SOUTHERN WATER DONE WELL

GORE DISTRICT COUNCIL

COMMUNITY ENGAGEMENT REPORT

Southern water done well

GORE DISTRICT COUNCIL RURAL CITY LIVING

Waitaki DISTRICT COUNCIL TE KAUNIHERA Ā ROHE O WAITAKI

Clutha District Council

CENTRAL OTAGO DISTRICT COUNCIL

Background

In April this year, Gore District Council and its Southern Water Done Well (SWDW) partner councils (Clutha, Central Otago and Waitaki district councils) decided to consult with their communities on three options for the future delivery of water services.

The Government's Local Water Done Well legislation requires councils to seek community feedback before preparing a Water Services Delivery Plan, which must be submitted to the Department of Internal Affairs by 3 September 2025.

Councils were required to state their preferred option for consultation.

The options chosen were:

- Option 1: A jointly owned Council Controlled Organisation (Joint CCO)
- Option 2: A stand-alone Council Controlled Organisation
- Option 3: An in-house business unit

All four SWDW councils chose a jointly owned Council-Controlled Organisation as their preferred option for meeting the financial and environmental expectations of Local Water Done Well legislation.

Current Service Delivery

Gore and Mataura residents and businesses are the primary recipients of 3 Waters services in the Gore District.

Residents in the Waikaka township receive wastewater and stormwater services, while Pukerau township residents receive only stormwater services.

The District's three rural water supply schemes – Otama, Kaiwera and Otikerama – are independently owned and managed, and do not form part of the SWDW proposal. Some Gore District residents receive water from the Glenkenich Rural Water Scheme, which the Clutha District Council manages.

Consultation Process

SWDW consultation was open from Friday 9 May to Friday 6 June. During that time, the Council publicised the consultation with:

- Social Media posts – across both Facebook and Instagram
- Advertisements and a radio segment on Hokonui FM
- Articles in the Ensign
- Digital Advertising on screens at Council facilities
- Mayoral promotional video to launch Southern Water Done Well consultation Mayors ' roundtable video on key issues
- Antenno Notifications

The consultation documents were available at the Gore and Mataura libraries and the main office.

The Council's Let's Talk engagement platform provided all documents and links to relevant reports and Government legislation.

There were 1,100 visits to the Let's Talk consultation page. The most popular downloads were the consultation document (43), submission form (40), and Morrison Low SWDW report (13).

Of the 82 submissions received, only one was a hard copy submission. Submissions can be found in Appendix 1

Submission Data

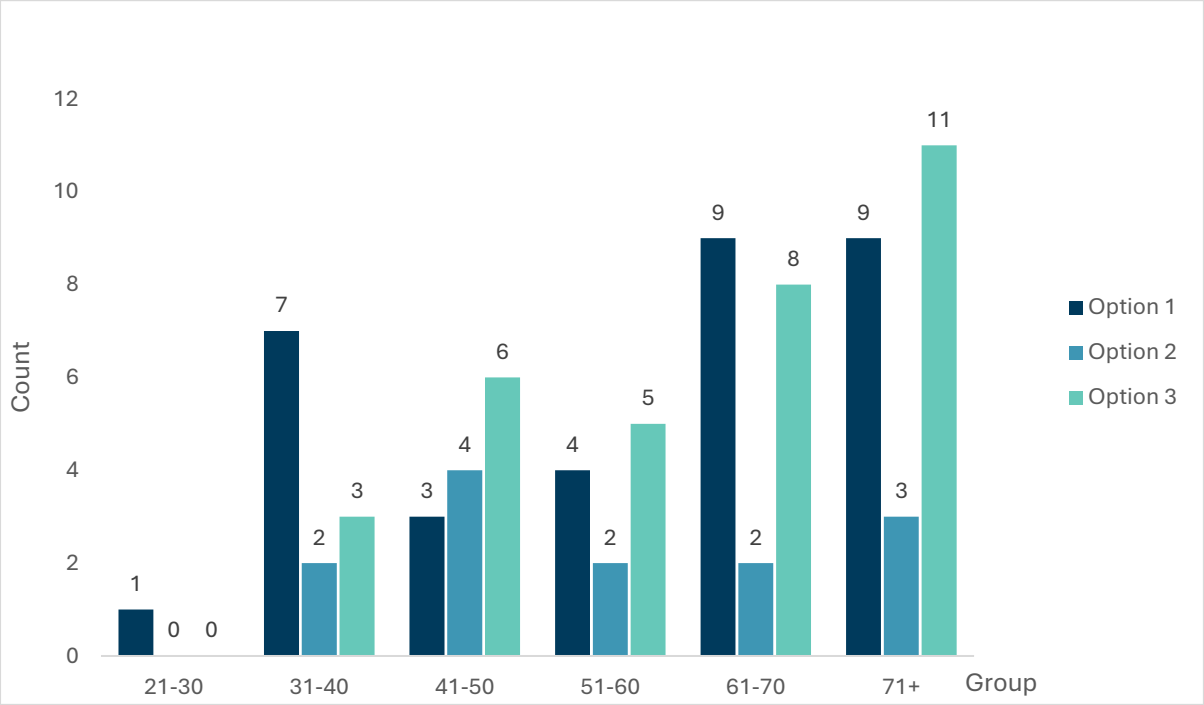
NB: not all fields on the submission form, such as age, were compulsory. Consequently, responses do not always add up to the total number of submissions received.

- Total submissions: 82. One organisation, Groundswell, submitted.
- Gore District population: 13,200
- Submissions percentage by population: 0.62%

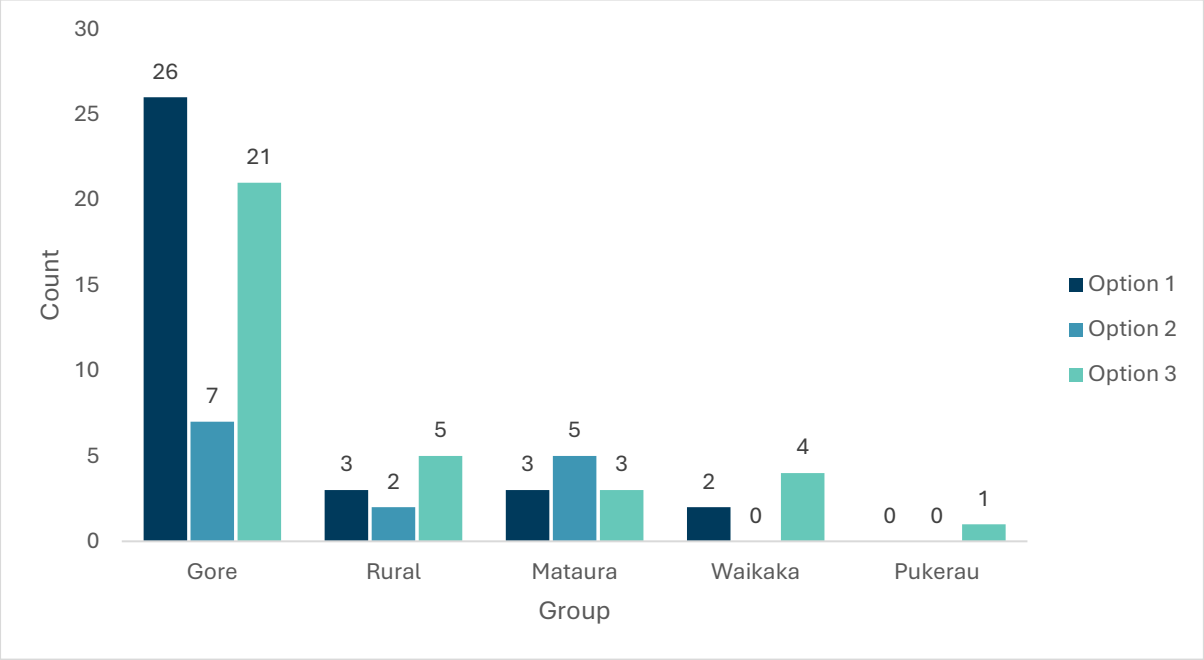
Options Preference

- Option 1 (Joint CCO) – 34 (41.5%) submissions
- Option 2 (Stand-alone CCO) – 14 (17.1%) submissions
- Option 3 (In-house business unit) – 34 (41.5%) submissions

Results by Age



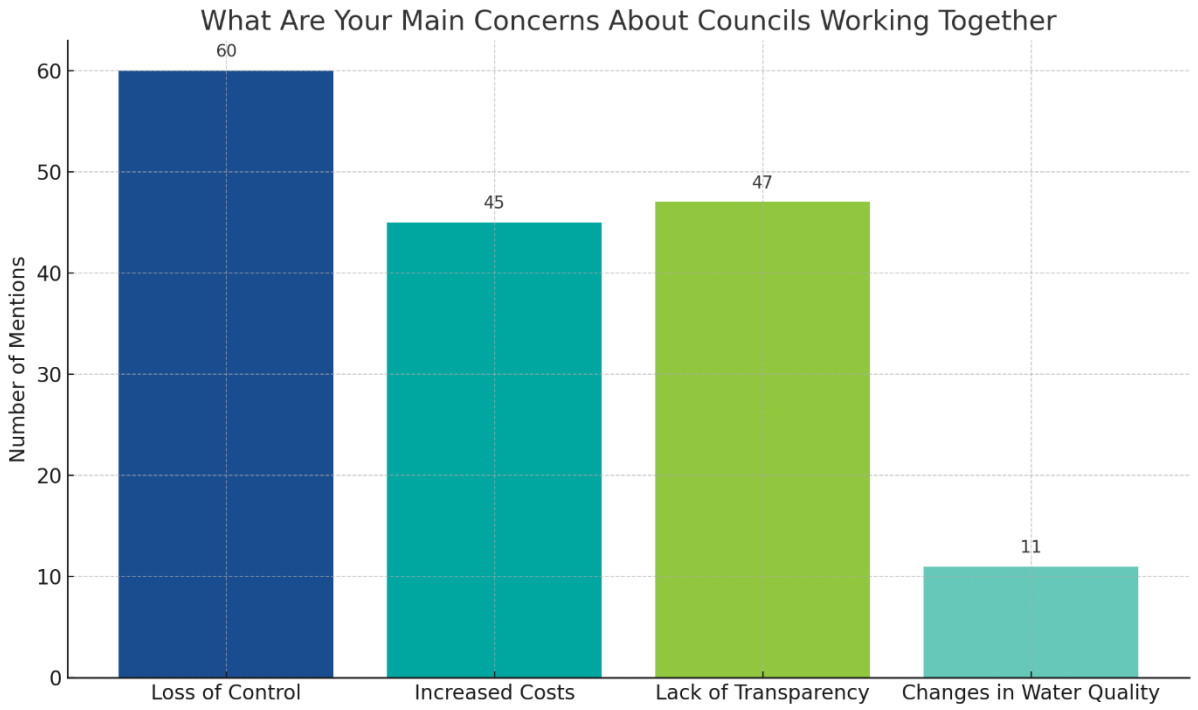
Results by Location

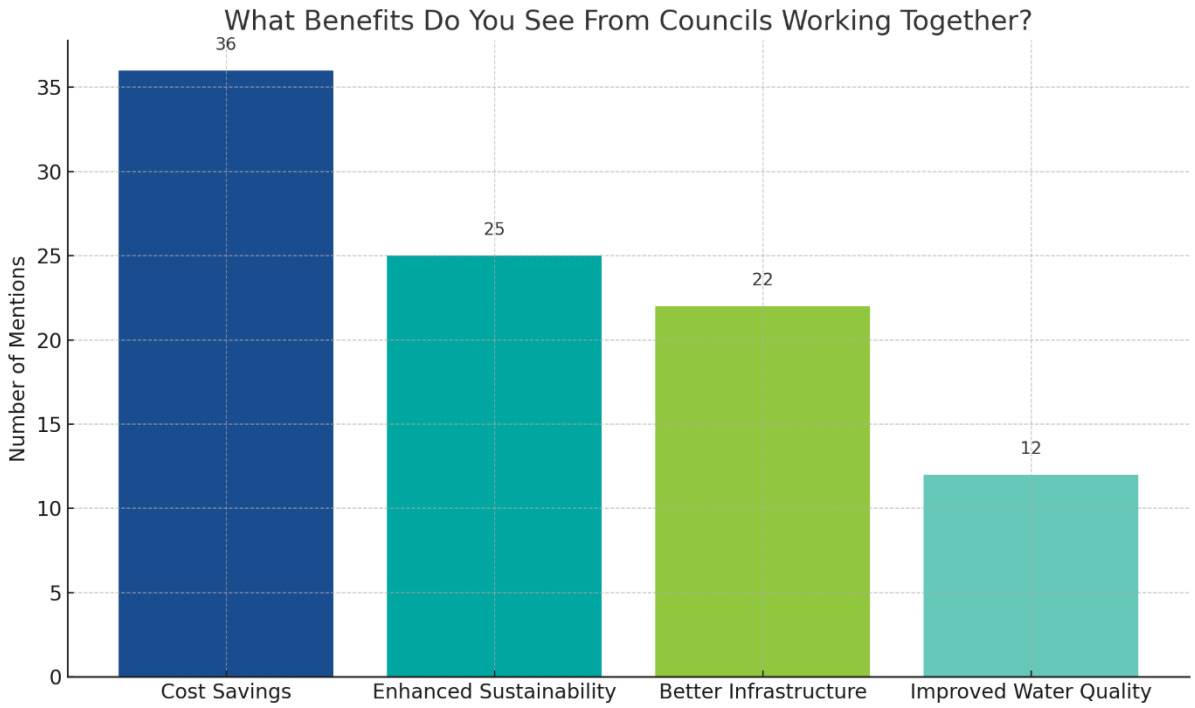


Key Findings

Equal support for Option 1 (Joint CCO) and Option 3 (in-house business unit) suggests respondents were balancing regional collaboration for financial benefits and maintaining local control.

Submitters' responses to the following multiple-choice questions were:





Submitters could also select 'Other' for both questions and provide additional comments. Some of these comments noted additional benefits, but the majority of submitters preferring option 3, who selected 'Other' noted that in their opinion, there were no benefits.

Analysis of Options

Of the 82 respondents, 45 provided further comments about the options.

Option 1 - Jointly owned Council Controlled Organisation

Support: 34 (41.5%) submissions

Respondents who commented on this as their preferred option noted the potential for long-term financial benefits and improved service delivery through shared debt and efficiencies. Questions were raised regarding financial prudence, equitable representation, and avoiding excessive bureaucracy.

Key points

1. **Financial benefits and efficiency:** Respondents believed a joint CCO offers the best path to financial sustainability through shared debt and economies of scale. One respondent felt the financial modelling understated the potential savings.
2. **Improved service delivery**: Potential to remove pressure from councils, allow staff to focus on broader roles, and professionalise water management.
3. **Sustainability:** Respondents saw this model as ensuring infrastructure would keep pace with regulations and improve water quality.
4. **Financial implications**: There was concern over rising rates and long-term affordability.

5. **Bureaucracy and governance**: Some comments indicated apprehension about creating too many bureaucratic layers and CCO set-up costs.
6. **Loss of local control and representation**: One of the most consistent concerns was loss of decision-making power and detachment from local needs. There were also concerns about cross-subsidisation.

Themes

Financial sustainability and efficiency are seen as potential benefits. However, there were concerns about cost control and increased bureaucracy.

Equitable representation and service prioritisation across districts are key concerns. Respondents seek balanced governance.

Some viewed regional cooperation positively, others worried about losing local control and neglecting specific district needs.

Ratepayer impact was a dominant theme. Respondents sought assurances of cost management and transparency in spending.

A joint entity is expected to deliver improved service levels. Some hoped it would lead to broader cooperation and a reduction in the number of councils.

Option 3 – In-house business unit

Support: 34 (41.5%) submissions

A strong desire for local control and accountability drove support for this option. However, it was sometimes conditional, with concerns regarding the Council's financial capacity to meet new regulatory requirements and avoid substantial increases in charges.

Key points

1. **Local control and accountability**: Support was driven by a strong desire to keep decision-making close to the community and concern that joint models dilute local voices or prioritise larger districts.
2. **Cost-effectiveness**: Retaining services in-house was seen as avoiding additional layers of governance and bureaucracy typically associated with external entities.
3. **Retains existing expertise**: Respondents expressed trust in the existing Three Waters team and operations within the Council.
4. **Financial constraints**: There was concern that Council could not afford to self-fund the required infrastructure upgrades.
5. **Insufficient capacity or resilience**: There were questions about whether small councils could continue to manage complex, growing compliance and infrastructure demands alone.

6. **Service delivery risks**: There was concern about efficiencies and innovations being harder to achieve without partnership.

Themes

A desire for local control and accountability was a key argument in favour of Option 3. Respondents believed this ensures decisions reflect local needs.

There was scepticism regarding the Council's ability to manage water infrastructure effectively, citing past spending decisions.

Many submissions expressed a general distrust of centralised or external governance models such as CCOs.

A recurring theme is the tension between maintaining local control and the potential benefits of regional collaboration. Respondents are wary of losing local autonomy.

Option 2 – Stand-alone Council Controlled Organisation

Support: 14 (17.1%) submissions

This option was selected by 17.1% of respondents, indicating limited support.

Support was primarily driven by a strong desire to maintain local control over water services and assets. Respondents preferred local oversight to avoid the complexities and perceived risks of larger, multi-council arrangements.

Concerns exist regarding the financial burden on ratepayers, particularly in smaller communities, and the potential for increased water charges.

Themes

Concerns exist regarding potential cost increases for ratepayers and the financial sustainability of a stand-alone CCO.

Apprehension regarding the loss of local control over water resources.

Some respondents prefer regional partnerships with geographically and hydrologically similar councils (eg SDC, ICC, CDC) over broader partnerships.

Submitters preferring this option believed there had been a lack of sufficient public consultation and information from the Gore District Council, leading to uncertainty and scepticism.

RECOMMENDATION: That the report be received.