



NOTICE OF MEETING

**Notice is hereby given of the Meeting of the
Water Committee to be held in
the Council Chamber, First Floor, Civic Theatre,
88 Tay Street, Invercargill on
Tuesday 1 September 2026 at 9.00 am**

Cr G M Dermody (Chair)
Mayor T Campbell
Cr S J Broad
Cr A H Crackett
Cr B R Stewart
Matua M Bain
Mr L Babe

MICHAEL DAY
CHIEF EXECUTIVE

Water Committee - Public

01 September 2026 09:00 AM

Agenda Topic	Page
1. Apologies	
2. Declaration of Interest	
a. Members are reminded of the need to stand aside from decision-making when a conflict arises between their role as an elected representative and any private or other external interest they might have.	
b. Elected members are reminded to update their register of interests as soon as practicable, including amending the register at this meeting if necessary.	
3. Public Forum	
3.1 Thriving Southland - Richard Kyte and Jeff Grant	
4. Minutes of the Water Committee Meeting held 7 July 2026	4
5. Formalisation of Wastewater and Stormwater Lateral Ownership	12
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9. Public Excluded Session	

Public Excluded Session

Moved , seconded that the public be excluded from the following parts of the proceedings of this meeting, namely:

- a) Minutes of the Public Excluded Session of the Water Committee held on 7 July 2026
- b) Primary Infrastructure Programme: Alternative Water Supply Project Update August 2026

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
a) Minutes of the Public Excluded Session of the Water Committee held on 7 July 2026	Section 7(2)(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations	Section 48(1)(a) That the public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7
b) Primary Infrastructure Programme: Alternative Water Supply Project Update August 2026	Section 7(2)(b)(ii) Protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	Section 48(1)(a) That the public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7

**MINUTES OF WATER COMMITTEE, HELD IN THE COUNCIL CHAMBERS, FIRST FLOOR,
CIVIC THEATRE, 88 TAY STREET, INVERCARGILL ON TUESDAY 7 JULY 2026 AT 9.00 AM**

Present: Cr G M Dermody (Chair)
Mayor T Campbell
Cr S J Broad
Cr B R Stewart
Matua M Bain – Pou Manawhenua – Waihōpai Rūnaka

In Attendance: Mr M Day – Chief Executive
Mrs T Hurst – Group Manager – Community Engagement and Corporate Services
Mr R Capil – Group Manager – Community Spaces and Places
Mr J Shaw – Group Manager - Consenting and Environment
Mr M Keil – General Manager – Water Services
Mr A Strahan – Three Waters Advisor
Mr R Keen – Manager 3 Waters Operations
Ms R Suter – Manager – Strategy and Policy
Ms P Burke – Team Leader – Governance and Executive Support
Mr A Eng – Team Leader – Communications
Ms M Broad – Executive Support

1. Apologies

Mr L Babe, Cr A Crackett

Moved Cr Stewart, seconded Cr Broad and **RESOLVED** that the apologies be accepted.

2. Declaration of Interest

Nil.

3. Public Forum

Nil.

4. Minutes of the Water Committee Meeting held on Tuesday 2 June 2026
A6471723

Moved Cr Broad, seconded Mayor Campbell and **RESOLVED** that the Minutes of the Water Committee meeting held on Tuesday 2 June 2026 be confirmed.

5. 3 Waters Operational Performance – May 2026

A6451240

Mr Russell Keen spoke to this report . Indicated May was a standard month, noted reduced wastewater flows due to reduced rainfall and infiltration. There was an increase in flows from the Branhorne plant. In response to a query on increased water use in winter it was indicated it was unclear.

In response to a request for a table of volumes through the Wastewater Treatment Plant and rainfall levels for 12 months rolling, it was confirmed this was possible with data collected on the Scada system and was going to be included for the end of financial year report next month.

In response to a query on the Omaui oxidation pond and scoping report from Harrison Grierson, it was noted the consent due in 2029 and workshop discussions on Clifton resulting in the Omaui system being placed on hold awaiting further direction as an option included Slopehead which passed the Omaui site.

In response to a query on blockages and what would be expected, acknowledging the age of the network, it was indicated age was a driver for asset replacement not for serviceability and that the network was performing well. Noted blockages usually originate from private properties, caused by what was put down the toilet usually wet wipes which catch in the network.

In response to an education drive like that of waste management to draw attention to blockages, it was noted from time to time flyers were included with the rates, water education policy on stormwater, freshwater management staff went to schools and school tours of the wastewater plant.

Support shown for further information including infiltration and if improvements seen as replacement continues, it was indicated there was difficulty showing infiltration over a short period, of the 300km network only renew approximately 8km a year, this would take 5-10 years to indicate a change. It was acknowledged the significant amount of infiltration over the private network which made it difficult to capture and break down.

In response to a query on capital delivery and low tender response, it was noted this was a focus, with a desire to accelerate and deliver a large portion of work at a high standard. Currently seeing an uptake in interest from suppliers both within and outside Invercargill.

Noted on page 4 the 3 Waters assets sewerage network should be 376 km.

In response to a query on earthenware pipes, it was clarified these were a glazed clay fired pipe, good for sulphur resistance, available in short lengths. No longer used due to number of joints resulting in potential for leaks.

In response to query on the amount of replacement on the network in the 1960's, it was indicated this was due to the Tiwai expansion and expected growth in the city which led to larger pipes being installed around Clifton and attributed to the size of the Clifton Wastewater Treatment Plant, however the expected growth did not occur. Clifton, Waikiwi and Grasmere were all growth areas.

Moved Cr Broad, seconded Mayor Campbell and **RESOLVED** that the Water Committee:

1. Receives the report "3 Waters Operational Performance – May 2026".

6. ICC Water Services Business Unit Project Status Update

A6510613

Mr Andrew Strahan spoke to the report. Key update for 30 June milestones was the go live for ringfencing changes have occurred. Commercial water users advised on new bank accounts, all changes in and gone live.

Community Access to Drinking Water review submitted to Taumata Arowai, awaiting feedback. Growth Policy and Fees had been submitted to the Commerce Commission. Valuation on stormwater laterals received and now feeds into decision/analysis paper which would be brought to the Water Committee in August.

Outlined planning for the next 12 months, to 30 June 2027 Commerce Commission information disclosure requirements. building on the Water Services Strategy and Strategic Asset Management Plan (SAMP). When response received from Taumata Arowai would start rolling out engagement plan to water suppliers which are not part of the network. Detailed planning for next 12 months in detail was the focus over the next 4 weeks.

In response to a query on the access for drinking water stakeholder engagement process and plan, it was noted this was appended to the report, acknowledging it would require refinement prior to rollout and communications material would come to the committee before distribution. Clarified this was targeted to specific businesses and organisations for awareness of Taumata Arowai requirements and dates for compliance.

Moved Mayor Campbell, seconded Cr Stewart and **RESOLVED** that the Water Committee:

1. Receives the report titled "ICC Water Services Business Unit Project Status Update".
2. Notes the current programme status as set out in the Status Update and Project Dashboard (Attachment 1).
3. Notes the Draft Milestone Plan (Attachment 2), including key regulatory milestones and associated project deliverables through to June 2027.

7. 2027 – 2037 Water Services Strategy and Water Service Delivery Plan/ Long-term Plan Capital Programme Interim Position

A6516579

Ms Rhiannon Suter spoke to the report. Noted this was a process development paper for the Long-term Plan, Water Services Strategy and updated Water Services Delivery Plan and provided an interim position for planning purposes on the capital programme. Noted that variables the Committee and Council would need to consider for the final plan were outlined in the report, recognising consultation in March/April and audit that would occur.

Concern raised on figures, acknowledging the interim position of the report. In response to a query on rolling back the projects, it was noted there were multiple steps the Committee or Council could take to roll back a project, rephrase or amend the scope which could occur at any time including when the Plan was adopted, allowing the project to be refined as further information received. It was noted that everything in the paper was presented in the workshop.

In response to the Bluff Wastewater project including the wetland, it was noted this project was going through the consenting process, budget was based on current information and what may be required, decision had not been made and recommendation was to include the higher cost. During the Annual Plan it was agreed the budget was to remain and the Water Committee would make a decision in due course.

Capital and opex figures for Bluff discussed no change to capital and operational forecast. The budget was not amended following the decision to remain with status quo, acknowledging consenting had not been completed. It was clarified following the sitting analysis from most expensive to cheapest and agreed prior to process halted a couple of solutions and as did not go further kept budget to cover all options.

Concerns raised that there were a number of items listed to be recommended to Council which had been discussed previously and agreed would not be recommended, such as wetlands for Bluff, Alternate Water Project was to be an emergency supply, water meters had not been approved, reticulation extension and capacity to Bluff was to be considered when there was a project which required supply. Concern that these were not what had been discussed and would not want to recommend to Council. It was noted requirement to do a 30 year strategy for Infrastructure and Water Services which was to speak to Infrastructure in the later years of the Plan, noted the Long-term Plan process and capital budget period, recognising that later years were tentative and some projects could be removed over time. Noted all items were as per discussion in the workshop with the exception of Clifton based on further consenting advice received. The committee could suggest alternative positions noting this was an interim report and anything removed can be brought back in.

In response to a query on funding growth projects, potentially would attract some form of development levy funding and required to forecast funding for this in the next phase. Did not yet know what industry requirements would be and working on assumptions with consultants. Network capacity no changes in phasing proposed as no significant new information yet acknowledging this could change once the Spatial Plan completed. In response to query on more wastewater if industry demand in Bluff increased it was acknowledged there would be however the plant had capacity available for growth.

Network expansion in Bluff in the current Long-term Plan noted revenues not modelled into the Long-term Plan due to changes in the levy structure, audit advice and better understanding of industry growth noting the aquaculture strategy document did not exist and were only forecasts from Great South, Econometric still working through information.

Discussion on the Long-term Plan process of completion every 10 years with reviews every 3 years to allow for changes. Discussions on projects and suggestion to rename or remove some of those listed. Council decisions to date related to consenting process

and applications for consenting noting Bluff status quo related to the consent for 2 years, the final project was still to be decided. Noted discussions on the name of the Alternative or Emergency Water Project either title suitable, acknowledged funding discussions. Noted decisions not made on the final outcome of the projects but short term consents lodged for the projects.

Discussion on amending the recommendations removing projects or amending the wording to indicate early stages and changes likely to occur. It was noted the workshops could take a more conservative position, noted risks and noted currently only talking about the budget position. Concern raised that the most expensive options had been included.

It was indicated Committee needed to recommend 30 years to Council which indicates first 10 years of the Long-term Plan, and why many of the components shown as would be for the next 30 years. Discussion on the need to indicate 30 years to Council and how this would go through to Council, noting minutes would go to Council. Noted complexities and indicated the project for development levies had to be included to enable ability to charge developers. Clarified needs to be in the Plan and could be brought forward.

Discussion on the alternate/emergency water project cost. It was noted project obtaining, distributing and treating water with a fourth of storing in southern part of reticulation on Tramway Road. Discussion on treatment indicated boil notice would be catastrophic for the city. Reminded the Committee still reaffirming the takes from Awarua and the aquifer reactions so this project may go from being emergency to alternate supply.

Recommendation B for Bluff discharge, past discussions noted and lack of support as currently amended as no decision made only on the 2 year consent to allow better line of sight. It was noted need to reaffirm obligations in regards to the Wastewater Environmental Performance Standards (WEPS) and obligations from Environment Southland, could require Land and Coastal Plan obligation contrary to WEPS. Chair acknowledged uncertainty and requirements that could be placed by the regional council.

Discussion on including wetland for Bluff in the recommendations and costs, acknowledging need to meet WEPS requirements and Environment Southland possible additional requirements. Costs and inclusion of potential wetlands in wording and avoiding providing direction on decision. Acknowledged first under WEPS, new legislation and possible requirements from Environment Southland creating many unknowns. It was outlined the process for application, agreement from affected parties and consent lodged to Environment Southland required 6 months prior to the expiry. Staff would have a programme by the next meeting.

Moved Mayor Campbell, seconded Cr Stewart and **RESOLVED** that the Water Committee:

1. Receives the report "2027 – 2037 Water Services Strategy and Water Services Delivery Plan / Long-term Plan Capital Programme Interim Position".

2. Notes that Council, in line with DIA advice for Council's operating an enhanced in-house service, is delivering the Water Service Strategy and Water Service Delivery Plan in parallel with the Long-term Plan.
3. Notes all numbers in the plan do not include inflation at this point.
4. Notes that the interim position for the Water, Sewerage, Stormwater (Water Services) 2027 – 2037 Capital Programme is subject to considerable further refinement as assumptions are finalised, updated engineering and contractor information becomes available and rephasing is completed.
5. Confirms the proposed decommissioning of the Water Tower as an active part of the network (\$500,000 capital investment in pressure vessel, 2028/2029).

Recommend to Council:

6. Approves the inclusion of the following interim positions within the Water, Sewerage and Stormwater (Water Services) Capital Programmes for 30 year period:

Moved Mayor Campbell, seconded Cr Broad and **RESOLVED** that the Water Committee:

Recommend to Council:

- a. Clifton Discharge Consent Project (Average of discharge to water options, \$246 million, 2031 – 2035).

Moved Cr Stewart, seconded Cr Dermody and **RESOLVED** that the Water Committee:

Recommend to Council:

- b. Bluff Discharge Consent Project, including High Energy Coastal (\$5.86 million, 2027 - 2029).

Following further clarification Against Matua Bain, Cr Broad

Moved Cr Stewart, seconded Mayor Campbell and **RESOLVED** that the Water Committee:

Recommend to Council:

- c.
 - i Emergency Water Project (\$23.9 million, 2027 – 2031)
 - ii Alternative Water Project (\$30.8 million, 2027 – 2038)

Moved Cr Broad, seconded Mayor Campbell and **RESOLVED** that the Water Committee:

Recommend to Council:

- d. Reticulation Extension (Water and Sewerage) (\$45 million, 2037 – 2047).

Moved Mayor Campbell, seconded Cr Stewart and **RESOLVED** that the Water Committee:

Recommend to Council:

- e. Water Meters Proposing 2 phases (\$20.2 million, 2032 – 2038).
 - Phase 1 – Electronic meters, data intelligence (distribute mains) 2032 – 2033.
 - Phase 2 – Residential water metering 2037 – 2038.

Moved Mayor Campbell, seconded Cr Stewart and **RESOLVED** that the Water Committee:

Recommend to Council:

- f. Capacity on Water Network to Bluff (\$26.7 million, 2037 – 2038).

Moved Cr Stewart, seconded Cr Broad and **RESOLVED** that the Water Committee:

Recommend to Council:

- 7. Approves to incorporate the Water Tower in the Council's decision making process for the remainder of the Capital Programme as a heritage building (\$5.4 million, 2032/33).

8. Public Excluded Session

Moved Cr Broad, seconded Mayor Campbell and **RESOLVED** that the public be excluded from the following parts of the proceedings of this meeting, namely:

- a. Minutes of the Public Excluded Session of the Water Committee held on 2 June 2026

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
a. Minutes of the Public Excluded Session of the Water Committee held on 2 June 2026	Section 7(2)(b) (ii) Protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	Section 48(1)(a) That the public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7

Section 7(2)(i)

enable any local
authority holding the
information to carry on,
without prejudice or
disadvantage,
negotiations (including
commercial and
industrial negotiations

There being no further business, the meeting finished at 10.40 am.

FORMALISATION OF WASTEWATER AND STORMWATER LATERAL OWNERSHIP

To:	Water Committee
Meeting Date:	Tuesday 1 September 2026
From:	Andrew Strahan – Three Waters Advisor; Bryan Staunton - CFO
Approved:	Matt Keil – General Manager Water Services
Approved Date:	Thursday 20 August 2026
Open Agenda:	Yes
Public Excluded Agenda:	No

Purpose and Summary

To seek the Water Committee's endorsement of the recommended approach to formalise Council ownership of wastewater and stormwater laterals between the property boundary and Council's public main, and to recommend that the matter proceed through the statutory process under section 462 of the Local Government Act 1974.

The proposed change would align legal ownership with Council's existing operational practice and create a more consistent ownership boundary across the three waters services. The affected wastewater and stormwater laterals are currently privately owned and therefore do not currently form part of Council's strategic sewerage and stormwater network assets for the purposes of the Significance and Engagement Policy.

The proposal and its financial implications will nevertheless be clearly identified in the statutory Water Services Strategy (WSS) consultation material for transparency, while the section 462 public notice remains the statutory process required before Council makes a final declaration.

Recommendations

That the Water Committee:

1. Receives the report "Formalisation of Wastewater and Stormwater Lateral Ownership".
2. Notes that section 462 of the Local Government Act 1974 enables Council, by resolution and following at least 14 days' public notice of the relevant Council meeting, to declare specified private drains to be public drains.
3. Notes that wastewater and stormwater laterals from the property boundary to Council's public main have historically been treated as privately owned, while Council already has a significant operational role in managing, renewing and insuring these assets.

4. Notes the Beca draft valuation report is dated 26 June 2026, with a valuation date of 30 June 2026, and assesses the laterals at an optimised depreciated replacement cost of approximately \$107.51 million with annual depreciation of approximately \$1.96 million. The depreciation figure is a full 12-month annual amount; any first-year accounting charge would apply from the effective asset-recognition date, subject to final accounting and audit confirmation.
5. Endorses the preferred approach to formalise Council ownership of wastewater and stormwater laterals from the property boundary to the public main and recommends that Council progress the statutory process under section 462 of the Local Government Act 1974.
6. Notes that, for transparency, the proposed ownership change and its financial implications will be clearly identified in the Water Services Strategy consultation material and summary.
7. Directs officers to finalise the supporting GIS, legal and financial information and prepare the required section 462 public notice and Council decision report.

Background

Council currently owns water laterals from the public main to the toby at or near the property boundary. By contrast, wastewater and stormwater laterals from the property boundary to the public main, including sections within the road reserve, have historically been treated as privately owned, with property owners responsible for maintenance and clearing blockages. Historically Council has paid for some structural repairs within such laterals outside the property boundary on a case-by-case basis.

These laterals are generally recorded in Council's GIS as private and are not currently included in the asset register or valuation. In practice, ICC already has a significant role in managing these assets: it insures them through the Local Authority Protection Programme (LAPP), may repair damage outside an owner's control, and routinely renews older laterals as part of network renewal projects without seeking property owner approval or recompense.

Council has also historically replaced affected laterals as part of pipeline renewal programmes. Formalising ownership would therefore largely align the legal and accounting position with existing operational practice, while giving Council clearer responsibility for the portion of the lateral located outside the private property boundary.

Formalising Council ownership would establish a consistent and readily understood boundary, improve management of infiltration, maintenance and renewal, and enable the assets to be incorporated into Council's valuation, depreciation and long-term asset planning. Appendix 1 illustrates the current and proposed ownership boundary. Beca's draft valuation report is summarised in Appendix 2 and provided in full as Appendix 3.

Issues and Options

Council is separately required to consult on its Water Services Strategy. The proposed ownership change and financial implications will be identified in that material and called out in the consultation summary so the community is aware of the change in the context of the wider water services programme.

This does not make the lateral ownership decision dependent on WSS deliberations or require it to be presented as a separate consultation option.

The proposal can then progress through the statutory section 462 process, subsequent to the WSS deliberations, with the required public notice to then allow Council to make its final declaration. The options below therefore focus on whether Council should progress the ownership formalisation or retain the current private ownership position.

Option	Summary	Advantages	Disadvantages / considerations
Option 1 – Include in WSS and then proceed under 462 RECOMMENDED	Include in WSS, complete consultation process then commence the section 462 process.	- Provides transparency through the WSS process. - Aligns legal ownership with current operational practice. - Creates a consistent ownership boundary - Supports integrated asset and renewal planning.	- Introduces additional depreciation and funding requirements. - Requires clear communication of the changed ownership boundary.
Option 2 – Retain current private ownership	Do not transfer ownership of the laterals.	Avoids immediate asset recognition and depreciation.	- Retains unclear ownership and maintenance responsibilities. - Does not support integrated network management. - Operational practice remains misaligned with legal ownership.

Implications and Risks

Strategic Consistency

The proposal is consistent with the approved Water Services Delivery Plan and establishment of the Water Services Business Unit. It supports clearer accountability, integrated network management and long-term asset planning, and aligns the wastewater and stormwater ownership boundary more closely with Council's established water-service ownership approach.

Financial Implications

Beca's draft 'Wastewater and Stormwater Lateral Assets Valuation for Financial Reporting Purposes 2026' is dated 26 June 2026 and has a valuation date of 30 June 2026. Beca assessed

the optimised depreciated replacement cost of the wastewater laterals at \$63.78 million and the stormwater laterals at \$43.73 million, giving a combined value of approximately \$107.51 million. The assessed annual depreciation is rounded to \$1.96 million.

The \$1.96 million depreciation figure is an annual, full 12-month amount based on the assets and useful lives assessed at the 30 June 2026 valuation date. The assets would be recognised from the date ownership takes effect, subject to final valuation, accounting and audit confirmation. The assets would also be recognised as vested asset revenue in Council's annual report for the financial year in which ownership is adopted.

For context, Council's 2026/2027 Annual Plan levies total rates income of \$91.865 million. The \$1.96 million full-year depreciation is equivalent to approximately 2.1% of total rates income, but this should not be interpreted as a 2.1% increase for every ratepayer. Council currently funds 100% of depreciation on water assets and any additional funding requirement would be allocated through the relevant wastewater and stormwater funding arrangements. Detailed rating impacts will depend on the effective ownership date and the funding settings applying at that time. Properties without wastewater and/or stormwater connections would not be affected by the relevant targeted-rate components.

Legal Implications

The Water Committee cannot itself complete the statutory declaration. Council must pass the final resolution under section 462 of the Local Government Act 1974.

At least 14 days' public notice must be given of the Council meeting at which the declaration will be considered. The notice and supporting information must identify the affected laterals with sufficient detail for property owners to determine whether they are affected. This statutory notice is separate from the Significance and Engagement assessment and from the WSS consultation process.

Legal advice confirms that no compensation is payable for the transfer of ownership of the drains themselves. Easements or other property rights may be required where Council needs access to assets located on privately owned land.

Significance and Engagement

Officers have reassessed the proposal under ICC's Significance and Engagement Policy. The wastewater and stormwater laterals subject to this report are currently privately owned and do not form part of Council's sewerage and stormwater networks until ownership is transferred. They are therefore not currently strategic assets for the purposes of the Policy.

The Policy also recognises that engagement may not be beneficial where it would not influence a decision, including where there is only one viable option or very limited viable alternatives.

Officers consider that separate consultation on whether Council should assume ownership is not required. The proposed change primarily resolves an ownership, responsibility and accounting inconsistency and aligns the formal position with Council's existing operational practice.

Council will, however, clearly identify the proposed change and its financial implications in the statutory WSS consultation material and summary for transparency. The section 462 public notice will still be completed before Council considers the final declaration.

Risk

Risk	Mitigation
Public notice does not meet statutory requirements.	Obtain legal review of the section 462 notice and provide it at least 14 days before the Council meeting at which the declaration is considered.
Laterals are not sufficiently identified.	Include a GIS schedule and ownership-boundary map with the public notice and final Council report.
Asset condition and renewal costs are uncertain.	Incorporate the assets into Council's inspection, maintenance and risk-based renewal programmes and refine lifecycle forecasts through asset management planning.
Access rights are insufficient in some locations.	Identify affected properties and obtain easements or other access rights where required.
Property owners misunderstand the change.	Use the Appendix 2 ownership diagram and clear public information to explain which part of the lateral remains private and which part would become Council owned.
The engagement approach is misunderstood or challenged.	Document the Significance and Engagement assessment, distinguish WSS disclosure from the statutory section 462 process, and obtain legal review before the final Council decision.

Next Steps

1. Confirm Water Committee endorsement of the preferred approach and recommendation to Council.
2. Present the Water Committee recommendation to Council and secure approval to progress the preferred approach.
3. Include the proposed ownership change and its financial implications in the Water Services Strategy consultation material and summary for transparency.
4. Finalise the GIS schedule/map, Beca valuation status, accounting treatment, rating implications and legal review.
5. At the conclusion of WSS deliberations and decision making, issue the required section 462 public notice at least 14 days before the Council meeting at which the declaration will be considered.
6. Present the final declaration report to Council for decision.
7. If approved, update the asset and financial registers, communicate the new ownership boundary and identify any required access or easement arrangements – as at 1 July 2027.

Attachments

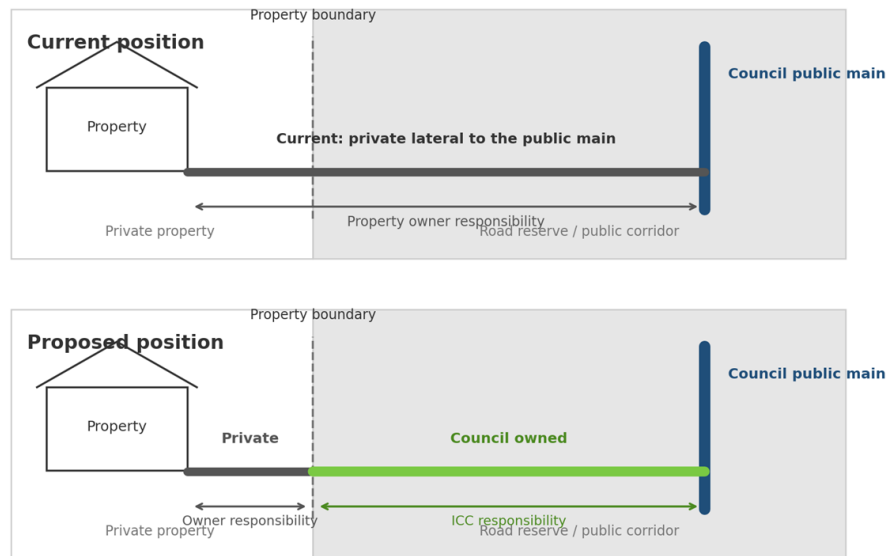
1. Appendix 1 – Wastewater and Stormwater Lateral Ownership Boundary Diagram.
2. Appendix 2 – Beca Valuation Summary.
3. Appendix 3 – Beca, Wastewater and Stormwater Lateral Assets Valuation for Financial Reporting Purposes 2026, Draft Report dated 26 June 2026 (valuation date 30 June 2026) (11122386).

Appendix 1 – Wastewater and Stormwater Lateral Ownership Boundary Diagram

Purpose: To illustrate the existing and proposed ownership boundary for wastewater and stormwater laterals. The diagram is schematic only and is not intended to replace the verified GIS schedule used for the statutory notice.

Wastewater and stormwater lateral ownership boundary

Schematic only - not to scale



Change proposed: ICC ownership moves to the section of the wastewater/stormwater lateral between the property boundary and the public main. The section within private property remains privately owned.

Key: Under the proposed change, the portion of the wastewater/stormwater lateral within private property remains privately owned. ICC would own the portion from the property boundary to the connection with the public main.

Appendix 2 – Beca Valuation Summary

Source: Beca Limited, "Wastewater and Stormwater Lateral Assets Valuation for Financial Reporting Purposes 2026" – Draft Report dated 26 June 2026. Valuation date: 30 June 2026.

Depreciation Period: The depreciation figures below are annual amounts (a full 12-month equivalent). If Council recognises the assets part-way through a financial year, the first-year depreciation charge would apply from the effective recognition date, subject to final accounting and audit confirmation.

Asset class	Optimised Replacement Cost (ORC)	Optimised Depreciated Replacement Cost (ODRC)	Annual Depreciation
Wastewater lateral	\$122,325,992	\$63,778,671	\$1,215,553
Stormwater lateral	\$74,090,383	\$43,727,025	\$738,268
Total	\$196,416,375	\$107,505,696	\$1,953,821
Grand total (rounded)	\$196.42m	\$107.51m	\$1.96m

Note: The Beca report should be read in full with its stated assumptions and limitations. The complete report is provided as Appendix 3.

Sensitivity: General



Wastewater and Stormwater Lateral Assets Valuation for Financial Reporting Purposes 2026

Draft Report

Prepared for Invercargill City Council
Prepared by Beca Limited

26 June 2026



Sensitivity: General

This report has been prepared by Beca on the specific instructions of our Client. It is solely for our Client's use for the purpose for which it is intended in accordance with the agreed Scope of Work. Any use or reliance by any person contrary to the above, to which Beca has not given its prior written consent, is at that person's own risk.

For the purpose of the valuation, this report does not consider events or circumstances arising after the Valuation Date and we have no responsibility to update the report for such events or circumstances. Our opinions on value reflect the current financial and economic conditions of the market, recent climate, and geopolitical risks. We note that the global economic, climate, and geopolitical landscape are constantly evolving and that our opinion of value reflects the circumstances prevailing at the Valuation Date, and any change in these expectations or impact on the entity could materially impact on value.

Revision History

Revision N°	Prepared By	Description	Date
1	Elaine Wang <i>Plant and Machinery Valuer</i>	WW and SW Lateral Assets Financial Reporting Valuation Report 2026 – DRAFT.	26 June 2026

Document Acceptance

Action	Name	Signed	Date
Prepared by	Elaine Wang <i>Plant and Machinery Valuer</i>		26 June 2026
Reviewed by	Robert Berghuis <i>Registered Plant & Machinery Valuer</i>		26 June 2026
Approved by	Marvin Clough <i>Job Director</i>		26 June 2026
On behalf of	Beca Limited		

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This report has been prepared by Beca on the specific instructions of our Client. It is solely for our Client's use for the purpose for which it is intended in accordance with the agreed scope of work. Any use or reliance by any person contrary to the above, to which Beca has not given its prior written consent, is at that person's own risk.

Sensitivity: General

Executive Summary

Client:

Invercargill City Council (ICC).

Intended Use of Valuation:

Beca Limited (Beca) was commissioned by ICC to assess the Fair Value of the assets detailed in the Scope for financial reporting purposes.

This valuation was completed in accordance with PBE IPSAS 17 – Property, Plant and Equipment with reference to; Property Institute of New Zealand “Guidance Papers for Valuers & Property Professionals”, specifically NZVGP502 – Valuations of Real Property, Plant & Equipment for use in New Zealand Financial Reports.

Scope:

The scope of the service completed by Beca is described as a desktop valuation of wastewater and stormwater lateral assets located at various locations within ICC’s jurisdiction.

Valuation Date:

30 June 2026.

Valuation Summary:

Invercargill City Council Lateral Assets for Financial Reporting Purposes as at 30 June 2026			
Asset Class	Optimised Replacement Cost (ORC) \$	Optimised Depreciated Replacement Cost (ODRC) \$	Annual Depreciation (AD) \$
Wastewater Lateral	122,325,992	63,778,671	1,215,553
Stormwater Lateral	74,090,383	43,727,025	738,268
Total	196,416,375	107,505,696	1,953,821
Grand Total (rounded)	196,420,000	107,510,000	1,960,000

The grand total is in New Zealand Dollars, rounded up to the nearest \$10,000 and excludes Goods and Services Tax.

Beca advises the executive summary be read in conjunction with the entirety of this valuation report.

Sensitivity: General

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Sensitivity: General

1 Introduction

1.1 Instructions

Client	Invercargill City Council (ICC)
Relying Party & Intended Use of Valuation	Beca Limited (Beca) was commissioned by ICC to assess the Fair Value of the assets detailed in the Scope for financial reporting purposes. Reliance by any other party is subject to written approval/assignment of the assessment by Beca.
Date of Inspection	Desktop only (all assets are underground)
Valuation Date	30 June 2026.

1.2 Valuation Process

In completing the valuation, Beca has:

- Completed a briefing session with ICC's asset team
- Reviewed the latest IPS asset data received from ICC for the assets being valued
- Assigned standard lives and remaining lives for the specialised assets
- Assessed the unit rates for the assets being valued based on comparable unit rates
- For specialised assets, assessed current gross replacement costs new (as a starting point for the depreciated replacement cost assessment), and determine optimised depreciated replacement costs (ODRC)
- Completed internal reviews
- Issued a valuation report and client spreadsheets for financial reporting purposes
- A supporting client spreadsheet titled "Invercargill City Council WW and SW Laterals Valuation 2026 – Draft 26.06.26".

Sensitivity: General

2 Scope of Work

The scope of the service completed by Beca is described as a desktop valuation of ICC intention to own wastewater and stormwater lateral assets.

These assets are currently privately owned between the property and the mains network. Council is transitioning to ownership from the property boundary to the mains connection point.

Inclusions:

The following assets have been included in the valuation:

- Wastewater laterals
- Stormwater laterals.

Exclusions:

The following have been excluded from the valuation:

- All other Three Waters infrastructure assets
- Land and buildings
- Leased plant & equipment
- Intangible assets
- Stock or raw materials
- Works of art
- Works in progress
- Employee's personal effects.

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Sensitivity: General

3 Basis of Value

Financial Reporting Valuations (PBE IPSAS 17)

This valuation was completed in accordance with PBE IPSAS 17 *Property, Plant and Equipment*; and Property Institute of New Zealand “Guidance Papers for Valuers & Property Professionals”, specifically NZVGP502 – Valuations of Real Property, Plant & Equipment for use in New Zealand Financial Reports.

PBE IPSAS 17 applies to the financial reports of Government departments, crown entities and local authorities.

PBE IPSAS 17 defines property, plant and equipment as tangible assets which:

- Are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- Are expected to be used during more than one reporting period.

PBE IPSAS 17 allows for property, plant and equipment to be valued on a revaluation model and paragraph 44 describes the process as:

“After recognition as an asset, an item of property, plant and equipment whose fair value can be measured reliably shall be carried at a revalued amount, being its fair value at the date of the revaluation, less any subsequent accumulated depreciation, and subsequent accumulated impairment losses. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date”.

PBE IPSAS 17 uses the concept of Fair Value, which it defines as “the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm’s length transaction”.

The PBE IPSAS 17 Application Guidance provides guidance on the estimation of fair value using the depreciated replacement cost method.

The Standard states in Paragraph 45:

“The fair value of items of property is usually determined from market-based evidence by appraisal. The fair value of items of plant and equipment is usually their market value determined by appraisal. For many assets, the fair value will be readily ascertainable by reference to quoted prices in an active and liquid market. For example, current market prices can usually be obtained for land, non-specialised buildings, motor vehicles, and many types of plant and equipment.”

“In the case of specialised buildings and other man-made structures, fair value may be estimated using depreciated replacement cost, or the restoration cost or service unit approaches. In many cases, the depreciated replacement cost of an asset can be established by reference to the buying price of a similar asset with similar remaining service potential in an active and liquid market. In some cases, an asset’s reproduction cost will be the best indicator of its replacement cost.”

PBE IPSAS 17 uses the concept of highest and best use, which is described as the highest, legally permitted, physically possible, financially feasible, and most probable use of the asset. It requires values to be based on the asset itself, independent of its actual use. The Valuer should be able to freely determine the highest and best use of the asset and value it accordingly to comply with the standard.

Sensitivity: General

4 Valuation Methodology & Rationale

4.1 Methodology

The valuation was completed based on our existing knowledge of such assets, and as agreed with ICC, it was completed on a desktop basis.

ICC supplied the current IPS data export for the assets, which included basic asset specifications, date purchased, and costs incurred. We note the necessary valuation attributes were substantially complete i.e. asset installation date, length, material and diameter.

As this was a desktop valuation the lateral assets were assumed to be in a condition relative to their age.

PBE IPSAS 17 outlines the principles for recognition, measurement, depreciation, and revaluation of property, plant, and equipment, thereby providing a consistent framework for transparent financial reporting. Infrastructure assets, for example, sewer systems, are characterised by being part of a system, specialised in nature, immovable, and often having no alternative use. They meet the definition of property, plant, and equipment and are accounted for accordingly.

In accordance with Section 2.1.3 of the Apopo Guidelines, infrastructure assets are generally considered to be of a specialised nature. This is often attributable to unique physical or geographical features that significantly limit their utility beyond their original intended function.

Therefore, the Depreciated Replacement Cost (DRC) approach is generally the most appropriate basis for determining the fair value of assets which are of a specialised nature and used to value ICC's lateral assets within the scope of works.

4.2 Market Considerations

We have utilised the ODRC methodology and do not directly look at a tradeable market for the assets. However, market evidenced building construction costs, estimated effective lives and market derived economic or functional obsolescence factors are key components to the valuation.

4.3 Depreciated Replacement Cost

This approach is used to value specialised assets which are deemed to be seldom traded on an open market or have a restricted market for the use of the asset. The depreciated replacement cost can also be used as a check of value against the market approaches.

The depreciated replacement cost reflects the minimum cost to provide the current level of utility or service. In this way the DRC approach is often referred to as the optimised depreciated replacement cost (ODRC) approach.

The ODRC approach method uses the assessment of replacement cost new of a modern equivalent asset as the starting point and applies optimisation and depreciation to adjust for age, condition, performance and remaining useful life.

We have excluded capitalised interest from the reported Fair Value given no capitalised interest is reported for central government and council agencies. The capitalised interest refers to the interest incurred over the construction period for those assets valued on an ODRC basis.

Sensitivity: General

4.4 Optimisation

Optimisation the process which a least cost replacement option is determined for the remaining service potential i.e. the future economic benefits embodied in asset, not necessarily represented by cash flows of an asset. The optimisation process recognises that the entity may have assets surplus to requirements, technically obsolete or over designed for their purpose.

Therefore, optimisation explores opportunities to minimise the cost of replacing the service potential embodied in the asset with MEA in the most efficient way given the service requirements, the age and condition of the existing assets and replacement in the normal course of operation.

As all assets are considered fully utilised, no optimisation factor was applied i.e. optimisation = 100%.

4.5 Residual Values and Asset Life

As noted in the Standards, the residual value and asset life is defined in terms of the asset's expected usefulness to the entity. The asset is identified and recorded at the component level, which has an expected useful life. The useful life is thus the period that the asset (component) is expected to provide services to the entity.

Useful life can be a function of time or units of production.

The Standards recommend the following factors are considered in determining the useful life of an asset:

- Expected usage of the asset. Usage is assessed by reference to the asset's expected capacity or physical output.
- Expected physical wear and tear, which depends on operational factors such as the number of shifts for which the asset is to be used and the repair and maintenance programme, and the care and maintenance of the asset while idle.
- Technical or commercial obsolescence arising from changes or improvements in production, or from a change in the market demand for the product or service output of the asset.
- Legal or similar limits on the use of the asset, such as the expiry dates of related leases.

4.6 Standard Lives

Standard lives have been assessed based on industry-standard manuals such as the Āpōpō Infrastructure Asset Valuation and Depreciation Guidelines 2025.

The standard lives of the assets are assessed with consideration of quality and type of materials, construction specifications, use of the asset, location including environmental considerations and the condition of the asset.

The valuation takes into consideration the lives of similar assets based on experience and comparison to similar asset bases in the wider market.

Obsolescence is also factored into the assessment of standard lives on the basis of future economic benefits and service potential embodied in the asset. Obsolescence is categorised as follows:

- *Physical Obsolescence* – loss of utility due to physical deterioration from age or use that results in loss in value. This could also include any environmental impact on an asset owing to a specific locational environment.
- *Functional Obsolescence* – loss of utility arising from inefficiencies of a subject asset, when compared to the modern replacement.
- *External Obsolescence* – is loss of utility caused by economic or location factors external to the asset that result in loss of value. This could include economic changes in supply or demand or how goods and services are delivered.

The standard life of an asset is assessed on an asset-by-asset basis with consideration to the above.

Sensitivity: General

4.7 Remaining Useful Life

Remaining useful lives are assessed for each asset to be valued using the optimised depreciated replacement cost approach and reflects factors for example, age, condition, functional obsolescence, technological obsolescence, environmental considerations and remaining useful economic life.

The remaining useful life of an asset is assessed as the standard life less the asset's age. Further consideration is given to improvement or prolonging of a standard life of an asset through renovation or upgrading of an asset since new. Further considerations are made for the amount of maintenance and refurbishment work done in various areas, the time of the installation and the condition of the asset.

The assessment will adjust for renovation or improvement to an asset by increasing the total life of an asset, resulting in an increased remaining useful life.

The assessment makes allowances for a plateau or residual value dependant on the type of asset, whereby the asset has been assessed to have reached the end of its useful life and retains an ongoing nominal value in use until the asset is disposed or rejuvenated and thus prolonging its life beyond its economic life. A minimum remaining life of 3 years has been applied to such assets.

4.8 Capital Works in Progress

As noted in the scope of work, works in progress are excluded from the valuation as they are captured under a contract works policy which is outside the scope of this valuation.

4.9 Sources of Information

The sources of information used to prepare this valuation shown below are taken to be reliable.

- Latest wastewater lateral assets IPS data titled "Prod_SewerServiceLines_LATESTNOGAPS_2026" received from ICC dated '19 June 2026'.
- Latest stormwater lateral assets IPS data titled "Prod_StormServiceLines_LATESTNOGAPS_2026" received from ICC dated '19 June 2026'.
- Conversations and liaison with ICC financial and asset management staff
- Inflation indices gathered from Statistics NZ and Beca forecasting methodologies

Sensitivity: General

5 Assumptions

5.1 Standard Assumptions

As part of the valuation process the following assumptions have been applied:

- The asset registers and other information provided for the valuation by the client is substantially complete and reliable. We have not sought to independently verify such information unless expressly included otherwise in the scope. To the extent any of this information provided is inaccurate or incomplete, the opinions expressed by Beca in this report may no longer be valid and should be reviewed. If, however, data errors become evident that should affect the valuation, we will notify you at the earliest opportunity to review the data and advise us of any instructions. In such cases, we will reserve our right to review our fees if our time is affected.
- Aside from identifying assets that are at or near the end of their useful life and or will become redundant, all assets valued comply with certifications and are profitably utilised within the business.
- We assume all improvements comply with local council zoning regulations or have obtained relevant consents for the erection and use of the structures.
- It is assumed that any modification made to improvements have been done so in accordance with current building codes and that appropriate consent has been granted prior to any amendments made. It is also assumed that these consents have either been approved for sign off or have a completion certificate by the respective agencies.
- This valuation is conditional on there being no material change (including as a result of general market movements, or factors specific to the particular property) between the date of inspection, and the date of effect that would impact on the value of the subject property. Should such an event occur, the valuer should be contacted for comment prior to reliance upon the valuation.
- Our report is based on our understanding and interpretation of relevant current standards, guidelines, legislation, codes and policies, as valuers, and should not be construed as legal opinions or advice. Unless special arrangements are made, the report will not be updated to take account of subsequent changes to any standards, guidelines, legislation, codes or policies.

6 Limitations

This report and schedules are prepared for the private and confidential use of the Client named in Section 1 of this report, and only for the intended use outlined in Section 2 of financial reporting purposes. It should not be relied on by the Client for any other purpose and should not be reproduced in whole or part for any other purpose without the express written consent of Beca Limited (Beca). Any party that is not the named Client may not rely on this report for any purpose and should obtain their own report before acting in any way in respect to the assets.

Reliance on this report should only be taken upon sighting an original document that has been signed by the valuer and countersigned by the Project Director of Beca. The counter-signatory verifies that this report is genuine and issued and endorsed by Beca. The opinion of value expressed in this report, however, has been arrived at by the prime signatory acting as the valuer.

This report should be read in full, having regard to all stated assumptions and limitations. No part of this report shall be taken out of context, and, to the maximum extent permitted by law, no responsibility is accepted by Beca for the use of any part of this report in any context, or for any purpose, other than that stated herein. Neither the whole nor any part of this report or any reference thereto may be included in any document, circular or statement without Beca's prior written approval of the form and context in which it will appear. For the avoidance of doubt, such approval is required whether or not Beca is referred to by name and whether or not the contents of the Report are combined with other reports.

In accordance with industry guidelines and requirements, Beca cannot assign or confirm the original or initial valuation after the expiration of three months from the date of valuation. Any written assignment of the valuation by Beca within this three-month period is required to contain a statement that the valuer has not re-inspected the assets nor undertaken further investigations or analysis since the original/initial valuation and accepts no responsibility for reliance upon the original/initial valuation other than as a valuation of the assets at the original/initial date of valuation.

This valuation is conditional on there being no material change (including as a result of general market movements, or factors specific to the particular asset) between the date of inspection, and the valuation date that would impact on the value of the assets. Should such an event occur, the valuer should be contacted for comment prior to reliance upon the valuation.

In accordance with our conditions of engagement and to the maximum extent permitted by law, Beca disclaims and excludes all liability and responsibility (whether arising in contract or tort, including negligence, or otherwise) for any indirect or consequential loss including loss of profits or damage which may be suffered as a result of any reliance by the Client or any other person on this report or any of the information contained in or omitted from this report, whether that loss is caused by any fault or negligence on the part of Beca or otherwise.

This report has been prepared for valuation purposes only and is not intended to be a structural, geotechnical or environmental survey, nor does it constitute an environmental audit. Valuers are not qualified to assess the stability, load bearing capacity or integrity of the land. The valuer is not qualified to detect substances such as asbestos, chemicals, toxic wastes or other potentially hazardous materials, nor to quantify the possible impact on values or estimate the remedial costs without involvement of the appropriate specialists and further work.

Our report is based on our understanding and interpretation of relevant current standards, guidelines, legislation, codes and policies, as valuers, and should not be construed as legal opinions or advice. Unless special arrangements are made, the report will not be updated to take account of subsequent changes to any standards, guidelines, legislation, codes or policies.

Beca reserves the right, but not the obligation, to review all calculations included or referred to in this report. If Beca considers it necessary to revise our opinion in the light of any information existing at the date of valuation which becomes known to us after the date of this valuation report.

Sensitivity: General

This document may contain information which is directly derived from outside sources without verification by Beca and Beca does not warrant or represent that such information is accurate or correct. Beca has relied on the accuracy and completeness of the information supplied. Information relied upon will be identified in the report.

This valuation encompasses only those assets identified in the scope.

Where assets have been notified with incorrect details, Beca has amended these details and valued accordingly.

Remaining lives are an indication only and will fluctuate depending on the degree of capital expenditure. Beca therefore reserves the right to reassess these where additional monies have been spent.

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7 Compliance Statement

7.1 Independence

The valuation has been performed in accordance with the requirements of the Property Institute of New Zealand Code of Ethics.

Beca confirms that the above valuation is considered suitable for financial reporting purposes and has been performed in accordance with the relevant standards issued by the External Reporting Board.

Beca's valuation staff have acted as independent consultants in completing this valuation as reported above, and Beca's fees are not contingent on the outcome of the valuation. Neither Beca, nor the staff employed by Beca, has an interest in the subject assets.

The valuer has satisfied professional education requirements, possesses the necessary qualifications, ability, and experience to execute the valuation and has inspected the property. The statements of fact presented in the report are correct to the best of the Valuer's knowledge and the analysis and conclusions are limited only by the reported assumptions and limitations.

7.2 Valuation Summary

Based the scope, methodology, approach and assumptions outlined in this report, the valuation summary of the ICC Lateral Assets as at 30 June 2026 is outlined below:

Invercargill City Council Lateral Assets for Financial Reporting Purposes as at 30 June 2026			
Asset Class	Optimised Replacement Cost (ORC) \$	Optimised Depreciated Replacement Cost (ODRC) \$	Annual Depreciation (AD) \$
Wastewater Lateral	122,325,992	63,778,671	1,215,553
Stormwater Lateral	74,090,383	43,727,025	738,268
Total	196,416,375	107,505,696	1,953,821
Grant Total (rounded)	196,420,000	107,510,000	1,960,000

The total value is in New Zealand Dollars, is rounded up to the nearest \$10,000 and excludes Goods and Services Tax.

Elaine Wang, PINZ
Plant and Machinery Valuer

Marvin Clough, FPINZ
Registered Plant & Machinery Valuer

on behalf of
Beca Limited
Email: Marvin.Clough@beca.com

Sensitivity: General



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3 WATERS OPERATIONAL PERFORMANCE – JUNE/JULY 2026

To: Water Committee

Meeting Date: Tuesday 1 September 2026

From: Rob Hayes - Engineering Services Manager
Russell Keen – Manager 3 Waters Operations
Michael Hartstonge - Operations Engineer - Water Services
Colin McManus – Contract and Relationship Manager

Approved: Matt Keil – General Manager – Water Services

Approved Date: Wednesday 26 August 2026

Open Agenda: Yes

Public Excluded Agenda: No

Purpose and Summary

This report has been prepared to provide Water Committee members with an operational snapshot for the previous month of activities delivered across all Invercargill City Council Water Service Operations defined as Treatment Operations, Environmental, Capital Delivery and Reticulation Operations, the report will cover operational milestones, challenges and risk.

Recommendations

That the Water Committee:

1. Receives the report "3 Waters Operational Performance – June/July 2026".

Background

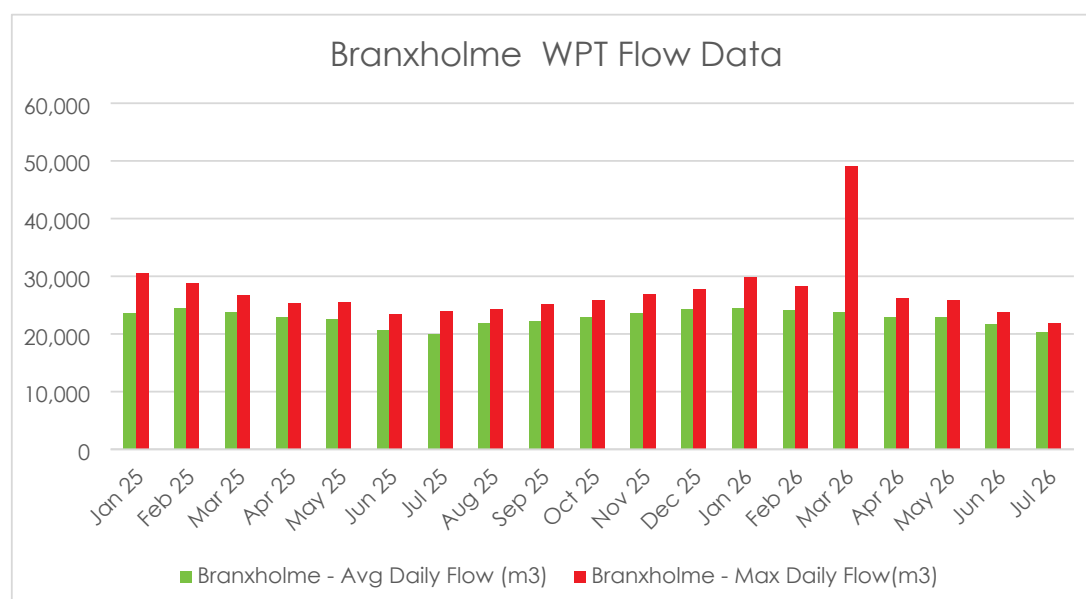
The months of June and July 2026 saw another busy period for all Operational Water Services staff and contracted suppliers alike.

Water Treatment Operations

The Branhholme Water Treatment Plant produced 652,295 m³ in June 2026 and 631,539 m³ in July 2026 of treated water.

Branxholme Water Treatment Plant 2025/2026 SCADA Data

Branxholme Water Treatment Plant 2025/2026 SCADA Data				
Branxholme Water Treatment Plant				
Month / Year	June 2025	June 2026	July 2025	July 2026
Total Monthly Flow (m ³)	619,681	652,295	620,695	631,539
Average Daily Flow (m ³)	20,656	21,743	20,022	20,372
Maximum Daily Flow (m ³)	23,398	23,832	23,907	21,812
Minimum Daily Flow (m ³)	18,280	19,724	18,093	18,378
Monthly Rainfall (mm)	100	87	33.5	90.5



Tenders have been publicly sought, for the new duplicate pump station at the Branhholme site now closing mid-July 2026 due to request from contractors. Once completed this will provide additional resilience to the operation of the plant.

Reservoir and Pump Station - AC Removal Project Update

The work on removing the asbestos from the Waikiwi Reservoir and Pumping Station has now been completed.

Wastewater Treatment Plants Operation

All three plants continue to operate, as per their respective consent conditions.

Clifton Wastewater Treatment Plant

The Clifton Plant received 1,075,510 m³ of influent in June 2026 and 1,120,361 m³ in July 2026.

The infiltration rate for June 2026 was not considered as we had no dry weather flow rates for this month but in July 2026, we recorded an infiltration rate of 2.8 times the average daily flow rate.

Bluff Wastewater Treatment Plant

The Bluff Plant discharged 24,691 m³ of treated effluent for the month of June 2026, and 28,187 m³ in July 2026.

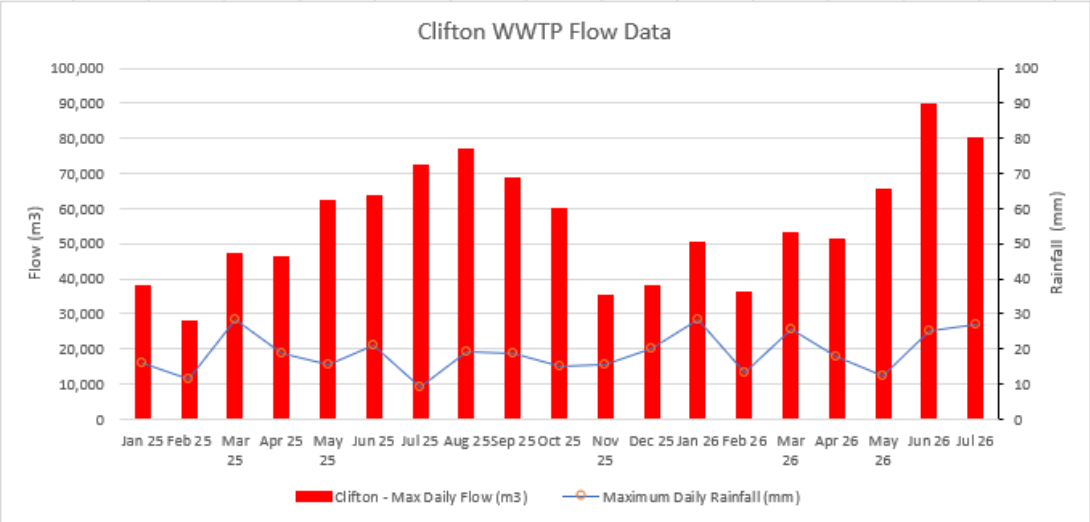
The infiltration rate for June 2026 was not considered as we had no dry weather flow rates for this month but in July 2026, we recorded an infiltration rate of 2.8 times the average daily flow rate.

Clifton and Bluff Wastewater Treatment Plants June 2025/2026 Data:

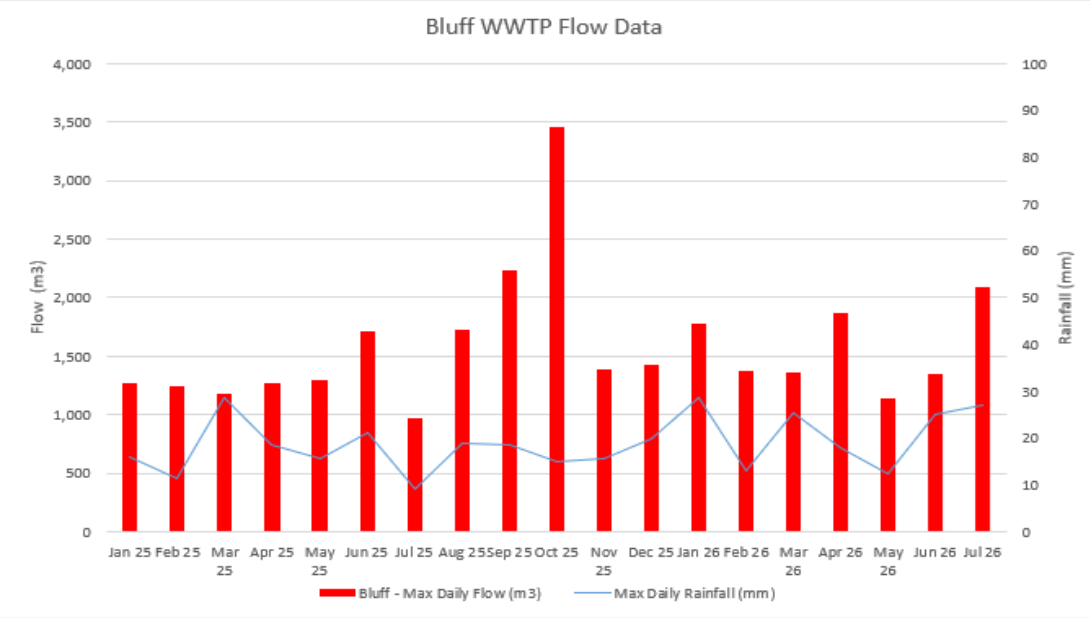
Waste Water Treatment Plants								
Measures	Clifton				Bluff			
Month / Year	Jun-25	Jun-26	Jul-25	Jul-26	Jun-25	Jun-26	Jul-25	Jul-26
Total Monthly Flow (m ³)	1,055,869	1,075,510	752,964	1,120,361	31,191	24,691	22,303	28,187
Average Daily Flow (m ³)	35,195	35,850	24,289	36,141	1,040	823	719	909
Maximum Daily Flow (m ³)	63,847	89,707	72,135	80,272	1,718	1,347	965	2,086
Minimum Daily Flow (m ³)	21,345	24,663	18,534	26,349	690	578	564	644
Maximum Daily Rainfall (mm)	21	25	9	27	21	25	9	27
Average Dry Daily Flow (m ³)	23,072	NA	19,496	28,177	821	NA	715	741
Infiltration rate (times)	2.8	NA	3.7	2.8	2.1	NA	1.3	2.8

Note – Rainfall data is from the Environment Southland Waihōpai dam site Invercargill

Clifton Flows



Bluff Flows



Omaui Oxidation Pond

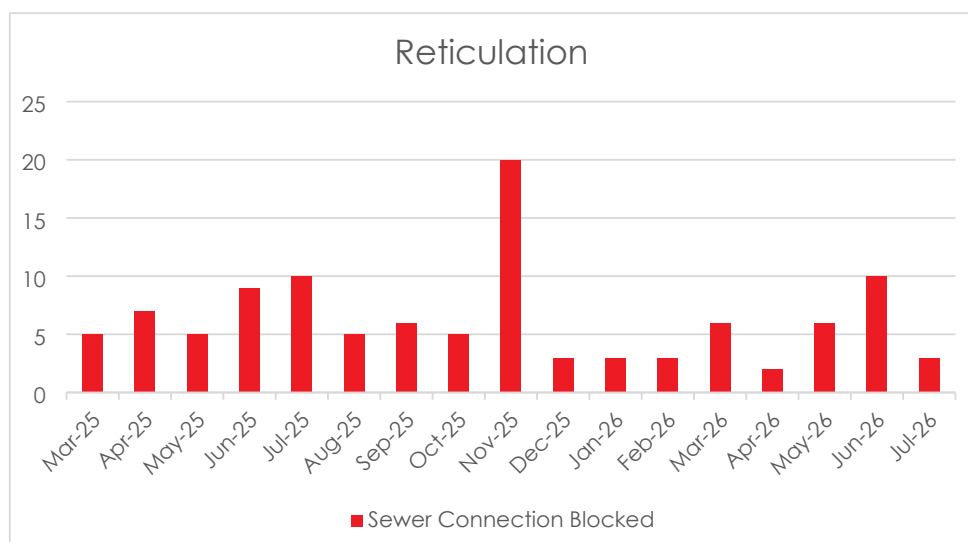
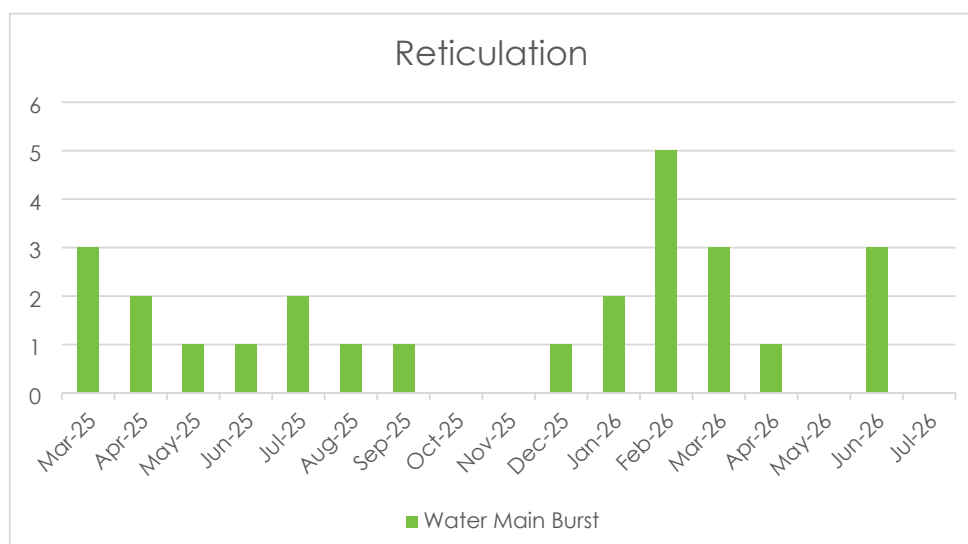
The Omaui oxidation pond is operating well and within its consent conditions. Flow monitoring equipment is still being investigated to confirm flows.

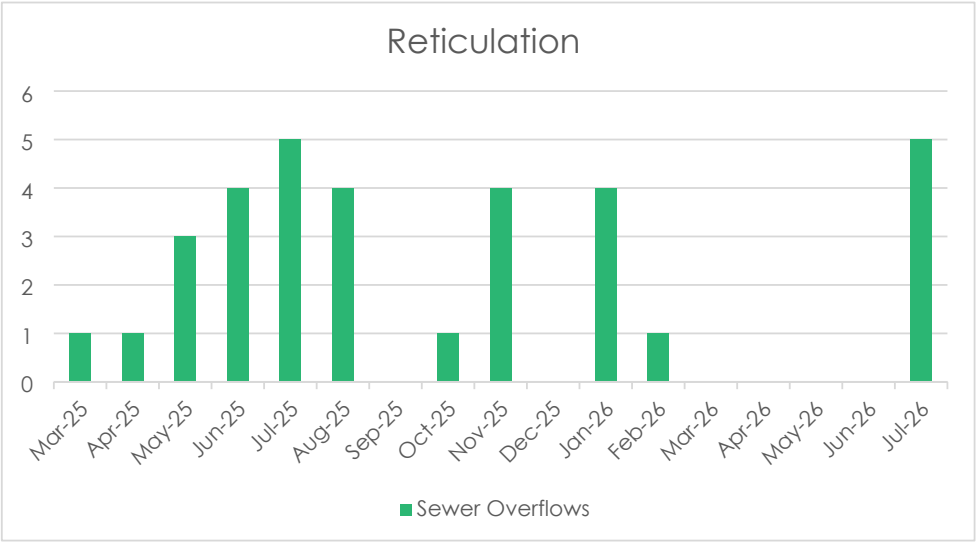
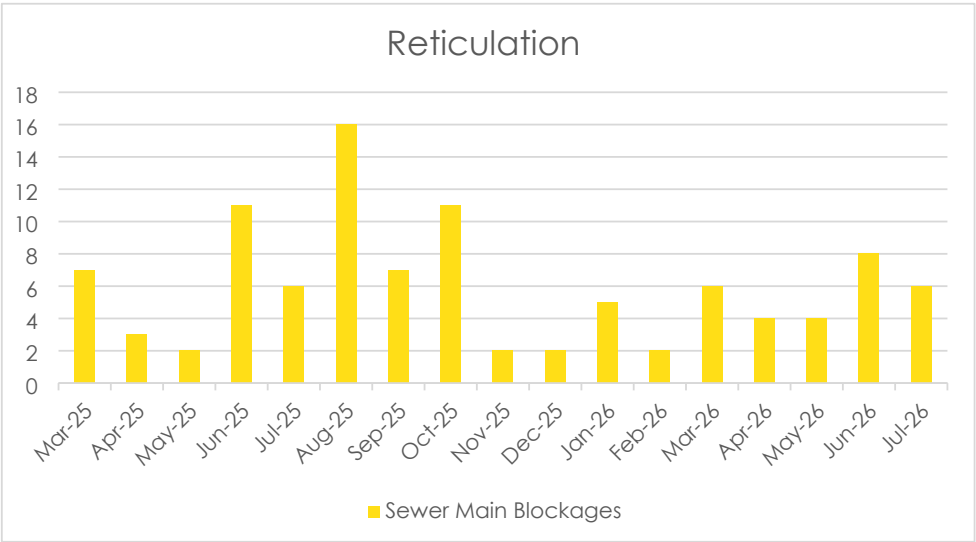
Reticulation Operations

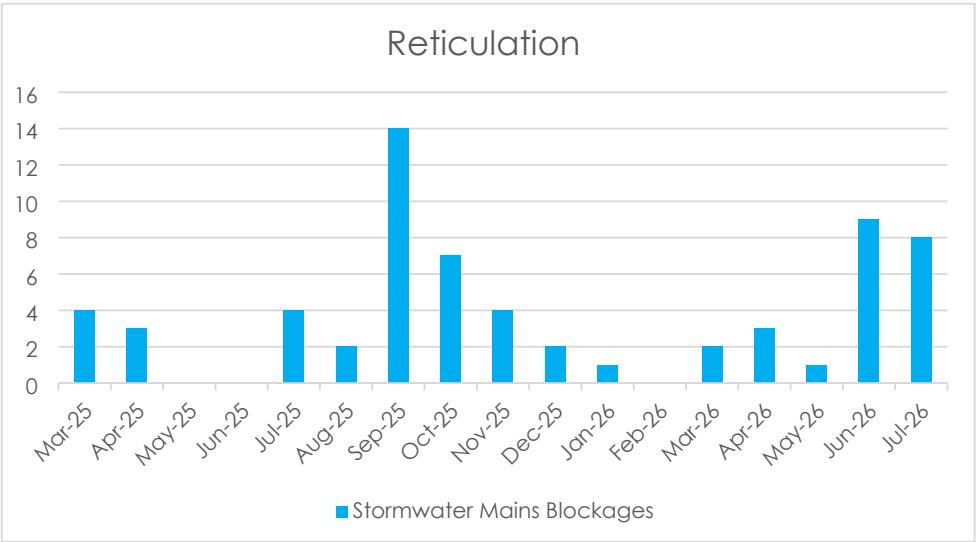
Water/Sewer/Storm

During the month of June 2026, the reticulated network had the following events compared to 2025:

Activity	June 2025	June 2026	July 2025	July 2026
Watermain bursts	1	3	2	0
Sewer connection blockages	9	10	10	3
Sewer main blockages	11	8	6	6
Sewer overflows	4	0	5	5
Stormwater main blockage	0	9	4	8



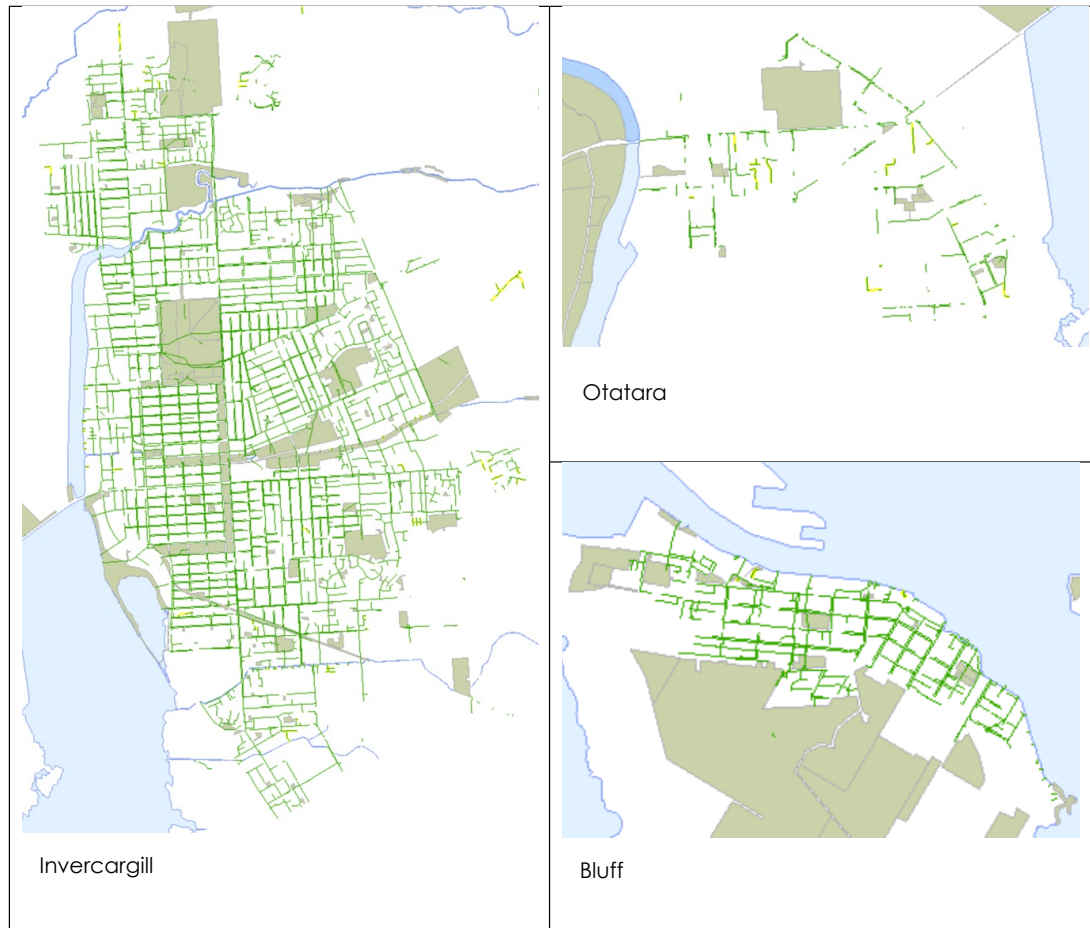




3 Water Assets

This section is to provide the Committee a high-level understanding of the piped Stormwater Network that Council maintains and controls. The data provided is based on our asset register as of June 2026.

The stormwater pipe network consists of approximately 429 km in length with sizes ranging from 100 mm to 2100 mm in diameter (dia). The largest percentage of our network is in the pipe sizes of 150 mm dia with 128 Km (30 %), 225 mm dia at 98 Km (23%) and 300 mm dia with 52 km (12 %).



Invercargill, Ōtātara and Bluff are the main areas of our pipe network.

The network has 2 main pipeline types in the system:

- Gravity pipes consists of approximately 332 km (99%) of the network, ranging from 100 mm to 2100 mm in diameter and flow under gravity condition.
- Sealed pipes consist of approximately 6km (1%) of the network that operate under gravity pressure. These pipes transfer stormwater from a higher catchment and discharge directly to a water way. This reduces the flow into the lower section of the catchment. No connection can be connected to these pipes.

The system has a number of pipe material types with the largest being earthenware pipes at 221 km (52%), reinforced concrete pipes at 141 km (33%), PVC pipes at 63 Km (15%).

From our records we have pipes installed from the 1900's and have continued to install or rehabilitate the network as required. The below table indicated the level of work done per decade. It is of note that in the decades following the 1984 flood Council has been installing large pipes to reduce the risk of flooding.

Stormwater Pipes Installed Per Decade							
Decade	Length (m)	%	Percentage (%) of pipe sizes installed				
			100 to 300	375 to 600	675 to 1050	1200 to 1500	1600 to 2100
1900	6,080	1	92	8			
1910	23,742	6	91	5		2	
1920	59,536	14	98	2			
1930	24,881	6	87	13			
1940	14,267	3	89	8		2	
1950	37,330	9	76	18	6		
1960	95,859	22	75	17	7	1	
1970	38,230	9	63	25	11	1	
1980	27,441	6	39	32	4	2	5
1990	46,676	11	28	29	37	6	
2000	24,559	6	40	33	21	1	4
2010	19,934	5	58	30	12		
2020*	10,497	2	56	37	7		

2020* - only half way through the decade

The stormwater reticulation system also has a total of 3,643 manholes and 428 cleaning eyes which are used to access the system.

Stormwater Consent

In November 2017, the ICC was granted a 15-year stormwater discharge consent by Environment Southland to discharge stormwater and contaminants from the Invercargill City Councils reticulated stormwater network to five separate freshwater receiving environments within the Invercargill City boundary. These five receiving waters include the Waikiwi Stream, Waihōpai River, Ōtepunī Stream, Kingswell Creek and the Clifton Channel, with a total of 146 outlets. This does not include discharges to the coastal marine area.

The conditions of the consent include the collection of dry weather, wet weather, sediment indicator sampling, catchment investigations, cultural monitoring programs, heavy metal contamination load modelling, stormwater education, recreational water monitoring and fish flesh/shell fish surveys. As well as the programs listed above, the discharge consent also requires a five yearly inspection/audit of all industrial and commercial properties throughout wider Invercargill.

To assist with the industrial/commercial inspection program the Council approved a stormwater bylaw in 2022 that requires each site owner or business manager to be present for a stormwater audit and create a Stormwater Management Plan that is to be kept on file both at the business and with council.

It is hoped that with all the above programs in place coupled with adequate asset management and appropriate network upgrades that the quality of Invercargill's stormwater discharge can be improved and result in better receiving water health for the wider community to enjoy.

Environmental

The following rainfall data is from the Environment Southland rain gauge at the Waihōpai dam Invercargill.

Environmental – Rainfall data				
Month / Year	June-2025	June-2026	July-2025	July-2026
Total rainfall (mm)	100	87	33.5	90.5
Maximum daily rainfall (mm)	21	25	9	27
Number of dry days	12	12	18	14
Number of days considered as a dry weather flow event	1	0	7	3

Below is the last 5 year monthly rainfall data

Rainfall data (mm) - Waihopai Dam													
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2022	49.0	57.5	13.0	127.5	121.5	81.0	109.5	57.0	72.0	104.5	150.5	43.5	986.5
2023	27.5	83.5	128.5	75.0	125.5	83.0	157.5	54.0	149.5	52.5	40.5	110.0	1087.0
2024	96.5	113.0	109.5	106.5	112.0	87.0	61.5	84.0	145.1	136.0	84.5	96.5	1232.1
2025	56.5	51.5	100.0	66.0	92.0	100.0	33.5	84.5	152.5	132.5	51.5	69.0	989.5
2026	81.5	79.5	101.5	82.5	60.0	87.0	90.5						492.0

Capital Delivery

It has been another very busy month for our delivery team(s):

- ESG have four active construction sites on York, Tweed, Deveron and Don Streets.
- Two projects are in the tender evaluation phase with a total value of approx. \$3.5 million.
- Recent procurements have seen an increasing number of tender submissions, with two new suppliers submitting tenders.

Projects Status 2026/27

Services	Number	Metres of Pipe Programmed	Metres of Pipe Constructed	Progress Percentage
STW	8	3,874	127	3%
SEW	8	7,581	246	3%
WTR	11	7,590	260	3%
Total	27	19,045	633	3%

Services	Programmed 26/27	Spend to date 26/27	LTP Budget	Percentage
STW	3,190,264	277,953	4,839,492	5.7%
SEW	5,712,949	450,259	3,082,288	14.6%
WTR	6,506,021	285,237	5,556,602	5.1%
TOTAL	15,409,234	1,013,449	13,478,382	7.5%



Puna Wai Civil – Tweed Street

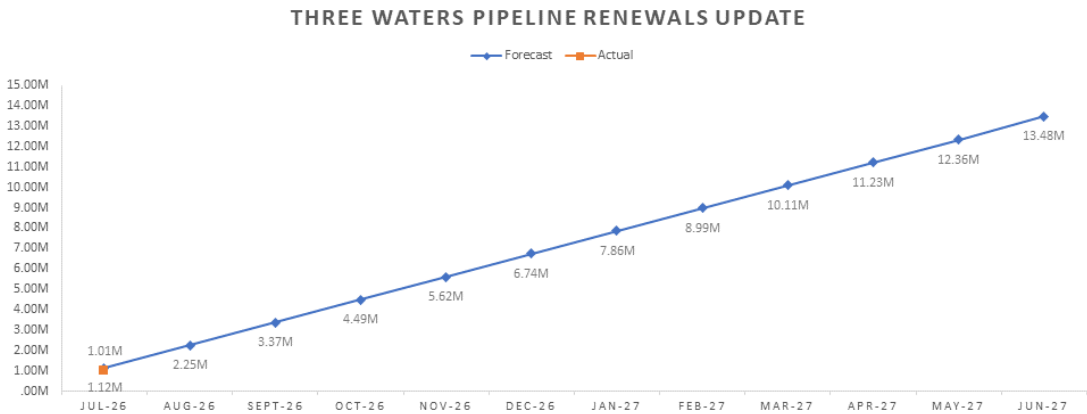


Wilson Contractors –Deveron Street



Wilson Contractors –Deveron Street

Forecasting Information



Attachments

None.

WATERS SERVICES PERFORMANCE REPORT YEAR ENDED 30 JUNE 2026

To: Water Committee

Meeting Date: Tuesday 1 September 2026

From: Rhiannon Suter, Manager – Strategy, Policy and Engagement and
Jaimee Botting, Manager – Financial Planning

Approved: Matt Keil - General Manager - Water Services

Approved Date: Tuesday 11 August 2026

Open Agenda: Yes

Purpose and Summary

This report provides the Water Committee with an overview of performance, including financial performance for the year ended 30 June 2026 ahead of the completion of the 2025/2026 Annual Report.

Recommendations

That the Water Committee:

1. Receives the report "Water Services Performance Report Year Ended 30 June 2026".
2. Note that all performance measures for Water have been achieved.
3. Note that all performance measures for Stormwater have been achieved.
4. Note that all performance measures for Sewerage have been achieved.
5. Note that currently all three Water Services activities have a year-to-date net operating financial performance surplus variance higher than budget by more than 5%.
6. Note that the capital programme of the Water Services activities is lower than budget by \$1.1 million.
7. Notes the performance report contains provisional results for the year and is not the draft annual report. Year-end review and adjustments including some waters overhead cost allocations are still to be reflected.

Background

The Quarterly Performance Report provides a snapshot of performance in service delivery, including financial performance which underpins this delivery. The Quarter Four report provides an overview of the results for the financial year ended 30 June 2026.

The financial performance results provided in this report are the current numbers at the time of reporting. A number of processes necessary to complete the Annual Report financials have not yet been completed, most notably some waters overhead cost allocations. As this is the last report for the 2025/2026 financial year, the figures in this report have been prepared on an accrual basis compared to the prior reports which are with an invoice processed focus. This means invoices for work completed in June 2026 of which the invoice is not raised, received or processed until July 2026, are included in the June 2026 numbers.

Within the report, terminology is used referring to "Plan" and "Budget". "Plan" represents the numbers held in the Long-term Plan (if the year is the first year of a Long-term Plan cycle) or Annual Plan (if the year is the second or third year of a Long-term Plan cycle). The Plan numbers are set at the start of the year and cannot be changed during the year. These numbers are also used in the Annual Report at the end of each year. Budget represents the numbers held in the above "Plan" and also includes any large adjustments submitted or approved by Council. It does not represent a forecast position but an approved budget position.

Issues

Service Performance

Water

Each of the four drinking water quality standards (bacterial, protozoal, microbiological monitoring zone – Invercargill and Bluff achieved the 100% target.

Water Lose was 17.3%, well under the 30% target.

Response and resolution times to urgent and non-urgent call outs were all under the targets set by a significant margin.

1.58 complaints per 1000 households were received, well under the target of under 10 per 1000 households. The network is performing as expected.

This was in line with performance for 2024/2025.

Stormwater

Performance for stormwater has achieved all the targets set for 2025/2026.

There have been no flooding events and no properties impacted and as a result there were no response times to flood events which exceeded 1 hour. Council as been compliant with resource consents for discharge. There were 1.8 complaints about performance of the stormwater system per 1000 properties, under the target of less than 4 complaints per 1000 properties.

This was in line with performance for 2024/2025.

Sewerage

Performance for sewerage has achieved all the targets set for 2025/2026.

1.08 complaints per 1000 properties about dry weather sewerage overflows were received, under the target for under four per 1000 properties. Council has complied with its resource consent conditions. The median response and resolution times to sewerage overflows were all significantly under the target time set.

This was in line with performance for 2024/2025.

Financial Performance

For the year to 30 June 2026, excluding depreciation, Water Services had a net operating surplus of \$21.7 million. This is \$1.9 million better than budget of \$19.8 million and higher by \$1.8 million compared to the Annual Plan of \$19.9 million.

Including depreciation, Water Services had a net operating deficit for the year of \$2.7 million. This is \$1.4 million higher than the \$1.3 million surplus budgeted and \$4.5 million better than the Annual Plan deficit for the year of \$1.8 million.

The financial performance results provided are the current numbers at the time of reporting. A number of processes necessary to complete the Annual Report financials have not yet been completed, most notably some waters overhead cost allocations.

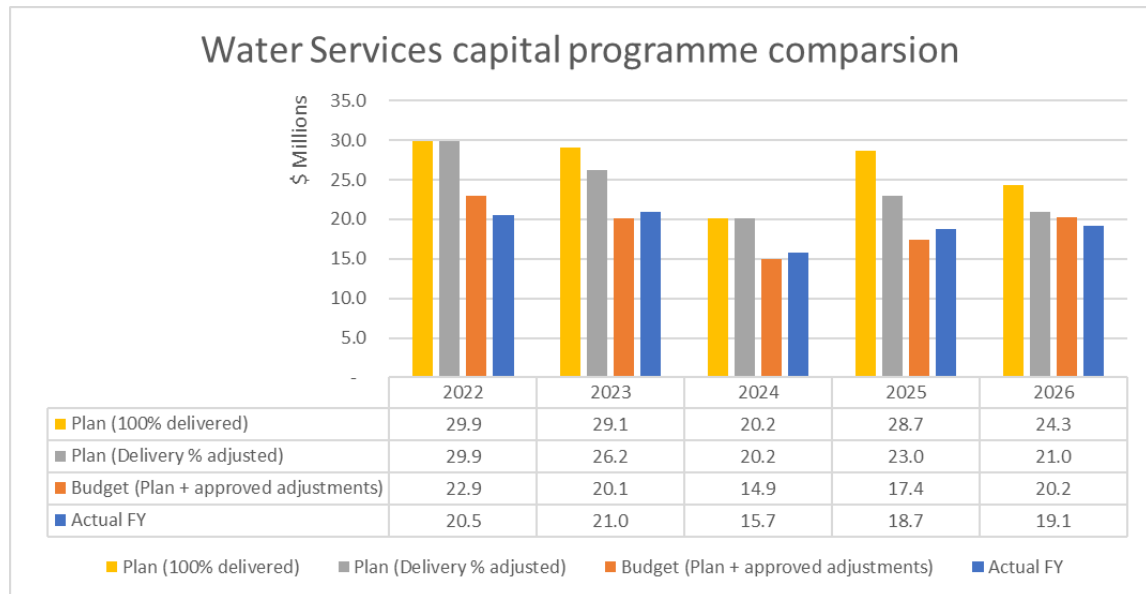
From an activity view:

Water – year-to-date net operating surplus/(deficit) excluding depreciation \$8.0 million, \$0.7 million better than budget. Commercial Water charges revenue is lower than budget, with economic conditions impacting on consumption levels with lower volumes of sales being seen. This is partly offset by lower operational and utilities expenses. Staff job costing to the Waters Transitional setup project has not been allocated to the three waters activities from the Corporate Services activity and is part of the year-end process.

Sewerage – year-to-date net operating surplus/(deficit) excluding depreciation \$9.3 million, \$0.8 million better than budget. Lower operational, utilities and repairs and maintenance expenses have partly been offset by lower Trade waste charges revenue generated. Staff job costing to the Waters Transitional setup project has not been allocated to the three waters activities from the Corporate Services activity and is part of the year-end process.

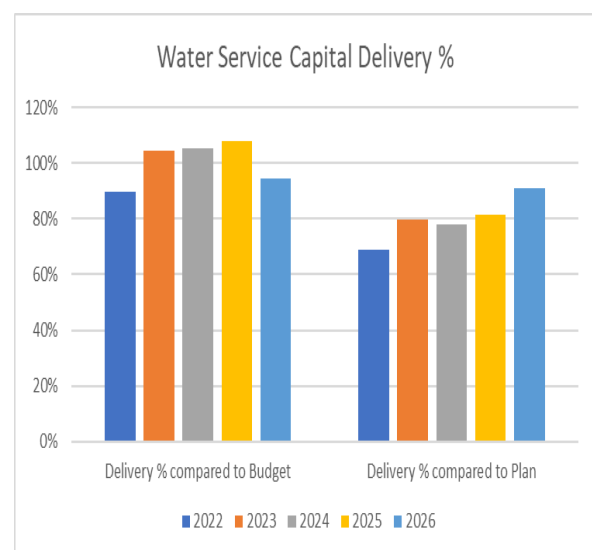
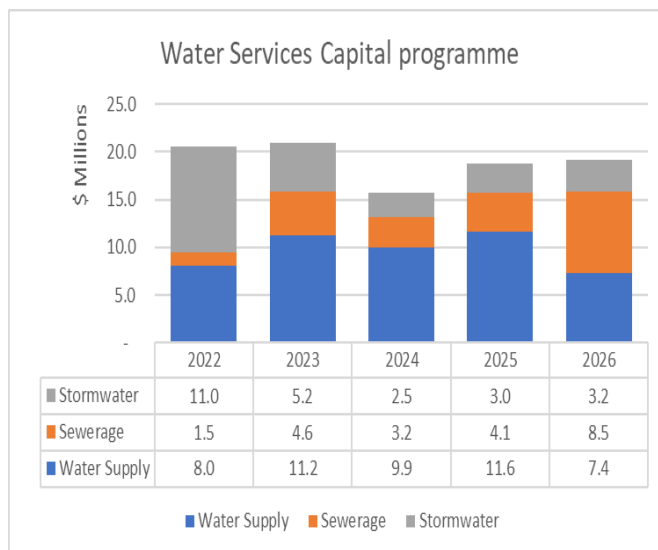
Stormwater – year-to-date net operating surplus/(deficit) excluding depreciation \$4.4 million, \$0.4 million better than budget. Revenue and expenses variances are minor. Staff job costing to the Waters Transitional setup project has not been allocated to the three waters activities from the Corporate Services activity and is part of the year-end process.

Capital Delivery



Capital expenditure of \$19.1 million had been spent for the year to 30 June 2026. This is lower than budget by \$1.1 million and higher than last year by \$0.4 million. Highlights include:

- \$14.6 million of pipe renewals were completed during the year, \$0.1 million higher than budget.
- The Branhholme Supply Main duplication project has been completed with costs for this financial year \$0.5 million higher than budget.
- Bluff wastewater treatment plant consent upgrades project was lower than budget by \$0.4 million for the year. WEPS standards have been released, and consent options are being reviewed with procurement plans for next phase progressing.
- \$5.6 million of capital was deferred and included in the Annual Plan 2026/2027 to align with expected spent profiles for the Mersey Street Rising Main Duplication project (\$2.9 million into 2026/2027), Branhholme Duplication Manifold and Pump Station (\$1.8 million into 2026/2027) and Alternative water supply project (\$0.9 million into 2026/2027).



Next Steps

The Annual Report will be adopted by Council in October 2026.

Attachments

1. Water Services Quarter Four Performance Report (10792814).



PERFORMANCE REPORT

As at 30 June 2026

Water Services





PERFORMANCE REPORT

Water Services

As at 30 June 2026



Contents

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Non Financial Performance
Financial Performance
Capital Delivery Performance

2 Activity Performance

Water
Sewerage
Stormwater

3 All Of Council Detail

Traffic Light Colour Key & Report Guide
Non Financial Performance
Financial Performance
Schedule of changes to plan (budget)

Section 1 - Performance Summary



PERFORMANCE REPORT

Water Services

As at 30 June 2026



Invercargill City Council - Water Services

Performance Summary

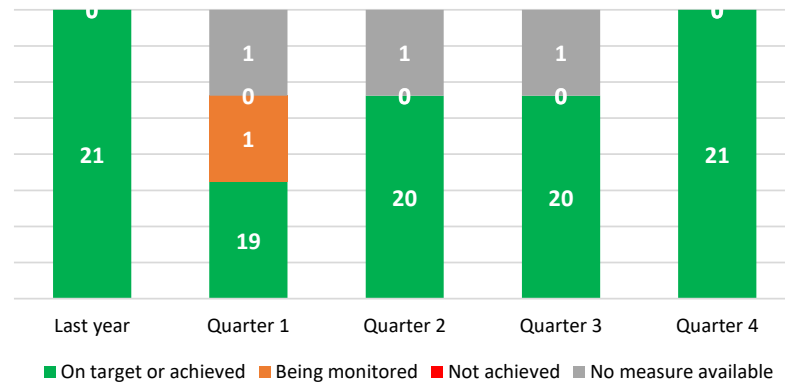
Non Financial Performance				
Level of Service (total 7)	On target or achieved	Being monitored	Not achieved	No measure available
	7 100%	0 0%	0 0%	0 0%



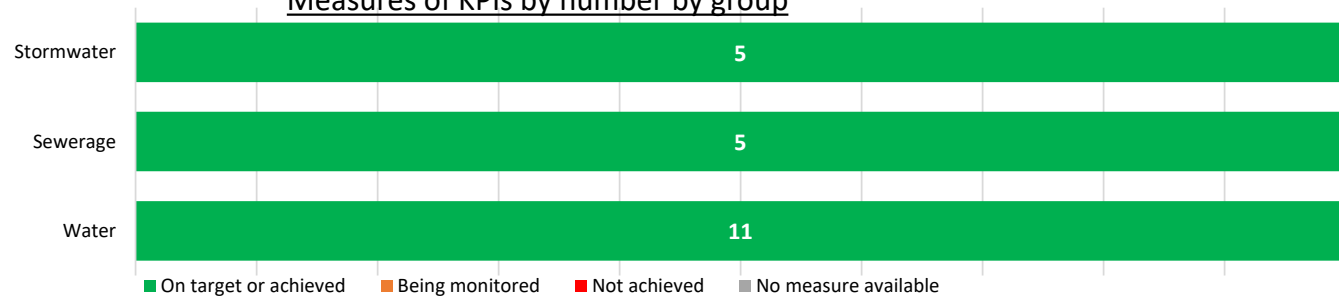
Measures of KPIs
(116 total measures)

- On target or achieved
- Being monitored
- Not achieved
- No measure available

Measures of KPIs by number by quarter



Measures of KPIs by number by group



Invercargill City Council - Water Services

Performance Summary

Non Financial Performance

The 2024 – 2034 Long-term Plan identified seven levels of service and 21 measures against which performance would be measured for water services.

All Water, Stormwater and Sewerage KPIs were met in 2025/2026.

Water - Each of the four drinking water quality standards (bacterial, protozoal, microbiological monitoring zone – Invercargill and Bluff achieved the 100% target. Water Lose was 17.3%, well under the 30% target. Response and resolution times to urgent and non-urgent call outs were all under the targets set by a significant margin. 1.58 complaints per 1000 households were received, well under the target of under 10 per 1000 households. The network is performing as expected. This was in line with performance for 2024/2025.

Stormwater - Performance for stormwater has achieved all the targets set for 2025/2026. There have been no flooding events and no properties impacted and as a result there were no response times to flood events which exceeded 1 hour. Council as been compliant with resource consents for discharge. There were 1.8 complaints about performance of the stormwater system per 1000 properties, under the target of less than 4 complaints per 1000 properties. This was in line with performance for 2024/2025.

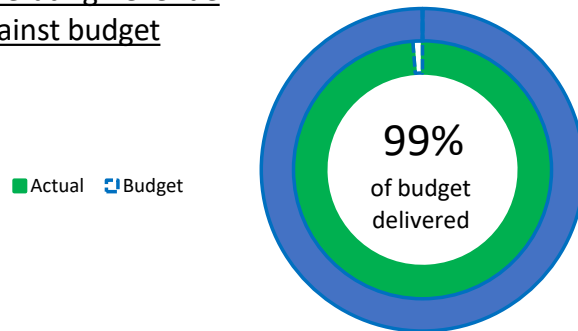
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Invercargill City Council - Water Services

Performance Summary

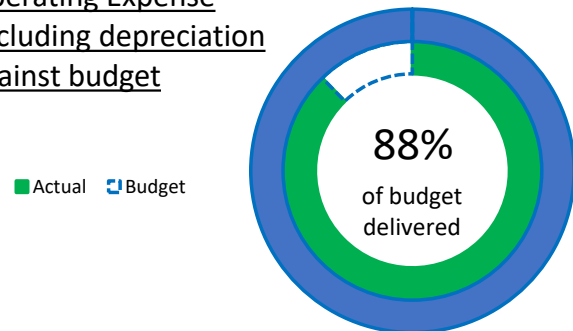
Financial Performance					
YTD net operating surplus/(deficit) excluding depreciation			Full Year Budget Surplus/(Deficit) excluding depreciation		
Actual	Budget	Variance	Budget	Plan	Variance
\$21.7 million	\$19.8 million	\$1.9 million	\$19.8 million	\$19.9 million	\$-0.1 million

Operating Revenue against budget



<u>Net operating surplus</u> <u>By activity</u> <i>excluding depreciation</i>	YTD Act vs Bud Variance (\$000)	Full Year Bud vs Plan Variance (\$000)
Water	+ 746	+ 7,292
Sewerage	+ 800	+ 8,472
Stormwater	+ 336	+ 4,044
Total Water Services	+ 1,882	+ 19,808

Operating Expense excluding depreciation against budget



Variance Colour Key:	Less than 90%	Between 90%-95%	95% or greater
-----------------------------	---------------	-----------------	----------------

Invercargill City Council - Water Services

Performance Summary

Financial Performance

For the year to 30 June 2026, excluding depreciation, Water Services had a net operating surplus of \$21.7 million. This is \$1.9 million better than budget of \$19.8 million and higher by \$1.8 million compared to the Annual Plan of \$19.9 million.

Including depreciation, Water Services had a net operating deficit for the year of \$2.7 million. This is \$1.4 million higher than the \$1.3 million surplus budgeted and \$4.5 million better than the Annual Plan deficit for the year of \$1.8 million.

The financial performance results provided are the current numbers at the time of reporting. A number of processes necessary to complete the Annual Report financials have not yet been completed, most notably some waters overhead cost allocations.

From an activity view:

Water – year-to-date net operating surplus/(deficit) excluding depreciation \$8.0 million, \$0.7 million better than budget. Commercial Water charges revenue is lower than budget, with economic conditions impacting on consumption levels with lower volumes of sales being seen. This is partly offset by lower operational and utilities expenses. Staff job costing to the Waters Transitional setup project has not been allocated to the three waters activities from the Corporate Services activity and is part of the year-end process.

Sewerage – year-to-date net operating surplus/(deficit) excluding depreciation \$9.3 million, \$0.8 million better than budget. Lower operational, utilities and repairs and maintenance expenses have partly been offset by lower Trade waste charges revenue generated. Staff job costing to the Waters Transitional setup project has not been allocated to the three waters activities from the Corporate Services activity and is part of the year-end process.

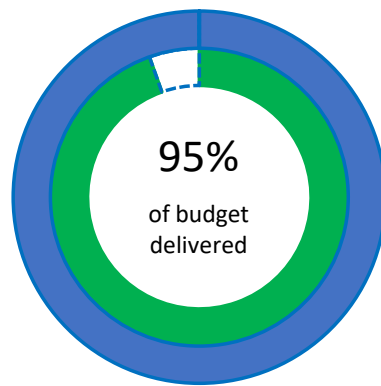
Stormwater – year-to-date net operating surplus/(deficit) excluding depreciation \$4.4 million, \$0.4 million better than budget. Revenue and expenses variances are minor. Staff job costing to the Waters Transitional setup project has not been allocated to the three waters activities from the Corporate Services activity and is part of the year-end process.

Invercargill City Council - Water Services

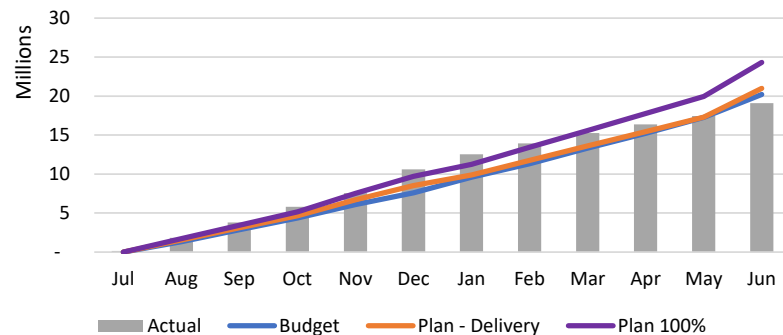
Performance Summary

Capital Delivery Performance

Capital spend against budget



■ Actual spend ■ Budget



Actual spend to date

\$19.1 million

Total Budget for year

\$20.2 million

Total Plan (100% Delivery)

\$24.3 million

Estimated Delivery % for year

83% Budget vs 100% Plan

86% Plan Delivery %

Capital expenditure of \$19.1 million had been spent for the year to 30 June 2026. This is lower than budget by \$1.1 million and higher than last year by \$0.4 million. Highlights include:

\$14.6 million of pipe renewals were completed during the year, \$0.1 million higher than budget.

The Branxholme Supply Main duplication project has been completed with costs for this financial year \$0.5 million higher than budget.

Bluff wastewater treatment plant consent upgrades project was lower than budget by \$0.4 million for the year. WEPS standards have been released, and consent options are being reviewed with procurement plans for next phase progressing.

\$5.6 million of capital was deferred and included in the Annual Plan 2026/2027 to align with expected spent profiles for the Mersey Street Rising Main Duplication project (\$2.9 million into 2026/2027), Branxholme Duplication Manifold and Pump Station (\$1.8 million into 2026/2027) and Alternative water supply project (\$0.9 million into 2026/2027).

Section 2 - Activity Performance



Water
Sewerage
Stormwater

PERFORMANCE REPORT

Water Services

As at 30 June 2026



Wai

Water

Non Financial Performance - Summary as at 30 June 2026



Measures of KPIs (11 total measures)

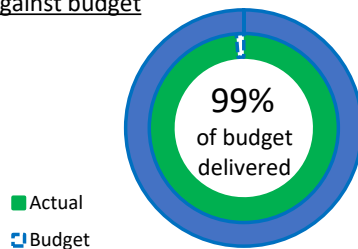
- On target or achieved
- Being monitored
- Not achieved
- No measure available

All Water performance measures are set by the DIA and have been met in 2025/2026. Performance was in line with 2024/2025 results.

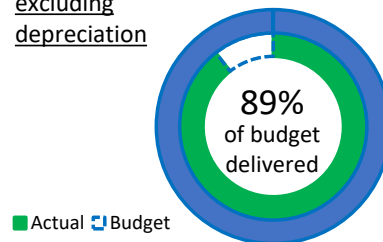
Financial Performance - Summary as at 30 June 2026

YTD net operating surplus/(deficit) excluding depreciation			Full Year Budget Surplus/(Deficit) excluding depreciation		
Actual	Budget	Variance	Budget	Plan	Variance
\$8.0 millions	\$7.3 millions	+\$0.7 millions	\$7.3 millions	\$0.0 millions	+\$7.3 millions

Operating Revenue against budget



Operating Expense against budget excluding depreciation



Council ensures the supply of safe, clean, and reliable drinking water to homes, businesses, and public facilities compliant with all relevant regulations. Expenses came in lower than expected due to a focus on renewal work through the maintenance contract. Revenue was lower than annual plan due to volumes falling over last three years, likely caused by fee increases.

Waikeri

Sewerage

Non Financial Performance - Summary as at 30 June 2026



Measures of KPIs (5 total measures)

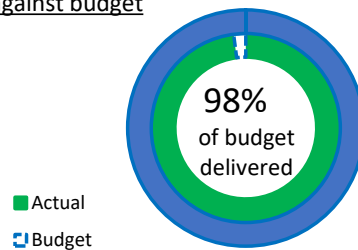
- On target or achieved
- Being monitored
- Not achieved
- No measure available

All Sewerage performance measures are set by the DIA and have been met in 2025/2026. Number of complains and response and resolution times have remained under their respective target levels.

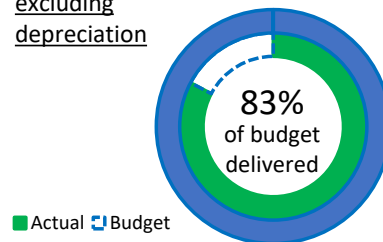
Financial Performance - Summary as at 30 June 2026

YTD net operating surplus/(deficit) excluding depreciation			Full Year Budget Surplus/(Deficit) excluding depreciation		
Actual	Budget	Variance	Budget	Plan	Variance
\$9.3 millions	\$8.5 millions	+\$0.8 millions	\$8.5 millions	\$0.0 millions	+\$8.5 millions

Operating Revenue against budget



Operating Expense against budget excluding depreciation



Council manages the collection, treatment, and disposal of wastewater to protect public health and the environment compliant with all relevant regulations.

Expenses were lower than budget with no major repairs required this year.

Revenue was lower than Annual Plan, however volumes were stable and above last year.

Wai tupuhi

Stormwater

Non Financial Performance - Summary as at 30 June 2026



Measures of KPIs (5 total measures)

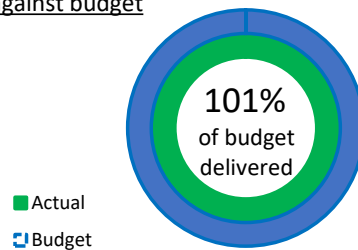
- On target or achieved
- Being monitored
- Not achieved
- No measure available

All Sewerage performance measures are set by the DIA and have been met in 2025/2026. There have been no flooding events and no properties impacted.

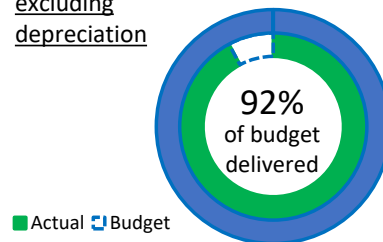
Financial Performance - Summary as at 30 June 2026

YTD net operating surplus/(deficit) excluding depreciation			Full Year Budget Surplus/(Deficit) excluding depreciation		
Actual	Budget	Variance	Budget	Plan	Variance
\$4.4 millions	\$4.0 millions	+\$0.3 millions	\$4.0 millions	\$0.0 millions	+\$4.0 millions

Operating Revenue against budget



Operating Expense against budget excluding depreciation



Council maintains stormwater systems to reduce flooding, manage runoff, and protect waterways from pollution compliant with all relevant regulations. Overall non internal expenses are as budgeted.

Section 3 - Water Services Detail



PERFORMANCE REPORT

Water Services

As at 30 June 2026



Non Financial Performance

List of KPI measures

Financial Performance

*Statement of Comprehensive
Revenue and Expense*

Invercargill City Council - Water Services

Traffic Light Colour Key & Report Guide

Non Financial Performance

On target or achieved
Being monitored
Not achieved
No measure available



Financial Performance

Less than 90%
Between 90% and 95%
Between 95% and 105%
Between 105% and 110%
More than 110%



Revenue

Positive variance (+) = YTD Actual income higher than budget
Negative variance (-) = YTD Actual income lower than budget
Positive variance (+) = Full year budget income higher than plan
Negative variance (-) = Full year budget income lower than plan

Capital Delivery Performance

Less than 90%
Between 90% and 95%
Between 95% and 105%
Between 105% and 110%
More than 110%



Expenses & Capital

Positive variance (+) = YTD Actual spend lower than budget
Negative variance (-) = YTD Actual spend higher than budget
Positive variance (+) = Full year budget spend lower than plan
Negative variance (-) = Full year budget spend higher than plan

Financial numbers

Plan = Annual Plan 2025/2026

Actual financial figures within the report for quarters 1, 2 & 3 are based on an invoices processed. It excludes work that may have been completed during the period but the invoice has not been raised.

Actual financial figures within the report for quarter 4 include but invoices processed and an accrual for work that may have been completed during the year but the invoice has not been raised.

Invercargill City Council - Water Services

Non Financial Performance - List of KPI measures

Measure	Target	Projected Result	LY	Q1	Q2	Q3	Q4	Commentary
Water								
Measure	Target	Projected Result	LY	Q1	Q2	Q3	Q4	Commentary
The extent to which the local authority's drinking water supply complies with the following parts of the drinking water quality assurance rules:	(h) 4.10.1 T3 Bacterial Rules;	All met - 100%	100%					
	(i) 4.10.2 T3 Protozoal Rules;	All met - 100%	100%					
	(j) 4.11.5 D3.29 Microbiological Monitoring Rule - Invercargill Zone	All met - 100%	100%					
	(j) 4.11.5 D3.29 Microbiological Monitoring Rule - Bluff Zone	All met - 100%	100%					
The percentage of real water loss from the Council's networked reticulation system. (Calculated according to the methodology outlined in Water NZ Water Loss Guidelines publication)	Less than 30%	17%						high demand ,population has been increased, good infra less water loss
The average consumption of drinking water per day per resident within the Invercargill City Council territorial district	Less than 300 litres/day	285.00						
The median response time for urgent callouts, (from the time the Council receives notification to the time that service personnel reach the site).	4 hours	21 minutes						
The median time to resolve urgent callouts (from the time the Council receives notification to the time that service personnel confirm resolution of the fault or interruption).	24 hours	1 Hour 44 Minutes						
Attendance for non-urgent call-outs: from the time that council receives notification to the time that service personnel reach the site	5 working days	2 Days 03Hours and 20 Minutes						
Resolution of non-urgent call-outs: from the time that the council receives notification to the time that service personnel confirm resolution of the fault or interruption	10 working days	2 Days 18 Hours 3 minutes						There has been a decrease in resolution times likely as a result of resource allocation by the contractor.

Invercargill City Council - Water Services

Non Financial Performance - List of KPI measures

Measure	Target	Projected Result	LY	Q1	Q2	Q3	Q4	Commentary
Water								
The total number of complaints received by Council per 1,000 connections about any of the following: - Drinking water clarity - Drinking water taste - Drinking water odour - Drinking water pressure or flow - Continuity of supply - Council's response to any of these issues	<10 in total	1.58						Network performing as expected

Sewerage

Measure	Target	Projected Result	LY	Q1	Q2	Q3	Q4	Commentary
Number of dry weather sewerage overflows per 1,000 properties - DIA Performance Measure 1 (system and adequacy)	Max 4	1.08						Network performing as expected
Compliance with Council's resource consents for discharge from its sewerage system measured by the number of: (DIA Performance measure 2 (discharge compliance)) - Abatement notices - Infringement notices - Enforcement orders - Convictions Received by the Council in relation to those resource consents.	Max 0	0						
a) The median response time from notification to arrival on-site to attend sewerage overflows resulting from a blockage or other fault in the sewerage system	<1 hour	15 Minutes						
b) The median response time from notification to resolution of sewerage overflows resulting from a blockage or other fault in the sewerage system	<6 hours	1 Hour 31 Minutes						
DIA Performance Measure 4 (customer satisfaction) The number of complaints received about: 1. sewage odour 2. system faults 3. system blockages 4. Council's responsiveness (expressed per 1,000 properties connected to the Council's sewer system)	Max 4	2.73						

Invercargill City Council - Water Services

Non Financial Performance - List of KPI measures

Measure	Target	Projected Result	LY	Q1	Q2	Q3	Q4	Commentary
Stormwater								
Measure	Target	Projected Result	LY	Q1	Q2	Q3	Q4	Commentary
DIA Performance measure 1 (system adequacy) (a) The number of flooding events that occur in the Invercargill City district	0.0	0.0						
DIA Performance measure 1 (system adequacy) (b) For each flooding event, the number of habitable floors affected (expressed per 1,000 properties connected to the Council's stormwater system)	0.0	0.0						
DIA Performance measure 2 (discharge compliance) Compliance with the Council's resource consents for discharge from its stormwater system, measured by the number of: - Abatement notices - Infringement notices - Enforcement orders - Convictions Received by Council in relation to those resource consents.	0.0	0.0						
DIA Performance measure 3 (response times) The median response time to attend a flooding event, measured from the time that Council receives notification to the time that service personnel reach the site	<1 hour	0.0						
DIA Performance Measure 4 (customer satisfaction) The number of complaints received about the performance of the stormwater system (expressed per 1,000 properties connected to the Council's stormwater system)	<4	1.80						Network performing as expected

Invercargill City Council - Water Services

Financial Performance**Statement of Comprehensive Revenue and Expense**

		Actual	Budget	Actual vs Budget Variance	Budget	Plan	Budget vs Plan Variance
		YTD	YTD	YTD	Full year	Full year	Full year
		(\$000s)	(\$000s)	(\$000s)	(\$000s)	(\$000s)	(\$000s)
Rates and penalties:	General rates	1,928	1,928	-	1,928	1,907	+ 21
	Targeted rates	29,161	29,161	+ 0	29,161	29,042	+ 119
	Rates penalties	-	-	-	-	-	-
Subsidies and grants:	Subsidies and grants for operating purposes	-	-	-	-	-	-
	Subsidies and grants for capital expenditure	-	-	-	-	-	-
Income from activity:	Fees & charges revenue	7,186	7,719	- 533	7,719	7,719	-
	Rental revenue	14	22	- 8	22	3	+ 19
	Fines & infringements	-	-	-	-	-	-
	Other Revenue	20	-	+ 20	-	-	-
Investment revenue:	Finance Revenue	179	127	+ 52	127	127	-
	Dividends & subvention payments	-	-	-	-	-	-
Total revenue		38,489	38,957	- 468	38,957	38,798	+ 159
Employee expenses:	Salaries & Wages Expenses *	-	-	-	-	-	-
	ACC expenses	-	-	-	-	-	-
	Other Staff expenses	9	-	+ 9	-	-	-
Other expenses:	Administration expenses	124	-	+ 124	-	-	-
	Elected reps & Mana Whenua expenses	-	-	-	-	-	-
	Consultancy expenses	126	285	- 159	285	285	-
	Operational expenses	1,694	2,071	- 377	2,071	2,271	- 200
	Utilities expenses	4,330	4,435	- 104	4,435	4,520	- 86
	Repairs & maintenance	4,410	4,950	- 540	4,950	5,250	- 300
	Grants & subsidies expenses	-	-	-	-	-	-
	Internal job cost allocation *	5,140	6,521	- 1,382	6,521	5,659	+ 863
	Internal charges and overheads recovered	-	-	-	-	-	-
	Internal charges and overheads applied	-	-	-	-	-	-
Finance expenses:	Finance Expenses	967	888	+ 79	888	888	-
Depreciation:	Depreciation and Amortisation	18,932	18,490	+ 443	18,490	21,744	- 3,254
Total expenses		35,732	37,640	- 1,908	37,640	40,617	- 2,977
Net operating surplus / (Deficit)		2,757	1,318	+ 1,440	1,318	-1,819	+ 3,136

* The Internal job cost allocation line includes salaries & wages expenses from staff that work on Water Services related areas as well as a corporate overhead cost allocation. Some of the overhead cost allocations are yet to be allocated at time of reporting.

WATER SERVICES ACTIVITY PLANNING DIRECTION

To: Water Committee

Meeting Date: Tuesday 1 September 2026

From: Rhiannon Suter, Manager – Strategy, Policy and Engagement

Approved: Matt Keil - General Manager - Water Services

Approved Date: Wednesday 26 August 2026

Open Agenda: Yes

Purpose and Summary

This report provides the Water Committee with the opportunity to provide direction on preferred approach for operational expenditure elements for consideration within the budgets for Water Services for the 2027 – 2037 Water Services Strategy and Investment Delivery Plan, in alignment with the 2027 – 2037 Long-term Plan.

Recommendations

That the Water Committee:

1. Receives the report "Water Services Activity Planning Direction".

Recommend to Council:

2. Approves the inclusion of the following items for consideration as part of the Water Services (Water, Sewerage, Stormwater) activity plans budgets:
 - a. Water - \$1,155,000 increased operational expenditure 2027 – 2037 (average \$115,500 per year) for works to maintain the network including: Branxholme filter and GAC media replacement on a cyclic basis; Branxholme fluoride biennial supply (chemical) on a cyclical basis; Branxholme filter blocks (12) cyclical reconditioning; Branxholme clarifier inspections on a cyclical basis; Branxholme Accelerator clarifier structural steel repainting on a cyclical basis; Branxholme clearwater tanks cyclical cleaning; Doon Street Reservoir cyclic roof repainting on a cyclical basis; Network modelling – design upgrades and future proofing the network for growth.
 - b. Sewerage - \$1,790,000 increased operational expenditure 2027 - 2037, (Average \$179,000 per annum) for works to maintain the network including: additional CCTV – condition rating to advance the knowledge of the network; Network modelling – design upgrades and future proofing the network for growth; Otatara and Omaui

desludging of wastewater ponds on a cyclic basis; Bluff Wastewater Treatment Plant screen reconditioning on a cyclic basis; Bluff Wastewater Treatment Plant clarifier inspection and structural steel repainting on a cyclical basis; Clifton Wastewater Treatment Plant screen (2) reconditioning on a cyclical basis; Clifton Wastewater Treatment Plant Trickling filter (2) media top up on a cyclical basis; Clifton Wastewater Treatment Plant clarifier inspection and structural steel repainting on a cyclical basis; Clifton Wastewater Treatment Plant emptying digesters (3) on a cyclical basis; Clifton Wastewater Treatment Plant sludge pond (5) emptying on a cyclical basis; Clifton Wastewater Treatment Plant delivery of sludge to Christies Road on a cyclical basis and Clifton Wastewater Treatment Plant desludging of the maturation pond on a cyclical basis.

- c. Stormwater - \$4,130,000 additional operational expenditure 2027 - 2037 (average \$413,000 per annum), for works needed to maintain the network including: additional CCTV – condition rating to advance the knowledge of the network; Network modelling – design upgrades and future proofing the network for growth; Desludging stormwater ponds on a cyclical basis; Reconditioning rock filters on a cyclic basis; Reconditioning rain gardens on a cyclical basis.

Background

The Water Committee workshopped proposed changes to water, sewerage and stormwater activity planning for the 2027 – 2037 period on 13 August 2026. This information was considered alongside preparation of the Water Services Strategy and Strategic Asset Management Plan. The full information shared at the workshop is appended to this report.

Issues and Options

Analysis

The proposed operational budget changes are a preliminary stage of the budget change and further review in relation to deliverability will be made.

Significance

The Water Services Strategy and associated documentation is significant and will be consulted on in March/ April 2027 alongside the Long-term Plan.

Options

The Water Committee may choose to not recommend some or all of the proposed budget changes for consideration by Council, noting the significant potential implications to maintaining levels of service.

Community Views

Consultation will take place in March/ April 2027.

Implications and Risks

Strategic Consistency

The proposed changes required to maintain the network are in line with the proposed direction planned for the draft Water Services Strategy.

Financial Implications

This stage of the process addresses proposed changes to direct operational expenditure. Other costs and revenue will be considered by Council, along with further information on the budget position following the activity planning phase.

Legal Implications

Council is required to maintain water services to standards to support human and environmental health and the majority of the operational expenditure changes are in line with maintaining required levels of service.

Climate Change

There are no climate change implications associated with this report.

Risk

There are a range of risks to be managed within the process of activity planning. The primary risk to the process is the timely availability and completeness of information to inform decision making. Where information is not yet available this has been noted and where relevant uncertainty will be noted within the assumptions for the Long-term Plan.

Next Steps

The remaining steps of the budgeting process (people related costs, revenue, including fees and charges and the overall budget position) will take place ahead of budget workshops in early October.

Attachments

1. Water Services Activity Planning Slides 2027 – 2037 Water Services Strategy Workshop 13 August 2026 (10934998).

Water, Sewerage & Stormwater

Water Services Strategy - Workshop

13 August 2026

Document Set ID: 10934998
Version: 18, Version Date: 06/08/2026

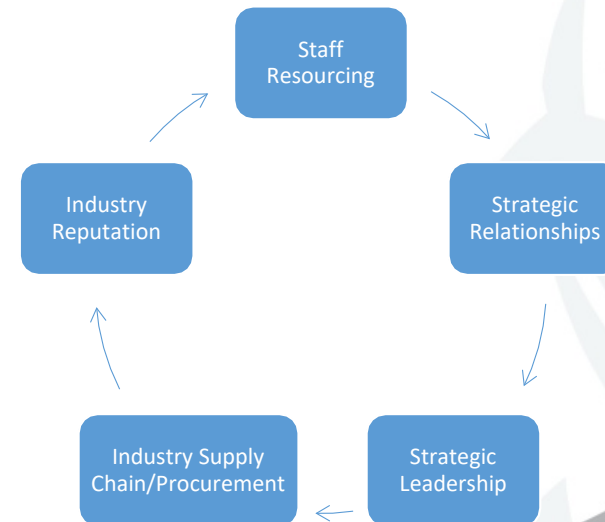


Te Mana o te Wai (Mauri)



Key Opportunities For The ICC WSBU

- Regional WSBU Southland Forum (with TA, MoH, SDC, GDC, ES and ICC).
- Water NZ WSBU National CE Forum.
- Water Industry Operations Group of New Zealand (WIOG) 2027 20th anniversary annual conference.
- Relationships with Southern Waters CCO.
- Staff attraction and succession (SIT, Otago Polytechnic).
- Public consumer communication and consultation style.
- Experience and Water Industry exposure of Governance members.
- Staff resourcing and activity delivery.
- Supplier resourcing and activity delivery.
- Maintenance Contracts (2) - Reticulation Network and Mechanical and Electrical.



Key Issues And Risks For The 3W Activity

- WSBU programme risks were consolidated from project planning, regulatory readiness, asset management and previous WSDP drafting and transition planning work.
- Duplicate and overlapping risks were grouped to provide a clearer WSBU risk view.
- Risks assessed against ICC's enterprise risk framework, including categories, ratings, controls and mitigations.
- Material risks have been identified to be raised to ICC's Enterprise Risk Log (next two slides).
- Risk ownership validated with GM Water Services - noted that the new Water Services Organisation Structure includes a role with assigned Regulatory and Risk Management responsibilities.
- Provided for PSG visibility of the water service risks to be raised to the Enterprise Log.
- Staff resourcing and activity delivery.
- Supplier resourcing and activity delivery.

Water Services Group

The current Water Services Group consists of Assets, Engineering, Infrastructure Services and 3 Waters Operational teams

The Asset team manages the water asset data in the Councils database system, collects asset condition information and develops work programmes. They also assist in the development the Asset management plans and WSDP, SAMP, ISS, IDP and LTP.

The Engineering team provides engineering design, investigations, documentation and specification, plans and the surveillance of the 3 waters capital work programme supplied by the Asset team. Part of this team also manages the private land development aspects of the 3 water network from single lot units to multiply lot subdivisions.

The Infrastructure Services manages the pipe networks in a preventative and reactive capacity using their external Contractor. They provide asset condition information to both the Asset and Engineering team(s).

The 3 Waters operation team consist Water Operators, Wastewater Operator, Control Room Operators, Stormwater Consent management and compliance, Scientific-Laboratory Services and Engineering.

These people collectively manage our 3 Waters Network to ensure that it meets the safe drinking water, environmental and legislative requirements from source, treatment and distribution through to discharge.



Water Services Group (cont)

Benefits

- A small local and motivated group that takes responsibility of providing a good quality service
- Very experienced Water Services Team (150 years / small leadership team of four)
- The group take ownership of what they do
- Additional asset condition data is recorded for better decision making
- Additional asset monitoring data is increasing due to new systems installed



Issues

- legislative and reporting requirements are increasing
- Maintaining high quality trained staff in the industry
- Increasing resources (system and staff) to evaluate additional asset data
- Additional Engineering staff to match the increased pipe renewals programme
- Aging local and national workforce (3 Waters Operational team)
- Staff succession planning & development pathways

Water Overview

Opex - Water

The Water network consist of:

1 x Water treatment Plant - Branhholme

7 x Water Pump Stations.

8 x Water Reservoirs

2 x Bore wells sites – Awarua

2 X Piezo bores - Awarua

SCADA telemetry system monitor 18 of the 20 sites

Reticulation

Approximately 432 kilometres Water reticulation pipes

Water Asset Condition

Water Supply practices were generally at Intermediate level (with minor gaps)



Water Overview (cont)

Opex - Water

Additional opex works and resources required to maintain the network include:

- Branxholme filter and GAC media replacement on a cyclic basis
 - Branxholme fluoride biennial supply (chemical) on a cyclic basis
 - Branxholme filter blocks (12) cyclic reconditioning on a cyclic basis
 - Branxholme clarifier inspections on a cyclic basis
 - Branxholme Accelator clarifier structural steel repainting on a cyclic basis
 - Branxholme clearwater tanks cyclic cleaning on a cyclic basis
 - Doon Street Reservoir cyclic roof repainting on a cyclic basis
 - Network modelling – design upgrades and future proofing the network for growth.
-
- The addition required cost is \$1,155,000 total for the first 10 years of the LTP, an average of \$115,500 per year.



Measuring Performance - Water

KPI	Targets Year 1-3	Targets Year 4 – 10
Safety of Drinking water The extent to which the Council's drinking water supply complies with the following parts of the drinking water quality assurance rules: (h) 4.10.1 T3 Bacterial Rules; (i) 4.10.2 T3 Protozoal Rules; (j) 4.11.5 D3.29 Microbiological Monitoring Rule - Invercargill Zone (j) 4.11.5 D3.29 Microbiological Monitoring Rule - Bluff Zone	100% compliance	100% compliance
Maintenance of the reticulation network: The percentage of real water loss from the Council's networked reticulation system (Calculated according to the methodology outlined in Water NZ Water Loss Guidelines publication)	Less than 30%	Less than 30%
Fault response times - Where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured:		
Attendance for urgent call-outs: from the time that Council receives notification to the time that service personnel reach the site	≤4 hours	≤4 hours
Resolution of urgent call-outs: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption	≤24 hours	≤24 hours
Attendance for non-urgent call-outs: from the time that Council receives notification to the time that service personnel reach the site	≤5 working days	≤5 working days
Resolution of non-urgent call-outs: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption.	≤10 working days	≤10 working days
Customer satisfaction The total number of complaints received by Council about any of the following: (a) drinking water clarity (a) drinking water taste (b) drinking water odour (c) drinking water pressure or flow (d) continuity of supply, and (e) the Council's response to any of these issues expressed per 1000 connections to the Council's networked reticulation system.	<10 in total	<10 in total
Demand management The average consumption of drinking water per day per resident within the Invercargill City Council district .	Less than 300 litres/day	Less than 300 litres/day
Document Set ID: 10934998 KPIs are set by DIA, targets are proposed by Council Version: 1.0, Version Date: 06/06/2020		

Wastewater Overview

Opex - Wastewater/Sewerage

The Wastewater network consist of:

3 x Waste Water Treatment Plants

- Clifton and Ōmāui consent(s) expires 2029
- Bluff consent expires 2028

31 x Waste Water Pump Stations

SCADA telemetry system monitors 30 of the 34 sites

Reticulation

Approximately 376 kilometres Sewerage reticulation pipes

Wastewater Asset Condition

Asset maturity assessment lies between Core and Intermediate



Wastewater Overview (cont)

Opex - Wastewater/Sewerage

Additional opex works & resources required to maintain the network include:

- Additional CCTV – condition rating to advance the knowledge of the network
- Network modelling – design upgrades and future proofing the network for growth.
- Otatara and Omaui desludging of wastewater ponds on a cyclic basis
- Bluff Wastewater Treatment plant screen reconditioning on a cyclic basis
- Bluff Wastewater Treatment plant clarifier inspection and structural steel repainting on a cyclic basis
- Clifton Wastewater Treatment plant screen (2) reconditioning on a cyclic basis
- Clifton Wastewater Treatment plant Trickling filter (2) media top up on a cyclic basis
- Clifton Wastewater Treatment plant clarifier inspection and structural steel repainting on a cyclic basis
- Clifton Wastewater Treatment plant emptying digesters (3) on a cyclic basis
- Clifton Wastewater Treatment plant sludge pond (5) emptying on a cyclic basis
- Clifton Wastewater Treatment plant delivery of sludge to Christies road on a cyclic basis
- Clifton Wastewater Treatment plant desludging of the maturation pond on a cyclic basis
- The addition required cost is \$1,790,000 total for the first 10 years of the LTP, an average of \$179,000

per year

Measuring Performance - Sewerage

KPI	Targets Year 1-3	Targets Year 4 – 10
System and adequacy The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system.	Max 4	Max 4
Discharge compliance Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of: (a) abatement notices (b) infringement notices (c) enforcement orders, and (d) convictions, received by the territorial authority in relation those resource consents.	Zero	Zero
Fault response times Where the Council attends to sewerage overflows resulting from a blockage or other fault in the Council's sewerage system, the following median response times measured:		
Attendance time: from the time that Council receives notification to the time that service personnel reach the site	<1 hour	<1 hour
Resolution time: from the time that Council receives notification to the time that service personnel confirm resolution of the blockage or other fault.	<6 hours	<6 hours
Customer satisfaction The total number of complaints received by Council about any of the following: (a) sewage odour (b) sewerage system faults (c) sewerage system blockages, and (d) Council's response to issues with its sewerage system, expressed per 1000 connections to the Council's sewerage system.	Max 4	Max 4
KPIs are set by DIA, targets are proposed by Council		

Stormwater Overview

Opex - Stormwater

The Stormwater network consists of:

8 x Storm Water Pump Stations

SCADA telemetry system monitoring 6 of the 8 sites

20 x Stormwater treatment systems (ponds, filters and rain gardens)

Reticulation

Approximately 429 kilometres Stormwater reticulation pipes

Stormwater Asset Condition

Stormwater management was generally at an Intermediate level of asset maturity



Stormwater Overview (cont)

Opex - Stormwater

Additional opex works and resources required to maintain the network include:

- Additional CCTV – condition rating to advance the knowledge of the network
- Network modelling – design upgrades and future proofing the network for growth.
- Desludging stormwater ponds on a cyclic basis
- Reconditioning rock filters on a cyclic basis
- Reconditioning rain gardens on a cyclic basis
- The addition required cost is \$4,130,000 total for the first 10 years of the LTP, an average of \$413,000 per year.



Measuring Performance - Stormwater

KPI	Targets Year 1-3	Targets Year 4 – 10
System adequacy:		
(a) The number of flooding events that occur in the Invercargill City District.	Zero	Zero
(b) For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the Council's stormwater system)	Zero	Zero
Discharge compliance Compliance with Council's resource consents for discharge from its stormwater system, measured by the number of: (a) abatement notices (b) infringement notices (c) enforcement orders, and (d) convictions, received by Council in relation those resource consents.	Zero	Zero
Response times The median response time to attend a flooding event, measured from the time that Council receives notification to the time that service personnel reach the site.	<1 hour	<1 hour
Customer satisfaction The number of complaints received by Council about the performance of its stormwater system, expressed per 1000 properties connected to the Council's stormwater system.	<4	<4
<i>KPIs are set by DIA, targets are proposed by Council</i>		

SUPPLEMENTARY INFORMATION

(content beyond this point is for background purposes only and will not be presented)



About the Activity

- Water, Sewerage, Stormwater
- Pipes and Manholes – include large supply and delivery pipes in all three assets
- Treatment Plants
 - Branxholme (Water)
 - Clifton (Sewerage)
 - Buff(Sewerage)
 - Omaui (Sewerage)
- Pumps Stations
 - Water (6)
 - Sewerage (31)
 - Stormwater (8)
- Reservoirs
 - Water (8)
- Stead Street and Cobbe Road Stopbanks
- Operations of facilities, contracts for maintenance of pipes , in-house capital pipe renewals - design/ management

Community outcomes

Community Outcomes	How the Activity Contributes
Nobody is Left Behind – Our youth, older people, different neighbourhoods and communities basic needs are met through cost effective investment, and they feel valued and proud to live here	
A vibrant, safe city which meets our people’s diverse cultural needs.	
6. Deliver Reliable and Resilient Water Services ICC will build resilience into its water network by improving risk understanding, addressing vulnerabilities from sea level rise, flood event, and ensuring redundancy of critical assets where possible.	
A healthy, resilient environment supporting a healthy, resilient community.	
3. Comply with Public Health and Environmental Regulations ICC will maintain full compliance with drinking water, wastewater, and stormwater standards, including all relevant resource consent conditions and national environmental regulations.	
A future focused economy delivered through innovation and partnership and supported by appropriate infrastructure	
5. Support Council's Growth and Development Objectives ICC will align water service delivery with the city's growth aspirations. Financial contribution will be used where possible to effectively to fund growth-related investments. Development contributions could also be used in the future should the risk of city population and industry decline no longer be a risk.	
7. Partner with Mana Whenua and Engage Effectively with the Community ICC will work in partnership with Mana Whenua and maintain transparent and responsive relationships with the community by actively seeking customer feedback, monitoring satisfaction, and demonstrating a commitment to being a responsible and accountable service provider. Council has existing Mana Whenua representation as part of its Governance structure.	

As referenced from
our WSDP document

Assets

Plant and Equipment Revaluation 2024

Invercargill City Council Utilities Plant and Equipment Revaluation as at 30 June 2024			
Asset Group	Optimised Replacement Cost	Optimised Depreciated	Annual Depreciation
Wastewater Pump Stations	16,000,955	7,510,493	443,055
Wastewater Treatment Plant- Omaui	569,049	354,619	9,029
Wastewater Treatment Plant- Clifton	72,321,003	29,072,038	1,462,699
Wastewater Treatment Plant- Bluff	3,994,199	1,826,538	108,462
Sub-total: Wastewater Treatment Plant	76,884,251	31,253,195	1,580,190
Sub-total: Wastewater Plant	92,885,205	38,763,688	2,023,245
Water Miscellaneous	-	-	-
Water Supply Pump Stations	7,153,681	2,499,393	203,564
Water Supply Storage	59,688,533	15,860,485	747,325
Water Treatment Plants	31,983,122	9,791,426	661,797
Sub-total: Water Supply Plant	98,825,337	28,151,304	1,612,686
Stormwater Pump Stations	6,023,756	2,979,746	145,831
TOTAL	197,734,298	69,894,738	3,781,761

Assets (cont)

Reticulation Revaluation 2024

		Invercargill City Council		
		Reticulation Revaluation as at 30 June 2024		
TYPE	Asset	ORC 2024	ODRC 2024	AFD 2024
Sewer	Cleaning Eye	1,080,062.95	484,755.59	11,840.52
Sewer	Mains	372,368,046	129,890,961	4,246,655
Sewer	Manholes	39,644,102	11,881,362	467,333
Sewer	Inlets			
Sewer	Outlets			
Sewer	Valves	2,227,372	1,757,093	43,843
Storm	Cleaning Eye	675,630	367,014	7,457
Storm	Mains	387,635,093	168,680,535	3,922,507
Storm	Manholes	36,220,007	19,261,935	361,061
Storm	Levee	15,134,332	14,908,094	151,343
Storm	Inlets	2,304,905	1,351,666	18,204
Storm	Outlets	1,150,580	512,861	17,584
Storm	Valves	26,142	17,381	349
Water	Hydrants	12,205,438	2,978,612	172,816
Water	Mains	291,233,882	163,544,666	3,229,567
Water	Manholes	90,751	65,442	1,498
Water	Meters	1,944,239	431,958	105,326
Water	ServiceLines	43,647,289	18,581,049	727,330
Water	Valves	22,880,509	14,014,151	359,592
Totals		1,230,468,380	548,729,536	13,844,307

Water Services Capital Programme

Decommissioning of the Water Tower as an active part of the network (\$500,000 capital investment in pressure vessel, 2028/2029).

Clifton Wastewater Treatment Plant Discharge Consent Project (Average of discharge to water options, \$246 million, 2031 – 2035)

Bluff Wastewater Treatment Plant Discharge Consent Project, including High Energy Coastal (\$5.86 million, 2037 - 2040) **note:** the additional \$500k if allocated for LTP26/27 and now moved up into the current LTP (\$6.37m).

Emergency Water Project (\$28.5 million, 2027 – 2030) **note:** increase budget \$4.6m and a reduced delivery of 1 year (Awarua Treatment \$11.4m) and (Awarua Pipe Network \$17.1m)

Alternative Water Project (\$29.5 million, 2026 – 2031) **note:** was previously budgeted at \$30.8m Reduction \$1.3m (Awarua Treatment \$22.8m) and (Skye Street reservoir and pump station \$6.7m), delivery was previously 2037-2038.

Reticulation Extensions (Water and Sewerage) (\$45 million, 2037 – 2047).

Water Meters - Proposing 2 phases (\$20.4 million, 2033 – 2038).

- Phase 1 – Electronic meters, data intelligence (distribute mains) 2033 – 2035,
- Phase 2 – Residential water metering 2035 – 2038

Capacity on Water Network to Bluff (\$26.7 million, 2037 – 2041).

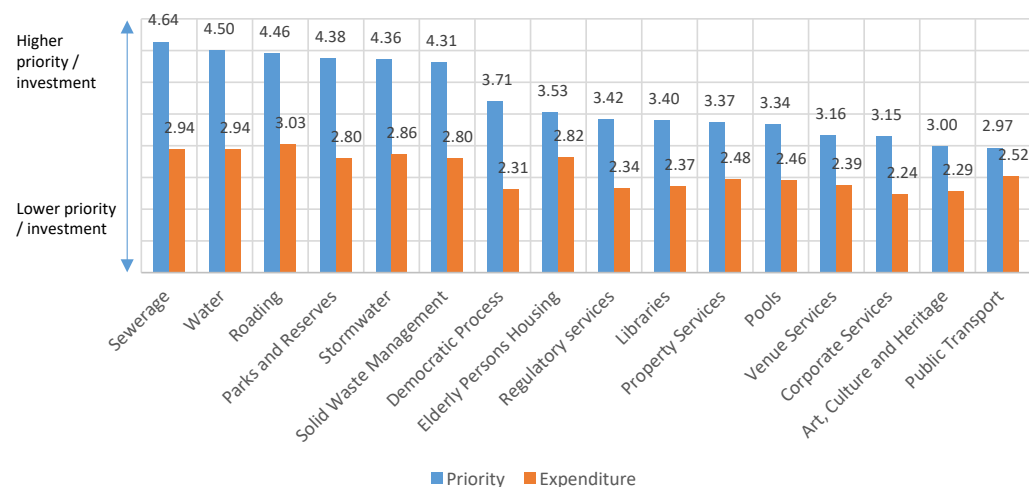
Incorporate the Water Tower in the Council's decision making process for the remainder of the Capital Programme as a heritage building (\$5.4 million, 2030/2031).

Community feedback

Residents Survey – Levels of Service feedback (2024/2025) - Residents rated the importance of various services and indicate their preferred levels of investment.

Priority (blue) – 1 (provision of service is not very important to 5 (provisions of service is very important)

Expenditure (orange) - 5 options - (1) Pay less and accept lower levels of service; (2) Pay the same and accept that service levels will be slightly lower; (3) Pay a little more to maintain the level of service, (4) Pay more for a higher level of service, (5) Council no longer deliver the service at all



Feedback: find and use alternate water source, availability of water services, Council should promote or subsidise water tanks, work within budgets, install water meters, improve regular maintenance, all water services are essential and should be a priority.