

Wellington Water

Quarterly regional activity review

A regional perspective on the work of your water services entity

Quarter 4, 2022-23: April-June 2023

He wai, he wai

He wai herenga tangata

He wai herenga whenua

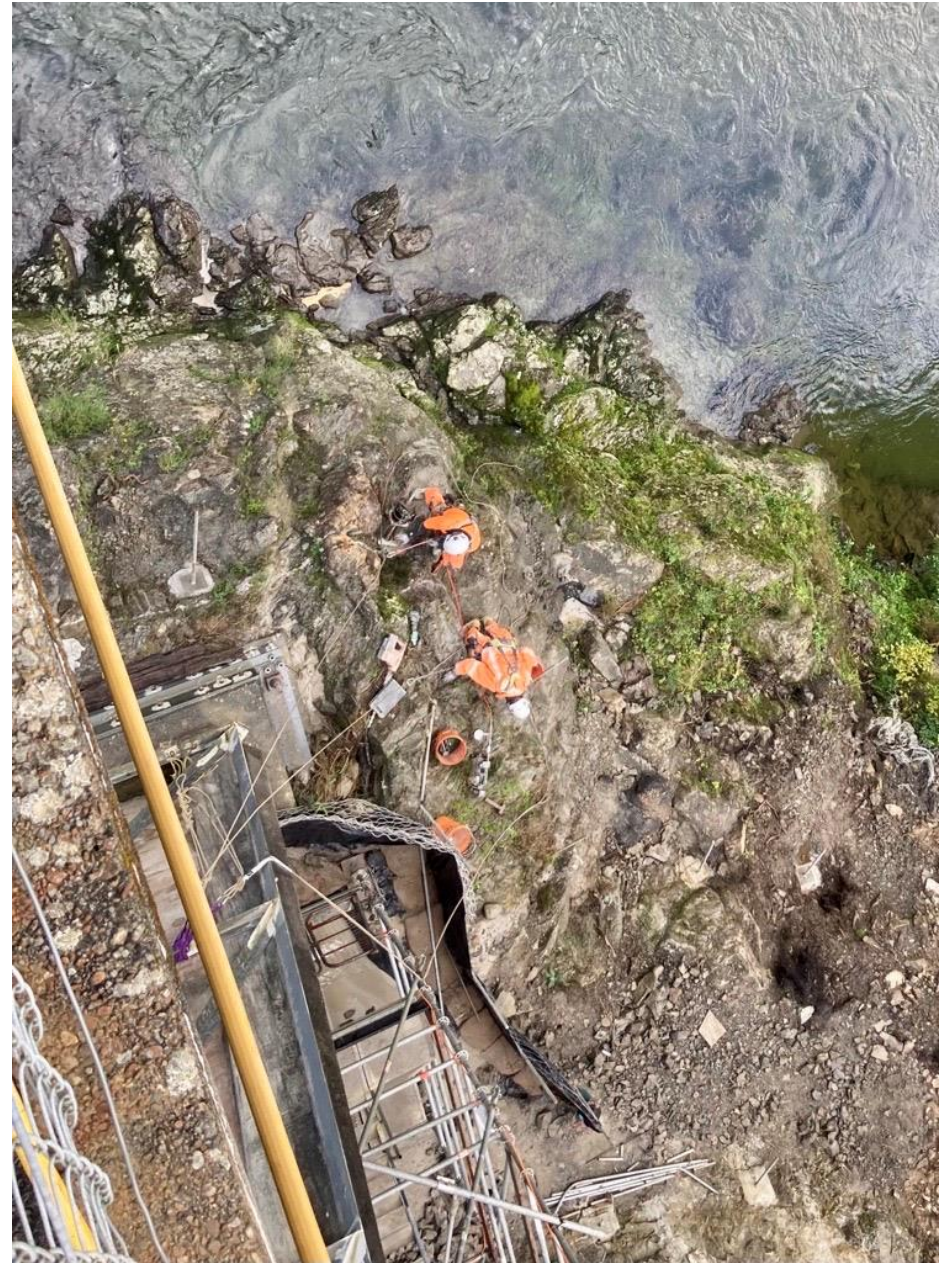
He wairua

He waiora

Tihei, mauri ora!

It is water, water that joins us, water
necessitates the land, the soul of life, life
forever. 'Tis the breath of life!

*Workers place rock anchors
in preparation for one of the
abutments for the new pipe
bridge in Kaitoke Regional
Park – part of the region's
\$260m investment in water
services this year.*



About this document

Wellington Water prepares several regular reports for our council clients, officers, regulators and other key stakeholders.

Most of these are for special purposes – financial, risk, specific projects – and go directly to the offices and officers directly concerned with that area of our work.

This document is intended for a wider audience. It provides an overview of our working environment, activity and performance, from a regional perspective.

It is prepared alongside and sometimes in advance of other reporting, so there can be slight differences in the data used in this versus detailed technical reports.

We aim to publish most of our information and advisory papers on our website, [wellingtonwater.co.nz](https://www.wellingtonwater.co.nz)

As a regional water services provider, Wellington Water is focused on restoring balance among the needs of water, people and the environment.

We do this through applying our council owners' investment in five strategic areas:

- Looking after existing assets
- Enabling growth
- Ensuring sustainable supply and demand
- Improving water quality
- Resilience to climate change

These strategic investment areas underpin our ability to deliver customer outcomes: safe drinking water, water that is safe to enter the environment, and protection from the impacts of flooding, as well as resilience to major natural events.



A new 170m wastewater main beneath Wellington's Victoria St is a key element of Wellington City Council's multi-million dollar, multi-year investment in CBD infrastructure that will reduce the risk of wastewater entering the environment. It will include 4km of renewed pipe and 1km of new pipe, a new pump station (currently under construction) and upgrades at seven existing pump stations

Regional strategy and delivery

Wellington Water's direction is towards te ika rō wai, where the needs of water, the environment and people are in balance. Te ika rō wai can be understood as the fish in the water. For fish to thrive, the water they swim in needs to be pure. If we carry out our role well, and care for water at every stage as it passes from its origin as rainfall, through our environment, to theirs, then their water will return to that state. This will restore and support manaakitanga, the ability of mana whenua to provide for people and to care for the environment.

The region faces two big challenges in achieving this balance. They are the amount of water consumed by people and lost through leaks; and the quality of water that leaves networks and returns to the environment, in both planned and unplanned discharges.

Our role is to provide investment advice to councils to maintain and develop their assets. We also operate their networks, and develop and deliver programmes of infrastructure works. We create value for our shareholding councils by aligning this work with regional priorities, and through procurement and delivery models that individual councils could not achieve independently.

This year we are preparing advice for councils for their long term plans. The process has been complicated by water reform, and the need to build asset management knowledge and programmes within the National Transition Unit and entity establishment teams.

63,546,000,000 litres safe drinking water supplied in the year (metro)

60,645,000,000 litres delivered last year

A million litres would fill four Olympic swimming pools. So that's more than 60 thousand pools-full over the year. Or a rugby field sized tower of water .

An additional **1,662,000,000** litres was supplied to South Wairarapa consumers. Water supplies in South Wairarapa are safe for consumption but treatment plants are not compliant with regulations set by Taumata Arowai. There's more detail on this on page 7.

66,600,000,000 litres of wastewater treated at the Moa Pt, Western, Seaview and Porirua plants

Approximately **2,100,000,000** litres were treated at South Wairarapa's four plants

These numbers are higher than the amount of water supplied. This is due to extra water entering the network through pipe and connection faults.

0 habitable floors flooded in Q4

Habitable floors flooded is a measurement required by the Department of Internal Affairs. We can only report the incidents we know of – not every incidence is reported to us or councils.

Core focus areas

Within our strategic priority framework, and in the context of reform and its impacts on our client councils, Wellington Water’s agreed focus is on core activity.

This means directing and prioritising any additional resource to ensuring:

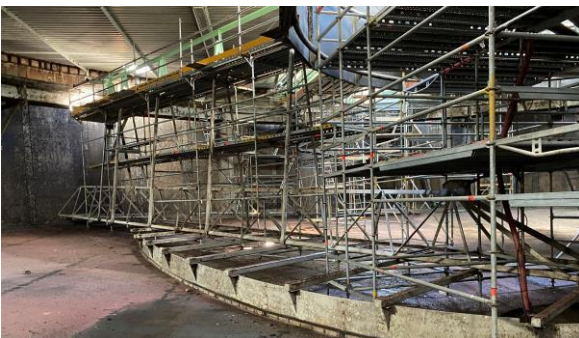
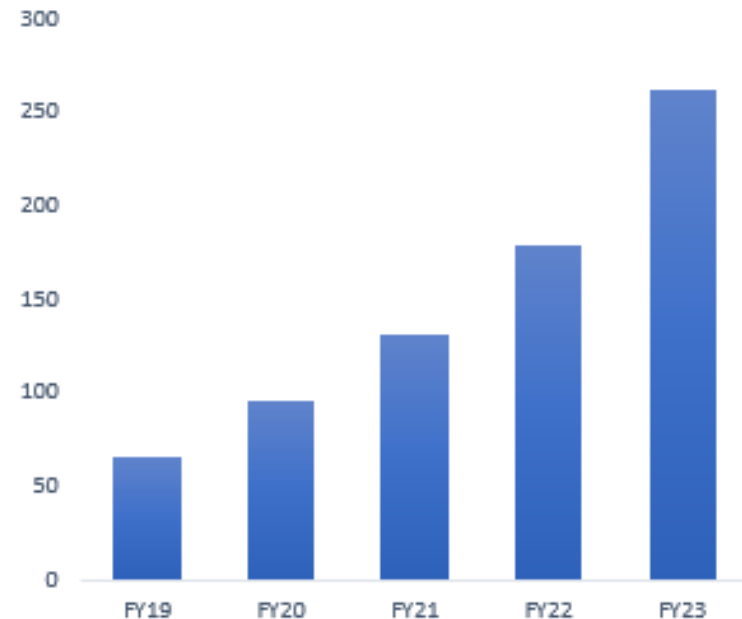
1. Sufficient water supply
2. Safe drinking water
3. Safe wastewater disposal
4. Stormwater risks and impact are managed

\$261m capital programme expenditure - a 46% lift in investment in the region’s water infrastructure over last year.

Delivered over the year to 30 June, on renewing pipes and other assets, to support growth and to maintain service standards

Capital expenditure delivery, 2019 -2023
(FY = financial year)

\$m



Workers clean out the bearing pit in a clarifier tanks at Moa Point Wastewater Treatment plant. The clarifier is now back online after failure of the bearing constrained the plant’s ability to treat water for several months. Above, the view from the tank floor.

Core focus 1 – Sufficient water supply

Having enough water is vital to individual and community wellbeing and our ability to thrive and grow. Water scarcity can affect different parts of society differently – often it’s more likely to impact people already experiencing vulnerability or some other disadvantage. So it’s important to ensure there’s enough for all.

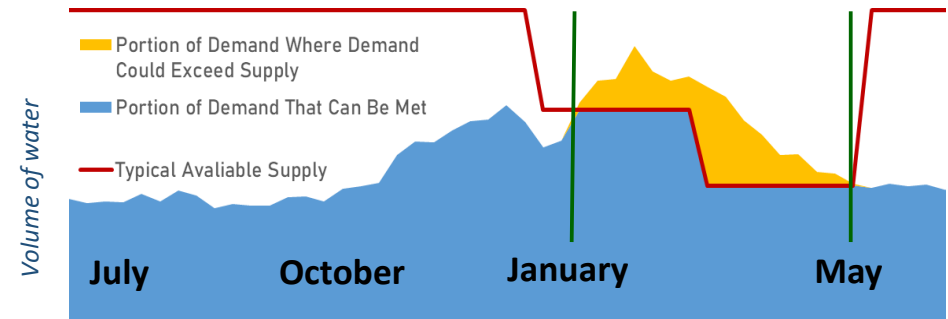
Because we rely on water from rivers, rather than large lakes or dams, sufficient supply is a challenge for our region mainly in the summer months, and especially if we have a particularly dry period. In summer, river levels drop while usage rises. In these circumstances, demand could outstrip our ability to supply enough water, or to treat and distribute it. The consequences of this could include water use restrictions or even in an extreme scenario boil water notices, if network pressures were affected by reduced available supply.

At the June meeting of the Wellington Water Committee meeting, we advised our client councils that if the region experiences a typical summer with average rainfall, it is likely the region will need at least level 3 outdoor water use ban restrictions to keep demand below what can be supplied, and in a dry summer the public may be requested to limit water use indoors.



The water storage lakes at Te Marua, Upper Hutt – the Bank of Water for metropolitan supply

Supply and Demand – Wellington region water use patterns

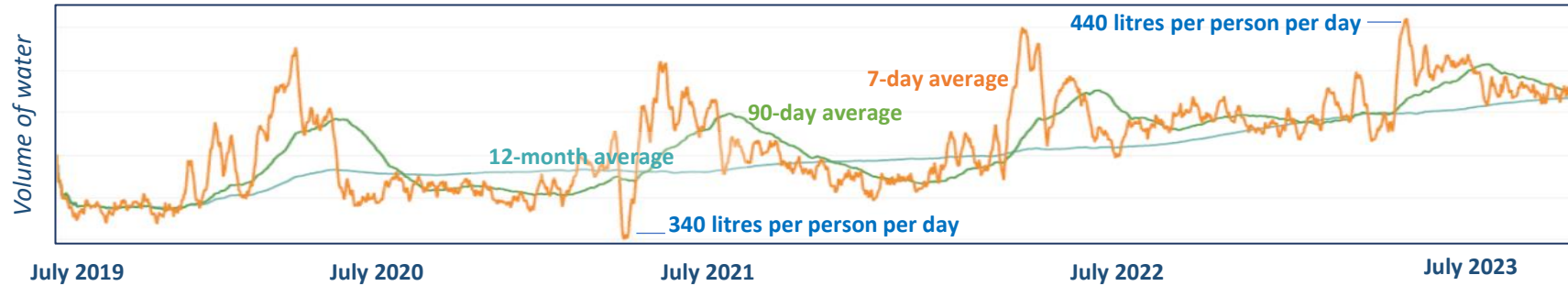


The water supply landscape: Peak summer demand could exceed our ability to supply, as the red line (supply) dips in summer, while demand (blue) climbs. The yellow zone is potential excess demand over supply, which must be managed to minimise the risk to public health.

- About 44 per cent of the region’s treated drinking water is lost to leaks from public and private pipes
- We fixed over 8,000 leaks last year.
- There’s a backlog of over 3,000 leaks awaiting repair – we are finding more through proactive detection of underground leaks that are often not visible from the surface
- Work is progressing on improving our capacity to treat water from the storage lakes – potentially reducing the “yellow zone” (above) of a shortfall in supply.

Core focus 1 – sufficient supply of water (2)

Wellington region water use trends



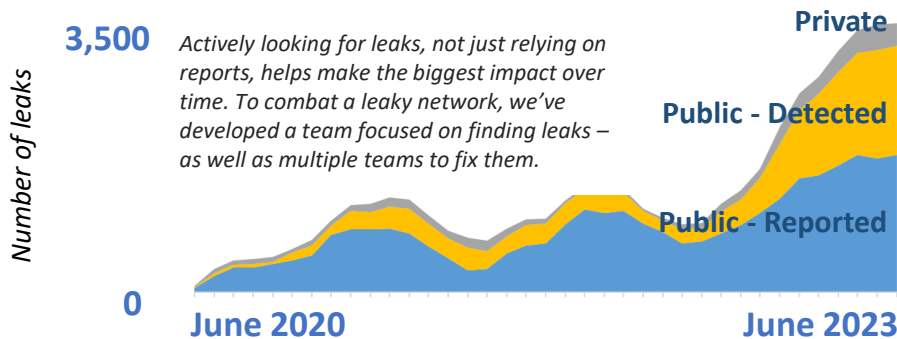
These lines chart the progress of growth in demand for treated water over the past four years. The 12-month average (blue line) is steadily rising, while the distance between the peaks and troughs of the 90-day average (green line) are decreasing – suggesting an increase in base-level usage from both growth and leakage. Meanwhile the short term peaks shown by the orange, 7-day average line, keep getting closer to the maximum amount we can treat using current facilities.

We have to be strategic about dealing with the reality of our water supply and demand situation. We need to increase the amount of water available to treat – while ensuring we always leave enough water in the environment we’re taking it from. We need to be able to treat all the water that we can supply, so it’s safe to drink. And we need to reduce the amount of water we’re using – including the water we’re losing to leaks and that we’re using at home. New sources, new treatment capacity, and reduced usage must be managed in a coordinated way, to make the most of the resources we have.



This new CO₂ tank at Te Marua Water Treatment Plant will allow us to start work on the dissolved air floatation (DAF) treatment system. DAF will help us to increase our treatment capacity by 60 million litres a day to a maximum of 140 MLD.

Backlog of leak repairs – public and private



Actively looking for leaks, not just relying on reports, helps make the biggest impact over time. To combat a leaky network, we’ve developed a team focused on finding leaks – as well as multiple teams to fix them.

Core focus 2 – safe drinking water

As well as providing enough water, we need to ensure it is safe for people to drink. Since the Kaikoura earthquake in 2016, Councils have invested in building an emergency supply network, ensuring new pipes are resilient to ground movement, and in providing extra protection against contamination for consumers in Lower Hutt and Wellington City.

We operate and maintain eight drinking water treatment plants on behalf of our client councils – four in South Wairarapa, four serving metropolitan Wellington. We are improving our compliance and reporting processes relating to water treatment, in line with new water services regulations, and the regulator, Taumata Arowai. This includes completing drinking water safety plans and source water risk management plans, and improved reporting. This work has identified the need for additional barriers to contamination in South Wairarapa, as well as improved data collection and plant resilience, to achieve compliance.

We also advised Taumata Arowai that under the new regulations, several hundred consumers in Lower Hutt received drinking water that did not strictly comply with new bacteriological standards – though the water remains safe to drink. We have applied for an exemption from the applicable new rule while we continue to implement the network upgrades needed to meet the new requirement and are expecting a response to this request shortly. Fluoridation treatment facilities installed over the previous year are now ensuring drinking water is reliably and consistently fluoridated.

Another area of focus for us, which we know will be a concern for Taumata Arowai as well, is the issue of backflow prevention. Backflow can result in contaminated water being drawn into the network from sites that aren't properly isolated from public mains by way of devices that prevent water flowing the wrong way. These need to be inspected annually – a compliance regime we are not yet funded for. We've boosted our capacity in this area, and are developing a risk-based approach and programme of work to meet the challenge.

In its first annual report, Taumata Arowai included a map showing where consumers have been advised of a potential issue with their water. The dot on Lower Hutt relates to new chlorine contact time requirements (see opposite), for which an exemption application has been submitted to Taumata Arowai.



The Kaitoke Regional Park Arch bridge is lowered into place, to support a new pipe that will carry raw water towards Te Marua Treatment Plant. The new structure will improve water supply resilience in the event of a natural disaster.

Core focus 3 – safe wastewater disposal

Wastewater treatment and managing the outputs of that process are shaping up to be major challenges for water service operators and asset owners. On behalf of our councils, we manage eight plants. Four serve metropolitan areas; two of these are jointly owned by two councils. South Wairarapa District council owns four plants.

All treatment plants are operated under consents from the regional council. In the past quarter GWRC issued four infringement notices and one abatement notice, relating to the operation of the Seaview plant, especially odour.

The operators of the metropolitan plants, Veolia, have been updating plant and equipment to address these issues. The youngest treatment plant is over 20 years old, and they are all in need of sustained and significant investment over the coming years, if we are to avoid increasing complaints from the public and regulators about their performance.

Along with air and water quality, responding to wastewater overflow issues are a performance area we monitor closely. It's a top priority to respond to wastewater blockages, because of the risk to human health, however wastewater can sometime be mis-reported as a water leak, where we prioritise response times.

A section of pipe of the type used in the 18km outfall running from Seaview to Pencarrow. The rubber seal in the joint area has almost completely worn away, and reinforcing is showing through the concrete exterior. Installed in the 1960s, a replacement for the 1.2m diameter pipe will cost in the hundreds of millions.



Wastewater treatment plant reporting

From wellingtonwater.co.nz/resources/topic/wastewater/wastewater-treatment-plants/

Seaview: Compliant, but with risks



Planned works on the outfall pipe were completed in June; a review of the odour treatment systems was completed and odour filtering material will be replaced in the second half of 2023.

Porirua: Compliant, but with risks



The plant is compliant for effluent quality except the daily discharge volume. An upgrade to improve this was expected to be completed in July. There were no unconsented discharges in June.

Western: Compliant



The outfall pipe continues to discharge treated effluent into Karori Stream while outfall repair work continues. Regular stream testing and ecological assessments are being undertaken.

Moa Point: Non-compliant



Faecal coliform limits were exceeded when high wet weather flow and system issues affected UV treatment performance. This non-compliance will remain in effect until September 2023 if there are no more issues. There were no discharges in June.

Martinborough: Non-compliant



Current plant design is insufficient to avoid non-compliance, investigations to scope required upgrades are under way.

Featherston: Compliant, with risks



Plant is operating on an extension of current consent; major investment will be needed for new consent.

Greytown: Compliant, with risks



Current design and processes need improvement. Work under way to improve treated effluent discharge rates.

Lake Ferry: Compliant, with risks



A new operations and maintenance plan has been submitted to GWRC; additional investment needed to run plant remotely

Core focus 4 – managing stormwater

Stormwater management presents fundamental challenges for our region, and for cities in particular. During rain storms, we are often reminded that our homes and streets are physically located in the water cycle, and on its unrelenting journey *mai uta ki tai*, from cloud to land to sea, stormwater flows can cause some serious damage. Stormwater acts as a medium for transporting contaminants – litter, plastics, car tyre and brake dust, leachate from roofing and other material, animal faeces – to areas that were once free of pollution. But apart from some coarse traps and screens, the majority of our stormwater system has no treatment or filtration capability.

As such, both stormwater and wastewater discharges are activities that require consenting by the regional council. New applications for resource consents for both stormwater and wastewater discharges have been lodged, based on the catchments served. To meet water quality standards and the expectations of mana whenua and the community, both stormwater and wastewater networks will need major investment over many years. The goal is to restore water quality in the environment to its natural state, and the consents will help in that process, setting quality and performance targets along the way. In the meantime we have work underway to reduce this problem, including the great work which the Private Drainage Investigation team are doing.



The wastewater (wet weather) and stormwater resource consent application process involved a lot of community engagement like this. Above, Emily Greenberg is speaking to community members about the stormwater management strategy which support the stormwater resource consents applications



Mis-connections into the wastewater network increase the volume of water in the system, and the risk of overflows.

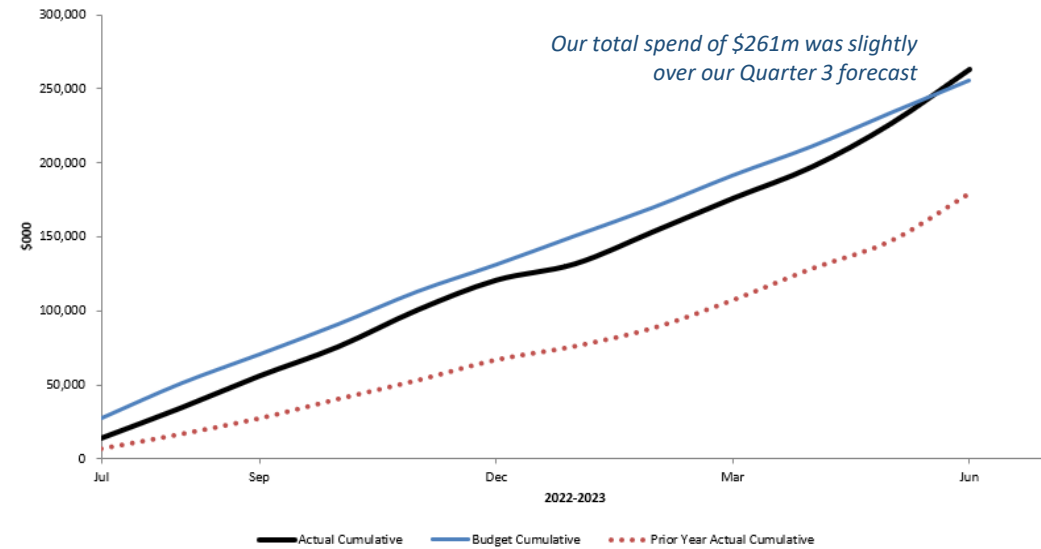
Core delivery 1 - our operating model – capital works

Our role as an infrastructure management company includes advising our client councils – the asset owners – on the smartest investment they can make within their budgets; and then delivering what’s been agreed.

The challenges of ageing infrastructure in the Wellington region are widely known now, but even at its establishment in 2014 it was clear that Wellington Water would need to manage renewal programmes significantly bigger than were being delivered then. Our local suppliers formed panels that allowed them to partner with others and grow to meet the needs of the region – ensuring local knowledge would remain, and local skills grow. The wider whānau of suppliers delivering council investment programmes now numbers well over 450 people.

Of course a sustained increase in delivery means a lot of work going on in the background, and the latest annual capital programme, which saw \$261m spent improving the region’s three waters networks, involved effort from people in planning, modelling, investigations, project and programme briefing, project management and support, technical leadership, strategy and standard development, reporting and assurance.

Total capital expenditure actual and budget 2022-23



Wastewater pipe renewals in Lower Hutt (right). Adequately funding renewals is critical to maintaining sound infrastructure. With a backlog due to historical underfunding, the region will need to continue increasing investment levels over and above the rate of depreciation in order to turn around the network’s age profile.



Core delivery 2 - our operating model – operations

Alongside our roles of advice and programme delivery, operating and maintaining council-owned assets is our third major area of activity. This workforce has also been growing with a 12% increase in staff numbers in the Customer Operations Group, which is our delivery alliance with Fulton Hogan.

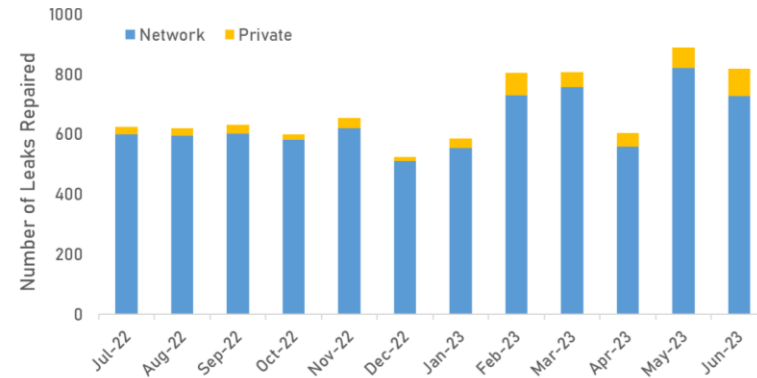
Council operational budgets are applied to running costs such as electricity, chemicals and waste disposal, replacement parts and general repairs and maintenance. Standard water treatment chemicals have increased 14% in cost over the past year (CO₂ has doubled) and the steady increase in the volume of water supplied, whether through growth or leakage, exacerbates this impact.

Maintenance includes proactive work such as leak detection, investigations, and testing asset performance and reliability. This helps with programmes to replace equipment before things break down and cause problems. However when the cost of reactive work or incident responses goes beyond what has been planned, proactive work often gets deferred – increasing the risk of further failures in the future.

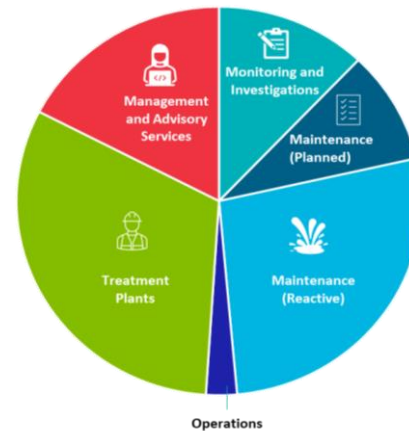
In the last half of the year we achieved a 30% lift in leak repairs, an outcome of increased efficiencies as well as people. Over the full year, the team repaired over 8,100 water leaks. Leaks continue to arise, however, so the overall trend of a backlog of work and increasing water use continues.

Operational expenditure for the year was \$117m, a 16% increase on 2021/22's \$101m.

Public and private leaks repaired, 2022-23



Increasing proactive leak detection help to identify more private leaks as well as public one. Private leak repairs have increased as a result.



Operations spend by category 2022-23

Investment Category	Full Year		
	Actual \$000	Budget \$000	Variance %
Monitoring and Investigations	14,134	17,219	18%
Maintenance (Planned)	10,991	11,996	8%
Maintenance (Reactive)	31,710	25,676	-24%
Operations	2,881	3,041	5%
Treatment Plant	36,925	32,411	-14%
Management and Advisory Services	20,359	20,359	0%
Total Opex	117,000	110,702	-6%

Responding to asset failure means we have less funding available for planned work, monitoring and investigations. It's not that we can't do the work – it's that we have to divert funding away from it.

Network incidents requiring response, 2022-23

Incident Level	Number of Incidents responded to	Response team
2	174	Elevated level 2
3	32	Incident management team
4	5	Incident management team
5		Full Company response
Total	211	

Incidents – such as major bursts, blocked pipes or storm damage – usually require extra hands, and can affect planned work programmes

Building trust with our partners and stakeholders







As a council-owned water company, we are funded entirely by our owners to carry out work on their assets. Each council must weigh up our advice and balance our estimation of the risks and requirements of their three waters assets alongside all their other activities, to make decisions on investing ratepayer funds.

Trust is critical to this process working effectively for both parties, as it provides assurance to councillors that their assets are being well managed, and supports good decision-making at the right levels. It is important council officers are kept well informed of risks and activities so they are able to both challenge our work, and endorse it when satisfied, to their councillors.

We also seek to build and maintain relationships with iwi mana whenua, so we can be confident our advice is taking proper account of what is important to them. In the past quarter we've been working with iwi partners to update partnership agreements we first put in place about five years ago. We've recognised that there are so many demands on the time and resources of iwi to provide input into decision-making, that we need to provide support to help us work with them, so that has been a key element of this work.

We also strive to meet the expectations of our customers and communities. For many, their experience of their water services company is about finding and fixing leaks, and we've had to manage

Drinking water treatment plant performance dashboard

Water Treatment plants	Comments	Safe drinking water	Fluoride
Waterloo*	Taumata Arowai's new Assurance Rules commenced on the 15 th Nov. An exemption has been sought to meet new bacterial compliance criteria. This issue does not affect drinking water safety. Waterloo achieved 100% compliance with the MoH's recommended fluoridation levels		
Wainuiomata	Taumata Arowai's new Assurance Rules commenced on the 15 th Nov. Wainuiomata only achieved 94% compliance with the MoH's recommended fluoridation levels due to plant being off as well as testing of alarms		
Te Marua	Taumata Arowai's new Assurance Rules commenced on the 15 th Nov. Te Marua achieved 94% compliance with the MoH's recommended fluoridation levels due to PLC maintenance		
Gear Island	Taumata Arowai's new Assurance Rules commenced on the 15 th Nov. Gear Island only achieved 94% compliance with the MoH's recommended fluoridation levels due to the ongoing fluoride plant upgrades and commissioning.		

A snip from our monthly dashboard providing information on drinking water treatment plant performance. The traffic lights indicate challenges with disinfection for some customers from Waterloo (as noted on page 7) and at other plants with respect to fluoridation. Sharing information such as this helps build trust with the public and other stakeholders, and foster a culture of openness and risk management among operating staff.

expectations in this respect by sharing our prioritisation processes.

Sharing data and being transparent about asset performance, our advice, our performance, and three waters outcomes is important to ensuring the public can participate in planning processes that ultimately lead back to those decisions councils make. Recently, we've committed to regularly reporting on fluoridation, and we are developing processes to better report the number of wastewater network overflows, via our website.

We are mindful of the fact that ours is a public health role and our work affects the environment. Regulators such as the regional council, regional public health, and Taumata Arowai play an important role in providing assurance and improving systems and performance.

Te mana o te wai and our values

Te mana me te mauri o te wai are concepts that promote good outcomes from our work. Restoring the mana and mauri of water helps to guide decision-making and prioritisation, and aligns with our values.

A good example of the loss of the mana of water is Te Awarua o Porirua, Porirua Harbour, where silt and pollution have destroyed habitat and the natural value of the water bodies. A large wastewater detention tank will help reduce the volume of contaminated water entering the harbour. In South Wairarapa, there has been a similar impact on water; the council is investing in much larger pipes to help ensure wastewater stays where it should.

Working on smaller scales is also important. Consultants Mott MacDonald and Morphum Environmental were asked to address erosion and flood risk created by a small stream in Lower Hutt that had been modified over time to suit surrounding developments.

To slow the stream down and dissipate its energy particularly during wet weather, the team installed in-stream structures and sequences of pools and riffles in a way that would restore the natural feel of the stream. Retaining walls were used in two particularly badly eroded and constrained areas to protect nearby infrastructure.

Due to difficulties accessing the stream and the nature of the work, much of the rock had to be placed by hand with care taken to achieve a tight interlocking matrix. The team from Juno Civil were especially dedicated in ensuring this was done in a way that minimised unnecessary impacts on the stream. Juno's approach to observe and understand how the stream behaved in a range of flow conditions enabled the rock selection and placement to work with rather than against the stream forces.

Te mana o te wai is supported in improved fish passage, habitat pools, and replanting on banks and in voids in the rockwork, with native grasses and trees.

In places, the planted areas extended beyond the immediate area of works to reduce the risk of further instability and enhance the condition of the stream.

The collaboration and dedication are great examples of our values of mana, tangata tiaki, and whānau at work.



Before (above), the stream has eroded around poorly installed gabion baskets. Now (below), a rock cascade prevents further erosion of the stream bed and provides better fish passage

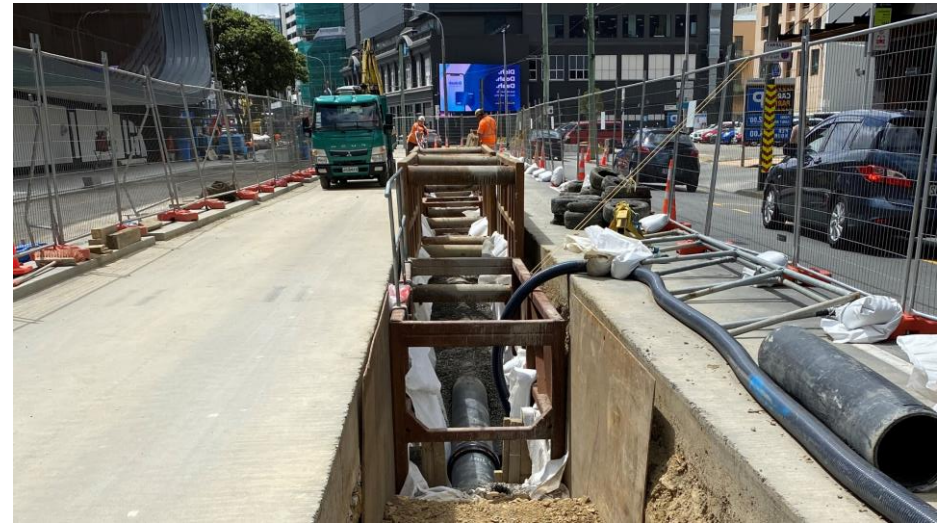
Value

We believe the concept of value in delivering on a regional model goes deeper than just money. The scope of regional programmes allows for a broader, more substantial range of activity that creates opportunity for value in ways that aren't available to a purely transactional approach. Partnering with suppliers is about alignment.

One recent example of this was the work that E.N. Ramsbottom Ltd carried out after they'd completed construction of a job on Wakefield Street. The engineering estimate for the project had been 10 weeks, but the Ramsbottom team were able to complete four weeks ahead of schedule. Because of the partnership relationship we have with Ramsbottom and engineering consultancy Stantec, they were aware of future works planned nearby, part of a separate project.

Ramsbottom and Stantec proposed that an additional 36m of pipeline be completed as part of this contract, ahead of construction planned for September 2023.

As the contractor was already established on site, there were financial savings in reducing the site establishment and disestablishment costs. In addition, the additional works were completed within the initially planned time frame for one section and funded from the unused contingency, dayworks, unused provisional items, and savings in traffic management of the original contract..



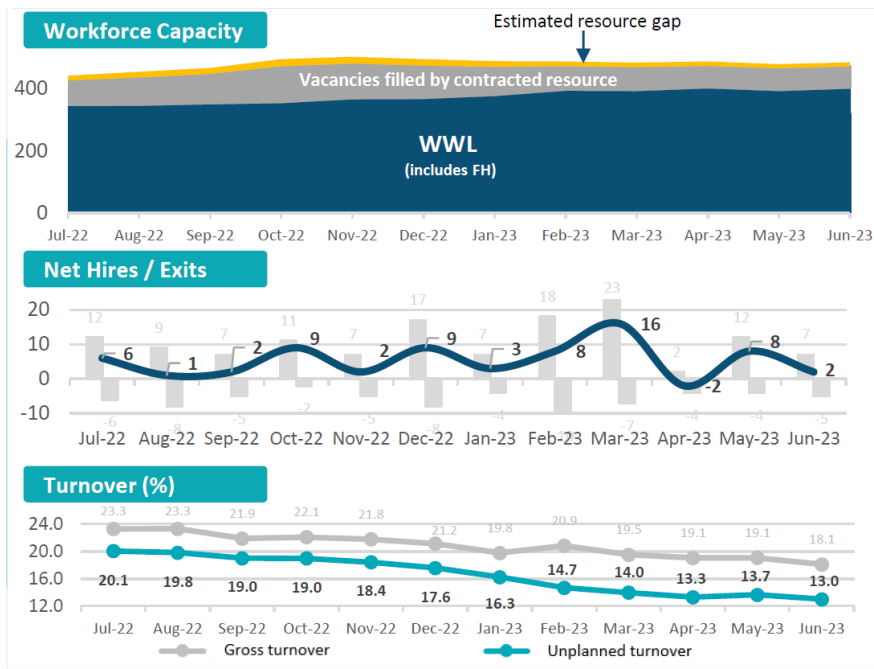
Suppliers aligned with our outcomes, and thinking about the overall goals of a multi-year programme rather than just a single project, led to reduced costs and inconvenience for Wellingtonians on this Wakefield St wastewater work.

Looking after our people

People

We continue to add staff to the organisation, with a net gain of 10 in quarter 4, despite a difficult labour market. Recruitment and retention remain a priority, however, as we are relying on our supplier whanau to help cover vacancies. Even with that support our estimated resource gap is around 14 fulltime equivalent roles.

Workforce capacity, hires/exits, and turnover



Graphics from our HR report show an improving story in terms of attracting and retaining staff: a reduction in vacancies filled by contractors, growth in staff to meet the growth in both opex and capex needs, and a declining staff turnover rate, which is encouraging in the context of uncertainty surrounding reform.

Engagement

There has been a significant rise in engagement levels for the 2022-23 financial year compared to the 2021-22 financial year. The lift occurs in 13 out of 14 categories with significant shifts in Manager Quality, Communication, Compensation and Rewards. The overall engagement capital is 9 % higher than last year.

Learning and Development

This year saw the implementation of two learning and development calendars. One is for everyone and focuses on transferrable skills such as communication and unconscious bias. The other is for people managers and focuses on strengthening people leadership capability. The National Transition Unit provided a series of 'change readiness' tools which were integrated into our learning and development calendars and were also well attended by staff.

We have also prioritised a suite of offerings in Te Ao Māori to help us build better relationships/ partnerships with Māori and walk towards Te Mana O Te Wai. These include Te Reo Māori courses, Treaty of Waitangi training and The Wall Walk experience facilitated by Dr Simone Bull.



Dr Simone Bull's Wall Walk experience invites participants to bring to life elements of New Zealand history with an emphasis on their impact on tangata whenua

Long term plan 2024-34 – informing investment decision-making

We are preparing information for councils' 2024-34 long term plan development.

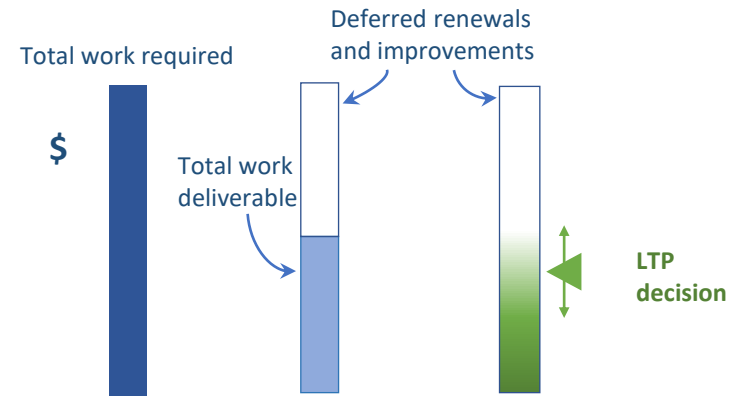
Our goal is to provide the right information and best advice we can to help councillors and officers agree on direction-setting decisions as part of their planning process. These decisions will then be backed by the funding necessary to keep the region on the path to achieving its desired outcomes for water.

As a regional provider, we work with a regional position on outcomes and strategies. This has been agreed with councils and serves as a framework to plan and prioritise decisions. Each council also has their own areas of special interest or concern. Together with our knowledge of council assets and their likely condition (bearing in mind most are underground), along with input from iwi mana whenua, these factors form the basis for our advice to each councils.

While year 4 of the previous plan is a starting point for year 1 of the upcoming plan, new information and events will mean changes. Regulatory change can also mean re-prioritising planned work in order to meet new legal requirements. And if we are to deliver as close to 100% of a capital investment programme as we can in any given year, then we need to design and contract work the year before, if not earlier.

So while it can seem that the opportunity for councils and ratepayers to influence the programme in year one or two of a new long term plan is constrained. What's important to remember here is that the consultation is future focused.

Investment decision-making



The total amount of work required (left) is more than can be done. Anything less than the total amount that can be delivered (centre) must consider risk, opportunity, service levels and community outcomes. This is the decision-making work of councils in their Long Term Plans

To support councils in making their decisions, we have a much better evidence base than we did last time. This is informed by:

- New asset condition and criticality assessments
- Recent growth studies
- Work done to support multi-catchment consents for wastewater and stormwater discharges
- network renewal profiling
- Leak detection
- Defect history
- Technical studies (such as material deterioration rates)
- Improved data management
- Community and iwi engagement

Transition update

The focus for the NTU has been to develop 'Agnostic Generic Entity Runway' plans for the establishment of the ten water service entities. At the same time there has been a shift from a national-led change approach to a more decentralised model regionally with the creation of Regional Establishment Groups.

The Wellington Regional Establishment Group was formed on 1 July 2023 and will be responsible for setting up the four WSEs loosely aligned with the legacy 'Entity C' territory. During July - October, it will focus on creating a 90%-complete Entity G establishment programme plan of activities. This will require increased input from Wellington Water which has the potential to impact delivery as staff are pulled away from their core roles. This is being managed now by assessing the benefit of the work, the risk to Wellington Water and the wishes of the employees.

A preliminary timeline of establishment has October 2024 as the "go live" date for Entity G.

There has been a significant increase in the number of staff feeling both supported by the organisation through water reform (62% in Q3 to 75% in Q4), and understanding changes from reform will mean for the water sector (60% in Q3 to 73% in Q4).