



**Waikato
Water
Done Well**

Taupō District Council

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TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL



te kaunihera ā-rohe o
matamata-piako
district council



GREAT LAKE TAUPŌ
Taupō District Council

Change is here ...

- New regulatory environment
 - demonstrating value for money
 - health and environment
 - long term stewardship
- Population changes and workforce challenges
- Government expectations on collaboration

*“There are a variety of pathways available to councils to improve water service delivery. ...
However, I want to be very clear – there is a strong expectation that councils will work regionally.”*

How we got here...

| Council / key problem | Debt capacity | Community affordability | Workforce availability | Capital works delivery | Business continuity | Compliance | Consenting |
|-----------------------|---------------|-------------------------|------------------------|------------------------|---------------------|------------|------------|
| <u>Waipā</u> | ✓ | ✓ | ✓ | ✓ | | | |
| Taupō | | ✓ | ✓ | ✓ | | ✓ | ✓ |
| Matamata-Piako | | ✓ | ✓ | ✓ | | ✓ | ✓ |
| Hauraki | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| South Waikato | | ✓ | ✓ | ✓ | | ✓ | ✓ |
| Waitomo | | ✓ | ✓ | ✓ | | ✓ | |
| <u>Ōtorohanga</u> | | | ✓ | ✓ | | ✓ | ✓ |

Council's self-assessment of local needs in 2024

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Local influence

- Councils own the waters company and are expected to hold the company to account
- The elected leadership of councils is respected under the legislation
- Councils remain the plan makers while the CCO is the plan taker
- Councils influence is maintained through the ...
 - Shareholders' Agreement
 - Transfer Agreement
 - Statement of Expectations

Local influence (cont.)

- and the...
 - Shareholder Representative Forum (e.g. Board appointments)
 - ongoing accountability and monitoring
 - input to the Water Services Strategy
- The default is consensus decision making
 - short term – equal voice during establishment
 - long term – voice reflects number of connections (Taupō largest shareholder)
- Privatisation is prohibited

Ownership & Accountability Diagram



Councils jointly own the water organisation

Councils appoint representatives to
Shareholder Representative Forum

SHAREHOLDER REPRESENTATIVE FORUM

Responsible for jointly setting shareholder expectations, appointing Board and overseeing its performance

Appoints and removes water organisation
Board members

Issues Statement of Expectations

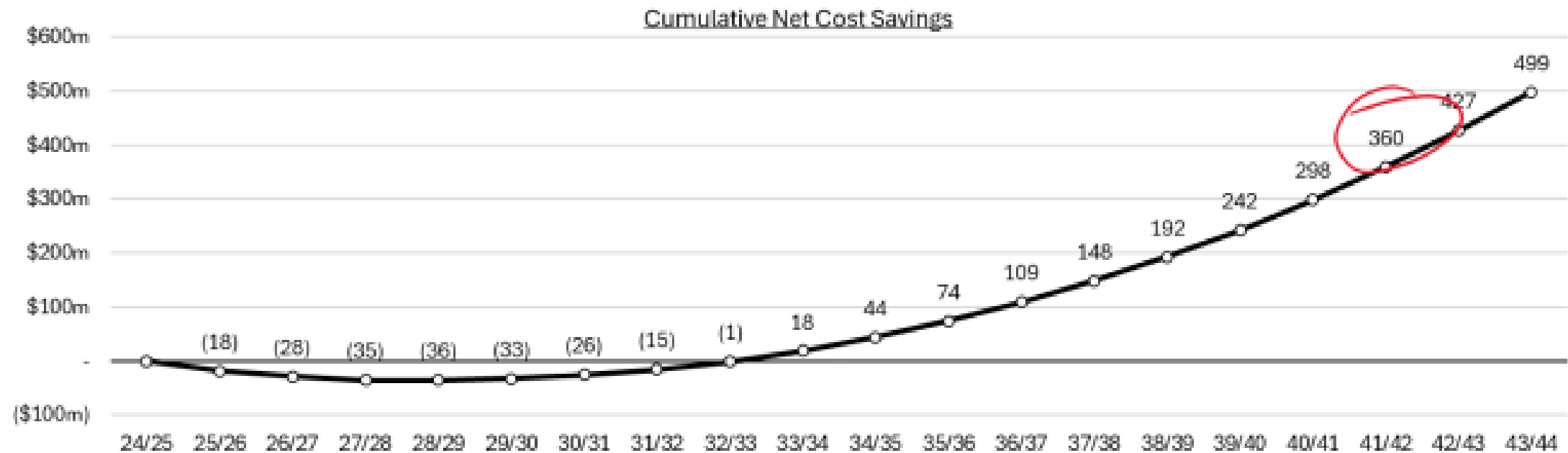
WATER SERVICES CCO

Responsible for operational and financial decisions consistent with Statement of Expectations and statutory obligations

Shares owned in accordance with share allocation plan agreed between councils



Financial sustainability

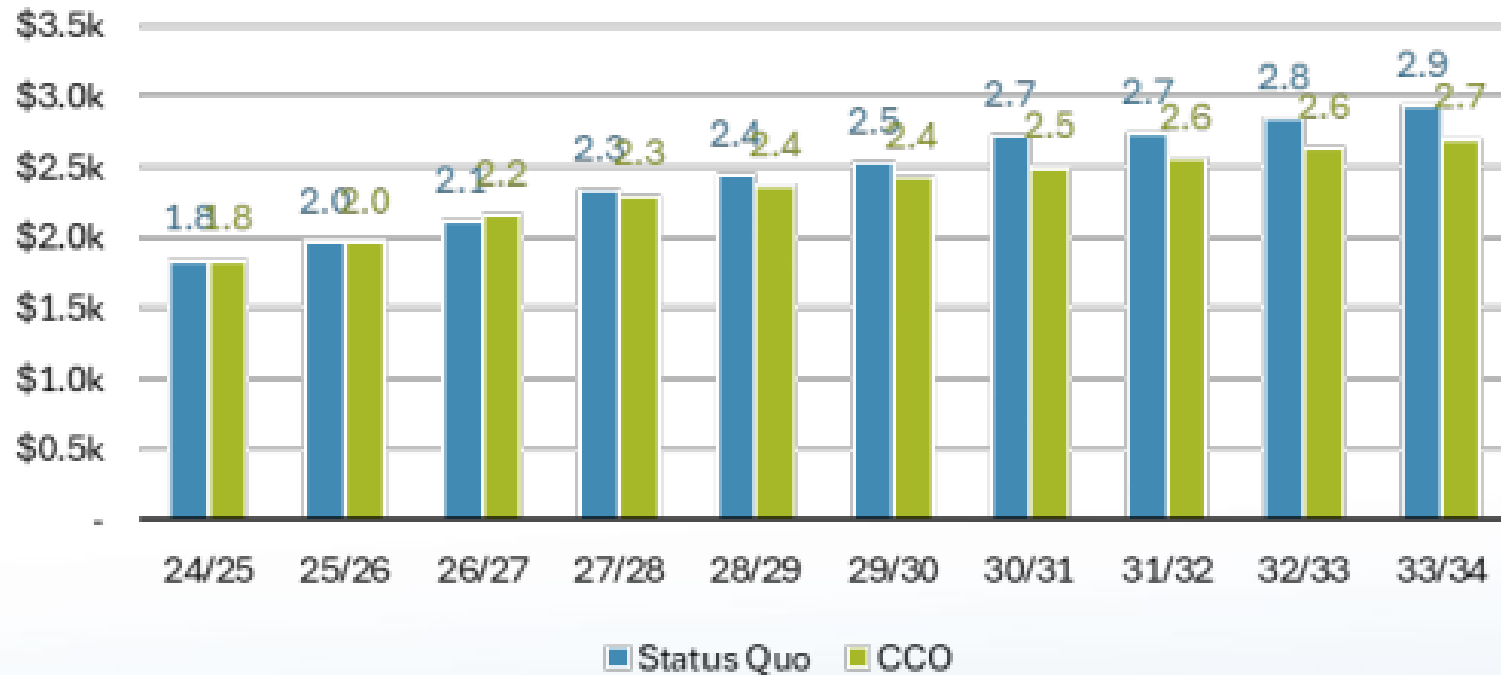


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Customer

Residential Rates / Residential Connections (incl. GST)



Workforce

- Local presence retained
- Combined workforce:
 - sharing knowledge
 - career pathways
 - building capacity and resilience
- Attractive business partner for suppliers
 - certainty of workflows and confidence to invest
 - stronger bargaining position

Meeting partner expectations

- Existing landowner, hapū and Iwi agreements - transferred
- Treaty settlements – enables whole of catchment approach
- Regulatory requirements – increased capacity to address
- Partnership proposal between shareholders and Iwi e.g. input into Statement of Expectations

Summary

- Change is here
- Costs are going to increase under the new regulatory environment
- Government's LWDW encourages collaboration to achieve greater strategic and financial benefits
- You have been part of co-designing a CCO that addresses local needs and meets future requirements
- Opportunities exist to further improve the design
- WWDW is a model focused on *generational* improvements to water service delivery