



3 September 2021

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Tēnā koe Adam

Your official information request, reference OIA2122-0117

Thank you for your email of 6 August 2021 to the Department of Internal Affairs, requesting the following information under the Official Information Act 1982 (the Act):

“All documentation regarding the decision to split the South Island into having the top part not part of entity D. The reasoning for this does not appear obvious as Wellington is far more geographically isolated from Nelson and Blenheim than Christchurch is, due to the Cook Strait. This would incur significantly more travel costs etc. It appears this is done more for political purposes than efficiency.”

Three briefings to the Minister of Local Government and an email chain have been identified as in scope of your request – please find this information enclosed. For ease of reference, a list of these documents is provided at **Appendix A**.

These documents are released to you with some information withheld under the following sections of the Act:

- **9(2)(a)**, to protect the privacy of natural persons;
- **9(2)(f)(iv)**, to protect the confidentiality of advice tendered by Ministers of the Crown and officials;
- **9(2)(g)(i)**, to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or Ministers of the Crown or members of an organisation or officers;
- **Out of scope**, as the documents contain information outside the scope of the request

As is required by section 9(1) of the Act, I have considered whether the grounds for withholding this information are outweighed by other considerations which would make it desirable, in the public interest, to make that information available. In this instance, I do not consider that to be the case.

Further information on the proposed number of water services entities and their boundaries

The Government has considered a range of factors to determine how many entities into which it should aggregate water services delivery, and their boundaries. The key considerations have been to establish entities that:

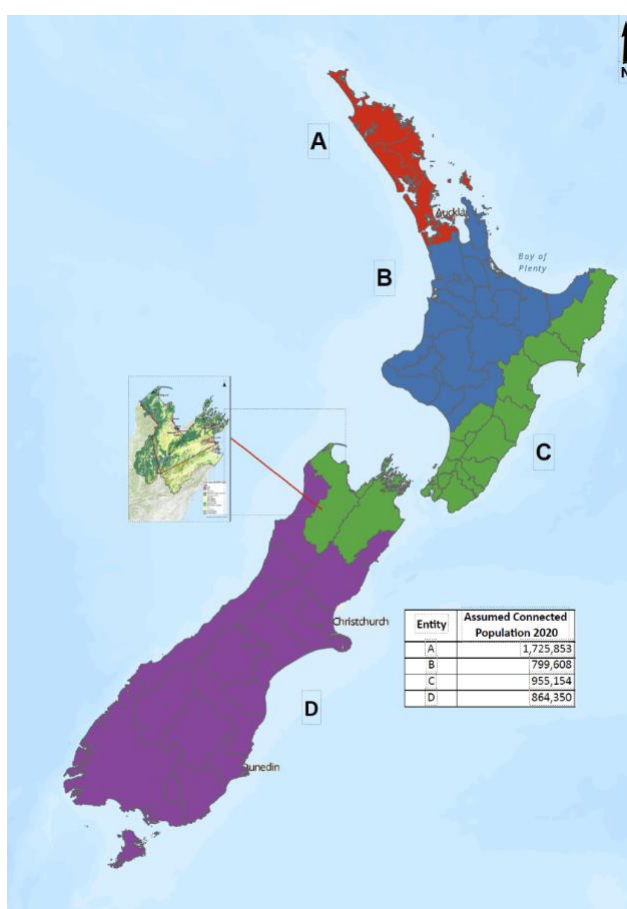
- have a sufficient asset and customer base to be financially sustainable, operate at an economically efficient scale, and deliver water services at an affordable price;
- operate effectively in relation to water catchments and achieve desired environmental outcomes, which is dependent on containing entire catchments within the boundaries of entities. This will enable effective catchment planning and management of associated infrastructure;
- engage meaningfully with iwi/Māori to inform understanding of Treaty rights and interests. This includes, but is not limited to understanding of rohe/takiwā boundaries and the importance of considering a Te Ao Māori expression of kaitiakitanga through ki uta ki tai –

the passage of water from the mountains and great inland lakes, down the rivers to hāpua/lagoons, wahapū/estuaries, and to the sea;

- understand and reflect relevant community interests, particularly where there are existing economic or functional relationships or a shared identity between neighbouring communities; and
- have access to a skilled local workforce.

The Government considers that the option comprising of four entities, with the configuration as presented in [Figure 5](#), achieves an optimal balance of the factors described above.

Figure 5: Proposed boundary configuration for new water services entities



Entity	Regions included
A	Auckland and Northland regions.
B	All districts from the Waikato, Bay of Plenty and Taranaki regions and the upper parts of Manawatū-Whanganui region (Ruapehu, Whanganui, and Rangitikei).
C	The districts in the eastern and lower part of the North Island (Gisborne, Hawke’s Bay region, lower parts of the Manawatū-Whanganui region ¹ , and Wellington regions); and The local authorities at the top of the South Island (Tasman, Nelson and Marlborough).
D	The districts and regions in the rest of the South Island, including those parts of the Marlborough and Tasman Districts that comprise the Ngāi Tahu takiwā. ²

¹ This includes Horowhenua, Manawatu, Palmerston North and Taranaki.

² Adjustments will be made to this boundary to correspond to the Ngāi Tahu takiwā rather than conforming to local authority boundaries.

This configuration has several advantages, including that it:

- results in broadly even populations served outside of the 'northern entity', enabling each entity to realise the opportunities associated with scale;
- combines all districts in the Waikato and Bay of Plenty into a single entity, recognising the significant relationships that exist between these councils and leveraging work undertaken to date towards reform;
- aligns catchments in the central North Island, in particular from the Taupō district through the Waikato region; and
- recognises whakapapa linkages between the North and South Islands, including iwi boundaries that span the two islands.

Under this configuration, the Hauraki Gulf marine area spans the boundaries of the two upper North Island entities and will require them to collaborate with the relevant regional councils on an integrated catchment management approach to the Hauraki Gulf.

The Government intends to continue discussions with those local authorities and iwi/Māori that are most affected by the proposed boundaries, to inform final decisions on the boundaries of the new entities.

You can find further information on the decision to exclude the top part of the South Island from Entity D in *Cabinet Paper One and minute – A new system for three waters service delivery - 30 June 2021* which can be found here - [www.dia.govt.nz/diawebsite.nsf/Files/Three-waters-reform-programme/\\$file/cabinet-paper-one-and-minute-a-new-system-for-three-waters-service-delivery.pdf](http://www.dia.govt.nz/diawebsite.nsf/Files/Three-waters-reform-programme/$file/cabinet-paper-one-and-minute-a-new-system-for-three-waters-service-delivery.pdf)

You have the right, under section 28(3) of the Act, to seek an investigation and review of this decision by the Office of the Ombudsman. The postal address of the Office of the Ombudsman is PO Box 10152, Wellington. Alternatively, you can phone 0800 802 602 or email info@ombudsman.parliament.nz.

Ngā mihi



Danny Shaw
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Three Waters Reform Programme

Appendix A: Summary of documents in scope

Document title	Document date	(P)artial release or (W)ithhold	Withholding grounds
Briefing: Three Waters Reforms – update on entity numbers and boundaries work	23 February 2021	P	9(2)(a)
Briefing: Three Waters Reform: Number and boundaries of proposed water services entities	31 March 2021	P	9(2)(a), 9(2)(f)(iv), Out of scope
Briefing: Meeting with Ngāi Tahu to discuss three waters reform	11 May 2021	P	9(2)(g)(i), Out of scope
Email: Background information for Te Tai Ihu Councils – just FYI no action required	30 July 2021	P	9(2)(a)