



Your Water
Done Well

Online Drop-In Session – Q&A

From Wednesday 5 March 2025

A huge thank you to everyone who joined our one hour online drop-in session for Your Water Done Well. This was an engaging session with over 50 participants joining at one stage and 48 questions submitted.

We appreciate everyone who took the time to submit a question. On the night, the panel answered 15 questions live. For those we couldn't get to, you'll find answers below. Please note, these have been copied exactly as we received them. For questions that needed a more detailed answer from our specialist teams, such as water operations or finance, we felt a written response with supporting information would provide the best clarity.

1. What is the current "water rate" applicable to the two pricing options proposed?

The examples of water bills under the two options can be found at [Selwyn.govt.nz/yourwater](https://selwyn.govt.nz/yourwater) under "Key Documents" or by clicking this link. [COR 25842 LWDW Rating-Examples Feb25 v2.pdf](#).

If Council decides to establish a WSCCO to manage drinking water and wastewater services, these costs would no longer be included in council rates. Instead, they would be billed separately by the WSCCO as water charges.

However, due to the legislative and WSCCO establishment requirements, the removal of these water services from council rates would not equate to an initial direct \$1 for \$1 shift, with financial modelling identifying that from year 10 these charges are predicted to be lower than the projected rates requirement published in the Long-Term Plan 2024-2034. You can see this illustrated on the 10-year projection linked to above.

For example, in 2025/26, under a future in-house model, an urban residential property with sewerage would pay \$1,552 in council rates for water supply and wastewater. Under the proposed WSCCO model, those council rates would no longer apply, and instead, the WSCCO water charges would be \$1,700.

By 2033/34, however, that same property is predicted to pay a lower water services charge under a WSCCO model by approximately 2%.

2. Can you explain how confident you are that the WSCCO rates bill would flatline (stay the same) at \$2668 after 5 years? This seems to be skewing the comparison to the in-house model

In the current WSCCO modelling the charges flatline after year 5 as there is an assumption that the charges will be at a level that they cover the operating costs of the proposed WSCCO.

The assumption is that any additional costs and the impact of inflation will be covered by the growth in the number of water and wastewater connected households rather than requiring an increase in the water charges.

3. **Hi, as per the other question, preventing the question on why the WSCCO costs flatline is again a fundamental and very reasonable question - at this stage of the consultation such a question must be easy to answer**

Please see the answer in question 2.

4. **Hi the total rates increase is the key question many ratepayers are asking - surely the councillors and staff must know this, how can we make a decision otherwise - it is definitely not in the consultation document. To not allow this question is really unfair to ratepayers**

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Summary	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
SDC Rates per LTP average increase	14.9%	14.2%	13.3%	13.0%	7.3%	6.1%	4.0%	4.0%	4.1%	3.6%
Total SDC Rates and WSCCO Charges average increase	14.9%	17.0%	14.5%	18.7%	4.3%	5.6%	0.7%	3.6%	1.0%	3.2%
Difference (%)	(0.0%)	2.7%	1.2%	5.6%	(3.0%)	(0.5%)	(3.3%)	(0.4%)	(3.1%)	(0.4%)

The table above illustrates the difference between Council (SDC) rates, as per the LTP, and the combined total of Council rates (excluding the water supply and wastewater rates) plus the modelled WSCCO water charges. This is based on total rates and water charge revenue for Council.

5. **As a council, you must have prepared budgets and forecast to support each option? Will these be released so we can make our own decision on them? Also as a cco, how much will our water rates increase to cover taxation costs as cco would be a company right?**

Yes the funding impact statement is outlined on page 17 of the consultation document. The proposed WSCCO would pay tax as a Council Controlled Organisation.

The current modelling for the proposed WSCCO shows that there will be taxable profit produced. The modelling illustrates that there will be a significant cash surplus each year that is used to fund capital projects as well as repaying portions of debt. The current assumption will be that the cash surplus will also cover the annual income tax bill with the movement in the cash surplus being offset by the net borrowing/repayments on debt in the year.

6. **Show us the data that supports the CCO as best option for the 10, 20, 30 years. We want to hear your reasons too!**

Modelling has been completed on 10 years to align with the Long-term Plan.

7. **Please inform us how you are going to manage the budgets and what cuts you will make to insure the rate payers stop being relied upon as an open money vault?**

Costs are always front of mind for Council and keeping things affordable for our communities. It's important to note that this consultation is about determining which model Council will submit to the government as part of our Water Service Delivery Plan.

The Council's WSDP must outline the details of the chosen model, whether that is establishing a WSCCO or retaining water service delivery in-house. This consultation is important as Council's final decision of our model for the future needs to be informed by the community in order to make a well-informed decision.

Once submitted, the Department of Internal Affairs (DIA) will review the WSDP before passing it to the Minister. The Minister will either provide approval for the WSDP including the proposed model of water services delivery, or will withhold approval. If approval is withheld the Minister has wide powers to require amendments including to the model of delivery.

This process is part of the Local Government (Water Services) Bill, which is currently before Parliament. Once enacted, this legislation will create a structured framework for managing and delivering water services across New Zealand.

Through the WSCCO, there would be greater access to borrowing, allowing for budgeted projects to be funded through debt rather than putting the burden directly on to the ratepayer.

Regardless of which model is chosen, a new water regulator will be established to oversee financial sustainability, pricing, and water delivery standards. This regulator will ensure that all councils in New Zealand, whether in-house or a WSCCO make responsible financial decisions in the best interests of the community.

8. What were the key assumptions in the financial modelling that mean that the residents are better off under the CCO model in the future?

The key assumption that flows into the modelling is the ability to borrow up to 500% of operating revenue. This increased borrowing capacity enables the WSCCO to move ahead with capital projects to improve level of service and growth for water with the burden not immediately transferring to the ratepayer.

9. You mention a benefit of the CCO being increased transparency on spending. Why can transparency on spending not be achieved with an in house model?

Both models would provide transparency on spending, this would be outlined in either the future Council or WSCCO Annual Reports

10. You mentioned that one benefit of the WSCCO is increased transparency on spending. Why is it not possible to achieve transparency on spending with an in-house model?

Both models would provide transparency on spending, this would be outlined in either the future Council or WSCCO Annual Reports

11. For an average urban household in Selwyn's townships, what is the ballpark total rates rise under the status quo, compared the total rates rise under the WSCCO model. Figures provide to date do not give a clear picture.

Please remember that status quo is not an option because of the increased regulatory and compliance changes that are going to be required. Therefore, the two options for consultation are a future in-house water delivery model that will be an enhanced version of what we have now, and a WSCCO.

The tables below illustrate the difference between Council rates as per the LTP, and the combined total of the Council rates (excluding the water supply and wastewater rates) and the modelled WSCCO water charges.

The example illustrates the impact on an urban residential property with sewerage at a capital valuation of \$847k.

Example: Urban Residential Property With Sewerage Per LTP

	Actual	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032	2032/2033	2033/2034
Capital valuation	847,000	847,000	847,000	847,000	847,000	847,000	847,000	847,000	847,000	847,000
General Rates	837	980	1,146	1,341	1,462	1,564	1,611	1,659	1,709	1,760
UAGC	388	454	531	621	677	724	746	768	791	815
Canterbury Museum Levy	38	40	42	44	46	47	48	49	50	51
Swimming Pool Rate	193	208	225	243	262	275	289	303	318	334
Library Rate	258	271	285	299	314	330	343	357	371	386
Community Centre DWR	201	231	266	306	352	387	406	426	447	469
Recreation Reserves DWR	184	230	265	292	307	322	338	355	373	392
Stormwater Rate	152	175	196	214	225	236	248	260	273	287
Water Race Amenity Rate	54	65	78	94	106	120	128	137	147	157
Land Drainage Biodiversity Rate	27	35	46	60	69	79	85	91	97	104
Refuse Charges										
Collection Rate	31	32	33	34	35	36	37	38	39	40
Recycling Charge	90	92	94	96	98	100	102	104	106	108
Organic Wheelie Bin	194	198	202	206	210	214	218	222	226	231
80 Litre Wheelie Bin	157	160	163	166	169	172	175	179	183	187
Water Rates										
Water Supply Rate	370	422	439	457	475	494	509	524	540	551
Metered water supply	258	323	402	498	547	601	660	728	800	841
Sewerage Rate	702	807	928	993	1,048	1,100	1,155	1,213	1,274	1,338
Total Bill	4,134	4,723	5,341	5,964	6,402	6,801	7,098	7,413	7,744	8,051

Example: Urban Residential Property With Sewerage Per Proposed CCO Modelling

	Actual	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032	2032/2033	2033/2034
Capital valuation	847,000	847,000	847,000	847,000	847,000	847,000	847,000	847,000	847,000	847,000
General Rates	837	980	1,146	1,341	1,462	1,564	1,611	1,659	1,709	1,760
UAGC	388	454	531	621	677	724	746	768	791	815
Canterbury Museum Levy	38	40	42	44	46	47	48	49	50	51
Swimming Pool Rate	193	208	225	243	262	275	289	303	318	334
Library Rate	258	271	285	299	314	330	343	357	371	386
Community Centre DWR	201	231	266	306	352	387	406	426	447	469
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Stormwater Rate	152	175	196	214	225	236	248	260	273	287
Water Race Amenity Rate	54	65	78	94	106	120	128	137	147	157
Land Drainage Biodiversity Rate	27	35	46	60	69	79	85	91	97	104
Refuse Charges										
Collection Rate	31	32	33	34	35	36	37	38	39	40
Recycling Charge	90	92	94	96	98	100	102	104	106	108
Organic Wheelie Bin	194	198	202	206	210	214	218	222	226	231
80 Litre Wheelie Bin	157	160	163	166	169	172	175	179	183	187
Total Rates	2,804	3,171	3,572	4,016	4,332	4,606	4,774	4,948	5,130	5,321
Water Charges										
Water Supply Charge	370	470	526	673	673	680	680	680	680	680
Metered water supply	258	338	439	614	614	627	627	627	627	627
Sewerage Charge	702	892	1,053	1,348	1,348	1,361	1,361	1,361	1,361	1,361
Total Water Charges	1,330	1,700	2,018	2,635	2,635	2,668	2,668	2,668	2,668	2,668
Total Bill	4,134	4,871	5,590	6,651	6,967	7,274	7,442	7,616	7,798	7,989
% difference to LTP		3.0%	4.4%	10.3%	8.1%	6.5%	4.6%	2.7%	0.7%	(0.8%)
\$ difference to LTP		\$ 148	\$ 249	\$ 687	\$ 565	\$ 473	\$ 344	\$ 203	\$ 54	\$ (62)

12. Please inform us how you are going to manage the budgets and what cuts you will make to insure the rate payers stop being relied upon as an open money vault?

If a WSCCO were to be set up, a statement of expectations would outline the controls that Council would require. As answered in previous questions, both a future in-house model and a WSCCO would be monitored by an external regulator to ensure financial sustainability, pricing, and water delivery standards are met.

13. Given an external audit found shortcomings in SDC financial management, why should we have any faith in your assessments of a CCO model. PS ESTABLISHMENT positions just reinforces that you already plan to establish a CCO, rather than say a CCO INVESTIGATIVE team.

Council has appointed an establishment chair on a short-term contract and there is a fixed term contract Programme Director.

Due to the timeframes for developing Water Services Delivery Plans (WSDP) some activity is occurring simultaneously to ensure we can meet regulatory deadlines if the WSCCO decision is made. Councils are required to develop and submit their WSDP by 3 September 2025. These plans must outline how water services will be delivered and financed over the next 10 years, ensuring compliance with new regulatory standards.

Council wants the people who will deliver future water services, to be involved in developing the WSDP. To achieve this by 3 September, the new model, whether it is the future in-house model or as a WSCCO, needs to be in place by July 1.

This will create certainty for the community and for our staff who will create a new in-house model or move to the new WSCCO.

Importantly, any work done to establish the WSCCO won't be wasted. If the decision is made to proceed with a future in-house water delivery model the structures, processes, and expertise developed can be absorbed into an in-house model, ensuring that investment in setup is not lost.

14. You are currently in control of your (OUR) destiny, BS bingo words do not cut the mustard. What is broken with the existing model? Why rapid the leap to a WSCCO (be honest you have already decided this - all the language you use is as a done deal, you've invested money, hired staff...).

The Council has identified a preferred option of a new WSCCO as we have analysed the future requirements and range of options available to us. But our final decision needs to be informed by the community as there may be new ideas or ways of looking at our two options which is why we are genuinely consulting on an alternative future in-house model.

As answered in question 13, Council has appointed an establishment chair on a short-term contract and there is a fixed term contract Programme Director. Due to the timeframes for developing Water Services Delivery Plans (WSDP) some activity is occurring simultaneously to ensure we can meet regulatory deadlines if the WSCCO decision is made. Councils are required to develop and submit their WSDP by 3 September 2025. These plans must outline how water

services will be delivered and financed over the next 10 years, ensuring compliance with new regulatory standards.

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15. with the proposed increased costs, why go the expensive way when many of the pensioners are struggling to be able to live in Selwyn? when you have a perfectly good team currently?

We are very mindful of the financial challenges many in our community are facing. Affordability is a key consideration for us, and we want to ensure that any decisions made will benefit everyone in the long run. It's important to note that there will be increased costs under both of the models proposed. While the in-house model is cheaper in the short-term the WSCCO model is cheaper in the long-term.

Our goal is to find a balance that ensures we're meeting the needs of today while securing a sustainable, affordable future for everyone in Selwyn.

16. Did you really just say borrow more to reduce debt 🤔

Just to clarify, one of the benefits of a WSCCO is that it would be able to borrow more than Council would for water infrastructure investment and be able to spread those costs over a longer-term. Meaning that rate payers are not impacted today for things that might benefit a community in the future.

17. Grow a spine and push back. SDC always roll over and show their bellies. Engage in dialogue with the Govt so as to achieve the optimum solution with ratepayers on board. Chch did it re the urban densification, and at least got some concessions/control.

Council has been in ongoing discussion with central government agencies on the Local Water Down Well Programme.

18. How transparent will the WSCCO be with ratepayers on their operation, costs and decisions - will it be a 'closed book' pseudo-private business like Corde

The WSCCO will be required to maintain the same level of transparency as the Council, as it is a Council-Owned Organisation. It will be obligated to produce audited Annual Reports, ensuring accountability.

Council would continue to set strategic objectives, oversee operations, and hold the WSCCO accountable for performance, safety, and affordability.

As mentioned in other questions, the Government has proposed the establishment of a new regulator to oversee financial sustainability, pricing, and water delivery standards. This regulator will provide an extra layer of oversight, ensuring that both Councils under an in-house model and WSCCOs make well-informed decisions in the best interests of the community.

19. What promises are going to be made that this CCO will perform better than the current CCOs? Or better than the current asset management? (edited)

If the decision was made to proceed with the establishment of a WSCCO, the Council and community would agree the high-level expectations on strategy and performance of the new organisation through a Statement of Expectations.

When setting up the WSCCO, the Council would develop accountability standards and monitoring arrangements for performance of the assets it transfers to the WSCCO. These would be set out across the Statement of Expectations, the Constitution and Water Strategy. The WSCCO's Annual Report would be a key document for monitoring performance.

20. What's the point of submitting questions if you pick and choose which ones you'll answer!?!

We really appreciate the engagement and the wide range of questions submitted. Due to the high volume, we weren't able to address every question during the online forum, which was focused on the consultation and the two proposed models to keep the discussion as informative and relevant as possible.

Our event was one hour and we received 48 questions so time did not allow us to answer all of these on the night. We've provided answers to everyone's questions in this document.

21. Instead of just saying "we see real benefits of establishing a WSCCO early" - put them on the table, AND state why those benefits are not achievable by moving a little slower (and just repeating the Sept deadline is not an answer).

As explained by Mayor Sam [in this video](#), with the government's Water Services Delivery Plans due in September, being ready with whatever model is decided on ensures we lead the conversation, not just react to it. Delaying until later risks uncertainty, disruption, and the risk of being forced into a one-size-fits-all approach.

Please watch more explainer videos outlined on our consultation page at selwyn.govt.nz/yourwater

22. What council staff redundancies are you looking at to cut costs during this difficult economic time?

There are no redundancies being considered by Council at this time as a cost cutting measure. Our Executive Leadership and Finance Teams carefully monitor and manage our financial situation to ensure stability and sustainability.

23. We need more detailed data, AND more time to give you reasons. We also need to see your reasons/rationale for supporting different options.

The benefit and risks of both options are outlined in the consultation document on pages 12-15.

The three-week consultation period was chosen in response to tight timeframes set by new Government legislation, which requires councils to submit Water Services Delivery Plans (WSDPs) by 3 September 2025.

These plans must outline how water services will be delivered and financed over the next 10 years, ensuring compliance with new regulatory standards. To meet this deadline, councils need to consult with their communities promptly on a preferred water services delivery model. Delaying consultation could jeopardise the ability to develop a comprehensive plan that reflects community input and meets governmental requirements within the required timeframes.

While we understand concerns about the length of the consultation, we are also mindful that this is not a new conversation, we have had Government enforced changes in local water as a conversation for the past four years and the Council is aiming to be proactive in addressing the changes and providing certainty to both the community and our staff.

The new model, whether an in-house model or a WSCCO, needs to be in place by 1 July to ensure staff are prepared, and the WSDP is developed in line with regulatory standards. Although the legislation only requires a minimum one-week consultation, the Council chose a three-week period to allow ample time for feedback.

24. Is our drinking water currently unsafe?

Our drinking water is safe. This consultation is a response to the Government's new Local Water Done Well legislation, which requires all councils in New Zealand to establish new models for water service delivery. The changes stem from a 2016 water contamination issue in Havelock North, which caused widespread illness and led to a national review of water services.

25. Could you please state 3 positive examples of keeping this in-house? It seems this drop in is very pro CCO model

There are risks and benefits with both models being proposed and these are outlined in our consultation document on pages 12-15. However three positive examples for keeping water services in-house would be:

1. Continuity - the same systems and processes that current staff are familiar with
2. Residents continue to engage with their elected representatives on water services issues
3. Council maintains full control over decision-making

26. Regarding the Hororata water supply, why do you continue to collect water from a river that is often shut off when it looks like rain? Why not sink bores for supply to holding tanks that remain operational, like in other towns such as Rakaia?

Council has budgeted in the 2024-34 LTP to connect the Hororata water supply to the Hartleys Road Water Supply. This will provide a groundwater source of water to Hororata. Council is also investing in water storage for the scheme.

27. Before we make a decision on how to proceed can we please have information on how well the water assets have been managed so far?

There has been comprehensive management in investment, construction and future planning by Council's water services team over recent years. However, this consultation is about looking forward because despite how things have been managed so far, Council has to ensure we have the right structure in place to manage water services effectively into the future. New government legislation requires Council to plan for a model that keeps our water infrastructure sustainable and reliable for future generations.

Keeping water services in-house would look similar to what we have now, however, we can't continue with the status quo because it will need to be enhanced to meet new regulatory and compliance requirements. Mayor Sam explains more in this video [\(20\) What does an in-house enhanced model mean? - Your Water Done Well - YouTube](#).

28. Will it be the same people running the CCO as continuing with SDC running the services internally.

We are not in a position to make decisions about the staffing of a potential WSCCO, or a future in-house model, until the conclusion of public consultation and the final Council decision due on 2 April.

We recognise that our water team are a highly skilled and knowledgeable group of people who are passionate about delivering water services to our community. Should it be determined on 2 April to proceed with a WSCCO, the staff who currently perform work that would be impacted by a WSCCO becoming responsible for drinking and wastewater, will be fully consulted on the impact of the transfer.

29. Any reason my questions were deleted?

We were not aware any questions were deleted, please let us know if your question is not part of this response.

30. How do you justify turning off water race causing 100's of thousands of dollars damage in property values, restricting the ability to water stock and increase fire fighting ability by removing a open water source from properties

All water race closures are subject to public consultation. The majority of closures are ratepayer initiated. You can read more about this in page 4 of our Annual Plan [SDC Annual-Plan-22-23 WEB.PDF](#).

31. Is it possible the CCO could be sold in the future?thank you

No. The new legislation ensures that councils retain ownership of water infrastructure under this delivery model.

A WSCCO would be a publicly owned, council-controlled organisation, meaning the council maintains control and remains accountable to the community. The key difference is that an independent board would oversee day-to-day operations, ensuring that long-term investment decisions are made based on expertise rather than short-term political pressures. This structure helps safeguard water services while ensuring they remain affordable, reliable, and in public hands.

32. Will there be any Council staff/Councillors/Mayor on the Board for the WSCCO?

The Local Government (Water Services) Bill (Bill 3) prohibits any Council staff, Councillors/Mayor from being appointed to the board of a WSCCO.

33. Which elected members have voted for the WSCCO model?

The Council deliberations will take place on Wednesday 26 March and will be live streamed to the public for people to see the conversation, the final decision will be made at the Council meeting on 2 April. You can view this online on our You Tube channel [\(20\) Selwyn District Council - YouTube](#).