

9 April 2026

IAWAI – Flowing Waters
c/o Hamilton City Council
Private Bag 3010
Hamilton 3204

Teena koutou katoa,

Submission from Waikato District Council on IAWAI Water Services Strategy 2026 - 2036

Introduction

Waikato District Council (Council) welcomes the opportunity to provide feedback on the proposed IAWAI – Flowing Waters Limited (IAWAI) Water Services Strategy (WSS) 2026 – 2036 (the Strategy).

As joint shareholders of IAWAI alongside Hamilton City Council and in partnership with Waikato-Tainui, Council recognises the Strategy as a significant milestone in establishing a unified approach to the future delivery of water and wastewater services for Waikato communities.

Council Position

Council supports the overall direction, objectives, and strategic intent of the Strategy. The consolidation of water responsibilities and planning activities across our respective council boundaries is expected to support long-term sustainability, more efficient investment, and improved system resilience that will be better equipped to manage future growth.

Council acknowledges that affordability remains a significant challenge for communities and supports IAWAI's efforts to manage cost pressures on households and ratepayers while continuing to meet service, investment, and regulatory requirements.

Council recognises the role of IAWAI in delivering sustainable and affordable water services. We strongly support a shared services approach across the shareholder councils and IAWAI, with a focus on leveraging existing capability, avoiding duplication, and making best use of scarce specialist expertise such as that found in Council's Strategy & Growth team. This is particularly important as infrastructure demands increase. A coordinated model that draws on established capability across the system will support better decision-making, more efficient delivery, and stronger long-term affordability outcomes for our communities.

Environmental Stewardship and Te Tiriti o Waitangi Relationships

Council strongly supports IAWAI's commitment to environmental stewardship and improving the health of the Waikato awa, including giving effect to Te Ture Whaimana o Te Awa o Waikato and working in genuine partnership with Waikato-Tainui.

Council supports the Strategy's emphasis on long-term, region-wide planning to address climate-related risks including increased flood events, drought, coastal and riverine impacts. Embedding climate adaptation into asset management, investment prioritisation and service planning will be critical to ensuring waters services remain resilience, reliable and sustainable over time.

Assets and Infrastructure

Council supports the Strategy's position that a publicly owned, regionally focused water services entity will, over time, enable more efficient, cost effective, and affordable service delivery.

Effective strategic management of transferred assets, maintaining service levels, addressing renewal backlogs, and enabling growth will be central to achieving these outcomes. Council supports the integration of council work programmes through IAWAI to deliver a coordinated capital and operational programme, maximise economies of scale, improve efficiency, and the inclusion of year-on-year efficiency targets is supported.

Maintaining affordability remains a key priority, and Council supports IAWAI's intention to outline a clear pathway to water and wastewater price harmonisation in the second iteration of the Strategy to be released in 2027.

Council agrees that aligning prices is an important goal shared by all shareholders. However, any move to harmonise prices needs to fairly reflect the level of service communities receive from IAWAI's assets. Service levels vary across shareholders areas due to differences in infrastructure, demands levels, waters supply types (on-demand or trickle), and urban and rural settings. Council considers it important that both current and future charges continue to appropriately reflect these differences. Further work is needed by IAWAI, in collaboration with shareholders, to determine where service-based charging differentials should still apply, including in relation to development contributions and water flow rates.

Growth Charges and Unfunded Capital Works

Council supports the introduction of water and wastewater growth charges to ensure that growth-related costs are appropriately met by growth, reducing financial impacts on existing ratepayers. Council also supports the prudent use of debt to smooth price increases over time and promotes intergenerational equity.

Council considers the growth-pays-for-growth approach appropriate, including the interim approach to collecting Development Contributions until 1 July 2027. Council supports the principle that costs are borne intergenerationally by the users generating the demand and benefiting from the infrastructure.

Council supports the proposed annual Water Supply Growth Charge and Wastewater Growth Charge for residential development, including provisions for papakaainga housing and net-increase charging for redevelopments, noting the alignment with Council's Development Contributions Policy (DCP) 2025.

Waiver Policy

Council supports the Waiver Policy as an appropriate transitional measure that maintains existing support for customers and provides reasonable relief for leaks, consistent with Council's current Remission Policy.

In developing a future unified waiver framework, Council encourages IAWAI to consider provisions for sustained water quality issues, essential medical-related water use, and appropriate protections for households facing significant financial hardship due to verified undetected leaks, including options such as capped customer liability or enhanced hardship support in extreme cases.

Proposed Significance and Engagement Policy

Council supports the intent of the Significance and Engagement Policy and recognises that strong relationships with communities, mana whenua, and stakeholders are fundamental to effective water services planning and delivery.

Conclusion

Council supports the direction and content of the IAWAI Water Services Strategy 2026–2036 and considers it a strong foundation for delivering sustainable, resilient, and equitable water and wastewater services across the Waikato. The Strategy reflects a clear commitment to long-term stewardship, prudent investment, affordability, and partnership-based decision making that places communities, the environment, and future generations at its centre.

Council views the establishment of IAWAI as a transformative opportunity to strengthen regional collaboration, improve outcomes for ratepayers and customers, and give practical effect to Te Tiriti o Waitangi through enduring partnerships with Waikato-Tainui.

Council looks forward to continuing to work closely with IAWAI, Hamilton City Council, and Waikato-Tainui as the Strategy is implemented, refined, and translated into tangible outcomes.

Further information

Should Hamilton City Council require clarification on the submission or any additional information, please contact Maggie Ford – Strategy Manager email maggie.ford@waidc.govt.nz.

Ngaa mihi,



Aksel Bech
Mayor

Council Approval and Reference

This submission was approved by the Mayor and Chairs Forum 8 April 2026.

0800 492 452
info@waidc.govt.nz

Waikato District Council – Private Bag 544,
Ngaaruawaahia 3742, New Zealand

waikatodistrict.govt.nz

IAWAI Water Services Strategy – Relevant online questionnaire responses.

Online submission: IAWAI Water Services Strategy - All questions require response.

[IAWAI Water Services Strategy | Have Your Say](#)

1. Do you have any feedback on the IAWAI Water Services Strategy?

Council supports the overall direction of the IAWAI Water Services Strategy, particularly the focus on environmental stewardship, affordability, and the establishment of a publicly owned, regionally coordinated water services entity. Council supports the integration of council work programmes, year-on-year efficiency targets, and the intent to deliver long-term cost-effective and resilient water services. Council also supports the commitment to Te Tiriti o Waitangi, partnership with mana whenua, and a clear future pathway toward price harmonisation, while emphasising the importance of strong governance, effective asset management, and continuity of service during the transition to IAWAI becoming operational.

2a. Do you support a growth pays for growth approach for new residential and commercial developments, including the use of growth charges to help fund growth related infrastructure and services?

Yes. Council is generally supportive of IAWAI's position on growth funding but requests that IAWAI consider structuring the non-residential growth charge to better reflect the impact of growth.

Council supports a "growth pays for growth" approach for new residential and commercial development, including the use of growth charges to fund growth -related water and wastewater infrastructure and services. This approach supports fairness and affordability by ensuring the costs of growth are appropriately met by those who generate the demand, rather than being passed on to existing communities.

2b. In the current residential growth charges proposal secondary minor dwellings (i.e. granny flats) may be treated as ½ HUE. Do you support treating secondary minor dwellings as ½ HUE? If you have an alternative proposal, please explain?

Council supports treating secondary minor dwellings as ½ HUE in On Demand water supply areas, recognising that these dwellings typically place a lower demand on water and wastewater networks than a full standalone dwelling.

However, secondary minor dwellings in Restricted Flow water supply areas should not be treated as a ½ HUE and should be zero-rated for water supply if they share the normal single water connection per property with the primary dwelling since the connection is capped (at 1.8 cu m per day, unless an exception has been agreed for a dairy shed), cannot be used directly but requires the primary dwelling to have an on-site storage tank of not less than 4,500 litres or 48 hours of usage and noting that construction of a secondary dwelling does not change the agreed cap. Council considers this approach to be proportionate to housing choice, level of service and supportive of intensification, while remaining consistent with a growth pays for growth principle. Council also supports periodic review to ensure charges continue to reflect actual demand, particularly where secondary dwellings have separate connections or demonstrably higher usage.

Significance and Engagement Policy

4. Do you support IAWAI’s Significance and Engagement Policy? Yes

5. Do you have any feedback on the Significance and Engagement Policy?

Council supports the intent of the Significance and Engagement Policy and considers it provides a clear and appropriate framework for determining when and how communities, mana whenua, and stakeholders are engaged. Council supports a proportionate, transparent approach to engagement that reflects the scale and significance of decisions, while enabling meaningful participation and maintaining public trust. Continued clarity around roles, responsibilities, and engagement expectations during the transition to IAWAI will be important.

6. Do you support IAWAI’s Waiver Policy? Yes

7. Do you have any feedback on the Waiver Policy?

Council supports the Waiver Policy in principle, noting it provides necessary flexibility in limited and clearly defined circumstances. Council considers it important that the policy includes clear criteria, strong governance oversight, and transparency in decision-making to ensure consistent application. Safeguards should be in place to ensure waivers do not undermine the “growth pays for growth” principle or result in unintended cost shifting to existing communities.