

**SUBMISSION: NZ's Three Waters
Reform: What It Means For Auckland
16TH DECEMBER 2021**

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Submission to NZ's Three Waters Reform.

Introduction

Business North Harbour (BNH) representing the North Harbour Business Improvement District welcomes the opportunity to make this Submission to Auckland Council on NZ's Three Waters Reform: What It Means For Auckland.

BNH is a significant commercial and industrial Business Improvement District (BID), representing over 4,500 commercial property owners and businesses within the North Harbour area. Collectively they employ over 35,000 Auckland residents and ratepayers.

The organisation is located within the Upper Harbour Local Board area, which remains one of the fastest growing areas in the country, in both absolute and percentage population terms, which brings both challenges and opportunities to the North Harbour business district.

BNH represents and works with a wide range of businesses comprising of a mix of sole traders, Small Medium Enterprises (SME), through to multi-national organisations representing sectors such as ICT, business services, specialist manufacturing, light – medium warehousing, logistics, retail and hospitality. In addition, we have key educational institutions within or on our boundary, including Massey University Albany and AUT Millennium, along with a variety of primary and secondary schools including Rangitoto College, the largest secondary school in New Zealand.

Background

Central Government is proposing a change to the way the 'three waters' (drinking water, wastewater and stormwater) are managed across New Zealand.

In Tāmaki Makaurau, these are currently controlled by Auckland Council and Watercare (a Council Controlled Organisation), but the government has announced it will create four new entities across the country that will look after the 'three waters' for larger areas. 'Entity A' would look after Auckland along with Far North, Kaipara and Whangārei councils.

Auckland Council are supportive of the outcomes the three waters reform is trying to achieve, providing greater investment in water infrastructure to ensure reliable and safe drinking water, and to prevent raw sewage getting into our beaches and rivers. However, they are concerned about who these new water entities are answerable to, and how accountable they are to the public.

Auckland Council is seeking feedback on their proposals for how these entities should be held accountable to the public.

Business North Harbour Feedback

Proposal 1.

Auckland Council is supportive of the outcomes the government's three waters reform is trying to achieve. At the same time, we have a number of concerns about who the new water entities are answerable to, and how accountable they are to the public. As a result of these concerns, we have made the following proposal:

Entity A (our new water entity) should be kept accountable and responsive to the public through their elected representatives (or local councillors). This would mean elected representatives would directly appoint the Board for Entity A. It would also mean that Entity A would need to comply with the broad objectives set by the elected representatives.

How much do you agree or disagree with Auckland Council's proposal on who Entity A should be answerable to?

BNH strongly agrees with this proposal. We believe that all New Zealand businesses and households should be provided with safe and reliable drinking water, wastewater and stormwater services. For this to be achieved in Auckland and the remainder of the proposed area covered by Entity A, the entity needs to be held accountable for providing the necessary planning, investment and outcomes to the people funding the work, which we understand will continue to be local rate payers, or their elected representatives. BNH believes that this accountability and therefore control on delivery of the objectives set needs to be maintained.

Proposal 2.

94 per cent of the water assets for Entity A would come from Auckland. By assets we mean infrastructure like pipes, reservoirs or dams, and sewage treatment plants. Aucklanders would also represent around 90 per cent of customers served by Entity A. However, Auckland Council would only have a minority representation on the 'Regional Representative Group' for Entity A. That is because representation will be shared across the four councils (Auckland, Far North, Kaipara and Whangārei) and iwi.

Given our size and inputs, we believe Auckland Council should have the majority of control over Entity A's water assets and what Entity A does. How much do you agree or disagree with this view?

BNH strongly agrees with this proposal. Given the size of the Auckland population and the fact that the vast majority of the assets for Entity A would be provided by Auckland, Auckland Council should have majority representation on the Regional Representation Group (RRG) for Entity A. That said, it is very important that the RRG adequately represents the other councils and iwi to ensure that everyone who resides in the areas covered by the entity receive the same level of three waters services as soon as is practicably possible.

Do you have any other feedback on the Government's proposed three waters reform?

BNH would offer the following observations which we believe outline some of the reasons why Auckland doesn't fit into the Government's 'one size fits all' approach to the reform:

- I. Auckland has a unique operating model which sees Auckland Council providing stormwater services and Watercare, a Council Controlled Organisation, providing

water and wastewater services. Under the new entity Watercare would not exist putting current service levels at risk.

- II. Auckland Council plans to increase investment in three waters considerably over the next ten years, this investment would also be at risk.
- III. The current and ongoing needs of Auckland as the population continues to grow rapidly are far different in scale to the rest of the areas in Entity A.
- IV. The money raised in Auckland for the three waters services should primarily be spent in Auckland to meet the needs of the ever-growing population.

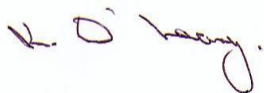
Conclusions

Businesses rely upon the provision of safe and efficient drinking water, wastewater and stormwater services to enable them to operate efficiently whilst also maintaining a duty of care towards their employees and visitors.

BNH supports the proposals put forward by Auckland Council which we believe will best serve to ensure that three waters standards are maintained and improved under the Government reforms, which will be of benefit to all Aucklanders.

Should there be any questions or other matters arising from this Submission, we would be pleased to respond to those.

Yours sincerely,



Kevin O'Leary
General Manager