

Regulatory Analysis Summary: Wastewater Standards (Tranche 2)



Water Services Authority
Taumata Arowai

Decision sought	Cabinet's approval is being sought to release a discussion document that seeks feedback on proposed wastewater environmental performance standards for: • discharge to air, and • discharge of metals to water.	
Agency responsible	Water Services Authority – Taumata Arowai	
Portfolio Minister(s)	Hon Simon Watts, Minister of Local Government	
Date finalised	29 July 2026	
Ministry for Regulation ID number		REG-2187

Brief description of the Minister's regulatory proposal (preferred option)

The Minister's preferred option is to undertake public consultation on extending the existing wastewater standards framework to also include discharges to air and discharges of metals to water. This expands on an initial tranche of standards enacted in December 2025. This is also the Authority's preferred option.

Summary of the problem definition and opportunity

The current approach to consenting wastewater treatment plants under the Resource Management Act 1991 (RMA) is costly and time-consuming, has resulted in high variability in consent conditions, limited transparency, and patchy compliance. It has resulted in inconsistent, and at times poor, public health and environmental outcomes.

This problem has already been partially addressed by an initial tranche of wastewater standards enacted in December 2025. However, effects from both discharges to air and of metals to water remain to be consented through the existing RMA process. Leaving these effect types to be consented through the RMA is also likely to detract from, and undermine, the proposed benefits of the Tranche 1 wastewater standards.

There is an opportunity to build on the benefits of Tranche 1 by extending standardisation to the management of discharges to air and of metals to water.

Summary of options considered for addressing the problem

This RAS considers three options, in addition to the status quo (no change).

- Under option two, standards for discharges to air would be introduced, primarily focusing on odour.
- Under option three, standards for discharge of metals to water would be introduced.
- Under option four (**the preferred option**), standards for discharges of metals to water would be introduced alongside standards for discharges to air. Standards would provide a consistent and risk-based national approach to the management of discharges of metals from treatment plants.

Options on a wider range of effects were not considered feasible at this stage due to lack of evidence on which to base standards.

There is no true non-regulatory option, as these discharges are currently subject to the RMA regulatory framework. The proposed standards would reduce regulatory complexity by removing these effects from the current individual consent assessment process.

Consultation will seek feedback on:

- the overall proposed approach
- the risk assessment framework
- criteria used to determine risk categories
- proposed metals to be included
- circumstances where monitoring requirements apply
- circumstances where numeric limits could apply
- a proposal for potential numeric limits

Is the Minister's preferred option in the Cabinet paper the same as the preferred option in the RAS?

Yes

Summary of the main benefits of the Minister's preferred option

- Reduced consenting time and costs through standardisation.
- Improved efficiency and certainty in the planning, design, consenting, and operation of wastewater infrastructure through standardisation.
- Improved public health and environmental outcomes through the improved management of air and metal discharges across the country (noting this will vary by plant).

Summary of the main costs of the Minister's preferred option

Increased compliance costs for some wastewater network operators, particularly if additional monitoring, management, or treatment requirements are required for higher-risk discharges. The scale of how many wastewater network operators are impacted cannot be quantified at this stage and will be tested during consultation.

Minor implementation and administrative costs for regional councils and the Authority associated with applying, supporting, and overseeing the new standards.

Reduced demand for specialist consenting services, including planning, legal, and technical advice associated with discharge effects through case-by-case consenting.

Does the RAS indicate that the benefits of the Minister's preferred option are likely to outweigh the costs?

The Authority is not currently able to quantify the benefits and costs of the preferred option with sufficient confidence due to the preliminary stage of policy development and ongoing design of the standards. However, based on indicative estimates, annual benefits are expected to exceed annual costs, which are driven primarily by efficiency gains, reduced consenting costs, and improved public health and environmental outcomes. Given the proposed standards would apply through future consenting processes, benefits and costs would be realised gradually, with at least 57 percent of plants requiring re consenting in the next decade.

Have any potential inconsistencies with the principles of responsible regulation in the Regulatory Standards Act been identified in relation to the Minister's preferred option?

No, at this interim RAS stage, and based on the already existing Tranche 1 wastewater standards, no potential inconsistencies have been identified. Consultation is expected to provide the evidence needed to better understand the costs and benefits of the preferred option. A final RAS will be developed at this stage.

Limitations and constraints on analysis

Condensed timeframes	No	Constrained option set	Yes
Legislative constraints	Yes	Data and evidence gaps	Yes
Ministerial direction	Yes	Other – Concurrent reforms	Yes
Limited public consultation	Yes		

Summary of limitations and constraints on analysis

Legislative constraints, Ministerial direction and constrained option set: Cabinet has directed the Authority to consider wastewater standards through regulations enabled under the s138(1) of the Water Services Act 2021. As a result, the analysis considered whether additional wastewater standards should be created, rather than the extent to which those effects should be regulated. Limited public consultation: Public consultation on the proposed second tranche of wastewater standards has not yet occurred.

Data and evidence gaps: The preliminary design of the proposed standards means there is insufficient information to confidently quantify or monetise the costs and benefits of the options at this stage.

Concurrent reform: Ongoing resource management, water services, and local government reforms create uncertainty regarding the future regulatory context in which the proposed standards would operate.

What are the implications of these limitations and constraints, and what has been done – or will be done – to mitigate and manage them?

Legislative constraints, Ministerial direction and constrained option set: Cabinet's direction and the scope of section 138(1) of the Water Services Act 2021 have narrowed the range of options assessed. This reflects the Government's existing policy direction as part of Local Water Done Well and the Authority's statutory role to support the development of wastewater standards.

Limited public consultation: The Authority is required to undertake public consultation through a discussion document following Cabinet approval. This will build on feedback received during consultation on the first tranche of wastewater standards.

Data and evidence gaps: Uncertainty regarding costs and benefits limits the precision of the analysis. To mitigate this, the Authority has drawn on assumptions and evidence developed through the tranche one Interim RIS and Final RIS where relevant. Further consultation and detailed policy development will be used to improve the evidence base and support more robust impact analysis before final decisions are made.

Concurrent reform: While no specific issues have been identified, evolving policy settings may affect implementation. This will be monitored through ongoing policy development and consultation.

I am satisfied that, given the available evidence, this RAS represents a reasonable view of the likely costs, benefits and impact of the preferred option.

Responsible Manager(s) signature:



Hemi Smiler

General Manager – Local Government Reforms and Deals

30 July 2026

Quality Assurance Statement

Reviewing: MCERT

QA rating: Partially meets

Panel Comment:

The Quality Assurance Panel has reviewed the interim Regulatory Analysis Summary: Wastewater Standards (Tranche 2) (the RAS) and considers that it partially meets the quality assurance criteria.

The Panel considers the RAS meets the complete and clear and concise criteria for an interim RAS. It provides Ministers with sufficient information to decide whether to consult on extending the wastewater standards framework. The RAS identifies the problem, options, preferred approach, key limitations, implementation pathway, risks, and next steps.

The RAS partially meets the consulted and convincing criteria. It explains what the focus of consultation will be but would be improved by providing greater summary detail on how the tranche 1 consultation has informed the framework for these tranche 2 standards. The case for change is plausible, but the conclusion that benefits are expected to exceed costs relies on a limited evidence base and assumptions that cannot yet be verified because the detailed standards remain subject to consultation. The final RAS should test these assumptions, strengthen the evidence base, and provide firmer analysis of costs, benefits, and implementation impacts before final decisions are sought.

9(2)(a)



Section 1: Diagnosing the policy problem

Introduction and context

1. The wastewater system and the broader context for wastewater environmental performance standards were discussed in detail in the 2025 Interim RIS¹ and Final RIS.² Regional councils regulate wastewater effects through resource consents under the RMA. Under the Water Services Act 2021, wastewater environmental performance standards (WEPS) may be developed and implemented through the consenting process. The first tranche of standards came into force in December 2025 and will be implemented as new and renewed consents for wastewater treatment plants are granted.
2. Transitional arrangements implemented for tranche one of the WEPS have extended all recently expired wastewater consents to 2028. Establishing further WEPS now will enable councils with expired or soon-to-expire consents to benefit from the additional certainty provided by the new standards when they apply for their new consent by 2028.
3. This RAS focuses on two wastewater effects that remain outside the current standards framework and remain consented under the RMA: discharges to air and discharges of metals to water. Ongoing variability in consent conditions limits councils' ability to monitor and enforce compliance, and makes it difficult to generate consistent, comparable data.

Discharges to air typically require a consent under the RMA to manage their effects on the environment, which can be significant in some cases

4. Wastewater treatment plants generate discharges to air from several parts of the treatment process. These discharges involve the release of odours, aerosols, and other airborne contaminants into the air.
5. Odour is often the primary concern, especially where plants are located close to communities. It has proven challenging for some plants to manage, with both Christchurch Wastewater Treatment and Wellington's Seaview treatment plants having substantial ongoing impacts for surrounding communities.³
6. Consent conditions will generally seek to manage discharges through management plans that impose controls and monitoring. Discharges to air can also be managed under the Health Act 1956 where odour constitutes a nuisance.

¹ Water Services Authority – Taumata Arowai, "Regulatory Impact Statement: Wastewater standards", February 2025.

² Water Services Authority – Taumata Arowai, "Regulatory Impact Statement: Wastewater standards", October 2025.

³ Burns, Adam. "'In crisis every day': Help needed for community affected by foul-smelling sewage plant", *Radio New Zealand* (4 February 2026); Burns, Adam. "Residents breathe sigh of relief over progress on fixing Bromley plant stench", *Radio New Zealand* (18 June 2026); Environment Canterbury Regional Council, "What's the story: Christchurch Wastewater Treatment Plant", May 2026, <https://www.ecan.govt.nz/get-involved/news-and-events/2026/whats-the-story-christchurch-wastewater-treatment-plant-odour>; Radio New Zealand, "Wellington Water seeks tender for fixing smelly Seaview wastewater treatment plant." (27 March 2026).

7. The Authority understands that management of discharges to air is variable across the country. Around two-thirds of wastewater treatment plants have consent conditions on discharges to air, with specific thresholds and requirements varying between regions.⁴

The discharge of metals from treatment plants is managed under the RMA

8. Metals such as copper, zinc, lead, mercury and chromium can enter wastewater through domestic, commercial and industrial activities. Some metals may also be introduced through treatment processes. Wastewater treatment does not necessarily remove all metals before discharge.
9. Metals can affect aquatic ecosystems and human health if present at elevated concentrations or if they accumulate over time in sediments and food webs. However, the extent of risk from wastewater treatment plant discharges in New Zealand is uncertain due to inconsistent monitoring and limited national data.
10. Two recent reports prepared for the Ministry of Health highlighted the presence of several different classes of metal contaminants that may pose a hazard to human health in untreated municipal⁵ and industrial wastewaters⁶ internationally.
11. Current consent requirements vary considerably. Most small and medium treatment plants have no metals monitoring or limits, while larger plants are more likely to have controls. This variation may reflect differences in risk, but it also limits national consistency and makes it difficult to determine where monitoring or controls are warranted.
12. The discharge of metals to land was standardised through Tranche 1. Metals discharged to water continue to be managed through case-by-case consenting under the RMA.

There is significant reform occurring across water services, resource management, and local government systems

13. Wider reforms are occurring across water services, local government and resource management systems. These reforms create uncertainty regarding the future regulatory environment but do not directly address the problem identified in this RAS.
14. The proposed wastewater standards are designed to support wider water sector reforms. As councils transition to new water organisations under the Local Government (Water Services) Act 2025, the Authority can provide clear and consistent regulatory expectations to support continuity of service delivery and sector adaptation.

What is the policy problem?

15. The underlying policy problem remains the same as that identified in the Interim RIS and the Final RIS for the first tranche of wastewater standards. The previous RIS found that the current case-by-case consenting approach under the RMA is costly, time-consuming and variable, resulting in inconsistent regulatory requirements and outcomes.

⁴ Water Services Authority – Taumata Arowai and Department of Internal Affairs, February 2026, “Local government briefing: Proposed scope and timing for the next tranche of wastewater environmental performance standards”.

⁵ Sarah Coxon and Carla Eaton, “Review of contaminants of potential human health concern in wastewater and stormwater”, May 2023, report prepared for the Ministry of Health (FW23016). Christchurch: Institute of Environmental Science and Research Ltd.

⁶ Carla Eaton, “Review of potential health hazards associated with industrial effluents”, July 2022, Report prepared for the Ministry of Health (FW22002). Christchurch: Institute of Environmental Science and Research Ltd.

16. While Tranche 1 addressed part of this problem, discharges to air and discharges of metals to water continue to be managed through bespoke consenting processes. This reduces the benefits of standardisation by requiring treatment plants to continue to navigate variable regional requirements, increasing regulatory complexity and uncertainty
17. The problem has three aspects:
 - a) Regulatory inefficiency – discharges to air and metals to water continue to rely on resource-intensive case-by-case assessments, limiting consistency, certainty and opportunities for standardisation.
 - b) Limited information on metals discharges – monitoring and management of metals varies significantly across New Zealand. While available evidence does not indicate widespread impacts from wastewater treatment plant discharges, inconsistent monitoring limits understanding of higher-risk discharges and constrains the development of a national evidence base.
 - c) Inconsistency has been created within the wastewater standards framework. Metals discharged to land were standardised through Tranche 1, so currently the same contaminant (metals) is subject to different regulatory approaches depending on the discharge pathway.
18. The issue is pressing given the scale of upcoming wastewater consenting activity, with approximately 21 percent of treatment plants operating under expired consents and at least 57 percent requiring reconsenting within the next decade.
19. The Authority considers that these issues cannot be effectively resolved within the existing consenting framework, which is inherently based on regionally variable and site-specific assessments.

What is the policy opportunity?

20. There is an opportunity to more fully realise the benefits of standardisation by extending the existing framework to include the management of discharges to air and metals to water.
21. Further standardisation would help complete the wastewater standards framework by reducing regulatory variability, improving certainty and transparency, supporting more consistent wastewater management, and reducing reliance on bespoke consenting processes.
22. For metals, there is also an opportunity to align the management of discharges to water with the approach already adopted for discharges to land through Tranche 1. This would improve consistency in the management of the same contaminant across the wastewater standards framework.
23. Previous consultation on Tranche 1 identified support for greater standardisation, including for discharges to air and metals. Submitters highlighted that leaving these effects outside the standards framework could reduce the efficiency and consistency benefits expected from wastewater standards.
24. Standardisation also has the potential to improve public health and environmental outcomes by providing a nationally consistent framework for managing discharges to air and higher-risk metals discharges, while supporting the collection of better information on metals over time.

What objectives are sought in relation to the policy problem?

The objectives for this work align with Local Water Done Well and the previous wastewater standards

25. Local Water Done Well seeks to support sustainable and financially viable water services while maintaining public health and environmental protections. The proposed standards build on the first tranche of wastewater standards by extending standardisation to additional wastewater effects.
26. Consistent with the objectives adopted for Tranche 1, the proposal seeks to balance cost-effective wastewater infrastructure planning, delivery and operation with appropriate protection of public health and the environment.

There are three connected, updated policy objectives

27. Recognising this important context, the main strategic objective is to ensure that wastewater infrastructure can be managed and maintained in a cost-effective, proportionate, and sustainable way.
28. The proposed standards seek to:
 - a) **Objective A – Public health and environmental outcomes:** maintain appropriate protection of public health and the environment.
 - b) **Objective B – Regulatory efficiency:** improve consistency, transparency and efficiency in wastewater regulation, while reducing unnecessary regulatory burden.
 - c) **Objective C – Financial sustainability:** support wastewater investment and planning through greater certainty and more standardised requirements.

It is intended that existing Treaty settlement obligations will continue to apply

29. As noted in the Tranche 1 Interim RIS and Final RIS, the existing Treaty settlement and statutory obligations will continue to apply under this proposal.
30. The proposal is not intended to alter the Authority's obligations to Māori, councils' obligations under the RMA, or settlement-specific arrangements affecting the Waikato-Waipā, Whanganui, and Whangaehu catchments.
31. Māori interests in water services are broad, and both the Authority and local authorities are already subject to statutory expectations to engage with Māori and support Māori participation in decisions about water.
32. As with the first tranche of standards, greater standardisation may reduce the ability of iwi and hapū to influence treatment outcomes 'at place' where requirements are prescribed by national standards, which from a te ao Māori perspective may reduce the ability of mana whenua to exercise kaitiakitanga. However, more consistent monitoring and reporting should improve transparency, support enforcement, and strengthen accountability of infrastructure owners and councils to iwi and hapū over time.

The consultation on the Tranche 1 standards have been considered as part of this RAS

33. Consultation undertaken for Tranche 1 identified support for further standardisation, including for discharges to air and metals. Some submitters, particularly iwi and hapū, raised concerns about reduced influence over site-specific outcomes. These views have informed development of the current proposals and will be further tested through public consultation on Tranche 2.

Section 2: Assessing options to address the policy problem

What criteria will be used to compare options with the status quo?

34. This section outlines **six criteria** for assessing the options, drawing on the policy objectives listed above. The links between the policy criteria and objectives are shown in the table below.
35. These criteria are used to identify the key choices available when considering the approach to implementing additional wastewater standards. The criteria are equally weighted.

Criteria	Description	Link to policy objective(s)
Protects public health	The extent to which the option is effective in delivering a nationally consistent approach to protection of public health.	Directly links to objective A.
Protects the environment	The extent to which the option is effective in delivering a nationally consistent approach to the environment.	Directly links to objective A.
Efficiency	The extent to which the option provides an efficient response to the problem by reducing regulatory burden and enabling efficiencies in the design, consenting, and the ongoing operation of water services.	Directly links to objective B.
Accountability	The extent to which the option strengthens providers' accountability to the public for the quality of wastewater services, compliance with consents, and public access to information.	Directly links to objectives A and B.
Feasibility	The extent to which the option is feasible and proportionate, having regard to real-world constraints and practicalities, including the complexity of the system, and whether the scale of intervention is aligned with the severity, urgency and scope of the problem.	Directly links to objectives A, B and C.
Provides for Māori, iwi and hapū interests in water	The extent to which the option impacts the nature of the relationship between councils and iwi and hapū, including the impact of decisions regarding water bodies of significance to Māori.	Directly links to objectives A and C.

What scope will options be considered within?

36. The options considered in this RAS are constrained by section 138 of the Water Services Act 2021, which enables wastewater environmental performance standards to prescribe requirements, limits, conditions and prohibitions.
37. Although section 138 could support standards for a broader range of wastewater effects, including energy use, trade waste, noise and visual effects, these have not been progressed due to limited evidence, the absence of a clearly defined problem, and difficulties in developing consistent national standards.

What would the proposed standards require?

38. The detailed design of the proposed standards are outlined in the draft discussion document and remains subject to consultation. However, both proposals would establish nationally consistent requirements that apply through future consenting processes and reduce reliance on case-by-case assessments.

Proposed standard for discharges to air

39. The proposed discharge to air standard focuses primarily on odour management, which is the most common and significant discharge to air effect associated with wastewater treatment plants. Rather than prescribing national odour limits, the proposal would establish a risk-based management framework that applies minimum requirements to all plants and additional requirements to higher-risk plants.
40. All wastewater treatment plants would be required to maintain odour management plans, implement operational controls, investigate complaints, and undertake routine monitoring and inspections.
41. Higher-risk plants would face additional requirements such as odour risk assessments, independent review, regulator certification and, where appropriate, dispersion modelling.

Proposed standard for discharges of metals to water

42. The proposed metals standard would establish a nationally consistent framework for monitoring and managing metals discharged from wastewater treatment plants to water. The proposal covers a range of metals commonly found in wastewater, including copper, zinc, lead, cadmium, chromium, nickel, mercury, arsenic and aluminium, with the final suite of contaminants still subject to consultation and technical advice.
43. Internationally, metals are commonly managed through a combination of trade waste controls, source controls, monitoring obligations, receiving environment assessments and site-specific limits. International practice generally supports a risk-based approach rather than a single national discharge limit.
44. Like the discharge to air proposal, the metals standard would use a risk-based approach. Requirements would be determined by the characteristics of the discharge and the sensitivity of the receiving environment.
45. Lower-risk discharges would generally rely on existing measures such as total suspended solids, rather than metals monitoring. Higher-risk discharges would require monitoring, with numerical limits applying only in the highest-risk situations.

Relationship to current practice

46. The proposed standards largely reflect approaches already used in some resource consents. Their primary purpose is to improve consistency, transparency and certainty through a nationally consistent framework that remains proportionate to risk.

What options are being considered?

47. Discharges to air and metals to water have been identified as suitable candidates for further standardisation, based on stakeholder feedback and the ability to develop workable, nationally consistent standards.
48. Four options have been developed for assessment:
- a) Option one – Status quo; discharges to air and metals to water continue to be managed through case-by-case consenting.

- b) Option two – Establish standards for discharges to air, as described above.
- c) Option three – Establish standards for discharge of metals to water, as described above.
- d) Option four – establish standards for both discharges to air and metals to water.

Assumptions used in the assessment

- 49. The assessment assumes the standards are implemented broadly as described above, using risk-based frameworks that apply more stringent requirements where risks are greater. It also assumes the standards provide at least equivalent, and in some cases improved, public health and environmental outcomes relative to expected future consenting practice.

Out of scope options

- 50. The Authority considered inclusion of a further option, which would introduce standards for energy use and for waste introduced by third parties into wastewater networks, in line with section 138(1) of the Water Services Act. This option was included in the Interim RIS for the first tranche of wastewater standards in February 2025. However, it has not been progressed to detailed assessment, given the absence of a clear case for intervention and limited supporting information.
- 51. As noted earlier, the Authority has not progressed consideration of standards for emerging contaminants, including those raised during previous consultation, due to limited available evidence to support intervention at this stage.
- 52. A non-regulatory option was not assessed. The status quo already operates within a regulatory framework, and guidance would not remove the need for case-by-case consenting or create nationally consistent requirements. Consistent with Cabinet direction [CAB-24-MIN-0277 refers], this analysis focuses on whether additional wastewater effects should be standardised.

How do the options compare with the status quo?

	Option one – Status quo	Option two – Establish standards for discharges to air	Option three – Establish standards for discharge of metals to water	Option four – Establish standards for discharges to air and for discharges of metals to water
Protects public health	0 Approaches to managing discharges to air and of metals remain inconsistent under the status quo and this is unlikely to improve without change. There are several examples of plants that have significant odour effects on communities. While available evidence does not indicate widespread metals impacts from wastewater discharges, inconsistent approaches to monitoring and management limit confidence that higher-risk discharges are being identified and managed consistently across New Zealand.	+ It is assumed that standardising this discharge will lead to the same, or greater, levels of protection of public health. While moving away from a bespoke approach could result in conditions that are less responsive to site-specific context, this is mitigated through the proposed risk-based framework. Standardisation will improve enforceability, better protecting public health and supporting more effective regulatory action to address odour nuisances. Technical advices from leading experts in Australia and New Zealand has shown that these proposals will better protect public health.	+ Given metals can enter the environment from a range of sources, the overall improvements from wastewater treatment may be small, but its relative contribution is often unknown given lack of monitoring. A nationally consistent risk-based framework would improve confidence that higher-risk discharges are identified and managed appropriately. The option will improve understanding of potential human health risks through more consistent monitoring and reporting.	++ Combining options two and three will lead to greater, levels of protection of public health than either option alone. This option addresses both the direct effects of odour on surrounding communities and improves confidence that higher-risk metals discharges are identified and managed appropriately. Together, the standards provide a more comprehensive and nationally consistent framework for managing wastewater effects that may impact human health.
Protects the environment	0 Environmental management of discharges to air and metals continues to rely on case-by-case consenting. Odour management approaches vary between regions and plants, while metals monitoring and controls are applied inconsistently. Available evidence does not indicate widespread environmental impacts from wastewater metals discharges, but variable requirements and limited information make it difficult to assess environmental risks consistently or develop a comprehensive national evidence base. The current approach is therefore not expected to optimise environmental outcomes.	+ The proposed standard would support more consistent management of discharges to air. While environmental benefits are likely to vary between sites, standardisation could improve compliance, monitoring and implementation of controls, particularly for plants with elevated odour risk. The risk-based framework is intended to ensure environmental protections remain proportionate to local circumstances.	+ This option may improve environmental outcomes through more consistent identification and management of higher-risk metals discharges. Benefits are likely to be concentrated in receiving environments where metals accumulation presents a greater risk.	++ Combining options two and three will lead to greater levels of environmental protection than either option alone. This option provides a nationally consistent framework for managing both odour-related environmental effects and higher-risk metals discharges, while applying controls proportionate to risk. The combination of standards also improves the overall coverage of the wastewater standards framework and supports more consistent environmental management across treatment plants and receiving environments.
Efficiency	0 The current system is costly, slow, and uncertain due to bespoke consenting, extensive specialist input, and consultation requirements. Variation in requirements creates unpredictability for planning and investment, and encourages customised solutions that limit scale efficiencies.	++ A nationally consistent framework is expected to improve efficiency through greater certainty and standardisation. Air consenting can be complex and contested, so standardisation will reduce inefficiencies in the current process. Wastewater network operators may benefit from faster consenting, reduced legal and expert costs, and more predictable planning, design and operations. Regional councils may benefit from less need for detailed assessments and litigation, and easier	+ The option will generate efficiency gains by reducing uncertainty around metals management and consent requirements. This proposed standard is an extension of the existing discharge to water standard and therefore it does not provide the same scale of new benefit, as that provided by a standard that addresses an entirely new area such as the discharge to air standard.	+++ Combining options two and three will deliver greater efficiency gains than either option alone. This option extends the wastewater standards framework to both of the remaining wastewater effects that are commonly subject to case-by-case consenting, reducing regulatory complexity, improving consistency, and providing greater certainty for wastewater network operators and regional councils. By standardising the management of both discharges to air and metals

		monitoring and enforcement. A risk-based approach further improves efficiency by scaling requirements to the level of risk. There are also efficiency gains from scale economies, given that other effects have been standardised for wastewater consenting.		to water, the option is expected to reduce reliance on bespoke assessments and enable the efficiency benefits of Tranche 1 to be more fully realised.
Accountability	0 Ongoing variability in consent conditions limits councils' ability to monitor and enforce compliance, and makes it difficult to generate consistent, comparable data. This reduces transparency and constrains community oversight. The issue is particularly acute for metals, where monitoring is often absent, further weakening accountability.	+ Requiring consent holders to complete odour management plans will provide enhanced transparency and improve the ability of the community to understand how odour risk is assessed and managed. Standardisation may also improve transparency and enforceability by clarifying expectations about accountability in conditions (like complaints records), making complaints and monitoring easier and more consistent.	+ Consistent monitoring and reporting requirements would improve the information available to regulators and communities regarding metals discharges and their management.	++ Combining options two and three will provide greater accountability than either option alone. While the discharge to air standard is expected to result in enhanced transparency and community understanding, and the metals standard introduces nationally consistent monitoring and reporting requirements that improve the availability and comparability of information. Together, the standards strengthen transparency around wastewater management and provide regulators, communities, and other stakeholders with a more complete picture of wastewater treatment plant performance.
Feasibility	0 The current system is well understood but highly complex and resource intensive to administer. Despite this intensity, the process is not always achieving optimal environmental outcomes, with the challenges of consenting acting as a barrier to effective planning and delivery of necessary water infrastructure.	+ The option is expected to improve feasibility by making consenting more streamlined, predictable, and less complex than the current bespoke approach. Standards would be based on established best practice, so are likely to be practical and achievable within existing system capabilities. Standardisation is considered a proportionate response to current consenting issues, particularly given many plants will need new consents soon.	0 The option is feasible for application to the wastewater system because it relies on a risk-based framework that targets monitoring and controls where risks are greatest. The approach avoids unnecessary requirements for lower-risk plants. However this option is not feasible in terms of the cost and effort to develop Option 3 compared to the limited benefit that this option would provide.	++ Combining options two and three is more feasible than either option alone. The discharge to air standard addresses a significant and widespread area of inconsistency in the current consenting system, while the metals standard can be developed and implemented alongside it at relatively low additional cost. This option enables the benefits of a nationally consistent framework for metals to be realised without requiring a standalone intervention where the costs and effort of development may outweigh the benefits. The combined option therefore represents a proportionate and practical response to the identified problems and makes more efficient use of the policy development, implementation and consultation effort required to introduce further wastewater standards

Provides for Māori, iwi and hapū interests	0 The status quo allows for involvement of Māori, iwi and hapū in shaping consent conditions, supporting kaitiakitanga and protection of culturally significant areas. However, engagement is resource intensive and has a burden on Māori, iwi and hapū.	- May improve baseline protection and reduce repeated engagement on air discharges. However, standardisation may reduce the ability of Māori, iwi and hapū to influence site-specific consent conditions where local cultural values or community effects are relevant. Treaty settlement and co-governance arrangements would remain unchanged.	- May improve monitoring, transparency and management of metals, including risks to culturally important freshwater and coastal environments. It may also benefit mahinga kai and kai moana by limiting the extent of metal accumulation in shellfish, although the standard will not explicitly set shellfish concentration limits. However, the impact on Māori, iwi and hapū interests depends on the final design. A monitoring or risk-based standard would have a more limited effect on place-based influence than fixed national limits. Treaty settlement and co-governance arrangements would remain unchanged.	- Combines the impacts of options 2 and 3. It may improve baseline protection, monitoring and accountability, while reducing repeated engagement. However, standardisation across both air and metals may reduce the ability of Māori, iwi and hapū to influence site-specific consent conditions. Treaty settlement and co-governance arrangements would remain unchanged.
Overall assessment	0	++	+	+++

Section 3: Cost-benefit analysis of the preferred option

Nature of the benefits and costs <i>Note: Key assumptions included in the previous options analysis table are carried through to this CBA.</i>	Indicative scale of impact (unquantified) <i>Note: Impacts have not been monetised or quantified due to uncertainty and the preliminary design of the standards. Estimates are indicative only.</i>	Nature of impact	Source of evidence
Benefits			
Reduced direct costs of consenting wastewater infrastructure for wastewater network operators and councils Savings from reduced time and resource needed to consent air and metal discharges, including reduced reliance on specialist inputs, engagement, hearings, and potential litigation.	Earlier analysis, summarised in the Tranche 1 interim RIS, identified consenting cost savings of 10–40 percent (\$160,000–\$605,000 per plant). As air and metals represent a subset of consenting matters, savings are expected to be smaller but potentially material across the large number of plants requiring consent renewal over the next decade.	Ongoing	Water Services Authority – Taumata Arowai, “Regulatory Impact Statement: Wastewater standards”, February 2025. Water Services Authority – Taumata Arowai, “Regulatory Impact Statement: Wastewater standards”, October 2025. New Zealand Infrastructure Commission Te Waihangā, “National Infrastructure Plan”, 2026.
Efficiencies in the design, development and operation of wastewater infrastructure over its lifecycle Standardisation may improve efficiency by increasing consistency, reducing duplication, and supporting knowledge sharing. For air and metals, this could provide clearer design and compliance requirements, reduce uncertainty, and streamline planning, design, construction, and operation.	Standardisation may reduce duplication, improve consistency and lower design and operational costs. Small efficiency gains could be significant given planned wastewater infrastructure investment over the next decade.	Ongoing	New Zealand Institute of Economic Research, “The economic contribution of standards to New Zealand”, 2025. Local Government New Zealand, “Sector Capability Survey”, 2024, as cited in Beca, “National Engineering Design Standards (NEDS) and Codes of Practice (COPS) Business Case”, November 2025.
Improved public health and environmental outcomes Public health and the environment may be better protected should standardisation of discharges to air improve enforceability, supporting more effective regulatory action to address air and odour nuisances. Improved data and management of metals could reduce risks to environmental and human health where current controls are limited or absent.	Improved environmental data alone could conservatively deliver \$1.3 to \$1.9 billion over 30 years in additional value (additional to administrative gains) through reduced degradation and fewer pollution-related harms. While metals represent a small component of consented discharges, evidence shows that improved environmental data can deliver substantial value through reduced degradation and avoided harms.	Ongoing	Allen+Clarke, Infometrics, EM Consulting, & Dave Grimmond Economics, “Unlocking the benefits of environmental data for RM reform: High-level valuation of New Zealand’s environmental data architecture and its role in resource management”, 2025.
Total annual benefits	Benefits are expected to exceed costs but cannot yet be quantified with confidence.	Ongoing	
Total one-off benefits	No material one-off benefits identified.		
Costs			
Increased compliance costs for some wastewater network operators Metals may involve additional monitoring and treatment requirements for some plants currently operating without controls. A discharge to air standards is anticipated to largely reflect current practice and therefore may have limited cost impact.	Costs are expected to be concentrated on higher-risk plants. Routine metals monitoring is relatively low cost, although receiving environment monitoring and additional treatment requirements may increase costs in some situations. Final impacts will depend on the design of the standards.	Ongoing	The Authority cannot easily identify or quantify the cost of this proposal beyond assumptions at this stage. This is likely to be a focus for the proposed consultation.
One-off costs to transition to new standards process, including educating staff and stakeholders Regional councils may incur minor implementation costs associated with applying new standards through the consenting process.	These costs are expected to be limited as councils already administer wastewater standards introduced through Tranche 1.	One-off	Water Services Authority – Taumata Arowai, “Regulatory Impact Statement: Wastewater standards”, October 2025.

Nature of the benefits and costs <i>Note: Key assumptions included in the previous options analysis table are carried through to this CBA.</i>	Indicative scale of impact (unquantified) <i>Note: Impacts have not been monetised or quantified due to uncertainty and the preliminary design of the standards. Estimates are indicative only.</i>	Nature of impact	Source of evidence
Reduced demand for professional services through consenting Standardisation may reduce demand for specialist inputs associated with assessing air and metals effects during consenting.	Reduced reliance on bespoke consenting may reduce demand for specialist planning, legal and technical services. Impacts are expected to be small.	Ongoing	Water Services Authority – Taumata Arowai, “Regulatory Impact Statement: Wastewater standards”, February 2025.
Ongoing administrative costs The Authority will incur costs in its activities to support implementation, including developing guidance and overseeing the standards generally through monitoring and future updates to the standard.	These costs are expected to be small relative to the Authority’s existing regulatory functions and are expected to be absorbed within ongoing operational activity.	Ongoing	The Authority cannot easily identify or quantify the cost of this proposal beyond assumptions at this stage. This is likely to be a focus for the proposed consultation.
Total annual costs	Overall costs are expected to be modest as routine treated wastewater monitoring is relatively low cost, but cannot yet be quantified with confidence given the preliminary stage of policy. Annual metals analysis approximately \$40–70 for annual testing or \$1,080–1,850 for fortnightly testing (subject to suite of contaminants being tested). A larger cost risk is sediment/shellfish monitoring and technical assessments but a risk-based approach is intended to avoid those costs for low-risk plants	Ongoing	
Total one-off costs	Minor costs of developing the standard.	One-off	
Total annual benefits minus costs	The benefits are expected to be positive but not quantifiable at this stage.	Ongoing	
Total one-off benefits minus costs	There are no one-off benefits, with minor one-off costs.	One-off	

Are the benefits of the preferred option in the Cabinet paper expected to exceed the costs?

53. The Authority cannot yet quantify the costs and benefits of the preferred option with sufficient confidence because the detailed design of the standards remains subject to consultation. Consultation will provide additional evidence to inform further analysis. Based on the information currently available, benefits are expected to exceed costs, driven primarily by regulatory efficiencies and improved public health and environmental outcomes.

What are the impacts on different groups of the preferred option compared with taking no action?

54. The below table outlines the affected groups, how they are likely to be affected, the level of impact, and source of evidence. In some cases, the impacts are shared across groups (individuals may be part of more than one group).

Affected groups	How they are likely to be affected	Description of level of impact(s)	Source of evidence
Local communities	Reduced ability to influence consent conditions for air and metals. Potential benefits from improved management of odour and higher-risk metals discharges.	Impacts are greatest for communities near treatment plants and receiving environments.	N/A
Mana whenua	Reduced ability to influence site-specific consent conditions. Potential benefits from improved protection of culturally significant environments and resources.	Potentially significant where proposals affect the exercise of kaitiakitanga or culturally important water bodies.	Water Services Authority Taumata Arowai, "National wastewater environmental performance standards report on engagement", 2025. Kahu Environmental, "Insights from experts and a review of treaty settlements", 2025.
Wastewater network operators (including territorial authorities)	Efficiencies from a more certain and predictable consenting process.	Marginal efficiency gains at a consent level, but meaningful combined impacts at a national level.	See CBA for evidence of efficiency benefits.
Regional councils and unitary authorities	More consistent consenting framework and improved information for regulatory oversight. Reduced discretion for	Marginal in the broader context of regulatory responsibilities.	See CBA for evidence of cost savings.

Affected groups	How they are likely to be affected	Description of level of impact(s)	Source of evidence
	matters addressed by standards.		
Water sector professional services	Reduced demand for specialist consenting inputs associated with air and metals assessments.	Marginal in the context of wider industry given only concerns professional advice on air and metals.	N/A

55. Mana whenua may be among the groups most affected by this proposal, as greater standardisation may change how kaitiakitanga is expressed through site-specific consenting processes for discharges to air and for metals. However, these impacts may be offset in some circumstances by improvements in environmental management, monitoring, and transparency. The significance of these impacts will depend on the final design of the standards.

Which option is the most effective, efficient, and proportionate response to the problem?

56. **Option four is the preferred option** because it is the most effective, efficient and proportionate response to the problem.
57. Option four extends standardisation to both discharges to air and metals to water, reducing reliance on resource-intensive case-by-case consenting while maintaining a risk-based approach to public health and environmental protection. It is expected to improve regulatory consistency, reduce uncertainty, and support more efficient planning and operation of wastewater infrastructure.
58. The option also addresses gaps in the wastewater standards framework by providing a nationally consistent approach to some wastewater effects that continue to rely on bespoke consenting. For metals, it aligns the management of discharges to water with the approach already adopted for discharges to land through Tranche 1.
59. The Authority considers this option proportionate to the scale and urgency of the problem, particularly given the large number of wastewater treatment plants requiring re-consenting over the next decade.

Section 4: Delivering an option

What are the next steps for implementing the legislation?

Next steps to enactment of the standards

60. This interim RAS supports Cabinet's decision on whether to release a discussion document for public consultation. Consultation will seek feedback on:
- the overall proposed approach
 - the risk assessment framework
 - criteria used to determine risk categories
 - proposed metals to be included
 - circumstances where monitoring requirements apply

- f) circumstances where numeric limits should apply
 - g) a proposal for potential numeric limits
61. Experience from Tranche 1 highlighted the importance of early engagement, accessible consultation material, and ongoing technical discussions with affected stakeholders such as councils and wastewater treatment plant operators. These lessons are being incorporated into the Tranche 2 consultation process to improve participation and support a well-informed final policy design.
62. In advance of public consultation of Tranche 2, targeted engagement with specific stakeholders has been undertaken through meetings and conversations to test the insights gathered from Tranche 1 consultation.
63. Following consultation, the Authority will analyse feedback and refine the proposed standards. A further Cabinet paper and final RAS will be prepared to support decisions on whether to establish the standards and, if so, their final design.
64. If approved, the standards would be implemented through secondary legislation under the Water Services Act 2021. They will be enacted as resource consents for wastewater treatment plants are granted, which aligns with Tranche 1.
65. This work will be undertaken by the Authority in consultation with the Ministry for Cities, Environment, Regions and Transport (MCERT).

Responsibilities and resourcing following enactment

66. Regional councils and unitary authorities would implement the standards through the consenting process.
67. Wastewater network operators would be responsible for designing, operating and managing treatment plants so they can meet the relevant standards and associated consent conditions. For Tranche 2, this would include appropriate treatment processes, monitoring, reporting and operational controls for discharges to air and/or metals to water. Regional councils would continue to consider, grant and enforce wastewater discharge consents, including matters outside the standards. The Authority would retain stewardship of the standards, including supporting implementation, monitoring performance and considering future amendments.
68. District councils would continue to administer trade waste permits, which will remain an important mechanism for managing metals entering wastewater networks.

Risks

69. There is a risk that nationally consistent standards may not adequately reflect local conditions. If requirements are too lenient, public health and environmental outcomes may be adversely affected; if too stringent, unnecessary compliance costs may result. This risk is mitigated through the proposed risk-based approach. Previous work in this space, including the Tranche 1 RIS documents, provides details on how the risk-based approach will enable proportionate requirements to be applied that will be cost effective while also managing risks to environment and public health.
70. There is also a risk that ongoing resource management, local government and water services reforms create implementation challenges or unintended interactions with the standards. This will be managed through ongoing policy development.

71. Finally, standardising discharges to air and metals to water may shift consenting attention to effects that remain outside the wastewater standards framework. The Authority considers this risk to be low given the broad scope of Tranche 1 and Tranche 2 standards.

How will the proposal be monitored, evaluated, and reviewed?

72. Standards would be monitored, evaluated, and reviewed at two key levels: at the site level by regional councils, and at a system level by the Authority.
73. At the site level, regional councils and unitary authorities would act in their dual role as consent regulators and stewards of broader environmental outcomes within their jurisdictions. This includes monitoring compliance and receiving and responding to complaints about environmental issues. The current Simplifying Local Government reform may result in changes to the structure of local government in the future, but the functions will remain the same.
74. At the system level, the Authority would continue to provide stewardship of the regulatory system, overseeing national performance across wastewater networks and treatment plants, as well as implementing the standards.
75. The Authority would monitor national implementation trends and standards will be reviewed after implementation using consent outcomes, monitoring data and stakeholder feedback. Standards will be implemented through consents and the Authority we begin to gather insights on the impact of the standards as councils negotiate the consent process.
76. There are also a range of other relevant parties who hold oversight roles for related aspects of the system, including:
- a) MCERT in its stewardship roles for resource management, local government and water systems
 - b) Parliamentary Commissioner for the Environment (PCE) as the independent oversight body of environmental outcomes, and
 - c) Health New Zealand Te Whatu Ora as administrator of the Health Act, which manages health impacts that can arise from odour and metals.