



AGENDA

JOINT SHAREHOLDERS' COMMITTEE - CENTRAL DISTRICTS WATER

10.00AM, FRIDAY 22 MAY 2026
COUNCIL CHAMBER, 126-148 OXFORD ST, LEVIN

MEMBERS

Mr Chris Gallavin (Chairperson)
Mayor Andy Watson (Deputy Chairperson)
Mayor Grant Smith (PNCC)
Mayor Bernie Wanden (HDC)
Deputy Mayor Dave Wilson (RDC)
Ms Danielle Harris (Kurahaupo Confederation)
Councillor Sam Jennings (HDC)
Mr Hayden Turoa (Tainui Confederation)
Ms Marj Heeney (Iwi of the greater Rangitikei Region)
Councillor Kaydee Zabelin (PNCC)



JOINT SHAREHOLDERS' COMMITTEE - CENTRAL DISTRICTS WATER MEETING

22 May 2026

ORDER OF BUSINESS

1. Karakia Timatanga

2. Apologies

3. Notification of Additional Items

Pursuant to Sections 46A(7) and 46A(7A) of the Local Government Official Information and Meetings Act 1987, to receive the Chairperson's explanation that specified item(s), which do not appear on the Agenda of this meeting and/or the meeting to be held with the public excluded, will be discussed.

Any additions in accordance with Section 46A(7) must be approved by resolution with an explanation as to why they cannot be delayed until a future meeting.

Any additions in accordance with Section 46A(7A) may be received or referred to a subsequent meeting for further discussion. No resolution, decision or recommendation can be made in respect of a minor item.

4. Declarations of Interest (if any)

Members are reminded of their duty to give a general notice of any interest of items to be considered on this agenda and the need to declare these interests.

5. Public Comment

To receive comments from members of the public on matters specified on this Agenda or, if time permits, on other Committee matters.

6. **Draft Statement of Expectations** Page 5
Memorandum, presented by Chris Gallavin, Committee Chair.
7. **Reporting protocols of Committee** Page 17
Memorandum, presented by Hannah White, Manager Governance.
8. **Confirmation of meeting schedule** Page 21
Memorandum, presented by Hannah White, Manager Governance.
9. **Work Schedule** Page 23
10. **Karakia Whakamutunga**
11. **Exclusion of Public**

That the public be excluded from the following parts of the proceedings of this meeting listed in the table below.

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

General subject of each matter to be considered		Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing this resolution

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

MEMORANDUM

TO: Joint Shareholders' Committee - Central Districts Water

MEETING DATE: 22 May 2026

TITLE: Draft Statement of Expectations

PRESENTED BY: Chris Gallavin, Committee Chair

APPROVED BY: Monique Davidson, Chief Executive, Horowhenua District Council

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

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

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

2. BACKGROUND

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

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

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

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

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

3. DRAFT STATEMENT- OVERVIEW

Highlights

In terms of highlights, the Chair notes the following:

“I have kept the body of expectations very concise.

1. I have suggested a term of three years and have left the ability to review as liberal. The SOE is a living document and is capable of development by the Shareholders' Committee effectively at any time. As we progress it might be, for example, that a serious look at the SOE is required upon reaching the milestone of day 1 (1 July 2027). That is perfectly acceptable.

2. In terms of the specific obligations that will migrate across from the Councils to the Company, I suggest that these not be included in the SOE in detailed form. We should remember that this is a public document and it will become particularly unwieldy if we seek to replicate elements of the transfer agreements that are currently being devised. As part of the Board's due diligence, the transfer agreements are of pivotal importance - it is there that the obligations associated with agreements and plans are set out in detail.

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

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

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

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

Discussion

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

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

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

4. NEXT STEPS

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

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

5. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	Yes
Are the decisions significant?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these objectives?	Yes

ATTACHMENTS

1. Draft Statement of Expectations [↓](#) 

STATEMENT OF EXPECTATIONS FOR CENTRAL DISTRICTS WATER 2026

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

Period of Operation & Review

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

STATEMENT OF STRATEGIC INTENT FOR CENTRAL DISTRICTS WATER

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

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

SHARED PRINCIPLES TO GUIDE CENTRAL DISTRICTS WATER

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

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

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

REGIONAL BENEFITS WITH LOCAL FLAVOUR

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

Horowhenua District Council

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

Rangitikei District Council

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

Palmerston North

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

Ngā Tapuwāe o Hau

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

RELATIONSHIP EXPECTATIONS

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

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

ESTABLISHMENT EXPECTATIONS

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

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

Public Engagement

- 29. Central Districts Water will develop and publish engagement policies which set out how Central Districts Water will engage with the public on matters of consultation.

Such policies are to be reviewed by the Committee prior to adoption.

Customer Charter

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

The Customer Charter is to be reviewed by the Committee prior to adoption.

Water Services Strategy

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

Credit Rating

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

ENDURING EXPECTATIONS

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

Safe, reliable and resilient water services

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

Customer and Community

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

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

Affordability, Equity and Value for Money

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

Aligned strategic growth planning

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

Environmental Responsibilities and Outcomes

37. Central Districts Water is expected to:

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

Emergency Preparedness and Continuity of Service

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

MEMORANDUM

TO: Joint Shareholders' Committee - Central Districts Water

MEETING DATE: 22 May 2026

TITLE: Reporting protocols of Committee

PRESENTED BY: Hannah White, Manager Governance, Palmerston North City Council

APPROVED BY: Monique Davidson, Chief Executive, Horowhenua District Council

RECOMMENDATION(S) TO COUNCILS

1. That the Joint Shareholders' Committee report the progress of its work to each of the Councils and Ngā Tapuwae o Hau, twice a year, and that the Chair of the Committee present those reports.
 2. That the Joint Shareholders' Committee review its reporting frequency after 12 months.
 3. That the Joint Shareholders' Committee minutes be circulated according to the process set out in Table 1.
 4. That any Joint Shareholders' Committee recommendations be put to each of the Councils by the Joint Shareholders' Committee representatives for that Council.
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1. ISSUE

This memorandum presents the formal processes whereby the Committee will report back to the bodies which its members represent. Doing so ensures transparency and sets out formal procedures to enhance accountability.

2. BACKGROUND

How the Committee will report regularly

There is some merit to formalising a regular format for the Committee to report back to the shareholder councils and Ngā Tapuwae o Hau. This might look like a six-month and annual report to the respective bodies, from the Committee chair.

How recommendations will be presented to Councils

Recommendations which are beyond the Joint Shareholders' Committee's delegation, will go to each of the Councils for approval before implementation. This will occur through the usual processes for each council to agree recommendations from its committees. The differences in this case being that by nature of being a joint committee:

- (1) all three Councils will need to agree the recommendation before it becomes a decision of the Councils
- (2) recommendations will need to be put by committee representatives of that Council rather than chairs/deputy chairs

How minutes will be circulated to those affected

Matters before the Committee are set out in agendas, available publicly on each of the Councils websites. Elected Members and any member of the public can access these. Should an elected member or a member of the community wish to speak in public comment or approach a member to express any concerns or information on a matter before the committee they are able to do so.

Decisions of this Committee are set out in its minutes. The Committee agrees its own minutes for accuracy at its next meeting. These are publicly available on the [Palmerston North City Council website](#).

Table1: Method for sharing Committee minutes

	Usual process for committees to report to governing body	Proposed method for sharing of minutes of Joint Shareholders' Committee
Ngā Tapuwae o Hau	n/a	For the group to determine.
Horowhenua District Council	Minutes presented to Council for noting through Proceedings of Committee process, but committees agree own minutes.	Joint Shareholders' Committee Minutes to be presented through Proceedings of Committee process.
Palmerston North City Council	Committees agree their own minutes.	Joint Shareholders' Committee minutes (public and confidential) to be circulated via shared folder, and available on website (public).

Rangitikei District Council	Minutes of other committees presented through Mayor's report	Joint Shareholders' Committee minutes to be appended to Mayor's report.
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Table 1 above sets out the additional formal processes for circulation and agreement of minutes for each body.

Further to Table 1, members of the Joint Committee have the responsibility as part of their appointment as representatives to keep the members of the body they are representing informed of general progress and any pressing matters, in the manner which they see fit.

3. NEXT STEPS

Reporting of minutes, recommendations and 6 monthly reviews to be implemented according to resolution of the Committee.

4. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	No
Are the decisions significant?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these objectives?	No
Are the recommendations inconsistent with any of Council's policies or plans?	No

ATTACHMENTS

Nil

MEMORANDUM

TO: Joint Shareholders' Committee - Central Districts Water

MEETING DATE: 22 May 2026

TITLE: Confirmation of meeting schedule

PRESENTED BY: Hannah White, Manager Governance, Palmerston North City Council

APPROVED BY: Monique Davidson, Chief Executive, Horowhenua District Council

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

1. That the Committee agree the schedule of meetings set out in section 2 of this memorandum, noting change of start time for 26 June 2026 and locations of all meetings.

1. ISSUE

On 27 March the Committee agreed the dates of its upcoming meetings, but deferred agreement on their location. Locations must now be decided in order to give full public notice of the schedule of meetings, under the Local Government Official Information and Meetings Act 1987 and Local Government Act 2002.

This memorandum proposes that the Committee agree the locations of its meetings for the remainder of the calendar year. A time change for the 26 June 2026 meeting is also proposed to support Palmerston North City Council attendance and establish a quorum.

2. PROPOSED SCHEDULE OF MEETINGS

3pm, Friday 26 June 2026	Horowhenua District Council Chambers 126-148 Oxford Street, Levin
10am, Friday 7 August 2026	Rangitikei District Council Chamber 46 High Street, Marton
10am, Friday 4 September 2026	Rangitikei District Council Chamber 46 High Street, Marton

10am, Friday 4 December 2026	Te Whare Wairua Mererikiriki, Tanenuiarangi Manawatū, Maxwells Line, Palmerston North
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3. NEXT STEPS

The public will be notified accordingly.

A paper will be brought to the 4 December Committee meeting to agree the 2027 meeting locations.

4. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	Yes
Are the decisions significant?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these objectives?	No
Are the recommendations inconsistent with any of Council's policies or plans?	No

ATTACHMENTS

Nil

COMMITTEE WORK SCHEDULE

TO: Joint Shareholders' Committee - Central Districts Water

MEETING DATE: 22 May 2026

TITLE: Work Schedule

Meeting Date	Topics
2026	
22 May	• Agree Statement of Expectations Draft • How the Joint Committee will regularly report to shareholder councils • Locations of meetings
26 June	• Adopt Final Statement of Expectations • Transition update from Chief Executives
7 August	• Visibility on Councils' draft Transfer Agreements • Transition update from Chief Executives
4 September	• Visibility of Councils' draft Service Level Agreements • Opportunity to comment on Board's draft Significance and Engagement Policy • Transition update from Chief Executives
4 December	• Review and provide comment on the draft Water Services Strategy • Transition update from Chief Executives • Schedule of meetings (locations) for 2027
2027	
January – June	



AGENDA

Joint Shareholders' Committee - Central Districts Water **LATE ITEM**

10.00AM, FRIDAY 22 MAY 2026
COUNCIL CHAMBER, 126-148 OXFORD ST, LEVIN

MEMBERS

Mr Chris Gallavin (Chairperson)

Mayor Andy Watson (Deputy Chairperson)

Mayor Grant Smith (PNCC)

**Mayor Bernie Wanden
(HDC)**

**Deputy Mayor Dave
Wilson (RDC)**

Cr Sam Jennings (HDC)

Cr Kaydee Zabelin (PNCC)

Ms Danielle Harris

(Kurahaupo Confederation)

**Mr Hayden Turoa (Tainui
Confederation)**

**Ms Marj Heeney (Iwi of the
greater Rangitikei Region)**



JOINT SHAREHOLDERS' COMMITTEE - CENTRAL DISTRICTS WATER MEETING

22 May 2026

ORDER OF BUSINESS

12. Transition update from Chief Executives

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Memorandum, presented by Chris Dhyrberg, Executive Director.

Reason for Lateness:

Timing of Committee agenda did not align with Board agenda preparation.

Reason for Urgency:

Progress will be out of date by the time the Committee next meets in August.

MEMORANDUM

TO: Joint Shareholders' Committee - Central Districts Water

MEETING DATE: 22 May 2026

TITLE: Transition update from Chief Executives

PRESENTED BY: Chris Dhyrberg, Executive Director

APPROVED BY: Cameron McKay, General Manager Corporate Services

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

1. That the Committee receive the 'Transition update from the Chief Executives,' presented on 22 May 2026.

1. ISSUE

Attached is a memorandum composed by the transition team on behalf of the Councils' Chief Executives, which will be presented to the Central Districts Board this month.

It is provided to keep the Committee informed of progress towards 1 July 2027.

2. NEXT STEPS

A regular update will be brought to the Committee. This has been placed on the Work Schedule.

3. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	Yes
Are the decisions significant?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these objectives?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No

ATTACHMENTS

1. Establishment Programme Update May 2026 [↓](#) 

Establishment Programme Update

CDW Board Meeting – 27 May 2026



Purpose

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

There are no specific decisions required within this paper.



Content

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



1. Executive Summary

Establishment Programme is Up and Running

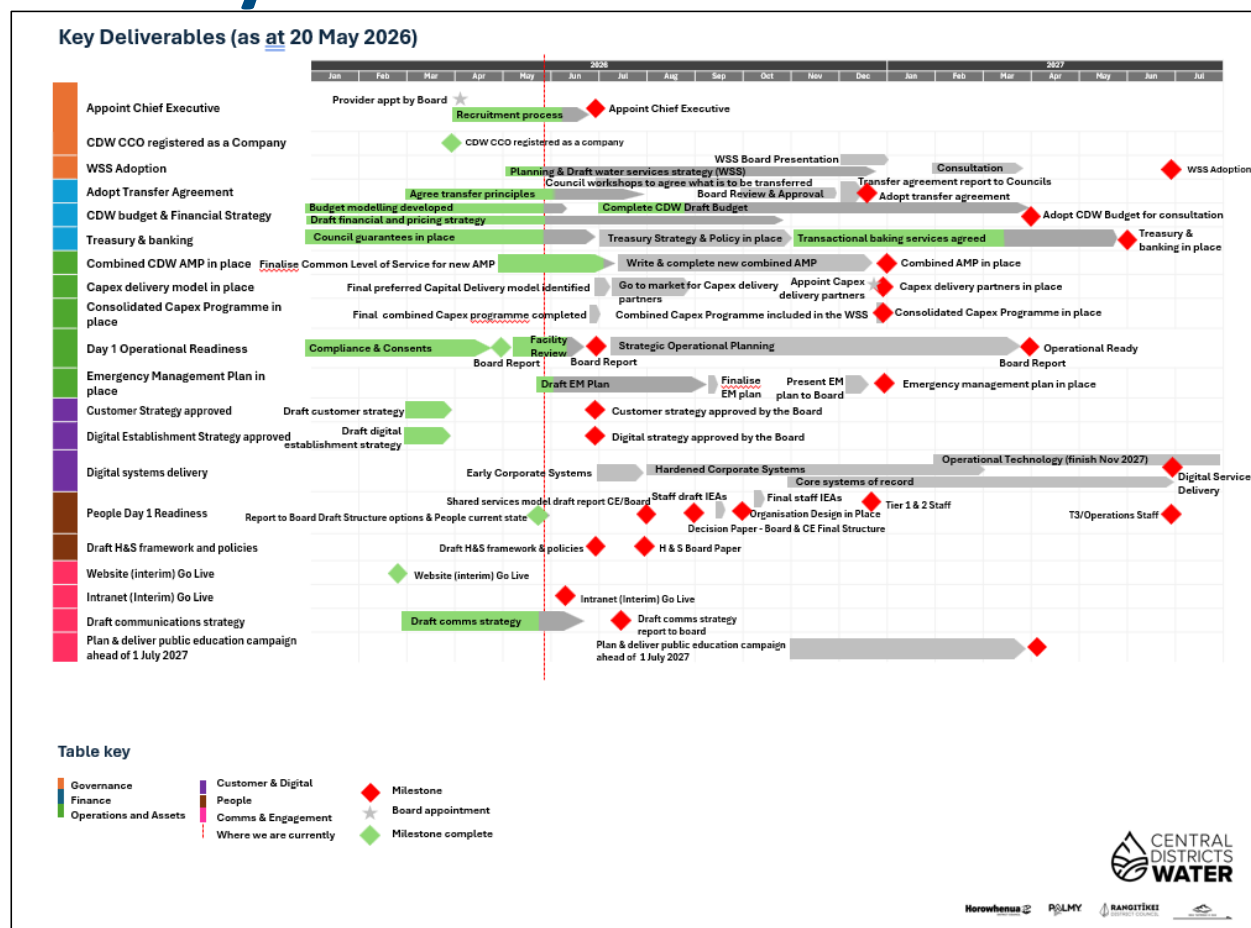
- Overall, the Establishment Programme is running approximately three months ahead of the original schedule.
- Over the last month, the programmes of work for the Transfer Agreement and the Water Services Strategy have progressed well and are being integrated into the overall Establishment Programme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

Resetting the Governance Processes Underway

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



2. Key Deliverables



Update from 16 April 2026

Changes to the Work Programmes

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

Progress of Work Programmes

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

3. Establishment Programme

Current activities

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

Next Focus

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

Issues or Challenges

- Conflicting priorities



4. Financial Report

Description	CDW Establishment \$000
Actual spending up to the end of April (net of \$250k grant revenue)	\$653
WSDP Budget Excluding IT & Board costs	\$3,687
Total forecast (from beginning of establishment to 30 June 2027)	\$4,312
Additional spending required **	\$625

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

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

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



5(a) Governance

Current activities

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

Next Focus

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

Issues or Challenges

- Adjusting to the new governance environment



5(b) Finance

Current activities

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

Next Focus

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

Issues or Challenges

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



5(c) Operations & Asset

Current activities

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

Next Focus

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

Issues or Challenges

- No issues at this stage



5(d) Customer & Digital

Current activities

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

Next Focus

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

Issues or Challenges

- No issues or challenges at this stage



5(e) Communication & Engagement

Current activities

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

Next Focus

- Finalising strategies
- Intranet build
- Governance Comms Strategy



5(f) People

Current activities

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

Next Focus

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

Issues or Challenges

- None



6. Transfer Agreement

Current activities

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

Next Focus

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

Issues or Challenges

- Ensuring iwi involvement is timely and at the right stages



7. Water Services Strategy

Current activities

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

Next Focus

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

Issues or Challenges

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



