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Melanie Tavendale
Mayor, Waitaki District Council

Dear Mayor Tavendale

I refer to the letter from Paul James, Secretary for Local Government (Secretary) dated 6 October 2025 to Alex Parmley, Chief Executive Officer regarding the assessment of Waitaki District Council's (Council) water services delivery plan (plan).

Congratulations once again on your successful appointment as Mayor of the Waitaki District.

In line with our prior conversation, you will be aware the plan submitted by Council on 27 August 2025 was not accepted by the Secretary. The Secretary was not satisfied the plan included an assessment of the current condition, lifespan and value of the drinking water, wastewater and stormwater networks as required under section 13(1) (h) of the Local Government (Water Services Preliminary Arrangements) Act 2024 (the Act).

In particular, it was noted the plan did not include any grading information for drinking water or stormwater networks. Whilst 25 percent of the wastewater network has been graded, the plan stated much of the existing information from closed-circuit television (CCTV) is now dated. Recent inspections indicate a general deterioration of the network condition over the last two decades, along with high inflow and infiltration levels in many of the schemes.

An assessment of the current condition, lifespan and value of all of drinking water, wastewater and stormwater networks is a legal requirement. It is also required to assess the financial projections in the plan and the overall financial sustainability of the plan.

Under section 20(3)(a) of the Act, the Secretary has required the Council to amend and resubmit the plan by 30 June 2026. The amended plan must include an assessment of the current condition, lifespan and value of the water services network, and any amendments to other aspects of the plan resulting from this additional information being included in the plan. The attached proposed Terms of Reference provides further information on the areas which should be reconsidered in the amended plan following completion of the asset condition assessment.

I intend to appoint a Crown facilitator to assist Waitaki District Council to amend its plan

As required by section 32 of the Act, I am notifying you of my intention to appoint Hon. Amy Adams as Crown facilitator to assist the Council to amend its plan for submission by 30 June 2026.

I have attached a proposed Terms of Reference which outlines the role of the Crown facilitator.

Under section 25(2)(b)(i) of the Act, I believe that it would be beneficial to appoint a Crown facilitator because the Council is otherwise unlikely to submit its plan to the Secretary in accordance with subpart 1, by the revised deadline of 30 June 2026.

Under section 27(1)(c) and 27(1)(d)(ii), a Crown facilitator may assist or direct a council to amend its plan after being required to do so by the Secretary.

If the condition of the Council's assets is worse than expected in your initial plan, the Council may need to consider a change in delivery model to meet the legislative requirements. This could include consideration of a joint delivery model. I expect that as the work required to obtain asset condition information is progressed, the Council considers different scenarios including the potential for a change in delivery model in your revised plan, to ensure the financial sustainability requirements in the Act can be met.

The Crown facilitator can support your Council to explore alternative delivery models, including by facilitating engagement with neighbouring councils to explore opportunities for collaboration in water services delivery. The Crown facilitator can also assist your Council to amend the plan as required based on the findings of the asset condition assessment.

The Crown facilitator can assist your Council to progress the work it has underway with Timaru District Council to explore opportunities for collaboration to improve efficiency and reduce costs in water services delivery. The Crown facilitator could also assist your Council to engage with other neighbouring councils to explore opportunities for collaboration in water services delivery, if agreed to by the relevant councils.

I believe Hon. Amy Adams is a suitable candidate to assist your Council with its plan. Hon. Adams has extensive government and governance experience in the South Island, and particularly in the Canterbury region. Hon. Adams previously served as Member of Parliament for Selwyn and is the current chancellor of the University of Canterbury. She has held a number of Ministerial portfolios including as Minister for Justice, Communications, and the Environment, and served as a director on the board of Health New Zealand. Her skills include governance, strategy, communications, stakeholder management, and government relations.

My intention is that the term for the Crown facilitator appointment will begin on the first working day after the Gazette notice is published confirming the appointment. The

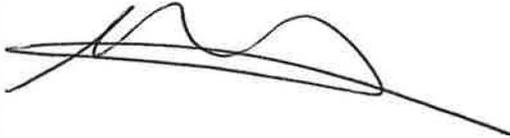
appointment will conclude on 30 June 2026 unless I decide to extend the appointment by written notice.

Under section 32(1)(b) of the Act, I am providing the Council with the opportunity to satisfy me of the following matters, if you wish to do so:

- that the reasons for making the appointment do not exist;
- that for any other reason, I should not make the appointment; or
- that I should appoint a different ministerial appointee.

I ask that you please respond to this notice of proposed appointment by 5 November 2025.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Simon Watts', written over a horizontal line.

Hon Simon Watts
Minister of Local Government