

Water-proposal vote a mystery

You'd think that when someone came up with a scheme to reduce the cost of water to each household by 10 per cent or more, every elected official in the region would be leaping to the front of the watercart to claim the credit.

But not out west, where they've always done things rather differently. They can be so contrary that on Monday, Waitakere City's finance committee, at the behest of chairwoman Janet Clews, voted to oppose any such scheme — if and when it comes before them.

That's right. Waitakere has voted to oppose the proposal even though the details are still being worked on by officials at the regional water company, Watercare Services.

The decision has left Manukau Mayor Sir Barry Curtis and other politicians and officials around the region flummoxed.

"Why is it that Waitakere, with the highest water price in the region, doesn't want to become part of a project which has the potential to deliver significant savings to the ratepayers of Waitakere?" he said.

There were "certainly 10 per cent savings" for his ratepayers and there might be 20 per cent savings for Waitakere, so it baffled him that the politicians of Waitakere didn't want to become part of the proposal.

Manukau City has long provided the cheapest water in the Auckland region. Even though each city buys its bulk supplies at identical prices from Watercare Services, the price at the tap varies greatly.

In Manukau, a cubic metre costs \$1.07, in Waitakere, \$1.48. In Auckland City it's \$1.32, Papakura \$1.26 and North Shore \$1.29. Rodney residents pay \$2.32, but that includes a special pipeline levy.

Despite the cheapness of Manukau water, the city has been working with Watercare officials to come up with a vertically integrated water delivery system which cuts out the retail middleman and has Watercare providing a complete door-to-household service.

Last December the two enthusiasts — Manukau and Watercare — got into trouble with other councils by slipping amendments into the huge Local Government Bill concerning Watercare. In essence, they allowed Watercare to get into retail water supply, if 75 per cent of Watercare's Shareholder Representative Group (SRG), consisting of representatives of the various councils, agreed.

When Waitakere discovered this, Mayor Rob Harvey flew to Wellington and persuaded Local Government Minister Chris Carter to table a last-minute amendment, removing the "retail" clause from the bill. But five hours later, under intense pressure from Sir Barry and Auckland City Mayor John Banks, Mr Carter withdrew his amendment.

Since then, Manukau and Watercare



have done more research into the proposal.

Preliminary work suggests savings to Manukau ratepayers of around 10 per cent. Some of this would come from a reduction in the size of the bureaucracies involved. There would also be streamlining arising from linking infrastructure networks.

The work also indicated savings for Watercare, and for any other city that wanted to join in.

In May, Manukau asked Watercare to make a formal proposal to take over its retail water-supply operation. This document is likely to be completed by early next month. At that stage, Watercare officials will need to gain the support of their board and of the SRG before it can be presented to Manukau.

This is where Waitakere, with 16.7 per cent of the vote on the SRG, has the power to spoil the deal. With Manukau holding just 25.1 per cent and its ally Auckland City 41.6 per cent, either Waitakere or North Shore (11.5 per cent) have to come to the party to ensure the 75 per cent vote needed.

Trying to pin down the basis of Waitakere's opposition is difficult. Part of it seems a hangover from the days when privatisation was rife. But as the present proposal involves no apparent transfer of assets and Watercare cannot, by law, be privatised, these fears seem groundless.

There are also suggestions that Manukau's cheap water would be achieved by what one Waitakere councillor called "hidden cross-subsidies".

Since Monday's vote, Mrs Clews has been busy back-tracking. "We're not being bloody-minded," she says. All the council did was "reconfirm" its existing stand on the issue "because we had not discussed it formally for a very long time".

"We will await the arrival of information about the new proposal and assess it."

But that's not how the resolution passed on Monday reads. Without any reference to the potential savings — which Mrs Clews, as a SRG representative, was aware of — the recommendation was that Waitakere's SRG representative "be instructed not to support Watercare's entry to the retail sector of the Auckland regional water industry at this stage and to vote against any related recommendation . . . at SRG meetings".

Waitakere's ratepayers might well ask why their representatives did not wait for the facts to be tabled, before blindly voting NO. Particularly with an election looming.

Min... The Parish Pumps

"THE A.R.A. SELLS WATER TO LOCAL BODIES AT 25c FOR 1000 GALS, SOME OF WHICH RESELL IT TO CONSUMERS AT UP TO \$1 FOR 1000 GALS."



4th October 2003

Robert A. Harvey

Mayor

Warrakeene city council

Henderson

Dear Mr Harvey

We are writing to thank you for your generous donation of the mulch for our class project and chickens.

It was also a lovely surprise to receive your gifts of books and pens.

We are sorry we haven't written sooner but we only just returned to school after three weeks holiday. Your mulch has made a big difference to the garden and the chickens, hopefully we will have some photos to send to you soon.

Meanwhile, thank you again for your time and interest in our Home school garden project

Yours sincerely

Morgan Southwick

Liam Atkins

Emily Laurie