Quarterly monitoring report - water services delivery plan

In-House Business Unit IBU (formerly SABU)

Ashburton District Council

31 July 2026 reporting period 1 April to 30 Jun 2026

Council plans that are retaining water service delivery (In-house Business Unit)

Part A: Progress updates

Guidance on completing this table
The purpose of this section is to: • *Identify each of the key activities, deliverables and milestones involved in implementing the arrangements in an accepted water services delivery plan;* • *Identify the expected date for completing each of the identified activities, deliverable and milestone* • *State whether the activity, deliverable and milestone is on track or off track, and if off track provide commentary for why.* • *Describe any significant issues and risks associated with achieving each activity, deliverable and milestones – and the mitigations in place to overcome these issues and risks* • *Identify activity expected in the next quarter towards completion of milestones or deliverables*
Some examples of activities, deliverables and milestones that might be included
• *Complete any required service level agreement and operational handover from council* • *Financial and treasury arrangements finalised (including LGFA access if amendments are required)* • *Address financial separation / ringfencing requirements* *Note that even if your implementation plan did not cover these activities, any progress made in the last quarter should be reported here.*

Quarterly reporting period: [1 April to 30 June 2026]

Activity / milestone / deliverable	Expected completion date	On track to meet timeframe? (Yes/No)	Issues, risks and mitigations (if any)
[Add as many milestones as identified]		[Yes/No]	[Describe issues, risks and mitigations]
Define the role and function of governance for IBU, including Terms of Reference, Committee Membership, delegations, and independent appointments.	June 2026	Yes	Terms of Reference for Three Waters Committee in place, Committee members in place, delegations and independent appointment under review.
Define Strategy, Policy and Bylaw framework for the new IBU.	August 2026	Yes	Work has started, approaching other neighbouring councils to line up policies and bylaws where suitable.
Update job titles and position descriptions for existing staff within the IBU structure to align with new business requirements and confirm with People and Capability if a change management process is required for identified roles. This includes any necessary line reporting changes or team structure changes.	July 2026	Yes	Team structure established, already two additional roles recruited. Two more roles to be filled in the next quarter.

Develop detailed implementation plan, covering all aspects of IBU establishment, required tasks to meet legislative and regulatory requirements, timing, and resourcing.	August 2026	Yes	Work under way with the view to prepare a management plan for the in-house business unit.
Service Level Agreement and Terms of Reference signed off by Council	June 2026	Yes	Agreement signed off by Council in June. Implementation under way.
Update job titles and position descriptions for existing staff within the IBU structure to align with new business requirements and confirm with People and Capability if a change management process is required for identified roles. This includes any necessary line reporting changes or team structure changes.	August 2026	Yes	All team members of the IBU employed.

Expected activity in next quarter

Milestone / deliverable	Expected activity
	[Describe activity expected in next quarter towards milestone/delivery if applicable]
Define the role and function of governance for IBU, including Terms of Reference, Committee Membership, delegations, and independent appointments.	Delegations and independent appointment committee member under way.
Develop detailed implementation plan, covering all aspects of IBU establishment, required tasks to meet legislative and regulatory requirements, timing, and resourcing.	Preparing a management plan for the in-house business unit
Finalise formal Service Level Agreements (SLAs) between the SABU and other Council service providers.	Finalising agreement tasks with other departments at council.
Establish balance sheet and rates separation ensuring that Water Services revenues and expenditures are attributed specifically to water, wastewater and stormwater activities.	With the Finance Buisness Partner in place the financial ringfencing starts

Develop the three-year Water Services Strategy, independent of the Long Term Plan, outlining goals for service delivery, environmental standards, infrastructure maintenance and economic regulation compliance.	Wastewater Strategy for Ashburton received, currently under review for input in Water Services Strategy.
Review of the Development Contributions Policy	Signed off by Council. Implementation under way.

Part B: Additional monitoring information – items noted in letters of acceptance

Guidance on completing this table
The purpose of this section is to: • *Identify each of the items noted in the letter of acceptance for a water services delivery plan – where the Secretary indicated the Department would be monitoring these items;* • *Describe progress with addressing the item(s) raised – including any significant issues and risks*

Items noted in letters of acceptance	Progress update
The delivery of the capital projects programme, particularly in relation to:	
Compliance with regulatory requirements	*Physical upgrades with UV/ cartridge filtration done. Working on final documentation. Montalto water supply scheme is a mixed use rural drinking water supply. A trial with three households is under way with budget in place to address all 32 household connections in the next financial year.* *In collaboration with Taumata Arowai 4 options have been discussed to bring the scheme in compliance. Final consultation with the community is underway for final decision making in August 2026.*
Renewals to address asset condition	*Well under way, all renewal work for this financial year will be finished in June 2026.*
Renewals programme 2026/27	**All wastewater and water supply projects are out for tender with physical work start September /October 2026**