

F22/55/05 – D25/32073

Date: Tuesday 26 August 2025 at 11.30am
Venue: Council Chambers, 63 Miranda Street, Stratford

Present

The District Mayor N C Volzke (the Chairman), the Deputy Mayor – M McKay, Councillors: G W Boyde, S J Beck, A M C Dudley, J M S Erwood, A K Harris, E E Hall, V R Jones, W J Sandford and M J Watt.

In attendance

The Chief Executive – Mr S Hanne, the Director – Assets - Mrs V Araba, the Director – Environmental Services – Mr B Sutherland, the Director – Corporate Services – Mrs R Johnson, the Director – Community Services – Ms K Whareaitu, the Committee Advisor and Executive Assistant – Mrs E Bishop, the Communications Manager – Ms G Gibson, two members of the media (Stratford and South and Taranaki Daily News) and four members of the public.

1. Welcome

The District Mayor welcomed Elected Members, members of the public, staff and the media to the meeting.

The opening karakia was read.

The District Mayor reiterated the health and safety message and emergency procedures.

2. Apologies

An approved leave of absence for Councillor C M Tongaawhikau was noted.

Recommendation

THAT the apology be received.

VOLZKE/BOYDE
Carried
CL/25/82

3. Announcements

There were no announcements.

4. Declarations of members interest

Elected members to declare any real or perceived conflicts of interest relating to items on this agenda. There were no conflicts of interest declared.

5. Attendance Schedule

The Attendance schedule for Ordinary and Extraordinary Council meetings was attached.

Recommendations

1. THAT the report be received.

VOLZKE/HARRIS
Carried
CL/25/83

Recommended Reason

As per earlier discussion with elected members, following community engagement and a decision on Council's direction forward regarding the delivery of water services for the Stratford District, it is a legislative requirement to submit a Water Services Delivery Plan by 3 September 2025 to the Department of Internal Affairs.

The Chief Executive noted the following points:

- This document is the culmination of 5-6 years of work and this is the furthest along these reforms have gotten. This is one of the last two steps in the process – council adopting the plan is a legislative requirement and then the Chief Executive is required to authorise and sign confirming the accuracy of information used. It will then be submitted by 3 September.
- It was noted that council was requested to submit a copy of the draft plan to DIA by 1 August as they were concerned about our fiscal ability, however due to the document being under financial and legal review we did not think it prudent to submit the document in its current form, therefore submission of the draft was delayed. Since it was submitted to DIA they have replied with a two page document stating that the overall draft plan provides a comprehensive view of how council intends to deliver in-house water delivery and making comments and points they would like further illustrated in the data. There were also three questions that have already been answered. He felt their response has given him faith that we can do what our community wants us to do.

Questions/Points of Clarification:

- The District Mayor noted that even with the complexity of the reforms and the amount of detail required in the plan he had found it a straightforward read with common language and wording. He stated the plan addresses everything it needs to and there were good explanations of the criteria that we are required to meet. He felt very optimistic that the plan will be adopted by the DIA having been able to answer their queries. He commended the staff who have put this together and reiterated that this document was over 5 years worth of work.
- The Chief Executive clarified that the new positions stated in the document were identified as being required to run a standalone business unit and are additional roles. The organisation chart captures the additional and current roles to make one team. The cost of these roles has been captured in the total cost and is a key driver of the higher total cost.
- Mr Hanne clarified that the \$50 million allocated for waste water services was not in the spreadsheet as it fell outside of the 10 year period (being in Year 12 and 13 of the LTP), however it would have been disingenuous not to have included it as part of the bigger picture with this delivery plan. He noted that they have actively talked about flattening this spike in the lead up to the renewal of the resource consent and also that this budget was based on current legislation and could change depending on what is expected of council. This will need to be reconsidered every three years on what is the right timeframe and associated costs with it. It was acknowledged there are significant reforms underway for resource management but the impact it could have on this is unclear.
- Councillor Boyde commended management and staff for the delivery of the plan. He noted this highlighted the proactiveness of this council and why an inhouse model is miles ahead of a regional model for Stratford.
- Councillor Hall questioned why the Director – Environmental Services was not included in the steering group under the governance structure? Mr Hanne clarified that as a regulatory manager this position wears multiple hats, therefore removing conflicts of interest was one the

drivers to not including this role. He also noted the purpose of the group was to focus on change management, decision making and risk modelling rather than the environmental delivery.

- Councillor Hall noted she struggled to understand the concerns by central government over the model that has been chosen as the financial modelling clearly states this is a viable option. She asked if elected members should hold concerns over the viability of this decision? Mr Hanne noted there are a couple of graphs that show council getting close to their borrowing limits but there has been a bit of work to ensure those financial events are delivered within a suitable timeframe/window. The plan has used worst case scenarios so there is plenty of room for it to be a less significant event. Conversations with Iwi will also form a large part of this and how potential works resonate with Iwi and Fish and Game. Officers have also looked at earlier debt repayment to stay back from the limits.
- Councillor Harris noted her concern regarding the cost to the consumer and the perception that an inhouse model was going to be business as usual. She reiterated the fact that whatever model is chosen it is going to cost more to produce water. She asked what the process would be to charge per SUIP instead of each connection? Mr Hanne confirmed this would be an Annual Plan or Long Term Plan conversation but would also depend on the tariff discussions and whether council charges one fee regardless of how many SUIPS are on a piece of land or will it be per SUIP. He noted there could be the situation with multiple dwellings independent from each other being serviced by one water meter, this isn't fair and does not drive the conservation elements that council is trying to achieve. He confirmed the consideration of the rating base changes had been factored into the modelling.
- It was clarified that the stormwater targeted rate would be instead of the UAGC stormwater component.
- The District Mayor noted that it was important for everyone to understand that regardless of the model it will cost more. The net expenditure across the system is significantly increased under both an inhouse and a regional model and this is not a saving compared to the current rate it is a saving against the other model presented.
- Councillor Beck congratulated staff and felt the document was set out so well that the general public can read and understand it. He asked if the 500% borrowing was just for water? Mr Hanne clarified that this was the legal borrowing capacity the government had set for CCO borrowing so have used this measure as an indicator despite not going down the CCO route.
- The Deputy Mayor asked for comment on any other communication with DIA noting it was noted on page 13 that it had been reviewed and no issues had been identified to date. Mr Hanne clarified that this was an earlier review that the DIA had undertaken and was less formal – they did not identify anything material at the time. He noted they had received the letter regarding their concern about sustainability and then the feedback on the draft last week. Having responded to their core questions we have since had appreciation noted for turning those around so quickly.
- Mr Hanne noted the resolution allows for editorial amendments and non-material changes if required.
- Councillor Erwood acknowledged the hard work of the staff on this and the community for having gotten involved and given their feedback. He questioned the 2025 adoption date on Page 10, 4.5.1 and Mr Hanne confirmed he would check this date.

Recommendations

2. THAT Council approves the Water Services Delivery Plan included in this report.
3. THAT Council authorises the Chief Executive to make any minor amendments, adjustments or editorial changes to the approved Water Services Delivery Plan, provided such changes do not materially alter the intent, scope or outcomes of the Plan prior to submission for approval or during any subsequent engagement with central government.
4. THAT Council Instruct the Chief Executive to submit the Water Services Delivery Plan to the Department of Internal Affairs for Approval by 3 September 2025.

BOYDE/HALL

Carried

CL/25/84

Recommended Reason

As per earlier discussion with elected members, following community engagement and a decision on Council's direction forward regarding the delivery of water services for the Stratford District, it is a legislative requirement to submit a Water Services Delivery Plan by 3 September 2025 to the Department of Internal Affairs.

7. Closing Karakia

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The closing karakia was read.

The meeting closed at 12.07pm

N C Volzke

Chairman

Confirmed this 9th day of September 2025.

N C Volzke

District Mayor