



# KOMITI NGĀ WAI HANGARUA WELLINGTON WATER COMMITTEE

20 August 2025

Order Paper for the meeting to be held via Zoom  
on:

**Wednesday 27 August 2025 commencing at 2:00 pm**

## Membership

Mayor A Baker  
Mayor C Barry (Chair)  
Deputy Mayor M Sadler-Futter  
Cr R Connelly (Deputy Chair)  
Mayor W Guppy  
H Modlik  
K Puketapu-Dentice  
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)

For the dates and times of Council meetings, please visit [www.huttcity.govt.nz](http://www.huttcity.govt.nz)

# 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.

## HUTT CITY COUNCIL

### KOMITI NGĀ WAI HANGARUA | WELLINGTON WATER COMMITTEE

Meeting to be held via Zoom on  
Wednesday 27 August 2025 commencing at 2:00 pm

#### ORDER PAPER

#### PUBLIC BUSINESS

##### 1. OPENING FORMALITIES - KARAKIA TIMATANGA

Whakataka te hau ki te uru	<i>Cease the winds from the west</i>
Whakataka te hau ki te tonga	<i>Cease the winds from the south</i>
Kia mākinakina ki uta	<i>Let the breeze blow over the land</i>
Kia mātaratara ki tai	<i>Let the breeze blow over the ocean</i>
E hī ake ana te atakura	<i>Let the red-tipped dawn come with a sharpened air.</i>
He tio, he huka, he hau hū	<i>A touch of frost, a promise of a glorious day.</i>
Tihei mauri ora.	

##### 2. APOLOGIES

Mayor T Whanua, Wellington City Council

##### 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. WELLINGTON WATER LIMITED - CULTURE AND VALUE FOR MONEY IMPROVEMENT PLAN: AUGUST 2025 PROGRESS UPDATE

Report No. WWC2025/4/237 by Wellington Water Limited

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#### CHAIR'S RECOMMENDATION:

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

##### 6. 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.

## 7. CLOSING FORMALITIES - KARAKIA WHAKAMUTUNGA

Unuhia!

Unuhia!

Unuhia i te uru-tapu-nui

Kia wātea, kia mā mā

Te ngākau, te tinana, te

wairua i te ara takatū

Koia rā e Rongo

whakairihia ake ki runga

Kia wātea, kia wātea!

Ae rā, kua wātea!

Hau, pai mārire.

*Release us from the supreme sacredness of our  
tasks*

*To be clear and free*

*in heart, body and soul in our continuing  
journey*

*Oh Rongo, raise these words up high  
so that we be cleansed and be free,*

*Yes indeed, we are free!*

*Good and peaceful*

Kate Glanville

**SENIOR DEMOCRACY ADVISOR**



## Komiti Ngā Wai Hanganua | Wellington Water Committee

14 August 2025

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Report no: WWC2025/4/237

### Wellington Water Limited - Culture and Value for Money Improvement Plan: August 2025 Progress Update

#### Purpose of Report

1. The purpose of this report is to provide the August progress update on the implementation of Wellington Water Ltd.'s Culture and Value for Money Improvement Plan (the Improvement Plan) to the Wellington Water Committee.

#### Recommendation

That the Committee receives and notes the progress report on the implementation of the Improvement Plan.

#### Background

2. The Culture and Value for Money Improvement Plan (Improvement Plan) was considered and endorsed by the Committee.
3. Attached as Appendix 1 to the report is the third progress report for the Improvement Plan, reflecting progress on the Plan to 14 August 2025.

#### Alignment with Strategic Priorities

4. The Improvement Plan aligns with the strategic outcomes set by Wellington Waters's Board. These are:
  - a. Wellington Water is a strong and capable organisation, ready to fold into a new asset-owning entity
  - b. Water services are affordable and provide value
  - c. Communities receive reliable three waters services
  - d. Services delivered by Wellington Water are compliant



5. The Improvement Plan supports these strategic priorities by strengthening core business disciplines, improving organisational transparency, and embedding a culture of continuous improvement and moving from learned helplessness to learned agency. It positions Wellington Water to deliver better outcomes for communities and enables a clearer line of sight between operational improvements and shareholder value.

### **Improvement Plan Progress**

6. The Improvement Plan uses Wellington Waters's strategy outcomes as the organising frame and has 26 specific improvement objectives with quarterly actions to deliver on each objective out to 30 June 2026. The attached report outlines progress against the current quarterly action (as opposed to the wider objective) to allow for clearer identification of short-term progress.
7. Key highlights for the period ending 14 August 2025 are:

#### *A strong and capable organisation ready to fold into a new asset-owing entity*

- The key uplift is that the technology systems investment programme has been accelerated, is resourced, and in-flight. The request for proposal for the core scope is out to market as of 31 July 2025.
- Transformation and transition resources have been secured and on board.
- Change framework in development, considering the integration of change initiatives, including externally-led transition work.

#### *Water services are affordable and provide value*

- All projects and contracts in quarter 1 are subject to commercial tension in alignment with our revised procurement principles and policy. All construction contracts are out to public tender.
- Continuing to lift procurement competence and capability, the next big lift will be the procurement of quantity surveying expertise.
- Traditional contract arrangements are in place for consultants and contractors with specific value metrics and deliverables built into agreements and then realised through delivery.
- Alliance performance framework implemented with pain/gain sharing and value focused performance metrics. The Programme Alliance Board used the framework to calculate the FY 24/25 key performance indicator; no payment was awarded. The framework now forms part of the Commerce Commission information disclosure.

#### *Communities receive reliable three waters services*

- Key organisational policies and controls have been revised: code of conduct, delegations, and protected disclosures.
- Protected disclosures now specifically include disclosure requirements that extend beyond just staff.

- Emphasis and effort are placed on internal staff communications to reinforce our values, the broader cultural behaviours, clarity, accountability, good decision making and celebrating success. Underpinned by a culture of speaking up and raising risks early.

Services delivered are compliant

- Work on strengthening financial controls continues with training on the new delegations and closing down the access to financial systems.
- All project managers are from outside the panel. Lifting competency through recruitment of a head of Internal Project Management and sourcing external project management suppliers to maintain the pace of delivery, while we secure the in-house resource, all while maintaining project independence.

8. The key challenges to implementation of the Improvement Plan remain:
  - a. Maintaining momentum on the Improvement Plan over the coming months as Wellington Water commits resources to support the transition to the new entities;
  - b. Funding and budget constraints;
  - c. The scale and timing of the Technology Systems Investment Programme and the internal resources required to support this work;
  - d. Asset management capacity and data maturity.
9. Notably, several of these challenges – particularly technology funding and sector reform – are beyond Wellington Waters’s direct control. These interdependencies will be monitored, and any critical constraints will be escalated to the Committee and the shareholding councils for consideration.

### Next steps

10. The next progress report on the Improvement Plan will be provided to the Wellington Water Committee for their next meeting.

### Appendices

No.	Title	Page
<a href="#">1</a>	Appendix 1: WWL Culture and Value for Money Improvement Plan - August 2025 progress update	11

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

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# Wellington Water

## Culture and Value for Money Improvement Plan

Progress Report  
Q1 2025/26

### WWL Strategic Outcome 1: Wellington Water is a strong and capable organisation ready to fold into a new asset-owning entity

*We will enhance organisational capability in the lead-up to the new entity.*

Objective	Q1 action	Progress made this quarter	Progress rating
<b>Outcome1.1: We will enhance organisational capability in the lead-up to the new entity</b>			
<b>1.1a:</b> Update and develop technology systems and increase capability - Technology Systems Investment Programme	Request for Proposal to market	Request for Proposal (RFP) for the remaining scope of the Programme covering Finance and Supply Chain, Programme and Project Management, Asset Management Information System, Customer Relationship Management, Billing, Health & Safety, People Management and Payroll (collectively called the Towers RFP) released to market on the 31 July. Information Management RFP to cover end-of-life product is in the evaluation stage and on track. Preparation for the evaluation stage of the Towers RFP underway and on track. Planning and resourcing for the first stage of delivery is underway.	<b>Achieved/ Exceeded</b>
<b>1.1b:</b> Prepare an Interim Capability Roadmap (numbers, process, systems) to de-risk our financial reporting	Financial systems scoping as part of the Technology Systems Investment	Finance system scoping, including supply chain and billing, has been completed and included in the Technology Systems RFP.	<b>Achieved/ Exceeded</b>
<b>1.1c:</b> As required, support the development of the Water Services Delivery Plan in preparation for the new entity	As required to support transition timelines	WWL has continued to provide input to the investment plan that has been included in the Water Services Delivery Plan (WSDP). WWL will continue to work with the entities' transition teams and provide any further support they require with the WSDP, and any transition work required as they move into the new entities.	<b>Achieved/ Exceeded</b>
<b>1.1d:</b> Create and implement a change framework for coordinated and systematic delivery of changes	Define how we positively influence transition through the improvement plan	The improvement plan actions and objectives collectively contribute to improved core capabilities, processes and system improvements at WWL to support transition to Metro Water. In particular, core technology systems (delivered under TSI programme) are identified as critical for transition to Metro Water and a key change lever. Recruiting additional resource to support this is underway. Developing a change framework will consider the integration of change initiatives, including externally-led transition work.	<b>Largely Achieved</b>
<b>1.1e:</b> Engage with Watercare specifically to identify and convert practical future synergies	Explore opportunities	WWL staff visited the Māngere waste water treatment plant and viewed several technologies and processes that have potential for improving treatment outcomes at WWL treatment facilities.	<b>Largely Achieved</b>

# Wellington Water

## Culture and Value for Money Improvement Plan

Progress Report  
Q1 2025/26

### WWL Strategic Outcome 2: Water services are affordable and provide value

*Strengthened mechanisms for demonstrating value for money, strengthen the control and oversight of our suppliers and strengthen commercial and procurement competency and capability across the organisation that drives a focus on delivery of value for money.*

Objective	Q1 action	Progress made this quarter	Progress rating
<b>Outcome 2.1: Strengthen mechanisms for demonstrating value for money</b>			
<b>2.1a:</b> Create healthy competition and establish clear benchmarks for what jobs should cost in the open market through putting more projects and contracts out to competitive bidding	Make an assessment of the percentage of work that will be tendered through the panel versus open market	All projects and contracts in Q1 have been subject to commercial tension, with open tenders issued via GETS in alignment with our procurement principles and policy. Data capture and analysis processes are underway, reflecting the shift from panel arrangements to the approved procurement policy.	<b>Partially achieved</b>
<b>Outcome 2.2: Strengthen the control and oversight of our suppliers</b>			
<b>2.2a:</b> Implement value-focused performance metrics and regular reviews of performance against these for consultants and contractors	Commence	Traditional contract agreements are now in place, with consultants and contractors measured against the agreed contract conditions and basis of payment. Payments are approved only when all contractual requirements and specifications have been met. The specific value metrics and deliverables are developed through the creation of the contract agreements, then realised through delivery.	<b>Partially achieved</b>
<b>2.2b:</b> Implement a value-focused performance framework for the Operations and Maintenance Alliance that also includes pain/gain sharing	Performance of the Alliance is published and briefed to the WWL Board	<p>A value-focused performance framework for the Operations and Maintenance Alliance that also includes pain/gain sharing has been implemented. The framework was used to calculate a potential Key Performance Indicator incentive payment for FY 24/25, which was provided as advice to the Programme Alliance Board who chose to award no payment.</p> <p>This primary objective is completed to deliver the framework. Action now turns to performance and transparency.</p>	<b>Achieved/Exceeded</b>
<b>Outcome 2.3: Strengthen commercial and procurement competency and capability across the organisation that drives a focus on delivery of value for money</b>			
<b>2.3a:</b> Strengthen the Commercial and Procurement competency and functions for Wellington Water	Deliver training in the Procurement Policy and associated processes to staff with financial delegations. Front load our procurement with external advisers e.g. Quantity Surveying and value engineering.	Training ready for delivery end-August: Detailed procurement training programme developed with complete MBIE-aligned documentation suite. Organisation-wide workshops on procurement policy are scheduled for end of August, becoming part of new staff induction process. Strong progress in lifting procurement competence and capability through recruitment of new staff strengthening commercial capability. We are in the final stages of procuring a Quantity Surveyor for our Capital Projects.	<b>Largely Achieved</b>

# Wellington Water

## Culture and Value for Money Improvement Plan

Progress Report  
Q1 2025/26

### WWL Strategic Outcome 3: Communities receive reliable three waters services

*Orthodox organisational model with clear purpose and lines of accountability, a strengthened culture of raising issues and overall awareness of controls, and strengthened governance oversight and assurance internally and externally.*

Objective	Q1 action	Progress made this quarter	Progress rating
<b>Outcome 3.1: Orthodox organisational model with clear purpose and lines of accountability</b>			
<b>3.1a:</b> Implement improvements to asset management practice with a no-regrets basis covering the following: <ul style="list-style-type: none"> <li>- Implementation of asset management framework</li> <li>- Supporting Technology Systems Investment</li> <li>- Data quality</li> </ul>	Deliver against action plan	<p>Work is underway on improvements to refresh the Strategic Asset Management Plan commencing with the Asset Management Policy, expected to be endorsed late Q1/ early Q2.</p> <p>We have ensured the requirements for the TSI Programme have clearly articulated the Asset Management framework needs for the organisation. Inputs to the TSI Towers RFP for the Asset Management Information Systems (AMIS) Tower have been completed with the RFP now in the market. We are now focusing on data quality improvements to build asset planning capability is being focused on in preparation for AMIS.</p>	<b>Partially achieved</b>
<b>3.1b:</b> Document a process and control framework that outlines the key elements and workflows that are involved in running a water services organisation and implement changes to critical assurance and control processes identified through internal audit	Commence critical process improvements	<p>No substantial change since last reported.</p> <p>Process and control framework to be delivered by end of Quarter 1. Process and control framework will firstly be implemented into the existing internal policy and process-controlled system to ensure that we have functional accountability alignment with activity.</p> <p>Areas for process improvements already identified are: financial; asset management; and technology systems. Continuing to work with TSI Programme and Head of Transformation on change, to ensure critical assurance and control processes are focused on.</p>	<b>Partially achieved</b>
<b>3.1c:</b> Develop and implement group purpose statements	Implement through group business plans	Group purpose statements are now embedded in FY26 business plans, which are being implemented. Internal reporting on progress is scheduled for the end of Q1 to support alignment and continuous improvement.	<b>Largely Achieved</b>
<b>3.1d:</b> Implement good practice approaches for recognising and rewarding values-based staff actions	Revise the Internal Communication Strategy and incorporate methods to recognise and reinforce values-based actions	The Internal Communication Strategy has been revised to recognise and reinforce not only our three organisational values of mana, tangata tiaki, and whānau, but also the broader cultural behaviours we want to see – such as clarity, accountability, good decision-making, and celebrating success. This quarter we have woven our values into all staff communications and implemented a new communication channel called 'The Wai Connection', which provides an opportunity for staff to understand the important work WWL does and the positive impact on the organisation (positive reinforcement).	<b>Achieved/ Exceeded</b>



**WWL Strategic Outcome 3: Communities receive reliable three waters services**  
*Orthodox organisational model with clear purpose and lines of accountability, a strengthened culture of raising issues and overall awareness of controls, and strengthened governance oversight and assurance internally and externally.*

Objective	Q1 action	Progress made this quarter	Progress rating
Outcome 3.2: Strengthened culture of raising issues and overall awareness of controls			
<b>3.2a:</b> Communicate with staff through staff meetings and messages the importance of speaking up and raising risks early	Initiate a set of staff workshops	Encouragement to speak up and raise risks early has been repeatedly provided by the Chief Executive in both written newsletters and staff meetings. ELT members have also reiterated this message through their group communications, and these efforts are ongoing. The Communications and Engagement Team are also meeting with group leadership teams to socialise our new internal comms and engagement strategy, of which changing our culture where people feel safe to speak up is a core focus.	Achieved/ Exceeded
<b>3.2b:</b> The Code of Conduct is reviewed to include positive, value-reinforcing behaviours across the organisation	No further action required	A review of the Code of Conduct was undertaken last quarter. The revised code of conduct is now adopted into the onboarding and induction of new staff. No further action required.	Achieved/ Exceeded
<b>3.2c:</b> Review the existing Protected Disclosures ‘Speak Up’ Policy, including disclosure requirements that extend beyond just staff, and the Items of Significance Policy to ensure they are easily understood and have mechanisms in place to use	Review policies	Protected Disclosures: Policy has been revised and legally reviewed to include disclosure requirements that extend beyond just staff. Policy has been approved by management with communication to all parties in scope to be completed by end of Q1.  Suggested improvement process implemented. The next process to be reviewed is the Items of Significance Policy: scheduled for September 2025.	Largely Achieved

# Wellington Water

## Culture and Value for Money Improvement Plan

Progress Report  
Q1 2025/26

### WWL Strategic Outcome 3: Communities receive reliable three waters services

*Orthodox organisational model with clear purpose and lines of accountability, a strengthened culture of raising issues and overall awareness of controls, and strengthened governance oversight and assurance internally and externally.*

Objective	Q1 action	Progress made this quarter	Progress rating
Outcome 3.3: Strengthen governance oversight and assurance internally and externally			
<b>3.3a:</b> Improve assurance through improving the quality and content of information provided to, and reporting products from, the Risk and Assurance function	Assurance provided to WWL Board over the implementation of the Improvement Plan	Improvement Plan performance and assurance process established. Reporting of plan and performance provided to the WWL Board. Additional assurance provided through the internal audit programme with a focus on corporate financial transactions and controls, Alliance financial cost, procurement and purchasing, contract management, fraud and sensitive expenditure, and capital project management.  Internal audit programme on track delivering assurance to the Audit committee.	Largely Achieved
<b>3.3b:</b> Report on the implementation of the Improvement Plan	Performance is published and briefed to the WWL Board and Water Committee	Performance has been reported to Wellington Water Board on 15 August and to the Water Committee on 25 July. The Water Committee papers are available via Hutt City Council website. Performance will be published on WWL website by the end of Q1.	Achieved/Exceeded
<b>3.3c:</b> Meet the Foundational Information Disclosure Requirements from the Commerce Commission	Establish reporting	Engage with the Commerce Commissions consultation process. Provided submissions.  Reporting accountabilities allocated.  Final determination by Commerce Commission on 12th August 2025. Implementation started and on track for delivery against Commerce Commission determination.	Largely Achieved
<b>3.3d:</b> Simplify the internal management framework by reviewing existing Management Committee Framework and implement changes	Further streamline	There has been no further work on this activity. This work remains partially completed.	Partially achieved

# Wellington Water

## Culture and Value for Money Improvement Plan

Progress Report  
Q1 2025/26

### WWL Strategic Outcome 4: Services delivered by Wellington Water are compliant

*Maintain a relentless focus on effective fluoridation in both the short and long term, strengthen the control and oversight of our suppliers, and strengthened financial controls that protect the integrity of financial transactions.*

Objective	Q1 action	Progress made this quarter	Progress rating
<b>Outcome 4.1: Maintain a relentless focus on effective fluoridation in both the short and long term</b>			
<b>4.1a:</b> The 2022 Phase 1 response focused on restoring full fluoridation to the Wellington region's drinking water supply with containerised solutions with a lifespan of 7 years. This has given time for Phase 2 to be well planned and invested in through the LTP. The objective is to establish permanent fluoride dosing systems at all four Drinking Water Treatment Plants, ensuring they are safe for operators and capable of consistently meeting WWL's fluoride performance targets.	Develop a multi-year programme of work and associated business case	The Indicative Business Case is being drafted to articulate the strategic case for regional improvements and investment in fluoridation infrastructure and practices. A Programme Manager is being appointed to lead this work forward and plan the multi-year programme of work, utilising the completed Activity Brief.	Largely Achieved
<b>Outcome 4.2: Strengthen the control and oversight of our suppliers</b>			
<b>4.2a:</b> Improve Wastewater Treatment Plant compliance	Provide assurance to Board that the compliance projects are on track	<p>Compliance projects are tracked through the capital delivery dashboard reporting and are monitored through the Treatment Plant Steering Committee.</p> <p>Currently, two of the four metropolitan Wastewater Treatment Plants (WWTPs) are achieving compliance. Moa Point is tracking towards compliance, while Seaview has experienced intermittent compliance due to asset-related challenges. The primary cause of non-compliance across the network is the condition of ageing assets. Significant renewal and upgrade projects are underway; however, achieving consistent compliance will take several years. Enhancing operational performance remains a key focus, with our contractor, Veolia, actively engaged. We are leveraging contract mechanisms to drive improvements and are working closely with Veolia to deliver better operational outcomes.</p> <p>To strengthen oversight and drive performance improvements, the wastewater contract team has been expanded with two new roles, and recruitment is currently underway (appointments pending). These changes are aimed at enhancing our ability to monitor and support Veolia's performance more effectively.</p> <p>SWDC WWTPs: Two out of four WWTPs are currently non-compliant. Without significant upgrades, these plants will not be able to achieve compliance. As of July 2025, SWDC has taken over responsibility for planning and implementing capital projects.</p>	Partially achieved



# Wellington Water

## Culture and Value for Money Improvement Plan

Progress Report  
Q1 2025/26

### WWL Strategic Outcome 4: Services delivered by Wellington Water are compliant

*Maintain a relentless focus on effective fluoridation in both the short and long term, strengthen the control and oversight of our suppliers, and strengthened financial controls that protect the integrity of financial transactions.*

Objective	Q1 action	Progress made this quarter	Progress rating
<b>Outcome 4.3: Strengthened financial controls that protect the integrity of financial transactions</b>			
<b>4.3a:</b> Strengthen financial controls including large purchase orders, automatic payments of invoices, approvals for spending and payment (including Alliance statement of claim), financial system access, stop disclosing operational and capital budget information	Financial system access resolved to enable implementation of delegations.  Implement good practice financial management practices training.	Work on removing system access for external parties has commenced.  New delegations have been rolled out along with training on how they should be applied. The training focused on clarifying individual responsibilities, strengthening controls and good financial management processes.  Consultant Statements of Claim have ceased effective 1 July.	Largely Achieved
<b>4.3b:</b> Reduce the conflicts of interest in key roles associated with the consultant panel through building internal project management capacity and ensuring client project managers are independent from the panel	Recruit internal project managers and ensure project managers are sourced from outside of the panel	We are strengthening our internal project management capability through the recruitment of a Head of Internal Project Management within Capital Delivery. In parallel, we are assessing proposals from external project management suppliers to maintain project independence and delivery continuity while we recruit and onboard our in-house project management team.	Largely Achieved
<b>4.3c:</b> Implement a comprehensive set of company wide delegations	Delegations communicated to all delegation holders via formal letters of delegation	A comprehensive set of financial, contracts and people delegations have been implemented.  Letters of Delegation are provided to staff, following their attendance at Delegations Training. Seven training sessions were held from late June to August with Letters of Delegation provided subsequent to training.	Achieved/ Exceeded
<b>4.3d:</b> Increase transparency and quality of delivery/investment planning information shared with Councils. Standardised approach to contingency management (for programmes of capital investment and delivery provided to Councils), including separate line for corporate costs for increased transparency.	(No Q1 actions)	(No Q1 actions)	Achieved/ Exceeded