

## STAFF REPORT

**TO:** Chair and Members, Engineering Services Committee

**FROM:** Jeff Cuthbertson, Utilities Asset Manager

**REFERENCE:** W199

**SUBJECT:** **Takaka Water Supply – Ministry of Health Drinking Water Subsidy Application – RESC-11-02-10-DEC**  
Report prepared for meeting of 3 February 2011

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### 1 PURPOSE

- 1.1 The purpose of this report is to seek approval for the Engineering Services Committee and the Golden Bay Community Board to make application to the Ministry of Health's Drinking Water Subsidy Scheme

### 2 BACKGROUND

- 2.1 Takaka residents get their drinking water supplies from shallow bores which are located in the water aquifer under the township.
- 2.2 Tasman District Council has previously proposed a fully reticulated water supply for Takaka. However this proposal was not supported by either the community or the Golden Bay Community Board.
- 2.3 A working party was established to review the best way to provide fire protection in the Takaka central business district (CBD). The working party recommended to Council that funding for a reticulated fire fighting water supply be included in the 2009 Annual Plan. The Golden Bay Community Board also asked Council to seek a subsidy for a fully reticulated township drinking water supply.
- 2.4 The fire fighting water supply project has been tendered and work is due to commence late February 2011.

### 3 MINISTRY OF HEALTH – DRINKING WATER SUBSIDY

- 3.1 As a result of the Community Board not supporting the reticulated water supply proposal for Takaka, Council did not proceed with an application to the Ministry of Health, Drinking Water Subsidy Programme.
- 3.2 Following the national election in 2009 the Government placed the drinking water subsidy programme on hold in order to conduct a review of the eligibility criteria.
- 3.3 In December 2010 the Ministry of Health announced that it would again seek applications for drinking water subsidies.

3.4 The criteria for gaining a drinking water subsidy under the December 2010 announcement have been altered in comparison to the original scheme. Some of the changes are, but not limited to:

- Communities with a maximum population up to 5000 would be eligible for subsidy.
- The proposed scheme must be owned and operated by a local authority or community for the benefit of that community.
- Subsidy is capped at \$1000 per eligible person.
- The subsidy funding pool is limited to \$10 million per year across New Zealand.
- Deprivation index less than 7 will not be considered.
- The application must demonstrate that there is community support for the water supply plan and there is a clear public health need.
- Applications close on 30 March 2011.

#### **4 TAKAKA WATER SUBSIDY APPLICATION**

4.1 Following the request from the Golden Bay Community Board Council is now in a position to make an application to the Ministry of Health Drinking Water Subsidy scheme for the Takaka township.

4.2 In this instance the Takaka township includes the areas of Rototai, Sunbelt and Takaka East and around the showgrounds, potentially extending to the hospital.

4.3 Takaka has a deprivation index of 7.0 (note, this index is to be confirmed by the Ministry of Health).

4.4 The population that will form the basis of the application is approximately 1000.

4.5 The application based on 1000 people will gain a subsidy of \$1 million.

4.6 Based on the risk calculation (the existing water source is based on "shallow groundwater/springs that are less than 10 metres deep), the value of the risk of health score is +15.

4.7 Takaka's ranking score is 22.0. The calculation of this ranking is:

Deprivation Index plus Risk to Health Score = Ranking Score.

The highest ranking score is believed to be 30.

4.8 In its application, Council must be able to show that it has community support. To gain this element of the application it is intended to table this report to the Motueka Community Board. If the Community Board gives written support to the application for a drinking water subsidy it is believed that this will satisfy the Ministry of Health. Obviously if the Community Board does not support the application then Council will need to reconsider whether to apply for the subsidy at this time.

## **5 RECOMMENDATIONS**

- 5.1 THAT the Engineering Services Committee receives this report RESC-11-02-10.**
- 5.2 THAT the Engineering Services Committee supports the application to the Ministry of Health for a Drinking Water Subsidy for the Takaka township as outlined in this report, RESC-11-02-10.**
- 5.3 THAT staff submit this report to the Golden Bay Community Board requesting their written support for the Takaka township area including Rototai, Sunbelt, around the showgrounds and potentially extending to the hospital to have a fully reticulated water supply including Council's intention to make application to the Ministry of Health for a Drinking Water Subsidy outlined in this report RESC-11-02-10.**

Jeff Cuthbertson  
**Utilities Asset Manager**