Quarterly monitoring report - water services delivery plan

In-House Business Unit

[Rotorua Lakes Council]

[31 July 2026 for p/e 1 April 26 to 30 June 26]

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

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)	Issues, risks and mitigations (if any)
Waters Working Group	Monthly (April/May/June) hui to work through programme to inform study of potential multi council WSCCO	Yes	• Head Start (HS) programme and timing has added another dimension to the conversations of the respective councils which signed the HOA to investigate a multi-council WSCCO. • Programme will continue as per WSDP noting some HS decisions will be known ahead of decision points for potential multi-council WSCCO.
Undertaking study into multi council WSCCO	Managed programme to bring technical information/learnings together for councils to consider for their decision making: strategic objectives, financial, representation, ownership, representation, pricing and draft implementation plan.	Yes	As above.

Elected Members Workshop/s	Understand the technical inputs for the draft WSCCO investigation reports	Yes	Additional workshops with RLC EMs to share technical inputs developed by the WWG for the WSCCO investigation report.
Iwi Engagement	Varied and tiered activity to advise of progress and seek views on long term water services delivery option	Yes	• Rotorua has a complicated iwi relationship space to navigate with many landowners, hapu and iwi with interests in settlements, agreements, assets and land involved with water services delivery and management. • Engagement has been targeted to reflect and acknowledge the landscape and importance of current relationships/agreements/obligations.
Adress financial ringfencing of IBU	July 26	Yes	Progress reporting in fortnightly project steering group meeting
Information disclosure to CommComm	June 26	Yes	Completed as per request.

Expected activity in next quarter

Milestone / deliverable	Expected activity
	[Describe activity expected in next quarter towards milestone/delivery if applicable]
Waters Working Group	Monthly (July/Aug) hui to work through programme to inform study of potential multi council WSCCO
Complete study into multi council WSCCO	Completed report expected to be tabled and resolution to pass to councils at WWG hui on 17 August in Rotorua. Draft will be tabled at WWG in July.
Elected members Workshop	(25 Aug) questions and discussion on final report on WSCCO investigation received from WWG.
Elected Members determine preferred option for consultation	(September) Assess need for public consultation for future water services delivery option
Iwi Engagement	Varied and tiered activity continues to advise of progress and seek views on long term water services delivery option for Rotorua district

Community Engagement	Activity across Q3 to gather views/input for elected members decision-making
Reporting RLC	Maintain Elected members awareness. Update on WSDP implementation progress to RLC's Infrastructure Committee.
Ringfencing/separation of IBU	Clear separation and reporting capability. Financial and treasury arrangements completed. Full understanding of IBU to support decision making of elected members for water services delivery pathway in early 2027, as per WSDP
Water Services Strategy	Continue development for consideration by elected members Q4 of 26 and consultation in Q2 27 (alongside LTP)

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

Items noted in letters of acceptance	Progress update

Capital Delivery Programme	**Capital Delivery** **In general, the water services capital delivery programme remains on track, with delivery progressing across all active projects. While there are recognised risks and dependencies particularly around scope confirmation, consenting, property access and cost pressures — these are well understood and actively managed, with mitigation measures in place. Renewals: On track, Level of Service: On track, Growth: Timing of growth projects are dependent on timing of future developments.** **Major Projects** • **The IAF funded Stormwater programme has reset in response to NIFF feedback to improve deliverability and cost certainty. While confirmation of the revised funding settings remains a key dependency, Council has maintained programme readiness through controlled at-risk activities and strengthened governance, ensuring the programme is positioned to proceed once confirmation is received.** • **The Wastewater Treatment Plant upgrade is in its final delivery phase and transitioning into commissioning as planned. Risks are consistent with this stage of delivery and are being managed through established quality, safety, and commissioning controls. The project is currently forecast to be completed within the approved budget envelope.** • **The Recovered Water Project continues to work with the community to identify a suitable location for the discharge of treated wastewater.** • **Tarawera Stage 2 continues to progress toward its scheduled completion date, with strong community acceptance. Delivery risks remain for a small number of properties due to legal, consenting and access constraints, and there is a potential funding risk under review. Mitigations are in place, including alternative delivery pathways and assessment of a future stage to manage residual risk without compromising the broader programme.**

Investigation of Joint WSCCO	**Milestones to date achieved as reported above. Work programme in place. Waters Working Group meeting monthly to progress. Final report due in August after which the WWG will disband.**