

## ATTACHMENT D

### Three Waters – Rural Water Schemes workshop

8 September 2021

#### Attendees

- Brian Hanna
- Jules Witt
- Tania Kerr
- Tim Cadogen
- Daniel Harris
- Ashley Harper
- Dan Mitchell
- Bruce Hinson
- Matt Russell
- John Herbert
- Langley Cavers
- Peter Wimsett
- Helen Worboys
- Shayne H
- Stu Cross
- David Adamson
- Tim Harty
- Steve Hill
- Bryan Cadogen

#### Update from Brian Hanna re the Water Services Bill

- Health Select committee has considered the Water Services Bill and this has resulted in a few changes to the Bill.
- Private water schemes not part of the reforms. Only council owned and operated water supplies will be covered by the three Waters reforms.
- Some rural drinking water schemes have been vested with their local council to manage and these can be re-vested back into rural ownership if both parties agree.
- Acceptable solutions have been agreed for rural water schemes for household drinking water. Schemes can now apply to Taumata Arowai for that status and then a registered plumber can set up system at the house that meets the drinking water standards. That plumber can sign off the system as compliant and report back to Taumata Arowai on behalf of the scheme. So, you don't have to treat the whole scheme at the source.
- Small rural schemes don't have to comply until 2025 so have some time to get up to speed.

#### What's being proposed in Three Waters reform

- Reform only covers council-owned drinking water, wastewater and stormwater supplies. Not privately owned supplies. No impact on single-household self-suppliers.
- Councils will not be left with any residual services/obligations.
- Only those council-owned assets necessary for the delivery of three waters services would be transferred to the new water service delivery entities. Not rural stock schemes, as the primary purpose is for farmers/private landowners to manage their stock.

- Where there are existing service delivery arrangements between councils and community/rural schemes, work together through the transition period to ensure the services continue.
- All aspects of the regulation of drinking water supplies must be tailored by Taumata Arowai according to the “scale, complexity and risk profile” of a supply. This means that new treatment options will be available to rural supplies that have not been allowed under the Health Act.
- Taumata Arowai will also be requesting water providers to monitor the state of source water.

### Concerns

- Define more clearly what rural means - stock schemes, rural schemes, small towns, houses
- Provide clarity on how and when to apply acceptable solutions – and whether TAs can retain water schemes
- Need a mechanism for a small rural community to influence their water – at the moment they might have an elected committee and a really strong sense of ownership, given their parents probably built the scheme. They have direct influence over renewals, capacity, necessary upgrades.
- Rural communities are concerned they will subsidise urban, especially wastewater – make those prices clear.
- Concerns around costs and pricing, and the WICS modelling and how it was done (not making sense for rural).
  - Want evidence that these concerns will be addressed.
- Rural communities have a different expectations of service – eg townships might have a restricted supply.
- Heavily influenced by RM reforms (land use)
- Large volume of stock water dictates scheme over potable water supply
- A hugely diverse range of models, charging etc (opportunity for standardisation? Timaru raised issue of schemes across 3 Council boundaries for example)
- Acceptable solution may be uneconomic for households
- There’s a risk that smaller schemes will cut themselves off to avoid regulator.

### Problem areas to solve

- What are we defining as a rural scheme? Identifying the primary purpose is important.
- How do we educate the public on what is coming? What’s local govt’s role there? Should we push central govt to do that?
- Who owns what? Thoughts on alternative ownership structures, making sure our voice is still pertinent to our own scheme.
- Charging basis. Currently a lot on volume rather than connection. What’s right going forward?
- Different schemes, big and little. Best solution will be different depending on scheme. How do we enable that flexibility?
- We’re being asked to meet the needs of users. What does that mean? On demand?
- Our schemes have a governance structure attached to them. Farmers historically have contributed to those, have a sense of ownership. How will their voice continue?
- How do we accommodate land use change, climate change?
- How do we create the right flexibility to deal with the right level of water standard for each drinker — for stock, for people.
- How do we make sure the regulations are sensible?

- How do we make sure necessary investments and upgrades are made for the future?
- The increasing environmental requirements and resource consenting requirements make it hard for smaller supplier to handle / comply with on their own. How will rural schemes meet the increasing cost of compliance?
- How do we meet cost burdens associated with rural schemes, esp smaller schemes?

### **Potential solutions**

- More clarity on what's in the Water Services Bill and how it will affect rural water schemes versus how the Three Waters reform will affect them.
- Better comms re private water schemes versus council owned schemes and what the obligations are for each
- Clarity re what constitutes a rural scheme
- Is it possible to split urban supplies from rural supplies with urban joining WSE/town supplies and rural remaining independently owned and managed?
- Some rural schemes have been transferred to council "ownership" by default. Is it possible for rural schemes to "buy" back ownership of their scheme so no longer council owned?