



Water Services Entities Bill – transitional arrangements

The Water Services Entities Bill provides for transitional arrangements for the new Water Service Entities over an establishment period.

This includes reporting obligations; employment provisions for the three waters workforce, and the oversight powers of the Department of Internal Affairs during this period. The establishment period runs until 1 July 2024 when the water services entities take over delivery of services.

The Government has established a National Transition Unit within the Department of Internal Affairs to implement the Three Waters reform through a coordinated nationwide approach. The National Transition Unit will ensure this transition is efficient, effective and minimises disruption to communities and consumers.

The Bill provides the Department of Internal Affairs with oversight powers during the establishment period which enable it to review – and, where applicable, confirm – local government decisions.

These powers will be used if territorial authority decisions appear to significantly restrict the success of the reforms, or have a significant negative impact on the assets or liabilities that are transferred to the water services entities as a result of the reforms.

These provisions are based on legislative arrangements that applied during the 2009/10 reforms to Auckland governance.

Transition and establishment

The Bill's main transition and establishment arrangements are:

- setting up establishment entities in each of the four service delivery areas, to make arrangements in preparation for full operation, and
- the key functions, activities, and duties of these transition bodies including:
 - the purpose, objectives, and operating principles of establishment entities
 - the board of establishment entities
 - the appointment of establishment chief executives.

Reporting obligations

The Bill contains modifications of entity design features and accountability arrangements, so they are applicable during the transitional phase, including:

- requirements relating to establishment water services plans and quarterly reports
- obligations on (current) territorial authority water service providers to cooperate with the Department of Internal Affairs and establishment entities during the establishment period, and related compliance provisions
- transitional regulation-making powers, relating to the provision of information and reporting obligations.

Employment

Transitional provisions relating to employment include:

- a review of existing employment positions by establishment chief executives;
- the transfer of employment positions; and
- collective bargaining arrangements.