option. To model potential costs, we have made a range of assumptions. These include things like projects, interest rates, size of organisation, revenue, etc. You can read the assumptions in the report, available on our website.

Because of those assumptions, it is important to note that the costs we refer to are very high-level.

Pricing over time

Right now, different communities pay different amounts for water. A new water organisation may decide to make water charges the same for everyone in the future. This is known as 'price harmonisation'. It hasn't yet been decided if or when this will happen.

The Department of Internal Affairs (DIA) has indicated that councils involved in a new water organisation could agree on this as part of their set-up arrangements. This agreement would mean councils could have some influence over that decision. For us to be able to give you potential costs, we have assumed that no price harmonisation would occur.

Option 1



Creating a multi-council-controlled water organisation jointly owned by the Buller, Grey and Westland District Councils

If this option is selected, the initial step would involve the three mayors and councils negotiating a shared set of operating principles to guide the establishment of this new council-controlled organisation.

Once the WSDP is approved, the three councils will collaborate on a transition plan. This plan will include appointing representatives to a joint committee, referred to as a shareholder council. The shareholder council will oversee the creation of the new organisation by selecting a skills-based board of directors. Additionally, the shareholder council will draft a 'memorandum of understanding' outlining council priorities, strategic direction, and guiding principles to inform the organisation's decisions and actions.

Legislation mandates that the new water organisation develops

a comprehensive water services strategy detailing its approach to water management. This strategy will be reviewed every three years and cover a period of at least 10 financial years, functioning similarly to councils Long-Term Plan. The skills-based board of directors will comprise individuals experienced in managing large organisations, relevant stakeholders, and possibly those with expertise in the drinking, waste, and stormwater sectors.

The transition plan will address various key aspects, including the expected start date, iwi involvement, scope of services, location, customer experience, and staff transitions.

Buller District Council would not be involved in day-to-day decisions.

Unlike Council management, no Council staff or elected members would be involved in the organisation's daily decisions. It would remain independent of Council.

Key Points

Who sets the strategic priorities for our district?

Council will continue to set strategic priorities for the Buller District. However, the new water organisation will prepare the Water Services Strategy, which will span a 10-year period, and ask Council for input on this strategy.

Who sets the pricing?

The new water organisation would be responsible for setting water charges, while the Commerce Commission would act as the regulator.

Who makes decisions about the work done on the assets?

The new water organisation would be responsible for the daily operations of drinking, waste, and stormwater management, overseeing the extensive network of assets and delivering all infrastructure upgrades through a capital works program for the region.

Who owns the water assets?

Our preference is that the water service assets (pipes, plants, etc.) be transferred to the new organisation; however, this is something that will need to be addressed when the new organisation is established.

Who communicates with customers?

The new water organisation would be responsible for maintaining relationships with customers connected to our water services.

The financials

Within ten years, residential ratepayers could be paying around \$3,621 per year for water services under this option. This figure drops to \$3,059 in 20 years. These numbers are in today's dollars and don't include inflation.

The potential cost in ten years is more realistic than a 20-year estimate. This is because councils are using their Long-Term Plans to determine the necessary work. It's challenging to predict what may change in 20 years; therefore, the 20-year price prediction carries more uncertainty.

As the water organisation would be responsible for water services and their funding, it would also need to maintain the water assets. Therefore, if this option is chosen, all councils would be able to remove the proposed water debt from their books.

Removing the spending and forecast revenue from water services from the Council's books would result in an increase in available debt headroom for each council. The impact on rates from removing water service delivery by Council is somewhat unclear. Fixed charges, such as target rates, for water would no longer be billed to ratepayers, as the new water organisation would be responsible for charging for this. This would be called a charge and not a rate.

Option 1

Creating a multi-council-controlled water organisation jointly owned by the Buller, Grey and Westland District Councils



Advantages

- The new entity would focus solely on delivering drinking, storm and wastewater (three water services). It would be set up with the expectation of achieving financial sustainability, meeting the legal requirements and economic regulations under any new acts or bills.
- The new entity would be able to raise the necessary capital for the increased infrastructure investment needed to meet the water regulator's expectations and timeframes.
- It could deliver this large investment program financially sustainably due to the increased borrowing levels of a multi-council-controlled organisation.
- It could achieve long-term savings in operational efficiency through an improved capital programme and provide a more affordable price trajectory for consumers that could potentially be harmonised over time.
- The new entity could respond more effectively to investment objectives.
- Improved network performance could lead to potentially better overall outcomes in compliance, environmental results, and resilience.
- The new entity would have independent governance that ensures strong strategic direction and accountability for overall performance, including financial, technical, marketing, risk management, and compliance.
- The new entity could focus on long-term decision-making rather than on the continuous short-term electoral cycles.
- The new entity's objectives will focus solely on the three waters services rather than multiple services and resident needs.



Disadvantages

- Additional costs of a separate organisation and stranded costs for Council. Separating water services from Council operations would reduce the economies of scale for Council and incur stranded costs. These overhead costs remain even if the activity is now being delivered elsewhere, i.e. leadership, software systems.
- Attracting and retaining directors and leaders for a small CCO can be challenging due to the difficulty in recruiting the relevant expertise for these positions.
- Geographical constraints arise because the West Coast is a vast region. This option could result in additional travel costs and extended travel distances for staff and contractors.
- Establishing a new water organisation would incur significant implementation costs, including legal compliance and setup costs.

Why is a multi-council-controlled organisation our preferred option?

This option is Council's preferred option for several reasons.

The main reason is that it's the most affordable option for our community. Together, our three Councils serve 32,900 people across the West Coast Region. Our communities have strong connections, and working together will help reduce costs over time since we are in the same region.

A joint water organisation could save money by procuring shared contracts, operational supplies, sharing software and vehicles, and streamlining decision-making.

Councils would work together to set up the organisation, which could ultimately save our communities money. We know the investment requirements are significant.

Option 2

Stand-alone internal business unit

Council continues to directly manage and deliver Buller's water services (water supply, wastewater, and stormwater) in-house, but in a different way than it does currently.

An in-house business unit would be created, as legally key planning documents, finances, and reporting for water services must be kept separate from other Council functions.

Under the stand-alone internal business unit model, Council would still be responsible for daily operations, long-term strategic planning, and managing and developing water services infrastructure, while meeting new regulatory requirements and would remain accountable to the community.

The new regulatory requirements include:

- Compliance with drinking water quality and environmental standards set by the Water Services Authority - Taumata Arowai
- Compliance with investment and pricing regulations set by the Commerce Commission.

Key Points

Who sets the strategic priorities for our district?

Governance decisions would continue to be made by the Mayor and Councillors. However, Council has the option to introduce a committee with external appointees who have experience and expertise in water services delivery to help advise it and make decisions, but this would come at a significant cost.

Who sets the pricing?

Council would set the prices. However, these would be charged through water services charges, not rates. The charges would depend on the requirements of the legislation and be aligned with the water services strategy.

Who makes decisions about the work done on the assets?

The water division would report to the Council through an internal reporting process.

Who owns the water assets?

The water assets would be 100% owned by Council.

Who communicates with the customers?

This would be carried out through Council's internal communication and engagement team.

The financials

Within ten years, residential ratepayers could pay around \$4,634 annually for water services under this option. This figure drops to \$4,235 in 20 years. These amounts are in today's dollars and exclude inflation.

The potential cost in ten years is more realistic than in 20 years. This is because councils are using their Long Term Plans to determine the work. It's hard to know what may change in 20 years, making this figure more uncertain.

Under this option, property owners would pay higher rates than they currently do and would not have the ability to borrow more under the LGFA to meet the Act's requirements.

Option 2

Stand-alone internal business unit



Advantages

- This option would result in minimal changes and disruptions to services and staff, allowing ongoing improvement initiatives to continue.
- Minimal reduction in the efficiency of the expertise and skills of Council staff utilised across the entire infrastructure services department.
- No transfer of assets is required to an entity that includes other districts.
- Other districts' priorities could be prioritised over Buller's needs.
- Minimal implementation costs.
- Ongoing control by elected members to ensure continued strategic alignment with the LTP.



Disadvantages

- The Long-Term Plan does not comply with the new requirements for financial sustainability and future economic regulation.
- Assets would continue to deteriorate because the required level of investment is unaffordable.
- If there is an increase in capital expenditure to respond to ongoing regulatory challenges, it could lead to a credit rating downgrade if we approach our LGFA funding limit, which cannot be increased under this option.
- In the current model, delivering the necessary capital programme is challenging.
- Additional costs for Council associated with financial disclosure and ring-fencing the water services.
- A risk of ongoing trade-offs for water services due to other Council services.
- Governance and management are focused on numerous activities, not solely on delivering the three waters services.
- Due to insufficient investment, no long-term operational efficiency savings can be realised.
- This option fails to meet the requirements for independent governance and decision-making. Therefore, it does not comply with the Act's requirements.
- travel distances for staff and contractors
- Establishing a new water organisation would incur significant implementation costs, including legal compliance and setup costs.

Comparing the options

See below snap-shot of the key aspects and information for each option:

	Multi- council-controlled organisation	Stand-alone business unit
Levels of Service	Expected to improve	Expect to stay the same
Charges	Around \$3,621 within 10 years	Around \$4,634 within 10 years
What does it mean for you?	Lower water charges and a more compliant and resilient network.	Higher water charges and a less compliant and resilient network.
Measuring performance	The organisation is set up to enable effective performance measurement and reporting.	Changes required to Council to enable financial disclosure and adherence to economic regulation.
Approach to debt	Increased to enable infrastructure investment to respond to backlog, resilience and compliance challenges.	Less ability to increase, minimising the ability to increase investment to respond to challenges.

Let's talk

Tell us what you think:

What is your preferred option



Where to from here?

Council is consulting with the community on the two shortlisted options for delivering Buller's future water services from Friday, 16 May to 4:30 pm on Friday, 13 June 2025.

The feedback received and other considerations will guide Councillors in determining the preferred option. Once adopted, the preferred option will form the basis of the WSDP.

The WSDP will be adopted by Council in late August 2025 and submitted to the Department of Internal Affairs for review and approval in September 2025.

The approved WSDP will be published in December 2025. Council is not required to consult on the WSDP.

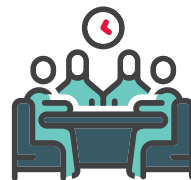
Hearings and deliberations

Following the consultation period, you can talk about your submission to Council during the public hearings.



The public hearings are scheduled for 30 June and 1 July.

The hearings are followed by Council deliberations, when Councillors will discuss all feedback provided by the community.



The Local Water Done Well deliberations are scheduled for 2 and 3 July.

These are public events that you are welcome to join.

Glossary

Council-Controlled Organisation (CCO):

Entities owned or controlled by a council to deliver specific services or manage assets on behalf of the community. CCOs operate independently with their own boards but are accountable to the council through reporting requirements and governance frameworks.

Deliberations

The formal consideration and discussion by elected members of submissions, feedback, or reports before making decisions.

Department of Internal Affairs (DIA):

A government department responsible for supporting New Zealand's democratic processes, managing community funding, local government oversight, and services such as identity documentation, public recordkeeping, and the regulation of gambling.

General rates:

The general rate is a tax rate collected by councils from all ratepayers within the district to fund public services that benefit the entire community.

Guaranteeing local authority:

A local authority that participates in the LGFA borrowing structure and guarantees LGFA's obligations, in return for potentially more favourable borrowing rates.

Infrastructure:

Physical assets and facilities required for delivering essential services such as water supply, stormwater, wastewater systems, roads, and bridges.

Levels of Service (LoS):

The standards set by the council to define the quality, quantity, and reliability of services provided to the community (e.g., frequency of rubbish collection or water supply pressure).

Local Water Done Well – (LWDW)

The coalition governments water reform. This reform comes after the repeal of the affordable waters (3 Waters) under the previous government. It recognises the importance of local decision making and flexibility for communities and councils to determine how their water services will be delivered in the future.

It will do this while ensuring a strong emphasis on meeting economic, environmental and water quality regulatory requirements

Operating Expenditure (Opex):

The costs of running council services on a day-to-day basis, such as staff wages, payments to service contractors for operating council water and wastewater plants, mowing and maintaining council parks, vehicle fuel, or building maintenance.

Rates:

A tax on property within the council's jurisdiction that is the primary source of revenue for funding council services and infrastructure.

Strategic Asset:

Assets deemed critical to community well-being and council service delivery, such as major roads, water treatment plants, or cultural facilities.

Targeted rates:

A targeted rate is imposed on specific properties or groups of ratepayers to fund particular services or projects that generally provide a direct benefit to them.

Taumata Arowai:

The water services regulator in New Zealand responsible for overseeing and ensuring the safe, reliable, and sustainable delivery of drinking water. Taumata Arowai also monitors wastewater and stormwater networks, working with councils, water suppliers, and communities to uphold the standards set under the Water Services Act 2021.

Water Services Authority (Taumata Arowai):

An entity (usually a territorial authority or council-controlled organisation) responsible for delivering safe, reliable drinking water, wastewater, and stormwater services to communities in accordance with national regulations and standards.

Water Services Delivery Plan:

A document that outlines how a local authority will deliver water services, improve infrastructure, and meet regulatory and environmental requirements, often linked to government reform expectations.

Water Services Preliminary Arrangements) Act 2024 (PA Act):

The Preliminary Arrangements Act requires territorial authorities to prepare water services delivery plans. The delivery plans provide local water services information and display a commitment to achieving a financially sustainable delivery model that meets regulatory requirements

