

**KOMITI NGĀ WAI HANGARUA | WELLINGTON WATER COMMITTEE**  
 Minutes of a meeting held in the Council Chambers, 2nd Floor, 30 Laings Road, Lower  
 Hutt on  
**Friday 26 July 2024 commencing at 10:00 am**

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**PRESENT:**

Mayor A Baker (PCC)  
 Mayor C Barry (HCC) (Chair)  
 Cr R Connelly (GWRC) (Deputy Chair)  
 Mayor W Guppy (UHCC)  
 H Modlik (Te Rūnanga O Toa Rangatira)  
 Mayor T Whanau (WCC)  
 Cr A Ellims (SWDC) (Alternate)

**APOLOGIES:** Lee Ruahina-August, Andrea Rutene and Deputy Mayor Sadler-Futter

**IN ATTENDANCE:** Wendy Walker, Chief Executive (Porirua City Council)  
 Geoff Swainson, Chief Executive (Upper Hutt District Council)  
 Janice Smith, Chief Executive (South Wairarapa District Council)  
 Shiobhan Proctor, Chief Infrastructure Officer (Wellington City Council)  
 Nick Leggett, Board Chair (Wellington Water Limited)  
 Pat Dougherty, Board Member (Wellington Water Limited)  
 Mahina Puketapu, Board Member (Wellington Water Limited)  
 (joining via Audio-Visual link)  
 Bruce Hodgins, Senior Advisor, Hutt City Council  
 Jack Kilty, Democracy Advisor, Hutt City Council

**PUBLIC BUSINESS**

**1. OPENING FORMALITIES - KARAKIA TIMATANGA**

Whakataka te hau ki te uru  
 Whakataka te hau ki te tonga  
 Kia mākinakina ki uta  
 Kia mātaratara ki tai  
 E hī ake ana te atakura  
 He tio, he huka, he hau hū  
 Tihei mauri ora.

*Cease the winds from the west  
 Cease the winds from the south  
 Let the breeze blow over the land  
 Let the breeze blow over the ocean  
 Let the red-tipped dawn come with a  
 sharpened air.  
 A touch of frost, a promise of a glorious  
 day.*

2. **APOLOGIES**

**RESOLVED:** (Mayor Barry/Cr Connelly)

**Minute No. WWC 24301**

*That the apologies received from Lee Ruahina-August, Andrea Rutene, and Deputy-Mayor Saddler Futter be accepted and leave of absence be granted.*

3. **PUBLIC COMMENT**

No public comment was made.

4. **CONFLICT OF INTEREST DECLARATIONS**

No conflicts of interest were declared.

5. **MINUTES**

**RESOLVED:** (Mayor Barry/Mayor Baker)

**Minute No. WWC 24302**

*That the minutes of the meeting of the Wellington Water Committee | Komiti Ngā Wai Hangarua held on Friday, 24 May 2024, be confirmed as a true and correct record.*

6. **LOCAL WATER DONE WELL - LEGISLATION AND WATER SERVICE DELIVERY PLAN UPDATE**

Dougal List, Associate Director at Scott Consulting, delivered the update.

**RESOLVED:** (Mayor Barry/Mayor Baker)

**Minute No. WWC 24303**

*That the Committee receives and notes the presentation*

7. **COMPANY AND GOVERNANCE UPDATE 26 JULY 2024**

Report No. WWC2024/3/73 by Wellington Water

Tonia Haskell, Chief Executive of Wellington Water Limited elaborated on the report.

In response to questions from members Tonia Haskell noted :

- that the first tranche of the water treatment would come online in February 2025.
- That she would come back with an answer as to how much of the 24 km of pipes noted on pg 44 were new, and how many were renewals.
- That she could come back with graphics on the leaks which indicated the improvements relating to leak management.

The Wellington Water Board Chair noted the improvement in leak repairs. He noted renewals would ultimately prove more significant.

Cr Connelly noted the issue require a two-pronged approach, with leak management and renewals both addressing the water issues faced in the region.

Mayor Baker thanked the workers on the ground for their work, Mayor Whanau echoed the message.

Mayor Barry noted that the leaks had decreased in Lower Hutt due to additional funding from the Hutt City Council (HCC).

Tonia Haskell noted that:

- The additional HCC funding had allowed for additional leak repair crews to be set up. They were able to monitor, log, fix and find leaks. The crews could go to an area and repair leaks one after the other, rather than working through leaks by order of significance.
- She believed there was enough in the HCC Long Term Plan (LTP) budget to continue with the above method of leak repair.

Mayor Barry and Tonia Haskell agreed to work together to make leak repair materials available.

**RESOLVED:** (Mayor Barry/Cr Connelly)

**Minute No. WWC 24304**

*"That the Committee receives and notes the report."*

## 8. INDEPENDENT REVIEW OF ESTIMATION ERROR BY WELLINGTON WATER LIMITED

MEMORANDUM DATED 25 JUL 2024 BY THE DEMOCRACY ADVISOR

Roy Baker and Kevin Jenkins, Independent Reviewers, were in attendance for the item.

Nick Leggett, Patrick Dougherty, Roy Baker, and Kevin Jenkins elaborated on the report.

In response to questions from members, Roy Baker noted that the assumptions used to determine the \$51 million dollar budgeting error were reasonable. He noted recommendations in the report would ensure a detailed explanation for the monetary value of the error. He noted papers going to the Wellington Water Board (the Board) in the latter part of the year still showed that the CAPEX increase stood at 6%, which actually needed to be 10%.

Cr Connelly expressed doubt over the numbers presented to the Committee and Councils.

Wendy Walker, Chief Executive, Porirua City Council noted that the Committee was a shareholders representative, which should provide direction to the Board. She noted the existence of system issues, and risks in getting into particular detail, as system issues might be missed. She noted the Board should get into the detail, while the Committee provided direction.

Mayor Guppy believed that it was disgraceful that a discussion would be held in public excluded and voted against the motion to exclude the public.

RESOLVED: (Mayor Barry/Mayor Baker)

**Minute No. WWC 24305**

*"The Committee agreed:*

- (1) That the public be excluded from the item under the grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 to protect the privacy of natural persons; and*
- (2) That Nick Leggett, Kevin Jenkins, Roy Baker, and Patrick Dougherty be permitted to remain after the public section of the meeting as they have knowledge of the matter that will assist the Committee in relation to the item."*

The meeting moved into public excluded at 10:37am. The public part of the meeting recommenced at 11:30am.

Nick Leggett noted:

- that the organisation was exposed to public opinion and scrutiny, and that while people on the Board and the senior leadership team took that on knowingly, most staff did not. The CE and the Board wanted to ensure staff were supported and provided with reassurance.
- that Wellington Water Limited (WWL) had great people, and needed to ensure the culture of the organisation did not prevent them from doing their jobs.

Mayor Whanau thanked the Board for the report. She noted change starts from the top and, looked forward to seeing improvements. She was keen to see constructive engagement between Council staff and WWL staff. She acknowledged the work the staff on the ground were conducting.

Cr Connelly thanked the Board for the report. She noted that the issues raised were not new for the Committee.

Nick Leggett noted the issues were not new, and that the Fluoride report had had not been thoroughly addressed. He noted that a plan would be put together with Committee guidance, and the Board would demonstrate that they could make change.

Mayor Barry noted serious questions regarding WWL, and the Committee's view that the Board must act immediately to implement a plan to create change. He noted that it was important to address the issues from the report, but also to acknowledge the work of the ground staff. He further noted that disruptions in water reform had continued to take a toll on both the Committee and the organisation.

Mayor Guppy made comment to note that the issue was not something new, and noted the responsibility is around the Committee table. He noted WWL had been thumbing their noses at the Committee for far too long. He believed the Committee had not challenged WWL enough. He added it was a wake up call for everyone around the table.

RESOLVED: (Mayor Barry/Cr Connelly)

**Minute No. WWC 24306**

*“That the Committee:*

- (1) receives the report from Kevin Jenkins and Roy Baker, External Review Wellington Water Limited: capital programme estimating and budget systems;*
- (2) notes the report includes commentary, themes and recommendations covering accountability frameworks, structure, systems, processes, relationships and culture leading to a serious error in budget figures provided to shareholding Councils for their Long Term Plans;*
- (3) directs the Board of Wellington Water Limited (the Board) to develop an improvement plan and assurance framework to address the recommendations in the report, specifically in the following areas:*
  - a) the structure and accountabilities of the management team at Wellington Water Limited;*
  - b) relationships with shareholders;*
  - c) rebuilding the Finance and Planning functions at Wellington Water Limited, with particular reference to the failures in the control environment that led to this issue;*
  - d) addressing the culture issues that have their roots in systems, processes and overall accountability framework for the organisation including the relationship with the Board; this should include work to ensure the values of Wellington Water Limited are within all work areas, and employees are acknowledged for their value-based actions;*
  - e) residual errors from the Fluoride Report; and*
  - f) cost estimates associated with any improvements, and assurances that resources are aligned efficiently and appropriately;*
- (4) provides this plan to the Chair of the Wellington Water Committee within four weeks noting that this should not preclude immediate steps the Board can take to remedy the issues presented;*
- (5) notes that the Chair of Wellington Water Committee will schedule an additional meeting of the Wellington Water Committee to discuss the plan and assurance framework once received;*
- (6) agrees to schedule a workshop for the Wellington Water Committee and the Board to enable the relationship and accountabilities between the committee (comprising shareholding Council representatives and iwi) and the company are appropriately managed as the region navigates the Local Water Done Well reform programme; and*
- (7) acknowledges the day to day efforts of workers on the ground within Wellington Water Limited who are making good progress in trying circumstances.”*

9. **STATEMENT OF INTENT 2024-27**

Report No. WWC2024/3/74 by the Wellington Water

Tonia Haskell, Chief Executive of Wellington Water Limited elaborated on the report.

**RESOLVED:** (Mayor Barry/Mayor Guppy)

**Minute No. WWC 24307**

*"That the Wellington Water Committee:*

*(1) notes that the Wellington Water Constitution requires:*

*(a) the Wellington Water Board to deliver the completed Statement of Intent 2024-27 to the Committee, and*

*(b) the Wellington Water Committee to consider Wellington Water Ltd.'s final Statement of Intent 2024-27.*

*(2) notes the draft Statement of Intent was circulated to the Wellington Water Committee on 5 April and the subsequent feedback incorporated; and*

*(3) receives the final Statement of Intent 2024-2027."*

10. **ACUTE WATER SHORTAGE RISK**

Report No. WWC2024/3/75 by the Wellington Water

Charles Barker, Director of Regulatory Services Wellington Water Limited (WWL), elaborated on the report.

In response to questions from members, Charles Barker advised that communications were reviewed after last summer. He noted a paper would go to the Committee and the Board.

He said there were several factors informing WWL's recommendations for the application of water restrictions. He added that during the winter it did not make a substantial difference day to day whether restrictions were in place, and there was a risk of restriction fatigue when restrictions were applied year-round.

**RESOLVED:** (Mayor Barry/Mayor Guppy)

**Minute No. WWC 24308**

*"That the Committee receives and notes the report."*

## 11. ANNUAL GENERAL MEETING

Report No. WWC2024/3/76 by the Wellington Water

Mark Ford, Chief Financial Officer and General Manager Business Services from Wellington Water Limited, elaborated on the report.

RESOLVED: (Mayor Barry/Mayor Baker)

**Minute No. WWC 24309**

*"That the Wellington Water Committee signs the Shareholders' resolution in lieu of an Annual General Meeting for the 2023/24 Financial Year."*

## 12. INFORMATION ITEM

### Wellington Water Committee Forward Programme 2024

Memorandum dated 10 July 2024 by the Democracy Advisor

RESOLVED: (Mayor Barry/Mayor Whanau)

**Minute No. WWC 24310**

*"That the Committee receives and notes the draft Forward Programme and future workshop topics for the Wellington Water Committee for 2024 attached as Appendix 1 to the memorandum."*

## 13. QUESTIONS

There were no questions.

## 14. EXCLUSION OF THE PUBLIC 12.03

RESOLVED: (Mayor Barry/Mayor Baker)

**Minute No. WWC 24311**

*"That the public be excluded from the following parts of the proceedings of this meeting, namely:*

15. *Minutes*

*24 May 2024*

*The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:*

(A)	(B)	(C)
<i>General subject of the matter to be considered.</i>	<i>Reason for passing this resolution in relation to each matter.</i>	<i>Ground under section 48(1) for the passing of this resolution.</i>
<i>Minutes of the Wellington Water Committee   Komiti Ngā Wai Hangarua held on 24 May 2024</i>	<i>The withholding of the information is necessary to protect the privacy of natural persons. (s7(2)(a)).</i>	<i>That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exist.</i>
<i>Closing formalities - Karakia Whakamutunga.</i>	<i>The withholding of the information is necessary to protect the privacy of natural persons. (s7(2)(a)).</i>	<i>That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exist.</i>

*This resolution is made in reliance on section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as specified in Column (B) above."*

There being no further business the Chair declared the meeting closed at 12.03 pm.

**Mayor C Barry**  
**CHAIR**

**CONFIRMED as a true and correct record**  
**Dated this 27 September 2024**