

Meeting of IAWAI – Flowing Waters Board of Directors**Thursday 18 December 2025, 9.30am**

Item No	Item	Lead	Purpose	Format
Preliminary Business				
1	Welcome	Chair	Note	Verbal
2	Apologies	Chair	Note	Verbal
3	Declarations of Interest	Chair	Note	Verbal
4	Confirmation of Minutes	Chair	Approve	Attached
Standing Items				
5	Public Forum	Chair	Note	Verbal
6	Chair's Report	Chair	Note	Attached
Establishment Programme				
7	Establishment Programme Report	Gavin Ion	Note	Attached
8	Confirmation that Iawai is a water services organisation	Natasha Yarrall	Approve	Attached
IAWAI Projects				
9	Water Services Strategy Update	Vishal Ramduny	Note	Attached
10	Strategic Investment Portfolio Update (Late Report)	Jackie Colliar	Note	Attached
11	Resolution to Exclude the Public	Chair	Approve	Attached

Public Excluded

Item No	Item	Lead	Purpose	Format
12	PX Strategic Investment Portfolio Update (Late Report)	Jackie Colliar	Note	Attached
13	Known growth and Fast Track Consents	Andrew Parsons	Approve	Attached
14	Ohinewai Development Agreement Proposed Terms	Andrew Parsons	Approve	Attached
15	Te Kowhai Development Agreement Proposed Terms	Andrew Parsons	Approve	Attached
16	Water network (water metering and management service)	Andrew Parsons	Approve	Attached
17	Digital Foundations and Digital Water Service Operations Partnership Programme	Jo-Ann Pass	Approve	Attached
18	Confirmation of PX out-of-cycle minutes	Chair	Note	Attached
19	Confirmation of PX minutes	Chair	Approve	Attached

IAWAI – Flowing Waters, Board Meeting

[UNCONFIRMED] OPEN MINUTES

15 October 2025, 9.30am

Minutes of a meeting of the IAWAI – Flowing Waters Board, held in the Committee Room, Waikato District Council, on Wednesday 15 October 2025 at 9.30am

PRESENT

Chairperson	Kevin Lavery
Members	Dave Chambers
	Tim Manukau

2. Apologies

None

3. Declarations of Interest

None

4. Minutes from previous meeting

Approved.

5. Public Forum

John McDonald presented his thoughts on the New Zealand Infrastructure Commission's report "Paying it back".

He highlighted key sections which suggested that increases in Hamilton's revenue base from population growth may not be sufficient to pay back the cost of new infrastructure to service growth (i.e. growth doesn't pay for growth).

He agreed with the Commission's report that we need to focus on high-quality projects which are cost effective and serve more users. He highlighted the value of cost-benefit analysis on projects, and the importance of being realistic in the levels of private investment expected. Peacocke was highlighted as an example.

The Chair thanked John for his submission. He noted that Iawai's role was to support Council's growth ambitions.

The Board agreed growth wasn't paying for growth – and is looking at how we can move closer to closing this gap.

The Chair considered that debt is an appropriate financing approach for major investments – including for waters assets, which have a long-life span. This ensures future generations that benefit also contribute to funding the assets over time.

He noted work was underway with staff on an accelerated renewals programme

6. Chair's report

Kevin Lavery presented his Chair's report. He thanked the team across Hamilton City Council, Waikato District Council and IAWAI for the recent e-coli response.

He referenced ongoing due diligence by the Board to work through key issues as IAWAI develops its water services strategy.

On procurement, Dave Chambers noted the reference to procurement partnerships – and that these would be done through a competitive process.

7. Establish IAWAI Programme Update

Peter Winder spoke to work being undertaken on behalf of shareholder councils to set up IAWAI for 1 July 2026.

A go-live tracker outlined key tasks that need to be completed in this period.

Peter noted while there is a lot to do, we are making solid progress. Work relies on the support of teams from both councils.

A key milestone is the Transfer Agreement. The principles of transfer are almost completed. A first draft is expected to come to the Board and Councils in December.

The Board welcomed the report and the ongoing work by the team. They remain focused on seeing any risks as they arise and ensure these are being appropriately managed.

Resolved

That the Board received the update.

8. Water Services Strategy

Vishal Ramduny presented this report.

He noted ongoing work to progress the first draft of the Water Services Strategy. The financial model was being worked on – including the pricing pathway. The write up of the strategy was also underway.

Pre-engagement with shareholder councils, Waikato Tainui and hapuu, Futureproof, was expected in December – with engagement on the draft strategy in March/ April 2026.

The Board acknowledged that developing a WSS will be an iterative process. On robustness of financial data, they considered it was more important to stick to the timeline and, when presenting the information, be clear any challenges/limitations with the data, than strive for perfection and let the timeline slip.

They noted we are operating in a fast-changing environment, and there are many unknowns on economic regulation that will change the plan as they emerge.

Resolved

That the Board received the update.

9. Strategic Investment Portfolio.

Jackie Colliar presented the report.

She noted this is the first portfolio report on the transferred projects – and is in line with discussions with the Board on the template.

She noted challenges collating the information across agencies, and to align project/programme report timing with portfolio reporting. The financial information available was not reliable across the portfolio, and therefore that information was not included.

She noted risks, benefits and health and safety reporting is also being compiled for future portfolio reports.

She noted the Portfolio is at Amber status, reflecting targeted financial and delivery challenges in specific major projects while overall progress continues.

The Board thanked the team for their work on the report.

They asked about the red status of the bulk wastewater programme, and what the risk mitigations were.

Jackie noted the risks due to a delay in site selection. They were working through issues and options.

Resolved

That the Board received the update.

10. Development Contributions – Charging Regime Options

Greg Carstens and Nick Birdsall presented the report.

The report noted that from 1 July 2026, Iwairangi needs the ability to recover future water growth infrastructure costs via Development Contributions (DCs) (and in the future levies).

They recommended a staged approach to an Iwairangi Development Contributions Policy. This would use existing HCC and WDC DC policies from July 2026, allowing time to develop a custom Iwairangi policy ready for 2027/28.

This option helps to balance resource constraints (in particular the significant effort required to create a new policy), while maintaining charging continuity, reducing complexity, and allowing flexibility to use either DC or DL frameworks in the future.

The Board supported the approach.

Resolved

The Board

- a. Approved Iwairangi adopt a two-stage approach to its development contributions policy: From 1 July 2026, using Hamilton City Council (HCC) and Waikato District Council's (WDC) existing development contribution (DC) policies; while in parallel starting work on Iwairangi's own funding policy for use in 2027/28 (**Option 2**);
- b. Noted that until Iwairangi has its own policy, HCC and WDC will collect DCs on Iwairangi's behalf;

- c. Noted that WDC will explore adjusting its charges to reflect an enhanced capital programme.

11. Insurance Programme Transitional Arrangements

Gary Connolly presented the report.

The report sought approval for IAWAI to join the Waikato Collective Group existing insurance policy for waters assets, when they transfer from 1 July 2026, to utilise existing insurance coverage from the date of transfer to November 2026.

Resolved

The Board

- a. Approved IAWAI's participation in the Waikato Collective Group Insurance Policy as an insured party for the 2025/26 renewal period, in accordance with the brokerage services arrangement facilitated by Aon under the Waikato LASS agreement.
- b. Noted that this participation ensures continuity of insurance cover across IAWAI's operational period commencing 1 July 2026 (with coverage through to the next renewal period to November 2026).
- c. Noted that IAWAI management will undertake a review of the insurance programme prior to the 2026/27 renewal, including consideration of alternative placement options and governance structures.

12. Resolution to Exclude the Public

Resolved

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

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 follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution.
Confirmation of Public Excluded Minutes	To enable IAWAI to carry out commercial activities without disadvantage; to enable IAWAI to carry out negotiations to prevent the disclosure or use of official information for improper gain or improper advantage.	Section 7 (2) (h) Section 7 (2) (i) Section 7 (2) (j)

Pookeno Development Discussion	To enable IAWAI to carry out commercial activities without disadvantage; to enable IAWAI to carry out negotiations to prevent the disclosure or use of official information for improper gain or improper advantage.	Section 7 (2) (h) Section 7 (2) (i) Section 7 (2) (j)
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The meeting was declared closed at 12.00pm

Board meeting 18 December 2025

Public session

Executive Chair's Report

Prepared and recommended by Kevin Lavery

"A journey of a thousand miles begins with a single step." (Chinese proverb)

People Issues

Peter Winder starts as the CEO in January. We are currently recruiting for a Chief Financial Officer and Pou Aronui/ Maaori Partnerships lead. We also published the draft structure for Iawai on 4 December 2025. We have welcomed feedback from staff on the structure. We are keen that all staff know whether they are transferring into Iawai and their role in the structure. We are still working through some reconciliation issues between Iawai and the parent councils.

Water Services Strategy

We are on track to sign off our draft water services strategy towards the end of February 2026. This will then be the subject of a formal consultation process with each Council and the wider public. Given the evolving nature of the water services regulatory environment, we will need to do a full 10-year update of the water services strategy next year (2026/27).

Two issues are being worked through that will shape the content of the water services strategy.

Affordability. The Board will be taking a more commercially minded approach to match costs with revenue – and looking at how we achieve long term financial sustainability. This will include looking at depreciation funding in the context of our renewals programme. With a potential shift in how the regulator requires we account for depreciation, our goal is to accelerate and enhance our renewals programme. We also intend to invest in improving data on underground assets as good information is the bedrock of good decisions.

The second issue is that growth does not pay for growth. We know there is a substantial shortfall in funding for new development. I am keen to meet with developers and workshop ideas in the new year. We need to strike the right balance, to ensure development progresses and growth pays for growth, but that rather than this being passed on to the first purchaser of the house or unit, that the cost is spread over the life of the asset so that all beneficiaries contribute.

Governance

Our shareholders have made decisions about the permanent governance arrangements for IAWAI. Currently, we have an interim board of 3 on short term tenures of 1-2 years. The shareholders have determined:

- The permanent board (from 1 July 2026) will be 5 strong.

- Recruitment for two new directors with experience of finance and Government relations. respectively. An open recruitment process will commence in early 2026.

Digital Platform

We are working with Tauranga and Western Bay of Plenty to procure a common digital platform for water services. A separate report is on today's agenda. This work is progressing well and is evidence of collaborative working across the North Island. Implementation will begin in September 2026 assuming the project is finalised and signed off by January.

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Public session

Establish Iwāi Progress Update

Prepared and recommended by Establish Iwāi Programme Director – Gavin Ion and Programme Manager – Natasha Hansen.

Approved by Iwāi Chief Strategy and Planning – Andrew Parsons

Recommendation(s)

1. That the report is received.

Key points

2. As shareholding councils, Watercare and Iwāi work towards a fully operational waters company from 1 July 2026, there is a significant amount of work to prepare for the transfer, while also setting the company up with a long-term strategy.
3. The Establish Iwāi programme is responsible for ensuring the successful transfer of people, assets, liabilities and shared services arrangements from 1 July 2026. This is separate from the work Iwāi needs to do to set up its operations. This report relates to the Establish Iwāi work programme.
4. This report covers the two-month period 1 October to 28 November 2025.
5. Overall, the programme is on track. Progress over the period includes:
 - a. Recruited and delivered handover for replacement Establish Iwāi - Programme Director, Gavin Ion.
 - b. Governance and Organisational Leadership: provided briefings for both new Councils, including the Roadmap (refer **Attachment 1**), stood up mechanisms from within the councils to support the Iwāi forum, and prepared proposal to Iwāi forum for recruiting the full Iwāi board.
 - c. People, Health and Safety: Launched transition process to staff, confirmed approach to transition for individual staff, launched staff consultation regarding Hamilton City Council Infrastructure and Assets group restructure, that is required to respond to the significant number of roles transferring to Iwāi, and on track to announce Iwāi structure on 4 December.
 - d. Legal and contracts: Focus this period has been on the challenge of identifying suitable mechanisms for transferring strategic land and related matters. Work is now underway to agree pathways using a case by case approach. Completed collation of consents and contracts that were executed by 1 October 25. Currently 536 contracts have been identified and 110 have recommended pathways for transfer.
 - e. Legal advice received relating to:
 - i. Form of the transfer agreement between the councils and Iwāi
 - ii. Development Contributions Policy
 - iii. Invoicing mechanisms
 - iv. Bylaws and customer terms, and
 - v. Land transfer mechanisms and access issues.

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- f. Shared Services and SLA: Completed workshops with subject matter experts from Iawai, both councils and Watercare (where appropriate) to identify the scope of shared services and associated systems required to support Iawai from 1 July 2026. Underway on areas identified that need further clarification. This workstream will produce two key documents: agreement(s) with the Councils outlining the nature of the shared services they will provide to Iawai; and a relationship agreement which will describe the approach to workflows that move between the parties.
 - g. Finance: Developed a tool to model Iawai finances along with first look figures. Progressing work to refine the inputs given improved understanding of areas such as staffing and shared services emerging from other workstreams.
 - h. Digital and operational technology: Confirmed digital solution for providing Human Resources Information System services to Iawai staff for day 1, which is the system currently being rolled out by HCC. Underway on monitoring progress of the HCC roll out (on plan). Iawai digital team confirmed preferred approach to main digital platform (Azure) being the option that provides minimum risk for day 1 operation, but more effort to move to an end state entirely independent of HCC, should that approach be identified in the future.
 - i. Development of the Iawai brand and commenced work on the website.
6. Priorities for the next period include:
- a. Drafting the Transfer Agreement, Shared Services Agreement and related supporting materials.
 - b. Further understanding the potential legal costs for land related transfer.
 - c. Confirming arrangements and requirements to the two councils to collect water charges on behalf of Iawai.
7. **Attachment 2** provides an update on progress of key activities
8. **Attachment 4** includes background on the Establish Iawai programme. This has not been updated and is provided for members of the public unfamiliar with the programme.

Risks

9. **Attachment 3** outlines the top risks that the Programme Steering Group is tracking.

Finances

10. Programme costs (in line with council approved budget of \$7.35 million for establishment) are on track.
11. The current Forecast Estimate at Completion (EAC) for 30/6/26 is:

As at	Forecast EAC ¹ Cost	Contingency	Forecast EAC + Contingency	Council approved Budget	Forecast Under- or (Over-) spend
4/12/2025	6,153,000	553,000	6,706,000	7,354,388	648,388

12. Key changes relate to:
- a. Team costs including reducing monthly burn rate for the team (to align more with actuals) and changes to Programme Director costs
 - b. Reduced contingency to allow for current risk profile

¹ EAC is Estimate at Completion at 30/6/26

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13. Key remaining cost risks include:
- a. legal advice for specific items of transfer of assets (including land), contracts, etc.
 - b. digital for changes to billing and potentially access to shared service software
 - c. funding to progress digital implementation in 25/26 due to lead time to complete
 - d. resource to accelerate bylaws
 - e. new activities not budgeted because they were not identified, or emerge from changing regulatory environment

Attachment 1: Roadmap

lawai – Road Map to 1 July 2026

Summary

- The establishment of lawai, and its ability to safely and seamlessly deliver water services to our communities from 1 July 2026, is a priority for Hamilton City Council and Waikato District Council.
- Following the 11 November 2025 joint council induction, this report sets out key milestones to get to 1 July 2026 – and how lawai will engage with shareholder councils and Waikato Tainui. Milestones include:
 1. **Developing a Water Services Strategy (WSS)** (the 10-year plan). The lawai Establishment Board is focused on balancing affordability with investment in critical infrastructure to support growth and renewals. The first WSS will effectively be a one-year plan. A second WSS, aligned to the councils' Long-Term Plans for 2027–37, will follow. A draft will be provided to shareholder councils by 1 March 2026 for comment.
 2. **Staffing:** A change process is underway within Hamilton City Council and Waikato District Council to transfer water staff to lawai on 30 June 2026.
 3. **Approving Shared Services and Partnership Agreements.** lawai will operate within a collaboratively developed and agreed shared services framework for up to five years. Work is underway to define the scope, costs, and terms under which lawai will pay councils for these services.
 4. **Defining the stormwater services lawai will deliver to Councils.** Work is underway to define stormwater functions and develop agreements clarifying responsibilities between lawai and the councils.
 5. **Approving the Transfer Agreement.** A formal Transfer Agreement will facilitate the legal transfer of the water infrastructure and all related resources (including employees, rights, contracts, agreements, consents, permits, designations, land, access, licenses, water allocations, customer data and financial information as are necessary to provide the Water Services) to lawai.
 6. **Operational readiness.** This includes everything we need to do to ensure that people and systems are set up from day 1, and there is a safe and seamless transition that does not disrupt operations or services to the public.
 7. **Ensuring a fit for purpose future digital platform.** While a fully integrated digital platform is not required by 1 July 2026, work is underway to explore options. The Board aims to have an agreement in place in 2025/26 to support regional alignment.
 8. **Establishing oversight mechanisms and appointing the remaining Board members.** Shareholders have oversight of lawai through the lawai Forum. This forum is also responsible for appointments of the remaining Board members and approving the Statement of Expectations for lawai.
- The work programme is extensive. It relies on coordinated efforts, strong relationships, and ongoing support from across the businesses to achieve success
- There are ongoing risks to manage as we work towards 1 July 2026. The biggest risk would be failure to agree to the Transfer Agreement in early 2026 – which provides the legal basis for transfer, and in particular for the transfer of staff. This would cause legal, reputational, and financial risk for Council.
- Ongoing support and partnership, and continued prioritisation of resources to this work is the most effective way to manage this risk and deliver on shareholder expectations.

Background

1. In Hamilton and Waikato District, we're proud to have high-quality drinking water and wastewater services. But keeping them that way won't be easy. Over the next decade, \$3.66

billion is forecast to be invested to renew ageing pipes and treatment plants, keep up with new compliance standards, and serve another 50,000 people moving into our communities.

2. Like many other growth councils across New Zealand, Hamilton City has nearly reached its debt limit. It simply cannot borrow more to cover the costs of big waters infrastructure. While Waikato District has debt headroom, it does not have the population to deliver at scale. In addition, Watercare will end its contract to deliver water services to Waikato District in 2028 – and it is not financially viable for Waikato District to deliver water services in house.
3. In response to the Government’s “Local Water Done Well”, Hamilton City Council and Waikato District Council commissioned a business case – building on the 2015 Cranleigh report that first suggested the benefits of a joint CCO. Councils agreed that working together would: enables us to build critical infrastructure, faster - vital for new housing and industry; be better for the Waikato River; and allow us to balance costs – with savings expected over time.
4. In May 2025, councils approved to establish a jointly owned, two waters asset-owning water services CCO, that delivers stormwater under contract – “lawai”. The Hamilton-Waikato District proposal was widely supported through community consultation, with around 75% of respondents in favour.
5. In June 2025, councils confirmed lawai’s establishment and adopted the Water Services Delivery Plan (approved by the Department of Internal Affairs), Shareholder Agreement, Constitution, and Statement of Expectations. A Board of Directors was appointed. Councils are now required to deliver on this Water Services Delivery Plan, operationalising lawai.
6. Significant effort is underway within both councils to achieve this. In August 2025, councils requested that staff report back by November 2025 with a “Road Map” through to 1 July 2026. This report responds to that request.

Report

7. The establishment of lawai and the seamless transfer of water service delivery from councils to lawai on 1 July 2026, is a central government expectation, and a priority for Hamilton City Council and Waikato District Council.
8. With the decision in place, work is now underway to prepare for 1 July 2026. Getting this right is key. It cannot be done by any one of the shareholder partners or lawai alone. It relies on coordinated efforts, strong relationships, and ongoing support from across the businesses to achieve success.
9. This paper sets out the “Road Map” - including key milestones that need to be completed by shareholder councils and lawai through to 1 July 2026. It shows how lawai is working to respond to the Statement of Expectations– including a focus on turbo charging renewals, responding to growth, and making water services more affordable over the longer term.
10. Work is overseen by the council-and Waikato Tainui appointed lawai Establishment Board and a small programme team.

Road Map

Developing a Water Services Strategy that makes the right investments at the right time, and shifts the dial on the finances

11. lawai must develop, consult on, and approve a Water Services Strategy by 1 July 2026.
12. The initial Water Services Delivery Plan (WSDP) was a proof of concept—but in developing the Water Services Strategy, the Establishment Board is working through how lawai can deliver differently and respond to key challenges across our region, in line with the shareholders’ Statement of Expectations.

13. lawai will be able to make inroads into the infrastructure deficit. lawai can scale up renewals delivery across the region through a strategic approach to procurement across a larger programme than we would have as individual councils. It will be better positioned to manage cross-boundary growth – and use debt headroom to fund future growth today, with those generations that will use this infrastructure in the future paying for it.
14. However, the investment set out in the Water Services Delivery Plan was substantial (forecast at \$3.66 billion), as were the average charge increases (22% in 2026/27).
15. The Establishment Board is laser-focused on how we can do things differently to make the critical infrastructure investments required, deliver efficiencies and make services more affordable for communities.
16. Rebuilding the budget from the bottom-up – examining the capital programme (including realistic deliverability) and aligning revenue with activities – is a significant undertaking over the coming months.
17. The Board is exploring levers such as growth paying for growth, partnerships with the private sector, rolling out water meters across Hamilton City (in line with central government expectations), and taking a fairer approach to funding assets with very long lifespans by using debt more appropriately – so today’s ratepayers don’t bear the full cost of assets that future generations will use.
18. lawai’s budget, including proposed charges, will be presented in the first draft of the Water Services Strategy, due to the councils by 1 March 2026 for feedback. Informal engagement on key issues will take place ahead of this.
19. The Board is committed to smoothing abrupt increases in charging as it rolls out a new pricing pathway, and to aligning costs with charges across key activities.
20. The focus of lawai’s first WSS is on smooth transition. Shortly after the adoption of 2026-2036 WSS, lawai will begin developing the 2027-2037 WSS to align with the shareholding Councils’ 2027-2037 long term plans, and to further integrate the water and wastewater programmes of HCC and WDC.
21. This second WSS will reflect considerable further work on major projects, the roll out of water metering, intended changes to water charges over time to reflect the move away from charges based on capital value to volumetric charging reflecting actual water use, and more refined long-term efficiencies and savings.

Getting the right people in place for lawai operations

22. Peter Winder has been appointed lawai’s Chief Executive. He will commence on 12 January 2026. He brings continuity to lawai, having been at the heart of this reform work for the past two years. His understanding of the challenges, opportunities and relationships involved is unmatched – and that makes him the ideal person to lead us forward as we move from establishment to delivery.
23. As CE, Peter will be responsible for finalising the organisation’s design and recruiting people into key roles.
24. Recruitment is underway for a Chief Financial Officer—critical to advancing lawai’s financial strategy—and a Māori Partnerships lead to meet councils’ expectations for a strong relationship with Waikato Tainui and hapū.
25. Additional key roles will be recruited throughout 2026, ahead of the 1 July start of operations.
26. Under legislation, council Chief Executives are responsible for transferring water staff to lawai. A change process is now underway, and affected staff have been notified. The goal is to ensure that valued water-related skills, knowledge, and experience are transferred to the new entity

with minimal disruption, while non-water activities remaining within councils are set up for success.

27. Concurrent change processes within councils are required.
28. It is critical that the transition is safe, people-centred, well-managed, and legally compliant. The intention is to run transparent, fair, and reasonable change processes.
29. The establishment of Iwairangi involves staff from Hamilton City Council, Waikato District Council, and Watercare Waikato. However, Watercare Waikato employees will be transferred to Iwairangi through the process outlined in Watercare's contract with Waikato District, which ends in 2028.

Approving Shared Services and Partnership Agreements

30. Shared services are back-office functions (for example finance, human resources, digital services, fleet, facilities, growth and analytics that will support Iwairangi operations for a period of time (up to 5 years).
31. Delivering these functions via shared services ensures continuity, avoids large establishment costs, and reduces future stranded overhead for councils.
32. Iwairangi will operate within a collaboratively developed and agreed shared services and partnership framework. Work is underway to define the scope of services, the associated costs, and the terms under which Iwairangi will pay councils for these services. As part of the framework, partnership agreements are being developed to outline the working relationship between Iwairangi and the Councils. Council CEOs will be responsible for approving this agreement.

Defining and contracting the stormwater services Iwairangi will deliver to Councils

33. There is a lot of grey area between what is transport, parks and water services when it comes to stormwater. With the Local Government (Water Services) Act redefining stormwater and requiring that costs and revenue for stormwater are ringfenced, and with Iwairangi delivering stormwater as a shared service to both shareholding councils, work is underway to align the three organisations with respect to the definition and delivery of stormwater.
34. Work is underway to define what is the stormwater service, which organisation is responsible for delivering the various functions of the stormwater service and develop an agreement for the delivery of the stormwater service between Iwairangi and the councils.

Transfer Agreement

35. A formal Transfer Agreement is a fundamental part of the establishment of Iwairangi, and is being developed for Iwairangi and Councils approval.
36. The Agreement will include the legal transfer of the respective Water Services Infrastructure and all related resources (including all such employees, rights, contracts, agreements, consents, permits, designations, land, access, licenses, water allocations, customer data and financial information as are necessary to provide the Water Services) to Iwairangi. It also provides the legal basis for the transfer of staff from councils to Iwairangi using the transfer provisions of the Local Government (Water Services Act).
37. Key principles are being worked through to identify how and what stays with councils vs what is transferred to Iwairangi. In general, the approach is that assets (land, buildings, vehicles, plant/machinery) solely related to waters are transferred to Iwairangi, whereas a more considered approach is taken to assets that have multiple uses. Care will be taken around novation of contracts and agreements to ensure that we avoid any renegotiation of these with negative impact (for example the Infrastructure Acceleration Fund).
38. There are a range of complex issues to be resolved in relation to the transfer of land that is held under the Reserves Act, but used exclusively for waters purposes. Legal advice is being sought to ensure that the most straight forward approach to transfer can be found.

39. Rather than unwind existing council borrowing from LGFA (with associated break costs) existing waters related council debt will be translated into back to back lending from the two councils to Iwairangi. As existing councils loans mature they will be replaced by Iwairangi borrowing directly from the LGFA. This will happen over a number of years.
40. The Transfer Agreement will come to councils in February 2026 for approval. A more detailed briefing will be provided ahead of that session.

Ensuring readiness for operations

41. Ensuring operational readiness is critical to a safe and seamless transition that does not disrupt operations or services to the public. This includes making sure that all systems, processes, policies and people are in place and functioning from day one. While many of these tasks may seem minor in isolation, such as payroll setup, IT access, finance systems, and customer service protocols, collectively, they are critical – and resource intensive.
42. Examples include ensuring:
 - Health and safety systems and operations are in place, effective and operational.
 - Staff have access to the right tools, systems, and support from day one.
 - Core business functions such as billing, payroll, finance, HR, and IT are fully operational.
 - Civil defence and emergency management protocols, escalation pathways and contingency plans for any early-stage issues.
 - All operational systems remain fully functional
 - All novated contracts are set up, that contractors can be paid and no services interrupted.
 - All necessary office space, vehicles and tools of trade are set up and ready to go.
 - All necessary organisation management policies are in place.
43. These efforts are being coordinated by the programme team in close collaboration with council staff, Watercare Waikato, and the Iwairangi Establishment Board. Progress will be monitored regularly to ensure that no critical item is overlooked and that Iwairangi is fully prepared to deliver water services seamlessly from its first day of operation.
44. Work is progressing to develop a plan to review and implement the changes arising from Local Government (Water Services) and Local Government (Water Services) (Repeals and Amendment) Acts and the establishment of Iwairangi as it relates to waters related Bylaws, Policies, Plans, and Organisation Management Policies (including related officer delegations, compliance & enforcement requirements, and new regulatory requirements).

Fit for purpose digital platform

45. While a fully integrated digital platform is not required by 1 July 2026, the long lead time for implementation means that work is already underway to explore viable options.
46. Currently, Waikato District Council operates on Watercare's Infor platform—widely regarded as the best available in New Zealand, though it has limitations. Watercare have advised the WDC contract will end by 30 June 2028. Hamilton's platform is not considered fit for purpose.
47. Iwairangi is actively collaborating with Tauranga City Council and Western Bay of Plenty District Council, and engaging with DIA and other council groupings to identify a common digital solution. The Board aims to have an agreement in place during the 2025/26 period to support regional alignment and coordinated delivery.
48. Once implemented, a shared services model becomes a genuine opportunity, with the potential to deliver capital efficiencies and improved service outcomes.

Shareholder oversight and appointing remaining Board members

49. Iwāi is a Council-Controlled Organisation (CCO), and its governance is ultimately shaped by Shareholders. It is up to Shareholders to determine the level and nature of oversight they wish to exercise over Iwāi, both during establishment and once operational.
50. Shareholder oversight is currently exercised through the Iwāi Forum, a joint forum of elected members from both councils alongside Waikato Tainui. This forum plays a critical role in guiding the direction of Iwāi during its establishment phase. It is responsible for appointing the remaining Board members, approving the Statement of Expectations, and providing strategic input on key decisions that will shape the company's future.
51. The Iwāi Forum is expected to meet in December to progress these responsibilities. Iwāi will report to the Forum every two months, providing updates on establishment, operational readiness, and risk management, through to the go-live date of 1 July 2026.
52. While Iwāi will be subject to regulatory oversight by the Commerce Commission, once operational, Shareholders retain a vital role in ensuring the organisation delivers in line with their expectations. This includes monitoring affordability, service quality, environmental outcomes, and the strength of partnerships with iwi and hapū.
53. Councillors are encouraged to consider how best to maintain effective oversight and influence, particularly following 1 July 2026. Further material will be provided to the Forum outlining governance options and mechanisms for ongoing engagement.
54. Remaining Board members (total Board size 5 – 7) will also need to be in place by 1 July 2026. A process will begin with the Iwāi Forum early in the new year to give time for recruitment.

Proposed upcoming meetings

55. Proposed upcoming meetings to work through this material in detail include:
 - December: Meeting of Iwāi Forum (TBC)
 - January: Briefing to Shareholder Councils on the Transfer Agreement
 - February: Briefing to Shareholder Councils on the Water Services Strategy (including forecast financials)
 - February Council Meeting: Approval of Transfer Agreement
 - By 1 March: Iwāi to submit Draft Water Services Strategy for Council's formal consideration
 - March: Meeting of Iwāi Forum to commence Board Recruitment Process
 - March/April: Public Consultation on Water Services Strategy

ENDS

Attachment 2: Go Live Tracker

Establish IAWAI Go Live Checklist and Tracker

Date: 2/12/2025

Version: 9

Workstream	Area	Deliverable	Report to Board?	Status	Traffic Lights		Planned Date:	Deadline	Waiting on:	Governance				Management		
					IAWAI	Forum				HCC	WDC	IAWAI	HCC	WDC		
Leadership & Governance			Yes							None	None	None	None	None	None	None
Shareholder Governance			Yes							None	None	None	None	None	None	None
		Council Induction	Yes	Completed	On Track	Completed	11/11/2025			Engage	Engage	Engage	Engage	Inform	Inform	Inform
		IAWAI Forum appointments made	Yes	In Progress	On Track	30/11/2025	12/12/2025	Resolution of the HCC regarding members.				Decide	Decide		Engage	Engage
		Responsible staff identified	Yes	Completed	On Track	Completed	17/10/2025							Inform	Decide	Decide
		Secretariat functioning	Yes	In Progress	On Track	30/11/2025	30/11/2025							Engage		Decide
		Governance Reporting and advice framework	Yes	Not Started	On Track	31/03/2026	31/03/2026			Engage	Engage	Decide	Decide	Engage	Engage	Engage
IAWAI Board			Yes							None	None	None	None	None	None	None
		Establishment Board	Yes	Completed	On Track	Completed										
		Day 1 Board	Yes	Dependent	On Track	29/05/2026	29/05/2026	IAWAI Forum		Engage	Decide	Engage	Engage	Engage	Engage	Engage
		Recruiter confirmed	Yes	Not Started	At Risk	30/11/2025	31/01/2026	12 December Shareholder Forum Meeting			Engage			Engage	Decide	Decide
		Skills requirements confirmed	Yes	Not Started	On Track	28/02/2026	28/02/2026			Engage	Decide	Engage	Engage	Engage	Engage	Engage
		Recruitment underway	Yes	Not Started	On Track	28/02/2026	28/02/2026			Inform	Inform	Inform	Inform	Inform	Decide	Decide
		Recruitment complete	Yes	Not Started	On Track	30/04/2026	29/05/2026			Engage	Decide	Engage	Engage	Inform	Inform	Inform
		Induction complete	Yes	Not Started	On Track	30/06/2026	30/06/2026			Engage	Engage	Engage	Engage	Decide	Decide	Decide
		Board governance framework in place (committees)	Yes	Not Started	On Track	30/06/2026	30/06/2026			Decide	Inform	Inform	Inform	Engage	Inform	Inform
CE Appointment			Yes							None	None	None	None	None	None	None
		Recruiter confirmed	Yes	Completed	On Track	Completed				Decide	Inform	Inform	Inform	Inform	Inform	Inform
		Recruitment complete	Yes	Completed	On Track	Completed	31/03/2026			Decide	Inform	Inform	Inform	Inform	Inform	Inform
		Induction	Yes	Not Started	On Track	31/01/2026	31/03/2026			Decide	Inform	Inform	Inform	Inform	Inform	Inform
GM Appointments			Yes							None	None	None	None	None	None	None
		Initial Roles for Recruitment agreed	Yes	Completed	On Track	Completed	10/10/2026			Engage	Inform	Inform	Inform	Decide	Inform	Inform
		Recruitment for initial roles complete	Yes	In Progress	On Track	31/01/2026	31/01/2026			Inform	Inform	Inform	Inform	Decide	Inform	Inform
		Induction for Initial Roles	Yes	Not Started	On Track	28/02/2026	28/02/2026			Inform				Decide		
		Roles as Part of Transfer Complete	Yes	In Progress	On Track	31/03/2026	31/03/2026			Inform				Decide	Decide	Decide
Risk & Assurance			Yes							None	None	None	None	None	None	None
		Risk & Assurance framework in place	Yes	In Progress	On Track	31/03/2026	29/05/2026			Decide	Inform	Inform	Inform	Decide	Inform	Inform
		Risks reviewed	Yes	In Progress	On Track	31/03/2026	29/05/2026			Decide	Inform	Inform	Inform	Decide	Inform	Inform
		Mitigations in place	Yes	In Progress	On Track	31/03/2026	29/05/2026			Decide	Inform	Inform	Inform	Decide	Inform	Inform
		Operating systems & processes risk review	Yes	In Progress	On Track	31/03/2026	29/05/2026			Decide	Inform	Inform	Inform	Decide	Inform	Inform
		Operating systems & processes confirmed good to go	Yes	In Progress	On Track	31/03/2026	29/05/2026			Decide	Inform	Inform	Inform	Decide	Inform	Inform
		Work orders and connections to complaints / service requests etc	Yes	Not Started	On Track	31/03/2026	29/05/2026			Decide	Inform	Inform	Inform	Decide	Inform	Inform
		Watercare interfaces	Yes	Not Started	On Track	31/03/2026	29/05/2026			Decide	Inform	Inform	Inform	Decide	Inform	Inform
People, Health and Safety			Yes													
Staff Transition			Yes													
		People Transition Process agreed	Yes	Completed	On Track	Completed				Inform				Decide	Decide	Decide
		Staff mapping and structure complete	Yes	In Progress	On Track	12/12/2025	12/12/2025			Inform				Decide	Decide	Decide
		Retention Plan Consideration	Yes	In Progress	On Track	1/12/2025	12/12/2025	Resourcing		Inform				Decide	Decide	Decide

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Workstream Area	Deliverable	Report to Board?	Status	Traffic Lights	Planned Date:	Deadline	Waiting on:	Governance				Management		
								IAWAI	Forum	HCC	WDC	IAWAI	HCC	WDC
	Offers made	Yes	Not Started	On Track	13/03/2026	13/03/2026		Inform				Decide	Decide	Decide
	All employment agreements concluded	Yes	Not Started	On Track	31/03/2026	31/03/2026		Inform				Decide	Decide	Decide
	Staff Induction	Yes	Not Started	On Track	1/06/2026	30/06/2026		Inform				Decide	Decide	Decide
	Transfer complete	Yes	Not Started	On Track	30/06/2026	30/06/2026		Inform				Decide	Decide	Decide
	Remuneration Model Framework	Yes	In Progress	On Track	12/12/2025	31/01/2026		Inform				Decide	Decide	Decide
	Employment Brand (org values culture & engagement)	Yes	Not Started	On Track	1/12/2025	31/01/2026		Decide				Decide	Inform	Inform
	Communication & Change Plan Approved	Yes	Completed	On Track	Completed			Inform				Decide	Decide	Decide
	Training - Emergency Management	Yes	Not Started	On Track	29/05/2026	30/06/2026		Inform				Decide	Decide	Decide
	Training - Shared Services	Yes	Not Started	On Track	29/05/2026	30/06/2026		Inform				Decide	Decide	Decide
	Training - Culture	Yes	Not Started	On Track	29/05/2026	30/06/2026		Inform				Decide	Inform	Inform
Health & Safety		Yes						None	None	None	None	None	None	None
	IAWAI Health & Safety policy adopted	Yes	In Progress	On Track	1/03/2026	1/03/2026		Inform				Decide	Inform	Inform
	H&S capability in place	Yes	Not Started	On Track	29/05/2026	30/06/2026		Inform				Decide	Inform	Inform
	H&S systems good to go	Yes	Not Started	On Track	29/05/2026	30/06/2026		Inform				Decide	Inform	Inform
	H&S contractor requirements checked and confirmed	Yes	Not Started	On Track	29/05/2026	30/06/2026		Inform				Decide	Inform	Inform
Shared Service & SLAs		Yes						None	None	None	None	None	None	None
Shared Services		Yes						None	None	None	None	None	None	None
	Shared Services Principles Agreed	Yes	Completed	On Track	Completed			Inform			Inform	Decide	Decide	Decide
	Responsible Managers Confirmed	Yes	Completed	On Track	Completed	17/10/2025							Decide	Decide
Scope & Costs		Yes						None	None	None	None	None	None	None
	Scope and Costs Agreed	Yes	In Progress	On Track	12/12/2025	30/01/2026		Engage				Decide	Decide	Decide
	Stormwater Definition Agreed	Yes	In Progress	On Track	12/12/2025	30/01/2026		Inform			Inform	Decide	Decide	Decide
	Stormwater Service Agreement Added to Shared Service Agreement	Yes	Not Started	On Track	31/03/2026	31/03/2026								
	Processes & Software Systems Requirements Identified	Yes	In Progress	On Track	12/12/2025	12/12/2025		Inform	Inform	Inform	Inform	Decide	Decide	Decide
Agreement		Yes	In Progress	At Risk				None	None	None	None	None	None	None
	Shared Services Agreement	Yes	In Progress	On Track	31/03/2026	31/03/2026		Engage	Inform	Inform	Inform	Decide	Decide	Decide
	Relationship Agreement	Yes	In Progress	On Track	31/03/2026	31/03/2026		Engage	Inform	Inform	Inform	Decide	Decide	Decide
Emergency Management		Yes	Not Started	On Track	30/04/2026	30/05/2026		Inform	Inform	Inform	Inform	None	None	None
Digital & Operating Systems		Yes						None	None	None	None	None	None	None
	Shared Service Systems	Yes	In Progress	On Track	31/05/2026	30/06/2026		Inform	Inform	Inform	Inform			
	Day 1 HRIS & Payroll	Yes	In Progress	On Track	30/04/2026	30/06/2026		Inform				Decide	Decide	Decide
	Select Day 1 Payroll & HRIS Solution	Yes	Completed	On Track	Completed	30/06/2026		Inform				Decide	Decide	Decide
	Day 1 Payroll systems dev complete	Yes	In Progress	On Track	31/03/2026	31/03/2026		Inform				Decide	Decide	Inform
	Day 1 Payroll - Staff loaded, tested & ready to go	Yes	Not Started	On Track	30/04/2026	30/06/2026		Inform				Decide	Decide	Inform
	Day 1 Financial Systems	Yes	In Progress	On Track	31/05/2026	30/06/2026		Inform				Decide	Decide	Inform
	Day 1 Billing Systems	Yes	In Progress	On Track	31/05/2026	30/06/2026		Inform				Decide	Decide	Inform
	Billing Systems Testing Complete & Ready	Yes	In Progress	On Track	31/05/2026	30/06/2026		Inform	Inform	Inform	Inform	Decide	Decide	Decide
	Asset management systems	Yes	Not Started	On Track	31/05/2026	30/06/2026						Decide	Decide	Inform
	IAWAI Health and Safety Systems Operational	Yes	Not Started	On Track	31/05/2026	30/06/2026		Inform				Decide	Engage	Engage
	Security	Yes	Not Started	On Track	31/05/2026	30/06/2026		Inform				Decide	Engage	Engage

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Workstream Area	Deliverable	Report to Board?	Status	Traffic Lights	Planned Date:	Deadline	Waiting on:	Governance				Management		
								IAWAI	Forum	HCC	WDC	IAWAI	HCC	WDC
	IAWAI Cyber security strategy	Yes	In Progress	On Track	12/12/2025	31/01/2026		Inform				Decide	Engage	Engage
	Control Environment Testing	Yes	Not Started	On Track	1/03/2026	30/06/2026		Inform				Decide	Engage	Engage
	IAWAI Data Management Plan	Yes	Not Started	On Track	12/12/2025	31/01/2026		Inform				Decide	Engage	Engage
	Data migration / Access completed	Yes	Not Started	On Track	31/05/2026	30/06/2026		Inform				Decide	Engage	Engage
	Core platform (Azure)	Yes	In Progress	On Track	15/04/2026	30/04/2026		Inform						
Legal & Contracts		Yes						None	None	None	None	None	None	None
Transfer Agreement		Yes						None	None	None	None	None	None	None
	Principles of Transfer	Yes	Completed	At Risk	12/09/2025	30/11/2025	Land problematic	Engage	Inform	Inform	Inform	Decide	Decide	Decide
	Framework of Transfer Agreement Agreed	Yes	In Progress	On Track	12/12/2025	12/12/2025		Engage	Engage	Engage	Engage	Decide	Decide	Decide
	Register of matters to Transfer	Yes	In Progress	At Risk	31/01/2026	31/01/2026		Inform				Decide	Decide	Decide
	Asset Valuation Agreed and Resolved	Yes	Completed	On Track	Completed	12/12/2026		Decide	Engage	Engage	Engage	Decide	Decide	Decide
	Valuation of Debt to Transfer Agreed	Yes	In Progress	On Track	12/12/2025	31/01/2026		Decide	Engage	Engage	Engage	Decide	Decide	Decide
	Debt transfer structure agreed	Yes	In Progress	On Track	12/12/2025	31/01/2026		Decide	Engage	Engage	Engage	Decide	Decide	Decide
	Board consideration of Transfer Agreement	Yes	Not Started	On Track	13/02/2026	28/02/2026		Decide	Engage			Engage	Engage	Engage
	Councils approval of Transfer Agreement	Yes	Not Started	On Track	28/02/2026	13/03/2026		Engage	Engage	Decide	Decide	Engage	Engage	Engage
	All matters ready for transfer	Yes	Not Started	On Track	29/05/2026	29/05/2026		Inform				Decide	Decide	Decide
	Transfer executed / complete	Yes	Not Started	On Track	30/06/2026	30/06/2026		Inform	Inform	Inform	Inform	Decide	Decide	Decide
Bylaws		Yes	In Progress					None	None	None	None	None	None	None
	Implementation Plan	Yes	Completed	On Track	23/12/2025	23/12/2025		Inform		Inform	Inform	Decide	Decide	Decide
	Possible Council & IAWAI Decisions re pathway	Yes	Completed	On Track	23/12/2025	28/02/2026		Decide	Engage	Decide	Decide	Engage	Engage	Engage
Policy and Procedures		Yes	In Progress					None	None	None	None	None	None	None
Finance		Yes						None	None	None	None	None	None	None
Financial Systems		Yes						None	None	None	None	None	None	None
	LGFA membership confirmed	Yes	In Progress	On Track	1/04/2026	1/05/2026		Decide	Inform	Inform	Inform	Engage	Engage	Engage
	Working capital resolved / in place	Yes	Not Started	On Track	1/05/2026	31/05/2026		Decide				Decide	Engage	Engage
	Treasury management advice in place	Yes	Completed	On Track	Completed			Inform				Inform	Decide	Decide
	Financial reporting requirements	Yes	In Progress	At Risk	1/12/2025	31/01/2026	Resourcing	Decide				Decide	Engage	Engage
	Revenue collection & policies	Yes	In Progress	At Risk	1/12/2025	31/01/2026	Meeting with Civica to initiate systems work around billing.	Decide				Decide	Engage	Engage
Financial Systems - Billing		Yes						None	Inform	Inform	Inform	None	None	None
	Set up Billing for proposed water charges	Yes	In Progress	On Track	30/05/2026	30/06/2026		Inform				Decide	Engage	Engage
	Invoicing for services / consents etc. and revenue handling in place	Yes	Not Started	On Track	31/05/2026	30/06/2026		Inform				Decide	Engage	Engage
Financial Model		Yes						None	None	None	None	None	None	None
	Bottom up financial model	Yes	Completed	On Track	Completed	31/10/2025	Comfort with valuation figures, shared services & overhead allocation.	Inform				Decide	Decide	Decide
	Budget for 2026/27	Yes	In Progress	On Track	28/02/2026	30/06/2026	Capital programme V2, Digital budget, Confirmation of staff costs	Decide	Engage	Engage	Engage	Decide	Engage	Engage
Comms, Consultation & Customer		Yes						None	None	None	None	None	None	None
	Brand	Yes	Completed	On Track	Completed	12/12/2025		Decide	Inform	Inform	Inform	Decide	Inform	Inform
	WSS Consultation and engagement strategy	Yes	In Progress	On Track	12/12/2025	31/01/2026		Decide	Inform	Inform	Inform	Decide	Engage	Engage
	Customer service plan	Yes	Not Started	On Track	12/12/2025	31/01/2026		Inform				Decide	Engage	Engage
	Complaints policy & process updated & operational	Yes	Not Started	On Track	30/05/2026	30/06/2026		Inform				Decide	Engage	Engage
	Crisis communication plan	Yes	In Progress	On Track	2/02/2026	30/04/2026		Inform				Decide	Engage	Engage

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Attachment 3 Key Risks

Risk	Controls (Implemented)	Planned Treatment	Actions implemented this period
Pace and capacity impacting operations There is a risk due to the scale of changes and lack of resource and time to deliver, roles and operating procedures are not well defined or understood creating impacts on future Iawai operations.	<ul style="list-style-type: none"> - Make minimum changes to existing functions - Extend and novate the Watercare contract to 30 June 28 	<ul style="list-style-type: none"> - Resource to review PDs for roles that are changing - Resource to review operating procedures, focusing on those that cut across boundary between Councils and CCO - Roll out messaging to reaffirm no change unless advised otherwise, train staff impacted by changes - Resource to implement changes to digital and operating technology and manage associated change for people 	<ul style="list-style-type: none"> - Targeted Communications across multiple channels to ensure that staff feel supported and aware of how the change impacts them. This includes drop-in sessions as well as email address to capture any queries. - At HCC, GM I and A has held 'leadership through change' workshops every month with the leaders providing them with tools for change and change team in place. - Currently reviewing current PDs to assess the extent of the work required to update all the IAWAI PDs - Roll out joint messages from HCC and WDC Chief Executives.
Wellbeing Due to the speed and scale change there is an increased risk to health for impacted staff.	<ul style="list-style-type: none"> - CEs reinforce messages to Elected Members regarding minimising expectations from staff - CEs reinforce messages to staff regarding prioritising work and escalating health issues - Psychological Safety training - Identify roles requiring backfill - Detailed resource plan and plan for recruitment for project - Resist changes that are not essential - MVP approach especially re: digital, and Watercare" 	<ul style="list-style-type: none"> - Active management of workload and expectations 	<ul style="list-style-type: none"> - Regular catch ups with key people to assess workload and resources needed. - "Check in" conversations with People Leaders around their people and whether any supplementary resourcing needed
Financial Sustainability The impact the bottom up financial modelling might have on the budget. Likely political pressure to significantly limit increases in water charges either impacting the relationship with elected members and/or pathway to financial sustainability	<ul style="list-style-type: none"> - Agreed to jointly value assets with independent review - Deferred Hamilton asset revaluation, enabling WSDP to be completed - Time the valuation to inform the WSS - Met new elected members to bring them up to speed on conflicting objectives (and dependency of success on relationship between parties). 	<ul style="list-style-type: none"> - Agree asset revaluation approach with both Councils - Address any impact through the WSS and any revenue pathway optimisation - optimise timing of capital works programme - resolve funding depreciation vs funding renewals - seeking cost savings and revenue pathway that works 	<ul style="list-style-type: none"> - Asset valuation scenarios have been financially modelled to understand the scale of the challenge while the valuation work continues. The valuation result is included in the Water Services Strategy. Interim valuation results provided in Sept, Oct and a further valuation received in Nov 25.
There is a risk that the stormwater reviews by the shareholders do not result in a financially sustainable solution by the 1 July 2028 deadline. This may result in an intervention by the Commerce Commission.	<ul style="list-style-type: none"> - 	<ul style="list-style-type: none"> - WDC and HCC to complete stormwater reviews 	<ul style="list-style-type: none"> - Workshops underway regarding what is stormwater services and what is parks, transport etc.

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Risk	Controls (Implemented)	Planned Treatment	Actions implemented this period
Poor Level of Service delivered by Shared Services There is a risk that due to complexity, competing priorities, poor scope definition, Councils are unable to provide the level of service that the CCO requires which may lead to significant operational challenges and or compromise financial and asset management and/or failure to realise benefits.	<ul style="list-style-type: none"> - Project plan and extensive work to develop scope and resourcing requirements with SMEs - Project management framework to ensure effective governance and oversight of progress - Reporting framework that will enable early intervention - CE reinforce priority to be given to the programme - Workshops to define shared services focussed on existing ways of working 	<ul style="list-style-type: none"> - Define levels of service and KPIs - Complete shared services agreement - Culture change plan to programme to support service delivery - Complete changes to authority and IPS to support financial and asset management 	<ul style="list-style-type: none"> - Collaboration with SMEs and Managers: Worked with subject matter experts and relevant managers to develop and review shared services and partnership agreement schedules, ensuring clarity of scope and responsibilities. Majority of shared services and partnership schedules have now been shared with relevant senior managers for review. - Implementation Planning: Developing a forward-looking plan for deliverables over the next six months to provide structure and inform next steps. - Systems Review: Identified systems requiring further work on licensing and access requirements to reduce operational bottlenecks and ensure readiness. - Stakeholder Engagement: Met with HCC and WDC Shared Service representatives to discuss progress and agree next steps, strengthening alignment and shared accountability.
Revenue Risk Due to complexities associated with moving from rates to water charges and diminished powers relating to unpaid charges, the CCO is unable to collect the water revenue that it requires or expects or customers refuse to pay charges. <i>Complexities around revenue processes require significant time to work through and the required decisions may delay confirmation of the scope of system changes.</i>	<ul style="list-style-type: none"> - Community consultation and engagement processes on proposals. Reiterated that costs will go up irrespective of the model for delivery. - Model for delivery selected on the basis of option which can minimise impact on ratepayers - Delivery of Value of Water and What's Next for Water campaigns - Resource in the project for community engagement on water services strategy and water charges 	<ul style="list-style-type: none"> - Resource for engagement with major customers - Resource for introducing the CCO and building awareness - Review development contributions policy and charges for major water users - Optimise capital works programme and the timing of investment - Identify and secure operational efficiencies and savings - Optimise revenue pathway - Agree approach to allocating part payment of rates/water charges 	<ul style="list-style-type: none"> - Continuing work on development contributions and revenue pathways. - Tax advice has been received on revenue collection. - Bank confirmed existing direct debits may be used by customers to pay IAWAI water charges. - Currently, engaging with supplier around software changes required to ensure IAWAI can invoice and receive income from Day 1.
Programme Leadership Individuals in key programme roles may change resulting in negative impacts on quality or timeliness arising from lack of knowledge of historic decisions, identified interdependencies, change in strengths or loss in capacity during handover.	<ul style="list-style-type: none"> - None. Newly identified. 	<ul style="list-style-type: none"> - consider contracting external suppliers for the duration of the work. - accept the risk 	<ul style="list-style-type: none"> - Gavin Ion appointed Programme Director with Peter Winder's change of role. Handover activities underway.

Attachment 4: Background

1. The following content has not been updated and is provided for members of the public unfamiliar with the programme.
2. Ahead of 1 July 2026, there is a significant amount of work to prepare for the transfer, while also setting lawai up with a long-term strategy. Within this, there are two, separate but connected, sets of work that need to be completed.
 - a. The work of lawai – the company and its long-term strategy; and
 - b. The Establish lawai work programme, working with Hamilton City Council, Waikato District Council and Watercare to enable the successful transfer of people, assets, liabilities and shared services arrangements from 1 July 2026.
3. The Establish lawai programme:
 - a. Is focused on the safe transition (not transformation) required by 1 July 2026,
 - b. relies on existing services as far as reasonably practical and,
 - c. is governed by a steering group comprising the Chief Executives of Waikato District, Hamilton City Council and lawai – Flowing Waters.
4. Eight workstreams are responsible for delivering on this programme, overseen by a Programme Director.
5. Workstreams within the programme will ensure the following activities are completed by 1 July 2026:
 - a. The valuation of all water and wastewater assets, including relevant land
 - b. The identification of all waters related debt
 - c. The transfer of relevant staff
 - d. Ensuring an effective management and operating structure for on-going council functions around assets and infrastructure
 - e. The novation or transfer of obligations associated with all relevant council contracts and undertakings, including obligations under development agreements
 - f. The transfer of relevant consents, easements and access rights
 - g. Ensuring that both councils are set up to be effective shareholders and exercise effective oversight of lawai through the lawai-Flowing Waters Forum
 - h. The novation of the Watercare contract to the lawai
 - i. The scope of stormwater services to be provided and the terms of a contract for service, and the review required to meet financial sustainability for councils
 - j. The establishment of shared services to support the lawai
 - k. The establishment of services that lawai will provide to both councils (including input to consent applications, district plans, etc.)
 - l. The establishment of the framework for Councils to bill on behalf of lawai
 - m. The continued safe and compliant operation of water services
 - n. The safety of all staff

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- o. All other matters needed to complete the establishment of IAWAI.
- p. Any changes following finalisation of Local Government (Water Services) Bill – and other connected legislation.
- q. Establishing systems to ensure the safe transfer of operations on 1 July 2026:
 - o Finance systems
 - o Digital and operational technology and systems
- r. Shared services arrangements and service level agreements between councils and CCO.

Board meeting 18 December 2025

Public session

Confirmation that lawai meets requirements as a Water Organisation

Prepared and recommended by: IAWAI Director Governance - Natasha Yarrall

Approved by: Programme Director – Gavin Ion

Recommendation(s)

1. That the Board:
 - a. **Notes** that lawai complies with the requirements set out in Clause 8 of Schedule 1 of the Local Government (Water Services) Act as a water's organisation.
 - b. **Adopt this paper** as the formal document required under Clause 8 of Schedule 1 in order for lawai to continue to be taken as a water's organisation.

Key points

2. The Local Government (Water Services) Act sets out that to continue to be a water organisation after 6 months of establishment, the Board of Directors must adopt a document that confirms that the organisation complies with a series of requirements.
3. Requirements include the incorporation of lawai under the Companies Act, it's role as a water organisation, and the competency-based appointments of a Board of Directors.
4. Staff confirm that lawai meets these requirements:
 - a. lawai was incorporated under the Companies Act 1993 on 26 June 2025 (Attachment 1).
 - b. The foundation documents (Shareholder Agreement and Constitution) set out lawai's joint ownership by Hamilton City Council and Waikato District Council, shareholding, and its role as a water services provider.
 - c. These documents also set out the process for appointment of a Board of Directors, including the mix of skills, knowledge and experience to perform the role.
 - d. There is an Establishment Board of Directors in place. Directors were appointed through competency-based process, in line with the foundation documents. Remaining Board Members will be appointed by the lawai Forum (in line with the process set out in the foundation documents).
 - e. While Kevin Lavery was appointed Executive Chair for the first six months, lawai's Chief Executive, Peter Winder, will commence his role on 5 January 2025, to ensure that the Board is independent of the organisation.

Background

5. The Local Government (Water Services) Act, Clause 8 of Schedule 1, sets out that to continue to be taken to be a water organisation after 6 months of establishment, the Board of Directors must adopt a document that confirms that the organisation complies with the following requirements:

- a. the requirement that a water organisation be a company, as set out in [section 45\(1\)](#) (unless exempted under [section 66](#)):
- b. the ownership requirements for water organisations set out in [section 45\(2\)\(a\), \(b\), or \(c\)](#) (unless exempted under [section 66](#)):
- c. the role requirement set out in [section 46](#) (unless exempted under [section 66](#)):
- d. the applicable requirements of board directors set out in [section 48](#).

Report

- 6. Table 1, below, sets out the requirements to continue to be taken as a waters organisation.
- 7. In June 2026, shareholder councils approved founding documents including a Constitution and Shareholders Agreement to support lawai to meet applicable requirements.
- 8. These documents set out the ownership, responsibility, process for appointment (and removal) of a Board of Directors and oversight mechanisms of shareholders.
- 9. Competency based appointments were made for an initial establishment Board of Directors, based on the mix of skills set out in foundation documents.
- 10. Kevin Lavery was appointed as the Executive Chair of the Board for 6 months, while a Chief Executive was recruited. With Peter Winder appointed as Chief Executive, Kevin Lavery will resume his role as Chair from January 2025.
- 11. As per the table, lawai meets the requirements.

Table 1

Requirement:

Check

Section 45: Nature and ownership of water organisation

- 1. A water organisation established under section 44 must be—
 - a. a company incorporated under the Companies Act 1993 that has the ownership structure set out in subsection (2); or ☒
 - b. if the territorial authority establishing the water organisation receives an exemption of the kind described in section 64(2), a different kind of person or body with that N/A ownership structure.
- 2. A water organisation must be wholly owned by—
 - a. 1 or more local authorities; or ☒
 - b. 1 or more local authorities and the trustees of 1 or more consumer trusts; or N/A
 - c. the trustees of 1 or more consumer trusts. N/A
- 3. Shares in a water organisation do not provide the shareholder with any right, title, or interest in the assets or liabilities of the water organisation other than any right, title, or interest ☒ specified in the organisation's foundation documents.
- 4. Trustees that hold shares in a water organisation may only transfer those shares to a local authority or the trustees of another consumer trust. N/A

Section 46: Limited role of water organisation

Requirement:	Check
---------------------	--------------

- | | |
|--|-------------------------------------|
| 1. A water organisation must not do anything other than— | |
| a. provide water services in accordance with this Act; or | N/A |
| b. provide services that are related to, or necessary for, providing water services (for example, the management or maintenance of water services networks). | <input checked="" type="checkbox"/> |

Section 48: Board directors

- | | |
|--|-------------------------------------|
| 1. A director of a water organisation must be appointed on the basis of their competency to perform the role. | <input checked="" type="checkbox"/> |
| 2. The directors of a water organisation must collectively have an appropriate mix of skills, knowledge, and experience in relation to providing water services. | <input checked="" type="checkbox"/> |
| 3. A person is not able to be appointed as a director of a water organisation if the person is— | |
| a. an elected member of a territorial authority that is a shareholder in the water organisation; or | <input checked="" type="checkbox"/> |
| b. an employee of a territorial authority that is a shareholder in the water organisation; or | <input checked="" type="checkbox"/> |
| c. an employee of any other shareholder in the water organisation; or | <input checked="" type="checkbox"/> |
| d. an employee of the water organisation. | <input checked="" type="checkbox"/> |
| 4. Subsection (3) does not apply if the water organisation is wholly owned by the trustees of 1 or more consumer trusts. | |
| 5. This section applies in addition to sections 150 to 159 of the Companies Act 1993. | <input checked="" type="checkbox"/> |

LGA 2002 application if organisation is council-controlled organisation

- | | |
|--|-----|
| 6. The following provisions of the LGA 2002 do not apply if the water organisation is a council-controlled organisation: | |
| a. section 57 (appointment of directors): | N/A |
| b. section 58 (role of directors of council-controlled organisations): | N/A |
| c. section 59 (principal objective of council-controlled organisation): | N/A |
| d. section 60 (decisions relating to operation of council-controlled organisations). | N/A |

12. Staff consider the decisions in this report have low significance and that the recommendations comply with the lawai's legal requirements.



Certificate of Incorporation

IAWAI – FLOWING WATERS LIMITED

9352435

NZBN: 9429052941016

This is to certify that IAWAI – FLOWING WATERS LIMITED was incorporated under the Companies Act 1993 on the 26th day of June 2025.

A stylized, handwritten signature in black ink, consisting of several loops and a long horizontal stroke.

Registrar of Companies
26th day of June 2025



Board meeting 18 December 2025

Public session

Water Services Strategy Progress Update

Recommendation - *Tuutohu*

1. That the Board:
 - a. Receive the update on the Water Services Strategy 2026-2036.

Executive Summary - *Whakaraapopototanga matua*

2. The Water Services Strategy (WSS) is the ten-year plan that sets out how Iwairangi will meet legal requirements, including setting charges. Iwairangi must develop, consult on, and approve a Water Services Strategy by 1 July 2026.
3. The Board has been focused on developing a Water Services strategy, in line with shareholder expectations, that delivers:
 - a. A savings programme to reduce the projected 22% average increase in water charges.
 - b. A safe transition, joined at the hip with councils and Waikato Tainui to deliver on shared expectations.
 - c. A big focus on enlarging and accelerating the renewals programme.
 - d. Moving closer to growth paying for growth.
 - e. Eliminating the under-recovery of costs.
 - f. Progressing water metering with care.
 - g. Smoothing charge increases to give people and organisations time to adjust.
 - h. Certainty for staff to minimise the risk of losing talented people.
 - i. Long-term and cost-effective partnerships with the private sector.
 - j. Fit for purpose digital platform adopted for implementation in 2027/28 – 2028/29.
4. Executive Chair, Kevin Lavery, met with the Iwairangi Forum on 12 December to discuss the Board's focus. The Forum was broadly supportive, particularly for the focus on affordability.
5. Financial modelling for Iwairangi's capital and operational expenditure is underway, informed by an assessment of the capital works programme for deliverability and affordability.
6. The draft for approval will be submitted to the Board in February 2026. After that, the draft will be formally shared with shareholding councils and Waikato-Tainui by 1 March 2026 for feedback. Formal public consultation will follow in March–April 2026.

Background

7. The WSS is required under the Local Government (Water Services) Act (LG(WS)A). It sets out how Iwairangi will meet Government requirements for water services, including ensuring adequate investment, revenue, and debt capacity to address growth, renewals, and servicing needs in Hamilton City and Waikato District.
8. The WSS is Iwairangi's primary strategic, financial, and infrastructure planning and accountability document. It is informed by legislation, shareholder and partner Statement of Expectations, and regulatory mandates for water providers.

9. Iwairangi must adopt the WSS before the start of the 2026/2027 fiscal year. A draft will be provided to shareholding councils for feedback by 1 March 2026 (or a mutually agreed date), followed by formal public consultation. Although public consultation is not a requirement of LG(WS)A it is a requirement of the Statement of Expectations.
10. The first WSS is effectively a one-year plan. A second WSS, aligned to the council's Long-Term Plans for 2027-2037 will follow.

Discussion

11. The WSS will introduce Iwairangi and the WSS to the public. It will focus on how Iwairangi can deliver differently and respond to key challenges across our region, in line with the shareholders' Statement of Expectations.
12. The WSS will signal the major challenges facing Iwairangi including:
 - Servicing the growth needs of the councils.
 - Addressing a significant infrastructure deficit.
 - Meeting environmental obligations and discharge compliance requirements.
 - Overcoming servicing constraints across the subregion.
 - Building infrastructure resilience.
 - Keeping services affordable.
 - Achieving financial sustainability.
 - Integrating staff, systems, processes, strategies, and policies from two councils.
13. The Board is focused on reducing the projected 22% average increase in water charges through a comprehensive savings programme. Key strategic considerations include:
 - Capital Programme Optimisation: Right-size projects, defer non-essential capital expenditure, and consolidate projects (e.g., joint Hamilton/Ngaaruawaahia water treatment plant).
 - Renewals and Procurement: Accelerate renewals and modernise procurement via long-term, cost-effective partnerships.
 - Technology and Operations: Use standardised off-the-shelf IT solutions and implement metering for operational savings.
 - Organisational Efficiency: Delay and integrate staffing from the two councils.
 - Financial Measures: Achieve savings programme by 2028/29, eliminate cost under-recovery, ensure growth pays for growth.
 - Customer Impact: Smooth charge increases for gradual adjustment.
 - Funding Approach: Use debt prudently and adopt a longer pathway to financial sustainability.
14. Iwairangi is considering a combined water and wastewater capital investment programme of approximately \$3 billion over the next 10 years, with a significant portion allocated to support growth— this is a major commitment to keep water flowing and improve our taiao (environment).
15. The WSS will highlight that Iwairangi is open for business and seeking commercial partnerships to help deliver for communities. This includes adopting a “growth pays for growth” approach, exploring efficiency opportunities (e.g., bundling designations and consents), and smarter procurement for renewals.

19. The WSS will be supplemented by three policies to be approved by the Iawai Board:

- Significance and Engagement Policy – outlines how Iawai will assess the importance of an issue, proposal, or decision, and how it will involve the public in that process. This will come to Councils for approval.
- Waiver Policy – allows Iawai to reduce or waive water charges under specific circumstances, such as financial hardship.
- Development Contributions Policy – Iawai will adopt relevant water and wastewater provisions from the 2025 policies of the two councils for the 2026/2027 period.

Key risks

16. **Delays in financial modelling impacting WSS timing** - The financial model is being fine-tuned, with the version informing the WSS for consultation expected to be finalised in February. Any delays could affect WSS approval and consultation timeframes. The Finance team is aware of tight timelines.
17. **Delay in government economic regulation guidelines** - The Commerce Commission is developing an information disclosure regime for water service providers. Consultation closed in October 2025, and the Commission must publish its final determination on the disclosure requirements by 26 February 2026. Compliance obligations are expected to have lead-in times, with most requirements not taking effect until 2027. Iawai has already started preparing for this.

Te Tiriti o Waitangi / Te Ture Whaimana o Te Awa o Waikato

18. Te Ture Whaimana o Te Awa o Waikato (Vision and Strategy for the Waikato River) and the health and wellbeing of waterways, waterbodies and the moana is central to Iawai and the WSS.
19. IAWAI honours Te Tiriti o Waitangi and the Treaty Settlements within its area of operation and is committed to Te Ture Whaimana o Te Awa o Waikato in the delivery of water services in a culturally and environmentally responsible way.
20. The commitments made by our shareholding councils to iwi and hapuu through their respective Joint Management Agreements are acknowledged as they include ongoing responsibilities to protect the health and wellbeing of the Waikato awa, waterways and waterbodies.

Consultation and Engagement

21. Building strong relationships with key stakeholders and transparent engagement with all groups is important. Pre-engagement has commenced with elected members, iwi, hapuu and marae, Future Proof, through the Developers Forum, and other key sectors.
22. A full Communication and Engagement Plan will be developed for formal consultation on the Water Services Strategy.

Board meeting 18 December 2025

Public session

Strategic Investment Portfolio

Prepared and recommended by Director Strategic Investment Portfolio - Jackie Colliar

Approved by IAWAI Chief Strategy and Planning – Andrew Parsons

Consulted with Waikato District Council/ Hamilton City Council

Recommendation(s)

1. It is recommended that the Board:
 - a. Receives the report.

Key points

2. **Attachment 1** presents the second Strategic Investment Portfolio report to the Board for projects transferred to IAWAI from 1 July 2025.
3. The report covers the period October to November 2025. Work to better align reporting and improve visibility of risks, benefits, health and safety and financials across the portfolio is ongoing.
4. The Portfolio is at **Amber** status, reflecting targeted financial and delivery challenges in specific major projects while overall progress continues.

Background

5. To realise benefits of IAWAI early, Councils agreed that some major “transformation” projects be transferred to IAWAI in the establishment period (from 1 July 2025 – 1 July 2026).
6. IAWAI has oversight of and is responsible for delivery of the Portfolio but relies on existing people and financial resources from Hamilton City Council and Waikato District Council to continue delivery.
7. This is the second portfolio report on the transferred projects.

Te Tiriti o Waitangi / Te Ture Whaimana o Te Awa o Waikato

8. The capital projects have and continue to be developed in partnership with Iwi and Mana Whenua, in alignment with Te Tiriti, Te Ture Whaimana and Mana Whakahaere as defined in the Waikato Raupatu River Settlement.

Financial Implications

9. There are no financial implications arising from the recommendations in this report.

Consultation

10. Hamilton City Council (Design and Delivery Unit; Plan & Strategy and Programming Unit), Waikato District Council (Keith Martin) and Watercare (Infrastructure Delivery Team) have been consulted in preparing this paper.

Next steps

11. Continue to develop the routing Portfolio Report to include financial reporting, risks and benefits analysis, stage gate status and health and safety.



IAWAI PORTFOLIO REPORT DECEMBER 2025

IAWAI

LIFE RUNS
ON WATER

HAMILTON
.GOVT.NZ/IAWAI

PORTFOLIO REPORT SUMMARY - DECEMBER 2025

This report provides an update on the status and summary of key activities associated with the IAWAI Strategic Investment Portfolio for the period October to November 2025.

This summary report comprises:

- Portfolio Status Update
- Portfolio Risks, Compliance, Issues and Opportunities
- Updates on the “Transferred Projects” that make up the portfolio:
 - *Servicing Strategies / Fast Track Developments*
 - *Wastewater Consenting*
 - *Other Wastewater (WW) Programme (i.e., Raahui Pookeka, Ngaaruawahia, Southern WW treatment plants (WWTP))*
 - *Pukete WW Programme*
 - *Bulk WW Programme*
 - *Water Supply Programme*
 - *HIF (IAF) Water Supply Programme*
 - *Universal Water Metering*



PORTFOLIO STATUS UPDATE – DECEMBER 2025

Current Status: Amber

- Indicates targeted delivery challenges in major projects, while overall progress continues.
- Requires proactive oversight to maintain momentum and address emerging risks.

Strategic Focus Areas

- Risk Mitigation in Transition: Ensuring smooth transfer from Waikato District Council and Hamilton City Council to IAWAI.
- Portfolio Oversight Refresh: Aligning governance structures with the new CCO executive framework.
- Delivery Capacity Readiness: Preparing for a forecast five-fold increase in capital expenditure by 2027/28.
- Industry Partnerships: Strengthening collaboration to secure delivery capability.
- Investment Management: Updating business case artefacts and assurance processes.

Current Challenges

- Reporting and governance structures require refinement.
- Decision-making speed and investment assurance need improvement.
- Capacity building is critical to meet future demand.
- Visibility of the Stormwater programme.
- Legislative changes eg RMA



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- Legislative changes eg RMA



IAWAI PORTFOLIO REPORT SUMMARY - DECEMBER 2025

Opportunities for Efficiency:

- Shift from individual project procurement to programme-based procurement.
- Integration of project workstreams for streamlined delivery.
- Strategic use of resources and consultants to optimize outcomes.
- Appointment of contracted Programme Managers for key strategic programmes under the new structure.

Governance Evolution:

- Development of portfolio governance group terms of reference and membership being initiated.
- Governance implementation to be aligned with the proposed Day 1 organisational structure.

Strategic Positioning:

- Despite current challenges, the portfolio is being positioned to deliver on strategic, consumer, and cost-of-service objectives as it enters the next phase of transformation.



PORTFOLIO RISK, OPPORTUNITIES & ISSUES

Rating	Risks and Opportunities	Proposed Mitigation	Mitigation implemented this period
	COST FORECAST VS CAPACITY If the portfolio does not significantly increase its capacity to deliver against an increase of over 5-fold+ Infrastructure expenditure within 1-2 years by 2027/28 (see financial summary), then a significant portion of forecast delivery may be delayed potentially resulting in significant overhaul of the capital forecast, non-delivery against growth and demands/service performance and potential reputational damage with regulators and consumers.	<ul style="list-style-type: none"> Consider a delivery model with the right skills and capacity to meet the challenges of the next 2-5 years. Resource and commercial support considerations are defined to meet the portfolio requirements for a considerable and immediate ramp-up in capacity to meet delivery and forecast expenditure. Review the 10-year forecast based on strategic, economic, commercial, financial and delivery/capacity drivers. 	<ul style="list-style-type: none"> The workforce transition for infrastructure is underway, based on principles of maintaining a lean delivery workforce matched with the capability to engage with key infrastructure specialists. Commercial and procurement capability are integrated into the model.
	WORKFORCE AND RESOURCING If the HCC/WDC/IAWAI 'year zero' - transition does not orient the portfolio towards the future delivery capacity and capability requirements, (as outlined in the forward plan and forecast) then IAWAI will not have the breadth of skills, nor the capacity to deliver as expected, resulting in time, cost/scope, service and consumer impacts.	<ul style="list-style-type: none"> In the year zero transitional period, IAWAI/HCC/WDC will confirm a functional/resource structure that has capability and capacity to empower industry partners in professional and construction services; to maintain local capacity to support delivery expectations. 	<ul style="list-style-type: none"> The workforce transition for infrastructure is underway, which will ramp up capability, currently 'shared' with HCC. It has been built upon principles of recruitment for key leadership roles supported by industry partnerships. Commercial and procurement capability are integrated into the workforce model, which has been designed to empower IAWAI to lead the commercial environment as an enabler to IAWAI outcomes.
	INDUSTRY CAPACITY If the portfolio does not progress a capital delivery model underpinned by integrated supplier partnerships, then the portfolio will not scale to meet increasing infrastructure investment and forecast increase in within the next 1-2 years, resulting in time, cost/scope, service and consumer impacts.	<ul style="list-style-type: none"> HCC has developed a draft strategy for strengthening resource capacity through industry partnerships and strategic procurement. This will be considered as part of the portfolio transition activities. 	<ul style="list-style-type: none"> IAWAI workforce model is predicated on a healthy ecosystem of suppliers - the IAWAI workforce model merges strategy, commercial and procurement activities and will build the foundations for model delivery.
	INVESTMENT ASSURANCE AND BUSINESS CASES If the portfolio does not meet functional and current investment management requirements against the ~\$2B portfolio then IAWAI Executives cannot be assured that the significant infrastructure investments are on track to meet strategic, consumer and cost of service benefits, resulting in higher than forecast cost of service, delays and future growth and service uncertainty, potential regulatory scrutiny.	<ul style="list-style-type: none"> The major projects portfolio leadership are currently looking to refresh all investment artefacts to align with the revised drivers in an IAWAI context and to ensure foundational thresholds for business cases are met. A report on Business Case status and requirements is pending. Establish an HCC/IAWAI Risk and Benefits Framework such that strategic risk and benefits can be reported in a systematic way. 	<ul style="list-style-type: none"> Risk and Benefits frameworks are scheduled on the HCC Capital Portfolio Improvement Programme timeline as a priority in mid-2026. Recommendations on investment/business case approaches are expected to be delivered in alignment with the establishment of the investment planning framework currently in consultation, this is likely to be completed in January 2026.
Rating	Issue	Proposed Mitigation	Mitigation implemented this period
	CHANGE IMPACT ON DELIVERY VELOCITY The development of resourcing and governance models for the major project portfolio is still being established. This uncertainty is influencing the pace of delivery and the ability to provide full assurance that the portfolio is on track.	<ul style="list-style-type: none"> Continued and timely refinement of these elements are critical to support timely progress against a strong demand for delivery in the next 2-5 years. Ensure communication and clarity on roles/responsibilities, escalations and delegations, such that delivery momentum can be maintained. 	<ul style="list-style-type: none"> The HCC Capital Portfolio Governance Group inaugural meeting on 25 August 2025 (including IAWAI representation) acknowledged this risk and agreed to monitor as part of HCC capital reporting Transitional arrangements are rolling out for both HCC and the IAWAI capital delivery model, and the consultation period is underway, both HCC and IAWAI leadership are monitoring closely, and have several communication and leadership support mechanisms in place to support people in transition and ensure minimal impact on delivery.
	DATA & REPORTING Current data capture and presentation of data for reporting remains disaggregated, and the major project portfolio is currently working through IAWAI reporting expectations. In addition, resource capacity to aggregate and QA the reports is not fully established. Specifically: <ul style="list-style-type: none"> PPM toolset not fully aligned to a WDC/HCC integrated view New programmes, not traditionally on the system currently being set up HCC system requires investment to better align to the IAWAI/HCC/WDC relationship The IAWAI Board offered direction on the requirements for portfolio reporting. This included reporting on Benefits, Strategic risks, high level programme status, engagement. Benefits reporting is not fully reportable currently. 	<ul style="list-style-type: none"> Work towards an automated reporting and data configuration to view all IAWAI major projects in the HCC system. Induct new programmes into the PM system and clearly articulate expectations HCC investigate onboarding of WDC to HCC system. Collate benefits from all programmes into a reportable structure. Investigate investment management foundations and plot a roadmap for realignment of the business cases and plans against the new strategic context and investment drivers 	<ul style="list-style-type: none"> Work continues on immediate short-term enhancements to systems and data to improve business intelligence for reporting Long term organisational investment is needed to fix broader end to end system and data management issues. A proposal is expected to be completed by February 2026 for consideration in HCC as much of the IAWAI data is currently held in HCC capital budgeting and management systems.

Programme/Project	Sep RAG	Oct RAG	Phase	Overall Commentary
Servicing Strategies / Fast Track				
Overall - Amber ▲ <ul style="list-style-type: none"> Integrated servicing solutions are being developed for Te Kowhai/Horotiu/North Hamilton and Pookeno/Tuakau. These will inform future investment requirements and support engagements with individual developers. Some funding to commence delivery of some strategic infrastructure required to support existing and future development in the Pookeno and North Hamilton/Te Kowhai/Horotiu areas is proposed as part of the recast Capital Works Programme. Fast track processes continue to present significant workload, servicing challenges and risks. There are more than 10 different fast track proposals around the periphery of the Hamilton city boundary. These developments involve residential and commercial/industrial land use proposals. Water and wastewater servicing of the majority of the fast track proposals is challenging. Most are looking for opportunities to connect to the existing reticulated networks. Where this isn't possible, some are proposing decentralised servicing solutions which would presents risks to the community and IAWAI if not managed appropriately. The fast track development proposals in the broader Waikato District (away from the Hamilton City Fringe) will be added to the programme reports in future. Technical staff continue to liaise and work with the fast track developers representatives to identify strategic long term servicing solutions and from there identify potentially viable short-term servicing solutions to be tested. Each fast track development is also expected to secure its own water abstraction consent from the WRC for future transfer to IAWAI should the development be serviced from the public systems. IAWAI representatives are liaising with the developers and WRC to seek consistent approaches to water management plans, water demand assumptions and potential resource consent conditions. IAWAI is engaging with fast track developers located in the Waipa District on a without prejudice basis with the objective of identify strategic and sustainable servicing solutions, however commercial negotiations and associated agreements will be required to support IAWAI decisions to service these developments. 				
Te Kowhai West			Planning	A first draft of an Integrated servicing solutions for North Hamilton/Te Kowhai/Horotiu area has been developed and is under internal review. This looks at the long term servicing solutions for the area, and has identified some potential short term servicing solutions that may be available to support some growth in the area ahead of the strategic servicing investments being delivered.
Pookeno / Tuakau			Planning	The existing Pookeno servicing strategy is being revisited to capture new development proposals and to take a broader view of servicing needs for the area in the longer term. This strategy aims to identify a preferred option to take forward for development. Engagement with mana whenua is planned to support the identification of the preferred option and the delivery of a CAPEX light business case to present to the Board in March 2026. There is a risk that this work will not be completed in time to inform the completion of live commercial negotiations or expected servicing undertakings.
Te Kowhai East (TKE)			Assessments	Industrial growth adjacent to the Te Kowhai Interchange of the Waikato Expressway. Development Referral application approved in November 2025 and can proceed under the FTAA process. Strategic servicing options from Hamilton and/or Waikato DC water and wastewater networks are being identified in the Te Kowhai Servicing Strategy. Short-term servicing options will need further investigation. Stormwater challenges may affect land use yields and implicate downstream effects that require mitigation.
Te Awa Lakes (TAL)			Cost recovery agreement	Development located in the northern part of Hamilton City, that comprises approx. 2,500 residential dwellings, a town centre, a business precinct, and a recreational precinct. Development is listed in the FTAA and can proceed under the FTAA process. Developer has yet to confirm if they will use the Fast Track consent process available to them or proceed using typical RMA processes.



Programme/Project	Sep RAG	Oct RAG	Phase	Overall Commentary
Servicing Strategies / Fast Track Continued				
HT1 / Orchard Grove			Consultation	Minister/EPA decision required to approve Referral before a FT application is started. Servicing approach not yet confirmed, proposing either connection to HCC networks or a private WWTP onsite.
SL1 Rogerson			Cost recovery agreement	A referral application has been approved by the Minister. The applicant can now prepare the substantive application. Potential groundwater source as interim potable water, and onsite wastewater treatment proposed. Cost recovery agreement pending.
SL1 Houchens			Consultation	A referral application is being prepared. Pre-referral consultation in next period. Potential opportunity to include a designation/NOR for the water reservoir (existing, and future expansion) as part of the FT application.
R2			Assessments	Water and wastewater models being updated for Fast Track proposals – to complete in November. Water allocation consent application to be lodged by applicant with WRC, to transfer to HCC once obtained Transport modelling expected to complete in February.
Greenhill Industrial			Consultation	Consultation with applicant to inform their Referral application is expected within early November. Due to location and intent for servicing, Greenhill will look to HCC for services across R2 fast track area which will create complexities for servicing arrangements and assessments between the two applicants.
Brymer			Cost recovery agreement	Residential development located on Hamilton City's urban fringe, that comprises approx. 1,650 residential units, a mixed-use neighbourhood centre, open spaces and infrastructure. Development has been referred and can proceed under the FTAA process. Proposing onsite private water and wastewater services.
Wallace Road			Cost recovery agreement	Residential development located on Hamilton City's urban fringe, that comprises approx. 230 residential dwellings of mixed typology. Seeks connection to HCC water and wastewater networks. No engagement to date on substantive application or assessments.

Programme/Project	Sep RAG	Oct RAG	Phase	Overall Commentary
Wastewater Consenting				
Overall - Amber ▲ <ul style="list-style-type: none"> The changing legislative landscape (Fast Track; Water Services Act; RMA reforms, repeal and replacement) continues to create uncertainty on the most appropriate approval pathways and programme to adopt for consent processes and programme to adopt for wastewater consenting. A no/low regrets approach to technical investigations and assessments is being adopted while we seek legal and strategic advice on the available and recommended pathways. An overall programme approach is still be developed and a programme manager is being identified. Co-ordinated and integrated approaches already planned and/or underway include Routine water quality sampling from upstream of the Southern WWTP site to Rahui Pookeka which has been underway for over 12months, integrated public health risk assessments and river hydraulic modelling; co-ordinated legal and strategic planning advice; co-ordinated communications and engagement messaging and strategies; development of consistent strategic narratives to sit across all projects; framing up a consistent template for consenting conditions. 				
Raahui Pookeka WWTP			Engagement	Current resource consents expire on 31/03/2029, however upgrades are required now (see Wastewater Major Projects below), and we wish to ensure that our partners and stakeholders are comfortable with the 2026/27 upgrades and will ideally support the resource consent renewal applications in 2028. Meetings and site visits to date have been positive regarding the treatment upgrade concepts. The key item is likely to be the form and location of the discharges. Options have been prepared, discussed, and are being further considered by our partners later in November.
Ngaaruawahia WWTP			Engagement	
Pukete WWTP			Planning	Critical baseline monitoring work continues, and new scoping of investigations initiated to qualify baseline results. Proposed procurement approach for lead consultant for the remainder of the project has been developed and scoping of the remaining work to be completed is underway. Project is amber as the lead consultant is still being appointed. Governance and project delivery structures are being refreshed to align with the approach taken for the Southern WWTP.
Southern WWTP			Planning	<p>A meeting with community representatives from Nukuhau Residents Society (NRS) took place on the 22 October, with attendance from IAWAI, HCC, Waipā, Kaitiaki Roopuu and the project team. Key issues included environmental concerns particularly around the Nukuhau Stream, timing of the plant and fast-track, cultural engagement, property impacts, and site selection. The offer to visit Raglan WWTP was again extended to the group but has not been accepted to date. A response to their written submission was provided and is available on the project website. The project team has yet to receive further information from the NRS regarding a proposed alternative site.</p> <p>The first community information sessions were held 5 and 6 November 2025. We were pleased to see strong interest in the project, with about 65 people attending our first session and about 80 at our second session. This included a mix of those living in the surrounding area, those living further afield in Tamahere and Matangi and councillors from Hamilton, Waipā, Waikato District and Waikato Regional councils.</p> <p>The background review report has been delivered in draft format, with the findings to be presented in early November. Further work on the land use assumptions and project objectives is required prior to the report being finalised. The second consenting workshop has been completed, and the draft consenting strategy is being reviewed with the project legal advisor.</p> <p>Work on the Discharge and Best Practicable Option phase of the project has commenced with the first discharge shortlist optioneering workshop held with Kaitiaki Roopuu, SMEs and Partners in mid-October. Planning for discharge location investigation is underway with early site visits to discharge locations likely to commence in November.</p> <p>Increased governance complexity and access to key project leaders and the effort required to co-ordinate, manage and maintain progress on key activities continues to be challenging for the project team. The project management effort by the team is considerable and still be streamlined.</p>

Programme/Project	Sep RAG	Oct RAG	Phase	Overall Commentary
Other Wastewater Programme				
Overall - Green ● Programme progressing well. <ul style="list-style-type: none"> RFI responses are being evaluated with short list confirmed in October 2025. Southern WWTP added as a separable portion to the Watercare Waikato contract, but no commitment to construction made yet. Overall approach to upgrade is to adopt the water quality standards used in all other recent WDC-Watercare WWTP upgrades with discharges to water. Overall approach is also to upgrade the plant in parallel to or before securing new long term consents given existing compliance challenges. 				
Raahui Pookeka WWTP			Design	The tender is well underway for the design and construction of the Raahui Pookeka and Ngaaruawaahia projects. Contract Award is scheduled for February 2026. These projects are multiyear and is reflected in the current and future years budget.
Ngaaruawaahia WWTP			Design	See above
Southern WWTP			Planning	No funding currently confirmed, however construction funding is included in re-cast capital works programme. The Southern WWTP has been added as a separable portion to the current Rahui Pookeka and Ngaaruawaahia procurement process.

Programme/Project	Sep RAG	Oct RAG	Phase	Overall Commentary
Pukete Wastewater Treatment Plant Programme				
Overall - Amber ▲ <ul style="list-style-type: none"> H&S: New Inlet Works Facility (Pukete 3c): Weekly Construction Monitoring and H&S inspections occurring now construction has commenced onsite. No injuries in this reporting period. Programme governance refresh in place. All projects are now being managed as a single programme. Programme Governance Group established, including independent member Garry MacDonald. Successful plant visit and deep dive held with Board 23 October 2025 – key topics included emphasis on commercial opportunities for savings and revenue, future-proofing, urgency for secondary treatment upgrade, preliminary procurement strategy, and risk-based time and cost reporting. Master planning investigations and consent urgency are likely to lead to changes in sequencing from Metro DBC expectations (e.g. bioreactor retrofits interim close out), prioritising treatment gains with corresponding “smoothing” of forecast expenditure. The programme presents challenges to keep the budget and timeline as per the baseline – investment case and procurement strategy in preparation Investment case and procurement strategy under way for Board approval in early 2026. Live plant interface plan is being prepared to manage risks of implementing upgrades in parallel with operations, renewals, consenting, master-planning, and ongoing inlet construction. Key risk for upgrade relates to being able to achieve anticipated higher discharge consent standards on the date when current consent lapses – time, scope. A progressive improvement consent framework is essential. 				
Master Plan	Green	Green	Planning	Green status because coordinated decision-making with wider upgrade and consent workstreams is in place. Master plan scope and programme OK. Initial investigations underway in combination with the upgrade workstream. Time (previously AMBER) is now Green to reflect the shift from Initiation to planning and investigations (Stantec) commencing.
Bioreactor Retrofits (Pukete 3b)	Yellow	Green	Close out	Green as the change request to close the project was approved. This was in response to likely reprioritisation of treatment processes (membrane treatment) and fundamental scope reduction (stopping before construction). The outcome of the bioreactor retrofit will be achieved with the Secondary Treatment Upgrade below.
New Inlet Works Facility (Pukete C3)	Yellow	Yellow	Construction	Amber status until the forecast budget shortfall is addressed. Change request waiting for approval – forecast budget shortfall (~\$2m) could be partly funded by a transfer from the Bioreactor retrofits project, and the Renewals and Compliance programme to cover the Odour Control Unit costs. A meeting was held with the Pukete Programme Manager to prioritise key dependencies for this project (process water upgrade, PST design connection). Investigation and design (Beca) was arranged in coordination with renewals for the raw river water pipeline.
Pukete WWTP Upgrade (Prev. Pukete 4)	Yellow	Yellow	Initiation	AMBER status to reflect start delay, scope uncertainty, urgency and risk from overlapping interdependent workstreams. Change request underway to manage budgets across Pukete 3c (Inlet works) and Pukete 4, and smooth annual forecast in later years. The Initiation phase is underway with Governance established and a Programme Plan in place for approval. IAWAI governance is in place, and external advisors are being arranged. HCC TAG framework is being finalised. Programme manager in place. Project managers, contracts admin and cost management support to be confirmed. Investment case and procurement strategy in preparation for February 2025. Estimated costs, timing and budget will be reviewed in the investment case following the master plan/initial investigations findings.

Programme/Project	Sep RAG	Oct RAG	Phase	Overall Commentary
Pukete Wastewater Treatment Plant Programme Continued				
Pukete Admin, Control and Administration Buildings			Initiation	Amber status overall for uncertain buildings scope/location, with completion unlikely by 2027 (but not yet critical). An interim consultant project manager is in place. Procurement planning for long-term project manager and expert advisor/ reviewer is underway. Building requirements are being established. Initial investigation highlighted strategic decisions now being progressed for building functions, resilience, scope and location. Form/function/location decision-making process under way. Buildings procurement options evaluation under way. Potential implications for land, road and reserve statutory processes and engagement overlap with consents workstream. External engagement will be led/managed by the consents workstream.
Initial Works (UV, PST, Waters)			Initiation	Amber status to reflect scope uncertainty and urgency for information for the current Pukete 3 construction. Design coordination under way with Inlet Works (Beca).
Secondary Treatment Upgrade			Initiation	Amber status to reflect scope uncertainty, urgency and risk from overlapping interdependent workstreams. Amber risk because of uncertainty. Amber time to reflect expectation that discharge consent framework already anticipates upgrade outcomes to be a work in progress (improvements towards agreed standards) by September 2028 lapse date (otherwise would be red and higher risk).
Solids Process Upgrade			Initiation	Green status to reflect that liquids workstream decisions will precede solids. Amber for scope certainty (what forms part of initial works).
Storm Flow Upgrades			Initiation	Green status to reflect that liquids workstream decisions will precede storm flow so not critical. Amber scope to reflect that early implementation of MBR will affect maximum flow rates and require early attenuation.
Stormwater Upgrade			Initiation	Green status to reflect interdependency coordination with consenting workstream. Ecological assessment of existing tributary being arranged through consenting. Plant stormwater management investigation as part of master planning.
New Outfall to the River			Initiation	Green status to reflect that consents workstream will guide form/location with direction emerging in 2026/2027. Amber for scope and risk, since interim outfall is likely to be required and assumed plant discharge/connection location needs to be assumed in interim.

Programme/Project	Sep RAG	Oct RAG	Phase	Overall Commentary
Bulk Wastewater Programme				
Overall - Amber ▲ <ul style="list-style-type: none"> Implications of recent or proposed planning legislation changes are being considered. Technical assessments and stakeholder engagement for the Upper Eastern storage project continues. The lead strategic planning consultants involved in the Fairfield and Upper Eastern storage projects have been engaged to complete a strategic assessment on the timing, potential efficiencies, risks and opportunities associated with the future storage facilities. This work will inform decisions on how to approach the remainder of the programme. El-MS Fairfield: Project progressing as per plan, although is facing some extra activities to get the groundwater dewatering consent application prepared and submitted. Expecting to lodge Fairfield Notice of Requirement for designation and regional council consent application by mid 2026. El-US Hamilton East: A site for this facility has not been confirmed presenting significant uncertainty for the project. The team continue to work through these matters. 				
El-MS Fairfield	Green	Yellow	Planning	Technical assessments, community and neighbourhood engagement as part of the Fairfield storage facility continues. Lodgement of NoR is delayed due to additional Reserve Act complexity and additional legal and planning requirements. Scope increased to include regional consent applications. The notice of requirement and resource consent applications for this storage are being developed to lodge before June 2026.
El-US Hamilton East	Red	Red	Planning	There is uncertainty in the site selection, and the project team are reviewing the options left in the feasibility study. The team will re-consult on the best options for storage with the planning team, in parallel a restart of the conversations with MoE is being planned.
Storage 4 - El-MS Fairfield	Green	Green	Initiation	The project management plan and procurement strategy for the design and construction phases are being drafted.
Upper Western Network: New Storage, Pre-treatment and controlled discharge (Lorne/Normandy)	Red	Yellow	Initiation	The planning and delivery team met to agree on the best way to move forward with these projects. The delivery team will appoint PMs to manage the cope development while being governed by the planning team.

Programme/Project	Sep RAG	Oct RAG	Phase	Overall Commentary
Water Supply Programme				
Overall - Green ● <ul style="list-style-type: none"> The Hillcrest Zone project is progressing as per plan. Fairfield Water Supply PS is facing a hold point until the recently bad results of the reservoir condition assessment is addressed. 				
Hillcrest Zone			Planning	Hillcrest reservoir project is progressing well. This project is critical to supporting developments at the University of Waikato including the proposed Medical School. Building demolition underway and expected to be complete early in the New Year. Lessons learned from recent reservoir projects will inform the planning and design of this project. The strategic planning lead for the Ruakiwi Reservoir project has been appointed as Technical Planning Lead. The implications of the recent and proposed planning legislation changes is being considered for the project. Site selection is underway with the preferred site expected to be identified early in the new year. Geotechnical investigations and community consultation will follow site confirmation, with engagement already occurring for demolition. Project manager is working to separate the reservoir and bulk main elements of the project so that each can be progressed in parallel.
Maatangi Reservoir			Planning	The land purchase from NZTA remains outstanding for Maatangi which may influence timing of the project delivery.

Programme/Project	Sep RAG	Oct RAG	Phase	Overall Commentary
HIF (IAF) Water Supply				
Overall - Green ● <ul style="list-style-type: none"> • Programme progressing well with no foreseen barriers to delivery • H&S: Safety in Design will be required for all projects involving an element of design. No physical works or related procurement at present. • Key Wins: Reservoir: Public Consultation for Notice of Requirement and Reserves Act closed 22 October 2025. • Key Concerns: Reservoir: Appeals on Notice of Requirement after hearing. 				
Central City Reservoir Stage1 and Booster Pump Station			Design	Overall project status is 'Green' with design tasks progressing well. All consent applications (NoR) and Resource Consents have been lodged on time with the public consultation period 29 Sept - 22 October. Detailed Design stage underway ahead of schedule. CPTED report has been delivered. Cultural artist scope is complete, and engagement complete. Federated model updated to include IAF Bulk Mains for coordination monitoring Design preparation for upcoming HAZOP/SbD Workshops mid-Nov
Build Water Reticulation			Design	Design: All physical investigations completed Geotech Investigation completed, reports outstanding Service Location: All critical services located and surveyed. Design works: Motts have submitted a draft prelim design. A workshop was hold on 29 October to introduce it to the wider project group. We have request all present to provide written feedback to improve the design. IFS for final design was prepared and submitted for approval.

Programme/Project	Sep RAG	Oct RAG	Phase	Overall Commentary
Universal Water Metering				
Overall - Amber ▲ <ul style="list-style-type: none"> Participants in the pilot have been confirmed. The procurement processes for the pilot programme are near complete. Although there have continued to be delays through the procurement process, steps have been taken to mitigate the Extension of time for procurement (Request for Proposals or RFP) and delays to receipt of responses, have resulted in an overall status of Amber this period. The programme will seek to recover some of this time during the evaluation process and subsequent contract awards. First stage investment case complete and endorsed by IAWAI, is now being iterated. Next steps to refine costs and address risk, post RFP and pilots. Forms are being developed for the GIS layer for Hamilton City Council. These will be used to complete As Builts during the rollout. 				
Investment Case			Completed	<p>First stage Investment Case complete.</p> <p>Presented to IAWAI – Flowing Waters Board Meeting (public excluded) on 28 August 2025, along with a request to proceed with procurement (Request for Proposal - RFP) for a small pilot.</p> <p>Noted that the first stage investment case costs are based off responses to a Request for Information (RFI) process which concluded in June 2025 and are deemed indicative and high.</p> <p>Next steps: Work has commenced on the Second stage Investment Case and will continue post RFP and contract award.</p>
Procurement			Planning	<p>The procurement of the pilot and full implementation is a multi-stage process as follows:</p> <ul style="list-style-type: none"> Stage 1 – RFI – complete (June 2025). Stage 2 – RFP for pilots, with option to proceed to full implementation without returning to market (GETS). <ul style="list-style-type: none"> Phase 2a – up to 250 endpoints (200 new residential connections in Hamilton East, 27 upgraded residential connections in Te Aakau, 23 commercial/industrial connections in Hamilton East), Meter Data Management Solution, Customer App, Telemetry for all endpoints. Residential pilot in Hamilton East is opt on. Phase 2b – up to 3,000 endpoints (this will be a full pressure zone). Stage 3 – Full implementation (pending). 78,340 endpoints. <p><u>Stage 2:</u></p> <ul style="list-style-type: none"> RFP documentation published on the Government Electronic Tender Service (GETS), 26 September with initial closing date of 29 October. <ul style="list-style-type: none"> There were several supplier requests for a one-week extension to the closing date, citing the Water NZ Conference in the first week of the tender. Closing date extended to 5 November. Post RFP closure, commencement of evaluation period slipped one week as a result of delays to receipt of proposals from procurement (competing workload and resource constraints). <ul style="list-style-type: none"> Commencement of evaluation delayed from 6 November to 13 November (now underway). The risk (#27) highlighted in the prior period re delays to commencement of physical works for the pilot being pushed to Q1 2026 - has now been transferred to an issue. <p>With evaluation concluding on 5 December, followed by contract negotiations; then the embargo for work on the Water Network commencing 16 December and running through to 12 January.</p>

Programme/Project	Sep RAG	Oct RAG	Phase	Overall Commentary
Universal Water Metering Continued				
Pilot			Planning	<p>Comms & Engagement have continued excellent work in publicising the pilot and the opt-on process in Hamilton East (Hillcrest Pressure Zone).</p> <ul style="list-style-type: none"> • 174 (87%) of the required 200 households have opted on • A further 26 (13%) from Kainga Ora will opt on to make up the balance • The timing of the pilot is subject to the lead times for hardware and availability of installation resources. These questions will be answered during the RFP process. Suppliers have been asked to indicate their availability and lead time for hardware. <p>Next steps:</p> <ul style="list-style-type: none"> • A newsletter is in draft to send out to the volunteers, to provide an overview of what to expect during the pilot and where IAWAI is in the procurement process. • Participants within Hamilton East will be offered free water conservation advisor services, access to a green plumber (time only, not materials) to investigate leaks, and family passes to a council facility as a thank you.
GIS Layer			Initiation	<p>Water meter GIS layer for HCC has been published, for use by the programme.</p> <p>Next steps:</p> <ul style="list-style-type: none"> • A process is being developed to update the data model which is feeding <i>into</i> this layer from systems of record (e.g. assets from IPS) in an automated way vs. manually running scripts to concatenate data and then publish. This will also speed up performance of the user interface. • Development of forms to go over the GIS layer is well underway. <ul style="list-style-type: none"> ◦ These forms will be used to complete Pre-work inspections and post work As-Builts during the installation process (i.e. to gather metadata and photos for the recording of assets and billing information electronically), rather than gather this information on paper. Gathering electronically will bring significant benefits in data quality and completeness of information. ◦ Pre-work forms in test. As Built forms in development.
Field Studies			Planning	<p>Master data has been consolidated from multiple sources and extracted from the GIS layer:</p> <ul style="list-style-type: none"> • IPS (source of truth for assets). • Authority (source of truth for billing). • Water GIS layer (source of truth for location and composition of service connections, diameter etc.). <p>This master data has been analysed, to identify areas of uncertainty/inconsistency and thus the scope of the field survey.</p> <p>Next steps:</p> <ul style="list-style-type: none"> • Desktop survey and data updates (underway). <p>Scope up time and resource required for the field surveys and secure resource to complete this work, pre the full implementation of water meters.</p>

Resolution to Exclude the Public**Section 48, Local Government Official Information and Meetings Act 1987**

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

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 follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution.
Strategic Investment Portfolio Update	To enable IAWAI to carry out commercial activities without disadvantage; to enable IAWAI to carry out negotiations to prevent the disclosure or use of official information for improper gain or improper advantage.	Section 7 (2) (h) Section 7 (2) (i) Section 7 (2) (j)
Known growth and Fast Track Consents	To enable IAWAI to carry out commercial activities without disadvantage; to enable IAWAI to carry out negotiations to prevent the disclosure or use of official information for improper gain or improper advantage.	Section 7 (2) (h) Section 7 (2) (i) Section 7 (2) (j)
Ohinewai Development Agreement Proposed Terms	To enable IAWAI to carry out commercial activities without disadvantage; to enable IAWAI to carry out negotiations to prevent the disclosure or use of official information for improper gain or improper advantage.	Section 7 (2) (h) Section 7 (2) (i) Section 7 (2) (j)
Te Kowhai Development Agreement Proposed Terms	To enable IAWAI to carry out commercial activities without disadvantage; to enable IAWAI to carry out negotiations to prevent the disclosure or use of official information for improper gain or improper advantage.	Section 7 (2) (h) Section 7 (2) (i) Section 7 (2) (j)
Water network (water metering and management service)	To enable IAWAI to carry out commercial activities without disadvantage; to enable IAWAI to carry out negotiations to prevent the	Section 7 (2) (h) Section 7 (2) (i) Section 7 (2) (j)

	disclosure or use of official information for improper gain or improper advantage.	
Digital Foundations and Digital Water Service Operations Partnership Programme	To enable IAWAI to carry out commercial activities without disadvantage; to enable IAWAI to carry out negotiations to prevent the disclosure or use of official information for improper gain or improper advantage.	Section 7 (2) (h) Section 7 (2) (i) Section 7 (2) (j)
Confirmation of Public Excluded Minutes	To enable IAWAI to carry out commercial activities without disadvantage; to enable IAWAI to carry out negotiations to prevent the disclosure or use of official information for improper gain or improper advantage.	Section 7 (2) (h) Section 7 (2) (i) Section 7 (2) (j)
Confirmation of Public Excluded Minutes (out-of-cycle)	To enable IAWAI to carry out commercial activities without disadvantage; to enable IAWAI to carry out negotiations to prevent the disclosure or use of official information for improper gain or improper advantage.	Section 7 (2) (h) Section 7 (2) (i) Section 7 (2) (j)