

11 December 2024

**Attention:** Hon Simeon Brown, Minister for Local Government. [S.Brown@ministers.govt.nz](mailto:S.Brown@ministers.govt.nz)

**CC:** Hon. Chris Bishop, Minister of Infrastructure. [C.Bishop@ministers.govt.nz](mailto:C.Bishop@ministers.govt.nz)  
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**Re: Keeping the lid on water regulation?**

Dear Minister,

I am writing on my own account as a science researcher and leader (chemical sciences) who has worked for two decades under an independent nuclear regulator and has had significant expertise in the testing and purification of aqueous solutions and radioactive waste management.

At a meeting of the Bay of Plenty Mayoral forum on 3 May 2024, in a response to a question from me on regulation, you hinted that Government understands that setting realistic expectations on regulation is vital if we are to keep the costs of delivering water services affordable to the majority of New Zealanders. My district has high rates of deprivation, and therefore affordability is absolutely critical for me.

At a more recent information session on 3 September 2024 run by Hamiora Bowkett, DIA's Executive Director, Water Services Policy, I asked similar questions about where the regulatory bar will be placed. I was given verbal assurances that the problem was understood.

It has become apparent to me that setting unrealistic expectations in drinking and wastewater provision can result in a huge cost burden for communities. This is especially serious when you consider that many of our communities are experiencing unprecedented cost-of-living pressures. This is not a trivial matter because financial stress should itself be considered a serious public health issue. Financial stress results in suicides, the breakup of families, depression and so on. It should be taken extremely seriously.

As you are aware, in the coming months Local Authorities are faced with developing Water Services Delivery Plans. My Council has presently allocated \$170M over the next 10 years to deliver water services and we already know that this is not going to be sufficient. It is a problem that we are not alone in facing. Although, under *Local Water Done Well* we will be eligible to borrow up to 500% of revenue from the LGFA if we set up a CCO, this does not solve our problem. Borrowed money will require financing and that alone will break the backs of many councils. The extra my council would be able to borrow under the new debt regime would not change matters all that much.

It is clear to me that in preparing LTPs many councils start by preparing large infrastructure wish-lists that then develop into huge budgets. This is clearly not a sustainable approach. What I believe that we need to do is get

immediate assurances regarding the compliance landscape so that we know where we are aiming for and then devise realistic and minimalist plans that can be expanded if additional money becomes available. Regulatory certainty is vital and I don't think we yet know the direction of travel.

For example, if we know that the regulatory bar on drinking water was not going to be changed then our current practices already largely meet existing requirements and no additional money needs to be spent. Re-consenting water plants and so on would also be relatively straight forward. Water plants can be kept going for decades with the right maintenance as they consist of swimming pools, pipes, pumps, chemicals and automation and can be maintained, overhauled or replaced in a staged fashion. If however, a Regional Council suddenly requires us to take a radically different approach to say disposing of treatment chemicals, then the costs start to escalate.

Nor in my opinion is the constant and costly engagement that councils are involved in conducive to the efficient and cost-effective delivery of affordable services to the more vulnerable in society. Although some engagement is necessary, water delivery to large municipalities is the province of experts in science and engineering. It is important that the affordability aspect be emphasised in discussions with communities that may press for gold-plated solutions when bronze plating will suffice. I often feel that communities don't understand this until the bill is due. I absolutely appreciate the need for conversations with communities but we need to make decisions based on evidence. In this regard I am also setting up a Mayor's Taskforce for water which will marshal community expertise in science and engineering to focus on getting bang-for-the-buck.

Finally, and in the view of one who has worked under a nuclear regulator for decades, the onus to prove that any practice is safe from a public health perspective usually rests with the applicant (councils). That is, if councils can prove that their current practices have not caused harm to human health or the environment then there should be no need to change the practice and consenting should be straight forward and costs minimal. Alternatively, if the regulator can prove that the practice does cause harm, then the practice should be improved. Nor should very transitory triggering of non-compliance - such as might be caused by minimal and very temporary turbidity of drinking water - be a reason to throw the baby out with the bath water. Striving for perfection can be very costly. The use of New Zealand's [Notifiable Disease Database](#) that is managed by Environmental Science Research (ESR) on behalf of the Ministry of Health is an important tool in setting regulations.

I write to seek assurance that Government will not bend to interest groups that wish for ideological or other reasons to drive up the cost of compliance by pushing unrealistic expectations.

The longer it takes to get this certainty on the compliance landscape the more assumptions councils need to make and the less time available to develop water services delivery plans.

I think government needs to be explicit on this and disseminate to all Local Authorities at the earliest possible.

Thank you very much.

Regards

A handwritten signature in blue ink, appearing to read 'Dr Victor Luca', with several overlapping strokes.

Dr Victor Luca, Scientist and Mayor of Whakatāne