Christchurch looks set to go it alone for water services

Mike Yardley August 13, 2024 Comment (1) Government unveils new water plan, councils retain asset ownership

Mike Yardley is a Christchurch-based writer on current affairs and travel, and a regular opinion contributor.

OPINION: With fuller details now released on the Government's <u>Local Water Done</u> <u>Well</u> legislative settings, how are Canterbury's territorial councils preparing to respond to the bold new framework?

It's highly likely we will see our respective councils pursue various service delivery models. A key feature of the legislation is the pick and choose approach. Councils will have the flexibility to determine the optimal structure and delivery method for their own water services.

Some councils may decide to continue to deliver water services in-house, establishing a stand-alone water organisation to capitalise on the enhanced access to long-term borrowing for water infrastructure, or they may opt for a multi-council water organisation, with mixed ownership structures, including community trusts. So where are we headed in Canterbury? Christchurch looks set to go it alone. The city council's Finance and Performance Committee Chair, Cr Sam MacDonald, was a strident opponent of the previous government's doomed Three Waters reform programme. He's a fan-boy of the new framework.

Councillor Sam MacDonald believes it's most likely that Christchurch's future delivery of water services will remain in-house. IAIN MCGREGOR / THE PRESS "We had six years of consultants being paid a fortune with bad solutions or excuses to drive an outcome, and the issue of access to debt has now been sorted within six months."

MacDonald has long argued that the previous attempts at water reform were trying to fix a problem Christchurch did not have. He believes it's most likely that Christchurch's future delivery of water services will remain in-house, but "appropriate advice will inform that final decision".

Cast your eye over the council's freshly-minted long-term plan and Christchurch has committed to spending \$2.7 billion over the next 10 years on infrastructure upgrades and renewals, and the delivery of water services. That's fully budgeted for in the long-term plan.

One of the most obvious benefits from retaining complete autonomy over water services is the council's free hand to efficiently synchronise multiple works projects. MacDonald argues that "the roads literally sit over our pipes so the paper-shuffling bureaucracy that would be required with two separate agencies working together would be madness".

Despite doubling-down on Christchurch going it alone, MacDonald is not ruling out the city assisting neighbouring councils "if it made sense for them to utilise our purchasing power or in-house technical expertise".

Selwyn District Council is keeping an open mind on the best direction of travel. Deputy Mayor Malcolm Lyall tells me "we are supportive of a regional approach including the option of council-controlled organisations. Selwyn is fortunate to be in a good position, after investing heavily in our water infrastructure."

Plus, Selwyn ratepayers are volumetrically charged for water use. Meanwhile, North Canterbury's three district councils have swiftly confirmed they will join forces to create a water services delivery plan once the new legislation takes effect later this year.

The Kaikōura, Hurunui and Waimakariri councils all staunchly opposed the previous government's reforms, as vocal members of the Communities for Local Democracy grouping. Waimakariri Mayor Dan Gordon welcomes the victory for the retention of local ownership of water assets and "the flexibility for local arrangements to be made".

Hurunui mayor Marie Black has told Mike Yardley the model of water delivery North Canterbury settles on will be a collaborative one.

KAI SCHWOERER / THE PRESS

Hurunui Mayor Marie Black tells me it's too early to be definitive on what delivery model North Canterbury will finally settle on, but it will be collaborative. If a multicouncil water organisation is created, ratepayers across North Canterbury can expect a separate water bill to their rates. Volumetric charging is also possible. Unlike Christchurch, it's the small ratepayer base councils that clearly stand to benefit the most by grouping together and creating stand-alone entities to tap into the new funding mechanisms.

But across Canterbury's territorial councils, there's sweeping support for the signals that water standards compliance may be relaxed. Mayor Gordon tells me that such flexibility would be welcome, while Cr MacDonald believes "keeping people safe with pragmatic rules would be of enormous benefit to the city".

Whether any compliance relief would eliminate mandatory chlorination of Christchurch drinking water remains to be seen.

Finally, it hasn't captured much media attention, but tellingly, legislative protections will specifically prohibit water services or water infrastructure assets from being privatised. Throughout the past six years' ferocious scrapping over water reforms, which also contributed to Labour being kicked out of office, safeguarding the public ownership of water services is surely one imperative we can all agree on.