

Read the third in our series of articles on the Government's 3 Waters Reform and what it might mean for Waitaki.

## THE GOVERNANCE STRUCTURE

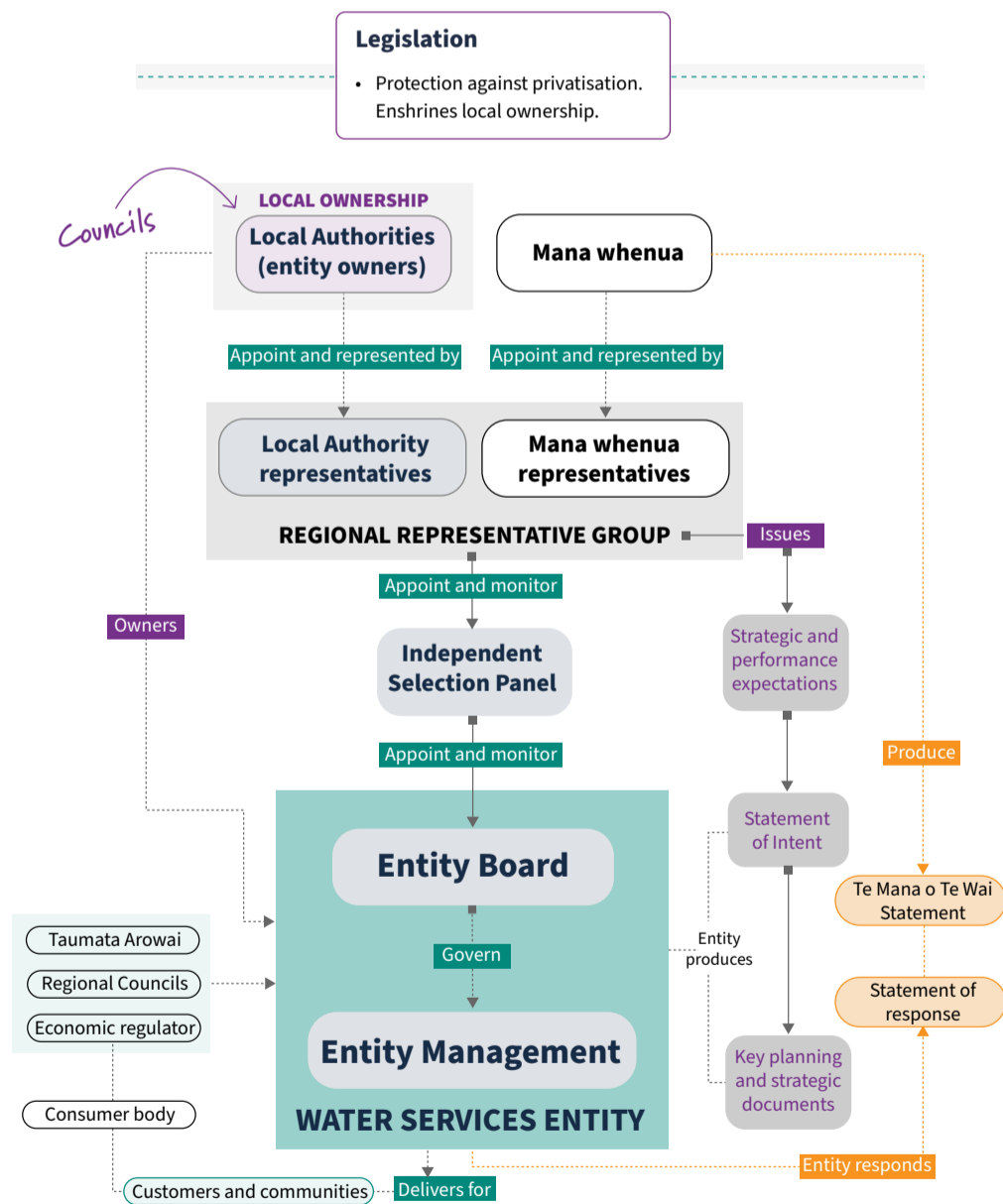
Let's look at the way governance works under the 3 Waters Reform proposal, what the new water entity will look like, and how it would operate.

Waitaki will be one of twenty territorial authorities in Entity D, and one of questions that we will have to consider is exactly how that will work for our district. The Government's (complicated) diagram below shows the governance structure that is proposed for the four entities that will potentially control the country's three waters.

The important bit is the green part, showing who's directly responsible for running the entity – the board of directors and the entity management. The board will be made up of professional directors with specialised knowledge and skills.

You might say that Mayors and Councillors have a better understanding of the wants and needs of the communities they represent, but they are not in the proposed model.

The ownership, governance, and control of the new entity (in our case, Entity D).



We know that the diagram looks complicated and busy, but that is the nature of the entities being proposed to run the three waters in the future. Here's our take on it:

- Ownership of the assets stays with the Councils. Not the Government, not the entities, and not Iwi Maori.
- The 20 Councils appoints a total of 5 or 6 members to the Regional Representation Group. In Entity D, Ngai Tahu also appoints the same number of representatives.
- The Regional Representation Group appoints independent people to an Independent Selection Panel.
- The Independent Selection Panel appoints directors to the entity to oversee the water services activity. The directors appoint the management of the entity to manage that work.
- There will be a number of other organisations overseeing the entity's performance:
  - **Taumata Arowai** which will be setting the standards to be achieved and will monitor the environmental performance of each entity
  - **Regional Councils** which will carry out a similar role as now – issuing and monitoring resource consents for water takes and discharges
  - **An economic regulator** which will ensure the entity is being run cost-effectively
  - **A consumer group** to ensure communities are being served adequately

The Government is trying to achieve a range of goals with this model. Some elements may not be needed for us in Waitaki, but this one size fits all approach doesn't allow for much change.

However the Councils in Entity D are working with Ngai Tahu to see if there is a model which allows greater local control and accountability, should the reforms go ahead.

## SO WHO WILL OWN THE ASSETS?

**It is proposed that Councils will still own the assets – the ownership does not go to the government, to the entity, or to Māori.**

However, the control will not sit with Councils.

### Then what would be the role of Councils?

They will work together to choose half of the 10 to 12 members of the Regional Representation Group. The other half will be chosen by mana whenua, which in our case, is Ngai Tahu.

### What's the role of the Regional Representation Group?

That Regional Representation Group will be responsible for ensuring that the entity is carrying out its obligations on behalf of all of the Councils and communities involved.

One of their important roles is to appoint the independent selection panel, and that selection panel will appoint the board directors.

Another important role of the Regional Representation Group will be to set the goals of the board, its Key Performance Indicators, if you like.

### Why the need for such a complicated structure?

The reason for such a complicated structure is to provide enough separation between the operation of the entity and the Councils, to achieve one of the goals for reform which is to get any water asset debts away from Councils.

That is needed for most Councils, but for Waitaki that is less necessary, as our water asset debt is reasonably low.

## KEEPING UP SO FAR?

**Our Council has been involved in a number of workshops to help us understand this and other aspects of the reforms, as it is rather complex. We will put this information on our website so you can take your time over it.**

**Just how our local concerns and wishes will be heard within this model isn't clear right now, and this is one of the things that we want to know more about before we make any decision.**

**We do know there will be an economic regulator to help ensure the board makes good financial decisions, and there will probably be a Consumer Group to help ensure that the entity works for its communities, but the model is still being fine-tuned to ensure that each district can still get the services it needs, both now and into the future.**

**To watch all the videos and read the material we have put together, go to council's website:**

**[www.waitaki.govt.nz/  
waitaki-talks-water](http://www.waitaki.govt.nz/waitaki-talks-water)**

**or visit our Facebook page.**

## WHAT'S THE ROLE OF IWI?

**Some people are worried, because they've heard that iwi will be given 50% ownership of the assets or half of the control of them under the proposals. This is incorrect.**

So, with Entity D being defined by the Ngai Tahu takiwa boundary, what role does the iwi play if these reforms go ahead? Iwi will help appoint members of the Regional Representation Group.

**Iwi will not own the water or the assets. Also, iwi will not have any veto rights.**

## WHAT ABOUT PRIVATISATION?

**There is one decision which will require 75% of the whole Regional Representation Group to vote for it to happen, and that is a decision to sell the entity.**

Even if that threshold is reached, the decision then has to go to the public and will require a public referendum to reach a 75% vote in favour for the sale to happen. Because a government cannot bind a future government, requiring a 75% vote in favour of any decision to sell means that it will be more difficult to privatise it in the future.



**Council has given feedback to Government about our thoughts on the 3 waters proposal. Essentially, we don't have enough information to make an informed decision and more importantly, we don't have enough information to have a full discussion with you, our community.**

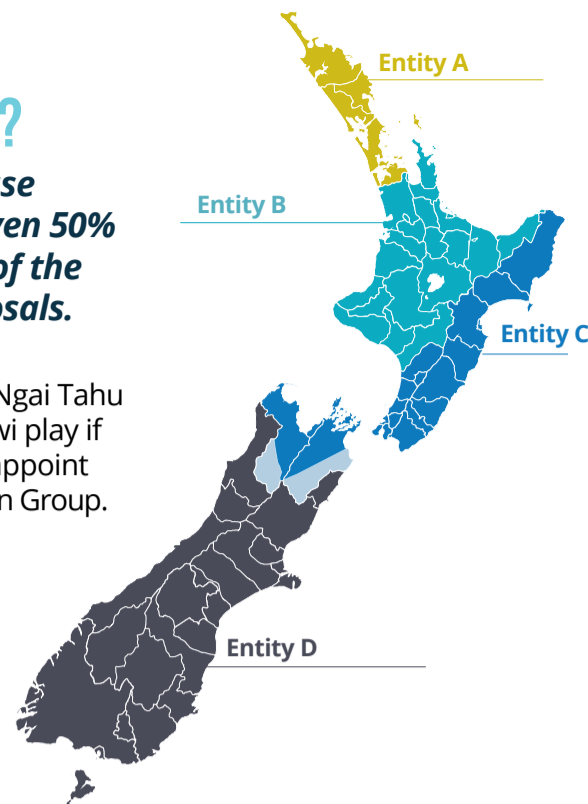
So, we have asked for more details around the financial impact of the proposal and of the new standards that we are expecting to apply to water. And we need to know more about how the new proposed entity will look after our Waitaki community, from the urban schemes serving our towns, through to rural schemes serving our villages and farms. It would also be very helpful for us to know exactly how long we have to consult properly.

We want your feedback and are preparing the consultation material to allow as many people as possible to let us know their thoughts on what is proposed. That will be released as soon as possible, and your feedback will assist us in making the decision as to whether we are in or out.

I do have to acknowledge though that it is very possible that the Government will make the proposals a reality by legislating that it will happen. If that occurs, the decision will be taken out of our hands. That would be a major call for any government to make, but the reality of the political situation is that there has been much time and effort put into this proposal, and the government is convinced that the case for this change has been made so well.

**As we have said all along in Waitaki – there is a case for change, but we are far from convinced that this proposal is the best option for our people to achieve the necessary change. What do you think? Please take part in our consultation when it opens and please give us your thoughts.**

**Gary Kircher - Mayor for Waitaki.**



For more information on the Government's proposed 3 Waters reform: [threewaters.govt.nz](http://threewaters.govt.nz)