

**MINUTES OF AN EXTRAORDINARY MEETING OF THE
SELWYN DISTRICT COUNCIL
HELD IN THE COUNCIL CHAMBER
ON WEDNESDAY 2 APRIL 2025 COMMENCING AT 1.00PM**

PRESENT

Mayor S T Broughton; Councillors P M Dean, S N O H Epiha, L L Gliddon, D Hasson, M B Lyall, S G McInnes, G S F Miller, R H Mugford, E S Mundt, N C Reid & Ms McKay

IN ATTENDANCE

Mrs S Mason (Chief Executive); Messrs. S Gibling (Executive Director People, Culture & Capability), T Mason (Executive Director Infrastructure and Property), M McGrath (Chief Digital Officer), T Heine (Advisor to Mayor), C Lammers (Senior Communications Advisor) and A Coskun (Digital Support Specialist); Mesdames A Sneddon (Chief Financial Officer), D Kidd (Executive Director Community Services & Facilities), J Hands (Head of Legal and Risk), S Carnoutsos (Communications Manager); Neisha Livermore (Consultation Coordinator), Gavin Brown (Interim Senior Analyst/CFO), Thomas Cockburn (Finance Analyst), Niel Koch (Head of Financial Control), Beka Hammond (Head of Financial Operations), Ms T Davel (Senior Governance Advisor), and Jo Gallop (Executive Assistant).

The meeting was livestreamed.

APOLOGIES

No apologies were received.

CONFLICTS OF INTEREST

None.

CONFIRMATION OF MINUTES – DELIBERATIONS 26 MARCH 2025

Moved – Councillor Lyall / **Seconded** – Councillor Epiha

‘That the Council confirm the minutes of the Your Water Done Well deliberations held on 26 March 2025.’

CARRIED

REPORTS

1. Executive Director Infrastructure and Property

Local Water Done Well Delivery Model

Mayor Broughton thanked staff for the work involved in getting to this point and to the community for their input into the decision-making process.

Moved – Councillor Malcolm / **Seconded** – Councillor Shane

'That Council:

a) **Resolves** that its water services delivery model is:

- i) *a Council Controlled Organisation fully owned by Selwyn District Council for drinking water and wastewater delivery (WSCCO); and*
- ii) *continued in-house delivery for stormwater services.*

This resolution is made pursuant to the Local Government (Water Services Preliminary Arrangements) Act 2024 and these models are directed for inclusion in Council's Water Services Delivery Plan and implementation.

b) **Directs** that Council prepares and executes an implementation plan for the establishment of a WSCCO and to achieve completion of the transition of drinking and wastewater services from Council to a WSCCO by 20 December 2025.'

The voting was done at the end of the discussion but minuted here for ease of reference.
A division called for the voting.

CARRIED

For: Councillors Reid, Epiha, Lyall, Dean, McInnes and Mayor Broughton

Against: Councillors Miller, Hasson, Mugford, Gliddon and Mundt

Staff outlined the Local Water Done Well delivery model report.

Mayor Broughton invited Councillors to present their position statements.

Cr Reid stated that whatever option is chosen there will be change and indicated that her preference was a CCO model going forward.

Cr Miller acknowledged that this is a big decision for council and noted that the infrastructure in Selwyn is well managed. There has been a very strong view about water and Selwyn has 5 waters which are uniquely intertwined. Points raised by Cr Miller included:

- What the funds from debt is used for is really important as comes back to the ratepayers.

- Selwyn has fully compliant drinking water system, so trying to see the demonstrable value of transitioning to a WSCOO. It may be a small step but see it as a step to privatisation of water in NZ.
- Support a dedicated waters service sub-committee inhouse.
- With regard to ringfenced income, trying to understand the debt associated by this in targeted rates? That is already set up?

Cr Miller finished that it has been a difficult decision but has come to conclusion that inhouse model is preferable.

The Chief Executive confirmed with the Head of Legal, Julie Hands, that the structure that has been set up cannot be privatised as it will sit only with a Local Authority. Mike Wakefield added that Bill #3 precludes privatisation.

The Chief Financial Officer, Allison Sneddon responded that we are unable to ringfence from a debt perspective.

Cr Hassen commented on the short consultation process and suggested a message to central government regarding the imposition they are putting on this process. Timeframes regarding implementing legislation is disappointing. With regards to the report, S78(1) consider views of people likely affected. She stated that the public do not want a WSCCO at this time and therefore will not be voting for a WSCCO due to community telling us what they prefer.

Mayor Broughton stated that 90% of the ~400 people that submitted is not a full representation of the population. Mike Wakefield added that through a consultation exercise you will hear back from community views but does not conclude that the councillors are bound by this.

Cr Mugford stated that he will be voting for the water services to stay inhouse.

Cr Apiha acknowledged that some of the submissions heard last week were hurtful and disrespectful. He thanked the team for getting all the information out to the community as well as undertaking business as usual. Ensuring water services are sustainable with quality regulation, we are being asked to make a decision that is already in motion and is being made for us by central government. The Council allowed growth for prudent decision making and now we are being asked to deliver again to ensure our water is safe for our children's children. To keep our water services inhouse would mean a lot of competing priorities, especially in 25 years and therefore support for a WSCCO to allow the next generation to look after the next generation.

Cr Gliddon acknowledged that the levy on people's homes through lending was raised at submissions. She noted that there is a big part of the community that don't know what is happening around LWDW, how much say does the community have in the CCO? The cost to establish a CCO is not appropriate for the community as the funding is an issue, the debt ceiling is also an issue and she raised concern regarding the change in legislation going forward. Keeping water services inhouse enables the community to have a better view and feed into what they want. Keep the LWDW sub-committee, where there is scope to appoint specialists.

Julie Hands stated that for those people who pay their rates, council does not secure debt on their property and therefore have no right to sell their property. Regarding the appointments process, this has not been determined, although the Council will decide how that will work.

Cr Dean thanked staff who have a huge knowledge base to unpack this complex issue. There was a lot of misunderstanding and threats from people about making a racist decision. WSCCO will have a Statement of Intent with council and be free from the confines of council. Water should be separate. The people around this table shouldn't be making the decision around water, based on the pressure from communities as it should be de politicalised. We want the best services for community, for now and for our children's children.

Ms McKay noted that although a non-voting member Ms McKay wanted to acknowledge what Cr Epiha has said. She stated that last week shared the position of Taumutu and reiterated this position of supporting the establishment of a WSCCO.

Cr McInnes agreed that the consultation met the legal requirements but did not meet community expectations. In terms of debt, this seems that it cannot be fully addressed by either model, as there will still be debt. The Statement of Expectation will have a community voice if we are strong and the board needs to be appointed carefully, adding that elections are potluck and elected members are not a board of professional directors.

Mike Wakefield added that the Statement of Intent will ensure the importance of having the best people in the WSCCO. The expectation is that directors will be appointed on their skills, knowledge and experience in water services. Council will develop a skills policy. The Statement of Expectation raises some good points regarding some degree of council direction avoiding too much politicising. The Statement of Expectation will be more expansive and could include shareholders expectations and how they meet the expectations as outlined in the Act. There will be some council control that this group should take some comfort from.

Cr Mundt noted that submitters had same access to information as councillors had and made some great submissions. Increased debt and increased expenditure are a concern and if we reach our debt levels how will be manage, even as a high growth district. Regarding uncalled capital, will the WSCCO at some point be unable to be sustainable that will that come back on the ratepayers? An inhouse model is enduring and staff have proven they have the skills to deliver.

The CFO stated that the inhouse model will endure costs as status quo is not an option.

Mayor Broughton noted the depth of feeling around this conversation. The reason we are making this decision is to ensure that Selwyn's drinking and wastewater is good in 100 years' time which starts now by setting things up well. The government has made a decision with the reforms, and we have moved early, taken matters in our own hands and made decisions. The decision to change today is following on from that and going to a CCO will ensure that we are not forced into something else. We are in a growth space so in a good position. We asked our neighbours to work together, we already do our special planning via the Greater Christchurch Partnership. Many councils are choosing inhouse, a joint WSCCO or separate WSCCO. Past decisions have helped us, and we acknowledge previous councillors who made the right decision at the time. We want to be in the best place, so a WSCCO is a good option. This will allow staff to have certainty today.

Cr Lyall stated that taking of people's houses and uncalled capital is not going to happen. Regarding debt, this was discussed this last week. We need to plan at least 30 years ahead for growth so need to be 30 years ahead with our infrastructure. We need to be in control over what happens to our water and not be told what to do. He stated he would love to see Canterbury wide WSCCO but that is not happening now. He noted that in 2008 council borrowed \$90million to expand the Rolleston sewerage treatment plant. Rates will be increased but this for intergenerational long-term benefits. The risk of us not doing this inhouse

is losing control. In the future we will be amalgamated into another authority as a natural progression.

With no further business being discussed, the meeting closed at 2.58pm.

DATED this 16th day of April 2025

A handwritten signature in blue ink, consisting of a stylized 'L' followed by a horizontal line and a vertical stroke.

CHAIRPERSON