Quarterly Monitoring Report - Water Services Delivery Plan

In-House Business Unit

Christchurch City Council

30th July 2026 for reporting period 1st April 2026 – 30th June 2026

Part A: Progress updates

Quarterly reporting period: 1 April to 30 June 2026

Activity / milestone / deliverable	Expected completion date	On track to meet timeframe? (Yes/No)	Updates, Issues, risks and mitigations (if any)
DCC opportunities - Report to Council	30/09/2026	Yes	Staff have worked through opportunities for working with DCC. Report will be delivered to Council September 2026. This was put on hold while CCC staff visited DCC operational staff.
Water Services Operational Model	18/12/2026	Yes	Review of the current operating model has begun. This work is being undertaken by an external consultant.
Governance Review	30/10/2026	Yes	Staff will workshop with Council on options for future governance.
Financial Ring-fencing	31/10/2026	Yes	Staff have generated a full set of financial statements for each of the Waters included under Local Water Done Well (based on December 2025), to identify areas which cannot currently be immediately ringfenced and may require additional resource/support or changes in current approach to successfully ringfence. Work has commenced to address the identified areas, which are primarily low value accounts on the balance sheet. Staff will generate a full set of financial statements based on the financial year end 30 June 2026 once this reporting period has been finalised. This is likely to be before end October 2026. Staff have reviewed the Council overhead allocation methodology. This new methodology has been implemented in the Long-Term Plan (2027-2037) /WSS to ensure Waters are only charged for the overhead they use and there is a constant approach across Council.

			Minor changes have been made in the Council 2026/27 Draft Annual Plan, to better report the cost of waters, including reflecting the interest cost of waters in line with the balance of debt associated with waters in the WSDP and improving the definition/description of the waters targeted rates in the rating policy.
Capital Delivery and Asset Management Improvement Plan	31/12/2026	Yes	Maturity model assessment (P3M3) has been completed in addition to a rapid review on delivery processes and procedures; Next steps are developing the improvement roadmap and integrating into the combined Improvement Plan. External consultant has been engaged to review the Asset Management operating model, and Stage 1 “Validate and confirm” has been completed with its deliverable under final review. Stage 2 “People and process roadmap” it’s starting in July.
Review Asset Data Base - age and condition	31/12/2026	Yes	Data completeness assessment for water supply, wastewater and stormwater pipes has been undertaken. 98% of pipes have a remaining useful life recorded. We are working on improving inconsistent data, focused on pipe attributes. A draft Three Waters condition assessment SOP has been developed and is currently under management review. The 3 Waters and Digital project continues to progress effectively, with collaboration across both teams to support the alignment of critical asset management systems and data. Work is now underway on the initial phases of both the Asset Data Standards implementation and the associated integration solution, which will provide the foundation for improved data consistency, governance, and system interoperability. A decision paper outlining the recommended approach for the Asset Data Standards implementation and the integration tool is currently being finalised and is scheduled to be presented to the Digital Steering Board within the next few weeks. This work will support the long-term management of asset information and enable more reliable reporting, planning, and investment decision-making.

Finalise Service Level Agreements	31/12/2026	Yes	Master Service Level Agreement is with legal for review. Consultation on individual scopes is underway.
Maintenance Strategy	31/03/2027	Yes	All but one of the workshops with internal staff has been undertaken, with the last workshop planned this month (July). The consultant has already begun preparing the report and will be ready with the first draft for review due in August. No known current risks to non-delivery
Financial sustainability	30/06/2028	Yes	Primary focus of works has been on achieving financial ringfencing to support revenue sufficiency. Investment sufficiency, primary focus has been reviewing the impact of the Council capital programme deliverability review, and any impacts to investment sufficiency, work ongoing. Finance sufficiency, currently fully sustainable.

Expected activity in next quarter

Milestone / deliverable	Expected activity
Operating Cost Improvement Plan	Work will begin in August to assess opportunities.
DCC opportunities - Report to Council	Report back to council.
Water Services Operational Model	Consultant will undertake a review of the current operating model and develop the preferred pathway.
Governance Review	Workshop with Council
Financial Ring-fencing	Full financial ringfencing to be achieved.

	New finance policies in place to align with finance structure changes and process changes, required to meet ringfencing. Revised overhead allocation methodology to be finalised, and ready for incorporation into the LTP/WSS.
Capital Delivery and Asset Management Improvement Plan	Capital Delivery Improvement – Next steps are developing the improvement roadmap and integrating into the combined draft Improvement Plan. Asset Management Improvement – Develop a draft Asset Management People and Process Roadmap including AM high level operating model, accountability map, competency framework, process designs and implementation roadmap.
Review Asset Data Base - age and condition	Ingestion of data confidence results, and inclusion of some non-pipe assets (reservoirs)
Finalise Service Level Agreements	Finalise Master Services Agreement and individual scopes.
Maintenance Strategy	Last workshop to be completed and draft report prepared for review
Financial sustainability	Ringfencing works to be completed, which should ensure revenue sufficiency is achieved. Impacts on changes to the capital programme, following the deliverability review to continue.

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

Items noted in letters of acceptance	Progress update
Implementation of drinking water compliance projects	The revised Level 3 rules were released in June 2026. These are in line with what staff were expecting. Class A water would not be required to demonstrate bacterial compliance, providing a pathway for compliance.
Deliverability of capital investment programme	Capital delivery in FY26 was strong with $234M delivered. Carry forward into FY27 was only $250k. Capital program delivery for FY27 is $274M. • Capital delivery improvements identified through the review process are being implemented. • Capital Programme Director (new role) started in July. • Continued focus on the WWTP with focus on resourcing.