



MP for Hauraki-Waikato

Minister for Māori Development

Minister of Local Government

Associate Minister for the Environment

27 April 2018

Via email

Tēnā koe

I am writing to confirm that the Government will this year undertake a broad-ranging review of the way wastewater, stormwater and drinking water are managed in New Zealand.

This recognises that the Local Government sector is facing variable service delivery challenges and significant cost pressures related to ageing waters infrastructure.

In coming months, the review, led by the Department of Internal Affairs, will work with Councils, industry sector groups and others to assess and scope options of key issues, including costs, relating to better management of water services infrastructure.

We need to deal more effectively with the pressing issues confronting waters infrastructure but with a strategic approach in mind. The Government is committed to confronting the scope of this challenge as we seek to protect the health of people and the environment, and to support a strong economy. That is especially so in the face of challenges like climate change, declining populations in rural areas and increasing funding and financing pressures on small communities.

As forecast capex shows, costs of upgrading infrastructure are challenging. Developing the right solutions will require strong co-operation from the likes of Councils, iwi, business and central Government to ensure we best manage the risks, opportunities and costs. The Government is taking a lead but the solutions lie with all of us.

The review will include looking at what structures and entities are best suited for three waters provision. I am also mindful that the core principle of public ownership of these services will underpin considerations that will result from this review.

The review will also look at whether the existing regulatory framework for the three waters is appropriate and fit for purpose.

I look forward to working closely with you all on this important review. Please feel free to contact Allan Prangnell, Director, Central/Local Government Partnerships, at the Department of Internal Affairs ([allan.prangnell@dia.govt.nz](mailto:allan.prangnell@dia.govt.nz)) if you have any queries relating to the process for the review.

Nāku noa, nā

A handwritten signature in black ink, appearing to read 'N. Mahuta'.

Hon Nanaia Mahuta  
Minister of Local Government