



Waitaki

DISTRICT COUNCIL

TE KAUNIHERA Ā ROHE O WAITAKI

**I hereby give notice that the
Council Meeting
will be held on:**

Date: Tuesday, 9 December 2025
Time: 11:00 am
Location: Council Chamber, Third Floor
Office of the Waitaki District Council
20 Thames Street, Oamaru

Agenda

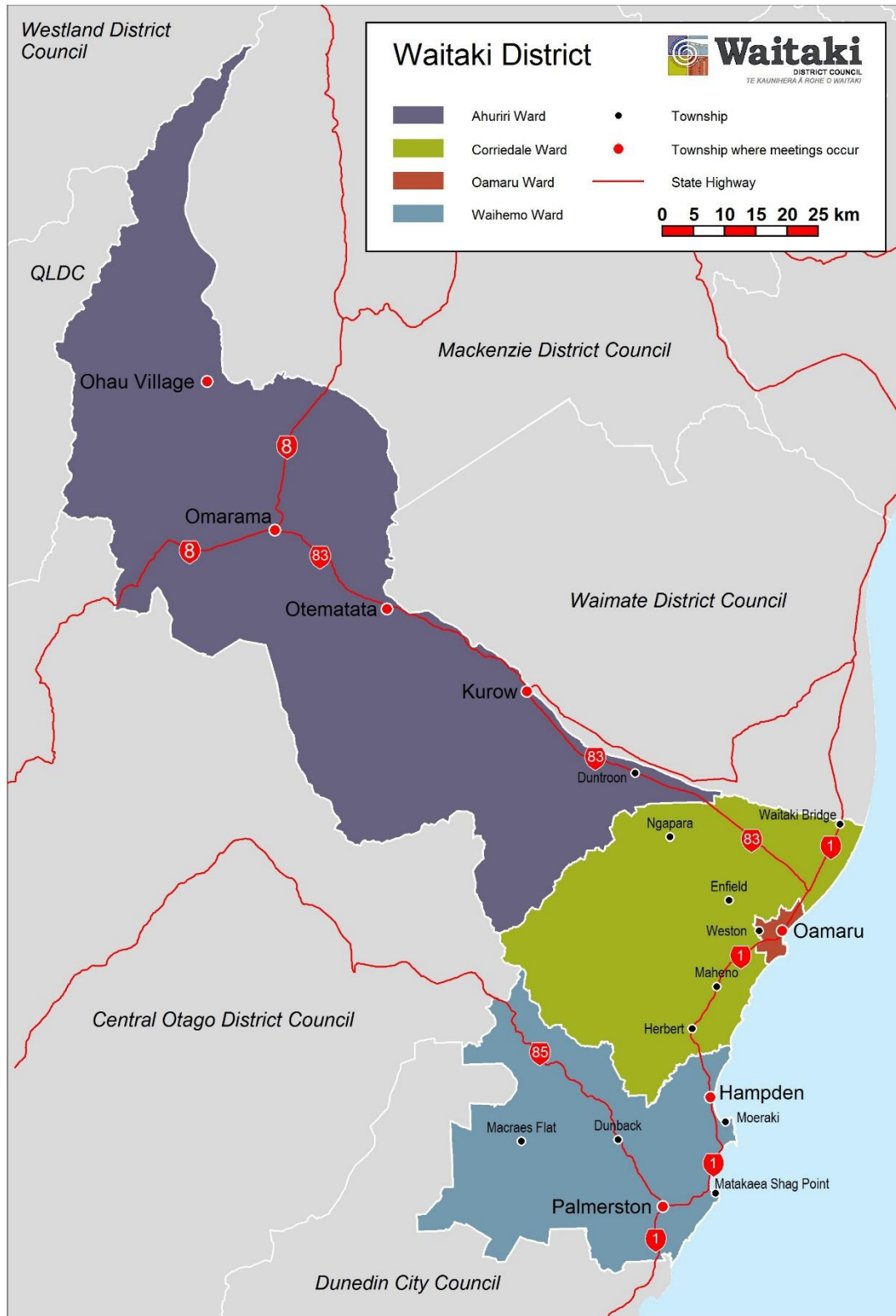
Council Meeting

9 December 2025

**Alex Parmley
Chief Executive**

This meeting will be livestreamed at:

<https://www.youtube.com/live/b6Ngvf2w4gg?si=KYn3THR1xWDwHgyR>





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1 APOLOGIES

2 DECLARATIONS OF INTEREST

3 PUBLIC FORUM

Sene Naoupu, Chief Executive of North Otago Rugby, has asked to speak in the public forum about Phase 2 of the Event Centre (Item 5.3).

VISITORS

Tourism Waitaki representatives, Chairman Mike McElhinney and General Manager Dr Philippa Agnew, will attend at 11.30am to speak to Item 5.10.

Bruce Muldrew, George Kelcher and Tony Read from Whitestone Contracting Ltd will attend at 11.45am to speak to Item 5.9.

Clive Geddes from Omarama Airfield Ltd will attend at 1pm to speak to Item 5.11.

4 LEADERSHIP REPORTS

4.1 MAYOR'S REPORT

Author: Melanie Tavendale, Mayor

RECOMMENDATION

That Council receives and notes the information.

MAYOR'S REPORT – 09 DECEMBER 2025 COUNCIL MEETING

This is my first Mayor's Report, and I want to start by thanking the community for the trust you've placed in both myself and Councillors. It's a privilege to serve Waitaki, and I believe I speak for us all when I say that council look forward to working together to achieve great outcomes for the district. The new triennium brings some enthusiastic new faces, returns some experienced ones, and presents us with new challenges. I feel incredibly fortunate to be surrounded by such talented people.

The Governance team brings strong skillsets, deep community connections, and a diversity of perspectives. Building a positive working relationship is a priority, and I'm confident this will help navigate some of the tough, thorny decisions that lie ahead. Regulation and government reform are moving quickly, and one of the biggest challenges is how the pace of this is met with well-thought-out responses.

As we head into the festive season and summer holidays, I wish everyone a safe, joyful, and restful break. Please take time to connect with family and friends and enjoy everything our beautiful region has to offer.

Reforms – What We Know So Far

Local Government Reforms - Locally-led Regional Reorganisation

Recent announcements from Honourable Chris Bishop and Hon Simon Watts have outlined a plan to abolish regional councillors, replacing them with new Combined Territory Boards made up of mayors from the region's city and district councils.

This reorganisation not a huge surprise – reform of the local government sector is needed and has been on the horizon for some time. What stands out, however, are the tight timeframes and the scale of the proposed changes.

The Government's draft proposal outlines two steps:

- **Step 1:** Instead of electing separate regional councillors, mayors will collectively lead regional issues and govern the regional council via Combined Territories Boards. Crown Commissioners may also be appointed to lead or join the board.
- **Step 2:** This board of mayors will develop future-focused plans for how councils in each region can work together more effectively and efficiently. These plans will be developed in consultation, independently examined, and approved by the Government.

The Government's proposed changes to local government are significant and far-reaching. I believe there is a need to view these changes as an opportunity to improve services, drive efficiency and achieve better outcomes for the people.

Together with neighbours in Canterbury and Otago, time will be taken to assess these reforms carefully—identifying opportunities and managing risks—so that our response reflects what matters most, the interests of the community.

I have a simple focus throughout the changes, and that is to ensure Waitaki thrives under any new system of local government.

For more details, you can read the Government's draft proposal here [Simpler, more cost-effective local government | Beehive.govt.nz](https://www.beehive.govt.nz/local-government).

Other reforms

There are many reforms that are expected to hit local government this side of Christmas. These include:

- RMA reforms - RMA (Consenting and Other System Changes) Amendment Bill 2025. The intent of this new system is to make it easier and faster to build houses and businesses, improve infrastructure, double the amount of renewable energy, and help farming and other primary industries grow. At the same time, it must protect the environment, keep people healthy, and honour Treaty of Waitangi agreements. The main changes include replacing the old Resource Management Act with new laws that focus on results rather than processes. Each region will have one planning committee and one plan, plus 30-year strategies for where development should happen. There will also be a fast-track process for approving big infrastructure projects quickly.
- Infrastructure Funding and Financing Act amendments
- Local Government (Systems Improvements) Amendment Bill – aiming to reduce pressure on rates and refocus local government. This includes government redefining the purpose of local government, identifying and prioritising core services, more reporting and benchmarking and regulatory relief.
- A Rates Capping policy – this is aimed at controlling how much local councils can increase their rates to address financial pressures on ratepayers. There is some concern how this will be managed in such a changing environment, with increased infrastructure spend and the need to respond to ever changing government mandates and reforms.

Water Services Delivery Plan

Council has completed a desktop assessment of our water asset condition and today seeks approval for a budget for a more detailed, on-the-ground review. This work is essential to address the single category in the plan that did not fully meet legislative requirements, and to ensure water services remain affordable and sustainable for Waitaki.

Council have met with the Crown Facilitator Hon. Amy Adams to bring her up to speed, gather her input, discuss how we will work together, and are now investigating the options available to us. Council welcomes her involvement and looks forward to working collaboratively to achieve a compliant plan as quickly as possible.

Council's focus is on resolving asset review issues swiftly to reduce costs for ratepayers. Discussions around regional council reform will undoubtedly have an impact on this work. It is fair to say there is a lot to cover off to meet the deadlines. Today's decisions will take us a step forward.

Rural and Provincial Sector Meeting – 12 November

I recently attended the Rural and Provincial meeting, which provided valuable insights into some sector challenges, and the Government's priorities for regional New Zealand.

Key highlights and messages included:

Address from Minister of Rural Communities, Hon Mark Patterson

Minister Patterson spoke of the tsunami of reforms that would be coming at local government this side of Christmas. Since this meeting, council have started to experience the extent of the changes and workload that goes with them.

- Placemaking and Local Leadership: Strong emphasis on connecting local initiatives feeding into regional strategies and ensuring rural voices are heard.
- Economic Growth: Regions drive 82% of NZ's merchandise exports; Government aims to double this. Tourism and regional collaboration are critical, and collectively small councils can have a big impact.

- Regional Infrastructure Fund: This \$1.2 billion fund is to boost resilience, productivity, and jobs, including \$200 million for flood protection and irrigation upgrades. The fund's focus is on co-investment and "shovels in the ground" before Christmas.
- Māori Economic Development & Energy: Opportunities in aquaculture, land use expansion, and energy resilience projects like deep geothermal.
- Engagement with Central Government: Build strong relationships with local and list MPs; mayors will be the key voices for communities.
- RMA and Local Government Reforms: Significant changes are coming—property rights, environmental protections, rates caps, and emergency management preparedness – just to name a few.
- Workforce & Training: Address labour shortages in agriculture and support polytechnic reforms to retain workers in rural sectors.

The overarching message was that rural councils matter, and collaboration and proactive engagement are essential for growth and resilience.

Forces that shape policy - speeches and a panel discussion

- Peter Dunne, Former leader of United Future
- Brad Olsen, Chief Executive and Principal Economist, Infometrics
- Helmut Modlik, Tumu Whakarae, Te Rūnanga o Toa Rangatira

The panel explored the forces shaping policy and offered some powerful messages for local leadership:

- **Local Voices Matter:** Policy is increasingly influenced by community-driven initiatives. Councils that connect local aspirations to regional and national strategies will have the strongest impact.
- **Collaboration is Key:** The future of local government lies in partnerships—between councils, iwi, central government, and private sector. Working together amplifies influence and delivers better outcomes.
- **Adaptability and Innovation:** Rapid reforms and changing priorities mean councils must be agile. Embracing innovation in infrastructure, energy, and workforce development will position regions for success.
- **Equity and Resilience:** Policy is focusing on fairness and preparedness—ensuring rural communities have the same opportunities and resources as urban centres and are ready for emergencies.
- **Leadership Beyond Boundaries:** Mayors are seen as critical connectors. Building strong relationships with MPs, agencies, and stakeholders is essential to advocate effectively for communities.

The overarching message: **be bold, collaborative, and proactive—regional New Zealand has a powerful role to play in shaping the country's future.**

MEETINGS ATTENDED BY MAYOR Melanie Tavendale

14 – 17 October	Meeting with all elected councillors, community boards
17 October	Meeting with Runaka at the Moeraki Marae
20-21 October	Mayor School Wellington
22 October	Inauguration Ceremony of the 13 th Waitaki District Council
23 October	Council Agenda meeting
23 October	Induction: Working together as a Governance Team
24 October	Breakfast hosted by Executive Leadership Team
24 October	Induction: Key issues and Priorities

24 October	Induction: Meet with the Community, Engagement and Experience team
28 October	
28 October	Induction: Meet the Strategy, Performance & Design Directorate
	Te Ama Mental Health Services, Pre and Post Crisis Support and Navigation Services Launch
28 October	
28 October	Events Centre visit
28 October	Induction: Meet the Natural and Built Environment Directorate
29 October	Waitaki Girls High School Senior Prizegiving
30 October	Waitaki Boys High School Prizegiving
30 October	Induction: Situational Safety and Awareness
31 October	Emergency Management – Mayors Responsibilities
31 October	Induction: Civil Defence and Emergency Responsibilities
31 October	Induction: Finance Basics
4 November	Induction: Governance Basics
4 November	First full Council meeting of the Triennium
4 November	Water Services Delivery Plan Briefing
5 November	Councillor Briefing
5 November	Maheno Kindergarten -- story time
6 November	Meet with Lynley Brown – Geopark General Manager
6 November	Open the Local Government Heritage Planners' Forum
6 November	Interview with Otago Daily Times
7 November	Project Fetu Graduation
7 November	Inspiring the Future event – St Josephs School
7 November	WDC / WCL Shareholder Meeting
10 November	Meet with Miles Anderson MP
11 November	Ahuriri Community Board – Inaugural meeting
11 November	Grants Committee Meeting
11 November	Armistice Ceremony
11 November	Oamaru Tales App presentation
11 November	Induction: Communications and Engagement
11 November	Induction: Meet the Support Services Directorate
11 November	Oamaru Heritage Celebrations Opening
12 November	South Island Chairs/Mayors/CEs and Councillors via Teams
12 November	Puketapu Radio
12 November	Meeting with Honourable Amy Adams/ WDC
12 November	LGNZ networking event
12 November	Rural Provincial Sector Meeting - Networking Event
13 November	Chorus' end-of-year celebrations - Public Trust Hall, Wellington.

14 November	Rural & Provincial sector meeting
15 November	Mayor's Taskforce for Jobs (MTFJ) Mayors
16 November	Breakfast at the Junction Hotel
17 November	Opening of Victorian Fete
18 November	Waihemo Community Board
18 November	Meet with Hon Amy Adams – Crown Facilitator
18 November	Induction: Legal Matters with Simpson Grierson
19 November	Otago Mayoral Forum
20 November	LGNZ Zone 6 Committee
20 November	Meet with Mauriri McGlinchey– Geopark Chairperson
21 November	Waitaki Mayor's Task Force for Jobs midyear check in
24 November	Otematata Community Lead Development Programme
25 November	Youth Council catch up
25 November	Public Workshop: Water Services Delivery and Annual Plan
27 November	Citizenship Ceremony
27 November	Kakanui Bridge Visit
27 November	Iona Home -- Volunteer Christmas Party
27 November	Stronger Waitaki -- end of year afternoon tea
28 November	Canterbury Mayoral Forum Dinner
	Canterbury Mayoral Forum Meeting

New Council 2025



11 November 2025 – Armistice Day – RSA Gardens



Last beam put on the Kakanui Bridge 27 November 2025



Mayor Melanie Tavendale, Mike Harrison Project Manager



Citizenship Ceremony - 25 November 2025



4.2 CHIEF EXECUTIVE'S REPORT

Author: Alex Parmley, Chief Executive

RECOMMENDATION

That Council receives and notes the information.

PURPOSE

This report is provided to bring the Governance Team up to date on progress with delivery of the Key Performance Indicators (KPIs) set by Council for the organisation and Chief Executive for the year ending 30 June 2026, together with other matters.

The current KPIs were set by the last Council at their meeting of 30 September 2025. They mark a change in approach as part of the development of the Organisational Performance Management Framework and set a number of Key Outcomes, together with some performance metrics. Work is progressing on embedding this approach and this is the first report of its type on progress. Feedback is welcome on the format so that we can develop and improve the reporting.

OVERVIEW

The first quarter of the financial year has continued to be characterised by a significant volume of activity on high profile issues and projects. During this period the resources of the Council have continued to be stretched with impact on staff workloads, working hours and ability to take leave.

Key demands on the organisation have included:

- The continued delivery of the Transformation Programme and outcomes to ensure a more efficient and effective Council
- The development of the Water Services Delivery Plan for in-house delivery
- Responding to and considering the implications of a raft of reforms from government impacting councils and our community
- Completing the Annual Report and Audit processes
- Administering elections including promoting engagement and preparing for the induction of the new council
- Delivery of a substantial capital programme with progress being made on three large projects: The Network Waitaki Events Centre Project; The Forrester Gallery Extension, and the replacement Kakanui Bridge

Transformation

Council has been implementing its Transformation for 14 months with the first new teams starting to be stood up in October 2024. Significant progress has been made, and the task now is embedding the new ways of delivering and fully realising the benefits of the changes for the organisation and our communities. Following a check in on progress earlier in the year, effort and attention is currently focussed on embedding:

1. the Customer Service Model – ensuring that all staff across the organisation fully understand it and their role within it and that staff have the required skills to implement it fully; and that the tools and systems are fully running enable first-contact resolution, self-service and accessibility.

2. the Locality model – bedding in systems and developing performance metrics to measure delivery of improved outcomes and efficiency
3. Organisational Performance Management Framework, systems, processes and skills
4. Initiative Management, ensuring clear and consistent approach to renewals, operations, initiatives and project delivery.
5. Organisational culture including change capabilities, collaboration and continuous improvement
6. Prioritisation – ensuring that workloads are manageable and priority given to the matters most important to Council

Outlook

Whilst the past quarter (and the past year) has been busy and the resources of the Council have been stretched, the outlook for the work ahead is challenging and governance and staff will continue to be stretched. Council will need to be mindful of resources and costs as it seeks to deal with a raft of work that will place demand on the organisation and its limited resources.

Issues of note are:

1. “A Tsunami of reform” that will be introduced in the coming weeks and months impacting councils which will need to be responded to and will require changes in the way council works. This includes:
 - Changes to the purpose of local government and the list of core services through the Systems Improvement Bill,
 - Introduction of rate-capping and a second Bill in 2026.
 - Proposals to reorganise local government as announced recently, that will demand attention for much of this triennium
 - Reform of resource management legislation, including one Bill to overhaul environmental management and another introducing mandatory spatial planning.
 - Reforms to the Building Act to support voluntary amalgamation of consent authorities and ensure councils are no longer the “last one standing” when failures occur, alongside recent changes to earthquake strengthening and self-certification for plumbers and drainlayers.
 - Repeal of development contributions, replaced with development levies and broader powers to set targeted rates.
 - Changes to Emergency Management
 - An overhaul of the Public Works Act to make land acquisition for public works easier.

Much of the reform encourages councils in the direction of greater partnership working and shared delivery. Whilst the Council has good working relationships with neighbouring councils in Otago and Canterbury, developing partnerships to a point where they deliver better outcomes and efficiencies requires capacity and time.

2. The completion of the review of the Water Services Delivery Plan and (if agreed) necessary partnership development work together with preparing to implement the plan and the changes this will mean to the organisation

3. The completion of the Annual Plan.
4. Completion of the Transformation Programme, embedding changes and moving to continuous improvement.
5. Delivery of an ambitious capital programme and set of initiatives together with the business as usual service delivery.

PRIORITY OUTCOMES

The following Priority Outcomes were agreed and adopted on 30 September 2025.

Making sufficient progress / on track	
Under development	
Insufficient Progress	

PO#	Priority Outcomes	Status
PO 1	Deliver the Long-Term Plan and subsequent annual plans.	
PO 2	Financial Strategy and Commercialism Outcome: The new Financial Strategy lays the foundations for a more commercial approach, to support a stronger financial position for Council going forward, less reliant on rates income, supported by a Commercial Strategy	
PO 3	Advocacy to Government and other bodies Outcome: A positive, prepared, and strategic approach to advocacy in Wellington alone and/or with other partners and agencies so the needs of Waitaki are heard and Council secures an increased share of Central Government funding towards priorities and projects in the LTP and other Council strategies and plans.	
PO 4	Communications and Engagement Outcome: Our communications are authentic, focussed, use simple language and build trust with our community to increase the transparency of Council.	
PO 5	A new Organisation Strategy Outcome: A new strategy for the development and continuous improvement of the organisation post-Transformation Programme and post water decision, that will support the delivery of the ambitions for the district and organisation, support improved performance and increased efficiency & effectiveness. This will identify ongoing opportunities for further efficiency and rationalisation of resources across the organisation. Outcome: As part of the Organisation Strategy, post the DIA-approved water decision, achieve either, efficient implementation of in-house water service delivery under principles of best practise asset management or, initiate necessary changes to the organisation to deal with stranded overheads if the Council's in-house model does not progress.	

PO 6	Embedding Organisation Performance Management and Continuous improvement Outcome: Performance management and continuous improvement is embedded and focussed on accountability to strategic and operational objectives and priorities and is benchmarked against similar councils and tested against the outcomes set in the Transformation Programme. As part of Performance Management, robust Project Management processes are in place to ensure effective planning, delivery, reporting and review of projects to ensure timely and effective delivery and value for money.	
PO 7	A new approach to planning and delivering our Long-Term Plan and Annual Plan Outcome: Council will implement a refreshed and integrated planning approach for the Long-Term Plan (LTP) and the Annual Plans that flow from it. This will be grounded in community and strategic priorities, enable meaningful engagement with our communities on the district's ambitions and long-term future, while clarifying the role of Council as supporter, enabler, and partner in achieving these outcomes. The process will support Council to consider options for lessening projected rates increases including consider service delivery options and service levels.	
PO 8	Leadership Development Outcome: Ensure investment in the leadership of the organisation supports the cultural and operational shift to a high performing, community & customer focused organisation and enables our people to feel supported to innovate and incorporate learnings into everyday work.	
PO 9	Partnership Outcome: Central Government, Regional and Local Partnerships are developed, leveraged and formalised as appropriate to bring additional benefits to the district and communities beyond what the Council can achieve on its own.	
PO 10	Partnership with Iwi Outcome: Development of a Partnership Agreement with TRoM that brings benefits to Iwi and the whole community	
PO 11	Governance Support Outcome: Governance feel well supported in fulfilling their roles including effective systems, processes, induction and skills development. Outcome: Governance are supported and engaged to shape the direction of priority policies, strategies, plans, and organisational KPIs. The chief executive will facilitate any agreed Governance direction-setting sessions before substantive staff work begins for significant pieces of work (including but not limited to Long-Term Plans, Annual Plans, KPI setting, and major policies, strategies, and bylaws).	
PO 12	Strategy and Policy Review Outcome: A strategy, policy and by-law review programme is implemented to ensure strategies and policies are up to date and aligned with intended direction.	

PO 13	Meeting local housing needs Outcome: Successful implementation of the Housing Strategy ambitions either through direct action or by supporting community providers to achieve agreed ambitions.	
PO 14	Joint Business Plan – Recreation Facilities Outcome: Ensure the new NWECC has the best possible start by developing a joint business plan for the NWECC, Recreation Centre & Aquatic Centre that enhances service level, and leverages key stakeholders to support successful implementation of the plan at lowest cost. Outcome: With North Otago Netball and other stakeholders, determine the future of the North Otago Netball Courts.	
PO 15	Strategic Framework for Stronger Waitaki and Community Partnerships Outcome: Support the Stronger Waitaki Steering Group in their development and implementation of the strategic framework for 2026-2031.	
PO 16	Close Waitaki District Health Services Ltd and continued community health advocacy. Outcome: Progress the wind up of WDHS Ltd when practicable. Outcome: Continue to advocate for and support community health through Health Futures Oversight Group and other forums	
PO 17	Progress the implementation of the Uplifting Waitaki Economic Development Strategy Outcome: Develop a partnership approach and vehicle to deliver the Economic Development Strategy to secure additional funds and attract investment in the local economy, enabling opportunities to further diversify the economy and support the growth of a wider range of businesses and sectors.	
PO 18	Revised procurement policy Outcome: ensure the maximum local economic and community benefit from the goods and services we procure, whilst also ensuring value for money.	
PO 19	Regional Deal Outcome: Develop opportunities to prepare Waitaki to be able to participate in securing a Regional Deal	
PO 20	Neighbouring Councils Outcome: Develop a stronger partnership with Otago and South Canterbury Councils to ensure shared ambitions and advocacy to government on local economic ambitions and needs	
PO 21	Respond to RMA reform Outcome: Ensure the aspects of the District Plan enabling economic and housing growth continue forward. Outcome: Supporting the development of the new Spatial Planning approach in Otago and Canterbury.	
PO 22	Progress the delivery of Masterplans Outcome: Support town revitalisation	

PO 23	Develop Climate Change Strategy. Outcome: Consistent and planned approach to coastal erosion, renewable energy, infrastructure resilience, natural hazard analysis and mitigation feasibility.	
PO 24	Collaborate with community on new ecological or biodiversity partnership projects Outcome: Council fulfils a role in enabling/partnering for environmental outcomes such as eco-sanctuary, habitat development, wetland/riparian restoration, wildlife conservation. Council will use ETS as a tool (where appropriate) to generate income.	
PO 25	Strengthen community capability and participation in environmental sustainability and waste minimisation. Outcome: Annual delivery of initiatives with schools, youth, iwi, businesses, and community groups that promote environmental awareness and practical action (e.g. waste education, native plantings, community clean-ups, repair cafes, resource recovery, etc.).	

ORGANISATIONAL KEY PERFORMANCE INDICATORS (KPIs)

The following Organisational KPIs were agreed and adopted on 30 September 2025.

Key Performance Indicator Category	Indicator	Update
An Employer of Choice	Health and Safety incidents and lost days	In development - no updates for this report.
	Staff Net Promoter score	-25. (% total promoters - % total detractors).
	Staff turnover rate	In development - no updates for this report.
	Vacancy rate and recruitment timelines	100%. Recruitment campaigns for advertised positions were completed successfully within six weeks of each vacancy.
Flexible and Fit for Purpose	Building consents processed within required statutory time frames	99.44% of the 100% target were processed within the legislative timeframe of 20 working days in the last quarter.
	Resource consents processed within required statutory time frames	77.61% of the 100% target were processed within the legislative timeframe of 20 working days in the last quarter.
	Percentage submissions to government via submissions and	100%. Responded to at least 85% of government policy

	feedback opportunities – Drives advocacy	changes with evidence-based feedback, making sure to capitalise on all eligible chances.
	Governance satisfaction with support received	According to survey responses collected in August 2025, the satisfaction level was 77%.
	Percentage of out of appetite risk	In development - no updates for this report.
	Percentage of projects delivered in budget	100% (1 of 1 completed in quarter)
	Percentage of projects delivered on time	100% (1 of 1 completed in quarter)
Focused on Community Need	Asset renewal ratio by asset type (e.g., roads, water)	1.25. This will be reported on an annual basis.
	Average quality of ride on sealed network	85%. This will be reported on an annual basis.
	Community Housing units - individual tenancies are occupied as a percentage of available units/tenancies	95%. As of 31 October, 91 units have been occupied, 5 units remain vacant, and three applications are currently being processed.
	Count of Council's compliance breaches (across all services)	There are no new breaches during this reporting period.
	Overall resident satisfaction	30%. Percentage respondents indicated a satisfaction level of 7 to 10 (satisfied or very satisfied) for the previous year. This will be reported on an annual basis.
	Resident satisfaction with affordability of rates	25%. Percentage respondents indicated a satisfaction level of 7 to 10 (satisfied or very satisfied) for the previous year. This will be reported on an annual basis.
	Resident satisfaction with value for money of rates	21%. Percentage respondents indicated a satisfaction level of 7 to 10 (satisfied or very satisfied) for the previous year. This will be reported on an annual basis.
	Percentage of footpaths within the district that fall within the specified	96%. This will be reported on an annual basis.

	level of service set within the Rooding Asset Management Plan	
	Percentage of sealed local road network that is resurfaced (Combined, Urban, Rural)	The current value is at 5.60%, target is ≤ 5%
	Resident satisfied or very satisfied with the condition of non-state highway sealed roads	39%. Percentage respondents indicated a satisfaction level of 7 to 10 (satisfied or very satisfied) for the previous year. This will be reported on an annual basis.
	Resident satisfied or very satisfied with the condition of non-state highway unsealed roads	32%. Percentage respondents indicated a satisfaction level of 7 to 10 (satisfied or very satisfied) for the previous year. This will be reported on an annual basis.
	Residents satisfied or very satisfied with communication from council	54%. Percentage respondents indicated a satisfaction level of 7 to 10 (satisfied or very satisfied) for the previous year. This will be reported on an annual basis.
	Resident Satisfaction – Council's Consultation with Community	39%. Percentage respondents indicated a satisfaction level of 7 to 10 (satisfied or very satisfied) for the previous year. This will be reported on an annual basis.
	Resource consent monitoring compliance	All WDC consents with monitoring conditions were fully monitored in accordance with requirements.
	Total number of complaints received by Council about: drinking water clarity; taste; odour; pressure; supply; response to any these	2.42 per 1,000 connections. The target is set at no more than 25 complaints per 1,000 connections.
	Total number of complaints received by Council about: sewerage odour; system faults; system blockages, council response to any of these	1.03 per 1,000 connections, target: ≤12 complaints per 1,000 connections.
Great Customer Experience	Customer complaints per 1000 population	In development - no updates for this report.

	Customer Satisfaction Index	In development - no updates for this report.
	Percentage of requests resolved within SLA - overall	In the last quarter, 83.41% of Council's customer service requests were resolved within their designated service level targets, meeting the goal of $\geq 80\%$.
	Percentage of service requests resolved at first point of contact	In development - no updates for this report.
	% of customer interactions through Self-service channels	14%. (Includes full and semi-automated and fully automated services requests, doesn't include payments such as direct debits.)
Partnering with, and Enabling Our Community	% of Council spend that is within the district - revenue / capital split	In development - no updates for this report.
	Active number of community partnerships projects	There are 170 Stronger Waitaki partners actively involved, resulting in 20 initiatives that are either led or supported by the Council.
	Amount of External funds secured	\$371,990.13 Sum of funds brought to Council for community and economic development projects and initiatives as at end of quarter.
	Partner satisfaction with Council's performance as a trusted partner	This will be reported on an annual basis.
Value for Money	Average consumption of drinking water per day within WD	In development - no updates for this report.
	Capital, projects and initiatives delivery rate - 80% (annual target)	3.33%. (1 of 30 active PMO projects completed in the quarter.)
	Commercial revenue performance	16.17% (under budget.)
	Commercial tenants - individual tenancies are occupied as a percentage of available units/tenancies	100%. There are 50 properties: 7 with buildings and 43 land-only (mostly ground leases, fully occupied). Properties related to Waters, Roding, and Parks & Reserves are excluded.
	Net costs of property to the Council (with a view to bring this down)	In development - no updates for this report.

	Operating efficiency ratio (total operating expense / total operating revenue *100)	In development - no updates for this report.
	Percentage of real water loss from our networked reticulation system	35%. Estimated water loss, based on minimum night flow data. Reported annually.
	Proceeds from sale of property (target of \$250k per year) used for initiatives that improve productivity, or Council's financial performance or position.	In development - no updates for this report.
	Budget variance – Capital Expense	24.66% (under budget), target for variance is +/-10%
	Budget variance – Capital Revenue	57.73% (under budget), target for variance is +/-10%
	Budget variance – Operating Expense	52.39% (under budget), target for variance is +/-10%
	Budget variance – Operating Revenue	23.11% (under budget), target for variance is +/-10%
	Vacancy FTE	In development - no updates for this report.
	Establishment FTE	In development - no updates for this report.
	Fixed Term FTE	23.55 FTE staff for the reporting period.
	Budget variance – Contractor Expense	22.90% (under budget), target for variance is +/-10%
	Budget variance – Consultant Expense	49.27% (under budget), target for variance is +/-10%

PROGRAMME & PROJECT STATUS UPDATE

Information to follow.

FINANCIAL SUMMARY

As covered in the report to PAR, overall operating revenue is substantially lower than budget while operating costs are higher than forecast. This combination means that Council's operating result for the period, is a deficit of (\$4.68m), versus the budgeted surplus of \$1.72m. This operating deficit arises largely due to timing of external grants for major projects, and higher Depreciation than forecast.

- Revenue from external grants is under budget by (\$5.11m) as budgeted income to support the Events Centre (\$2.1m) and the Forrester Gallery (\$1.25m) have yet to be received at month end. The recognition of Better Off Funding is under budget indicating delays in achieving intended outcomes, and several other smaller grants have not been received in line with budget expectations. Conversely, NZTA roading subsidies at \$4.28m are over budget by \$0.54m.

- Finance Revenue is over budget while Finance Costs are solidly under budget, demonstrating the benefit of delaying taking on new debt for as long as possible.
- Revenue from development contributions (DCs) is well above budget, due in part to amounts charged to Omarama Airfield Ltd in relation to the subdivision of airfield land.
- Depreciation is reported over budget as a result of the revaluation of roading and property assets at June 2025. This variance will continue to grow until year end.
- Personnel costs remain slightly over budget.

Capital Expenditure for the period is \$10.8m behind budget as new project management processes are embedded. Good progress is now being made on the Events Centre project, and the Forrester Gallery and Kakanui Bridge projects are also well underway.

PEOPLE

Consistent progress has been made in the People and Capability initiatives, despite facing challenges such as high workloads, recruitment difficulties, and ongoing sector uncertainty. Staff engagement has shown a slight improvement, as reflected in the recent Pulse Survey, which found that employees continue to value their work and their teams. However, the survey also highlighted areas continuing to need attention (as set out in previous reports), including clearer communication, stronger leadership alignment, and enhanced systems.

Key People Strategy actions have advanced, focusing on leadership development, capability building, and improvements in governance and decision-making. Health and safety efforts have continued with the completion of the first legal compliance survey under the new integrity framework. Furthermore, collective bargaining with the PSA has resulted in the successful completion of a modernised agreement that establishes clearer employment standards for employees. This updated agreement enhances transparency, reinforces employment conditions, and promotes equitable practices.

At the time of writing, 58 percent of Council's workforce are female (166 staff), 40 percent as male (116 staff), and 2 percent prefer not to disclose (5 staff). The workforce remains experienced and mature. Five percent (15 staff) are under 20, 10 percent (29 staff) are aged 21 to 30, and 14 percent (40 staff) fall within the 31 to 40 age group. The largest age groups continue to be 41 to 50 at 22 percent (64 staff) and over 50 at 48 percent (138 staff). This reinforces the ongoing need for succession planning, flexible work practices and future focused workforce strategies.

The implementation of the People Strategy for 2025–2030 continues, with efforts centred on embedding the Capability Framework and improving leadership clarity. Leadership development sessions and structured feedback channels have been introduced, including anonymous surveys and suggestion boxes to encourage open communication. The Council is also developing a Change Agent Network, with foundational change management training completed. A more robust system for sharing success stories is being established, alongside refining team mission statements and governance structures.

Updates to performance review processes are underway, incorporating capability self-assessment and values alignment. Staff development opportunities, such as workshops on psychological safety and imposter syndrome, have been scheduled to support ongoing growth.

Health, safety, and wellbeing remain priorities, with a redesign of the Health and Safety Management System set as a strategic project for 2025–26. The new framework aims to improve systems and culture, enhance engagement, and align risk management with legislative requirements. Most reported incidents involved minor injuries or near misses, prompting prompt

management and local improvements. Psychosocial incidents have reinforced the need for de-escalation training and strong support systems.

Public scrutiny of integrity standards is increasing across the public sector, and the Council has responded proactively by implementing the Integrity Framework and modernising policies. The introduction of the ComplyWith legal compliance tool and the completion of the first compliance survey demonstrate a commitment to strong organisational controls.

The priorities for the coming year include embedding the Capability Framework, strengthening leadership practices, and finalising the Health and Safety Management System redesign. Continued integrity work will focus on implementing survey insights to maintain lawful and effective operations, ensuring the workforce remains confident and connected to deliver high quality services to the community.





PROGRESS WITH OTHER KEY WORK

In summary, other areas on which the Chief Executive continues to engage are:

- Regular meetings with Council Controlled Organisation Chief Executives and Boards.
- Regular meetings with other Waitaki Chief Executives.
- Otago Chief Executives Forum, for which the CE is currently the Chair.
- Otago Mayoral Forum.
- Otago Civil Defence Executive Group.
- Otago Civil Defence Joint Committee.
- Canterbury Chief Executives Forum.
- Canterbury Mayoral Forum.
- Waitaki Events Centre Project Board meetings.

5 DECISION REPORTS

5.1 WATER SERVICES DELIVERY PLAN - FURTHER DEVELOPMENT

Author:	Paul Hope, Director Support Services
Recommender:	Paul Hope, Director Support Services
Authoriser:	Lisa Baillie, Acting Chief Executive
Attachments:	<ol style="list-style-type: none">1. Waitaki District Council Water Services Delivery Plan Assessment report ↓ 2. The Stage 1 Condition Grading Assessment Report of water network ↓ 3. The Stage 2 Scope of Works Improving Confidence in the Condition of Critical Water networks assets ↓ 4. Delivery Model Assessment ↓ 

PURPOSE

To make decisions on the next steps to produce a compliant Water Services Delivery Plan following receipt of letters from the Minister of Local Government, the Water Panel Assessment Report and discussions with the Water Facilitator

EXECUTIVE SUMMARY

Following the confirmation of the appointment of a Crown Facilitator and receipt of the detailed feedback on the Water Services Delivery Plan (WSDP), Council needs to start making decisions to progress the development of a revised WSDP. The first matters to be considered are approving the next stage of the planned review of asset condition and whether alternative delivery models are to be investigated and if so, which models.

OFFICER RECOMMENDATIONS

That Council:

1. **Receives** the following information:
 - The detailed Water Service Delivery Plan assessment report – attachment 1
 - The Stage 1 condition assessment report of water networks – attachment 2
 - Stage 2 scope of works for improving confidence in the condition of critical water networks assets – attachment 3
2. **Approves** stage two of the asset condition assessment project with a maximum budget of \$250,000 to be funded from loans as indicated in the Long-Term Plan.
3. **Agrees** to conduct further investigations of alternative service delivery models with a focus on either a Timaru / Waitaki based arrangement or rejoining the Southern Water collaboration.

CONTEXT, ANALYSIS AND ADVICE

Background and Current Situation

Since the Havelock North incident in 2016, successive governments have sought to reform water services to deliver higher standards and investment in water infrastructure. The previous

Government's approach was to establish independent organisations to take on the responsibility water services. The current Government's approach is for each council to select from a range of delivery arrangement options. The common feature of both reforms is the need to address long term asset management, compliance and performance issues. To achieve this, additional regulations and performance standards have been developed and must be achieved. Monitoring the achievement of these standards will fall to Taumata Arawai, the Commerce Commission and the Department of Internal Affairs.

The current government's water reforms, Local Water Done Well, required councils to submit Water Services Delivery Plans by 3 September 2025, choosing from a limited number of delivery options and setting out how they will deliver the required standards and investment in a financially sustainable way.

Council commenced work more than a year ago in responding to the (then) emerging Local Water Done Well reforms. Analysis was undertaken of the current position of water infrastructure in Waitaki, and options analysis was undertaken with councils across the South Island. Once it was established that a "whole of island" approach was not viable, more localised approaches were investigated. Although Selwyn District attempted to develop a multi-Council option, the most relevant further analysis was an Otago / Southland based model. However, Council did continue to communicate with other neighbouring Councils to understand their intended approaches.

The Otago / Southland model analysis was completed in late 2024 and resulted in most Councils in the two regions choosing to pursue alternate models. The most significant grouping to come out of the Otago / Southland work was the Southern Water Done Well (SWDW) consisting of Clutha, Gore, Central Otago and Waitaki. This grouping became Waitaki's preferred option as it was seen at the time as most beneficial to the community.

There was no equivalent work undertaken in the Canterbury or South Canterbury areas. Initial discussion did occur with Mackenzie, Waimate and Timaru, and limited progress was made. However, once it was established that more than one water service delivery option had to be consulted on, work on a joint option was progressed. It was during this development period that Timaru joined and then withdrew from the SWDW grouping.

The SWDW grouping undertook analysis to look at the viability of this option. This analysis demonstrated there would be benefits, including efficiencies and cost savings for each council after the costs of setting up a new CCO and running the CCO were taken into account. Peer reviewing of the analysis concluded that the savings were conservative and likely to be higher than projected. The grouping of councils had commenced working through the terms of the partnership to meet each council's needs such as voting rights, shareholding and arrangements to ensure local charging so that each district met its own costs and was not subsidising or subsidised by other districts. It was on this basis a Commitment Agreement was negotiated and entered into in February 2025, along with a commitment of further work.

High level analysis also took place on the potential of a partnership with the South Canterbury councils of Timaru, Waimate and Mackenzie districts. Whilst some of the assumptions and modelling varied slightly, this too showed there would be benefits, including efficiencies and cost savings for each council after the costs of setting up a new CCO and running the CCO were taken into account. Planning on how the partnership and CCO would operate was not advanced, in part due to the uncertainty of Councils commitment to the model.

At the conclusion of these sets of work, Council consulted with the community on four options in May and June 2025.

[On 8 July 2025](#), Council considered the results of the consultation on delivery models to form the basis of the Water Services Delivery Plan. At the meeting it was decided to select an In-house delivery model and move away from the previous preferred model of the Southern Water joint CCO.

Following public workshops and feedback on a draft WSDP, at its meeting of [26 August 2025](#) Council adopted its Local Water Done Well Water, Waters Services Delivery Plan which was then submitted to the DIA.

On 6 October 2025, the Secretary of Local Government sent a letter to the Chief Executive rejecting the Council's Water Services Delivery Plan on the basis of insufficient information on asset conditions and the potential impact on investment required in the plan. The letter required Council to submit a revised plan following asset condition work and encouraged the Council to also consider alternative delivery options.

On [4 November 2025](#) the Minister for Local Government wrote to the Mayor-elect to set out his intention to Appoint a Crown Facilitator to support the Council in revising its WSDP. In his letter the minister also encouraged the Council to consider other delivery models.

[25 November 2025 – Public Workshop Water Services](#)

Since the last meeting there has been confirmation that Hon. Amy Adams has been appointed as a Water Facilitator. Hon. Adams has had one briefing with Council and various other meetings in relation to the WSDP.

The letter from the Secretary of Local Government rejecting the submitted WSDP and considered [on 4 November](#), highlighted the various matters that caused the plan to be rejected. These matters included:

- Concerns regarding the level of asset condition data.
- A need to update capital expenditure, revenue and other funding allowing for the outcome of the asset condition data
- Concerns about the viability of the proposed delivery model.

In addition, the Facilitator has passed on concerns regarding the compliance issues Council faces and the capacity to deliver the proposed improvements.

Asset Condition Assessment

Following the approval given on 4 November, officers commissioned and have now received the initial report on asset condition (Stage 1 Desktop Review). It should be noted that the scope of work for the report was discussed and endorsed by representatives of the Department of Internal Affairs (DIA). This report is attachment 2. As discussed in the 25 November workshop, it is the view of officers that the Stage 1 desktop review generally confirms Council's understanding of asset condition and does not materially affect the overall position taken in the WSDP, although some adjustment of renewals budgets may be required.

The most useful information in the report was that it highlighted the areas of greatest difference and uncertainty in relation to various classes of assets and therefore the items where further investigation would provide the greatest value. It is proposed that the second stage of the asset condition works is approved, and it is recommended that this be funded loan funds as indicated in the Long-Term Plan. No options on this matter are presented as it is a requirement to undertake this work to progress the WSDP.

Work to address some of the other matters is also underway. An external supplier has been engaged to work with our new Assets Planning Team (established as part of Transformation to improve and develop our asset planning approach and capability) to complete an Asset Management Maturity Assessment. This updated assessment is expected to be completed by the end of February 2026.

The compliance issues Council faces and the action being taken to address these issues were outlined in the 25 November workshop. The information provided was not new and reflects the Council's ongoing analysis and investment planning over recent years to deal with historical underinvestment and non-compliance building on the information provided previously at various stages including i) the Council's enhanced three waters investment programme agreed in 2021; ii) the Otago-Southland analysis of 2024; iii) the Southern Water analysis of 2025 and; iv) the analysis and investment plan set out in the LTP 2025 and Water Services Delivery Plan.

The projects to address the compliance matters are funded through the LTP and set out in the WSDP. Therefore, no further decisions are required at this time. The capacity of Council, the wider sector and contracting industries to deliver what is set out in the LTP and the WSDPs is both a local and national issue and will be addressed in a subsequent report.

The last issue raised and the subject of the balance of the report is whether Council continues with an in-house service delivery model or it explores alternate models, as encouraged by both the Secretary for Local Government and the Minister.

Priority and Strategic Context

This matter is both important and urgent. Any delays in decision making will most likely result in failing to meet the deadline of delivering a revised WSDP. It will also create serious issue with developing the 2026/27 Annual Plan and preparing the organisation for which ever water services option is finally agreed and approved. In terms of the latter, most councils are now operationalising their WSDPs with a view to be up and running by the end of June 2027. They envisage a significant programme of work and dedicated resource over the next two to three years to achieve this. Whatever route Council chooses, it will have less time to operationalise its plan which will bring pressure on resources and the ability to deliver other priorities. Determining a way forward is urgent.

Analysis and Discussion

It is clearly stated in the feedback in both the communications from the Minister of Local Government and the Secretary Local Government that Council should explore alternate delivery options before resubmitting the WSDP. Council had already explored options as part of the WSDP development including membership of Otago based grouping, Southern Water Done Well (now Southern Waters) and a South Canterbury based group. Information was presented on these options in the 8 July Report. The key matters to consider now are whether Council wishes to reopen this discussion and, if so, which arrangements it wants to reconsider and what further information is needed that can be produced in given time and resource constraints.

At this stage, it is not considered practical to look at new partnership options that have not been considered previously. Most councils have now had their WSDPs approved and are focussed on operationalising arrangements and therefore, given the time and resource constraints, are unlikely to want to open up new options previously not considered. Experience of working on Southern Water Done Well and South Canterbury shows there is a lot of analysis and matters to consider that take months of work of substantial teams. Opening up completely new options

would be high risk including the risk of not meeting the timetable to submit a revised WSDP set out by the Secretary for Local Government.

The table that was included in the July decision report has been summarised and updated to assist with considering this matter. This is provided as attachment 4. This table will be referenced in the consideration of options section rather than discussed in this section of the report however it does need to be noted that there is currently more information available on the Southern Water option which makes some comparisons difficult.

It is recognised that part of the decisions made on 24 August was a requirement to explore potential collaborations.

RESOLVED WDC 2025/088

Moved: Cr Jim Thomson

Seconded: Cr Tim Blackler

Notes the willingness of the Council to explore future opportunities for collaboration with other Councils in relation to water services delivery.

CARRIED

To date the only exploration that has occurred as been at an informal level. This lack of progress is a direct result of the need to complete the various WSDP and more importantly, the uncertainty created by the WSDP assessment and approval process. This report is the first practical opportunity to consider this matter.

The recent Government announcement that it intends to replace regional councils with an alternate arrangement has further complicated an already challenging set of decisions as well as adding a further consideration to what route the Council may wish to go. However, given how recently this announcement was made and the lack of detail this issue is not examined at this time, but it is worth noting that with the proposals for reorganising local government, together with RMA reform and Building reform, there is a strong direction towards councils collaborating on a range of issues and services, not just water.

Consultation and Option Development

As this matter has been the subject of two separate consultation exercises no further consultation is required.

Financial Considerations

As this is only a decision on which options to explore there are no significant financial considerations. These will be a key consideration in subsequent reports.

Risks

Various matters in relation to water services are currently assessed as the highest risk matter Council needs to consider. Decisions and actions on this matter is the only path available to start mitigating this risk.

Significance and Engagement

Although the individual decisions are not significant, it must be understood that failure to take action in relation to the rejection of the WSDP and appointment of a Water Facilitator is highly likely to result in a greater level of intervention from the Minister of Local Government which would be highly significant.

Summary of Options Considered – Alternative Delivery Methods

Option 1 – Continue with In-house service delivery

Option 2 – Investigate the option to rejoin Southern Water only.

Option 3 – Investigate a Timaru / Waitaki option and conditions to join only.

Option 4 – Investigate both Timaru / Waitaki and Southern Water service delivery options to allow a more direct comparison of the potential benefits and risks. (preferred)

Assessment of Preferred Option

Based on the information that is currently available, it is difficult to make a direct comparison between the two primary options. It is therefore recommended that further investigation is undertaken to allow this comparison to occur. This will primarily focus on the Timaru / Waitaki option as this specific grouping has not been investigated or modelled in any substantive way as the prior work had included both Mackenzie and Waimate. This option does have risks, especially in terms of deliverability, however it is also most in line with the prior Council decision noted earlier in the report.

Another key factor to consider is the level of change being driven by Government. As two critical reforms have only just been announced, how these impact on the two options will need to be explored.

Continuation of the in-house delivery model is not recommended as it is not considered that this approach will produce a WSDP that will be approved when resubmitted. The basis of this opinion is the feedback that has been received, from the government. The key feedback received is that the model does not address concerns in relation to the compliance issues in a timely manner or with the confidence that the capacity, both internally and externally, to deliver what is proposed in the plan, will be able to be put in place. Although officers do not accept this view, currently there is no understanding of what information could be provided to address these concerns. If the expectation is that these matters are resolved or there are contractual arrangements in place to resolve them then this cannot be achieved in the time available.

Investigating the option to rejoin Southern Water is the simplest option as it is the one that is most well understood and has the greatest level of information available. This is a result of it being the preferred option for a period of time and was therefore the most developed. It is recognised that this option received limited support during the consultation period.

The key features of this arrangement are well understood as these were documented in the commitment agreement signed by the four Councils. This greater level of information is reflected in attachment four where there is a greater discussion of the benefits and risks. These arrangements were further clarified as the proposal was developed and formed the basis of the Southern Water WSDP that has been approved. It should also be noted that the approved WSDP specifically allows both Waitaki and Timaru to join the grouping. Southern Water has continued to develop and is at the stage of finalising key governance documents and other establishment decisions. What will need to be investigated are what re-entry conditions will apply and whether any previously agreed conditions have changed.

This is considered to be the lowest risk option in terms of use of Council's capacity, whilst there would still be significant work to do, given the progress, this option places the least burden on council's resources.

The third option is to explore a joint arrangement with Timaru District Council (Timaru). The Timaru approved WSDP is based around a stand-alone CCO to deliver water services. This plan does note an openness to working with others and potentially other delivery arrangement but does not provide any detail as to how and who.

The work to develop a joint CCO proposal between the South Canterbury Councils was not as well advanced as the SWDW grouping. The basis of this work was a four Council arrangement. As this is no longer the proposed arrangement some of this work will need to be updated and then developed further. This makes comparison to the Southern Water model at this point is difficult and there would be a lot of work to do in a short space of time to develop the proposal to enable a full comparison.

The Timaru WSDP has a deadline of 31 March for any joint arrangement to be finalised. Given the starting position, the level of effort required by both Councils and the time and resources available, it has been assessed that there is doubt that this deadline can be achieved and this poses a risk to this Council in terms of producing a compliant WSDP by the deadline. TDC does not face this risk given its WSDP is approved.

If Council did want to investigate this option further, it would require the urgent development of a Commitment Agreement in the approved DIA format by the two Councils. This would then form the basis of the negotiation of a more detailed agreement by the 31 March 2026 deadline. Both Councils would need to approve the commitment agreement no later than the first week of February 2026.

These are the only reasonably practical options that have been identified. It is the assessment of officers that there is no time or capacity to investigate and development other alternative delivery arrangements.

Next Steps

Should Council accept the recommendation it does need to be recognised there are significant other demands on capacity of the organisation (Governance and Officers). Previously the Chief Executive has highlighted the stretch on the council's resources from multiple competing priorities including transformation, a large capital programme and multiple reforms. Those pressures continue and the number of government reform initiatives is increasing. This will impact on the level of investigation that can be conducted and what information can be produced.

Whichever option is selected Council will need to urgently engage with the relevant entities and establish what role the Water Facilitator needs or wants to play. The aim will be to make a final decision of the service delivery model by the first week of February 2026 to allow time for the arrangement to be finalised by 31 March 2026 to then allow the preparation of an amended WSDP together with developing an Annual Plan that reflects the planned approach.

Other Matters

At its September meeting, the last Council resolved to establish a Future Water Services Advisory Group with some members drawn from the community. The focus of the group was to assist and advise Council on the implementation of the in-house business model and the development of its approach to successfully deliver its WSDP. However, with the rejection of the Council's in-house WSDP, it is unclear what role this group would play or whether this is the right time to appoint such a group. With the appointment of the Crown Facilitator, forming and developing this group may add an additional layer of complexity and it is unclear how this group would interact with the Crown Facilitator and what its' role would be given her powers and

responsibilities. Given workloads and the impact of the Christmas break officers are proposing to take no further action on establishing this group until after the next Council decision when the role this group can play will be clarified.

Sensitivity: General

Annex 4 – Waitaki District Council Water Services Delivery Plan Assessment report

Water Services Delivery Plan Assessment

Assessment Report – Waitaki District Council

Te Kāwanatanga o Aotearoa
New Zealand Government



Internal Affairs
Te Tari Taiwhenua

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Sensitivity: General

Glossary and abbreviations

The table below sets out the abbreviations used in this report

	Abbreviation
Capital expenditure	capex
Council-controlled organisation	CCO
Department of Internal Affairs	Department
Drinking Water Quality Assurance Rules	DWQAR
Funds from operations	FFO
In-house Business Unit	IBU
Infrastructure Decision Support	IDS
Levels of service	LOS
Local Government Funding Agency	LGFA
Local Government (Water Services Preliminary Arrangements) Act 2024	Preliminary Arrangements Act
Long-term plan	LTP
Southern Water Done Well	SWDW
Water services council-controlled organisation	WSCCO
Water services delivery plan	Plan
Waitaki District Council	WDC
Wastewater treatment plant	WWTP

Sensitivity: General

Assessment Cover Sheet

Background on council/s and engagement with the Department

Detail	Commentary
Councils involved in Plan	Waitaki District Council (WDC)
Number of connections	Water supply: 11,726 (8,500 residential and 3,226 non-residential) Wastewater: 8,413 (7,539 residential and 874 non-residential) Stormwater: 9,319 (7,917 residential and 1,402 non-residential)

Sensitivity: General

Detail	Commentary
DIA comment on council engagement during Plan development process	<ul style="list-style-type: none"> Following the enactment of the Preliminary Arrangements Act, WDC (alongside Central Otago, Clutha and Buller District Councils) initially undertook modelling led by Selwyn District Council to investigate the benefits of a joint WSCCO, first with 11, then with five councils. A working group was then tasked with assessing the merits of a regional Southland-Otago grouping consisting of Invercargill, Southland, Gore, Clutha, Dunedin, Central Otago, Waitaki and Queenstown-Lakes councils and providing advice to elected members. The report from the group indicated there are significant benefits to regional aggregation, particularly for the smaller, rural councils. On 27 January 2025, the Department attended a meeting with Chief Executives from Central Otago, Clutha, Gore and WDC to discuss pursuing a joint model. A governance framework was put in place to advance the option and a request for support from the Department was requested due to lack of funding. By mid-March 2025, WDC (alongside Clutha, Central Otago, Gore and Timaru District Councils) had signed a commitment agreement to work together towards a joint WSCCO (known as SWDW). <p>The modelling for the SWDW group indicated modest benefits by 2034 for WDC from joining SWDW.</p> <ul style="list-style-type: none"> Ahead of consultation, the Department provided the grouping (which at the time included WDC) with a benchmarking tool to enable these councils to compare expected prices with other similar sized councils across the country. The use of the benchmarking tool by WDC indicated that the inhouse delivery model would result in average water services bills per connection, and operating expenses per connection that were lower than the national average. WDC consulted on SWDW as its proposed delivery model and 54% of submitters identified an In-house Business Unit as their preferred delivery model, with only 15% identifying that their preferred model was SWDW. On 8 July 2025, WDC resolved to withdraw from SWDW and pursue an in-house business model. This required remodelling of the draft Plan.
Feedback provided to council prior to submission on Draft Plan	<ul style="list-style-type: none"> On 18 July 2025 the Department formally requested that WDC provide a draft WSDP to it by 31 July 2025. WDC provided the Department with a draft Plan for review on 31 July 2025. The Department responded on 11 August 2025 with significant feedback stating that from the assessment of the draft, the Department's view was that the draft Plan did not comply with the legislative requirements. On 13 August 2025, the Department met with WDC elected members to discuss the feedback on the draft Plan. This included outlining each point of feedback, communicating that the draft Plan did not meet requirements in its current state and that significant further work was required. The Department also reminded WDC of the potential for Crown intervention under the Preliminary Arrangements Act. WDC responded to the Department by submitting its final WSDP on 28 August 2025.

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Sensitivity: General

Detail	Commentary
Engagement with council during review and assessment process	<p>On 9 September 2025, the Department emailed WDC with queries in relation to the following matters:</p> <ul style="list-style-type: none"> • A significant increase in charges for consumers, particularly in the first few years of the Plan; • The basis/methodology used to develop the investment plan to support the delivery of water services, given the lack of condition rating; • Capex funding allocated for the Oamaru supply pipeline (circa 1880) in the investment plan; • Noting that the Oamaru supply pipeline is at the end of its theoretical life and that it is identified as a critical asset, further information on what performance/condition monitoring will be undertaken by the council to assess its condition and remaining useful life; and • The current quantity/value of network asset renewals backlog and the period over which this is expected to be renewed as graphs included in the plan are unclear. <p>On 12 September 2025, WDC Chief Executive Alex Parmley confirmed the investment plan for water supply network renewals is based on the modified useful life of the assets, which takes into account the age, material, and criticality of the pipes. The planned investment is in line with modelling done by IDS in March 2024 which looked at a range of investment scenarios for the water supply network. WDC provided detailed information from WSP (an engineering consultancy) on the condition of the Oamaru water supply pipeline and renewal profile and also explained the backlog of renewals. The Plan signals that there are projects in place to address compliance issues, as well as the installation of water meters which will address high water loss and usage.</p> <p>On 15 September 2025, the Department asked if there was a report provided as part of the IDS modeling that could be reviewed as supplementary information in the context of further information on the wastewater network WDC responded that the IDS modelling was for watermain and provided an interim report on Oamaru wastewater renewals strategy which focuses on the earthenware pipes in Oamaru, which represents approximately 15% of the wastewater network.</p> <p>The information request covered all aspects of the water services network, including drinking water, wastewater and storm water, no information was provided on the stormwater network.</p> <p>Additionally, on 12 September 2025, the Mayors of WDC and Timaru District Council wrote to the Minister for Local Government noting that councils are beginning exploratory discussions on how they might collaborate to improve efficiency and reduce costs. While no decisions have yet been made, the Mayors noted that a more formal arrangement could be an option in the future, potentially with the inclusion of other neighbouring councils.</p>
Other Background Comments	<p>WDC has previously indicated it could redirect \$650,000 of its remaining and uncommitted Better off Funding balance, currently \$1.9m, to water projects.</p>

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Sensitivity: General

Assessment Summary

Section	Commentary
Confirmation of submission completeness checklist	All sections of the Plan completed, however noting that a plan for obtaining a detailed asset condition has been included instead of the information itself. Following a request for clarification, WDC provided some additional information to support the asset condition assessment.
General Comment on Plan	<p>WDC is proposing an IBU model.</p> <p>The primary issue identified relates to the provision of an asset condition assessment. Under section 13(1)(h) of the Preliminary Arrangements Act, all plans are required to include <i>“an assessment of the current condition, lifespan, and value of the water services networks”</i></p> <p>The initial Plan provided by WDC did not include a sufficient asset condition assessment as required under the Preliminary Arrangements Act. The Department requested additional information from WDC during the assessment phase. WDC were able to provide some additional information regarding modelling undertaken in 2024. The information provided did not cover all of the water services network, and accordingly the ability to assess financial projections and investment sufficiency remains limited. If the asset condition is worse than assumed, this may impact the assessment of the sufficiency of the capital investment programme to meet the relevant regulatory requirements and standards. The plan notes that a conservative approach has been taken to the prioritisation of investments. The Plan notes that a conservative approach has been taken in their financial modelling and prioritisation of capital investments.</p> <p>More information on this specific issue is included in the “Issues for discussion with Panel” section, and in the relevant sections in Part B and Part D of the assessment.</p> <p>The following additional matters were identified through the assessment. In isolation from the above issue, these matters do not prevent the Plan from meeting the legislative requirements. However, they should be monitored through implementation:</p> <ul style="list-style-type: none"> • The investment plan is double compared to previous delivery levels, which is considered a risk; • Limited information was provided on WDC’s approach to asset management and we note a s17A review of service delivery under the Local Government Act 2002 is planned for 2027; • The Plan assumes WDC will obtain a credit rating to allow it to increase its borrowing limit from 175% to 280% with LGFA. The implementation plan provides a timeline for obtaining such a credit rating; and • The average projected charges for water services increase from \$1,468 to \$3,465. Price increases fluctuate over 10 years with the most significant increase of 62.4% in 2026/27.

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Sensitivity: General

Section	Commentary
Financial Sustainability Comment	As noted earlier, the concerns regarding asset condition raised earlier in this report mean that it is challenging to confirm the level of investment is sufficient, which impacts the overall assessment of the financial sustainability of the Plan.
Revenue Sufficiency	<p>The revenue in the Plan is sufficient to cover the costs of delivering water services including delivery of the capital investments outlined in the Plan. If planned capital investment has been understated additional revenue will be required which may impact this assessment. There are projected operating cash surpluses for water services in every year of the Plan and projected operating deficit ranges between negative 27.4% and positive 7.9% over the 10 years, mainly due to fully funding depreciation.</p> <p>The average projected charges for water service increase from \$1,468 to \$3,465. Price increases fluctuate over 10 years with the most significant increase of 62.4% in 2026/27. We recommend the proposed pricing pathway and affordability are monitored during implementation.</p>
Investment Sufficiency	<p>Subject to the above concern regarding asset condition information, the proposed investments are sufficient to meet the LOS, regulatory requirements and renewals, however the Department notes that limited funding is provided for growth. WDC confirmed the investment plan for network renewals is based on the modified useful life of the assets, which takes into account the age, material, and criticality of the pipes.</p> <p>The planned investment is in line with modelling done by IDS in March 2024 which looked at a range of investment scenarios for the water supply network. The asset consumption ratio is increasing which indicates that the planned renewals investment will result in an increase in the average age of assets in the network.</p>
Financing Sufficiency	<p>Projected borrowings for water services increase from \$56.9m to \$200.8m and stays below 500% net debt to operating revenue ratio throughout the 10-year period. There is headroom in the Plan, however in 2033/34 it is only \$500,000 so we expect that this would be a matter for consideration by the governance committee for three waters service delivery. WDC water services operate with positive FFO throughout the Plan and range from 2% to 11.1%.</p> <p>The Plan confirms that projected whole of council borrowings will remain within LGFA borrowing limits and assumes WDC will obtain a credit rating to allow it to increase the borrowing limit from 175% to 280% with LGFA.</p> <p>We recommend that WDC work closely with rating agencies and LGFA to achieve a rating and the Department monitor receipt of this during implementation.</p>
Overall assessment recommendation	The overall recommendation from the assessment phase is to discuss the outcome of the assessment with the Panel.

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Issues for discussion with Panel

Issue	Description	Recommended treatment
Asset condition	<p>The Plan as originally submitted to the Department did not include a sufficient asset condition assessment as required under the Act.</p> <p>Further information was sought from WDC on asset condition.</p> <p>On 12 September, WDC confirmed the investment plan for water supply network renewals is based on the modified useful life of the assets, which takes into account the age, material, and criticality of the pipes. The planned investment is in line with modelling done by IDS in March 2024 which looked at a range of investment scenarios for the water supply network.</p> <p>On 15 September additional information on wastewater renewals for earthenware pipes (15% of the network) was provided by WDC. No information was provided on the stormwater network. The supporting information from WDC stated that renewal backlogs will be managed and will be resolved by 2039 (noting the potential impact on the Omaru water supply renewal forecast).</p> <p>The supplementary information does not fully address or respond to the lack of condition information for large parts of the water services network.</p> <p>Investment in renewals is 11% greater than depreciation of the network.</p> <p>At an activity level, wastewater is 100% more than depreciation, while water is 33% lower than depreciation and stormwater is 33% lower than depreciation.</p> <p>The asset consumption ratio increases, from 62.7% to 69%, which indicates that the planned renewals investment will result in an increase in the average age of assets in the network.</p>	<p>Discuss proposed approach with Panel to consider if the level of information provided is sufficient to meet requirements.</p> <p>If the conclusion of the assessment is that insufficient information has been provided on the condition of the assets, then the assessment may not be satisfied that the content requirements under section 13 (1) (h) of the Preliminary Arrangements Act have been met.</p>
Growth funding	<p>The plan notes a 10% population increase over ten years. The WSDP references a number of projects that are listed as having a primary driver of level of service improvement will also address capacity issues in the network. Growth projects in the plan are limited to network extensions to provide services to areas not currently connected. WDC has prioritised its capital programme with priority given to compliance related improvements and renewals. Water supply and wastewater network extension capital projects have been categorised as “should do”.</p>	<p>Discuss proposed approach with Panel to consider if the level of growth funding is sufficient to meet requirements.</p>

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Issue	Description	Recommended treatment
Delivery of investment plan	<p>Historical delivery indicates an average of \$10-12m per annum over the last 6 years whereas the Plan requires a step up to an average of \$26m per annum for the first eight years, and \$46m- \$51m in the final two years.</p> <p>Delivery is acknowledged as mixed, with the Plan indicating this is being addressed with a Project Management Office established. There is supporting information provided on improved resourcing to support delivery.</p>	We recommend monitoring the capex delivery programme during implementation.
Asset management approach	Limited information was provided on WDC's approach to asset management. We note a S17A review of service delivery under the Local Government Act 2002 is planned for 2027.	We recommend monitoring of WDC's asset management approach.
Credit rating	The Plan assumes WDC will obtain a credit rating to allow it to increase its borrowing limit from 175% to 280% with LGFA.	<p>We recommend that WDC works closely with rating agencies and LGFA to achieve this a credit rating.</p> <p>We recommend monitoring the receipt of a credit rating during implementation as this is needed for WDC to secure the required lending.</p>
Pricing and affordability	The average projected charges for water service increase from \$1,468 to \$3,465. Price increases fluctuate over 10 years with the most significant increase of 62.4% in 2026/27.	We recommend the proposed pricing pathway and affordability are monitored during implementation.

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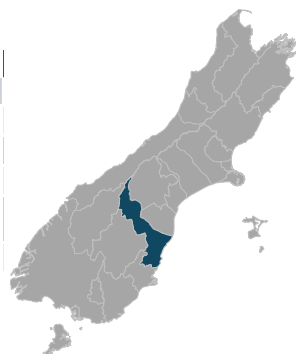
Sensitivity: General

Water Services Delivery Plan Summary Analysis – Waitaki District Council - IBU

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Council summary information

Summary information	Level
Current population	24,934
Drinking water connections	11,975
Wastewater connections	8,347
Stormwater connections	9,367
High growth council	No
10 year population growth	10.1%



Assets, network and compliance

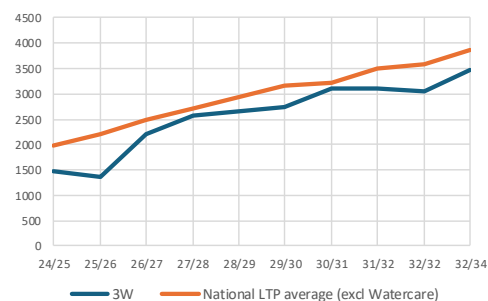
Asset measures	Year 1	Year 10	10 Year Average
Total assets per connection (\$)	13,301	22,849	17,718
Total debt per connection (\$)	1,898	8,493	4,370
Operating costs per connection (\$)	289	335	344
Age of network (years)	DW	WW	SW
Average age outlined in plan	33	54	54

Network performance	Level
Level of service performance measures achieved	73%
Water loss rate	38.8%
Average consumption (litres per person per day)	532

Compliance addressed in the Plan	
Drinking water compliance	Yes
Resource consent compliance	Yes

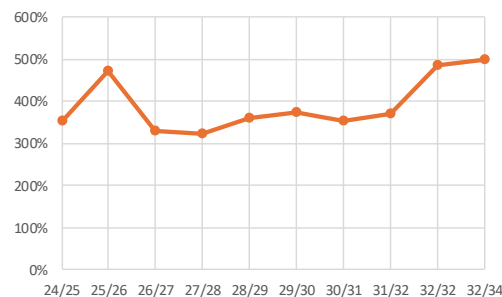
Affordability and growth

Water services charge compare to national LTP average



Financing

Net debt to operating revenue

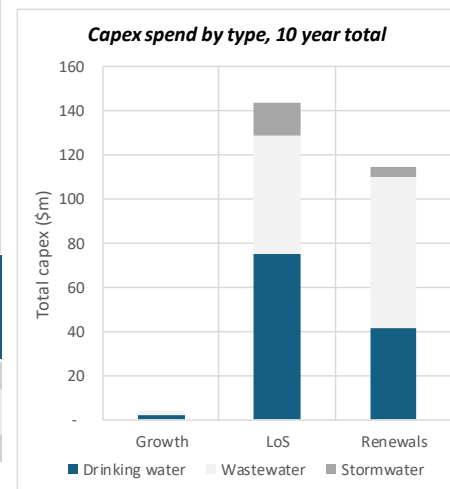


Capital expenditure	Category of capital expenditure			Total over 10 years
	Growth	Level of service	Renewals	
Drinking water	1,993	75,342	41,465	118,800
Wastewater	1,993	53,253	68,931	124,177
Stormwater	-	14,993	4,247	19,240
Total 10 years	3,986	128,595	110,396	242,977

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Item	Year 1	Year 10	10 Year Average
Total charge as % of median income	1.90%	3.70%	2.98%
Annual price increase	22.10%	14.10%	12.54%
DC collected per new connection (\$)	N/A	N/A	3,125

Item	Year 1	Year 10	10 Year Average
Water related net debt to operating revenue %	354%	499%	392%
FFO to debt	6.1%	7.9%	8.2%
Whole of Council net debt to revenue (approximately)	160%	200%	180%



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Annex 4 – Waitaki District Council Water Services Delivery Plan Assessment report

Assessment Report: Part A – Statement of financial sustainability, delivery model, implementation plan and assurance

Section in Part A	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Delivery model and implementation				
Financially sustainable water services provision	<p>Includes a statement that WDC confirm the Plan sets out a path for financially sustainable three waters services, noting that:</p> <ul style="list-style-type: none"> Investment in three waters services is sufficient to address known and anticipated compliance standards; Revenue is sufficient to cover all operating cost from the 2027 to 2028 financial year onwards; and Financing is sufficient to support investment in the overall capital programme. WDC recognises that access to financing assumes that WDC will be able to obtain a credit rating. Initial discussions indicate this is achievable. 	<p>The Plan may be financially sustainable, as the projected revenue is sufficient to ensure the long-term investment in delivering water services and the level of investment is sufficient. However, this is subject to the above concern relating to information provided on asset condition) to meet LOS and regulatory requirements. We also note that limited funding has been included for growth.</p> <p>The Plan assumes WDC will obtain a credit rating to allow it to increase its borrowing limit from 175% to 280% with LGFA.</p> <p>We recommend that WDC works closely with rating agencies and LGFA to achieve a rating and this is monitored during implementation.</p>	Meets requirements subject to discussion on asset condition assessment and growth	N/A
The proposed model to deliver water services	<p>The IBU model includes changes to financial systems, reporting, governance arrangements and organisational structure, as indicated in the implementation plan.</p> <p>The IBU model utilises the ability for Council to leverage its lending across its entire operating revenue, allowing total three waters borrowing at levels consistent with (or slightly higher than) the alternative model of a standalone organisation.</p>	<p>The Plan's description of the proposed IBU model is clear with implementation occurring from 2025 to July 2027.</p> <p>The IBU model includes changes to the organisational structure within WDC including appointment of an independent water committee to monitor performance The IBU will meet ringfencing requirements.</p>	Meets requirements	N/A

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Section in Part A	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Implementing the proposed service delivery model	<p>The IBU will be implemented over the next two financial years. Initial steps are:</p> <ul style="list-style-type: none"> • Commence work on an amendment to WDC's existing 2025 – 2034 LTP; • Incorporate budgeting changes to achieve a balanced budget at a whole of council level; and • Commence scoping work on the establishment of a new ledger and reporting requirements. <p>Steps to be taken during 2026/27:</p> <ul style="list-style-type: none"> • Review of existing corporate overhead allocation approach to ensure fairness and transparency and ensure that overhead allocations can be justified; • Implement a time-sheeting system to ensure that all time related to three waters service delivery is appropriately recorded and costed; • Work with the newly elected council to determine the appropriate governance arrangements and delegations; • Review WDC's revenue and financing policy with a view to separating the roading and stormwater targeted rates from 1 July 2027; • Complete organisational design to identify changes to the service delivery structure and reporting lines/responsibilities for new senior leadership role; • Recruitment process to appoint independent members for the new governance body from 1 July 2027; • Commission new ledger system for three waters; • Recruit for a new senior leader to enable appointment by 1 July 2027; and • Prepare water services strategy and 2027-2037 LTP. <p>Steps to be taken during 2027/28 or 2028/29:</p> <ul style="list-style-type: none"> • Undertake work to obtain a credit rating to access increased levels of borrowing. 	Information provided in the implementation plan is sufficient to meet the requirements of section 13(2) of the Preliminary Arrangements Act.	Meets requirements	N/A

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Section in Part A	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Consultation and engagement undertaken	<p>Public consultation was undertaken between 6 May and 9 June 2025. Consultation sought feedback on four options including a joint WSCCO with Central Otago District Council, Clutha District Council, and Gore District Council (SWDW), a standalone WSCCO, an IBU, and a joint WSCCO with Canterbury councils. In the consultation, the SWDW option was the proposed delivery model.</p> <p>WDC received a total of 300 submissions from individuals, organisations, and community groups.</p> <p>The IBU received the majority of support from submitters (54% of “first choice” selections), followed by the standalone WSCCO (21%) and the SWDW option (15%).</p>	<p>Consultation meets the requirements of the Preliminary Arrangements Act.</p> <p>The number of submissions represents approximately 1.2% of the population in the district.</p>	Meets requirements	N/A
Assurance and adoption of the Plan				
Council resolution to adopt the Plan	Water services delivery plan adopted 26 August 2025.	N/A	Meets requirements	N/A
Certification of the Chief Executive of Waitaki District Council	Water services delivery plan certified 27 August 2025.	N/A	Meets requirements	N/A

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Annex 4 – Waitaki District Council Water Services Delivery Plan Assessment report

Assessment Report: Part B – Network Performance

Section in Part B	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Investment required in water services				
Serviced population and serviced areas	<p>WDC is responsible for managing:</p> <ul style="list-style-type: none"> 15 domestic water supplies serving a population of 25,100; Eight wastewater schemes serving a population of 16,430; and Eight community areas with stormwater systems. Four of these are substantial. <p>An 11.9% growth in household units is expected over the 10-year period.</p> <p>In 2023/24 performance measures were met for:</p> <ul style="list-style-type: none"> Five of nine drinking water measures; Four of five wastewater measures; and All five stormwater measures. 	<p>Note that in this section population served is listed as 25,100 and on Page 29 of the Plan the FY 2024/25 population served is listed as 24,934.</p> <p>Sufficient information provided on service areas, connections and growth.</p> <p>In FY 2023/24, 73% of performance measures were met.</p>	Meets requirements	N/A
Assessment of the current condition and lifespan of the water services network	<p>Assets have an average age of 32 to 54 years.</p> <p>A condition improvement programme plan has been included to improve data and move to a proactive management approach.</p> <p>Water supply</p>	<p>See earlier section regarding asset condition assessment for additional context.</p>	<p>For discussion with the Panel.</p> <p>As presented the plan may not meet the requirements of Section 13(1)(h) of the Preliminary Arrangements Act.</p>	Yes

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Section in Part B	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
	<p>The Plan indicates that the water supply network is on average 33 years old, with the oldest pipes being 1880 cast iron pipes. Assessments of the cast iron gravity mains indicate condition is fair and external advice is that it does not need to be replaced in the short term. WDC continues to monitor this and notes the Oamaru watermain are at the end of theoretical useful life, but failure rates are low.</p> <p>Funding has been allocated for further condition assessment, particularly for the Oamaru cast iron watermain. The Plan states that watermain failure data is used to analyse timely renewals to ensure unplanned interruptions are within an acceptable level.</p> <p>Wastewater</p> <p>The Plan indicates high inflow and infiltration into the wastewater network and budget has been allocated for investigation work. The Plan notes that approximately 7km of the wastewater system was surveyed by CCTV in the past five years. Recent inspections indicate a general deterioration of the network condition.</p> <p>Stormwater</p> <p>The Plan indicates the stormwater network is on average 54 years old, is not considered old and is some way from reaching the end of its useful life. The Plan states investment is required for upgrades, and budget for scoping is provided.</p>	<p>On 9 September 2025, the Department sought further clarification from WDC on the basis/methodology for how they developed the investment plan to support the delivery of water services. WDC confirmed the investment plan for network renewals is based on the modified useful life of the assets, which takes into account the age, material, and criticality of the pipes. The planned investment is in line with modelling done by IDS in March 2024 which looked at a range of investment scenarios for the water supply network. WDC provided detailed information from WSP on the condition of the Oamaru water supply pipeline and renewal profile and also explained the backlog of renewals. The Plan signals that there are projects in place to address compliance issues, as well as the installation of water meters which will address high water loss and usage.</p> <p>Additional notes from assessment of information provided:</p> <p>Water supply</p> <ul style="list-style-type: none"> Supplementary information has been provided on the Oamaru cast iron watermain which concludes that the useful life has been extended to 150 years (2033) but there is no apparent urgency to begin renewal of these highly critical assets, preferring instead to reassess condition over the next 5-10 years; and Water renewals backlog is \$9.15m, expected to be cleared by 2039. Note that any potential decisions by WDC to formally extend the useful life of the cast iron mains in Oamaru would have a significant impact on the shape of the renewal curve and the size of the backlog. <p>Wastewater</p>		

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Section in Part B	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
		<ul style="list-style-type: none"> Inflow and infiltration into the wastewater network indicates deterioration in the network. We note renewals funding has been provided for the wastewater network; and Wastewater renewals backlog is \$18.86m, expected to be cleared by 2033. <p>Stormwater</p> <ul style="list-style-type: none"> There has been no funding for stormwater from 2018-2024, although actual spend has occurred indicating that funding is required; The Plan provides for stormwater renewals and upgrades over the 10-year period; and Stormwater renewals backlog is \$0.58m, backlog is insignificant and will be cleared by 2028. <p>On 15 September 2025, the Department asked if there was a report provided as part of the IDS modeling that can be reviewed as supplementary information. WDC responded that the IDS modelling was for watermains and provided an interim report on Oamaru wastewater renewals strategy which focuses on the earthenware pipes in Oamaru which represents approximately 15% of the wastewater network.</p> <p>The supplementary information does not fully address or respond to the lack of condition information for the majority of the network and thereby may not provide sufficient base information to support the renewals investment in the Plan.</p>		
Asset management approach	WDC retains responsibility for asset planning, while operations and maintenance are carried out by a contracted service provider.	Limited information provided on asset management approach, and limited commentary is provided on how asset management will support the proposed model.	Meets requirements.	Yes

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Section in Part B	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
	<p>Under the IBU, it is expected that the current contracted out services will continue, pending a Local Government Act 2002 section 17A review in 2027, which will consider whether the treatment of water and wastewater is best undertaken externally or internally.</p> <p>Asset maturity assessment from 2017 highlighted a number of areas for improvement.</p>	<p>While areas for improvement are highlighted in the asset maturity assessment, no subsequent action plan has been identified. Maturity assessment highlights areas of focus and expected improvements.</p> <p>There is little change in delivery mechanisms proposed in the Plan. This indicates that WDC will review these arrangements in 2027 as part of a S17A service delivery review.</p> <p>We recommend monitoring of WDC's asset management approach, noting the s17A review planned for 2027.</p>		
Statement of regulatory compliance – Drinking water	<p>Three of WDC's 15 water supplies were compliant with the DWQAR at the end of Quarter 2 2024/25. There are various capital upgrades underway to ensure compliance with Drinking Water Standards. This includes UV upgrades at four sites and installing filters at Otematata.</p> <p>To manage water loss WDC is shifting its water demand management approach from its historic focus on fixing leaks reactively to a proactive management approach. The Plan indicates installation of water meters in 2027/28 - 2029/30 will address usage and water loss. \$12M is allocated in significant projects.</p>	<p>There are projects in place to address non-compliance with DWQAR. WDC has indicated all supplies will be compliant by 2026/27.</p>	Meets requirements	N/A
Statement of regulatory compliance - resource consents	<p>The Plan notes WDC has 14 water take consents, 13 wastewater discharge consents and 1 stormwater consent.</p> <p>There are five current active consent applications. 11 consents expire in the next 10 years.</p> <p>The Plan provides a description of non-compliance issues and solutions.</p>	<p>The abatement notice has been explained and the issue rectified.</p> <p>There are projects listed in the significant projects section to address WWTP compliance issues.</p>	Meets requirements	N/A

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Section in Part B	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
	One infringement notice for breach of an abatement notice was issued in 2023, and there were abatement notices for the Oamaru WWTP not captured in the 2023/24 Annual Report.			
Capital expenditure required to deliver water services and ensure that water services comply with regulatory requirements	<p>The Plan summarises WDC's projected 10-year capital investment forecast.</p> <p>Capital investment is planned to address identified network performance issues.</p> <p>WDC is shifting from historical reactive management to a proactive management approach.</p> <p>Total expenditure varies from \$51m (2032/33) to 15.5m (2025/26).</p>	<p>Total annual capex varies from \$15.5m (2025/26) to \$51m (2032/33). The Plan mentions a prioritisation process to identify a financially sustainable capital programme, but details are limited.</p> <p>Growth funding for drinking water and wastewater is limited in the plan; however, the plan also states that there are LoS projects that will also have a growth component. There is no funding allocated in the plan for stormwater growth.</p> <p>Priority investment is in drinking water LOS improvements and renewals.</p>	For discussion with panel	Yes
Historical delivery against planned investment	<p>Total delivery for drinking water was 102% against plan for 2021/22 – 2023/24.</p> <p>Total delivery for wastewater was 80% against plan for 2021/22 – 2023/24.</p> <p>Stormwater capex spend is unbudgeted.</p>	<p>History indicates water asset delivery of \$10-12m per annum over the last 6 years whereas the Plan requires a step up to average \$26m per annum across the Plan, and \$46m- \$51m in the final two years.</p> <p>Delivery is acknowledged as mixed with the Plan indicating this is being addressed with a Project Management Office established. There is supporting information provided on improved resourcing to support delivery.</p> <p>We recommend that delivery of the capital programme is monitored through implementation.</p>	Meets requirements	Yes

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Assessment Report: Part C – Revenue and financing arrangements

Section in Part C	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Revenue and charging arrangements				
Charging and billing arrangements	<p>Current charges for water, wastewater, and stormwater are outlined in the Plan. A separate stormwater rate will be introduced in 2027/28 to maintain ringfencing. To ensure financial sustainability and meet ringfencing needs:</p> <ul style="list-style-type: none"> Revenue and costs will remain funded through a targeted rate and directly allocated, with a new three waters ledger for better transparency. Overhead allocation will be reviewed for fairness. Funding is set aside for system improvements to support separate three waters reporting. Extra provisions will strengthen accountability and governance for three waters. <p>Additional resources are allocated for increased reporting and compliance.</p>	Charging and billing arrangement are outlined in the Plan.	Meets requirements	N/A
Water services revenue requirements and sources	Revenue comes from targeted property rates, with additional income from fees, charges, and development contributions as projected in WDC's 2025-2034 LTP. The development contributions policy will be regularly reviewed. WDC may also use other funding tools like development levies and targeted rates when available.	The Plan provides sufficient detail on the water services revenue requirements and sources.	Meets requirements	N/A
Existing and projected commercial and industrial users' charges	Projected three waters charges rise 136%, from \$1,468 to \$3,465 on a combined basis across all connections. No analysis has been completed for the impact of price increases on commercial customers as commercial customers typically pay a volumetric charge based on their water usage. Currently, residential rates provide 63% of drinking water, 75% of wastewater, and 72% of stormwater funding. There is scope to rebalance some water charges across trade waste and non-residential connections. The introduction of volumetric charging may change these proportions.	Existing and projected commercial and industrial users' charges have been outlined in the Plan.	Meets requirements	N/A

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Section in Part C	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
The affordability of projected water services charges for communities	Water charges in Waitaki District are set to rise on a composite basis across all connections from 1.7% to 3.7% of median household income between 2026 and 2034, raising affordability concerns. A shift to volumetric pricing may help single-person households but could mean higher charges for large water users.	The affordability of projected water services rises above 3.1% of median household income from 2027/28. We recommend that affordability is monitored during implementation.	Meets requirements	Yes
Funding and financing arrangements				
Water services financing requirements and sources	Three waters borrowing rises from \$56m in 2024/25 to \$201m by 2033/34. Borrowing will use a mix of fixed/floating rates, short/long-term debentures, interest rate swaps for hedging, mainly from LGFA, and commercial paper as needed. WDC will need to obtain a credit rating and will also undertake a broader review of its whole of council financial performance and seek to achieve a balanced budget prior to applying for any credit rating. Key financial water funding strategies are: <ul style="list-style-type: none"> • Depreciation is fully funded. • Operating surpluses are used for asset renewal first. • Growth and service investments are funded are by debt, aligning costs with future users. • Development contributions are collected where possible. • Debenture stock is renewed unless enough cash reserves exist for repayment. • Debt is kept within limits; and revenue is raised as needed to support this, maximising leverage to lower water charges. 	The Plan outlines the water services financing requirements and sources. We note that WDC will need to obtain a credit rating to allow it to increase its borrowing limit from 175% to 280% with LGFA and recommend that WDC works closely with rating agencies and LGFA to achieve this.	Meets requirements	Yes
Internal borrowing arrangements	WDC borrows externally at a whole of council level, with an internal treasury management function which allocates debt to relevant activities. All debt is backed with external borrowing. WDC has no internal lending arrangements between activities and does not propose to introduce any such arrangements.	WDC has no internal borrowing arrangements and does not intend to have any in the future.	Meets requirements	N/A

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Section in Part C	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Determination of debt attributed to water services	WDC's three waters debt for the year ending 30 June 2023 was agreed with the National Transition Unit. Debt is allocated directly to three waters activities at a cost centre level and is fully traceable at a cost centre level, with no internal lending currently in place. Movement in debt balances, and the current assumed level of three waters debt, are based on these cost centre allocations and the opening position.	The determination of debt attributed to water services is stated in the Plan.	Meets requirements	N/A
Insurance arrangements	<p>Three waters infrastructure was valued at \$377.2m in 2023/24 (\$263.9m in 2023). Assets over \$1m and critical items are insured for \$162.5m (\$105.4m in 2023).</p> <p>WDC manages asset risk for the remaining assets via Local Authority Protection Programme membership, depreciation reserves, and the Disaster Fund. Total asset replacement cost is \$612,341,794 at 30 June 2024:</p> <ul style="list-style-type: none"> • Water Supply: \$272,042,498; • Wastewater: \$282,749,279; and • Stormwater: \$57,550,017. <p>WDC relies on the Government's risk sharing for essential infrastructure recovery, with Central Government covering 60% of damaged horizontal infrastructure costs after a natural disaster. WDC holds reserves for rapid response and uninsured losses: as at 30 June 2024, the Disaster Fund was \$2,025,805 and the Insurance Excess Fund \$203,094. Committed cash facilities are also in place for extra funding if needed.</p>	Sufficient details on WDC's insurance arrangements are in the Plan.	Meets requirements	N/A

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Sensitivity: General

Assessment Report: Part D – Financial sustainability assessment

Section in Part D	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Financially sustainable water services provision				
Confirmation of financially sustainable delivery of water services by 30 June 2028	<p>Operating revenue will cover all operating costs, including depreciation and finance, from 2027. Three waters aims for cash surpluses, not operating surpluses. Residential three waters charges will rise by 136% by 2034.</p> <p>The Plan allows \$1m extra annual operating costs for governance, staff, levies, audit, and credit rating and costs of regulatory oversight.</p> <p>Total network investment exceeds depreciation; renewals investment is below depreciation due to asset age and new assets. Service investment also supports growth and asset replacement. Planned investment will lower the average asset age. All capital spending is fully funded by revenue or debt.</p> <p>Three waters debt stays under 500% of revenue before 2034.</p>	As noted earlier, the concerns regarding asset condition and growth raised earlier in this report mean that it is not possible to confirm the level of investment is sufficient to meet LOS and regulatory requirements and recommend discussing this with the Panel.	For discussion with Panel	Yes
Actions required to achieve financially sustainable delivery of water services	<p>To achieve financial sustainability, Council proposes to fully fund depreciation from 2026/27, increase operating expenditure for regulations and asset management and obtain a credit rating by 2027/28 or 2028/29.</p> <p>These steps will help WDC cover operating costs, renew assets, and service debt for three waters infrastructure, while ensuring access to debt for capital projects.</p>	Actions required to achieve financially sustainable delivery of water services are outlined in the Plan.	Meets requirements	N/A

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Section in Part D	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Risks and constraints to achieving financially sustainable delivery of water services	<p>The Plan relies on a number of core assumptions and risks which may impact the future financial sustainability of three waters services. These are outlined below:</p> <ul style="list-style-type: none"> • Ability to access debt and the need to obtain a credit rating to access increased lending at 280% of total revenue; • The risk that the capital programme is inadequate or under costed; • Interest rate and inflation assumptions; • Efficiencies arising through economic regulation and a shift to more proactive investment planning have not been factored into the financial projections; • Projected efficiencies from economic regulation and proactive planning are not included; if achieved, charges may be lower; • Affordability constraints; • Actions of the water services regulator; and • Actions of an economic regulator or the introduction of a rates cap that incorporates three waters. 	Risks and constraints to achieving financially sustainable delivery of water services have been outlined in the Plan.	Meets requirements	N/A
Assessment of revenue sufficiency				
Projected water services revenues cover the projected costs of delivering water services	<p>Operating revenue will cover operating costs, including depreciation and finance costs, from 2026/27. Three waters is not intended to generate an operating surplus but will have cash surpluses. Residential three waters charges rise by 136% by 2034.</p> <p>From 2026/27, three waters revenue will cover operating costs, achieving a balanced budget. The 2025/26 deficit is higher due to a loan-funded de-sludging project at Oamaru wastewater plant, counted as an operating cost.</p>	<p>Projected water services revenues cover the projected costs of delivering water services and are outlined in the Plan.</p> <p>Our assessment of revenue sufficiency has assumed that the revenue in the Plan is sufficient to deliver the capital investments outlined. If the capital programme requires amendment (because, for example, the information on asset condition on which it has been made is inadequate), then additional revenue may be required.</p>	Meets requirements	N/A

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Section in Part D	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Average projected charges for water services over 2024/25 to 2033/34	<p>Projected household charges for three waters services at WDC are set to rise by 62% in 2026/27 and 136% by 2034.</p> <p>The average charge per connection is projected to increase from \$1,468 to \$3,465. The price changes start with a 22.1% increase, a 7.9% decrease in 2025/26 and a significant 62.4% increase in 2026/27. Year on year increases fluctuate through to 2033/34.</p> <p>WDC considered phased price increases for 2026/27 but decided on a single year rise due to uncertainties around future Commerce Commission pricing controls and potential rates caps. Delaying increases could affect financial sustainability, increase short-term lending needs, cause operating deficits, impact credit ratings, and raise future debt and borrowing costs. The proposed increase would bring charges close to the Ministry of Business, Innovation and Employment's estimated \$195 monthly power cost.</p>	<p>The average projected charges for water service are outlined in the plan and increase from \$1,468 to \$3,465. Price increases fluctuate over 10 years with the most significant increase of 62.4% in 2026/27.</p> <p>We recommend the proposed pricing pathway is monitored during implementation.</p>	Meets requirements	Yes
Projected operating surpluses/(deficits) for water services	<p>From 2027/28, revenue is expected to break even, fully funding depreciation and renewals through depreciation recoveries. From 2031/32, extra revenue is included to meet lending covenants and reduce future borrowing costs.</p> <p>This leaves debt to fund new infrastructure for future consumers.</p> <p>The 2025/26 deficit arises due to a loan-funded de-sludging project at Oamaru wastewater plant, classified as an operational cost.</p>	<p>The projected operating deficit ranges between negative 27.4% and positive 7.9% over the 10 years mainly due to fully funding depreciation.</p>	Meets requirements	N/A

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Section in Part D	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Projected operating cash surpluses for water services	The projected operating cash surpluses for WDC's three waters under an IBU model has costs factored in for extra governance, new specialist staff, regulatory levies, and credit rating maintenance. Operating cash surpluses grow from approximately 21% of operating revenue to over 60% of operating revenue over the 10-year period.	There are projected operating cash surpluses for water services in every year of the 10-year Plan.	Meets requirements	N/A
Assessment of investment sufficiency				
Projected water services investment is sufficient to meet levels of service, regulatory requirements and provide for growth	<p>Proposed investment in the network in total exceeds depreciation.</p> <p>While growth investment appears low, the Plan indicates a number of levels of service projects to also address growth issues, including: installation of water meters, capacity upgrades for the Lower Waitaki scheme, Oamaru Water Source Strategy investment, to improve security of water supply, leak detection and mains renewals programmes which will reduce water loss.</p> <p>On 9 and 15 September 2025, WDC confirmed the investment plan for water supply network renewals is based on the modified useful life of the assets, which takes into account the age, material, and criticality of the pipes. The planned investment is in line with modelling done by Infrastructure Decision Support in March 2024 which looked at a range of investment scenarios for the water supply network. Additional information on wastewater renewals for earthen ware pipes (15% of network) was provided by WDC. No information was provided on the stormwater network.</p>	As noted earlier, the concerns regarding asset condition and growth raised earlier in this report mean that it is not possible to confirm the level of investment is sufficient to meet LOS, regulatory requirements and renewals and recommend discussing this with the Panel.	For discussion with panel	Yes

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Section in Part D	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Renewals requirements for water services	Renewals investment exceeds depreciation and renewals backlogs are being effectively managed during the period and will be resolved by 2036. Asset Sustainability Ratio fluctuates between -27% and +94%.	Investment in renewals is 11% greater than depreciation of the network. At an activity level, wastewater is 100% more than depreciation, while water is 33% lower than depreciation and stormwater is 33% lower than depreciation. As above, investment in renewals is dependent on the information provided regarding asset condition.	Meets requirements subject to discussion on asset condition assessment.	N/A
Total water services investment required over 10 years	There is a positive asset investment ratio for all years of the Plan, ranging from 78% to 254%.	This is consistent with asset management plans and the Infrastructure Strategy. As above, investment is dependent on the information provided regarding of asset condition.	Meets requirements subject to discussion on asset condition assessment.	N/A
Average remaining useful life of network assets	Increasing asset consumption ratio, from 62.7% to 69%, asset average life remaining is increasing. The ratio is increasing which indicates that the planned renewals investment will result in an increase in the average age of assets in the network.	The ratio is increasing which indicates that the planned renewals investment will result in an increase in the average age of assets in the network.	Meets requirements	N/A
Assessment of financing sufficiency				
Confirmation that sufficient funding and financing can be secured to deliver water services	The charts and tables show WDC will provide three waters services while meeting all lending covenants during the Plan period. Key points: <ul style="list-style-type: none"> No formal limit is set on three waters debt to revenue for internal borrowing; All capital spending is funded by revenue or debt; Three waters debt stays below 500% of revenue in 2034. Financing relies on WDC getting a credit rating by 30 June 2032. The Plan allows for this in 2027/28 or 2028/29, and early talks suggest this is achievable.	The Plan confirms sufficient funding and financing can be secured to deliver water services. We note that WDC needs to obtain a credit rating to allow it to increase its borrowing limit from 175% to 280% with LGFA. We recommend that WDC works closely with rating agencies and LGFA to achieve a rating and the Department monitor receipt of this during implementation.	Meets requirements	Yes

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Section in Part D	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Projected council borrowings against borrowing limits	WDC debt remains within lending covenants over the Plan period, with no breaches forecast in 30-year modelling. The debt to revenue ratio lending covenant is assumed to be 280%. This requires WDC to secure a credit rating before any potential breach of the 175% covenant, expected in 2032/33. The Plan notes that WDC has received advice from Bancorp indicating no issues are expected in obtaining a rating.	The Plan confirms that projected council borrowings will remain within LGFA borrowing limits and assumes WDC will obtain a credit rating to allow it to increase its borrowing limit from 175% to 280% with LGFA. We recommend that WDC work closely with rating agencies and LGFA to achieve a rating and the department monitor receipt of this during implementation.	Meets requirements	Yes
Projected water services borrowings against borrowing limits	The chart shows three waters debt stays below 500% of revenue throughout the planned period. No formal borrowing limits for water services have been adopted. WDC uses a debt to revenue limit of 500% in this Plan.	The Plan shows that projected borrowings for water services stay below 500% net debt to operating revenue ratio throughout the 10 years.	Meets requirements	N/A
Projected borrowings for water services	Analysis shows that three waters debt and revenue are projected to rise significantly under the proposed model, with debt up 256% and revenue up 152% from 2025–2034. Major investment in wastewater projects in 2033–34 will increase debt, but long-term modelling indicates WDC lending covenants will not be breached. Calculations exclude development contributions and capital grants and assume no three waters-specific cash reserves.	Projected borrowings for water services increase from \$56.9m to \$200.8m.	Meets requirements	N/A
Borrowing headroom/(shortfall) for water services	The analysis reviews three waters debt to revenue using WDC's LGFA method: operating revenue excludes development contributions and capital grants, all debt is external, and no cash reserves are included.	The Plan shows there is borrowing headroom for water services. We note that in 2033/34 it is only \$500,000, and we expect that this would be reviewed by the governance committee for three waters service delivery in due course.	Meets requirements	N/A

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Section in Part D	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Free funds from operations	The Free Funds from Operations to Debt ratio has been calculated using WSCCO guidelines, but this does not apply for IBU models. WDC has correctly included 50% of development contributions and applied a 10% FFO to debt limit.	WDC water operates with positive FFO throughout the Plan, ranging from 2% to 11.1%.	Meets requirements	N/A
Assessment of financing sufficiency	Financing sufficiency based on the overall debt and revenue projections in this plan is dependent on WDC successfully securing a credit rating by 30 June 2032 at the latest. An allowance has been made within this plan for WDC to secure such a credit rating in FY 2027/28 or 2028/29, and early discussions with Bancorp have indicated that WDC should be able to secure a credit rating.	The Plan demonstrates financing sufficiency subject to WDC obtaining a credit rating to allow it to increase its borrowing limit from 175% to 280% with LGFA. We recommend that WDC works closely with rating agencies and LGFA to achieve a rating and the Department monitor receipt of this during implementation.	Meets requirements	N/A

Assessment Report: Part E – Projected financial statements for water services

Section in Part E	Summary of content in Plan	Assessment Review Comment	Focus for panel
Projected funding impact statement	The funding impact statement is provided at a combined level and at the three waters level.	Meets requirements.	N/A
Projected statement of comprehensive revenue and expense	The statement of comprehensive revenue and expense is provided at a combined level and at the three waters level.	Meets requirements.	N/A
Projected statement of cashflows	The statement of cashflows is provided at a combined level and at the three waters level.	Meets requirements.	N/A

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Projected statement of financial position	The statement of financial position is provided at a combined level and at the three waters level.	Meets requirements.	N/A
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Assessment Report: Part E – Financial projections and measures

Projected statement of comprehensive revenue and expense

Water Services Delivery Plan page 69

Projected statement of financial position

Water Services Delivery Plan page 71

Financial measures: revenue sufficiency

Water Services Delivery Plan pages 51 -56

Financial measures: investment sufficiency

Water Services Delivery Plan pages 57 - 61

Financial measures: financing sufficiency

Water Services Delivery Plan pages 62 - 67

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Assessment Report: Water Service Delivery Plan – Additional information

Additional information	Summary of content in Plan	Assessment Review Comment	Focus for Panel
Additional disclosures to support Plan	There are no additional disclosures to support the Plan.	N/A	N/A
Significant capital projects	Significant capital projects are expressed in current dollars (uninflated) and include all projects over \$1 million, and any projects identified elsewhere in this Plan as being necessary to meet compliance, growth or consent renewal requirements. These tables will not reconcile perfectly with other tables in this Plan that set out capital requirements due to the exclusion of inflation and the exclusion of projects which do not meet the significance threshold.	N/A	N/A
Key issues, constraints, risks and assumptions	Key risks and assumptions are presented in a table.	We noted financial and funding risks are missing along with detailed mitigations. Additional information was provided on the anticipated risks and mitigations associated with this source of revenue.	N/A

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WAITAKI DISTRICT COUNCIL

NETWORK ASSET CONDITION GRADING

November 2025

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Document Control



Document Control

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Executive Summary



Executive Summary

Waitaki District Council (WDC) engaged ProjectMax Limited to perform a desktop assessment of all wastewater, stormwater and drinking water network assets.

The WDC 3 waters networks, across all townships, consist of a total of 1,883km of pipelines including 1,622km of water pipes, 203km of wastewater pipes (including rising mains) and 58.6km of stormwater pipes.

For the assessment, WDC provided information for each wastewater, stormwater and drinking water network assets including unique identifiers for each asset (COMPKEY), pipe installation date, diameter and material, criticality grading and other attributes.

For assets that were previously inspected, collected condition grading information has been incorporated into the desktop assessment including approximately 70km of gravity wastewater and stormwater CCTV inspections, and approximately 6.3km of p-CAT inspections to determine wall thickness on pressure drinking water pipes.

This information was reviewed and integrated into a detailed model to establish condition grading and populate confidence grading for all assets.

Condition Grades applied in the assessment follow current Water New Zealand standards, ranging between 1 (very good) and 5 (very poor).

Confidence in asset condition is described by a grade range between A (highly reliable) and D (very uncertain). Assets where some previous inspections have occurred have been populated with Confidence Grade B. Assets with Condition Grades determined from the desktop assessment have been populated with Confidence Grade D (which is typical for asset Condition Grades determined from desktop assessment where no physical screening or inspection has occurred).

The most common pipe materials include polyethylene, PVC and asbestos cement (AC) for drinking water pipes, concrete, earthenware and PVC for gravity wastewater pipes, polyethylene, PVC and cement lined steel for wastewater rising mains and concrete, earthenware and PVC for stormwater pipes.

A model was developed to incorporate condition information from previous inspections and asset attribute information to establish Condition Grades and assign Confidence Grades. The model referenced a library of 20+ years of pipe condition data from New Zealand and other information to apply the Monte Carlo methodology for statistical distribution of Condition Grades to assets where no previous inspection data was available.

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The assessment determined that of 1,883km of network pipelines, approximately 658km are of Condition Grade 4 or 5 (poor or very poor) including 42.9km of gravity wastewater, 0.5km of wastewater rising mains (including all AC and cast iron rising mains), 13.9km of stormwater and 600.8km of drinking water assets.

Approximately 9% of wastewater assets, 8% of stormwater assets and 7% of drinking water assets are Condition Grade 5 (very poor condition).

The assessment compared Condition Grades from the desktop assessment with previously determined Likelihood of Failure (LoF) data provided by WDC. The desktop assessment determined that approximately 23% of wastewater pipes, 22% of stormwater pipes and 31% of drinking water pipes are Condition Grade 4 or 5 (poor or very poor) compared to 19% of wastewater, 1.9% of stormwater and 5% of drinking water pipes from the previous LoF assessment.

The comparison of previous LoF Condition Grades and this desktop assessment generally show a reduction in the proportion of the assets in all three waters for Grades 1 and 2 (very good and good condition) and an increase in the number of assets with Grades 3 to 5 indicating a greater level of network deterioration than was previously assessed. The proportion of all 3-waters pipes in very poor condition (Grade 5) has increased from an average of 0.5% to 7.4%.

Recommendations have been made for some actions to be taken prior to April 2026 that would improve confidence in the assessed condition of pipes that are expected to impact on the quantum of assets requiring renewal within the short-term renewal planning horizon and the information needed to update the WSDP. These actions include extending the analysis of existing investigation data to better understand and justify the condition of pipes believed to be in poor condition and likely requiring renewal. Recommended actions also include undertaking a limited investigation of some pipe materials where there is a high number of pipes that are predicted to have a Condition Grade 5 (like AC pipe) that, based on low rates of reported failure, were not expected to be in such a deteriorated condition. These inspections are to determine if those pipe materials are actually performing at or worse than national averages for the asset condition. Based on these investigations and assessment the desktop assessments may require adjusts to reflect and inform renewal funding.

Longer term recommendations include development of prioritised annual inspection programmes focused on assets with a predicted Condition Grade of 4 or 5 that have not been previously inspected based on high and very high criticality scores.

Some opportunities for data improvement are recommended including collection of asset information through 'opportunistic' BAU to resolve pipe attribute anomalies with installation

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Executive Summary



dates and pipe material (where installation dates are inconsistent availability of pipe materials). Further recommendations have also been made to adjust base lives of some pressure pipeline material.

This desktop assessment has prepared Condition Grades and Confidence Grades for all WDC wastewater, stormwater and drinking water network assets. Outcomes are expected to be informative for responding to DIA queries on the WDC Water Services Delivery Plan.

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Introduction



1 Introduction

1.1 Background

Waitaki District Council (WDC) is comprised of several townships including Dunback, Duntroon, Herbert, Hampden, Kakanui, Kurow, Macraes, Maheno, Moeraki, Ngapara, Omarama, Oamaru, Otematata, Palmerston, Pukeuri, Reidston, Waitaki Bridge and Weston. WDC is responsible for provision of wastewater, stormwater and drinking water for these communities.

The Water Services Delivery Plan (the Plan) for WDC was submitted to the Department of Internal Affairs (DIA) on August 27, 2025.

The Plan was not approved because a condition assessment of wastewater, stormwater and drinking water networks presented in the Plan was considered insufficient. As a result, WDC requested a desktop condition assessment of linear water, wastewater, and stormwater network assets.

ProjectMax recommended a three-stage approach: Stage 1: Develop initial condition grading (desktop), Stage 2: Physical Inspection Prioritisation, Scoping (Stage 2a) and Technical Support (Stage 2b, if required) and Stage 3: Inspection outcomes review, analysis, reporting, and revised condition and confidence grading for inspected assets.

This report outlines the methodology, analysis, results and recommendations from Stage 1.

1.2 Department of Internal Affairs Review

On 6 October 2025, DIA provided a response to WDC informing that the Plan was not considered in compliance with the Local Government Water Services Preliminary Arrangements Act of 2024 (the Act).

Following financial, technical and legislative assessments, the DIA concluded that the WSDP did not satisfy requirements for the assessment of the current condition, lifespan and value of the drinking water, wastewater and stormwater networks under Section 12(1)(h) of the Act.

The DIA response noted that condition grading information for drinking water and stormwater networks was missing and reliance of dated information on wastewater network grading was noted.

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Introduction



An amended Plan was requested by the DIA, noting it should include an assessment of the current condition, lifespan and value of the drinking water, wastewater and stormwater networks.

1.3 Project Stages

1.3.1 Stage 1: Desktop Assessment

The desktop assessment scope includes data request, data review and desktop assessment of network condition.

1.3.2 Stage 2: Asset Inspection

Stage 2 scope includes prioritisation, scoping and technical support (if required) for physical asset condition inspection. Stage 2 scope is not included in this report but is recommended for completion in FY25-26 to enable commencement of a condition inspection programme in FY26-27.

1.3.3 Stage 3: Assessment of Inspected Assets & Condition Grade Update

Following completion of inspections in Stage 2, inspection data should be audited, reviewed, and analysed to establish final structural (and service) condition grades and confidence grades.

Methodology



2 Methodology

2.1 Approach

2.1.1 Structural Condition Grading

Standard definitions for the condition grades are presented in Table 1. The definitions are aligned with the New Zealand Gravity Pipe Inspection Manual (4th Edition) (Section E1.2 Table E1.1), the New Zealand Pressure Pipe Inspection Manual (Section C2.3 and Section C3 through Section C9) and the International Infrastructure Management Manual (IIMM) condition grading descriptions.

Table 1 Structural Condition Grades

Structural Condition Grade	Structural Definitions		
	Gravity WW & SW Pipes	Pressure WW Pipes	Pressure DW Pipes
1 (Very Good)	As new condition. No structural defects or evidence of internal deterioration.	As new condition. Exceeds 2x minimum design factor of safety of 2. No structural defects or evidence of internal deterioration.	As new condition. No structural defects or evidence of internal deterioration. Exceeds 2x minimum design factor of safety of 2. No structural defects or evidence of internal deterioration.
2 (Good)	Some structural defects are evident, causing minor deterioration. If defects worsened it would not result in structural failure.	Some minor deterioration evident but still exceeding minimum design factors of safety (>2). If defects worsened it would not result in structural failure.	Some structural defects evident, causing minor deterioration. If defects worsened it would not result in structural failure. Still exceeding minimum design factors of safety (>2). If defects worsened it would not result in structural failure.
3 (Moderate)	Structural defects present with moderate deterioration that is beginning to affect structural performance. If the defects worsened it could lead to structural failure	Generally sound although with evidence of some external or internal deterioration. Current condition meets minimum design factors of safety (2). If the defects worsened it could lead to structural failure	Structural defects present with moderate deterioration that is beginning to affect structural performance. If the defects worsened it could lead to structural failure. Current condition meets minimum design factors of safety (2).
4 (Poor)	Significant defects present with serious deterioration evident affecting the structural integrity. If defects worsened it would lead to structural failure.	Significant level of external or internal deterioration. Current condition factor of safety is less than 2 which is below minimum design factors of safety. Pipe is at risk of failure if subject to pressure surges.	Significant level of external or internal deterioration. Current condition does not meet design factor of safety of 2. At risk of failure due to pressure surges.

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Methodology



Structural Condition Grade	Structural Definitions		
	Gravity WW & SW Pipes	Pressure WW Pipes	Pressure DW Pipes
		Further deterioration would lead to failure	
5 (Very Poor)	Deterioration has extended to a point where structural failure is imminent or has already occurred.	Deterioration has extended to a point where there are no reliable structural capacity and failure is imminent or has already occurred. The remaining factor of safety is <1.	Deterioration has extended to a point where there are no reliable structural capacity and failure is imminent or has already occurred.

2.1.2 Confidence Grading

Data confidence grading applies a letter grade of A through D for highly reliable asset condition information through to very uncertain asset condition data, respectively. This method for grading asset condition confidence has been referenced in New Zealand water industry standards as far back as the NZWWA Infrastructure Asset Grading Guidelines in 1999. More recently, this approach to tracking asset condition data confidence has been referenced in the New Zealand Gravity Pipe Inspection Manual (4th Edition) published in 2019 and the New Zealand Pressure Pipe Inspection Manual published in December 2024.

Confidence grading for condition grading from desktop assessments are Confidence Grade D.

A summary of confidence grading is presented in Table 2.

Table 2 Confidence Grades

Confidence Grade	General Meaning	Type of Information
A	Highly Reliable: Data based on sound records, procedures, investigations and analysis which is properly documented and quality assured. Recognised as the best method of assessment including verification on site.	Medium/High Resolution screening inspection plus NDT/DT testing. Known pipe attributes including duty range, pipe class/wall thickness
B	Reliable: Data based on sound records, procedures, investigations and analysis, which is properly documented and quality assured. Has minor shortcomings; for example, the data is old, some documentation is missing, and reliance is placed on unconfirmed reports or some extrapolation.	Medium/High resolution screening inspections only. Known pipe attributes including duty range, pipe class/wall thickness

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Confidence Grade	General Meaning	Type of Information
C	Uncertain: Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolation from a limited sample for which grade A or B data is available.	Discrete sampling (NDT/DT) only Or Low-resolution screening. Limited known (verified) pipe attributes
D	Very Uncertain: Data based on incomplete information or of uncertain quality. May include unconfirmed verbal reports and/or cursory inspection and analysis and are not verified by site checks.	Visual or desktop review Historical test result (where data confidence is not known) Low Resolution analysis/probability of failure assessments.

2.2 Input Data

2.2.1 Pipe Attributes

Attribute data for assessed wastewater, stormwater and drinking water pipes was provided by WDC. Asset ID (COMPKEY), installation date, pipe material and pipe diameter and modelled pressure (Drinking Water only) were the key attribute fields referenced in this assessment.

2.2.2 Existing Condition Grading

The desktop assessment of the WDC pipe networks includes prediction of asset conditions, and where available the assessed condition grades from completed investigations. Where physical inspection data is available this would supersede predicted condition grades. WDC provided the following inspection data for inclusion with the overall assessment data:

CCTV Inspections of Wastewater and Stormwater Gravity Pipes

In total WDC has completed 70.4km CCTV inspections of wastewater and stormwater pipes over a 24-year period from 2001 to 2025. Because of the 'age' of some of the inspections, it was anticipated that not all of the inspections supplied could be used for the assessment of the current pipe condition as it could be expected that the condition of the pipe may have changed since the inspection was completed. An evaluation was undertaken to determine which inspections could, with reason, be used for the desktop assessment.

This evaluation considered what expected change in pipe condition could reasonably be expected to have occurred to the pipe condition (i.e., increase in the pipe condition grade) from the time of the inspection to the present day.

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Table 3 and Table 4 shows the outcomes of this evaluation based on amount of time since the inspection (expressed as percentage of the base life that has passed). The evaluation was conducted as two separate evaluations based on two different base life scenarios applicable to the pipe materials that have been inspected. The tables show the scenarios where no change is expected to have occurred (shown as “0” and highlighted green) as well as where the change is expected to have occurred and by how much (shown as “+1” grade change or “+2” grade changes).

The scenarios where no grade change is expected to have occurred identified the inspections that could reasonably be used for assessment of the current pipe condition.

Table 3 Inspections of Gravity Pipes with Base Life of 120 years

		Base Life of 120 years					
		% of Base Life since inspection (to 2025)					
		Original	24%	18%	13%	6%	4%
% of Expected Base Life	10%	1	+1	+1	+1	0	0
	15%	1	+1	+1	+1	+1	+1
	30%	2	0	0	0	0	0
	40%	2	0	0	0	0	0
	45%	2	0	0	0	0	0
	50%	2	+1	+1	0	0	0
	55%	2	+1	+1	+1	0	0
	65%	2	+1	+1	+1	+1	+1
	70%	3	+1	0	0	0	0
	80%	3	+2	+1	+1	0	0
	85%	3	+2	+2	+1	+1	+1
	90%	4	+1	+1	+1	0	0
	98%	4	+1	+1	+1	+1	+1
	100%	5	0	0	0	0	0

Table 4 Inspections of Gravity Pipes with Base Life of 100 years

		Base Life of 100 years					
		% of Base Life since inspection (to 2025)					
		Original	24%	18%	13%	6%	4%
% of Expected Base Life	10%	1	+1	+1	+1	+1	+1
	15%	1	+1	+1	+1	+1	+1
	30%	2	0	0	0	0	0
	40%	2	0	0	0	0	0
	45%	2	0	0	0	0	0
	50%	2	+1	0	0	0	0
	55%	2	+1	+1	+1	0	0
	65%	2	+1	+1	+1	0	0
	70%	3	+1	0	0	+1	+1
	80%	3	+2	+1	+1	0	0
	85%	3	+2	+2	+1	+1	+1
	90%	4	+1	+1	+1	0	0
	98%	4	+1	+1	+1	+1	+1
	100%	5	0	0	0	0	0

Both tables show similar outcomes with the only difference being where the age of the pipe at the time of the inspection 70% of the base life of the pipe.

Some exceptions to the above evaluation were made to further enhance the use of assessed condition from inspections. These included:

1. Inspections where the assessed grade was between 1 and 3 where the inspections were completed between 2021 and 2025
2. All pipe inspections where the assessed grade was a 4. These were accepted because while some grade 4 pipes may have deteriorated to a grade 5, the likelihood of failure was significant and excluding inspections with a grade of 4 would be detrimental to a fair assessment process.

As a result of the evaluation process 32.9km of inspections were accepted for use within the desktop assessment.

Confidence in the condition assessment from the CCTV inspections.

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The assessed condition grades from the CCTV inspection are generated based on a process called Scoring Analysis using the Peak Score generated from the CCTV inspection reports (refer to section E1 Preliminary Condition Grading, New Zealand Gravity Pipe Inspection Manual, 4th Edition, 2019). The condition grade generated is referred to as a 'Preliminary Condition Grade' as the reliability of the condition grade is not considered as being high. This is because there can be significant variability in the quality of the CCTV reporting (leading to incorrect assessments) and also due to the limitations of the scoring analysis process itself, in particular for inspections completed under the earlier 2nd and 3rd editions of the pipe inspection manual. The variabilities often lead to condition grades that tend to overstate the pipe condition typically resulting in a greater proportion of grades 3 to 5 than would result from a more detailed engineering review of the inspection video. On this basis the confidence grade allocated to the CCTV condition assessment grades at most is a B.

p-CAT Inspections of 450mm and 600mm diameter Cast Iron Drinking Water Pipes

In August 2024 WDC completed inspections of approximately 6.3km (29 assets) of parallel Cast Iron trunk mains within the drinking water network using inverse transient pressure analysis (p-CAT). These 450mm and 600mm diameter pipes installed in 1883 start at Oamaru water treatment plant (WTP) and connect to Oamaru township reticulation network on Eden Street and Thames Street.

The assessment from this investigation found that these pipes were in good to moderate condition (Grades 2 and 3).

Confidence in the condition assessment from the p-CAT inspections

While the investigations had measured the remaining wall thickness, the assessment of the pipe condition has been based on percentage of the remaining wall in comparison to the original wall thickness and not the assessment of the remaining structural capacity of the pipe wall (refer to 2.3 Approach, Limitations and Assumptions, Cast Iron Pipes). While the assessment provides confidence above a predicted grade as it utilises a measured remaining wall thickness, as it does not consider the actual pipe capacity it cannot be considered as high confidence. On this basis the confidence grade allocated to the p-CAT condition assessment is a grade B.

2.2.3 Pipe Materials

The WDC 3 waters network consists of a total of 1,883km of pipelines including 1,622km of water pipes, 203km of wastewater pipes (including rising mains) and 58.6km of stormwater pipes.

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There are 16 unique material code attributes within the WDC data set, several of these relate to plastic pipes. As part of the assessment process these material codes were simplified clustering groups of subset materials under a single material attribute as shown in Table 5. The reclassified material codes are referenced within this report when referring to the various pipe materials.

Table 5 Reclassification/Grouping of Pipe Materials for the Assessment Process

Reclassified Material Code	Reclassified Name	Material Code List from Pipe Attribute Data Supplied
ABS	Acrylonitrile Butadiene Styrene	ABS
AC	Asbestos Cement	AC
CC	Reinforced Concrete Pipe	CC
CI	Cast Iron	CI
DI	Ductile Iron	DI
PE	Polyethylene	HDPE, MDPE, PE, PE80, PE_100,
PVC	Polyvinyl Chloride	PVC, PVCm, PVCo, PVCo_S1, PVCo_S2, uPVC
ST-CC	Steel Cement Lined	ST-CC
ST	Steel	ST
Galv	Galvanised Steel	GALV
RL	Relined Pipe	FF-CIPP, UV-CIPP
EW	Earthenware	EW
SN	Stoneware	SN

The pipe materials in each of the water types mostly consist of three to four predominant material types along with a much smaller proportion of other materials as can be seen in Graphs 1 to 4 and in Table 6.

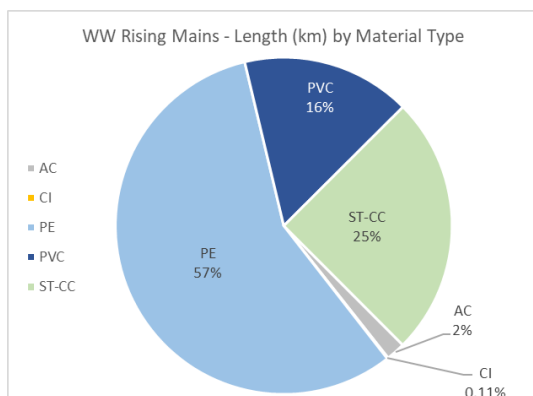
Table 6 Pipe Materials by Water Type

Water Type	Major Materials	Minor Materials (<10%)
Wastewater Rising Mains	PE, PVC, ST-CC,	AC, CI
Wastewater Gravity	CC, EW, PVC, AC,	PE, RL, ST-CC, ABS, CI
Stormwater Gravity	CC, EW, PVC	AC, ST, SN, PE, CI
Water Mains	PE, PVC, AC	CI, ST, GALV, DI

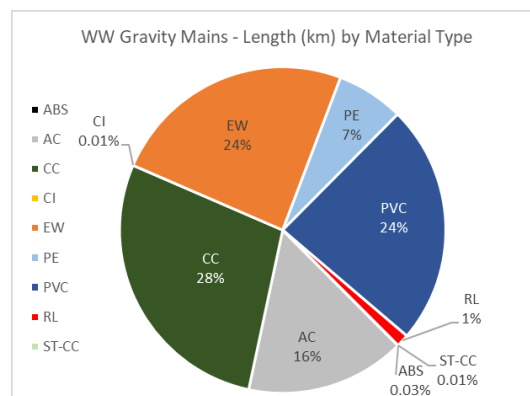
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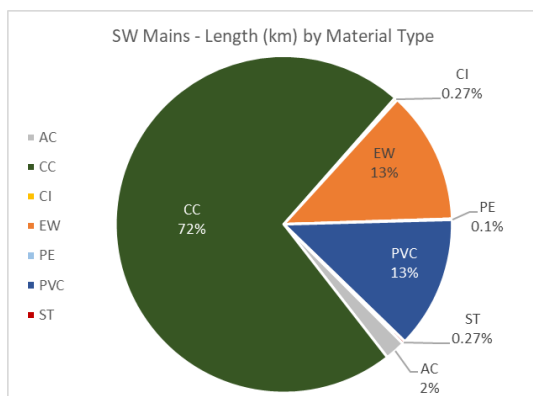
Graph 1 Wastewater Rising Mains: Length by material type



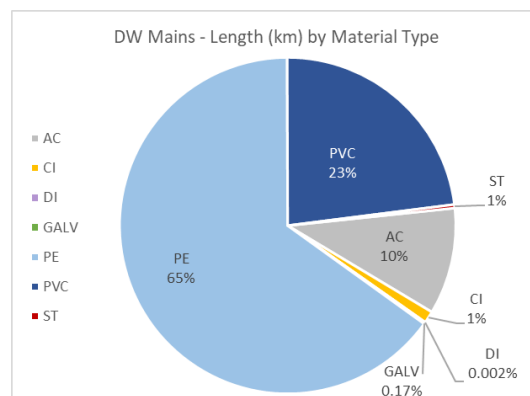
Graph 2 Wastewater Gravity Mains: Length by material type



Graph 3 Stormwater Mains: Length by material type



Graph 4 Drinking Water Mains: Length by material type



The data review process prior to the condition assessment identified some material anomalies. These anomalies are unexpected install dates associated with pipe material. These are identified as follows:

Table 7 Material Data Anomalies

Material	Install Decade	Occurrences	Comment
PE	1880	1	Likely GIS date not updated
	1910	2	
PVC	1880	1	
	1881	1	
	1946	1	
AC	1880	1	Incorrect GIS date but material should be confirmed
	1938	1	Material should be confirmed
	1994 to 2017	20	Likely GIS material not updated
CI	2013	2	

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No changes were made to the data supplied and the assessments were undertaken using the existing attribute data with the anomalies. As the number of anomalies are small compared to the overall data, it is acknowledged that these anomalies are expected to result in a condition assessment of these particular pipe assets that will not reflect the actual material in place. These anomalies should be reviewed and corrected to improve confidence in the assessed condition.

WDC has applied pipe material data confidence rating descriptions against each pipe asset. These define confidence in the identification of the pipe material ranging from very Low to Very High. In addition, the confidence description includes identification as to the source of the data (e.g., “Assumption”, “Asbuilt”, “Survey/Inspection”). In a small number of cases, confidence in the pipe material is unknown. As the desktop condition assessment relies on the pipe material to apply the appropriate assessment model, this confidence rating system is very positive and can determine where value could be gained by improving the confidence on the pipe material attribute. Table 8 identifies the number of pipe assets where the assessed pipe condition is poor or very poor, (grades 4 and 5) and the material confidence rating is Low or Very Low. If these materials were to change it is likely that this would result in a change in the assessed condition. However, in perspective, the number of assets identified in Table 8 represents less than 2% of all the assets. To help close these gaps over time and further enhance the material reliability it is recommended that WDC collect information and update or confirm the pipe materials (along with other attribute data, e.g., pipe diameter) through opportunistic data collection as part of BAU, (e.g., as part of reactive maintenance or planned inspections) in particular for the assets that are believed to be in poor or very poor condition and have low or very low confidence in the pipe material.

Table 8 Overview of assets with assessed condition grades of 4 and 5 with low material confidence

Row Labels	Material Confidence	Condition Grade 4	Condition Grade 5	Sum	Condition Grade 4	Condition Grade 5	Sum
WW Gravity	Combined	26	16	42	1,668	3,178	4,846
	Low, Archive Info	1		1	29		29
	Low, Assumption	1		1	1		1
	Unknown	24	16	40	1,638	3,178	4,816
WW Rising	Unknown	10	4	14	2,917	2,214	5,131
SW	Combined	69	13	82	3,631	547	4,178
	Low, Assumption	63	11	74	3,534	326	3,860
	Low, Survey / Inspection		1	1		119	119
	Very Low, Assumption	2		2	8		8
	Unknown	4	1	5	89	102	191
DW	Combined	196	49	245	17,543	5,453	22,996

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Row Labels	Material Confidence	Condition Grade 4	Condition Grade 5	Sum	Condition Grade 4	Condition Grade 5	Sum
	Low, As Built	20	3	23	5,869	1,566	7,435
	Low, Assumption	10	1	11	2,172	1,408	3,581
	Low, Local / Contractors Knowledge	20	2	22	1,986	903	2,889
	Very Low, Assumption	8	3	11	401	52	453
	Unknown	138	40	178	7,115	1,523	8,638
	Sum	301	82	383	25,759	11,391	37,150

2.3 Approach, Limitations and Assumptions to Condition Assessment

The approach to undertaking the desktop assessment of the water assets is a multi-model approach differentiated largely by gravity pipe assets and pressure pipe assets as follows:

Gravity Pipes – Assessment is based on utilising a database of assessments and apply statistical analysis for various pipe material and diameter cohorts and apply to the WDC gravity assets using Monte Carlo Simulation. The intent is to determine the likely condition of each gravity pipe based on the likely condition of pipes of the same material, age and where possible diameter.

Pressure Pipes – individual condition assessment models have been developed for the dominant pressure pipe materials (CI, AC, PE and PVC).

Minor and small quantity pipe materials – for the pipe materials where there is little or no gravity pipe assessments or where the development of assessment models is not economical, pipes have been assessed based on historical evidence of performance, or industry technical guidelines.

The following discusses the basis of the application of the pressure pipe assessment models as well as setting out the assumptions made and discussing the factors and limitations that will affect the desktop assessment of pipe condition.

Plastic Pressure Pipes

Although studies have identified a number of potential failure modes and factors (such degradation due to chemical attacks, crack growth, pressure fatigue, and the influence of environmental factors), in practice there is little concrete evidence linking these with failure rates or residual life.

The primary failure mechanism for PVC & PE pipes is poor installation or manufacturing defects and in instances where the pipeline is subjected to high internal pressures, or higher

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cyclic loadings, cracking (or micro-cracking) can occur. For example, resistance to slow crack growth in PVC has been found to decrease with time (at least in accelerated ageing tests) for pipes produced in the 1970s, but not for more recent (post 1997) pipe specifications.

The adoption of joint standards and specific variations and types of material have developed significantly since the late 1970s leading to increased expected lives. Research shows the fact that the lifetime of the average well installed PVC pressure pipe has almost certainly been extended through steady improvements to material quality as invoked by the 1987 (NZS 7648:1987) and 1997 (AS/NZS 1477:1997) standards. For example:

- A PVC pipeline constructed in e.g. 1979 may be expected to have had an economic life of 50 years when new and therefore should be considered to be in Grade 4 (or worse) condition now and have a residual life of 0-10 years.
- A pipeline installed in e.g. 1990 manufactured to the 1987 standard may reasonably be expected to have a longer economic life of, say, 70-80 years and therefore currently have a residual life of 35-45 years and can be assumed to be in a “mid-life” Grade 3 condition by default.
- A pipeline installed in 2000 manufactured to the 1997 standard may be expected to last 100 years with a current residual life of 75 years (and is likely to be in Grade 1 or Grade 2 condition at worst*).

**There are studies which show that exhumed in-service PVC pipe shows little or no degradation following destructive testing after 20-30 years. These are likely to be pipes manufactured to a standard at least consistent with the 1987 if not the 1997 AZ/NS standard, which have been handled and installed appropriately.*

The examples above are supported by the failure rate observations within the Noell paper on the Seismic Performance of Plastic Pipe Systems in 2010/11 Canterbury Earthquakes, which compares the historical performance of PVC and PE pipelines through various vintages, and helpfully broadly aligns their analysis to the same periods in which the standards changed.

From this paper, there is clear evidence of the significant change in performance in the water mains installed between 1986-1996 (0.76 repairs/km) and between 1997 and 2006 (0.41 repairs/km). PVC pipes installed before 1986 failed more frequently still (1.14 repairs/km).

The Noell paper was one of the main sources for Table C.8 (Table 9 below) within the New Zealand Pressure Pipe Inspection Manual (1st Edition, 2024) for Estimating the Remaining Life of PVC pipe.

*Methodology**Table 9 Pipe material considerations*

Material	Installation Date	Consideration
PVC-U	Before 1986	Fracture toughness requirement had not yet been incorporated into BS 3505, and pipes may have relatively low resistance to slow crack growth. As pipes will already be over 38 years old, crack growth should be assumed to be occurring, and condition grades should not be better than grade 4. Pipes with a history of bursts that cannot be attributed to specific causes may be approaching (or have approached) the end of their useful operational lifetimes.
All PVC	Before 1997	PVC manufacturing standard AS/NZS 1477 was introduced in 1997. Some variances in additives and performance of pipes may be present between manufacturers leading up to this date. Condition grade should not be better than grade 3.
PVC-O	After 2008	PVC-O against AS/NZS 4441 has better fracture toughness than PVC-U and better fatigue resistance than PVC-U and PVC-M
PVC-M	After 2000	PVC-M against AS/NZS 4765 has improved fracture toughness relative to PVC-U but inferior fatigue resistance.

The selection of 1986 and 1997 as milestone dates in table C.8 was deliberately aligned to the introduction of the new standards NZS 7648:1987 and AS/NZS 1477:1997 which progressively tightened the specification of PVC pipelines for pressure applications in various ways and aligns with the Noell paper observations of failures.

PE pipes have also seen improvements to the material specifications and availability over time. Early PE prior to 1970 is likely to be either Low-Density PE or Type 50 HDPE. Most of the PE pipe installed in WDC was from 1967 onwards. Mono Polymer and Bi- or Multi-Modal Polymer materials began to be available from the early 1980's and from 2000 PE100 and PE100RC materials were further introduced. While manufacturers would state that an expected life of 100 years should be expected for all PE materials evidence would suggest that prior to 1985, the expected service life would better be considered as 80 years.

Several lifetime prediction models (e.g. using the standard extrapolation method based on hydrostatic tests, linear elastic fracture mechanics and using quality number) have been utilised in the literature in order to describe some of these failure mechanisms and estimate the residual lifetime of plastic pipes. However, given their limitations, the predicted lifetimes are certainly open to dispute, as no model encompassing all possible failure mechanisms has been proposed yet.

In the absence of a defined model for predicting remaining life of plastic pipes, the method used for this condition assessment is based on the evaluation of the residual (remaining) life

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of the pipe from its date of installation against the expected service life of the pipe based upon the time period set out in the discussion above relating to and expressed Table 10.

Table 10 Expected Service Life of Plastic Pipes

Material	Installation Period	Expected Service Life	WDC Base Life
PVC	Install prior to 1986	50 ¹ years	100 years (modified base life varying from 80 to 100 years)
	Install between 1986 to 1997	80 ¹ years	
	Install after 1997	100 years	
PE	Install prior to 1960	70 years	80 years (modified base life varying from 64 to 96 years)
	Install 1960 to 1985	80 years	
	Install after 1985	100 years	

¹ For the PVC where the modelled pressure for the pipe is less than or equal to 60mh2o a service life of 100 years has been used.

As the improvements to PVC specifications have predominantly had the effect of improving the expected length of life by reducing the failure through fatigue, a higher expected service life of 100 years has been adopted for the assessment of PVC pipes in the drinking water network that have lower pressure. This has been adopted to recognise that lower pressures within the network are less likely to lead to early failures and therefore the pipes manufactured to 'lower' specifications are also less likely to fail by this method. This approach for pipes with low pressure was intended as part of the assessment process to avoid unfair assessment of the older PVC pipes in the network where the likelihood of fatigue failures is less. This default higher service life has not been applied to the Wastewater Rising Mains as these are more likely to be subject to higher frequency pump cycles.

The assessed condition grade is assigned based on the calculated remaining life as shown in the following

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Table 11 which is taken “Table C.18 Remaining Life Based on Condition Grade” from Section C of the New Zealand Pressure Pipe Inspection Manual (1st edition 2024)

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*Methodology**Table 11 Condition Grade based on Remaining Life*

Condition Grade	Remaining Life
1 Very Good	>50 years
2 Good	30-50 years
3 Moderate	10-30 years
4 Poor	3-10 years
5 Very Poor	<3 years

Limitations

Several factors can influence the deterioration of the plastic pressure pipes, and the actual lives of these pipes may extend well beyond the stated expected service lives used for the assessment. Factors such as the pressure, presence of transient pressures and cyclic frequencies within the networks all potentially work to either increase or decrease the expected lives. The use of the variable expected lives based on the development of material specifications over time and published research demonstrating decreased rates of failure is, in the absence of more robust prediction models, a reasonable basis for a desk top assessment of the plastic pressure pipes.

The confidence grading applied to the assessed condition of the plastic pressure pipes of Grade D (very uncertain) reflects that possible variability of the performance of the plastic pipes over the network and other influencing (non-deterioration related) factors such as installation or material defects may have that cannot be effectively evaluated from a desk top assessment. There are also no field investigation results from WDC that can be used as a comparative benchmark.

Cast Iron Pipe

Cast iron is here refers to both vertically cast and spun iron. While the method of manufacture affects the wall thickness and the consistency of the wall thickness, the deterioration mechanisms and approaches to condition assessment are identical.

For cast iron pipes, the primary deterioration mechanism is internal and external corrosion, which causes an overall reduction in wall thickness accompanied by localised pitting. Typically, the ultimate cause of failure for the majority of cast iron pipes is not simply via through-wall corrosion, but by a mechanism whereby corrosion weakens the pipe to the extent that it can no longer withstand the stresses associated with internal operating pressure and external loading factors.

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Remaining wall thickness is the predominant indicator by which condition grade and remaining time to failure are estimated. The rate at which a cast iron pipe corrodes is dependent on both environmental factors and the precise interaction mechanism between the environment and the iron in the pipe.

For the desk top condition assessment environmental factors such as soil properties etc. are not available and therefore the rate of pipe wall loss through corrosion is assumed as constant corrosion rate. The assumed rate of corrosion applied for these assessments has been derived from the maximum rate of observed corrosion from the p-CAT inspections undertaken on the WDC 450mm diameter CI water mains in August 2024. This maximum rate of deterioration of CI mains was 0.061mm/year. The choice of the maximum rate of corrosion was chosen to reflect the 'worst-case' scenario.

As WDC information does not provide a record of the original pipe wall thickness, Look-up tables were developed based on the pipe diameter and modelled pressure within the drinking water network*. The dimension of the original wall thickness was derived from the most applicable manufacturing standard for the vintage of the majority of the cast iron pipes (BS78: 1917) which (using the diameter and current pressure) defines the most likely pipe class and therefore wall thickness.

**Modelled pressure for the Wastewater Rising Mains was not available, however the reported pressures at the pumpstations did not exceed 61m and so therefore a default of Class B was used to determine the original pipe wall thickness of the Wastewater CI Rising Mains.*

The condition grades are then inferred from the calculated remaining wall thickness based on Table 12 below. This table is Table C.6 CI condition Grades and is based on the assessment methodology used by the New York City Department of Environmental Protection for evaluation of CI pressurised mains.

Table 12 Condition Grade based on % of wall loss (CI Pipe)

Condition Grade	Remaining Life
1 Very Good	0-25% wall thickness loss
2 Good	Wall thickness loss between 25-50%
3 Moderate	Wall thickness loss between 50-75%
4 Poor	Greater than 75% loss of wall thickness at any cross section. Noticeable sag or change in cross-section
5 Very Poor	Cracks, breaks, significant change in cross section, bending deflection >4mm

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Note for this Assessment Table C.6 was modified to evaluate Grade 5 (very Poor) where the amount of wall loss exceeded 85% of the original pipe wall. The exception to the above grading method is where the modelled pressure is less than or equal to 30mh2o, a default grade of 2 is applied.

Limitations

Whilst the benefit of estimating the remaining life using this method is a more realistic estimation of the pipe condition than using residual age (from an assumed base life) there are several assumptions that are applied. These are primarily:

- Selection of the original wall thickness based on pipe class using the current modelled pressure. This assumes that the current pressure is similar to the pressure applied for the design of the pipe. A lower modelled pressure compared to the design could underestimate the original wall thickness therefore resulting in a poorer assessed condition than maybe justified. Equally the opposite could be true if the modelled pressure is more than the original design assumptions.
- The applied rate of deterioration is based on the 2024 p-CAT inspections. The maximum rate of deterioration from the 2024 investigations is similar to the average rate of deterioration assessed from other p-CAT inspections of CI pipes in Wellington and Auckland. This indicates that the rate of deterioration in WDC is slower than in other observed locations. Given the type of soil present in the region, which is not known to generally be highly corrosive, this could be a reasonable assumption. However, if the actual rates of deterioration are higher in other CI pipes in WDC then the rate applied could understate the pipe condition.
- Use of percentage of wall loss to assess the pipe condition. This method has been utilised by other water utilities for estimating the pipe condition, as per the example used within the New Zealand Pressure Pipe Inspection manual. However, the actual remaining life of the pipe, and therefore the condition of the pipe as noted above, is based on the pipe capacity to withstand the loads applied upon it. The actual condition will be dependent on the measured loading, including surge/transients and the actual least amount of pipe wall remaining to resist it.

Comparing the assessed grades for all of the CI drinking water pipes against the grades generated from the p-CAT inspections shows comparative results which tend to indicate that the predicted grades using the desk top assessment method are reasonable within expected ranges.

*Methodology**Table 13 Comparison of Assessed Grade v Predicted & Assessed Grades (CI pipes)*

Condition Grade	Assessed from p-CAT	Predicted and assessed
1	0%	5%
2	35%	61%
3	65%	28%
4	0%	6%
5	0%	0%

The method used by WSP for assigning condition grade for the p-CAT assessments is very similar but based on the percentage remaining wall, which simply can be converted to the equivalent of percentage of wall loss. However, when converted the values used within the grading ranges differs from that set out within the New Zealand Pressure Pipe Inspection Manual. The range used for the assessment of the p-CAT inspections are as follows:

Table 14 Condition Grade Based on Remaining Wall Thickness (WSP, CI Pipe)

Grade	Remaining Wall Thickness	Conversion to Wall Loss
1	90 – 100%	<10%
2	80 -90%	10 – 20%
3	70 – 80%	20 – 30%
4	60 -70%	30 – 40%
5	<60	>40%

The Methodology used for this assessment has applied the grade ranges for wall loss utilising the Table 12 consistent with the New Zealand Pressure Pipe Inspection Manual.

As part of the review and comparison of the WDC data it was observed that pipe assessed from the p-CAT investigation's completed and also from this desktop assessment determined that while the CI pipes had in many cases reached the WDC base life age the assessed condition was good or moderate condition indicating that the expected life of the CI pipes will well exceed the current base life. On this basis WDC could review and increase the current base life of 150 years to a possible minimum of 200 years based on the assessed condition.

Asbestos Cement Pipe

Failures in asbestos cement (AC) pipes are most identified through reduced structural wall thickness/competency which then eventually causes a burst of the pipe wall. Asbestos cement is susceptible to lime leaching and sulphate attack which results in softening of the interior and/or exterior surfaces of the pipe which reduces the structural wall thickness of

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the pipe. This would often occur without a reduction in the physical thickness of the pipe wall.

Remaining structural wall thickness is widely adopted as the best indicator of remaining life of AC pipe for pipes without other known defects. Structural thickness, as with the CI pipe is the ability of the pipe to bear a structural load, in terms of equivalent thickness of a new pipe. In the case of AC pipe, this is commonly calculated as the original pipe thickness minus the deterioration thickness. This of course needs to be physically measured.

As a desktop assessment, in the absence of measurement of the remaining pipe wall thickness from a physical inspection, an estimate of the expected life of the AC pipe can be obtained by using national average deterioration rates provided by the Lifetime Prediction Charts within the Asbestos Cement Manual (Water New Zealand, Volume 2, 2017) for a particular class of pipe.

As WDC information does not provide a record of the pipe class, A look-up table has been developed based on the pipe diameter and a default pipe class. The default pipe class for various pipe diameters is set out in within the Asbestos Cement Manual (Water New Zealand, Volume 1, 2017).

The ‘fits’ of these linear models are not precise, but the method provides an opportunity to estimate the expected life of the AC pipe based on observed national rates of AC pipe deterioration. The remaining life of the AC pipe can then be estimated by deduction of the pipe age from the maximum expected life for a particular pipe class and modelled pressure.

The condition grade is then inferred from the calculated remaining life as shown in the following Table 15 which, as per the method for the assessment of the plastic pipes, is taken from “table C.18 Remaining Life Based on Condition Grade” from Section C of the New Zealand Pressure Pipe Inspection Manual (1st edition 2024)

Table 15 Condition Grade based on Remaining Life (AC pipe)

Condition Grade	Remaining Life
1 Very Good	>50 years
2 Good	30-50 years
3 Moderate	10-30 years
4 Poor	3-10 years
5 Very Poor	<3 years

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Limitations

Like the deterioration method for CI pipe, the benefit of estimating the remaining life utilising the Lifetime Prediction Chart within the AC manual is that it provides a more realistic estimation of the expected life based on observed national average rates of deterioration than just using residual age (from the current age and assumed base life). There are several assumptions that are applied. These are primarily:

- Selection of the pipe class based on the default class. This assumes that the pipe installed is the same as the expected default class for that pipe diameter and design pressure. If the installed pipe was a higher class of pipe, then the assumption for this assessment could underestimate the expected lifetime of the pipe therefore resulting in a poorer assessed condition than maybe justified. Equally the opposite could be true if the installed pipe class was less than the default assumption.
- Expected life expressed within the AC manual is based on the National average rate of deterioration. Deterioration of the pipe wall occurs both internally and externally. This is dependent on the chemistry of the water being transported and the corrosivity of the soil around the pipe. No information is known about the water chemistry, but there is possible indication from the p-CAT investigation of the CI pipes that the type of soil within the WDC may be less corrosive than the national average. If this is the case, then it is possible that the expected life of the AC pipe in WDC could be longer than what is included within the ranges specified within the AC manual. However, the corrosivity of the soil for individual AC pipes within WDC is not known, neither the chemistry of the flow and therefore the remaining life of the AC pipes can only reliably be confirmed by physical inspection.

At present WDC base life for AC pipe materials varies dependent on the pipe diameter ranging from 70 years to 140 years. The published data on expected lives within the AC Manual also reflects increasing expected life with increased diameter but also is dependent on whether the pipe is a drinking water pipe or a wastewater pipe. For drinking water, the highest likely pipe life ranges from 45 years to 140 years (these are based on the default class). Whereas the wastewater pipes are expected to have a much shorter life with the highest likely life ranging from 26 years to 83 years. A cursory review would indicate that the WDC base lives for drinking water appear reasonable, and could be expected, particularly in the larger diameters. However, in comparison with the AC manual, the base life would appear to be overly optimistic. A review of the assessed data does not provide any evidence that the WDC lives of the drinking water pipes should be changed. But consideration of reducing the AC wastewater pipes to reflect the AC manual lives should be given. However, noting that there are only 3 AC watermains and these have all been assessed as grade 5.

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*Methodology***2.4 Statistical Models for Gravity Assets (Predictor)**

PML used their large dataset of historic condition assessment data to determine the probability of an asset being assessed with a Condition Grade of 1 (very good) through 5 (very poor). This analysis notes that three factors are hierarchically important: material type, current age, and diameter. In addition, the analysis also indicated that diameter is a relevant factor for reinforced concrete (RC) SW assets.

Table 16 lists the seven 'Predictor' models developed by PML. Where a model may be applied to both SW and WW assets, the dataset analysed included both SW and WW data. Models applied to one water type are derived from data from only that water type, e.g., SW AC data was not used in the development of the Gravity AC WW model.

The models are separated first by water type (excepting those where the model applies to both SW and WW assets), then material category, and then the relevant factors are noted. All models used Age at Inspection as the primary factor, with either 20-year brackets used, or brackets defined by PML. The Gravity RC SW model also uses diameter brackets as sub-factors of each 20-year age bracket.

Table 16 List of Predictor Models

Name	Water Type(s)	Material Type(s)	Conditions
Gravity AC SW	SW	Asbestos Cement (AC)	Use 20 year age brackets
Gravity AC WW	WW	Asbestos Cement (AC)	Use 20 year age brackets
Gravity EW	SW and WW	Earthenware (EW)	Use 20 year age brackets until 100 years, then use a combined >100 bracket
Gravity PE	SW and WW	Polyethylene (PE)	Use two age brackets: ≤20 years and >20 years
Gravity PVC	SW and WW	Polyvinyl Chloride (PVC)	Use three age brackets: ≤20 years, 20-60 years, >60 years
Gravity RC SW	SW	Reinforced Concrete (RC)	Use 20 year age brackets Use relevant diameter brackets for each age bracket
Gravity RC WW	WW	Reinforced Concrete (RC)	Use 20 year age brackets until 80 years, then use a combined >80 bracket

The assessment undertaken does not utilise the WDC base life to determine the pipe condition. A review of the results from the assessment does not provide enough information that would indicate that the current WDC base lives are not reflective of the expected life.

*Methodology***2.4.1 Development****2.4.2 Probability Distribution and Application**

The Predictor models define the condition grade probabilities based on material type and age factors. The application of these probabilities was applied to the WDC assets in order to calculate a predicted condition grade based on known asset data. The calculation method utilises a random number generator to apply Monte Carlo methodology.

For example, a six-sided dice has an equal probability of landing on numbers 1 through to 6. The probability expressed as a decimal is 0.166̄. The sum of the probabilities adds to 1.

A random value of 0.38 is generated. The resulting dice face is the first result where the cumulative sum of the probabilities is less than or equal to 0.38:

Dice Face	1	2	3	4	5	6
Probability	0.166̄	0.166̄	0.166̄	0.166̄	0.166̄	0.166̄
Cumulative Probability	0.166̄	0.333̄	0.5	0.666̄	0.833̄	1
Is 0.38 ≤ the cumulative probability?	No	No	Yes	Yes	Yes	Yes

The first cumulative probability ≤ 0.38 corresponds to a dice face value of 3.

2.4.3 Application

Asset data provided by WDC included a unique asset identifier (COMP Key), water type, a material code (which was matched up to the material categories listed in this document), install year, and diameter. For WW assets, the type (rising or gravity) was also included.

Using the Install Year, the Current Age can be calculated:

$$\text{Current Age} = [\text{Current Year}] - \text{Install Year}$$

The Current Age is then used to identify which Age Group applies to the asset.

A random number is generated and then saved as a fixed value.

For all models except Gravity RC SW, the Age Group and the random number are then used in the Monte Carlo method to generate a predicted condition grade for each asset.

For Gravity RC SW, the Age Group is calculated, and then the asset diameter is used to determine the Diameter Group. A random number is generated and saved as a fixed value. Then the Age Group, Diameter Group and random number are all incorporated in the Monte Carlo method to generate a predicted condition grade for each asset.

Methodology

2.5 Decision Trees for Pressure Assets

Table 17 lists the Decision Tree methodologies applied for pressure pipes. The methodology for each is detailed in sections 2.5.1.1 to 2.5.1.5.

Table 17 List of Pressure Decision Trees

Name	Water Type(s)	Material Type(s)
Pressure AC DW	DW	Asbestos Cement (AC)
Pressure AC WW	WW	Asbestos Cement (AC)
Pressure CI	DW and WW	Cast Iron (CI)
Pressure PE	DW and WW	Polyethylene (PE)
Pressure PVC	DW and WW	Polyvinyl Chloride (PVC)

2.5.1.1 Pressure AC DW

WDC data required: COMP Key, Install Year, High Pressure, Diameter

- Use High Pressure to determine Pressure Group

High Pressure (m)		
Lower Range (>)	Upper Range (<=)	Group
0	30	30
30	60	60
60	90	90
90	1000	120

- If High Pressure is not specified, use Diameter to identify Default Pressure
- For all assets, use Diameter to identify Diameter Group

Diameter (mm)			Default Pressure (m)
Lower Range (>=)	Upper Range (<=)	Group	
0	50	50mm	120
51	75	75mm	120
76	80	80mm	120
81	100	100mm	120
101	150	150mm	90
151	200	200mm	90
201	225	225mm	90
226	250	250mm	90
251	300	300mm	90
301	375	375mm	90
376	6000	450mm	60

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- Use Diameter Group and Pressure Group to return Likely High Age (years) and Max Life (years)

Pressure Group		120			90			60			30		
Diameter Group	Default Pressure	Likely Min Age	Likely High Age	Max Life	Likely Min Age	Likely High Age	Max Life	Likely Min Age	Likely High Age	Max Life	Likely Min Age	Likely High Age	Max Life
50mm	120	24	36	47	28	39	47	32	42	47	35	45	47
75mm	120	24	36	47	28	39	47	32	42	47	35	45	47
80mm	120	24	36	47	28	39	47	32	42	47	35	45	47
100mm	120	30	45	58	34	48	58	39	52	58	44	56	58
150mm	90	41	60	80	38	56	70	46	62	70	52	67	70
200mm	90	53	77	103	44	63	82	53	70	82	62	77	82
225mm	90	56	83	112	48	70	90	57	77	90	67	85	90
250mm	90	63	91	122	49	72	95	62	81	95	72	90	95
300mm	90	76	108	147	58	86	113	72	96	113	86	106	113
375mm	90				72	104	140	90	118	140	107	131	140
450mm	60				88	122	163	54	81	105	74	96	105

- Use Install Year to calculate Current Age
 - If Current Age is less than the Likely High Age, calculate Likely Remaining Life (LRL):
 - $LRL = [Likely\ High\ Age] - [Current\ Age]$
 - If Current Age is greater than or equal to the Likely High Age:
 - If Current Age is less than Max Life, calculate Max Remaining Life (MRL):
 - $MRL = [Max\ Life] - [Current\ Age]$
 - If Current Age is greater than or equal to Max Life:
 - Remaining life is considered to be 0 and condition grade is 5
- Use LRL or MRL (depending on which was applied to the asset) to determine the condition grade from the table

LRL (years)			MRL (years)			Condition Grade
Lower Range (\geq)	Upper Range ($<$)	Group	Lower Range (\geq)	Upper Range ($<$)	Group	
0	3	<3 years	0	3	<3 years	5
3	10	3-10 years	3	10	3-10 years	4
10	30	10-30 years	10	30	10-30 years	3
30	50	30-50 years	30	50	30-50 years	2
50	300	>50 years	50	300	>50 years	1

Methodology

2.5.1.2 Pressure AC WW

WDC data required: COMP Key, Install Year, High Pressure, Diameter

- Use High Pressure to determine Pressure Group

High Pressure (m)		
Lower Range (>)	Upper Range (<=)	Group
0	30	30
30	60	60
60	90	90
90	1000	120

- If High Pressure is not specified, use Diameter to identify Default Pressure
- For all assets, use Diameter to identify Diameter Group

Diameter (mm)			Default Pressure (m)
Lower Range (>=)	Upper Range (<=)	Group	
0	50	50mm	120
51	75	75mm	120
76	80	80mm	120
81	100	100mm	120
101	150	150mm	90
151	200	200mm	90
201	225	225mm	90
226	250	250mm	90
251	300	300mm	90
301	375	375mm	90
376	6000	450mm	60

- Use Diameter Group and Pressure Group to return Likely High Age (years) and Max Life (years)

Pressure Group		120			90			60			30		
Diameter Group	Default Pressure	Likely Min Age	Likely High Age	Max Life	Likely Min Age	Likely High Age	Max Life	Likely Min Age	Likely High Age	Max Life	Likely Min Age	Likely High Age	Max Life
50mm	120	16	24	32	18	26	32	22	28	32	24	30	32
75mm	120	16	24	32	18	26	32	22	28	32	24	30	32
80mm	120	16	24	32	18	26	32	22	28	32	24	30	32
100mm	120	20	30	39	23	33	39	26	35	39	30	38	39
150mm	90	28	41	54	26	38	48	32	42	48	36	45	48
200mm	90	36	52	70	30	43	55	36	47	55	42	52	55
225mm	90	38	56	76	32	47	61	39	52	61	46	58	61
250mm	90	43	62	83	33	49	65	41	55	65	49	61	65

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Pressure Group		120			90			60			30		
Diameter Group	Default Pressure	Likely Min Age	Likely High Age	Max Life	Likely Min Age	Likely High Age	Max Life	Likely Min Age	Likely High Age	Max Life	Likely Min Age	Likely High Age	Max Life
300mm	90	52	74	99	40	58	76	49	65	76	58	72	76
375mm	90				50	71	94	61	80	94	73	89	94
450mm	60				60	83	110	37	55	71	50	65	71

- Use Install Year to calculate Current Age
 - If Current Age is less than the Likely High Age, calculate Likely Remaining Life (LRL):
 - $LRL = [Likely\ High\ Age] - [Current\ Age]$
 - If Current Age is greater than or equal to the Likely High Age:
 - If Current Age is less than Max Life, calculate Max Remaining Life (MRL):
 - $MRL = [Max\ Life] - [Current\ Age]$
 - If Current Age is greater than or equal to Max Life:
 - Remaining life is considered to be 0 and condition grade is 5
- Use LRL or MRL (depending on which was applied to the asset) to determine the condition grade from the table

LRL (years)			MRL (years)			Condition Grade
Lower Range (\geq)	Upper Range ($<$)	Group	Lower Range (\geq)	Upper Range ($<$)	Group	
0	3	<3 years	0	3	<3 years	5
3	10	3-10 years	3	10	3-10 years	4
10	30	10-30 years	10	30	10-30 years	3
30	50	30-50 years	30	50	30-50 years	2
50	300	>50 years	50	300	>50 years	1

2.5.1.3 Pressure CI

WDC data required: COMP Key, Water Type, Install Year, High Pressure, Diameter

- Use High Pressure to determine Class
 - If there is no High-Pressure data for DW pipes, assign Class C
 - If there is no High-Pressure data for WW pipes, assign Class B (as WDC's maximum WW pumping pressure is 60m)

High Pressure (m)			Class
Lower Range ($>$)	Upper Range (\leq)	Group	
0	30	30	A
30	60	60	B
60	90	90	C

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Methodology

High Pressure (m)			Class
Lower Range (>)	Upper Range (<=)	Group	
90	1000	120	D

- Class A = condition grade 2
- Classes B, C, D: Use diameter to calculate Design Thickness (dt) in mm

Pressure Group			60	90	120
Class			B	C	D
Lower Range (>=)	Upper Range (<=)	Group	Design Thickness (mm)		
0	75	≤75mm	9.65	9.65	10.16
76	80	76-80mm	9.65	9.65	10.16
81	100	81-100mm	9.91	10.16	11.68
101	125	101-125mm	10.41	11.43	13.21
126	126	126-126mm	10.41	11.43	13.21
127	150	127-150mm	10.92	12.45	14.48
151	175	151-175mm	11.43	13.46	15.49
176	200	176-200mm	11.94	14.48	16.51
201	225	201-225mm	12.45	15.24	17.53
226	250	226-250mm	13.21	16	18.54
251	300	251-300mm	14.48	17.53	20.32
301	375	301-375mm	16	19.56	22.61
376	450	376-450mm	17.53	21.59	24.89
451	6000	>450mm	20.32	24.89	28.7

- Use Install Year to calculate Current Age
- Calculate Remaining Wall Thickness (RWT) using 0.061 as the default rate of deterioration for WDC
 - $RWT = dt - [Current\ Age] \times 0.061$
- Calculate Wall Thickness Loss percentage (WTL%):
 - $WTL\% = RWT / dt$
- Use WTL% to determine condition grade from the table

WTL%			Condition Grade
Lower Range (>)	Upper Range (<=)	Group	
0.00	0.25	≤25%	1
0.25	0.50	>25-50%	2
0.50	0.75	>50-75%	3
0.75	0.85	>75-95%	4
0.85	2.00	>95%	5

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Methodology

2.5.1.4 Pressure PE

WDC data required: COMP Key and Install Year

- Use Install Year to calculate Base Life in years from the table

Lower Range (\geq)	Upper Range ($<$)	Base Life (years)
1800	1967	70
1967	1985	80
1985	2100	100

- Use Install Year to calculate Current Age:
 - Current Age = [Current Year] – Install Year
- Calculate the percentage of Remaining Life (%RL):
 - %RL = ([Base Life] – [Current Age]) / Base Life
- Use %RL to determine condition grade from the table

% RL			Condition Grade
Lower Range (\geq)	Upper Range ($<$)	Group	
0.00	0.02	<2%	5
0.02	0.16	2-15%	4
0.16	0.36	16-35%	3
0.36	0.86	36-85%	2
0.86	1.10	>85%	1

2.5.1.5 Pressure PVC

WDC data required: COMP Key, Water Type, Install Year, High Pressure, Diameter

- For DW assets with no High-Pressure data, use diameter to calculate Default Pressure

Diameter (mm)			Default Pressure (m)
Lower Range (\geq)	Upper Range (\leq)	Group	
0	60	60mm	60
61	6000	90mm	90

- For DW assets where High Pressure or calculated Default Pressure >60m;
AND

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- All WW assets:
 - Use Install Year to determine Base Life in years

Lower Range (\geq)	Upper Range ($<$)	Base Life (years)
1800	1987	50
1987	1997	80
1997	2100	100

- For DW assets where High Pressure \leq 60m:
 - Use Base Life of 100 years
- Use Install Year to calculate Current Age:
 - Current Age = [Current Year] – Install Year
- Calculate the percentage of Remaining Life (%RL):
 - $\%RL = ([Base\ Life] - [Current\ Age]) / Base\ Life$
- Use %RL to determine condition grade from the table

% RL			Condition Grade
Lower Range (\geq)	Upper Range ($<$)	Group	
0.00	0.02	$<2\%$	5
0.02	0.16	2-15%	4
0.16	0.36	16-35%	3
0.36	0.86	36-85%	2
0.86	1.10	$>85\%$	1

2.6 Static Condition Grades

Asset types that did not correlate with a Predictor model or a Decision Tree are listed in Table 18 below, along with the condition grade methodology applied.

Table 18 Other Condition Assessments

Water Type(s)	Material Type(s)	Condition Grade Method
WW Gravity	Relined (RL)	Assessed as Condition Grade 1
SW	Steel (ST)	Assessed as Condition Grade 2
DW	Ductile Iron (DI)	Assessed as Condition Grade 1
WW Gravity	ABS	Assessed as Condition Grade 2
WW Rising	Asbestos Cement (AC)	Assessed as Condition Grade 5
SW	Cast Iron (CI)	Assessed as Condition Grade 2
WW Gravity	Cast Iron (CI)	Assessed as Condition Grade 1

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Water Type(s)	Material Type(s)	Condition Grade Method
DW	Galvanised Steel	Assessed as Condition Grade 5
DW	Steel <20 years old	Assessed as Condition Grade 1 using expected base life of 120 years
DW	Steel >20 years old and installed during or after 1900	Assessed as Condition Grade 2 using expected base life of 120 years
DW	Steel installed prior to 1900	Assessed as Condition Grade 5 using expected base life of 120 years
WW Gravity	Steel Cement Lined (ST-CC)	Assessed as Condition Grade 1
WW Rising	Steel Cement Lined (ST-CC)	Assessed as Condition Grade 2
SW	Stoneware (SN)	Distribution of condition grades in line with results from CCTV inspections

Where assessed grades were available (from CCTV structural condition grades and DW CI p-CAT assessments), these condition grades were prioritised over those predicted by the models.

2.7 Analysis

The gravity and pressure models were applied to generate an assessed condition grade for the WDC assets, and the unique COMP Key was used to add these grades to the original dataset supplied by WDC. Additional fields were added for the purpose of analysing the data, as detailed in Table 19.

Table 19 Additional calculations added to WDC data

Column Name	Description
Install Decade	Using the Install Year as a lookup value, assigns each asset to a decade
Age in 2025	As this assessment was run in 2025, this calculates the age of each asset at the time of the assessment
Age Bracket 10y	Using the calculated Age in 2025, this groups the assets into 10 year age bands
Age Bracket 20y	Using the calculated Age in 2025, this groups the assets into 20 year age bands
AC Watermain High Pressure Group	This groups DW AC assets into groups based on the High-Pressure value. If the asset has no High-Pressure data, then the diameter is used to identify the Default Pressure using the methodology in the Pressure AC DW model

Methodology

Column Name	Description
Confidence Grade	If the assessed condition grade was from observational data (CCTV structural grade or DW CI p-CAT assessment), then the confidence grade is B. If the assessed condition grade is due to the application of the model, then the confidence grade is D.

2.7.1 Condition Grade Scores

Table 20 details the data used in determining the final assessed condition grade of the assets.

Table 20 Additional calculations added to WDC data

Column Name	Description
Static Condition Grade	Assets that were assessed without Predictor or a Decision Tree
CCTV Structural Grade	Condition grades derived from CCTV assessments
DW CI pCAT Assessed Grade	Condition grades derived from p-CAT assessments
Predicted Condition Grade	Condition grades derived from the Predictor models and Decision Tree methods
Assessed Condition Grade	The final condition grade used in the data analysis. If an asset has a condition grade from a CCTV or p-CAT assessment, then this is used as the assessed condition grade. If an asset does not have a CCTV or p-CAT condition grade, but it does have a static condition grade, then this is used as the assessed condition grade. If an asset does not have a CCTV, p-CAT, or static condition grade, then the predicted condition grade is used as the assessed condition grade.

Results

3 Results

Condition grading results from the preliminary condition grading assessment are summarised by water type. Quantities represent the total number of assets for each Condition Grade. Assets from all WDC townships are included in the total figures for each condition grade.

A summary of total asset count within each condition grade is summarised in the following sections: first with all water types combined, then followed by separate summaries for wastewater pressure, wastewater gravity, stormwater and drinking water assets.

3.1 Combined Network Summary

Table 21 summarises the assets by water type and the Likelihood of Failure (LoF) score provided by WDC. Table 22 presents an overview of all assets by water type and assessed condition grade. Table 23 combines the data for LoF and assessed condition grade and presents the percentage of assets within each category.

Table 21 Count of assets by original Condition Grade score (Likelihood of Failure (LoF) supplied by Waitaki District Council) for all water types

Water Type	1	2	3	4	5	Sum
Sewer Main	974	1,330	194	589	0	3,087
Storm Main	370	652	112	6	16	1,156
Water Main	5,831	2,274	3,500	556	62	12,223

Table 22 Count of assets by assessed Condition Grade for all water types

Water Type	1	2	3	4	5	Sum
Sewer Main	768	1024	581	434	280	3,087
Storm Main	295	424	187	162	88	1,156
Water Main	4,263	3,038	1,087	2,977	858	12,223

Table 23 Percentage comparison of CG and LoF scores for all water types

Water Type	LoF or CG	1	2	3	4	5
Sewer Main	LoF	31.6%	43.1%	6.3%	19.1%	0.0%
	Assessed CG	24.9%	33.2%	18.8%	14.1%	9.1%
Storm Main	LoF	32.0%	56.4%	9.7%	0.5%	1.4%
	Assessed CG	25.5%	36.7%	16.2%	14.0%	7.6%
Water Main	LoF	47.7%	18.6%	28.6%	4.5%	0.5%
	Assessed CG	34.9%	24.9%	8.9%	24.4%	7.0%

Results

As shown in Table 23 the assessed condition has generally seen a reduction in the proportion of the assets in all three waters for grades 1 and 2 and an increase in the number of assets with grades 3 to 5, overall showing a greater level of deterioration than was previously assessed. The proportion of all 3-waters pipes in very poor condition (Grade 5) has increased from an average of 0.5% to 7.4%.

A comparison between the condition grades that have been assessed as part of this work and the original condition grade (Likelihood of Failure) provided by WDC in the *Predictive Condition Model 20250131* shown as the percentage of assets within each pipe type and material is provided in Table 35 within Appendix A.

3.2 Wastewater (Pressure) Summary

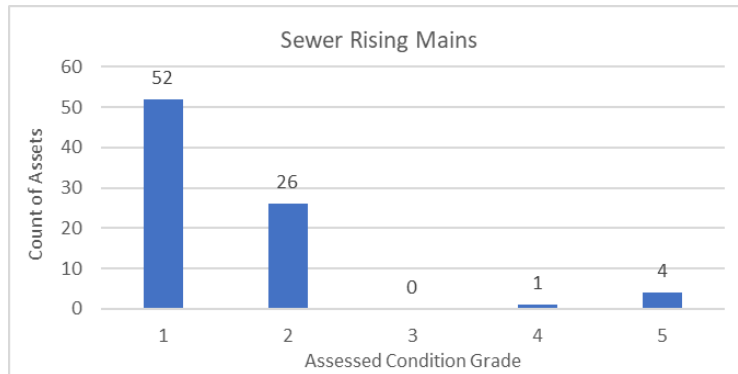
Table 24 shows the percentage of wastewater rising mains by material type and assessed condition grade. While 100% of the AC and CI assets were assessed as condition grade 5, Graph 5 shows that this includes only 4 assets, and that the majority (78) were assessed as condition grades 1 and 2. Graph 6 presents the total length in km of the assets, illustrating that the majority of the wastewater rising main length is assessed as condition grade 2.

Table 24 Wastewater Rising Mains: Percentage of assets by Material Type and assessed Condition Grade

Material Type	1	2	3	4	5
Asbestos Cement (AC)	0%	0%	0%	0%	100%
Cast Iron (CI)	0%	0%	0%	0%	100%
Polyethylene (PE)	75%	25%	0%	0%	0%
Polyvinyl Chloride (PVC)	20%	70%	0%	10%	0%
Steel Cement Lined (ST-CC)	0%	100%	0%	0%	0%
Combined Sewer Rising Mains	63%	31%	0%	1%	5%

Results

Graph 5 Wastewater Rising Mains: Number of assets by assessed Condition Grade



Graph 6 Wastewater Rising Mains: Total length of assets by material type and assessed Condition Grade

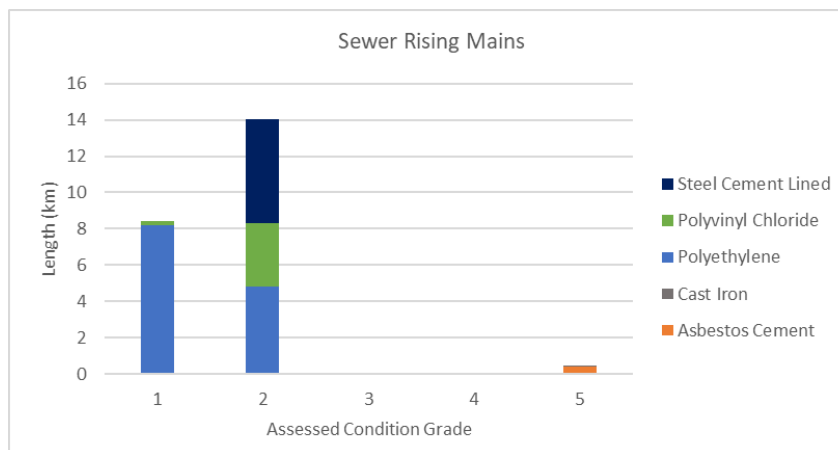


Table 25 Wastewater Rising Mains: Percentage of assets by total length and assessed Condition Grade

Material Type	1	2	3	4	5
Asbestos Cement (AC)	0.0%	0.0%	0.0%	0.0%	100.0%
Cast Iron (CI)	0.0%	0.0%	0.0%	0.0%	100.0%
Polyethylene (PE)	63.0%	37.0%	0.0%	0.0%	0.0%
Polyvinyl Chloride (PVC)	5.9%	93.9%	0.0%	0.2%	0.0%
Steel Cement Lined (ST-CC)	0.0%	100.0%	0.0%	0.0%	0.0%
Combined Sewer Rising Mains	36.8%	61.3%	0.0%	0.0%	2.0%

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Results

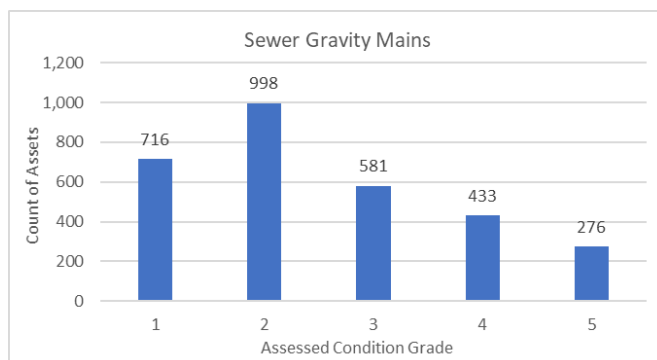
3.3 Wastewater (Gravity) Summary

Table 26 shows the percentage of wastewater gravity mains by material type and assessed condition grade. Most material types had the majority of assets assessed as condition grades 1 – 3, however over half of the EW assets were assessed as condition grade 4 or 5. Overall, 9% of the assets were assessed as condition grade 5. Graph 7 shows that this is comprised of 276 assets. Graph 7 and Graph 8 show that the distribution of assets across the condition grades is similar for both the count of assets and the percentage of length in km. This is supported by the summary data in Table 27.

Table 26 Wastewater Gravity Mains: Percentage of assets by Material Type and assessed Condition Grade

Material Type	1	2	3	4	5
ABS	0%	100%	0%	0%	0%
Asbestos Cement (AC)	12%	45%	35%	5%	2%
Cast Iron (CI)	100%	0%	0%	0%	0%
Earthenware (EW)	4%	18%	22%	31%	26%
Polyethylene (PE)	18%	82%	0%	0%	0%
Polyvinyl Chloride (PVC)	69%	22%	4%	4%	1%
Reinforced Concrete (RC)	8%	47%	24%	15%	6%
Relined (RL)	100%	0%	0%	0%	0%
Steel Cement Lined (ST-CC)	100%	0%	0%	0%	0%
Combined Sewer Gravity Mains	24%	33%	19%	14%	9%

Graph 7 Wastewater Gravity Mains: Number of assets by assessed Condition Grade



Results

Graph 8 Wastewater Gravity Mains: Total length of assets by material type and assessed Condition Grade

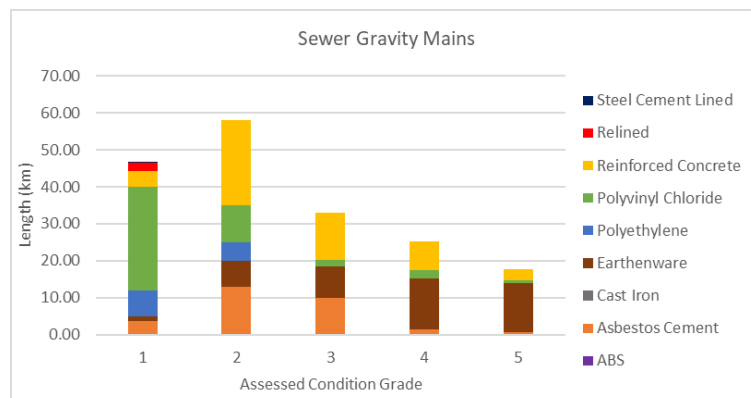


Table 27 Wastewater Gravity Mains: Percentage of assets by total length and assessed Condition Grade

Material Type	1	2	3	4	5
ABS	0.0%	100.0%	0.0%	0.0%	0.0%
Asbestos Cement	12.9%	44.9%	34.7%	5.3%	2.2%
Cast Iron	100.0%	0.0%	0.0%	0.0%	0.0%
Earthenware	2.6%	16.4%	19.5%	31.1%	30.3%
Polyethylene	59.4%	40.6%	0.0%	0.0%	0.0%
Polyvinyl Chloride	65.2%	23.2%	4.3%	5.7%	1.6%
Reinforced Concrete	8.4%	45.7%	24.8%	15.2%	6.0%
Relined	100.0%	0.0%	0.0%	0.0%	0.0%
Steel Cement Lined	100.0%	0.0%	0.0%	0.0%	0.0%
Combined Sewer Gravity Mains	25.8%	32.2%	18.2%	14.0%	9.8%

3.4 Stormwater Summary

Table 28 and Graph 9 illustrate the distribution of stormwater assets across assessed condition grade by material type. Table 29 and Graph 10 present the total length of stormwater mains across assessed condition grade by material type. These show that the distribution of assets by number and total length is similar, with the largest proportion for both being assessed as condition grade 2. Graph 10 also highlights that the majority of the total length of SW assets are reinforced concrete.

Table 28 Stormwater Mains: Percentage of assets by Material Type and assessed Condition Grade

Material Type	1	2	3	4	5
Asbestos Cement (AC)	45%	35%	5%	15%	0%

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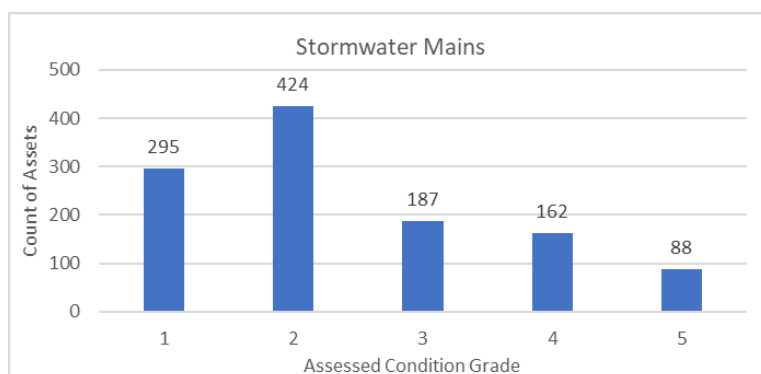
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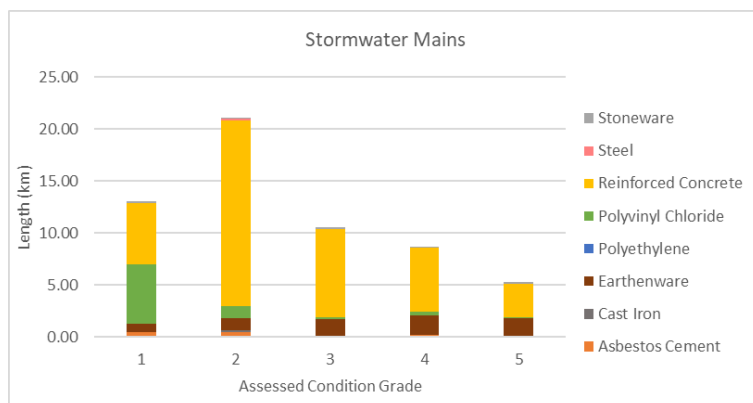
Results

Material Type	1	2	3	4	5
Cast Iron (CI)	0%	100%	0%	0%	0%
Earthenware (EW)	8%	20%	23%	29%	21%
Polyethylene (PE)	100%	0%	0%	0%	0%
Polyvinyl Chloride (PVC)	78%	15%	2%	3%	2%
Reinforced Concrete (RC)	16%	45%	19%	14%	6%
Steel (ST)	0%	100%	0%	0%	0%
Stoneware (SN)	28%	6%	11%	17%	39%
Combined Stormwater Mains	26%	37%	16%	14%	8%

Graph 9 Stormwater Mains: Number of assets by assessed Condition Grade



Graph 10 Stormwater Mains: Total length of assets by material type and assessed Condition Grade



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Results

Table 29 Stormwater Mains: Percentage of assets by total length and assessed Condition Grade

Material Type	1	2	3	4	5
Asbestos Cement (AC)	42.9%	38.2%	4.8%	14.0%	0.0%
Cast Iron (CI)	0.0%	100.0%	0.0%	0.0%	0.0%
Earthenware (EW)	10.0%	16.8%	22.9%	26.3%	23.9%
Polyethylene (PE)	100.0%	0.0%	0.0%	0.0%	0.0%
Polyvinyl Chloride (PVC)	77.5%	15.0%	1.9%	3.8%	1.8%
Reinforced Concrete (RC)	14.2%	42.9%	20.4%	14.9%	7.6%
Steel (ST)	0.0%	100.0%	0.0%	0.0%	0.0%
Stoneware (SN)	27.4%	10.5%	18.1%	16.5%	27.5%
Combined Stormwater Mains	22.3%	36.0%	17.9%	14.8%	9.0%

3.5 Drinking Water Summary

Table 30 Table 31 Graph 11 Graph 12 Graph 13 Graph 14

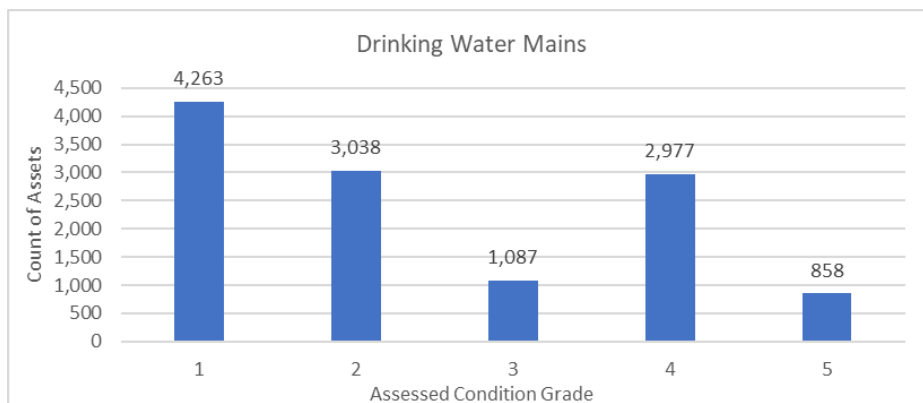
Table 30 and Graph 11 summarise the distribution of drinking water mains across assessed condition grades by material type, showing that the condition grade with the largest number of assets is condition grade 1, followed by grade 2. Table 31 and Graph 12 present the total length of assets by condition grade and material type and show that the condition grade with the highest total length is grade 2 followed by grade 4. Graph 12 also illustrates that the material type with the highest total length is PE.

Table 30 Drinking Water Mains: Percentage of assets by Material Type and assessed Condition Grade

Material Type	1	2	3	4	5
Asbestos Cement (AC)	1%	3%	19%	26%	51%
Cast Iron (CI)	10%	61%	22%	6%	1%
Ductile Iron (DI)	100%	0%	0%	0%	0%
Galvanised Steel (GALV)	0%	0%	0%	0%	100%
Polyethylene (PE)	36%	24%	9%	32%	0%
Polyvinyl Chloride (PVC)	52%	35%	3%	7%	3%
Steel (ST)	13%	61%	0%	0%	26%
Combined Drinking Water Mains	35%	25%	9%	24%	7%

Results

Graph 11 Drinking Water Mains: Number of assets by assessed Condition Grade



Graph 12 Drinking Water Mains: Total length of assets by material type and assessed Condition Grade

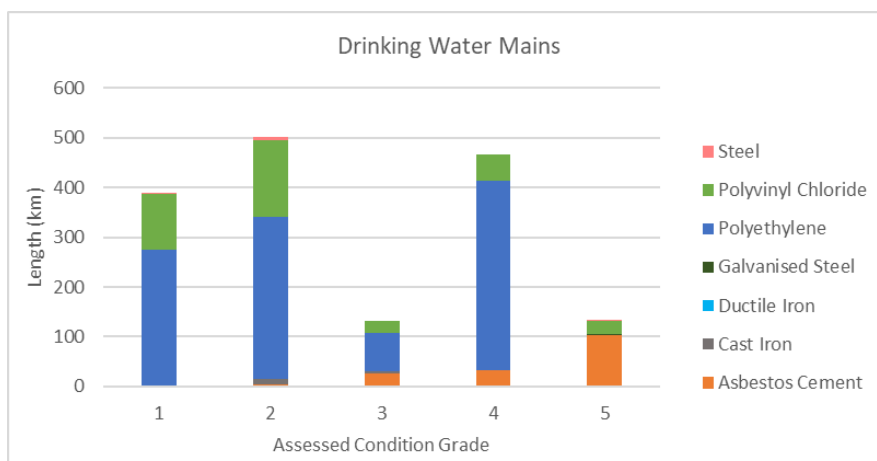


Table 31 Drinking Water Mains: Percentage of assets by total length and assessed Condition Grade

Material Type	1	2	3	4	5
Asbestos Cement (AC)	0.6%	2.3%	15.9%	19.6%	61.6%
Cast Iron (CI)	5.0%	61.4%	27.5%	6.0%	0.0%
Ductile Iron (DI)	100.0%	0.0%	0.0%	0.0%	0.0%
Galvanised Steel (GALV)	0.0%	0.0%	0.0%	0.0%	100.0%
Polyethylene (PE)	25.9%	30.9%	7.3%	35.9%	0.0%
Polyvinyl Chloride (PVC)	30.2%	41.5%	6.4%	14.6%	7.3%
Steel (ST)	0.3%	88.3%	0.0%	0.0%	11.4%

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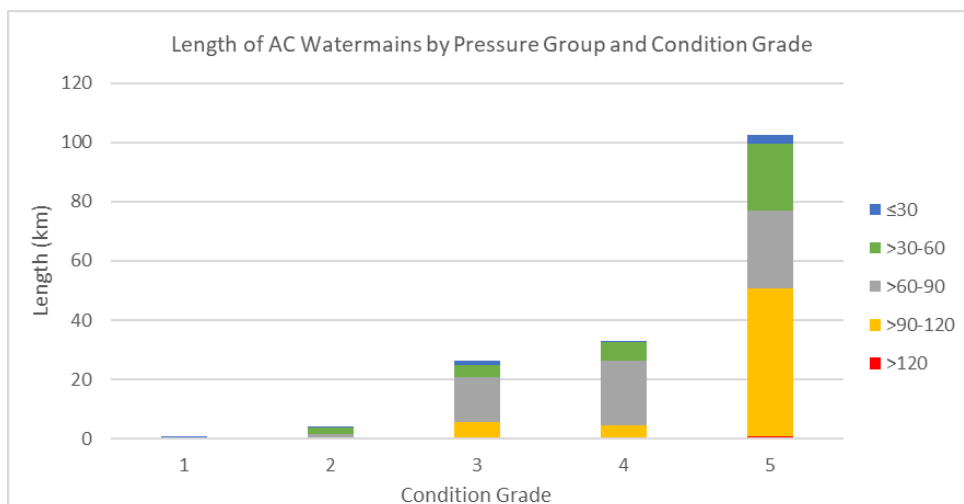
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Results

Material Type	1	2	3	4	5
Combined Drinking Water Mains	23.9%	34.3%	6.9%	27.9%	7.0%

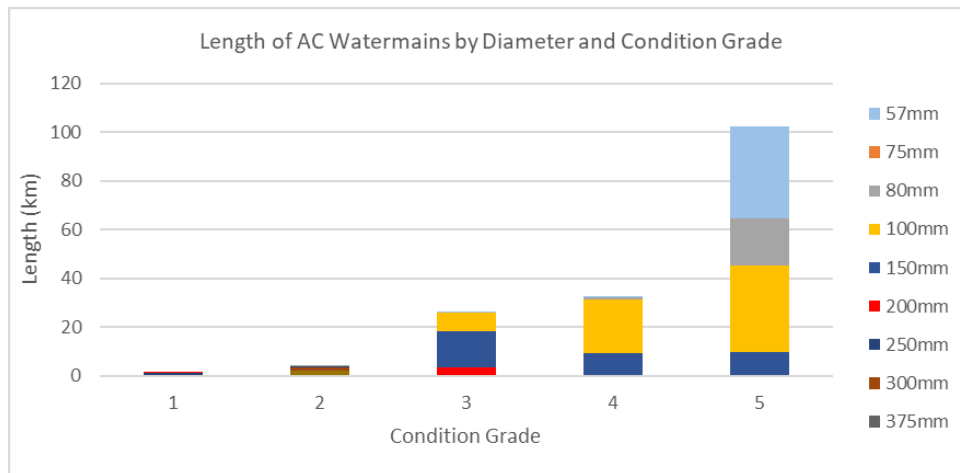
Graph 12 shows that AC assets have a significant amount of total network length, and Table 30 highlights that the majority of AC assets are assessed as condition grade 4 and 5. Graph 13 and Graph 14 are included to show the distribution of AC assets across condition grades by pressure (Graph 13) and diameter (Graph 14). These graphs show that the majority of assets with a condition grade of 5 have a high-pressure value between 90-120m. However, assets with a high-pressure value of 60-90m are evenly distributed between condition grades 3-5. Graph 14 shows that the majority of assets with a condition grade of 5 have a diameter of 100mm or less. The proportion of assets with a diameter of 150mm or greater was higher in grades 3 and 4 and was the majority in grades 1 and 2.

Graph 13 Length of AC watermains by Pressure Group and Condition Grade



Results

Graph 14 Length of AC watermains by Diameter and Condition Grade



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Recommendations

4 Recommendations

The following sets out the recommendations to further improve the confidence and WDC understanding of the network asset condition.

4.1 Data

4.1.1 Pipe Material Confidence

The data supplied by WDC for the wastewater, stormwater and drinking water linear assets is significantly complete. The data review process prior to the condition assessment identify only a very small number (<2% of all assets) of anomalies with the pipe material installation dates for some of the pipe materials and also low and very low material data confidence for pipes that have a high likelihood of failure (refer to section 2.2.3 Pipe Materials)

The following close out the small number of anomalies identified in Table 7 and further enhance the pipe material reliability it is recommended that WDC collect information and update or confirm the pipe materials (along with other attribute data, e.g., pipe diameter) through opportunistic data collection carried out as part of BAU, (e.g., as part of reactive maintenance or planned inspections)

4.1.2 Pipe Base Life

The Assessment has identified recommended changes to the current WDC base lives for some the materials, in particular within the pressure pipe summarised as follows:

Plastic Pressure Pipe (drinking water and wastewater rising mains) – recommend adjusting the base lives to the values used within this assessment as set out in Table 10 Expected Service Life of Plastic Pipes

Asbestos Cement Pressure pipe (wastewater rising mains) - recommend adjusting the base lives from current 120 years to 40 years which is the expected life set out in the AC Manual. Noting that there are only 3 AC wastewater rising mains and these are currently assessed as grade 5 (very poor). There is no recommendation to change the base lives for the drinking water pipes at this time.

Cast Iron pressure pipe – Recommend, (dependent on the results of recommended inspections/assessments) adjusting the current base life of 150 years to 200 years.

There is no recommendation to change other pipe base lives at this time.

*Recommendations***4.2 Previous Inspections****4.2.1 Existing CCTV inspection of Gravity Pipe**

The CCTV inspections that have been completed between 2001 and 2024 assessed the condition approximately 17km of stormwater and wastewater gravity pipe in poor or very poor condition (Grade 4 or 5). The grades from the CCTV inspection have been included within the assessment results in preference to predicted assessment, as described within the assessment methodology. However, while the grades the CCTV inspection provide a higher confidence than the predicted grades, they should not be considered sufficiently reliable to justify renewal of the pipes without further assessment of the CCTV inspection data being undertaken to confirm the pipe condition. It is generally expected that following engineering assessment of the CCTV inspections that the quantity assessed as poor or very poor will reduce allowing deferral of the pipe renewal into the future or confirming with high confidence the justification of the pipe renewal. 7km of the 17km assessed as in poor condition have a high or very high criticality (**Error! Reference source not found.**). It recommended that where CCTV videos are available that an engineering assessment of the pipes with a CCTV assessed grade of 4 or 5 (17km) is undertaken to confirm the pipe condition with a focus prioritised on the pipes with a consequence of failure grade of 4 and 5 (the most critical pipes) as these would be expected to be the first assets to be considered for renewal.

Table 32 Total Length of pipes (m) with COF 4 and 5 and Confidence Grade B

Water Type	Material Type	Condition Grade 4	Condition Grade 5	Total Length (m)
WW Gravity	Combined	2,626	2,386	5,012
	CC	1,162	169	1,331
	EW	1,465	2,110	3,574
	PVC		107	107
SW	Storm Main	1,055	1,128	2,182
	CC	828	850	1,677
	EW	227	203	430
	SN		75	75
Total Length (m)		3,681	3,514	7,195

A recommended engineering assessment on the previous CCTV inspections that are available is could be commenced within December 2025 and completed prior to April 2026.

*Recommendations***4.2.2 Existing Assessment of Cast Iron Pipes**

The assessment of the condition of the cast iron pipes previously inspected using p-CAT technology was based on a percentage of remaining wall loss, resulting in a confidence grade of only B. It is recommended to undertake further assessment of these pipes (shown in Table 33) utilising the remaining wall thickness measurements available from the p-CAT and utilising the modelled network pressure with an allowance for surge to confirm the remaining pipe structural capacity and remaining life.

It is expected that this analysis could be undertaken completed within December 2025. to be able to be complete prior to April 2026.

The Outcomes of both the engineer assessment of the CCTV inspections and CI watermains should be integrated into the desktop assessment to improve data confidence for condition grading of previously inspected assets. The refined condition grading data should be referenced in the response to the DIA Review as appropriate.

Table 33 COF 4 and 5, Confidence Grade B, Cast Iron water mains

Assessed Condition Grade	2	3	Sum
CI Water Main length (m)	2,684	3,581	6,265

4.3 Future Inspections

Future pipe inspections are recommended to improve confidence of pipe condition grading and inform evidence-based renewals based on a risk-based approach. Future inspections of both gravity and pressure pipes should where appropriately include engineering assessment to confirm failure modes, remaining useful life and recommended the most appropriate interventions including maintenance, repair, relining or replacement.

These recommendations are longer-term (beyond June 2026) and short-term (prior to April 2026) to help inform the updates to the WSDP.

4.3.1 Long-term horizon (post June 2026)

Development of a prioritised annual asset inspection programme for wastewater, stormwater and drinking water assets is recommended. Pipe information including predicted pipe condition, criticality and other asset attributes are assessed to create a prioritised annual inspection programme Pipes with very poor condition and high criticality

Recommendations

are generally prioritised for inspection (and renewal). The quantity of these assets is identified in **Error! Reference source not found..**

Table 34 Total Length of pipes (m) with COF 4 and 5, Assessed Condition Grades 4 and 5, and Confidence Grade D

Water Type	Material Type	Condition Grade 4	Condition Grade 5	Total Length (m)
WW Gravity	Combined	4,718	2,165	6,883
	AC	260		260
	CC	1,251	736	1,988
	EW	2,508	1,301	3,809
	PVC	698	128	826
WW Rising	Combined		296	296
	AC		272	272
	CI		24	24
Storm Main	Combined	1,566	1,179	2,745
	CC	1,224	604	1,827
	EW	272	525	797
	PVC		10	10
	SN	70	42	111
Water Main	Combined	35,281	16,837	52,118
	AC	12,538	13,661	26,199
	CI	933	2	935
	GALV		170	170
	PE	15,694*	244*	15,938*
	PVC	6,116	2,760	8,876
Total Length (m)		41,564	20,478	62,042

**WDC have already identified the planned renewal of smaller diameter PE pipelines within their renewal strategy as is evidence by recorded high rates of failure.*

It is recommended that inspection prioritisation, scoping and technical support (if required) is completed within FY25-26 so WDC can inform their asset condition inspection programme for FY26-27.

4.3.2 Short-Term Horizon (Prior to April 2026)

It is noted that the desktop condition assessment has identified significantly more AC drinking water pipes with a predicted Condition Grade of 5 than has been previously assessed by WDC based on very low failure rates having been observed for 100/150mm diameter AC pipe. As described in section 2.3 (Approach, Limitations and Assumptions to Condition Assessment) there are limitations to on the confidence that can be achieved through desktop assessment models. Higher confidence in the pipe condition can only be addressed through undertaking pipe condition investigations. Given the large number of AC

Recommendations

equal or greater than 100mm in diameter pipe with a predicted grade 5, (45km) a cohort sampling of a size sufficient to provide improved confidence as to whether the condition grade 5 and therefore the required level of renewal is justified should be undertaken. It should be noted that and as can be seen in graph 14 (page 61) that the majority of the AC pipes with grade 5 are small diameter (<100mm) which are currently already identified in the Interim Oamaru Urban Water Main Renewals Strategy for renewal commencing in year 3 to 4. These smaller diameter pipes are not recommended for further investigation as based on the reported failure rates the poorer assessed condition is in line with evidence available from WDC.

Some cast iron pipe was previously considered to be more deteriorated than the assessments completed have suggested as most of the cast iron pipe are approaching the current base life of the pipe. It is recommended undertaking some field inspections of cast iron drinking water pipes within the townships that have not been previously inspected to confirm that the rate of deterioration is slower than previously expected and improving confidence on the timing of pipe renewals.

Detailed scope for asset inspection prioritisation, scoping and technical support as noted in Section 1.3.2 will be prepared in a separate document for WDC consideration.

4.4 Department of Internal Affairs Review

It is recommended that outcomes from this desktop condition assessment are considered with other information to inform the WDC response to DIA review comments on the 2025 Water Services Delivery Plan.

Recommendations

Appendix A Comparison between Assessed Condition and the Original WDC Likelihood of Failure Grades

Where the assessed Condition Grade (CG) are lower than the corresponding LoF score these are highlighted in blue, and higher scores are highlighted in amber. Where there is no change there is no highlight.

Table 35 Percentage comparison of CG and LoF scores for material types

Water Type	Material Type	LoF Score					Assessed CG				
		1	2	3	4	5	1	2	3	4	5
WW	Combined	31.6%	43.1%	6.3%	19.1%	0.0%	24.9%	33.2%	18.8%	14.1%	9.1%
WW Gravity	Combined	29.8%	44.2%	6.5%	19.6%	0.0%	23.8%	33.2%	19.3%	14.4%	9.2%
WW Gravity	ABS	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
WW Gravity	AC	5.0%	95.0%	0.0%	0.0%	0.0%	11.9%	45.3%	35.2%	5.5%	2.1%
WW Gravity	CC	10.0%	86.3%	3.7%	0.0%	0.0%	7.8%	46.8%	24.4%	15.5%	5.5%
WW Gravity	CI	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
WW Gravity	EW	0.1%	7.0%	20.0%	72.8%	0.0%	4.0%	17.8%	21.8%	30.5%	26.0%
WW Gravity	PE	100.0%	0.0%	0.0%	0.0%	0.0%	18.4%	81.6%	0.0%	0.0%	0.0%
WW Gravity	PVC	88.0%	11.8%	0.1%	0.0%	0.0%	69.1%	21.6%	4.1%	4.0%	1.2%
WW Gravity	RL	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
WW Gravity	ST-CC	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
WW Rising	Combined	96.4%	3.6%	0.0%	0.0%	0.0%	62.7%	31.3%	0.0%	1.2%	4.8%
WW Rising	AC	66.7%	33.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
WW Rising	CI	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
WW Rising	PE	98.5%	1.5%	0.0%	0.0%	0.0%	74.6%	25.4%	0.0%	0.0%	0.0%
WW Rising	PVC	90.0%	10.0%	0.0%	0.0%	0.0%	20.0%	70.0%	0.0%	10.0%	0.0%
WW Rising	ST-CC	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
SW	Combined	32.0%	56.4%	9.7%	0.5%	1.4%	25.5%	36.7%	16.2%	14.0%	7.6%
SW	AC	5.0%	95.0%	0.0%	0.0%	0.0%	45.0%	35.0%	5.0%	15.0%	0.0%
SW	CC	24.7%	71.4%	3.4%	0.5%	0.0%	16.2%	45.0%	18.9%	13.8%	6.1%
SW	CI	0.0%	66.7%	33.3%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%

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SW	EW	2.1%	40.8%	57.0%	0.0%	0.0%	7.7%	19.7%	22.5%	28.9%	21.1%
SW	PE	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
SW	PVC	94.4%	5.6%	0.0%	0.0%	0.0%	78.3%	15.0%	1.7%	3.3%	1.7%
SW	SN	0.0%	0.0%	0.0%	11.1%	88.9%	27.8%	5.6%	11.1%	16.7%	38.9%
SW	ST	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
DW	Combined	47.7%	18.6%	28.6%	4.5%	0.5%	34.9%	24.9%	8.9%	24.4%	7.0%
DW	AC	0.8%	38.5%	33.7%	26.6%	0.4%	0.7%	2.9%	19.0%	26.2%	51.2%
DW	CI	8.5%	2.7%	7.1%	81.7%	0.0%	9.8%	60.7%	22.3%	6.3%	0.9%
DW	DI	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
DW	PE	0.0%	0.0%	4.5%	2.3%	93.2%	35.5%	23.8%	8.9%	31.7%	0.0%
DW	PVC	49.9%	10.5%	39.6%	0.0%	0.0%	51.6%	35.5%	3.3%	6.7%	2.9%
DW	ST	68.2%	31.7%	0.0%	0.0%	0.1%	13.2%	60.5%	0.0%	0.0%	26.3%
DW	GALV	18.4%	31.6%	23.7%	0.0%	26.3%	0.0%	0.0%	0.0%	0.0%	100.0%
Combined WW, SW, DW		43.6%	25.8%	23.1%	7.0%	0.5%	32.3%	27.2%	11.3%	21.7%	7.4%

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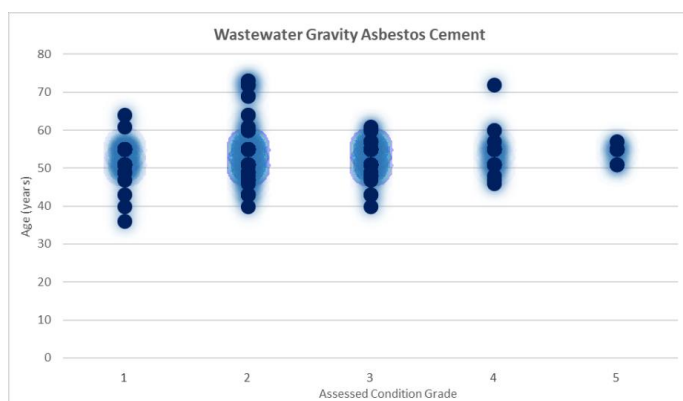
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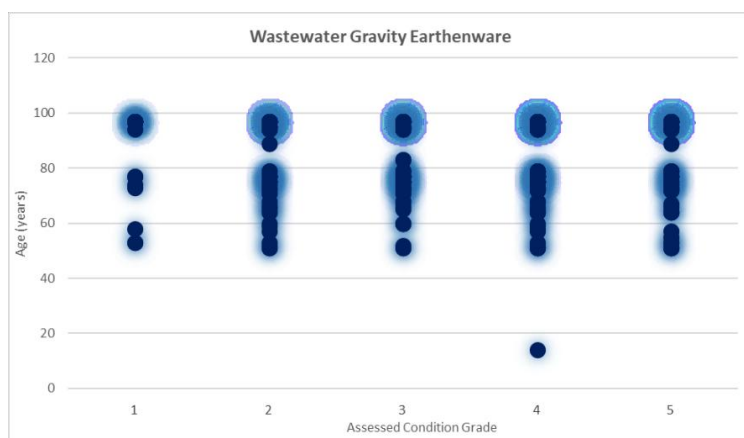
Appendix B Distribution of Condition Grade by Age for Each Material

The following graphs illustrate the distribution of pipe age across assessed condition grades. A larger aura around the data indicates a higher number of assets. For example, the majority of gravity wastewater AC mains assessed as condition grade 1 were between 50-60 years of age.

Graph 15 Wastewater Gravity Asbestos Cement



Graph 16 Wastewater Gravity Earthenware



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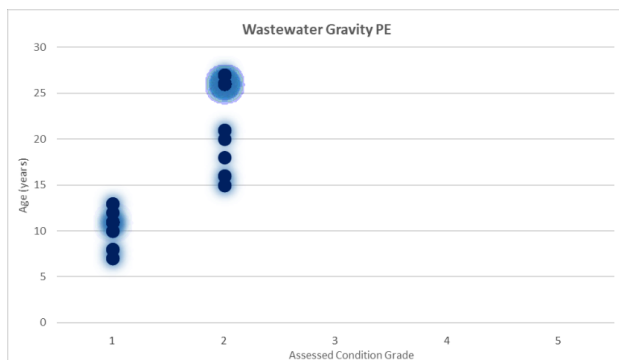
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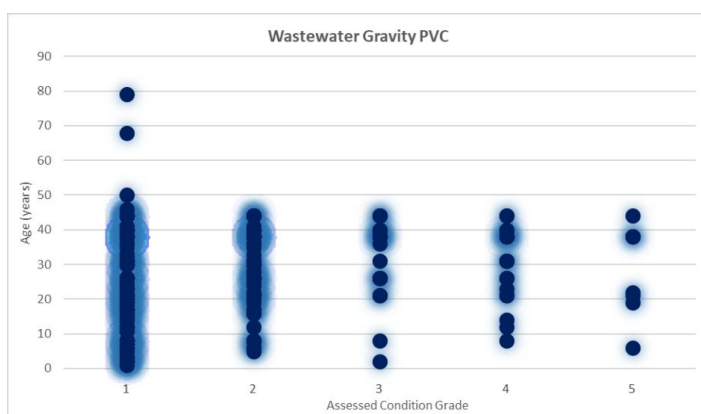
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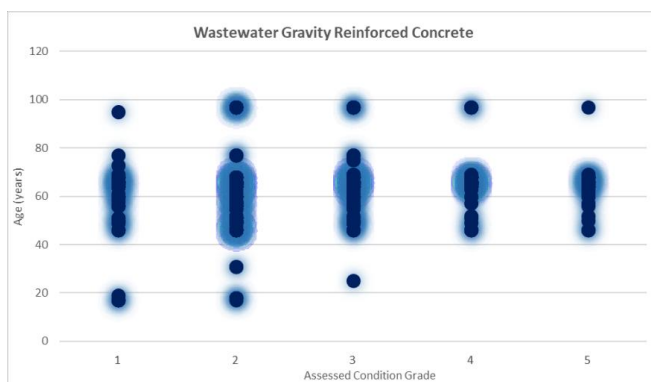
Graph 17 Wastewater Gravity PE



Graph 18 Wastewater Gravity PVC



Graph 19 Wastewater Gravity Reinforced Concrete



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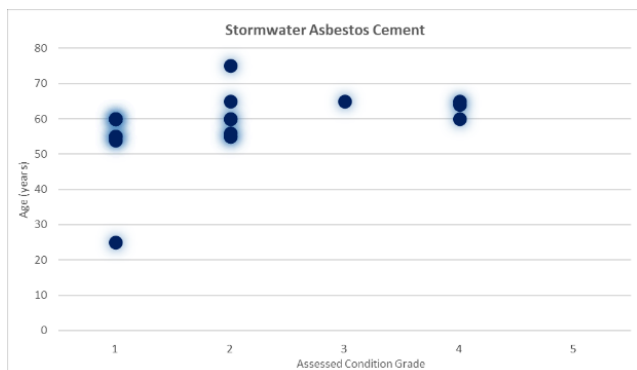
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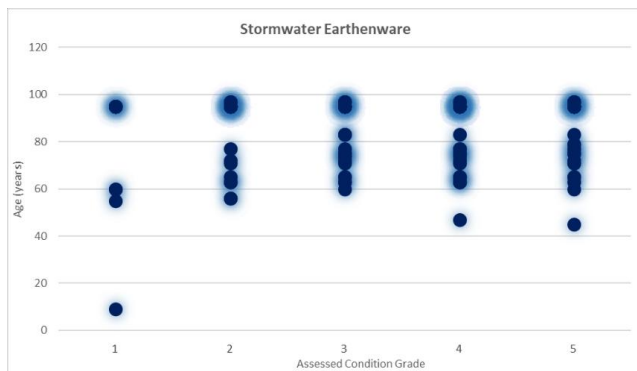
Appendix B



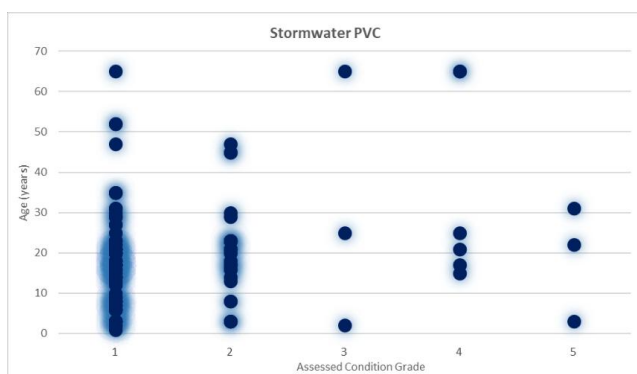
Graph 20 Stormwater Asbestos Cement



Graph 21 Stormwater Earthenware



Graph 22 Stormwater PVC



November 2025

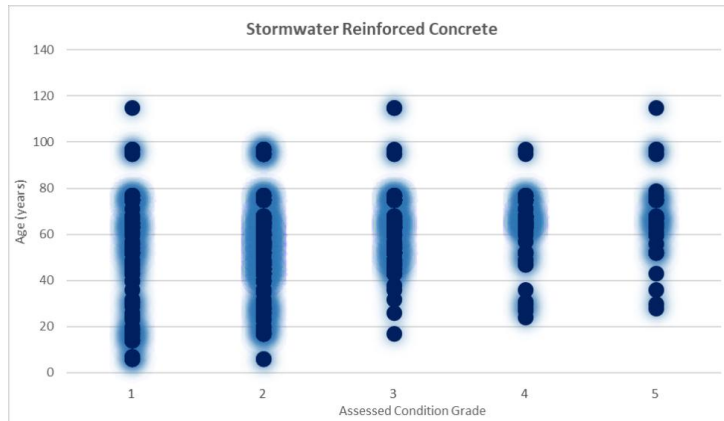
WDC Network Asset Condition Grading – DRAFT
Commercial In Confidence

60 | 63

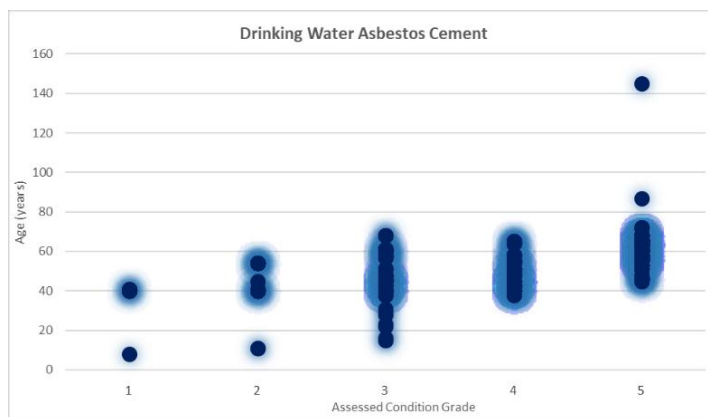
Appendix B



Graph 23 Stormwater Reinforced Concrete



Graph 24 Drinking Water Asbestos Cement



November 2025

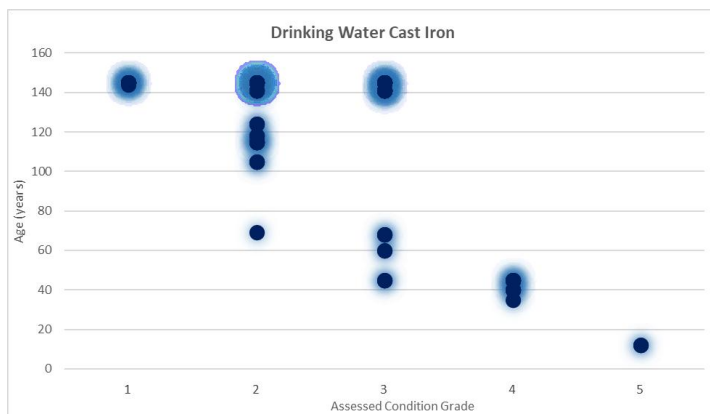
WDC Network Asset Condition Grading – DRAFT
Commercial In Confidence

61 | 63

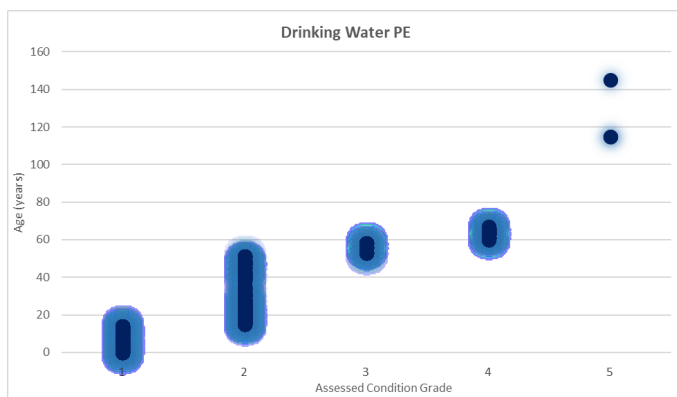
Appendix B



Graph 25 Drinking Water Cast Iron



Graph 26 Drinking Water PE



November 2025

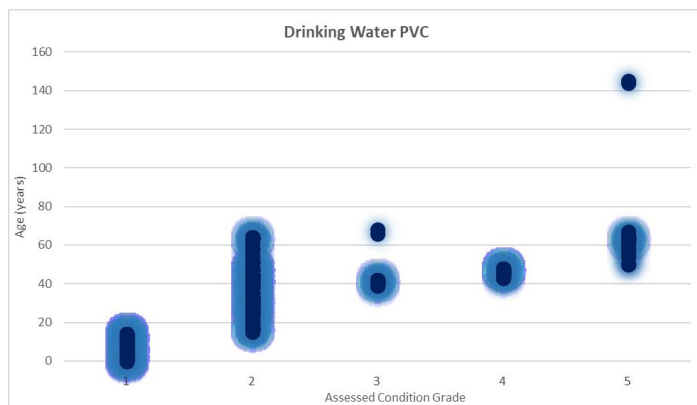
WDC Network Asset Condition Grading – DRAFT
Commercial In Confidence

62 | 63

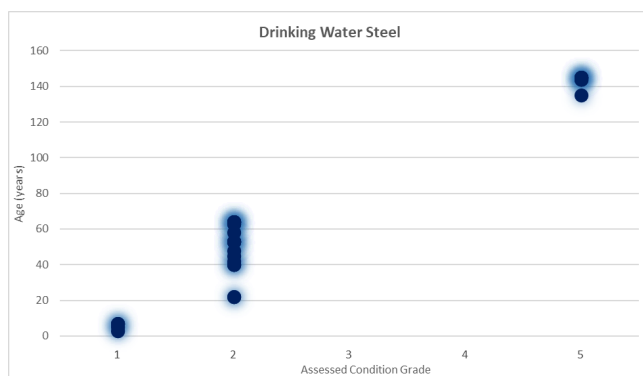
Appendix B



Graph 27 Drinking Water PVC



Graph 28 Drinking Water Steel



November 2025

WDC Network Asset Condition Grading – DRAFT
Commercial In Confidence

63 | 63

PLACEHOLDER - Attachment 3 - Stage 2 scope of works for improving confidence in the condition of critical water networks assets

Option	Original Advantages	Original Disadvantages	Risks / Commentary
Generic Joint Council Controlled Organisation - Applies to both CCO options	<ul style="list-style-type: none"> Lowest cost for water users, therefore more affordable for communities. More efficiency and less duplication of overheads, policy and regulatory costs. Standardised asset management improves planning and efficiency. Shared workforce increases resilience and career opportunities. Larger scale enables better access to expertise, specialists and improved systems. Better procurement opportunities through larger programmes. Certainty of long-term funding enables consistent project delivery. Councils joining the CCO early will contribute to the establishment and design that works for them. 	<ul style="list-style-type: none"> Investment prioritisation may vary across communities e.g. growth versus renewals. Joint CCO may independently set charges, that impact on affordability. This will be limited somewhat by regulatory oversight. Potential loss of high-value jobs in small districts. Although local presence is likely. Risk of minimum-cost investment decisions rather than enhancing service levels. Potential reduction in council control. This will be limited somewhat by regulatory oversight. Less capacity to procure services from individual councils, potentially impacting stranded overheads. Risk that stranded overheads cannot be fully managed and add cost to ratepayer. The establishment of a Joint CCO is a significant undertaking and poses financial and delivery risks if not managed appropriately. 	<ul style="list-style-type: none"> Opportunity to join may be affected by DIA assessment of WDC WSDP, WDC not seen as an attractive proposition. Negative community response as joint CCO may be seen as contrary to community sentiment (noting small percentage of submissions). Reputational and political risk of WDC changing position again. Positive, factual comms will assist. Failure to manage stranded overheads in the short term will result in higher costs being met by other services. This option is likely to be the most consistent with Simplifying Local Government, and also RM Reform as both reforms are promoting a regional delivery model for LG.

Option	Original Advantages	Original Disadvantages	Risks / Commentary
	<ul style="list-style-type: none"> Independent professional board appointments via council process. Any risks from non-compliance do not sit with Council. Financial separation reduces pressure on council balance sheets. Legislation prohibits the privatisation of water services. 		
Option 1 – Southern Joint Council Controlled Organisation	<ul style="list-style-type: none"> Meets financial sustainability requirements according to DIA initial assessment and approved WSDP. District pricing ensures each community pays their costs for service delivery and investment with no cross-subsidisation. Independent assurance confirms benefit estimates are conservative and may be considerably higher. Addition of more councils provides opportunity to 	<ul style="list-style-type: none"> Large area to be serviced with limited geographic links to Waitaki. This option was not favoured by the community: 14.67% for joint CCO (256 submissions) vs 21.33% for standalone CCO and 53.67% for House Business Unit. Noting the small percentage of the community who made a submission. 	<ul style="list-style-type: none"> Joint CCO WSDP has been approved, including statements that Waitaki and Timaru may join. Establishing new entity underway including recruitment of establishment roles. Commitment Agreement serving as the basis for entity establishment documents and processes. There is a risk that the opportunity to join a CCO may be suspended as the CCO focus on establishment becomes critical.

Option	Original Advantages	Original Disadvantages	Risks / Commentary
	<p>realise further efficiencies and reduce customer costs.</p> <ul style="list-style-type: none"> ○ Strong alignment between Councils in terms of communities served and services provided. ○ Rural Water Schemes provided for as a Fourth Water ○ Opportunity to learn from other joint CCOs who have established earlier 		
Option 2 – Stand-alone Waitaki District Council Controlled Organisation (CCO)	Not materially different from Option 3 below (in-house business unit) so not assessed separately		

Option	Original Advantages	Original Disadvantages	Risks / Commentary
<p>Option 3 – Waitaki District Council In-House Business Unit</p> <p>This option involves the council managing its own water services as an internal business unit in Council with financial ringfencing.</p>	<ul style="list-style-type: none"> Minimum change to existing service delivery structure compared to CCO options. Noting there will be changes required to set up ring fencing and meet economic regulatory requirements. Councils retain control over work programs and investment priorities. Maintains localism however, these decisions will be limited somewhat by regulatory requirements. This option is preferred by the community: 53.67% (161 submissions) supported the in-house business unit vs 21.33% for the Standalone CCO and 14.67% for Joint CCO. Noting the small percentage of the community who made submissions. Use of local resources would be supported – noting the challenges to 	<ul style="list-style-type: none"> This option is not financially sustainable according to DIA initial assessment. Higher administrative costs and compliance burdens owing to smaller scale. Increased scrutiny from regulatory bodies. Higher risk of financial strain impacting other council services. Limited flexibility to control water charges under economic regulation. Higher water charges than a Joint CCO. Reduced ability to attract and retain a skilled workforce. Cannot access enhanced financing options. Reduced scale impacting delivery of asset management and regulatory requirements. Capability of delivery reduced as competing against larger entities (small player in the market). <p>Council will carry risk relating to any non-compliance.</p>	<ul style="list-style-type: none"> Considerable time and costs delays attempting to get the WSDP approved. Even if approved, the in-house business unit may only be a short-term proposition as Govt reform pushes more regionalisation requiring Councils to collaborate. The longer the delays the less “say” WDC will have in establishment of a joint entity if that is the ultimate decision. If the WSDP is approved there may be affordability issues for the community. There may be political reputational risks of repeated attempts to get the WSDP approved against Govt advice. Capacity, capability and credibility risks have been identified at a national level, especially for smaller entities. Work in other areas of Council may not progress as the focus of Council is not resubmitting the WSDP.

Option	Original Advantages	Original Disadvantages	Risks / Commentary
	<ul style="list-style-type: none"> attract and retain a skilled workforce. ○ Lowest setup costs of the three options. ○ Negligible financial and delivery risk to implement, noting significant cost increases to the community. ○ Avoids the additional governance structure of Standalone & Joint CCO options. ○ Existing arrangements with Rural Water Schemes retained. ○ No risk of cross subsidisation across other districts. ○ The in-house business unit's sole focus would be Waitaki District. 	<ul style="list-style-type: none"> ○ WDC may be required to adopt a different delivery model in the future, removing council's decision rights. ○ Lost first mover advantage to design a delivery model that best meets the needs of the district. ○ Unlikely to be compliant with the Government requirements, including financial sustainability. ○ Councils would struggle to fund other important council projects because they would need to borrow heavily for water infrastructure. 	
Option 4 – South Canterbury / CCO	<ul style="list-style-type: none"> ○ Various service delivery relationships exist between Timaru, Mackenzie and Waimate district councils and these three have 	<ul style="list-style-type: none"> ○ Project plans and agreements are less developed with project governance and management only recently established. 	<ul style="list-style-type: none"> ○ Timaru has a deadline in the approved WSDP of 31 March 2026 for approving any joint arrangements.





Option	Original Advantages	Original Disadvantages	Risks / Commentary
	<p>shareholding in an existing entity. No service delivery is occurring with WDC, although options have been investigated but were not accepted.</p> <ul style="list-style-type: none"> o ECAN is the wastewater regulator for Timaru, Mackenzie and Waimate district councils and five of the WDC schemes. o Zone committee memberships align. 	<ul style="list-style-type: none"> o No Commitment Agreement or similar agreement on key structures and approaches in place. o WDC has limited comparability with other Councils. Significant differences in size and scope of services delivered. o All four Councils are not aligned as the South Canterbury CCO is not their preferred option. Timaru DC has adopted a standalone CCO, and Waimate DC has adopted an in-house business unit. o While financial modelling for the South Canterbury group has been produced, it has not been done on a basis that provides direct comparison with the SWDW work. o Stormwater continues to be delivered in-house in Timaru WSDP. o No specific recognition of rural water issues due to limited services being delivered by Timaru. 	<ul style="list-style-type: none"> o Highly unlikely that any partner can meet this deadline as there is no approved framework to join. o Little incentive for TDC to join with Waitaki given the very different operating environments / conditions. o Waimate are progressing an IBU so unlikely to want to join. o No shared boundary between Timaru and Waitaki if Waimate does not join. o Given the lack of progress to date, and recent approval of TDC stand-alone WSDP, and Waimate IBU WSDP, unlikely to be sufficient time to reach agreement. o Investing valuable time attempting to pursue a different model at this late stage with uncertainty of success may be politically and reputationally damaging. o As WDC likely to have to do all the work to advance the arrangement, this would severely impact on Council's ability to focus on other issues, especially the Annual Plan. o The impact of the rejection of the Mackenzie WSDP has not been considered or quantified.

**5.2 COUNCIL FEEDBACK REQUIRED FOR PROJECT PROCUREMENT PLANS
(EXCEEDING \$1.5 MILLION IN VALUE)**

Author: Mark Renalson, Project Management Office Manager

Authoriser: Paul Hope, Director Support Services

Attachments:

1. **1080 Oamaru Wastewater Main Renewals Procurement Plan (under separate cover)** 
2. **2489 Sealed Pavement Rehabilitation Procurement Plan (under separate cover)** 
3. **4440 Coastal Resilience Procurement Plan (under separate cover)** 
4. **4441- Oamaru Rural water mains renewal - procurement-plan (under separate cover)** 

RECOMMENDATION

That Council:

1. Provides feedback on the following procurement plans, regarding the proposed procurement approach, specifically the weightings for price and non-price attributes, as per the WDC Procurement Policy, which requires this feedback on projects exceeding \$1.5 million in value.

Requiring Approval

- a) **1080 Oamaru Wastewater Main Renewals** – Four year-package project focused on renewing and upgrading the aging Oamaru wastewater mains to extend asset service life and reduce the increasing costs of reactive maintenance.
- b) **2470 Corriedale Water Quality Upgrade** – Upgrade of four rural water schemes (Awamoko, Kauru Hill, Windsor and Tokarahi) to meet Taumata Arowai drinking water standards through installation of standardised end-point treatment units, ensuring safe and compliant water supply for these rural communities.
- c) **2489 Sealed Pavement Rehabilitation (financially assisted)**- Involves restoring the existing pavement to improve structural capacity, ride quality and overall safety for road users. The activities include pavement repairs, surface renewal, drainage improvements and associated signage and road markings upgrades.
- d) **4440 Coastal Resilience Project** – Installation of engineered rock bags and / or traditional rock armour (or alternative) to provide short to medium term protection of the southern end Beach Road and Waianakarua Road from coastal erosion and to provide time for the development of a strategic Coastal Protection Strategy.
- e) **4441 Oamaru Rural Water Main Renewals** – Renewal and Upgrade of the existing small diameter AC pipes in Oamaru rural setup, to address the frequent failure rates and deteriorating condition of the existing pipe network causing recued level of service disruptions, and maintenance cost. The renewal and upgrade of three sections (Hampden-Moeraki Road section, Airedale road section and Round Hill

Road section) will improve level of service, address aging network, and the upgrade to allow for future growth and reliability.

Requiring Retrospective Approval

- f) **1096 Oamaru Breakwater Maintenance Project** – Fabrication and placement of concrete tetrapods (or alternative) to reinforce the historic Oamaru Breakwater.

2. Delegates the Chief Executive to award contracts subject to this being within budget.

PURPOSE

To seek Council feedback on the proposed procurement plans for projects exceeding \$1.5 million, including confirmation of the procurement approach and the weightings for price and non-price attributes, in accordance with Waitaki District Council's Procurement Policy.

SUMMARY

1080 Oamaru Wastewater Main Renewals/Upgrade

Allocated Budget: \$7.68 million (Depreciation Reserve CAPEX over 4 years)

Funding: Rates-funded annual allocation (\$2M/year over 4 years)

Scope: Oamaru Wastewater Main Renewal/Upgrade of four package areas (Open Trench and Trenchless/Relining Method).

Benefits: The works will be delivered through a single procurement process, divided into four coordinated contract packages. This approach ensures alignment with other infrastructure projects, such as road rehabilitation and watermain renewals, while providing flexibility to sequence and prioritise works according to risk and asset criticality and extends wastewater main service life by 50+ years, reduces maintenance and project costs.

Timeline: 2025 – 2029, Proposed solutions will likely see this work completed over the 26/27 & 28/29 financial years.

Project Summary: The Oamaru Wastewater Main Renewal and Upgrade Project address the town's ageing wastewater network, much of which is nearly 100 years old and increasingly prone to failure. The project aims to renew critical sections, improve capacity, and coordinate works with other planned infrastructure upgrades to reduce future disruption and costs.

Four renewal packages have been identified based on urgency, strategic importance, and interdependencies with road, water, and stormwater projects. Access challenges exist where pipelines lack manholes, are located under private properties, or have collapsed.

Packages 1 (Reed–Coquet–Severn–Humber) and 4 (Thames Street) are prioritised to align with the Council's and NZTA 2026–2027 road rehabilitation programme. Pipe relining is the preferred renewal method due to its cost-effectiveness and minimal disruption, though final methods will depend on detailed asset condition assessments.

The total project budget is \$7.68 million over four years, including contingencies, professional services, and installation of new manholes and rodding eyes. Following Council approval of the Procurement Plan, a Request for Proposal (RFP) will be issued to engage the most suitable contractor and accelerate delivery.

2470 Corriedale Water Quality Upgrade

<u>Allocated Budget:</u>	\$4.4 million (CAPEX)
<u>Funding:</u>	Loans and depreciation reserves
<u>Scope:</u>	Design, procurement and installation of standardised end-point treatment units across four rural water schemes (Awamoko, Kauru Hill, Windsor and Tokarahi) to achieve compliance with Taumata Arowai drinking water standards. Includes consultant-led design, contractor installation and provision for ongoing consumables management.
<u>Benefits:</u>	Ensures safe and compliant drinking water, reduces public health risk, improves community confidence, meets legislative obligations under the Water Services Act, and supports operational efficiency through standardisation.
<u>Timeline:</u>	Procurement initiated late 2025 / early 2026; installation and commissioning commence by June 2026. Project anticipated to take 2 years to complete.
<u>Project Summary:</u>	The Corriedale Water Quality Upgrade addresses urgent compliance and public health risks across four rural water schemes that are currently non-compliant with national drinking water standards. The current preferred solution involves Council-led procurement and installation of end-point treatment units at each dwelling, supported by consultant design and ongoing consumables management. This approach ensures consistent water quality, simplifies maintenance and provides equity of service. Key risks such as supply chain delays and community resistance to targeted rates; this will be mitigated through early engagement and robust procurement planning.

2489 Sealed Pavement Rehabilitation (financially assisted)

<u>Allocated Budget:</u>	\$2,083,317
<u>Funding:</u>	NZTA 57% / Council
<u>Scope:</u>	Restoring the existing sealed road pavement to improve structural capacity, ride quality, and overall safety for road users.
<u>Benefits:</u>	Provides long-term benefits by restoring the structural integrity of deteriorated road pavements, improving safety, ride quality, and overall network performance. Rehabilitation enhances resilience by improving drainage and pavement layers, supports local economic activity through reliable access for freight and commuters, and minimises ongoing disruption to communities.
<u>Timeline:</u>	Procurement in late 2025 / early 2026; construction Feb 26 – May 2027.
<u>Project Summary:</u>	This program of works includes 4 sites in 2 bundles: 1) Hillgrove Rd Moeraki 2) Battersby Road Enfield, Weston Ngapara Road at Tussocky and Windsor Road. The works include pavement repairs. Surface renewal, signage renewal drainage improvements and road markings.

4440 Coastal Resilience Project

<u>Allocated Budget:</u>	\$2.05 million (CAPEX)
<u>Funding:</u>	NZTA FAR subsidy (79%) and depreciation reserves
<u>Scope:</u>	Design-build contract for supply and installation of engineered rock bags and / or rock armour (or alternative) along priority erosion zones on the southern end of Beach Road and Waianakarua Road.

<u>Benefits:</u>	Protects critical transport routes, maintains connectivity, and mitigates erosion risk for 5–10 years.
<u>Timeline:</u>	Procurement in late 2025 / early 2026; construction Mar 26 – Jun 2027.
<u>Project Summary:</u>	<p>The Coastal Resilience Project addresses the escalating threat of coastal erosion along the southern end of Beach Road and Waianakarua Road, which are vital transport corridors in vicinity of Kakanui. The preferred solution is the installation of engineered rock bags and or traditional rock armour (or alternative) in high-priority erosion zones. This approach offers a cost-effective, environmentally sensitive solution, extending the operational life of these routes by 5–10 years and maintaining connectivity for residents, visitors and freight traffic.</p> <p>The project is strategically aligned with Waitaki District Council's infrastructure resilience goals and supported by NZTA funding at a 79% Financial Assistance Rate. With an estimated cost of \$2.05 million, the works will be delivered under a design-build contract commencing from March 2026. Benefits include reduced emergency repair costs, improved planning horizons for long-term solutions and enhanced community safety. Risks such as consent delays, high tender prices and cultural engagement requirements will be mitigated through early stakeholder engagement and robust governance.</p>

4441 Oamaru Rural Water Main Renewals

<u>Allocated Budget:</u>	\$1.64 million (Capex)
<u>Funding:</u>	Loans and Depreciation Reserves
<u>Scope:</u>	Procure Supply and Install Contractor Services to carry out renewal and upgrade of the existing old AC water mains in Oamaru rural area covering three sections i.e. Hampden-Moeraki Road section, Roundhill Road section and Airedale Road section.
<u>Benefits:</u>	Improve level of service, improve reliability of water network, extend asset life, reduce maintenance cost due to frequent failures, reduce contamination risk to public health due to ac mains in use, improve pressure in the network, decrease water loss and allow for future growth.
<u>Timeline:</u>	Total time allocated 2025-2029, procurement late 2025, work to start 2026. Expected to complete construction works in 24 months. Approval granted to bring forward budget from 2027-29.
<u>Project Summary:</u>	<p>The objective of this project is to seek renewal of the existing smaller diameter AC water mains in the Oamaru Rural areas. The Asset team assessment recommends renewal of these pipes due to high and frequent failure rates. Previous renewal works were done in year 2023-24, however these three sections could not be included due to budget unavailability. The sections included are Hampden-Moeraki (3160m section length), Airedale Road (1060m section length), and Round Hill Road (1880m section length). These three sections are critical to address the poor and deteriorating condition of the existing ac mains and ensure that the replacement pipes have sufficient capacity for the future growth and reliability. Currently these pipes are subject to frequent damage and failures causing reduced level of service and requires significant maintenance cost for repairs and resources.</p>

Requiring Retrospective Approval

1096 Oamaru Breakwater Maintenance Project

<u>Allocated Budget:</u>	\$1.95 million (OPEX over 9 years / this expense will be brought forward likely over two years from initiation)
<u>Funding:</u>	Rates-funded annual allocation (\$200k/year over 9 years brought forward)
<u>Scope:</u>	Fabrication and placement of 15-ton concrete tetrapods (or alternative) to reinforce the breakwater.
<u>Benefits:</u>	Extends breakwater life by 100+ years, reduces maintenance costs, and protects harbour operations and heritage.
<u>Timeline:</u>	2025 – 2034, although permission has been granted to front load this budget. Proposed solutions will likely see this work completed over the 26/27 & 27/28 financial years.
<u>Project Summary:</u>	<p>The Oamaru Breakwater Maintenance Project aims to protect and preserve the historic breakwater, a nationally significant structure that safeguards harbour operations and coastal heritage. Built over 135 years ago, the breakwater's vertical seaward face is exposed to extreme wave forces, causing deterioration and instability. The proposed solution involves staged fabrication and placement of 15-ton concrete tetrapods (or alternative) to dissipate wave energy, stabilise rock armouring and prevent further erosion. This proactive approach shifts from reactive repairs to long-term resilience.</p> <p>The project spans nine years with a total budget of \$1.95 million, funded through annual rates allocations. Benefits include extending the breakwater's life by 100+ years, reducing maintenance costs and protecting harbour operations and local ecology. Key risks include adverse weather, equipment failure and environmental impacts, which will be managed through robust planning, consent compliance and stakeholder engagement.</p>

DECISION-MAKING EXPECTATIONS

Governance Decision-Making:	Approve of procurement process
Operational Decision-Making:	Undertake procurement, negotiate for best value and award of contract
Communications	Media Releases – contributed to by officers and Elected Members

SUMMARY OF DECISION-MAKING CRITERIA

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	Key	Environmental Considerations	No
Legal	No	Cultural Considerations	No
Significance	Moderate	Social Considerations	Moderate
Financial Criteria	Moderate	Economic Considerations	Moderate
Community Views	No	Community Board Views	No
Consultation	Moderate	Publicity and Communication	Moderate

BACKGROUND

Waitaki District Council's Long-Term Plan (LTP) identifies a series of strategic infrastructure projects essential to maintaining service levels, meeting regulatory requirements and improving resilience across the district. The identified projects have budgets that exceed the \$1.5 million threshold set by the Council's Procurement Policy, requiring formal Council feedback on procurement plans prior to procurement and contract award.

The projects include upgrades to aging wastewater and water supply networks, improvements to road infrastructure and measures to protect coastal assets from erosion. These initiatives respond to critical challenges that have arisen due to changes with drinking water compliance standards set by Taumata Arowai, deterioration of water infrastructure and worsening of transport routes.

Coordinating these works within a structured procurement framework ensures cost efficiency, minimises disruption to communities and aligns with Council's strategic objectives for infrastructure resilience and sustainable service delivery.

Summary of Options Considered

Option 1 – Authorise all Procurement Plans or Project Continuation (Recommended)

Council accepts the proposed procurement plans for all projects exceeding \$1.5 million without providing additional feedback. This option allows staff to proceed immediately with procurement planning and tendering, ensuring timely delivery. It projects confidence in Council staff's proposed approach and weightings as presented. Delegates the Chief Executive to award contracts subject to this being within budget for the projects.

Option 2 – Approve or decline projects on a case-by-case basis

Council reviews the proposed procurement approach and provides feedback upon weightings for price and non-price attributes if required. This option ensures Council input into procurement strategy and offers an opportunity to refine plans before tendering but may extend timelines and require additional reporting.

ASSESSMENT OF PREFERRED OPTION

The preferred option is to accept all procurement plans as presented. This approach enables staff to progress without delay, supports timely delivery of critical infrastructure projects and minimises administrative burden. It reflects confidence in the procurement methodology and alignment with Council's Procurement Policy.

Future updates can be scheduled if Council wishes to monitor progress or review outcomes before contract award.

CONCLUSION

These projects are all included in the Long-Term Plan and strongly align with Council's objectives for infrastructure resilience, compliance, and service reliability. Each project exceeds the \$1.5 million threshold set by the Procurement Policy, which requires Council involvement at this stage. Providing feedback on the proposed procurement, with respect to price and non-price attributes.

ADDITIONAL DECISION-MAKING CONSIDERATIONS

Waitaki District Council Strategic Framework

Outcomes

Community Outcomes

Prosperous District

- Supporting local businesses

- Fostering a diverse and resilient economy

Strong Communities

- Enabling safe, healthy communities
- Connected, inclusive communities

Quality Services

- Robust core infrastructure and services
- Community facilities and services we are proud of

Valued Environment

- Protecting our diverse landscapes and water bodies

Policy and Plan Considerations

These projects are included in the Waitaki District Council Long-Term Plan and align with the Strategic Framework objectives for resilient infrastructure, safe communities, and compliance with regulatory standards. The Procurement Policy requires Council involvement for projects exceeding \$1.5 million, which is the basis for this feedback process.

Community Views

Community feedback is being gathered for each project through targeted engagement, including direct communication with affected property owners, rural water scheme users, and stakeholders impacted by road and coastal works. Input focuses on timing, potential disruption, and funding implications. The Communications Team is supporting this process to ensure clear messaging across all channels. Early LTP consultation indicated strong support for investment in core infrastructure, which underpins these projects.

Financial Considerations

Budgets for all projects are approved in the Long-Term Plan, with funding from depreciation reserves, loans, and NZTA subsidies where applicable. Risks such as market price escalation will be managed through contingency allowances and robust tender evaluation.

Legal Considerations

Procurement will comply with the Council's Procurement Policy and relevant legislation, including the Local Government Act and Health and Safety requirements. Contract documentation will include provisions for performance, risk allocation, and dispute resolution. No additional legal risks have been identified.

Publicity and Community Considerations

Council will issue media releases and provide updates on its website and social channels to explain the decision and benefits of these projects. Communications will highlight improvements to water quality, wastewater reliability, road safety, and coastal protection. Engagement with affected communities will occur before works begin to manage expectations and minimise disruption.

5.3 EVENTS CENTRE

Author: Amanda Nicholls, Chief Financial Officer

Authoriser: Paul Hope, Director Support Services

Attachments: 1. Events Centre Structure and Project Board Terms of Reference [↓](#) 

RECOMMENDATION

That Council:

1. Approves the Network Waitaki Events Centre Phase 1 project funding changes, specifically the change in Council funding requirements and timing differences.
2. Approves the reallocation of \$500,000 contingency funds from Phase 1 to Phase 2, subject to the full funding total of \$32.85m for Phase 1 being achieved and the remaining unspent contingency funds being applied to Council's borrowing costs and reducing the capital cost to the ratepayer.
3. Approves Phase 2 of the project, in relation to the Grandstand, subject to funds being put in place by the Waitaki Events Centre Trust and North Otago Rugby Football Union.
4. Subject to agreement of 3 above, agrees to amend the terms of reference to add a representative from North Otago Rugby Football Union to the Project Board.
5. Delegates to the Chief Executive the authority to enter into agreement with the Waitaki Events Centre Trust and North Otago Rugby Football Union to progress Phase 2.
6. Delegates to the Chief Executive the authority to procure Phase 2 works subject to the provisions and financials set out in this report, including that there will be no additional cost to the Council, beyond that already committed in Phase 1.

DECISION OBJECTIVE

The purpose of this report is to consider changes to the previously approved funding of Phase 1 of the Network Waitaki Events Centre project, and to formally decide whether to complete Phase 2 of the project.

SUMMARY

Funding

Phase 1 of the Network Waitaki Events Centre project is nearing completion. Phase 1 construction is on-track to be completed in February 2026 with commissioning works to follow and an opening anticipated before the end of April 2026.

Phase 1 has a total targeted budget of \$32.850 million. Council budgeted to complete the build over the 2025 and 2026 financial years, with \$15 million included in the 30 June 2025 Enhanced Annual Plan budget and the remaining amount included in the current 30 June 2026 financial year.

The Waitaki Event Centre Trust and Project Board have noted that it is currently anticipated that the build cost of Phase 1 will come in under budget. In the latest financial reports to the end of October 2025 it has been stated that up to \$1.7 million of the \$2.6 million contingency (included in the \$32.850 million budget) will likely not be required.

Council needs to re-confirm whether any savings in the budgeted project cost will reduce the funding requirement from Council (as per the Council resolution on 19 December 2023). If this resolution

was upheld, Council's total \$15.6 million contribution would be reduced. Otherwise, any budget savings could come off the amount still to be raised by the Waitaki Event Centre Trust.

The \$32.850 million total budget for Phase 1 assumed that funding would have been secured and received via the Waitaki Events Centre Trust to the value of \$17 million and from North Otago Rugby Football Union to the value of \$250k. However, there is currently a \$913k funding shortfall and a further \$3.4 million of funding that has not yet been received by Council (\$1.2 million expected this financial year, and the other \$2.2 million is expected in future years). The delays in receiving external funding as budgeted has resulted in additional borrowing costs to Council and will continue to do so going forward.

The Waitaki Event Centre Trust has requested that the budget savings come off the \$17 million share of the project that it was intended they would obtain funding for. This would mean that they would not be required to fund the remaining funding shortfall of \$913k. Any remaining funding could potentially be applied towards Phase 2 of the project.

Council would need to resolve to apply the funding this way, as the current resolution and agreement in place, is that any saving in the project cost will reduce the rates requirement from Council, as per the Council resolution on 19 December 2023.

Phase 2

Phase 2 comprises of replacement Grandstand seating, office space suitable for North Otago Rugby, storage and public toilets for field sports, and additional changing facilities to enable both field sports and Event Centre activities to occur concurrently. It is subject to Council approval and the necessary funds being raised. The quoted cost of delivering Phase 2, including contingency is currently \$5.75 million.

The Waitaki Event Centre Trust and the North Otago Rugby Football Union would like to begin Phase 2 immediately after Phase 1 concludes in February 2026. It is also considered more efficient and economical to proceed with Phase 2 immediately after Phase 1.

The Waitaki Event Centre Trust and the North Otago Rugby Union are both committed to raising funding for Phase 2 and believe, subject to contracts being signed, that they can successfully put the funds in place within the next two months, with the support of \$500,000 of funding being transferred from Phase 1 to Phase 2.

DECISION-MAKING EXPECTATIONS

Governance Decision-Making:	Approve funding sources Approve Phase 2 of the project
Operational Decision-Making:	Implementation of Council decision
Communications	Media Releases – contributed to by officers and Elected Members Media/public enquiries regarding governance decision-making topics above can be addressed by governance Media/public enquiries regarding operational decision-making topics above can be addressed by officers

SUMMARY OF DECISION-MAKING CRITERIA

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	No	Environmental Considerations	No
Legal	No	Cultural Considerations	No

Significance	Moderate	Social Considerations	No
Financial Criteria	Key	Economic Considerations	No
Community Views	Moderate	Community Board Views	No
Consultation	No	Publicity and Communication	Moderate

BACKGROUND

For almost 10 years, Council and the community have been determining the need and benefit of an events centre. This work culminated in a business case independently completed by Morrison Low dated July 2021. The business case was discussed by Council on 10 August 2021 and Council:

1. Concluded that a six-court indoor sports and events centre would:
 - Sustain and grow participation in core and potential sporting codes.
 - Enhance health, wellbeing, and resilience for all members of the Waitaki community.
 - Leverage sport and recreation to boost economic growth and development within the Waitaki district.
2. Agreed to consider that the preferred location is the rear of the Grandstand at Centennial Park.
3. Established that there is significant benefit for sporting codes, community health and the local economy along with other unquantifiable benefits such as local community pride, social cohesion, and connectivity.
4. Estimated the construction cost (including an allowance for design and consenting) for the preferred option at \$25 million (2021 dollars) excluding GST. As the anticipated construction time was 2023 to 2025, it was noted that this cost was likely to increase by the time construction commences. [Note: it subsequently increased to \$32 million].
5. Estimated the annual operational costs (including the servicing of Council's loan) to be \$545,000.

Since that time, the following key discussions occurred at Council level:

- Early 2021 – Council's possible contribution to a proposed Indoor Sports and Events Centre was a key consultation question in the Draft Long-Term Plan 2021-31.
- June 2021 – Council adopted the Long-Term Plan 2021-31, in which it resolved to contribute up to \$10 million towards the construction of the Indoor Sports and Events Centre, with the remaining funding to come from the community, Trusts and Lotteries.
- 18 October 2021 – Council considered the responses from consultation on the Events Centre.
- 26 October 2021 – Council confirmed the preferred location of the Events Centre.
- 14 December 2021 – Council approved the Project Board and Advisory Group Terms of Reference and Memorandum of Understanding.
- June 2023 – Council adopted the 2023/24 Annual Plan, in which it approved increasing Council's funding contribution to the Events Centre from \$10 million to \$15 million, with the extra \$5 million to come from non-rates funding sources.

On 19 December 2023 Council discussed the post-procurement Business Case for the Network Waitaki Events Centre, and the following resolutions were made:

6. Approves the post-procurement Business Case for the Network Waitaki Events Centre, noting the decision to go to 4 sprung floor courts and 2 synthetic courts.
7. Approves the demolition of the Grandstand as part of Phase 1 development.

8. Approves an additional contribution of \$600,000 from depreciation reserves (the portion of Council Reserves allocated to Grandstand replacement) towards Grandstand demolition and enlarged changing facilities as part of Phase 1.
9. Approves the award of the contract for the Network Waitaki Event Centre to Apollo Projects Limited to construct Phase 1 only, with future phases conditional on external funding being secured.
10. Delegates authority to the Chief Executive to agree the contract.
11. Acknowledges the Events Centre Trust and the work that they have done.
12. Notes the commitment of the Events Centre Trust to raise the remaining funding for the total of phase 1.
13. That Council notes that any saving in the project cost will reduce the rates requirement from Council.

Subsequent to that meeting, Council approved a revised design of 6 timber sprung courts at their meeting on 28 May 2024.

Budget

In terms of the total budget, Phase 1 has a total targeted budget of \$32.850 million and comprises of the core Network Waitaki Event Centre and enlarged changing rooms that meet requirements for field sports and the Grandstand demolition.

Council budgeted to complete the build over the 2025 and 2026 financial years, with \$15 million included in the 30 June 2025 Enhanced Annual Plan budget and the remaining amount included in the current 30 June 2026 financial year / first year of the 2025-2034 Long-Term Plan.

Phase 1 construction is on-track to be completed in February 2026 with commissioning works to follow and an opening anticipated before the end of April 2026. The Apollo Projects Limited contract value is currently \$27.7 million (including variations). The value of contract works invoiced and paid by Council to Apollo Projects Limited, as at 31 October 2025, is \$21.5 million.

The Waitaki Event Centre Trust and Project Board have noted that it is currently anticipated that the build cost of Phase 1 will come in under budget. In the latest financial reports to the end of October 2025 it has been stated that up to \$1.7 million of the \$2.6 million contingency (included in the \$32.850 million budget) will likely not be required. It should be noted that there are still a number of cost items to be finalised. In addition, funds raised to date (including the Council contribution of \$15.6 million) are \$32 million. This would mean that there is a potential budget saving of circa \$850,000 or more if further funds are raised.

Council needs to re-confirm whether any savings in the budget in the project cost will reduce the funding requirement from Council, as per the Council resolution on 19 December 2023 (point 8 above). If this resolution was upheld, Council's total \$15.6 million contribution would be reduced.

As result, Council's \$15.6 million contribution to Phase 1 would consist of: loan funding of \$10 million, utilised depreciation reserves of \$600k, utilised the RMA reserve of \$2 million, and the remaining non-rates funding required would be reduced by the level of savings in the budget, to potentially \$2.15 million.

Otherwise, any budget savings could come off the amount still to be raised by the Waitaki Event Centre Trust.

Funding

The \$32.850 million total budget for Phase 1 assumed that Council would have utilised the \$600k depreciation funding for the grandstand and exhausted its Resource Management Act (RMA) Reserve funds of \$2 million in the 30 June 2025 financial year. It also forecast that funding would have been secured and received via the Waitaki Events Centre Trust to the value of \$17 million and from North Otago Rugby Football Union to the value of \$250k. This would have left \$3 million that

Council would need to find internal funding sources, and \$10 million that Council would need to draw down loan funding for during the 30 June 2026 financial year.

However, due to the timing of release of funds by donors, as at 30 June 2025, only \$9.1 million had been received from the Waitaki Events Centre Trust and a further \$1.25 million from Network Waitaki for naming rights. This meant that Council needed to borrow during the 2025 financial year to cover the costs of the build, as funds have been expended ahead of donations coming in. So far, this has resulted in an additional unbudgeted interest cost of circa \$350k.

The funding towards Phase 1 currently consists of:

Council contribution			
Loan funded	10,000,000		
Non-rates funded	5,000,000		
Depreciation funding (grandstand)	600,000	15,600,000	
Network Waitaki Naming Rights			
Naming Rights funding paid to Council	1,250,000		
Naming Right funding due FY27	1,250,000	2,500,000	
North Otago Rugby Football Union			
Contribution towards enlarged changing rooms		250,000	
Waitaki Events Centre Trust			
Grants and donations paid to Council	11,435,445		
Grants and donations committed FY26	1,231,246		
Grants and donations committed FY27	820,000		
Grants and donations committed FY28	20,000		
Grants and donations committed FY29	20,000		
Grants and donations committed FY30	20,000		
Grants and donations committed FY31	40,000	13,586,691	
Current Funded Secured			31,936,691
Total Cost of Phase 1			32,850,000
Funding Shortfall		-	913,309

Given the current \$913k funding shortfall and a further \$3.4 million of funding that has not yet been received as planned prior to 30 June 2025, Council is required to loan fund the outstanding amounts until such time as they are received. This is forecast to cost a further unbudgeted \$350k based on current interest rate forecasts. Discussions with the Trust have indicated that they are supportive of the interest costs being met by fund raising so that the Council and ratepayer are no worse off, then the \$15.6 million previously committed.

The Waitaki Event Centre Trust has requested that the budget savings (discussed in the budget section above) come off the \$17 million share of the project that it was intended they would obtain funding for. This would mean that they would not be required to fund the remaining funding shortfall of \$913k. Any remaining funding could potentially be applied towards Phase 2 of the project.

Council would need to resolve to apply the funding this way, as the current resolution and agreement in place, is that any saving in the project cost will reduce the rates requirement from Council, as per the Council resolution on 19 December 2023 (point 8 above).

Officers have not recommended this course of action as it represents a significant saving to the budget, that Council finances require, and it is not in line with Council's previous resolution that savings will reduce the rates requirement from Council.

When Council approved increasing Council's funding contribution to the Events Centre from \$10 million to \$15 million, with the extra \$5 million to come from non-rates funding sources, it was not clear whether this included the costs of borrowing. It is important to acknowledge that changes to the borrowing schedule have cost the ratepayer further, and this is expected to continue.

As previously noted, Council was required to loan fund a significant portion of the Phase 1 build costs ahead of schedule, in the 2025 financial year, which has cost the ratepayers an extra \$350k. Also, given there are outstanding sponsorships, grants and donations that will not be received until future years, that were budgeted to be received last year, it is important that Council recognises that there will be further unbudgeted interest costs borne by the ratepayers until the 2031 financial year.

Phase 2

Phase 2 comprises of replacement Grandstand seating, office space suitable for North Otago Rugby, storage and public toilets for field sports, and additional changing facilities to enable both field sports and Event Centre activities to occur concurrently. This was incorporated into the original design but, due to costs and the position with fund raising at the time, it was agreed to incorporate these elements of the facility in a Phase 2, once funding was clearer. The quoted cost of delivering Phase 2, including contingency is \$5.75 million.

The Waitaki Event Centre Trust and the North Otago Rugby Football Union's goal was for the fundraising for Phase 1 to be far enough along so the contractors could begin Phase 2 immediately after Phase 1 concludes in February 2026. Both parties are keen to have the Phase 2 completed in time for the Heartland Championship season mid-next year. It is more efficient and economical that the building team from Phase 1 carries on to Phase 2 immediately, instead of leaving site and returning at a later date. Therefore, it is important that the approval be given to proceed, and the contract be in place as soon as possible.

The Waitaki Event Centre Trust and the North Otago Rugby Union are both committed to raising funding for Phase 2 and believe, subject to contracts being signed, that they can successfully put the funds in place within the next two months, with the support of \$500,000 of funding being transferred from Phase 1 to Phase 2. However, whilst this is incorporated in the design, it does not fall within the scope of Phase 1 or the current contract. It is subject to Council approval and the necessary funds being raised.

Given the project is to be completed on Council land and decisions will need to be made around the ownership of any structure built on the land, Council approval is required before Phase 2 can commence. Council needs to be a party to the contract for Phase 2, given its ownership of the land and structures completed in Phase 1. North Otago Rugby Football Union is interested in utilising areas of the grandstand for their office space and discussions are underway regarding potential ownership structures for this section of the building. The contract for Phase 2 will clearly stipulate the ownership structure for the grandstand building, as required.

Contract terms need to be negotiated further by the Project Board and Advisory Group, but the first step is to gain Council approval to proceed with Phase 2. Subject to Council approving Phase 2 today, this paper also requests Council delegates to the Chief Executive the authority to enter into agreement with the Waitaki Events Centre Trust and North Otago Rugby Football Union to progress Phase 2. It is also requests that Council delegates to the Chief Executive the authority to procure Phase 2 works subject to the provisions and financials set out in this report, including that there will be no additional cost to the Council, beyond that already committed in Phase 1.

SUMMARY OF OPTIONS CONSIDERED

Option 1 - Approves the resolutions as stated:

That Council:

1. Approves the Network Waitaki Events Centre Phase 1 project funding changes, specifically the change in Council funding requirements and timing differences.
2. Approves the reallocation of \$500,000 contingency funds from Phase 1 to Phase 2, subject to the full funding total of \$32.85m for Phase 1 being achieved and the remaining unspent contingency funds being applied to Council's borrowing costs and reducing the capital cost to the ratepayer.

3. Approves Phase 2 of the project, in relation to the Grandstand, subject to funds being put in place by the Waitaki Events Centre Trust and North Otago Rugby Football Union.
4. Subject to agreement of 3 above, agrees to amend the terms of reference to add a representative from North Otago Rugby Football Union to the Project Board.
5. Delegates to the Chief Executive the authority to enter into agreement with the Waitaki Events Centre Trust and North Otago Rugby Football Union to progress Phase 2.
6. Delegates to the Chief Executive the authority to procure Phase 2 works subject to the provisions and financials set out in this report, including that there will be no additional cost to the Council, beyond that already committed in Phase 1.

The confirmation of funding changes recognises the final Council funding requirements and reduces the possibility for further budget changes to be borne by Council/ratepayers.

This enables to Phase 2 to proceed immediately after Phase 1 finishes, resulting in contractor and cost efficiencies.

This allows the project to proceed in line with Waitaki Event Centre Trust and the North Otago Rugby Football Union's goals and ensures that there is appropriate funding in place beforehand.

Option 2 - Declines any or all of the resolutions stated above.

Further time would be required for the Waitaki Event Centre Trust to secure the balance of the funding required, and there is now limited time prior to the Phase 1 project deadline. There are agreements already in place for some of the funding sources that occur later than 30 June 2026, so it is difficult to change these now. Alternative resolutions may be proposed regarding Phase 1 project funding changes; however, there is additional risk and uncertainty regarding the levels of funding the Waitaki Event Centre Trust could secure prior to 30 June 2026.

Phase 2 will not proceed until Council approves the project. Phase 1 of the project will still complete as planned, but the replacement Grandstand seating, office space suitable for North Otago Rugby Football Union, storage and public toilets for field sports, and additional changing facilities to enable both field sports and Event Centre activities to occur concurrently, will not be completed.

If Council chose to commence Phase 2 at a later date, this would create inefficiencies for the project works that would come at additional time and cost.

The Waitaki Event Centre Trust and the North Otago Rugby Football Union would be disappointed with this outcome, as it is not in line with their goals for the project. The Trust has publicly stated that they are keen to have the Phase 2 completed in time for the Heartland Championship season mid-next year.

By not including any conditions around securing funding, Council is prepared for any cost shortfalls or overruns to be borne by Council/ratepayers.

ASSESSMENT OF PREFERRED OPTION

Option 1 - Approves the resolutions as stated, provides the best overall project outcomes for Council and the community. It ensures that funding changes are transparent and reduces the possibility for further budget changes to be borne by Council/ratepayers. It enables Phase 2 to proceed which will add additional facilities and complement the existing Phase 1 project, at no extra cost to Council as it is subject to funds being put in place by the Waitaki Events Centre Trust and North Otago Rugby Football Union. It also allows Phase 2 to proceed immediately after Phase 1 finishes, resulting in contractor and cost efficiencies.

CONCLUSION

Council recognition of the Network Waitaki Events Centre Phase 1 project funding changes, specifically the change in Council funding requirements and timing differences, provides transparency to all parties. The resolutions proposed in this paper reduce the possibility for further budget changes to be borne by Council/ratepayers.

A formal Council decision regarding Phase 2 of the Network Waitaki Events Centre project, subject to funds being put in place by the Waitaki Events Centre Trust and North Otago Rugby Football Union, will provide clear guidance to all parties and enable plans to progress. If approval to proceed is granted it enables Phase 2 to proceed which will add additional facilities and complement the existing Phase 1 project, at no extra cost to Council. It also allows Phase 2 to proceed immediately after Phase 1 finishes, resulting in contractor and cost efficiencies.

ADDITIONAL DECISION-MAKING CONSIDERATIONS

Waitaki District Council Strategic Framework

Outcomes

Community Outcomes

Prosperous District

- Attractive to new opportunities
- Supporting local businesses
- Fostering a diverse and resilient economy

Strong Communities

- Enabling safe, healthy communities
- Connected, inclusive communities
- Promoting a greater voice for Waitaki
- Celebrating our community identity

Quality Services

- Robust core infrastructure and services
- Community facilities and services we are proud of

Valued Environment

- Protecting our diverse landscapes and water bodies
- Meeting environmental and climate change challenges

Community Views

The Network Waitaki Events Centre is a significant capital project for Council with high public interest. Any significant changes to the scope of the project (Phase 2) or existing budgets resolved by Council (capital costs or funding/borrowing levels) requires Council to publicly consider and approve.

Financial Considerations

The Network Waitaki Events Centre is a significant capital project for Council, spanning multiple years. Any significant changes to the costs of the project, or the funding or borrowing levels resolved by Council to cover the costs of the project, require Council decision.

Publicity and Community Considerations

No additional publicity is initially proposed beyond that generated through the normal conduct of public meetings.

Waitaki Event Centre Project Framework

Objective / Purpose

The need to invest has been explored with key stakeholders by WDC. The results of the investment logic mapping are attached in Appendix A. The investment needs and strategic priorities KPIs are:

- Increased number and age groups of participants in sporting codes
- Increased number of new codes formed and expanded
- Increased community wellbeing and equitable allocation of resources
- Increased regional/national sporting Event in Oamaru
- Increased population growth and employment

The strategic priorities have been used to determine the investment objectives below.

Investment objectives

The investment objectives resulting from the investment logic map exercise are:

- To sustain and grow participation in core and potential sporting codes – improved facilities will encourage greater participation in sports and provide spaces for new sports (futsal and fitness programmes).
- To enhance health, wellbeing and resilience for all members of the Waitaki community – participation in regular exercise, sports and community Event is considered good for general wellbeing, health, and resilience (mental health).
- To leverage sport and recreation to boost economic growth and development within the Waitaki district – increased visitor numbers associated with regional Event will support local business, local schools and likely attract people to the district to live and work.
- To consider sustainable, economic and environmental aspects as part of the design, construction and operating of the facility.

Business Case Scope

In accordance with the Investment Logic Map and the Business Case, the features that were seen as essential to include within the new facility are:

- Three sprung timber courts and three synthetic courts, similar layout to the Rolleston indoor facility
- Floor protection
- Insulation (noise and temperature)
- Adequate heating and ventilation for the different spaces, i.e. ventilation for courts, HVAC for offices and smaller rooms
- Admin Office, reception, foyer flexible design to support leasing and sports hub
- Tournament control room including first aid
- Changing facilities, lockable and sized to support indoor facility needs (disability and all genders)

- Public and staff amenities
- Movable spectator seating up to 500
- Multi-purpose rooms that can be used to support different programmes and Event to generate revenue (i.e. not just fitness centre. Possible temporary office space for codes).
- Kitchen – minimum of a servery with commercial grade appliances off the synthetic courts to support large functions/Event

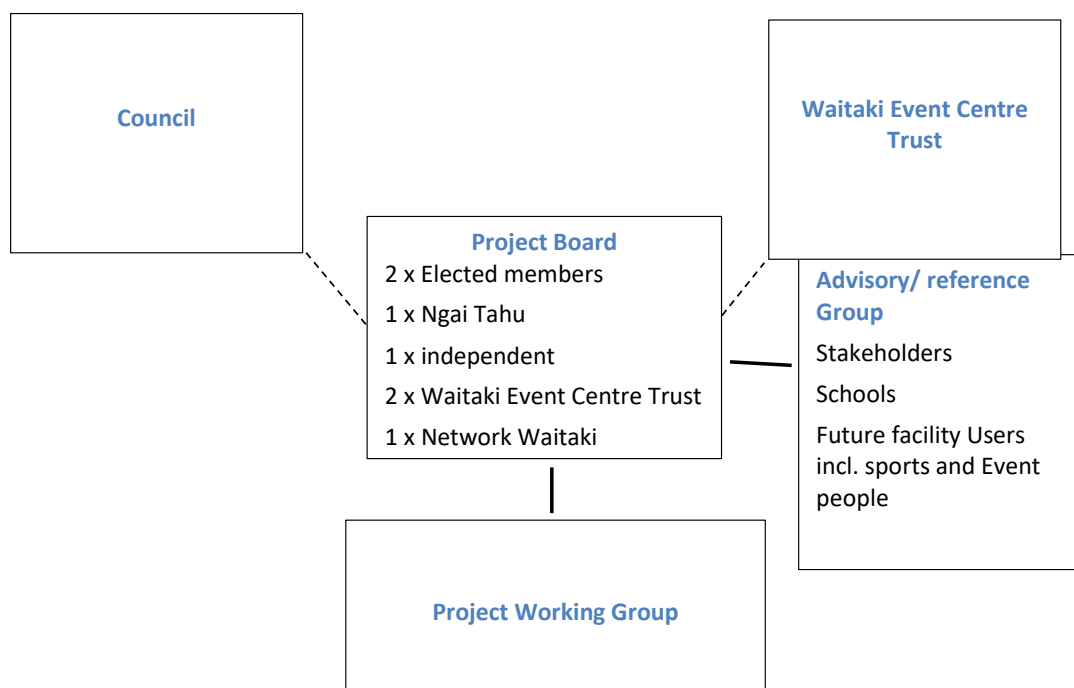
The features to be shared include:

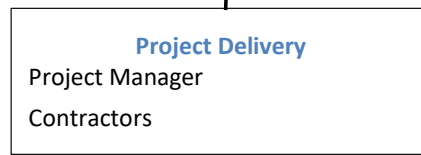
- Carparking - there is existing carparking at Centennial Park although additional spaces may be required if within budget.
- A specific creche will not be included, however a multi-purpose room could be used as a parenting room/space as required.
- No changing facilities for outdoor sports as these are provided within the existing grandstand.

When exploring options to determine if the new indoor facility would share features with existing facilities, in particular the existing grandstand, discussion occurred with the advisory working group about the need to upgrade the existing grandstand or incorporate the grandstand into the new indoor facility. The advisory working group agreed that upgrading the grandstand is considered out of scope at this stage as funding is focused on the new indoor facility. Completing a grandstand replacement or refurbishment at the same time is unlikely to reduce the cost of both projects but could increase the funding required and impact community support for the indoor facility. Any design would need to consider the linkage between the new indoor facility and the grandstand as the preferred location is at the rear of the grandstand.

The project board will consider including the present or future replacement of the grandstand in the design plan with the ultimate decision to come from Council;

Project Governance and Management Structure





Event Centre Project Board Terms of Reference

Purpose and Function

The purpose of the Event Centre Project Board is to act as the decision-making body for the Event Centre development so long as the decisions are consistent with the objectives and scope included in the Investment Logic Map and the Business Case. For any decisions outside this scope, a recommendation will be made to Council. Submissions to the LTP subsequently showed a level of support for including the grandstand redevelopment as part of the project. The feasibility and cost of this option will be considered with the final decision to come from Council.

The Project Board will give effect to its purpose by undertaking the following:

- Having oversight of the project scope.
- Having oversight of finances.
- Maintaining oversight of stakeholder relationships.
- Having oversight of communications.
- Having oversight of timelines.
- Ensuring development of robust business case.
- Making decisions on design elements

Membership

The Event Centre Project Board membership will comprise the following members:

- Waitaki District Council (2 Members)
- Waitaki Event Centre Trust (2 Members)
- Independent (1 Member)
- Papatipu Rūnanga (1 Member)
- Network Waitaki (1 Member)

Members will not be remunerated but reasonable out of pocket expenses will be met from the project budget.

Appointment Process

The groups will nominate their own representatives. The independent member shall be appointed by Council.

Meeting Process

Meeting shall be held in accordance with the Institute of Directors guidance for meetings.

<https://www.iod.org.nz/resources-and-insights/guides-and-resources/board-meetings-guide/#>

The Joint Project Board is subject to the Local Government Official Information and Meetings Act 1987.

Quorum

The quorum shall be four (4), this being the majority of members (including vacancies).

Meeting Frequency

The Project Board will meet as required but at least quarterly. During the design phase, it is expected that meetings will be at least two monthly.

Officers

The Chair of the Project Board shall be appointed by the Project Board.

Term

The Project Board shall remain in place until construction of the Waitaki Event Centre has been completed and handed over to Council as part of a formal handover process including a project closure report or until otherwise dissolved by Council.

If a Project Board member resigns, the relevant organisation shall appoint a new representative.

Operating Philosophy

The Joint Project Board will at all times operate in accordance with the following:

1. Be culturally sensitive observing tikanga Maori.
2. Give consideration to and balance the interests of all in debate and decision making.
3. Members will work in a collaborative and co-operative manner using their best endeavours to reach solutions that balance the interests of all sectors of the community.
4. The Project Board will seek consensus in its decision making where at all possible. Where, despite the best endeavours of members unanimous agreement is not able to be reached, a decision may be taken if in the view of the significant majority if it represents the best interest of all sectors of the community.
5. In the event that neither unanimous agreement is able to be reached nor a significant majority view formed, the Project Board must in the first instance seek assistance from the Chief Executives of Council to further Project Board discussions and deliberations.
6. Where the Project Board is unable to reach consensus despite having sought assistance and exhausted all avenues, the ultimate decision will be made by Council without a recommendation from the Project Board.
7. Best practice shall be a paramount consideration in all aspects of decision making.
8. To seek to maximise the facilities contribution to the four wellbeings set out in the Local Government Act and in Council's Vision Statement.

Administration

The Project Board is administered by Council.

Power to act

Within its scope of activity, the Project Board shall have Power to Act:

- a. To approve Project Board meeting minutes.
- b. To approve consultation documents on matters pertaining to the development of an Event centre.
- c. To approve naming of courts, meeting rooms and other associated facilities that comprise of the Event centre as part of seeking sponsorship so long as those naming rights do not come with tags or commitments that affect future operations or operational funding. (For the purpose of clarity: Such commitments must be recommended to Council.
- d. To make any decision consistent with the Investment Logic Map and the Business Case.
- e. To request action by the Chief Executive of Council or their delegated representative on matters with their scope of responsibility.

Power to recommend

To advise and make recommendations to Council on matters outside the Investment Logic Map and Business Case.

5.4 **APPROVAL OF DELEGATIONS UNDER RESOURCE MANAGEMENT (CONSENTING AND OTHER SYSTEM CHANGES) AMENDMENT ACT 2025 AND RESOURCE MANAGEMENT ACT 1991**

Author: Charlotte Weston, Continuous Improvement Officer

Authoriser: Joanne O'Neill, Director Strategy, Performance, and Design

Attachments: 1. **Resource Management Planner Delegations** 
 2. **Senior Resource Management Planner Delegations** 

RECOMMENDATION

That Council:

1. **Delegates** the relevant functions and powers under the Resource Management (Consenting and Other System Changes) Amendment Act 2025 to specified staff roles, as outlined in Attachment 1, to ensure operational efficiency and compliance with legislative requirements.
2. **Notes** that under section 34A of the Resource Management Act 1991, sub delegation is not permitted, and therefore these delegations must be approved directly by Council. **Approves** the extension of delegations to the Cadet Planner role, aligning them with those currently held by a Resource Management Planner.
3. **Approves** the extension of delegations currently held by the Senior Resource Management Planner to also apply to the Resource Management Planning Lead role.

DECISION OBJECTIVE

To seek Council delegation of specific functions and powers under the Resource Management (Consenting and Other System Changes) Amendment Act 2025 and the Resource Management Act 1991 to designated staff roles, in accordance with the requirements of the Resource Management Act 1991, which prohibits sub delegation.

SUMMARY

The Resource Management (Consenting and Other System Changes) Amendment Act 2025 came into force on 21 August 2025, introducing a range of changes to the consenting framework under the Resource Management Act 1991. To ensure compliance and operational readiness, Council must update its delegations accordingly.

This report seeks Council approval to:

- Delegate relevant functions under the Amendment Act to designated staff roles.
- Extend delegations to the Cadet Planner to align with those of a Resource Management Planner, supporting capability development and workflow efficiency.
- Replicate the Senior Resource Management Planner delegations for the Resource Management Planning Lead, ensuring consistency in decision-making authority and resilience within the planning team.

1.

DECISION-MAKING EXPECTATIONS

Governance Decision-Making:	Agree to make the updated delegations at this meeting, to take immediate effect after the resolution is made.
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Operational Decision-Making:	Work within the updated legal and general delegations agreed by Council at this meeting.
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Communications	Media Releases – contributed to by officers and Elected Members. Media/public enquiries regarding governance decision-making topics above can be addressed by governance. Media/public enquiries regarding operational decision-making topics above can be addressed by officers.
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SUMMARY OF DECISION-MAKING CRITERIA

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	Key	Environmental Considerations	No
Legal	Key	Cultural Considerations	No
Significance	Moderate	Social Considerations	No
Financial Criteria	No	Economic Considerations	No
Community Views	No	Community Board Views	No
Consultation	No	Publicity and Communication	No

BACKGROUND

Delegations are a formal mechanism by which a council authorises specific individuals or roles to exercise its statutory functions, powers, or duties. They are essential for enabling council officers to carry out their responsibilities efficiently and effectively, particularly in the processing of resource consent applications and related activities.

Under the Resource Management Act 1991 (RMA), councils may delegate functions to officers or hearings commissioners pursuant to section 34A. However, the RMA explicitly prohibits sub delegation - meaning that once a function is delegated to an officer, that officer cannot further delegate it to another person. As a result, any new or amended delegations must be approved directly by the council.

The Resource Management (Consenting and Other System Changes) Amendment Act 2025 introduces several changes to the consenting framework, including new provisions that require updated delegations to ensure compliance and operational continuity. This report seeks Council approval to delegate the relevant functions under the Amendment Act to designated staff roles, extend delegations to the Cadet Planner to align with those of a Resource Management Planner, and replicate the Senior Resource Management Planner delegations for the Resource Management Planning Lead.

SUMMARY OF OPTIONS CONSIDERED

Option 1 – Approve all proposed delegations (Preferred). This ensures that Council is meeting its obligations under the Resource Management Act 1991 and Resource Management (Consenting and Other System Changes) Amendment Act 2025 supporting timely and effective processing of resource consents and related activities.

Option 2 – Approve delegations proposed under Resource Management (Consenting and Other System Changes) Amendment Act 2025 only. This ensures that Council is meeting its obligations under the Resource Management (Consenting and Other System Changes) Amendment Act 2025 supporting timely and effective processing of resource consents and related activities.

Not extending RMA delegations to the Cadet Planner limits her professional growth and delays her ability to contribute fully to the team, despite progressing through her training. Staff will need to carefully distinguish between which tasks the Cadet Planner can undertake under the Amendment

Act and which require oversight under the RMA, increasing administrative burden and risk of procedural errors.

Failure to extend Resource Management Act delegations to the Planning Lead introduces operational risk and limits the role's ability to discharge its responsibilities effectively, undermining the purpose for which the position was established.

Option 3 – Do not approve any of the proposed delegations.

Results in non-compliance and significant operational inefficiencies.

ASSESSMENT OF PREFERRED OPTION

Option 1 – Approve all proposed delegations – is the preferred option. This approach ensures that Council meets its statutory obligations under both the Resource Management Act 1991 and the Resource Management (Consenting and Other System Changes) Amendment Act 2025. By approving all delegations, Council enables staff to process resource consents and related activities efficiently, reducing delays and administrative complexity.

Extending delegations to the Cadet Planner supports capability development, improves workflow efficiency, and reduces administrative burden, while maintaining appropriate oversight. Similarly, cloning the Senior Resource Management Planner delegations for the Resource Management Planning Lead provides consistency in decision-making authority and operational resilience. Without these delegations, the Planning Lead would be unable to fully discharge the responsibilities of the role, creating inefficiencies and increasing operational risk. Together, these changes strengthen team capability and ensure continuity of service delivery.

CONCLUSION

Approving all proposed delegations is the most effective and practical option. It ensures compliance with legislative changes, supports efficient service delivery, and strengthens the planning team's capability and resilience. This decision aligns with Council's strategic objectives and commitment to quality services for the community.

ADDITIONAL DECISION-MAKING CONSIDERATIONS

Waitaki District Council Strategic Framework

Outcomes

Community Outcomes

Prosperous District

- Attractive to new opportunities
- Supporting local businesses
- Fostering a diverse and resilient economy

Strong Communities

- Enabling safe, healthy communities
- Connected, inclusive communities
- Promoting a greater voice for Waitaki
- Celebrating our community identity

Quality Services

- Robust core infrastructure and services
- Community facilities and services we are proud of

Valued Environment

- Protecting our diverse landscapes and water bodies
- Meeting environmental and climate change challenges

Policy and Plan Considerations

The preferred option aligns with Council's statutory obligations under the Resource Management Act 1991 and the Resource Management (Consenting and Other System Changes) Amendment Act 2025. Updating delegations ensures that Council's operational practices remain consistent with legislative requirements and supports the efficient delivery of services outlined in Council's Long-Term Plan and strategic objectives.

Community Views

No formal community consultation has been undertaken for this decision, as it relates to internal governance and operational processes rather than a matter of public policy. The decision is administrative in nature and does not directly impact community outcomes beyond ensuring timely and effective resource consent processing.

Financial Considerations

There are no direct financial implications associated with approving the proposed delegations. The decision supports operational efficiency, which may indirectly reduce costs associated with delays or administrative inefficiencies.

Legal Considerations

This decision is legally necessary to ensure compliance with section 34A of the Resource Management Act 1991 and the Resource Management (Consenting and Other System Changes) Amendment Act 2025. Delegations must be approved by Council, as sub-delegation is prohibited under the legislation. Failure to update delegations could result in non-compliance and expose Council to legal risk.

Environmental Considerations

There are no direct environmental impacts arising from this decision. However, enabling efficient processing of resource consents supports timely implementation of environmental management measures required under the Resource Management Act.

Publicity and Community Considerations

No specific publicity or communication is required beyond standard governance reporting. Media or public enquiries regarding this decision can be addressed by governance staff, while operational queries will be managed by officers.

Resource Management (Consenting and Other System Changes) Amendment Act 2025	
Section 36AAB Other matters relating to administrative charges	1) Chief Executive 2) Director Natural and Built Environment 3) Heritage and Planning Manager
Section 88BA Certain consents must be processed and decided no later than 1 year after lodgement	1) Chief Executive 2) Director Natural and Built Environment 3) Heritage and Planning Manager 4) Senior Resource Management Planner 5) Resource Management Planning Lead
Section 92AA Consequence of applicant's failure to respond to requests, etc	1) Chief Executive 2) Director Natural and Built Environment 3) Heritage and Planning Manager 4) Senior Resource Management Planner 5) Resource Management Planning Lead 6) Resource Management Planner 7) Cadet Planner
Section 106A Consent authority may refuse land use consent in certain circumstances	1) Chief Executive 2) Director Natural and Built Environment 3) Heritage and Planning Manager 4) Senior Resource Management Planner 5) Resource Management Planning Lead 6) Hearings Committee
Section 107G Review of draft conditions of consent	1) Chief Executive 2) Director Natural and Built Environment 3) Heritage and Planning Manager 4) Senior Resource Management Planner 5) Resource Management Planning Lead 6) Hearings Committee

Delegate Role	Financial Level	Type	Title	Section Title	Section Summary	Section Legal Notes	Issue Date	Review Date	Acting?	Legislation Deleted	Delegation Deleted
Resource Management Planner	\$0.00	Act	Building Act 2004	s37 Territorial authority must issue certificate if resource consent required	Issuing a certificate requiring that no building work may proceed, or can only proceed to the extent stated in the certificate until a resource consent is obtained	Issuing a certificate requiring that no building work may proceed, or can only proceed to the extent stated in the certificate until a resource consent is obtained			No	No	No
Resource Management Planner	\$0.00	Act	Local Government Act 1974	s319B Allocation of property numbers	Allocating property numbers	Allocating property numbers			No	No	No
Resource Management Planner	\$0.00	Act	Marine and Coastal Area (Takutai Moana) Act 2011	s81 Compliance	Taking action in consultation with the relevant customary marine title group to encourage public compliance with any wahi tapu conditions	Taking action in consultation with the relevant customary marine title group to encourage public compliance with any wahi tapu conditions			No	No	No
Resource Management Planner	\$0.00	Act	Resource Management Act 1991	s101 Hearing date and notice	To fix the commencement date, time and place for the hearing of an application for resource consent	To fix the commencement date, time and place for the hearing of an application for resource consent			No	No	No
Resource Management Planner	\$0.00	Act	Resource Management Act 1991	s108-109 Placing conditions, bonds or covenants on resource consents	Power to impose conditions on resource consents, including conditions requiring a bond, Power to register bond as a covenant running with the land under the Land Transfer Act 1952; Power to enter land to ascertain whether work under bond has been carried out and/or carry out unfinished work as specified.	Placing conditions, bonds or covenants on resource consents			No	No	No
Resource Management Planner	\$0.00	Act	Resource Management Act 1991	s125 Lapsing of consents	Decision on application to extend lapse period	Decision on application to extend lapse period			No	No	No
Resource Management Planner	\$0.00	Act	Resource Management Act 1991	s126 Cancellation of consent	Decision to cancel a resource consent	Decision to cancel a resource consent			No	No	No

Delegate Role		Financial Level	Type	Title	Section Title	Section Summary	Section Legal Notes	Issue Date	Review Date	Acting?	Legislation Deleted	Delegation Deleted
Resource Management Planner		\$0.00	Act	Resource Management Act 1991	s133A Minor corrections of resource consents	To issue an amended resource consent that corrects minor mistakes or defects	To issue an amended resource consent that corrects minor mistakes or defects			No	No	No
Resource Management Planner		\$0.00	Act	Resource Management Act 1991	s138 Surrender of consent	Decision to accept or refuse the surrender of all or part of a resource consent.	Decision to accept or refuse the surrender of all or part of a resource consent.			No	No	No
Resource Management Planner		\$0.00	Act	Resource Management Act 1991	s172 Decision of requiring authority	(Where council is a requiring authority) To determine and advise the territorial authority of its decision on the recommendation	(Where council is a requiring authority) To determine and advise the territorial authority of its decision on the recommendation			No	No	No
Resource Management Planner		\$0.00	Act	Resource Management Act 1991	s173 Notification of decision on designation	To identify landowners and occupiers who are directly affected by a decision on a designation	To identify landowners and occupiers who are directly affected by a decision on a designation			No	No	No
Resource Management Planner		\$0.00	Act	Resource Management Act 1991	s241 Amalgamation of allotments	Imposing or cancelling conditions in a subdivision consent for amalgamation of allotments	Imposing or cancelling conditions in a subdivision consent for amalgamation of allotments			No	No	No
Resource Management Planner		\$0.00	Act	Resource Management Act 1991	s243 Survey plan approved subject to grant or reservation of easements	Approving survey plans subject to grant or reservation of easements and revoking and certifying cancellation of conditions	Approving survey plans subject to grant or reservation of easements and revoking and certifying cancellation of conditions			No	No	No
Resource Management Planner		\$0.00	Act	Resource Management Act 1991	s37 Power of waiver and extension of time limits	Extending time periods and waiving compliance	Extending time periods and waiving compliance			No	No	No
Resource Management Planner		\$0.00	Act	Resource Management Act 1991	s41B Directions to provide evidence within time limits	Power to direct applicant to provide evidence before a hearing; power to direct persons who made submissions to provide briefs of evidence before a hearing.	Directing the applicant to provide briefs of evidence to the authority before the hearing			No	No	No

Delegate Role		Financial Level	Type	Title	Section Title	Section Summary	Section Legal Notes	Issue Date	Review Date	Acting?	Legislation Deleted	Delegation Deleted
Resource Management Planner		\$0.00	Act	Resource Management Act 1991	s42A Reports to local authority0	To require preparation of a report	To require preparation of a report			No	No	No
Resource Management Planner		\$0.00	Act	Resource Management Act 1991	s88 Application for a resource consent	Decision in relation to whether application complete, or to return application with reasons if incomplete	Decision in relation to whether application complete, or to return application with reasons if incomplete			No	No	No
Resource Management Planner		\$0.00	Act	Resource Management Act 1991	s91 Deferral pending application for additional consents	Decision not to proceed with application where other resource consents required	Decision not to proceed with application where other resource consents required			No	No	No
Resource Management Planner		\$0.00	Act	Resource Management Act 1991	s91C Notified application may be returned if suspended after certain period	Decision to return an application to applicant, or continue to process, where application has been suspended	Decision to return an application to applicant, or continue to process, where application has been suspended			No	No	No
Resource Management Planner		\$0.00	Act	Resource Management Act 1991	s91F Non-notified application may be returned after certain period	Decision to return application to applicant or continue to process, if application has been suspended.	Decision to return application to applicant or continue to process, if application has been suspended.			No	No	No
Resource Management Planner		\$0.00	Act	Resource Management Act 1991	s92 Further information, or agreement, may be requested	Decision to request further information or commission a report	Decision to request further information or commission a report			No	No	No
Resource Management Planner		\$0.00	Act	Resource Management Act 1991	s92A Responses to request	Setting a timeframe for applicant to provide the information	Setting a timeframe for applicant to provide the information			No	No	No
Resource Management Planner		\$0.00	Act	Resource Management Act 1991	s99 Pre-hearing meetings	To invite or require parties to attend pre-hearing meetings	To invite or require parties to attend pre-hearing meetings			No	No	No
Resource Management Planner		\$0.00	Act	Sale and Supply of Alcohol Act 2012	s100 Form of application	Providing certificate of compliance with the Resource Management Act 1991 and of the building code.	Providing certificate of compliance with the Resource Management Act 1991 and of the building code.			No	No	No
Resource Management Planner		\$0.00	Financial Delegation	Financial Delegations	Senior Resource Management Planner						No	No

Delegate Role		Financial Level	Type	Title	Section Title	Section Summary	Section Legal Notes	Issue Date	Review Date	Acting?	Legislation Deleted	Delegation Deleted
Senior Resource Management Planner		\$5,000 + GST	Act	Building Act 2004	s37 Territorial authority must issue certificate if resource consent required	Issuing a certificate requiring that no building work may proceed, or can only proceed to the extent stated in the certificate until a resource consent is obtained	Issuing a certificate requiring that no building work may proceed, or can only proceed to the extent stated in the certificate until a resource consent is obtained			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Fast-track Approvals Act 2024	104(1) Cost recovery	Recovery of actual and reasonable costs from a prospective applicant.	Recovery of actual and reasonable costs from a prospective applicant.	14/07/2025		No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Fast-track Approvals Act 2024	17(1) (3) Minister invites comments	Making of written comments on an application under the Act.	Making of written comments on an application under the Act.	14/07/2025		No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Fast-track Approvals Act 2024	s20 Minister may request information	Responding to request for further information.	Responding to request for further information.	14/07/2025		No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Fast-track Approvals Act 2024	s30(3) (4) (5) Identification of existing resource consent for same activity	Determining whether there are any existing resource consents and notifying the authorised person, and notifying the holder of any existing resource consent that an application under the Act for resource consent has been made.	(()) Determining whether there are any existing resource consents and notifying the authorised person, and notifying the holder of any existing resource consent that an application under the Act for resource consent has been made.	14/07/2025		No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Fast-track Approvals Act 2024	s70 Panel seeks comment on draft conditions before granting approval			14/07/2025		No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Fast-track Approvals Act 2024	s90 (3) EPA may request information from relevant administering agencies and local authorities	Response to request for information from the Environmental Protection Authority	Response to request for information from the Environmental Protection Authority	14/07/2025		No	No	No

Delegate Role		Financial Level	Type	Title	Section Title	Section Summary	Section Legal Notes	Issue Date	Review Date	Acting?	Legislation Deleted	Delegation Deleted
Senior Resource Management Planner		\$5,000 + GST	Act	Fast-track Approvals Act 2024	Sch 3 Cl 12 Expert Panel Support and advice available to panels	Assist the panel by providing advice, if requested by the expert panel	Assist the panel by providing advice, if requested by the expert panel	14/07/2025		No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Fast-track Approvals Act 2024	Sch 5 cl 30 Designations to be included in district plans			14/07/2025		No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Land Drainage Act 1908	s16 To subdivide districts	Decision to subdivide districts, assign names and alter boundaries	Decision to subdivide districts, assign names and alter boundaries			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s10 Certain existing uses in relation to land protected	Extending period for which existing use rights apply	Extending period for which existing use rights apply			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s101 Hearing date and notice	To fix the commencement date, time and place for the hearing of an application for resource consent	To fix the commencement date, time and place for the hearing of an application for resource consent			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s108-109 Placing conditions, bonds or covenants on resource consents	Power to impose conditions on resource consents, including conditions requiring a bond, Power to register bond as a covenant running with the land under the Land Transfer Act 1952; Power to enter land to ascertain whether work under bond has been carried out and/or carry out unfinished work as specified.	Placing conditions, bonds or covenants on resource consents			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s108AA Requirements for conditions of resource consents	Imposing a condition on a resource consent in accordance with specified requirements	Imposing a condition on a resource consent in accordance with specified requirements			No	No	No

Delegate Role		Financial Level	Type	Title	Section Title	Section Summary	Section Legal Notes	Issue Date	Review Date	Acting?	Legislation Deleted	Delegation Deleted
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s125 Lapsing of consents	Decision on application to extend lapse period	Decision on application to extend lapse period			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s126 Cancellation of consent	Decision to cancel a resource consent	Decision to cancel a resource consent			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s127 Change or cancellation of consent condition on application by consent holder	Decision on application to change or cancel a condition of a resource consent	Decision on application to change or cancel a condition of a resource consent			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s133A Minor corrections of resource consents	To issue an amended resource consent that corrects minor mistakes or defects	To issue an amended resource consent that corrects minor mistakes or defects			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s138 Surrender of consent	Decision to accept or refuse the surrender of all or part of a resource consent.	Decision to accept or refuse the surrender of all or part of a resource consent.			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s139 Consent authorities and Environmental Protection Authority to issue certificates of compliance	Decision to issue a certificate of compliance	Decision to issue a certificate of compliance			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s139A Consent authorities to issue existing use certificates	Decision to issue and revoke existing use certificates	Decision to issue and revoke existing use certificates			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s145 Matter lodged with EPA	Lodging a notice of requirement for a designation or heritage order with the Environmental Protection Authority	Lodging a notice of requirement for a designation or heritage order with the Environmental Protection Authority			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s149ZD Costs of processes under this Part recoverable from applicant	To recover the actual and reasonable costs incurred from an applicant	To recover the actual and reasonable costs incurred from an applicant			No	No	No

Delegate Role		Financial Level	Type	Title	Section Title	Section Summary	Section Legal Notes	Issue Date	Review Date	Acting?	Legislation Deleted	Delegation Deleted
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s190 Further information, notification, submissions, and hearing for notice of requirement to territorial authority	To decide whether further information is needed, and decide on notification, submissions, and hearings	To decide whether further information is needed, and decide on notification, submissions, and hearings			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s191 Recommendation by territorial authority	To consider and make decisions on Council's notice of requirement for a heritage order	To consider and make decisions on Council's notice of requirement for a heritage order			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s195 Appeals relating to sections 193 and 194	Appealing to Environment Court against heritage protection authority s decisions	Appealing to Environment Court against heritage protection authority s decisions			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s195A Alteration of heritage order	Power to determine applications for alteration of a heritage order.	Altering a heritage order			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s195B Transfer of heritage order	Ability to make an objection or submission on proposal to transfer responsibility for heritage order.	Making a written objection or submission to the Minister			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s198C Territorial authority's decision on request	Duty (as territorial authority) to provide a decision on a request made under s198B Power (as requiring authority or heritage protection authority) to object to a decision of the territorial authority declining a request.	Determining whether to grant a request relating to a designation or heritage order			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s198D Territorial authority's subsequent processing	Duty (as territorial authority) to continue processing a requirement, including related procedural steps.	Providing a report relating to a ntoice of requirement			No	No	No

Delegate Role		Financial Level	Type	Title	Section Title	Section Summary	Section Legal Notes	Issue Date	Review Date	Acting?	Legislation Deleted	Delegation Deleted
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s220 Condition of subdivision consents	To impose conditions on subdivision consent	To impose conditions on subdivision consent			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s221 Territorial authority to issue a consent notice	Signing and issuing consent notices for a subdivision consent and varying and cancelling conditions	Signing and issuing consent notices for a subdivision consent and varying and cancelling conditions			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s222 Completion certificates	Issuing a completion certificate for matters subject to performance bonds, and extending the time period for completion	Issuing a completion certificate for matters subject to performance bonds, and extending the time period for completion			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s223 Approval of survey plan by territorial authority	Determining whether or not to approve a survey plan and certifying matters	Determining whether or not to approve a survey plan and certifying matters			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s224 Restrictions upon deposit of survey plan	To be the authorised officer to certify compliance and provide completion certificate	To be the authorised officer to certify compliance and provide completion certificate			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s226 Restrictions upon issue of certificates of title for subdivision	Authority to issue certificate confirming the matters specified.	Certifying as authorised officer any plan of subdivision or copy which has not had a previous statutory approval.			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s232 Creation of esplanade strips (and Schedule 10)	Where esplanade strip created, determining matters to be included, excluded in instrument and to do all things necessary for registration of the instrument	Where esplanade strip created, determining matters to be included, excluded in instrument and to do all things necessary for registration of the instrument			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s234 Variation or cancellation of esplanade strips	To vary or cancel the instrument creating an esplanade strip	To vary or cancel the instrument creating an esplanade strip			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s235 Creation of esplanade strips by agreement	Creating esplanade strip by agreement with the owner	Creating esplanade strip by agreement with the owner			No	No	No

Delegate Role		Financial Level	Type	Title	Section Title	Section Summary	Section Legal Notes	Issue Date	Review Date	Acting?	Legislation Deleted	Delegation Deleted
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s237 Approval of survey plans where esplanade reserve or esplanade strips required	Approving a survey plan and consulting with Registrar-General	Approving a survey plan and consulting with Registrar-General			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s237B Access strips	Agreeing with owner an easement and conditions for an access strip, and varying or cancelling the easement	Agreeing with owner an easement and conditions for an access strip, and varying or cancelling the easement			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s237C Closure of strips to public	Determining the closure of an esplanade or access strip to the public in specified circumstances and providing notification	Determining the closure of an esplanade or access strip to the public in specified circumstances and providing notification			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s240 Covenant against transfer of allotments	Entering into or cancelling a covenant	Entering into or cancelling a covenant			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s241 Amalgamation of allotments	Imposing or cancelling conditions in a subdivision consent for amalgamation of allotments	Imposing or cancelling conditions in a subdivision consent for amalgamation of allotments			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s243 Survey plan approved subject to grant or reservation of easements	Approving survey plans subject to grant or reservation of easements and revoking and certifying cancellation of conditions	Approving survey plans subject to grant or reservation of easements and revoking and certifying cancellation of conditions			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s37 Power of waiver and extension of time limits	Extending time periods and waiving compliance	Extending time periods and waiving compliance			No	No	No

Delegate Role		Financial Level	Type	Title	Section Title	Section Summary	Section Legal Notes	Issue Date	Review Date	Acting?	Legislation Deleted	Delegation Deleted
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s41B Directions to provide evidence within time limits	Power to direct applicant to provide evidence before a hearing; power to direct persons who made submissions to provide briefs of evidence before a hearing.	Directing the applicant to provide briefs of evidence to the authority before the hearing			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s42A Reports to local authority0	To require preparation of a report	To require preparation of a report			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s87BA Boundary activities approved by neighbours on infringed boundaries are permitted activities	To issue written notice confirming that activity is a permitted boundary activity	To issue written notice confirming that activity is a permitted boundary activity			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s87BB Activities meeting certain requirements are permitted activities	To determine that boundary activity criteria are satisfied and to issue notice	To determine that boundary activity criteria are satisfied and to issue notice			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s87E Consent authority s decision on request	Decision on request for direct referral	Decision on request for direct referral			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s88 Application for a resource consent	Decision in relation to whether application complete, or to return application with reasons if incomplete	Decision in relation to whether application complete, or to return application with reasons if incomplete			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s91 Deferral pending application for additional consents	Decision not to proceed with application where other resource consents required	Decision not to proceed with application where other resource consents required			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s91C Notified application may be returned if suspended after certain period	Decision to return an application to applicant, or continue to process, where application has been suspended	Decision to return an application to applicant, or continue to process, where application has been suspended			No	No	No

Delegate Role		Financial Level	Type	Title	Section Title	Section Summary	Section Legal Notes	Issue Date	Review Date	Acting?	Legislation Deleted	Delegation Deleted
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s91F Non-notified application may be returned after certain period	Decision to return application to applicant or continue to process, if application has been suspended.	Decision to return application to applicant or continue to process, if application has been suspended.			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s92 Further information, or agreement, may be requested	Decision to request further information or commission a report	Decision to request further information or commission a report			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s92A Responses to request	Setting a timeframe for applicant to provide the information	Setting a timeframe for applicant to provide the information			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	s99 Pre-hearing meetings	To invite or require parties to attend pre-hearing meetings	To invite or require parties to attend pre-hearing meetings			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	ss104 -107 To consider and make a decision on any resource consent or discharge permit application	Duties associated with the consideration of a resource consent application, Power to determine resource consent applications and impose conditions.	Considering and making a decision on any resource consent or discharge permit application			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	ss128, 129 and 132 Process for the review or cancellation of resource consent conditions	Making decisions relating to the review of conditions or consent	Making decisions relating to the review of conditions or consent			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Resource Management Act 1991	ss95A-95G Decisions in relation to all notification matters	Power to determine whether a consent application should be notified (publicly / limited), and all considerations / decisions associated with that determination.	Decisions in relation to all notification matters			No	No	No
Senior Resource Management Planner		\$5,000 + GST	Act	Sale and Supply of Alcohol Act 2012	s100 Form of application	Providing certificate of compliance with the Resource Management Act 1991 and of the building code.	Providing certificate of compliance with the Resource Management Act 1991 and of the building code.			No	No	No

Delegate Role		Financial Level	Type	Title	Section Title	Section Summary	Section Legal Notes	Issue Date	Review Date	Acting?	Legislation Deleted	Delegation Deleted
Senior Resource Management Planner		\$5,000 + GST	Financial Delegation	Financial Delegations	Heritage and Planning Manager						No	No

5.5 OPTIONS FOR SUPPORTING THE BADMINTON AND SQUASH CLUB AND SCOTTISH HALL THROUGH CAR PARK LEASING

Author: Andrew Bardsley, Regulatory & Compliance Manager

Authoriser: Roger Cook, Director Natural and Built Environment

RECOMMENDATION

That Council:

1. **Approves** the re-establishment of the car park lease with Oamaru Squash and Badminton Club and Otago Scottish Society at a combined annual cost of \$20,079.17. Backdated to 1 July 2025.
2. **Approves** the introduction of paid parking in the leased car park area to offset lease costs and agrees that any revenue shortfall from paid parking will be funded through rates.
3. **Approves** a minor amendment to the Roding Bylaw 2020 – Parking - Third Schedule, to include the car park in the map of metered zones.
4. **Delegates** to the Chief Executive the authority to negotiate and execute the lease agreements with both parties, subject to the Council's decision on recommendations 1 and 2.

OR

Does not approve the re-establishment of the car park lease.

DECISION OBJECTIVE

For Council to decide whether to re-establish the car park lease with Oamaru Squash and Badminton Club and Otago Scottish Society located at 10 – 12 Tyne Street, and to determine the funding mechanism for the lease costs.

SUMMARY

The car park lease with Oamaru Squash and Badminton Club (\$9,770.42 per annum) and Otago Scottish Society (\$10,308.75 per annum) was allowed to lapse in July 2025 as part of Long-Term Plan cost reduction measures. At the May 27, 2025, Council meeting, Councillors requested officers investigate a cost-sharing model through the introduction of paid parking to offset Council's lease costs.

Without an active lease agreement, Council has no legal authority to implement paid parking in this area. A usage assessment has been completed, revealing that the 29-space car park operates at approximately 50% capacity during weekday daytime hours. With current parking fees of \$2.00 per hour, revenue projections indicate that paid parking income may not fully cover the \$20,079.17 annual lease costs. There is also concern that introducing paid parking may displace users to free parking areas, further reducing revenue potential.

This paper also aligns with Council's decision at the 27 May 2025, Council meeting, to investigate some additional on and off-street paid parking zones, with final approval to sit with Council. Some engagement with local businesses has already been completed and consultation with the wider public is planned for early 2026.

DECISION-MAKING EXPECTATIONS

Governance Decision-Making:	To determine whether to re-establish the car park lease and associated funding mechanism
Operational Decision-Making:	To negotiate lease terms and implement paid parking infrastructure if approved
Communications	Media Releases – contributed to by officers and Elected Members Media/public enquiries regarding governance decision-making topics above can be addressed by governance Media/public enquiries regarding operational decision-making topics above can be addressed by officers

SUMMARY OF DECISION-MAKING CRITERIA

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	Moderate	Environmental Considerations	No
Legal	Moderate	Cultural Considerations	No
Significance	No	Social Considerations	Moderate
Financial Criteria	Key	Economic Considerations	Moderate
Community Views	Moderate	Community Board Views	No
Consultation	No	Publicity and Communication	Moderate

BACKGROUND

Historical Context

The Oamaru Squash and Badminton Club and Otago Scottish Society car park has been leased by Council for community use for an extended period. The combined annual lease cost of \$20,079.17 comprised:

- Oamaru Squash and Badminton Club: \$9,770.42
- Otago Scottish Society: \$10,308.75

As part of the 2024-2034 Long Term Plan, Council identified opportunities to reduce operational costs. The decision was made to allow these lease agreements to lapse in July 2025, resulting in an annual saving of approximately \$20,000.

Public Forum – May 27, 2025, Council Meeting

Andrea Naylor and Grant Notman from the Oamaru Squash and Badminton Club attended the May 27 Council meeting to advocate for the continuation of the lease. Key points raised included:

- The car park has been leased for decades and is used by tourists with campervans and other vehicles
- The facility provides free parking during popular community events, contributing to the local economy
- Club members use the car park during tournaments and activities
- The Scottish Hall also uses the area for parking
- The club would consider closing the car park to the public if lease negotiations were unsuccessful

- Approximately 20-40 people play pickleball weekly at the club, demonstrating ongoing community use

Ms Naylor specifically requested Council support the community by continuing the lease arrangement, stating: "If the car park is a benefit to the whole community, then there should be a contribution from the community."

Following the public forum presentation, Councillors discussed the possibility of a cost-sharing arrangement whereby paid parking revenue could offset Council's lease costs. This approach would:

- Restore public parking availability in a well-utilized location
- Generate revenue to cover or partially cover lease expenses
- Maintain community access to the facility

However, without an active lease agreement, Council currently has no legal authority to install parking machines or enforce paid parking in this area.

Car Park Usage Assessment

Officers conducted an assessment of car park utilization to inform revenue projections. There are a combined 29 parking spaces. Average weekday (Monday-Friday) occupancy is 50% at the time of observation (10am & 3.30pm).

Revenue Projections

Based on current parking fees of \$2.00 per hour or \$8.00 all day and 50% occupancy:

- Average spaces in use: 14.5 (50% of 29)
- Estimated daily revenue (7.5 hour parking day 10am – 5.30pm Mon – Fri): \$116.00
- Estimated weekly revenue (5 days, excluding Sat & Sun): \$580.00
- Estimated annual revenue (48 Weeks): \$27,840.00

However, several factors suggest actual revenue will be significantly lower:

1. **User displacement:** Introduction of paid parking is likely to drive users to alternative free parking areas in proximity, reducing occupancy below the current 50%
2. **Off-peak periods:** The 50% occupancy figure represents average usage; actual occupancy varies considerably throughout the day and week
3. **Parking duration:** Revenue projections assume the users will pay for all day parking of \$8.00. Where Infact this may be for much shorter periods.
4. **Enforcement challenges:** Revenue collection depends on compliance and effective enforcement
5. **Seasonal variation:** Tourist and community event usage fluctuates seasonally
6. **Free parking alternatives:** Multiple free parking options exist in the vicinity, providing competitive alternatives

Without guaranteed revenue to cover costs, Council must determine whether the community benefit justifies potential rates funding.

Cost of Establishment

New parking machines are being introduced during the month of December, and our provider has indicated a cost of \$7,000.00 to place a parking machine in this car park.

Ongoing maintenance and enforcement costs can easily be absorbed into the wider role as part of the parking machine replacement project.

SUMMARY OF OPTIONS CONSIDERED

Option 1 – Re-establish the lease and introduce paid parking, with parking revenue intended to cover lease costs (Recommended)

Council re-establishes lease agreements with both the Oamaru Squash and Badminton Club (\$9,770.42 p.a.) and Otago Scottish Society (\$10,308.75 p.a.) for a combined annual cost of \$20,079.17. Paid parking is introduced to generate revenue to offset the lease expense.

Option 2 – Re-establish the lease and introduce paid parking, with any revenue shortfall covered by rates (Recommended)

Same as Option 1, but Council explicitly acknowledges and accepts that any difference between parking revenue and lease costs will be funded through rates. This provides financial certainty and transparent accountability

Option 3 – Approve minor amendments to the Roding Bylaw 2020 – Parking – Third Schedule Maps (Recommended)

If Option 2 is adopted, then we are required to identify the car park as a paid parking area in the Bylaw.(Refer Attachment 1)

Option 5 – Does not re-establish the lease (Not recommended)

Council maintains the current position and does not renew the lease agreements. The car park remains under the control of the property owners (Oamaru Squash and Badminton Club and Otago Scottish Society).

ASSESSMENT OF PREFERRED OPTION

Options 1, 2 and 3 are Recommended: Re-establish the lease and introduce paid parking, with any revenue shortfall covered by rates.

This option provides the most balanced approach by responding to community feedback: The public forum presentation from the Oamaru Squash and Badminton Club clearly articulated the community value of this parking resource. Ms Naylor's statement that "If the car park is a benefit to the whole community, then there should be a contribution from the community" directly supports a rates-funded model.

Maintaining public access. The car park has served the community for decades, providing free parking for tourists, event attendees, and local residents. Removing this resource would create parking pressure elsewhere.

Both the Oamaru Squash and Badminton Club and Otago Scottish Society provide valuable community services. The lease arrangement supports their ongoing operations and demonstrates Council's commitment to community organizations.

Adopting Option 1 on its own, leaves funding uncertainty, adopting both Option 1 and Option 2 acknowledges the likely revenue shortfall and provides explicit funding mechanism to address this. This enables proper budget planning and transparent accountability.

Options 1 and 2 further satisfy Council's request to identify cost sharing opportunities. The only viable option is to establish the lease and fund the cost from parking related revenue. With the uncertainty of actual parking related revenue, entering into a three way cost sharing model is likely to result in the car park owners being worse off than under the recommended options.

Future planned decision making by Council on additional paid parking areas, may assist in addressing the identified impact of user displacement from this car park.

CONCLUSION

The re-establishment of the car park lease with Oamaru Squash and Badminton Club and Otago Scottish Society represents a choice between fiscal restraint and community service. The public forum presentation at the May 27 Council meeting clearly demonstrated support for maintaining this parking resource.

While the original LTP decision to allow the lease to lapse was fiscally prudent, new information about community usage and value suggests reconsideration is warranted. The introduction of paid parking provides an opportunity to partially offset costs, though realistic revenue projections indicate rates, or some form of alternative funding will be necessary.

The recommended approach (Options 1 and 2) acknowledge this financial reality while prioritizing community access, supporting local clubs, and maintaining Council's role in providing essential infrastructure.

Council must now decide whether this community benefit justifies the financial commitment, recognizing that the alternative—discontinuing the lease—would result in the loss of a valued public resource and potential closure of the car park to public access.

ADDITIONAL DECISION-MAKING CONSIDERATIONS

Waitaki District Council Strategic Framework

Outcomes

Community Outcomes

Prosperous District

- Attractive to new opportunities
- Supporting local businesses
- Fostering a diverse and resilient economy

Strong Communities

- Enabling safe, healthy communities
- Connected, inclusive communities
- Promoting a greater voice for Waitaki
- Celebrating our community identity

Quality Services

- Robust core infrastructure and services
- Community facilities and services we are proud of

Valued Environment

- Protecting our diverse landscapes and water bodies
- Meeting environmental and climate change challenges

Policy and Plan Considerations

Re-establishing the lease provides legal authority to implement paid parking provisions in line with our Roding Bylaw 2020 and the Long Term Plan 2024-2034, which requires consideration of cost-reduction measures against community service delivery.

Community Views

Based on the May 27, 2025, public forum presentation, community views include strong support from user groups (Oamaru Squash and Badminton Club, Scottish Society) for continuing the lease. Recognition that community benefit justifies community contribution (potential acceptance of rates funding). Value placed on free or affordable parking for events, tourism, and daily use and concerns about potential closure of car park if lease is not renewed.

Financial Considerations

Annual lease costs are \$20,079.17. Parking revenue is unknown but estimated to potentially be up to \$27,840.00pa. The impact on rates is dependent on any shortfall in revenue.

This may establish precedent for community facility parking leases.

Legal Considerations

Council requires valid lease agreements with both property owners before implementing paid parking. Lease terms should include provisions for parking management, maintenance responsibilities, and public access.

The Land Transport Act 1998 and WDC Roading Bylaw 2020 provide authority for paid parking on Council-controlled land. Without a lease agreement, Council has no legal standing to implement paid parking on privately-owned land.

The addition of paid parking to this area would require an amendment to the Roading Bylaw 2020, to include this in the Bylaws third schedule.

A legal review is recommended to ensure appropriate terms and conditions.

Publicity and Community Considerations

Key messaging that Council has listened to community feedback about car park value and that paid parking has been introduced to offset lease costs. Public access maintained in a well-utilized location with support for local community organizations.

Communication channels are media release following Council decision, social media updates, information on Council website. Direct communication with Oamaru Squash and Badminton Club and Scottish Society and signage at car park explaining new arrangements.

5.6 GOVERNANCE STRUCTURE AND REMUNERATION PROPOSAL FOR 2025-2028 TRIENNIUM - STAGE 2

Author: Arlene Goss, Governance Services Lead

Authoriser: Melanie Tavendale, Mayor

Attachments: 1. Stage 2 Governance Structure Draft  
2. Councillor Remuneration Proposal  

DECISION OBJECTIVE

The purpose of this report is to enable Council to establish stage two of the new governance structure for the 2025-2028 triennium.

RECOMMENDATION

That Council:

1. **Agrees** to establish “stage two” of the committee structure as attached, pursuant to Section 41A(3)(b) and (c) of the Local Government Act 2002.
2. **Appoints** the following councillors as chairs, deputy chairs, and members to the additional committees:
 - a) Assets and Infrastructure Committee:
 - i. Chair: Cr Cowles
 - ii. Deputy Chair: Cr Schlack
 - iii. Members: Cr Holding, Linwood, McCone, Hopkins.
 - b) Strategy and Advocacy Committee:
 - i. Chair: Cr Fanene-Taiti
 - ii. Deputy Chair: Cr Holding
 - iii. Members: Cr Cowles, Ryan, Thelning, Linwood.
 - c) Oamaru Committee:
 - i. Chair: Cr Holding
 - ii. Deputy Chair: Cr Lewis
 - iii. Members: Cr Linwood, Fanene-Taiti, Hopkins, Ryan and independent members Graeme Clark, Kevin Murdoch, George Kelcher, and a representative from the Oamaru central business district.
 - d) Waitaki Youth Council (informal committee, not under Standing Orders):
 - i. Chair: to be elected by members
 - ii. Deputy Chair: to be elected by members
 - iii. Members: Cr Ryan, Cr Linwood, and youth representatives from local high schools
3. **Appoints** the following councillors as portfolio holders:
 - I. Corriedale Portfolio – Cr McCone, Cr Thelning
 - II. Communications Portfolio – Cr Ryan, Mayor Tavendale

4. **Notes** that the Mayor is a member of all committees and community boards with full voting rights pursuant to Clause 41A(5) of the Local Government Act 2002 (LGA).
5. **Appoints** the following councillors to external groups:
Oamaru Whitestone Civic Trust: Graeme Clark and Tim Blackler (independent members)
Waitaki/Waihao Leadership Group (Environment Canterbury): Cr Cowles
6. **Rescinds** the following resolution passed by Council on November 4, 2025, "That Council agrees that council meetings will be held once a month on Tuesdays, or on the alternate meeting day, which will be Monday."
And Replaces that resolution with the following:
That Council agrees that council meetings will be held once every six weeks on Tuesdays, or on the alternate meeting day, which will be Monday.
7. **Rescinds** the following resolution passed by Council on November 4, 2025, "That Council appoints the following members to the Audit and Risk Committee – Cr Thelning (deputy chair), and members Cr McCone, Cr Hopkins, Cr Schlack, and Cr Cowles."
And Replaces that resolution with the following:
That Council appoints the following members to the Audit and Risk Committee – Independent Chair, Cr Thelning (deputy chair), and members Cr McCone, Cr Hopkins, Cr Schlack, Cr Lewis and Cr Ryan.
8. **Rescinds** the following resolution passed by Council on November 4, 2025, "That Council appoints the following members to the Chief Executive's Employment Committee – Chair Mayor Tavendale, Deputy Chair Cr Cowles, Members Cr Lewis, Cr Holding, Cr Fanene-Taiti."
And Replaces that resolution with the following:
"That Council appoints the following members to the Chief Executive's Employment Committee – Chair Mayor Tavendale, Deputy Chair Cr Ryan, Members Cr Lewis, Cr Thelning, Cr Fanene-Taiti."
9. **Rescinds** the following resolution passed by Council on November 4, 2025, "That Council appoints the following members to the District Licencing Committee – Chair Cr Hopkins, Deputy Chair Cr Holding, Members Barry McDonald (independent) Kelli Williams (independent)."
And Replaces that resolution with the following:
"That Council appoints the following members to the District Licencing Committee – Chair Cr Hopkins, Deputy Chair Cr Holding, Members Barry McDonald (independent) Kelli Williams (independent), and Guy Percival (independent)."
10. **Approves** the "Proposed Remuneration for Councillors" as attached, reflecting the governance structure outlined in the recommendations above as the basis for a submission to the Remuneration Authority to amend the remuneration determination for Waitaki District Council.
11. **Notes** that further advice on delegations and draft terms of reference for the new council committees will be presented to Council at a future meeting.

SUMMARY

All committees and governance groups are automatically disestablished at a local government election.

One of the first jobs of a new Mayor is to decide on a governance and remuneration structure.

There are several committees we are required to have - either under legislation or for audit purposes. The following were established at the council meeting on November 4, 2025. They are:

- The Hearings Panel
- The District Licensing Committee
- The Audit and Risk Committee
- The Chief Executive's Employment Committee
- The Grants and Awards Committee

Outside of this, any structure is possible.

This report outlines the Mayor's vision for four additional committees and two portfolios. They are:

- The Assets and Infrastructure Committee
- The Strategy and Advocacy Committee
- The Oamaru Committee
- The Waitaki Youth Council (informal committee – not under Standing Orders)
- The Corriedale Portfolio
- The Communications Portfolio

This structure is not fixed. New committees or working groups can be added or removed at any time by a resolution of Council.

The next step will be to determine the power held by each committee and how the committees will work with Council and with each other. This will be addressed in the Terms of Reference for each group.

CHANGES MADE TO RESOLUTIONS PASSED AT THE LAST COUNCIL MEETING

This report includes four recommendations to rescind resolutions that were passed at the last council meeting. These changes are:

Meeting frequency – It is recognised that the number of committees proposed in the new structure will create a lot of additional work for both elected members and staff. To help address this the Mayor proposes moving from a monthly meeting cycle to a six-weekly meeting cycle. The 2026 meeting schedule (attached to this agenda for approval) has been drafted with this assumption.

Membership of Audit and Risk Committee – Following discussion the Mayor has removed Cr Cowles from the Audit and Risk Committee and replaced him with Cr Ryan.

Membership of the Chief Executive's Employment Committee – Following discussion the Mayor has removed Cr Cowles from the deputy-chair role and replaced him with Cr Ryan.

Membership of the District Licensing Committee – The Mayor has added independent member Guy Percival to this committee.

MATTERS TO CONSIDER IN STAGE 3 OF THE REVIEW

1. What powers do you want to give to committees to make decisions without coming to council?
2. What areas of responsibility do you want to delegate to each committee?

Terms of Reference for each committee are being drafted and will be circulated for feedback before coming to a future council meeting

ELECTED MEMBER REMUNERATION

The Government Remuneration Authority puts out documents called "determinations". These are the rules around how much elected members are paid and what other costs they are allowed to claim.

The latest determination includes the following amounts for Waitaki District Council:

Total Remuneration Pool - \$468,604

Mayor's Salary - \$146,010

Councillor (minimum) - \$36,046

Ahuriri Community Board

- Chair - \$13,946
- Member - \$6,973

Waihemo Community Board

- Chair - \$14,484
- Member – \$7,241

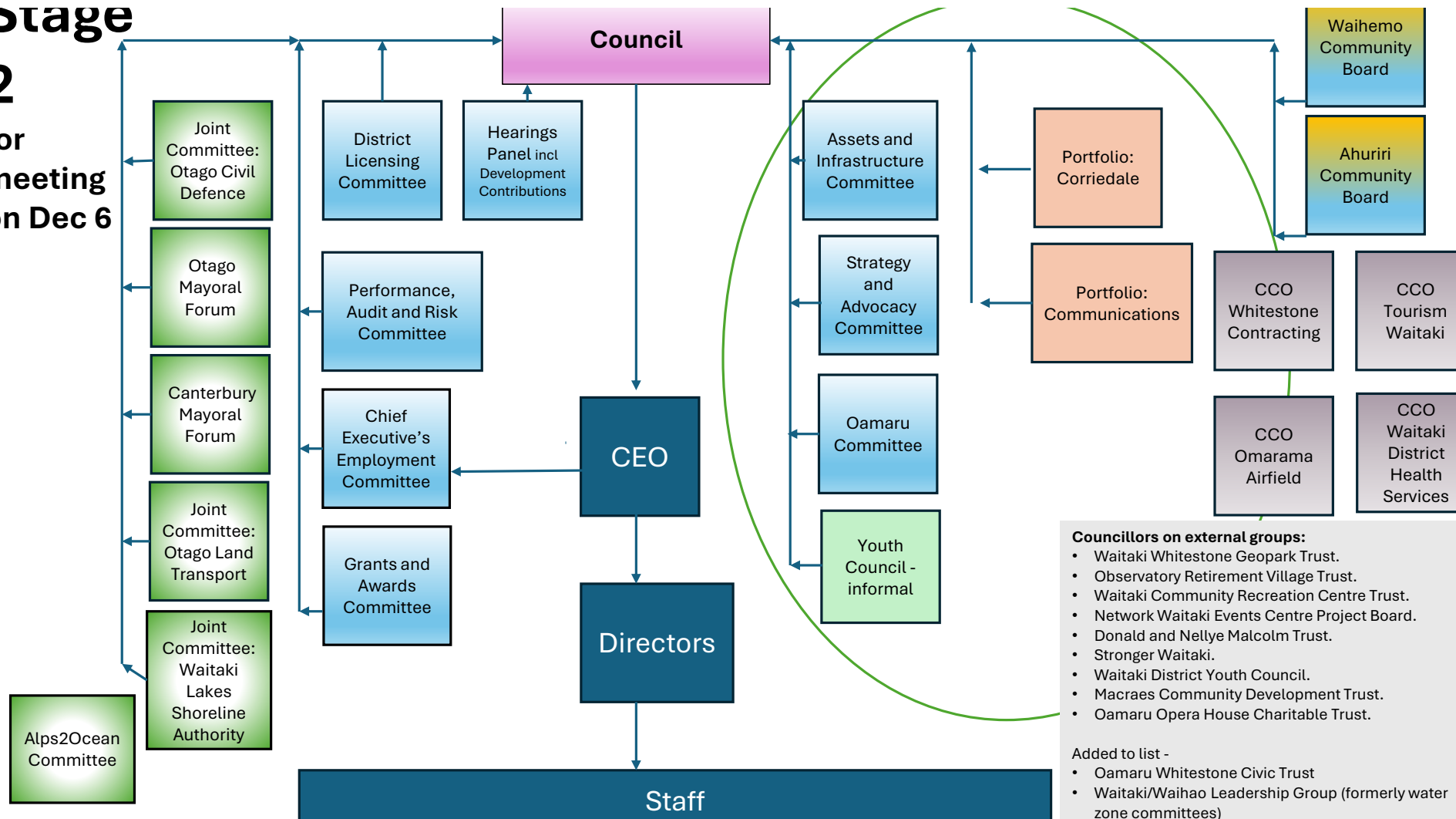
The Remuneration Authority has provided a spreadsheet to help the Mayor work out how to distribute the balance of the remuneration pool. This is attached for approval.

CONCLUSION

It is recommended that Council agrees with the Mayor's vision for the governance structure and her recommendations as noted above.

Stage

2 for meeting on Dec 6




Councillor Remuneration Proposal for Waitaki District Council, 2025-2028 Triennium

5.7 COMMITTEE TERMS OF REFERENCE

Author: Arlene Goss, Governance Services Lead

Authoriser: Paul Hope, Director Support Services

Attachments:

1. Draft ToR Audit and Risk Committee 2026 [↓](#) 
2. Draft ToR District Licencing Committee 2026 [↓](#) 
3. Draft ToR Chief Executive's Employment Committee 2026 [↓](#) 
4. Draft ToR Grants and Awards Committee 2026 [↓](#) 
5. Draft ToR Hearings Panel 2026 [↓](#) 

RECOMMENDATION

That Council:

1. **Adopts** the attached Terms of Reference for the Audit and Risk Committee.
2. **Adopts** the attached Terms of Reference for the District Licensing Committee.
3. **Adopts** the attached Terms of Reference for the Chief Executive's Employment Committee.
4. **Adopts** the attached Terms of Reference for the Grants and Awards Committee.
5. **Adopts** the attached Terms of Reference for the Hearings Panel, noting that a legal review will be undertaken and any major changes will come back to council.

DECISION OBJECTIVE

For Council to consider and adopt the Draft Terms of Reference for committees established at the November 4, 2025, council meeting under stage 1 of the Governance Structure review.

BACKGROUND

At the Council meeting on November 4, 2025, the following decisions were made:

1. Council agreed to establish "stage one" of the committee structure as attached to the agenda.
2. Council set up the following committees –
 - Audit and Risk Committee
 - District Licensing Committee
 - Chief Executive's Employment Committee
 - Grants and Awards Committee
 - Hearings Panel

Council's Standing Orders require 'Terms of Reference' outlining the responsibilities of the committees to go to the next meeting of Council for adoption.

Where a Mayor exercises this right (to establish committees) the council must adopt the committee's terms of reference by resolution at the next appropriate meeting of the council. (Section 5.3, Standing Orders of Waitaki District Council)

Therefore, draft terms of reference for the five committees established at the November council meeting were circulated to councillors for review and are attached to this report.

SUGGESTED CHANGES FROM THE LAST TRIENNIUM

Performance, Audit and Risk Committee

Delegations related to council performance have been included. The selection process for the independent chair is included in the new Terms of Reference.

Hearings Panel

Responsibilities have been expanded to include ‘everything regulatory’ except the District Plan review, which, if it continues, will be heard by independent commissioners.

This terms of reference will need legal review so will need to be adopted subject to this. Any major changes suggested by the lawyer will come back to full Council. The first hearing for this panel (under the Reserves Act) is scheduled for the first week in February, so adoption cannot wait until the February council meeting.

District Licensing Committee

No changes from the last triennium.

Chief Executive’s Employment Committee

The power to act and power to recommend sections have been updated and clarified following feedback.

Grants and Awards Committee

Only minor wording changes have been made.

SUMMARY OF OPTIONS CONSIDERED

Option 1 – Adopt the Draft Terms of Reference with any changes requested by Council. This is the preferred option.

Option 2 – **Not** adopt the Draft Terms of Reference. This option is not recommended as it leaves the committees without “job descriptions”.

Option 3 – Pass resolutions to allow the Draft Terms of Reference to “lie on the table” while more work is done. The committees will still be able to meet, but any decisions made without a Terms of Reference might be challenged legally.

CONCLUSION

It is recommended that Council adopt the attached draft Terms of Reference.

Draft Terms of Reference – Performance, Audit and Risk Committee

REPORTING TO:	Council
CONSTITUTION:	Six members appointed by Council including an independent member as the chair, plus the Mayor
MEMBERS: (7)	Mr Simon Neale (Chair), Cr Sven Thelning (Deputy Chair), Cr John McCone, Cr Jim Hopkins, Cr Frans Schlack, Cr Dan Lewis, Mayor Melanie Tavendale
QUORUM:	>50% (Four Members)
MEETING FREQUENCY:	Six weekly or as required.

OBJECTIVE:

1. To assist the Council and Chief Executive to discharge their responsibility to exercise due care, diligence and skill in relation to the oversight of the areas of audit and risk and in particular:
 - a. the robustness of the internal control framework;
 - b. the integrity and appropriateness of external reporting, and accountability arrangements within the organisation for these functions;
 - c. the robustness of risk management systems, process and practices;
 - d. internal and external audit;
 - e. accounting policy and practice;
 - f. Treasury management policy and practice;
 - g. compliance with applicable laws, regulations, standards and best practice guidelines for public entities; and
 - h. the establishment and maintenance of controls to safeguard the Council's financial and non-financial assets.
2. To support the Council in the development and delivery of its financial strategy and commercial strategy
3. To monitor, evaluate and report on service delivery and performance within the Committee's scope of activity.
4. To receive the minutes and monitor the performance of any Sub-Committees reporting to the Committee.

SCOPE OF ACTIVITY:

The Committee has authority to address matters in relation to the following Council activity as described in the adopted Waitaki District Council Long Term Plan (LTP):

- Internal and external audits and monitoring the progress of the auditor's recommendations
- Oversight of the preparation of the Long-term Plan, Annual Plan and Annual Report
- Local Government Act Funding and Financial Policies.
- Financial and non-financial risk management
- Financial Performance
- Internal systems and controls
- Organisational Performance Management Framework
- Procurement Policy
- Risk Management Policy
- Insurance
- Policy review, for policies within the scope of the committee
- Legislative compliance
- Litigation overview

POWER TO ACT:

Within its scope of activity the committee shall have Power to Act to:

General Powers

- a) Determine any matter within existing policy.
- b) Authorise applicable submissions to Government, local authorities and other bodies.
- c) Approve the committee meeting minutes and those of any Sub-Committee under its delegated authority.

Finance

- d) Write off debts owed to Council (where the cost of recovering that debt exceeds the value of the debt).
- e) Approve waiver of fees and charges in excess of \$5000.
- f) Approve the Treasury Management Strategy.
- g) Hear and decide upon appeals to officer decisions on amendments to the rating information database.

POWER TO RECOMMEND

The Committee can report to and make recommendations to Council on matters and proposals relevant to anything within its scope of activity, including risk management and internal control practices.

APPOINTMENT OF THE INDEPENDENT CHAIR:

The appointment of the external committee member / Chair will be made each triennium following the year of the election, or as required.

A panel consisting of The Mayor, one councillor and one member of the Executive Leadership Team will select and recommend a candidate to Council for its ratification.

Draft

Terms of Reference – District Licensing Committee

REPORTING TO:	Council
CONSTITUTION:	Committee A: Chair or deputy chair and two members drawn from the approved members list. Committee B: An independent commissioner and two members of the committee.
MEMBERS: (7)	Cr Jim Hopkins (chair), Cr Jeremy Holding (deputy chair), and independent members Barry McDonald, Kelly Williams and Guy Percival
QUORUM:	Three members, or sufficient members to satisfy hearings requirements
MEETING FREQUENCY:	As required.

OBJECTIVE:

To hear and determine matters of a quasi-judicial nature under the Sale and Supply of Alcohol Act 2012.

SCOPE OF ACTIVITY:

The Committee has authority to carry out the functions specified in section 187 of the Sale and Supply of Alcohol Act 2012.

POWER TO ACT:

Within its scope of activity, the committee shall have Power to Act to:

- a) Consider and determine applications for licences and manager's certificates.
- b) Consider and determine applications for renewal of licences and manager's certificates.
- c) Consider and determine applications for temporary authority to carry on the sale and supply of alcohol in accordance with section 136 of the Act.
- d) Consider and determine applications for the variation, suspension, or cancellation of special licences.
- e) Consider and determine applications for the variation of licences (other than special licences) unless the application is brought under section 280 of the Act.

- f) With the leave of the chairperson for the licensing authority, refer applications to the licensing authority.
- g) To conduct inquiries and to make reports as may be required of it by the licensing authority under section 175 of the Act.

Draft Terms of Reference – Chief Executive’s Employment Committee

REPORTING TO:	Council
CONSTITUTION:	Four members appointed by Council plus the Mayor
MEMBERS: (5)	Mayor Melanie Tavendale (Chair), Cr Rebecca Ryan (Deputy Chair), Cr Dan Lewis, Cr Hana Fanene-Taiti, Cr Sven Thelning
QUORUM:	>50% (Three Members)
MEETING FREQUENCY:	As required

OBJECTIVE:

To manage the employment relationship between the council and the chief executive, as the council’s only employee, and enable the council to meet its good employer obligations to its Chief Executive. These obligations, as well as those of the Chief Executive, are set out in the Local Government Act 2002, in employment law generally and in the Chief Executive’s employment agreement.

POWER TO ACT:

The committee shall have Power to Act to:

- a) Engage external advisors where required to provide support for the annual review process.
- b) Facilitate the annual review process and provide recommendations to Council from this process, including remuneration.
- c) Negotiate and develop with the Chief executive annual key performance indicators for recommendation to Council.
- d) Agree training and personal development for the chief executive.
- e) Provide support to the chief executive to fulfil their role and agree other support or actions to fulfil council’s role and obligations as a good employer.
- f) Recommend to Council for approval when required, a recruitment, selection and appointment process for a Chief Executive.
- g) Recommend to Council a process for the review of employment at least 6 months prior to the end of the Chief Executive’s first term of employment (LGA 2002, Sch7, cl35).
- h) Agree with the Chief Executive how the administration needs of the Committee will be met.

The Committee will report to the full Council at the completion of the annual performance review process. This includes recommending to Council the remuneration for the chief executive.

POWER TO RECOMMEND

Full Council will decide:

- a) The annual key performance indicators for the Chief Executive (the organisational KPIs).
- b) The Chief Executive's remuneration.
- c) Any changes to the Chief Executive's employment agreement.
- d) The power to appoint a Chief Executive is one that is reserved for the Council to make and cannot be delegated (LGA 2002, Sch7, cl 32(1)(e)).
- e) The power to adopt a remuneration and employment policy also cannot be delegated by Council (LGA2002, Sch7, cl32(1)(h)).

These powers are subject to requirements in employment legislation, including the need to negotiate with the chief executive in good faith.

Draft

Terms of Reference – Grants and Awards Committee

REPORTING TO:	Council
CONSTITUTION:	A chair and deputy chair appointed by Council All councillors and both community board chairs on a rostered basis Community representatives as required
CHAIRS:	Cr Jeremy Holding (Chair), Cr Courtney Linwood (Deputy Chair)
QUORUM:	For externally funded grants the quorum will be determined by the funder requirements. For internally funded grants the quorum shall be four members. In all meetings the quorum must include two councillors.
MEETING FREQUENCY:	As required.

OBJECTIVE:

To assess and determine applications in relation to the following:

- The Waitaki District Council Citizens Awards
- The Waitaki Heritage Fund
- The Waitaki Biodiversity Fund
- The Waitaki Community Grants Fund
- Waitaki Waste Minimisation Fund

- Creative New Zealand Creative Communities Fund
- Sport New Zealand Rural Travel Fund
- Any other grants fund established during the triennium

POWER TO ACT:

Within its scope of activity the committee shall have Power to Act to:

To assess and determine grant applications within the policies set by the Council (and funders) and to distribute available resources.

To inform community groups of all forms of funding available to them and facilitate applications or requests for assistance.

POWER TO RECOMMEND

The Committee can report to and make recommendations to Council on matters and proposals relevant to anything within its scope of activity.

APPOINTMENT OF THE COMMUNITY MEMBERS:

The appointment of the external community members will be made each triennium following the year of the election, or as required.

A panel consisting of the chair, the deputy chair and the Grants Advisor will select community candidates for the committee.

Grant	Objective	Frequency	Membership	Funding Source	Power to Act
Community Grants	To promote the economic, environmental, social and cultural well-being of the people of the Waitaki District by allocation of community grants	Two annually	Five Council members and Community Board Chairs	Council	<p>To approve Grants Committee meeting minutes</p> <p>To determine all matters pertaining to the allocation of funding from the Council Community Grants funding.</p>
Creative Community Grant	To support arts and cultural activities taking place within the Waitaki District by allocation of funding from the Creative Communities New Zealand Scheme.	Two annually	Two members from Council and five community members who have a broad knowledge of the arts activity in the local area.	Creative NZ	<p>To approve Grants Committee meeting minutes</p> <p>To determine all matters pertaining to the allocation of funding from the Creative Communities NZ Scheme</p> <p>Delegations to approve funding by following the guidelines for membership and decision making</p>
Rural Travel Fund – Sport NZ	To support and encourage community participation in sport, physical activity and physical leisure by allocation of funding from the Sport NZ Rural Travel Fund.	One per year	Three members from Council and community member (Diane Talanoa from Rec Centre) and a representative from Sport NZ.	Rural Travel Fund – Sport NZ	<p>To approve Grants Committee meeting minutes</p> <p>To determine all matters pertaining to the allocation of funding from the SPARC Rural Travel Fund</p>

Waitaki Biodiversity Fund	<p>To support landowners who are taking practical steps to protect and enhance indigenous biodiversity in the Waitaki District, principally on private land.</p> <p>Priorities are:</p> <ul style="list-style-type: none"> • Protection of native habitat through fencing and other measures. • Long term legal protection of native habitat through covenants (i.e. QEII). • Management of threats to biodiversity such as pest animals and weeds. 	As received	<p>Four members from Council</p> <p>Supported by Biodiversity Advisor</p>	Council	<p>To approve Grants Committee meeting minutes</p> <p>To determine all matters pertaining to the allocation of funding for the Waitaki Biodiversity Fund.</p>
Waitaki Citizens' Awards	<p>To evaluate nominations and confer Citizens' Awards on nominated citizens in accordance with the Award criteria.</p>	One per year	Council Grant Committee, Mayor and Community Board Chairs	Council	<p>To approve Awards Committee meeting minutes</p> <p>To determine all matters necessary for the presentation of the Waitaki Citizens' Awards, including the final selection of awardees, or deal with any other body on any other event as required.</p>

Waitaki Heritage Fund	To encourage the retention, preservation, conservation and maintenance of historic buildings and sites in the Waitaki district by advancing monies from the Waitaki Heritage Fund or making other financial assistance available to the owners of any building in the region of national or regional or local historic interest for the purpose of management, maintenance or preservation of the building.	As received	Council Grant Committee Supported by Heritage Advisor.	Council	<p>To approve Grants Committee meeting minutes</p> <p>To determine all matters pertaining to the allocation of funding from the Waitaki Heritage Fund</p>
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Draft

Terms of Reference – Hearings Panel

(Note – This document is subject to legal review)

REPORTING TO:	Council
CONSTITUTION:	Four councillors plus the Mayor
MEMBERS: (6)	Cr Courtney Linwood (Chair), Cr Jim Hopkins (Deputy Chair), Cr Sven Thelning, Cr Brent Cowles
QUORUM:	50%
MEETING FREQUENCY:	As required.

COMMITTEE CONSTITUTION:

A sub-committee may be constituted by the Chairperson selecting any combination of panel members, independent commissioners or a community board member. The level of training completed by each member will be a factor in selection. All RMA hearings require the panel members to have the Making Good Decisions accreditation.

One Community Board member may be appointed by the Chairperson to assist the Hearings Panel where appropriate. They could only be an observer for RMA hearings unless they hold appropriate certification.

The quorum must be made up of panel members, unless a subcommittee or independent commissioner is appointed under delegated authority. For the avoidance of doubt, the quorum does not include a Community Board member (if appointed).

OBJECTIVE:

The Hearings Panel makes decisions in respect of all of Council's regulatory functions under the Local Government Act 1974, Local Government Act 2002, Reserves Act 1977, Resource Management Act 1991, other Acts and Bylaws.

SCOPE OF ACTIVITY:

The Panel's responsibilities are to make regulatory decisions delegated to it by the council or any of its committees.

The Hearings Panel must make a recommendation to Council or the Chief Executive if the decision considered appropriate is not consistent with, or is contrary to, any policy (including the Annual Plan or Long-Term Plan) established by the Council.

This limit does not apply to decisions made under the Resource Management Act 1991, or in respect of development contribution remissions.

POWER TO ACT:

The panel and its constituted committees have the following powers:

To exercise and perform all the powers and duties related to the regulatory functions of Council, except those matters reserved to the full Council by law, or by resolution of the Council.

To consider and determine all procedural and jurisdictional matters arising during the exercise of the panel's delegations.

To delegate any of its powers to an independent commissioner and/or officer(s) of the Council.

To hear submissions and make recommendations to Council on existing and proposed bylaws, including amendments.

To hear and determine, except where otherwise specified in the Council bylaws or relevant legislation, applications for a waiver of provisions of a bylaw, or objections arising from the implementation or administration of bylaws.

To may hear submissions and make recommendations to Council on major changes to traffic and parking restrictions.

To consider and determine objections in terms of Sections 26 (1), 31(3) and 33B of the Dog Control Act 1996.

Resource Management Act 1991

To consider, determine or make recommendations on matters relevant to any of the following:

- a) Resource consents (including variation or cancellation of conditions)
- b) Designations/notices of requirement
- c) Submissions on a proposed plan and/or proposed plan changes (both Council initiated and private plan changes)
- d) Heritage orders
- f) Compliance certificates/existing use certificates
- g) Objections to decisions made by officers under delegated authority

To approve for notification a proposed change and/or variation to the District Plan (including any partially operative plan or proposed plan).

To recommend to Council to withdraw a proposed plan change under clause 8D, First Schedule of the Resource Management Act 1991.

Reserves Act 1977

To approve any easements under section 48 of the Reserves Act 1977.

To determine any reserve management matter where a member of the public has requested to be heard under section 120 of the Reserves Act 1977.

To act as the administering body and determine whether to grant, vary, renew or decline:

- Leases
- Licences
- Easements
- Any other statutory instrument in relation to land held or administered under the Reserves Act 1977

Explanatory Note: in some instances, it may be necessary for the committee to recommend to Council to exercise the Minister's delegation to Council in respect of the above decisions.

Local Government Act 1974 and Local Government Act 2002

To levy development contributions under section 198 of the Local Government Act 2002.

To consider and determine applications for reconsideration of a development contribution for a development where the amount is less than \$40,000 and a hearing has been requested.

To consider and determine applications for reconsideration of a development contribution for development where the contribution is greater than \$8,000 and less than \$40,000.

Receive, hear and determine transport shelter objections under section 339 of the Local Government Act 1974.

To receive, hear and consider objections to any proposal by the Council under section 342 of the Local Government Act 1974 to stop any road and recommend to Council whether to allow or disallow any objections.

To hear submissions on any Council policy or strategy that has been adopted for public consultation (not including the Long Term Plan or Annual Plans).

To hear and determine matters regarding drainage and works on private land under the Local Government Act 1974 and Local Government Act 2002.

Other Powers

To decide applications for a Right of Way.

To consider, except where otherwise specified in Council Bylaws or relevant legislation, any rights of objection from decisions made under Council Bylaws.

Appointments to the Hearings Panel

The panel has the power to appoint a subcommittee of Councillors, or a subcommittee made up of a combination of Councillors and independent Commissioner(s) in accordance with the following:

- a) *Independent Commissioners*
A commissioner, or independent commissioners can hear and determine a matter where appointed under delegation. Unless specifically appointed to make only a recommendation, independent Commissioner(s) are appointed to make a decision on the Council's behalf.
- b) *Otago or Canterbury Regional Council Commissioners*
Independent Commissioners may include representatives of the Otago or Canterbury Regional Council provided the Otago or Canterbury Regional Council representative holds appropriate accreditation.
- c) *Community Board Representatives*
Community Board representatives may be appointed to the Hearings Panel or a sub-committee when applications within the Community Board area are being considered. Where a Community Board member is appointed, this is in addition to the quorum.

AVOIDING CONFLICTS OF INTEREST

Independent Commissioner(s) may be appointed to hear and determine matters if either:

An application for resource consent designation, plan change, or variation is being considered, and Council or a Council Controlled Organisation is the:

- Landowner
- Lessee
- Applicant
- Has a financial interest
- Affected person
- Requiring authority
- Submitter

Or if a Councillor is unavailable, has a conflict of interest or the Council has any other role where the Council is unable to be regarded at all times as fully impartial in its decision-making capacity.





POWER TO RECOMMEND

The panel can report to and make recommendations to the Council on matters and proposals relevant to anything within its scope of activity.

5.8 2026 SCHEDULE OF MEETINGS

Author: Allyson Woock, Governance Services Officer

Authoriser: Paul Hope, Director Support Services

Attachments: 1. **Draft 2026 Schedule of Meetings - Summary View**  
2. **Draft 2026 Schedule of Meetings - Calendar View**  

OFFICER RECOMMENDATION

That Council:

1. **Adopts** the proposed 2026 Schedule of Meetings as attached; and
2. **Notes** that the 2026 Schedule of Meetings, once adopted, will be populated into the calendars of elected members and staff, and published on Council's website in the 'Meetings Calendar'.
3. **Notes** that the 2026 Schedule of Meetings, as attached, remains subject to change and can be amended as required.

PURPOSE

This report seeks the adoption of a schedule of meetings for 2026 in accordance with clause 19(6)(a) of Schedule 7 of the Local Government Act 2002.

CONTEXT, ANALYSIS AND ADVICE

Background

Under clause 19(6)(a) of Schedule 7 of the Local Government Act 2002, Council may adopt a schedule of meetings for any future period that it considers appropriate. Council traditionally makes use of this clause by adopting a schedule of meetings for the year ahead, to provide certainty in programming work and reporting.

Key changes in the 2026 Schedule of Meetings:

- The schedule shifts from a monthly to a six-week cycle to accommodate three additional committees in the proposed governance structure.
- Community board meetings will be held on subsequent Mondays, instead of both on the same day.

The proposed six-week meetings cycle:

- Week 1:** Standing committee meetings (Assets & Infrastructure Committee; Strategy & Advocacy Committee; Ōamaru Committee).
- Weeks 2 & 3:** Reserved for workshops and briefings as required.
- Week 4:** Reserved for other committee meetings as required (Hearings Panel; District Licensing Committee) and others.
- Week 5:** There will be no official meetings or workshops/briefings held – this week will be reserved for the Governance Team and management/staff to focus on their respective work independently.
- Week 6:** Audit & Risk Committee Meeting, followed by an Ordinary Council Meeting.

Note: Community board, CE Employment Committee, Grants & Awards Committee, and Youth Council meetings are scheduled outside the six-week cycle.

Community board meetings	Two-monthly basis
CE Employment Committee Meetings	Quarterly basis
Grants & Awards Committee Meetings	As required, following the grants schedule
Youth Council (informal)	Monthly during school terms

Aspects maintained from the 2025 Schedule of Meetings:

- Council business will continue to be carried out on Tuesdays.
- A mid-year break has been scheduled in July.
- Agenda papers for formal meetings will continue to be published one week in advance of the meeting date wherever possible to allow elected members more meeting preparation time and members of the community sufficient opportunity to engage with the matters being considered by Council. This will continue to be supported by final deadlines for reports being on the Friday of the week prior to the agenda publication date.

Summary of Options Considered

Option 1 – To adopt the 2026 Schedule of Meetings as attached. (**Recommended**)

Option 2 – To adopt the 2026 Schedule of Meetings, with agreed amendments at this meeting.

Option 3 – To not adopt the 2026 Schedule of Meetings and to ask officers to put forward a different proposal for Council's consideration.

Option 4 – To not adopt a schedule of meetings for 2026.

Assessment of Preferred Option

Option 1 is the preferred option because it provides a level of certainty for elected members, staff and the community, and enables effective forward planning of council business.

Option 2 could be considered if the amendments are minor and can be accommodated within the proposed framework.

Option 3 is not recommended because deferring this decision would delay adoption until February 2026, starting 2026 without an agreed schedule in place. This would leave insufficient time for Q1 planning, disrupt project timelines and work programmes dependent on meeting dates, and force reactive rather than proactive scheduling.

Option 4 is not recommended because operating without an adopted meeting schedule would create significant uncertainty for elected members, staff and the public, impede effective work planning and report preparation, and potentially compromise Council's ability to meet statutory deadlines and obligations.

Next Steps

If adopted at this meeting, the contents of the 2026 Schedule of Meetings will be populated into the calendars of elected members and staff, and published on Council's website in the 'Meetings Calendar'. This work will take place as soon as possible after the meeting.

Updates to scheduled meetings and other activities will continue to be published in Notices of Meetings in the Ōamaru Mail and on Council's website each month, in accordance with existing practice which is set down in legislation.

Draft 2026 Schedule of Meetings - Summary View

Meeting type	Frequency	January	February	March	April	May	June	July	August	September	October	November	December
Council Meetings	6-weekly (Week 6)		17	31		12	23		4	15	27		8
Audit & Risk Committee Meetings	6-weekly (Week 6)		17	31		12	23		4	15	27		8
Ahuriri Community Board Meetings	2-monthly		2		13		8		3		5	30	
Waihemo Community Board Meetings	2-monthly		9		20		15		10		12		7
CE Employment Committee Meetings	Quarterly			17			9			1		24	
Grants & Awards Committee Meetings	As needed		24 (WBF)		21 (CGG & CCSG)	26 (WHF)			24 (DNM Trust)	22 (WBF & WMMF)	13 (CGG & CCSG)	3 (WHF)	
					28 (STF)								
Assets & Infrastructure Committee Meetings	6-weekly (Week 1)		24		8	19	30		11	22		3	
Strategy & Advocacy Committee Meetings	6-weekly (Week 1)		24		8	19	30		11	22		3	
Ōamaru Committee Meetings	6-weekly (Week 1)		24		8	19	30		11	22		3	
Youth Council	Monthly during school terms		23	30		25	29		31	21			
Placeholders for workshops & briefings	Weeks 2 & 3 of the 6-week cycle		3	3	14	26	2		18	29	6	10	
				10	21				25			17	
Alps2Ocean Joint Committee Meetings	Quarterly			4			3			2			2
Placeholders for 'as-required' committee meetings & hearings	6-weekly (Week 4)		3	17	28		9			1	13	24	
District Licensing Committee Meetings	As required - use placeholder day in Week 4												
Hearings Panel	As required - use placeholder day in Week 4												

Draft 2026 Schedule of Meetings - January-June

January		February		March		April		May		June	
S											S
S											S
M		1	2	1	2					1	M
T		2	3	3	4					2	T
W		3	4	4	5					3	W
T	1	5	5	5	6	1				4	T
F	2	6	6	6	7	2		1		5	F
S	3	7	7	7	8	3		2		6	S
S	4	8	8	8	9	4		3		7	S
M	5	9	9	9	10	5		4		8	M
T	6	10	10	10	11	6		5		9	T
W	7	11	11	11	12	7		6		10	W
T	8	12	12	12	13	8		7		11	T
F	9	13	13	13	14	9		8		12	F
S	10	14	14	14	15	10		9		13	S
S	11	15	15	15	16	11		10		14	S
M	12	16	16	16	17	12		11		15	M
T	13	17	17	17	18	13		12		16	T
W	14	18	18	18	19	14		13		17	W
T	15	19	19	19	20	15		14		18	T
F	16	20	20	20	21	16		15		19	F
S	17	21	21	21	22	17		16		20	S
S	18	22	22	22	23	18		17		21	S
M	19	23	23	23	24	19		18		22	M
T	20	24	24	24	25	20		19		23	T
W	21	25	25	25	26	21		20		24	W
T	22	26	26	26	27	22		21		25	T
F	23	27	27	27	28	23		22		26	F
S	24	28	28	28	29	24		23		27	S
S	25				30	25		24		28	S
M	26				31	26		25		29	M
T	27					27		26		30	T
W	28					28		27			W
T	29					29		28			T
F	30					30		29			F
S	31							30			S
S								31			S
January		February		March		April		May		June	

Key:

<div></div> Weekends, public holidays	<div></div> Waihemo Community Board Meetings (2-monthly)	<div></div> Ōamaru Committee Meetings (6-weekly)
<div></div> School holidays	<div></div> CE Employment Committee Meetings (quarterly)	<div></div> Placeholders for 'as-required' committee meetings & hearings (6-weekly)
<div></div> Council Meetings (6-weekly)	<div></div> Grants & Awards Committee Meetings (as needed)	<div></div> Placeholder for workshops & briefings (6-weekly)
<div></div> Audit & Risk Committee Meetings (6-weekly)	<div></div> Assets & Infrastructure Committee Meetings (6-weekly)	<div></div> Youth Council (monthly during school terms)
<div></div> Ahuriri Community Board Meetings (2-monthly)	<div></div> Strategy & Advocacy Committee Meetings (6-weekly)	<div></div> Alps2Ocean Joint Committee Meetings (quarterly)

Note: Placeholder days for 'as-required' committee meetings & hearings cover:

- o Hearings Panel Meetings (and/or sub-committees of the Hearings Panel) - not shown on this calendar, publicly notified as required
- o District Licensing Committee Meetings - not shown on this calendar, publicly notified as required
- o Any other hearings

Draft 2026 Schedule of Meetings - July-December

July		August		September		October		November		December	
S			1								S
S			2								S
M			3 Ahuriri Community Board Meeting (2pm-4pm)						1		M
								2			
T			Audit & Risk Committee Meeting (9am-10:45am)		1 CE Employment Committee Meeting			3 Ōamaru Committee Meeting		1	T
			Council Meeting (11am until finished)		Placeholder for 'as-required' committee meetings & hearings			Assets & Infrastructure Committee Meeting			
W					2 A2O Joint Committee Meeting			Strategy & Advocacy Committee Meeting			
T	1	Week 1 cont.	4	Week 4 cont.	3	Week 2 cont.	1	Grants & Awards Committee Meeting (WHF)		2 A2O Joint Committee Meeting	W
T	2		5		4		2			3	T
F	3 Otago Mayoral Forum		6		5		3			4	F
S	4		7		6		4			5	S
S	5		8		7		5			6	S
M	6	Week 2 - Mid-year break	9		8		6			7 Waihemo Community Board Meeting (6pm-7:30pm)	M
			10 Waihemo Community Board Meeting (6pm-8pm)		9		7			Audit & Risk Committee Meeting (9am-10:45am)	
T	7		Assets & Infrastructure Committee Meeting		10		8		10 Placeholder for workshops & briefings	Council Meeting (11am until finished)	T
W	8		11 Strategy & Advocacy Committee Meeting		11		9				
T	9		Ōamaru Committee Meeting		12		10				
F	10 Matariki		12		13		11				
S	11		13		14		12		13 Otago Mayoral Forum		
S	12		14		15		13		14		
M	13		15		16		14		15		
			16		17		15		16		
T	14		17		18 Placeholder for workshops & briefings		16		17 Placeholder for workshops & briefings		
W	15		18		Council Meeting (11am until finished)		17				
T	16		19		16		18				
F	17		20		17		19				
S	18		21		18 Otago Mayoral Forum		20		20 Canterbury Mayoral Forum		
S	19		22		19		21		21		
M	20		23		20		22		22		
			24 Grants & Awards Committee Meeting (DNM Trust)		21 Youth Council (4pm-5:30pm)		23		23		
T	21		25 Placeholder for workshops & briefings		Assets & Infrastructure Committee Meeting		24		24 CE Employment Committee Meeting		
W	22		26		Strategy & Advocacy Committee Meeting		25		Placeholder for 'as-required' committee meetings & hearings		
T	23		27		Ōamaru Committee Meeting		26				
F	24		28 Canterbury Mayoral Forum		Grants & Awards Committee Meeting (WBF)		27				
S	25		29		Grants & Awards Committee Meeting (WMMF)		28				
S	26		30		23		29				
M	27		31 Youth Council (4pm-5:30pm)		24		30				
T	28 SuperLocal Conference / LGNZ AGM				25		31				
W	29				26 Labour Day						
T	30				Audit & Risk Committee Meeting (9am-10:45am)						
F	31				Council Meeting (11am until finished)						
S											
S											
July		August		September		October		November		December	

Key:

Weekends, public holidays, external events

School holidays

Council Meetings (6-weekly)

Audit & Risk Committee Meetings (6-weekly)

Ahuriri Community Board Meetings (2-monthly)

Waihemo Community Board Meetings (2-monthly)

CE Employment Committee Meetings (quarterly)

Grants & Awards Committee Meetings (as needed)

Assets & Infrastructure Committee Meetings (6-weekly)

Strategy & Advocacy Committee Meetings (6-weekly)

Ōamaru Committee Meetings (6-weekly)

Placeholders for 'as-required' committee meetings & hearings (6-weekly)

Placeholders for workshops & briefings (6-weekly)

Youth Council (monthly during school terms)

Alps2Ocean Joint Committee Meetings (quarterly)

Note: Placeholder days for 'as-required' committee meetings & hearings cover:

- o Hearings Panel Meetings (and/or sub-committees of the Hearings Panel) - not shown on this calendar, publicly notified as required
- o District Licensing Committee Meetings - not shown on this calendar, publicly notified as required
- o Any other hearings

5.9 WHITESTONE CONTRACTING ANNUAL REPORT

Author: Arlene Goss, Governance Services Lead

Authoriser: Paul Hope, Director Support Services

Attachments: 1. Whitestone Contracting Annual Report 2025 ([under separate cover](#))



RECOMMENDATION

That Council:

1. Formally receives the audited Whitestone Contracting Limited 2024-2025 Annual Report included as Attachment 1; and
2. Authorises the Mayor and Chief Executive to sign the resolutions (below) pursuant to Section 122 of the Companies Act 1993 in lieu of the Annual General Meeting of shareholders of Whitestone Contracting Limited -

That the annual accounts for the year ended 30 June 2025, as presented by the directors, be approved and that the same be and are hereby adopted.

That, in accordance with clause 13.7 of the company's constitution and with section 70 of the Local Government Act 2002, it is noted that the Office of the Auditor-General continues in office as auditors of Whitestone Contracting Ltd.

DECISION OBJECTIVE

The purpose of this report is to formally receive the audited Whitestone Contracting Limited 2024-2025 Annual Report.

At 11.45am on December 9, the following representatives of Whitestone Contracting Ltd will attend the council meeting to answer questions from councillors - Director George Kelcher (in lieu of Chairman Steven Grave), Executive Manager Corporate Services Tony Read, and newly appointed Chief Executive Bruce Muldrew.

SUMMARY

Council Controlled Organisations are required by legislation to submit an audited Annual Report to the shareholder local authority by 31 October each year.

Whitestone Contracting Limited's audited Annual Report was provided to Council before this date and is attached under separate cover, for formal receipt by Council to meet that legislative requirement. A resolution to appoint auditors is also sought from Council in lieu of a shareholders' meeting.

BACKGROUND

Whitestone Contracting Limited is a 100% owned Council Controlled Organisation. As the only shareholder, Council appoints all the directors.

The directors during the period covered by this Annual Report were Steve Grave (Chairman), George Kelcher, Jonathan Kay, Craig Wyatt, and Ms Sina Cotter-Tait.

Council is required to:

1. Receive the Annual Report, together with the Directors' and Auditors' Reports.
2. Confirm the appointment of auditors.

SUMMARY OF OPTIONS CONSIDERED

Option 1 – Receive the Annual Report and appoint auditors (**Recommended**)

Option 2 – Not receive the Annual Report and/or not appoint auditors.

ASSESSMENT OF PREFERRED OPTION

Council has no option but to receive the Annual Report. Consideration of the Annual Report is an important part of ensuring accountable governance of the company.

Recommendation 2 could be declined in favour of an Annual General Meeting of shareholders, but the course of action recommended is more efficient and equally accountable to shareholders.

Legal Considerations

Part 5 and Schedule 8 of the Local Government Act 2002 contain provisions affecting Council Controlled Organisations, including:

- Governance (s57 – 60)
- Transparency (s61 – 63)
- Statements of Intent (s64)
- Performance Monitoring and Reporting (s65 – 69).

Section 120 of the Companies Act requires Companies to hold an Annual General Meeting. Section 122 of the Companies Act provides that an Annual General Meeting is not necessary if everything required to be done at that meeting is done by resolution of 75% of shareholders or such greater percentage as may be required under the Company Constitution.

Clause 4.3 of the Company's constitution precludes the distribution of dividends, so no resolution is required related to dividends.

Council is required to:

1. Receive the Annual Report, together with the Directors' and Auditors' Reports.
2. Confirm the appointment of auditors.

CONCLUSION

Formal receipt by Council of the audited Annual Reports of its Council Controlled Organisations is a legal requirement. It is also recommended that Council utilises the efficiency provided by section 122 of the Companies Act 1993 to sign a resolution in lieu of the Annual General Meeting with the shareholder, at this same meeting of Council.

Whitestone Contracting Limited

**Resolution, pursuant to Section 122 of the Companies Act 1993,
in lieu of the Annual General Meeting of Shareholders
of Whitestone Contracting Limited
Passed on December 9, 2025**

Resolved as follows:

Annual Accounts

That the Annual Accounts for the year ended 30 June 2025, as presented by the Directors, be approved and that the same be and are hereby adopted.

Auditor

That, in accordance with clause 13.7 of the Company's constitution and with section 70 of the Local Government Act 2002, it is noted that the Office of the Auditor-General continues in office as auditors.

.....
Mayor for Waitaki

Waitaki District Council
The only shareholder

.....
Chief Executive

5.10 TOURISM WAITAKI ANNUAL REPORT

Author: Arlene Goss, Governance Services Lead

Authoriser: Paul Hope, Director Support Services

Attachments: 1. Tourism Waitaki Annual Report ([under separate cover](#)) 

RECOMMENDATION

That Council:

1. Formally **receives** the audited Tourism Waitaki Limited 2024-2025 Annual Report included as Attachment 1; and
2. **Authorises** the Mayor and Chief Executive to sign the resolutions (below) pursuant to Section 122 of the Companies Act 1993 in lieu of the Annual General Meeting of shareholders of Tourism Waitaki Limited -

That the annual accounts for the year ended 30 June 2025, as presented by the directors, be approved and that the same be and are hereby adopted.

That, in accordance with clause 13.7 of the company's constitution and with section 70 of the Local Government Act 2002, it is noted that the Office of the Auditor-General continues in office as auditors of Tourism Waitaki Ltd.

DECISION OBJECTIVE

The purpose of this report is to formally receive the audited Tourism Waitaki Limited 2024-2025 Annual Report.

At 11.30am on December 9, the following representatives of Tourism Waitaki Ltd will attend the council meeting to answer questions from councillors – Chairman Mike McElhinney, General Manager Dr Philippa Agnew.

SUMMARY

Council Controlled Organisations are required by legislation to submit an audited Annual Report to the shareholder local authority by 31 October each year.

Tourism Waitaki Limited's audited Annual Report was provided to Council before this date and is attached under separate cover, for formal receipt by Council to meet that legislative requirement. A resolution to appoint auditors is also sought from Council in lieu of a shareholders' meeting.

BACKGROUND

Tourism Waitaki Limited is a 100% owned Council Controlled Organisation. As the only shareholder, Council appoints all the directors.

The directors during the period covered by this Annual Report were Mike McElhinney (Chair), Rick Ramsay, Megan Crawford and Janine Tulloch.

Council is required to:

1. Receive the Annual Report, together with the Directors' and Auditors' Reports.
2. Confirm the appointment of auditors.

SUMMARY OF OPTIONS CONSIDERED

Option 1 – Receive the Annual Report and appoint auditors (Recommended)

Option 2 – Not receive the Annual Report and/or not appoint auditors.

ASSESSMENT OF PREFERRED OPTION

Council has no option but to receive the Annual Report. Consideration of the Annual Report is an important part of ensuring accountable governance of the company.

Recommendation 2 could be declined in favour of an Annual General Meeting of shareholders, but the course of action recommended is more efficient and equally accountable to shareholders.

Legal Considerations

Part 5 and Schedule 8 of the Local Government Act 2002 contain provisions affecting Council Controlled Organisations, including:

- Governance (s57 – 60)
- Transparency (s61 – 63)
- Statements of Intent (s64)
- Performance Monitoring and Reporting (s65 – 69).

Section 120 of the Companies Act requires Companies to hold an Annual General Meeting. Section 122 of the Companies Act provides that an Annual General Meeting is not necessary if everything required to be done at that meeting is done by resolution of 75% of shareholders or such greater percentage as may be required under the Company Constitution.

Clause 4.3 of the Company's constitution precludes the distribution of dividends, so no resolution is required related to dividends.

Council is required to:

1. Receive the Annual Report, together with the Directors' and Auditors' Reports.
2. Confirm the appointment of auditors.

CONCLUSION

Formal receipt by Council of the audited Annual Reports of its Council Controlled Organisations is a legal requirement. It is also recommended that Council utilises the efficiency provided by section 122 of the Companies Act 1993 to sign a resolution in lieu of the Annual General Meeting with the shareholder, at this same meeting of Council.

Tourism Waitaki Limited

Resolution, pursuant to Section 122 of the Companies Act 1993,
in lieu of the Annual General Meeting of Shareholders
of Tourism Waitaki Limited
Passed on December 9, 2025

Resolved as follows:

Annual Accounts

That the Annual Accounts for the year ended 30 June 2025, as presented by the Directors, be approved and that the same be and are hereby adopted.

Auditor

That, in accordance with clause 13.7 of the Company's constitution and with section 70 of the Local Government Act 2002, it is noted that the Office of the Auditor-General continues in office as auditors.

.....
Mayor for Waitaki

Waitaki District Council
The only shareholder

.....
Chief Executive

5.11 OMARAMA AIRFIELD ANNUAL REPORT

Author: Arlene Goss, Governance Services Lead

Authoriser: Paul Hope, Director Support Services

Attachments: 1. Omarama Airfield Annual Report 2025 ([under separate cover](#)) 

RECOMMENDATION

That Council:

1. Formally receives the audited Omarama Airfield Limited 2024-2025 Annual Report included as Attachment 1; and
2. Authorises the Mayor and Chief Executive to sign the resolutions (below) pursuant to Section 122 of the Companies Act 1993 in lieu of the Annual General Meeting of shareholders of Omarama Airfield Limited -

That the annual accounts for the year ended 30 June 2025, as presented by the directors, be approved and that the same be and are hereby adopted.

That, in accordance with clause 13.7 of the company's constitution and with section 70 of the Local Government Act 2002, it is noted that the Office of the Auditor-General continues in office as auditors of Omarama Airfield Ltd.

DECISION OBJECTIVE

The purpose of this report is to formally receive the audited Omarama Limited 2024-2025 Annual Report.

At 1.00pm on December 9, Clive Geddes from Omarama Airfield will attend the council meeting to answer questions from councillors.

SUMMARY

Council Controlled Organisations are required by legislation to submit an audited Annual Report to the shareholder local authority by 31 October each year.

Omarama Airfield Limited's audited Annual Report was provided to Council before this date and is attached under separate cover, for formal receipt by Council to meet that legislative requirement. A resolution to appoint auditors is also sought from Council in lieu of a shareholders' meeting.

BACKGROUND

Omarama Airfield Limited is a 100% owned Council Controlled Organisation. As the only shareholder, Council appoints all the directors.

The directors during the period covered by this Annual Report were Clive Geddes (Chair), Hadleigh Bognuda, Richard Subtil and Simon Williamson.

Council is required to:

1. Receive the Annual Report, together with the Directors' and Auditors' Reports.
2. Confirm the appointment of auditors.

SUMMARY OF OPTIONS CONSIDERED

Option 1 – Receive the Annual Report and appoint auditors (Recommended)

Option 2 – Not receive the Annual Report and/or not appoint auditors.

ASSESSMENT OF PREFERRED OPTION

Council has no option but to receive the Annual Report. Consideration of the Annual Report is an important part of ensuring accountable governance of the company.

Recommendation 2 could be declined in favour of an Annual General Meeting of shareholders, but the course of action recommended is more efficient and equally accountable to shareholders.

Legal Considerations

Part 5 and Schedule 8 of the Local Government Act 2002 contain provisions affecting Council Controlled Organisations, including:

- Governance (s57 – 60)
- Transparency (s61 – 63)
- Statements of Intent (s64)
- Performance Monitoring and Reporting (s65 – 69).

Section 120 of the Companies Act requires Companies to hold an Annual General Meeting. Section 122 of the Companies Act provides that an Annual General Meeting is not necessary if everything required to be done at that meeting is done by resolution of 75% of shareholders or such greater percentage as may be required under the Company Constitution.

Clause 4.3 of the Company's constitution precludes the distribution of dividends, so no resolution is required related to dividends.

Council is required to:

1. Receive the Annual Report, together with the Directors' and Auditors' Reports.
2. Confirm the appointment of auditors.

CONCLUSION

Formal receipt by Council of the audited Annual Reports of its Council Controlled Organisations is a legal requirement. It is also recommended that Council utilises the efficiency provided by section 122 of the Companies Act 1993 to sign a resolution in lieu of the Annual General Meeting with the shareholder, at this same meeting of Council.

Omarama Airfield Limited

Resolution, pursuant to Section 122 of the Companies Act 1993,
in lieu of the Annual General Meeting of Shareholders
of Omarama Airfield Limited
Passed on December 9, 2025

Resolved as follows:

Annual Accounts

That the Annual Accounts for the year ended 30 June 2025, as presented by the Directors, be approved and that the same be and are hereby adopted.

Auditor

That, in accordance with clause 13.7 of the Company's constitution and with section 70 of the Local Government Act 2002, it is noted that the Office of the Auditor-General continues in office as auditors.

.....
Mayor for Waitaki

Waitaki District Council
The only shareholder

.....
Chief Executive

5.12 ADOPTION OF ANNUAL REPORT - FINANCIAL YEAR 2024-2025

Author: Amanda Nicholls, Chief Financial Officer

Authoriser: Paul Hope, Director Support Services

Attachments to be circulated when available from Audit NZ

RECOMMENDATION

That Council:

1. Adopts the Annual Report for the year ended 30 June 2025 in accordance with section 98 of the Local Government Act 2002; and
2. Receives the draft audit opinion from Audit New Zealand; and
3. Delegates to the Mayor to sign the Representation Letter for Audit New Zealand on behalf of those charged with governance for Waitaki District Council.
4. Notes the Summary Annual Report for the year ended 30 June 2025 will be made publicly available alongside the Annual Report, also in accordance with section 98 of the Local Government Act 2002.

DECISION OBJECTIVE

To adopt the Annual Report for the Year Ended 30 June 2025 in accordance with the requirements of the Local Government Act 2002.

SUMMARY

This report presents Council's audited Annual Report for the year ending 30 June 2025 (Attachment 1 – to be circulated). The Local Government Act (LGA) 2002 requires Council to adopt an Annual Report detailing the Council's performance against its budget set in its 2025 Annual Plan and the range of performance measures and targets set in the 2021-31 Long Term Plan (LTP).

The LGA requires the audited Annual Report to be adopted by resolution by 31 October each year (within four months of the end of the financial year). The adoption of this annual report is after the legislative deadline and therefore it breaches this aspect of legislation. This is due to delays in the audit process. As this has been self-disclosed within the annual report, there is no further impact to Council. The LGA (2002) also requires Councils to prepare and make publicly available a Summary of the Annual Report (Attachment 4) within one month of adopting the full Annual Report.

Audit New Zealand audits the Annual Report on behalf of the Office of the Auditor-General (OAG) and will provide an audit opinion for Council and the consolidated group. It is expected that Council will receive an unmodified audit opinion (Attachment 2 contains a draft version) for its Annual Report. The Appointed Auditor will be in attendance at the meeting.

Prior to providing their signed audit opinion, the auditors require a Representation Letter (Attachment 3) to be signed on behalf of the Council.

Separate audits are completed for Council's four Council Controlled Organisations (CCOs) – Whitestone Contracting Limited, Waitaki District Health Services Limited Group, Tourism Waitaki Limited, and Omarama Airfield Limited. The audited Annual Reports for each of these entities except for Waitaki District Health Services Limited Group are to be formally received by Council at the 9 December 2025 Council Meeting. The audit of Waitaki District Health Services Limited Group will not be completed until next year and as such it has breached its legislative deadline for adoption, of 30 September 2025.

DECISION-MAKING EXPECTATIONS

Governance Decision-Making:	To adopt the Annual Report for the year ended 30 June 2025 at this meeting To delegate authority to the Mayor to sign the Representation Letter on behalf of Council
Operational Decision-Making:	This action ensures that all legislative requirements imposed on Council are met
Communications	Media Releases – contributed to by officers and Elected Members Media/public enquiries regarding governance decision-making topics above can be addressed by governance Media/public enquiries regarding operational decision-making topics above can be addressed by officers

SUMMARY OF DECISION-MAKING CRITERIA

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	Moderate	Environmental Considerations	No
Legal	Key	Cultural Considerations	No
Significance	Key	Social Considerations	No
Financial Criteria	Moderate	Economic Considerations	No
Community Views	No	Community Board Views	No
Consultation	No	Publicity and Communication	Moderate

BACKGROUND

Section 98 of the LGA 2002 requires local authorities to prepare and adopt an Annual Report. Section 99 of the LGA 2002 requires that there be an audit of the information in the Annual Report.

The purpose of the Annual Report is to:

1. Compare actual activities and performance of the Local Authority in the year with intended activities and levels of performance as set out in respect of the year in the Long-Term Plan (LTP) and the Annual Plan; and
2. Promote the Local Authority's accountability to the community for decisions made throughout the year by the Local Authority.

The LGA (2002) also requires Councils to prepare and make publicly available a Summary of the Annual Report within one month of adopting the full Annual Report. The Summary is a more accessible version of the full document. The LGA states *"the summary must represent, fairly and consistently, the information regarding major matters dealt with in the Annual Report"*.

Discussion

The draft 30 June 2025 financial results were discussed at the 29 July 2025 Performance, Audit and Risk Committee meeting. The results have not changed significantly, and the variance explanations discussed at that meeting are still valid. It is important to note that, at that time, the infrastructure valuations had not been booked.

A complete draft Annual Report and an update on the audit process were provided at the 29 September 2024 meeting of the Performance, Audit and Risk Committee. A request was made for Council's elected members to provide feedback and comment on the Annual Report document. Feedback received has been incorporated into the final audited version. There were no significant changes made to the document as a result of elected members' feedback.

Financially, it has been a tough year. Overall, the Annual Report shows an operating deficit of \$2.669 million loss, much worse than the expected \$7.265 million profit. This was because we had a lot less income than originally planned and spent more than planned. Some projects were cancelled and others started later than we planned.

Our assets are valued on a regular basis. Our land and building assets were independently valued as at 30 June 2025 and resulted in a \$55.659 million increase in value from when they were last valued in 2022. Our roading assets were also revalued and decreased in value by \$1.778 million since they were revalued last year. This largely offsets the \$2.318 million increase in the prior year.

The audit of the 30 June 2025 Annual Report began in early September 2025. Mr Dereck Ollsson is the Audit New Zealand Director responsible for the audit of the Waitaki District Council. He will attend this meeting via video conference to provide an overview of the audit process and their findings. A copy of the Letter of Representation required by Audit New Zealand (Attachment 3 – to be circulated separately once received from Audit New Zealand), and the draft audit opinion (Attachment 2 – to be circulated separately once received from Audit New Zealand), will also be referred to at the meeting.

The LGA requires the audited Annual Report to be adopted by resolution by 31 October each year (within four months of the end of the financial year). The adoption of this annual report is after the legislative deadline and therefore it breaches this aspect of legislation. This is due to delays in the audit process. As this has been self-disclosed within the annual report, there is no further impact to Council.

The LGA (2002) also requires Councils to prepare and make publicly available a Summary Annual Report within one month of adopting the full Annual Report. The Summary Annual Report has also been audited and will be added to the Council website alongside the full Annual Report.

Separate audits are completed for Council's four Council Controlled Organisations (CCOs) – Whitestone Contracting Limited, Waitaki District Health Services Limited Group, Tourism Waitaki Limited, and Omarama Airfield Limited. The audited Annual Reports for each of these entities except for Waitaki District Health Services Limited Group are to be formally received by Council at the 9 December 2025 Council Meeting.

The audit of Waitaki District Health Services Limited (WDHS) Group will not be completed until next year and as such it has breached its legislative deadline for adoption, of 30 September 2025. There were a number of issues to be considered during that audit, most notably: going concern, the accounting treatment of various items given Council's resolution to wind up the company during the financial year, and most recently the change in Trust Deed of Observatory Village which has led to the Office of the Auditor-General confirming that the entity is no longer part of the WDHS Group from 24 June 2025. The auditors feel that this entity is not material to the Council group, so it does not impact on the adoption of the Council's Annual Report today.

SUMMARY OF OPTIONS CONSIDERED

Option 1 – Adopt the 30 June 2025 audited Annual Report

There is no lawful alternative, so Option 1 is recommended.

Option 2 – Do not endorse or confirm the Annual report.

As this is not a lawful alternative, it is not an option that can be progressed.

ASSESSMENT OF PREFERRED OPTION

Option 1 – Adopt the 30 June 2025 audited Annual Report.

There is no lawful alternative, so Option 1 is recommended.

Attachments

1. Waitaki District Council audited Annual Report for the Year Ended 30 June 2025 (to be circulated separately once clearance is received from Audit New Zealand)
2. Draft Representation Letter (to be circulated separately once received from Audit New Zealand)
3. Draft Audit Opinion (to be circulated separately once received from Audit New Zealand)
4. Waitaki District Council audited Summary Annual Report for the Year Ended 30 June 2025 (to be circulated separately once clearance is received from Audit New Zealand)

ADDITIONAL DECISION-MAKING CONSIDERATIONS

Waitaki District Council Strategic Framework

Outcomes

Community Outcomes

Prosperous District

- Attractive to new opportunities
- Supporting local businesses
- Fostering a diverse and resilient economy

Strong Communities

- Enabling safe, healthy communities
- Connected, inclusive communities
- Promoting a greater voice for Waitaki
- Celebrating our community identity

Quality Services

- Robust core infrastructure and services
- Community facilities and services we are proud of

Valued Environment

- Protecting our diverse landscapes and water bodies
- Meeting environmental and climate change challenges

Policy and Plan Considerations

The Annual Report is a key document prepared by Council and highly linked to the Long Term / Annual Plan and its underlying documents. The completion of the Annual Report is a necessary step in preparing for and completing the Long Term / Annual Plan.

Financial Considerations

The audited Annual Report is the key financial document completed by Council each year. It provides accountability to ratepayers and other members of the public on the Council's financial and non-financial performance for the year.

Legal Considerations

Under the LGA 2002, Council must prepare and adopt an Annual Report every year.

Publicity and Community Considerations

No additional publicity is initially proposed beyond that generated through the normal conduct of public meetings and publication of the Annual Report and Summary Annual Report on the Council website. A draft media release has been completed if necessary.

6 RECOMMENDATIONS FROM COMMITTEES REPORTS

6.1 RECOMMENDATIONS OF THE AHURIRI COMMUNITY BOARD MEETING HELD ON 10 NOVEMBER 2025

Author: Arlene Goss, Governance Services Lead

RESERVE CLASSIFICATION AND GIFTING OF KUROW SCHOOL BUILDING

On November 10, 2025, the Ahuriri Community Board considered a report from staff asking to -

- publicly notify the proposed reclassification of land located at 10 Ranfurly Street, Kurow, to an historic reserve under the Reserves Act 1977,
- gift the former Kurow School Building (on the land) to the South Star School Charitable Trust, and
- notify the intention to grant a lease on the land.

The community board supported this proposal and voted unanimously to recommend that Council goes ahead.

The details of this project can be found on Page 35 of [the community board agenda](#).

RECOMMENDATION

That Council:

1. Resolves, pursuant to Section 24(1)(b) of the Reserves Act 1977, to reclassify Part Lot 2 Deposited Plan 7534 and Lot 1 Deposited Plan 8706 from 'Recreation Reserve' to 'Historic Reserve' subject to the completion of all statutory processes.
2. Authorises officers to publicly notify the reclassification in accordance with statutory requirements.
3. Resolves to transfer ownership of the former Kurow School building and storage shed to the South Star School Trust by way of gift and grant a peppercorn ground lease subject to public notification in accordance with statutory requirements.

7 CONFIRMATION OF PREVIOUS MEETING MINUTES

7.1 PUBLIC MINUTES OF THE COUNCIL MEETING HELD ON 4 NOVEMBER 2025

Author: Arlene Goss, Governance Services Lead

Authoriser:

Attachments: 1. Public minutes of the Council Meeting held on 4 November 2025

RECOMMENDATION

That the Council confirms the Public minutes of the Council Meeting held on 4 November 2025, as circulated, as a true and correct record of that meeting.

DRAFT UNCONFIRMED MINUTES

OF THE INAUGURAL COUNCIL MEETING

HELD AT THE OAMARU OPERA HOUSE ON WEDNESDAY, OCTOBER 22, AT 5.30PM,

THEN ADJOURNED AND RECONVENED

**AT THE COUNCIL CHAMBER, THIRD FLOOR OFFICE OF THE WAITAKI DISTRICT COUNCIL,
20 THAMES STREET, OAMARU**

ON TUESDAY, 4 NOVEMBER 2025 AT 9:00 AM

PRESENT: Mayor Melanie Tavendale, Cr Rebecca Ryan, Cr John McCone, Cr Jim Hopkins, Cr Jeremy Holding, Cr Brent Cowles, Cr Sven Thelning, Cr Dan Lewis, Cr Frans Schlack, Cr Mata'aga Hana Fanene-Taiti, Cr Courtney Linwood (online)

IN ATTENDANCE: Alex Parmley (Chief Executive)
Roger Cook (Director Natural and Built Environment)
Paul Hope (Director, Support Services)
Joanne O'Neill (Director, Strategy, Performance & Design)
Lisa Baillie (Director, Community Engagement and Experience)
Jason Lilley (Livestream Support)
Arlene Goss (Governance Services Lead/Minutes)
Ally Woock (Governance Services Officer)
Helen Pickering (Communications Manager)
John Palethorpe (Media and Communications Specialist)
Louise van Andrew Ashton (Otago Daily Times/Oamaru Mail)
Ray Henderson (public attending on November 4)
Peter de Reus (public attending on November 4)
Approximately 200 people (community board members, guests, staff, public and performers attending on October 22)

A public inauguration ceremony was held at the Oamaru Opera House auditorium at 5.30pm on Wednesday, October 22, 2025. This was the first part of the inaugural meeting of the new Council.

Following the ceremony the meeting was adjourned to Tuesday, 4 November, 2025. On that date the Mayor reconvened the meeting at **9.00am** and welcomed everyone present.

This was livestreamed and can be viewed at:

1. Recording of [Ceremony on October 22](#) (A copy of the printed programme is also available on request as an attachment to these minutes)
2. Recording of [Meeting reconvened on November 4](#)

1 APOLOGIES FOR MEETING ON NOVEMBER 4

RESOLVED WDC 2025/112

Moved: Cr Jeremy Holding

Seconded: Cr Hana Fanene-Taiti

That the apology for lateness received from Cr Courtney Linwood be accepted.

CARRIED

2 DECLARATIONS OF INTEREST

Cr Rebecca Ryan declared a conflict of interest with item 5.2 – Appointment of Deputy Mayor, and will not vote on this matter.

3 PUBLIC FORUM

[1.16](#) Ray Henderson was registered to speak. He raised the following issues:

Water Services Delivery - He asked why the Department of Internal Affairs was “hell bent on getting water infrastructure done so quickly” and other questions related to the appointment of a Crown Facilitator.

Governance Structure – Mr Henderson was concerned that he did not see a Harbour Area Subcommittee mentioned in the staff report and believed this committee was needed.

Standing Orders – Mr Henderson said he could not see how members had voted from the public seats in the council chamber, or online when watching a livestream.

The Mayor responded that she shared his concern about the water timeframes and would be communicating this to the government.

The future of the committees would be discussed further by the councillors.

Staff will introduce new technology in February/March to show member voting on screen, making it easier to see what is happening in the chamber. Cr Hopkins suggested manually recording the votes between now and then and the Mayor agreed.

Mr Henderson was thanked for attending.

4 LEADERSHIP REPORTS

4.1 DECLARATION OF THE 13TH WAITAKI DISTRICT COUNCIL

[8.16](#) The purpose of this report was to formally record the declarations sworn by the elected members of the 13th Waitaki District Council and Community Boards at the ceremony at the Opera House on October 22.

The following members were sworn in:

Name	Office
Melanie Tavendale	Mayor for Waitaki

Declarations of Councillors-Elect

Name	Office
Brent Cowles	Councillor
Mata’aga Hana Fanene-Taiti	Councillor
Jeremy Holding	Councillor
Jim Hopkins	Councillor
Dan Lewis	Councillor
Courtney Linwood	Councillor

John McCone	Councillor
Rebecca Ryan	Councillor
Frans Schlack	Councillor
Sven Thelning	Councillor

Declarations of Community Board Members-Elect

Name	Office
Steve Dalley	Ahuriri Community Board
Mike King	Ahuriri Community Board
Calum Reid	Ahuriri Community Board
Karen Turner	Ahuriri Community Board
Clifford Day	Waihemo Community Board
Heather McGregor	Waihemo Community Board
Kerry Stevens	Waihemo Community Board

Apologies were received from the following members, who have arranged to swear their declaration at the upcoming community board meetings –

- Alan Pont – Ahuriri Community Board
- Tanya Bell and Paul Roy – Waihemo Community Board

RESOLVED WDC 2025/113

Moved: Cr Jeremy Holding

Seconded: Cr Jim Hopkins

That Council receives and notes the information.

CARRIED

This decision was unanimous.

4.2 CHIEF EXECUTIVE'S TRANSITION REPORT

[9.07](#) The purpose of this report was to notify Council that no decisions were made by the chief executive during the election period from 11 October 2025 to Wednesday, October 22, 2025, when he was given delegated authority to deal with urgent issues.

RESOLVED WDC 2025/114

Moved: Cr Jim Hopkins

Seconded: Cr Brent Cowles

That Council notes that the chief executive did not make any decisions under the delegated powers of council in the period between the old council ending and the new council being sworn in.

CARRIED

This decision was unanimous.

5 DECISION REPORTS

5.1 APPOINTMENT OF CROWN FACILITATOR

[10.16](#) Alex Parmley introduced this report and provided some background to the issue. Council was required to provide a response to the Minister's letter by tomorrow.

Mr Parmley would like to respond that Council would accept a facilitator with reservations, noting that a facilitator has both powers to assist and powers to direct the council.

Paul Hope said Waitaki was the first council to have a water services plan rejected, so there was no precedent to base advice on. The report was crafted as a discussion starter for the meeting today. He noted difficulties in interpreting the legislation and the letters from the secretary and minister.

Cr Cowles said that the legislation did not define "reasonable" direction. Would Council be consulted before any recommendations were made to the Minister? Who would sign off on a new plan and whether it meets the legislative requirements?

The Mayor provided her views on how things would work with a facilitator. She hoped that conversations could happen in a reasonable manner.

Mr Parmley said the revised water plan would have to come to council for approval, and the chief executive would sign off on it meeting legislative requirements. They would need to discuss with the facilitator on how to work in a collaborative way.

Cr Hopkins raised a comment on page 11 of agenda. What was meant by "sub optimal"? It was not the most affordable option for the organisation, or the community.

Regarding the timing of the letter that went to the previous council. No consideration was given to holding an urgent meeting before the election, as DIA couldn't meet with Council until after the election to explain the issue with our water services delivery plan.

Cr Ryan asked about the level of information sharing between council, the facilitator and the Minister. How can we communicate the next steps with the community? Is there additional workload for staff? She would like to ask for progress updates in the first meeting with the facilitator. And, by default, engagement with the facilitator should be conducted in the public domain.

The workload would be significant due to losing time with the process, and the government's deadline of next June.

Cr McCone asked what would happen if Council did not reply immediately. If we decline their request or don't respond the Mayor believed the government might move up the ladder towards a commissioner approach. Council might not have a role in decision making after that.

Cr Hopkins asked if there had been any indication from neighbouring local authorities that they might be interested in joining an agreement. Southern Water was still open. Timaru District Council was still open to an approach.

The Mayor noted an amendment to the recommendations was circulated by Cr Schlack before the meeting. There was some discussion on whether this was a Notice of Motion or an amendment and it was agreed it was an amendment.

Cr Schlack moved his amendment, which was for recommendations 1-4 to stay as they are, changes made to number 5, then 6-8 to stay as they are. Cr Thelning seconded the amended motions.

[38.10](#) Cr Schlack spoke in support of the amended motions.

[40.07](#) Cr Holding spoke against the amended motions.

[43.31](#) Cr Hopkins spoke in support of the amended motions.

A vote was taken as follows:

RESOLVED WDC 2025/115

Moved: Cr Frans Schlack

Seconded: Cr Sven Thelning

That Council:

1. Receives the letter of 6 October 2025 from the Secretary of Local Government Mr Paul James. (Carried unanimously)
2. Agrees to not formally respond to the letter from the Secretary of Local Government until the matter of the Crown facilitator is resolved and to allow full consideration of the matters raised. (Carried unanimously)
3. Receives the letter and Terms of Reference of 21 October 2025 from the Minister of Local Government Simon Watts. (Carried unanimously)
4. Accepts the appointment of a Crown facilitator. (Carried unanimously)
5. Agrees to note in Council's response to the Minister accepting the appointment, that:
 - a) Council is concerned that this action has been taken before the newly formed Council has been inaugurated and had opportunity to meet formally and consider the letter of 6 October relating to the Water Service Delivery Plan and (Carried unanimously)
 - b) To date, Council has been working in good faith with the DIA and has already commenced work on an agreed scope to achieve an amended compliant Water Services Delivery Plan, pending the new Council's decision on the response to the letter from the Secretary and (Cr Holding voted against. All others in favour. Carried by majority vote)
 - c) In view of the time constraints placed on the delivery of a compliant Water Services Delivery Plan, Council requests that the formal appointment of the Crown Facilitator is carried out as expediently as practicable so that Council can commence work to achieve such plan collaboratively with the Hon Amy Adams as soon as possible. (Carried unanimously)
6. Agrees to bring forward the desk-top analysis of water asset condition to be provided within existing resources and (Carried unanimously)

7. Agrees to fully consider all other aspects of the Secretary of Local Government's letter including necessary funding and resources for critical water asset condition assessment within one month of this meeting and, (Carried unanimously)
8. Notes that a further report to Council will detail next steps and funding requirements to complete all work necessary to satisfy outstanding requirements in the Water Services Delivery Plan to comply with the Act. (Carried unanimously)

CARRIED

5.2 APPOINTMENT OF DEPUTY MAYOR

[55.35](#) At the inauguration ceremony on Wednesday, October 22, Mayor Tavendale announced she was appointing Cr Rebecca Ryan as deputy mayor under section 41A(3)(a) of the Local Government Act. The purpose of this report was to confirm this by resolution.

Cr Ryan expressed her gratitude to the members and the community who had supported her. She thanked Cr Fanene-Taiti for her leadership in the position over the last three years.

RESOLVED

Moved: Mayor Mel Tavendale

Seconded: Cr Jim Hopkins

That Council:

- (a) **Notes** the decision of Mayor Mel Tavendale to appoint a deputy mayor pursuant to section 41A(3)(a) of the Local Government Act 2002.
- (b) **Supports** the appointment of Councillor Rebecca Ryan to the role of Deputy Mayor for the 2025-2028 triennium.

CARRIED

This decision was unanimous. Cr Ryan declared an interest and did not vote.

5.3 GOVERNANCE STRUCTURE AND REMUNERATION PROPOSAL FOR 2025-2028 TRIENNium - STAGE 1

[59.00](#) The purpose of this report was to confirm stage 1 of the governance structure of the new council.

The Mayor noted that this work was ongoing and would come back to a future meeting.

Cr Hopkins asked questions about the tasks assigned to the Hearings Panel, the lack of a Development Contributions Committee in the structure, and the replacement for the Zone committees. These required more work before being confirmed.

Cr Ryan asked about the Water Services Advisory Group. How has this progressed and is it too important to delay to Stage 2? Alex Parmley would like to discuss the advisory group further and the direction to take. The purpose of the advisory group was to help set up in-house water services, but this was uncertain given the appointment of the Crown Facilitator.

Cr McCone felt an outside advisory group would be helpful and did not need to involve staff time.

Further discussion took place on whether to advertise for the role of independent member of Performance, Audit and Risk. Noted that this role would be advertised each triennium.

RESOLVED WDC 2025/116

Moved: Cr Jim Hopkins

Seconded: Cr Rebecca Ryan

That Council:

1. **Agrees** to establish “stage one” of the committee structure as attached, pursuant to Section 41A(3)(b) and (c) of the Local Government Act 2002. (Carried unanimously)
2. **Appoints** the following members to the Audit and Risk Committee – Cr Thelning (deputy chair), and members Cr McCone, Cr Hopkins, Cr Schlack, and Cr Cowles. (Carried unanimously)
3. **Instructs** the chief executive to advertise for expressions of interest for the role of independent chairperson of the Audit and Risk Committee. (Cr McCone voted against the motion. All others voted in favour. Carried by majority vote)
4. **Delegates** the Mayor to approve a role description for the independent chairperson of the Audit and Risk Committee before advertising. (Cr McCone abstained, all others voted in favour. Carried by majority vote)
5. **Approves** the temporary re-appointment of former Audit and Risk chairman Simon Neale, until the position of independent chairperson is filled. (Carried unanimously.)

Cr Hopkins asked that the remaining motions be put to the vote jointly and the Mayor agreed.

6. **Appoints** the following councillors and independent members as chairs, deputy chairs, and members to the committees as listed below:
 - a) Hearings Panel:
 - i. Chair: Cr Linwood
 - ii. Deputy Chair: Cr Hopkins
 - iii. Members: Cr Thelning, Cr Cowles
 - b) District Licensing Committee:
 - i. Chair: Cr Hopkins
 - ii. Deputy Chair: Cr Holding
 - iii. Members: Barry McDonald (independent), Kelli Williams (independent)
 - c) Chief Executive’s Employment Committee:
 - i. Chair: Mayor
 - ii. Deputy Chair: Cr Cowles
 - iii. Members: Cr Lewis, Cr Holding, Cr Fanene-Taiti
 - d) Grants and Awards Committee:
 - i. Chair: Cr Holding
 - ii. Deputy Chair: Cr Linwood

iii. Members: All councillors and both community board chairs, by roster to each funding round. And independent members to be arranged by the Grants and Funding officer.

7. **Notes** that the Mayor is a member of all committees and community boards with full voting rights pursuant to Clause 41A(5) of the Local Government Act 2002 (LGA).
8. **Appoints** the following councillors to community boards:

Cr Schlack – Waihemo Community Board (legislated)
Cr Cowles – Ahuriri Community Board (legislated)
9. **Appoints** the following councillors to joint committees:

Otago Civil Defence and Emergency Management Committee: Mayor
Waitaki Lakes Shoreline Authority: Cr Cowles
Alps2Ocean (A2O) Joint Committee: Cr Cowles
Regional Land Transport Committee: Cr McCone and Cr Schlack
Canterbury and Otago Mayoral Forums: Mayor
10. **Appoints** the following councillors to external groups:

Waitaki Whitestone Geopark Trust: Cr Lewis
Observatory Village Trust: *No appointment needed.*
Waitaki Community Recreation Centre Trust: Cr Ryan
Network Waitaki Events Centre Project Board: Cr Ryan and Cr Fanene-Taiti
Donald and Nellye Malcolm Trust: Mayor and Cr Holding
Stronger Waitaki: Mayor and Cr Fanene-Taiti
Waitaki District Youth Council Liaison: Cr Ryan and Cr Linwood
Macraes Community Development Trust: Cr Schlack
Oamaru Opera House Charitable Trust: Cr Ryan
11. **Agrees** that council meetings will be held once a month on Tuesdays, or on the alternate meeting day, which will be Monday.
12. **Notes** that the Meetings Schedule for 2026 will come to the next council meeting for approval.

CARRIED

The meeting adjourned at 10.30am for morning tea and reconvened at 10.55am.

5.4 ADOPTION OF CODE OF CONDUCT

[1.41.23](#) The purpose of this report was to ensure that Council has a Code of Conduct in place.

The Mayor asked if there were any questions. Cr Hopkins objected to some of the sections in the code.

Referring to clause 4 on page 48 of the agenda, he said the code confused behaviours with beliefs in a way that he did not think was appropriate. Clause 4 says members will “operate in a manner that recognises and respects the significance of the principles of Te Tiriti o Waitangi.

He also spoke against section 1.2(1) and (2) and on page 49 of the agenda. These sections are headed “Te Tiriti o Waitangi – Tino Rangatiratanga” and “Te Tiriti o Waitangi – Partnership”.

Cr Hopkins was also concerned that the process for investigating complaints ended with the decision of the independent investigator. He said this did not allow for natural justice, or allow for a member to make a submission to their peers/councillors prior to the conclusion of an investigation.

Cr Fanene-Taiti said she supported section 1.2, as this was a guideline to help us work together in partnership with manawhenua. She did not see it as negative. Regarding the process for investigation, she agreed that it would be good to have an opportunity to appeal or a step change added to the investigation process.

Cr Hopkins suggested an amendment to the first recommendation and Cr McCone seconded this. The amendment was rejected by majority vote.

RESOLVED WDC 2025/117

Moved: Cr Jim Hopkins
Seconded: Cr John McCone

That Council:

Adopts the Draft Council Code of Conduct as attached, with the removal of clause 4 on page 48 of the agenda, and the deletion of section 1.2(1) and (2) and on page 49 of the agenda, in accordance with Schedule 7 Clause 15 of the Local Government Act 2002, until the government provides a standardised document as a replacement.

In Favour: Crs John McCone and Jim Hopkins

Against: Mayor Melanie Tavendale, Crs Courtney Linwood, Rebecca Ryan, Hana Fanene-Taiti, Frans Schlack, Dan Lewis, Sven Thelning, Jeremy Holding and Brent Cowles.

LOST

The original recommendation from staff was then put to the councillors. It was moved by Cr Lewis and seconded by Cr Thelning.

RESOLVED WDC 2025/118

Moved: Cr Dan Lewis
Seconded: Cr Sven Thelning

That Council:

Adopts the Draft Council Code of Conduct as attached, in accordance with Schedule 7 Clause 15 of the Local Government Act 2002, until the government provides a standardised document as a replacement.

In Favour: Mayor Mel Tavendale, Crs Sven Thelning, Dan Lewis, Courtney Linwood, Rebecca Ryan, Hana Fanene-Taiti, Frans Schlack, Jeremy Holding and Brent Cowles

Against: Cr Jim Hopkins

Abstained: Cr John McCone

CARRIED

Discussion then shifted to whether the findings of an independent investigator should be the final word, or whether these findings should be referred to full Council for approval. The councillors agreed to refer the findings to full Council and passed a resolution to this effect.

RESOLVED WDC 2025/119

Moved: Cr Jim Thomson

Seconded: Cr John McCone

2. **Adopts** the Draft Policy for Investigating and Ruling on Alleged Breaches of the Elected Member Code of Conduct 2025-2029, as attached, until the government provides a standardised document as a replacement.
3. **Agrees** to continue with the current arrangements of a two-step investigation process, and the investigator's decision to be referred to Council for approval, for as long as the code is in place.

CARRIED

This decision was unanimous.

5.5 ADOPTION OF STANDING ORDERS

[2.12.49](#) The purpose of this report was to ensure that Council has appropriate and relevant guidance and rules for the conduct of meetings. This supports good governance practice and meets the requirements of Schedule 7 27(1) Local Government Act 2002.

The Mayor noted that if she was in a position to provide the casting vote on an issue, she would vote in favour of the status quo.

Cr Hopkins asked several questions on details in the Standing Orders and these were noted by the Governance Lead. In particular he asked for a policy to be drawn up, similar to the one used by Timaru District Council, that outlined how information in the public excluded part of the meeting would be released to the public.

RESOLVED WDC 2025/120

Moved: Cr John McCone

Seconded: Cr Brent Cowles

That Council:

1. **Adopts** the Standing Orders for Council and Community Boards, as attached, until the government provides a standardised document to all councils.
2. **Agrees** to provide a casting vote to the Mayor, or chair of committee, or community board chairperson, in the event of equal votes (see item 19.3 in the attachment).
3. **Agrees** to continue with Option C as the default option for speaking to and moving motions (see item 22.2 in the attachment).
4. **Notes** that the Local Government Act 2002 (Clause 16 of Schedule 7) requires members to comply with the Council's Standing Orders.

CARRIED

This decision was unanimous.

5.6 MINUTE OF APPRECIATION FOR OUTGOING ELECTED MEMBERS 2025

[2.27.27](#) The purpose of this report was to record a Minute of Appreciation to outgoing Waitaki District Councillors and Community Board Elected Members. A correction was made by Cr Lewis that Mayor Kircher was mayor for 12 years and spent 9 years as a councillor.

RESOLVED WDC 2025/121

Moved: Mayor Mel Tavendale

Seconded: Cr Rebecca Ryan

That Council records its sincere thanks to the following former elected members for their loyal and conscientious service to the district –

Gary Kircher – Mayor for 12 years and councillor for 9 years.

Guy Percival – Councillor for the Corriedale Ward for 11 years.

Jim Thomson – Councillor for the Waihemo Ward for 4 years.

Tim Blackler – Councillor for the Oamaru Ward for 3 years.

Carol Watson – Community Board Member for Waihemo for 9 years.

CARRIED

This decision was unanimous.

6 MEMORANDUM REPORTS

6.1 EXPLANATION OF LEGISLATION BY THE CHIEF EXECUTIVE

The purpose of this report was to provide a summary of the key legislation that is of importance to elected members, as required under the Local Government Act 2002. The chief executive, Alex Parmley, read from the report.

RESOLVED WDC 2025/122

Moved: Cr John McCone

Seconded: Cr Jeremy Holding

That Council receives and notes the information.

CARRIED

This decision was unanimous.

6.2 ELECTION REPORT

The purpose of the report was to provide Council with the results of the 2025 local authority elections conducted in the Waitaki District.

Lisa Baillie introduced the report and noted the increase in voter turnout. She thanked the elections team, the comms team and other helpers who worked on the election.

Cr Ryan asked for a breakdown on the number of votes that came through bins and the number that arrived via the postal service. Lisa Baillie will come back to the councillors with this information if it is available.

RESOLVED WDC 2025/123

Moved: Cr Rebecca Ryan

Seconded: Cr John McCone

That Council receives and notes the information.

CARRIED

This decision was unanimous.

6.3 CONFIRMATION OF UPDATED MEETINGS SCHEDULE FOR THE REMAINDER OF 2025

[2.48.45](#) The purpose of this report was to provide a meeting schedule for the remainder of 2025.

Would there be a roster for the councillors to attend community board meetings. Yes. Still to come.

An extraordinary meeting could be called at any time if the council needed to address urgent issues over the holiday period.

RESOLVED WDC 2025/124

Moved: Cr Dan Lewis

Seconded: Cr Rebecca Ryan

That Council approves the attached meeting schedule for the remainder of the calendar year 2025.

CARRIED

This decision was unanimous.

7 CONFIRMATION OF PREVIOUS MEETING MINUTES

7.1 PUBLIC MINUTES OF THE COUNCIL MEETING HELD ON 30 SEPTEMBER 2025

The following changes to the minutes were requested by Cr Hopkins and Cr Schlack:

Page 88 of agenda: under Public Forum continued

“From” to change to lower case

“Held” to change to lower case

Correct the spelling of “name”

Page 89 of agenda: under The Future Status of Beach Road North

“and” to change to “an”

Page 90 of agenda: under Capital Works Programme Approval

“is” to change to “are”

Page 91 of agenda: in fourth paragraph

Space added between the words “budget” and “to”

Page 95 of the agenda: last line

Change “Cr McCone” to “Cr Thomson”.

RESOLVED WDC 2025/125

Moved: Cr Jim Hopkins
Seconded: Cr Courtney Linwood

That the Council confirms the Public minutes of the Council Meeting held on 30 September 2025, as circulated, as a true and correct record of that meeting with the changes noted above.

CARRIED

This decision was unanimous.

4 MEETING CLOSE

The Chair declared the meeting closed at approximately 12.30pm.

TO BE CONFIRMED at the Council Meeting to be held on Tuesday, 9 December 2025.

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CHAIRPERSON

8 MEETING CLOSE