ORDINARY MEETING

of

Council

AGENDA

Hearing of Submitters

Local Water Done Well - The Future of Our Water Services

Time: 2:00 pm

Date: Wednesday, 14 May 2025

Venue: Waiata House, 27 Lincoln Road, Masterton

MEMBERSHIP

Mayor Gary Caffell (Chairperson)

Councillor Bex Johnson
Councillor Craig Bowyer
Councillor Brent Goodwin
Councillor David Holmes
Councillor Tom Hullena
Councillor Stella Lennox
Councillor Tim Nelson
Councillor Marama Tuuta

RECOMMENDATIONS IN REPORTS ARE NOT TO BE CONSTRUED AS COUNCIL POLICY UNTIL ADOPTED

Values

1. **Public interest:** members will serve the best interests of the people within the Masterton district and discharge their duties conscientiously, to the best of their ability.
2. **Public trust:** members, in order to foster community confidence and trust in their Council, will work together constructively and uphold the values of honesty, integrity, accountability and transparency.
3. **Ethical behaviour**: members will not place themselves in situations where their honesty and integrity may be questioned, will not behave improperly and will avoid the appearance of any such behaviour.
4. **Objectivity:** members will make decisions on merit; including appointments, awarding contracts, and recommending individuals for rewards or benefits.
5. **Respect for others:** will treat people, including other members, with respect and courtesy, regardless of their ethnicity, age, religion, gender, sexual orientation, or disability. Members will respect the impartiality and integrity of Council staff.
6. **Duty to uphold the law:** members will comply with all legislative requirements applying to their role, abide by this Code, and act in accordance with the trust placed in them by the public.
7. **Equitable contribution:** members will take all reasonable steps to ensure they fulfil the duties and responsibilities of office, including attending meetings and workshops, preparing for meetings, attending civic events, and participating in relevant training seminars.
8. **Leadership:** members will actively promote and support these principles and ensure they are reflected in the way in which MDC operates, including a regular review and assessment of MDC's collective performance.

These values complement, and work in conjunction with, the principles of section 14 of the LGA 2002; the governance principles of section 39 of the LGA 2002; and our MDC governance principles:

Whakamana Tangata	Respecting the mandate of each member, and ensuring the integrity of the committee as a whole by acknowledging the principle of collective responsibility and decision-making.
Manaakitanga	Recognising and embracing the mana of others.
Rangatiratanga	Demonstrating effective leadership with integrity, humility, honesty and transparency.
Whanaungatanga	Building and sustaining effective and efficient relationships.
Kotahitanga	Working collectively.

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Nil

1 CONFLICTS OF INTEREST

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

2 APOLOGIES

The Chair invites notice from members of:

- leave of absence for future meetings of Masterton District Council
- apologies, including apologies for lateness and early departure from the meeting where leave of absence has not previously been granted.

3 PUBLIC FORUM

4 ITEMS NOT ON THE AGENDA

The Chairperson will give notice of items not on the agenda as follows:

Matters requiring urgent attention as determined by resolution of the Council

- The reason why the item is not on the agenda; and
- The reason why discussion of the item cannot be delayed until a subsequent meeting.

Minor matters relating to the general business of Council

No resolution, decision or recommendation may be made in respect of the item except to refer it to a subsequent meeting of Masterton District Council for further discussion.

5 CONFIRMATION OF COUNCIL MINUTES

Nil

6 COMMITTEE REPORTS

Nil

7 REPORTS FOR DECISION

7.1 LOCAL WATER DONE WELL: THE FUTURE OF OUR WATER SERVICES CONSULTATION HEARING REPORT

File Number:

Author: **Karen Yates, General Manager Strategy & Development**

Authoriser: **Kym Fell, Chief Executive**

PURPOSE

To provide the Council with the submissions on the Local Water Done Well (LWDW) Consultation – The Future of Our Water Services for the hearings on 14 May 2025.

EXECUTIVE SUMMARY

This report provides the submissions received on the LWDW Consultation – The Future of Our Water Services during the consultation period (21 March to 22 April 2025).

Council received 139 submissions, with 11 parties wishing to be heard at the Hearings. The hearings procedure has been provided to those submitters who wish to present to the Council. A copy of the procedure and schedule are attached to this report.

The hearings will take place on Wednesday 14 May 2025 from 2:00 pm at Waiata House, Lincoln Road, Masterton. The hearings will also be livestreamed via the Council's YouTube channel.

RECOMMENDATIONS

That Council:

1. Receives the full set of submissions on the LWDW Consultation – The Future of Our Water Services (Attachment 1);
   (a) Notes that 139 submissions were received
   (b) Notes of these submissions 11 submitters are confirmed to be heard.
2. Notes that the Deliberations meeting for the LWDW Consultation is scheduled for 21 May 2025.

CONTEXT

Council adopted the LWDW Statement of Proposal for consultation on 19 March 2025 (Report item 4.4 19 March 2025 page 25).

Council identified two options for water service delivery for consultation with our community:

1. To join with Carterton, South Wairarapa and Tararua to form a Wairarapa-Tararua council-controlled water organisation owned by the four Councils. (Our Proposal)
2. To continue to deliver services as we currently do but with enhancements to meet new regulatory standards set by Taumata Arowai and economic regulation by the Commerce Commission. (Our Alternative Option)

The consultation activity outlined our proposal and compared it to the alternative option, including how each option would likely impact rates, debt, and levels of service, as required by legislation.

ANALYSIS AND ADVICE

Consultation process

Consultation occurred between 21 March and 22 April 2025.

The Statement of Proposal and submission form were available on our website, from the Customer Services Centre (161 Queen Street) and the Library.

To ensure broad community participation, three public workshops were held at varied times (Wednesday 2 April evening, Friday 4 April morning, and Monday 14 April afternoon). The first session was livestreamed and made available on Council's YouTube channel for those unable to attend in person.

Additional engagement included eight community pop-up events attended by elected members and staff, as well as presentations to three stakeholder groups by request. Throughout the consultation period, frequently asked questions and responses were added to the Council's consultation web page to support public understanding.

Submissions

139 submissions were received on Local Water Done Well – The Future of Our Water Services. The majority of submissions (112) were received online, 21 submissions were completed on a physical submission form, and six provided their submission via email or letter.

Submissions for those who will be heard as part of this Hearing are included in this agenda. The schedule of submitters to be heard is included as Attachment 1 and their submissions are included as Attachment 2.

Full sets of all submissions received are available under separate cover and are also available on our website.

Hearing procedure

The hearing procedure is attached for reference (Attachment 3). Submitters will be heard in person or via Microsoft Teams online. Each submitter will have up to seven minutes to present their feedback to Elected Members including questions.

Deliberations

Analysis of the submissions and trends will be presented to Council as part of the Local Water Done Well Deliberations Report and will include advice from staff regarding the submissions received.

Council will discuss the submissions received, submission analysis and proposed recommendations; consider the views of the community and advice from staff; and make decisions on next steps at the Deliberations meeting scheduled for Wednesday 21 May 2025.

SUMMARY OF CONSIDERATIONS

Strategic, Policy and Legislative Implications

The legislative and policy provisions for the Local Water Done Well (LWDW) programme are outlined in the report to the 13 November 2024 Council meeting (Report 7.1, Agenda page 6).

Significance, Engagement and Consultation

Council's three waters network are strategic assets under the Significance and Engagement Policy. Changes to the delivery of water services will have high significance for the community.

Consultation arrangements are provided for in the Local Government (Water Services Preliminary Arrangements) Act 2024 and the Local Government Act 2002.

Consultation was from 21 March to 22 April 2025. Hearings are scheduled for 14/15 May 2025 with deliberations and decision on 21 May 2025.

Financial Considerations

There are no specific financial considerations associated with the receipt or hearing of submissions.

Implications for Māori

Water and environmental wellbeing are key priorities for mana whenua and the wider Māori community.

Ngāti Kahungunu ki Wairarapa and Rangitāne o Wairarapa iwi were represented on the Wairarapa + Tararua Advisory Oversight Group and at Council workshops and meetings on the topic.

Communications/Engagement Plan

As noted, three community consultation workshops and additional 'pop up' events were held during the Local Water Done Well period of consultation, from Friday 21 March to Tuesday 22 April 2025.

Environmental/Climate Change Impact and Considerations

There are no climate change impacts as a result of the decisions sought in this report.

Reducing emissions from water services will need to be considered as part of the renewal and upgrade of the network. This will form part of the Asset Management Plans and Strategy of the entity delivering water services in the future.

NEXT STEPS

Council will meet on 21 May 2025 to deliberate and decide next steps for the implementation of LWDW for Masterton.

ATTACHMENTS

1. **Full Set of Submissions Received (under separate cover)**
2. **Hearing Schedule ⇩**
3. **Submissions of those to be heard ⇩**
4. **Hearing Procedure ⇩**

Masterton District Council Hearing:
The Future of our Water Services – Local Water Done Well
WEDNESDAY 14 MAY 2025

PLEASE NOTE THAT THIS SCHEDULE MAY BE SUBJECT TO CHANGE

Time	Sub #	Name	Page Number
2.05pm	#69	Kasthuri Lashmi (TEAMS)	11
2.15pm	#102	Rangitāne o Wairarapa Incorporated - Tina te Pū (Amber Craig)	13
2.25pm	#77	Masterton Ratepayers and Resident's Association (Lyn Riley)	17
2.35pm	#12	Chris Blunden	19
2.45pm	#116	Sustainable Wairarapa (TEAMS) (Erica Jar)	21
2.55pm	#1	Bob Alsop	27
3.05pm		**Afternoon Tea (10 Minute Break)**	
3.15pm	#56	Robbie Hullena	33
3.25pm	#95	Lyn Patterson (TEAMS)	35
3.35pm	#129	Wairarapa Federated Farmers (Jamie Falloon)	37
3.45pm	#46	Jamie Falloon	39
3.55pm	#44	Peter Debney	44
4.05pm	**HEARING CLOSED**		

SUBMITTERS TO BE HEARD

The future of our water services: have your say

#69

COMPLETE

Collector:	Web Link 1 (Web Link)
Started:	Wednesday, April 02, 2025 9:21:45 AM
Last Modified:	Wednesday, April 02, 2025 9:34:38 AM
Time Spent:	00:12:53
IP Address:	[redacted]

Page 1

Q1

Your details

First name (required)	**Kasthuri**
Surname (required)	**Lashmi**

Q2 **No**

Are you giving feedback on behalf of an organisation?

Q3 **Respondent skipped this question**

If yes, please write the name of the organisation below.

Page 2: Hearings

Q4 **Yes (via Microsoft Teams)**

Would you like to present your views at the hearing?If yes, please make sure you include a phone number or email address in the next section so we can get in touch to arrange a time for you to speak.

Q5

Your contact details

Postal address	[redacted]
Email	
Phone	

Page 3: About you (Optional)

Q6

Which of the following best describes you? [redacted]

The future of our water services: have your say

Q7

What is your age range?

[redacted]

Q8

Which ethnic group do you belong to? Select all that apply to you.

Q9

What is your gender?

Q10

Do you live with impairments/long-term health conditions or do you identify as tāngata whaikaha/disabled?

Page 4: Ō Whakaaro │Your Thoughts

Q11

Which option do you prefer? (Select only one)

Our proposed option – To join with South Wairarapa, Carterton and Tararua District councils to form a joint council-controlled water organisation to deliver water services

Q12

Please tell us why you selected that option:Thank you for having your say. Please click "done" to finish.

Hi Team, I have opted for the CCO model and am sure it will help council in the long run to manage their debts under control. I have a few queries, Are we going to get charged for our water usage? If so, Does our rates will come down or stay the same? as we are going to pay for the water charges separately in the future. How much are we paying for the water in our current rates? Does all our water assets will be transferred to CCO? How am I supposed to believe that my money (water payment) will only be used to build and maintain the infrastructure within Masterton district council not for other neighbouring councils within the same group? Do we have any plans and process in place to make the new CCO accountable for all their contracting and spending? (I am sick and tired of recent stories of Wellington water)

The future of our water services: have your say

#102

COMPLETE

Collector:	Web Link 1 (Web Link)
Started:	Tuesday, April 22, 2025 10:04:53 PM
Last Modified:	Tuesday, April 22, 2025 10:47:13 PM
Time Spent:	00:42:19
IP Address:	[redacted]

Page 1

Q1

Your details

First name (required)	**Amber**
Surname (required)	**Craig**

Q2 **Yes**

Are you giving feedback on behalf of an organisation?

Q3

If yes, please write the name of the organisation below.

Rangitāne o Wairarapa Incorporated - Tina te pū

Page 2: Hearings

Q4 **Yes (in person)**

Would you like to present your views at the hearing?If yes, please make sure you include a phone number or email address in the next section so we can get in touch to arrange a time for you to speak.

Q5

Your contact details

Postal address [redacted]

Email

Phone

Page 3: About you (Optional)

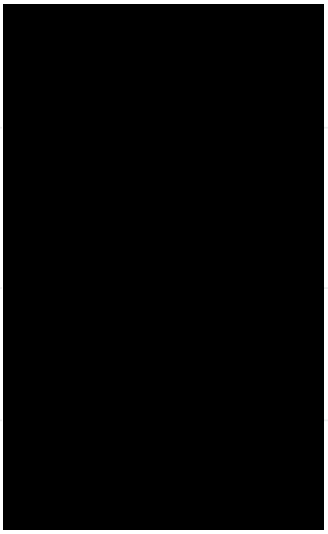
Q6

Which of the following best describes you?

The future of our water services: have your say

Q7

What is your age range?



Q8

Which ethnic group do you belong to? Select all that apply to you.

Q9

What is your gender?

Q10

Do you live with impairments/long-term health conditions or do you identify as tāngata whaikaha/disabled?

Page 4: Ō Whakaaro │Your Thoughts

Q11

Which option do you prefer? (Select only one)

Our alternative option – a Masterton-only approach

The future of our water services: have your say

Q12

Please tell us why you selected that option:Thank you for having your say. Please click "done" to finish.

To whom it may concern,

This submission is to support an enhanced status quo, in-house model, delivering against new Government requirements. We also want to think about fresh ideas at the table, rather than old solutions that have consistently been proven to not work.

A few things we will start with:

Rangitāne o Wairarapa never ceded our sovereignty.

Rangitāne o Wairarapa have defined our expression of Te Mana o te Wai, which will be operational soon as part of the GWRC Regional Policy Statement.

Rangitāne o Wairarapa Incorporated are unwilling to see the continued loss of our wetlands, our whenua, see the extraction of gravel, the discharge of wastewater or see the degradation of our awa.

Our whakapapa and how we are interconnected is very important to us and our pūrākau of our Ātua shares with us how we observe our environment around us.

For Rangitāne, the entire earth is known as Papatūānuku (sometimes referred to as our earth mother). Whether this is in her physical representation as the earth or within our consciousness of her as a spiritual being or through all her mokopuna that dwell upon her (all flora and fauna are her grandchildren, the children of her offspring e.g. all the birds and insects of the forest are referred to as the children of Tānemahuta).

These Ātua guide us in the natural world and our kaupapa is about upholding and supporting them all.

As documented at Papawai during the 1860's in Te Whatahoro Jury's manuscripts were the teachings of Te Mātorohanga, Pōhūhū and Te Okawhare. We know from these documents that Parawhenuamea is the mokopuna of Papatūānuku and for us in the Wairarapa is our Ātua of Wai.

We also have pūrākau that talks to how floods, rains and storms are ways for Papatūānuku to flush away the paru, the illness and heal herself through Rongoā. Therefore, it is important as tangata that our role is to awhina her in this process and not to build infrastructure that will cause her more harm.

Our kaumātua stories also share with us our place in this world. It is to never put ourselves first, but Papatūānuku and our Ātua. By supporting, uplifting and upholding their mana and health, we will thrive in a healthy taiao.

We as tangata whenua are intrinsically linked to our waters and our taiao. If they die, so do our people. Te Whatahoro Jury referred to our waterways as the waiū, the breastmilk for our people. This is very important to how we think about our waterways. During breastfeeding, if you can't feed yourself, then you can't feed your pēpi (babies). So how are we feeding and nourishing our waterways, to ensure they can feed and nourish us as people?

Councils must collaborate with whānau, hapū and marae to look at actions to take within different areas. Including what awa, moana are interconnected through pūrākau, puna, wairua and other means. This might not look the same in different areas of your District Council bounadies.

We believe that for Local Water Done Well, joining together with other Council's creates a massive takiwā and removes our voices from our whānau, hapū, marae and Iwi. To remain smaller, listening to our whānau, hapū and marae stories will allow us to be more nimble, innovative and cost effective. However, sharing learnings and information across District Councils can happen today. That doesn't need new entites and groupings to be done.

Creating additional organisations creates complexities and high level 'committees' that are far removed from delivery. We need

Creating additional organisations creates complexities and high level committees that are far removed from delivery. We need action now. Although there are conversations of looking at larger pockets of funding, this will mean large, scaled Infrastructure and one size fits all solutions. Large Infrastructure projects like this come with greater installation costs, greater maintainence costs and greater risks for our whānau and communities including social, environmental and cultural. This will not help us with resilience and will mean we are more vulnerable to the impacts of Climate Change.

We need fresh ideas and to honour the whakapapa and mana of Parawhenuamea. We need to ensure we find other ways to address our waste as communities, then adding fresh drinking water to our waste and destroying the mauri of our wai. The continuation of dumping wastewater into our waterways needs to stop immediately.

Restoring our Mātauranga Māori is a necessity. Through doing this we ensure we can innovate with modern technology and create solutions that work in collaboration with our Ātua, our taiao and our communities. However, this must be designed and created from a te ao Māori worldview, our whānau, hapū and marae need to be at the table sharing their stories, their observations and their ideas.

We will be here for generations to come, and it will be our mokopuna (yours and ours) that will bear the consequences of the decisions we make today.

Please be brave, protect our waterways, ensure we empower and provide healthier environments for our communities, and through doing this we will provide greater resiliency during Climate Change events ensuring our communities thrive.

Regards,

Tina te Pū team (Taiao team),

Rangitāne o Wairarapa Incorporated.

The future of our water services: have your say

#77

COMPLETE

Collector:	Web Link 1 (Web Link)
Started:	Tuesday, April 22, 2025 3:42:47 PM
Last Modified:	Tuesday, April 22, 2025 3:47:00 PM
Time Spent:	00:04:13
IP Address:	[redacted]

Page 1

Q1

Your details

First name (required)	**Lyn**
Surname (required)	**Riley**

Q2 **Yes**

Are you giving feedback on behalf of an organisation?

Q3

If yes, please write the name of the organisation below.

Masterton Ratepayers & Residents Assn

Page 2: Hearings

Q4 **Yes (in person)**

Would you like to present your views at the hearing?If yes, please make sure you include a phone number or email address in the next section so we can get in touch to arrange a time for you to speak.

Q5

Your contact details

Postal address	[redacted]
Email	
Phone	

Page 3: About you (Optional)

Q6

Which of the following best describes you?

The future of our water services: have your say

Q7 **Respondent skipped this question**

What is your age range?

Q8 **Respondent skipped this question**

Which ethnic group do you belong to? Select all that apply to you.

Q9 **Respondent skipped this question**

What is your gender?

Q10 **Respondent skipped this question**

Do you live with impairments/long-term health conditions or do you identify as tāngata whaikaha/disabled?

Page 4: Ō Whakaaro | Your Thoughts

Q11 **Our alternative option – a Masterton-only approach**

Which option do you prefer? (Select only one)

Q12

Please tell us why you selected that option:Thank you for having your say. Please click "done" to finish.

I would like to present our organisation's views in person.

The future of our water services: have your say

#12

COMPLETE

Collector:	Web Link 1 (Web Link)
Started:	Tuesday, April 22, 2025 7:39:12 PM
Last Modified:	Tuesday, April 22, 2025 7:55:26 PM
Time Spent:	00:16:13
IP Address:	[redacted]

Page 1

Q1

Your details

First name (required)	**Chris**
Surname (required)	**Blunden**

Q2 **No**

Are you giving feedback on behalf of an organisation?

Q3

If yes, please write the name of the organisation below.

NA

Page 2: Hearings

Q4 **Yes (in person)**

Would you like to present your views at the hearing?If yes, please make sure you include a phone number or email address in the next section so we can get in touch to arrange a time for you to speak.

Q5

Your contact details

Postal address	[redacted]
Email	
Phone	

Page 3: About you (Optional)

Q6

Which of the following best describes you?

The future of our water services: Have your say

Q7

What is your age range?

[redacted]

Q8

Which ethnic group do you belong to? Select all that apply to you.

Q9

What is your gender?

Q10

Do you live with impairments/long-term health conditions or do you identify as tāngata whaikaha/disabled?

Page 4: Ō Whakaaro │Your Thoughts

Q11

Which option do you prefer? (Select only one)

Our proposed option – To join with South Wairarapa, Carterton and Tararua District councils to form a joint council-controlled water organisation to deliver water services

Q12

Please tell us why you selected that option:Thank you for having your say. Please click "done" to finish.

It’s the best decision long term and we as an entity need to safeguard the future generations and plan for that important milestone and decision today

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Introduction:

1. My name is Erica Jar. I am the administrator for Sustainable Wairarapa Incorporated (SWI).
2. Sustainable Wairarapa Incorporated welcomes the opportunity to comment on Masterton District Council's 'Local Water Done Well' consultation document, on behalf of its members.
3. Sustainable Wairarapa Inc. is a society in the Wairarapa whose members are interested in finding sustainable alternatives to existing human activities. We recognise that attaining national and global goals begins at a local level. The Society aims to promote:
   3.1. The wise use of non-renewable resources and where possible their substitution with renewable resources and alternatives that have the potential to benefit all sections of society
   3.2. Minimisaton of the use of those human activities that produce pollution and waste and otherwise reduce the limits of natural life-supporting systems
   3.3. Decision-making that takes into consideration the linkages and interactions between environmental, social, economic and cultural factors
   3.4. Maximum consideration for the well-being of future generations, and recognition of the intrinsic value of all species.
4. SWI has been a leading advocate in Wairarapa for over 25 years.

5. We are working on several projects focused on local waterways
   5.1 Our convenor is a member of the CDC wastewater committee.
   5.2 SWI members helped launch the Mangatarere River Restoration Society.
   5.3. Identified that the initial flood risk research from the Waipoua River to Masterton by Greater Wellington Regional Council was erroneous. Members have participated fully in correcting this error and creating a sustainable solution advocating for the use of nature-based solutions including planting native trees to reduce flood risks.
   5.4 SWI completed an analysis of the public water supply resource consent in 2021 (copy available on request). Following a meeting with [redacted] then CEO, he substantially endorsed the analysis. This highlighted that the current volumes of water available are ample for public water supply and industrial use. Key to this achievement will be reducing water use per person to NZ averages and reducing leakage.
   5.5 Creating riparian plantings on the edges of the Mākoura Stream to reduce toxic chemical pollution as it runs through the site of an old gasworks.
   5.6. Biochar production. SWI has a long-held view that using treated urban wastewater to irrigate short-rotation crops for conversion to biochar is an environmentally and economically viable decision. The process diverts wastewater away from being discharged into our rivers and the biochar can be used as a low-emission solid fuel.
   5.7 SWI members identified and promoted the enlarged water storage facility now being planned at Kaituna.

6. SWI membership is diverse and includes farmers, individuals with a technical background in environmental disciplines, members of iwi, and the public.
7. SWI considers the four pillars of sustainability when researching issues and planning our actions. These being: Social, Cultural, Economic, and Environmental perspectives.
8. Applying these principles. we can consider the totality of any proposal.
9. Consequently, we have previously made submissions on central and local government in a generally constructive and proactive manner.

10. In preparing this submission, SWI has read and compared the Local Water Done Well consultation documents of all four District Councils. Some of our comments and questions to MDC arise from information derived from other council documents but have been deemed pertinent for MDC consideration.
11. SWI thanks Masterton District Council (MDC) for creating this engagement document, however, we have several comments and questions, which follow.

1. Governance of the Council-Controlled Organisation (CCO):

1.1. Many of the key management details still must be worked out and the structure of the CCO is still being decided. It will continue to evolve, but September 3 is a key date for councils to present a delivery plan.
1.2. Developing this plan will involve a lot of discussion between the councils, the iwi representative (we note that one person represents both Wairarapa iwi), and the government. It seems that between now and September 3rd 2025, some important questions will be resolved. These include:
  1.2.1. How many directors will be on the Board?
  1.2.2. On what basis will the number of directors be decided? For example, population, authority, and iwi.
  1.2.3. How will directors be selected?
  1.2.4. Who will select the directors?
  1.2.5. What skills will the directors bring to the Board table?
  1.2.6. What is the length of tenure for directors?
  1.2.7. Will sound knowledge and practical experience in environmental impacts be one of the criteria for selection, or is it all about financial acumen?
  1.2.8. What will the ongoing involvement of Greater Wellington (GW) and decision-makers of the Resource Management Act (RMA) be?
  1.2.9. How will positions on the 'stakeholder/council' committee be determined so that all four district councils are fairly represented? Will it be on a capita/population basis or some formula like the 4-2-2 for the present 3 councils?
  1.2.10. How many iwi representatives will have Board and Committee positions?
  1.2.11. Where will the power ultimately lie - with the Board or the communities via the Stakeholder Committee? Communities should be provided with an answer to this key question, since one of the core drivers of separating water into a CCO has been to enable access to larger borrowing capability. The trade-off has been removing councils - as representatives of their communities - from decision-making roles.
1.3. These details will ultimately determine where the power lies, how communities and the environment are impacted, and where the costs fall.
1.4. What opportunities exist for members of the community to have input, advocacy, and representation from now on?
1.5. Particularly between now and September 3? If communities are not afforded the opportunity to represent themselves, our "most important decision" therefore is simply to give a single tick to a foregone conclusion; the four-council model, for which all the detail is at present unknown and yet to be decided.

2. Financial Considerations:

2.1. Much has been made of the ability to borrow 500 times the operational revenue of the new CCO as compared to each council only having the capacity to borrow 175 times their operational revenue. Higher borrowing capacity comes with higher borrowing costs. Where will the borrowed funds come from and at what interest rates?
2.2. It is estimated that the new entity will cost $5m to establish which will be debt-funded and water revenues will pay for borrowing costs and all investment requirements. Is there scope to avoid this debt funding?
2.3. A further $2.8m is required for operational costs. The time frame for this $2.8m has not been given. Is this for one year?

2.4. The Tararua consultation document (pg. 23) shows $200m debt for the CCO in Year 1. It is not clear whether this new debt or a combined acquired debt from all four District Councils. This should be made clear.
2.5. The debt transfer of each of the individual councils to the Wairarapa-Tararua CCO should be made clear. Some councils have included this in their consultation documents and some have not.
2.6. The South Wairarapa consultation document (pg.27) states: "*Model outputs consolidate water services connections for household and commercial readability and comparisons. The average water services charges shown in this Consultation Document should not be taken as predicted future household water services charges."* Has MDC done the same with their modelling, and therefore, are the suggested water rates on pg. 19 of the MDC document inflated to an extent that householders are supplementing commercial businesses and farms?
2.7. To clarify the question in 2.4 – will commercial businesses and farms be required to pay the same rate for usage as householders?
2.8. The South Wairarapa consultation document (pg. 9) identifies that retained regional differences will ensure that charges reflect the direct cost to each district. However, the MDC consultation document (pg.28) states that consideration of standardising charges will be part of the discussion between councils when forming the CCO, and by the CCO in the future.
2.9. When standardisation of charges does become a topic of discussion, will MDC's householders and businesses be consulted? Given that MDC has the highest levels of social deprivation of any of the districts and the lowest projected water charges, this should be a consideration.

3. Data Provision and how it will drive employee selection:

3.1. The metrics to understand the organisational structure and size of their remit should be provided:
  3.1.1. consumption of water per person,
  3.1.2. discharge perversion to the wastewater ponds,
  3.1.3. currently leakage from systems
  3.1.4. discharge to surface water from their treatment plants,
  3.1.5. the number of resource consents within each category and when they lapse.
  3.1.6. Does SWDC currently meet its resource consent requirements?
3.2. Provision of this data will demonstrate the scale of the task in front of the CCO and determine the availability of competent managers/engineers to deliver this much enlarged service.

4. Operational considerations:

4.1. *"A portion of the current water services operating costs are corporate overheads (MDC, pg. 23). The revenue that pays for those overheads will move to the new CCO. Councils will be left with the task of reducing its overheads, effectively downsizing its corporate costs."* However, rent for buildings, rates, insurance, etc, stays the same regardless of the number of employees in a building. This means that ratepayers will be effectively being apportioned two sets of corporate costs (even with some downsizing) – those of the councils and those of the Wairarapa-Tararua CCO. What consideration has been given to locating the Wairarapa-Tararua CCO in a current council building?

4.2. Drinking Water
  4.2.1. The MDC consultation document (pg.13) identifies that more water storage will be achieved by constructing larger raw water storage ponds at the Kaituna water treatment plant ($8.4 million) and the addition of a new reservoir for more treated water storage ($7.9 million).

4.2.2. SWI completed an analysis which was supported by the ex-CEO [redacted] that identified that there is ample water available - with continuing reduction of personal use and reduction of leakage - for future water demand in the Masterton urban area. (Copy available on request.)
4.2.3. Clarification should be provided as to where this new reservoir will be, how many days of water storage it will have (is this the reservoir that will provide a suggested 40 days storage?), and whether it will impact river flows.
4.2.4. If this reservoir will be multi-functional who will manage and operate such an asset?
4.2.5. Leakage out of the distribution network is a reason for the high water use per person. SWI recommends that targets are identified to hold the new corporate body accountable for limiting leakage incidences.
4.2.6. Setting a target for water use per person will also be an important metric. Will this be considered?
4.2.7. SWI is aware that new sources of groundwater may be identified following the completion of the Sky TEM research perhaps no new sources should be instigated until this research has been thoroughly investigated

4.3. Stormwater
4.3.1. Stormwater is lightly dealt with in the consultation document and further clarification regarding how it will be managed is needed.
4.3.2. The South Wairarapa consultation document (pg. 18) states that stormwater assets are to be managed under a service arrangement by the CCO. Does this mean that unlike the drinking water and wastewater assets which will be transferred to the CCO, stormwater assets will remain the property of the individual councils?
4.3.3. The Local Government (Water Services) Bill, likely to become legislation by mid-2025, contemplates green water services infrastructure within the context of stormwater service (pg140).
4.3.4. According to the Bill, green water services infrastructure means a natural, semi-natural or engineered area, feature or process that mimics natural areas, features, or processes that are planned or managed to provide water services (Part 1 Preliminary provisions, s4 interpretations).
4.3.5. Who will do the work needed on stormwater services to develop a plan for stormwater services?
4.3.6. Stormwater obligations provided are vague with a predisposition for engineered solutions. Nature-based solutions may offer good alternatives in all the water services - hence the need for environmental expertise at a high level within the proposed CCO.

4.4. Wastewater
4.4.1. Given all the discharges are into the Ruamahanga catchment will there be an overall strategy to improve the impact on the Ruamahanga river?
4.4.2. The amount of water being discharged to land is small at present (approximately 15-30%). Given that the plan is for ALL water to be discharged to land, there appears to be no available description of how the gap will be closed.
4.4.3. Do the Homebush oxidation ponds need sludge removal to improve their efficacy?
4.4.4. Biochar may be a potential solution and should be reconsidered.
4.4.5. Who will hold the resource consents and be accountable?
4.4.6. Will GW's role change in any way? It has a poor record in terms of bringing councils to account. Resource consent processes have been drawn out and councils have been allowed to be non-compliant in some cases for at least a decade.

4.5. Water races
  4.5.1. The Masterton District has one water race system: The Opaki water race.
  4.5.2. There is no mention in the MDC consultation document of where the water races fit within 'Local Water Done Well.' Clarification should be provided as to how they will be managed.
    4.5.2.1. Does MDC hold the resource consents for the race?
    4.5.2.2. If so, are these consents transferable to the CCO?
    4.5.2.3. If the consents are transferable, what are the implications for water-rates payers in terms of the cost of their maintenance and ongoing use?
  4.5.3. This is particularly important if they become part of the stormwater network, in accordance with the Local Government (Water Services) Bill, likely to become legislation by mid-2025 which contemplates green water services infrastructure within the context of stormwater service (pg140).
  4.5.4. According to the Bill, green water services infrastructure means a natural, semi-natural or engineered area, feature or process that mimics natural areas, features, or processes that are planned or managed to provide water services (Part 1 Preliminary provisions, s4 interpretations)
  4.5.5. Who will do the work needed on stormwater services, including water races, within the preparation of the water services delivery plan for September 2025 to explain who will manage water races, and how they will be managed.
  4.5.6. How will the downstream environmental impact of the water races be measured and mitigated?

4.6. Water Consents:
  4.6.1. Increased efficiency of management of water consents coming up for renewal across Wairarapa-Tararua is mentioned is several consultation documents.
  4.6.2. How many consents are there and how many conditions are attached to the different consents?
  4.6.3. How many consents are expected to lapse and not be renewed?
  4.6.4. How could conditions be somewhat standardised?
  4.6.5. What role will the Wairarapa Moana Statutory Board have?
  4.6.6. Who will hold the resource consents and be accountable?
  4.6.7. Will GW's role change in any way? It has a poor record in terms of bringing councils to account. Resource consent processes have been drawn out and councils have been allowed to be non-compliant in some cases for at least a decade.

5. Consideration of the environmental impact of operations:

5.1. 'Local Water Done Well' refers only to what happens with the pipes and infrastructure involved in providing services.
5.2. Many environmental issues sit outside of that reasonably narrow focus and will be debated and decided elsewhere and under different legislation.
5.3. How will the Wairarapa-Tararua CCO demonstrate environmental accountability in their decision-making? MDC's consultation document (pg. 15) states that accountability to the community will be "consumer protection requirements" as determined by the Commerce Commission (p5) but what about environmental accountability? Is there an environmental commission?
5.4. What numbers will be used for the impact of climate change as a determinant of the size of piping used for movement of water at any point in the water usage chain?
5.5. Will climate change resilience planning encompass the Ruamahanga catchment in its entirety?

6. Advantages of a Wairarapa-Tararua CCO:

6.1. Meets legal requirements.
6.2. Ability to look across the whole of the Ruamahanga catchment when planning.
6.3. Potential for financial savings through economies of scale.
6.4. Accelerated investment in water infrastructure.
6.5. Likely to improve water services over the long term due to scope and scale efficiencies.
6.6. Improved financial resilience for water services.
6.7. Access to specialist expertise and workforce capacity – assuming that all or most individuals currently employed by the four district councils and their contractors retain their jobs through transfer to the newly formed entity or new outsourcing contractual agreements.
6.8. A utility-focused arrangement to deliver sustainable water services infrastructure investment over time.
6.9. Greater ability to prepare for and manage future population growth needs.

7. Disadvantages of a Wairarapa-Tararua CCO:

7.1. Complex to establish.
7.2. Borrowing is subject to approval and a multi-council CCO carries some risk of funding being declined.
7.3. Borrowing is determined by the Board.
7.4. Loss of understanding of water services over time
7.5. No direct council control over the management of water assets
7.6. No direct council control over how services are delivered
7.7. $5m cost to establish the new CCO debt funded by the new entity (so $5m in debt before they even start!)
7.8. Corporate overheads include cost of building rent, rates, insurance etc. - this is a double up on current rates charging.

8. Summary Observations:

8.1. The current Wairarapa-Tararua CCO consultation is largely around the financing.
8.2. The standards that systems will be mandated to achieve are to be determined by central government and are outside this consultation.
8.3. That said, it is still a complex issue involving major changes and uncertainties. And this is only the first step - and a simple one; option A or B, with no possibility of adding other options. It may well be "one of the most important decisions we'll make" but the reality is that the decision has all but been made. For several valid reasons, it will be the Wairarapa-Tararua CCO model.
8.4. It is how we will have to absorb the consequences of that inevitable decision as they unfold that makes the decision so important; in terms of the impact on the environment, the residents and businesses within our communities, but largely in terms of the financial implications for ratepayers and how costs are determined and allocated across the four councils.

Nga mihi

Erica Jar
Administrator
Sustainable Wairarapa Inc.
[redacted]

The future of our water services: have your say

#1

COMPLETE

Collector:	Web Link 1 (Web Link)
Started:	Tuesday, April 22, 2025 1:55:50 PM
Last Modified:	Tuesday, April 22, 2025 2:09:31 PM
Time Spent:	00:13:40
IP Address:	[redacted]

Page 1

Q1

Your details

First name (required)	**Bob**
Surname (required)	**Alsop**

Q2 **No**

Are you giving feedback on behalf of an organisation?

Q3 **Respondent skipped this question**

If yes, please write the name of the organisation below.

Page 2: Hearings

Q4 **Yes (in person)**

Would you like to present your views at the hearing?If yes, please make sure you include a phone number or email address in the next section so we can get in touch to arrange a time for you to speak.

Q5

Your contact details

Postal address	[redacted]
Email	
Phone	

Page 3: About you (Optional)

Q6

Which of the following best describes you? [redacted]

The future of our water services: have your say

Q7

What is your age range?

[redacted]

Q8

Which ethnic group do you belong to? Select all that apply to you.

Q9

What is your gender?

Q10

Do you live with impairments/long-term health conditions or do you identify as tāngata whaikaha/disabled?

Page 4: Ō Whakaaro │Your Thoughts

Q11

Which option do you prefer? (Select only one)

Our proposed option – To join with South Wairarapa, Carterton and Tararua District councils to form a joint council-controlled water organisation to deliver water services

Q12

Please tell us why you selected that option:Thank you for having your say. Please click "done" to finish.

Submission to
THE FUTURE OF OUR WATER SERVICES

I agree: that the best option for the Masterton District Council is as per its proposed and preferred option: - “To join with the Tararua, Carterton and South Wairarapa District Councils and create a CCO to operate and manage the combined water, waste water and storm water services and assets of the combined district”.

The core reasons for this agreement are:

- This option will be more affordable for all ratepayers (assuming that the values expressed by all Wairarapa Council’s consultation documents are correct).
- The potential exists to make all 3 water services more efficient, resilient and sustainable.
- The potential exists to access a larger funding pool for investment in the 3 water services of the combined districts and may even out the need for debt.
- There are 10 to 20 years of infrastructure works that offers continuous work for the local workforce.
- With many resource consents coming up for renewal across the Wairarapa Tararua region, a larger CCO entity could bring greater efficiency and cost savings to this process.
- As part of the CCO establishment both the assets and debts of the individual councils will be transferred thus improving the balance sheets of the individual councils. The corresponding debt consolidation could allow debt servicing efficiencies.

HOWEVER, THERE ARE ITEMS THAT ARE OF CONSIDERABLE CONCERN requiring research, consultation and answers:

1. Ownership and control are discussed in all of the constituent council’s consultation publications. This primarily focuses on “loss of control over direct management of water assets and how services are delivered”.

(a) There is a bigger issue to be grappled with, and is played out regularly in the media (airports, wharves, electricity supply and lines companies) long term ownership of the CCOE (Combined Council Operating Enterprise) and with it the water assets of each of the constituent councils.

(b) At issue is the fact that CCOE’s nation-wide would at some future date become the target of privatisation.

(c) Everyone needs water, and control would give private owners significant monopolistic power, leading to price gouging, profit taking, diminishing service and deteriorating water ways.

(d) There is no way to sugar coat this concern.

RECOMMENDATION: That from the outset checks and balances are put in place to make privatisation, even partial privatisation of the CCEO impossible.

2 The structure as “proposed” by the Department of Internal Affairs is an obvious attempt to create a burdensome bureaucracy, that is both costly and distances the ratepayers from the enterprise that is supposed to be there for them. It looks like someone wants to create a “gravy train” that is funded by ratepayers.

(a) If there is a Shareholders Council, this will meet at least 10 times a year, if there are 12 members, paid $500 per meeting this equates to $60,000 per annum.

(b) Add to this a CCO Board of 8 members, meeting at least 10 times at $500 per meeting, this equates to $40,000 per annum cost. Add also the required secretarial service costs, other meeting costs etc.

(c) This adds a $100,000 cost to the delivery of water, waste water and storm water services. This is a $4.29 per annum additional cost for each rate payer. Sure, this is the cost of a cup of coffee. BUT herein lays the issue, straight away we increase the financial burden on rate payers.

(d) The intent of having a CCOE is to reduce the cost to all ratepayers by achieving “economies of scale”. Creating a burdensome bureaucracy is not a cost saving measure.

RECOMMENDATION: That there is only one layer between the four district councils and the CCOE, made up of four (4) councillors one from each constituent council, four (4) iwi representatives one from each of the constituent districts and four (4) independent directors, initially appointed but later elected by ratepayers at the Local Government elections.

3 The “legislative and quality control oversight” as proposed is extensive to the extreme and therefore a financial burden on ratepayers and taxpayers.

ratepayers and taxpayers.

(a) Checking "compliance" of the CCOE there is the Water Services Authority (Taumata Arowai), then the Commerce Commission, then the Wellington and Horizon's Regional Council.

(b) Checking financial efficiency there is the Commerce Commission and then the Auditor General (during the annual audit of the financial reports of the CCOE.

(c) What is equally concerning in this structure is the fact that the Water Services Authority (Taumata Arowai) and the Commerce Commission's role are to be funded by ratepayers (see pg 30 "The Future of our water services: Have your say", MDC). Unfortunately, while recognising that a new service needs to be paid for, the local ratepayer is already required to pay for the new standards that central government is imposing by having to fund the extra capital works needed to achieve these.

RECOMMENDATION: That the services provided by the Water Services Authority (Taumata Arowai) and the Commerce Commissions are funded by central government.

That compliance oversight system is refined to the following: (i) The Water Services Authority (Taumata Arowai) and the Commerce Commission sets the standards for quality and financial efficiency, these quality standards are implemented and checked by the relevant regional council for "the three waters", with additional legal powers to enforce those standards. (ii) The financial efficiency standards would be checked at the time the CCOE is audited by the Auditor General on an annual basis.

4 Outsourcing of services has in the past been imposed on councils as not being "core business", and the opportunity exists within the 3 waters legislation for the CCOE to have in house expertise.

(a) My personal opinion is that outsourcing of services is designed to increase the number and reach of organisations that believe that the tax payer/ratepayer is a "bottomless pit" of funding. As soon as a service is outsourced it will eventually cost 10 -20% more than if the service was "in house". Any business owner is in business to make a profit profit is not a four-letter word, BUT someone has to pay for that profit. Another idiosyncrasy of outsourcing in NZ is that eventually the outsourcing companies become amalgamated and eventually all that profit goes overseas. I for one do not believe that local services should be supporting an overseas shareholder. For local examples outsourcing the school bus services went to an off-shore company. Outsourcing school lunches went to an off-shore company. When profits and or surpluses accrue to outsourced services, they are not spent to the benefit of the local residents.

(b) Outsourcing of major capital works can be an option. But as there is a certain and well-defined programme of major capital works it is beneficial to ratepayers and the economies of the constituent districts, if workforce capacity for this was developed in house. According to all of the separate district council consultation publications there is approximately $500 million worth of projects in the first 10 years 10% of that is $50 million a lot of savings (approximately $214 per water connection per annum = $50,000,000/ 10 years/ 23,283 water connections) and an opportunity to decrease the cost of services to rate payers.

(c) There are other benefits of having in-house capacity, in that there would be at least four works depots established in the constituent districts, ensuring employment for local residents. Also, there is a workforce available for times of civil emergencies.

RECOMMENDATION: That the CCOE is required by the shareholder councils/board to develop in-house repairs and maintenance, minor and major capital works capacity.

5. Building and Resource consents are both costly and time consuming in the current consenting structure.

(a) If a construction project requires special consents for water access, waste water disposal and storm water disposal then applications and fees are required by the District Council and the Regional Council.

(b) In the new structure the CCOE will require a third application and fees. Then there is the back and forth between the three agencies, further delaying the project and costing more money.

(c) Who will sign off on any work completed, currently the Building Inspectorate signs off on all 3 waters work?

(d) Who is going to maintain the records and plans of what goes where? How will homeowners and construction trades access this data?

(e) If plumbers are allowed to self-sign off on consent able work, as is being suggested by Central Government, then this may mitigate some issues, but not all.

(f) In the current consenting process, a time line of 20 working days is applied. However, if additional information is required the timeline starts again as soon as the information is received. It is not hard to visualise a consent being extended unreasonably by awaiting information from the CCOE, and the Regional Council, as each applies their own 20 working days timeline.

RECOMMENDATION: That serious time and consultation be given to the development of a single consenting framework, operating under a single 20 working day timeline, with clearly defined requirements at the time of application.

6. Town Planning is the domain of the relevant district council, with some combined council standards being implemented. The core of the issue is when the district council disagrees with 3 waters solution put forward by the CCOE. As an example:

(a) The existing waste water treatment plant has reached capacity, and there is overwhelming demand for new subdivisions to

occur. The CCOE suggests that alternative waste water treatment solutions be investigated and implemented. This would have the effect of reducing the need to upgrade the existing waste water treatment plant.

(b) The regional council recognises that the alternative solution will work and not degrade and may improve the quality of the regions water resources.

(c) The district council as the "town planning authority" is not convinced, believing the alternative solution will cost more and degrade water resources. While this scenario may seem unlikely, it has already occurred in part in Martinborough.

(d) While it is recognised that good planning and the make-up of the CCOE Board should defuse any clash of organisations it is possible that good decision making may be compromised.

(e) There is an economic benefit for councils to consider alternative solutions for 3 waters issues. As per the playbook of electricity lines companies and Chorus, they have control and ownership of new installations on new subdivisions, BUT the developer pays for the installed assets. The advantage of this method of operating is that the balance sheet of the owning company is stronger and also allows greater borrowing and to show a deflated earnings per asset dollar, enabling the argument to increase prices for services provided.

RECOMMENDATION: That a mechanism for "conflict resolution" be included in the policies and procedures of the CCEO as it relates to town planning issues.

7. A big selling point by all of the constituent councils for a CCOE solution to the 3 waters services is that of "saving rate payers money".

(a) "A portion of the water services operating costs are corporate overheads…… The council will be left with task of reducing its overheads, effectively down-sizing its corporate costs" pg 23

(b) "Process efficiencies", "Streamlined work programming and project management" pg 25

(c) The central government suggested structures and expectation that the rate payer will pay for these and the required oversight already hints at costing more to rate payers.

(d) This culture which pervades central and local government that tax payers are a bottomless pit of money and improved service always has to cost more, needs to be changed. Better processes and methodologies, forethought, good planning, consultations that listen rather than tell, lead to better services that cost less or occur in current funding. This is not a myth.

(e) Restructuring offers existing and new bureaucracies the opportunity to fudge on the true costs and savings of change. It is the responsibility of the constituent councils' councillors to do their own research, check the numbers and keep costs to rate payers to a minimum.

RECOMMENDATION: That constituent councils' councillors to do their own research, check the numbers and keep costs to rate payers to a minimum as the restructuring is budgeted for, and occurs.

8 Debt and standardised pricing are mentioned in the consultation documents of all the constituent councils of the CCOE. However, it is not clear. While these topics are not the focus of this consultation, they do present concerns that need to be addressed by all councils as the Water Services Delivery Plan is prepared and submitted.

(a) Is the existing debt for 3 waters services, owed by each constituent council to be transferred to the CCOE? Or is it to be retained by the constituent council and paid off?

This arrangement appears to complicate the asset and liabilities of both the councils and the CCOE. It also complicates both the charging and allocation of rates income.

It would be simpler and clearer for the 3 waters services debts and assets of each constituent council to be transferred to the CCOE. The CCOE could then refinance to achieve better repayment plans

(b) Standardised pricing in the MDC document suggests that Masterton rate payers would be paying more if there was a standardised price for water services. Is a two-tiered charge proposed one for capital cost being for loan repayment and interest (similar to a lines company charge for electricity supply), a second for the operational cost (including depreciation, R &M, planning and corporate costs). In this way a single total standardised price could be achieved in a future time.

It is only fair for rate payers that total transparency on this matter is made part of the Water Services Delivery Plan.

In conclusion, I would reiterate that these concerns Nos 1- 8 are not the focus of this consultation. But they do represent issues that need to be addressed as part of proceeding to create a single entity for the management of the 3 water services in the Tararua Wairarapa Province.

Yours sincerely

Bob Alsop

[redacted]

[redacted]

[redacted]

Puka Tāpae o te Kaupapa Here Kurī ki Whakaoriori me te Whakahaere Ture Ā-ohe mō ngā Kurī

The future of our water services submission form

For admin use only

Privacy Statement

All submissions will be made available to the public via the Masterton District Council website. Your name, organisation (if applicable) and feedback will be included in public documents. All other personal details will remain private. If you have extenuating circumstances, please contact us prior to the submission closure date to request that your name be withheld.

The Privacy Act 2020 applies when we collect personal details. Any details that are collected will only be used for the purposes stated. You have the right to access and correct any personal information we hold. Further information is available by searching "privacy policy" on our website: www.mstn.govt.nz

Submission Policy

Information on our submissions process and minimum requirements for submissions content can be found by searching "policies" on our website: www.mstn.govt.nz

Your details

Full name (required) Robert James Hullena

Postal address [redacted]

Phone

Email

Are you giving feedback on behalf of an organisation? ☐ Yes ☑ No

Organisation name

Hearings

The Council will hold a hearing on Wednesday 14 and Thursday 15 May 2025 for those wanting to present their views in person. You will have up to seven minutes to present your feedback to elected members in person or via Microsoft Teams online.

Would you like to present your views at the hearing?

☑ Yes (in person) ☐ Yes (via Microsoft Teams) ☐ No

If yes, please make sure your contact details in the previous section are correct so we can get in touch.

Your thoughts

Which option do you prefer? (Select only one)

☐ **Our proposed option** – To join with South Wairarapa, Carterton and Tararua District councils to form a joint council-controlled water organisation to deliver water services

☑ **Our alternative option** – a Masterton-only approach

Please tell us why you selected that option:

Masterton District Council's Water Services Team have proven expertise. Our water systems are in much better condition than our neighbouring Regions water systems. In 2012, Masterton District Council managed the development of the Homebush Wastewater Plant which is still only 50% capacity - a very good asset for our Town. I prefer to retain our Water Services Team and continue to develop our water systems at a slower rate but with confidence and certainty.

06 370 6300
161 Queen Street
PO Box 444, Masterton 5840
submissions@mstn.govt.nz

MASTERTON WHAKAORIORI DISTRICT COUNCIL

The future of our water services: have your say

#95

COMPLETE

Collector:	Web Link 1 (Web Link)
Started:	Tuesday, April 22, 2025 9:33:52 PM
Last Modified:	Tuesday, April 22, 2025 10:13:38 PM
Time Spent:	00:39:45
IP Address:	[redacted]

Page 1

Q1

Your details

First name (required)	**Lyn**
Surname (required)	**Patterson**

Q2

Are you giving feedback on behalf of an organisation?

No

Q3

If yes, please write the name of the organisation below.

Respondent skipped this question

Page 2: Hearings

Q4

Would you like to present your views at the hearing?If yes, please make sure you include a phone number or email address in the next section so we can get in touch to arrange a time for you to speak.

Yes (in person)

Q5

Your contact details

Postal address

Email

Phone

[redacted]

Page 3: About you (Optional)

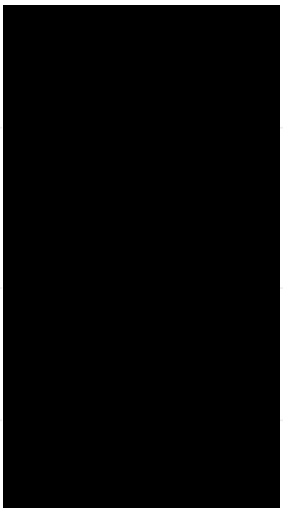
Q6

Which of the following best describes you?

The future of our water services: have your say

Q7

What is your age range?



Q8

Which ethnic group do you belong to? Select all that apply to you.

Q9

What is your gender?

Q10

Do you live with impairments/long-term health conditions or do you identify as tāngata whaikaha/disabled?

Page 4: Ō Whakaaro │Your Thoughts

Q11

Respondent skipped this question

Which option do you prefer? (Select only one)

Q12

Please tell us why you selected that option:Thank you for having your say. Please click "done" to finish.

I have thought long and hard about the issues, challenges and opportunities that LWDW will be for Masterton urban residents. I don't support Wairarapa- Tararua as I believe in the foreseeable future that the three Wairarapa Councils will amalgamate. I am still a strong and vocal supporter of amalgamation. Though LWDW can cross other territorial boundaries outside of Wairarapa, I suggest that a better delivery model be just a Wairarapa model. Masterton to Martinborough rather than Martinborough to Norsewood. We are more aligned as Wairarapa, given our regional council boundary which currently differs to Tararua. Our regional transport links, tourism , economic development, emergency management, workforce skills development, water strategy, Wairarapa combined district plan are all aligned to Wairarapa. Adding in Tararua for LWDW adds a further complex dimension. Three waters does not stand alone it affects many of the decisions made in other Wairarapa strategies as outlined above.
I accept that a Wairarapa model was not included in the consultation process but ask that it now be given due consideration.
If Wairarapa-Tararua is the delivery model adopted by Masterton District Council then I strongly suggest that a 'cost for service' pricing methodology be investigated and that pricing harmonisation not be adopted.

129

Submission

TELEPHONE 0800 327 646 I WEBSITE WWW.FEDFARM.ORG.NZ

FEDERATED FARMERS OF NEW ZEALAND

To:	Masterton District Council
Submission on:	Local Water Done Well
Date:	22 April 2025
Contact:	**WAIRARAPA FEDERATED FARMERS** **DAVID HAYES** **WAIRARAPA PROVINCIAL PRESIDENT** Federated Farmers of New Zealand [redacted]
Address for Service:	KELLY LANGTON **NORTH ISLAND POLICY MANAGER** Federated Farmers of New Zealand [redacted]

Wairarapa Federated Farmers wishes to be heard on this submission.

1. INTRODUCTION

Federated Farmers values this opportunity to provide feedback on the Council's future water services journey and response to Local Water Done Well.

The Three Waters have been a source of controversy and uncertainty in recent years. Farmers have taken a close interest in what is happening on the service delivery side for local authorities.

Federated Farmers opposed the establishment of the regional water entities, preferring to see service delivery decision making remain in the hands of local authorities.

We are pleased to see the range of options availed to local authorities in the Local Government (Water Services) Bill, and the elevated status of water services in the scheme of the legislation.

Whichever delivery arrangement Council ultimately settles on (the Council, or a water organisation it joins), will have the status and obligations of a water service provider. This will ensure compliance with financial principles including the ring fencing of water services revenue and, where the council forms a water organization, better access to capital at a lower cost.

Council's service delivery decisions should promote efficient use of the precious water resource. Where volumetric charging is not in place, it should be. Inefficient use of water impacts the whole community, with potential knock-on effects to rural and private schemes.

We hope that the Local Water Done Well program will help local government to close the infrastructure deficit and successfully comply with the elevated drinking water standards introduced in 2022.

While the greater part of our membership is supplied by private drinking water schemes, have on-site wastewater arrangements, and are not on urban stormwater networks, we have an interest as ratepayers in ensuring Council's service delivery is efficient, successful, and does not rely in any way on funding from general rates.

Where farms and rural residences rely on council drinking water schemes there should be prominence given to their needs in Council's Water Services Delivery Plan. Many rural schemes have limited capacity to meet elevated drinking water standards introduced in 2022 and need reassurance as to their financial sustainability.

2. WAIRARAPA SPECIFIC COMMENTS

Wairarapa Federated Farmers is concerned that consultation on this decision has been rushed with not enough information and too much uncertainty to make an informed submission.

Federated Farmers is a not-for-profit primary sector policy and advocacy organisation that represents the majority of farming businesses in New Zealand. Federated Farmers has a long and proud history of representing the interests of New Zealand's farmers.

FEDERATED FARMERS OF NEW ZEALAND

The Federation aims to add value to its members' farming businesses. Our key strategic outcomes include the need for New Zealand to provide an economic and social environment within which:

- Our members may operate their business in a fair and flexible commercial environment;
- Our members' families and their staff have access to services essential to the needs of the rural community; and
- Our members adopt responsible management and environmental practices.

This submission is representative of member views and reflect the fact that local government rating and spending policies impact on our member's daily lives as farmers and members of local communities.

#46

Submission

Local Water Done Well

Due 11.59 April 22

Jamie Falloon

[redacted]

[redacted]

- [redacted]

1. I do not support the Council moving towards a CCO for water in the Wairarapa and Tararua.

2. I am a ratepayer in Masterton and receive water services at Riversdale Beach.

3. Central Government are maybe driving a tight timeline on change but there are no good reasons why Masterton should agree to this change to a CCO to satisfy them.

4. My reasons for Masterton Only are as follows as it is a better option that a CCO. However, the increased charges versus what we are currently paying do not seem justifiable, and more detail will be required once the correct decision is made to justify these costs.

5. **Risk to Masterton Ratepayers**

6. Masterton has far lower water charges than other Councils in the Wairarapa region.

7. The average rates bills is $117 a month and the average connection cost of the CCO is almost $200 a month. This is a huge increase.

8. The risk of standardisation was poorly covered in the Q and A sessions. A suggestion was made that the Commerce Commission could require this even though Councils had agreed not to standardise. This alone is a reason not to vote for a CCO.

9. Masterton Ratepayers don't want to bring a blank cheque for the other councils to cash due to their lack of application in getting their water services up to Masterton's level.

10. The process followed where councillors have to decide to move to a CCO without any certainty for ratepayers is a very poor process to follow. The risk to Masterton Ratepayers is that the other councils could band together to get Masterton to pay a larger share of their costs (standardisation) and is too great when you consider the differences in the different council charges.

11. Because the details of the CCO, shareholdings, charges, ringfencing and standardisation are subject to negotiation there should be no agreement to move to this unless these things have been discussed, and ratepayers have had a chance to provide feedback. That is what good decision making looks like.

12. At best the process followed should be that councils appoint an independent hearings panel which hears from Council Staff and effected ratepayers, considers all of the options and provides a report which ratepayers can then use to discuss with their councils as to whether a CCO is a good idea.

13. Masterton District Councillors cannot sign Masterton Ratepayers up to this new model due to the uncertainties. This is also not the way that a business merger would generally be undertaken.

14. **Consultation**

15. The local councils have done a reasonable job in promoting the changes and the implications. However, the main consultation document is very high level and uses heroic assumptions around economies of scale and operation efficiencies that have very little basis in a council operation. The similar example is Wellington Water and recent reports show that this model costs 3 times more than equivalent council charges. (it doesn't matter whether WW own the assets or not, this is irrelevant in terms of charging and delivering operational efficiency).

16. The modelling assumes 22.5% savings over 15 years which seems very high. A sensitivity analysis conducted on this would put the costs of the CCO far higher. Any operationally efficiency should be considered as BAU.

17. The consultation document was very light on financial modelling assumptions, and it has taken the process of extra questions for councils to release this modelling.

18. This process could have been handled much better as outlined in para 12.

19. **Governance**

20. Relying on a statement of expectations and an independent board and a shareholders committee doesn't give Masterton ratepayers any comfort. Especially since these will all be set up after the fact. This is basically what Wellington Water is and that is a basket case.

21. It is common in large mergers for the costs to be far greater than expected and this will be the case when bringing in 4 different water departments and council employees. This will be a difficult merger especially with the urgent demands South Wairarapa will place on getting their waste water plants up and running so they can have new connections. Currently they cannot afford these.

22. It does state that operational efficiency will start from year 3 so there is an expectation that the merger and getting culture underway and prioritising work will have some benefit but I think it is overstated and optimistic from my experience in merging companies.

23. There will be the risk of a loss of local knowledge around our water systems especially the smaller ones. These will not get the same focus as the bigger / newer systems.

24. **Financial Modelling and numbers**

25. The financial modelling does not appear to be using the same assumptions for comparison. A conversation with David Paris has highlighted that the Masterton only model assumes that the $60M of Homebush charges will be repaid over the term of the Homebush Resource consent, i.e. Masterton debt is repaid over the life of the assets. There doesn't appear to be any debt repayment clearly shown in the CCO modelling, if anything debt is shown to increase.

26. It is not clear what the CCO will do with any positive cash balances. There doesn't seem to be any debt repayment and it is not obvious that charges decrease. Maybe this is to be discussed as part of the shareholders agreement.

This is a large omission from the model as it is should be clear what the free cash is used for.

27. The assumption that Homebush is obsolete when its waste water consent expires is not a reasonable assumption to make. This will have a large impact on the costs of Masterton going it alone and therefore overstates those costs.

28. The modelling appears to be using assumptions in the individual councils LTP's rather than a consistent set across the councils. The same modelling assumptions should be used in the different options to allow for better comparisons.

29. The model assumes more staff are required if each council goes it alone, this doesn't make any sense and should be able to be achieved out of current operations.

30. The CCO modelling shows an increase in charging on average of $5m per year upto 2035 and then $3m from then. This is a very large increase when PPI assumptions are only 2% per year. The models are supposed to be inflation neutral so there are questions asked to determine what this increased charging is for.

31. The value of the network in the spreadsheet doesn't seem to be working as in year 27/28 and 33/34 the value is less than the previous year.

32. There appears to be an error in the Debt figures in the financial summary. Total debt in the CCO model gets to $400m. Total debt in the individual councils LTP's etc shows SW at $347m, Mstn at $161m, Carterton at $101m, Tararua at $68m – the only council with a reducing debt (that doesn't seem right) This adds upto $677M. This doesn't equal the debt in the CCO financial summary of $400m. **Why is there such a large difference? This also raises questions about the accuracy of the rest of the modelling.**

33. The modelling appears to be very light weight and has no audit process or review process attached. There seems to be simple spreadsheets used and errors appear to have been made. These may not be material, except for the debt numbers above, and any corrections should be made and provided to ratepayers before a decision is made.

34. The financial modelling does not give any comfort that the Masterton Ratepayer will be any better off under the CCO model than going it alone.

Summary Statement

This is a large complex change that is being pushed upon local councils and ultimately ratepayers and users of water in Masterton. This does not make financial sense for Masterton ratepayers. It does not make any sense in a business perspective with key elements of the plan yet to be decided with seemingly no option for council once a decision has been made.

There appears to be little justification for the increase in costs for Masterton from current charges. There is a very opaque reference to rates being reduced over time, which is disingenuous at best considering the whole rational of the CCO is that it's supposed to deliver better cheaper water.

There is no summary of what a new rates bill would look like if a CCO model was adopted.

Making a decision to recommend a CCO Wairarapa + Tararua model will be a huge mistake and one that councillors should be very considerate of.

Rates are already unaffordable. There doesn't seem to be any sort of rebate for lower income families, shows as 0% in the model, and this would then have to be paid for by ratepayers outside of the CCO model. This would increase charges.

Masterton Councillors should vote **NO** to the CCO and stick with the status quo. We know our water systems; we have been investing ratepayer money in bringing them up to a good standard and it appears that Masterton ratepayers will be stung by some of the other councils lack of work and effort.

The future of our water services: have your say

#44

COMPLETE

Collector:	Web Link 1 (Web Link)
Started:	Monday, April 21, 2025 1:34:04 PM
Last Modified:	Monday, April 21, 2025 2:09:31 PM
Time Spent:	00:35:27
IP Address:	[redacted]

Page 1

Q1

Your details

First name (required)	**Peter**
Surname (required)	**Debney**

Q2 **No**

Are you giving feedback on behalf of an organisation?

Q3 **Respondent skipped this question**

If yes, please write the name of the organisation below.

Page 2: Hearings

Q4 **Yes (in person)**

Would you like to present your views at the hearing?If yes, please make sure you include a phone number or email address in the next section so we can get in touch to arrange a time for you to speak.

Q5

Your contact details

Postal address	[redacted]
Email	
Phone	

Page 3: About you (Optional)

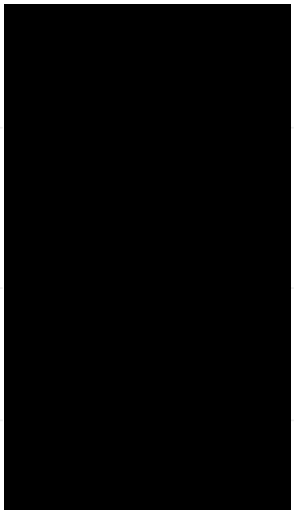
Q6 [redacted]

Which of the following best describes you?

The future of our water services: have your say

Q7

What is your age range?



Q8

Which ethnic group do you belong to? Select all that apply to you.

Q9

What is your gender?

Q10

Do you live with impairments/long-term health conditions or do you identify as tāngata whaikaha/disabled?

Page 4: Ō Whakaaro │Your Thoughts

Q11

Which option do you prefer? (Select only one)

Our proposed option – To join with South Wairarapa, Carterton and Tararua District councils to form a joint council-controlled water organisation to deliver water services

Q12

Please tell us why you selected that option:Thank you for having your say. Please click "done" to finish.

Understanding that Local Water Well Done aims to find a better way of managing and providing sale drinking water, treating wastewater, and dealing with stormwater, I fully support the proposed CCO option of combining Masterton, Carterton, South Wairarapa and Taraura District Councils to best meet the new regulatory standards.
These four councils are historically, culturally and geographically connected and face similar challenges and share iwi ties.
Accepting that, as outlined in the proposal, for the Wairarapa-Taraua , each council would have different investment requirements and costs of services and capascvity to fund the investment required, but would retain regional differences to ensure that the proposed changes would reflect the direct cost to each district.
My understanding is that the projected costs are based on water charges not being standardised. For Masterton residents the there may be an initial increase in the estimated cost per connection that in the longer term would achieve an overall reduction in cost per connection.
Importantly the legislative changes would allow for CCO debt levels to go to 500% of operating revenue. This greater debt capacity would enable the Board established to manage this greater flexibility in its operation, funding management, and service delivery.
I understand that the revenue from and delivery of these water services will be separataed from the territorial authority's other functions and activities (it would be ring-fenced).
A portion of the water services operating costs would be identified as corporate overheads, The revenue that would pay for these overheads would move to the new CCO. The Councils would be left with the task of reducing their respective overheads, effectively down-sizing their corporative costs.

Masterton District Council Hearing Procedure:
The Future of our Water Services - Local Water Done Well
Wednesday 14 May 2025

The Council will hear all submissions:

Mayor Gary Caffell (Chairperson)
Deputy Mayor Bex Johnson
Cr Craig Bowyer
Cr Marama Tuuta
Cr David Holmes
Cr Tim Nelson
Cr Stella Lennox
Cr Brent Goodwin
Cr Tom Hullena
Iwi Representative Robin Potangaroa
Iwi Representative Jo Hayes

- The hearings give you an opportunity to expand on the submission you made and/or to focus on your key points. You can assume that the elected members have read your submission.

- You will have 7 minutes to present, with 3 minutes at the end to answer any questions from the elected members. A bell will be rung at 6 minutes and again at 10 minutes.

- The Chairperson has the right, with or without the agreement of the other members, to end a submission in progress or to extend the time allowed for any submission.

- The Chairperson, or any member through the Chairperson, may ask questions relevant to the matter being heard. The Chairperson may wish to clarify or correct any matter raised.

- Hearings will be taking place in person at Masterton District Council, Waiata House, 27 Lincoln Road, Masterton on **14 May 2025**. We will also have a Microsoft Teams option available. This hearing will also be livestreamed.

- Please arrive at the venue or join the meeting 10 minutes prior to your allocated speaking time. Please also allow additional time as individual submissions may run longer than scheduled and your speaking time may be delayed.

- If you want to use a PowerPoint, please advise Harriet Kennedy on 370 6300 and either email your presentation in advance of the hearing to harrietk@mstn.govt.nz (the preferred option),or bring a flash drive on the day 10 minutes prior to your allotted time.

- If your circumstances change and you are unable to make your allocated time, please ring Claire Jordan on 06 370 6300 or 027 444 2357 as soon as possible.

- If for any reason you are unable to attend, the Council will still consider your written submission.

- The Council will not normally indicate whether or not they support your submission.

- At the conclusion of hearing all the submissions the meeting will close.

- At a meeting on Wednesday 21 May 2025 the Committee will deliberate and make recommendations to Council on the matters raised in the consultation.

8 REPORTS FOR INFORMATION

Nil

9 PUBLIC EXCLUDED

Nil