

Kōrero Wai

Number 1

Nau mai haere mai Waikato Waters Ltd

Waikato Waters Ltd – your new Waikato Waters Council Controlled Organisation – has added you to their communication database. If you do not want to receive these updates, or have any questions/suggestions, then please reply to this email.



Waikato Waters Ltd the largest grouping of councils in a waters CCO in New Zealand

Seven Waikato councils have formally signed the Shareholders' Agreement for Waikato Waters Limited (WWL), marking the company's official incorporation as a joint council-controlled organisation (CCO).

This makes Waikato Waters Ltd the largest council grouping in New Zealand with a CCO jointly owned by Hauraki, Matamata Piako, Ōtorohanga, South Waikato, Waipā, Waitomo and Taupō District Councils.

The Shareholders' Agreement represents a historic step toward regional collaboration, ensuring water and waste water services are future proofed across the Waikato rural-provincial councils.

This is the culmination of two years intensive work together to provide local confidence that WWL will meet local needs – current and future.

Letter from Minister Watts

The Hon Simon Watts, Minister of Local Government congratulated the seven councils representing the largest grouping of territorial authorities within Local Water Done Well.

In a letter to the Mayors of the councils, the Minister acknowledged the "impressive achievement" and thanked Waikato Water Done Well for their "work and collective commitment to the delivery of safe, resilient, environmentally sound, financially sustainable water services for your communities".

The Minister also acknowledged the Waikato Iwi Chairs for their support in reaching this significant milestone.





Board to be announced in August 2025

A Chair and at least two directors for an independent Establishment Board for Waikato Waters Ltd are currently being recruited. An announcement regarding these appointments will be made in late August.

A pōwhiri to welcome the Establishment Board and a celebration event will be held in early September to mark the official launch of Waikato Waters Ltd. Notifications for this will be sent closer to the time.

By July 2026, two more independent directors will be appointed – bringing the full complement of qualified directors to five.

Each council will have a representative on the Shareholder Representative Forum, ensuring local voices remain central to company decisions.



Key points of the Waikato Waters Shareholders' Agreement

Purpose and vision – Guided by Te Mana o Te Wai, Te Mana o Te Tangata – Healthy Water, Healthy People, Waikato Waters will deliver financially sustainable, safe, and environmentally responsible drinking water and wastewater services

Ownership and shares – Initially (Stage 1) each council holds equal shares with Stage 2 shares issued later based on water connection numbers.

Governance – An independent Establishment Board will be appointed by the Shareholder Representative Forum (chair and two initial directors) moving later to a full operational Board

Staged transition – Councils will transfer water services to the company between July 2026 and July 2027

Financial framework – Council shareholders commit to initial funding costs and will support Waikato Waters to access borrowing through the Local Government Funding Agency

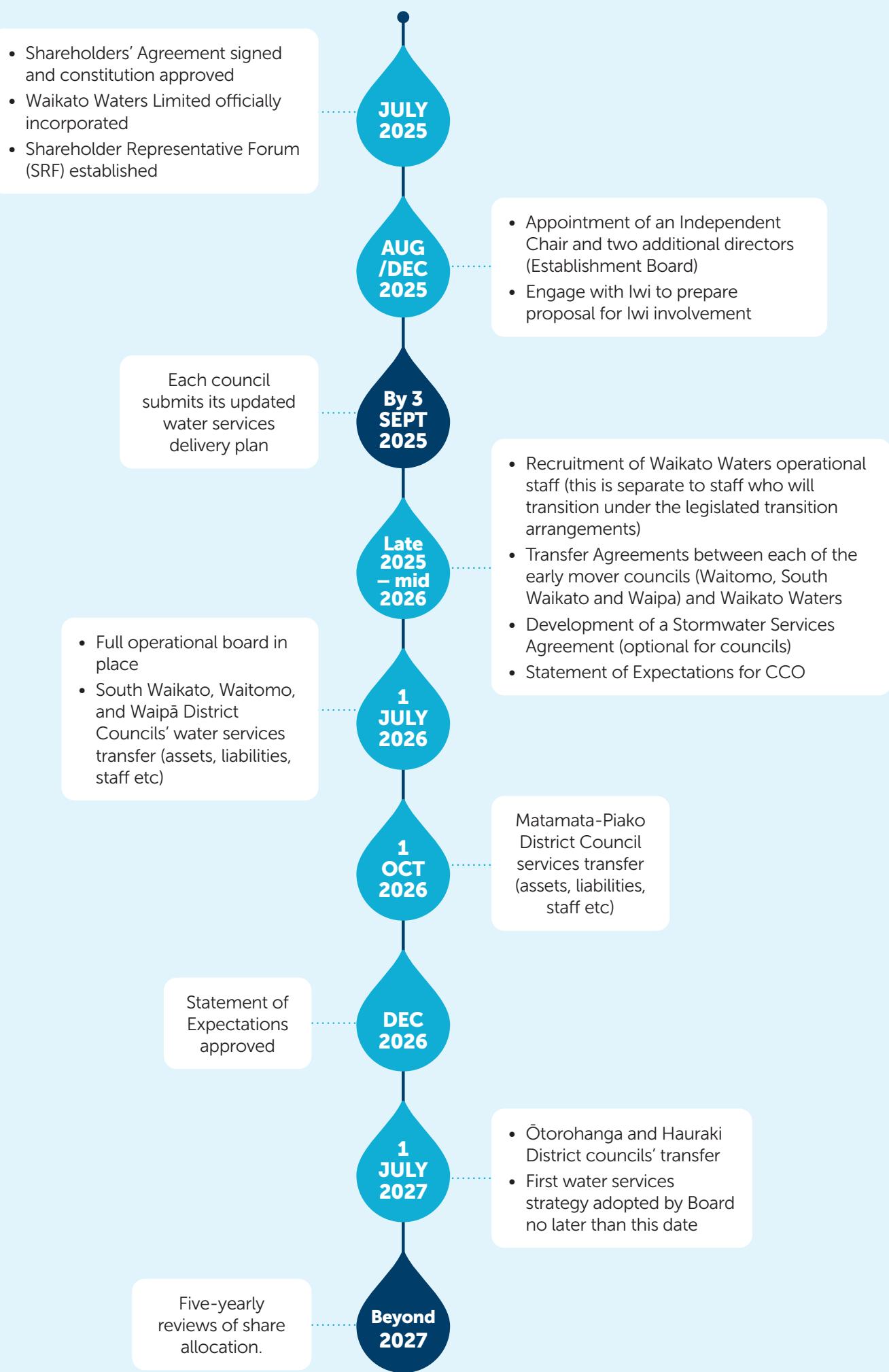
Local influence – A strong focus is placed on maintaining a local voice in decision making and building strategic relationships with iwi partners

This agreement represents an **historic step toward regional collaboration**, ensuring water services are future proofed and delivered to high standards.

For more information on Waikato Waters and the Shareholders' Agreement visit:

www.waikatowaters.co.nz

Waikato Waters Timeline



Waikato Waters: your top 5 questions answered

1 Who owns Waikato Waters?

Hauraki, Matamata Piako, Ōtorohanga, South Waikato, Waipā, Waitomo and Taupō, district councils jointly own the company on behalf of their communities.

2 Why is a waters CCO needed?

Pooling resources gives our councils the scale and investment power needed to meet tougher water standards, plan for growth, and protect our waterways for future generations.

3 Will my water bills change?

In the short term, pricing will remain consistent with each council's current plan. Longer term pricing will be set by Waikato Waters.

4 What about iwi involvement?

The agreement commits to building strong, strategic partnerships with iwi, reflecting Treaty settlement obligations. In addition, each council maintains its own unique relationship with Iwi and hapu in their rohe.

5 What is the status of Taupō District Council?

Taupō District Council is a Stage 1 shareholder having chosen for now to go with a stand alone water services delivery model. They will review this position within the next two years. However they remain a shareholder of Waikato Waters Ltd and will be using shared services such as procurement.

For more information about Waikato Waters visit www.waikatowaters.co.nz

Financial modelling review – Infometrics

An independent review of the proposed Waikato Water Done Well model confirms it will deliver long-term cost savings for water services across much of the Waikato region.

"Our independent analysis confirms the financial modelling is robust, and the underlying assumptions are both sound and reasonable."

Brad Olsen, chief executive and principal economist at Infometrics, has analysed the financial modelling underpinning the collaborative proposal and found that households would benefit from significantly reduced costs compared to the status quo.

"Despite the known rising costs for future water service delivery right

across New Zealand, the modelling shows that a regional, collaborative approach can achieve more affordable outcomes for households than each council going it alone," said Mr Olsen.

Olsen noted that water and wastewater infrastructure costs have increased by 52% over the past decade – an average of 4.3% annually – compared to a 32% increase in consumer prices (CPI) over the same period. He expects these pressures to grow as infrastructure demands increase.

"While there are some initial set-up costs involved in establishing a new delivery model, these are quickly offset by significant long-term savings," he said.

"Pooling resources across the region enables more efficient planning, delivery, and maintenance of infrastructure. That efficiency translates into real savings."

According to Infometrics' analysis, the proposed model could save approximately \$580 million in cumulative costs by 2044. This equates to an average household saving of around \$8000 over the next 20 years.

"The bottom line is simple: this model delivers cost savings," Mr Olsen said.

You can read the full document here: [Infometrics report](#)



Waikato Waters Ltd Establishment Plan

The Establishment Plan to create an operational CCO by 1 July 2026 requires the following streams of work to be delivered.

Councils have had the opportunity to review the Plan.

Workstreams for establishment of WWL

1. People & Capability - focusing on seamless staff transition, ensuring all employees are correctly paid and trained, and creating organisational infrastructure for the new entity
2. Finance, Funding & Commercial - establishing financial management systems, securing funding, plant and property oversight, and managing procurement
3. Operations – ensuring the smooth transition of operations with minimal changes to staff locations and duties
4. Asset Management & Capital Delivery - managing asset performance and ensuring continuity of capital projects
5. Technology - establishing core technology systems and managing data migration
6. Governance & Legal – establishing and supporting the Board, supporting the negotiation and execution of transfer agreements and ensuring compliance with legal requirements
7. Iwi engagement - building strong relationships with Iwi and co-governance entities (not replacing what already exists between councils and their own iwi relationships)
8. Communication - developing and maintaining effective internal and external communication throughout the establishment phase

"The team has taken a prudent and realistic approach to plan for the establishment of a functioning and effective CCO on Day One. I can see no reason why this establishment plan cannot be relied upon to set the foundation for the delivery of Waikato Water Done Well", Kevin Ramsey, independent reviewer of the entity's Establishment Plan

Kevin Ramsay is a Fellow of the Chartered Accountants of Australia and New Zealand (CAANZ) and has been involved with NZ Local Government for over 30 years. He has held executive and senior positions in councils, following roles in the engineering and banking sectors.

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Ngā mihi
From the Establishment Team at
Waikato Waters Ltd

