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**Committee** Utility Services  
**Author** Andrew Samuel, Marketing Analysis Manager, Greater Wellington Water

## **Communications strategy for the water source development strategy**

### **1. Purpose**

To outline our communications strategy in relation to the Greater Wellington's water source development strategy (new source strategy). This communications strategy recognises the links between the proposed Wellington Water Management Plan (water management plan) and the new source strategy.

### **2. Significance of the decision**

The matters for decision in this report **do not** trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

### **3. Introduction**

Report 05.359, presented to the Utility Services Committee meeting of 20 September 2005, outlined a strategy for water source development. The new source strategy recognised that our system's design population (377,000) for the water supply security standard agreed with our customers would probably be reached in a few years time. It also acknowledged that consideration of source development options should recognise the long-term needs of the region, as signalled by the draft Wellington Regional Strategy (regional strategy), which considered populations of up to 450,000.

In considering the new source strategy, the committee requested that a long-term communications strategy be developed for it and that the linkages between the new source strategy and the proposed water management plan be recognised.

#### **4. Water source development strategy**

Report 05.359 discussed a range of possibilities for increasing water supply over the short, medium and long term. In summary, the strategy put forward was to investigate in more detail those options identified as showing most promise from preliminary assessment. These investigations are in progress and are expected to be completed by early 2007. It can be said that the further investigations to date have not identified any of these options as not being viable.

The objective that the source development strategy serves is to continue to meet the agreed security of water supply standard, consistent with the draft regional strategy growth target and Greater Wellington's vision and goals.

Our strategy to achieve that objective involves:

1. Robust modelling and forecasting of system limits relative to population supplied
2. Taking, where possible, a conservative approach to planning and implementation timelines
3. Consideration of the potential of new water demand management initiatives as well as supply augmentation
4. Assessing the social, environmental, cultural and economic aspects of options
5. Consulting widely and working co-operatively to identify preferred option(s)
6. Identifying a specific water source development strategy and obtaining resource consent for the favoured long-term supply augmentation option(s) as soon as possible.

#### **5. Proposed Wellington Water Management Plan**

In July 2005 we received approval from our customers' water supply managers to develop a draft co-ordinated water management plan for our water supply region, based on the Auckland model (*From the Sky to the Sea*), for their consideration.

The approach adopted in Auckland is that a combined water savings target has been agreed between the bulk supplier, Watercare Services, and the territorial local authorities. A toolbox of demand management options, including the likely costs and impacts of each, forms part of the plan. Each participating local authority will adopt an action plan for their area of responsibility, based on the toolbox options that each thinks is appropriate to meet their commitment to the overall saving target.

We are currently working with NIWA to model the likely security of supply impacts from a range of per capita water use reduction levels. This will allow

us to assess the related bulk water levy impacts. Shared understanding of the commitment implied by accepting a specific savings target is considered essential before our customers could be expected to adopt the proposed Wellington Water Management Plan. It is possible that our customers may also want to consider the costs associated with our preferred source development option(s) and consult their communities about specific demand management tools before adopting the water management plan.

Assuming that a co-ordinated water management plan can be agreed with our customers, the level of savings target adopted will have a material bearing on the forecast timing of new source development. It should be noted that adoption of new demand management tools won't guarantee the level of demand reduction estimated in the water management plan.

## **6. Communications strategy for the source development strategy**

### **Purpose of strategy**

As noted earlier, Greater Wellington has a strategic target to maintain the security of water supply to agreed standards (the 1-in-50-year drought standard). Forecasting indicates that action is needed in the near future to ensure that we are positioned to be able to maintain that standard effectively. The draft regional strategy called for consideration of our ability to meet the reasonable needs of up to 450,000 people.

The purpose of this strategy is to outline how communications will be used to support the achievement of this outcome in a manner consistent with the vision, goals and obligations of Greater Wellington, as we move through the process of identifying preferred options for maintaining the security of regional bulk water supply well into the future.

It has been written specifically in regard to the new source strategy, while recognising the concurrent and related development of the proposed water management plan.

### **Communication outcomes**

The communications outcomes that contribute to the overall goal of maintaining security of water supply in a manner consistent with the vision, goals and obligations of Greater Wellington are:

1. Identified stakeholders and the wider community broadly understand the water supply choices available at a strategic level, the relative impacts of the main options available and how the options relate to each other.
2. Identified stakeholders and the wider community are aware of the water supply development decision-making process, the timetable and their opportunities to provide input.

3. The community understands the water supply roles of Greater Wellington and it's the four customer territorial authorities, and that effective demand management solutions depend on a co-operative approach.
4. The communities within our bulk water supply area have a positive view of Greater Wellington in regard to its role in meeting their future water supply needs.
5. Our statutory obligations to consult are met.

### **Communications themes**

The 'what' and 'how' of the communications job to be done in relation to water source development will depend to a large extent on the outcomes of our current investigations, including the preliminary scoping of issues.

However, given the six principles underlying our new source strategy listed in Section 4, the following are key themes for communication:

1. It is critical to the region that security of water supply is maintained. Current forecasts indicate that at projected growth rates we'll need a new water source by around 2013. However, this could be sooner if an increase in water take from the Hutt River cannot be secured. The process of investigating, consulting, consenting and building a major new water storage source is anticipated to take eight years or more. It's prudent to advance that process now.
2. Forecasting future water needs is not an exact science. Climate, population and household numbers, technology, regulation and economic climate are examples of influential variables. We use robust forecasting processes but must still make many assumptions.
3. Demand reduction (conservation) measures offer another means to increase the population we can supply while continuing to meet the agreed security of supply standard. This avenue is being explored with our customers, but shouldn't delay identification of a preferred new source strategy.
4. Water use reduction measures can only be implemented effectively with the support of our four customer territorial authorities and the communities they serve. The required outcomes can only be achieved by a co-operative approach.
5. The environmental, social, cultural and economic aspects of supply augmentation options will be considered in formulating the preferred new source strategy. The framework for weighing these aspects relative to each other to determine the preferred source option(s) will be robust.
6. The key supply development decision we intend to make as a result of the new source strategy investigations is to identify the preferred next major water source(s) for the greater Wellington urban area. Following that, we would seek to obtain appropriate resource consents. The preferred option would be built when it was needed.

7. We must make clear the likely timing of key decision points and the opportunities that all stakeholders will have to provide input before decisions are made.

### **Statutory responsibilities**

The Local Government Act 2002 (LGA) requires Greater Wellington to take a sustainable development approach to infrastructure planning and service delivery and to consider the views of other affected or interested parties. The following sections have a bearing on our communications activity.

Section 77(1) of the LGA essentially requires local authorities, in the course of decision making to consider all reasonably practicable options for the achievement of objectives and to assess these options by considering the social, economic, environmental and cultural impacts.

Section 78 covers community views in relation to decisions. Part 1 requires local authorities, in the course of the decision making process, to consider the views and preferences of persons likely to be affected by, or have an interest in, the matter. Part 2 indicates that consideration of the views of affected/interested parties should ideally take place at several stages in the decision making process. Part 3 indicates that there is no specific consultation procedure required, subject to Section 79.

Section 79 essentially outlines that it is the local authority's responsibility to make judgements about the significance of decisions and an appropriate level of response, with regard to Section 14.

Section 14 outlines the principles that local authorities must act in accordance with, including acting in an open and accountable manner and having regard of the views of all its communities. This section (part 1e) also calls for local authorities to work co-operatively with other local authorities and bodies, as it considers appropriate, to promote or achieve their goals. (Greater Wellington's long-term customer service target implies close collaboration with its four bulk water supply customers (as a minimum) in identifying preferred security of supply maintenance options and the related communication process.)

Section 97 provides that local authorities must not make a decision to significantly alter the intended level of service provision for any significant activity or to construct a strategic asset, or make a decision that will affect the capacity of the local authority – in relation to any activity identified in its Long-term Council Community Plan (LTCCP) - unless the decision is explicitly provided for in the Council's LTCCP. The proposal for the decision must be included in a statement of proposal prepared under the Special Consultative Procedures provisions (Sections 83 and 84) of the LGA.

Given the uncertainty about which source development option(s) will be recommended, it is unclear whether the eventual decision is provided for as a proposal by the 2006-16 LTCCP or not. The answer to that question doesn't appear to have a major impact on our general obligation to consider the views

of our stakeholders, but may have bearing on the exact nature and timing of our consultation.

### **Identified stakeholders**

All communications should be based on understanding the interests and needs of the stakeholder(s) we are communicating with. This understanding will be considered alongside the strategic and tactical needs of Greater Wellington to determine the detail of what, when and how to communicate.

With regard specifically to the new source strategy development, there are different sets of identified stakeholders relating to investigating each of the supply augmentation options. The main external stakeholders already identified in regard to the scoping of matters for further investigation of the long-term dam options are:

#### Territorial authorities

- Hutt City Council, Porirua City Council, Upper Hutt City Council, Wellington City Council

Other key organisations/groups include:

- Department of Conservation, NZ Historic Places Trust, Akatarawa Recreation Action Committee, Rimutaka Incline Railway Heritage Trust, Iwi representatives, Royal Forest and Bird Protection Society, Fish and Game NZ, On Track-NZ Railways Corporation, IPENZ, Kapiti Coast District Council, residents living near the sites being investigated.

Water consumers in the greater Wellington urban area are recognised as stakeholders in the decision about water supply options. Once the costs and benefits of the supply augmentation options under investigation have been established more precisely, the wider community will be consulted.

It is recognised that in communicating with our territorial authority customers, there are several audiences that must be addressed. Water supply officers provide a valuable sounding board for feedback on the merits of different options, principally from a technical perspective. Communications to senior management level provide for feedback that includes the wider interests of each council. Ensuring that the political representatives of each council are informed of the issues and options provides the key to opening a constructive debate about the strategic merits of supply augmentation and demand management.

## **7. Communication tools**

Direct dialogue and correspondence are recommended as the principal tools for communicating with identified stakeholders for each of the supply augmentation options being investigated. (It is also recommended as the most productive approach for generating constructive debate among the region's political decision-makers on finding an appropriate balance between demand reduction and supply augmentation measures.)

Mass communication tools, including Greater Wellington's web site, *Elements* newspaper and corporate planning and reporting publications, and the media are expected to be useful for keeping the wider community informed of options, progress and opportunities to participate in decisions as appropriate.

## 8. Timing issues

Anticipated timing of the main work streams and decision points in regard to the new source strategy development and an outline of external stakeholder communications is set out below.

Timing	Progress stage	Related communications
September 2005	Water source development strategy presented to Utility Services Committee (Report 05.359). It outlined a shortened timeframe for reaching the security of supply standard, discussed supply augmentation options and identified three long-term options for more detailed investigation. It also raised the prospect of deferring new source investment through more comprehensive demand management activity.	Content of paper discussed in advance with water supply managers  Media release (20 September 2005). Content of report covered widely
December 2005	Start of preliminary consultation for the three long-term supply augmentation options. The purpose of this consultation is to scope the range of uses and values that "identified stakeholders" associate with the catchments in the vicinity of the potential dam sites.	Identified stakeholders sent preliminary consultation document
April 2006	End of the first phase ( <i>Desk-top Study</i> ) of feasibility studies of the three dam options, including review of existing information and preliminary consultation, and a recommendation for the second phase of activity	No communication activity
April 2006	Greater Wellington's proposed 10-year plan 2006-16 consultation documents outline strategic options (balance between supply and demand management) for maintaining water supply security. Comments invited	Presentations made to committees of customer TAs.  Mail-out of LTCCP summary. Advertising in support of mail-out
April 2006	Consultants to circulate a preliminary project document, including consultation aspects, for the Upper Hutt Aquifer storage investigation	Identified key stakeholders to receive preliminary project document
June 2006	Provide results of LTCCP consultation back to the community	Respond individually to submissions  Summarise submissions for publicity via mass communication channels
June - December 2006	Feasibility studies of the three dam options, including detailed investigations and costing estimates, and more extensive consultation	Interaction with identified key stakeholders
March 2007	End of Phase Two (dam investigations) of the new source development assessment process. Seek feedback on the technical merits of the supply augmentation options	Presentation of findings to customer water supply managers

March 2007	Workshop for GWRC councillors to outline the technical, economic, social environmental and cultural aspects of each option. Outcomes from the workshop to feed into committee paper recommending a specific long-term water source development plan for consultation	Write to identified stakeholders with content of committee paper and timing of required further consultation prior to its consideration  Summarise paper and timing of required further consultation for publicity via mass communication channels following GWRC decision
Post-March 2007	The consultation required before making a significant decision would follow GWRC endorsement of a single recommendation. This provides the opportunity for the wider community to have input	Communications including consultation consistent with requirements of Local Government Act depends on recommended option (see also April-June 2008)  Period between March 2007 and March 2008 could be used to present rationale for preferred option to main identified stakeholders directly if required
April-June 2008	If the recommended option for consultation was deemed not to have been provided for in the LTCCP 2006-16, a Special Consultative Procedure to amend the LTCCP would have to occur with the Annual Plan 2008/09 consultation document.	Communications including consultation consistent with requirements of Local Government Act depends on recommended option (see also Post-March 2007)  If Special Consultative Procedure needed in 2008, mass communication tools to be used to keep the issue in focus during the year from March 2007

The draft water management plan, including an assessment of levy impacts associated with a range of water saving targets, is expected to be available for consideration by the territorial authorities in July-August 2006.

As noted under Section 5, our water supply customers could be expected to want to have a clearer understanding of the water supply augmentation options available to the region before adopting the proposed water management plan; they will be in a position to do so after March 2007. They may also want to consult their communities about demand management options. The timing of any such consultation and whether we would have any part in that process is unclear. It is proposed that a dialogue be opened directly with our customers to assess the political mood for 'harder' and more costly demand management measures, such as metering and associated user-pays pricing and, if there is support, to consider a collaborative approach to consultation.

It is considered premature to develop a communication strategy in regard to the water management plan or any of the demand management tools it discusses without gauging the level of political support for that initiative first.



## **9. Conclusion**

Leading the process of identifying a suitable new source strategy for the greater Wellington urban area is Greater Wellington's responsibility. A communications strategy for the source development strategy has been outlined above. However, the implementation of this strategy will almost certainly be complicated by demand management issues as we move forward.

Responsibility for determining an appropriate level of demand management activity and how that should be paid for, and for implementing programmes to deliver the desired outcome, are not principally Greater Wellingtons. While we may view greater emphasis on demand reduction as consistent with Greater Wellington's vision, some of the principal tools available to achieve that end are beyond our ability to introduce independently. Furthermore, it is questionable whether any new demand management measures would reach their full potential without the clear support of the territorial authorities responsible for retail water supply within the greater Wellington urban area.

To that end, we are currently working on a co-ordinated water management plan, ultimately for consideration by the elected representatives of Greater Wellington and our customer territorial authorities. While this initiative has potential to alter source development timelines, there has not yet been much debate around the strategic question of whether the region should invest in new efficiency measures before it invests in new water supply assets. The detail needed to focus discussion around that question is expected to be available in early 2007.

A collaborative approach with our customers to addressing the question of balance between demand management and supply augmentation is most likely to yield a productive outcome. That will require agreement at a political level to work collaboratively and identification of a supporting process. A long-term education strategy encompassing demand management would ideally reflect this approach. It is not appropriate to develop such a strategy independently at this time.

Essentially we have two questions to address in regard to the new source strategy: (1) what is the region's preferred mix of options, and (2) when will the preferred options need to be built. The steps towards answering the first question, including associated communications, are relatively clear. However, an answer to the second question can't reasonably be estimated more clearly until we can assess what level of demand reduction our territorial authority water supply customers are prepared to achieve and when.

## **10. Communication**

A news release will be made following the committee meeting to outline progress towards identifying a preferred source development proposal for consultation with the wider community and when that is expected to occur.

## 11. Recommendations

*That the Committee:*

1. ***Receives*** the report.
2. ***Notes*** the need for flexibility in the communications strategy for water source development.
3. ***Notes*** that the content of a long-term communications strategy for demand management will depend on our customers' response to the co-ordinated water management plan that is currently under development.

Report prepared by:

Report approved by:

**Andrew Samuel**  
Marketing Analysis Manager  
Greater Wellington Water

**Murray Kennedy**  
Divisional Manager, Water  
Supply, Parks and Forests