








# Establishment of QLDC 3Waters CCO

## Councillor Workshop

31 March 2026

# Agenda

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- |    |                                                           |            |                                                                                     |
|----|-----------------------------------------------------------|------------|-------------------------------------------------------------------------------------|
| 1. | Programme Status Refresh & governance roadmap             | 10 minutes |  |
| 2. | View into updates required on implementation plan for DIA | 10 minutes |  |
| 3. | Constitution recap                                        | 5 minutes  |  |
| 4. | Constitution matters for discussion                       | 90 minutes |  |
| 5. | Next steps for Council input                              | 5 minutes  |  |

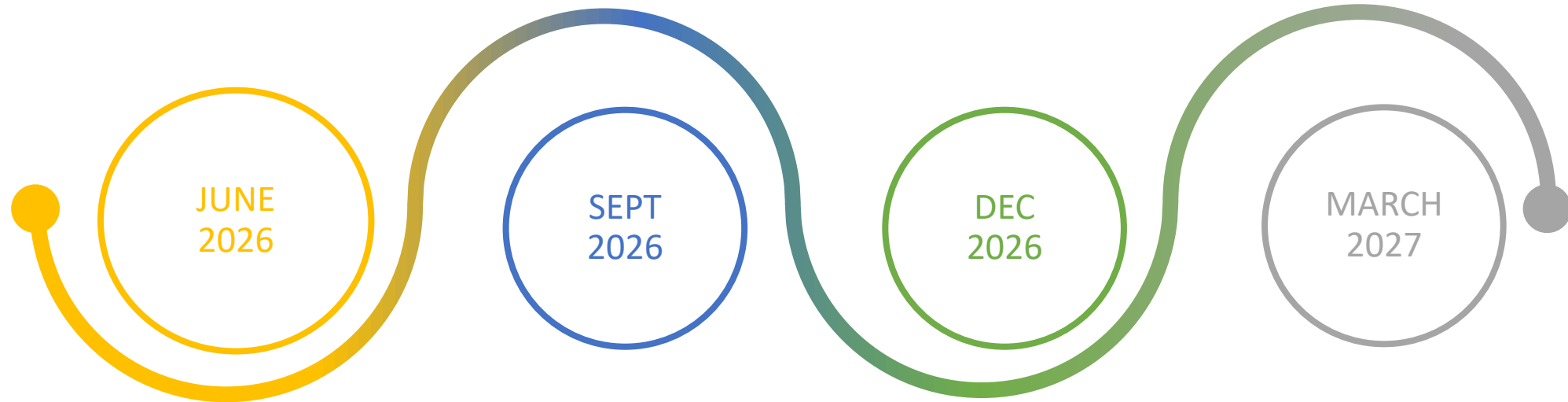


# Programme Refresh – High level milestones





# Governance Roadmap



## MILESTONES

- Board appointed
- Constitution approved
- Legal Incorporation
- Draft Statement of Expectations

## MILESTONES

- Statement of Expectations issued

## MILESTONES

- Draft Water Services Strategy
- Significance & Engagement policy approved

## MILESTONES

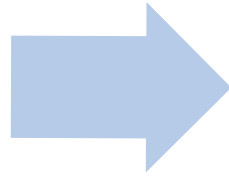
- New governance and reporting framework established
- Transfer Agreement
- Water Services Strategy final review

# Implementation Plan Changes



## Approved Implementation Plan

- Initial Planning & Programme Establishment (1 Aug 2025 – 30 Oct 2025)
- Governance & Incorporation (1 Nov – 28 Feb 2026)
  - Board appointed
  - Incorporation
  - CE appointment
- WSCCO Establishment 1 March 2026 – 31 Jan 2027
- Operational Readiness & Transition 1 Feb – June 2027
- GO LIVE 1 July 2027



## Updated Implementation Plan (to be reflected in 1<sup>st</sup> DIA Monitoring Report)

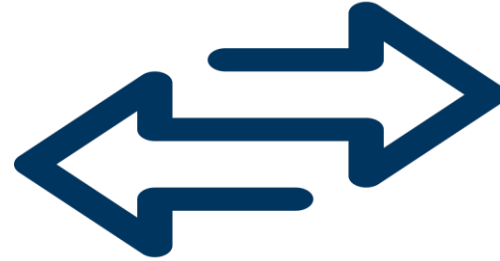
- Rapid establishment & scoping (March – June 2026)
- Governance & Incorporation (March – June 2026)
  - Board appointment
  - Incorporation
- CE appointment (June – Dec 2026)
- Confirmation of capex programme
- Confidence in ability to deliver as planned

### **DIA assessment recommendations**

- Monitor the pricing strategy during implementation
- Monitor borrowing requirements and headroom to deliver water services during implementation
- Monitor capital programme and delivery of projects to achieve compliance

# Constitution: Discuss & Provide Direction

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**25 June 2026**

**Council Decision**

**Purpose:** Sets out the rules, structures, and processes for how the WSCCO operates, ensuring legal compliance, clarity of roles, and effective accountability.

**Timing:** Target date for adoption of Constitution – Council meeting of 25 June 2026

**Focus:** Today's workshop will cover 13 constitutional matters

# Constitution Recap

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Refer Attachment C

## Constitution matters resolved

- No dividend payments
- Board of up to 5 Directors
- Director appointments for 3 year fixed terms, 1 right of renewal and staged reappointments
- Skills matrix content & placement - a stand alone document approved by delegated appointment
- Level of remuneration

## Constitution Matters for Direction Today

- Ability to explore expansion opportunities
- Directors' ability to appoint alternate directors
- Should interested directors be allowed to vote?
- What constitutes a quorum of directors
- Will the Chair have a casting vote
- Frequency of board meetings
- Additional reporting obligations of CCO
- Councils' role in preparing the Water Services Strategy & Annual Budget
- Audit/Review of the WSS
- Potentially establishing Council committee to make delegated decisions related to CCO
  - Frequency of Council committee meetings
  - Responsibilities of committee
- Matters reserved for Council

## 1 - Ability to explore expansion opportunities

- OPTION 1:** Board unilaterally explore expansion opportunities (subject to LGWSA requirements and final approval remaining with Council)
- OPTION 2:** Council must approve before Board can initiate exploration of opportunities (with final approval remaining with Council)
- OPTION 3:** No clause included in Constitution (leave to future constitutional amendments if necessary)

## 2 – Directors ability to appoint alternate directors

- OPTION 1:** Yes
- OPTION 2:** No

## 3- Should interested directors be allowed to vote?

OPTION 1: Yes

OPTION 2: No

## 4 – What constitutes a quorum?

OPTION 1: >50%

OPTION 2: 75+%

OPTION 3: 100%

OPTION 4: A specific number of directors

## 5 – Will the Chair have a casting vote?

OPTION 1: Yes

OPTION 2: No

## 6 – Frequency of board meetings?

- OPTION 1:** Monthly
- OPTION 2:** No less than 10 times per annum
- OPTION 3:** Quarterly
- OPTION 4:** At the board's direction

## 7 – Additional reporting obligations of CCO

- OPTION 1:** Include additional reporting requirements in the Constitution
- OPTION 2:** Rely on s249 for notice to require additional plans or reports

## 8 – Audit/Review of the WSS

- OPTION 1:** Include audit requirement in the Constitution
- OPTION 2:** Include review requirement in the Constitution
- OPTION 3:** Rely on SoE to require any audit or review as necessary

## 9 – Establishing a shareholding committee to make delegated decisions related to the water organisation

- OPTION 1:** Yes
- OPTION 2:** No – matters always go to full Council meetings

## 10 – Frequency of committee meetings

- OPTION 1:** Quarterly
- OPTION 2:** Bi-annually
- OPTION 3:** Annually



## 11 – Responsibilities of potential subcommittee

Options as laid out in the Key Decisions for Foundation Documents #22

## 12 – Matters reserved for full Council

Options as laid out in the Key Decisions for Foundation Documents #23

## 13– Councils role in preparing the Water Services Strategy & Annual Budget

**OPTION 1:** WSCCO Board makes final decision, following Council comment

**OPTION 2:** Council has ability to require amendments and/or final approval

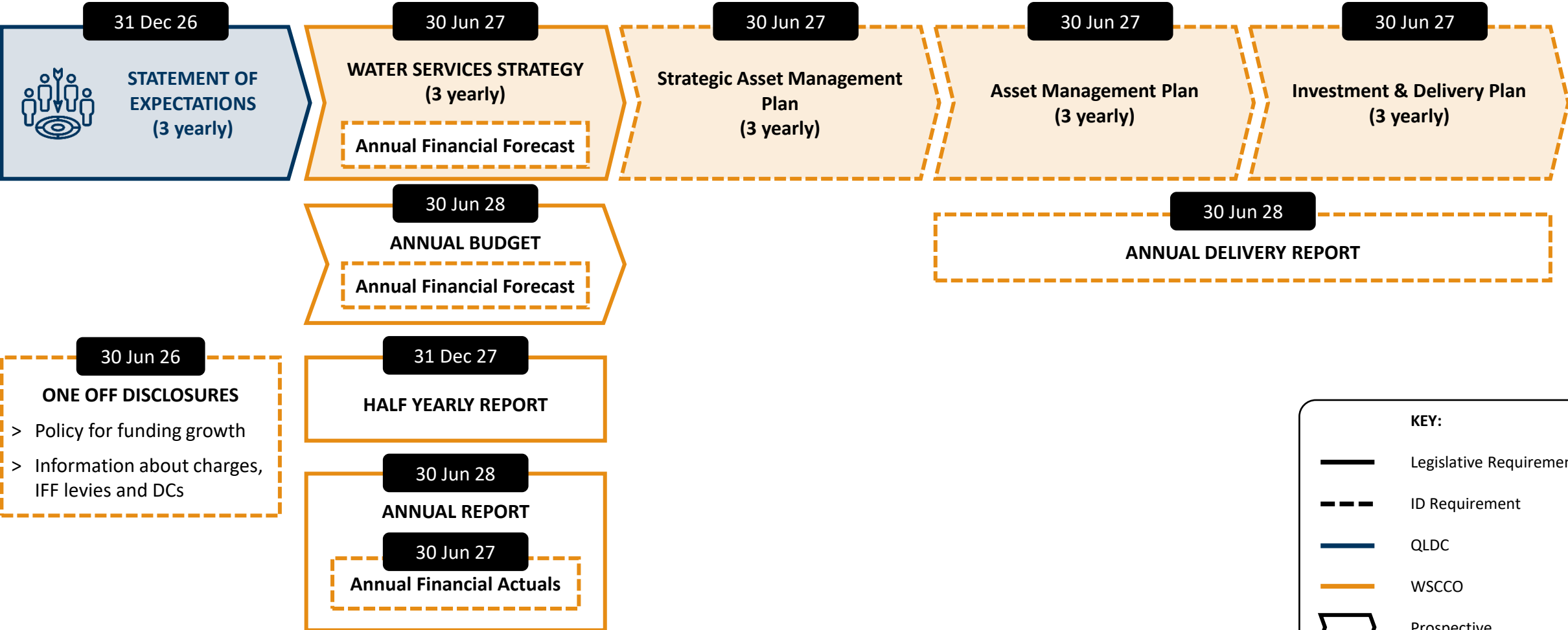
**See analysis report from Simpson Grierson, Attachment D**

# Matters still to resolve:

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**Role of iwi and the constitution**

# Water Services Planning System



**KEY:**

- Legislative Requirement
- - - ID Requirement
- QLDC
- WSCCO
- ▢ Prospective
- ▢ Retrospective

# Next Steps Councillor Input

