



# KOMITI NGĀ WAI HANGARUA WELLINGTON WATER COMMITTEE

23 September 2024

Order Paper for the meeting to be held in the  
Council Chambers, 2nd Floor, 30 Laings Road, Lower Hutt,  
on:

**Friday 27 September 2024 commencing at 10:00 am**

## Membership

Mayor A Baker  
Mayor C Barry (Chair)  
Deputy Mayor M Sadler-Futter  
Cr R Connelly (Deputy Chair)  
Mayor W Guppy  
H Modlik  
L Rauhina-August  
A Rutene

Mayor T Whanau

Cr T Brown  
R Faulkner  
Cr C Kirk-Burnnand  
Cr R Leggett  
Cr A Ellims  
Deputy Mayor H Swales  
K Tamanui  
Cr G Tupou

Porirua City Council  
Hutt City Council  
South Wairarapa District Council  
Greater Wellington Regional Council  
Upper Hutt City Council  
Te Rūnanga O Toa Rangatira  
Taranaki Whānui ki Te Upoko o Te Ika  
Ngāti Kahungunu ki Wairarapa Tamaki Nui a Rua  
Treaty Settlement Trust  
Wellington City Council

Wellington City Council (Alternate)  
Te Rūnanga O Toa Rangatira (Alternate)  
Greater Wellington Regional Council (Alternate)  
Porirua City Council (Alternate)  
South Wairarapa District Council (Alternate)  
Upper Hutt City Council (Alternate)  
Taranaki Whānui ki Te Upoko o Te Ika (Alternate)  
Hutt City Council (Alternate)

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# Wellington Water Committee

## Terms of Reference

### Purpose

The Wellington Water Committee ("the Committee") is established to:

- Provide governance and leadership across issues which are related to the planning, delivery and management of water services to communities serviced by Wellington Water Limited;
- Provide governance oversight of Wellington Water Limited, including by exhibiting good governance practice;
- Provide a forum for the representatives of Wellington Water Limited's shareholders and mana whenua to meet, discuss and co-ordinate on relevant issues and, through their representatives, to exercise their powers; and
- Strive for consistency across all client councils so all customers receive a similar level of service.

### Status

The Committee is, for the purposes of the Local Government Act 2002, a joint committee of the Lower Hutt City Council, Porirua City Council, Upper Hutt City Council, Wellington City Council, South Wairarapa District Council and the Wellington Regional Council.

### Specific responsibilities

The Committee's responsibilities are:

#### Governance oversight responsibilities

Shareholder and mana whenua governance oversight of Wellington Water Limited and of the network infrastructure for the delivery of bulk water, water reticulation, wastewater and stormwater services in the geographical areas of Wellington Water Limited's operations, including by:

- Receiving and considering the half-yearly and annual reports of Wellington Water Limited;
- Receiving and considering such other information from Wellington Water Limited as the Committee may request on behalf of the parties to the Shareholders and Partnership Agreement and/or receive from time to time;
- Undertaking performance and other monitoring of Wellington Water Limited;
- Considering and providing recommendations to the parties to the Shareholders and Partnership Agreement on proposals from Wellington Water Limited;
- Providing co-ordinated feedback, and recommendations as needed, on any matters requested by Wellington Water Limited or any of the parties to the Shareholders and Partnership Agreement;
- Providing recommendations to the parties to the Shareholders and Partnership Agreement regarding regional studies which the Shareholders need to be cognisant of;
- Providing recommendations to the parties to the Shareholders and Partnership Agreement regarding water conservation;
- Agreeing the annual Letter of Expectation to Wellington Water Limited;

- Receiving, considering and providing agreed feedback and recommendations to Wellington Water Limited on its draft statement of intent;
- Receiving, considering and providing recommendations to the parties to the Shareholders and Partnership Agreement regarding Wellington Water Limited's final statement of intent.
- Agreeing when Shareholder meetings, or resolutions in lieu of Shareholder meetings, are required, without prejudice to Shareholder and Board rights to call meetings under Wellington Water Limited's constitution and;
- Seeking and interviewing candidates for Wellington Water Limited's Board as needed and recommending to the holders of Class A Shares appointments and/or removals of directors of Wellington Water Limited;
- Recommending the remuneration of directors of Wellington Water Limited;
- Monitoring the performance of the Board of Wellington Water Limited; and
- Providing recommendations to the parties to the Shareholders and Partnership Agreement regarding changes to these terms of reference, the Shareholders and Partnership Agreement and the constitution of Wellington Water Limited.

### **Membership**

The membership of the Committee will be as specified in the Shareholders and Partnership Agreement. With the exception of the Committee Members nominated by the Mana Whenua Partners Entities, each appointee must be an elected member of the appointing Shareholder.

### **Chairperson**

The Chairperson and Deputy Chairperson will be elected by the Committee once all Committee members have been appointed.

### **Quorum**

Subject to the below for Committee meetings to appoint directors of Wellington Water Limited, for a meeting of the Committee to have a quorum, a majority of Committee Members, or their appointed Alternates, must be present, and the number making up the majority must include at least an equal number of Shareholder appointed Committee Members as MWPE nominated Committee Members.

Where the Committee is providing a forum for the Shareholders to meet and exercise their powers in relation to Wellington Water Limited, the requirements of Wellington Water Limited's constitution will prevail.

Clause 11.3 of the company's constitution provides that Directors shall be appointed and removed by the unanimous resolution of the Shareholders holding Class A Shares. For this matter the quorum for the Committee meeting is therefore attendance by all Committee Members (or their Alternates) for the holders of the Class A Shares.

### **Alternates**

Each Committee Member appointed to the Committee must have an Alternate.

### **Other Shareholder attendee**

Each Shareholder-appointed elected member Committee member will be entitled to invite an officer attendee to Committee meetings, provided however that the additional attendee will not have any voting rights on the Committee.

## **Decision-making**

The Committee will strive to make all decisions by consensus.

In the event that a consensus on a particular matter before the Committee is not able to be reached, each Committee Member has a deliberative vote. In the situation where there is an equality of votes cast on a matter, the Chairperson does not have a casting vote and therefore the matter subject to the vote is defeated and the status quo is preserved.

Other than for those matters for which the Committee has effective decision-making capacity through these Terms of Reference, each Shareholder retains its powers to make its own decisions on matters referred to it by the Committee and on matters specified in Part 1 of Schedule 2 to the Shareholders and Partnership Agreement (for clarity, this means that only Shareholders have voting rights in relation to the matters specified in Part 1 of Schedule 2).

## **Secretariat services**

Unless otherwise agreed from time to time by all of the elected member Committee Members, the Council for which the Chairperson is an elected member will provide secretariat services to the Committee. The Chairperson will be responsible for managing the agenda at Committee meetings.

## **Standing Orders**

The Standing Orders of the Council providing secretariat services to the Committee will apply to Committee meetings, subject to the provisions for meeting quorum and decision making as set out in these terms of reference taking precedence.

## **Remuneration**

Each Shareholder will be responsible for remunerating the elected member Committee Member appointed by it to the Committee, and their Alternate, for any costs associated with those persons' membership on the Committee.

The Shareholders will also be responsible for remunerating (in equal shares) the Committee Members nominated by Mana Whenua Partner Entities, and their Alternates, and appointed to the Committee by the Shareholders, for any costs associated with those persons' membership on the Committee.

## **Administration**

Reports to be considered by the Committee may be submitted by any of the Shareholders, any of the Mana Whenua Partner Entities, or Wellington Water Limited.

## **Duration of the Committee**

In accordance with clause 30(7) of Schedule 7 to the Local Government Act 2002, the Committee is not deemed to be discharged following each triennial election.

## **Appendix**

### **Common delegations by Shareholders**

#### Governance oversight responsibilities

- Each Shareholder will delegate to the Committee the responsibilities and powers necessary to participate in and carry out the Committee's governance oversight responsibilities.

### Shareholders' responsibilities

- Each Shareholder will delegate to its appointed elected member Committee Member and, in accordance with these terms of reference, that person's Alternate, all responsibilities and powers in relation to the agreement of:
  - when Shareholder meetings, or resolutions in lieu of Shareholder meetings, are required (without prejudice to Shareholder and Board rights to call meetings under Wellington Water Limited's constitution); and
  - the appointment, removal and remuneration of Wellington Water Limited's directors.

## KOMITI NGĀ WAI HANGARUA | WELLINGTON WATER COMMITTEE

Meeting to be held in the Council Chambers, 2nd Floor, 30 Laings Road, Lower Hutt  
on  
Friday 27 September 2024 commencing at 10:00 am.

### ORDER PAPER

#### 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

No apologies have been received.

##### 3. PUBLIC COMMENT

Generally up to 30 minutes is set aside for public comment (three minutes per speaker on items appearing on the agenda). Speakers may be asked questions on the matters they raise.

##### 4. CONFLICT OF INTEREST DECLARATIONS

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

##### 5. MINUTES

Meeting minutes Komiti Ngā Wai Hangarua | Wellington Water Committee,  
26 July 2024

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##### 6. CHAIR'S STATEMENT

A verbal statement by the Chair of the Wellington Water Committee.

##### 7. LOCAL WATER DONE WELL - LEGISLATION AND WATER SERVICE DELIVERY PLAN UPDATE

A verbal update by the Programme Director, Water Reform – Wellington Water Councils.

8. **COMPANY AND GOVERNANCE UPDATE**

Report No. WWC2024/4/96 by Wellington Water Limited 18

**CHAIR'S RECOMMENDATION:**

"That the recommendation contained in the report be endorsed."

9. **WELLINGTON WATER LIMITED ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2024**

Report No. WWC2024/4/97 by Wellington Water Limited 81

**CHAIR'S RECOMMENDATION:**

"That recommendations contained in the report be endorsed."

10. **ACUTE WATER SHORTAGE RISK**

Report No. WWC2024/4/98 by Wellington Water Limited 160

**CHAIR'S RECOMMENDATION:**

"That the recommendation contained in the report be endorsed."

11. **IMPLEMENTATION OF FINDINGS OF THE COST ESTIMATION REVIEW**

Report No. WWC2024/4/100 by Wellington Water Limited 182

**CHAIR'S RECOMMENDATION:**

"That the recommendations contained in the report be discussed."

12. **SYSTEMS INVESTMENT OPTIONS**

Report No. WWC2024/4/99 by Wellington Water Limited 195

**CHAIR'S RECOMMENDATION:**

"That the recommendations contained in the report be discussed."

13. **INFORMATION ITEM**

**Wellington Water Committee Forward Programme 2024**

Memorandum dated 13 September 2024 by the Democracy Advisor 200

**CHAIR'S RECOMMENDATION:**

"That recommendation contained in the memorandum be endorsed."

#### 14. QUESTIONS

With reference to section 32 of Standing Orders, before putting a question a member shall endeavour to obtain the information. Questions shall be concise and in writing and handed to the Chair prior to the commencement of the meeting.

#### 15. EXCLUSION OF THE PUBLIC

##### CHAIR'S RECOMMENDATION:

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

#### 16. MINUTES

26 July 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)
General subject of the matter to be considered.	Reason for passing this resolution in relation to each matter.	Ground under section 48(1) for the passing of this resolution.
Minutes of the Komiti Ngā Wai Hangarua   Wellington Water Committee held on 26 July 2024:	The withholding of the information is necessary to protect the privacy of natural persons. (s7(2)(a)).	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.

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."

Jack Kilty  
Democracy Advisor



**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:**

W Walker, Chief Executive (Porirua City Council)  
 G Swainson, Chief Executive (Upper Hutt District Council)  
 J Smith, Chief Executive (South Wairarapa District Council)  
 S Proctor, Chief Infrastructure Officer (Wellington City Council)  
 N Leggett, Board Chair (Wellington Water Limited)  
 P Dougherty, Board Member (Wellington Water Limited)  
 M Puketapu, Board Member (Wellington Water Limited) (via Audio-Visual link)  
 B Hodgins, Senior Advisor, Hutt City Council  
 J 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  
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*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

The Chief Executive of Wellington Water Limited (WWL) elaborated on the report.

In response to questions from members, the Chief Executive WWL noted:

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

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

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

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

The Chief Executive WWL noted that:

- the additional HCC funding allowed 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.
- there was enough in the HCC Long Term Plan (LTP) budget to continue with the above leak repair method.

Mayor Barry and the Chief Executive (WWL) agreed to collaborate 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

The Board Chair, Board Member Patrick Dougherty, Roy Baker, Independent Reviewer and Kevin Jenkins, Independent Reviewer, elaborated on the report.

In response to questions from members, Roy Baker stated that the assumptions used to calculate the \$51M budgeting error were reasonable. He mentioned that the report's recommendations would provide a detailed explanation of the monetary value of the error. He pointed out that papers going to the Wellington Water Board (the Board) in the latter part of the year still indicated that the CAPEX increase stood at 6%, despite the requirement being 10%.

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

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

Mayor Guppy believed it was disgraceful to hold a discussion in the public excluded section of the meeting.

RESOLVED: (Mayor Barry/Mayor Baker)

**Minute No. WWC 24305**

*"The Committee:*

- (1) *agrees 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) *agrees 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."*

Mayor Guppy requested that his dissenting vote be recorded against the above matter.

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

The Board Chair noted:

- that WWL 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 that staff were supported and provided with reassurance.
- that WWL had great people and needed to ensure the culture of WWL did not prevent them from doing their jobs.

Mayor Whanau thanked the Board for the report. She noted that 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 noted that the issues raised were not new to the Committee.

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

The Chair 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 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 to be 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

The Chief Executive, Wellington Water Limited, elaborated on the report.

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

**Minute No. WWC 24307**

*"That the 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

The Director of Regulatory Services Wellington Water Limited (WWL) elaborated on the report.

In response to questions from members, the Director of Regulatory Services stated that communications were reviewed after last summer. He noted that a report would be considered by the Committee and the Board. He explained that WWL's recommendations for applying water restrictions were based on several factors. He also mentioned that during the winter, having restrictions in place did not make a substantial difference day to day, and there was a risk of people getting tired of restrictions if they 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

The Chief Financial Officer and General Manager of Business Services, 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>

*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 27th September 2024**



# Komiti Ngā Wai Hanganua Wellington Water Committee

13 September 2024

Report no: WWC2024/4/96

## Company and Governance Update

### Recommendation

That the Committee receives and notes the report.

### Appendices

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**Author:** External Author (Wellington Water Ltd)



# Wellington Water Committee | Komiti Ngā Wai Hangarua

27 September 2024

File: ()

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Report no:

## Company and Governance Update

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### Purpose of Report

1. To provide an overview of the Three Waters activities across the metropolitan area of Wellington and the South Wairarapa District Council.

### Recommendations

That the Committee receives and notes the report.

### How to read this report

2. There are three parts, as follows:
  - i. Governance Update,
  - ii. Water Committee Priorities, and
  - iii. Operational Achievements and Issues.

### Governance Update

3. Tonia Haskell resigned as Chief Executive on 8 August 2024. Director of Regulatory Services Charles Barker was the Acting Chief Executive until the Board appointed Pat Dougherty who commenced the role on 18 September.
4. The key Governance conversations held, and actions taken by the Board of Wellington Water (Board) since the last meeting of the Wellington Water Committee (Committee) include:
  - i. Approved the Annual Report for 2023/24, which is presented to this meeting.
  - ii. Has a combined off-site with SLT to develop a revised purpose and outcomes for the company to guide 2025/26 planning cycle.

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- iii. Ensuring we support and protect our people as much as possible during an increased period of uncertainty and change.
5. Since presenting the independent review into the estimation error to the Committee in July, the Board has been working on the plan to implement the findings. This is presented to the Committee in a separate paper. The deep dive check of the corporate costs is complete and results will be shared with councils.

#### *Summary of Performance*

6. There is no quarterly overview available for this meeting, as we are still in Quarter 1.

#### **The Water Committee Priorities**

7. There is a workshop following the Committee meeting to review and update these priorities.

#### *Ensuring a smooth transition through water reform to the new entity in 2024*

8. Wellington Water continues to support the regional planning for water service delivery as required.

#### *Three Waters Investment Planning for 2024-34*

9. Final operational and capital programmes, Level of Service Projections and Active Risk Registers have been provided to all councils. A Council 'Investment Snapshot' summary document for each council has been drafted. Once these documents have been reviewed with each Council, they will be published to the WWL website. A copy of the Council Active Risk Registers is provided in Appendix 1.
10. South Wairarapa District Council chose to undertake an enhanced annual planning exercise last year and are now preparing to complete their Long Term Planning. Preliminary workshops have been held with Council during September and we are working closely with them to provide the LTP advice they need.
11. As recommended by the Board Review into the capital programme estimating and budget systems, internal Wellington Water business planning processes have been aligned to Council investment advice and decisions timelines.

#### *Sustainable water supply and reducing consumption.*

12. The separate paper on the Acute Water Supply and Demand Risk provides a full update to the Committee.
13. The residential metering programme is a core activity to achieve a sustainable water supply for the region. It supports and enables water loss reduction and customer water use efficiency. Programme establishment is progressing well with recruitment of a core team with good capability who are progressively starting work on the programme in Q1. We have now established a joint working group with council officers and mana whenua to guide an integrated regional approach to the programme. The development of the programme plan along with other critical activities are progressing well.











































































































































# Komiti Ngā Wai Hangarua Wellington Water Committee

13 September 2024

Report no: WWC2024/4/97

## Wellington Water Limited Annual Report for the year ended 30 June 2024

### Recommendation

That the Committee:

- (1) notes Wellington Water Limited was advised on Friday 20 September 2024 of a delay in receiving audit clearance to 30 September 2024;
- (2) notes the Board of directors are therefore meeting to approve the Annual Report to 30 June 2024 on 30 September 2024; and
- (4) notes the final draft of Wellington Water's Annual Report to 30 June 2024 as the basis for a discussion on Wellington Water's performance for the financial year ending 30 June 2024.

### Appendices

No.	Title	Page
<a href="#">1</a>	WWC Annual Report to 30 June 2024- Cover Paper	82
<a href="#">2</a>	Draft WWL Annual Report FY24	85

**Author:** External Author (Wellington Water Ltd)

















































































































































































# Komiti Ngā Wai Hanganua Wellington Water Committee

13 September 2024

Report no: WWC2024/4/98

## Acute Water Shortage Risk

### Recommendation

That the Committee receives and notes this report.

### Appendices

No.	Title	Page
1↓	Acute Water Shortage Update September 2024	161
2↓	Acute Water Shortage appendix 1-4 - combined leak dashboards	168
3↓	Acute Water Shortage appendix 5-8 - combined Water Loss and Demand Overviews	172
4↓	Acute Water Shortage appendix 9 Regional Water Loss and Demand Overview	180

**Author:** External Author (Wellington Water Ltd)



















































# Komiti Ngā Wai Hangarua Wellington Water Committee

23 September 2024

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Report no: WWC2024/4/100

## Implementation of findings of the cost estimation review

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### Recommendation

That the Committee:

- (1) endorses the Wellington Water Purpose and Outcomes to guide priorities and decision-making for the next two years;
- (2) receives the Draft Organisational Capability Plan responding to the external review undertaken on the Capital Programme Estimating and Budgets Systems:
  - (a) notes the immediate activities underway to close gaps in our processes within current resources;
  - (b) notes the broader unconstrained and unfunded workstreams and their activities presented in the Draft Organisational Capability Plan recommended to be undertaken over the next two years to improve company performance;
  - (c) endorses system investment as a critical enabler, discussed under separate cover at this meeting; and
  - (d) endorses the Draft Organisational Capability Plan for prioritisation and inclusion in individual council annual plan processes;
- (3) notes the need for a revision of the current Statement of Intent to reorientate the company to deliver on high priority activities; and
- (4) notes the Board have committed to regular and ongoing quarterly reporting and assurance to the Committee on the implementation of the prioritised activities determined through the Review into the cost estimation error.

## Appendices

No.	Title	Page
1 <a href="#">↓</a>	WWC WWL Organisational Capability Plan	184
2 <a href="#">↓</a>	WWL Purpose Statement and Outcomes - Final Draft	190
3 <a href="#">↓</a>	WWL Organisational Capability PLAN ON A PAGE visual FINAL 200924	193
4 <a href="#">↓</a>	WWL Org Capability Summary Gantt OVERVIEW OF PLAN Final Draft 190924	194

**Author:** External Author (Wellington Water Ltd)

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# Komiti Ngā Wai Hangarua Wellington Water Committee

13 September 2024

Report no: WWC2024/4/99

## Systems Investment Options

### Recommendations

That the Committee:

- (1) endorses in principle that investment in 'end of life systems', integrated asset and financial systems, and customer systems is required to enable the effective and efficient functioning of Wellington Water;
- (2) notes that the total required investment for these options is estimated to be \$15m to \$25m over two financial years, exclusive of contingency, with an ongoing operating cost of \$4-\$5m per annum and that this will form part of Wellington Water's investment advice for councils to consider as part of their 2025/26 annual planning and long term planning processes; and
- (3) notes that this recommended investment does not address all issues with the current state of Wellington Water's technology systems, and further investment would be required in out-years if the organisation continues to operate significantly in an HR system.

### Appendices

No.	Title	Page
1↓	WWC Report - Technology Systems Investment	196

**Author:** External Author (Wellington Water Ltd)









**TO:** Chair and Members



Wellington Water Committee | Komiti Ngā Wai Hangarua

**FROM:** Jack Kilty

**DATE:** 13 September 2024

**SUBJECT:** WELLINGTON WATER COMMITTEE FORWARD PROGRAMME 2024

### Purpose of Memorandum

1. To provide the Wellington Water Committee (the Committee) with a Forward Programme of work and workshops planned for the committee for 2024.

### Recommendation

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.

### Background

2. The Terms of Reference for the committee require the committee to provide governance and leadership across issues relating to the planning, delivery and management of water services to communities serviced by Wellington Water Limited (WWL).
3. The Forward Programme provides a planning tool for members, officers and WWL staff to coordinate programmes of work.
4. The draft Forward Programme for 2024 is attached as Appendix 1 to the memorandum.

### Forward Programme

5. The Forward Programme is a working document and is subject to change regularly. Any changes to the Forward Programme made by officers and WWL staff will be made in consultation with the Chair.

### Appendices

No.	Title	Page
1	Wellington Water Committee Forward Programme 2024	201

**Author:** Jack Kilty  
Democracy Advisor

**Approved By:** Kathryn Stannard  
Head of Democratic Services



