



Media Statement

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WATER NEW ZEALAND SUPPORTS CHANGES TO LOCAL GOVERNMENT ACT – ENABLES LOCAL DECISION MAKING ON WATER

Water New Zealand today announced its support for the proposed reforms to the Local Government Act that will allow for improvements to the way in which Councils can collaborate to develop shared service arrangements for managing water assets.

“The proposals enable and give greater flexibility to the Local Government Commission to work with Councils at a local level to improve service delivery – rather than the current one size fits all reorganisation process which is geared toward full Council amalgamation”.

Chief Executive of Water New Zealand, John Pfahlert, said that there was plenty of evidence that communities reacted poorly to Council amalgamation proposals driven out of Wellington.

“Indeed with the exception of the forced Council amalgamations in Auckland the current amalgamation process has been a spectacular failure” he said.

Mr Pfahlert said these new proposals at least provided communities with the option of promoting grass roots, Council led reorganisations in the urban water space for the first time. It doesn’t require Councils to do anything, just provides a wider range of choice than currently exists.

“There is plenty of evidence that Council Controlled Organisations can deliver savings to local government by applying commercial discipline to their investment decisions. They also attract better staff and skills to CCO’s because of their economies of scale – basically people like working for them.

Mr Pfahlert said that he thought there might be good uptake of the proposals at a local government level if Central Government backed the new legislation with some financial incentives to make it happen.

“One option could be for Government to contribute toward the cost of pipeline renewals in Council areas where a CCO model has been adopted”.

ENDS

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