



Te Kaunihera-ā-Rohe o Ngāmotu

**New Plymouth  
District Council**

# **EXTRAORDINARY COUNCIL MEETING AGENDA**

**Wednesday 16 April 2025  
at 9am**

**Council Chamber  
Liardet Street, New Plymouth**

**Chairperson:**

Mayor Neil Holdom

**Members:**

Cr Tony	Bedford
Cr Sam	Bennett
Cr Max	Brough
Cr Gordon	Brown
Cr David	Bublitz
Cr Murray	Chong
Cr Amanda	Clinton-Gohdes
Cr Harry	Duynhoven
Cr Bali	Haque
Cr Te Waka	McLeod
Cr Anneka Carlson	Matthews
Cr Dinnie	Moeahu
Cr Marie	Pearce
Cr Bryan	Vickery

**Purpose of Local Government**

The reports contained in this agenda address the requirements of the Local Government Act 2002 in relation to decision making. Unless otherwise stated, the recommended option outlined in each report meets the purpose of local government and:

- Promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of Council, or transfer the ownership or control of a strategic asset to or from Council.

## **OPENING KARAKIA**

### **Tutawa Mai**

Tūtawa mai i runga

Tūtawa mai i raro

Tūtawa mai i roto

Tūtawa mai i waho

Kia tau ai

Te mauri tū

Te mauri ora

Ki te katoa

Haumi e, hui e, tāiki e!

I summon from above

I summon from below

I summon from within

I summon from the outside  
environment

to calm and settle

the vital inner essence

the wellbeing of everyone

Be joined,

together united!



**Health and Safety Message / Te Whaiora me te Marutau**

In the event of an emergency, please follow the instructions of Council staff.

Please exit through the main entrance.

Once you reach the footpath please turn right and walk towards Pukekura Park, congregating outside the Spark building. Please do not block the footpath for other users.

Staff will guide you to an alternative route if necessary.

If there is an earthquake – drop, cover and hold where possible. Please be mindful of the glass overhead.

Please remain where you are until further instruction is given.

## **APOLOGIES / NGĀ MATANGARO**

None noted

## **CONFLICTS OF INTEREST / NGĀ ARA KŌNATUNATU**

1. People who fill positions of authority must undertake their duties free from real or perceived bias. Elected members must maintain a clear separation between their personal interests and their duties as an elected member. Failure to do so could invalidate a Council decision and leave the elected member open to prosecution and ouster from office.
2. An elected member is entitled to interact with the Council as a private citizen. However, they cannot use their position as an elected member to gain an advantage not available to the general public.
3. Elected and appointed members will:
  - Declare any interest whether pecuniary or non-pecuniary at a meeting where the interest is relevant to an item on that agenda.
  - Exclude themselves from any informal discussions with elected members relating to a matter they have an interest in.
  - Seek guidance from the Chief Executive if they are unclear of the extent of any interest.
  - Seek guidance or exemption from the Office of the Auditor General if necessary.

## **ADDRESSING THE MEETING**

*Requests for public forum and deputations need to be made at least one day prior to the meeting. The Chairperson has authority to approve or decline public comments and deputations in line with the standing order requirements.*

## **PUBLIC FORUM / ĀTEA Ā-WĀNANGA**

*Public Forums enable members of the public to bring matters to the attention of the committee which are not contained on the meeting agenda. The matters must relate to the meeting's terms of reference. Speakers can speak for up to 5 minutes, with no more than two speakers on behalf of one organisation.*

- None advised

## **DEPUTATIONS / MANUHIRI**

*Deputations enable a person, group or organisation to speak to the meeting on matters contained on the agenda. An individual speaker can speak for up to 10 minutes. Where there are multiple speakers for one organisation, a total time limit of 15 minutes, for the entire deputation, applies.*

- None advised

## **REPORTS**

- 1 Adoption of the Consultation Document for Water Services Delivery Options



## **ADOPTION OF THE CONSULTATION DOCUMENT FOR WATER SERVICES DELIVERY OPTIONS**

### **MATTER / TE WHĀINGA**

1. The matter for consideration by Council is the adoption of the Consultation Document (CD) for Water Services Delivery Options as part of Local Water Done Well (LWDW).

### **RECOMMENDATION FOR CONSIDERATION / NGĀ WHAIKUPU**

**That having considered all matters raised in the report, Council:**

- a) **Note that public consultation is necessary to comply with the Local Government (Water Services Preliminary Arrangements) Act 2024.**
- b) **Adopts the Consultation Document for Water Services Delivery Options.**

<b>COMPLIANCE / TŪTOHU</b>	
Significance	This matter is significant.
Options	This report identifies and assesses the following options: <ol style="list-style-type: none"> <li>1. Adopt the Consultation Document.</li> <li>2. Adopt an amended Consultation Document.</li> </ol>
Affected persons	All residents and ratepayers of New Plymouth District, especially those receiving or potentially receiving drinking water, wastewater, and stormwater services, are affected. Iwi and hapū are also interested in this matter. For the Joint Taranaki WSCCO option, residents and ratepayers of Stratford and South Taranaki District Councils are also affected.
Recommendation	This report recommends option one for addressing the matter.
Long-Term Plan / Annual Plan Implications	No, there are no immediate implications for the Long-Term Plan or Annual Plan.
Significant Policy and Plan Inconsistencies	No, there are no immediate inconsistencies with policies and plans.

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## **EXECUTIVE SUMMARY / WHAKARĀPOPOTOTANGA MATUA**

2. Council Officers recommend that Council adopts the attached Consultation Document (draft CD) to seek the community's feedback on water service delivery options.
3. This approach will help the community to shape the Council's decisions and ensure the Council meets the consultation requirements in the Local Government (Water Services) Bill.
4. The draft CD includes the three water service delivery options that Council has previously agreed to present for public consultation:
  - a) Enhanced Status Quo
  - b) NPDC Water Services Council Controlled Organisation (WSCCO)
  - c) A Joint Taranaki WSCCO (preferred option).
5. The preferred option is a Joint Taranaki WSCCO that owns assets and works with South Taranaki and Stratford District Councils for water and wastewater services. The Council will still own and manage stormwater assets.
6. The draft CD seeks community feedback on the proposed water service delivery model. Feedback is not limited to the proposed model and the public may also comment on other options in the draft CD.
7. Public consultation will run from 30 April to 30 May 2025.

## **BACKGROUND / WHAKAPAPA**

*Council has made previous decisions on options for consultation*

8. On 17 December 2024, the Council decided that outsourcing to the private sector, another council, or a regional consumer trust were not reasonably practicable options.
  9. They agreed to further analyse three models:
    - a) Enhanced Status Quo
    - b) Single Council WSCCO
    - c) Joint/Taranaki WSCCO
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10. On 19 February, the Council decided to identify a Joint Taranaki WSCCO (with South Taranaki and Stratford District Councils) for water services as the preferred option in the consultation materials. Stormwater services would remain with the Council.

*Purpose of the Consultation Document*

11. The Local Government (Water Services) Bill requires local authorities to prepare and adopt a CD for public consultation as part of the LWDW initiatives.
  12. The draft CD needs to provide a fair representation of the water service delivery model options and encourage the community to provide their feedback.
  13. The draft CD identifies :
    - a) Council's Preferred Model
      - i) A joint organisation (WSCCO) owned by South Taranaki, Stratford, and New Plymouth Councils for water and wastewater services.
      - ii) Stormwater services will remain with the Council, with possible contracting to WSCCO.
    - b) The duration of consultation (30 April to 30 May 2025)
  14. The draft CD includes the following information
    - a) Current Water Services (and the reasons for change)
    - b) Local Water Done Well (the legislative requirements for water services)
    - c) Consultation Topics (the best options for delivering water services to meet community and government requirements).
    - d) How the delivery model options were created and assessed.
    - e) Facts and explanations to clarify details (myth busting)
    - f) Options being consulted on
      - i) Joint council-controlled organization.
      - ii) Council-controlled organization owned by NPDC alone.
      - iii) Keeping water services within NPDC (status quo).
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- g) Comparison of Options (including ownership, governance, pros and cons, impact on charges, rates, debts, and service levels)
  - h) Summary and Key Dates
15. While electronic submissions are preferred, the CD will contain a submission form for community feedback.
  16. The draft CD is attached in Appendix 1.

### **CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA ĀHUARANGI**

17. The CD includes sustainability and climate change as a key issue for consideration within the Long-Term Plan.

### **NEXT STEPS / HĪKOI I MURI MAI**

18. Public consultation for LWDW will run from 30 April to 30 May 2025.
 

1 – 2 July 2025	Hearings held
29 July 2025	Council considers submissions and determines an option
By 3 Sep 2025	Submission of final Water Services Delivery Plan (WSDP) to central government

### **SIGNIFICANCE AND ENGAGEMENT / KAUPAPA WHAKAHIRAHIRA**

19. In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as being significant. Legislation<sup>1</sup> requires councils to ensure robust community engagement and transparency in our decision-making processes.
20. The adoption of the consultation document reflects our commitment to incorporating public feedback by providing clear and accessible information. We aim to develop water services that meet regulatory standards and address the needs of our community.

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<sup>1</sup> s27(4) of Local Government Water Services Bill and s62(6) of the Local Government (Water Services Preliminary Arrangements) Act 2024

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## OPTIONS / KŌWHIRINGA

21. There are two reasonably practicable options:

Option 1 Adopt the Consultation Document.

Option 2 Adopt an amended Consultation Document.

Both options have been assessed together below.

### *Statutory Responsibilities / Ngā Haepapa ā-ture*

22. The Local Government (Water Services) Bill requires the Council to consult on their proposals for water services.

### *Participation by Māori / Te Urunga o Ngāi Māori*

23. The Taranaki Water Service Delivery Project has involved iwi/mana whenua through:

- PSGE members in the Steering Group.
- Pou Taiao staff in the Project and Technical Working Groups.
- Briefings to Taranaki Iwi Chairs.

24. The CD includes a proposed governance structure with Mana Whenua, including the three Taranaki Waka, and specific roles on the WSCCO Board.

### *Financial and Resourcing Implications / Ngā Hīraunga ā-pūtea, ā-rauemi*

25. The CD includes information on the proposed Regional WSCCO model, including impact on rates, water charges and levels of service.

### *Risk Analysis / Tātaritanga o Ngā Mōrearea*

26. There are no known risks associated with adoption of the CD.

### *Promotion or Achievement of Community Outcomes / Hāpaitia / Te Tutuki o Ngā Whāinga ā-hāpori*

27. Decisions on water service delivery promote multiple community outcomes, including the Council's vision of a Sustainable Lifestyle Capital and the community outcome goals of Trusted, Thriving Communities and Culture, Environmental Excellence, and Prosperity.

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*Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere*

28. The CD does not include any inconsistencies with the Long-Term Plan. If any inconsistencies arise, officers will inform elected members and take necessary actions.

*Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori*

29. Through the 2024-2034 LTP consultation, 60% of the 2533 submissions regarding water services supported exploring joint options for future delivery.
30. All meetings and workshops related to LWDW have been open to the public and livestreamed.
31. The next decision is planned for 29 July 2025, following hearings, to determine the water service delivery model to submit to the central government

*Advantages and Disadvantages / Ngā Huanga me Ngā Taumahatanga.*

32. Adopting the draft CD ensures compliance with legislative requirements. There are no known disadvantages.
33. Any substantive amendments to the draft CD may require further assessment to identify any implications, including the timeframes for consultation.

**Recommended Option**

This report recommends Option One adopt the CD for addressing the matter.

**APPENDICES / NGĀ ĀPITI HANGA**

## Appendix 1 Draft Consultation Document (ECM 9468533)

**Report Details**

Prepared By:	Helen Gray (Manager, Integrity & Innovation)
Team:	Corporate Innovation
Approved By:	Gareth Green (Chief Executive)
Ward/Community:	District wide
Date:	16 April 2025
File Reference:	ECM 9468500

-----End of Report -----



# Local Water Done Well Consultation Document

TUKUA  
TŌ  
KŌRERO

**HAVE  
YOUR  
SAY**

[npdc.govt.nz/  
HaveYourSay](https://npdc.govt.nz/HaveYourSay)



NPDC



A background image showing two young children, a girl in a yellow shirt and a boy in a green shirt and blue hat, sitting on a mossy stone ledge by a stream. They are holding sticks and looking down at the water. The background is filled with lush green ferns and foliage.

# Our proposal for water services delivery

## Tā mātou tono e pā ana ki te whakaratonga wai

This proposal is about deciding on the best option for delivering water services (water, wastewater and stormwater) that will meet the needs of the community and the Government’s new requirements.

We are proposing that the best way to deliver safe, reliable and affordable drinking water and wastewater services for New Plymouth District over the next 30-plus years is through a council-controlled organisation that is jointly owned by the South Taranaki, Stratford and New Plymouth district councils.

This document sets out why that is, and how you can have your say about the options.

### Notes on the proposal

1. The proposal affects consumers who are provided drinking water and wastewater services by their council. It does not affect those who self-supply both of those services.
2. Stormwater services will remain with the individual councils. A council may choose to contract out some or all of their stormwater related services, including to a future jointly owned water services organisation.

## Contents

### Ngā Ihirangi

Note from our Mayor

*Page 5*

1. What’s happening with our water services?

*Page 6*

2. Local Water Done Well - and what that means

*Page 7*

3. What are we consulting on?

*Page 8*

4. What are the options?

*Page 10*

5. Before we dive in

*Page 11*

6. Our options in detail

*Page 12*

7. The options side by side

*Page 16*

8. Summary

*Page 28*

Tell us what you think and timeline

*Page 29*

Submission form

*Page 30*



## Note from our Mayor

### He korero nā te Koromatua

Taranaki is defined by our maunga.

Towering above.

It gives us strength and vitality.

Standing strong.

Reminding us we are better together.

We are Taranaki.

We grow things in Taranaki.

We build things in Taranaki.

We built the TSB. We built our food sector. We built Kiwi Dairies. We built our energy sector. We built the Toi Foundation. We built the Taranaki Electricity Trust. We built Powerco. We built the Taranaki Foundation.

Our maunga draws in water.

And it flows down, off the volcano and into the rich ring-plain below.

And we catch our water, clean it up and pipe it to our people safely and reliably 24/7/365, year after year after year.

When our households and businesses have used our water, sewers and stormwater drains take it away. We clean up our sewage and release it into the Tasman Sea. And on and on the cycle continues and will continue as long as people live here.

Think about that for a minute.



*How long do you think people will live here?*

*What infrastructure do we need to build for them?*

This year my peers and I, kick started the conversation about what we do with water infrastructure in Taranaki over the next 100 years.

We have proposed building a Taranaki water cooperative.

A merger of the water teams from South Taranaki, Stratford and New Plymouth into a new organisation solely focused on managing water infrastructure in our region.

*Why are we doing this?*

Change is coming.

Decades of underinvestment in these networks nationally, finally elicited a political response with a range of reforms including economic regulation.

Regulation is being designed to transform the water sector.

Council water organisations are going to have to prove they are financially viable over the long term or face the prospect of Ministerial interventions.

So we are responding in the best way possible by merging our people into one Taranaki team focused on keeping the taps running for the next 100 years or more while keeping the crap out of our rivers, streams and beaches.

The next best alternative to working with our neighbouring councils would be to establish a new council-controlled organisation doing the same thing but only for the New Plymouth District.

My colleagues and I voted to provide a clear indication that after countless workshops and reports our preference is to work with our fellow councils and Mana Whenua to build something that will work for the entire region over the very long term.

The key issues when considering the future of our water infrastructure are as follows:

- New legislative requirements.
- Forecast costs for water infrastructure over the next 30 years.
- Credit arrangements.
- The role of Taumata Arowai.
- Modelling of the combined entity's forecast financial performance.

You will be able to find this information within the following documentation to assist you in forming your own view of where we should take our infrastructure strategy in response to the changes in our operating environment.

As a council we are required to identify a preferred option, and we have. This next phase is about listening to the diverse range of voices in our community before making a final decision by July 2025.

Neil Holdom  
New Plymouth Mayor



# 1. What's happening with our water services?

## E aha ana mātou ki hā mātou ratonga wai?

Water is vital to all life – to our health, to the environment, to the economy.

Safe drinking water, the safe disposal of wastewater and the management of stormwater have made massive differences to our health and wellbeing, even in the past few decades. How we care for water affects not just us and the environment today, but our future.

It's not surprising then that managing the three waters\* is one of the biggest items in the Council's budget. And meeting the costs of delivering these community water services is increasing. Some reasons for that are:

- Old pipes and infrastructure wearing out.
- Increased community expectations.
- Environmental and health standards.
- Population and economic growth.

\* Community water services include:



### Drinking Water

What comes out of the tap that you drink, cook or clean with.



### Wastewater

What goes down the drain when you use your bathroom, laundry and kitchen.



### Stormwater

Rainwater that flows over urban land and into streams and rivers.

**Local Water Done Well** is the Government's plan to address New Zealand's water infrastructure challenges. It aims to let local councils choose how they will provide reliable and safe water services to their communities over the next 30 years and beyond.

With Taumata Arowai, the new water regulator, still getting established, water service providers will face more complex compliance requirements. These changes will increase costs as efforts to improve environmental performance ramp up.

Councils can choose to deliver water services themselves, with other councils, or through other arrangements, so long as they can show their choice will meet the Government's core requirements. These include cost effectiveness and affordability, financial sustainability, and compliance with legislation.

Since March 2024 we have looked at several different options including delivering water independently, as well as working with the South Taranaki and Stratford district councils to consider what joint water services delivery could look like in Taranaki.

**We'd like your thoughts about this proposal, and a possible alternative.**

**After a lot of work and thorough investigation by all councils, we are proposing that the best way forward for delivering safe, reliable and affordable drinking water and wastewater services over the next 30-plus years is to join forces through a jointly owned Taranaki water services council-controlled organisation (WSCCO). Stormwater would remain with New Plymouth District Council.**

# 2. Local Water Done Well - and what that means

## Ka Ora Te Wai – me tōna tikanga

**Local Water Done Well** gives councils the choice to decide how best to provide water services to their communities, providing they can show their choice:

- Will be **financially sustainable** – meaning income from water services delivery.
- Covers all costs, including those to provide the service as well as investment and finance costs.
- Ensures **sufficient investment** needed to replace and renew existing infrastructure, and build new infrastructure to meet future demand.
- Is **cost-effective and affordable**, with prices that reflect the costs of delivery.
- Is **ring-fenced** or completely separate from the rest of Council's income and expenditure.
- Meets other **new financial and regulatory requirements**.

The choices available are to:

- Provide water services directly.
- Transfer the responsibility to a water organisation.
- Contract to another party.
- Enter into a joint water service provider agreement.
- Enter into another, approved, type of arrangement.

Under current legislation, Councils and water organisations will not be able to privatise water services.

Councils must complete a Water Services Delivery Plan by early September 2025, showing how their proposed choice meets these requirements.

## Funding for water services delivery

One of the features of Local Water Done Well is that water services organisations that are separate from councils can borrow up to five times the amount of revenue they receive. This is about twice the ratio that most councils are permitted.

Using debt to fund infrastructure investment spreads the cost of something that can be very expensive, over the entire time of its useful life. In other words, it's paid for by those who benefit from it. Debt can spread costs over many years, so charges to consumers are fairer and more affordable.

Any borrowing by a water service organisation must be guaranteed by its owner council or councils.



If you want to dive a bit deeper, there is a lot of information about Local Water Done Well, as well as links to the new regulation and the current Water Services Bill on the [Government's DIA website](#), including:

- [Planning and accountability for local government water services](#)
- [Economic regulation and consumer protection](#)
- [Drinking water quality regulation](#)
- [Wastewater and stormwater environment performance standards](#)

### 3. What are we consulting on?

#### He aha te horopaki o te uiuinga?

This proposal is about deciding on the best option for delivering water services in a way that will meet the needs of the community and the Government's new financial sustainability and water regulatory requirements.

#### About our water services

We currently provide **water services** to **83%** of the district's residents and **wastewater services** to **78%**. This covers **32,253 water connections** and **30,311 wastewater connections**.

**Three waters by assets.** The New Plymouth District has **4 water supplies**, **3 wastewater schemes** and **13 stormwater catchments**. To service these we operate/manage 7 treatment plants, 21 reservoirs, 41 pump stations, 2000km of pipes, 4 large dams and 106 stormwater storage and treatment devices.

These assets are worth **\$962m** and would cost \$1,803m to replace.

**Water services** cost around **\$54m per year** to operate and represent 27% of council's budget.

The **water services debt** is expected to increase from **\$160m** to **\$360m** over the 10 years of the Long-Term Plan 2024-2034.

All water services have a significant renewals programme to get on top of the backlog that has built up over time. We have also identified several water and wastewater pipes that need to be built to service our growing population. In addition, we've agreed and budgeted for the following strategic investments: new wastewater scheme for Urenui and Ōnaero; upgrades to address overflows, particularly at the New Plymouth Wastewater Treatment Plant and around Waitara and Inglewood; upgrading existing and developing new water sources; upgrades to ensure we meet national dam safety regulations and capacity improvements to address flooding, especially in Waitara and Inglewood.

#### Proposed approach to stormwater services

The three Taranaki district councils are proposing to retain control of their own stormwater services.

Stormwater services are very complex. They are dependent on and influence many other council services, activities and relationships including roading, parks and land management, and growth planning. They are very different between each council, and at this stage will be best delivered under each council.

This position may change in the future, but the current consultation proposal for a joint Taranaki water service delivery model is for drinking water and wastewater services only.





## 4. What are the options?

### He aha ngā kōwhiringa?

Under Local Water Done Well, there were several options we could choose from. These included keeping delivery in-house; establishing a consumer trust; or setting up a single or jointly owned council organisation. You can [read more about the different options here](#).

A long list of options was considered including outsourcing to the Private Sector, outsourcing to another Council or a Consumer Trust Model. These options were found to not deliver strong enough strategic benefits or provide value for money so was therefore discounted.

To help narrow down the choices, the three Taranaki councils identified objectives for water services delivery that were best suited to meet our communities' needs while also meeting the following Government requirements:

- **Sustainably funded** – having enough income to meet standards while remaining affordable.
- **Operationally efficient** – keeping costs down.
- **Attractive for investment and growth** – to keep the community and business strong.
- **Supportive of Te Mana o te Wai** – taking care of water in the environment.
- **Well maintained and compliant** with regulations.
- Supported by a **capable and resilient workforce**.
- Understanding of **local needs** and ability to respond quickly.

The Government also made it clear that it is expecting councils to work together to see if regional models would be suitable.

With new legislation in place, Taranaki councils agreed the best options to investigate were:

1. A jointly owned Taranaki water services council-controlled organisation (WSCCO).
2. A single council owned WSCCO.
3. An in-house business unit – keeping services in-house, while meeting all new requirements.

### Our proposal

We are proposing that the best way to deliver safe, reliable and affordable water and wastewater services over the next 30-plus years is through a council-controlled organisation that is jointly owned by the South Taranaki, Stratford and New Plymouth district councils.

Alternative options include:

- A. A council-controlled organisation owned by New Plymouth District Council alone; or
- B. Keep the delivery of water services as we do now (also known as an in-house business unit, or status quo option).

Each option has its own advantages, disadvantages and impacts, which is why we'd like your feedback.

Understanding the views of our community is an important part of our decision-making process and your feedback will help the Mayor and Councillors decide the best way forward for our community.

## 5. Before we dive in

### Whai mua i tā tātou ruku

#### A few cold hard facts

- **Water services will remain in council ownership and cannot be privatised** – this is set out in the legislation, along with the requirements for future water service delivery models.
- **We're not proposing councils amalgamation** – this consultation is about choosing a water services delivery option.
- **The bigger district will not control the decisions of a regional organisation** – the way the proposed model is set up means no single council would have a majority vote.
- **The cost of delivering water and wastewater services will increase** over time for all water service providers. Increasing compliance costs are part of this.
- **New consumer protection regulations** will ensure councils and water organisations are collecting the right amount of money to invest without over or under charging. (See the DIA Factsheet on this [Water Services Policy Future Delivery System - dia.govt.nz](#)).
- **Iwi participation** in governance has been agreed by all councils.

#### And some jargon busting

Terms you might see in this or other information about Local Water Done Well.

- **Governance** – the system of controlling the direction and management of an organisation. A council-controlled organisation has extra layers of governance compared to an in-house business unit.
- **Price harmonisation** – means making the price the same for the same service delivery across different communities.
- **Financial sustainability** – means making sure that revenue meets the full cost of service delivery. This includes delivery, borrowing and compliance costs, and ensuring there's enough funding to allow for future needs.
- **Planning and accountability framework** – the system of controls that ensures an organisation is meeting its obligations. Water providers will be required to make their proposed charges, service levels, financial forecasts and infrastructure plans public, and demonstrate how they are taking account of public feedback
- **Debt to revenue ratio** – the amount of money that can be borrowed based on the amount of revenue received. A higher ratio means being able to borrow more.
- **Debt headroom** refers to how much more can be borrowed based on the debt and revenue amounts.

# 6. Our options in detail

## Hō mātou kōwhiringa

PROPOSED  
OPTION

### Option 1 Joint regional model (Joint Taranaki WSCCO)

A Water Services Council-Controlled Organisation jointly owned by the three Taranaki district councils, dedicated to delivering water and wastewater services across the region.

#### How it would work

Each council would be a shareholder in the new jointly owned organisation.

They would create a committee to oversee the organisation. The make-up of the committee would include representatives of each council and iwi mana whenua. The committee would appoint a Board comprised of independent, professional directors, chosen for their skills and experience in relevant areas. The Board would be responsible for ensuring the organisation meets the expectations and levels of service set by the shareholders, as well as all legal and regulatory requirements.

#### Impact on the community

The three district councils believe working together is the best way to meet the challenges of providing water services now and in the future.

Pooling our resources gives us greater access to the finance, people and systems that will ensure our water services are safe and support communities and businesses. A regional approach will improve the ability to coordinate investment in infrastructure, take advantage of new national engineering standards and design solutions, and plan delivery more efficiently. A larger number of

consumers mean the organisation will have greater access to funding for investment or to meet unexpected events and help to keep costs to individual consumers lower than the alternatives.

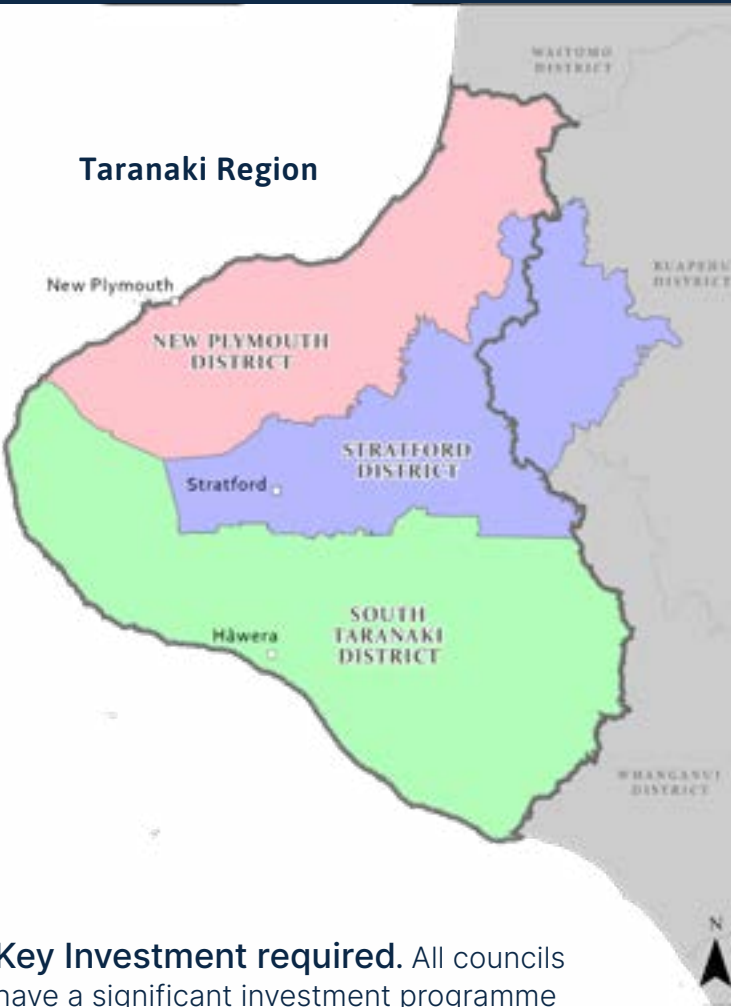
A larger customer base means the increasing costs of water infrastructure will be spread across a larger group. We recognise that some people, especially in smaller communities, may be concerned that ‘bigger isn’t always better’. However, it is important to remember that a water service organisation must meet national requirements for quality and service, and council requirements for current levels of service to our communities, regardless of size. Over time, the same quality and services will be delivered to more people. So it won’t be a case of bigger centres receiving priority. In fact, it’s more likely to be the opposite at first, as communities are brought up to the same levels of service across the region.

Some communities and customers will continue to have different levels of service. For instance, some customers are on restricted flow connections; others do not use wastewater services. The proposed model means that consumers will continue to pay for what they use, at a fair cost based on their level of service.


### A summary of the regional water service

#### Joint CCO/regional figures

- The Joint CCO would provide water services to **79%** of the district’s residents and wastewater services to **72%**. This covers **45,899 water connections** and **40,913 wastewater connections**.
- The Joint CCO would cover **17 water supplies** and **12 wastewater schemes** with 2,773km of pipes.
- These **assets** are worth **\$1,209m** and would cost \$2,157m to replace.
- **Water and wastewater services** currently cost around **\$75m per year** to operate.
- The **water and wastewater services debt** is expected to increase from **\$266m** to **\$429m** over the 10 years of the Long-Term Plan 2024-2034.



**Key Investment required.** All councils have a significant investment programme in renewals. South Taranaki and Stratford district councils have major wastewater treatment plant upgrades while NPDC has a drinking water treatment plant upgrade, and improvements to Waitara and Inglewood drinking water networks.



### Something to consider

This is the proposed model for all three Taranaki district councils.

Having considered the Government’s plans under Local Water Done Well, and the options available, all three councils believe their communities will be best served in the long run by a jointly owned organisation focused on delivering water and wastewater services.



## **Option 2 A council-controlled organisation owned by New Plymouth District Council (NPDC WSCCO)**

**A Water Services Council-Controlled Organisation owned by New Plymouth District Council, dedicated to delivering water and wastewater services across the district.**

We would establish a single council CCO that operates independently of Council to deliver water and wastewater services. It would be a separate organisation with its own Board of Directors who are accountable to Council as the single shareholder.

### **How it would work**

This organisation would be governed by a Board of Directors, who are in turn accountable to Council. The CCO would prepare a water services strategy, setting out priorities and ensuring it has the funding it needs. The CCO would also prepare separate performance and financial reports for Council.

### **Impact on the community**

Having an independent CCO that is separate from Council decision-making will provide an enhanced focus on water and wastewater strategy and delivery. Similar to Option 1, our community would continue to receive compliant and reliable water services from a team who understand local issues, with the additional benefit of being able to access more funding for investment to ensure we keep up with regulatory standards.

While it wouldn't have the same scale as a regional water services CCO, establishing a New Plymouth CCO will enable us to explore future mergers if/when a larger rating base is required to keep up with investment or increasing compliance costs.

## **Option 3 An in-house business unit within Council, modified to meet new requirements (NPDC In-house Business Unit)**

**A council business unit, dedicated to delivering water, wastewater and stormwater services across the district.**

We would continue delivering water services from an in-house department but make changes to the way this department is set up to meet the new rules and regulations set by Government.

### **How it would work**

Water services delivery would remain the responsibility of a council business unit. However under this model, any revenue we get, either through rates or other charges, for providing water service would be ring-fenced and used specifically to pay for the cost of delivering those water services. We would prepare a Water Services Strategy, setting out priorities and ensuring the business unit has the funding it needs. The business unit will prepare separate performance and financial reports for council.

### **Impact on the community**

Retaining waters in-house is a viable option for NPDC because it is financially sustainable in the long-term. Our community would continue to receive compliant and reliable water services by a team who understand local issues. We can still continue to work in collaboration with other Taranaki councils to gain efficiencies over time.

However, this option does not maximise opportunities to increase regional investment or make our New Plymouth market more attractive to investors. It also offers no benefits of scale, potentially hindering or slowing our ability to make change quickly and find efficiencies.

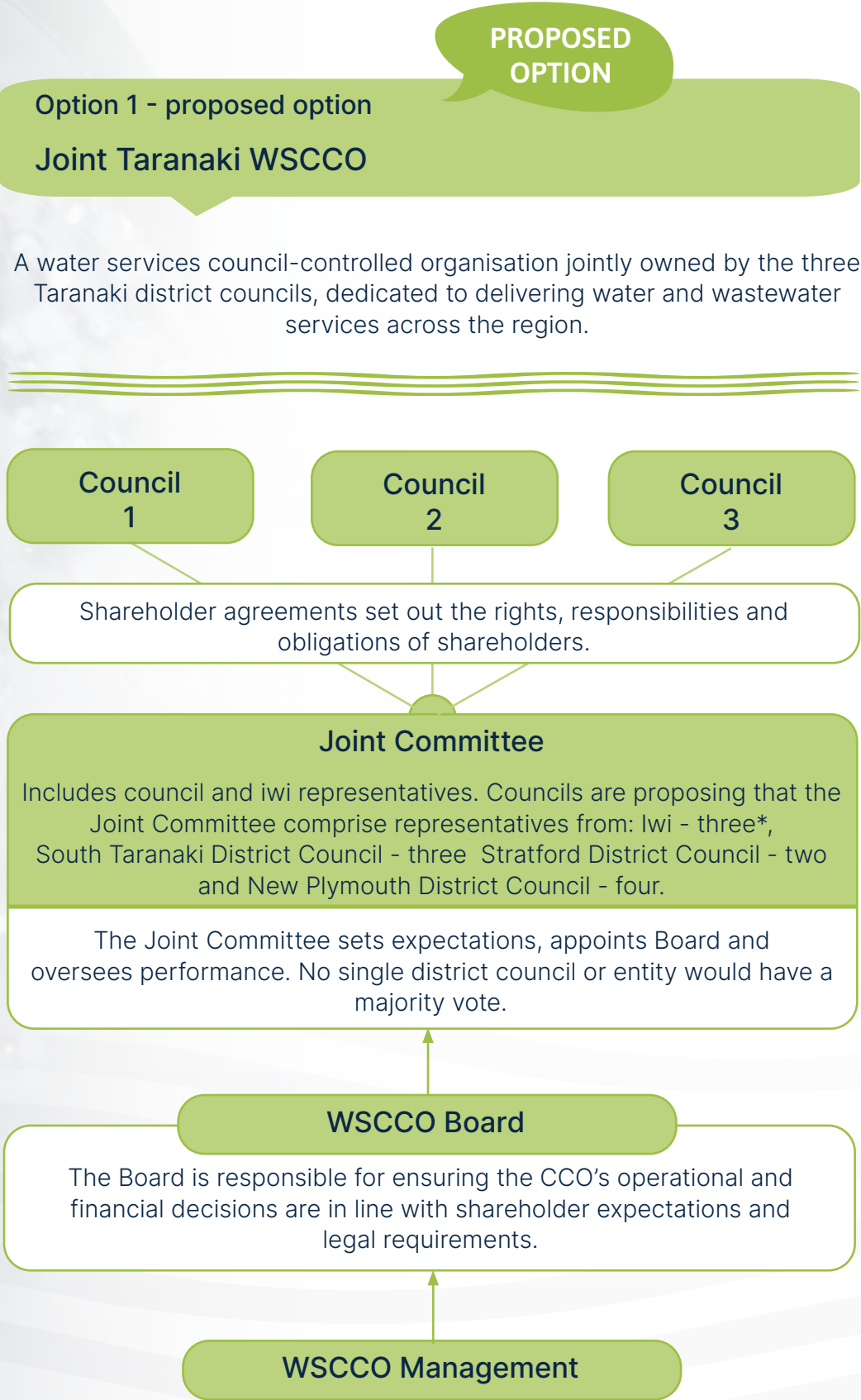
# 7. The options side by side - let's compare the options

Te whakatairite i ngā kōwhiringa

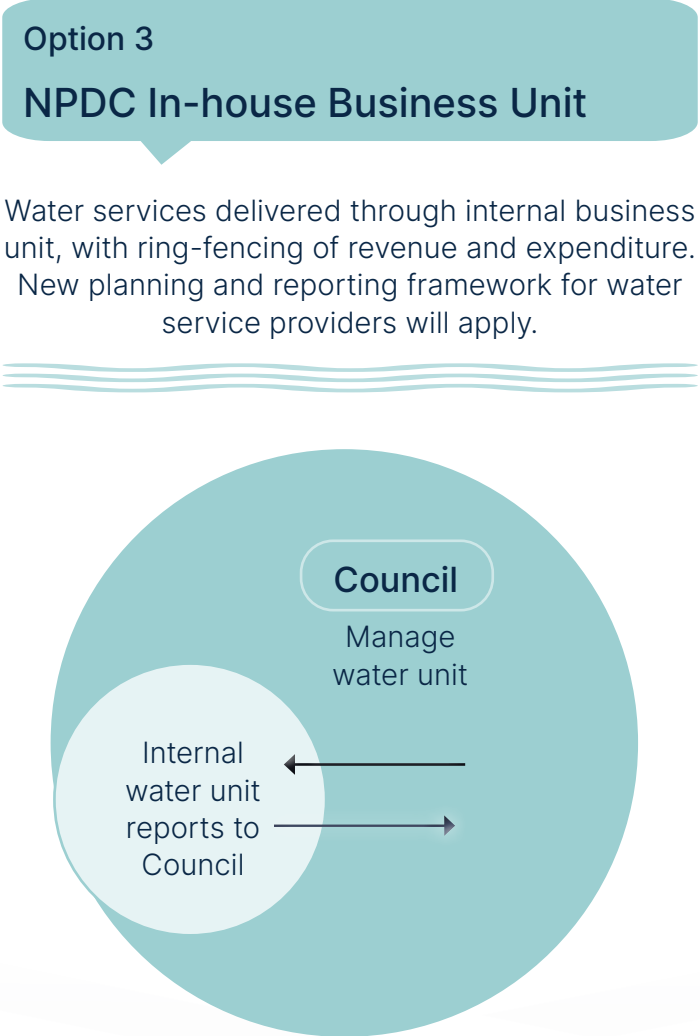
## i) Ownership and control

	Option 1 - proposed option Joint Taranaki WSCCO	Option 2 NPDC WSCCO	Option 3 NPDC In-house Business Unit
Who owns the water infrastructure assets?	Is 100% owned by the South Taranaki, Stratford and New Plymouth district councils. A WSCCO cannot be privatised.	Is 100% owned by New Plymouth District Council as the single shareholder. A WSCCO cannot be privatised.	No change, remains within Council.
Who is accountable for performance?	An independent Board oversees the WSCCO, and it is accountable to a Joint Committee made up of representatives from each shareholding council and iwi/mana whenua.	An independent Board of Directors oversees the WSCCO and is accountable to Council.	Councillors set overall direction and priorities.
Who decides what work gets done?	The Joint Committee agrees priorities and expectations for the organisation. The Board prepares a Water Services Strategy to achieve these, and ensures the organisation is focused on delivery.	As Option 1, with NPDC as the only shareholding council.	A Water Services Strategy is developed by Council outlining the priorities for service delivery and future investment. The business unit manages the delivery of services.
How does the community have a say?	Community feedback processes for the WSCCO will be determined by shareholding councils.	As Option 1.	Through normal democratic processes; community consultation and feedback on Council planning documents.
How does the funding work?	Consumers pay water charges to the WSCCO. A WSCCO can borrow up to 500% of its revenue. Any loans are guaranteed by shareholding councils – not by water assets.	As Option 1.	Funding for water remains part of overall Council revenue and debt but fully separated (ring-fenced) from all other Council work. Water charges paid to Council.

ii) Governance and accountability



\* One from each of the three waka: Tokomaru, Kurahaupō and Aotea.





iii) Advantages and disadvantages

Each model has its own characteristics. Note that some people may think of something as an advantage that others see as a disadvantage. Any proposed model has to meet Central Government criteria. If the Government is not satisfied that the proposed model meets requirements, it can step in.



Option 1 - proposed option  
Joint Taranaki WSCCO

Advantages

- Combines the resource and customer base of all three councils.
- Has the ability to borrow more for investment, which improves affordability.
- Removing debt servicing costs from council accounts will improve council’s ability to borrow for unexpected issues/activities.
- Separation from council decision-making will ensure an increased focus on water service delivery and investment.
- A regional programme of work will provide a more attractive market for suppliers, better opportunities for efficiencies, and offer better opportunities for staff.
- Compliance costs are shared, and service levels will be standardised across the region.
- Greater capacity to respond to emergencies.

Disadvantages

- Cost to establish the new entity.
- Potential impact on council staff and other council business units.
- Communities may feel disconnected from decision-making.

Option 2  
NPDC WSCCO

Advantages

- Has the ability to borrow more for Investment, which improves affordability.
- Removing debt servicing costs from council accounts will improve council’s ability to borrow for unexpected issues/activities.
- Separation from council decision-making will ensure an increased focus on water service delivery and investment.
- Retain local knowledge and continue to deliver compliant and reliable services to the community.
- Future mergers easier to achieve when/as the time is right.

Disadvantages

- Cost to establish the new entity.
- Less opportunity to achieve the benefits of scale.
- Communities may feel disconnected from decision-making.
- Smaller customer base to pay for services.

Option 3  
NPDC In-house Business Unit

Advantages

- Least disruptive in the short term.
- Avoids costs of establishing new entity.
- Retains council officer knowledge and management of council water assets.
- Maintains the community’s direct link to the people who control investment decisions, i.e. elected members.

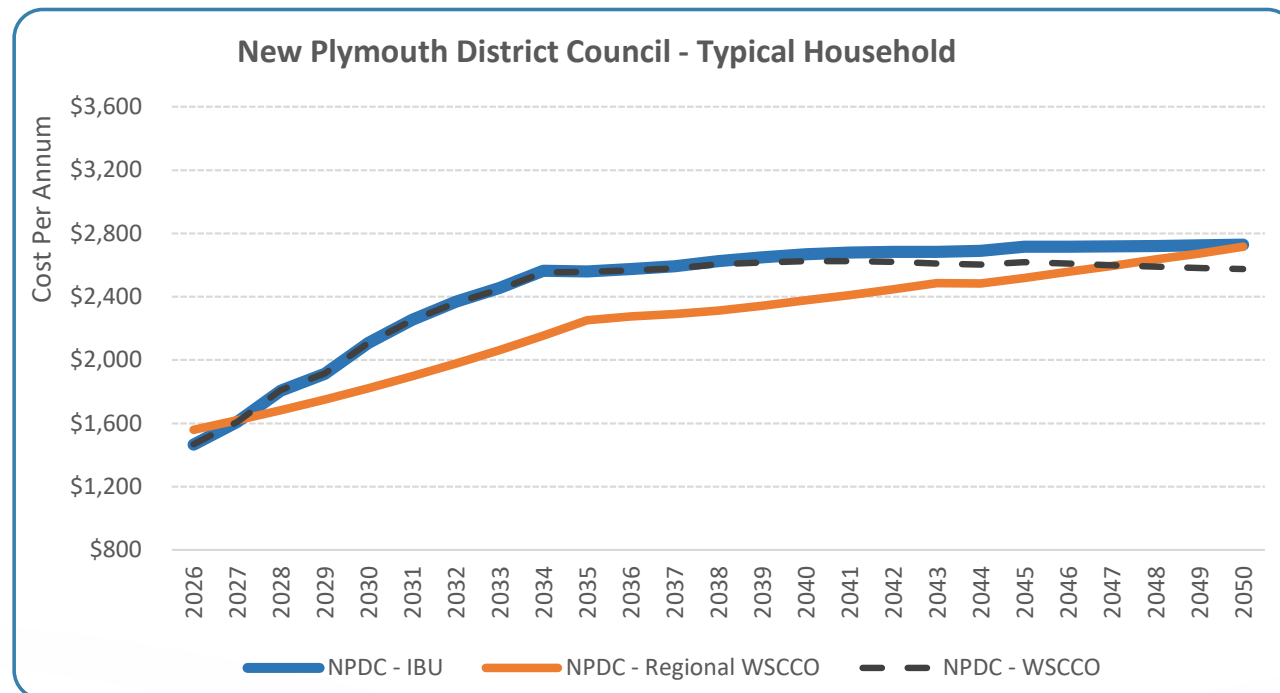
Disadvantages

- Less opportunity to achieve the benefits of scale.
- Smaller customer base to pay for services.
- May limit attractiveness of the district or region for investment, including regional infrastructure deals.
- May limit the ability to attract and to keep good staff.
- May limit the ability of council to respond to an emergency.
- Increased compliance and reporting requirements will be met by council alone.

## iv) Impact on water services charges and rates

Under the regional WSCCO and NPDC WSCCO models, customers will pay water service charges to the WSCCO. Under the in-house model, water service charges will continue to be paid to Council, as part of the rates demand.

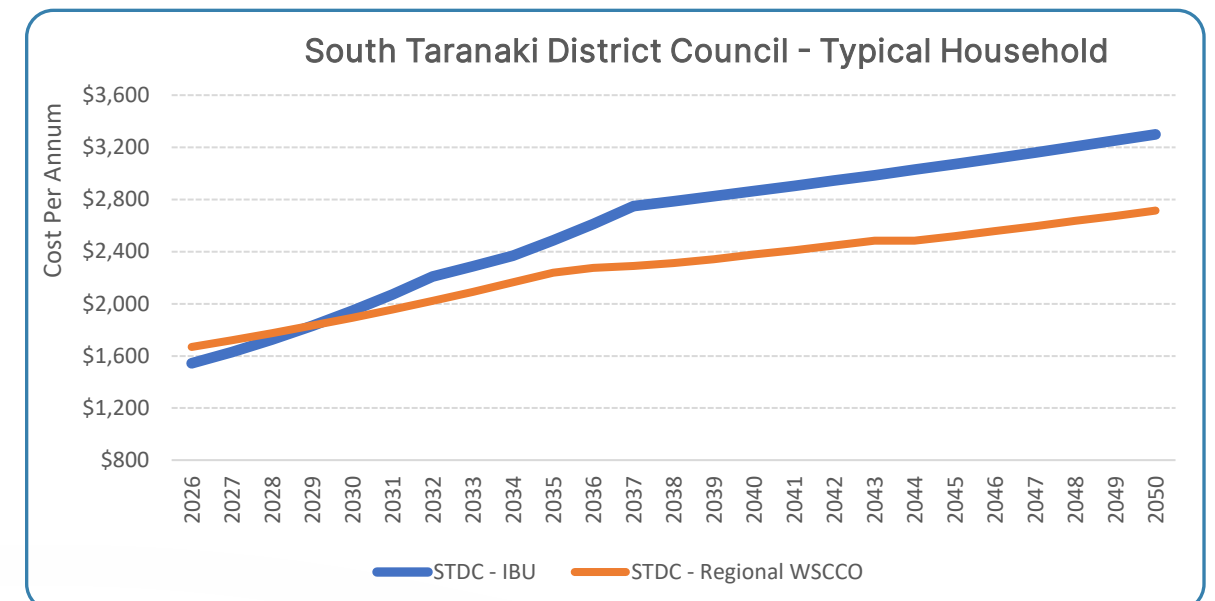
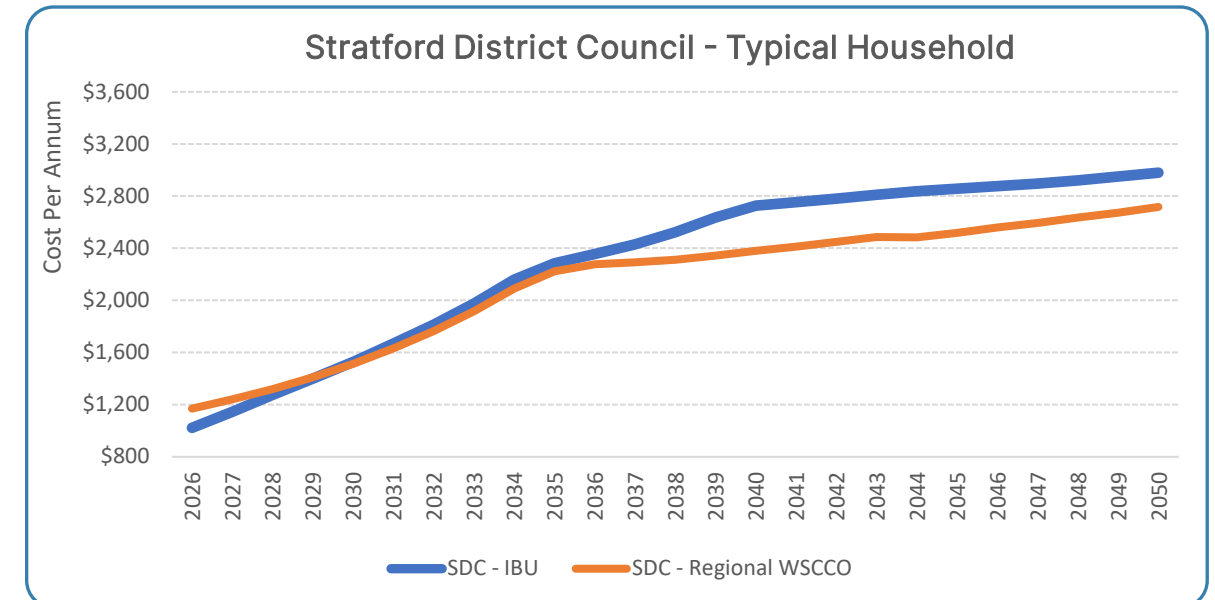
The cost of providing water services is increasing. Financial modelling shows that due to the benefits of scale, and a larger base of customers, cost increases would be lower under a regional WSCCO than under a NPDC WSCCO or in-house option.



IBU = Internal Business Unit

The graph (above) shows a forecast of drinking water and wastewater service charges to New Plymouth ratepayers up to 2050, comparing the likely prices for the internal option (in blue), the NPDC single council option (in grey) and the regional option (orange).

For example, a customer paying about \$1,500 a year for their drinking and wastewater services in 2026 would pay between \$2,500 and \$2,700 by about 2050.



### An important note about these numbers

These graphs are indicative and for comparative purposes only. They are prepared using assumptions that represent the information available at this time.

These assumptions include:

- Population changes.
- Capital and operating costs.
- Regulatory changes.
- Investment relating to housing growth, urban development or commercial activity.
- The performance of infrastructure assets.
- No natural events and disasters.
- The costs of establishing a separate water services entity.
- The benefits of the regional option of planning, investment, financial management, cost sharing and standardising services in keeping costs down.

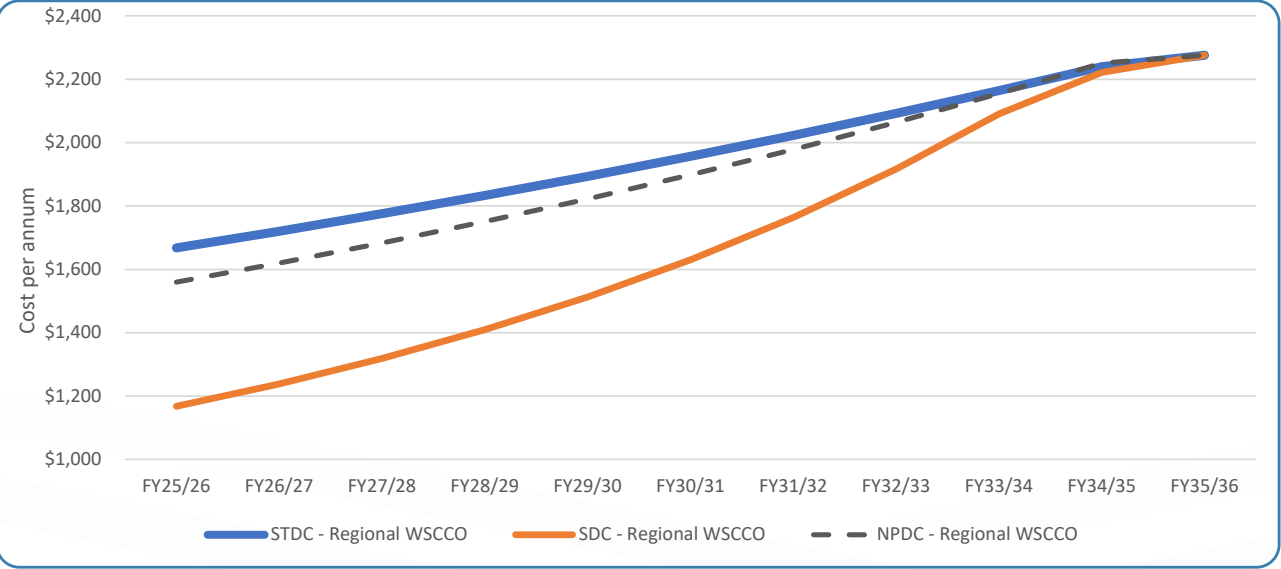
Standardising services, costs and prices

Over a period of 10 to 15 years, the regional WSCCO would standardise water and wastewater services and charges for customers, in a way that would avoid any price shocks to particular customers.

Standardised pricing is consistent with what currently occurs within each district, where all supplies have a common tariff.

A regional WSCCO spreads all the costs of service delivery, which includes the financial and investment costs, over a greater number of customers.

An example of this kind of “price harmonisation” effect is shown in the Water Charges Harmonised graph (below).



v) Impact on debt

One of the benefits that Local Water Done Well introduces is the ability for a separate water services entity to borrow more money based on its revenue, than a council can. This is particularly helpful in a case where a council is at or near its borrowing limits. This isn't the case for the three Taranaki districts, which all have sufficient borrowing capacity to meet forecast water infrastructure investment needs. However, creating a new water organisation, and moving existing debt related to two waters off the council balance sheet, would improve each council's ability to service debt – a bit like a mortgage interest rate cut would leave more money in the household budget.

	Total debt (\$m)	Two waters debt (\$m)	Two waters % of total debt
South Taranaki District Council	170	88	52%
Stratford District Council	42	10	24%
New Plymouth District Council	360	187	52%

Numbers above based on each council's long-term plan as at 30 June 2025 (rounded).

Option 1

**Joint Taranaki WSCCO**

(proposed option)

Along with the revenue from water service charges, all existing drinking water and wastewater services-related debt would be transferred to the regional WSCCO. This would improve the ability of each council to service its remaining debt.

Under Local Water Done Well, a WSCCO can borrow more money to fund infrastructure projects than Councils can, based on the same revenue.

Option 2

**NPDC WSCCO**

As per Option 1, along with the revenue from water service charges, all existing water services debt would be transferred to the WSCCO.

As a NPDC WSCCO can access more debt and expected to achieve efficiencies, it will have greater flexibility to provide affordability for consumers in the long run.

Option 3

**NPDC In-House Business Unit**

There would be very little change in debt for the council with an in-house business unit in the short term.

Over time, debt would change in line with the requirements of upgrades, growth and replacements of key assets, as set out in council's long-term plans.



## vi) Impact on Levels of Services

	Option 1 - proposed option Joint Taranaki WSCCO	Option 2 NPDC WSCCO	Option 3 NPDC In-house Business Unit
Water Services	Over time, it is likely that service levels would standardise across greater numbers of customers. New national standards and regulations around water quality, engineering and customer service would also be met.	As Option 1.	These would not change, except for meeting the increased reporting and compliance requirements under Local Water Done Well. New national standards and regulations around water quality, engineering and customer service would also be met.
Other Services	Would be unaffected, although some services may be needed to support the establishment of the new entity.	Would be unaffected, although there is a possible risk of a reduced relationship with other councils, if they participated in a joint WSCCO and NPDC did not.	Would be unaffected, although there is a possible risk of a reduced relationship with other councils, if they participated in a joint WSCCO and NPDC did not.
Growth	With a larger customer and revenue base, the regional entity would be better able to deliver investment to support growth, and manage the growing water network.	The ability to invest in new infrastructure would be limited by our revenue, noting that a NPDC WSCCO would have the increased ability for future mergers to support growth and manage the growing water network.	The ability to invest in new infrastructure would be limited by our debt servicing capacity.
Climate Change	A larger organisation will be better able to plan for and work with councils to mitigate potential climate change effects.	Having an organisation solely focused on water delivery will increase the ability to plan and mitigate potential climate change effects.	No change to current levels of investment to address climate change impacts.
Civil Defence	A regional entity will be better placed to respond to emergencies relating to the two waters.	Having an organisation solely focused on water delivery will increase the ability to respond to emergencies relating to the two waters.	No change.

# 8. Summary

## Whakatōpuni

There is a lot of information to consider when looking at the different options, and the requirements of Local Water Done Well. More legislation is expected to be passed after this consultation period - providing detail about the arrangements for the new water services delivery system; a new economic and consumer protection regime, and changes to the water services regulatory framework and water services regulator (Taumata Arowai).

The focus of Local Water Done Well remains on delivering better water services and being financially sustainable. So one way to look at this is to ask yourself which option you think will best achieve that.



By achieving greater scale, councils can deliver more sustainable, affordable, and high-quality water services for their communities.



### Achieving scale is important

The Government has repeatedly talked about the need for councils to work together to achieve scale in the delivery of water services and keep costs to consumers down. In general, it is more efficient, effective, and sustainable to deliver water services to a larger number of consumers than a smaller one. A regional WSCCO offers:

**Cost Efficiency:** Larger organisations reduce per-user costs for infrastructure investment, maintenance, and compliance with regulatory standards. This is because costs are spread across a larger customer base.

**Shared Expertise:** Pooling resources allows access to a broader range of technical expertise, skilled staff, and operational capabilities, improving service quality and driving innovation.

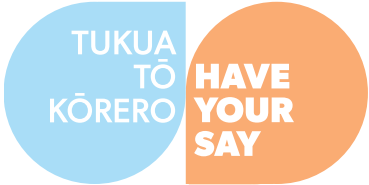
**Better Resilience:** A larger-scale model provides greater capacity to respond to emergencies, manage risks and adapt to future challenges like climate change.

**Improved Investment Capability:** The bigger the entity, the greater the ability to access better funding, spread costs over a wider base, and invest in critical infrastructure upgrades.

**Better Regulatory Compliance:** Scaling up enables more efficient implementation of stringent health, environmental, and economic regulations. This means a greater focus on securing good environmental outcomes through more resourcing for compliance monitoring including consent conditions, and increased ability to meet compliance standards.

# Tell us what you think and timeline

## Whakamōhio mai hō whakaaro. Te rārangi wā



### Making a submission is easy!

This is your chance to let the Council hear your views and preferences on the best option for delivering water services that will meet the needs of the community and the Government's new requirements. Please take the time to get involved and have your say.

There are several ways you can share your thoughts with us.



**Make a submission online.** It's easy! Just go to [npdc.govt.nz/haveyoursay](https://npdc.govt.nz/haveyoursay) or scan the QR code and complete the online submission form



**Hard copy.** Fill in the submission form on the next page, or put your thoughts on paper and:  
**Drop it to us at:** NPDC Civic Centre, Liardet Street, New Plymouth; or to a library and service centre in Bell Block, Inglewood or Waitara

**Or send it to:** Local Water Done Well, Reply Paid DX, DX BOX NR59001, New Plymouth

**Or email it to:** [submissions@npdc.govt.nz](mailto:submissions@npdc.govt.nz)

### Submissions close at 5pm on Friday 30 May 2025

Late submissions will not be accepted.

More information about the financial models used, and the water services delivery plan that will be submitted to the Government in September, are on the [Council website](#).

If you have a question email [enquiries@npdc.govt.nz](mailto:enquiries@npdc.govt.nz) or give us a call on 06- 759 6060

### Timeline

- 30 April**  
Consultation opens
- 30 May**  
Consultation closes
- 1 to 2 July**  
Hearings held
- 22 July**  
Council decision on Water Services Delivery Plan
- 3 September**  
Water Services Delivery Plan due to Government



# Local Water Done Well Submission Form



Submissions close at 5pm Friday 30 May 2025

## Your details

Your submission must include your name and contact details (preferably email and phone)

First name: ..... Last name: .....

Organisation (if applicable): .....

Postal address: .....

Phone: ..... Email address: .....

Do you want to speak to the Council about your submission? (please tick one) ☐ Yes ☐ No

If you don't select an option, we will assume you don't want to be heard.

## Your views

Council has considered the factors affecting water service delivery together with long-term goals for the region and community. Give us your thoughts on the proposed options for New Plymouth District or fill in the [form online](#).

1. Which option do you support for providing drinking water and wastewater services? *(please tick one)*

☐ Option 1 (proposed option) - Joint regional model with South Taranaki and Stratford district councils (Joint Taranaki WSCCO).

☐ Option 2 - a council-controlled organisation owned by New Plymouth District Council (NPDC WSCCO).

☐ Option 3 - an in-house business unit with New Plymouth District Council, modified to meet requirements (NPDC In-house Business Unit).

Please add any comments you feel are relevant

2. Do you support NPDC retaining in-house control of stormwater services?

☐ Yes ☐ No

Please add any comments you feel are relevant

All submissions (including your name, address and contact details) are provided to Council officers and elected members for the purpose of analysing feedback. Your personal information will also be used for the administration of the engagement and decision-making process. Submissions (with individuals names only) will be available online. If requested, submitter details may be released under the Local Government Official Information and Meetings Act 1987. If there are good reasons why your details and/or submission should be kept confidential please contact our Privacy Officer on 06-759 5688 or through [enquiries@npdc.govt.nz](mailto:enquiries@npdc.govt.nz)

Continue on next page

Thank you for your submission



## CONTACT

-  06 759 6060
-  [enquiries@npdc.govt.nz](mailto:enquiries@npdc.govt.nz)
-  84 Liardet Street, New Plymouth 4310
-  [www.npdc.govt.nz](http://www.npdc.govt.nz)
-  [NewPlymouthDistrictCouncil](https://www.facebook.com/NewPlymouthDistrictCouncil)
-  [NPDCouncil](https://twitter.com/NPDCouncil)



## **CLOSING KARAKIA**

### **TE WHAKAEATANGA**

Te whakaeatanga e,  
Tēnei te kaupapa ka ea,  
Tēnei te wānanga ka ea,  
Te mauri o te kaupapa ka whakamoea,  
Te mauri o te wānanga ka whakamoea,  
Koa ki runga,  
Koa ki raro,  
Haumi e, hui e, tāiki e.

It is completed, it is done,  
We have achieved our purpose,  
Completed our forum,  
Let the purpose of our gathering rest for now,  
Let the vitality of our discussions replenish,  
We depart with fulfilled hearts and minds,  
Bonded in our common goal and unity.

This karakia is recited to close a hui or event. It takes us from a place of focus and releases us to be clear of all the issues or tensions that may have arisen during the hui. We are now free to get on with other things.

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