

Tuesday, 8 July 2025

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga*  
**Hastings District Council**  
**Council Meeting**

*Kaupapataka*  
**Agenda**

*Te Rā Hui:*  
Meeting date: **Tuesday, 8 July 2025**

*Te Wā:*  
Time: **9:00 AM**

*Te Wāhi:*  
Venue: **Council Chamber  
Ground Floor  
Civic Administration Building  
Lyndon Road East  
Hastings**

*Te Hoapā:*  
Contact: **Democracy and Governance Services  
P: 06 871 5000 | E: [democracy@hdc.govt.nz](mailto:democracy@hdc.govt.nz)**

*Te Āpiha Matua:*  
Responsible Officer: **Chief Executive - Nigel Bickle**



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Tuesday, 8 July 2025

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*Te Hui o Te Kaunihera ā-Rohe o Heretaunga*

**Hastings District Council**

**Council Meeting**

*Kaupapataka*

# Agenda

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*Tiamana*

**Chair:** Mayor Sandra Hazlehurst

*Mematanga:*

**Membership:**

*Ngā KaiKaunihera*

**Councillors:** Ana Apatu, Marcus Buddo, Alwyn Corban, Malcolm Dixon, Michael Fowler, Damon Harvey, Henry Heke, Kellie Jessup, Tania Kerr (Deputy Mayor), Hana Montaperto-Hendry, Simon Nixon, Wendy Schollum, Heather Te Au-Skipworth and Kevin Watkins and one councillor vacancy

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*Tokamatua:*

**Quorum:**

8 members

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*Apiha Matua*

**Officer Responsible:**

Chief Executive – Nigel Bickle

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*Te Rōpū Manapori me te*

*Kāwanatanga*

**Democracy and**

**Governance Services:**

Louise Stettner (Extn 5543)



## *Te Rārangi Take*

# Order of Business

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### 1.0 Opening Prayer – *Karakia Whakatūwheratanga*

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### 2.0 Apologies & Leave of Absence – *Ngā Whakapāhatanga me te Wehenga ā-Hui*

At the close of the agenda no apologies had been received.

Leave of Absence had previously been granted to Councillor Kerr

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### 3.0 Conflict of Interest – *He Ngākau Kōnatunatu*

Members need to be vigilant to stand aside from decision-making when a conflict arises between their role as a Member of the Council and any private or other external interest they might have. This note is provided as a reminder to Members to scan the agenda and assess their own private interests and identify where they may have a pecuniary or other conflict of interest, or where there may be perceptions of conflict of interest.

If a Member feels they do have a conflict of interest, they should publicly declare that at the start of the relevant item of business and withdraw from participating in the meeting. If a Member thinks they may have a conflict of interest, they can seek advice from the General Counsel or the Manager: Democracy and Governance (preferably before the meeting).

It is noted that while Members can seek advice and discuss these matters, the final decision as to whether a conflict exists rests with the member.

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### 4.0 Confirmation of Minutes – *Te Whakamana i Ngā Minitī*

Minutes of the Council Meeting held Tuesday 13 May 2025.

*(Previously circulated)*

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### 5.0 Local Water Done Well Consultation and Hearing of Submissions

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### 6.0 Minor Items – *Ngā Take Iti*

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### 7.0 Urgent Items – *Ngā Take Whakahihiri*

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Tuesday, 8 July 2025

Item 5

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga*  
**Hastings District Council: Council Meeting**

*Te Rārangi Take*

# Report to Council

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**Nā:** Graham Watson, Chief Financial Officer  
**From:** Jess Noiseux, Strategic Financial Advisor  
Craig Thew, Group Manager: Infrastructure  
Bruce Allan, Deputy Chief Executive

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**Te Take:**  
**Subject:** Local Water Done Well Consultation and Hearing of Submissions

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## 1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga*

- 1.1 The purpose of this report is to provide the opportunity for those that have elected to speak to their submissions from the Local Water Done Well consultation process and to present a summary of submissions received, noting that the substantive decision making on this issue will be made at the scheduled 31 July 2025 Council meeting.
- 1.2 On 29 April, Council resolved to consult with the community on three options as set out in the Local Government (Water Services Preliminary Arrangements) Act 2024 with a preferred option identified as that of a Regional Water Services Council Controlled Organisation. The consultation period covered 12 May to 15 June.
- 1.3 1063 submissions were received with 42 initially indicating that they would like to verbally present their submission. Of the submissions received 83 per cent supported Council's preferred option for a Regional Water Services Council Controlled Organisation (WSCCO). At the time of writing this report 16 submitters had confirmed that they would be speaking to their submission.
- 1.4 The submissions were split 87 per cent between the urban community and the rural community (13 per cent). From the responses received 90 per cent had at least one connection to a Council water service.
- 1.5 Councillors have been circulated the submissions received to inform their consideration of community views on the three options put forward and to inform their decision making at the Council meeting on 31 July. An officer summary of the reoccurring themes and other matters is detailed in section 3.15 of the report. These reoccurring themes are presented in summary form and are intended to support the process but are not intended to dilute the detail contained within individual submissions presented to Council.

## 2.0 Recommendations - Ngā Tūtohunga

- A) That Council receives the report titled Local Water Done Well Consultation and Hearing of Submissions dated 8 July 2025.
- B) Note that all submitters will be written to after the 31 July Council meeting, thanking them for their submission and advising them of the outcome of Council's decision in response to submissions received.

## 3.0 Background – Te Horopaki

- 3.1 Hawke's Bay councils have a long history with water reform, pre-dating the various reform agendas of the last two Governments. Water reform has been considered through multiple reports and Council workshops.

The current Government has repealed the previous Three Waters legislation and developed a replacement model under the Local Water Done Well policy.

### Local Water Done Well legislative and policy framework

- 3.2 Local Water Done Well is the Government's plan to address New Zealand's long-standing water infrastructure challenges. It recognises the importance of local decision making for communities and provides councils with a framework to determine how their water services will be delivered in the future. There is a strong emphasis on meeting economic, environmental and water quality regulatory requirements.
- 3.3 The Local Government (Water Services Preliminary Arrangements) Act 2024 ('the Act') was enacted on 2 September 2024. The Local Government (Water Services) Bill ('the Bill') was introduced in early December 2024 and builds on the foundations set in the Act. The Bill is currently with the Select Committee, so there remains a degree of uncertainty as to its final form.
- 3.4 On the assumption these matters will not change, the combined legislation sets minimum requirements for service delivery models that include:
- New economic, environmental and water quality regulations
  - A new planning and accountability framework
  - Financial sustainability objectives
  - New statutory objectives consistent for all water providers
  - Restrictions against privatisation
- 3.5 All councils are required under this legislation to consider options and determine a preferred water service delivery model. Council reviewed three options for new water service delivery entities:
- In-house business unit/council-delivered service
  - Single council-owned council-controlled organisation (CCO)
  - A council-controlled organisation (CCO) owned by Council and one or more of our neighbours
- Consultation requirements*
- 3.6 The Act specifies that consultation is mandatory on the Council's proposed model or arrangement for its water service delivery.



- 3.7 However, a streamlined consultation is outlined in the Act, simplifying the process to assist with the preparation, consultation and adoption of a WSDP. This consultation process replaces the Part 6 of the Local Government Act 2002 (LGA) provisions.
- 3.8 The Act specifies the information that must be provided about the proposed delivery model during consultation. These include:
- Specifying the proposed model or arrangements for delivering water services and the reasons for it
  - An analysis of the advantages and disadvantages of at least two options that have been considered; one of these is expected to be a status quo approach and the other a water services CCO. Council may decide to include analysis of additional options and should include in the consultation material any other options that have been identified as reasonably practicable by Council
  - Potential impacts of proceeding or not proceeding with the proposal, including on rates, debt, levels of service, and any charges for water services
  - For a joint model, the implications for communities and accountability arrangements for communities throughout the joint service area.
- 3.9 On 29 April, Council resolved to consult with the community on three options as set out in the Local Government (Water Services Preliminary Arrangements) Act 2024 with a preferred option identified as that of a Regional Water Services Council Controlled Organisation:
- 3.10 While the Act provides for a streamlined approach to consultation, Council agreed to take a thorough approach to this consultation, given the significance to the communities affected, with a consultation that is more reflective of a Special Consultative Process as provided for in the LGA.

#### **Local Water Done Well – consultation process**

- 3.11 Council's consultation process ran from 12 May 2025 to 15 June 2025 (24 days) and outlined (as required by the Bill):
- Council's existing approach to providing three water services in the Hastings district, with changes considered to meet new financial sustainability requirements per the Bill
  - The change proposal, with the preferred option outlined being the Regional Water Services CCO
  - The other reasonably practicable option, being the Hastings Council CCO.
- 3.12 The following consultation initiatives were used to ensure a broad awareness of this significant proposal.
- Extensive engagement through Council's digital channels providing reach to a diverse segment of the community, including via Facebook and LinkedIn.
  - Hard copies of the summary consultation document delivered to 31,800 letterboxes, it included a tear-off FreePost submission form for residents to complete and return. We received 268 submissions via FreePost.
  - Advertising billboards and signs at over 15 locations across the district.
  - Facebook live session hosted by the Deputy Chief Executive and the Local Water Done Well project team to answer FAQs and provide further context on the proposal. This was posted to HDC website and received 986 video views.
  - The full consultation and summary material was available to view online with supporting detailed modelling data and background information on the Local Water Done Well project available. Printed copies were also available with all submission boxes.

- Officers ran a consultation pop-up shop at 223 Heretaunga Street for three weeks from 19 May to 6 June, staffed on weekdays from 10am to 4pm to allow the public time to engage on key issues.

### **Local Water Done Well – consultation overview**

3.13 The consultation overview below is provided to support the presentation of the submissions but is not intended to dilute the detail within the full submissions in **Attachment 5**.

#### 3.14 Pop-up shop: Feedback themes

- How will water be charged – multiple enquiries came in on this with support for water meters or queries on how water will be charged for (e.g. water meters, household fixed charges etc etc).
- Clarification on price harmonisation – general theme of not wanting to pay for other councils' asset programmes or debt.
- The impact on Council's debt levels under Option 1 (Regional WSCCO); what will stop Council spending more if debt is moved to a regional organisation.

#### 3.15 Facebook Live Session – total audience reach approximately 2400

3.16 This session was focused on answering some of the frequently asked questions as well as more detailed discussions around the three options put forward and to provide a record for future viewers. Questions were addressed in respect to some of the concerns raised by residents (e.g. will water services be privatised, which is not allowable under the Bill), as well as addressing some of the common themes that were coming through the pop-up shop (e.g. price harmonisation, Council debt levels, water meters etc).

#### 3.17 **Written submission: feedback themes and detailed analysis**

3.18 The full detail of written submissions has been provided to Council to inform its decision making at the 31 July Council meeting in **Attachment 5**. It should be noted that this analysis to-date is provided at a relatively high level and may not have picked up all of the salient points and themes from the submitters but has been assessed by Officers as sufficient for this stage of the process. More complete analysis will be provided to Council for the 31 July decision making.

3.19 Over 1000 submissions were received during the consultation period on the three options. Submissions presented a wide range of views, with some clear themes coming through from the submission comments among both those for and against the preferred option. The summary below outlines the key themes raised in submissions both in support of a Regional WSCCO and opposed.

#### 3.20 Submitters that agreed with Council's preferred option (Option 1 – a Regional WSCCO)

3.21 882 submissions (83 per cent) expressed support for the preferred option of a Regional WSCCO, of which 307 provided comments to their submission.

3.22 The key themes coming through in support of the preferred option related to:

- **Cost efficiency and economies of scale.**

The majority of submissions in support of a Regional WSCCO believed a regional model would achieve long-term cost savings through shared resources, operational efficiencies, and improved purchasing power, which ultimately would keep costs down.

- **Regional collaboration and shared infrastructure**

Many comments were favourable towards a collaborative approach given the shared water sources, stormwater systems and environmental responsibilities. A number of submissions saw the regional model as a step towards future collaboration in other areas of Council.

- **Water metering and user pays**

Quite a few comments were in favour of water metering to ensure fairness and enable those who conserve water to pay reduced prices and from an environmental point of view to reduce water usage. There were some comments against water metering but these were by far in the minority.

- **Independent, professional governance**

Comments were around prioritising technical expertise, performance accountability and a governance model that supports this where professional decision-making can occur independent of local politics. i.e. a professional competent board making operational decisions in the interests of the region.

- **Improved service delivery and infrastructure outcomes**

Submissions detailed expectations around improved infrastructure planning, service quality uplifts and resilience planning for major weather events. There were also comments in support of a regional option to enable better capability building across regional resources.

- **Other general comments**

While supportive of regional delivery there were some concerns about retaining public ownership of water services, and quite mixed views on mana whenua engagement, with some submissions strongly supporting and others raising concerns. There were also concerns raised about management of Council's remaining debt levels.

### 3.23 Submitters that opposed the preferred option (Regional WSCCO)

3.24 181 (17 per cent) of submitters opposed the preferred option, with 137 of these submissions providing comments. The main themes raised in these submissions were:

- **Perception of financial benefits**

A significant number of submitters were sceptical about the financial case for a Regional WSCCO, with some suggesting the incentive was to shift debt rather than obtain regional efficiencies. Overall theme was that cost savings would not be achieved as forecast.

- **Desire to retain local control and accountability**

There were strong comments on retaining ownership and decision-making within Hastings, especially given the level of infrastructure investments already made by Council. A regional model was perceived as less transparent and potentially unresponsive to local needs.

- **Opposition to price harmonisation**

Submissions were concerned about Hastings ratepayers paying for other Councils infrastructure investment needs and the idea of price harmonisation was a common point of contention.

- **Affordability and equity concerns**

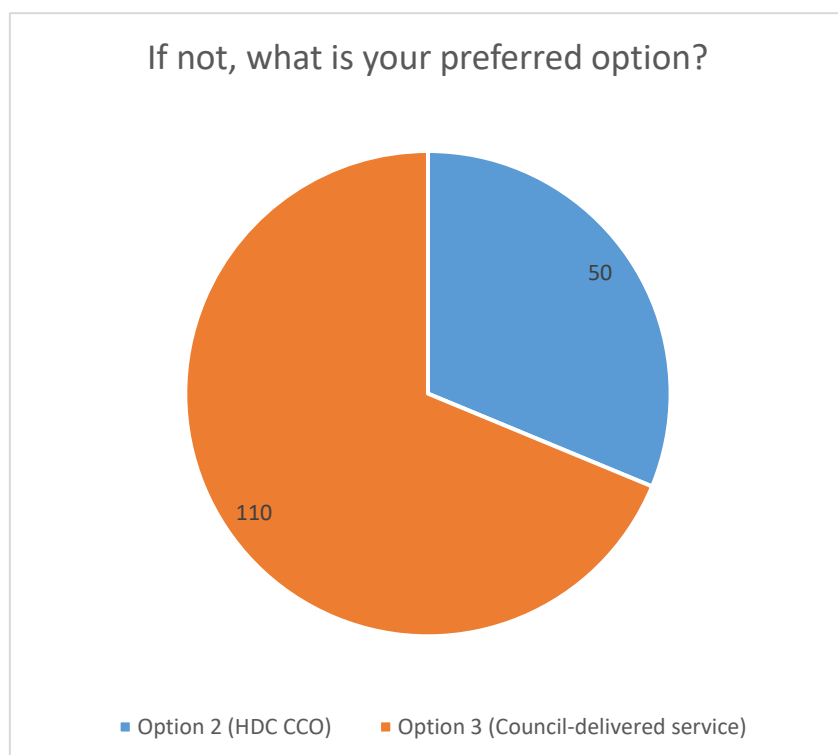
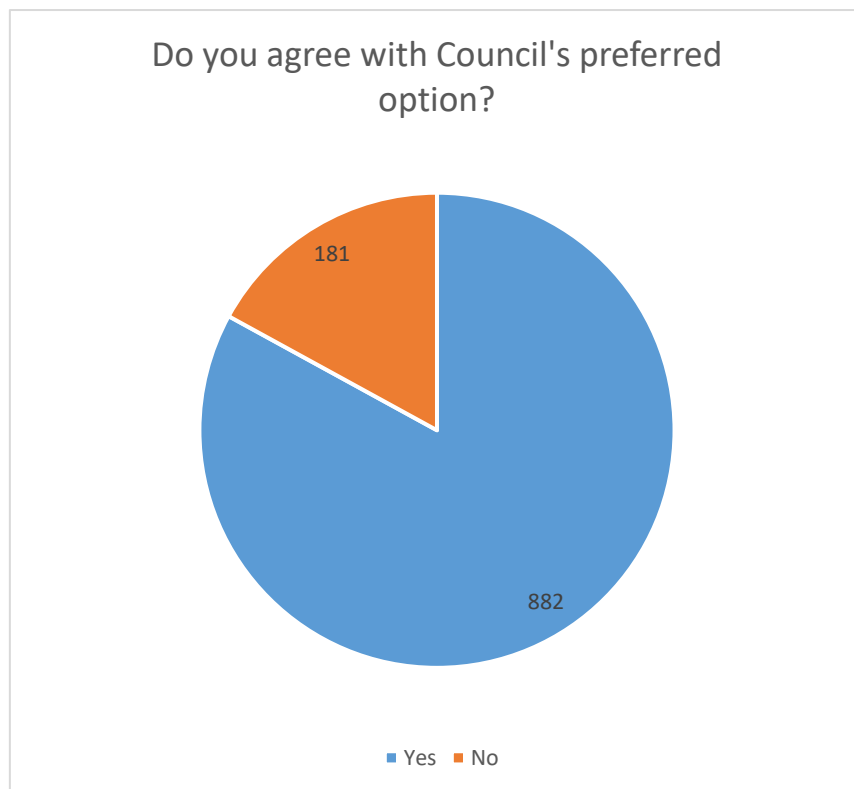
Rural residents and those on fixed incomes raised fears about increasing charges, especially where they either don't have water connections or had limited water use. This led to strong comments and interest in a user pays system such as water metering.

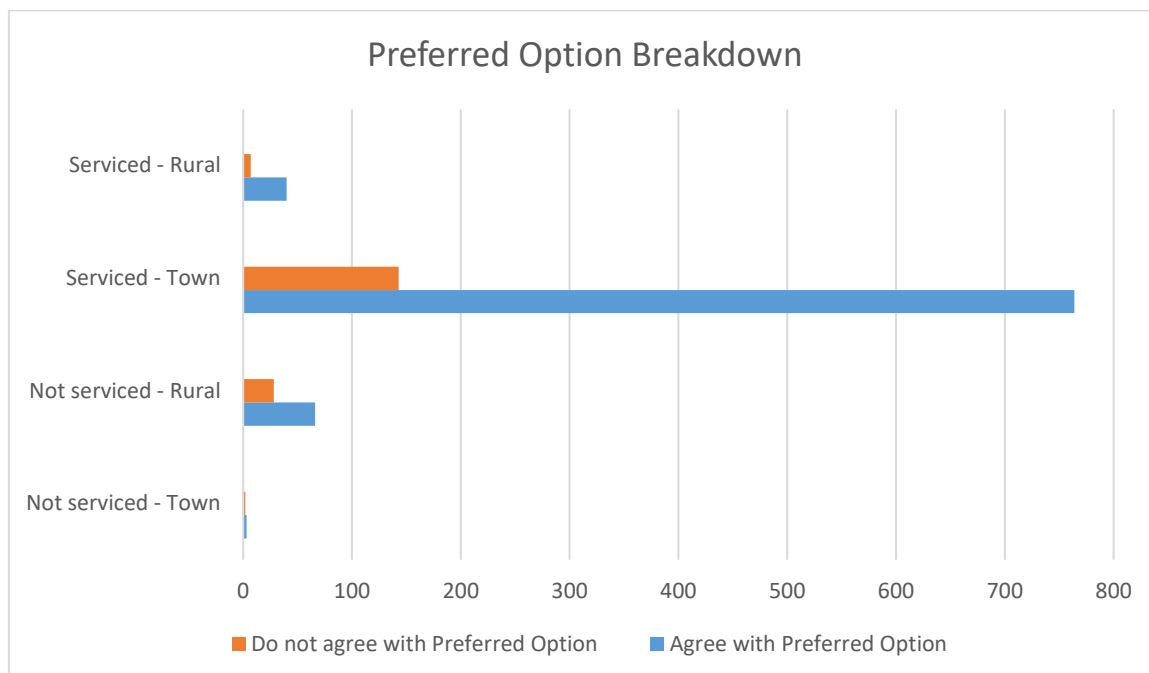
- **Governance complexity**

Some submissions were convinced that there wasn't enough information on the Governance structure and that a regional WSCCO added bureaucracy, loss of direct accountability and mixed views on mana whenua engagement (both for and against).

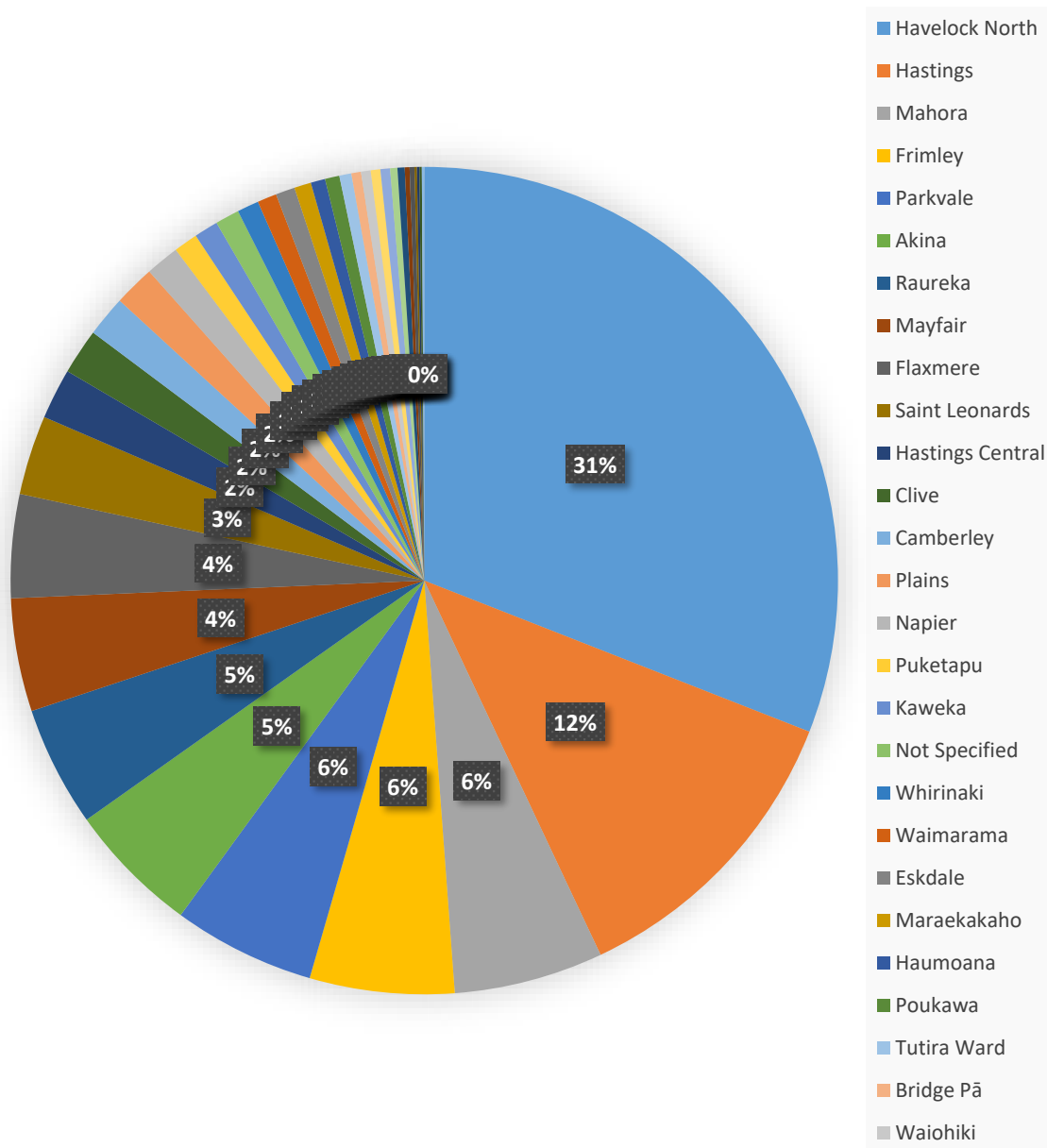
**Analysis of submissions**

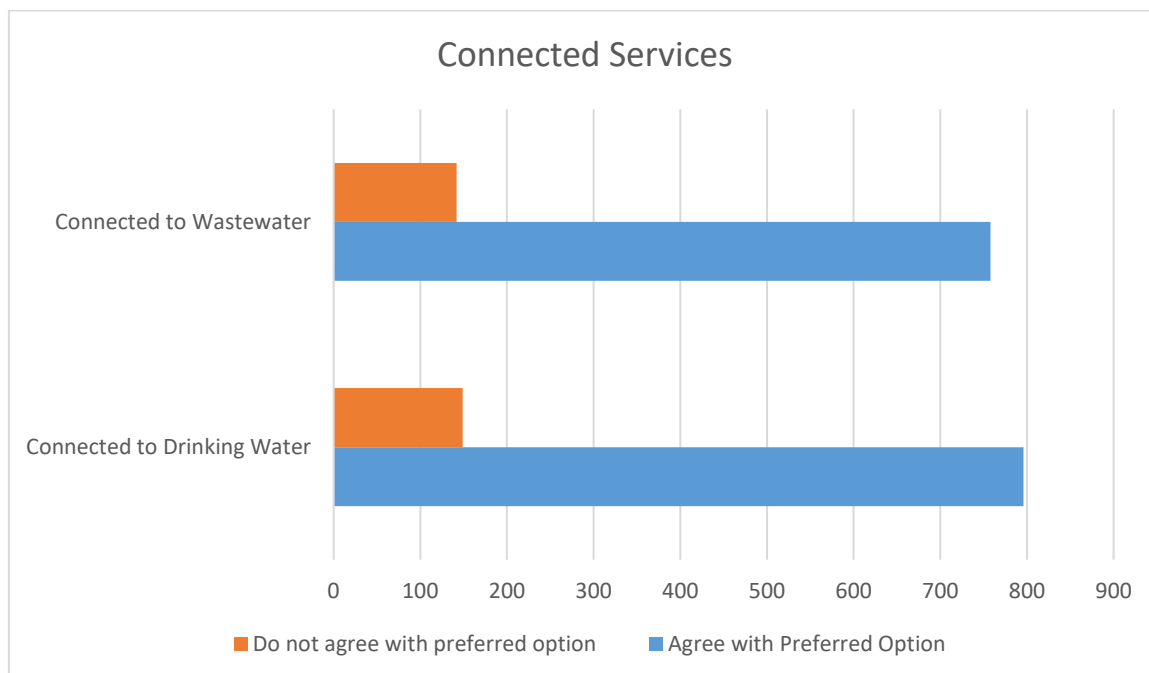
3.25 Below is a further breakdown of the submission results.





## Submissions by Locality





3.26 Initially 42 submitters indicated a willingness to present their submission to the hearing, however at the time of writing 16 submitters had confirmed, but the speaker schedule was still being refined. Based on the speaker list as it is known, the attachments have been structured for ease of reference when submitters are presenting to Council with all those speaking to their submissions included in **Attachment 1**.

3.27 Three submissions were received as letters from the following organisations:

- Tamatea Pokai Whenua – please refer to **Attachment 2** for their submission letter.  
Heather Bosselmann will be speaking to this submission at 12.00pm.
- Te Whata Ora/Health NZ – please refer to **Attachment 3** for their submission letter.  
Dr Nicholas Jones is scheduled to speak to this submission at 1.30pm.
- Maungaharuru-Tangitū Trust – please refer to **Attachment 4** for their submission letter.

#### 4.0 Next steps – *Te Anga Whakamua*

4.1 The outcomes from the Council consultation process are outlined in this report and its attachments. Council have well exceeded the minimum requirements for consultation outlined in the Bill and can now receive this report to aid in decision making for the 31 July 2025 Council meeting.

#### Attachments:

|    |  |               |       |
|----|--|---------------|-------|
| 1⇒ | Attachment 1 - Submissions from Speakers             | CG-17-1-01660 | Vol 1 |
| 2⇒ | Attachment 2 - Tamatea Pokai Whenua                  | CG-17-1-01658 | Vol 1 |
| 3⇒ | Attachment 3 - Te Whata Ora/Health NZ submission     | CG-17-1-01659 | Vol 1 |
| 4⇒ | Attachment 4 - Maungaharuru-Tangitū Trust submission | CG-17-1-01662 | Vol 1 |
| 5⇒ | Attachment 5 - LWDW - All submissions                | CG-17-1-01663 | Vol 2 |