



# KOMITI NGĀ WAI HANGARUA | WELLINGTON WATER COMMITTEE

27 September 2022

Order Paper for the meeting to be held in the  
**Hutt City Council Chambers, 2nd Floor, 30 Laings Road, Lower Hutt,**  
on:

## **Friday 30 September 2022 commencing at 10.00am**

The meeting will be livestreamed on Council's Facebook page.  
Members of the public wishing to speak to items on the agenda are  
asked to contact: [democraticserviceteam@huttcity.govt.nz](mailto:democraticserviceteam@huttcity.govt.nz)

### **Membership**

Mayor C Barry (Chair)	Hutt City Council
Mayor W Guppy (Deputy Chair)	Upper Hutt City Council
Mayor A Baker	Porirua City Council
Mayor A Beijen	South Wairarapa District Council
Ms M Pomare	Te Rūnanga O Toa Rangatira
Ms L Rauhina-August	Taranaki Whānui ki Te Upoko o Te Ika
Mayor A Foster	Wellington City Council
Cr J van Lier	Greater Wellington Regional Council
Deputy Mayor G Emms	South Wairarapa District Council (Alternate)
Cr C Kirk-Burnnand	Greater Wellington Regional Council (Alternate)
Cr R Leggett	Porirua City Council (Alternate)
Deputy Mayor T Lewis	Hutt City Council (Alternate)
Cr S Rush	Wellington City Council (Alternate)
Ms N Solomon	Te Rūnanga O Toa Rangatira (Alternate)
Deputy Mayor H Swales	Upper Hutt City Council (Alternate)
Ms K Tamanui	Taranaki Whānui ki Te Upoko o Te Ika (Alternate)

For the dates and times of Council Meetings please visit [www.huttcity.govt.nz](http://www.huttcity.govt.nz)

# Wellington Water Committee

## Terms of Reference

### Purpose

The Wellington Water Committee ("the Committee") is established to:

- Provide governance and leadership across issues which are related to the planning, delivery and management of water services to communities serviced by Wellington Water Limited;
- Provide governance oversight of Wellington Water Limited, including by exhibiting good governance practice;
- Provide a forum for the representatives of Wellington Water Limited's shareholders and mana whenua to meet, discuss and co-ordinate on relevant issues and, through their representatives, to exercise their powers; and
- Strive for consistency across all client councils so all customers receive a similar level of service.

### Status

The Committee is, for the purposes of the Local Government Act 2002, a joint committee of the Lower Hutt City Council, Porirua City Council, Upper Hutt City Council, Wellington City Council, South Wairarapa District Council and the Wellington Regional Council.

### Specific responsibilities

The Committee's responsibilities are:

Governance oversight responsibilities

Shareholder and mana whenua governance oversight of Wellington Water Limited and of the network infrastructure for the delivery of bulk water, water reticulation, wastewater and stormwater services in the geographical areas of Wellington Water Limited's operations, including by:

- Receiving and considering the half-yearly and annual reports of Wellington Water Limited;
- Receiving and considering such other information from Wellington Water Limited as the Committee may request on behalf of the parties to the Shareholders and Partnership Agreement and/or receive from time to time;
- Undertaking performance and other monitoring of Wellington Water Limited;
- Considering and providing recommendations to the parties to the Shareholders and Partnership Agreement on proposals from Wellington Water Limited;
- Providing co-ordinated feedback, and recommendations as needed, on any matters requested by Wellington Water Limited or any of the parties to the Shareholders and Partnership Agreement;
- Providing recommendations to the parties to the Shareholders and Partnership Agreement regarding regional studies which the Shareholders need to be cognisant of;

- Providing recommendations to the parties to the Shareholders and Partnership Agreement regarding water conservation;
- Agreeing the annual Letter of Expectation to Wellington Water Limited;
- Receiving, considering and providing agreed feedback and recommendations to Wellington Water Limited on its draft statement of intent;
- Receiving, considering and providing recommendations to the parties to the Shareholders and Partnership Agreement regarding Wellington Water Limited's final statement of intent.
- Agreeing when Shareholder meetings, or resolutions in lieu of Shareholder meetings, are required, without prejudice to Shareholder and Board rights to call meetings under Wellington Water Limited's constitution and;
- Seeking and interviewing candidates for Wellington Water Limited's Board as needed and recommending to the holders of Class A Shares appointments and/or removals of directors of Wellington Water Limited;
- Recommending the remuneration of directors of Wellington Water Limited;
- Monitoring the performance of the Board of Wellington Water Limited; and
- Providing recommendations to the parties to the Shareholders and Partnership Agreement regarding changes to these terms of reference, the Shareholders and Partnership Agreement and the constitution of Wellington Water Limited.

## **Membership**

The membership of the Committee will be as specified in the Shareholders and Partnership Agreement. With the exception of the Committee Members nominated by the Mana Whenua Partners Entities, each appointee must be an elected member of the appointing Shareholder.

## **Chairperson**

The Chairperson and Deputy Chairperson will be elected by the Committee once all Committee members have been appointed.

## **Quorum**

Subject to the below for Committee meetings to appoint directors of Wellington Water Limited, for a meeting of the Committee to have a quorum, a majority of Committee Members, or their appointed Alternates, must be present, and the number making up the majority must include at least an equal number of Shareholder appointed Committee Members as MWPE nominated Committee Members.

Where the Committee is providing a forum for the Shareholders to meet and exercise their powers in relation to Wellington Water Limited, the requirements of Wellington Water Limited's constitution will prevail.

Clause 11.3 of the company's constitution provides that Directors shall be appointed and removed by the unanimous resolution of the Shareholders holding Class A Shares. For this matter the quorum for the Committee meeting is therefore attendance by all Committee Members (or their Alternates) for the holders of the Class A Shares.

## **Alternates**

Each Committee Member appointed to the Committee must have an Alternate.

## **Other Shareholder attendee**

Each Shareholder-appointed elected member Committee member will be entitled to invite an officer attendee to Committee meetings, provided however that the additional attendee will not have any voting rights on the Committee.

## **Decision-making**

The Committee will strive to make all decisions by consensus.

In the event that a consensus on a particular matter before the Committee is not able to be reached, each Committee Member has a deliberative vote. In the situation where there is an equality of votes cast on a matter, the Chairperson does not have a casting vote and therefore the matter subject to the vote is defeated and the status quo is preserved.

Other than for those matters for which the Committee has effective decision-making capacity through these Terms of Reference, each Shareholder retains its powers to make its own decisions on matters referred to it by the Committee and on matters specified in Part 1 of Schedule 2 to the Shareholders and Partnership Agreement (for clarity, this means that only Shareholders have voting rights in relation to the matters specified in Part 1 of Schedule 2).

## **Secretariat services**

Unless otherwise agreed from time to time by all of the elected member Committee Members, the Council for which the Chairperson is an elected member will provide secretariat services to the Committee. The Chairperson will be responsible for managing the agenda at Committee meetings.

## **Standing Orders**

The Standing Orders of the Council providing secretariat services to the Committee will apply to Committee meetings, subject to the provisions for meeting quorum and decision making as set out in these terms of reference taking precedence.

## **Remuneration**

Each Shareholder will be responsible for remunerating the elected member Committee Member appointed by it to the Committee, and their Alternate, for any costs associated with those persons' membership on the Committee.

The Shareholders will also be responsible for remunerating (in equal shares) the Committee Members nominated by Mana Whenua Partner Entities, and their Alternates, and appointed to the Committee by the Shareholders, for any costs associated with those persons' membership on the Committee.

## **Administration**

Reports to be considered by the Committee may be submitted by any of the Shareholders, any of the Mana Whenua Partner Entities, or Wellington Water Limited.

## **Duration of the Committee**

In accordance with clause 30(7) of Schedule 7 to the Local Government Act 2002, the Committee is not deemed to be discharged following each triennial election.

## **Appendix**

### **Common delegations by Shareholders**

#### Governance oversight responsibilities

- Each Shareholder will delegate to the Committee the responsibilities and powers necessary to participate in and carry out the Committee's governance oversight responsibilities.

#### Shareholders' responsibilities

- Each Shareholder will delegate to its appointed elected member Committee Member and, in accordance with these terms of reference, that person's Alternate, all responsibilities and powers in relation to the agreement of:
  - when Shareholder meetings, or resolutions in lieu of Shareholder meetings, are required (without prejudice to Shareholder and Board rights to call meetings under Wellington Water Limited's constitution); and
  - the appointment, removal and remuneration of Wellington Water Limited's directors.

## KOMITI NGĀ WAI HANGARUA | WELLINGTON WATER COMMITTEE

Meeting to be held in the Hutt City Council Chambers,  
2nd Floor, 30 Laings Road, Lower Hutt on  
Friday 30 September 2022 commencing at 10.00am.

### ORDER PAPER

### PUBLIC BUSINESS

#### 1. OPENING FORMALITIES - KARAKIA TIMATANGA (22/2238)

Whakataka te hau ki te uru  
Whakataka te hau ki te tonga  
Kia mākinakina ki uta  
Kia mātaratara ki tai  
E hī ake ana te atakura  
He tio, he huka, he hau hū  
Tihei mauri ora.

*Cease the winds from the west  
Cease the winds from the south  
Let the breeze blow over the land  
Let the breeze blow over the ocean  
Let the red-tipped dawn come with a  
sharpened air.  
A touch of frost, a promise of a  
glorious day.*

#### 2. APOLOGIES

#### 3. PUBLIC COMMENT

Generally up to 30 minutes is set aside for public comment (three minutes per speaker on items appearing on the agenda). Speakers may be asked questions on the matters they raise.

#### 4. CONFLICT OF INTEREST DECLARATIONS

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

#### 5. CHAIR'S STATEMENT (22/2239)

A verbal update by the Chair.

#### 6. MINUTES

Meeting minutes Komiti Ngā Wai Hangarua | Wellington Water Committee,  
29 July 2022

9

#### 7. REFLECTIONS ON THE LAST THREE YEARS (22/2241)

A verbal update by the Board Chair of Wellington Water Limited.

8. **THREE WATERS REFORMS - DEPARTMENT OF INTERNAL AFFAIRS ROADMAP TO DAY 1 (22/2338)**  
 Report No. WWC2022/4/162 by Porirua City Council 30  
CHAIR'S RECOMMENDATION:  
 "That the recommendations contained in the report be endorsed."
  
9. **COMPANY AND GOVERNANCE UPDATE - WELLINGTON WATER LIMITED (22/2244)**  
 Report No. WWC2022/4/157 by Wellington Water Limited 69  
CHAIR'S RECOMMENDATION:  
 "That the recommendation contained in the report be endorsed."
  
10. **2022/23 INVESTMENT AND DELIVERY SNAPSHOT (22/2245)**  
 Report No. WWC2022/4/158 by Wellington Water Limited 76  
CHAIR'S RECOMMENDATION:  
 "That the recommendations contained in the report be endorsed."
  
11. **ACTIONS TO MANAGE METROPOLITAN WELLINGTON'S WATER SUPPLY AND USAGE RISK (22/2246)**  
 Report No. WWC2022/4/159 by Wellington Water Limited 80  
CHAIR'S RECOMMENDATION:  
 "That the recommendations contained in the report be endorsed."
  
12. **INFORMATION ITEM - WELLINGTON WATER COMMITTEE FORWARD PROGRAMME 2022 (22/2242)**  
 Memorandum dated 6 September 2022 by the Democracy Advisor 87  
CHAIR'S RECOMMENDATION:  
 "That the recommendation contained in the memorandum be endorsed."

**13. CLOSING FORMALITIES - KARAKIA WHAKAMUTUNGA (22/2243)**

Unuhia!  
Unuhia!  
Unuhia i te uru-tapu-nui  
Kia wātea, kia māmā  
Te ngākau, te tinana, te wairua i  
te ara takatū  
Koia rā e Rongo whakairihia ake  
ki runga  
Kia wātea, kia wātea!  
Ae rā, kua wātea!  
Hau, pai mārire.

*Release us from the supreme  
sacredness of our tasks  
To be clear and free  
in heart, body and soul in our  
continuing journey  
Oh Rongo, raise these words up high  
so that we be cleansed and be free,  
Yes indeed, we are free!  
Good and peaceful*

Annie Doornebosch  
**Democracy Advisor**  
**Hutt City Council**



**KOMITI NGĀ WAI HANGARUA | WELLINGTON WATER COMMITTEE**

Minutes of a meeting held via Zoom on  
**Friday 29 July 2022 commencing at 10.00am**

---

**PRESENT:** (via audio visual link)

Mayor C Barry (Chair) (HCC)  
 Mayor W Guppy (Deputy Chair) (UHCC)  
 Mayor A Baker (PCC)  
 Mayor A Beijen (SWDC)  
 Mayor A Foster (WCC)  
 L Rauhina-August (Taranaki Whānui ki Te Upoko o Te Ika)  
 Cr J van Lier (GWRC)

**APOLOGIES:**

Andrea Rutene, Deputy Chair Māori Standing Committee, SWDC (Observer)

**IN ATTENDANCE:** (via audio visual link)

Deputy Mayor H Swales (UHCC Alternate)  
 Deputy Mayor T Lewis (HCC Alternate)  
 Cr R Leggett (PCC Alternate)  
 Cr I Pannett (WCC Alternate)  
 J Miller, Chief Executive, HCC  
 N Hooper, Observer SWDC  
 W Walker, Chief Executive, PCC  
 B Hodgins, Strategic Advisor, HCC  
 S Proctor, Chief Infrastructure Officer, WCC  
 S McLean, General Manager, Corporate Services, GWRC  
 C Crampton, Chief Executive, WWL  
 C Barker, Director, Regulatory Services, WWL  
 L Carroll, Chair WWL Board  
 L Southey, WWL Board Member  
 A Hare, WWL Board (part meeting)  
 D List, Project Director, Regional Water Reform, PCC  
 M Ford, Group Manager Business Services/Chief Financial Officer, WWL  
 T Haskell, Group Manager, Network Development and Delivery, WWL  
 J McKibbin, Group Manager, Network Management Group, WWL  
 J Alexander, Group Manager, Network Strategy and Planning, WWL  
 N Crane, Principal Advisor to CE, WWL  
 F Clarke, Principal Advisor, Strategy, WWL  
 A Doornebosch, Democracy Advisor, HCC  
 K Davey, Democracy Advisor, HCC  
 H Clegg, Minute Taker, HCC

## PUBLIC BUSINESS

### 1. OPENING FORMALITIES - KARAKIA TIMATANGA

Whakataka te hau ki te uru	<i>Cease the winds from the west</i>
Whakataka te hau ki te tonga	<i>Cease the winds from the south</i>
Kia mākinakina ki uta	<i>Let the breeze blow over the land</i>
Kia mātaratara ki tai	<i>Let the breeze blow over the ocean</i>
E hī ake ana te atakura	<i>Let the red-tipped dawn come with a sharpened air.</i>
He tio, he huka, he hau hū	<i>A touch of frost, a promise of a glorious day.</i>
Tihei mauri ora.	

### 2. APOLOGIES

RESOLVED: (Mayor Barry/Cr van Lier)

**Minute No. WWC 22401**

*"That the apology received from Andrea Rutene be accepted and leave of absence granted."*

### 3. PUBLIC COMMENT

Comments are recorded under the item to which they relate.

### 4. CONFLICT OF INTEREST DECLARATIONS

There were no conflict of interest declarations.

### 5. CHAIR'S STATEMENT

The Chair provided a verbal update attached as page 11 to the minutes.

RESOLVED: (Mayor Barry/ Mayor Foster)

**Minute No. WWC 22402**

*"That the Chair's Statement be accepted."*

### 6. MINUTES - 27 MAY 2022

RESOLVED: (Mayor Barry/Mayor Beijen)

**Minute No. WWC 22403**

*"That the minutes of the meeting of the Komiti Ngā Wai Hangarua | Wellington Water Committee held on Friday, 27 May 2022 be confirmed as a true and correct record."*

## 7. TRANSITION PLANNING FOR THREE WATERS REFORM

A presentation was provided by Dougal List, Project Director, Regional Water Reform, PCC attached as pages 18 to 21 to the minutes. He noted more information was expected from the National Transition Unit (NTU). He added that new Steering and Working Groups had been established. He said increased engagement with all authorities in Entity C would occur over the next month.

In response to questions from members the Project Director, Regional Water Reform, PCC advised it was unclear what funding would be provided after initial transition funding had been used. He said the NTU had indicated if the initial budget was not enough it would be open to discussing this further. He said the Working Group would consider a programme budget of indicative costs. He noted the challenges with this as no clear forward programme had been established by the NTU. He said they would discuss reform costs already met by councils with the Department of Internal Affairs (DIA) to see if these could be reimbursed. He advised they would discuss with the NTU any future transition costs to councils and how these could be managed. He said the NTU would focus asset management plans (AMPs) on how the Wellington region could feed into the NTU processes. He advised DIA's early focus on the AMPs had been on understanding borrowing, investments and costs. He advised DIA had undertaken investigations to understand ownerships and holdings. He said that no information had been released from the DIA regarding charges for three waters services. He added that from 1 July 2024 the new water service entities would be responsible for billing customers. He noted that the DIA's road map was currently being developed. He said the Allocation Schedule in the Water Services Bill would outline assets and systems to be transferred from councils. He said that councils should expect the next request for proposal process to include requests for detail on property ownership, and transfers of assets.

In response to questions from members the Chief Executive, WWL added that WWL was continually growing its asset management systems. He advised it was preferable if the NTU had a clear understanding of all assets as soon as possible. He noted that WWL needed to ensure its planning for each council's water assets was in line with any future NTU requirements. He noted that all AMPs had been developed using the most up-to-date information and funding commitments from each council. He said WWL staff would be happy to revisit the AMPs with councils.

L Rauhina-August left the meeting at 10.42am and rejoined the meeting at 10.45am.

8. **COMPANY AND GOVERNANCE UPDATE** (22/1750)

Report No. WWC2022/3/117 by Wellington Water Limited (WWL)

The Board Chair, WWL advised that testing of the new Te Mārua and Gear Island fluoridation plants would occur over the next two weeks. She advised work on the WWL Statement of Intent was continuing.

The Chief Executive, WWL elaborated on the report. He said a number of councils had significantly increased investment levels which enabled more work to be planned. He noted that WWL resources had also been increased to deliver larger work programmes. He advised an issue facing WWL was improving the quality of data received from councils to ensure it was reliable for use in asset management planning.

Mayor Beijen queried the wording included in part (2) (i) of the staff's recommendations. He considered that insufficient financial data had been provided by WWL staff. He noted, as a result, South Wairarapa District Council (SWDC) was not in a position to allocate exact Long Term Plan (LTP) funding to enable the wastewater treatment plant to become compliant. He suggested that part (2)(i) of the staff's recommendation should better reflect the situation. He noted SWDC's extreme dissatisfaction.

In response to questions from members, the Chief Executive, WWL advised that part (2) of the staff's recommendations related to the level of investment being undertaken at present in the South Wairarapa wastewater treatment plants. He said because of this, the current compliance of the treatment plants, as noted in the dashboard, was unlikely to improve. He said that WWL had provided information for SWDC to make an informed decision on the level of funding required for the next three years. He noted that WWL understood there was flexibility in the SWDC's budget to complete the wastewater treatment plant investment plan for its LTP. He said two isolating valves had recently been installed in pipes after the Dixon and Victoria Street failures. He noted that this had prevented discharge into the environment when another breakage had occurred. He added that as a result of additional funding WWL had been able to undertake more pre-storm preparation work. He noted operational funding for planned and reactive issues was restricted due to escalating costs. He added that WWL had set budgets across networks based on what WWL believed was possible to achieve. He noted that due to insufficient investment in the past there was a backlog of issues to remedy. He said the increasing leakage trend after 2016 could be attributed to the Kaikoura earthquake. He noted that leaks had been detected in both public and private networks. He said if major leaks were fixed this could delay any requirement for more water storage. He advised a new Opex Optimisation Tool had been developed to deliver risks. He said this would also provide options to rebalance funding for member councils. He said this would be included in the end-of-Quarter One report for all councils. He added that increasing staffing capacity was a priority. He advised WWL was working with their upskill programme and Mana Whenua to enable iwi Māori contracting into the future. He said they would send to members the data on workforce capability and skill programme work completed for Māori.

In response to a question from a member, the Group Manager, Network Development and Delivery, WWL advised that WWL had provided information to SWDC concerning what would be required for the wastewater treatment plant to become compliant. She noted the next step would be how much those compliance requirements would cost and how long would they take.

Mayor Foster foreshadowed an additional recommendation asking WWL officers to report on options for an augmented water supply and demand/waste reduction. He further foreshadowed an additional recommendation asking for a more detailed breakdown of utilisation of OPEX and CAPEX budgets (by council).

The meeting adjourned at 11.22am and resumed at 11.30am.

**RESOLVED:** (Mayor Barry/Mayor Beijen)

**Minute No. WWC 22404**

*"That the Committee:*

- (1) notes high and increasing water demand is expected to require the use of outdoor water use bans to maintain water supply in the Wellington metropolitan area this summer (Level 3 water use restrictions);*
- (2) notes the South Wairarapa District Council (SWDC) wastewater treatment plants continue to be non-compliant, and*
  - (i) SWDC has requested that Wellington Water Limited provide a costed year by year plan to rectify non-compliance to allow budget re-allocation in the current Annual Plan (2022-23) and in future financial years; and*
  - (ii) notes the ongoing non-compliance of treatment plants increases the likelihood of enforcement action by the environmental regulator;*
- (3) notes the very high criticality assets condition assessment programme has identified the assets in need of urgent resolution; and*
- (4) asks Wellington Water Limited to report on:*
  - (i) options for an augmented water supply and demand / waste reduction; and*
  - (ii) a more detailed breakdown of utilisation of OPEX and CAPEX budgets (by council)."*

**9. MARTIN JENKINS INQUIRY INTO FLUORIDATION (22/1767)**

Report No. WWC2022/3/118 by Wellington Water Limited

Speaking under public comment, **Mary Bryne, representing Fluoride Free New Zealand** tabled her written statement attached as pages 12 to 17 to the minutes.

In response to a question from a member, she said that the information she had tabled was publicly available. She believed that some of the data the Ministry of Health (MOH) relied on were 14 years old. She believed the MOH should revisit the fluoridation issue and fully investigate differing views.

Members noted that the Committee was not considering whether fluoridation of water was a legal requirement or not.

Speaking under public comment, **Mark Atkin** agreed with the comments made by the previous speaker. He believed there was no legal requirement to reinstate fluoridation of water through the Te Mārua and Gear Street Treatment Plants. He considered that it made more fiscal sense to spend the money on other things.

Speaking under public comment, **James Nicholas** agreed with the comments of the previous speakers. He believed it was time local government made a public stand against fluoridation to provide a balanced debate. He believed the effects of sugary foods and drinks had more of a negative impact on oral health than any possible positive effects from the fluoridation of water.

Mayor Foster left the meeting at 11.54am and rejoined the meeting at 11.55am.

The Director, Regulatory Services, WWL elaborated on the report.

Members asked staff for a clear pathway for delivering an asset management plan. They further asked for an outline of who would be responsible for this, funding requirements and a timeframe for delivery.

In response to questions from members, the Chief Executive, WWL advised that the pace at which WWL could address asset management was dependent on the level of investment from each council. He said the new quarterly Opex Optimisation Tool reports would assist council officers. He advised this would also provide an understanding of where WWL operational expenditure occurred. He noted this would assist in developing the asset management plans. He said the NTU requirements for these plans were not yet finalised. He advised officers could provide 2024-2027 WWL work programmes including areas needing further investment.

Mayor Foster foreshadowed an additional recommendation asking WWL staff to provide a proposal for an asset management plan for consideration at the next Committee meeting. Mayor Foster asked this include a plan for the collection of asset condition data, funding requirements and a timeframe for delivery. He further requested advice on who would provide the work, with the necessary skills and resources.

RESOLVED: (Mayor Barry/ Mayor Foster)

**Minute No. WWC 22405**

*"That the Committee:*

- (1) receives the final report;*
- (2) notes that the Board of Wellington Water Limited has accepted the findings and recommendations;*
- (3) notes Wellington Water Limited's implementation plan; and*
- (4) asks Wellington Water Limited to provide by the next Wellington Water Committee meeting, a detailed proposal for producing an asset management plan including:*
  - (a) a plan for collection of asset condition data;*
  - (b) who will provide the work with the skills and resources required;*
  - (c) any funding requirements; and*
  - (d) the timeframe for delivery."*

**10. WELLINGTON WATER LIMITED - FINAL STATEMENT OF INTENT 2022-25**  
(22/1752)

Report No. WWC2022/3/119 by Wellington Water Limited (WWL)

The Principal Advisor, Strategy, WWL elaborated on the report.

RESOLVED: (Mayor Barry/Cr van Lier)

**Minute No. WWC 22406**

*"That the Committee:*

- (1) notes that the Wellington Water Constitution requires:*
  - (a) the Wellington Water Board to deliver the completed Statement of Intent 2022-25 to the Committee; and*
  - (b) the Wellington Water Committee to consider Wellington Water Limited's final Statement of Intent 2022-25;*
- (2) notes the draft of the Statement of Intent was provided to the Wellington Water Committee on 18 March 2022 and the subsequent feedback has been incorporated; and*
- (3) receives the final Statement of Intent 2022-25 for Wellington Water Limited."*

**11. FLUORIDATION AND REGIONAL WASTEWATER PLANT REVIEW UPDATE**  
(22/1753)

Report No. WWC2022/3/120 by Wellington Water Limited

The Director, Regulatory Services elaborated on the report.

**RESOLVED:** (Mayor Barry/Mayor Guppy)

**Minute No. WWC 22407**

*"That the Committee:*

- (1) notes that Wellington Water will recommence adding fluoride at Te Mārua and Gear Island water treatment plants in September 2022; and*
- (2) notes in relation to the Regional Wastewater Review that:*
  - (a) recommendations are substantially complete;*
  - (b) Raveen Jardum has completed a return visit and will provide a recommendation on closing the review by September 2022; and*
  - (c) a final close-out report will be provided at the next Committee meeting."*

**12. STIMULUS FUNDING PROGRAMME CLOSE-OUT REPORT** (22/1754)

Report No. WWC2022/3/121 by Wellington Water Limited (WWL)

The Chief Executive, WWL elaborated on the report. He advised it was preferable that funding streams in the future be continuous in nature. He said this would enable certainty for future programming.

**RESOLVED:** (Mayor Barry/Mayor Beijen)

**Minute No. WWC 22408**

*"That the Committee:*

- (1) notes the government allocated \$47.3M to the Wellington Water owner councils for expenditure on three waters;*
- (2) notes the fiscal stimulus fund has been executed on time and to the full amount;*
- (3) notes that Crown Infrastructure Partners require a formal close-out report attached as Appendix 1 to the report; and*
- (4) notes the outcomes and outputs achieved by the fund and the views of Wellington Water Limited on the overall success of the fund and lessons learnt."*



**13. VALUE FOR MONEY SIX MONTHLY REPORT (22/1768)**

Report No. WWC2022/3/122 by Wellington Water Limited

**RESOLVED:** (Mayor Barry/Mayor Baker)

**Minute No. WWC 22409**

*"That the Committee:*

- (1) receives the Six Monthly Value for Money report attached as Appendix 1 to the report; and*
- (2) notes the impact of older network infrastructure."*

**14. PROPOSED CHANGE TO THE MEETING SCHEDULE FOR 2022 (22/1757)**

Memorandum dated 11 July 2022 by the Democracy Advisor

**RESOLVED:** (Mayor Barry/Mayor Beijen)

**Minute No. WWC 22410**

*"That the Committee:*

- (1) notes that at its meeting held on 29 November 2021, the Committee identified a tentative date of 25 November 2022 for its first meeting after the local body elections;*
- (2) agrees to change the meeting date from 25 November 2022 to Friday 16 December 2022 at 10.00am; and*
- (3) confirms the venue for the meeting will be the Council Chambers, Hutt City Council, 30 Laings Road, Lower Hutt."*

**15. INFORMATION ITEM****Wellington Water Committee Forward Programme 2022 (22/1290)**

Memorandum dated 11 July 2022 by the Democracy Advisor

Members asked officers to ensure a pathway for delivering an asset management plan was included in the Forward Programme.

**RESOLVED:** (Mayor Barry/Mayor Baker)

**Minute No. WWC 22411**

*"That the Committee:*

- (a) receives and notes the Forward Programme for 2022 attached as Appendix 1 to the memorandum; and*
- (b) requests the reports on augmented water supply and demand, and the breakdown of the utilisation of opex and capex budgets (by council) be added to the Forward Programme for the next Committee meeting."*

## 16. EXCLUSION OF THE PUBLIC

**RESOLVED:** (Mayor Barry/Cr van Lier)

**Minute No. WWC 22412**

*"That the public be excluded from the following parts of the proceedings of this meeting, namely:*

### 17. Minutes 27 May 2022

*The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:*

(A)	(B)	(C)
<i>General subject of the matter to be considered.</i>	<i>Reason for passing this resolution in relation to each matter.</i>	<i>Ground under section 48(1) for the passing of this resolution.</i>
<i>Minutes of the Komiti Ngā Wai Hangarua   Wellington Water Committee held on 27 May 2022: Appointment of Director to Wellington Water Limited</i>	<i>The withholding of the information is necessary to protect the privacy of natural persons. (s7(2)(a)).</i>	<i>That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exist.</i>

*This resolution is made in reliance on section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as specified in Column (B) above."*

There being no further business the Chair declared the public part of the meeting closed at 12.06pm. The non-public part of the meeting closed at 12.16pm.

Mayor C Barry  
**CHAIR**

**CONFIRMED as a true and correct record**  
**Dated this 30th day of September 2022**

29 July 2022 Wellington Water Statement - Kia ora, for my Chair's Statement I'd just like to start by covering off the fluoride matter that we are all aware of.

### **Fluoride**

The report from the fluoride inquiry released earlier this month highlighted a range of shortcomings that contributed to the fluoride issue across the region.

Unsurprisingly, the report got a decent amount of attention and commentary.

Wellington Water has taken responsibility, the Board has accepted the report's findings and recommendations, and work is underway to implement them.

Wellington Water has set a timeframe to have fluoride delivered back into the water supply in September. There will be more to share on this at the Committee meeting today.

### **Three Waters Reform**

Three Waters was a key focus of discussions at last week's Local Government New Zealand (LGNZ) conference.

Reflections from the LGNZ conference.

- The acknowledgement of the toll on councils, and funding to support that
- 3 waters to 2, what that would mean for WW councils.

### **Weather event**

- Acknowledge efforts of everyone on the ground

### **Stimulus Money target met**

It's great to see Wellington Water has successfully delivered \$47.3 million of investment in the region's three-waters infrastructure, through the government's stimulus funding.

Nearly half of the funding went towards activities that Wellington Water has not previously been able to address in any significant way. These include carrying out a detailed investigation of critical assets which if they failed, could have major impacts on people or the environment. This work has reduced that risk which is great to see.

This has helped the organisation fix significant leaks and bursts within target times, with water quality results improving on the whole. There is still more work to do however on less urgent repairs, which are taking longer to carry out.

What's pleasing is that the organisation has delivered this investment within the government's deadlines. And this work has demonstrated exactly why more investment is needed in the sector.

Fluoride Free New Zealand  
P O Box 40  
Featherston 5710



28<sup>th</sup> July 2022

## Information for the Wellington Water Committee

### Dental Health - School Dental Statistics Fluoridated vs Non-fluoridated

Below is a series of graphs that gives the data for all 5 year olds and all Year 8 children from the statistics provided by the NZ School Dental Health Service.

The first set is for the whole of New Zealand and the second set is just for Capital and Coast Health.

Both sets of data show:

- there is virtually no difference in the number of children without any dental decay
- there is virtually no difference in the amount of dental decay
- dental health has steadily improved in the non-fluoridated areas for both age groups
- dental health has also steadily improved in fluoridated areas for Year 8 children

The 2020 School Dental Statistics, for the first time, also gives the average amount of decay for those children who have decay rather than averaged across all children. This also shows virtually the same result with the average decay rate for 5 year olds in fluoridated areas at 4.67 and 4.57 in non-fluoridated areas. Average decay rate for Year 8 in fluoridated areas 2.50 and 2.22 in non-fluoridated areas.

If we truly want to help children's dental health we need a targeted programme that actually helps those children with severe decay. The [Scottish CHILDSMILE programme](#) does exactly that for a fraction of the cost of fluoridation.

Dramatic claims of a dental health catastrophe for the children of Wellington are unfounded and untrue.

Each of the original spreadsheets can be found at <https://www.health.govt.nz/nz-health-statistics/health-statistics-and-data-sets/oral-health-data-and-stats/age-5-and-year-8-oral-health-data-community-oral-health-service>

### Fluoridation is proven to be harmful to health

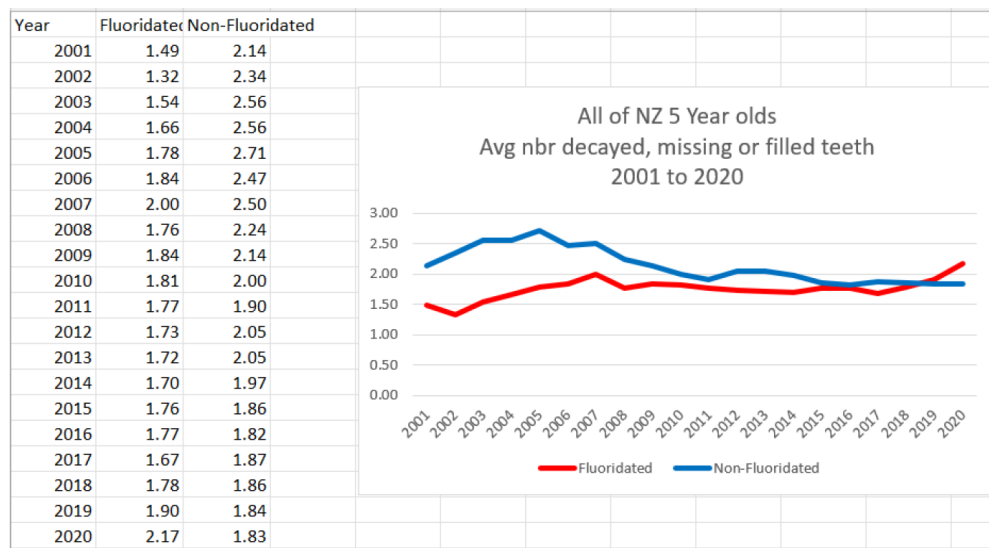
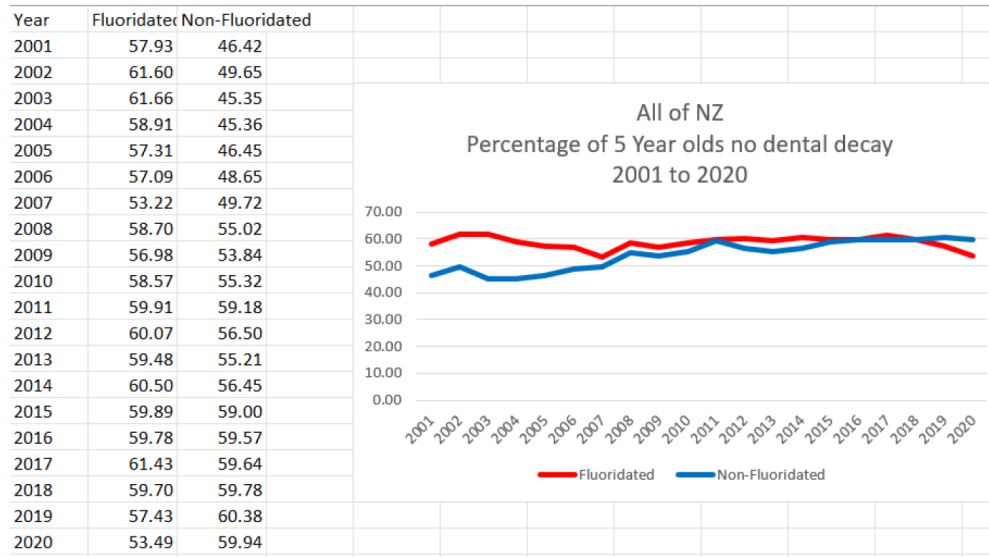
In 2019 the world's premier paediatric journal (*JAMA Pediatrics*) published a multi-million-dollar U.S. Government funded study which found that children exposed to fluoridated water in-utero had lowered IQ. This was an average of 5 IQ points. A study published just last week found that low iodine increased the amount of IQ loss significantly. It found that children born to mothers drinking fluoridated water who had low iodine, had losses of 9 IQ points.

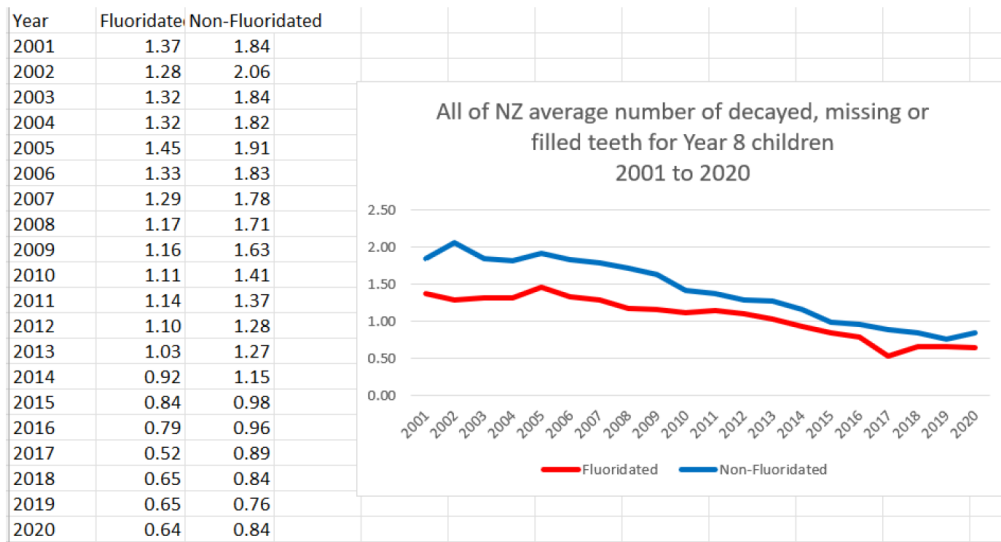
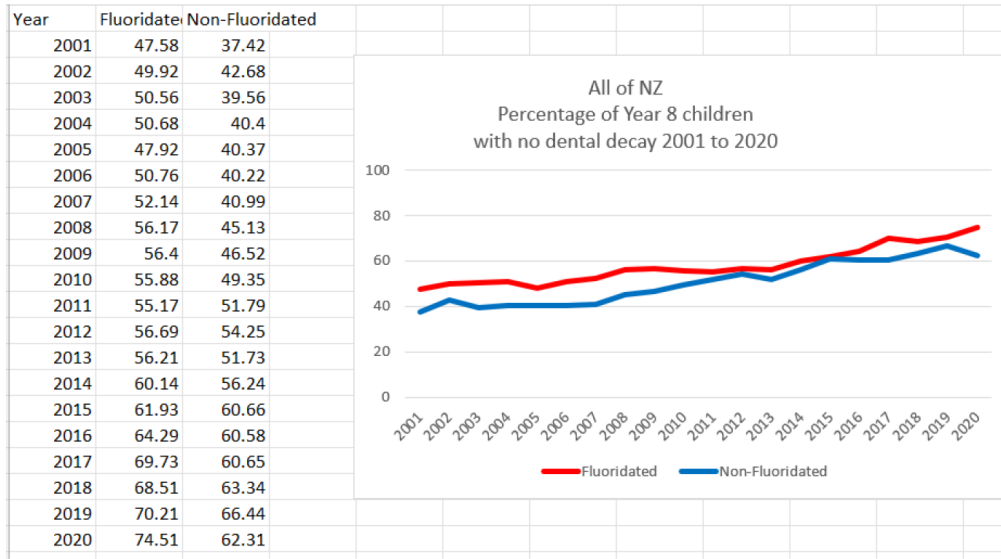
There are now 76 out of 85 IQ studies reporting lowered IQ from exposure to elevated levels of fluoride. Since 2017 we have learned that the fluoride level of 0.7 ppm, the so-called "optimal" level used in the U.S. and Canadian drinking water fluoridation projects, can create neurodevelopmental harm to the fetus, bottle-fed babies and children. These fetus and bottle-fed babies have never been considered in any risk assessment by any regulatory agency in any fluoridating country.

Note: the NZ MoH recommends an "optimal" level of 0.85ppm which is one the highest recommended levels in the world. Summary of studies listed below dental health graphs.

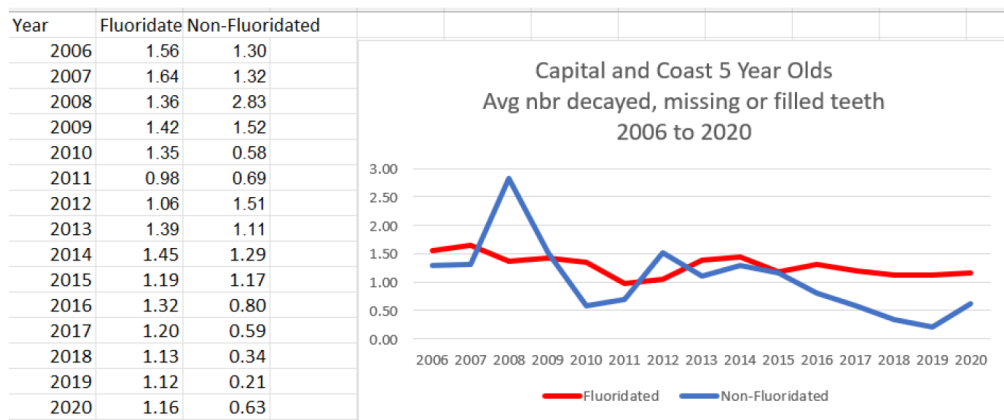
Regards  
Mary Byrne

### All of New Zealand

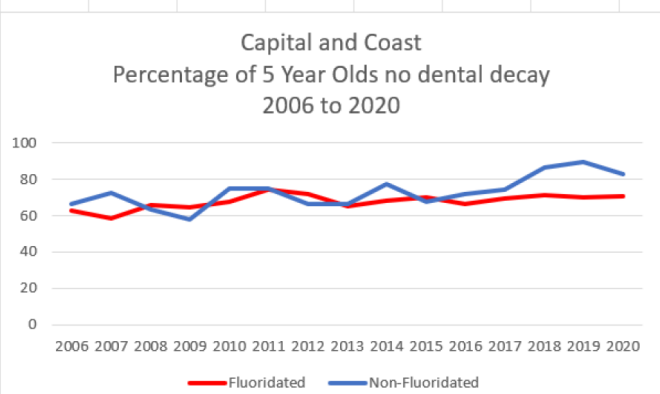




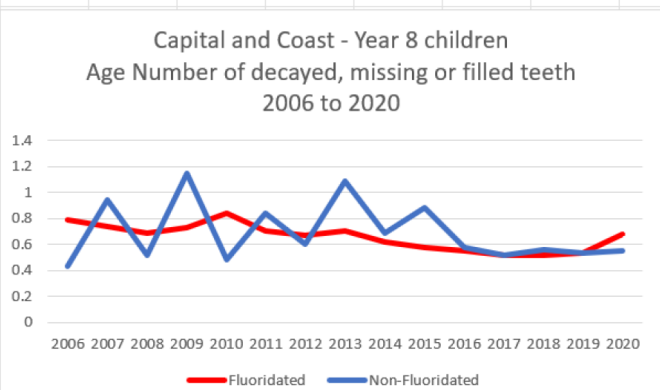
## Capital and Coast Health



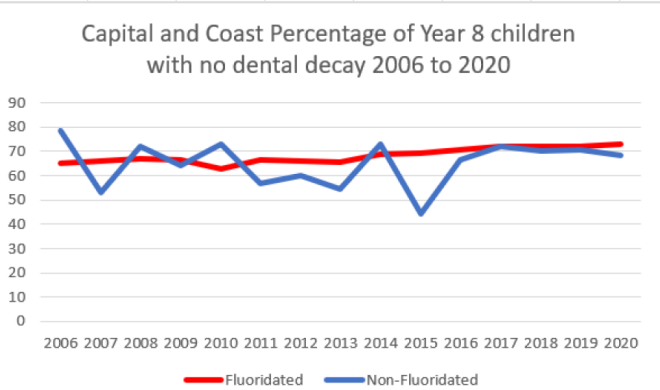
Year	Fluoridated	Non-Fluoridated
2006	62.56	66.67
2007	58.4	72.73
2008	65.78	63.46
2009	64.59	58.14
2010	67.54	75
2011	74.48	75
2012	72.18	66.67
2013	65.08	66.67
2014	68.24	77.55
2015	70.05	67.57
2016	66.46	71.71
2017	69.39	74.07
2018	71.53	86.44
2019	70.26	89.58
2020	70.86	82.69



Year	Fluoridated	Non-Fluoridated
2006	0.79	0.43
2007	0.74	0.94
2008	0.69	0.52
2009	0.73	1.15
2010	0.84	0.48
2011	0.7	0.84
2012	0.67	0.6
2013	0.7	1.09
2014	0.62	0.69
2015	0.58	0.88
2016	0.55	0.58
2017	0.52	0.52
2018	0.52	0.56
2019	0.53	0.53
2020	0.68	0.55



Year	Fluoridated	Non-Fluoridated
2006	65.35	78.57
2007	66.17	52.94
2008	66.86	72.00
2009	66.71	64.19
2010	62.61	72.92
2011	66.56	56.86
2012	65.83	60.00
2013	65.73	54.55
2014	68.69	73.08
2015	69.43	44.44
2016	70.64	66.67
2017	72.29	72.14
2018	72.27	70.00
2019	71.89	70.59
2020	73.08	68.18



### Short summaries of just a few of the studies on neurotoxicity:

**2006:** The National Research Council published *Fluoride in Drinking Water*,<sup>1</sup> the most authoritative review of fluoride's toxicity. It stated unequivocally that "fluorides have the ability to interfere with the functions of the brain and the body."

**2012:** A Harvard-funded meta-analysis<sup>2</sup> found that children ingesting higher levels of fluoride tested an average 7 IQ points lower in 26 out of 27 studies. Most had higher fluoride concentrations than in U.S. water, but many had total exposures to fluoride no more than what millions of Americans receive.

**2017:** A National Institutes of Health (NIH) – funded study<sup>3</sup> in Mexico covering 13 years found that every one half milligram per liter (mg/L) increase in fluoride in pregnant women's urine – approximately the difference caused by ingestion of fluoridated water<sup>4</sup> – was associated with a reduction of their children's IQ by about 3 points. Leonardo Trasande, a leading physician unaffiliated with the study, said it "raises serious concerns about fluoride supplementation in water."<sup>5</sup>

**2018:** A Canadian study<sup>6</sup> found iodine-deficient adults (nearly 18% of the population) with higher fluoride levels had a greater risk of hypothyroidism (known to be linked to lower IQs). Author Ashley Malin said "I have grave concerns about the health effects of fluoride exposure."<sup>7</sup>

**2019:** Another NIH-funded study<sup>8</sup> in the *Journal of the American Medical Association Pediatrics* found every 1 mg/L increase in fluoride in Canadian pregnant women's urine was linked to a 4.5 decrease in IQ in their male children. The physician editor of *JAMA Pediatrics* said "I would not have my wife drink fluoridated water"<sup>9</sup> if she was pregnant.

**2019:** A Canadian study<sup>10</sup> found a nearly 300% higher risk of ADHD for children living in fluoridated areas. This reinforced earlier study linking fluoride to ADHD in Mexico (2018)<sup>11</sup> and the U.S. (2015).<sup>12</sup>

**2019:** Another NIH-funded study<sup>13</sup> in Canada found that babies fed formula mixed with fluoridated water averaged 4 IQ points less than those mixed with non-fluoridated water. Losses of non-verbal IQ were even more serious, an average of 9 points.

**2019:** A systematic review of 149 human studies and 339 animal studies by the U.S. National Toxicology Program<sup>14</sup> concluded that "fluoride is presumed to be a cognitive neurodevelopmental hazard to humans." The report is still in draft form, but NTP also said there is little chance they will change their finding.

### REFERENCES FOR FLUORIDATION'S NEUROTOXICITY

1. National Research Council, *Fluoride in Drinking Water*, 2006, p. 222 <https://www.nap.edu/catalog/11571/fluoride-in-drinking-water-a-scientific-review-ofepas-standards>
2. Choi et al, Developmental Fluoride Neurotoxicity: A Systematic Review and Meta-Analysis, *Environmental Health Perspectives*, July 20, 2012 <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3491930/>
3. Bashash et al, Prenatal Fluoride Exposure and Cognitive Outcomes in Children at 4 and 6-12 Years of Age in Mexico, *Environmental Health Perspectives*, Sept. 19, 2017 <https://ehp.niehs.nih.gov/ehp655/>
4. Till et al, Community Water Fluoridation and Urinary Fluoride Concentrations in a National Sample of Pregnant Women in Canada, *Environmental Health Perspectives*, Oct. 10, 2018 <https://ehp.niehs.nih.gov/doi/10.1289/EHP3546>
5. Dana Dovey, "Children's IQ Could be Lowered by Mothers Drinking Tap Water While Pregnant," *Newsweek*, Sept. 19, 2017 <https://www.newsweek.com/childrens-iq-could-be-lowered-drinking-tap-water-while-pregnant-667660>



6. Malin et al, Fluoride Exposure and Thyroid Function Among Adults Living in Canada: Effect Modification by Iodine Status, *Environment International*, Dec. 2018 <https://www.ncbi.nlm.nih.gov/pubmed/?term=till+malin+fluoride+thyroid>
7. Brian Bienkowski, “We Add It to Drinking Water for Our Teeth – But is Fluoride Hurting Us?” *Environmental Health News*, Oct. 10, 2018 <https://www.ehn.org/we-add-it-to-drinking-water-for-our-teeth-but-is-fluoride-hurting-us-2611193177.html>
8. Green et al, Association Between Maternal Fluoride Exposure During Pregnancy and IQ Scores in Offspring in Canada, *Journal of the American Medical Association Pediatrics*, Aug. 19, 2019 <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6704756/>
9. Ben Guarino, “Study Raises Questions About Fluoride and Children’s IQ,” *Washington Post*, Aug. 20, 2019 <https://www.washingtonpost.com/science/2019/08/19/study-raises-questions-about-fluoride-childrens-iq/>
10. Riddell et al, Association of Water Fluoride and Urinary Fluoride Concentrations with Attention Deficit Hyperactivity Disorder in Canadian Youth, *Environment International*, Dec. 2019 <https://www.sciencedirect.com/science/article/pii/S0160412019315971?via%3Dihub>
11. Bashash et al, Prenatal Fluoride Exposure and Attention Deficit Hyperactivity Disorder (ADHD) Symptoms in Children at 6-12 Years of Age in Mexico City, *Environment International*, Dec. 2018 <https://www.sciencedirect.com/science/article/pii/S0160412018311814?via%3Dihub>
12. Malin et al, Exposure to Fluoridated Water and Attention Deficit Hyperactivity Disorder Prevalence Among Children and Adolescents in the United States: An Ecological Association, *Environmental Health*, Feb. 27, 2015 <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4389999/>
13. Till et al, Fluoride Exposure From Infant Formula and Child IQ in a Canadian Birth Cohort, *Environment International*, Jan. 2020 (first issued online in 2019) <https://www.sciencedirect.com/science/article/pii/S0160412019326145?via%3Dihub>
14. National Toxicology Program, Draft NTP Monograph on the Systematic Review of the Fluoride Exposure and Neurodevelopmental and Cognitive Health Effects, Sept. 6, 2019 [http://fluoridealert.org/wp-content/uploads/2019.ntp\\_draft-fluoride-systematic-review.online-Oct-22.pdf](http://fluoridealert.org/wp-content/uploads/2019.ntp_draft-fluoride-systematic-review.online-Oct-22.pdf)

## Wellington Water Committee

### Item 7: Transition Planning for three waters reforms

29 July 2022



#### Today

##### Matters to cover

- NTU activity and updates
- WWLASC programme and dashboard
- WSE Bill – summary of submissions
- DRAFT - High level AMP process for WSE

## Key updates on water reforms – NTU activity

### Key updates and information from NTU

- Release of WSE Bill and feedback period
- NTU been focused on significant re-set of work programme and recruitment
- Acknowledge need to improve communications and engagement
- Recent information includes:
  - Council transition funding – 19 July [Year 1 only]. \$4.118 million total for Wellington Water councils
  - Draft staff transition guidelines for feedback – 22 July
  - CE appointment process underway – close 12 August
  - High level AMP process
  - Outline of debt transfer approach

### What we expect from NTU

- High level Roadmap to Day 1 – release and engagement process - August [TBC]
- Still have significant capacity constraints – lot of staff still to recruit
- AMP process will be significant focus
- Policy: release of papers anticipated.
- Second Bill in late 2022

3

## WWLASC July Programme Summary of activity

### Key programme activity – last month

- **Engagement:** with other councils in Entity C. Ongoing NTU engagement on transition, engagement model and funding for transition
- **WSE Bill** completion of submissions + support for council workshops on WSE Bill [see summary below]
- **Programme:**
  - Establishment of Working Group and Steering Group
  - Transition managers in place
  - 21/22 programme budget close out
  - Draft comms framework to support councils and WWL
  - Initial people impacts assessment for councils and draft people framework

### Key programme activity – planned

- **Engagement:** ongoing with other councils in Entity C. Ongoing NTU engagement on Roadmap and key deliverables
- **Programme:**
  - AMP process and inputs
  - Review programme in relation to NTU Roadmap
  - Programme budget
  - Feedback on staff transition guidelines
  - Advice on debt methodology
  - Communications

4

### Water reforms – WWLASC programme dashboard

Programme	Status	Commentary
Budget and costs		<ul style="list-style-type: none"> <li>Following confirmation of transition funding, need to develop coordinated budget approach (council / programme / WWL) and confirm key expenditure priorities</li> </ul>
Risk		<ul style="list-style-type: none"> <li>Key elements of WWLASC programme established</li> <li>Lack of agreed roadmap and initial outputs – expected August</li> <li>Lack of effective engagement model with NTU – from August</li> <li>Lack of clear understanding of change implications for councils – from August</li> </ul>
Progress		<ul style="list-style-type: none"> <li>Key elements of WWLASC programme established and some areas of progress.</li> <li>Lack of roadmap and engagement model with NTU limits ability to ensure progress is focused on key priorities</li> </ul>
Critical activities next month		<ul style="list-style-type: none"> <li>NTU engagement on roadmap / engagement model</li> <li>Review / align activity in relation to Roadmap</li> <li>Feedback on staff transition guidelines</li> <li>Advice on debt methodology</li> <li>AMP process and inputs</li> </ul>

5

### WSE Bill – summary of key submission points

#### Key themes of feedback WWL councils

- Lack of integrated plan for broader reforms agenda inc. RMA and FFLG
- Lack of clear view of whole of transition process / Bill 2
- Transition risks and impacts remain unclear
- Need for greater involvement of local government – roadmap, constitution, AMP etc
- Practicalities of complex governance model – representation and local voice
- Asset management focus rather than enabling outcomes inc. community wellbeing and environmental
- Prioritisation of investment including growth and planning integration
- Impacts on staff – in particular WWL
- Financial impacts on councils – income, debt, transition costs
- Need for better engagement with Mana Whenua
- Lack of public information and engagement on reforms

#### Other feedback

- Significant number of submissions received – both form submissions and individual
- Hawkes Bay model request
- Te Taihū Top of South – request to be part of Entity D
- Co-governance
- Transition impacts
- Staff impacts
- Staging / delay implementation
- Consideration of other options
- Stormwater
- Affordability and pricing

## AMP process – **draft** high-level NTU process





# Wellington Water Committee | Komiti Ngā Wai Hangarua

06 September 2022

File: (22/2244)

---

Report no: WWC2022/4/157

## Company and Governance Update - Wellington Water Limited

---

### Purpose of Report

1. To provide an overview of the Three Waters activities across the metropolitan area of Wellington and the South Wairarapa District Council.

### Recommendation

That the Committee receives and notes the report.

### How to read this report

2. There are four parts:
  - (i) Governance Update
  - (ii) Key Issues
  - (iii) Water Committee Priorities
  - (iv) Operational Update

### Governance Update

3. The key governance conversations held by the Board of Wellington Water since the last meeting of the Wellington Water Committee include:
  - (i) Discussing how to take 22/23 plans of work to individual councils;
  - (ii) Meeting with the independent auditor; and

- (iii) Finalising arrangements for an Annual General Meeting.
- 4. The Statement of Intent (SOI) (22/23) was approved at your meeting of 29 July 2022. It lays out the work the company will do for owner councils as asset owners and funders. The SOI lays out results on a regional basis, i.e. the services we will provide for all councils, although it contains the non-financial performance measures mandated by the Department of Internal Affairs (DIA) to which individual councils set targets.
- 5. The SOI is not that useful when discussing 22/23 plans with individual councils because they wish to understand the levels of services that will be provided locally and in some cases, these differ council to council. So Wellington Water has been preparing annual Investment and Delivery Snapshots for each council and a sample is in this agenda.
- 6. The proposed Annual Investment and Delivery Snapshots aim to:
  - (i) Set the scene for the 22/23 financial year by presenting Long Term Plan (LTP) decisions made by councils for the 21/24 period;
  - (ii) Remind councils how Wellington Water's performance is determined at the Wellington Water Committee level (SOI results);
  - (iii) Lay out the basis for what Wellington Water can and can't do during 22/23; and
  - (iv) Lay out the basis for quarterly performance discussions between the council as asset owner, funder and level of service setter and Wellington Water as service provider.
- 7. It will be good to discuss the proposed annual Investment and Delivery Snapshot and how to get the best out of it.
- 8. Audit New Zealand is well advanced with the Independent Audit of the 21/22 financial year. The company has a new auditor. The new auditor is looking very carefully at the non-financial performance DIA measures that have been previously qualified. The Committee will recall the previously qualified "fault response times" and "dry weather overflows" were cleared in the last audit and we foresee no further issues with these. The auditor is reviewing the two remaining qualified issues on the basis that for:
  - (i) Water Issues: The company has followed the DIA methodology diligently and the result can be verified. The fact that the result must be presented as range because the network is not fully metered is not a basis for qualification; and
  - (ii) Customer Complaints: The company argues that it is the council's system that batches up the customer enquiries so there is insufficient detail to meet the measure, however, the company accepts its own calculations do not have the detail to meet the measure. This measure is likely to remain qualified.

9. Planning for the Annual General Meeting is well advanced. The meeting will be on 16 December 2022.

### **Induction for 2022/25 Water Committee members**

10. We are planning an induction session for the Water Committee post-election that will provide members with an overview of Wellington Water and our model.

## **Key Issues**

### **Fluoride Inquiry**

11. All plants are fluoridating within the Ministry of Health guidelines. The company is on track to close out the Fluoride Inquiry recommendations by October. The inquiry can be formally closed out at the next Wellington Water Committee meeting.

### **Wellington City Council Asset Management Plan**

12. The Wellington City Council (WCC) member of the Wellington Water Committee asked for an update of the WCC asset management plan during the course of the last meeting. This will have been provided by the end of September.

### **South Wairarapa District Council Wastewater Treatment Plan Non-Compliance**

13. At the last Committee meeting there was a misunderstanding between the Wellington Water Committee member for the South Wairarapa District Council (SWDC) and the company on information and costs of capital investment in non-compliant wastewater treatment plants (WWTP). The company has provided a prioritised list of capital improvements for the Martinborough and Featherston WWTPs, which includes costs for operational and capital investment needed to make the WWTPs compliant. An abatement notice has been received from the environmental regulator for the Martinborough WWTP.

### **Water Losses**

14. The metropolitan area of Wellington is serviced by high quality drinking water collected and treated from catchments administered by the Greater Wellington Regional Council (GWRC) and supplied to Porirua, Wellington, Lower Hutt, and Upper Hutt Councils. The company reported at the last committee meeting that water losses across the network had taken a share jump about midyear, increasing concern about the provision of reliable safe water over the summer months. You have a full report on this within the agenda.



15. Taumata Arowai is being fully briefed on these issues. The Committee should note that Taumata Arowai regulates quality and quantity of drinking water. Increasing water losses increase the risk that customers could be subject to reliability issues in receiving safe drinking water. Taumata Arowai will be checking to ensure our Duty of Care to provide safe and reliable water is assured.

### **Very High Criticality Asset Assessments (VHCA)**

16. The summary results of the VHCA programme will have been delivered to councils by the end of September. One of the main aims of the programme was to minimise the risk of unplanned failure of the most critical assets – those that provide essential services that support the health and livelihoods of the region's communities and environments.
17. The programme has identified that many of the VHCAs have been rated as being in good and very good condition. We have been proactive in working with councils whose assets were found to be in very poor condition, giving these assets immediate attention within current capital works or maintenance programmes. Others considered to be in poor condition will be programmed for maintenance, repair or renewals as appropriate within the next 3-5 years.
18. While there is now a much better understanding of the condition of these assets, and the risk of unplanned failure has lessened to a degree, it is not possible to fully eliminate the risk. The VHCA represent approximately 8 percent of the pipes, 30% of the pumpstations, all reservoirs and 5% of the water treatment plant assets we manage. The 'High Criticality Assets' (HCA) represent 37% of pipes, all pumpstations and assets in the water treatment plants.
19. The company has a lower level of funding (\$5M for the next two years, compared with the \$10M optimal spend for the size of asset base) to undertake assessments of the HCA. This means Wellington Water will not be able to fully assess all the HCA assets, limiting knowledge of their condition and therefore increasing the risk.
20. Asset condition is a prudent part of asset management and the results of the VHCA programme have provided a more robust data set that will improve investment planning for future opex and capex programmes. This data will contribute to the development of the Entity C Asset Management Plan (AMP). The Entity C AMP will include provision for ongoing condition assessment as well as increasing the levels of assets to be renewed. Some councils may wish to accelerate and fund additional assessments during 23/24, and Wellington Water will work with them on the feasibility of extending the programme.
21. The success of the VHCA programme has been recognised by the wider water sector and councils outside of the region who are keen to learn from Wellington Water.

## **Regional Wastewater Treatment Plant (WWTP) Close out Report**

22. At its next meeting the Wellington Water Board will close the WWTP review initiated in late 2021, as the specific activities identified by the review are complete. There is still a lot to do to keep the metropolitan WWTPs within the required environmental performance limits.

## **The Water Committee Priorities**

### **Capex Delivery**

23. The final result for 21/22 was confirmed at \$178M, up 36% on 20/21. This is against the background of Covid delays averaging six weeks, but counter to that is an inflationary environment. The combined council budget for WCC, GWRC, UHCC and HCC for the 22/23 final year is \$196M. Budgets for PCC and SWDC are still to be closed out. We are expecting a total of around \$250M. Wellington Water's Statement of Intent forecasts capex delivery within a range of \$174m to \$276m which accounts for the number of major projects due for delivery this year. As we move into the year we will reforecast as the level of certainty of delivery increases. Capex delivery in July and August 2022 amounted to \$14.2M and \$20.2M, or \$34.4M to date, which compares with \$16.7M to end of August last year.
24. The company is pleased with the improvements it has made in maturity of its capital delivery approach and system, however there are still improvements that can be made, particularly in bringing new projects forward for delivery in future years. Critical to this however is the opex funding necessary to complete studies and investigations so that activities can be set in the delivery system. If the opex funds trend toward supporting reactive issues, the budgets are reduced and this holds back the supply of future new assets, renewals and upgrades.
25. In September, Wellington Water was recognised by the Association of Consulting and Engineering New Zealand (ACE) for the collaborative delivery approach it has set up to deliver capex across the Wellington region using its consultant and contractor panels. The Committee will recall this was done to establish core three waters capability within the region, grow that capability and lift standards (for example - Health and Safety) and determine value for money by reporting key metrics (for example - design cost/construction cost) and benchmarking against independent estimation and other jurisdictions.

### **Workforce Capability**

26. All our service delivery arrangements now have continuity across 1 July 2024 to give all our suppliers confidence in the pipeline of work coming towards them. The National Transition Unit has endorsed the approach which builds confidence in the process for our suppliers.

27. Wellington Water is currently recruiting school leavers for the second three waters induction programme; to date 34 people have applied for 16 positions.
28. We continue to hold discussions with Mana Whenua around a joint approach to increase the flow of trained level three and four water technicians.

## **Water Reform**

29. The Water Services Entities Bill is currently with the Finance and Expenditure Select Committee which reports back to the house on 11 November 2022.
30. A second Bill is being drafted to give powers to the Water Services Entities.
31. The National Transition Unit (NTU) leadership team have been conducting a series of roadshow events around the country. There were three for Entity C, including one in Lower Hutt on 6 September. At a roadshow an overview of the work programme for the NTU was shared, called “Roadmap to Day One”, including more detail around the activities until December 2022 and where WWL and councils will be asked to contribute. We are considering the implications for WWL of the NTU’s Roadmap and developing an internal work programme that anticipates upcoming requests and how we will work with councils to reduce duplication of effort.
32. We have appointed a Transition Programme Manager and are planning out the wider needs of the organisation to: respond to requests from the NTU; support our owner councils through the policy and design phase of reform; ensure our staff experience a good transition; and prepare the organisation for the impending change through a robust change process. This will involve additional resources devoted to internal communication, administration of staff records, accounting and legal support, change management, and workstream leads to manage the work.

## **Operational Issues**

### **Report on Council Risk Dashboards**

33. Council Active Risk Dashboards provide councils with a clear view of the risks that Wellington Water is not resourced to control effectively. They ensure that a risk-based conversation occurs at the Chief Executive level when they are formally tabled at the respective quarterly meetings and are utilised throughout the quarter at the officer level.
34. Following each quarterly meeting the dashboard is placed on the Wellington Water website to assist the public with their understanding of the risks their water infrastructure faces.

## Regulation Update

35. We have informed Taumata Arowai that we are on track for the development and submission of the Water Safety Plans and Source Water Risk Management Plans. In addition, we have met with Taumata Arowai to discuss the risk to water supply that we face this summer and our intention is to keep them engaged with our plan and seek guidance on any aspect of our Duty of Care under the Water Services Act that we are uncertain about.
36. Priority was given to informing the Ministry of Health (MoH) of the litigation that HCC, WCC and WWL are party to, regarding dosing of fluoride. This advice was followed by contact between the General Counsel of WWL and MoH to ensure that the regulator can keep abreast of a case that will be of interest to them if it proceeds to the court. We have also informed them of the progress of the Gear Island and Te Mārua fluoride plants.

## Appendices

There are no appendices for this report.

**Author:** External Author (Wellington Water Limited)

---



# Wellington Water Committee | Komiti Ngā Wai Hangarua

06 September 2022

File: (22/2245)

---

Report no: WWC2022/4/158

## 2022/23 Investment and Delivery Snapshot

---

### Purpose of Report

1. To seek feedback from the Wellington Water Committee on the proposed annual Investment and Delivery Snapshot.

### Recommendations

That the Committee:

- (1) notes and discusses the concept prepared by Wellington Water Limited; and
- (2) endorses the concept of individual council investment and delivery snapshots.

### Context

2. Wellington Water Limited (WWL) provides advice to councils in preparation for Long Term Plans. This advice is recorded in asset management plans delivered to councils once every three years. WWL is now delivering services in accordance with these asset management plans.
3. At the last meeting Wellington City Council (WCC) asked for a specific update of its asset management plan and this will be delivered by the end of September. The Mayor of WCC also asked for more detailed information on opex and capex budgets by council.
4. The proposed annual Investment and Delivery Snapshot addresses the request for more information on annual opex and capex.

5. Each council in the Wellington region owns the three water assets in their council area. WWL provides advice to councils on their assets. Councils then individually decide on what to fund. WWL then works to the budgets councils set and prioritises their work to make the best use of the funding and resources provided.
6. WWL provided advice to councils for the 21/31 Long Term Plan in the form of early signals advice in early 2020 and then investment options advice in mid to late 2020. Councils then made their final three waters investment decisions for the 21/31 period and specifically for the 21/24 period. All this advice is available on the WWL website.
7. The first year of the 21/24 Long Term Plan, financial year 21/22 is complete. WWL is currently delivering services for the 22/23 financial year. The 22/23 financial year is the topic of this paper.

### **Wellington Water Statement of Intent**

8. Each year in December the Wellington Water Committee, on behalf of councils, writes a Letter of Expectation which the company takes into account as it prepares its annual Statement of Intent (SOI).
9. For the 22/23 financial year the company provided a draft SOI for the Wellington Water Committee's consideration and then a final to the Wellington Water Committee's July meeting. The final has now been completed and is posted on the WWL website.
10. The SOI is a regional document. It describes what the company does at the aggregate of all owners not by individual owners.

### **Council Investment and Delivery 22/23 Snapshots**

11. Now all councils have approved funding levels for the 22/23 financial year and the company has completed its SOI, WWL proposes individual investment and delivery snapshots will be prepared for each council. This is so that each council can see what levels of investment it has provided, what results will be delivered and what are the residual risks.
12. The Investment and Delivery Snapshots are made up of the following:
  - A record of the investment decisions councils made for 21/24;
  - The 22/23 three waters investment levels;
  - An outline of what will be achieved against the SOI and individual council non-financial performance measures.
13. A sample of the Investment and Delivery Snapshot is attached as Appendix 1 to the report for discussion.

14. Once WWL has had feedback from the Committee, it will develop an Investment and Delivery snapshot for each council. This will then form the basis for the 22/23 performance discussions.

## Appendices

No.	Title	Page
1 <a href="#">↓</a>	2022/23 Three Waters Investment and Delivery Snapshot	79

**Author:** External Author (Wellington Water Limited)

---

## 22/23: Three waters investment and delivery snapshot

**Purpose: To set out the investment provided and resulting levels of service that can be delivered.**

The 21/31 Long Term Plan sets out the investment decisions of council for three waters based on advice from Wellington Water.

Council owns the three waters infrastructure	Wellington Water provides advice and services
<p>Council:</p> <ul style="list-style-type: none"> <li>Set rates</li> <li>Decides the level of funding for Wellington Water and water services via the Long-Term Plan</li> <li>Sets the level of water services e.g., targets for DIA measures</li> <li>Sets policy.</li> </ul>	<p>Wellington Water (WWL):</p> <ul style="list-style-type: none"> <li>Provides Council with advice on the level of investment needed to maintain, improve, and renew their water infrastructure</li> <li>Delivers water services to customers on the council's behalf within the funding that is provided</li> <li>Prioritises their work programme based on level of funding provided.</li> </ul>

Looking after Existing Infrastructure: Renewals			
Situation	Investment Advice	Investment Decision	What happens as a result of the gap
20% of assets are past their useful life, and 20-30% more will be over the next 30 years. "The network is getting older."	21-31: \$xx-\$xx	LTP 21-31: \$xx m.  FY23: \$xx m	<ul style="list-style-type: none"> <li>Renewals backlog continues to grow</li> <li>The network will fault and break at increasing levels</li> <li>Increased opex funding will be required to avoid a purely reactive programme</li> </ul>
Looking after Existing Infrastructure: Operations and Maintenance			
Situation	Investment Advice	Investment Decision	What happens as a result of the gap
Minimum base services and reactive maintenance is funded. Low levels of planned/proactive maintenance carried out.	21-31: \$xx-\$xx	LTP 21-31: \$xx m.  FY23: \$xx m	<ul style="list-style-type: none"> <li>Costs continue to escalate due to aging infrastructure, supply constraints, inflation, labour shortages, disposal costs</li> <li>Continue to provide minimal level of service in a largely reactive environment.</li> <li>Limited planned maintenance</li> <li>Underinvestment in condition assessments, future investigations and asset data completeness and integrity</li> </ul>

Growth			
Situation	Investment Advice	Investment Decision	What happens as a result of the gap
The population is expected to grow by XX people by 2050, and the impacts of this on the capacity of the network are:	21-31: \$xx-\$xx	LTP 21-31: \$xx m.  FY23: \$xx m	<ul style="list-style-type: none"> <li>Growth puts pressure on aging infrastructure and services; environment limits are being breached; treatment plants are at capacity; and drinking water demand will outstrip supply</li> </ul>
Other Network Upgrades			
Situation	Investment Advice	Investment Decision	What happens as a result of the gap
Increasing demands on water supply and quality; increasing environmental expectations; regulatory demands; and need to respond to climate change.	21-31: \$xx-\$xx	LTP 21-31: \$xx m.  FY23: \$xx m	<ul style="list-style-type: none"> <li>Very low investment in improving water quality, adaptation to climate change, and improving the water quality of streams, rivers and the harbour</li> <li>More environmental impacts will occur</li> <li>Low investment in reducing water consumption and supply security measures, increases risk of service interruptions.</li> </ul>

Wellington Water's LTP 21-31 advice was peer reviewed by the Water Industry Commission of Scotland (WICS)
The 21-31 LTP renewals forecast was based primarily on age, with reference to the (limited) available asset condition information and application of recognised guidelines. WICS concluded that WWL had a reasonable understanding of the assets and their likely lives and replacement costs as a basis for the advice, and that WWL needed to do more work to understand asset condition and performance.

	Level of services WWL is able to provide	Level of services WWL is unable to provide
<b>Customer focus</b>	<ul style="list-style-type: none"> <li>&gt;70% customer satisfaction with services on call-back (SOI5)</li> <li>Aim to keep complaints below 20-75 per 1000 drinking and stormwater connections, and below 30-60 per 1000 wastewater connections</li> <li>Set baseline for time to process resource consents (SOI6)</li> </ul>	<ul style="list-style-type: none"> <li>Won't meet targeted consumption level of xxx litres/person</li> </ul>
<b>Drinking water</b>	<ul style="list-style-type: none"> <li>Provide safe water (SOI1A&amp;B)</li> <li>Fluoridate the water (SOI3)</li> <li>Provide reliable water.</li> <li>Respond to faults as quickly as possible</li> </ul>	<ul style="list-style-type: none"> <li>Won't meet &lt;xx% loss target</li> <li>Won't meet drinking water reliability measure (for GWRC) in all but a 1-in-50 year drought – currently 1 in 14 is covered</li> <li>Won't always meet targets of: <ul style="list-style-type: none"> <li>urgent jobs attended within 1 hour</li> <li>urgent jobs resolved within 4 hours</li> <li>non-urgent jobs attended within 36-48 hrs</li> <li>non-urgent jobs resolved within 5-15 days</li> </ul> </li> </ul>
<b>Stormwater</b>	<ul style="list-style-type: none"> <li>Respond to flooding events as quickly as possible</li> <li>Meet resource consent conditions for discharges</li> <li>Keep flooding events below 2, affecting less than 0.13-0.57 floors/1000 connections</li> </ul>	<ul style="list-style-type: none"> <li>Won't meet the average response time target of within 1 hour for flooding events</li> <li>Won't meet target of zero flooding events</li> </ul>
<b>Wastewater</b>	<ul style="list-style-type: none"> <li>Wastewater treatment plants will operate as expected (SOI2A&amp;B)</li> <li>Meet resource consent conditions for discharges</li> <li>Respond within 60-90 min and resolve any wastewater overflows from the network in 8 hours or less</li> </ul>	<ul style="list-style-type: none"> <li>Won't meet target of 0-10/1000 connections dry weather overflows</li> </ul>
<b>Asset Management</b>	<ul style="list-style-type: none"> <li>Set benchmark for ratio of reactive to planned maintenance (SOI9)</li> <li>Complete 100% of renewals that are funded (SOI7)</li> <li>Deliver our capital programme within agreed range (SOI8)</li> <li>Complete Growth Studies and plans (SOI10)</li> </ul>	<ul style="list-style-type: none"> <li>Planned maintenance is forecast to reduce as reactive maintenance increases</li> </ul>

At the current level of council investment there remain a number of key risks (to be checked by Julie/Kevin)
<ul style="list-style-type: none"> <li>Increased likelihood of interruptions to drinking water provision due to finite supply, increasing population and an aging network</li> <li>Low level of investment to upgrade capacity of networks to meet ongoing growth means increased environmental incidents</li> <li>Assets continue to age at a rate faster than can be renewed without adequate funding to address the backlog of work. This results in increasing operational costs, as old infrastructure costs more to maintain and operate.</li> <li>Insufficient operational investment means most work is reactive so the optimal level of investigations, condition assessments and data improvements for the size and age of the network is lagging</li> <li>Environmental water quality will deteriorate and the council is not making a contribution to reduce the climate change impacts of three waters activities</li> </ul>

Key areas of focus for Company
<p>In addition to providing advice to council and managing services, WWL has a number of big improvement projects, as follows:</p> <ul style="list-style-type: none"> <li>Completing a regulatory system upgrade to meet the requirements of Taumata Arowai;</li> <li>Continuing to lift the capacity of the sector to meet the future work;</li> <li>Ensuring our people are ready for the transition to Entity C on 1 July 2024 (SOI12A&amp;B)</li> </ul>





## Wellington Water Committee | Komiti Ngā Wai Hangarua

06 September 2022

File: (22/2246)

---

Report no: WWC2022/4/159

### **Actions to Manage Metropolitan Wellington's Water Supply and Usage Risk**

---

#### **Purpose of Report**

1. To update the Wellington Water Committee on metropolitan Wellington's water supply and usage risk and next steps as we head into the summer months.

#### **Recommendations**

That the Committee:

- (1) notes that water usage in metropolitan Wellington continues to be at an all-time high due to a recent sharp rise in leakage in both councils' public network and customers' private properties as per Wellington Water Limited's earlier advice to the Committee in July 2022;
- (2) notes that councils as the asset owner and funder, and Wellington Water Limited as the water services provider, have regulatory obligations under the Water Services Act 2021 (Taumata Arowai) to ensure that a sufficient quantity of drinking water is provided to consumers;
- (3) notes that Wellington Water Limited will be activating our Drought Management Plan for metropolitan Wellington, which includes putting in place residential water restrictions (on behalf of councils) and standing up emergency responses if water usage in local areas exceeds ability to treat and supply water in the summer months;

- (4) notes that immediate interventions to water leakage are needed to reduce the impact on customers and to reduce the severity of water restrictions required this summer;
- (5) notes that Wellington Water Limited has reprioritised its allocated operational funding and activities to focus on the highest priority interventions such as identifying and fixing the most significant leaks on the public network. We will advise councils of the impacts of this as it is likely other operational activities on the network will need to be delayed or not completed, and this will have an impact on customers;
- (6) endorses all metropolitan councils to play an active role with Wellington Water Limited in the communications and engagement around these risks;
- (7) endorses all metropolitan councils to be prepared to use existing bylaws to address unresolved non-compliances associated with significant leaks and water wastage on private properties; and
- (8) notes that Wellington Water Limited will provide the Wellington Water Committee and councils with regular updates on the effectiveness of our interventions and provide advice at the December meeting if further support and more aggressive interventions are needed from councils.

## Overview

2. Water use in metropolitan Wellington is at an all-time high due to a combination of population growth and leakage.
3. This has been a rising trend since 2015 and every year Wellington Water Limited (WWL) closely monitors the situation and advises councils (as the asset owner and funder) of the increasing risk of water shortages and what intervention measures are needed. This activity is part of our Drought Management Plan (DMP), a copy of which can be found on [our website](#).
4. WWL's DMP outlines how we, on behalf of our council owners, will manage the water supply and usage during the summer months using a risk-based approach. This includes changes to how we will manage the network and resources as well as being able to put in place restrictions on water usage to address current levels of risk to the water supply (for example low levels of water storage or a significantly reduced ability to treat and supply water to customers).
5. At the last Committee meeting in July, WWL advised councils that the metropolitan Wellington area has seen a sharp rise in leakage in both the councils' public network and on private properties.
6. This means that our councils' ability to keep up with water usage in the coming months is getting harder to achieve. If left unaddressed, it's likely that councils will need to increase the level of water restrictions this summer and/or have us stand up emergency responses to ask customers to significantly reduce their usage at short notice.

7. WWL are doing all it can within our allocated funding and resources to actively manage these risks. WWL will be implementing a range of immediate interventions (refer to list below) and will be providing the Committee and councils with regular updates on the effectiveness of this work.
8. However, it's important to note that if WWL's interventions do not reduce the risk sufficiently, councils will need to provide further support (for example - further resources and investment) to allow for more aggressive interventions. This may have to be done at short notice.
9. Councils, as the owner and funder of the region's water assets, and WWL, as the region's water services provider, both have obligations under the Water Services Act to ensure that a sufficient quantity of drinking water is provided to customers.
10. Under the Act, councils and WWL must also give effect to Te Mana o te Wai through making the wellbeing of the water the highest priority.
11. WWL are already in discussions with Taumata Arowai about these risks and will provide them with regular updates on how we are tracking.

**Increasing levels of usage puts pressure on the ability to treat and supply water**

12. Our region's drinking water supply system has a finite capacity. This means that we can only treat and supply a certain amount of safe drinking water on any given day. Normally this capacity includes a buffer that allows for varying levels in daily water usage, unplanned outages, or planned maintenance work.
13. However, the recent sharp rise in leakage means that the available buffer is becoming increasingly tight. This situation will worsen further as overall water usage increases over the summer months.
14. If immediate interventions are not undertaken to reduce water use, then we may not be able to supply enough water to certain suburbs or areas during times of high usage, which tends to be on the hottest days in summer.
15. In this scenario, councils and WWL may have to pre-emptively ask customers to significantly reduce their water usage in the affected areas, potentially at short notice.

**Customers should prepare for the risk of significant restrictions this summer**

16. The recent sharp increase in leakage has increased the risk of councils needing to bring forward water restrictions this summer to avoid the levels of water in storage from getting too low.
17. The immediate interventions that we are implementing are intended to help reduce this risk. Again, WWL will be closely monitoring the situation and providing the Committee and councils with regular updates.

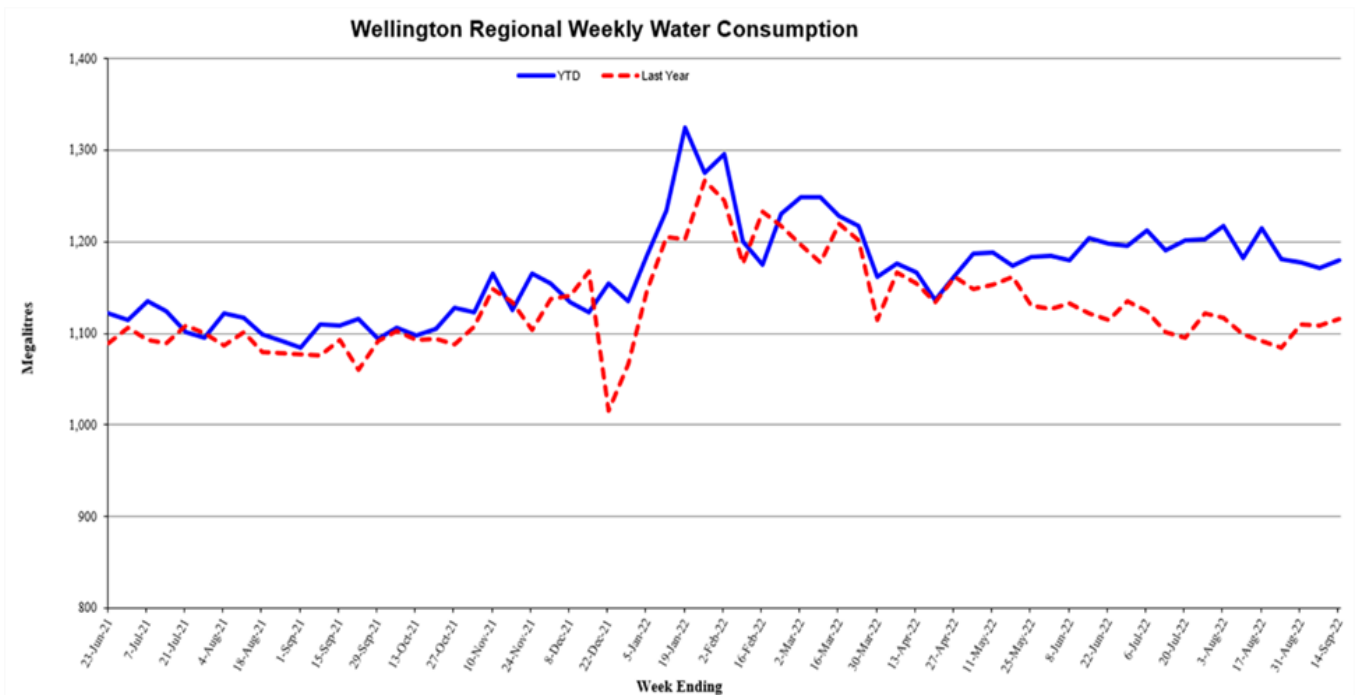
If our interventions are not effective in sufficiently reducing the risk, then councils may need to increase the levels of water restrictions.

18. If tighter restrictions are required, WWL would need the local mayors to publicly lead the communications around this to ensure the public understand the issues and restrictions and respond accordingly. We are all in this together.
19. It is important that we are open with the public about these risks and how our interventions may or may not be reducing the likelihood of further restrictions. Being transparent about this will allow us to properly manage public expectations and increase understanding on what people need to do to help out.
20. WWL's communications over the next few months will be focused on ensuring that we are clear on this as well as letting the public know what is required of them if an increase of restrictions is required.
21. More information on the water restrictions levels can be found on [our website](#). This includes information on what is required under each restriction level from 1 - 4.
22. Note that Level 4 water restrictions mean asking the public to restrict their indoor water use. As outlined, in our [DMP](#) this would be considered an emergency situation, which would again require the local mayors to publicly lead communications.

### **Interventions Wellington Water has underway**

23. **Established a new dedicated team to deal with these risks and ensure that it is given the highest priority.**
24. **Commissioned an external review of our approach to managing leaks on the public network.** The review set out to see if any improvements can be made to our approach and a number of key areas have been identified for us to take a closer look at, for example - pressure management in the network. This has been conducted by Richard Taylor of Thomas Consultants, a nationally recognised expert in water loss management.
25. **Reprioritised operational activities to redirect allocated funding to the highest priority operational interventions.** This work includes:
  - (i) Increasing the activity on identifying and repairing the high priority / significant leaks on both the councils' public network and private properties is currently the most effective short-term mitigation available to us and our councils. Reducing water wastage is also in line with the principles of Te Mana o te Wai.

- (ii) Optimising how WWL operate the councils' water treatment plants and networks including:
    - Reviewing the configuration of the water treatment plants to identify whether there are any further opportunities to optimise the outputs from the plants or improvements for efficiency.
    - Reviewing and where possible reducing the pressure in the network, which will help to reduce usage and some water loss.
  - (iii) Increasing WWL communications, education and engagement activities including:
    - Proactively communicate about risks and the need to reduce water usage. We have reprioritised our usual summer demand marketing campaign budget to focus on a communications and education campaign on encouraging people to look for and fix leaks on their private properties. It should be noted however that this campaign can only increase awareness of the issue and other interventions by councils (for example - compliance activities under the council bylaws to address non-compliances) are also needed to effectively drive behaviour change.
    - Working with the largest commercial customers to reduce usage. This includes working with councils who use water for parks, pools, and gardens to investigate ways to reduce their water use, particularly during periods where supply is low.
26. **Looking at how we can target some of the capital investment to address risks.** This includes targeting the renewal programme at areas with elevated leakage, and various trials of new equipment and technology.
27. **Preparing to respond to water shortages and emergency response.** WWL are working through our DMP and associated activities to ensure we have the systems, processes and resources in place to response when water shortages occur.
28. Operational reprioritisation will mean that other work in the network will need to be delayed or not done at all. WWL will advise each council of the impacts of this prioritisation for wider service levels and provide other options for councils to consider.
29. The below graph compares the level of water usage from June 2020-September 2021 (red line) with the same period this year (blue line). WWL will use these figures as a baseline for measuring the effectiveness of the interventions we've implemented and will report back on these numbers at the next Committee meeting in December.



### Support needed from councils in the short term

30. **Be prepared to undertake compliance activities under the existing bylaws to address unresolved non-compliances associated with significant leaks and water wastage on private properties.** Councils have a range of actions they can take to reduce the leaks on private properties. This includes requesting customers to undertake repairs, repair ongoing leaks and charge the customer for the cost of the repair, and restricting or prohibiting the use of water for any specific reason.
31. **Councils need to be aligned with WWL and give the same messages.** Councils need to support our communication efforts to extend the reach of the messages. Communications will focus on leaks on private properties but also include communications about water restrictions and immediate calls for people to conserve water in areas facing the risk of acute water shortages. Councils need to ensure their channels are also pushing / sharing the same messages to achieve a higher level of public engagement. As previously mentioned, if Level 3 or Level 4 restrictions are required then local mayors will also need to lead communications.
32. **Plan for water restrictions on council operations.** It is likely the councils' operations and water use will be scrutinised by the public during periods of water restrictions. Councils should start to consider what the impacts water restrictions will have on council services and plan ahead for this coming summer.

### Next Steps

33. Subsequent to this Committee meeting, WWL will engage with all metropolitan councils on the above actions and talk through the support that is needed from our council owners.

34. WWL will provide regular updates to councils and the Committee on the progress of this work and report back to the Committee at the December 2022 meeting.

## **Appendices**

There are no appendices for this report.

**Author:** External Author (Wellington Water Limited)

---