

**MINUTES OF CARTERTON DISTRICT COUNCIL  
ORDINARY COUNCIL MEETING  
HELD AT THE CARTERTON EVENTS CENTRE, 50 HOLLOWAY ST, CARTERTON  
ON WEDNESDAY, 20 AUGUST 2025 AT 2:30 PM**

**PRESENT:** Mayor Ron Mark, Deputy Mayor Steve Cretney, Cr Brian Deller, Cr Robyn Cherry-Campbell, Cr Steve Laurence, Cr Grace Ayling (via videoconference), Cr Lou Newman, Cr Steve Gallon, Joel Ngātūere (Ngāti Kahukuraāwhitia)

**IN ATTENDANCE:** Geoff Hamilton (Chief Executive), Solitaire Robertson (Group Manager Planning and Regulatory), Glenda Seville (Group Manager Community and Facilities), Johannes Ferreira (Group Manager Infrastructure), Marcus Anselm (Communications and Engagement Manager) via videoconference, Robyn Blue (Democratic Services Officer), Katrina King (Democratic Services Officer)

**1 KARAKIA TIMATANGA**

The meeting opened with a karakia by all members.

**2 APOLOGIES**

There were no apologies received.

**3 CONFLICTS OF INTERESTS DECLARATION**

There were no conflicts of interest declared.

**4 PUBLIC FORUM**

There was no public forum.

**5 DISCUSSION OF PUBLIC FORUM**

Not applicable.

**6 YOUTH COUNCIL VIEWS ON AGENDA ITEMS**

Nil.

**7 CONFIRMATION OF THE MINUTES**

Nil.

## 8 REPORTS

### 8.1 LOCAL WATER DONE WELL - ADOPTION OF WATER SERVICES DELIVERY PLAN

#### 1. PURPOSE

For Council to:

- consider adoption of the Carterton District Water Services Delivery Plan (WSDP).
- consider approving the joint Wairarapa – Tararua Commitment Agreement.
- note the consolidated joint Wairarapa - Tararua Water Services Delivery Plan, and
- consider approving these for submission to the Department of Internal Affairs.

#### NOTED

- CDC Chief Executive, Geoff Hamilton, noted the following:
  - The paper presented in the council meeting is a reflection of over four years of work and re-work on Water Reforms which have been progressed by both Labour and National, Act NZ First coalition governments.
  - At the Council meeting on 9 July 2025 Council requested Officers develop a WSDP for a Wairarapa-Tararua WSDP, but continue with a plan for a stand-alone WSDP as a back-up option.
  - Masterton, South Wairarapa and Tararua District Councils have today all passed joint Wairarapa-Tararua LWDW WSDP resolutions without changes or amendments.
  - Should Council wish to proceed with a stand-alone option, resolutions have been prepared for that course of action.
  - The CE has received legal advice regarding the effect of changes in modelling assumptions on Council's ability to rely on LWDW Consultation (legal advice attached to the report). This advice notes that the purpose of LWDW Consultation was to help Council decide the best way to deliver water services. It was not a consultation on the price of water services. Modelling assumptions have been updated since the consultation, including a more conservative approach to expected capital efficiencies within the joint WSO. Forecast prices after ten years were estimates, based on assumptions, and should be considered accordingly.
  - The CE discussed with the Department of Internal Affairs (DIA) the question of whether Affordability measures will be taken into account in considering approval of a WSDP. The DIA confirmed that this is not a factor in their decision-making process.
  - The regulatory regime included in Bill 3 contains a number of steps that regulators can take to help guide WSOs achieve compliance, and affordability. The most relevant of these is Information Disclosure – seeking information from the WSO on how they plan to achieve these twin goals. The Regulator for WSOs has not been granted automatic powers to set prices or over-ride non-harmonisation clauses agreed between Councils. Officers consider the risk of the non-harmonisation

clauses being over-ridden by the Regulator as low, or very low within the 9 year exclusion period.

- Officers have received feedback from DIA that should Council decide to proceed with a stand-alone option it is likely that DIA would step in to support the four councils to resolve the issues with a view to getting a joint WSDP submitted within the legislated timeline. The deadline for submission remains 3 September 2025.
- There was lengthy discussion by the elected members about the benefits, disadvantages and risks of the following options:
  - Option 1 - choosing a standalone in-house CDC Water Services Entity
  - Option 2 – choosing a standalone CDC Water Services Organisation (WSO) that would be structurally separate from Council
  - Option 3 – joining the Joint Wairarapa-Tararua WSO.

Key discussion on the advantages, disadvantages and risks of each option follows:

#### Option 1

- A CDC standalone option may have difficulty retaining specialist waters staff.
- Limitation of borrowing with a CDC standalone option would be counterbalanced by the lower 175% to revenue measure being based on total council revenue, not just water services revenue. At 30 June 2025 Council's net debt was 88% debt to revenue.
- Continuing with Option 1 may create political risks as the Government has been clear that it prefers councils working together to form joint WSOs.

#### Option 2

- A structurally separate WSO is likely to attract less immediate attention from water services economic regulators and central government.
- The key risks are similar to Option 1, for example, the possible reduced ability to attract skilled staff. However, this option increases the risk that the LGFA maximum 500% debt cap may be insufficient to fund major capital upgrades should these become necessary, particularly after 9 years.
- This option would crystallise the risks around stranded overheads as the entity would be structurally separate from other council activities.
- There would be additional costs to create a new legal entity and separate assets, and implement new financial and operational systems, and new governance and management structures.

#### Option 3

- A structurally separate, joint WSO would attract less attention from water services economic regulators and central government.
- The joint WSO may be better able to attract skilled staff, and there would be improved staff development opportunities.
- Under this option, capital efficiencies are anticipated to accrue at around 4-6% over time.

- A minimum nine-year harmonisation period has been agreed, and the ability for the regulator to override this is considered to be low.
- The four councils will be able to borrow from the LGFA as a single entity, and spare borrowing capacity will be able to be used in times of need by other councils,
- The risk of a separate governance Board setting direction for the WSO would be managed by a Letter of Expectations.

Councillors for the decision of a joint WSO stressed the need to take a longer term view, noting there would be benefits to the Wairarapa as a whole. It was noted that the policy intent is for regional entities, the long-term benefits would outweigh CDC being stand-alone, and 70% of those who provided a submission supported the joint WSO option.

Councillors against the decision of a joint WSO noted there was no difference in costs between a standalone and joint option for 9 years, being “in house” would reduce stranded overheads, and the need to wait to make a fully informed decision. They emphasised they were making the decision for Carterton, not the Wairarapa.

## RECOMMENDATIONS

That the Committee:

- **Receives** the report.

Cr R Cherry-Campbell / Cr B Deller

## CARRIED

- **Approves** the attached Water Services Delivery Plan for Carterton District Council as part of a Wairarapa-Tararua Water Services Organisation for submission to the Department of Internal Affairs.

Mayor R Mark / Cr S Laurence

For – Mayor R Mark, Cr B Deller, Cr R Cherry-Campbell, Cr S Laurence

Against – Deputy Mayor S Cretney, Cr L Newman, Cr G Ayling, Cr S Gallon

Casting vote – Mayor R Mark

## CARRIED

- c) **Approves** the attached Commitment Agreement to be submitted to the Department of Internal Affairs in support of the Water Services Delivery Plan.
- d) **Delegates authority** to the Chief Executive the ability to make final changes to the Water Services Delivery Plan and Commitment Agreement, prior to Chief Executive certification of the plan and submission to the Department of Internal Affairs.
- e) **Instructs** the Chief Executive to begin preparation of the Water Services Organisation Constitution and Shareholders' Agreement in line with the Commitment Agreement.
- f) **Notes** that final form versions of the Constitution and Shareholders' Agreement will be brought back to the Council for approval.

Cr R Cherry-Campbell / Cr Laurence

For – Mayor R Mark, Cr B Deller, Cr R Cherry-Campbell, Cr S Laurence

Against – Deputy Mayor S Cretney, Cr L Newman, Cr G Ayling, Cr S Gallon

Casting vote – Mayor R Mark

**CARRIED**

g) **Notes** consideration has been given to whether further consultation on LWDW was required, and it was determined that it was not, for a number of reasons including:

- i. Consultation was about the future service delivery model for waters, not the price of water services.
- ii. Council has considered the views and preferences of persons likely to be affected by, or to have an interest in, the delivery of water services.
- iii. Council knows the views and preferences of persons likely to be affected by, or to have an interest in, the future delivery of Water Services; and
- iv. Council is aware of the nature and significance of this decision, including its likely impact from the perspective of the persons who will or may be affected by, or have an interest in the decision.

Mayor R Mark / Cr B Deller

**CARRIED**

## 8.2 WATER SERVICES DELIVERY PLANS - SOUTH WAIRARAPA, MASTERTON AND TARARUA DISTRICT COUNCILS

### 1. PURPOSE

To provide Council with the Water Service Delivery Plans from South Wairarapa, Masterton and Tararua District Councils.

**NOTED**

That the Council:

1. **Received** the reports.

## 9 KARAKIA WHAKAMUTUNGA

The meeting closed with a karakia by all members.

**The meeting closed at 4.28 pm**

**Minutes confirmed:** .....

**Date:** .....