



Te Kaunihera-ā-Rohe o Ngāmotu

# New Plymouth District Council

28 September 2021

Three Waters Reform Programme  
Department of Internal Affairs

CC: Local Government New Zealand

Please find attached feedback from New Plymouth District Council on the Government's proposed Three Water Reforms. Council has not formed a position as to whether or not it is in favour of the Reforms, and requests Government to not take this feedback as being a formal position on the Reforms.

If you have any questions for clarification, or wish to discuss our feedback in more detail, please do not hesitate to contact David Langford, Group Manager Planning and Infrastructure Services. David is responsible for our recently established Reforms Response Unit. David can be contacted on (06) 759 6676 or [david.langford@npdc.govt.nz](mailto:david.langford@npdc.govt.nz)

Yours faithfully

Neil Holdom  
**Mayor**

Craig Stevenson  
**Chief Executive**



## SUMMARY OF RECOMMENDATIONS

Council acknowledges that this period is to provide feedback on the proposed Three Waters Reform so that the Government may further consider and refine aspects of the proposal.

Council has not formed a position as to whether or not it is in favour of the Reforms. The Government should not take this feedback as a Council position on the Reforms.

Council expects the Government to engage with communities on these proposals. Council also expects Government to undertake full select committee process before making any final decisions.

Council's feedback makes the following comments, requests and recommendations:

- Council expects Government to engage with communities on these proposals and that a full select committee process will occur.
- Council supports the placement of New Plymouth District within entity B.
- Council notes Government has only presented its preferred option for ownership and governance, and expects Government to release its alternative models and analysis.
- Council recommends the water service entities become cooperatives, with non-transferable shareholding for each property connected to water or wastewater networks, and shareholders electing community representatives on the Regional Representative Group (from a pool approved by territorial authorities).
- If Government does not change the ownership model, Council recommends Government review the governance structure, with assurance of at least one Taranaki representative for entity B, more direct relationships and competency requirements.
- Council recommends a simplification of the external strategic pressures to avoid compliance costs, including removal of the Government Policy Statement and the Strategic and Performance Expectations document.
- Council recommends stormwater services not be included in the Reforms, and instead Government explore regulatory improvements and co-funding.
- If Government does not remove stormwater services from the Reforms, then there needs to be standardisation of asset classification, and agreements between WSE and territorial authorities. Furthermore, there will need to be a process for territorial authorities to divest any flood protection schemes they manage to the relevant regional council.

- Council recommends consideration be given as to how iwi and hapū can be involved in the governance of networks within their rohe.
- Council recommends WSE be required to engage iwi and hapū about funding required for engagement, with iwi and hapū having an appeal right.
- Council recommends iwi authorities issue Te Mana o Te Wai statements, or at least identify the hapū and whānau that can, so that WSE are not placed into the inappropriate position of determining mana whenua status.
- Council recommends that territorial authorities be able to identify strategic projects in their existing long-term plan that the WSE would be bound to complete.
- Council recommends the drafting of the RMA replacement legislation link to the Three Waters Reform and the Future for Local Government Review.
- Council supports the protections against privatisation, and recommends that territorial authorities (as original owners) be required to support any such proposal. Council also recommends that the legislation clearly provide that territorial authorities would be the beneficial party, not the Government; and also to provide a clear pathway to legislation as a result of any proposal.
- Council considers there is a potential to enter into multiple-employer collective agreements now for water functions within each WSE area.
- Council recommends Government invest in the Western Institute of Technology in Taranaki to become a three waters workforce training centre of excellence, including retraining oil and gas workers as part of the Taranaki region's just transition.
- Council recommends Government embed Construction Sector Accord and social procurement practices into the operating principles of the WSE.
- Council recommends subdivision and other processes be fast-tracked to enable asset transfer, and enabling the free transfer of property back and forwards between territorial authorities and WSE.
- Council is concerned about the 'no worse off' package being insufficient, and recommends aligning the implementation of the Three Waters Reform with the Future for Local Government Review, or accelerating that Review, or provide a larger package for the intervening years.
- Council recommends Government fully fund the 'better off' package from its balance sheet, or allow territorial authorities to reject the part of the package coming from the WSE balance sheet.

- Council recommends WSE have prudent treasury management policies, as well as remission and postponement policies to protect vulnerable households.
- Council recommends WSE have bylaw-making powers, and any territorial authority water service bylaw not be subject to the standard automatic revocation process before the WSE take over.
- Council notes that any opt-out consultation by territorial authorities will need considerable Government support and territorial authorities cannot be expected to sell the proposal on behalf of the Government.

## **FEEDBACK ON GOVERNMENT'S PROPOSED THREE WATERS REFORM**

New Plymouth District Council (Council) has assessed the Government's Three Waters Reform proposal.

Council acknowledges that this period is to provide feedback so that the Government may further consider aspects of the proposal, and is not a period to make any decision to opt-in or opt-out. Council has not formed a position on whether or not it would opt-in or opt-out, and would expect to have robust community consultation before making any such decision. Council is also aware that the Government may legislate in the national interest and make the Reform compulsory.

This feedback primarily focuses on aspects of the proposals that Council believes could be amended to provide a more robust proposal that would ensure the New Plymouth District community benefits from the Reforms. This should not be construed as Council taking a position in favour of the Reform and Council does not expect Government to take this feedback as support for this Reform.

Council expects the Government to engage with communities on these proposals. Territorial authorities own the assets on behalf of their communities and the Government, as the driver of the Reform proposal, should be engaging with communities directly. Council also expects Government to undertake full select committee process before making any final decisions.

### ***Entity for New Plymouth District***

The Government has positioned New Plymouth District in entity B, and has signalled a question on whether this is the appropriate Water Service Entity (WSE).

Council supports the placement of New Plymouth District in entity B. This is because the challenges facing the District (such as a growing population) are more similar to those of other entity B districts than the challenges facing entity C. Council also notes that the climate change forecasts for New Plymouth District are more similar to those

of entity B areas than entity C areas. As such, entity B appears to be a more logical fit for New Plymouth District than entity C.

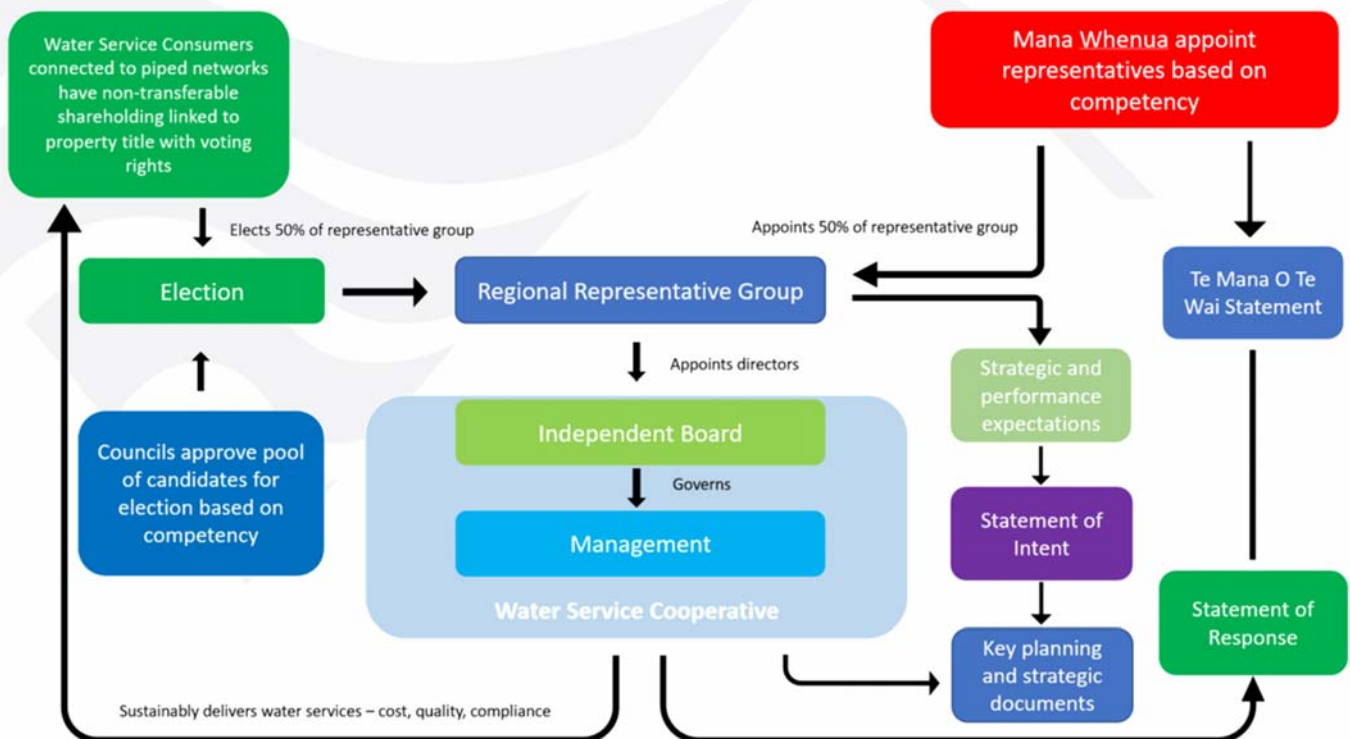
**Ownership, governance and strategy**

*Ownership model*

Council has noted that the Government has only presented its preferred option for ownership and governance of the new WSE. Council requests that Government holds itself to the same expectations it has placed on local authorities and that details of all available alternative options are disclosed, along with the analysis undertaken by Government in order to identify the preferred option.

Council is concerned that by placing territorial authorities as direct owners of the WSE that members of the public may assume those authorities can exercise direct control over the WSE. However, the proposed model has very limited ability for territorial authorities to exercise any degree of control over the WSE, even within their own district.

Council recommends that instead the WSE become cooperatives, with a non-transferable shareholding connected to each property connected to the water or wastewater network (and forms part of the property). The shareholders would elect community representatives on the Regional Representative Group, who then appoint the Board. Importantly, though, the electoral pool would be approved by the relevant territorial authorities and would have to meet competency requirements. This is broadly in line with the Fonterra model. The figure below shows an illustration of this model.



This creates a democratic approach to these WSE, whilst ensuring competent governance. It provides a more realistic understanding to the community of the degree of control territorial authorities exercise over these largely independent WSE. This approach also clearly separates the WSE balance sheet from those of territorial authorities and a less complex governance arrangement.

### *Governance structure*

If Government is not willing to change the ownership model, Council recommends a review of the governance structure. There are multiple layers of selecting and appointing people to various bodies before actually getting to someone who delivers any services.

Council recommends a clear process be defined for establishing the Regional Representative Group. At present it is unclear how territorial authorities will come together to determine their members. Potentially the Regional Representative Group could be established as a joint committee of the territorial authorities. There should be guaranteed representation on entity B for at least one Taranaki representative.

Council recommends that the Regional Representative Group directly appoints the WSE board. There is no need for the Independent Selection Panel for balance sheet separation. Council also recommends that it be clear that the Regional Representative Group can establish and delegate functions to sub-committees, if they so choose.

Council recommends all persons appointed or elected to the Regional Representative Group be required to meet competency requirements appropriate for Governors of a multibillion dollar public institution.

Council is unclear as to where the costs of the Regional Representative Group lie. Council recommends that the WSE be required to provide the necessary financial and other support to the Regional Representative Group.

### *External Strategic Pressures*

Council is concerned about the external strategic environment in which the new WSE operate under. Council recommends a considerable simplification of the strategic environment to ensure that the WSE are able to operate in the best interests of the communities they serve.

The WSE will be need to consider multiple external documents and strategic pressures. These include:

- Legislation – the proposal includes purposes, objectives and operating principles for the new WSE, as well as detailed provisions
- A Government Policy Statement

- A Strategic and Performance Expectations document issued by the Regional Representative Group
- Te Mana o te Wai statements issued by mana whenua, and responses by the entity itself
- Three different regulators with different regulatory ambits
- Potentially some form of water ombudsman
- Ministerial ability to direct entities on performance matters in the public interest
- Community views and preferences, and requirements to consult
- Documents issued by the entity itself, including a Funding and Financing Plan, an Asset Management Plan, and annual Statements of Intent.

With so many different pressures from different issuing agencies, it is almost inevitable that there will be competing and diverging expectations on the WSE. These different pressures are likely to introduce significant compliance costs that will risk eroding the efficiency savings being sought in the proposal.

Council notes that Government is crafting the legislation and the ongoing regulatory environment. A Government Policy Statement and the ministerial ability to direct WSE are superfluous as better control over the WSE is achieved through direct legislation and regulation of the outcomes being sought. These controls run counter to the notion that these are still local assets and part of local government. They do not enable the WSE to run according to best practice, and instead subject the WSE to national political pressures. Indeed, the Government has crafted a regime that gives itself more say and input than the WSE owners (being territorial authorities).

In saying this, Council also notes that the knowledge of territorial authorities in providing oversight of WSE will reduce over time as elected members and officers with knowledge of water management depart. Territorial authorities will not apply their limited resources towards the development of these documents, and will not be undertaking community consultation to understand community views and preferences in relation to water services. As such, the ability of territorial authorities to be involved in developing the Strategic and Performance Expectations on behalf of their communities may be limited.

In short, Council recommends that WSE be subject to fewer external pressures seeking to provide strategic input into their decision-making. Legislation, regulation and Te Mana o Te Wai statements should provide a sufficient external strategic operating environment. This will enable each WSE to perform its functions as it best sees fit rather than being subject to competing political imperatives.

### ***Stormwater services***

Council is concerned about the inclusion of stormwater services within the Reforms.

Fundamentally, drinking water and wastewater are utilities, i.e. closed systems with clear delineation from other assets and identifiable customers via connections. Stormwater services are more complicated with multiple interfaces with other assets. In the New Plymouth district, stormwater often traverses roads into stormwater pipes and then into streams within the parks network. Roads and parks act as secondary flow networks if the stormwater network is overloaded. Separating the management of stormwater from roads and parks creates opportunities for poor interfaces that worsen outcomes (whether for the management of stormwater, roads or parks).

The classification of stormwater networks also differ across the country with territorial authorities classifying different transition points between roading assets and stormwater assets, and similarly between stormwater assets and parks assets. This reflects that stormwater is not a closed system.

Finally, identifying the beneficiary of stormwater assets is not as clear as water and wastewater services. There are communities within the New Plymouth district (such as Egmont Village) that receive stormwater reticulation but do not receive water or wastewater. For these reason Council charges for water and wastewater via a targeted rate, while stormwater is funded through general rates. As such, charging for stormwater is more complicated, and will potentially be subject to more community disagreement.

Council is not aware of any comparable international jurisdiction that has included stormwater into dedicated water entities. Stormwater is typically managed by local government and roading authorities.

Council recommends the Government exclude stormwater networks from the proposed Reforms, and that stormwater remains with territorial authorities as an extension of their roading portfolios. Furthermore, Council recommends the Government consider regulatory improvements and permanent co-funding for stormwater, such as part of the Financial Assistance Rate (FAR) funding for local roads from Waka Kotahi.

However, if the Government wishes to continue with this proposal then Council recommends that the Local Government Commission and/or Taumata Arowai standardise asset classification, and work with both territorial authorities and the WSE in developing management agreements. This may also help with determining appropriate funding arrangements for stormwater.

If stormwater services are removed, Council is concerned about the ongoing management of the flood protection schemes that Council own. Council flood protection schemes include three dams, eight detention bunds, three diversion tunnels and a weir. These schemes protect the New Plymouth City Centre from flooding. Losing stormwater will mean Council will no longer have specialist staff with the necessary skills to ensure these schemes are properly managed into the future.



Council therefore recommends that the proposal includes a fast-track process for territorial authorities to require the flood protection schemes to be transferred to the relevant regional council.

### ***Engagement with iwi and hapū***

Council notes that the new WSE will be required to support mana whenua to engage with the entities (including through funding), and that Te Mana o Te Wai statements can be issued at a iwi, hapū or whānau level.

Council is generally supportive of this approach, however we are concerned that the ability for our iwi and hapū to be involved in the direct governance may be lessened. We recommend that further consideration be given to how to ensure iwi and hapū are involved in the governance of networks within their rohe.

Council acknowledges that a considerable constraint on iwi and hapū participating in decision-making is their resource to do so, and that engagement often comes too late in a process. As such, we welcome the proposal that entities will need to help fund and resource iwi and hapū, but note that there is no assurance that this will be sufficient. We recommend that the WSE be required to engage with iwi and hapū about the level of funding required, and for iwi and hapū to have an appeal right to an external body if they do not believe the funding is sufficient.

However, we do caution that identifying mana whenua groups is not always straightforward. Council has recently been challenged in court by a group claiming iwi and mana whenua status over an area subject to a significant resource consent application. Enabling Te Mana o Te Wai statements to be filled by various parties, including down to whānau, places the burden of settling any dispute onto the entities. Council is concerned that WSE may find themselves in the inappropriate position of trying to determine mana whenua status.

Council recommends that iwi authorities either issue Te Mana o Te Wai statements (on behalf of themselves, hapū and whānau) or those authorities identify hapū, whānau and other groups that can issue Te Mana o Te Wai statement (including identifying their area of mana whenua). There would need to be a clear definition of what constitutes an iwi authority as well, although the Treaty settlement process generally provides sufficient certainty.

More broadly, Council recommends the Government consider mandating Te Arawhiti to help local authorities and the new WSE to traverse these issues.

### ***Strategic projects***

Council has been increasing its level of service in its water services over the last two long-term plans. Council has a number of strategic projects that it has consulted the

community on, and will be implementing over the coming years. These include district-wide projects for improving three water resilience, addressing a large three water renewal backlog, and water conservation (including through universal water meters). Council also has two strategic projects for particular communities, being improving stormwater management in Waitara, and sewerage reticulation of Urenui and Onaero (including constructing a small treatment plant).

Council is concerned that there is no assurance that these projects will continue into the future. These projects have been identified through a robust prioritisation process to address known issues within the existing networks.

Council recommends that the proposal allow territorial authorities to identify strategic priorities in their existing long-term plan, and that the WSE be bound to undertake these projects for the first seven years after transfer (i.e. for the remainder of the long-term plan 2021-2031 period). It would be expected that territorial authorities would only identify a small number of projects and not list all long-term plan projects.

### ***Resource Management Act reforms and urban growth***

Council is supportive of the objectives of the new WSE including to support urban development and growth. Water infrastructure is a key enabler of urban growth, and often has to be developed as lead infrastructure (i.e. before development occurs). However, the consequential implication of separation is that urban development and planning becomes more, not less, difficult.

Council notes that the exposure drafts of the replacement legislation to the Resource Management Act (RMA) are currently considerably lacking in detail. It is not yet clear how the Natural and Built Environment Plans (replacing District and Regional Plans) will be delivered by regional planning committees and what relationship these committees will have to Council. Council is concerned by an apparent lack of integrated design between the respective reform programmes and that there is a risk that the system will become more fragmented.

Council recommends that the drafting of the RMA replacement legislation is intrinsically linked to both the Three Waters Reform and the Future for Local Government Review in order to deliver an integrated system approach.

### ***Protections against privatisation***

Council supports the protections against privatisation in the proposal, and welcomes any further protections.

Council is concerned that there is no reference to the original owner of the assets, being the territorial authorities (or a cooperative if the Government takes on board Council's feedback above), in any privatisation proposal. Council recommends that in

addition to the existing proposals, any privatisation proposal be subject to support by the relevant territorial authorities. Any proposal would need 75 per cent support, by way of resolution, of all owners in the WSE's area. Council also recommends that the legislation be clear that the owners would be the beneficial party to any privatisation, not the Government.

Council notes that there has been no consideration as to what happens in case of privatisation. Council understands that the intention is to not detail any provisions as to what privatisation actually looks like. This means the provisions effectively enable privatisation but lead to a regulatory 'black hole'. Council therefore recommends that these provisions for privatisation lead to a request to the Minister of Local Government, who is then to report to Parliament within a year with either a bill to enable privatisation of that WSE, or a decision to not do so.

### ***Workforce***

Council is pleased to see the Government commit to ensure all water staff are assured of continuing employment in the same role, location and remuneration.

However, any transition phase will likely see disparity between remuneration and terms and conditions of employment across each entity. This has the potential to create relativity, fairness and equity concerns that could lead to retention and attraction pressures in the immediate future for Council and longer term across all the WSEs.

Council considers that there is the potential to enter in multiple-employer collective agreement now across the territorial authorities within each WSE. This would considerably smooth the transition for staff to the new entities as employment terms would be set. It would also reduce short-term opportunities for gamesmanship before the WSE are established.

The proposal sees a significant uplift in the overall three water workforce. Council is concerned that this is not realistic without investment in developing that workforce.

Council notes that the transition away from oil and gas to cleaner energy sources could result in a decrease in the workforce for engineering and related trades in Taranaki. Council utilises a number of former oil and gas engineers in its three water teams. While these are generally successful transitions, there are differences in engineering approach that take time for staff to familiarise themselves with the sector. Council believes that there is an opportunity to provide an orderly approach to retrain some of these talented trades into the three waters workforce.

At the same time, Council has established a partnership between the civil construction sector and the Taranaki education institutes, named the Infrastructure Talent Pipeline. The partnership has a goal of developing a long term pipeline of new talent for the

civil construction sector as well as upskilling the existing workforce. As part of this programme the Western Institute of Technology in Taranaki (WITT, part of Te Pūkenga) and Council have developed a business case for a regional civil infrastructure training facility to provide both on-the-job and pre-employment training. Without reform, this facility is intended to be the centre of excellence for developing a supply of high skilled water sector personnel.

Council recommends the Government invest into WITT now so that it can become a three waters workforce training centre of excellence for the entity B area, including providing retraining opportunities for oil and gas workers to become three waters workers as part of the region's just transition.

### ***Construction Accord and Social Procurement***

Council notes that the new WSE will become some of the largest construction clients in the country upon their establishment. There is an opportunity to use the WSE as best practice leaders to achieve the outcomes sought by the Construction Sector Accord as well as driving a strong social procurement approach. This could help deliver wider benefits to the construction sector and community. There is also a risk that the WSE will seek to only use large construction firms, and miss the opportunity to foster small and medium sized enterprises.

Council recommends that statutory operating principles for the entities include:

- Improving the productivity, capability and resilience of the construction industry
- Being a good employer, including workforce development and improving the safety and mental well-being of the workforce
- Undertaking procurement and other practices that benefits the social, cultural, economic and environmental well-being of the community
- Using and developing small to medium sized enterprises

Council also notes that this approach could be similarly applied to the new Health New Zealand (that will replace the existing District Health Boards) given this new entity will become an owner of a significant property portfolio and will become a major construction sector client organisation.

### ***Asset transfer provisions***

Council acknowledges that the transfer of assets will be complicated. Many landholdings are mixed, with both water and other Council assets. For instance, the New Plymouth Water Treatment Plant is in the same area as a crematorium, cemetery, Council-owned forestry and parkland, but property titles are not aligned to these uses.

Similarly, Council's Dog Pound is located on the same property title as the New Plymouth Wastewater Treatment Plant. There are numerous other examples across

the district, particularly with assets located within road reserve, and parks or reserve land.

Council recommends legislation enable the fast-track subdivision of assets between the WSE and territorial authorities without having to go through full Resource Management Act subdivision consent provisions. Similarly, there should be a fast-track process to revoke reserve status under the Reserves Act 1977 for transferring land, and an ability to avoid section 138 of the Local Government Act.

Council recommends clarity between 'public' and 'private' Council assets. A 'private' asset is one where the purpose is not for bulk supply but rather solely to service another asset. For instance, a water supply main is clearly a public asset, but a water pipe owned by Council to serve a public toilet is a 'private' Council asset.

Council therefore recommends that territorial authorities and the WSE can transfer assets back and forward at nil cost, and attracting no tax liability or other external consequence. This will enable territorial authorities and the WSE to ensure assets are appropriately split between them. This enables the bulk transfer of assets, followed by a discovery and determination process.

### ***Overheads and the 'no worse off' package***

Council supports the Government including a 'no worse off' package that supports stranded overheads. However, the package appears to be fairly limited in time.

Council is of the view that its likely allocation is insufficient. In total, one-quarter of Council overhead functions are paid for via the three water services. Whilst Council will have to "right size" itself as an organisation post-reform, consideration will need to be given to its residual capacity to deliver its other services. For example, Council currently operates a centralised asset management team that services all of the asset owning functions of Council. This team is funded 63 per cent from the three waters service. If the size of the team were reduced proportionately it would lack the capacity and full range of technical capabilities to continue to service other asset portfolios, such as roading. As a result, Council will likely be faced with increasing rates in order to continue to fund a fit for purpose asset management team.

Council is concerned that these dis-economies of scope have not been adequately accounted for in the forecast of future household costs and that they are not appropriately funded in the 'no worse off' support package. Furthermore, Council recommends that Government undertake more detailed assessment of these costs and ensure they are appropriately funded in order that communities are indeed no worse off.

At the same time, the Government's Future for Local Government Review (the Review) is considering whether there are other functions that could be transferred to territorial

authorities The Review should aim to keep local authority revenue at the same percentage of total tax revenue (9 per cent). This may potentially include transferring responsibility to local authorities for social and affordable housing delivery, integrated roading management, economic development, and community climate change mitigation and adaptation. If that occurred, those overheads may no longer be stranded.

However, the timing of the proposed Three Waters Reform and the Review do not match. The proposed reforms are likely to be implemented in 2024, while any new functions from the Review are likely to be several years later. Consideration should be given to aligning the implementation of the Three Waters Reform with that of the Review, or accelerating the Review, or to providing a larger 'no worse off' package to support territorial authorities in the intervening years.

### ***'Better off' package***

Council is opposed to the 'better off' package as proposed. Under the proposal Council would receive around \$31 million.

Council is concerned that half of this package is being funded from the balance sheets of the WSE. This means these entities are funding non-water infrastructure and that this cost will be imposed on water services consumers. While the WSE balance sheets may have capacity to take on this debt, there is no consideration as to the opportunity cost or the appropriateness of doing so. Most territorial authorities have clear policies in place (through the Revenue and Financing Policy) that water and wastewater charges only be used for water and wastewater infrastructure.

Council recommends that Government fully funds the 'better off' package within its own balance sheet and avoids cross subsidising from future WSE water charges. Alternatively, territorial authorities should be able to reject the part of the package being placed onto the entity balance sheet and ensure water services consumers within their districts do not incur the costs of servicing the debt used to provide this funding to other territorial authorities who do not wish to reject this part of the package.

### ***Community debt***

Council is concerned about how this proposal will result in increased debt for the community, and the potential implications of that.

Part of the justification for the new WSE is that not only will they be able to take on considerably more debt than territorial authorities, but it also frees up territorial authorities to use debt they take on to go towards other matters. In total, though, this increases the overall debt burden undertaken on behalf of the community.

This places communities at considerable risk if interest rates increase significantly. Territorial authorities and WSE will need to increase rates and charges to cover their increased borrowing costs, while households will also have to service higher mortgage payments (noting the housing affordability crisis means high household debt levels). This is likely to place considerable financial pressure on households.

Council recommends that WSE have prudent treasury management policies along with policies to enable customers to remit and postpone water charges as local authorities can do with rates. This will provide protection to some of the most vulnerable households in our community.

### ***Bylaw-making powers***

Council currently has two bylaws relating to the water services (Water, Wastewater and Stormwater Services Bylaw, and Trade Waste Bylaw).

Council recommends that the WSE have sufficient regulatory powers to protect and manage their assets through bylaws as territorial authorities can currently do. This should include powers to issue infringement notices for breaching bylaws as well.

Council also recommends that legislation extend any territorial authority bylaw relating to water services so that the automatic review and revocation provisions of the Local Government Act 2002 do not apply. This will save some territorial authorities from undertaking potentially expensive bylaw reviews before the WSE take over the assets.

### ***Future decision-making***

Council notes that the Government has previously indicated that territorial authorities will need to make an opt-out decision under bespoke legislation, and that this would include requirements for community consultation. Council looks forward to engaging its community on this important subject, but notes that there will need to be considerable support from the Government at the same time to justify its proposal. Territorial authorities cannot be expected to 'sell' this proposal on behalf of the Government.