

**Let's talk about  
the future of our  
water services.**



**kōrero  
mai!**

[sayitnapier.nz](http://sayitnapier.nz)



**NAPIER**  
CITY COUNCIL  
*Te Kaunihara o Ahuriri*

**Jump in  
with your  
questions**

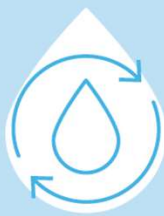




# Our water



Water assets make up around **30%** of Council assets. Our underground asset replacement value is roughly **\$1.3 billion**, with above-ground assets having a replacement value of **\$1.5 billion**.



Day-to-day water costs are about **13%** of Council's operating costs.



**\$701 million** of capital expenditure is required over the next ten years to upgrade and renew our water assets. Then in the following 20 years we're expecting to invest an additional **\$1.5 billion**.



Water projects make up nearly **50%** of our proposed capital work in the next ten years.



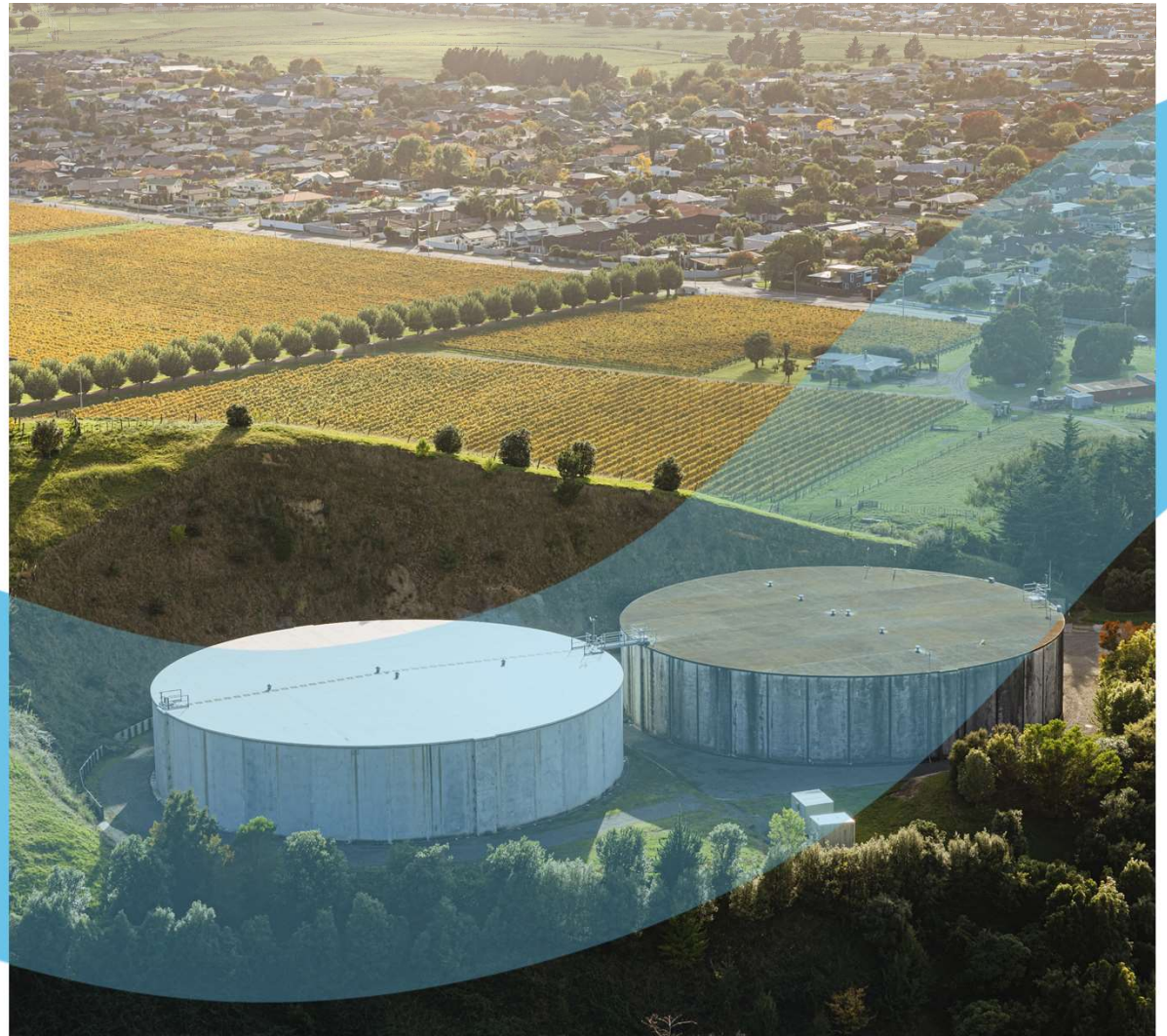
**\$265 million** of operational expenditure is required to maintain and operate our water network over the next ten years. This averages out to **\$24 million** per year – **20%** higher than the 2024/25 financial year.



**17%\*** of total rates goes towards funding our water network.  
(\*Financial year 2025/26 estimate.)



About **93%** of Napier's population is served by reticulated water supply.





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### Our network consists of:



Almost **1 billion** litres delivered to homes and businesses each year



**7** operative ground water bores



**8** booster pump stations



**11** service reservoirs



**482km** of water mains



**2** dechlorinated water stations

### Where we're at:



Approximately **28,000** connections



Based on age, roughly **70km** of pipe needs to be replaced in the next five years with an additional **14km** by year ten.



Total asset replacement value of **\$357m**



Our wastewater network  
serves about **97%** of Napier.







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## What we do:



### Public Health and Sanitation

We operate and maintain the network to minimise the occurrence of wastewater overflows into habitable areas.



### Minimise Environmental Impacts

We treat wastewater to the legally required standard before discharging into the environment.



### Customer Responsiveness and Satisfaction

We respond to and restore loss of service and address complaints, and deliver a consistently high level of customer satisfaction.

## Our network consists of:



**390km** of wastewater mains



**51** pump stations



**2** biological trickling filter tanks



**1** milliscreen plant

## Where we're at:



Approximately **27,000** connections



Based on age, roughly **225km** of pipe needs to be replaced in the next five years with an additional **30km** over the next ten years.



Total asset replacement value of **\$610m**



Our stormwater system  
services approximately  
**97%** of Napier.







Our stormwater system services approximately **97%** of Napier.

### Our network consists of:



**244km** of pipe network



**5,337** manholes



**37** coastal outfalls



**2** detention dams



**47km** of open drains



**10** pump stations

### Where we're at:



Approximately  
**25,100** connections



Much younger pipe network so in relatively good condition with only **11km** of pipe reaching end of life in the next ten years.



Total asset replacement value of **\$433m**

**What is  
LWDW?**



# What is LWDW?



## **Mandated by central government:**

Councils must meet government legislation by exploring new water service delivery models.

## **Doing nothing is not an option:**

Existing delivery models are under pressure from increasing regulatory demands, aging infrastructure and limited debt access.

## **Replaces Three Waters reform:**

Requires councils to rethink how they manage drinking water, stormwater and wastewater.

## **Community voice:**

LWDW supports local decision-making while requiring councils to meet high environmental, water quality and economic standards.

## **By September 2025:**

Councils must submit Water Service Delivery Plans outlining how they will sustainably fund and manage water services, with the Commerce Commission overseeing economic regulation.



## Assessment criteria

How we made a decision

1

### Value for Money

Services are cost effective, and efficiencies are realised where possible. Provides long-term financial sustainability.

2

### Enhanced Delivery and Capability

Ability to optimise the delivery of the capital programme, increased service levels, and overall customer satisfaction. Model provides long-term, sustained growth potential for employees and enables a high level of professionalism.

3

### Increased Resilience

How well the organisation can respond to a significant event both from an operational level but also the ability to access funding if large-scale recovery works are required.

## Assessment criteria

How we made a decision

4

### Community and mana whenua engagement

The organisation has the capacity to meaningfully consult and engage with mana whenua partners and community. The organisation has a strong ability to meet partner and community expectations.

5

### Ease of Implementation

The difficulty and risk of establishing an organisation or implementing the requirements needed to meet legislation, regulation and new water quality standards.

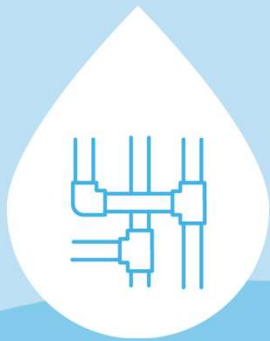
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### Minimises Impact to Community

On implementation, what the expected disruption to customers is and what the change requirement is to mitigate effects.

## Challenges ahead

The challenges facing Napier and Hawke's Bay can be found in areas across New Zealand:



### The cost of maintaining and replacing aged assets.

Pipes, pumps and plants are reaching end of life after many were built during a boom between the 1950s and 1970s. Councils need to find significant funding to replace them.



### New rules and regulations around drinking water safety and security.

Safety standards and environmental protection requirements are increasing and many water service providers are currently non-compliant.



### Increased investment needed.

To build new infrastructure as our population grows and to improve network resilience to natural hazards and a changing climate.



## Costs

Costs will rise no matter which option we propose to the government in our water services delivery plan (WSDP). At this stage actual costs are yet to be confirmed. Costs are a forecast only and are based on all known information to date.

We know, for the ratepayer, a Regional CCO delivering water services for the whole region will be cheaper than each council having its own in-house or single-council water organisation.



**Regional WO:**  
\$2,000 by FY30  
and increasing to  
\$2,800 by F34



**In-House:**  
\$2,300 by FY30  
and increasing to  
\$3,100 by F34

## What are the options?

### OPTION 1 REGIONAL CCO

A new organisation (CCO) owned by Napier and three other councils (Wairoa, Hastings and Central Hawke's Bay).

Shares staff, costs and planning.

Lower household costs over time.

### OPTION 2 NAPIER CCO

Napier creates its own water organisation (CCO).

No help from other councils.

More expensive and harder to find skilled staff.

This model lacks the scale to attract or retain specialist workers, or share costs and resourcing.

### OPTION 3 IN-HOUSE DELIVERY

Napier City Council manages water itself. Requires major changes to meet new rules.

This model means Council would ringfence water budgets giving less flexibility and fewer funds for other essential services like roads, parks and facilities.

## What are the options?

**OPTION  
1  
REGIONAL  
CCO**

In this model, the average  
yearly water bill by 2034  
could be \$2,800

**OPTION  
2  
NAPIER  
CCO**

In this model, the average  
yearly water bill by 2034  
could be \$3,100

**OPTION  
3  
IN-HOUSE  
DELIVERY**

In this model, the average  
yearly water bill by 2034  
could be \$3,100



## What are the options?

### OPTION 1 REGIONAL CCO

In this model, the average yearly water bill by 2034 could be \$2,800

### This is our preferred option

#### More affordable for the community

- Lower costs over time
- Better access to funding

#### More reliable

- Larger, more skilled workforce
- Stronger planning and resilience

#### More future-ready

- Meets government rules sooner
- Supports growth and has scale to adapt to future change



#### Local voice matters

In Option 1, Napier still has a say. Council would be a shareholder in the new organisation and would help set its direction and priorities.

# What's next?



**Have your say on  
this important  
decision.**

**LOCAL  
WATER  
DONE  
WELL**

**HAVE YOUR SAY**

The full consultation document is  
available at **[www.sayitnapier.nz](http://www.sayitnapier.nz)**  
or at our Customer Service  
Centre, 215 Hastings Street.

**Consultation closes at 5pm  
on Sunday 15 June 2025.**

You can make a submission at  
**[www.sayitnapier.nz](http://www.sayitnapier.nz)**, fill in a hardcopy from  
one of our libraries or Customer Service  
Centre and drop it in a box in person,  
or fill in a hardcopy form and post it.



**say it!**



**NAPIER**  
CITY COUNCIL  
Te Kaitiaki o Aotearoa



**Any questions  
or comments?**

