

# Local Water

LWDW Submission  
Analysis Report



## Options analysis summary

### **Option 1 – A Water Organisation jointly owned by Palmerston North City Council, Manawatu District, Horowhenua District and Kapiti Coast District Councils**

There was resounding support for this option including the most affordable option, the size and scale of a four-council model and geographically well positioned. Generally, submitters were supportive of Councils proposal on the basis of what had been outlined in the consultation document.

There was some opposition to partnering with Kapiti Coast District and Manawatu District Councils given they did not have this as their preferred option. Some concern was raised about privatisation and the CCO being profit making. Only a small number of submitters mentioned water meters and were 50/50 on the pros and cons of them. A small number of submitters were in support of Iwi involvement.

### **Option 2 – A Water Organisation jointly owned by Palmerston North City Council and one or more other councils within the Horizons Regional Council boundary.**

The results of this option were very mixed. For some the costs are acceptable but without knowing who will be in the mix, submitters were unclear about where the costs might land. Submitters understood that working with other councils provides efficiency but also comes with increased complexity with the council that are involved. 16 submitters raised the different needs of councils across the region and 31 submitters think the full geographical area would create too many challenges and therefore not be a realistic option.

Other matters raised by submitters included fluoride, Iwi involvement, water tanks and why should other councils pay for Palmerston North City Council infrastructure debt.

### **Option 3 – Status Quo with changes \*doesn't meet legal requirements.**

Concerns about cost and the potential impact on council services were common for this option. Some also expressed regret over losing the ability to manage water services locally, along with the associated expertise and control.

There was some opposition to regional collaboration from 29 submitters, while 17 questioned whether the option could be effective if the council made changes, such as adjusting current projects or funding mechanisms (e.g., user-pays). A small number of submitters questioned the potential financial costs. Some submitters also queried the possibility of a standalone council-controlled organisation for water services. Some people also expressed criticism of the government's legislation under this option, especially regarding the potential impacts for our city.

## Partnering with other councils

When asked which other councils' people were keen to see us collaborate with there was a mix of opinion. The four council options came out on top followed closely by Horowhenua and Manawatu District Councils citing the main reason being they are our closest neighbours. Kapiti Coast District Council was also popular, but many noted they are just a bit further away.

There was also a large majority of people who didn't mind who we partnered with and think we should be open to as many Councils as possible.

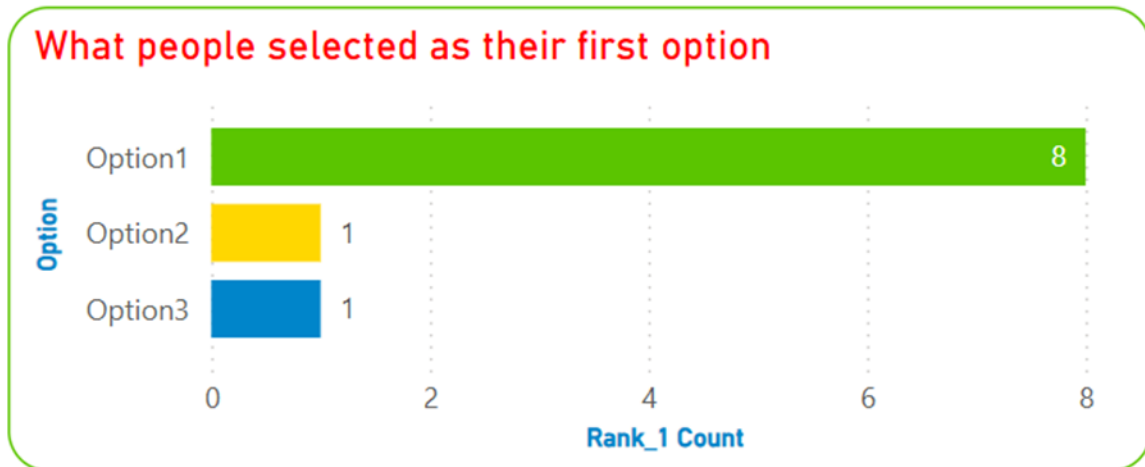
People were keen to see us collaborate with Whanganui, Rangitikei, Ruapehu and Tararua District Councils. There were also a submissions suggesting we collaborate with Hawkes Bay Councils.

***The Table below shows across the age ranges which councils submitters would prefer to work with.***

	69 plus	40 - 68	10-39	Total
Palmerston North City Council, Manawatu, Horowhenua & Kapiti Coast District Councils	21	13		34
Palmerston North City Council & Horowhenua District Council	2		19	21
Palmerston North City Council & Manawatu District Council		3	17	20
Palmerston North City Council	7	8		15
Palmerston North City Council & Kapiti Coast District Council			10	10
Palmerston North City Council, Manawatu & Horowhenua District Councils	6	3		9
Palmerston North City Council & Tararua District Council		4	4	8
Don't care		3	3	6
Manawatu-Whanganui	1	4		5
Any willing partners		5		5
Palmerston North City Council, & Whanganui District Council			4	4
As many as possible	2		1	3
Palmerston North City Council & Rangitikei District Council			3	3
Manawatu-Whanganui & Hawkes Bay	1		1	2
Palmerston North City Council, Horowhenua & Kapiti Coast District Councils		2		2
Manawatu-Whanganui plus Kapiti Coast District Council		2		2
Whanganui & Horowhenua District Councils	1			1
Palmerston North City Council, Tararua & Manawatu District Councils	1			1
Taupo District Council & Wellington City Council	1			1
Smallest number as possible			1	1
Palmerston North City Council & Ruapehu District Council			1	1
Palmerston North City Council, Tararua & Horowhenua District Councils		1		1
Palmerston North City Council & Wairarapa District Council		1		1
Palmerston North City Council, Horowhenua, Rangitikei, Tararua & Whanganui District Councils		1		1

## Trade Waste Customers

We received 12 submissions from Trade Waste Customers. Of those 12, 8 chose Option 1 as their preferred option with Option 2 being ranked second.



***NB there were two people who did not rank any preferred option.***

Trade waste customers generally wanted water to be affordable and some suggested water meters are needed now. There was support for collaborating with those close to us, but some were keen for us to continue to deliver water services alone. They mentioned it's important that jobs are retained and that a new organisation would allow the council to focus on other investments. One customer said they trust elected members will make the right decision.

As can be seen from the table below, submitters ranked innovation, consistent water services, climate resilience and environmental benefits as the most important values to them.

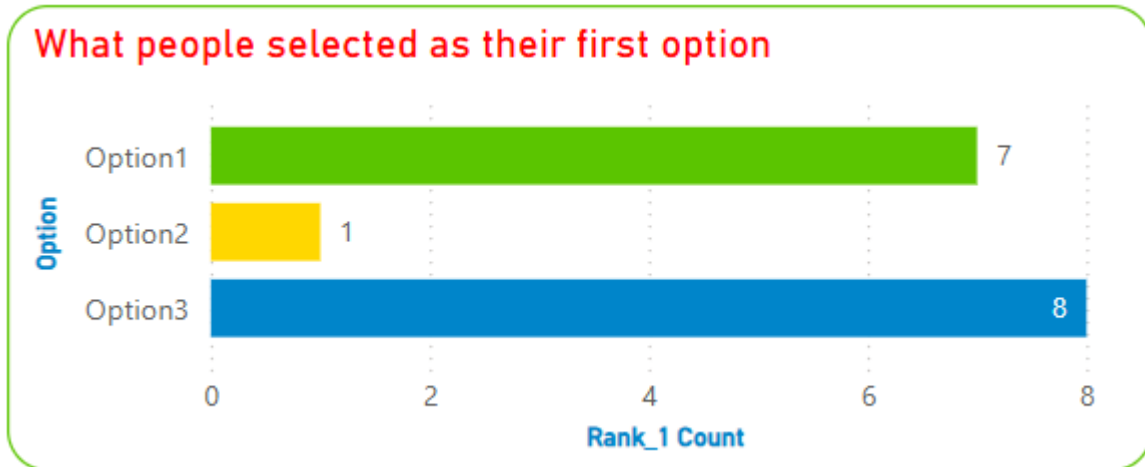
The table below shows the values count for these customers:



### Not connected to our water services

We received 18 submissions from people not connected to the city drinking water and/or wastewater network.

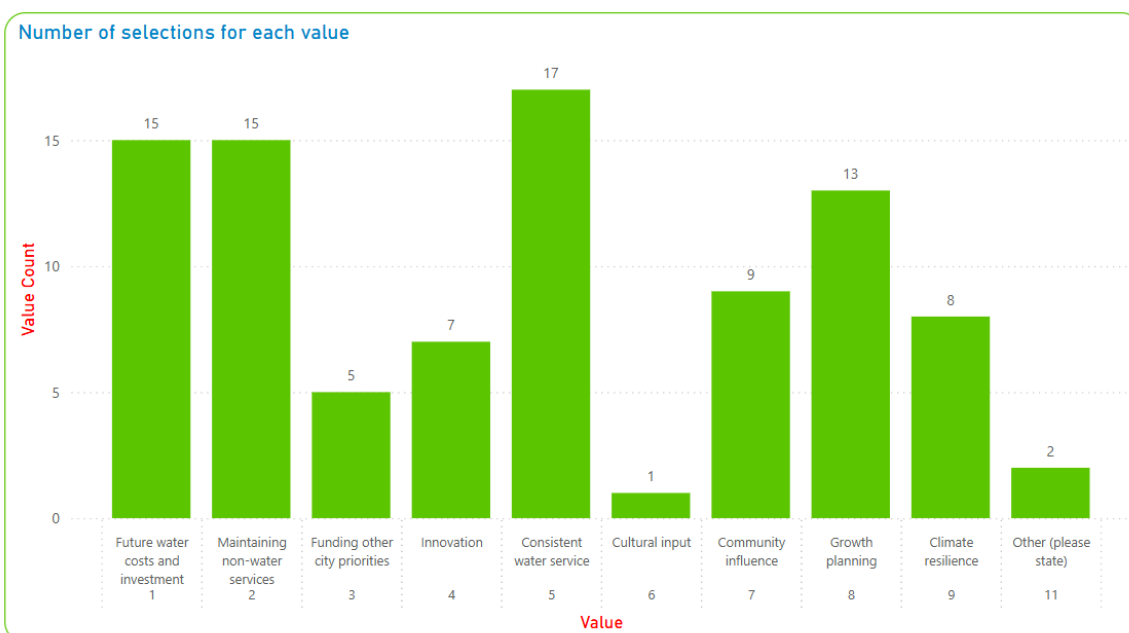
This group’s preferred option was option 3 (50%) followed closely by option 1 (43.75%)



**NB there were two people who did not rank any preferred option.**

The themes in this option were more of a mixed bag. People are keen for the most affordable option, but there’s mixed views on whether to collaborate due to efficiency and close geographical relationships - or do it us. A couple of submitters flagged the increased debt in the community. There were a few submitters not happy with the ‘local water done well programme’ however a couple did note they were pleased with the new regulations. A couple of submitters feel we should have planned better for Nature Calls costs.

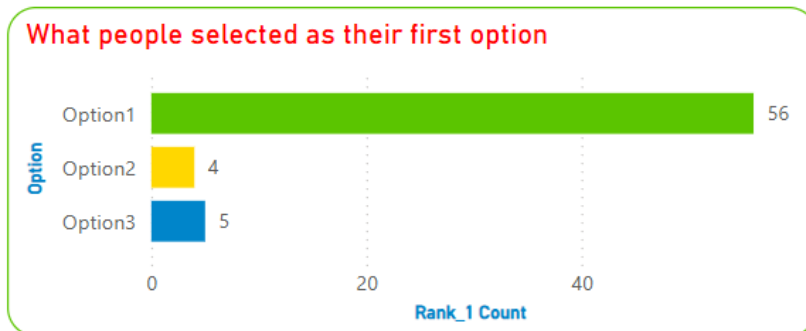
The table below shows the values count for these customers:



## People aged between 10 and 39

We received 66 submissions from this age group.

2 from the 10 – 19 bracket, 24 from the 20 – 29 bracket, and 40 from the 30 – 39 age bracket. As can be seen from the table below 56 submitters (86%) of this group supported Option 1 as their preferred delivery model.

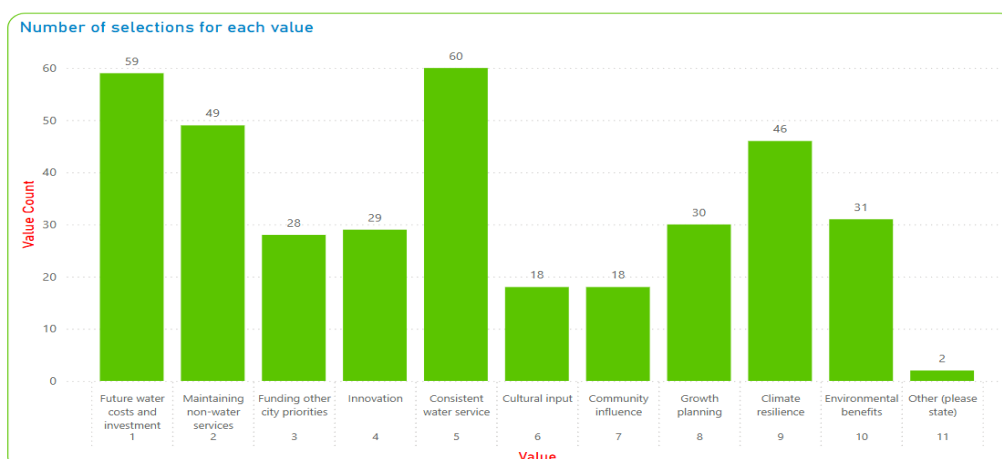


***NB there were two people who did not rank any preferred option.***

This age group are focused on a consistent water service, wanting future costs to be affordable, that scale matters but also want to retain autonomy. They are challenged as to why we cannot continue to deliver water services as we currently do, however from a regional collaboration perspective they generally support the notion of economies of scale.

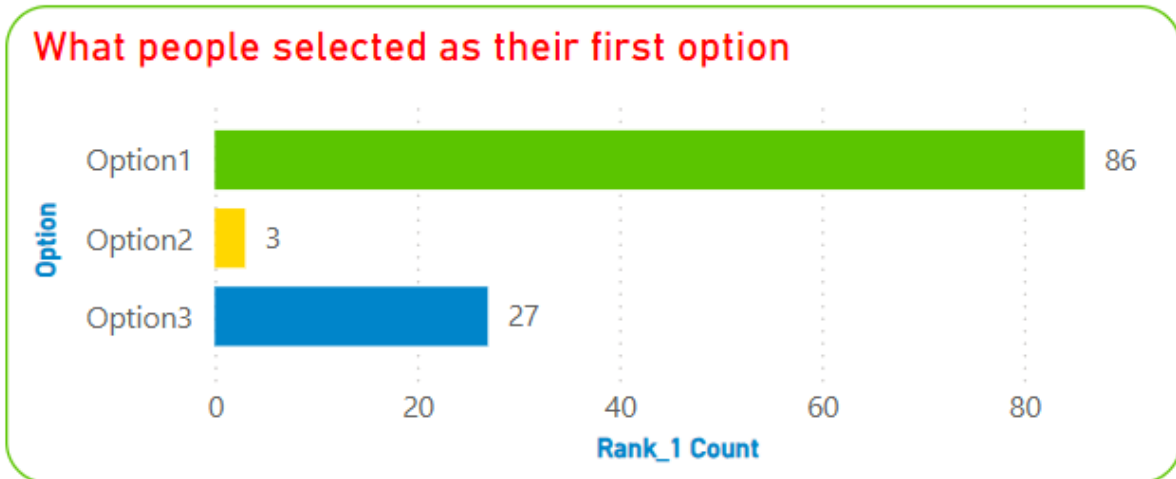
There was strong negative opinion from this group in relation to our relationship with other councils and loss of local control or decision-making. They are concerned about climate change, the impact of a change in government and the administrative complexity of a new water organisation. One submitter suggested government should make Manawatu and Kapiti Coast District Councils be involved, some had a negative view of government and the constant changes to the reform programme. They are keen to see us encourage water tanks installation and consider the impact of any future decisions being made that will impact vulnerable communities.

The table below shows the values count for these customers:



### People aged between 40 and 69

We received 124 submissions across this age bracket. Of those submissions 86 people (74%) selected option 1 as their first choice followed by option 2 being their second preference with 91 people ranking it as their second option.



**NB there were eight people who did not rank any preferred option.**

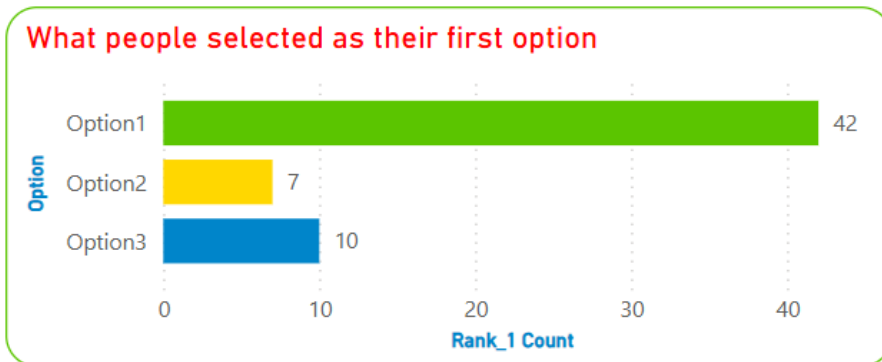
This age group are focused on consistent delivery and water costs being affordable, and a number are keen to see water meters implemented. But when it comes to whether we collaborate it's an almost even result either way. If we do collaborate, people in this age range are keen to see us collaborate with people geographically close, some raised concerns Kapiti was a bit far away for example. This age range cares about local input into decision making and is keen to see more improvements when it comes to climate change mitigations and protecting the environment. They're keen to see us encourage more people to use water tanks and want to make sure that decisions are strongly based on the best for future generations. 7 submitters in this age group also stressed the importance of Iwi involvement, there were no comments opposing Iwi involvement.

The table below shows the values count for these customers:



## People aged between 69 plus

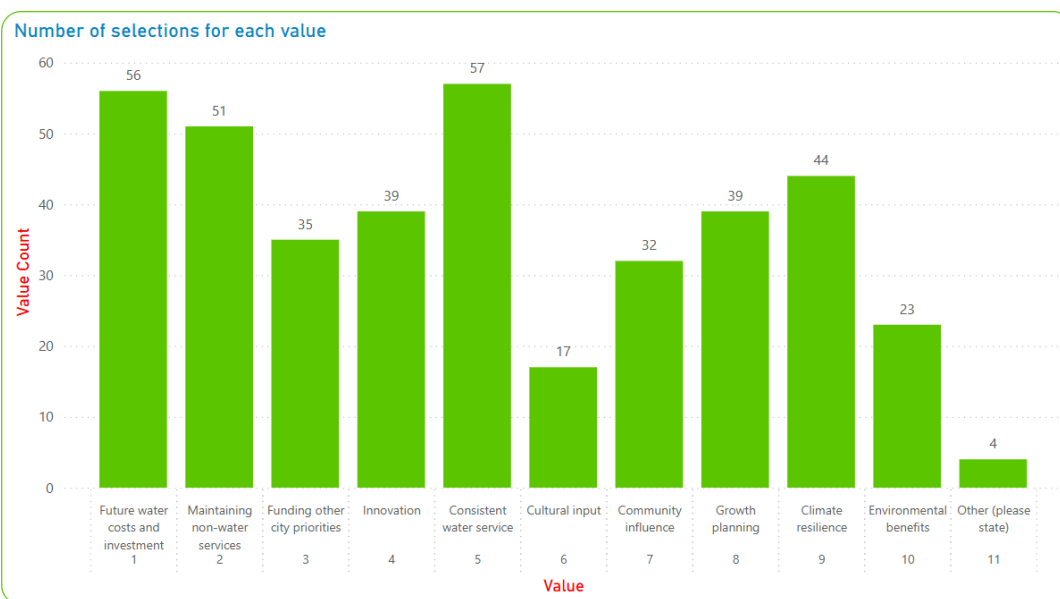
We received 69 submissions from this age bracket. Of this age bracket 42 submitters (71%) selected option 1 as their preferred option followed closely by option 2 with 41



***NB there were ten people who did not rank any preferred option.***

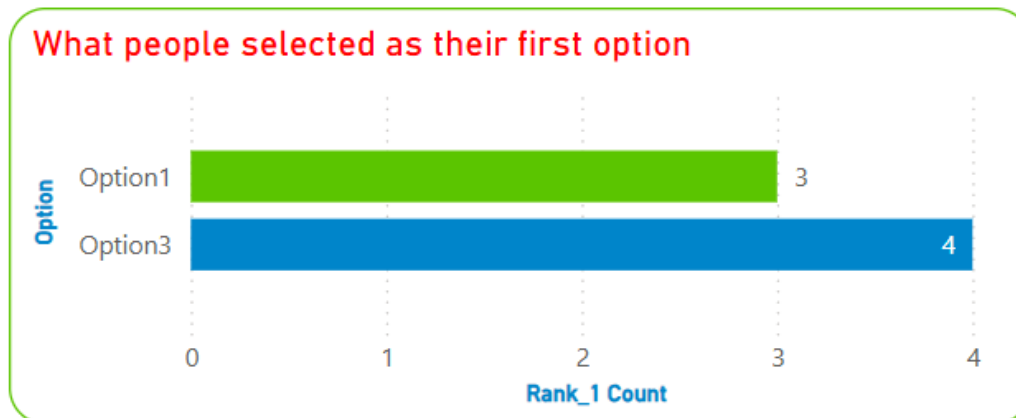
This age group are focused on water costs being affordable and understand that scale matters to make any option viable and sustainable into the future. Some submitters are skeptical about the cost estimates that have been included in the proposal but generally support Councils preferred option. There were mixed views as to the impact or not of any geographical distances. This age group cares about retaining community voice and decision making and has concerns about the administrative complexity and costs that will come from setting up a new organisation. This was also reflected in the number of submitters who wished we could continue on as we are now. They are keen to see us work with councils in our preferred option or a variation of them. This age group generally supports the installation of water meters, and only a small number specifically mentioned fluoride.

The table below shows the values count for these customers:



## People who don't reside in Palmy

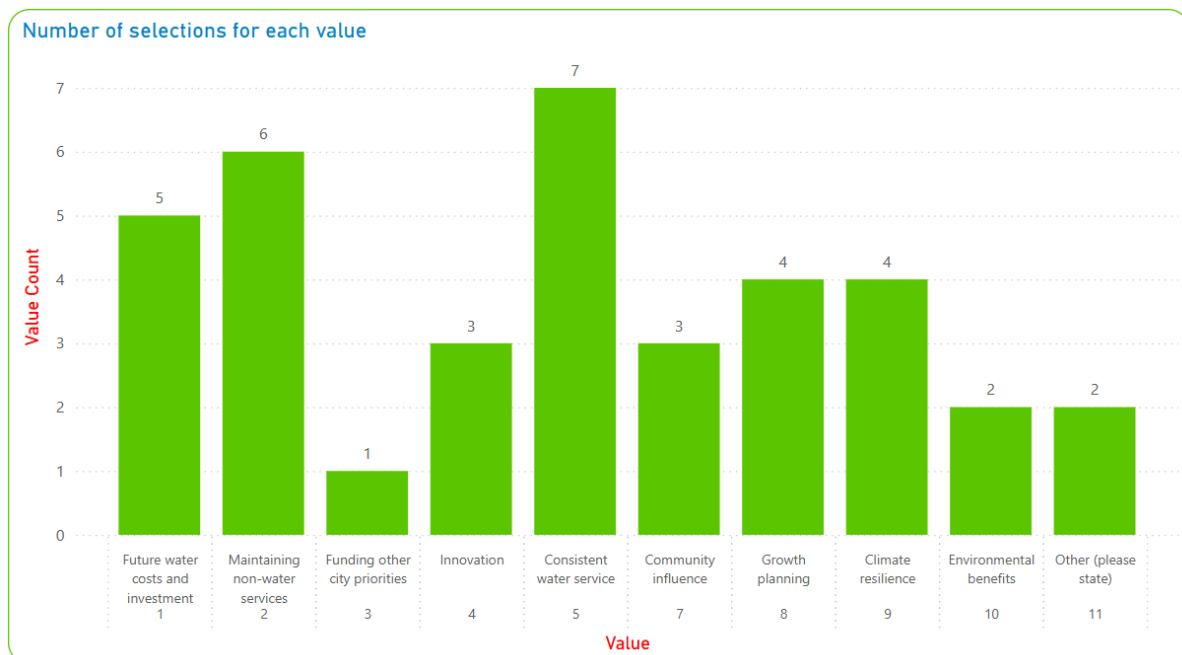
We received 7 submissions from people who did not reside within the city's boundary.



Whilst a small sample, cost and affordability are key to feedback including the impact on their rates if paying for other councils infrastructure improvements. This group recognised the benefits that scale would bring in relation to costs, job opportunities and procurement.

A number viewed a relationship with Palmerston North negatively and the different needs e.g. rural schemes, that an option with the city will need to navigate.

The table below shows the values count for these customers:



## **Group or organisation submissions**

We received submissions from 10 groups or organisations. Summary of key themes below:

- Costs and affordability – sharing these across others to make it more affordable for the community generally supported
- Clarity on options – because of the level of uncertainty with who is to be involved in the options makes it difficult to decide coupled with the short decision timeframes, concern this could lead to poor decision-making
- Generally, submitters were supportive that Council would make the right decision however there were some negative views of Council shared
- Focus should be on the Sustainability of the resource, there were differing views shared on water meters, yes, they would encourage efficiency but needs to be balanced with the investment required
- There was general concern of the future control and decision-making process if a CCO was established and the cost to set up a new organisation. Submitters were also concerned about the potential for privatisation
- Generally, there was a high level of support for Iwi involvement, it was noted that Iwi's role has not been defined and needs to be prioritised
- There was concern about the impact on vulnerable communities and the potential costs that would be passed on to renters
- The Defence Force – ensure current arrangements are carried through to new organisations.

### **Other feedback about water service delivery in the future**

There was strong feedback in this section related to concerns around costs and affordability, especially for low income or vulnerable households. Clarity was sought on costs for renters/landlords. Skepticism around projected costs was also strong, with a few comments about focusing on core activities, finding savings or making cuts to lessen the ratepayer burden.

Water meters were widely supported, with water conservation benefits seen. Less favourable feedback on meters reflected a desire for more information on how they would work and fairness of application. Encouragement of onsite water storage and reuse was supported, including for stormwater/flooding mitigation.

Some submitters indicate a desire to keep things as they are now or have our own CCO, with asset ownership remaining with ratepayers. There was a desire that any approach should have a focus on long-term sustainability, with no degradation to the water services currently enjoyed.

At a government level, feedback included that the Three Waters Reform should have been kept, that the Local Water Done Well process (and consultation) had been rushed, and that changes were difficult for local government.

Submitters want greater understanding around the transparency and accountability of any Governance structure and the ability for people to influence its direction. Equally there was concern about bureaucracy leaning towards administrative complexity and inefficiency. There was concern that a water services delivery CCO could lead to privatisation.

Submitters asked that environment and climate change be considered, including that the Manawatū River is a taonga.

There were also comments from people who do not support fluoride in drinking water.

Ongoing open and clear communication on Local Water Well Done progress was requested.