



Open briefing: Feedback on draft Water Services Strategy

17 April 2026 – 11.00am

Attendees

Elected Members: Mayor Fauono Laban, Cr Barratt, Deputy Mayor Brown, Cr Dyer, Cr Edwards, Cr Lewis, Cr Mitchell, Cr Parkin, Cr Puketapu, Cr Ravi, Cr Shaw, Cr Stallinger and Cr Yung.

Mana Whenua: Helmit Modlik; Kara Puketapu and Te Whatanui Winiata

Staff: J Miller, Chief Executive; J Livschitz, Group Chief Financial Officer; A Blackshaw, Director Neighbourhoods and Communities; J Kingsbury, Director Economy and Development; C Ellis, Head of Chief Executive's Office; S Gardner, Water Services Transition Manager; H Bell, Advisor Water Services; K Glanville, Senior Democracy Advisor and V Gilmour, Democracy Advisor (via audio-visual link)

Non-Attendance

Cr Tonga-Grant

Presenters

S Gardner, Water Services Transition Manager

H Bell, Advisor Water Services

Introduction and Key Objectives of the Briefing

The purpose of the briefing is to present the draft feedback on the proposed water services strategy, outline key issues and considerations and seek input to inform a consolidated submission through the Partners Committee. The focus is on confirming alignment with expectations, identifying key risks, and ensuring the strategy appropriately balances investment, affordability, and delivery within tight timeframes.

Presentation by S Gardner, Water Services Transition Manager and H Bell, Advisor Water Services

Slide 1 – Water Services Strategy (Header)

Slide 2 – Key Dates for the Water Services Strategy

Slide 3 – Background to the Strategy

Slide 4 – Initial draft Feedback Proposed

Slide 5 – Alignment to Statement of Expectations

Slide 6 – High level comments on Water Services Strategy

Slide 7 – Financial Sustainability

Slide 8 – Financial Sustainability

Slide 9 – Financial Sustainability

Slide 10 – Projected Tiaki Wai price increase per draft Water Services Strategy

Slide 11 – Resilience Assumptions – Unplanned Events

Slide 12 – Your Feedback

Slide 13 – Opex Increases

Slide 14 – Resilience Assumptions – Unplanned Events

Questions and discussion points

- There are concerns that the strategy does not yet demonstrate a financially sustainable pathway. In particular, the accelerated Funds From Operations (FFO)-to-debt ratio targets are contributing to higher pricing and may warrant reconsidering the timing and associated trade-offs.
- The proposed capital programme is very large, with significant increases in spending. This raised concerns about whether it can realistically be delivered and whether cost estimates need further refinement.
- Pricing needs to better reflect expenditure while remaining affordable, particularly in the early years where steep price increases are expected. A more gradual approach may be needed.
- The timing and affordability of investment remain key concerns, especially with rising costs and limited market capacity. Delivery timelines and assumptions may need to be adjusted.
- Stronger performance measures are needed to show that the proposed investment will deliver value and expected outcomes. Current KPIs require further strengthening to provide greater assurance of outcomes and accountability.
- There are significant delivery risks, including establishing a new organisation, building workforce and market capacity, and managing external pressures such as global supply constraints.
- Work is underway to assess financial resilience, including whether Council debt capacity could help support the new entity, while recognising councils still need borrowing flexibility for their own risks.
- Further work is needed on how unplanned events would be funded, particularly given the limited borrowing capacity in the early years.
- Approaches for managing customer hardship and non-payment are still underdeveloped, with fewer enforcement tools available than councils currently use.

- There is recognition of wider pressures, including historic underinvestment and the challenge of balancing affordability with the need for increased long-term investment.

Next steps

25 March 2026 – Engagement commenced

17 April 2026 – Elected Member and Mana Whenua briefing and feedback sought

20 April 2026 – Partners Committee Workshop – consolidate feedback

22 April 2026 – Engagement closes

24 April 2026 – Partners Committee consolidated feedback provided to Tiaki Wai

Open briefing materials

Attachment 1 – Presentation: Draft Water Services Strategy

The briefing closed at 11.30am