



Te Kaunihera-ā-Rohe o Taratahi

**CARTERTON**  
**DISTRICT COUNCIL**

# **AGENDA**

## **Extraordinary Council meeting**

**Date: Wednesday, 28 February 2024**

**Time: 10:30 am**

**Location: Carterton Events Centre  
50 Holloway St  
Carterton**

Mayor R Mark

Deputy Mayor D Williams

Cr B Deller

Cr R Cherry-Campbell

Cr S Cretney

Cr L Newman

Cr S Gallon

Cr S Laurence

Cr G Ayling



**Notice is hereby given that an Extraordinary Council meeting of the Carterton District Council will be held in the Carterton Events Centre, 50 Holloway St, Carterton on:**

**Wednesday, 28 February 2024 at 10:30 am**

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## **Order Of Business**

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**1 KARAKIA TIMATANGA**

*Mai i te pae maunga, raro ki te tai*

*Mai i te awa tonga, raro ki te awa raki*

*Tēnei te hapori awhi ai e Taratahi.*

*Whano whano, haramai te toki*

*Haumi ē, hui ē, tāiki ē!*

**2 APOLOGIES**

**3 CONFLICTS OF INTERESTS DECLARATION**

**4 PUBLIC FORUM**

**5 YOUTH COUNCIL VIEWS ON AGENDA ITEMS**

## 6 REPORTS



### 6.1 UPDATE ON 2024-34 LONG-TERM PLAN CONSULTATION DOCUMENT

#### 1. PURPOSE

To approve the recommendations from the Risk and Assurance Committee meeting on 21 February 2024:

- to proceed with an unaudited consultation document but to continue to engage with Audit NZ on the assurance of the consultation material for the 2024-2034 Long-Term Plan.
- to re-schedule the adoption of the Consultation Document from 20 March to 27 March in order to provide staff with an extended timeframe due to external factors and minor delays.

#### 2. BACKGROUND

The Carterton District Council had been planning to prepare a Long-Term Plan (LTP) on the basis that consultation material and the Consultation Document (CD) would be subject to a full audit review and opinion prior to adoption by Council and sharing with the public.

Following the October 2023 General Election, it became more certain the Coalition Government would significantly change the Water Services Entity reform legislation. The new Minister for Local Government wrote to Mayors outlining the government's intention to amend the water legislation and the enacted provisions. The repeal of parts of the Water Services Legislation was enacted in December 2023.

Reflecting the change in government policy the Coalition Government indicated the remaining legislation would be repealed, and new legislation introduced by February 2024. The repeal bill also includes new options to help Councils complete their 2024-2034 LTP include water services for the entire 10-year period.

The proposed legislation, referred to as "Local Water Done Well", includes reference to a new class of water entities which are "financially separate council-owned organisations", and will be required to have a focus on financial sustainability. This will likely be introduced in December 2024, after the repeal legislation has been enacted.

#### 3. AUDIT OF THE LTP

The Minister for Local Government wrote to Mayors in December 2023, and signalled the February 2024 proposed legislation will include provisions to help Councils through the LTP process. One of these provisions would allow Councils to prepare unaudited LTP consultation documents, speeding up the LTP process and

avoiding duplication of effort by auditors. The provision still requires Council's final LTP to be audited, which will occur in tandem with public consultation.

Should Council decide to proceed with an unaudited consultation document, staff will still meet with Audit NZ regularly over the consultation period to keep them across issues that may arise.

An audit opinion on our final LTP documents is still required. Staff proposed to continue to work with Audit NZ to provide them with any additional information that might assist with this process.

#### 4. DISCUSSION

##### 4.1 Timeframes

The timeline for the project centres on key dates for completion of the draft documents in March, and consultation in April/May 2024 with adoption of the final LTP document in June 2024.

The table below provides an updated summary of key milestones and timelines for 2024.

Description	Start	Finish
<i>External audit assurance commences (three weeks) on consultation material</i>	19 Feb	8 Mar
<i>Adoption of the final non-audited CD – Extraordinary Council meeting</i>	27 Mar	27 Mar
<i>Public Consultation commences (30 days)</i>	5 Apr	5 May
QV issue new valuations, QV objections close 24 May	17 Apr	24 May
Submissions and hearings	15 May	16 May
External audit commences (two weeks) on final LTP document and full review	4 Jun	14 Jun
Audit NZ and OAG final review	17 Jun	19 Jun
Draft final LTP document	21 Jun	22 Jun
Adoption of final LTP	26 Jun	26 Jun

#### 5. NEXT STEPS

Staff will continue to prepare the consultation document and supporting material in line with current legislation.

Based on the Government's indicated timeframes, we expect the Water Services Act Repeal Bill to be enacted in February 2024, which will provide the legislative framework for Council to adopt a Consultation Document which is not audited on the 27<sup>th</sup> March 2024.

Further updates will be provided at the next Risk and Assurance Committee in May 2024.

**6. RECOMMENDATION**

That the Committee:

1. **Receives** the report.
2. **Recommends** that Council not audit the LTP Consultation Document.
3. **Delegates authority** to the Chief Executive Officer to cancel the Audit NZ engagement for the audit of the LTP Consultation Document, once this option is passed into legislation.
4. **Notes** that the Extraordinary Council meeting to adopt the final consultation document is moved from 20 March to 27 March 2024.

**File Number:** 386564

**Author:** Karon Ashforth, Corporate Services Manager

**Attachments:** 1. New direction for water services delivery [📄](#)



**Hon Simeon Brown**

MP for Pakuranga

Minister for Energy

Minister for Auckland

Minister of Local Government

Minister of Transport

Deputy Leader of the House



Mayor Ron Mark  
Carterton District Council  
Email: [mayor@cdc.govt.nz](mailto:mayor@cdc.govt.nz)

cc. Geoff Hamilton Chief Executive  
Email: [geoffh@cdc.govt.nz](mailto:geoffh@cdc.govt.nz)

Dear Mayor Mark

**New direction for water services delivery**

This morning I announced that earlier this week Cabinet agreed to repeal the previous government's water services legislation. I also signalled next steps for implementing our plan for water services, Local Water Done Well.

I wish to provide you with further information about three key aspects of our plan, to ensure you have the clarity and certainty you need as you develop your council's 2024-34 long-term plan and prepare for your next financial year:

1. Repeal of the previous government's water services legislation
2. Options to help your council complete its 2024-34 long-term plan
3. Local Water Done Well – key principles of our future direction for water services.

I want to acknowledge that councils across the country are facing multiple challenges, including pressures with water infrastructure. I also want to acknowledge that many councils have done a good job of managing their water infrastructure, and that there is not a one size fits all solution to moving to more financially sustainable water services.

The Government is committed to addressing the longstanding challenges this country is facing with our water services infrastructure.

Our Local Water Done Well approach recognises the importance of local decision making and flexibility for communities and councils to determine how their water services will be delivered in future. We will do this while ensuring a strong emphasis on meeting rules for water quality and investment in infrastructure.

**1. Repealing the previous Government's water services legislation**

Cabinet has agreed to introduce a repeal bill that will restore council ownership and control of water infrastructure and services. The bill makes the following changes:

- All legislation relating to water services entities will be repealed (Water Services Entities Act 2022, Water Services Entities Amendment Act 2023, and Water Services Legislation Act 2023).
- Previous legislation related to the provision of water services will be reinstated (including local government legislation). This will restore continued council ownership and control of water services, and responsibility for service delivery.

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- The Northland and Auckland Water Services Entity (the only entity that had been legally established under the Water Services Entities Act 2022) will be disestablished and any outstanding work on the entity's set-up will cease.
- Councils will need to add and integrate information about water services into their 2024 long-term plans. Some transitional support options are available to assist you (below).

The repeal bill is expected to be introduced in February 2024 and enacted as soon as possible.

## 2. Options to help your council complete its 2024-34 long-term plan

I have heard that councils are seeking legislative certainty for your 2024-34 long-term plan and are seeking direction and support for how to continue to plan for and finance water services.

I am also conscious that different councils will have different needs and preferences and will be at various stages of developing their long-term plans.

To provide flexibility for these local circumstances, Cabinet has agreed the repeal bill will include temporary modifications to local government legislation for the transitional period affecting the 2024 long-term plans. Once the bill is passed, these options will be available for councils to use, as appropriate.

I recognise a few councils are preparing an unaudited three-year plan, with a focus on cyclone recovery, rather than a standard 10-year plan. As such, some of the proposed modifications may be less relevant to you.

If your council is...	Options available
<b>Starting to prepare or consult on long-term planning material that includes water services information – ahead of the repeal bill being enacted</b>	<p><b>The enacted provisions clarify that the council can include water services material in the final plan, without re-consulting, but:</b></p> <ul style="list-style-type: none"> <li>• Must include new/updated information on water services in its final plan – to reflect the continuation of its responsibilities;</li> <li>• Must consider the views and preferences of affected and interested persons as it considers appropriate; and</li> <li>• Does not have to delay the adoption of its long-term plan past 30 June 2024 (in order to provide opportunities for public consultation on its revised proposals).</li> </ul> <p><b>Transitional provisions will also help ensure the risks of future legal challenge (associated with concerns about possible issues in process) will be minimised.</b></p>

If your council is...	Options available
<b>Needing more time to develop and consult on long-term planning material</b>	<p><b>The statutory deadline by which the 2024 long-term plan must be adopted will be extended by three months – to 30 September 2024.</b></p> <p>This flexibility may be desirable to smaller councils with fewer resources, or those councils that would prefer to wait until the repeal legislation is enacted before starting consultation.</p> <p>The deadline for adopting the 2023/24 annual reports will also be extended, to reflect the possible overlap in auditing processes if councils are taking longer than usual to finalise the long-term plan.</p>
	<p><b>Councils will be permitted to have unaudited long-term plan consultation documents.</b></p> <p>This would allow auditing of the final long-term plan to proceed in tandem with consultation, to help achieve statutory deadlines.</p>

### 3. Local Water Done Well – key principles of our future direction for water services

With Local Water Done Well we are going to do things in a way that recognises the importance of local decision making and flexibility for communities and councils to determine how their water services will be delivered in future. We will do this while ensuring a strong emphasis on meeting rules for water quality and investment in infrastructure.

We want to enable councils and communities to determine what works best for them, while establishing clear expectations and bottom lines.

Key principles of our future plan for the delivery of water services include:

- Introducing greater central government oversight, economic and quality regulation.
- Fit-for-purpose service delivery models and financing tools, such as improving the current council-controlled organisation model and developing a new class of financially separate council-owned organisation.
- Setting rules for water services and infrastructure investment.
- Ensuring water services are financially sustainable. Financial sustainability means revenue sufficiency, balance sheet separation, ring-fencing and funding for growth.

I intend to work with all councils on the development of our Local Water Done Well policy to ensure it reflects your local needs and circumstances.

I look forward to working with you in the New Year to refine our approach to water services delivery.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Sim Brown'.

Hon Simeon Brown  
**Minister of Local Government**

## **7 KARAKIA WHAKAMUTUNGA**