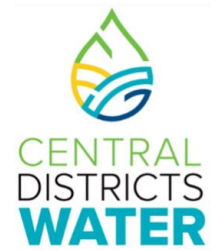


Central Districts Water Board Meeting

Wednesday 27 May, 2026

10:15am – 2:25pm





Directors

Steve Maharey (Chair)

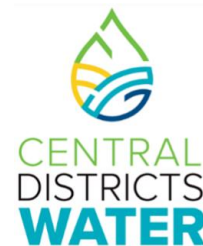
Sue Bidrose

Linda Robertson

Pahia Turia

Dave Chambers

Jon Nichols



Central Districts Water Board Meeting

27 May 2026, 10:15am–2:25pm

Palmerston North City Council, Level 4 Boardroom

Board Meeting Agenda

- 1. Board meeting begins** Steve Maharey
 - Opening Karakia
- 2. CDW Business** Steve Maharey
 - Previous Minutes
 - Matters Arising from the previous minutes
 - Action Items
 - Declaration of Interest
 - Correspondence
- 3. Board Charter and Policies**
 - Iwi Committee Terms of Reference Pahia Turia /Heidi Hitchman
 - LGOIMA Policy Chris Dyhrberg
 - LGOIMA Meeting Requirements Chris/Heidi/Liv
- 4. Establishment Programme Update**
 - Programme Update Chris Dyhrberg
 - Review of Establishment budget and forecast Jacinta Straker
- 5. CDEM Briefing Paper** Brent Manning
- 6. Nga Tapūwae o Hau Memorandum of Understanding Update** Chris Dyhrberg
- 7. Draft Media Protocol** Olivia Wix
- 8. Transfer Agreement Update** Jacinta Straker/ Richard Dore
- 9. Lunch break**
- 10. Customer Strategy Approval** Rebecca Chenery



Minutes for CDW Board Meeting - 29 April 2026
April 29 2026

A meeting of the Board of Directors (the “Board”) of CDW (the “Company”), was held on April 29 2026. Persons present in-person or telephonically were:

Present: Steve Maharey, Sue Bidrose, Chris Dyhrberg, Linda Robertson, Jon Nichols, Pahia Turia, Dave Chambers,

Attending: Heidi Hitchman, Julie Keane, Olivia Wix, Arno Benadie, Jacinta Straker, Mike Monaghan,

Apologies:

**Attended remotely*

†Attended for part of the meeting

Director Logistics

Noted.

Agenda

The Agenda was **noted** and no additional business was tabled.

Board only time

Board only time was held.

Board and Executive Director only time

Board & Executive Director time was held.

Welcome & Apologies

The Chair welcomed everyone to the meeting. No apologies were received.

Minutes & Director Interests



The Minutes of the meeting held on 08 April 2026 were **approved** as a true and accurate record of the meeting.

Sue Bidrose/Linda Robertson

Carried

Two Directors provided additional information which will be updated for the next meeting.

Correspondence

The Board **accepted** a letter from Ricki Freemantle.

Work programme

The Workplan was **taken as read**.

The Executive Director spoke to the Workplan for the Board including visits to the three Councils water, waste water and storm water sites.

Health & Safety of the sites will be reviewed by the Board at the same time.

The Board queried the strategy timing in June 2026

The Board will arrange a time to meet with Nga Tapuwae o Hau.

Linda Robertson noted an apology for the July 2026 meeting.

The Workplan was **approved**.



Board Charter and Policies

The Board reviewed the second iteration of the Board Charter.

The Board **approved** the Central Districts Board Charter subject to some minor edits.

The Audit Risk & Finance Committee Terms of Reference were **taken as read**.

The Audit Risk and Finance Committee Terms of Reference were **approved** subject to minor edits.

Board Committees & Chairs

The Board discussed the committee options and the following was **agreed**:

Board Deputy Chair - Sue Bidrose

Audit, Risk & Finance Committee Chair - Linda Robertson

Committee Members - Jon Nichols & Dave Chambers

Iwi Committee Chair - Pahia Turia

Committee Member - Sue Bidrose

The Board Chair will be Ex Officio on both committees.

ACTION: Letter to the Shareholders regarding Board/Committee Appointments **Assignee(s):** Steve Maharey **Due Date:** May 08 2026

ACTION: Draft Terms of Reference Iwi Committee **Assignee(s):** Heidi Hitchman **Due Date:** May 22 2026

Establishment Programme Update

The Establishment Programme Update was **taken as read**.



It was **noted** that:

- The Central Districts Water website is live.
- Issues and challenges of the Programme noted in the report for Board oversight.
- Climate Change impact to storm water. PNCC doing work on a storm water strategy at present which will be gifted to Central Districts Water.

ACTION: Board Paper - Capital Delivery Programme Prioritisation on the operations, assets and projects (include stage gates) **Assignee(s):** Chris Dyhrberg **Due Date:** June 05 2026

Debt transfer principles, approach & guarantees

The Debt Transfer Principles, Approach and Guarantees Paper was **taken as read**.

Jacinta Straker spoke to the to the paper and answered any queries from the Board. The purpose of the paper was to:

- Summarise the recommended guiding principles for the debt transfer method and approve the guiding principles and debt transfer method;
- Provide a high level funding update from the LGFA and obligations;
- Seek approval from each Council for the Board approval, guiding principles and debt transfer method.

The Board **approved**:

1. Guiding Principles for the debt transfer as outlined in the appended report from PwC.
2. Novation as the debt transfer method for the transfer of the water debt from the Councils to Central Districts Water.

Sue Bidrose/Jon Nichols

Carried

Next steps are to get approval from the Councils across May & June 2026.



The Board **noted** that the debt position for 2026/27 is a current work stream.

ACTION: Confirm & Audit the debt coming across does not need to be in the agreement **Assignee(s):** Chris Dyhrberg **Due Date:** June 05 2026

Overview of establishment budget, current spending and revised forecast

Dan Bonifant (Morrison Low) joined the meeting.

The Overview of Establishment Budget, Current Spending and Revised Forecast Paper was **taken as read**.

Jacinta Straker spoke to the paper and initial assumptions.

The Board **noted** that:

- Horowhenua District Council are handling outgoings to 01 July 2026.
- The assumption changes since the previous iteration.
- The Establishment Team will work to further refine the forecast assumptions.
- People workstream lead will work with the Board Chair to refine the CE & Executive Recruitment.
- The Establishment Team will continue to work with the LGFA to secure a line of credit or other funding from 01 July 2026.
- Following the May 2026 Board meeting, following the Council CE endorsement, the Board will be asked to endorse the refined forecast to be used for version 3 of the Establishment Budget.

Management to continue to progress.

ACTION: Establishment Budget & Forecast Refinement with Councils **Assignee(s):** Chris Dyhrberg **Due Date:** June 05 2026



LGFA Presentation

Cameron Walker & Mark Butcher joined the meeting.

The LGFA presented an overview and options for the Board at a high level view.

Customer and Digital Strategies

Rebecca Chenery joined the meeting.

The Customer & Digital Workstream Paper was **taken as read**.

The paper provided an update for the Board in regards to progress to date on the strategies and direction.

It was **noted** that a decision paper will be provided for the May 2026 meeting. The paper needs to include what will be up and running on day one. Customer focus is vital.

Lunch break

12.15pm - 12.35pm.

Board Purpose and Strategy (Workshop)

Dan Bonifant facilitated a Purpose & Strategy Workshop 12.36pm - 1.22pm.

Current State Compliance and Consents

The Current State Compliance and Consent Paper was **taken as read**.

Mike Monaghan spoke to the paper.



The next iteration of the paper will provide the journey and what day one looks like.

Major Capital Projects

The Capex Plan was **taken as read**.

Arno Benadie spoke to the Capital Plan including background the Councils current plans in place.

A timeline of the Significant projects and peaks were **noted**.

The next iteration of the paper will provide an innovative plan.

Iwi Settlement Obligations

The Iwi Settlement Paper was provide for Board information only.

Closing Karakia

The Chair closed the meeting with a Karakia at 2.25pm

Review of Meeting

The Board reviewed the meeting in Board Only time at the end of the meeting.

Board only time 2.25pm - 2.39pm.



Respectfully submitted,

Secretary of the Meeting

Date signed:

CENTRAL DISTRICTS WATER BOARD
DIRECTORS AND EXECUTIVES INTEREST REGISTER

AS AT 29 APRIL 2026

SUE BIDROSE

Company	Interest/Relationship	Date Advised
Central Districts Water Limited	Director	1 April 2026
Local Government Commission	Chair	8 April 2026
Civic Financial	Deputy Chair	8 April 2026
Wise Charitable Trust Group of companies	Wise Charitable Trust (Trustee), Te Pou Ltd (Chair), Blueprint Ltd (Chair), Wharaurau (Chair), Westella Ltd (Director), Social Innovation Ltd (Director)	29 April 2026
Cyprus Enterprise Ltd Group, including Meadow Mushrooms Ltd	Director	29 April 2026
Research Funding NZ	Board Member	29 April 2026

DAVE CHAMBERS

Company	Interest/Relationship	Date Advised
Central Districts Water Limited	Director	1 April 2026
Iawai Flowing Waters Ltd	Director	27 April 2026
ITM Co-Op Ltd	Director	27 April 2026
GB & DD Outfit Ltd	Personal Co Rental Property	27 April 2026
Living Clean NZ Ltd	Shareholder	27 April 2026

STEVE MAHAREY

Company	Interest/Relationship	Date Advised
Central Districts Water Limited	Chair	1 April 2026
Maharey Family Trust	Trustee	14 April 2026
35 Branksome Place Aokautere RD1 Palmerston North	Owner	14 April 2026
TailoredNZ	Investment fund	14 April 2026

JON NICHOLS

Company	Interest/Relationship	Date Advised
Central Districts Water Limited	Director	1 April 2026
Eastland Generation Ltd	Director and Chair of Audit and Risk	17 April 2026
Unison Networks Ltd	Director	17 April 2026
ETEL Ltd (transformer manufacturer subsidiary of Unison Networks Ltd)	Director	17 April 2026
RPS Switchgear Ltd (subsidiary of Unison Energy Ltd)	Director	17 April 2026
Unison Energy Ltd (shell company)	Director	17 April 2026
Hawkes Bay Airport	Chair	17 April 2026
Local Water Done Well Governance Group Hawkes Bay	Independent Chair	17 April 2026
Nichols Consulting Ltd	Director/Owner	17 April 2026

LINDA ROBERTSON

Company	Interest/Relationship	Date Advised
Central Districts Water Limited	Director	1 April 2026
RML Consulting Limited	Director & Shareholder	3 April 2026
Crown Irrigation Investments Limited	Chair	3 April 2026
Central Lakes Trust	Chair	3 April 2026
Horizon Energy Group companies comprising of; Horizon Energy Group Limited, Horizon Energy Distribution Limited; Aquaheat New Zealand Limited; Caldwell and Levesque Limited; Coollogic Refrigeration Limited; Horizon Energy Limited; Horizon Services Limited; Aquaheat Facility Services Limited; Aqua heat Fire New Zealand Limited; Aquaheat	Director	3 April 2026

South Pacific Limited (Appointed February 2025).		
Invercargill City Holdings Limited	Director	3 April 2026
Kordia Group Limited	Director	3 April 2026
SBS Bank (Southland Building Society)	Director	3 April 2026
Fraser Properties Limited	Director	3 April 2026

PAHIA TURIA

Company	Interest/Relationship	Date Advised
Central Districts Water Limited	Director	1 April 2026
Taipak Developments Ltd	Director	7 April 2026
Taipak Properties Ltd	Director	7 April 2026
Te Hou Farms	Chair	7 April 2026
Te Ohu Kaimoana Ltd	Chair	7 April 2026
Te Rūnanga o Ngā Wairiki Ngāti Apa	Chair	7 April 2026
Ngā Wairiki Ngāti Apa Developments Ltd	Director	7 April 2026
Te Wai Māori Trust	Director	7 April 2026
Tupu Angitu Ltd	Director	7 April 2026
AI Business Solution NZ	Director	7 April 2026

CHRIS DYHRBERG

Company	Interest/Relationship	Date Advised
Palmerston North City Council	Deputy CEO	16 April 2026
Central Districts Water Limited	Executive Director	16 April 2026
FoodHQ Innovation Limited	Director	16 April 2026
Palmerston North Airport Ltd (PNAL) Terminal Redevelopment Sub-committee	Member	16 April 2026
Kamahi Trust (Family Trust)	Trustee/Beneficiary	16 April 2026
Dyhrberg/Bell Family Trust	Trustee	16 April 2026



MEMORANDUM

To: Board of Directors

From: Pahia Turia & Heidi Hitchman

Date: 27 May 2026

Subject: Draft Terms of Reference – Iwi Committee

Category: For Decision

Purpose

This paper sets out the proposed Terms of Reference (ToR) for the Iwi Committee.

Recommendations

The Board is asked to review the draft ToR and either approve the draft for adoption or suggest any changes to be made prior to adoption.

Background

At the meeting of the CDW Board on 29 April, the Board resolved to set up an Iwi Committee. It was agreed that Pahia Turia would be the Committee Chair and Sue Bidrose would be a Member of the committee.

An action following that decision was for the Company Secretary to draft a Terms of Reference for the Iwi Committee to bring to the next Board meeting for review and approval.

Discussion and analysis

No example of a ToR for an Iwi Committee has been located. Given that, a generic ToR template has been used, which has been populated with a scope developed by the Committee Chair. This is attached as **Attachment 1**.

Next steps

Once adopted, the Iwi Committee ToR will be saved in Diligent as the official version.

The ToR will be reviewed annually, and any changes will be reported to the Board for approval. It will be scheduled for the 6 May 2027 Board meeting.

Attachments

Attachment 1: Draft Terms of Reference – Iwi Committee

TERMS OF REFERENCE

Central Districts Water IWI Committee

Date	May 2026
Approved by	Central Districts Water Board
Version	1.0 — Draft
Review	Annual — May 2027

1. Purpose

The purpose of this Committee is to exercise kaitiakitanga over the freshwater resources of the Central Districts Water region, safeguarding them for present and future generations through meaningful iwi and stakeholder engagement.

2. Establishment

This Committee is established by the Central Districts Water Board.

3. Scope of Functions

The Committee's principal functions include:

- **Te Tiriti partnership responsibilities**
 - Recognise and give effect to Te Tiriti o Waitangi obligations
 - Maintain relationships with mana whenua
 - Ensure Tangata Whenua interests in freshwater are considered in decision-making
- **Kaitiakitanga and environmental stewardship**
 - Protection of waterways, aquifers, and wetlands
 - Mahinga kai and wāhi tapu
 - Sustainable water management
 - Ecological restoration and climate resilience
- **Cultural advice on water planning**
 - Water Services Delivery Plans (WSDPs)
 - Infrastructure projects
 - Stormwater and wastewater discharges
 - Drinking water source protection
 - Emergency management and resilience planning
- **Engagement between iwi and the water entity**
 - Consultation with iwi and hapū
 - Sharing information
 - Resolving issues early
 - Building long-term strategic partnerships
- **Monitoring cultural outcomes**
 - Cultural health indicators for waterways
 - Environmental outcomes important to mana whenua

- Commitments made in agreements or consent conditions
- **Supporting mātauranga Māori integration**
 - Mātauranga Māori (Māori knowledge systems)
 - Tikanga-based approaches
 - Cultural monitoring methods into water management practices

4. Membership

Role	Detail
Chairperson	Appointed by Board
Members	Minimum 2, appointed by Board
Technical Expert	Up to 2, co-opted as required

Quorum shall be two (2) members, including the Chairperson or a delegated deputy.

5. Term of Appointment

- Members serve a term of three (3) years
- Members are eligible for re-appointment
- The Committee Chair is appointed annually by the CDW Board

6. Meetings

- The Committee shall meet quarterly (four times per year)
- Additional meeting may be called as required
- Agenda papers shall be distributed no fewer than five (5) working days before each meeting
- Meetings may be held via video conferencing where circumstances require
- Minutes shall be recorded and provided to the Central Districts Water Board

7. Decision-Making

Decisions shall be made by simple majority of members present and voting. In the case of a tied vote, the Chair shall have a casting vote.

This is an advisory committee — it does not have decision making or delegated expenditure. All recommendations are referred to the Board for approval.

8. Reporting

- An annual report shall be provided to the Board covering activities and outcomes.
- A brief summary report shall be provided to the Board after each meeting subsequent to a committee meeting.
- Minutes shall be made available to all Board members.

9. Conflicts of Interest

Members must declare any interest in matters before the Committee prior to discussion. The Committee will determine whether the member should withdraw from deliberations.

10. Conduct

- Meetings shall open and close with karakia.
- Members shall conduct themselves with respect and manaakitanga at all times.
- Te reo Māori and English are both welcome; translation support will be arranged where practicable.

11. Review of Terms of Reference

These terms of reference shall be reviewed annually and may be amended by the Board as required.

Approval

Chairperson, Board	Committee Chairperson
Name: _____	Name: _____
Signature: _____	Signature: _____
Date: _____	Date: _____



MEMORANDUM

To: Board of Directors
From: Chris Dyhrberg - Executive Director, CDW Establishment Programme
Date: 27 May 2026
Subject: Draft LGOIMA Policy
Category: For Decision

Purpose

This paper has been prepared in support of a proposed Local Government Official Information and Meetings Act 1987 (**LGOIMA**) Policy, for Board consideration and approval.

The proposed LGOIMA Policy is intended to guide the CDW Establishment Team and its management of all LGOIMA requests received during the establishment period through to 30 June 2027.

The LGOIMA Policy may be updated prior to 1 July 2027, with a view to ensuring that it will capture the more enduring arrangements in relation to CD Waters LGOIMA responsibilities, and to ensure that staff induction and training is completed in a robust manner.

This LGOIMA Policy, and the majority of the content of this paper, has been modelled off the policy and supporting Board paper prepared by Simpson Grierson for Tiaki Wai.

Recommendations

The Board is asked to **approve** this policy for adoption.

Background

Water Services Council-Controlled Organisations (Water Organisations) and their Boards are subject to certain obligations established by LGOIMA. This includes the obligations relating to official information that is held by CDW, and obligations and requirements relating to meetings of the Board of CDW.

In terms of official information, [Part 1 of Schedule 1 to LGOIMA](#) has been amended to list "Water organisations within the meaning of the Local Government (Water Services) 2025" as a class of local authority to which Parts 1 to 7 of LGOIMA apply.

In short, what this means is that CDW, as a water organisation, is subject to LGOIMA, and will need to accept and respond to requests for official information in a consistent manner.

Adopting a LGOIMA Policy is a common approach for organisations subject to LGOIMA, to ensure that consistency is achieved across the organisation (and their staff) in relation to the timely management of, and response to, public requests for official information.

It is also considered good practice to adopt and administer such policies, with appropriate induction training and guidance given to staff, to ensure that requests are managed appropriately and to



ensure that, in the event of complaints being made, it is possible to demonstrate that clear processes and procedures are in place.

Discussion and analysis

The Board is provided with a proposed LGOIMA Policy for their consideration and approval – see **Attachment 1**.

As outlined above, the proposed policy has been prepared to guide the LGOIMA-related activities of the Establishment Team through to 30 June 2027, prior to the intended transfer of responsibilities from the Councils to CDW. It is expected that the LGOIMA policy will be updated as part of the transfer, so that it fully reflects CDW's approach to satisfying its LGOIMA responsibilities.

The purpose of the proposed LGOIMA Policy is to:

- ensure decision-making processes are transparent, and that they comply with legislative requirements;
- ensure that information is available and accessible to the public and CDW customers;
- provide clear guidance for requesters of information and for CDW when considering and responding to requests for information;
- ensure official information held by CDW is made available to the public in accordance with the purposes of, and its responsibilities under, LGOIMA; and
- provide a basis for staff induction and ongoing training, so that CDW is compliant with its responsibilities under LGOIMA.

The policy applies to all requests from members of the public, businesses and organisations seeking official information held by CDW, including information held by any officers, employees, directors and contractors in accordance with LGOIMA.

It outlines the timeframes and process for responding to requestors in a timely manner and is underpinned by the key principle that official information must be made available unless there is good reason to withhold it.

All requests by a person for their own personal information will be considered under the Privacy Act 2020 and any Privacy Policy adopted by CDW, not LGOIMA.

Prior to 1 July 2027, it is anticipated that a review of the LGOIMA Policy will be completed, to ensure that it aligns with the forward-looking principles, values and culture of CDW.

Next steps

Following approval by the Board, the CDW proposed LGOIMA Policy will be published on the CDW website.

Attachments

Attachment 1: Draft LGOIMA Policy

Central Districts Water

Interim Local Government Official Information and Meetings Act
1987 (LGOIMA) Policy

For Central Districts Water Board

Date approved	
Scheduled review date	



Contents

1	Purpose, scope and objective	2
1.1	Purpose	2
1.2	Scope	2
1.3	Objective	3
2	Requests for information	4
2.1	Requests	4
2.2	Timeframes for response	4
2.3	Urgency	5
2.4	Responding to requests	5
2.5	Requests for personal information	6
2.6	Requests for internal rules and reasons for decisions	6
2.7	Complaints	6
3	Proactive release of official information	7
4	Further resources	7

1 Purpose, scope and objective

1.1 Purpose

The purpose of this policy is to:

- ensure decision-making processes are transparent and information is available and accessible to the public and Central Districts Water customers, during the establishment period through to 1 July 2028.
- enable effective public participation in Central Districts Water decision-making and promote the accountability of Central Districts Water
- provide clear guidance for requesters of information and for Central Districts Water when considering and responding to requests for information, and
- ensure official information held by Central Districts Water is made available to the public in accordance with the purposes of, and its responsibilities under, LGOIMA.

The nominated email address for all requests and complaints is secretary@centraldistrictswater.co.nz.

1.2 Scope

This policy applies to all requests from members of the public, businesses and organisations seeking official information held by Central Districts Water, including information held by any officers, employees, directors and contractors (in their capacity as contractors of Central Districts Water), in accordance with LGOIMA. The Central Districts Water Board, while contracted through Manawātū-Whanganui Regional Council and the relevant territorial authorities, will be considered part of Central Districts Water for the purposes of compliance with LGOIMA during the establishment phase. You can find a copy of LGOIMA [here](#).

For LGOIMA to apply, the information must be held by Central Districts Water at the time it is requested, except when Central Districts Water is providing a response to a request for a statement of reasons about a previous decision.

There is no obligation for Central Districts Water to form an opinion or create information that it does not already hold to answer a request, although it may choose to assemble or compile information in a new or different format to respond to a request.

Information held by Central Districts Water officers, employees, directors and contractors in their personal capacity is not official information unless it is subsequently used for official purposes.

This policy does not apply to requests by a natural person for information held by Central Districts Water about them. Such requests will be dealt with, and responded to, in accordance with the Privacy Act 2020 and the Central Districts Water Privacy Policy.

Central Districts Water provides information to territorial authorities for the purposes of land information memoranda (LIMs) under Part 6A of LGOIMA but does not issue LIMs itself. The requirements for local authority meetings in Part 7 of LGOIMA apply to meetings of the Board of Central Districts Water, but not any Board Committees or Sub-Committees.

1.3 Objective

LGOIMA relevantly aims to:

- ensure that official information is available to the public, unless good reason for withholding exists, to enable more effective public participation in decisions and promote accountability of decision-makers
- provide for proper access by each person to official information relating to them, and
- protect official information to the extent consistent with the public interest and the preservation of personal privacy.

This policy supports these purposes. Its overarching objective is to contribute to public trust and confidence in Central Districts Water by demonstrating appropriate transparency, through its establishment and transition phase and then on an ongoing basis.

This will be assisted by both proactively sharing relevant information and responding to questions and requests in a timely and respectful manner that is in accordance with LGOIMA.

The fundamental principle under LGOIMA is that official information will be made available unless there is a good reason for withholding it.

Official information means any information held by Central Districts Water, with very limited exclusions. It includes information held by independent contractors to Central Districts Water, to the extent they hold information in that capacity.

It is not limited to documentary material and includes material held in any format such as:

- written documents, reports, memoranda, letters, notes, emails and draft documents
- non-written documentary information such as material stored on or generated by computers, including databases and recordings
- information which is known to Central Districts Water but has not been recorded in writing or otherwise. This includes knowledge of a particular matter held by an officer, employee, or director of Central Districts Water in their official capacity, and any contractors or consultants while undertaking work for Central Districts Water, and
- documents and manuals which set out the policies, principles, rules or guidelines for decision making by Central Districts Water.

2 Requests for information

2.1 Requests

Anyone can request specified official information from Central Districts Water. Central Districts Water must handle these requests in accordance with LGOIMA.

Requests can be made in any form and do not need to specify that they are a request for official information (or that they are made under LGOIMA). Possible forms for requests include via email, verbally, social media or in writing.

Requestors seeking official information will be given reasonable assistance to make their requests to the correct local authority or agency and, where that is Central Districts Water, in a manner that is suitably specific.

To enable requests to be dealt with effectively, requests should be emailed to the nominated email address. All other requests received by Central Districts Water officers, employees, directors or consultants for official information will be forwarded to the nominated email address, to enable timely responses in accordance with the requirements of LGOIMA.

Central Districts Water may ask a person who makes an oral request to put that request in writing, where it is considered important to clarify the request made. If the requestor does not do so, Central Districts Water will record its understanding of the request and provide a copy of that record to the requestor.

2.2 Timeframes for response

Central Districts Water will respond as soon as reasonably practicable to all LGOIMA requests, and within the maximum of **20 working days** allowed under LGOIMA (unless that timeframe is extended for legitimate reasons).

Working day means any day that is not:

- a Saturday, a Sunday, Good Friday, Easter Monday, ANZAC Day, Labour Day, King's Birthday, Te Rā Aro ki a Matariki/ Matariki Observance Day, Waitangi Day (including the following Monday if Waitangi Day or ANZAC Day fall on a Saturday or a Sunday); or
- Wellington Anniversary Day; or
- any day between 20 December and 10 January inclusive.

Day 1 is the first working day after the day the request is received.

Central Districts Water is expected to cooperate with any person that makes a request, including seeking to clarify the request made where reasonably necessary. If Central Districts Water seeks amendment or clarification of a request within 7 working days of the original request being made and it is consequently amended or clarified, the request will be treated as a new request and the timeframe for a response will begin from the date of the amendment or clarification.

If a request is made for information that is:

- not held by Central Districts Water but is believed to be held by another agency, or
- held by Central Districts Water but believed to be more closely connected with the functions of another agency

then Central Districts Water will transfer the request to that other agency. This could include transfers to any Shareholding Council, or Manawātū District Council, or other relevant territorial authorities within the Manawātū-Whanganui region.

Central Districts Water will consider the need for, and where appropriate make any transfer of a request within 10 working days of receipt of the original request and will promptly inform the requestor of the transfer.

Where Central Districts Water does not hold information or documentation relevant to a request and does not believe that it may be held by another agency, Central Districts Water may refuse the request under sections 17(e) or (g) of LGOIMA on the basis that no documentation exists, or the information is not held by Central Districts Water.

A decision may be made to extend the timeframe for responding to a request in accordance with section 14 of LGOIMA. Any decision to do so will be made within 20 working days after the receipt of the request, taking account of any amendment or clarification.

2.3 Urgency

A requester may ask for their request to be treated as urgent. Reasons for the urgency must be given. If Central Districts Water is unable to meet the urgent timetable sought, or does not consider the request to be urgent, it will advise the requestor accordingly.

In the case of multiple requests for information, Central Districts Water may ask that the requestor prioritise their requests so that it can focus on the information sought under urgency first, before considering the remaining information within the normal LGOIMA timeframes.

2.4 Responding to requests

When first receiving a request Central Districts Water will confirm receipt to the requester via email, unless the requestor does not provide an email address.

In considering a request for official information Central Districts Water may consult with third parties where appropriate.

The key principle that applies when deciding whether to disclose official information is that information must be made available unless there is good reason to withhold it.

Central Districts Water may withhold official information where a conclusive reason to do so exists under section 6 of LGOIMA.

These reasons include where making information available could harm the security or defence of New Zealand or the international relations of the Government, harm maintenance of the law including the prevention, investigation and detection of offences and the right to a fair trial or endanger the safety of any person.

Central Districts Water may also withhold official information where reason to do so exists under section 7 of LGOIMA. The reasons under section 7 include but are not limited to situations where withholding information is necessary to (in summarised form):

- protect the privacy of natural people, commercially sensitive information, or obligations of confidence
- maintain effective conduct of public affairs or legal professional privilege, or
- prevent the disclosure or use of official information for improper gain or advantage.

Where Central Districts Water determines that one of the withholding grounds under section 7 of LGOIMA applies, before deciding to withhold information and refuse a request it must consider whether withholding the information is outweighed by any public interest in disclosure. For further information on how the public interest is considered see the Ombudsman's guide [here](#).

Central Districts Water may also withhold official information where any of the other grounds set out in sections 8 or 17 of LGOIMA are met.

For further information regarding the grounds available for withholding official information, see the guides offered by the Ombudsman's Office [here](#), including:

- Where the information is already, or soon to be, [publicly available](#).
- [Information not held](#).
- [Confidentiality](#).
- Where [substantial collusion](#) or research is required.

2.5 Requests for personal information

A request by a natural person for their own personal information will be considered under the Privacy Act 2020 and the Central Districts Water Privacy Policy.

A request by a legal person who is not a natural person (for example, a request on behalf of a limited liability company) for their own personal information will be considered under Part 4 of LGOIMA. Central Districts Water will take reasonable steps to satisfy itself of the identity of the person making the request before releasing any information and will inform the requestor of their right to ask Central Districts Water to correct the personal information if they think it is inaccurate or incomplete.

2.6 Requests for internal rules and reasons for decisions

A request by a person for internal documents or rules that guide Central Districts Water decisions affecting the requestor, or for recommendations or decisions affecting the requestor, will be considered under sections 21 and 22 of LGOIMA.

This may involve the preparation of a written statement by Central Districts Water, setting out findings on material issues of fact, references to information on which those findings were based, and the reasons for a recommendation or decision.

2.7 Complaints

If a requester is not satisfied with a decision or response they receive from Central Districts Water in relation to their request, they can make a complaint to Central Districts Water by sending an email to the nominated email address.

A requester also has the right to make a complaint to the Ombudsman under Part 5 of LGOIMA.

3 Proactive release of official information

In some circumstances Central Districts Water may proactively release official information.

Central Districts Water will consider the following when determining whether to proactively release official information:

- The level of public interest in the information.
- Whether public interest considerations such as transparency, participation, accountability, administration of justice and health and safety will be served by proactive release.
- In matters relating to personal information, the application of the Privacy Act 2020.
- Resources available to Central Districts Water.
- Whether any grounds for withholding the information would exist under LGOIMA, if a request was made for the information under that Act.

Central Districts Water may also decide to partially redact information that it does proactively release, including where grounds for withholding that information under LGOIMA would otherwise exist. If this occurs, Central Districts Water will identify the ground that supports the withholding of the information.

4 Further resources

This policy should be read in conjunction with the following statutes:

- Local Government Official Information and Meetings Act 1987
- Privacy Act 2020
- Ombudsman Act 1975
- Public Records Act 2005
- Copyright Act 1994
- Local Government Act 2002
- Local Government (Water Services) Act 2025

For further guidance on Central Districts Water's obligations under LGOIMA, please see guidance produced by the Ombudsman's Office [here](#).



MEMORANDUM

To: Board of Directors
From: Olivia Wix
Date: 27 May 2026
Subject: LGOIMA Requirements for Meetings
Category: For Information

Purpose

This paper has been prepared to provide the Board with guidance on the requirements of the Local Government Official Information and Meetings Act 1987 (LGOIMA) relating to Board meetings, including meeting notification requirements, public access obligations, and the use of public excluded (Part 2) provisions.

The attached legal memorandum from Simpson Grierson (**Attachment 1**) will inform how Board meetings are conducted moving forward and establish the procedures operational staff will follow to support ongoing compliance with LGOIMA meeting requirements. The attachment also provides practical guidance and example wording to support the consistent application of public excluded grounds and meeting processes.

Recommendation

That the Board adopt the meeting notification, agenda publication, and public excluded processes outlined in this paper, including Attachment 1, to ensure compliance with the LGOIMA meeting requirements.

Background

As a water organisation, CDW is subject to the meeting requirements established under LGOIMA, including obligations relating to public notification of meetings, availability of agendas and reports, and the lawful exclusion of the public from meetings where appropriate grounds apply.

Discussion and analysis

Attachment 1, prepared by Simpson Grierson, outlines the statutory requirements applying to Board meetings and provides guidance on the use of public excluded grounds, including practical considerations for meeting administration and governance processes.

Establishing clear meeting procedures will support consistent and compliant Board processes moving forward and provide Establishment Team staff with a framework for administering Board meetings in accordance with LGOIMA requirements and good governance practice.



Next Steps

In line with the guidance provided by Simpson Grierson, Board meetings will be publicly notified on the CDW website in accordance with the statutory timeframes set out under LGOIMA. Public notices will also be placed in the *Manawatū Standard*, *Horowhenua Chronicle*, *Horowhenua Star*, *Whanganui Chronicle*, and *District Monitor* to support awareness across the three districts.

It is noted that the publication frequency of these newspapers varies, ranging from daily publications to multiple editions per week and weekly publications. As a result, public notices may appear in different communities at different times depending on the relevant publication schedules.

The Local Government (Systems Improvement) Bill currently proposes amendments to public notice requirements, including the removal of mandatory newspaper notices. Subject to the Bill being enacted, CDW may still choose to continue advertising Board meetings in local newspapers during the lead-up to transition to support transparency and community awareness.

Confirmed Board meeting minutes will be published on the Central Districts Water website as soon as practicable following confirmation by the Board.

Attachments

Attachment 1: Simpson Grierson Memo on LGOIMA Requirements

To Chris Dyhrberg **20 May 2026**
From Mike Wakefield and Judith Cheyne
Subject Statutory requirements for meetings of the Board of Central Districts Water

PRIVILEGED AND CONFIDENTIAL

Introduction

1. This memorandum provides advice on the minimum statutory requirements arising under the Local Government Official Information and Meetings Act 1987 (**LGOIMA**) for notifying Board meetings, and related matters, including guidance on the reasons the Board can rely on for deciding that reports on a Board meeting agenda should not be disclosed or when the public can be excluded from meetings (**PX reasons**). It also provides some tips for conducting meetings where information might be disclosed.
2. The Board (and staff supporting the Board) may find the following general guide issued by the Ombudsman useful: [The LGOIMA for local government agencies: A guide to processing requests and conducting meetings | Ombudsman New Zealand](#)

Notification of Board meetings, and requirements in relation to agendas and reports

3. The requirements in LGOIMA for meetings are (although refer to footnote 2 below):
 - (a) **Public notification of meeting dates monthly:**¹ The organisation must publicly notify its meeting schedule by publishing a monthly list **on the organisation's internet site**² **shortly before the end of each month**, or, if a meeting is to be held late in the month, by giving notice shortly before the meeting itself.

Specifically:

 - (i) **not more than 14 days and not less than 5 days before the end of every month**, publish a list of the dates, times and places at which all meetings are scheduled to be held in the following month, or
 - (ii) **for any meeting to be held on or after the 21st day of any month**, the organisation can instead notify that meeting **not more than 10 nor less than 5 working days before the day of the meeting**.
 - (b) **Agendas and reports to be publicly available for inspection at least 2 working days prior to the meeting:**³ unless the meeting is called as an extraordinary or emergency meeting. Reports that will not be disclosed to the public for PX reasons do not need to be made available, but the Agenda should refer to those reports.

¹ LGOIMA, s 46.

² We note that the definition of "publicly notified" in s 2 of the LGOIMA is soon to be repealed. The recommendation made in paragraph 3(a) anticipates that change, which will – once enacted – mean that the relevant definitions in the Legislation Act 2019 will apply instead. These definitions require notice in a newspaper or on a website, not both. (Refer: Regulatory Systems (Internal Affairs) Amendment Bill, which has advanced through its second reading and, as at 18 May 2026, is at the Committee Stage).

³ LGOIMA, s 46A.

- (c) **Extraordinary meetings must be notified as soon as practicable before the meeting;**⁴ and any resolutions passed must also be publicly notified unless the meeting was properly advertised or held in private.
 - (d) **Meetings must be open to the public by default;**⁵ unless the Board passes a formal resolution to exclude the public (which must be done in public and recorded in the minutes) – see discussion below re the reasons for excluding the public.
4. While section 46(5) of the LGOIMA provides that a meeting will not be invalid merely because it was not publicly notified as required, once the organisation becomes aware a meeting was not publicly notified in accordance with the section 46 requirements it must then give public notice of the meeting in accordance with s 46(6).⁶
5. In light of the above, we recommend, as minimum requirements for Central Districts Water, that:
- (a) Public notification of meetings be given as follows:
 - (i) Notice of the time and date of the meeting on the organisation's website;⁷
 - (ii) The notice is given no earlier than 2 weeks prior to the end of each month (for the following month's meetings). If a list of meetings is published 6 months in advance (as you propose) notification is still required on both the organisation's website the month before (or immediately after, as provided for in s 46(6) of LGOIMA).
 - (b) Meeting agendas are made available on the organisation's website, no later than 2 working days before every meeting, along with any reports that are expected to be considered as part of a public excluded session.
 - (c) The agenda must indicate clearly which items are expected to be considered with the public excluded.
 - (d) Minutes are promptly prepared and made public on the organisation's website, other than those which relate to items discussed with the public excluded, noting that the minutes are typically left in draft until they have been approved by the Board at its next meeting.

4 LGOIMA, s 46(3). Note that this sub-section is also to be replaced by the Regulatory Systems (Internal Affairs) Amendment Bill with the following: "If an extraordinary or emergency meeting of a local authority is called and cannot be publicly notified in the manner required or permitted by subsections (1) and (2), the local authority must give public notice of the meeting and the general nature of business to be transacted at that meeting as soon as practicable before the meeting is held."

5 The right to exclude members of the public is found in s 48, while s49 contains provisions that apply when a meeting is open to the public, such as allowing bona fide members of the news media to attend.

6 The public notice must state the general nature of the business transacted at that meeting and the reasons why the meeting was not properly notified.

7 If the definition of "publicly notified" in s 2 of the LGOIMA is repealed, as is proposed, there will be no requirement to publish in a newspaper as well as on the organisation's website.

- (e) While each item will need to be considered on its own, the general expectation is that agenda items and reports that relate to the transition from the Shareholding Councils to the organisation can be discussed with the public excluded (using grounds as set out in the Appendix to this memorandum).

Reasons supporting public excluded consideration of items

6. In the event that a decision is made to exclude the public from a meeting (or part of a meeting), LGOIMA requires that:⁸
 - (a) a resolution is made that states the subject matter of the item to be considered with the public excluded;
 - (b) the reason(s) for exclusion (under ss 6⁹ or 7 of the LGOIMA)¹⁰; and
 - (c) a summary of the grounds relied on that apply to the withholding of official information.
7. The **attached** Appendix makes use of the table Olivia provided to us, which we have updated to reflect the requirements above, and to put the potential subject matter in chronological order of the s 7 grounds. Note that several of the example responses appear to relate to the free and frank ground, which was included in the table, and so we have not used these in the Appendix (as that ground is not applicable to meetings¹¹).
8. Olivia also provided a guide that Palmerston North City Council staff use when considering whether PX reasons may apply. It may be useful to provide a similar guide to Central Districts Water staff, when they are preparing reports for the Board.

Public excluded tips for staff / Chair

9. If staff or the Chair believe any discussion at a public meeting may result in the disclosure of information or material which engages any withholding around, and for which the public should be excluded, the following tips may assist:
 - (a) It would be appropriate to signal to the Chair, or for the Chair to determine, that the meeting should briefly adjourn (with public asked to vacate);
 - (b) During the adjournment the Chair and staff can discuss the matter to assess if there is a valid reason for excluding the public, and the Board can assess whether the discussion can continue without giving rise to a need to exclude the public;
 - (c) Resume the meeting, and either make a resolution to exclude the public (in the public forum), or continue the discussion with care not to divulge information that may be sensitive.

8 S 48(3)

9 The conclusive reasons in s 6 are unlikely to apply to the Board, except two grounds: if information might prejudice the maintenance of the law (including the prevention, and detection of offences, and right to a fair trial) or if it might endanger the safety of any person. The Ombudsmen has guides relating to section 6 and all the grounds in s 7.

10 Note that s 48(1)(a)(i) provides that the Board cannot use the ground in s 7(2)(f)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to the Board and staff.

11 LGOIMA, s 48(1)(a)(i).



10. In future, if meetings are live streamed this can be done with a delay, so the “record” can be halted if the discussion has disclosed information that should not have been made public.
11. Staff training for Board members will assist in keeping everyone aware of the need to be open and transparent (the principle of availability of information of public bodies in the LGOIMA) and the need to choose words carefully when meetings are open to the public.

Appendix

Bracketed sections are examples of content that can be included in a PX resolution.

There can be situations where multiple PX reasons apply, including for reasons of both privacy and confidentiality. If so, all potential PX reasons should be relied on in the resolution. All PX reasons under s 7 must be weighed against the public interest in releasing the information.

The Ombudsman's resources and guides (particularly in relation to specific PX reasons) may be useful: [Resources for agencies](#) | [Ombudsman New Zealand](#)

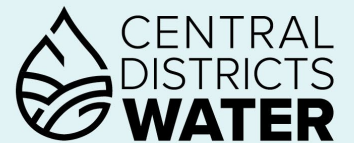
Section 7	Ground	Subject matter	Reasons
(a)	protect the privacy of natural persons, incl deceased persons;	Personal information (staff or public)/ Employment or staffing matters	Includes personal information about identifiable individuals, which needs to be protected, namely: [customer details [such as a list of customers who are debtors or have made complaints]; a complaint received about a staff member; performance and conduct matters involving a named employee; other specific staff matters]
(b)(i)	protect information that would disclose a trade secret	Sensitive business information (if not disclosing a trade secret, then may fall within (b)(ii))	Includes sensitive business information that [is a trade secret/ would unreasonably prejudice the parties involved if it was released.]
(b)(ii)	protect information where it would be likely unreasonably to prejudice the commercial position of the person who supplied or is the subject of the information	Supplier pricing / proposals	Contains detailed pricing and proposals from suppliers, [submitted as part of a current tender process on X] which must remain confidential to ensure a fair and competitive process. Includes commercially sensitive information about a current or proposed [water/stormwater/wastewater contract for x] including pricing and supplier details, which could prejudice the ability for those suppliers to negotiate other contracts in future.
(c)	protect information subject to an obligation of confidence, where if	Confidential information	Includes information provided in confidence by a third party and releasing it could

Section 7	Ground	Subject matter	Reasons
	information was made available it would likely prejudice the supply of similar information or other damage the public interest	from a third party	<p>damage relationships or limit future information sharing.</p> <p>Relates to information provided by [xxxx - <i>if can be named</i>] under a confidentiality agreement. [<i>Or more detail re the information/ agreement - Relates to data shared by an external partner for X project which they have asked to be kept confidential.</i>]</p> <p>Contains information about security arrangements for key infrastructure sites or operational details of treatment facilities the release of which could be damaging to the public interest.</p>
(d)	avoid prejudice to measures protecting the health or safety of members of the public	Health and safety risk	<p>Includes information that, if released, could create a risk to people's health or safety, namely:</p> <p>[<i>security arrangements for key infrastructure sites; operational details of treatment facilities</i>]</p>
(e)	avoid prejudice to measures that prevent or mitigate material loss to members of the public	Need to use private land for works	<p>Relates to discussions currently underway with xxxx regarding land access and / or purchase of land which if details were released could cause a loss in value.</p> <p>(This situation might also relate to commercial activities of negotiations PX reasons.)</p>
(f)(ii)	maintain the effective conduct of public affairs through the protection of Board members, staff and others from improper pressure or harassment	Improper pressure or harassment	<p>Includes information that if made public is highly likely to lead to [<i>harassment of/ improper pressure being placed on</i>] [<i>Board/ staff members/ member of the public</i>] because of [<i>previous behaviour exhibited by X [individual or group] in relation to this issue</i>] which will make it difficult for the [<i>Board/ staff/ person</i>] to carry out their [<i>duties/functions</i>]</p>
(g)	maintain legal professional privilege	Legal advice	Includes legal advice provided to Central Districts Water [<i>on contractual risk</i>]

Section 7	Ground	Subject matter	Reasons
		Legally privileged material	<p><i>allocation</i>], which must remain confidential to protect its legal position.</p> <p>Contains legally privileged information which <i>[relates to potential legal proceedings currently being considered]</i> that cannot be disclosed without affecting Central Districts Water's legal rights.</p>
(h)	enable Board to carry out, without prejudice or disadvantage, commercial activities [this ground involves similar considerations as s 7(2)(b)]		Includes information that would prejudice or disadvantage Central Districts Water in carrying out [X] commercial activity because <i>[identify the prejudice or disadvantage, and likelihood of it happening - relevant considerations include the nature and content of the information, the extent to which the information is in the public domain, the age and currency of the information, and the commercial context.]</i>
(i)	enable Board to carry out, without prejudice or disadvantage negotiations (including commercial and industrial negotiations)	Commercial contract or procurement	Includes information about a current or proposed <i>[water/stormwater/wastewater contract for x]</i> <i>[relates to the procurement of the new asset management system/other things]</i> , which could prejudice or disadvantage Central Districts Water ability to successfully conclude the negotiations if released.
		Ongoing negotiations	<p>Relates to negotiations that are still underway <i>[with X [if name can be revealed]; negotiations with partner councils on service delivery arrangements OR with staff [industrial negotiations]]</i>.</p> <p>Releasing this information could weaken Central Districts Water's position or affect the outcome.</p>
(j)	prevent the disclosure or use of official information for improper gain or improper advantage	Risk of misuse or unfair advantage	The information could be used for personal or commercial gain if made public.

Establishment Programme Update

CDW Board Meeting – 27 May 2026



Purpose

The purpose of this paper is to provide the Board a high-level update on the Establishment Programme progress. To avoid duplication, the material in this paper is sourced from the weekly Project Steering Group (PSG) updates. Detail on issues will be included in separate papers, particularly where decisions are required.

There are no specific decisions required within this paper.



Content

1. Executive Summary
2. Key Deliverable
3. Establishment Programme
4. Financial Report
5. Workstream Updates:
 - a. Governance
 - b. Finance
 - c. Operations & Assets
 - d. Customer & Digital
 - e. Communications & Engagement
 - f. People
6. Transfer Agreement
7. Water Services Strategy



1. Executive Summary

Establishment Programme is Up and Running

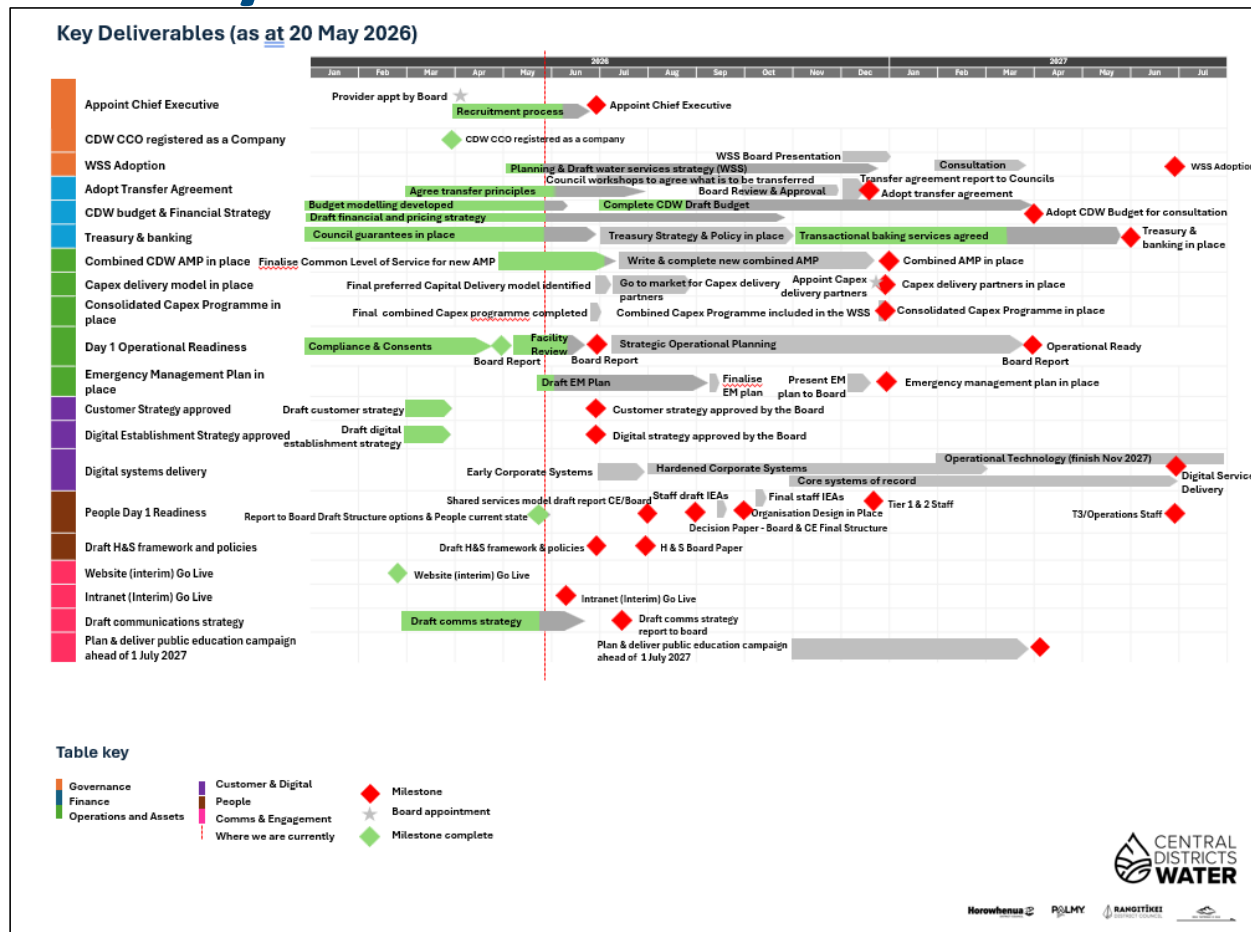
- Overall, the Establishment Programme is running approximately three months ahead of the original schedule.
- Over the last month, the programmes of work for the Transfer Agreement and the Water Services Strategy have progressed well and are being integrated into the overall Establishment Programme and coordinated with the councils for their input.
- Continuing to work on clarifying the overall establishment budget to update for changed assumptions and previous council decisions. Working closely with the council CEs to ensure alignment.

Resetting the Governance Processes Underway

- Adjusting to the needs of a Board and making that work well remains a big focus for the team
- Adding the Board and the Shareholders' Committee to the governance framework is requiring a rethink of roles and responsibilities. There has been a positive reset to the PSG meetings and an improvement to keeping the council CEs appropriately briefed



2. Key Deliverables



Update from 16 April 2026

Changes to the Work Programmes

- Updated progress tracking line
- Updated People work programme to consolidate and simplify
- Added Tier 1 & 2 staff and T3/Operations staff to People work programme.

Progress of Work Programmes

- Mostly on track
- Ahead in transactional banking services and draft CDW budget.
- Finalise common LOS for new AMP is 90% complete, with the end date moved out slightly to align with Board meeting dates. From early May to mid-July.
- Draft communications strategy slightly behind due to resourcing. 75% complete and moved due date to mid-June and report to the Board in July.

3. Establishment Programme

Current activities

- Olivia Wix has been confirmed as the formal Workstream Lead for Communications & Engagement. She will be seconded from PNCC for two days per week. She was previously in an informal arrangement to access resources within the three councils
- Input to the workstream plans by Nga Tapūwae o Hau – ongoing commitment to directly incorporate Nga Tapūwae o Hau resources into the establishment programme, including into the Transfer Agreement process
- Developing the process to coordinate the development of the Transfer Agreement across the three councils
- Integration of the Water Services Strategy development programme into the wider establishment programme

Next Focus

- Continue engagement with Nga Tapūwae o Hau on the plan for their input into the establishment programme
- Consider location options for the CDW Head Office (assumed still located within Palmerston North). Require firmer estimates of Head Office staff numbers
- Coordination of significant council three waters procurement and commitments to provide visibility to the Board

Issues or Challenges

- Conflicting priorities



4. Financial Report

Description	CDW Establishment \$000
Actual spending up to the end of April (net of \$250k grant revenue)	\$528
WSDP Budget Excluding IT & Board costs	\$3,687
Total forecast (from beginning of establishment to 30 June 2027)	\$4,312
Additional spending required **	\$625

** The additional spending required relates to higher costs for the Establishment team due to them being more senior and working more hours.

Council staff costs for the transition are included within individual Council budgets and are funded by water debt.

IT Costs (\$6.3m budgeted in years 2 & 3 in the WSDP) and Estimated CDW Operating costs will be presented at future meetings



5(a) Governance

Current activities

- Board processes and structure – continued progress on assisting the Board with its operational setup
- Supporting Board meetings and induction briefings – preparation of the material for the Board meetings
- Approval of updated Shareholders' Agreement – approved by CDW Board on 8 April. Council approvals are now also complete
- Paper to the three councils being drafted to report back on some minor and non-material changes made to the Shareholders' Agreement and Constitution that were approved by the three council CEOs post councils' approval
- Five party MoU – to cover the relationship between CDW, Nga Tapuwae o Hau and the three councils. Drafting underway

Next Focus

- MoU – needs attention now that the Board is in place and can provide input. Needs to be developed alongside the SoE
- Governance Swim Lanes – next iteration to be developed
- Present report to the three councils on the minor, non-material edits to the Shareholders' Agreement and Constitution

Issues or Challenges

- Adjusting to the new governance environment



5(b) Finance

Current activities

- **Pricing Model** – Reviewing options modelled – Overview of modelling and options to be presented to the Board in July
- **Budget and Forecast** – Draft forecast has been updated to reflect Council staff time needed and costs with setting up CDW earlier than originally planned (E.g board and CE 5-7 months earlier than planned, Digital implementation likely in 2026/27 rather than year 2-3)
- **Accession to LGFA & RFI for banking services** – Results of bank proposals to be presented to Board in June for approval – Options for independent establishment funding are being explored
- **Budget Model** for Water Services Strategy development – Ready for updating June-August – prioritisation to occur in Sept/Oct
- **Billing** – Partner Councils assessing feasibility of option for billing on behalf of CDW (due end of May)
- **Collaboration** – First national Finance Workstream Lead group for collaboration and joint sharing of resources was on 14 May – Workshop to occur in late June/early July

Next Focus

- **Debt Transfer** - Partner Councils to approve debt transfer principles & approach for transfer and guarantees by early June
- **CDW Transactional banking approved and accession to LGFA in June** – Shareholder Councils will be asked to sign a letter of support in late June to enable independent funding for CDW in advance of 1 July 2027 for operational efficiency

Issues or Challenges

- **Budget/Forecast** – Forecast needs to be updated from Establishment budget to bring forward the digital investment and account for Establishment team working more than assumes and some key staff starting in advance of 1 July



5(c) Operations & Asset

Current activities

- Finalizing the LOS for the new combined AMPs and work started on writing the first section of the new AMPs
- Work started on a consolidated CDW capital plan to align with requirements for the Water Services Strategy, budgets and the AMPs
- Currently producing isochrone maps for the three Council regions to indicate response times against KPI's
- Working on a single service area GIS map for CDW
- Compliance workshop completed
- Consider how capital projects will be delivered for CDW
- Create an Emergency Management plan for CDW

Next Focus

- Agree on CDW levels of service to be included in the AMP
- Use depot geospatial information to plot service coverage across the CDW region and identify efficiencies and gaps
- Align consent compliance challenges to capital works programme
- Prepare a capital delivery model options presentation for Board consideration

Issues or Challenges

- No issues at this stage



5(d) Customer & Digital

Current activities

- Finalisation of Customer & Digital strategies for approval by the Board
- Development of a detailed budget estimate for establishment of Day One digital capability

Next Focus

- Detailed implementation planning
- Refinement of the budget for Day One digital capability following approval of the Digital strategy

Issues or Challenges

- No issues or challenges at this stage



5(e) Communication & Engagement

Current activities

- External Comms Strategy/Stakeholder mapping
- Staff strategy being fleshed out more
- Media protocols for the Board - for approval at 27 May Board meeting
- Holding PowerPoint for board use about CDW
- Staff updates following board meetings

Next Focus

- Finalising strategies
- Intranet build
- Governance Comms Strategy



5(f) People

Current activities

- **Data Collection**
 - 50-100% waters work positions by council
 - Leave snapshot as at 1 April
 - Entitlements matrix (employment terms and conditions)
- **CE Recruitment**
 - Applications close 22 May
 - Sheffield to review application with the Board for long-listing on Tuesday 26 May
- **Function and Structure**
 - Function map now with beginnings of 'straw man' structure. Ongoing through April; version option; including areas for possible shared services.

Next Focus

- **All Current activities** are ongoing through April
- **Draft People Change Plan (high level)**
 - To support staff transfer
 - To support stand-up of people as needed as at 1 July 2027
- **T2/T3 proposed positions**
 - Position descriptions ready for requirements refinement
 - Ready for indicative sizing

Issues or Challenges

- None



6. Transfer Agreement

Current activities

- Four workshops, facilitated by Simpson Grierson, have been set up to discuss identification of the key content of the Transfer Agreement schedules
- Workshop 1 held on 13 May: land transfers and easements. This covered the categories/status of land to be addressed. The relevant schedules, an output of the workshop, have been provided to the Transition Managers. These schedules will need to be completed in draft, with initial sign-off from CEs, by 31 August.
- Workshop 2 on 21 May: approvals that will transfer. This will cover resource consents, building consents, designations and other approvals.
- Workshop 3 on 26 May: contracts/projects and other agreements. This will cover capital works, development contributions and other contractual arrangements.
- Workshop 4 on 4 June: stormwater. This will cover the approach to transferring stormwater statutory and operational responsibilities.

Next Focus

- Ensuring that the SME workshops run smoothly and achieve the desired outcomes
- Set up a workshop to address matters of shared interest e.g., shared service agreements and service level agreements

Issues or Challenges

- Ensuring iwi involvement is timely and at the right stages



7. Water Services Strategy

Current activities

- High level WSS programme is substantially complete and is being amalgamated into the overall work programme
- Appointment of Beca as Engineering Consultancy Advisor to provide ongoing advice as required, including support for the WSS
- Discussions with Beca to develop resourcing plan for the programme

Next Focus

- Resolve programme conflicts and development of resourcing requirements
- Initial development of method to prioritise across all capital programmes
- Start preparation of introductory sections of strategy

Issues or Challenges

- The timeframe for completing the strategy
- Potential delay to the Statement of Expectations







MEMORANDUM

To: Board of Directors
From: Jacinta Straker – Finance Workstream Lead, CDW Establishment Programme
Date: 27 May 2027
Subject: Financial update on Establishment Budget, Current Spending and Revised Forecast
Category: For Endorsement

Purpose

The purpose of this paper is to provide a high-level overview of the total forecast and spending that is occurring within each of the three shareholder Councils supporting the transition of water services to Central Districts Water (CDW), within the establishment team for the set-up of CDW and costs associated directly with CDW Operations.

Recommendations

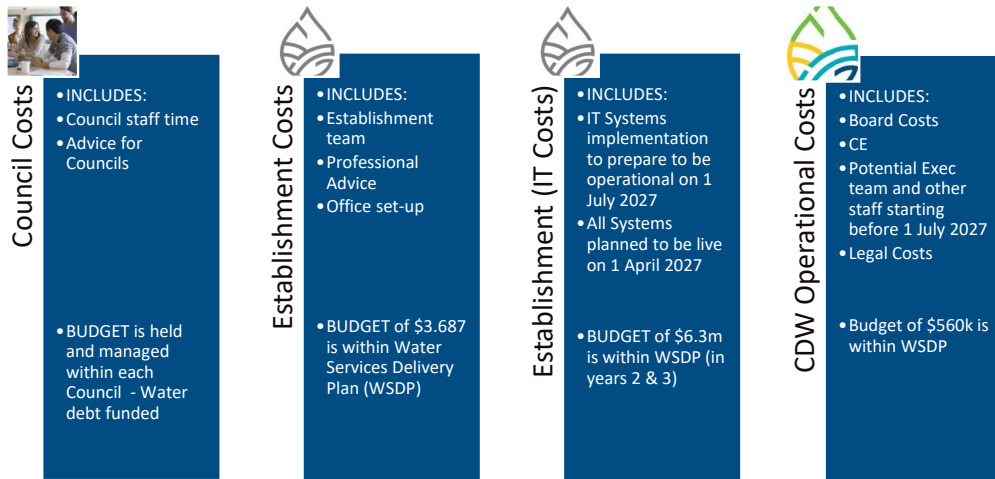
1. That the board **receives** the current establishment forecast, noting the key changes in assumptions that have occurred since the budget was set for the water services delivery plan.
2. That the board **notes** that at the board meeting on 10 June, the Establishment Team will seek approval from the Board, as part of the set-up of the treasury function for CDW, to approve CDW acceding to LGFA for future funding requirements.
3. That the board **endorses** the Establishment Team progressing with the set-up of an interim line of credit of up to \$20m to be enable CDW to independently fund the remaining establishment and operating costs up to 1 July 2027, **noting** that approval will be sought from the board on 10 June, and it will require a letter of support of shareholder Councils.



Background

A previous paper presented at the 29 April Board meeting, informed the board on the process for the creation and approval of the establishment budget and outlined the key phases that occurred through the development of the budget and subsequent forecast.

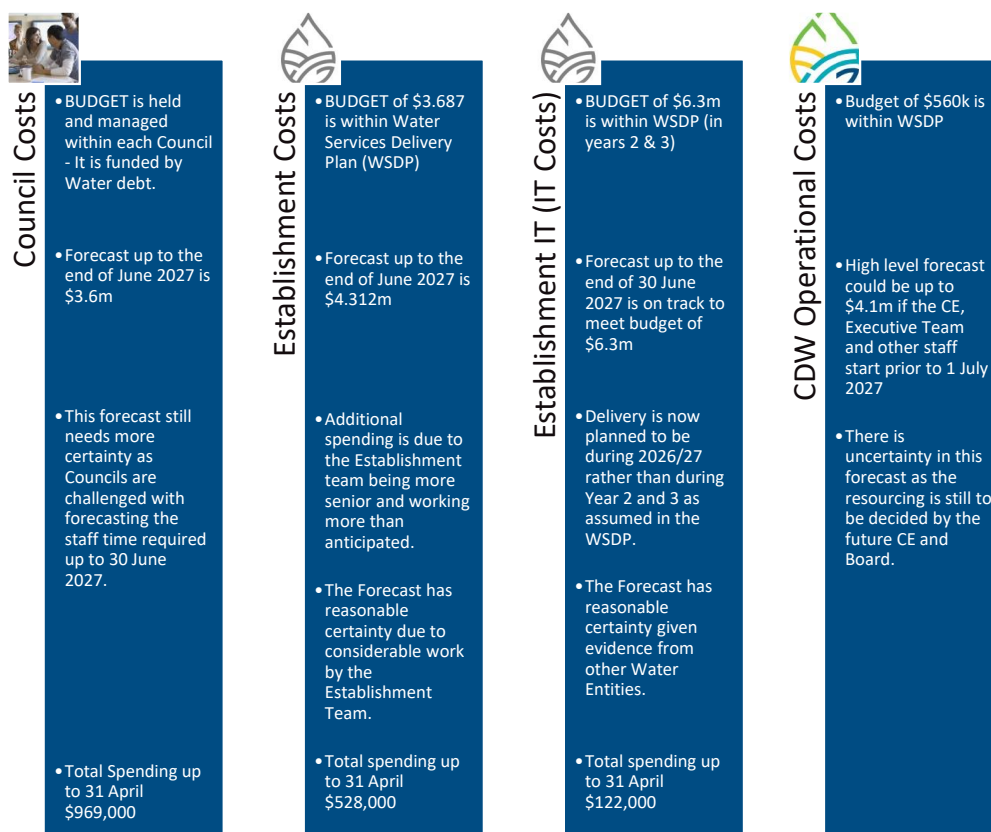
Below is a summary of the key areas that are incurring costs as part of the establishment and transition of water services to CDW:





Discussion and analysis

Below is a summary of the budget, actual spending up to 30 April 2026, and the total forecast spending up to 30 June 2027 for the key cost areas below related to the establishment of Central Districts Water.



Overall, the Establishment costs, including IT, are broadly on track after taking into account the importance of having an experienced Establishment Team, which were able to commit the required time to the project.



Next steps

- The Establishment Team will continue to work with each Council to provide advice and support to limit the level of Council time required where possible.
- Once the decisions on the direction of the digital strategy are made by the Board, the Establishment Team will be able finalise a proposal for transitional establishment funding for CDW. While this will not change the level of spending required, it will reduce the impact of the earlier digital funding on Council water debt, that is due to bringing forward the digital programme from year 2 & 3 to year 1.
- Once the Chief Executive is hired, they will be able to work with the Board to agree the level of Operational Staffing required in advance of 1 July 2027.



MEMORANDUM

To: Board of Directors
From: Brent Manning, Transition Manager for RDC
Date: 27 May 2026
Subject: Emergency Management (EM) Obligations and Implications
Category: For Information

Purpose

The purpose of this report is to inform the Board on the obligations and implications for both CDW and the shareholding councils (insofar as they are impacted through CDW establishment).

The paper covers legal obligations and expectations, noting the impending and proposed changes to the Civil Defence and Emergency Management (CDEM) Act 2002.

It also gives a precis of council concerns (from interviews with council EM leads) re future working arrangements for the shareholding councils in the Manawatu-Horizons region, and changes that may be reasonably expected.

Recommendations

1. That this paper be **received for information**.
2. **Note** that the Work Plan for EM for CDW be developed alongside the People & Workforce Plan and brought back to the CDW Chief Executive for approval. This extends to the requirement for CDW to produce their own EM and Business Continuity Plans (BCPs).
3. **Note** that the Establishment Team will work alongside the Shareholding Councils, and Horizons Regional Council in developing the above plans and determining the impacts of the changes.

Background

Through a rudimentary Request for Information (RfI) we sought details on current EM arrangements from each of the three shareholder councils plus the Horizons Group Emergency Coordination Centre (GECC). Brent Manning followed this up with one-on-one interview with each of the respective council EM officers. While this information is useful from an overall planning perspective, the CDW Establishment Team will need to work closely with those councils and EM staff in developing the detail transfer of staff and assets relating to EM.

Additionally, CDW will have responsibility for developing its own EM and Business Continuity Plans (BCPs) ahead of 'go-live'.



Legislation

In New Zealand, the primary legislation for EM is the Civil Defence and Emergency Management (CDEM) Act 2002. National, regional and local obligations and expectations are covered in the CDEM Act, which is the foundation for current CDEM arrangements, especially at Regional and Territorial Local Authority (TLA) level.

The Local Government (Water Services) Act 2025 and, prior to that, the Local Government (Preliminary Arrangements) Act 2024, provided for the establishment of Water Organisations either within or external to Council(s), CDW being in the latter category. That change necessitates the transfer of assets and service delivery associated with council-provided three-waters to (in our case) CDW as a Water-Services Council Controlled Organisation (WS-CCO).

This transfer will also include movement of three waters staff from within Council employment to that of CDW as a water service provider and utility company. Effectively that existing capacity, knowledge and resource that councils and the Region rely on during an emergency affecting water service delivery, will then reside within CDW. The number of staff to transfer is yet to be determined, however could be in the order of 200 to 250. The collated returns from Council EM leads shows the total number of council staff with some level of CDEM training to be >850 across all three shareholder councils. The number of CDEM trained staff in 3 Waters teams and transferring to CDW is not yet quantified.

Further legislative change is proposed, with the CDEM Act to be repealed and replaced by and Emergency Management Bill (introduced 2025). The replacement Act may pass into law before the 2026 national election, however more likely later.

Amongst other things, the Bill aims to clarify roles and responsibilities in EM at National, Regional and Local levels. The Bill also seeks to “improve the quality of Regional Emergency Management plans, through a focus on; minimum mandatory standards for Plan structure, format and content; greater accountability for Regional Emergency Management Committees...”

Previously referred to as “Lifeline Utilities” will become “Essential Infrastructure Providers”, of which CDW will be one. Per Sect 74 of the Bill, key responsibilities for Essential Infrastructure Providers are;

- (a) ensure that the essential infrastructure that it is responsible for providing is able to function to the fullest possible extent, even though this may be at a reduced level, during and after an emergency:*
- (b) develop and maintain a plan to carry out the duty described in **paragraph (a)**:*
- (c) make available to the Director-General in writing, on request, the plan described in **paragraph (b)**:*
- (d) contribute to developing sector response plans if required to do so by the Director-General:*
- (e) participate in the development of the national emergency management strategy and emergency management plans:*
- (f) provide, free of charge, any technical advice to the Director-General or any Emergency Management Committee that is reasonably required by the Director-General or that Committee:*



(g) ensure, so far as possible, that any information that is disclosed to the entity for the purposes of this Act is used by the entity, or disclosed to another person, only for the purposes of this Act.

Further detail on the legislative changes proposed through the EM Bill are separately attached as **Attachment 1**.

Discussion and analysis

The key points to make in respect of CDW are:

1. CDW will be a participant in the Regional EM system, including after the legislative changes as above.
2. Accordingly, CDW primary responsibility remains to *“ensure that the essential infrastructure that it is responsible for providing is able to function to the fullest possible extent, even though this may be at a reduced level, during and after an emergency”*.
3. Through the transfer of assets, services and people, CDW will remove a component of EM capability from its Shareholder Councils, and potentially from Horizons Regional response. That transfer should be achieved in close cooperation with the Councils, including Horizons regional Council, so as to limit the possibility of capability and resource gaps in the TLA provided EM across the Region, and ideally to enhance the Regional capability in respect of the four “R’s” (Reduction, Readiness, Response and Recovery) inherent in EM, and with respect to three waters planning and responsiveness.

Next steps

1. In the light of these forthcoming changes, CDW should continue to engage with its Shareholding Councils and Horizons Regional Council on regional and local EM future planning.
2. Additionally, CDW will need to make its own EM plans as applies to three waters service delivery across their area of responsibility, to be in place by the operational start date of 1 July 2027.
3. EM planning should necessarily extend to Business Continuity Plans (BCPs) for CDW.
4. This preparedness may include induction, briefing and preliminary training of key staff prior to start-up.
5. CDW should prepare to participate as an Essential Infrastructure Provider within the regional EM construct, e.g. inclusion in the Lifelines Advisory Group (LAG) or its equivalent; training of Lifeline Utility Coordinators (LUCs) to GECC competence level.

Attachment

Attachment 1: CDEM Act Changes

Attachment 1: CDEM Act Changes

EM Participants/Roles & Responsibilities:

The Emergency Management Bill 2025 (EM Bill) provides for stronger recognition and participation in emergency management for: iwi and Māori; rural and other communities; disproportionately affected communities; Emergency Ambulance Services; and lead government agencies.

A new national appointment as **Director-General (DG) of Emergency Management** will be created.

Civil Defence Emergency Management (CDEM) Groups will be renamed and continue as **Emergency Management Committees (EMCs)**, dividing Emergency Management Committees into:

- Multi-member Emergency Management Committees and
- Unitary Authority Emergency Management Committees, each with specific functions.

Existing Civil Defence Emergency Management Co-ordinating Executive Groups will be renamed and continue as **Emergency Management Co-ordinating Executive Groups (CEGs)**. The role of the CEG stays the same. In addition to existing members, CEGs under the EM Bill will include:

- 1 or more people with:
 - local perspectives of Māori, Māori communities, and their interests and values, including mātauranga Māori (Māori traditional knowledge) and tikanga Māori (Māori protocol and culture), iwi, and hapū in the area, and
 - knowledge, experience, or expertise in the interests and needs of rural communities in the area;
- the chief executive or a senior officer of an ambulance service operating in the area

EMCs must also consider co-opting 1 or more people who have knowledge of the interests of communities related to emergency management in the area, to assist the **CEG** in its role.

The EMC must recognise the role iwi and Māori play in emergency management by:

- requiring Emergency Management Committees to:
 - appoint 1 or more people to the CEG with local perspectives of Māori, Māori communities, and their interests and values, including mātauranga Māori (Māori traditional knowledge) and tikanga Māori (Māori protocol and culture), iwi, and hapū in the area
 - engage with and involve representatives of iwi and Māori in the Committee's area in the development of Regional Emergency Management Plans, and
 - have regard to any comments on a proposal for a Regional Emergency Management Plan made by iwi and Māori within the Committee's area, and
- requiring the **DG** to engage with and seek advice on Māori interests and knowledge to inform the development of the National Emergency Management Plan.

The EM Bill requires Emergency Management Committees to appoint to the CEG, 1 or more people with knowledge, experience, or expertise in the interests and needs of rural communities in the area (to ensure the contributions and experience of rural communities are included in response and recovery planning and operations through the CEG).

New members on CEGs must be in place 12 months after Royal assent.

The EM Bill requires Emergency Management Committees to:

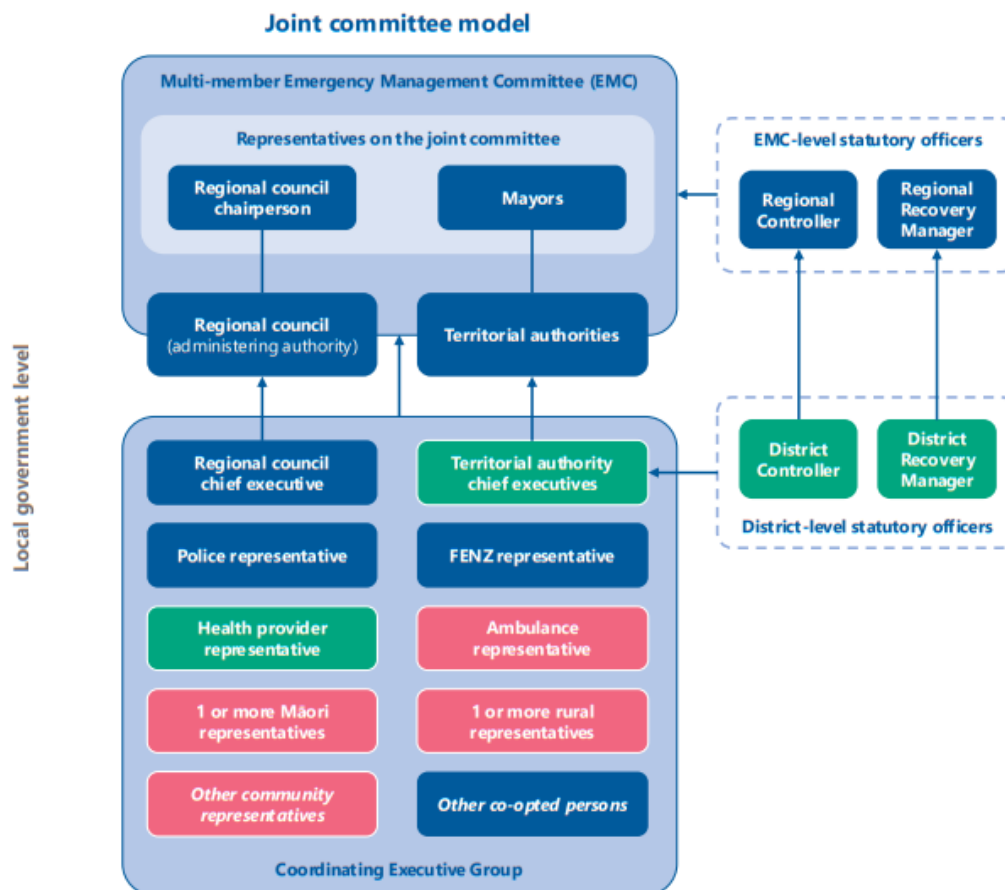
- (1) engage with representatives of disproportionately affected communities in their area when developing their Regional Emergency Management Plans, and
- (2) include arrangements for meeting their needs

*A Civil Defence Emergency Management (CDEM) Group Plan in place before the EM Bill comes into force will continue as if it has met the planning requirements in the EM Bill until its five-year time period expires (but will be renamed a Regional Emergency Management Plan)

The membership of each CEG must include the chief executive or a senior officer of an ambulance service operating in the area (Minister to identify such organisations via NZ Gazette).

The EM Bill enables a government agency to be identified as a **lead agency** in the **National Emergency Management Plan**, in respect of emergencies caused or contributed to by a particular hazard. The lead agency has the primary responsibility for managing the response to an emergency relating to that hazard, whether or not it is subject to a state of emergency.

Entities that were known as ‘lifeline utilities’ under the CDEM Act are now known as “**essential infrastructure providers**” (EIPs)



A **Multi-member Emergency Management Committee** may consist of:

- A regional council and the territorial authorities within the same region.

- A unitary authority together with 1 or more other unitary authorities whose districts border the unitary authority.
- A unitary authority together with a regional council whose region borders that of the unitary authority and the territorial authorities within that region.

The EM Bill creates new functions for the Committees and revises existing functions to:

- 1) have a greater focus on their responsibilities for local hazard and risk management
- 2) raise public awareness of, provide for community consultation on, local hazards & risks, and
- 3) emphasise the need for pre-event recovery planning

Main changes (in addition to, or varying) the existing functions for Joint Committees to EMCs within their **Region** are;

- Take the lead in identifying and assessing hazards and risks.
- Co-ordinate the management of hazards and risks.
- Assist each local authority Committee member to:
- Identify and assess hazards and risks relevant to that member.
- Consult and communicate with communities within the member's region or district about those hazards and risks.

And at **District** level to;

- Plan and provide for emergency management (currently a duty of local authorities).
- Report to the Emergency Management Committee on the identification and assessment of hazards and risks (new).
- Consult and communicate with communities about identified hazards and risks.

Noting that (particularly in respect of hazards) the EM Bill includes reference to the **Climate Change Response Act 2002** (new).

And in Recovery (wording changed from current) to;

- In advance of an emergency, plan for recovery activities.
- In the event of an emergency, carry out recovery activities.
- When requested, assist other Emergency Management Committees with emergency management in their areas (changed).

EMCs will be able to delegate their functions or powers to Regional Recovery Managers, in addition to Committee members and Regional Controllers.

Each Multi-member **EMC** may appoint one of its member representatives to act as chairperson.

Existing Civil Defence Emergency Management Co-ordinating Executive Groups will be renamed and continue as **Emergency Management Co-ordinating Executive Groups (CEG)**

Accountability for EM

There will be:

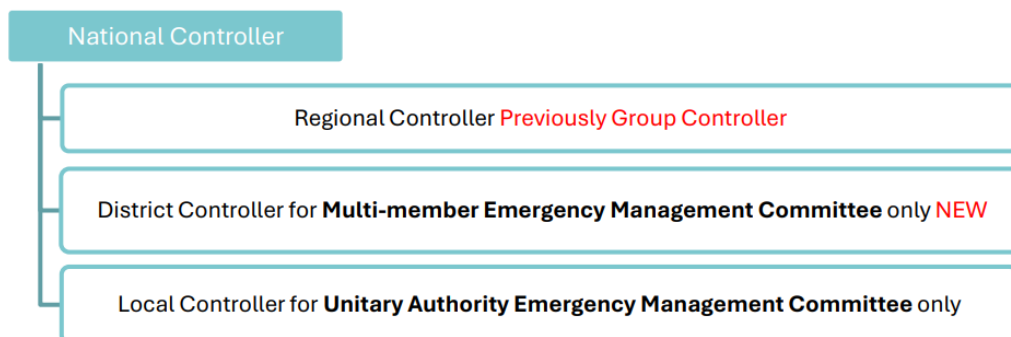
- clear lines of accountability between territorial authority chief executives and Controllers/Recovery Managers appointed within their districts
- an explicit mandate held by local authority chief executives or their delegates to coordinate resources made available by agencies outside a declared state of emergency or transition period.

The **chief executive of a territorial local authority (TLA)** must coordinate the use of personnel, material, information, and other resources made available for the purposes of the EM Bill. The role can only be carried out when there is no state of emergency or transition period in force for the TLA District. **This role may be delegated** to any person (including someone not employed by the TLA).

The EM Bill creates a line of accountability between TLA chief executives and District and Local Controllers.

Controllers have a **new duty** to exercise powers during a state of national emergency or national transition period consistently with the priorities for the use of resources and services determined by the Director General of Emergency Management, National Controller, or National Recovery Manager.

The new levels of Controller are:



Every TLA must have a **District Controller** (appointment confirmed by EMC).

The chief executive must appoint at least 1 suitably qualified and experienced person to act as **alternate District Controller**.

In addition to their delegated powers, a District Controller must follow directions given by the Regional Controller during a state of emergency.

The EM Bill creates a line of accountability between TLA chief executives and District and **Local Recovery Managers**.

EMC must appoint a suitably qualified and experienced person as **Regional Recovery Manager** (previously Group Recovery Manager)

Every TLA must have a District Recovery Manager (appointed by EMC).

The chief executive must appoint at least 1 suitably qualified and experienced person to act as alternate District Recovery Manager.

Declarations

In the EM Bill, transition periods will be declared, instead of a notice being issued.

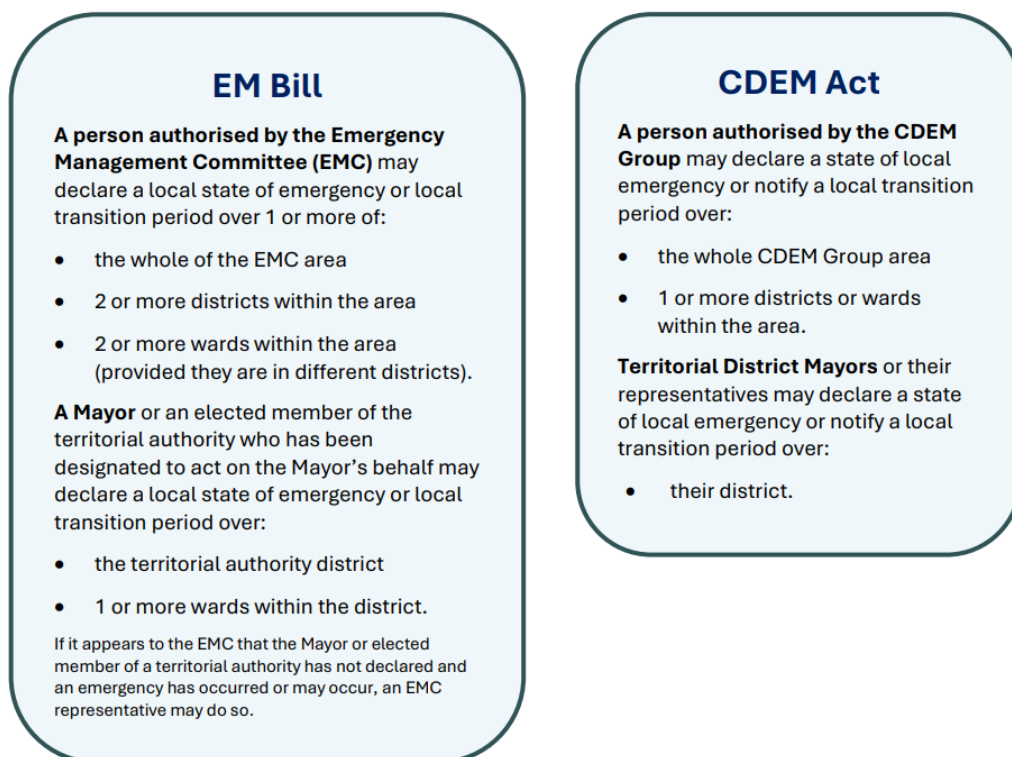
The EM Bill enables a state of local emergency or local transition period and a state of national emergency or national transition period to exist over the same location, at the same time.

Where there are concurrent emergencies (e.g. National, Regional, and/or Local), the Regional, District, and Local Controllers, Recovery Managers, and persons acting under delegated authority must exercise their powers consistently with the priorities for the use of resources and services determined by the DG, the National Controller, or the National Recovery Manager. This change is

intended to enable local authorities to have appropriate access to the response and recovery powers needed **to manage local events** when a national level response or recovery is happening.

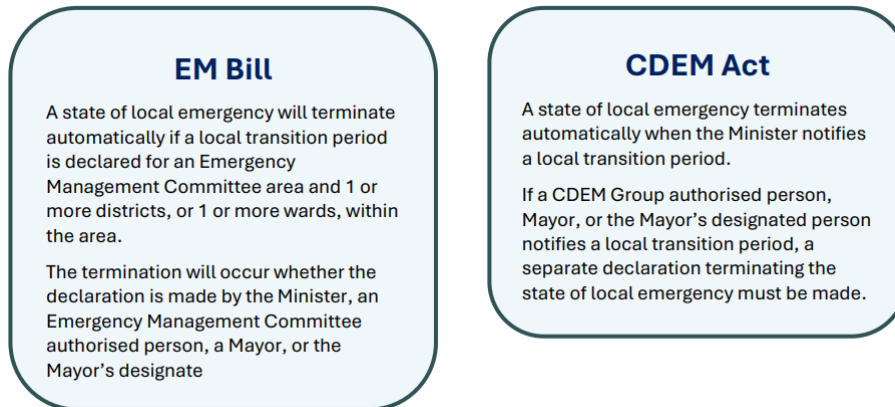
For Regional Controllers and Regional Recovery Managers, the duty to act consistently with national priorities will come into force the day after Royal assent.

The Mayor will be primarily responsible for declarations over their territorial district and the wards. The diagram below shows the changes to who makes declarations between the EM Bill and the CDEM Act, including a change to allow for a designate for the Mayor. The EM Bill also requires that before declaring a state of local emergency a person authorised by the EMC must, if practicable, consult the Mayor of any affected local authority.



Making the Mayor responsible for declarations over their territorial district and the wards within it clearly identifies the key statutory decision maker in an emergency. The changes reflect current practice and align with the accountability of Mayors to their communities.

There are changes terminating states of emergency between the EM Bill and the CDEM Act, as below:



EM Powers

The Civil Defence Emergency Management Act 2002 (CDEM Act) sets out CDEM Group emergency powers. Some of these powers are also held by Recovery Managers.

In the Emergency Management Bill (No 2) 2025 (EM Bill), some emergency powers previously exercised by CDEM Groups (renamed Emergency Management Committees) will be exercised by Regional and District Controllers. These powers are:

- Power to carry out or require to be carried out:
 - works
 - clearing roads and other public places
 - removing, disposing of, securing, or otherwise making safe, dangerous structures and materials.
- Power to provide for the conservation and supply of food, water, fuel, and other essential supplies.

This change is administratively more straightforward and transparent.

The EM Bill contains a **new power** to prohibit or restrict classes or groups of persons and vehicles from accessing a road or public place. By specifically limiting a class of persons (e.g. anyone who does not hold appropriate identification) from accessing a road or public place, anyone who falls outside of that class will have access.

There is a **new power** to enter premises and places to mitigate unreasonable or unnecessary pain or distress of an animal. (cannot be used to enter marae).

The EM Bill includes a definition of “property” for state of emergency and transition period powers.

Under the CDEM Act, there are only formal reporting requirements for transition periods (either upon expiry or termination). There are new National and Local Level reporting obligations for the use of powers in an emergency. Local level is covered below;

The Regional Controller or the Regional Recovery Manager must provide a report to the Director-General of Emergency Management and the relevant Emergency Management Committee within 14 days of the expiry or termination of the state of local emergency or local transition period.

If any powers were used by a Controller or Recovery Manager during the state of local emergency or local transition period, the powers and the reasons for exercising them must be set out in the report.

If the duration of the state of local emergency or local transition period was extended one or more times, the report must include any information prescribed by rules or required by the DG

The EM Bill revises existing protections from liability in civil proceedings (for situations and persons as detailed, an including for volunteers)

Assurances

Provisions for the Governor-General to make regulations by Order in Council, currently in the Civil Defence Emergency Management Act 2002 (CDEM Act), are retained in the EM Bill. **Regulations** will continue to be used for more significant legislative requirements, including matters that might have relevance to the public or wider parts of the economy.

The EM Bill provides for a greater level of national direction by empowering the Minister for Emergency Management and Recovery to make **Rules** prescribing technical, procedural, or operational matters.

EM **Regulations** may include (amongst others);

- Prescribing matters that an **essential infrastructure provider**, or a class of essential infrastructure providers, must address in a plan.
- Specifying how access to restricted areas is to be managed.
- Prescribing fines not exceeding \$500 for the breach of any rule.
- Providing for anything that this Act says may or must be provided for by regulations.

Many of the matters that could be regulations under the CDEM Act will be matters addressed by **Rules**. The scope of **Rules** under the EM Bill is limited to technical, operational, procedural, and administrative matters related to the Bill. Examples include setting:

- required levels of competence or standards to be met by those carrying out specified emergency management roles
- the prescribed forms for anything under the EM Bill, rules or regulations
- minimum standards or requirements to enable national consistency, interoperability, or improved performance, and
- mandatory reporting obligations.

The EM Bill empowers the DG to issue compliance orders to address non-compliance. Compliance orders are intended to provide an escalating framework for intervention when statutory responsibilities are not being met.

A compliance order can only relate to a requirement that:

- comes from the Act, regulations, rules, the National Emergency Management Plan, or regional emergency management planning standards, and
- has been in place for at least 6 months.

The EM Bill increases the maximum penalties for prosecutable offences (carried forward from the CDEM Act) to align with the penalties for similar types of offending in other comparable legislation.

Planning Arrangements

The EM Bill strengthens pre-emergency planning with the aim of ensuring local responsibilities and arrangements are well understood across the 4Rs of risk reduction, readiness, response, & recovery.

Clarifying who will lead emergencies at the national level will improve certainty and accountability before, during, and after emergencies.

A **National Emergency Management Plan** will replace the National Civil Defence Emergency Management (CDEM) Plan. In developing the National Emergency Management Plan, the DG must engage with and seek advice from/on;

- Māori interests and knowledge to inform the development of the Plan.
- representatives of disproportionately affected communities.

The EM Bill enables a government agency to be identified as a lead agency in the National Emergency Management Plan, in respect of emergencies caused or contributed to by a particular hazard.

A lead agency has the primary responsibility for managing the response to an emergency relating to that hazard – whether or not it is subject to a state of emergency. The lead agency responsibilities can be temporarily transferred to another government agency or to an EMC with the agreement of the agency or Committee receiving the transfer of responsibility.

New risks and hazards or issues and opportunities may arise frequently and before the five yearly cycle review of the National Emergency Management Plan. The use of targeted amendments makes it easier to update parts of the Plan to ensure arrangements are not left out of date.

Regional Emergency Management Plans will replace the CDEM Group Plans.

In developing its plan, an **EMC** must engage with and involve iwi and Māori representatives from its area; and engage with representatives of disproportionately affected communities in its area.

Regional Emergency Management Plans will need to include arrangements for managing animals during an emergency, and for managing offers of assistance from individuals and groups.

Targeted amendments to Regional Emergency Management Plans may be made without following the full review process set out in the EM Bill. Such amendments must be limited in scope and impact. They can cover (but are not restricted to) new hazards and risks, and updates to lead agencies.

The EM Bill enables the Minister to issue Regional Emergency Management Planning Standards, which may apply to the Regional Emergency Management Plan of one or more EMCs. In preparing or amending a Standard, the Minister must have regard to:

- whether it is desirable to have national consistency
- whether the Standard should allow for local variation and to what extent
- whether it is appropriate for the Standard to apply to one Emergency Management Committee, several Committees, or all Committees.
- any other relevant legislative requirement.

Essential Infrastructure Providers

Entities that were known as ‘lifeline utilities’ under the Civil Defence Emergency Management Act 2002 (CDEM Act) will be known as “essential infrastructure providers” (EIPs).

The EM Bill enables regulations to be made for more detailed planning requirements to apply to all or specific classes of EIPs. Any new regulations would be drafted in consultation with the affected EIPs.

The EM Bill introduces a principles-based approach to recognising new EIPs in Schedule 3.

Key duties of EIPs are listed below:

EM Bill – Duties of Essential Infrastructure Providers

- Ensure that the essential infrastructure is able to function to the fullest possible extent, even though this may be at a reduced level, during and after an emergency.
- ❖ Develop and maintain a plan to carry out its duty to function during and after an emergency.
- Make available to the Director-General of Emergency Management in writing, on request, its plan for functioning during and after an emergency.
- Contribute to developing sector response plans if required by the Director-General.
- ❖ Participate in the development of the National Emergency Management Strategy and Emergency Management Plan.
- Provide, free of charge, any technical advice to the Director-General or any Emergency Management Committee, that may be reasonably required.
- Water Services have been separated out from local government and recognised distinctly in Schedule 3 of the EM Bill.
- **CLARIFICATION:** Technical advice required from an essential infrastructure provider cannot be used for enforcement purposes.

KEY

- Unchanged
- ❖ Changed
- New



MEMORANDUM

To: Board of Directors

From: Chris Dyhrberg, Executive Director – CDW Establishment Programme

Date: 27 May 2026

Subject: Nga Tapūwae o Hau Memorandum of Understanding

Category: For Information

Purpose

The purpose of this paper is to update the Board about a process that has been underway since December 2025 to develop a Memorandum of Understanding (MoU) between Nga Tapūwae o Hau, CDW and the three shareholding councils. The process has now started to accelerate, and the Board will be required to input to the process and, ultimately, approve the document in the next two months.

Recommendations

The Board is asked to **Note** the update and provide any guidance on the input it would like to the process or requirements it may have before final approval.

Background

During the process of finalising and approving the Shareholders' Agreement and Constitution (foundation documents), there were three situations that, together, created the driver for the MoU:

1. Nga Tapūwae o Hau were asked to provide input to the foundation documents. Rather than provide direct input, they provided a document titled "Guiding Pathways for Local Water Governance" (the Principles document). This document is attached as **Attachment 2**. While it is best to leave the discussion of what the purpose of this document is intended to be to the Nga Tapūwae o Hau induction session in August, we understand it sets out Nga Tapūwae o Hau's aspirations for the governance of wai and related matters.

The Principles document was delivered very late in the process. It was too late to organise hui to discuss how it could be utilised with the foundation documents. For that reason, it was suggested and agreed that there could be an MoU between all the parties that could, amongst other things, include recognising the Principles as the aspiration for Nga Tapūwae of Hau.

2. During discussions with the three shareholding councils to seek approval of the Terms of Reference for the Shareholders' Committee, there was debate about how the nominations and appointment for the mana whenua members should happen. In particular, this included the criteria that should be used for the selection of nominees and how they might be removed and then replaced. It was felt that these matters were too detailed to be included within the Shareholders' Agreement but that there should be some agreement with Nga Tapūwae o Hau



on how these things would happen. It was then agreed that the MoU that was already being discussed would be a good place to capture that detail.

3. During the process of developing the Statement of Expectations (SoE), the Principles document was again sent from Nga Tapūwae o Hau to the Chair of the Shareholders' Committee, with the suggestion that the principles within the document should be included within the SoE. The suggestion from Nga Tapūwae o Hau was that an MoU wouldn't be required if the principles could be included in the SoE. However, it has been agreed, at least at this stage, that the SoE should only include higher-level statements and the detail of how they may be put in place should be included within the MoU.

Discussion and analysis

At the time it was originally agreed that an MoU should be developed, the intent was that it would be a five-party agreement. The Parties would be Nga Tapūwae o Hau, CDW and the three shareholding councils. Because CDW would be one of the parties, the intent was that the drafting of the document would require input from the CDW Board and, therefore, it couldn't be progressed fully until the Board was in place. Now, with the added driver of the link with the SoE, the priority of getting the MoU drafted and agreed has increased.

There have been several discussions and hui to try to get alignment about the content for the MoU. There have also been two attempts to create a draft for discussion. The latest draft, which was developed by Simpson Grierson, is attached as **Attachment 1**. This draft requires a lot more discussion with all parties.

The latest hui to discuss the MoU was held on 5 May. The draft MoU was distributed for discussion and the three shareholding council CEOs, Danielle Harris from Nga Tapūwae o Hau and me were in attendance, with Simpson Grierson talking through what they had developed. That discussion confirmed that the drafting of the MoU should progress and that the next step would be a further hui with a wider group from Nga Tapūwae o Hau to identify practical matters that could be included within the MoU to ensure it was a useful document. All parties agreed that if it only contained high-level relationship principles, it would sit in a bottom draw somewhere and be a waste of time.

There are several processes that iwi/hapū across the three council regions utilise to engage on matters relating to consents and other approvals, or just where the input from iwi/hapū is sought. It may be that, where appropriate, some of these processes could be captured for the record within the MoU. This would likely include the ongoing engagement and work of Nga Tapūwae o Hau with CDW.

Next steps

The next hui on the MoU with Nga Tapūwae o Hau is scheduled for Wednesday 20 May. This paper was drafted before that hui so details of the outcome couldn't be included. A verbal update will be provided at the Board meeting, including what the next steps in the process to finalise the MoU will be.

Attachments

Attachment 1: Draft MoU

Attachment 2: Nga Tapūwae o Hau - Guiding Pathways for Local Water Governance

Memorandum of Understanding

Between

Ngā Tapuwae o Wae, Central Districts Water Limited, Horowhenua District Council, Palmerston North City Council and Rangitikei District Council

[Date]

1. PARTIES

1.1 The parties to this Memorandum of Understanding (**MoU**) are:

(a) **NGĀ TAPUWAE O HAU**, being a collective that represents iwi whose rohe is within the Horowhenua, Palmerston North and Rangitikei areas. The represented iwi groups are:

- (i) Ngāti Raukawa ki te Tonga;
- (ii) Muaūpoko;
- (iii) Rangitāne o Manawatū;
- (iv) Ngāti Apa me Ngā Waiariki
- (v) Ngāti Hauiti;
- (vi) Ngāi Te Ohuake;
- (vii) Ngāti Whitikaupeka;
- (viii) Ngāti Tamakōpiri;
- (ix) Ngāti Rangi.

(b) **THE TERRITORIAL AUTHORITY SHAREHOLDERS** of Central Districts Water, being:

- (i) Horowhenua District Council;
- (ii) Palmerston North City Council; and
- (iii) Rangitikei District Council.

(together, **the Councils**)

(c) **CENTRAL DISTRICTS WATER LIMITED**, which has been established as a Water Organisation under the Local Government (Water Services) Act 2025, and which is to take over responsibility for the delivery of water services from the Territorial Authorities on 1 July 2027.

Together referred to as the **PARTIES**.

2. PURPOSE

2.1 The purpose of this MoU is to:

- (a)** document how the Parties will work together in relation to the establishment and transition of water services responsibilities to Central Districts Water Limited (**Central Districts Water**), which is to be the water service provider for the collective service area under the Local Government (Water Services) Act 2025;
- (b)** document the arrangements and related processes agreed between the parties to provide for the active participation of iwi, via Ngā Tapuwāe o Hau, and the Councils, in the governance, management and operational decisions of Central Districts Water;
- (c)** recognise the role that all Parties have in ensuring the successful delivery of water services across the collective service area, which will rely on good-faith, co-operation and the agreement and review of shared objectives and principles.

3. BACKGROUND

- 3.1** Enduring settings for New Zealand's water services system have been established through the Local Government (Water Services Preliminary Arrangements) Act 2024, Local Government (Water Services) Act 2025 and the associated Local Government (Water Services) (Repeals and Amendments) Act 2025.
- 3.2** The legislation provides for the structural models and governance arrangements for water services provision, such as establishment, ownership, and governance of water organisations; operational matters such as arrangements for charging, bylaws, and management of stormwater networks; and public accountability, including planning, reporting, and financial management arrangements.
- 3.3** In August 2025, the Councils adopted a joint water services delivery plan. The plan was approved by the Government in November 2025. Three water services for the local authorities will be transferred to and delivered by Central District Waters from 1 July 2027, a new council controlled company owned by the Councils.
- 3.4** Central District Waters will be transferred all water supply, wastewater and stormwater infrastructure assets, land, contracts and other matters, and will be responsible for providing the relevant water services across the service area comprising the Council's districts.
- 3.5** As part of the process of establishing Central District Waters, the parties have agreed to work together to ensure that a role is provided for iwi in relation to the governance of Central District Waters. This has been achieved through the Councils' (as the owners and shareholders of Central Districts Water) agreement to establish a Shareholders Committee, as a joint committee comprising three members appointed by each Council and an independent Chairperson. Of the three members appointed by each Council, one is to be a representative of mana whenua/iwi and hapū, and nominated by Ngā Taupuwāe O Hau.

4. ASPIRATIONS OF NGĀ TAPUWAE O HAU

- 4.1** Ngā Tapuwae o Hau is a collective group of iwi who are rooted in their whenua, where waterways link mountains to sea. The iwi and hapū represented by Ngā Tapuwae o Hau are tangata whenua, with whakapapa to the land and water in their respective rohe within the area to be managed by Central Districts Water. Those whakapapa relationships give rise to both responsibilities for, and entitlements in respect of, the land and water, and knowledge of the takiwā which the Parties will benefit from.
- 4.2** Ngā Tapuwae o Hau is seeking an approach to water governance that will involve iwi and hapū being recognised as kaitiaki, and partners in the management of groundwater, stormwater, wastewater, and drinking water.
- 4.3** Ngā Tapuwae o Hau are working to:
- (a) rebuild balance between people and water;
 - (b) bring tikanga and kawa back to the centre of decision-making on water issues;
 - (c) move towards real, shared authority.
- 4.4** Ngā Tapuwae o Hau follow their kawa — their way of understanding how people, land, and water connect. Ngā Tapuwae o Hau consider kawa to be more than rules or values; instead it is a living system of knowledge that guides how to care for the world around us. Ngā Tapuwae o Hau see kawa as the foundation of future water governance. This means that:
- (a) Water is treated as a living being, not just a resource.
 - (b) Decisions are made through consensus and balance, not competition.
 - (c) Monitoring and restoration are based on the protection and enhancement of *māuri*, *tikanga*, and *whakapapa*.
 - (d) Every action is guided by respect for both the physical and spiritual life of the water.
- 4.5** The Parties acknowledge the kawa followed by Ngā Tapuwae o Hau and the obligations that flow from this.
- “When kawa is at the centre, it changes how we make choices. It reminds us that we belong to the river, and the river belongs to us — ko au te awa, ko te awa ko au”.*
- 4.6** These aspirations are to be read alongside the ‘Ngā Tapuwae o Hau – Guiding Pathways for Local Water Governance’ document included as **Appendix A** to this MoU, which sets out a kawa-based framework and guiding principles by which Ngā Tapuwae o Hau seek to embed tikanga Māori, shared authority, and iwi rights at the centre of future local water governance and decision-making.

5. THE COUNCILS' FUNCTIONS, DUTIES AND POWERS

- 5.1** The Councils have decided to discharge their responsibility for ensuring that water services are provided in their districts in a flexible, cost-effective, financially sustainable, and accountable manner, pursuant to the Local Government (Water Services) Act 2025, by transferring that responsibility to Central Districts Water.
- 5.2** Separately from the transfer of responsibility, the Councils continue to be territorial authorities pursuant to the Local Government Act 2002, Local Government (Water Services) Act 2025 and subsequent amendments, and are responsible, amongst other things, for achieving the purpose of the Local Government Act 2002, satisfying the various responsibilities set out in that Act and the Local Government (Water Services) Act 2025, and delivering on the broader regulatory functions allocated to them.
- 5.3** The Councils must perform their duties and exercise the rights conferred on them by or under:
- (a) the Local Government (Water Services) Act 2025;
 - (b) the Local Government Act 2002;
 - (c) Resource Management Act 1991; and
 - (d) any other relevant enactment.
- 5.4** Specifically, and without limiting other legislative duties:
- (a) Section 7 of the Local Government (Water Services) Act 2025 requires the Councils and Central Districts Water to act in a manner that is consistent with Treaty settlement obligations;
 - (b) Section 14(1)(d) of the Local Government Act 2002 requires the Councils to give effect to the principle of providing opportunities for Māori to contribute to decision-making processes; and
 - (c) Section 81(1) of the Local Government Act 2002 requires the Councils to:
 - (i) Establish and maintain processes for Māori to contribute to decision-making processes (s 81(1)(a));
 - (ii) Consider ways in which they may build Māori capacity to do so (s 81(1)(b)); and
 - (iii) Provide relevant information to enable that participation by Māori (s 81(1)(c)).
- 5.5** The Councils consider that this MoU provides an appropriate and practical mechanism to support those duties in the context of water services, including by facilitating iwi and hapū involvement in governance, oversight, and engagement relating to Central Districts Waters, while remaining consistent with the Councils' statutory powers, duties, and decision-making responsibilities.

6. CENTRAL DISTRICTS WATER'S DUTIES

- 6.1** Central Districts Water is required to provide water services in accordance with the objectives set out in section 17 of the Local Government (Water Services) Act 2025.
- 6.2** Three waters services are critical to the health and wellbeing of our communities. Central Districts Water is focused on ensuring benefits for the communities represented across its service area.
- 6.3** Central Districts Water will own, manage and operate all transferred water supply infrastructure, wastewater assets and stormwater assets and deliver the services currently provided by each local authority.
- 6.4** Central Districts Water will:
- (a)** be responsible for the delivery of water services for the Councils and ensure financially viable and environmentally sustainable operations;
 - (b)** provide communities with confidence that requirements set by the Water Services Authority and the Commerce Commission (as economic regulator) will be met in a timely way and without penalty;
 - (c)** undertake its activities in a way that seeks to meaningfully recognise kawa and tikanga, and in a way that provides for iwi and hapū participation within governance, management and operational structures of Central Districts Water.
- 6.5** Central Districts Water will perform the functions, duties and powers consistent with those of the Councils as listed at paragraph [XX] that are relevant to it.

7. SHARED OBJECTIVES

- 7.1** The Parties' shared objectives for water governance are to:
- (a)** *[Aspirations for water governance]*

8. GUIDING PRINCIPLES

- 8.1** The Parties agree and acknowledge that to achieve their shared objectives, they will act in accordance with the principle of collective responsibility — for the water, for each other, and in recognition of those who have come before (tīpuna) and the generations to come (mokopuna).
- 8.2** In giving effect to this principle, the Parties agree and acknowledge that they will:
- (a)** Work in good faith and in a spirit of co-operation, while also respecting the independence of each Party and their individual mandates, roles and responsibilities;
 - (b)** Commit to open, honest and transparent communication;

- (c) Ensure early engagement on issues of known mutual interest;
- (d) Recognise that the relationship between the Parties will evolve over time;
- (e) Adopt a best endeavours approach to make decisions through discussion and consensus, not voting blocks;
- (f) Recognise and acknowledge that at times matters may arise within the scope of this MoU concerning which the Parties have different perspectives;
- (g) Recognise and acknowledge that all Parties benefit from working together by sharing their vision, knowledge and expertise;
- (h) Recognise that this MoU operates within statutory frameworks that must be complied with;
- (i) Agree that all Parties will adopt a best endeavours approach at all times in giving effect to this MoU.

9. ROLE AND PROCESSES RELATING TO THE SHAREHOLDERS COMMITTEE

- 9.1** The Parties acknowledge that the Shareholders Committee is a key forum through which they may collectively exercise oversight of Central Districts Water on matters of strategic importance, performance, and accountability.
- 9.2** The Parties acknowledge that Ngā Tapuwae o Hau has a specific role in influencing decision-making by Central Districts Water, through its participation on the Shareholders Committee.
- 9.3** The Shareholders Committee will convene annually, no later than [X] date, following publication of its annual agenda, to agree its annual commitments. Those commitments will include:
 - (a) confirmation of the work programme and priorities for the year;
 - (b) matters of strategic importance requiring engagement with Central Districts Water; and
 - (c) key engagement processes and expectations for the forthcoming reporting period.
- 9.4** Participation on the Shareholders Committee does not limit Ngā Tapuwae o Hau from engaging directly with:
 - (a) the Board of Central Districts Water; or
 - (b) with the Councils through other appropriate mechanisms, including governance-level or senior management engagement, where matters of mutual interest arise.

Process for appointment and replacement of Ngā Tapuwae representatives

- 9.5** Ngā Tapuwae o Hau will be responsible for nominating three representatives and alternates to the Shareholders Committee. Once Ngā Tapuwae o Hau has nominated its representatives, those nominations will be confirmed in writing to the Council representatives on the Shareholders Committee for consideration and approval, in accordance with the terms of the Shareholder Agreement.
- 9.6** All nominations will be guided by the tikanga and kawa as determined by Ngā Tapuwae o Hau, and its related internal processes, but with a view to ensuring that the nominated representatives are well placed to serve the interests of the Shareholders Committee.
- 9.7** While the Shareholder Agreement contemplates each Shareholder Council appointing individual representatives “for mana whenua”, the Councils have agreed that the nominations from Ngā Tapuwae o Hau, and subsequent appointments by the Councils, can be progressed on a collective basis, to enable Ngā Tapuwae o Hau to put forward representatives that can appropriately represent the iwi groups identified in clause 1.1, and achieve representation that reflects all relevant iwi perspectives, as appropriate.
- 9.8** If any issue arises in relation to the conduct or participation of any Shareholders Committee member, the Parties agree that they will use best endeavours to address those issues through open discussion and good-faith engagement with the relevant appointing Shareholder, before invoking the dispute resolution process set out in clause 13 of this MoU.
- 9.9** In the event that the resolution of any issue involves an agreement to remove or replace any Ngā Tapuwae o Hau representative or alternate that has been appointed on a collective basis by the Councils, the Councils and Ngā Tapuwae o Hau agree to facilitate the removal and replacement of that representative or alternate in an equivalent, collective, manner, consistent with the nomination process outlined in clause 9.7 above.
- 9.10** The Parties acknowledge that all representatives appointed to the Shareholders Committee are expected to:
- (a)** act in good faith and in a manner consistent with the guiding principles set out in this MoU;
 - (b)** respect the different statutory roles, mandates, and responsibilities of the Parties; and
 - (c)** engage constructively, with a view to seeking consensus where possible.
- 9.11** Without limiting clause 9.2, the Parties acknowledge that engagement between Ngā Tapuwae o Hau, the Councils, and Central Districts Water may occur outside the Shareholders Committee from time to time. This may include engagement with governance representatives, senior management, or through agreed forums or processes, having regard to practical constraints, statutory obligations, and the nature of the matters in discussion.

10. EXERCISE OF POWERS

- 10.1** The Parties agree that Central Districts Water may carry out functions or exercise powers on its own account and not in accordance with this MoU if:
- (a) an emergency situation arises; or
 - (b) A statutory timeframe for the carrying out of the function or the exercise of the power is not able to be complied with under this MoU.
- 10.2** A statutory timeframe for the carrying out of the function or the exercise of the power is not able to be complied with under this MoU.

11. INFORMATION SHARING

- 11.1** The Councils and/or Central Districts Water will make available to representatives of Ngā Tapuwae o Hau all information held by the Councils and/or Central Districts Water (subject to the Local Government and Official Information and Meetings Act 1987) where that information is requested by Ngā Tapuwae o Hau for the purposes of assisting them to exercise iwi and hapū rights and responsibilities in respect of water and land in their rohe and/or enabling the exercise of their rights fully under this MoU.
- 11.2** Ngā Tapuwae o Hau may make available to the Councils and/or Central Districts Water, information where appropriate, and when requested by a local authority and/or Central Districts Water, to enable it to fulfil its obligations under legislation and under this MoU. Ngā Tapuwae o Hau will not unreasonably withhold information where that information is necessary for the Councils and/or Central Districts Water to fulfil its obligations under legislation and this MoU.
- 11.3** Without limitation, it will not be unreasonable to withhold information to avoid serious offence to tikanga Māori or to avoid the disclosure of the location of waahi tapu.

12. DISPUTE RESOLUTION

- 12.1** The Parties agree and acknowledge that for this MoU to be effective the resolution of issues between them must be addressed in a constructive, co-operative and timely manner that is consistent with the Principles outlined in this MoU.
- 12.2** The dispute resolution process is:
- (a) If the Parties cannot reach resolution, or if one Party considers that there has been a breach of this MoU then that Party may give written notice to the other Party that they are in dispute.
 - (b) As soon as practicable upon receipt of the written notice, representatives of the Parties will meet to work in good faith to resolve the issue.
 - (c) *[with Ngā Tapuwae, is it possible to have escalation through CEs, then Chairs to try resolve the issues? Example clause are:*

- (i) *If the dispute has not been resolved within 20 Working Days of receipt of the written notice, the Chief Executive Officer of the Council and the Chief Executive Officer of the Trust Board will meet as soon as practicable to work in good faith to resolve the issue.*
- (ii) *If the dispute has still not been resolved within 30 Working Days of a meeting between the Chief Executive Officer of the Council and the Chief Executive Officer of the Trust Board as a matter of last resort, the respective Chairs (or nominee) will meet to work in good faith to resolve the issue.]*
- (d) At any point during the issue resolution process the Parties may appoint a facilitator or take any other action considered appropriate to promote the resolution of any issues.

13. TERM

- 13.1** The Parties agree and acknowledge that this MoU will commence on the date signed and will remain in force for perpetuity, subject to clause [15.2] below.
- 13.2** This MoU may be terminated by the mutual written MoU of the parties or by either party, for any reason whatsoever, giving 60 days written notice of termination to the other.

14. REVIEW

- 14.1** The Parties agree that this MoU is a living document which should be updated to take account of future developments.
- 14.2** This MoU and its provisions may be reviewed annually, by mutual agreement. Additional reviews can be undertaken at any time, as agreed by the Parties.
- 14.3** If the Parties agree to amend this MoU then changes will be made by way of written variation to this MoU.

15. LEGAL EFFECT

- 15.1** This MoU:
 - (a) is a statement of good intentions based on the respective roles and responsibilities of each party;
 - (b) is entered into on a without prejudice basis;
 - (c) is not legally binding;
 - (d) does not alter any existing, or create any new legal or equitable rights or obligations.

- 15.2** Nothing in this document shall affect the rights and obligations of either Party to meet and fulfil their obligations or to manage, administer or plan their business during the course of their functions.

DRAFT

Ngā Tapuwae o Hau – Guiding Pathways for Local Water Governance

1 Introduction

The collective group of iwi agree, when Māori rights and relationships with water are ignored the foundations of our rivers and communities are weakened.

Ngā Tapuwae o Hau have grown out of this understanding. We are working to rebuild balance between people and water — to bring tikanga and kawa back to the centre of decision-making and to move from symbolic involvement to real, shared authority.

These iwi are;

- Ngāti Raukawa ki te tonga;
- Muaūpoko;
- Rangitāne o Manawatū;
- Ngāti Apa me Ngā Wairiki
- Ngāti Hauiti;
- Ngāi Te Ohuake;
- Ngāti Whitikaupeka;
- Ngāti Tamakōpiri;
- Ngāti Rangi

2 Recognising Iwi Māori Rights and Responsibilities

Across Aotearoa, iwi Māori continue to be included in water discussions but often without real decision-making power. Past settlements have recognised relationships to wai but not full authority or ownership.

Ngā Tapuwae o Hau believe it's time to move beyond that. Real partnership means Māori having both:

- Substantive rights — the ability to influence how water is managed, used, and protected; and
- Procedural rights — being involved at every step, not just consulted at the end.

We are asking for a new approach — one where iwi and hapū are recognised as guardians, and partners in the management of groundwater, stormwater, wastewater, and drinking water.

This is not about taking power from others; it's about building a fair and balanced system where decisions are made together and for the good of both the people and the water.

3 Kawa

Kawa is the deep law of this place — our way of understanding how people, land, and water connect. It's more than rules or values; it's a living system of knowledge that guides how we care for the world around us.

Ngā Tapūwae o Hau see kawa as the foundation of future water governance. This means that:

- Water is treated as a living being, not just a resource.
- Decisions are made through consensus and balance, not competition.
- Monitoring and restoration are based on mauri, *tikanga*, and *whakapapa*.
- Every action is guided by respect for both the physical and spiritual life of the water.

When kawa is at the centre, it changes how we make choices. It reminds us that we belong to the river, and the river belongs to us — *ko au te awa, ko te awa ko au*.

4 Shared Collective Leadership and Decision Making

Good water governance needs shared collective leadership and decision making. No one group can hold all the answers. Ngā Tapūwae o Hau believe that iwi, hapū, councils, and communities must work together — each bringing their strengths and responsibilities.

This means:

- Creating joint governance groups with meaningful iwi Māori and local authority representation.
- Including independent cultural advisors who make sure decisions reflect kawa and tikanga.
- Making decisions through discussion and consensus, not voting blocks.
- Building relationships of trust, openness, and respect over time.

This approach reflects the values of whanaungatanga (relationships), manaakitanga (care), and kotahitanga (unity). It's about collective responsibility — for the water, for each other, and for the generations to come.

5 The Role of a New Local Water Entity

The new local water body will be both practical and symbolic — a step forward that recognises iwi authority while working alongside the Crown and councils.

It should:

- Recognise kawa as a guiding framework for all water-related decisions.
- Include iwi representatives who can approve, challenge, or shape key plans and consents.
- Work with communities to co-design policies, monitor outcomes, and restore degraded sites.
- Ensure all operational plans — from maintenance to stormwater management — reflect *Te Mana o Te Wai* and local kawa.
- Ensure that legacy issues for iwi and hapū are addressed.

This entity is not the final destination, but a beginning — a bridge toward fuller partnership and the gradual return of Māori authority in water governance.

6 Guiding Principles for Local Water Done Well

The following principles, drawn from discussions under *Local Water Done Well*, describe how this partnership should work in practice:

1. **Rights and Interests:** Iwi have existing and continued rights and interests in water, and these additionally have been recognised by the Crown. These rights apply to the full spectrum of uses of water culturally, environmentally, socially and economically.
2. **Te Mana o te Wai:** Iwi and hapū have the duty to care for and make decisions about their waters.
3. **Oranga Wai** – The health of water comes first; it sustains all life.
4. **Kaitiakitanga** – Guardianship that protects and restores water for future generations.
5. **Whanaungatanga** – Building and maintaining strong relationships between all partners.
6. **Kotahitanga** – Working together in unity and shared purpose.
7. **Mauri ora** – Focusing on the wellbeing of both people and ecosystems.
8. **Utu / Balance** – Using resources fairly and repairing harm when it occurs.

9. **Manaakitanga** – Acting with care, humility, and respect.
10. **Tino rangatiratanga** – Supporting self-determination and local authority in water decisions.
11. **Transparency** – Being open, honest, and accountable in every action.

These principles are not just words — they are **daily practices** that guide how decisions are made, how relationships are built, and how outcomes are measured.

Other baseline kaupapa to be institutionalised into the relationship are;

1. **Clean and Safe Drinking Water** – Guarantee clean, safe water for all our people, including marae and papakāinga.
2. **Te Tiriti o Waitangi** – Give effect to Te Tiriti and its guarantees in all local water decisions.
3. **Access to Water** – Ensure free and fair access to wai for our people and communities.
4. **Opportunity, Capacity & Capability** – Build development opportunities through investment, training, and local delivery.
5. **Legacy Matters** – Acknowledge and resolve historic harm from past water infrastructure decisions.
6. **Environmental Protection and restoration** – Safeguard waterways from pollution and degradation by local water infrastructure. We require that the whenua and wai that has been degraded are prioritised for restoration.
7. **No Discharge of Untreated Wastewater to Waterways** – Prohibit untreated or partially treated wastewater entering rivers, streams, lakes, or groundwater to protect mauri o te wai.
8. **Mātauranga** – Ensure that mātauranga Māori leads innovation, monitoring, and change.

These principles express how values translate into tangible responsibilities and standards for any future entity governing local water.

6.1 Key Areas for Consideration

- **Positions:** Define ‘Te Mana o te Wai’ and ‘Oranga Wai’ within each rohe/takiwā, led by mātauranga, including principles, bottom lines, and expectations for addressing legacy issues.
- **Hierarchy:** Describe how obligations under the new structure apply within each iwi or hapū rohe, including operational guidance.

- **Relationships:** Uphold Te Tiriti and clarify how existing agreements with councils transition into the new framework.
- **Operational Matters:** Outline how consents, monitoring, and training will meet iwi expectations, including management of wāhi tapu and environmental regeneration.
- **Monitoring and Accountability:** Establish indicators and reporting systems shaped by iwi and hapū measures of success.
- **Commercial Expectations:** Enable iwi and hapū to participate in procurement, staffing, and investment opportunities created by the new entity. Iwi require the full spectrum of rights and interests to be upheld through this relationship including their commercial uses of water.
- **Water Affordability and Access to Water for Iwi:** Iwi require that they are able to have continued free access to water and that its supply is affordable for our people and the community. Iwi want to ensure that they are jointly leading innovative price structuring to ensure equity to access and use of water.
- **The Application of these Principles:** The Iwi Collective expect that the principles outlined in this document will be recognised and applied by the new entity and any persons contracted by the entity to do work on its behalf.

6.2 Other Kaupapa

- Provide clear guidance for drinking water, wastewater, and stormwater management; water allocation; marae and papakāinga development; and ongoing capability building.

7 Place-Based Authority and Future Direction

Ngā Tapūwae o Hau are rooted in their whenua, where waterways link mountains to sea. Our approach is local and grounded: every river, stream, and wetland has its own story and its own kawa.

Future decisions must be made as close as possible to the people and places affected — at the level of hapū and marae. This ensures that governance stays true to the land and that local knowledge leads the way.



MEMORANDUM

To: Board of Directors

From: Olivia Wix – Communications & Engagement Workstream Lead

Date: 27 May 2026

Subject: CDW Establishment Phase Media Protocol

Category: For Decision

Purpose

This paper has been prepared to provide the Board with a proposed Establishment Phase Media Protocol for CDW. The protocol is intended to support coordinated, professional and transparent media engagement during the establishment and transition phase prior to commencement of operations on 1 July 2027.

The protocol also provides guidance for Board members, executive leadership and the Establishment Team regarding spokesperson roles, media engagement processes, coordination with shareholder councils, and expectations relating to public commentary and communications activities during the establishment phase.

Recommendations

That the Board **adopt** the CDW Establishment Phase Media Protocol attached to this paper.

Discussion and analysis

As CDW progresses through the establishment phase, there is a need for clear guidance regarding how media engagement relating to transition activities will be managed by CDW.

The proposed Establishment Phase Media Protocol has been developed to provide the Board clarity around media processes during the transition period prior to operational commencement on 1 July 2027.

The protocol is intended to support collaboration, transparency and a “no surprises” approach to media relations, while recognising the ongoing governance, political and public leadership responsibilities of councils, iwi representatives and the CDW Board throughout transition activities.

Next steps

Following adoption of the protocol, the Communications & Engagement Workstream Lead will implement the processes and guidance outlined within the document as part of ongoing media activities during the establishment phase.

The protocol will be reviewed periodically throughout the establishment phase and updated prior to operational commencement on 1 July 2027 alongside the development of a wider CDW Media Policy for ongoing organisational operations

Attachments

Attachment 1: Draft CDW Board Media Protocol

Attachment 1:

DRAFT- CDW Establishment Phase Media Protocol

1 Purpose of the Protocol

This protocol provides guidance for the CDW Board and executive leadership regarding media engagement during the establishment and transition phase of CDW prior to commencement of operations on 1 July 2027.

The protocol is intended to support clear, informed and collaborative communications during the establishment phase by CDW, while recognising the ongoing governance, political leadership, community advocacy and public accountability responsibilities of shareholder councils, Mayors, Elected Members, Chief Executives and Nga Tapūwae o Hau representatives.

CDW recognises the important role of media in informing communities and supporting public understanding throughout the transition process. CDW is committed to maintaining constructive, professional and transparent relationships with media during establishment.

This protocol applies during the establishment phase only and will be reviewed and updated prior to operational commencement alongside the development of wider CDW media and communications policies for Board members, staff and operational activities.

2 Spokesperson roles and responsibilities

2.1 Shareholder Mayors and Council Chief Executives

Councils will continue to play the leading role in public communications regarding water services and governance oversight responsibilities as part of their ongoing public accountability and leadership roles within their communities. CDW acknowledges that shareholder councils remain the public face of local democratic accountability throughout the establishment phase and are key partners in maintaining community confidence during transition.

The independent chair of the Shareholders' Committee may at times also speak on behalf of the shareholders.

Until 1 July 2027, shareholder councils remain responsible for water service delivery and therefore will also continue to be the media point of contact for operational matters relating to their respective council services.

2.2 Board Chair

The independent Board Chair may comment on matters relating to CDW where appropriate.

2.3 Board Members

Individual Board members should only speak publicly on behalf of CDW on agreement with the Board Chair.

Where Board members are approached directly by media regarding CDW matters, enquiries should be referred to the Board Chair, Chief Executive/Establishment Director, and Communications & Engagement Workstream Lead.

Board members should avoid public commentary that could:

- create confusion regarding agreed CDW positions;
- undermine relationships between partner organisations;
- compromise transition activities; or
- create unnecessary reputational risk for CDW, shareholder councils or iwi partners.

2.4 CDW Chief Executive / Establishment Director

The CDW Chief Executive or Establishment Director is responsible for operational, programme and transition-related communications on behalf of CDW.

2.5 Communications & Engagement Workstream Lead

The CDW Communications & Engagement Workstream Lead will act as a key coordination point for media enquiries and communications activities during establishment.

This role includes:

- coordinating media responses with council communications managers where appropriate;
- supporting agreed messaging and stakeholder communications;
- managing day-to-day media enquiries; and
- undertaking low-risk promotional, informational or community-focused media engagement on behalf of CDW where appropriate.

3 Media statements and responses

Media releases and responses issued on behalf of CDW will be reviewed by the Board Chair and, where practicable, shared with Board members prior to release.

Media releases will also, where practicable, be shared in advance with shareholder council Mayors, Elected Members, Chief Executives and Nga Tapūwae o Hau representatives to support coordinated communications, relationship management and a “no surprises” approach.

Media responses relating to significant, sensitive or reputational matters will generally be reviewed by the Board Chair prior to response where timeframes allow. For routine or recurring media enquiries, the Executive Director and Communications & Engagement Workstream Lead may manage responses directly, while ensuring the Board Chair remains appropriately informed of emerging issues, themes or matters of interest.

The Board Chair, Chief Executive/Executive Director may undertake media interviews. The Communications & Engagement Workstream Lead may undertake interviews on behalf of CDW where appropriate for local low risk media opportunities.

4 Open meetings and media attendance

CDW Board meetings are open to the public and media unless a decision has been made to close the meeting to the public in accordance with the LGOIMA Act.

Board members, executive leadership and the Establishment Team should remain mindful that comments made during public meetings may be reported publicly.

5 Coordination and “No Surprises” approach

CDW will work collaboratively and in good faith with shareholder councils and partner organisations to support coordinated, informed and locally responsive communications throughout the establishment phase.

Where practicable, the CDW Communications & Engagement Workstream Lead will provide shareholder council chief executives and communications managers with advanced notice of significant media enquiries, public commentary or emerging issues that may present reputational, political or stakeholder risk.

Shareholder councils are encouraged, where practicable, to provide CDW with advanced notice of significant or reputationally sensitive media matters relating to CDW, transition activities, or shared programme matters.

This protocol is intended to support collaboration and shared understanding, while recognising the shared governance, political leadership and public accountability responsibilities held by mayors, elected members, iwi representatives, councils and the CDW Board throughout the establishment process.

CDW recognises that shareholder councils operate within diverse local political and community contexts, and that councils may need to respond to local concerns, media interest and community expectations in ways that reflect those circumstances.

6 Council operational matters

Prior to operational commencement on 1 July 2027, operational matters relating to council water services remain the responsibility of shareholder councils.

Operational or council-specific media enquiries received by CDW will be referred back to the relevant council for response.

7 Social media and public commentary

Board members and executive leadership should exercise care when commenting publicly, including through social media platforms, regarding matters connected to CDW, shareholder councils or transition activities.

Individuals shouldn't:

- disclose non-public or sensitive information;
- speculate on unresolved matters;
- criticise partner organisations or representatives publicly; or
- make comments that could reasonably undermine confidence in the transition programme.

Where individuals are uncertain whether public commentary may create risk or confusion, they are encouraged to seek guidance from the Board Chair, Chief Executive/Executive Director or Communications & Engagement Workstream Lead prior to comment.

8 Review

This protocol will be reviewed periodically throughout the establishment phase and updated prior to commencement of operations on 1 July 2027.

This protocol will be replaced by a comprehensive CDW Media Policy prior to commencement of operations on 1 July 2027.



MEMORANDUM

To: Board of Directors

From: Richard Dore – Advisor, CDW Establishment Programme

Date: 27 May 2026

Subject: Transfer Agreement Update

Category: For Information

Purpose

This report provides an update on activity in the Transfer Agreement workstream. It outlines the engagement activities and workshops, facilitated by Simpson Grierson, that are being held over May and June to define the scope and key content of the Transfer Agreement schedules, and to agree the draft transfer principles.

Recommendations

That the Board **note** this update for their information.

Background

The establishment of CDW requires the formal transfer of responsibility for water services from councils to CDW. Under the Local Government (Water Services) Act 2025, this transfer is to be achieved by way of a Transfer Agreement, entered into separately between each council and CDW. The Transfer Agreements will provide legal certainty in relation to the matters and responsibilities that will transfer to CDW, as well as set out various operational and financial matters of shared interest between the parties.

Discussion and analysis

Subject Matter Expert (SME) Workshops

The following four workshops have been or are being held in May and June with the appropriate subject matter experts (SMEs) from each council to identify the scope and key content of the Transfer Agreement schedules. Each workshop is facilitated by Simpson Grierson and the expected outputs are derived from their experience with transfer agreements in other regions.

- **Workshop 1: land transfers and easements.** This workshop addresses the categories/status of land to be transferred such as fee simple, parks and reserves, transport and rail corridors. The key output from this workshop and subsequent work is the identification of the land used for water services and an assessment whether it is transferrable. Also, any third-party interests in such land are to be identified.
- **Workshop 2: approvals that will transfer.** This workshop addresses resource consents, building consents, designations and other approvals. The key outputs include:



- Identifying all resource consents, building consents, and designations relating to water services.
- Outlining the approach to identifying relevant consent conditions that relate to transferred services.
- Identifying all water discharge and take permits and outline approach for transfer.
- **Workshop 3: contracts/projects and other agreements.** This workshop addresses capital works, development contributions and other contractual arrangements. The key outputs include:
 - Identifying all contractual arrangements that relate to water services.
 - Assessing transferability of each contractual arrangement.
 - Agreeing approach and documentation for seeking counterparty consent.
- **Workshop 4: stormwater.** This workshop addresses the approach to transferring stormwater statutory and operational responsibilities. The key outputs include:
 - Identifying nuances with stormwater assets and operational requirements.
 - Outlining the approach to transfer and specific requirements that will need to be resolved between Central Districts Water and Councils.
 - Discussing stormwater zone identification.

Iwi Representation

Representatives from Nga Tapūwai o Hau have been invited to participate in each SME workshop. Their input will be reflected in both the workshop outputs and the development of the Transfer Agreement schedules.

Draft Transfer Principles

The principles that will be applied by the parties when identifying and documenting the assets, land, approvals and other matters for transfer are to be tested during the SME workshops. These principles will be confirmed in light of the approaches adopted by other councils to date through their transfer processes.

On 8 April, the Establishment Team shared the following set of draft principles with the wider Council elected member group (with the Board present). These draft principles are the starting point for the SME workshops, with discussions to refine the principles and outline the way that they should be applied across all Councils to achieve consistency in terms of what will transfer:

- That all Water Services assets (excluding land), liabilities, obligations and water debts owned or controlled by the Shareholding Councils will transfer to Central Districts Water, with limited provisions for exceptions.
- That land will transfer where its primary use relates to the delivery of water services, and that where land does not transfer the parties will agree any associated arrangements that may need to be put in place to provide or support the delivery of Water Services;
- All third-party rights will be protected and not materially altered, including by:
 - Existing contractual arrangements with third parties being, to the extent reasonably possible, protected and transferring to Central Districts Water materially unaltered.



- Any third-party rights remaining unaltered by the transfer of assets, liabilities and other matters to Central District Water, to the extent reasonably possible.
- Water services debt will transfer to Central Districts Water from each Shareholding Council based on a consistent methodology.
- The Shareholding Councils will take all necessary steps to ensure that Central Districts Water has the benefit of any and all existing approvals (building consents, resource consents and designations) that relate primarily to the Water Services for "Day 1", including through the transfer of consents and designations.
- The Shareholding Councils and Central Districts Water will adopt a "no-surprises" approach to information disclosure and due diligence as part of preparing the Transfer Agreements, including in relation to any financial or legal risks and other issues.

Other Activities

Matters of shared interest

The Transfer Agreement must also address the operational and financial matters that will remain of shared interest to councils and CDW. Where roles or interests overlap, the agreement should clearly define how those matters will be managed and supported in practice.

The agreement should clearly set out: how shared assets or responsibilities will be managed; how information will be exchanged; the processes for resolving disputes or escalating operational issues; and any transitional arrangements required for shared systems, services, or processes. For example, the shared interest matters will need to include, and specify, how CDW will support and/or contribute to each council's building consent and resource management consent functions, and support the preparation of LIM's.

A further workshop will be held in June or July to work through these shared-interest matters. The outcomes will inform the shared service agreements that will form part of the Transfer Agreements.

Assets

Work will also continue to identify the assets used to provide water services. This includes determining whether abandoned assets should remain with each council or transfer to CDW.

Statutory responsibilities

Simpson Grierson will develop standard wording for the transfer of statutory responsibilities to be used across all councils, as required by the Transfer Agreement. As part of this work, any bespoke statutory arrangements and relevant third-party matters, such as treaty negotiations, will also be identified.

Next steps

Following the conclusion of the workshops as noted above, the staff in the three councils will undertake the process of identify and recording the detail for the schedules of the Transfer Agreements.

Once the schedules are completed, a head agreement will be drafted, which will document the terms and condition of the transfer.



MEMORANDUM

To: Board of Directors

From: Rebeca Chenery – Customer & Digital Workstream Lead

Date: 27 May 2026

Subject: Customer Strategy

Category: For Decision

Purpose

This paper seeks formal Board approval of the CDW Customer Strategy. Key elements of the strategy were introduced at the April board meeting for directional feedback and the Board provided input at that time. That feedback has been incorporated into the final strategy, which is attached (**Attachment 1**).

Recommendations

The Board is asked to:

- **Approve** the CDW Customer Strategy as attached.
- **Note** that the Customer Strategy directly informs and connects to the Digital Strategy, Operations & Assets, and Communications and Engagement Workstreams.

Discussion and analysis

Regulatory Context

The new regulatory environment creates clear obligations in relation to customers. The Commerce Commission, as economic regulator, is responsible for safeguarding consumer interests and providing assurance that water services customers receive value for money. Information disclosure requirements enable the Commission to collect and analyse information on service quality and customer engagement, with tools available to strengthen consumer protections where issues are identified. A well-considered customer strategy directly supports the organisation's ability to demonstrate regulatory compliance and show that customer outcomes are being actively managed.

Development Process

The Customer Strategy was developed through a structured discovery process involving RFI responses from all three councils, a cross-council workshop, and direct engagement with council teams. The discovery work examined how water services are currently organised and experienced across the region, where the strengths of existing arrangements lie, and where CDW has the opportunity to do things differently.

Key elements of the strategy were presented to the Board in April for directional feedback. That feedback has been incorporated into the final strategy now presented for approval.

Who CDW is and who it Serves?

CDW is a new regional water utility, not a council function. This is a significant shift in how water services are organised and experienced across the three districts. CDW will be responsible for the delivery of



drinking water, wastewater and stormwater services for approximately 54,000 connections from 1 July 2027, and it will do so as a standalone regulated water services organisation.

CDW has a dual community relationship. It is owned by three councils whose elected members represent the same people CDW serves. The communities CDW will deliver services to are the same communities those Elected Members were chosen to represent. That shared relationship carries shared responsibility - CDW's success in serving its customers will be influenced by the confidence councils and their communities have in the new organisation.

Water holds deep cultural significance in New Zealand. CDW acknowledges its obligations as a steward of a taonga and recognises the iwi partnership embedded in its governance through Nga Tapūwae o Hau. These obligations will be carried through into how CDW designs and delivers its services.

Who is a CDW customer?

CDW's approach to customer experience is informed by a broad definition of who a customer is. The Local Government (Water Services) Act 2025 defines a consumer as "a person who consumes, uses, is provided with, or benefits from the provision of water services." This definition extends beyond the people who pay for water services. A tenant who reports a fault is a customer. A developer seeking a new connection is a customer. CDW's approach to customer experience must work for all of them.

CDW will serve five distinct customer groups, each with different needs, touchpoints and expectations:

- **Residential customers** - the largest group; infrequent interaction but high expectations of reliability and responsive service
- **Commercial and industrial customers** - businesses for whom service disruptions have immediate operational and financial consequences
- **Rural and community customers** - customers in smaller and more dispersed communities, where service characteristics and communication needs can differ from urban areas
- **Development and construction customers** - developers and builders interacting with CDW on new connections, subdivision approvals and network capacity
- **Vulnerable or priority customers** - customers who may require clearer communication, priority response or additional support during service disruptions

What matters most to customers

Discovery work across all three councils identified a clear and consistent finding: customer trust in a water utility is built or lost during a small number of high-stakes interactions. Most customers engage with their water provider infrequently. When they do, it is typically because something has gone wrong, a bill has arrived, or a disruption has affected their household or business.

The strategy identifies seven critical customer moments, being the points where CDW's reputation will be made or lost: faults and outages, billing and payment, water quality concerns, planned works, enquiries and complaint resolution, new connections and development interactions, and emergency events. Of these, disruptions and billing are the priority. These are the moments where trust is most severely tested and where CDW must get things right from Day One.

The strategy is anchored to six customer outcomes, expressed in the customer's own words. These outcomes define what good looks like from the customer's perspective and are the measure against which CDW's customer experience should be assessed:

- *"Water comes and goes as it should"*
- *"I know who Central Districts Water is"*



- “I know how to contact CDW when I need to”
- “I understand my bill”
- “Issues get resolved”
- “I’m kept informed during planned works and disruptions”

Delivering these outcomes will require coordination across operational delivery, communications, billing and customer services. Good customer experience is an organisational responsibility, not just the responsibility of a customer team.

How CDW will serve its customers

The strategy establishes six strategic pillars - the organisational capabilities CDW will build to deliver on the customer outcomes. The pillars define where CDW needs to invest and they directly inform the Digital Strategy, Operations & Assets and Communications & Engagement Workstreams. They are:

- **Clear identity and access** - a clear public identity, simple and consistent contact channels, and accessible information about services, outages and water quality
- **Accurate, transparent and accessible billing** - clear and accurate billing, simple explanations of water charges, accessible payment options and support for customers who need it
- **Clear communication during disruptions** - proactive communication about planned works, timely updates during outages, and coordination between operational and communications teams
- **Customer systems and visibility** - a central system for managing customer interactions, visibility of service requests and improved coordination between teams
- **Reliable service response and resolution** - clear intake and triage of service requests and complaints, clear ownership and accountability, and coordination between operational delivery and customer teams
- **Customer insight and data-informed decisions** - mechanisms for customer feedback, monitoring of customer sentiment and service experience, and using data to inform service improvements and investment decisions

These pillars represent the capabilities the whole organisation must build and sustain to deliver good customer outcomes consistently.

Service Commitments – Day One and beyond

The strategy is structured across three horizons, reflecting the reality that CDW cannot build everything at once and that customer experience will develop progressively as the organisation matures.

Horizon 1 — Credible baseline (now to 1 July 2027)

The Day One priority is a credible and reliable baseline. Customers must be able to contact CDW, report a fault, receive a clear and accurate bill, and be kept informed when services are or will be disrupted. These capabilities must work reliably from the first day of operation.

The Day One model includes a dedicated CDW phone line, CDW website, social media channels and a dedicated email address. After-hours urgent fault response will be provided through an interim arrangement with the Palmerston North City Council contact centre while CDW builds its own capability.

The Board should note that the strategy is developed on the assumption that CDW will bill customers directly from Day One if it is able to do so. Billing is one of the most significant early interactions CDW will have with its customers and getting it right is a Day One priority.

Specific measurable service commitments and performance targets - covering fault response times, complaint resolution, disruption communication, billing accuracy and contact channel availability - will be



developed through the establishment process and brought to the Board for approval prior to commencement of operations.

Horizon 2 — Strengthened capability (Years 1–2 post Day One)

Horizon 2 focuses on strengthening consistency, improving digital access and reducing reliance on interim council arrangements. This includes improved self-service options, more coordinated and proactive customer communication, and progressive integration of customer and operational systems.

Horizon 3 — Modern data-driven utility (Year 3+)

Horizon 3 positions CDW as a modern, integrated and proactive utility - with automation supporting routine interactions, predictive capability informing service design, and customer insight routinely driving improvement and investment decisions.

Next steps

Approval of the Customer Strategy enables the following work to advance:

- The customer operating model and Day One service design work can proceed, with the approved strategy providing the strategic input and direction for that work.
- CDW's customer promise, customer charter and specific service commitments will be developed and brought to the Board for approval.
- Systems procurement and implementation activity dependent on the strategy, including the customer and billing platform and CRM, can commence in alignment with the Digital Strategy.
- Progress will be reported to the Board through regular workstream updates.

Attachments

Attachment 1: CDW Customer Strategy

Central Districts Water Customer Strategy

May 2026



Contents

1. How to Read This Strategy	3
2. Executive Summary	4
3. Context for Central Districts Water	5
4. Customers, Communities and Stakeholders	6
5. Discovery Insights	7 - 8
6. Critical Customer Moments	9 - 10
7. In Our Customers' Shoes	11
8. Customer Strategic Pillars	12
9. Customer Experience Horizons	13
10. Delivering a Credible Day One Customer Experience	14
11. Day One Service Commitments	15
12. Monitoring, Measuring and Learning	16
13. Implementation Considerations and Next Steps	17
14. Supplementary Information	19 - 25

1. How to Read This Strategy

This strategy outlines a pragmatic approach to establishing the Day One customer experience for Central Districts Water (CDW) as the new organisation is created. It also considers how the organisation can progressively strengthen customer experience over time. The strategy is structured to move from context and insight through to clear customer outcomes, strategic focus areas and practical Day One delivery considerations. It is intended to support decision-making on customer experience direction, while recognising that detailed operating design will continue to develop over time.



Context and Direction (Sections 1–5)

Sets out the purpose of the strategy, the operating context and key insights that shape how customers experience water services.

Customer Outcomes and Priorities (Sections 6–8)

Defines the critical customer moments and the outcomes Central Districts Water aims to deliver, supported by the customer strategic pillars.

Delivery Approach (Sections 9–13)

Outlines how customer experience will be established from Day One and strengthened over time, including horizons, service expectations and delivery considerations.

Operational Considerations and Supporting Detail

Provides an early view of how the strategy may translate into operational arrangements, including channels, systems and interim approaches.

2. Executive Summary

Central Districts Water is being established as a new regional organisation responsible for delivering water services across the Horowhenua, Palmerston North and Rangitikei districts. This strategy sets out a pragmatic approach to building customer experience as the organisation is created, with a focus on getting the foundations right from Day One.

Customer outcomes:

Customer trust in water services is shaped during a small number of critical moments - service disruptions, water quality concerns, billing interactions and fault response. The strategy is grounded in six core customer outcomes, expressed in the customer's own words:

- Water comes and goes as it should
- I know who Central Districts Water is
- I know how to contact CDW when I need to
- I understand my bill
- Issues get resolved
- I'm kept informed during planned work and disruptions

These outcomes are supported by six strategic pillars that describe the organisational capabilities CDW will build to deliver on those outcomes.

Delivery approach:

Customer experience will develop progressively across three horizons:

Horizon 1 Now – 1 st July 2027	Horizon 2 Transition: Years 1 – 2	Horizon 3 Optimisation: Years 3+
<ul style="list-style-type: none"> • credible baseline • clear identity • accessible contact channel • operational billing • payment channels • fault reporting processes • timely proactive communication during disruptions 	<ul style="list-style-type: none"> • strengthened digital access • customer insight • system integration • reduced reliance on council interim arrangements 	<ul style="list-style-type: none"> • modern, data-driven utility • smart metering • automation • predictive capability • integrated customer and operational systems

From Day One, the priority is ensuring customers can access information, report issues, receive timely responses and be kept informed when services are disrupted.

3. Context for Central Districts Water

CDW has a dual community relationship. It is owned by three councils whose elected members represent the same communities CDW serves. That shared relationship carries shared responsibility - CDW's success in serving its customers will directly influence the confidence that councils and their communities have in the new organisation.

Establishment of Central Districts Water

Central Districts Water is being established as a new regional, regulated, water service organisation - responsible for delivering water services across multiple districts.

From a customer perspective, this transition involves:

- transfer of services currently delivered independently by councils
- bringing together systems, processes and operational arrangements that have developed separately across districts
- establishing new organisational capability to support consistent customer service across the region.

Current Service Environment

Water services are currently delivered through multiple councils, each operating with their own systems, processes and operational models. Two of the three councils operate in smaller communities where service delivery relies heavily on local knowledge and established relationships between council teams and residents. As services transition to a regional organisation, these differences in systems, processes and local operating practices will influence how customers experience water services across the region.

Expectations of Modern Water Utilities

Customers and communities increasingly expect reliable and safe water services; responsive and proactive customer service; transparent communication; clear, fair and understandable billing; and accessible and easy service channels.

Stakeholder Environment

CDW will operate within a wider network of stakeholders including councils, elected representatives, regulators, industry bodies and the communities served by the network. Water holds deep cultural significance in New Zealand, with CDW carrying obligations as a steward of a taonga. These obligations will be carried through into how CDW designs and delivers its services

4. Customers, Communities and Stakeholders

Central Districts Water will serve a range of customers with different needs, expectations and interactions with water services. The Local Government (Water Services) Act 2025 defines a consumer as anyone who consumes, uses, is provided with, or benefits from water services - extending beyond those who pay for water services. This definition translates into five distinct customer groups, each with different needs, touchpoints and expectations:



Residential Customers

The largest customer group. Typical interactions include reporting faults, experiencing outages, raising water quality concerns, querying bills or receiving communications about planned works. Interaction is infrequent but expectations of reliability and timely response are high.



Rural & Community Customers

Customers in smaller towns and rural areas, including districts such as Rangitikei, where communities are geographically dispersed and infrastructure arrangements can vary. These customers may experience different service characteristics, including self-managed supply arrangements and longer response times for operational issues. Clear communication about service levels can therefore be particularly important.



Commercial & Industrial Customers

Businesses that rely on water services for day-to-day operations, including hospitality, food production, manufacturing and other local industries. Service disruptions can have immediate operational and financial impacts, making reliability and clear communication important.



Development & Construction Sector

Customers interacting with water services during development or infrastructure change, including new connections, subdivision approvals and network capacity considerations. Clarity of information and coordination is particularly important.



Vulnerable or Priority Customers

These customers may require clearer communication, agreed service levels, priority response or additional support during service disruptions.

5. Discovery Insights

Insights are drawn from RFI responses, a cross-council workshop and discussions with council and operational teams.

Strengths of Current Services



Water services across the region are supported by experienced operational teams with strong technical knowledge of local networks and infrastructure. In many areas, service delivery benefits from deep local knowledge held by council staff and contractors who are familiar with network assets, communities and historical infrastructure issues.

Teams demonstrate a strong commitment to resolving issues and responding quickly when faults or disruptions occur. These strengths provide a solid foundation as services transition to Central Districts Water.

Organisational Orientation



Historically, water services within councils have been organised around operational delivery, asset management and regulatory compliance. Customer interactions are typically managed within these structures rather than through an end-to-end customer service model.

The establishment of CDW provides an opportunity to strengthen how services are coordinated from the customer's perspective, including clearer ownership of requests, improved visibility and stronger alignment between operational delivery and customer communication.

Customer Experience Drivers



Customer trust is most strongly shaped during service disruptions and billing interactions. For most customers, interaction is infrequent and occurs when something goes wrong or when a bill is received.

Billing interactions - including how charges are calculated and payment options - strongly influence perceptions of fairness, transparency and trust.

5. Discovery Insights continued

Insights are drawn from RFI responses, a cross-council workshop and discussions with council and operational teams.

Transition Considerations



Customer awareness of water service arrangements and sector reform is currently low. Experience in other regions suggests many customers have limited understanding of how water services are funded through rates or how this may change under a utility-style model. Billing will be one of the most visible customer interactions during the transition. For many customers this may represent a shift from charges embedded within council rates to a more visible billing model, although some districts already have metering or direct charging arrangements in place.

This variation means customers may have different expectations and levels of familiarity with water billing, making clarity, transparency and consistency particularly important.

The establishment of a regional organisation may also create sensitivities if services are perceived to favor larger centres over smaller communities. Maintaining confidence that services are delivered fairly across districts will be important.

Structural and Operational Challenges



Current service delivery reflects multiple council systems, processes and operational arrangements. Across councils, differences exist in how customer requests are recorded, how operational jobs are tracked and how information is shared between teams.

In some cases, visibility of service requests relies on manual processes or institutional knowledge. Operational capability can also depend on long-tenured staff, creating continuity risks where knowledge is not well documented. These factors make it harder to maintain consistent information, track issues end-to-end and provide clear updates during disruptions.

6. Critical Customer Moments

These moments represent the points where customers will most directly experience the new organisation.

1 Faults and Outages

Customers need to easily report faults or outages and have confidence issues will be responded to promptly. Clear communication about the nature of issues, restoration timeframes and actions being taken is critical.

2 Billing and Payment

Billing will be one of the most significant early interactions. All customers will need to adopt new billing and payment arrangements. Clear, understandable bills and accessible payment options will be important in building trust.

3 Water Quality Concerns

Water quality concerns can quickly generate community attention. These may relate to the appearance, taste or safety of water, and in some communities may reflect historical issues or local sensitivities.

4 Planned Works

When customers are affected by planned maintenance or infrastructure works, providing clear advance notice, realistic timeframes and timely updates can minimise disruption and help maintain trust.

6. Critical Customer Moments

These moments represent the points where customers will most directly experience the new organisation.

5 Customer Enquiries and Complaint Resolution

Customers will contact CDW for a range of enquiries including service issues, complaints or requests for information. Clear, accessible and transparent processes for handling enquiries and complaints will be important to maintaining confidence in the organisation.

6 New Connections and Development Interactions

Developers and builders interact with water services when connecting new developments or modifying infrastructure. These interactions often involve multiple organisations, technical requirements and regulatory processes. Clear information and coordinated communication are important.

7 Emergency Events

Emergency events such as major infrastructure failures, contamination incidents or severe weather events can create high levels of disruption and public concern, requiring coordinated response across multiple agencies. Clear leadership, timely communication and effective coordination will be critical.

7. In Our Customers' Shoes

While the transition is complex, customers will judge the new organisation through a small number of everyday experiences. Focusing on these outcomes helps ensure the organisation is designed and operates around what matters most to customers. Good customer experience is an organisational responsibility - not just the responsibility of a customer team. Delivering these outcomes will require coordination across operational delivery, communications, billing and customer services."

"Water comes and goes as it should"



Customers expect their water services to continue operating reliably. For most people this simply means water continues to flow from taps and household plumbing functions as expected.

"I know who Central Districts Water is"



Customers understand that CDW is responsible for water services and what this change means for their community and their household.

"I know how to contact CDW when I need to"



Customers can easily find information and understand how to contact the organisation when they need to report an issue, ask a question or request assistance.

"I understand my bill"



Customers understand their water charges and have accessible options for paying their bills and getting help if they have questions. Charges are clear and perceived as fair.

"Issues get resolved"



Customers have confidence that faults, service issues or complaints will be responded to and managed through to resolution.

"I'm kept informed during planned works and disruptions"



When services are disrupted, customers are kept informed about what is happening, what is being done to fix it and when services will be restored. They don't need to chase for updates.

8. Customer Strategic Pillars

These pillars represent the organisational capabilities CDW will develop to deliver on the customer outcomes. They define where CDW needs to invest and directly inform and connect to the digital strategy, operations and communications workstreams

1 Clear identity and access

- A clear public identity and brand
- Simple and consistent ways to contact the organisation
- Accessible information about services, outages and water quality
- Appropriate channels for customers to access services

2 Accurate, transparent and accessible billing

- Clear and accurate billing
- Simple explanations of water charges
- Accessible and flexible payment options
- Support for customers who have questions or require assistance

3 Reliable service response and resolution

- Clear intake and triage of service requests and complaints
- Visibility of customer issues across teams
- Clear ownership and accountability for resolving issues
- Coordination between operational delivery and customer teams

4 Clear communication during disruptions

- Proactive communication about planned works
- Timely updates during outages or disruptions
- Clear information about water quality issues and precautions
- Coordination between operational and communications teams

5 Customer systems and visibility

- A central system for managing customer interactions
- Integration with operational systems where possible
- Visibility of service requests and service status
- Improved coordination between teams

6 Customer insight and data-informed decisions

- Mechanisms for customer feedback
- Monitoring customer sentiment and service experience
- Analysing service requests and complaints
- Identifying recurring issues and improvement opportunities
- Using customer and operational data to inform service improvements and investment decisions

9. Customer Experience Horizons

Customer experience will develop progressively across three horizons that reflect the organisation's establishment journey.



10. Delivering a Credible Day One Customer Experience

From day one customers should experience a clear and reliable baseline level of service.

Supporting the Day One Experience

Billing will be one of the most significant early interactions CDW has with its customers, and getting billing right is a top priority. The strategy is developed on the assumption that CDW will bill customers directly from Day One. It is currently anticipated that Central Districts Water will commence operations with a customer billing platform and core customer management system in place, supported by migrated customer data from participating councils.

This provides a strong foundation for establishing a coordinated and transparent approach to customer management from the outset. However, as with any organisational transition, some processes and system integrations may initially rely on interim arrangements or workarounds. Where this occurs, it will be important that these are clearly understood, mapped and managed so that customer impacts are minimized, and service continuity is maintained.

Particular attention should be given to understanding how interim arrangements may affect customer interactions and ensuring these impacts are clearly communicated and managed.

Customer Contact Capability

A credible customer contact capability will be required from Day One, enabling customers to access information, report issues and request assistance through appropriate channels.

This includes providing a coordinated contact experience across phone, digital and other communication channels, supported by clear intake and routing of requests to operational teams.

The Day One Customer Channel Model, including interim arrangements for after-hours contact, is set out in the appendix.

11. Day One Service Commitments

Specific, measurable service commitments and performance targets will be developed through the establishment process and brought to the Board for approval prior to commencement of operations. These will be refined as the organisation's systems and capability mature. The following areas will be prioritised for early development:



1

Faults & Service Outages

Response times for urgent faults and service outages - ensuring customers are contacted promptly and kept informed throughout.



2

Complaint Resolution

Acknowledgement and resolution timeframes for customer complaints - clear processes, clear ownership, timely outcomes.



3

Disruption Communication

Communication timeliness during disruptions and water quality events - proactive, accurate, and easy for customers to find.



4

Billing Accuracy

Billing accuracy and billing enquiry resolution - clear, understandable bills and accessible support for customers with questions.



5

Contact Channel Availability

Availability and accessibility of contact channels - ensuring customers can reach CDW when they need to, across phone, web, social and email.

Note: *These commitments will be informed by current council service levels, Commerce Commission information disclosure requirements and the expectations of the Water Services Authority – Taumata Arowai. They will be presented to the board for approval prior to commencement of operations.*

12. Monitoring, Measuring and Learning

Monitoring customer experience and service performance will be important to ensure the organisation continues to learn and improve. These measures should support organisation-wide visibility of customer outcomes, reinforcing that delivering good customer experience is a shared responsibility across operational, communications and customer teams.

Response Times



Faults and service requests - measured from receipt to response and resolution.

Complaint Resolution



Volumes, acknowledgement timeframes and resolution outcomes for customer complaints.

Customer Satisfaction



Feedback and satisfaction scores on key interactions - billing, fault response, disruptions.

Billing Accuracy



Billing accuracy rates and enquiry volumes - tracking fair and transparent billing in practice.

Communication Timeliness



Timeliness and quality of communication during disruptions and planned works events.

Organisation-wide Visibility



Key measures shared across operational, communications and customer teams for coordinated performance management.

Monitoring these measures over time will help the organisation identify areas for improvement, track progress and ensure services continue to meet the needs and expectations of communities across the region.

13. Implementation Considerations & Next Steps

This strategy provides a high-level framework for how customer experience should develop as Central Districts Water is established and its capabilities mature.

Further work will be required to translate these strategic directions into detailed service design, operating models and systems. Key areas for further development include:



Supplementary Information: Operational Considerations and Supporting Detail

The following section provides an early view of how the strategy may translate into operational arrangements, with a focus on practical Day One delivery and areas requiring further development.



Additional Context for Central Districts Water

Central Districts Water's customer experience will operate within a regulatory environment that sets expectations for how water services are delivered, how customers are treated and how performance is reported.

Commerce Commission – Economic Regulation

The Commerce Commission is responsible for implementing the economic regulation and consumer protection regime for water services in New Zealand. This regime is modelled on the existing Part 4 framework of the Commerce Act, which currently applies to electricity lines, gas pipelines and airports. For Central Districts Water, the Commerce Commission's role will include:

- Information disclosure - requiring CDW to publicly report on a range of performance, financial and service quality metrics. This reporting will include customer-facing metrics such as service reliability, response times and complaint handling.
- Consumer protection - the Commission will have the ability to strengthen consumer protections if information disclosure reveals issues with service quality or customer treatment.
- Price and investment transparency – the regime will promote transparency in how water charges are set and how investment decisions are made, supporting the principle of fair and transparent billing. The customer strategy is designed to ensure that CDW's approach to customer experience aligns with the Commerce Commission's emerging requirements. The service commitments, performance measures and customer insight capabilities described in this strategy will support CDW's ability to meet information disclosure obligations and demonstrate accountability to customers and communities.

Additional Context for Central Districts Water

Central Districts Water's customer experience will operate within a regulatory environment that sets expectations for how water services are delivered, how customers are treated and how performance is reported.

Water Services Authority - Taumata Arowai

Taumata Arowai, the Water Services Authority, is the regulator responsible for drinking water safety and quality, and for overseeing the environmental performance of wastewater and stormwater networks. From a customer experience perspective, Taumata Arowai's role is significant because:

- Drinking water quality is the foundation of customer trust. Any water quality event or concern has the potential to generate significant community attention and requires clear, timely customer communication.
- Compliance reporting to Taumata Arowai will require CDW to maintain accurate operational data, which in turn supports the organisation's ability to provide customers with reliable information about service quality.
- National Engineering Design Standards being developed by Taumata Arowai will shape long-term infrastructure investment, which influences service reliability and customer outcomes.

Customer Experience Maturity by Horizon

	Establishment (at 1 July 2027)	Transition (1-2 years post Establishment)	Optimisation (year 3+ post Establishment)
Identity & Access	Clear public identity established, basic website, social channels, phone line, basic CRM	Enhanced digital channels, self-service	Personalised, proactive, multi-channel engagement
Billing	Billing processes operational, accurate bills issued, payment options available, support accessible	Billing capability strengthened, online account management, improved transparency, billing enquiry reduction	Smart meter integration, consumption insights, predictive billing support
Fault reporting and response	Phone and web-based reporting, defined response processes, clear ownership	CRM-tracked requests, operational integration, measurable response times	Predictive maintenance, automated triage, AI-assisted fault diagnosis
Communication	Proactive communication for planned outages and community engagement. Reactive communication for disruptions, website and social media updates.	Targeted notifications, proactive outage alerts, planned works scheduling	Real-time status, personalised alerts, community engagement platforms
Customer Insight	Complaint handling processes defined. Initial service performance targets established.	Satisfaction measurement, systematic feedback analysis, performance dashboards	Advanced analytics, predictive insight, data-driven service design
Interim Arrangements	Interim arrangements clearly understood and managed - customer impacts identified and mitigated	Reduction of interim council arrangements – progressive transition to CDW-operated capability	No interim arrangements in place

Customer Channel Strategy

Clear, accessible channels designed to be practical for Day One while providing a foundation that can expand as the organisation matures.

Channel Strategy Principles

Accessibility

Customers across all three districts can contact CDW through practical and accessible channels.

Consistency

Consistent quality of service, accurate information and clear next steps regardless of channel.

Simplicity

Easy to find and easy to use.
No complex processes to report issues or get answers.

Scalability

Designed so new channels and capabilities can be added over time without disrupting service.

Day One Customer Channels

On Day One, Central Districts Water will operate four customer channels. Phone will be the primary channel for reporting faults, urgent issues, billing enquiries and general enquiries, available during business hours with after-hours capability for urgent faults provided through an interim arrangement with the Palmerston North City Council contact centre. The CDW website and social media channels will provide information about services, current outages and planned works and consultations, and will include an online fault reporting web form. Social media channels (Facebook and LinkedIn) will be used primarily for outbound communication during disruptions. A dedicated email address will support non-urgent enquiries, follow-up correspondence and formal complaints.

Day One Customer Channel Model

Channel	Purpose	Day One Arrangements
In person	Face-to-face enquiries, payments, and support for customers who prefer or require in-person assistance. Accessible option for customers with limited digital access or complex service needs.	In-person service arrangements are to be confirmed. CDW will explore options to leverage existing council service centre locations to provide continuity for customers in each district. Final arrangements will be defined ahead of Day One.
Phone	Primary channel for reporting faults, urgent issues, billing enquiries and general enquiries. Available during business hours with after-hours capability for urgent faults.	A dedicated CDW phone number will be established. During business hours, calls will be handled by CDW staff. After-hours urgent fault calls will be managed through an arrangement with the Palmerston North City Council contact centre.
Website	Information about CDW, service areas, current outages, planned works, water quality information, billing and payment information and contact details. Online fault reporting via web form.	The CDW website (centraldistrictswater.co.nz) is already live and will be expanded to include service information, an outage/planned works page and an online fault reporting web form.
Social Media	Proactive communication about outages, planned works, water quality events and organisational updates. Community engagement and public information.	CDW social media channels are already established. Social media will not be used as a primary channel for individual service requests on Day One.
Email	Non-urgent enquiries, follow-up correspondence, billing queries and formal complaints.	A dedicated CDW email address will be established for customer enquiries. Response timeframes will be defined as part of the Day One service commitments.

Channel Development by Horizon

Horizon 1: Establishment

- Dedicated CDW phone number with business-hours coverage and after-hours urgent fault capability via PNCC contact centre
- CDW website with service information, billing and payment information, outage updates and online fault reporting web form
- Social media channels for comms and engagement.
- Basic CRM-enabled contact management
- Dedicated email address for non-urgent enquiries
- Clear published information about how to contact CDW

Horizon 2: Transition

- Online self-service portal for account management, billing enquiries and service request tracking
- Expanded website functionality including service status maps, planned works schedules and water quality information
- Review and evolution of the after-hours contact model
- Introduction of targeted digital notifications based on customer location

Horizon 3: Optimisation

- Fully integrated multi-channel customer experience
- Automated and AI-assisted customer interactions for routine enquiries
- Real-time service status and proactive alerts
- Smart meter integration enabling consumption data access
- Advanced community engagement platforms

Operational Capabilities & Interim Arrangements

Operational Capabilities Supporting Day One

The preceding sections describe the systems, channels and interim arrangements that will support the Day One customer experience. Alongside these, several operational capabilities will need to be confirmed and tested prior to commencement, including:

- fault intake and triage processes
- escalation pathways between customer and operational teams
- disruption communication protocols
- complaint handling procedures. These will be developed through the detailed service design work identified in Section 13.

Interim Arrangements

During the establishment period, the after-hours contact capability will be provided through an arrangement with the Palmerston North City Council contact centre. This approach provides a practical and low-risk starting point, leveraging existing capability and local knowledge. This arrangement will be governed by a clear service agreement that defines roles, responsibilities, escalation processes and service expectations. It is intended as a transitional arrangement, with CDW expected to review and develop its own contact capability as the organisation matures during Horizon 2. Where other interim arrangements exist with councils that may affect customer experience, these will be clearly documented, with customer impacts identified and communicated to ensure service continuity during the transition period.



Nature Calls Update

Central Districts Water Board Update

27 May 2026



What is Nature Calls?

Nature Calls is the largest Capital project Palmerston North City Council has ever undertaken, and one of the biggest decisions for our city.

The Nature Calls project aims to renew the wastewater discharge consent for Palmerston North by:

- Identifying the Best Practicable Option (BPO) for treated wastewater discharge from the Palmerston North Wastewater Treatment Plant (WWTP).
- Applying for a renewed WWTP discharge consent based on the BPO.
- Designing and constructing a plant that meets the conditions of the new consent.

The Nature Calls project has been in progress for some time and includes PNCC staff, Elected Officials, iwi (including Rangitāne, Ngāti Whakatere and Te Tūmatakahuki), Key industry stakeholders and the project & consultant team.



Palmerston North Wastewater Treatment Plant

Treatment
Plant
Location

Current
Discharge
Location



Palmerston North Wastewater Treatment Plant



Background

2017	Nature Calls project begins to select a best practicable option (BPO) for the wastewater treatment plant discharge reconsenting.
Nov. 2021	Council select a dual land and river discharge option to proceed to consent.
Dec. 2022	Consent for the dual land and river discharge was lodged with Horizons Regional Council.
May 2024	During the last LTP process the Nature Calls budget was examined and the selected discharge option (in consent application) was deemed unaffordable. Council directed the CE to put the consent on hold and revisit the option selection.
Late 2024	A long list of options was revised. During this time the Government announced the development of national wastewater standards. The project was put on minimal activity until further information was available.
Feb 2025	Draft wastewater standards were released. The options were analysed against this.
May 2025	Council reviewed a traffic-light screening to determine which long list options were to have no further work done. The project then moved to a low regrets activities only waiting release of the final standards.
Nov 2025	The Government released the Wastewater Environmental Performance Standards (WEPS). The options have since been compared against the WEPS and run through the traffic light process for Council to consider again.
Mar 2026	Council traffic light process reduced BPO options to Options B and C with Adaptive Management.



Brief History

Palmerston North City Council currently treats and discharges the city's wastewater at the Totara Road Wastewater Treatment Plant into the Manawatu River.

The wastewater discharge was consented by Horizons Regional Council in 2006 and expires in 2028. In 2013, Horizons Regional Council (as the consenting authority), determined the wastewater discharge had more than minor effects on the Manawatu River.

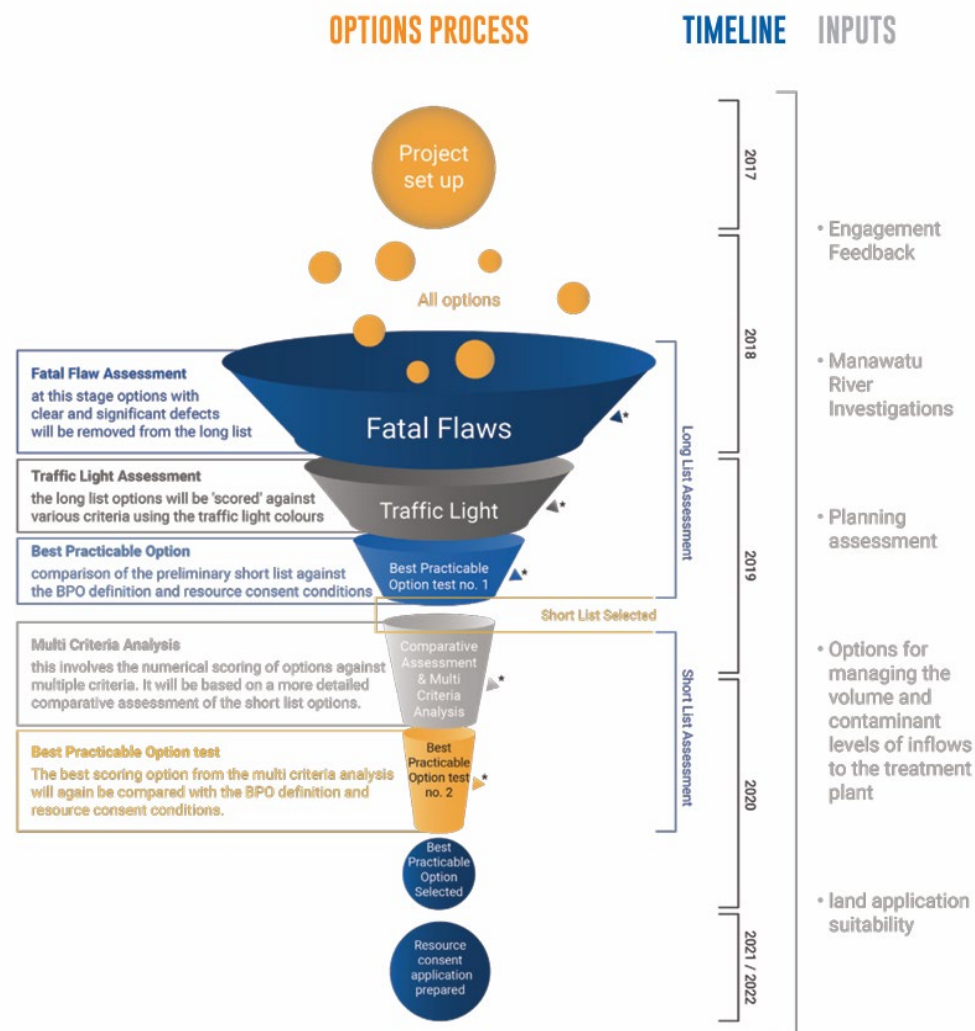
In 2013, the Council agreed with Horizons Regional Council to pursue a new resource consent for the Best Practicable Option (BPO) by June 2022.

A Preferred Option 'BPO' must be determined by the Council before 1 June 2021.



Original Process

In early 2017 the Council embarked on the journey of identifying a BPO for the city's wastewater management. The decision-making process carried out since this time has been confirmed through a series of assessment tools, workshops and technical evaluations. The methodology adopted for the original BPO Project is outlined in the Figure opposite.

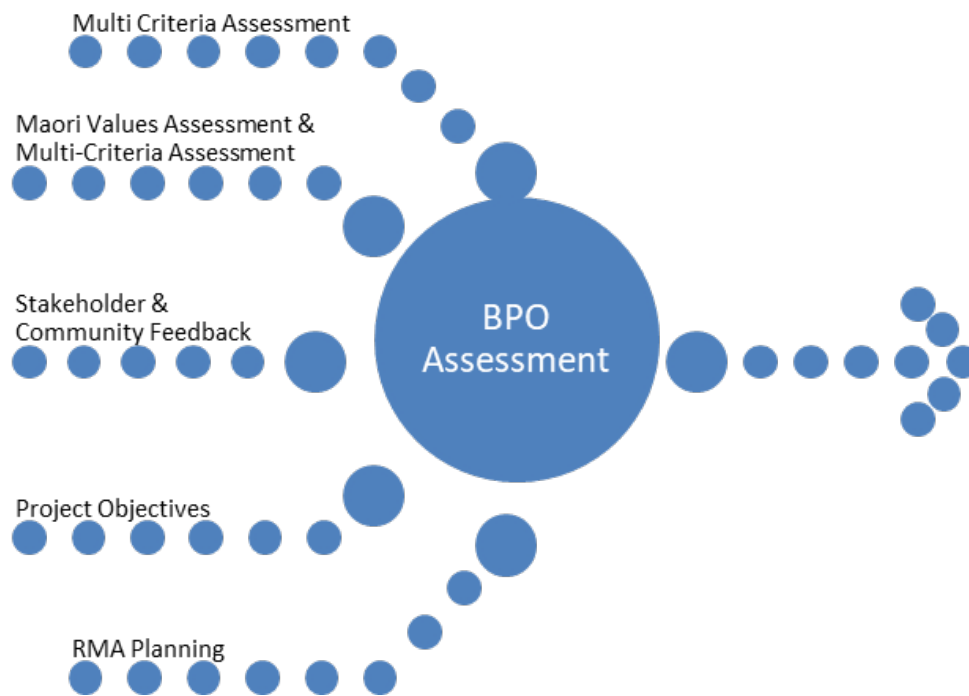


Original Longlist

Option No.	Option Code and Title
1	R2 (b) River Discharge with Enhanced Treatment
2	R2(b) River discharge with Enhanced Treatment, 75% ADWF to land at low River flow
3	Dual R+L(b) Two River discharge points with 75% ADWF to Land at low River flow
4	L+R (a) 97% of time to Land (inland)
5	L+R (b) 97% of time to Land (Coastal)
6	L+R (d-1) to land <80m ³ /s / 53% of the time to Land (inland)
7	L+R (d-2) to Land <62m ³ /s / 43% of the time to Land (inland)
8	L+R (e-1) to Land <80m ³ /s / 53% of the time to Land (coastal) TN = 35 mg/L
9	L+R (e-2) to Land <62m ³ /s / 43% of the time to Land (coastal) TN = 35 mg/L
10	O+L / Ocean with Land (coastal)
11	Ocean discharge



Original BPO Process



First BPO Decision – September 2021

- The technical recommendation supported by Council and outlined by the technical team comprised two elements:
 - Acceptance of Option 2 as the preferred BPO with the highest practicable level of treatment (Treatment Level 4) and a minimum of 75% of ADWF discharged to land when the river is below half median flow.
 - Confirmation of Council support to continue exploring other practicable options to increase the diversion of wastewater from the river during the period of the consent through the adoption of an Adaptive Management Approach



The Pivot

- December 2022 - Consent submitted to Horizons
- March 2023 – Request for further information via section 92
- Costs increase start to cause concern – fallout from Covid 19, circa 30% Global increase in infrastructure costs.
- Size and suitability of land area for land discharge becomes problematic.
- Access to land for testing on a willing buyer willing seller basis becomes challenging.
- June 2024 – LTP consultation, public feedback raises affordability concerns, IFF funding mechanism forecasts a levy of \$1000 - \$1500 per household for 35 years.
- June 2024 – Elected members instruct the CE to put the consent on hold and review original longlist of options.
- June 2024 – Elected members place a Budget cap on nature Calls of \$480m uninflated



Government Announce National Standards

- August 2024 - The project team begin the work of revisiting original long list options.
- The project team engage a number of independent experts from across the world to review current options and assess if any new options have emerged.
- During this period, the NZ Government announce the impending release of National Wastewater Standards.
- Nature Calls project switches to a “low regrets” work only phase, recognising the risk of pressing ahead with options that may not meet the new standards.



Wastewater Environmental Performance Standards (WEPS)

- In November 2025, the Wastewater Environmental Performance Standards (WEPS) were confirmed.
- WEPS classify different discharge environments and set the parameters to be met as an end-of-pipe quality requirement.
- Regional councils are to assess against the defined WEPS treatment levels.
- Cultural effects and other non-WEPS matters are still assessed under the RMA.
- WEPS now include clarified requirements for periphyton risk assessment which affects the Totara Road discharge location.



Council Reconsidered Longlist of Options

August 2025 - March 2026

Option	Decision	Justification
A: Discharge to River at Ōpiki	Discard	Not a practicable option because of cost and alignment to WEPS.
B: Discharge to River at Totara Rd	Keep	*With Adaptive Management
C: Discharge to River at Totara Rd (at high river flows) and Ōpiki (at low river flows)	Keep	*Add Adaptive Management
D: Discharge to River at Totara Rd and Ōpiki (at low flows); and Discharge to Land (75% Average Dry Weather Flows (ADWF))	Discard	Not a practicable option because of cost for Nature Calls.
E: Discharge to River at Totara Rd and Ōpiki; Discharge to Land (soil moisture dependent, >75% ADWF)	Already Discarded	Not a practicable option because of cost and alignment to WEPS.
F: Discharge to Ocean	Already Discarded	Not a practicable option because of cost and likelihood of Treaty Partner objections for Nature Calls.
G: Discharge to River at Totara Rd; Discharge to Land (Staged move)	Already Discarded	Not a practicable option because of cost and compliance for Nature Calls.
H: Discharge to River at Totara Rd; Discharge to Land	Already Discarded	Not a practicable option because of cost and compliance for Nature Calls.
I: Discharge to River at Longburn; Discharge to Land (Previous BPO and option that consent was submitted for)	Already Discarded	Not a practicable option because of cost for Nature Calls.



Two options remaining

Option 1. Significant wastewater treatment plant upgrade. Discharge at Totara Rd (high level estimate \$290M)

Option 2. Significant wastewater treatment plant upgrade. Discharge at Totara Rd during high flows, and Opiki during low flows (high level estimate \$370M)

Both options include highly advanced treatment processes and will exceed the standards set out in the WEPS.

Both options will include an Adaptive Management Framework to enable continuous improvement and provide ongoing opportunities to restore the mauri of the awa. This has a suggested budget of \$1M/year for the life of the consent.



Discharge Locations



CENTRAL
DISTRICTS
WATER

Horowhenua
DISTRICT COUNCIL

PALMY
DISTRICT COUNCIL

RANGITĪKEI
DISTRICT COUNCIL

Ngā Tāhūmā o Haurangi
DISTRICT COUNCIL

Wastewater Treatment Plant Upgrade

The most likely treatment plant upgrade to meet the WEPS requirements will include:

- New grit removal and fine (2mm) screening facilities.
- Enabling structure for a (future) fourth primary sedimentation tank (PST).
- A new secondary treatment plant consisting of high-rate biological nutrient removal activated sludge reactors.
- Alum dosing for phosphorus removal and carbon dosing for nitrogen removal.
- Ultrafiltration membrane bioreactors (MBR's).
- A new pump station and rising main to convey treated wastewater (permeate) to the Manawatū River discharge location.
- A wet weather storage lagoon (the existing aerated lagoon 1 converted).
- An extreme event storage basin (the existing aerated lagoon 2 converted) to receive any overflow from the wet weather storage lagoon.
- All wet weather flows will be contained within the storage lagoon and basin and will be returned to the head of the plant for full treatment. There will be no consented wet weather overflows of partially treated wastewater to the Mangaone Stream or Manawatū River.
- Thickening, aerobic digestion, and dewatering of waste activated sludge (WAS) generated by the new secondary treatment plant.
- Primary sludge will continue to be treated through the existing anaerobic digesters.



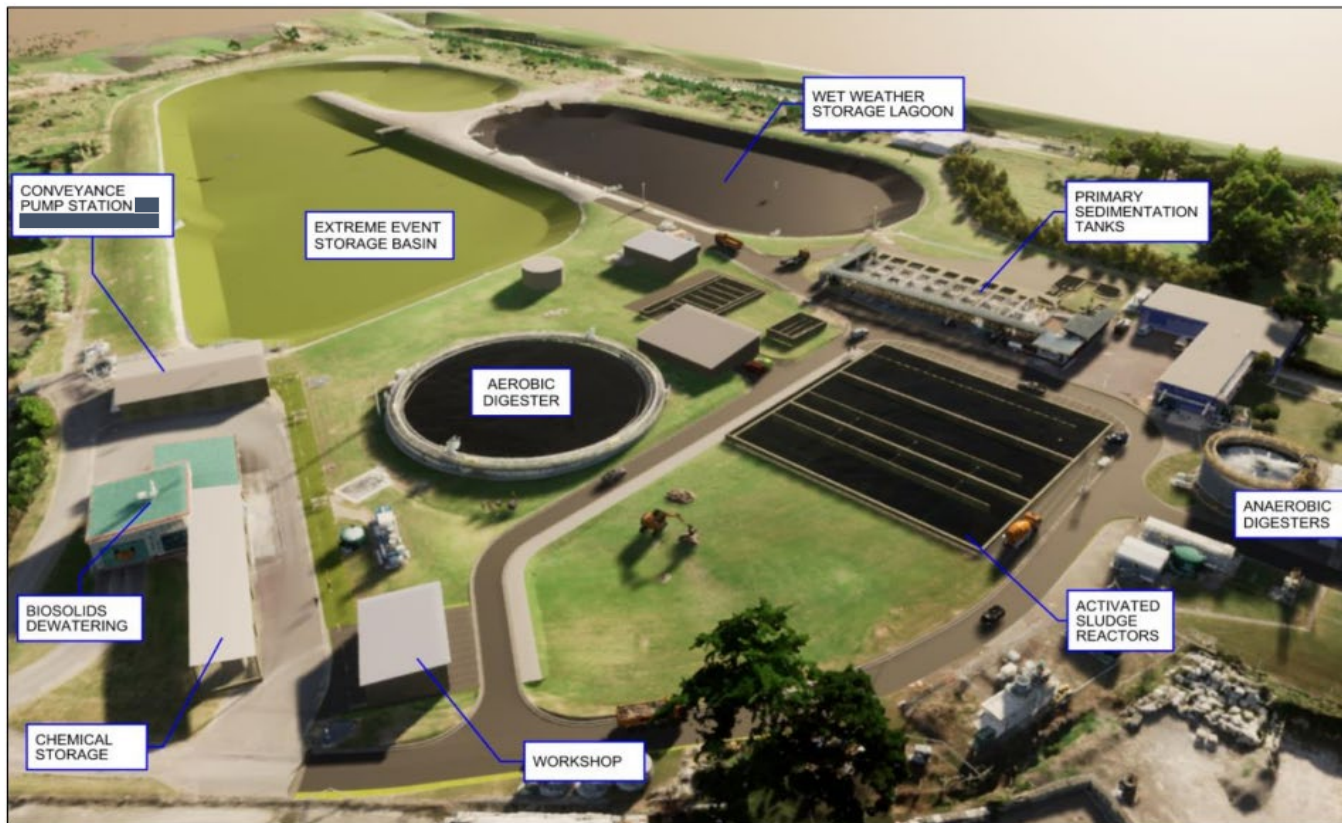
Wastewater Treatment Plant Upgrade

Current WWTP



Wastewater Treatment Plant Upgrade

Proposed WWTP Concept





New Environmental Standards

What the WEPS require

Parameter and statistic	Lakes	Rivers and streams (very low dilution – <10)	Rivers and streams (low dilution – >10 and <50)	Rivers and streams (moderate dilution – >50 and <250)	Rivers and streams (high dilution – >250)	Estuaries	Low energy coastal	High energy coastal	Open ocean
Carbonaceous Biochemical Oxygen Demand (cBOD₅) Statistic: Annual median	15 mg/L	5 mg/L	10 mg/L	15 mg/L	20 mg/L	20 mg/L	30 mg/L	50 mg/L	Not applicable
Statistic: 90%ile	30 mg/L	10 mg/L	20 mg/L	30 mg/L	40 mg/L	40 mg/L	60 mg/L	80 mg/L	Not applicable
Total Suspended Solids (TSS) Statistic: Annual median	15 mg/L	5 mg/L	10 mg/L	15 mg/L	30 mg/L	25 mg/L	30 mg/L	50 mg/L	100 mg/L
Statistic: 90%ile	30 mg/L	10 mg/L	20 mg/L	30 mg/L	60 mg/L	50 mg/L	60 mg/L	80 mg/L	150 mg/L
Total Nitrogen Statistic: Annual median	10 mgN/L	4 mgN/L	5 mgN/L	10 mgN/L	35 mgN/L	10 mgN/L	10 mgN/L	50 mg/L	Not applicable
Total Phosphorus Statistic: Annual median	3 mgP/L	0.5 mgP/L	1 mgP/L	5 mg/L	10 mgP/L	10 mgP/L	10 mgP/L	Not applicable	Not applicable
Ammoniacal-nitrogen (ammonia) Statistic: 90%ile	3 mgN/L	1 mgN/L	1 mgN/L	3 mgN/L	25 mgN/L	15 mgN/L	20 mgN/L	35 mg/L	50 mgN/L
E. coli Statistic: 90%ile	3,250 cfu/100mL	130 cfu/100mL	650 cfu/100mL	3,250 cfu/100mL	16,250 cfu/100mL	Not applicable	Not applicable	Not applicable	Not applicable
Enterococci Statistic: 90%ile	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	2,000 cfu/100mL	4,000 cfu/100mL	8,000 cfu/100mL	40,000 cfu/100mL



Horowhenua
DISTRICT COUNCIL

PALMY
DISTRICT COUNCIL

RANGITIKEI
DISTRICT COUNCIL

Ngā Tāwhiri o Haurangi
DISTRICT COUNCIL

What can the new plant achieve?

MBR or similar upgrade

Contaminant	WEPS at Low Dilution, High periphyton risk	Current Discharge	MBR option	Bespoke partial upgrade option (TN15)
cBOD ₅ (mg/L)	≤ 10 (median); ≤ 20 (90th %ile)	30	5 (median) 10 (90th %ile)	20 (median) 40 (90th %ile)
TSS (mg/L)	≤ 10 (median); ≤ 20 (90th %ile)	45	5 (median) 10 (90th %ile)	30 (median) 60 (90th %ile)
Ammoniacal-nitrogen (mg/L) (90 th %ile)	≤ 1	30	0.1 (median) 1 (90th %ile)	10 (median) 25 (90th %ile)
Total Nitrogen (mg/L) (annual median)	≤ 4	35	4	15
Total Phosphorus (mg/L) (annual median)	≤ 0.5	1.0 – 8.0	Down to 0.1	Down to 0.1
E. coli (cfu/100mL) (90 th %ile)	≤ 650	3,500	10	1,000



Adaptive Management

- Adaptive Management was a Council-directed approach (established in 2021 as a resolution of the previous BPO process) to work with iwi partners to work towards restoring the mauri of the river. This may include exploring ways to continuously improve systems and processes aimed at reducing inputs to the plant, and diverting wastewater away from the Manawatū River during the period of the consent.
- An Adaptive Management Strategy (AMS) was previously drafted with Rangitāne and submitted with the consent application that is lodged with Horizons.
- On 25 March 2025, Council decided to apply a \$1M per annum Adaptive Management budget to all Nature Calls options, to be committed over the construction period (5 years) and consent period (35 years).
- The example framework from 2021 will form the basis of the AMS developed in collaboration with iwi to meet conditions under our new consent. This will be completed during the consent application period following the BPO decision.

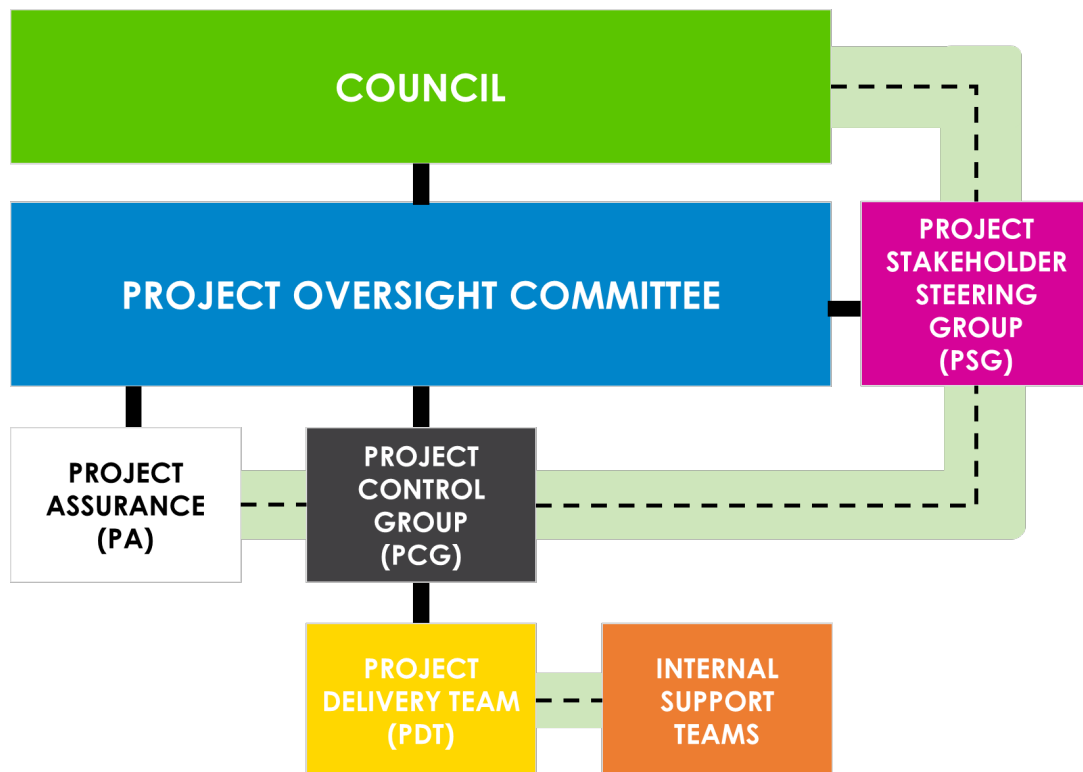


Resource Management Act Reform

- The Government has introduced Resource Management Act reform that seeks to replace the RMA with the Natural Environment Act (NEA) and the Planning Act, with enactment likely in Q3 2026.
- The Natural Environment Bill is the key legislation for wastewater consenting (covers air, water, land, soils, biodiversity), while land-use planning under the Planning Bill will occur later.
- Because the WEPS now apply to new discharges, and depending on the final BPO outcome, a new consent application may be required to be submitted to Horizons. If this is the case, the previously lodged consent will need to be withdrawn.
- Depending on timing of the new legislation, any new application would likely be processed under the NEA, requiring compliance with both NEA requirements and the WEPS.
- Processing under the NEA may offer benefits such as simplified consenting and reduced assessment burden, though the detailed implications are still uncertain pending Select Committee process and the final legislation.



Project Organisation Structure



Council receive quarterly updates and decision making as required.

Project oversight committee receive monthly updates

Project Stakeholder Steering Group Meet bi-monthly

Project control group meet weekly

Project delivery team meet as required, but minimum weekly.

Internal support teams are integrated as required.

Project Assurance can be requested by the oversight committee as required.



Spend to date

FY17/18 to FY23/24	\$11.7M	(\$5.8M OPEX / \$5.9M CAPEX)
FY24/25 Spend	\$904k	
FY25/26 Spend to date*	\$762k	<i>*as of 31 March 2026</i>
Total spend to date	\$13.36M	



Next Steps

April to July 2026

- Decision making framework finalisation,
- Iwi engagement,
- Public engagement, and compilation of responses,
- Technical option development.
- Develop cost estimates.

Q3 2026

- Prepare Council paper for option selection (BPO decision)

September 2026

- Council make decision on option selection (BPO decision)

October 2026

- Complete alternative options report. Finalise plan for consent application

November 2026 – December 2027

- Consent application preparation

December 2026

- Estimated consent lodgement

**WAITING FOR PLANNER
CONFIRMATION**



Questions/Discussion





MEMORANDUM

To: Board of Directors

From: Chris Dyhrberg - Executive Director, CDW Establishment Programme

Date: 27 May 2025

Subject: Climate Change Commission Report

Category: For Information

Purpose

This paper is for information only and highlights key components of the recently released Climate Change Commission Report – 2026 National Climate Change Risk assessment.

Recommendations

That this paper be **received for information**.

Background

This is the Commission's first national climate change risk assessment that provides a scan of the country's climate related risks. It highlights how Aotearoa New Zealand may be affected by climate change-related risks, and where focused and coordinated action can make the biggest difference.

Discussion and analysis

RNZ published an article on the report on 7 May which highlighted:

- Overall, the assessment identified 37 different climate-related risks and highlighted 10 as the most significant because of the effect they were already having, or would soon have, on people, and because they were risks where addressing them soon could have a big influence.
- Threats to buildings, road and rail, and water infrastructure are all on the list as well as social and community well-being, emergency management, funding and decision-making.
- The country's "degraded" water infrastructure would be at extreme risk by 2050, hundreds of thousands of buildings were already exposed to coastal or inland flooding hazards, and the current emergency management system highlights the lack of capacity or capability to deal with significant, complex, widespread events impacting multiple regions at once.

A link to the full RNZ article is here [Climate Change Commission report urges 'decisive' action as major risks loom | RNZ News](#)

The report highlights the top 10 significant risks, of which water infrastructure is one. See the table below for more information on this particular risk.



Risks to water infrastructure

This risk is about the infrastructure that provides people with drinking water, carries stormwater away from towns, and manages sewage. Climate change will put increasing pressure on every part of this system, which is already under strain.

Drinking water pipelines are exposed to river and surface flooding, and drinking water supplies face increasing stress from drought, declining water quality, and higher temperatures. Rising seas, coastal flooding and more frequent and intense rainfall events threaten wastewater and stormwater networks.

As climate hazards continue to intensify, water services will be increasingly affected. For daily life, this could mean more service interruptions, boil water notices, or burst pipes, with flow-on risks to rivers and beaches, lost productivity for businesses and communities, and public health implications.

Some communities could even face the eventual withdrawal of services. The risk is greater because much of the infrastructure is already in a degraded state.

Major reforms to water infrastructure management are underway and present an important opportunity to plan for and embed resilience to climate hazards.

It is one of the most significant risks because critical services need to be immediately secured, and because action to strengthen the resilience of water infrastructure will help with many other climate-related risks. If it is not addressed, our assessment indicates it will be the first climate risk to reach an extreme severity level within the next 25 years.

A copy of the full report has been uploaded into the document library in Diligent for the board to read at its leisure.

Next steps

That the Board consider the findings of the 2026 National climate change risk assessment as CDW develops its Water Services Strategy and, in particular, the capital investment prioritisation framework.



MEMORANDUM

To: Board of Directors

From: Chris Dyhrberg – Executive Director, CDW Establishment Programme

Date: 27 May 2026

Subject: Shareholders' Committee Workshop – Draft Statement of Expectations

Category: For Information

Purpose

This paper sets out the documents that relate to the draft Statement of Expectations (SoE) Workshop with the Shareholders' Committee (SHC) that is being held after the Board meeting. It also provides a high-level overview of the expected process over the next two months for the Board to provide formal feedback to the SHC on the draft SoE.

Recommendations

That the Board **note** this information in the paper in preparation for the SHC Workshop.

Background

WS-CCOs are required to give effect to the SoE provided by its shareholders. This means that CDW must implement the expectations set out in the statement, which includes strategic priorities and growth and development priorities. CDW must ensure that the Water Services Strategy (WSS) aligns with the shareholders' expectations and the strategic direction for the water services set out in the SoE.

The SHC is tasked to prepare the SoE on behalf of the shareholders. There can only be one SoE, so the SHC is required to consult with the shareholders and other key stakeholders and partners to develop a consolidated position.

As part of the required process to develop the SoE, the shareholders must give CDW an opportunity to provide feedback on the draft SoE before it is finalised and issued to it formally.

To date, there have been several discussions and a few iterations of the SoE and it is now at a stage that it can be consulted on. One of the consultations sessions is with the CDW Board at 4:30pm on Wednesday 27 May in the Missoula Room on the 1st floor of the PNCC building.

Discussion and analysis

The workshop on 27 May is essentially an informal opportunity for the CDW Board to hear from the SHC about what the current draft contains, how it was developed and what the process will be from here. The Board will be asked to provide any initial thoughts or reactions to the draft, but this is not the opportunity to provide formal feedback. The objection of the workshop is for the Board to come away with a good understanding of what the shareholders are wanting to achieve with the SoE, and an understanding of the context and drivers for the elements that have been included.



Attached to this paper (**Attachment 1**) is the report to the SHC for its meeting on Friday 22 May that the Chair (Chris Gallavin) has written to introduce the draft SoE that will be the subject of the workshop. The current draft SoE itself is also attached as **Attachment 2**.

Next steps

Following the workshop with the CDW Board, and other workshops with the three shareholding councils and Nga Tapūwae o Hau, the SHC will update the draft as final. It is aiming to have that final draft issued to the CDW Board for its formal feedback by 30 June 2026. We anticipate that the draft SoE will be sent directly to the Board Chair by the Chair of the SHC.

The next CDW Board meeting following likely receipt of the draft SoE will be on 15 July 2026. The Establishment Team intends to provide a report at that meeting with some analysis of the SoE and any issues with it that the Board may wish to provide formal feedback to the SHC on.

Following the Board meeting, a formal response on the SoE will be prepared for the Board's approval.

The process for the SHC to finalise the SoE will depend on how much feedback the Board makes and how significant that feedback is. However, it is hoped that the final SoE will be issued to CDW by the end of July 2026. That will allow sufficient time for CDW's response to addressing the SoE to be incorporated into the draft WSS that is scheduled to be presented to the Board in December 2026.

Attachments

Attachment 1: SHC Paper of the Draft SoE

Attachment 2: Draft SoE



MEMORANDUM

TO: Joint Shareholders Committee - Central Districts Water

MEETING DATE: 22 May 2026

TITLE: Draft Statement of Expectations

PRESENTED BY: Chris Gallavin, Committee Chair

APPROVED BY: Cameron McKay, General Manager Corporate Services

RECOMMENDATION(S) TO JOINT SHAREHOLDERS COMMITTEE - CENTRAL DISTRICTS WATER

1. That the Committee agree the draft Statement of Expectations for Central Districts Water as the basis for consultation with shareholders, partners and the Central Districts Water Board of Directors, subject to any agreed amendments.
-

1. ISSUE

The purpose of this memorandum is to present a draft Statement of Expectations (SOE) for the Committee's consideration, prior to a series of workshops scheduled with the Councils, Ngā Tapuwāe o Hau and the Board of Central Districts Water.

2. BACKGROUND

On 25 March 2026 the Committee agreed a process for the development of the Statement of Expectations. This process must be published on councils' websites for public awareness.

At this same meeting, the Committee received a skeleton draft. That draft has been updated by the Committee Chair subsequent to the Committee workshop on 30 April 2026.

In addition to the Committee workshop on the 30 April 2026, shareholder representatives have taken the opportunity to test the initial draft with the broader groups. Workshops were held by Rangitikei and Horowhenua District Councils, and Ngā Tapuwāe o Hau which the Chair attended. Written feedback has been provided by all three Councils to the Chair to assist in shaping the next draft.

In drafting this version, the Chair has also taken into account all of the written material provided to him by the shareholding Councils and Ngā Tapuwāe o Hau.



At the workshop on 30 April, the Committee focused on better understanding its appetite for directive focused instructions through to statements of strategic priority. The Committee teased out the approach to the establishment of relationship parameters for the Company and the importance of these in the first Statement of Expectations for the Company.

3. DRAFT STATEMENT- OVERVIEW

Highlights

In terms of highlights, the Chair notes the following:

“I have kept the body of expectations very concise.

1. I have suggested a term of three years and have left the ability to review as liberal. The SOE is a living document and is capable of development by the Shareholders' Committee effectively at any time. As we progress it might be, for example, that a serious look at the SOE is required upon reaching the milestone of day 1 (1 July 2027). That is perfectly acceptable.
2. In terms of the specific obligations that will migrate across from the Councils to the Company, I suggest that these not be included in the SOE in detailed form. We should remember that this is a public document and it will become particularly unwieldy if we seek to replicate elements of the transfer agreements that are currently being devised. As part of the Board's due diligence, the transfer agreements are of pivotal importance - it is there that the obligations associated with agreements and plans are set out in detail.

As an example of the iterative nature of the SOE, elements such as Rangitikei's rural water schemes will need to be discussed as part of the transfer agreements (where there might be questions as to whether they transfer over or commercial agreements are entered into). As they become clear then the SOE is able to be updated accordingly.

3. I have included the local-specific provisions of each of the Councils and formed an attempt to include one for Ngā Tapuwae o Hau. In reality, Horowhenua District had an advanced version, Rangitikei District had helpful notes, Palmerston North City did not expressly provide a consolidated statement, and Ngā Tapuwae o Hau approached the document in terms of an integrated whole.

The statements as they appear are all included with my amendment/authorship. I did not believe at the workshop that we got to the position of including them - specifically if they merely sought to emphasise the importance of particular priorities (this being something the board will be well aware of from the LTP and planning documents they will be charged with considering. What I ask is that you look at them very carefully. However, from advice received subsequent to the workshop, I have included them in this draft.



I do not believe that in their current form any of the statements warrant inclusion as standalone items - or at least, if included, they should be more focused. I ask that you look hard about what they might include and whether, genuinely, it is not covered already in the expectations already included or whether a new generalised statement can be folded in elsewhere.”

Discussion

Other disparate issues that can be further discussed at Committee on 22 May and as the Committee workshops the document with their wider bodies are:

4. The place of 'education of the public' as an expectation of the Board. This was included in an amendment provided by Rangitikei District Council but not mirrored in any other submission.
5. A focus on keeping things local (work plans and staffing for example) was emphasised by Palmerston North City and Rangitikei District Councils. This has been included under clause 9(c).
6. Palmerston North City Council included reference to the expectation of a credit rating. This has been included expressly.

There may also be other issues that members wish to raise at the Committee meeting.

4. NEXT STEPS

Workshops will be held to seek feedback from each of the councils, Ngā Tapuwae o Hau and the Board of Central Districts Water, before bringing a final draft back to the Committee on 26 June 2026.

Should the Committee wish to extend the feedback period to allow for a longer period of reflection, the final draft could be brought back to Committee on 7 August, in which case members may need to be available in July to progress the work.

5. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	Yes
Are the decisions significant?	No



Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these objectives?	Yes

ATTACHMENTS

1. Draft Statement of Expectations

STATEMENT OF EXPECTATIONS FOR CENTRAL DISTRICTS WATER 2026

1. This Statement of Expectations (SoE) has been prepared and adopted on behalf of Horowhenua District Council, Palmerston North City Council and Rangitikei District Council (together, the Shareholding Councils) and Ngā Tapuwāe o Hau, (the Ropu formed to represent the alliance of collective iwi and hapū interests across the Service Area - rohe) as partners that have formed a joint committee that will have oversight of Central Districts Water Limited (Central Districts Water).
2. This SoE has been adopted in order to satisfy the requirement of section 224 of the Local Government (Water Services) Act 2025 (LGWSA). It contains the mandatory content required by the LGWSA as well as other content that has been agreed by the Committee.
3. This SoE sets out the Committee's Statement of Strategic Intent for Central Districts Water along with a range of expectations, including relationship, establishment, enduring and reporting expectations.
4. The Committee acknowledges that the achievement of all expectations must be viewed against the context of the current operating environment, the condition of the assets being transferred, the operating budgets available and the time required to establish new systems and capability.

Period of Operation & Review

5. This SoE operates for a period of three years, with the Committee to prepare and deliver an updated SoE prior to 30 June 2029.
6. The SOE can be reviewed at any time by the Committee. Any proposed amendment or replacement will be brought to the Board of Central Districts Water for consultation prior to adoption.

STATEMENT OF STRATEGIC INTENT FOR CENTRAL DISTRICTS WATER

7. The role of Central Districts Water is to deliver affordable, efficient, and quality water services that align with strategic land use plans and policies, and environmental standards including Iwi management plans and urban growth strategies into the future.
8. Water is the lifeblood of our communities, nourishing our people, land, and wellbeing, while holding deep whakapapa connections as a taonga, sustaining the mauri of our environment and future generations.
9. Central Districts Water is expected to:
 - (a) Prioritise the wellbeing of water and therefore public health;
 - (b) Deliver compliant water services;
 - (c) Ensure affordability to communities and stakeholders;
 - (d) Deliver efficiency gains across the Service Area (rohe);

- (e) Develop an affordable capital investment programme that is clearly signalled to communities and stakeholders;
- (f) Align water services with spatial growth strategies and the relevant district plans of the Shareholding Councils and with any relevant iwi and hapū management plans;
- (g) Give effect to the kawa and tikanga of iwi and hapū within the Service Area (rohe) and to include those understandings in project planning, consenting, infrastructure design, discharge management, environmental monitoring, and investment prioritisation;
- (h) Minimise adverse environmental effects;
- (i) Work alongside Shareholder Councils and Nga Tapuwae o Hau, to build resilient and secure water services, including strategic asset and infrastructure planning with at least a 30-year timeframe in mind;
- (j) Build and maintain public confidence.
- (k) Develop policies to guide and promote local procurement and local workforce development.

SHARED PRINCIPLES TO GUIDE CENTRAL DISTRICTS WATER

10. The following principles are intended to guide the Statement of Expectations for Central Districts Water. Together, they express a shared vision for a water system that cares for water (wai), supports the wellbeing of people and communities, reflects enduring relationships and responsibilities, and creates a strong foundation for future generations. They are intended to help shape a constructive, inclusive, and place-based approach to governance, service delivery, investment, accountability, and collaboration across the Service Area (rohe).
11. Our joint endeavour is to reflect the value of collaboration (mahi tahi) between all parties through relationships built on connection, trust, and mutual respect. It invites the Central Districts Water, councils, iwi, hapū, and communities, to move forward with shared purpose, collective effort, and ongoing partnership, recognising that the care and future of water are strengthened when people work together for the benefit of present and future generations.
12. The health and wellbeing of water bodies and freshwater ecosystems is fundamental to the wellbeing of all life (Te Mana o te Wai). In giving effect to this SOE, the first consideration is the health and wellbeing of water, the second is the essential health needs of people, including access to safe and sufficient drinking water, and the third is the ability of communities to provide for their social, economic, and cultural wellbeing, now and into the future. This hierarchy offers a shared foundation for balanced and enduring decision-making.
13. Fundamental are our responsibilities to care, protect and steward our waterways and water services (kaitiakitanga). This will act to support the success of intergenerational

protection, the creation of space for others as stewards alongside iwi and hapū, and to contribute to the long-term wellbeing of water, people, and place.

14. Access to safe, sufficient, and affordable water is essential to life, health, dignity, and wellbeing. The water system should be shaped by the aspiration that no person, whānau, or community is left without the water they need (manaakitanga).
15. Further, care, flexibility, and awareness of local context is required, including the marae and hapū-based structures through which iwi and hapū organise and engage. Uniformity across communities within the Service Area (rohe) ought not be assumed. Wherever possible, engagement should respond to the distinct circumstances, priorities, relationships, and responsibilities that exist within each catchment.
16. Te Tiriti o Waitangi (The Treaty of Waitangi) provides an important foundation for relationships, shared responsibility, and the way decisions are made in relation to water (wai). It provides a basis for partnership, active protection, good faith, equity, and respectful engagement, and supports an approach in which the whole community can move forward together.
17. An enduring and trusted water system depends on openness, honesty, and clear accountability. Central Districts Water needs to ensure communities have confidence that decisions are made transparently, commitments are followed through, and progress can be seen over time.

REGIONAL BENEFITS WITH LOCAL FLAVOUR

In delivering services across the service area, the Board will recognise specific context. For the regions of the shareholder councils and for Ngā Tapuwae o Hau this includes:

Horowhenua District Council

18. Supporting planned growth and urban development, as reflected in the 2040 Growth Strategy and 2024-2044 Long-Term Plan and progressing critical infrastructure investments – including water storage and wastewater treatment capacity – in a timely and coordinated manner.
19. Considering opportunities to accelerate delivery of wastewater treatment upgrades already planned or underway, where the new delivery model enables this, recognising that previous timeframes and sequencing have been influenced by Council funding and balance sheet constraints.
20. To play a meaningful role in advancing environmental outcomes, including contributing to the aspirations reflected in the Lake Horowhenua Accord and Manawatu River Accord, actively identifying and supporting opportunities arising from major infrastructure investments – including those associated with Ō2NL – where these intersect with water services and growth.

Rangitikei District Council

21. Supporting planned growth and urban development, as reflected in the Long-Term Plan and Future Development Plans progressing critical infrastructure investments – in a timely and coordinated manner. Any departure from such plans be clearly signalled to the Council.
22. Support possible contractual arrangements between Central Districts Water and the retained rural water schemes within the area of the Rangitikei as they might arise on a case-by-case basis.

Palmerston North

23. Supporting planned growth and urban development, as reflected in the Long-Term Plan and Future Development Plans progressing critical infrastructure investments – in a timely and coordinated manner. Including the Palmerston North Future Development Strategy, and the Palmerston North Stormwater Strategy. Any departure from such plans be clearly signalled to the Council.
24. Implement PNCC resolution on the wastewater treatment plant, including the associated adaptive management strategy.

Ngā Tapuwae o Hau

25. Acknowledging that iwi and hapū across the Service Area (rohe) are not all in the same position in terms of settlement, statutory recognition, or the expression of their rights, interests, responsibilities, and relationships in relation to whenua (land) and wai (water).

RELATIONSHIP EXPECTATIONS

26. Central Districts Water is expected to:
 - (a) Maintain regular contact with the Shareholding Councils and Ngā Tapuwae o Hau directly and through the Committee;
 - (b) Develop systems that prioritise local expertise and guidance as provided by all three Shareholding Councils and mana whenua within the Service Area (rohe);
 - (c) Ensure hapū and iwi, along with shareholding councils are engaged throughout the lifecycle of planning, design, consenting, delivery, monitoring, review, and public engagement;
 - (d) Engage early, collaboratively, in good faith, and in the spirit of no surprises;
27. Central Districts Water will provide to the Committee a half-yearly report at an aggregated, organisational level (i.e. not council-by-council) which addresses the following content:

- (a) Delivery of capital projects against those specified in the investment delivery plan for the financial year to which the report relates, and any departures from planned capital programmes;
- (b) Compliance and enforcement status of resource consents and other regulatory requirements including actual or potential compliance issues, along with proposed solutions for addressing any compliance issues;
- (c) Forecast expenditure, projects specifically subject to government or other third party funding, lending and any associated implications for future water charges;
- (d) Critical risks and proposed mitigations;
- (e) Engagement with hapū and iwi within the Service Area (rohe);
- (f) Stakeholder relationships, including meetings or other engagements;
- (g) Progress on the transition of services from Shareholding Councils and other hosted systems and services to Central Districts Water systems;
- (h) Key personnel and staff numbers;
- (i) Performance against measures included in its Water Services Strategy;
- (j) Reporting on benefits created or provided by Central Districts Water to communities within the Service Area (rohe), including in relation to job creation, social, environmental and cultural impact;
- (k) Any other matters that, at the time, are pertinent to a relationship of Transparency and Accountability.

ESTABLISHMENT EXPECTATIONS

The following expectations are intended to ensure that Central Districts Water is set up for success, with all necessary components in place for its 'Day One' (1 July 2027). *Funding*

- 28. Central Districts Water will work with the Local Government Funding Agency (LGFA) to prepare to accede as a participating borrower, ensuring access to the same financing terms available to the Shareholding Councils and maintaining consistency across the region's funding arrangements.

Public Engagement

- 29. Central Districts Water will develop and publish engagement policies which set out how Central Districts Water will engage with the public on matters of consultation. Such policies are to be reviewed by the Committee prior to adoption.

Customer Charter

- 30. Central Districts Water will develop and publish a Customer Charter which sets out the organisation's commitment to operate openly, in the interests of the wellbeing of water, to advance community health and to do so efficiently and affordably. The Customer Charter is to be reviewed by the Committee prior to adoption.

Water Services Strategy

31. Central Districts Water will develop and adopt a Water Services Strategy by 30 June 2027. In developing its initial Water Services Strategy, Central Districts Water is expected to:
- (a) Develop the strategy that is aligned with the Water Services Delivery Plan, the Investment Delivery Plan, the Asset Management Plans, the Strategic Asset Management Plan, and this SOE;
 - (b) Commence work on how to achieve price harmonisation first within and then between, each of the Shareholding Councils' districts;
 - (c) Ensure transparency in planning for short and long-term charging contingencies;
 - (d) Detail how corporate and cultural capability will be built to ensure efficient delivery of services;
 - (e) Provide a matrix of performance indicators and measures to be used by the Committee to ensure accountability of Central Districts Water over the life of this SOE;
 - (f) Provide the Committee with an early opportunity to comment on the draft Water Services Strategy.

Credit Rating

- (a) It is expected that, after a settling in period, Central Districts Water seeks its own credit rating.

ENDURING EXPECTATIONS

32. These enduring expectations are focussed on longer term planning and operations.

Safe, reliable and resilient water services

33. Central Districts Water is expected to:
- (a) Give effect to the commitments of the Shareholding Councils to ensure Te Mana o te Wai is reflected in strategy, planning, investment, and decision-making, in a manner that supports the health and wellbeing of water and the communities it sustains;
 - (b) Establish an effective enterprise level risk management framework and align internal management with strategic goals to improve operational efficiency, compliance, and pathways to improved risk maturity.

Customer and Community

34. Central Districts Water is expected to:
- (a) Be customer and community focused. The views of communities are central to how water services are delivered;

- (b) Be transparent with the community, iwi and hapū about its planning and challenges, including financial complexities which may impact on affordability;
- (c) Communicate with communities in an open and timely way, and in a manner that is appropriate for the audience about intended activities that may affect them, with clear explanations about key issues and drivers for activities, and opportunities for engagement with Central Districts Water;
- (d) Continually build genuine, transparent, and enduring partnerships with mana whenua, including through Ngā Tapuwae o Hau, by establishing agreed mechanisms, processes, and understandings that enable meaningful mana whenua participation in strategic policy development, planning, and investment decision-making.

Affordability, Equity and Value for Money

35. Central Districts Water is expected to:
- (a) Deliver value for money (efficiency and fairness) whilst maintaining affordability;
 - (b) Acknowledge at all times that water supply is an essential lifeline service and that if restrictions ever need to be applied across the Service Area (rohe), no household will be denied access to water services due to financial hardship or other vulnerabilities;
 - (c) Consider equity and hardship, ensuring vulnerable households are supported through appropriate policies;
 - (d) Work with the Shareholding Councils to develop consistent water bylaws across the Service Area (rohe).

Aligned strategic growth planning

36. Central Districts Water is expected to:
- (a) Work closely with the Shareholders' Committee, Shareholder Councils, and Ngā Tapuwae o Hau to ensure its long-term investment plans support and align with Shareholding Councils' and any iwi and hapū led growth strategies and urban development goals across the Service Area (rohe) over time;
 - (b) Work with the Shareholding Councils on infrastructure needs and costs for green and brownfield growth;
 - (c) Actively support the Shareholding Councils' building and resource consenting processes;
 - (d) Support the Shareholding Councils with any collective advocacy on growth related reform or plan change processes, so that a "one family" approach is taken where possible to growth planning across the Service Area (rohe).

Environmental Responsibilities and Outcomes

37. Central Districts Water is expected to:

- (a) Be a responsible guardian of the environment and actively seek to protect and enhance the health of waterways, land and catchments in its Service Area (rohe), and other natural ecosystems it interacts with;
- (b) Minimise adverse environmental effects, and to pursue improvement in environmental outcomes wherever possible;
- (c) Use its best endeavours to meet or exceed all environmental regulatory requirements, and where it does not meet those requirements shall take a proactive and practical approach to resolving all non-compliance;
- (d) Progressively work towards applying a climate change lens to its decision making and reduce carbon emissions across its activities over time.

Emergency Preparedness and Continuity of Service

- 38. Central Districts Water will be the water lifeline utility as defined in the CDEM Act 2002 and is therefore expected to lead water community resilience before, during and after any emergency event.
- 39. Central Districts Water is expected to:
 - (a) Work to ensure drinking water supply and wastewater services either continue to operate during and following emergencies, even if at reduced levels, or is subject to minimal disruption only;
 - (b) Actively participate in regional and local emergency management planning and maintains and regularly updates its own emergency response and business continuity plans;
 - (c) Work closely with Shareholding Councils, emergency services, and other lifeline utilities to ensure a coordinated and effective response to emergencies, including through timely and transparent communication with key agencies, and the public.