

Tuesday, 30 September 2025

*He hui e whakahaeretia nei e Te Kaunihera ā-Rohe o Heretaunga*

**Administered by Hastings District Council**

**Joint Hastings District, Central Hawke's Bay District & Napier City Councils**

## **Transitional Governance Group Meeting**

*(Hawke's Bay Water Services Council Controlled Organisation (WSSCO) Project)*

*Kaupapataka*

# **Agenda**

*Te Rā Hui:*  
Meeting date: **Tuesday, 30 September 2025**

*Te Wā:*  
Time: **3:00 PM**

*Te Wāhi:*  
Venue: **The Small Exhibition Room  
Napier War Memorial Centre  
48 Marine Parade  
Napier**

*Te Hoapā:*  
Contact: **Democracy and Governance Services  
P: 06 871 5000 | E: [democracy@hdc.govt.nz](mailto:democracy@hdc.govt.nz)**

*Te Āpiha Matua:*  
Responsible  
Officer: **Group Manager: Infrastructure - Craig Thew**

# Transitional Governance Group Terms of Reference

(Hawke's Bay Water Services Council Controlled Organisation (WSCCO) Project)

## Adopted by resolution of:

- Hastings District Council, 9 September 2025
- Napier City Council, 9 September 2025
- Central Hawke's Bay District Council, 9 September 2025

## 1 Name and status

- 1.1 The Transitional Governance Group (**TGG**) is a joint committee under clause 30(1)(b) of Schedule 7 of the Local Government Act 2002 (LGA 2002).

## 2. Purpose

- 2.1 The TGG is established under the *Regional Water Services Council Controlled Organisation Heads of Agreement (Heads of Agreement)* for the purpose of providing transitional governance and oversight of the project to establish the joint operating model for water services delivery for the Central Hawke's Bay District, Hastings District and Napier City Councils (**Councils**) (**Project**).
- 2.2 The joint operating model has been agreed between the Councils to be a jointly owned Water Services Council Controlled Organisation.
- 2.3 The Project will establish the Hawke's Bay Water Services Council Controlled Organisation (**WSCCO**), which will ultimately assume responsibility and asset ownership for the delivery of water services from the Councils.
- 2.4 These Terms of Reference are prepared pursuant to Clauses 30 and 30A of Schedule 7 of the LGA 2002 to guide the operations of the TGG. The TGG will not be discharged at the point of the next election, in accordance with Clause 30(7), Schedule 7 of the LGA 2002.

## 3. Objectives

- 3.1 The TGG shall:
  - (a) Oversee the direction of the Project and provide governance leadership during the initial establishment and transition of water services to the WSCCO;
  - (b) Make certain decisions that are required to facilitate the initial establishment and transition to the WSCCO;
  - (c) Provide direction to the Project Steering Group (**PSG**) and the Establishment Board (once appointed);
  - (d) Ensure that the joint Water Services Delivery Plan (**WSDP**) and WSCCO establishment process reflects the Councils' objectives and statutory requirements.

## 4. Responsibilities

- 4.1 The TGG will be responsible for providing governance and oversight of the Project in accordance with Schedule 2 of the Heads of Agreement. This includes:
  - (a) Overseeing the development of the Project Plan and monitoring progress against key milestones as set out in the Heads of Agreement and WSDP.
  - (b) Addressing any issues escalated to it by the PSG.

- (c) Monitoring progress and risks based on reporting from the PSG and Project Team.
  - (d) Approving material changes to the direction of the Project or Project Plan.
  - (e) Appointing the Establishment Board for the WSCCO and advising on the appointment of the Establishment Chief Executive.
- 4.2 Substantive decisions relating to the adoption of the WSDP and the final joint operating model foundational documents remain the responsibility of each Council separately.

## **5. Delegated authority**

- 5.1 The Councils delegate to the TGG all powers, duties and functions needed to carry out its responsibilities in clause 4.1.
- 5.2 Where the TGG does not have delegated authority, it may make a recommendation to the Councils.

## **6. Membership**

- 6.1 Per Schedule 1 of the Heads of Agreement, the TGG will comprise seven members. This includes:
  - (a) The Mayor of each Council and one other member from each Council (either elected or an appointee); and
  - (b) An Independent Chair appointed at the first meeting of the TGG by unanimous agreement of the other members of the TGG.
- 6.2 Each of the Councils may discharge their appointed member to the TGG and appoint another member in their stead. This does not apply to the Mayor of each of the Councils, who is to remain a member of the TGG as a standing appointment.
- 6.3 The Independent Chair may be removed or replaced by unanimous agreement of the other members of the TGG.

## **7. Chairperson and Deputy Chairperson**

- 7.1 At the first meeting of the TGG the members shall:
  - (a) Appoint an independent Chair in accordance with clause 6.1(b); and
  - (b) Elect a Deputy Chair from the membership of the TGG.
- 7.2 The remuneration of the Independent Chair is to be determined by the TGG at the first meeting of the TGG.

8. Decision-Making and voting
  - 8.1 In accordance with clause 32(4) Schedule 7 of LGA 2002, each member (other than the Independent Chair) has full authority to vote and make decisions at meetings of the TGG within the scope of the delegated authority provided by the Council that appointed them, without further recourse to that Council.
  - 8.2 The TGG will use best endeavours to make decisions by consensus. Where consensus cannot be reached, the relevant motion will not be put and the matter will be referred to the Councils for their consideration. The matter may be referred back to the TGG for decision following the Councils' consideration.
  - 8.3 Where voting is required, each member (other than the Independent Chair) has one vote.
  - 8.4 The quorum will consist of a majority of members (excluding the Independent Chair).
  - 8.5 At least one member from each of the Councils will be required at any meeting to form a quorum.
9. Meetings
  - 9.1 The TGG will meet at least monthly, or at such other times and frequency as it determines.
  - 9.2 Meetings will be scheduled and supported by the Project Convenor and the Hawke's Bay Regional Recovery Agency (RRA).
  - 9.3 Agendas will be circulated at least three days in advance of a meeting, and minutes will be recorded and confirmed.
10. Reporting and Communication
  - 10.1 The TGG receives information and advice from the PSG, which is to be informed by the Project Team.
  - 10.2 The TGG will report at regular frequencies progress and key decisions back to the Councils.
  - 10.3 Media releases and public announcements related to the Project must be coordinated through the TGG, with the TGG to have final approval over any communications.
11. Term
  - 11.1 The TGG will operate from the Commencement Date of the Heads of Agreement until the earlier of:
    - (a) The establishment of the WSCCO and appointment of the Shareholders Representative Forum;  
or
    - (b) Termination of the Heads of Agreement.
  - 11.2 It is expected that on termination, the TGG will be superseded by the Shareholders Representative Forum.
12. Review and variation
  - 12.1 These Terms of Reference will be reviewed by the Councils as required, and on the recommendation of the TGG, to ensure alignment with the Project implementation plan and requirements.
  - 12.2 Any amendments to the Terms of Reference must be agreed by all Councils before taking effect.
  - 12.3 These Terms of Reference are consistent with the requirements for joint committees as outlined in the LGA 2002.

**Joint Hastings District, Central Hawke's Bay District & Napier City Councils**

**Transitional Governance Group Meeting**

*(Hawke's Bay Water Services Council Controlled Organisation (WSSCO) Project)*

*Kaupapataka*

# Agenda

*Mematanga:*  
Membership:

**Chair:** Jon Nichols  
**Deputy Chair:** Mayor Kirsten Wise

**Members:**

**Hastings District Council**  
Mayor Sandra Hazlehurst (HDC)  
Cr Michael Fowler (HDC)

**Napier City Council**  
Cr Keith Price (NCC)

**Central Hawke's Bay District Council**  
Mayor Alex Walker (CHBDC)  
Cr Brent Muggeridge (CHBDC)

*Tokamatua:*  
**Quorum:**

4 members (being a majority of the members appointed – excluding the Independent Chair)  
(At least one member from each of the Councils will be required)

*Apiha Matua*  
**Officer Responsible:**

Group Manager: Infrastructure – Craig Thew

*Te Rōpū Manapori me te  
Kāwanatanga*  
**Democracy &  
Governance Services:**

Lynne Cox (Extn (5632))



*Te Rārangi Take***Order of Business**

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**Apologies & Leave of Absence – Ngā Whakapāhatanga me te Wehenga ā-Hui**

- 1.0** At the close of the agenda no apologies had been received.  
At the close of the agenda no requests for leave of absence had been received.
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**2.0** **Conflict of Interest– Mahi Kai Huanga**

Members need to be vigilant to stand aside from decision-making when a conflict arises between their role as a Member of the Council and any private or other external interest they might have.

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**Confirmation of Minutes - Te Whakamana i Ngā Minitī**

- 3.0** Minutes of the Transitional Governance Group held Tuesday 16 September 2025.  
(Previously circulated)
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- 4.0** **HBWSCCO Project Plan** **9**
- 

- 5.0** **Recommendation to Exclude the Public from Items 6 and 7** **13**
- 

- 6.0** **HBWSCCO Establishment Advisory Board Remuneration**
- 

- 7.0** **HBWSCCO Establishment Advisory Board Appointments**
-





Tuesday, 30 September 2025

Item 4

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga***Hastings District Council: Transitional Governance Group***Te Rārangi Take*

# Report to Transitional Governance Group

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**Nā:** Andrew Lebioda, Project Convenor, Hawke's Bay Regional Recovery Agency  
**From:** Donna Harvey, Director - Organisational Planning, Central Hawke's Bay District Council

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**Te Take:**  
**Subject:** HBWSCO Project Plan

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## **1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga***

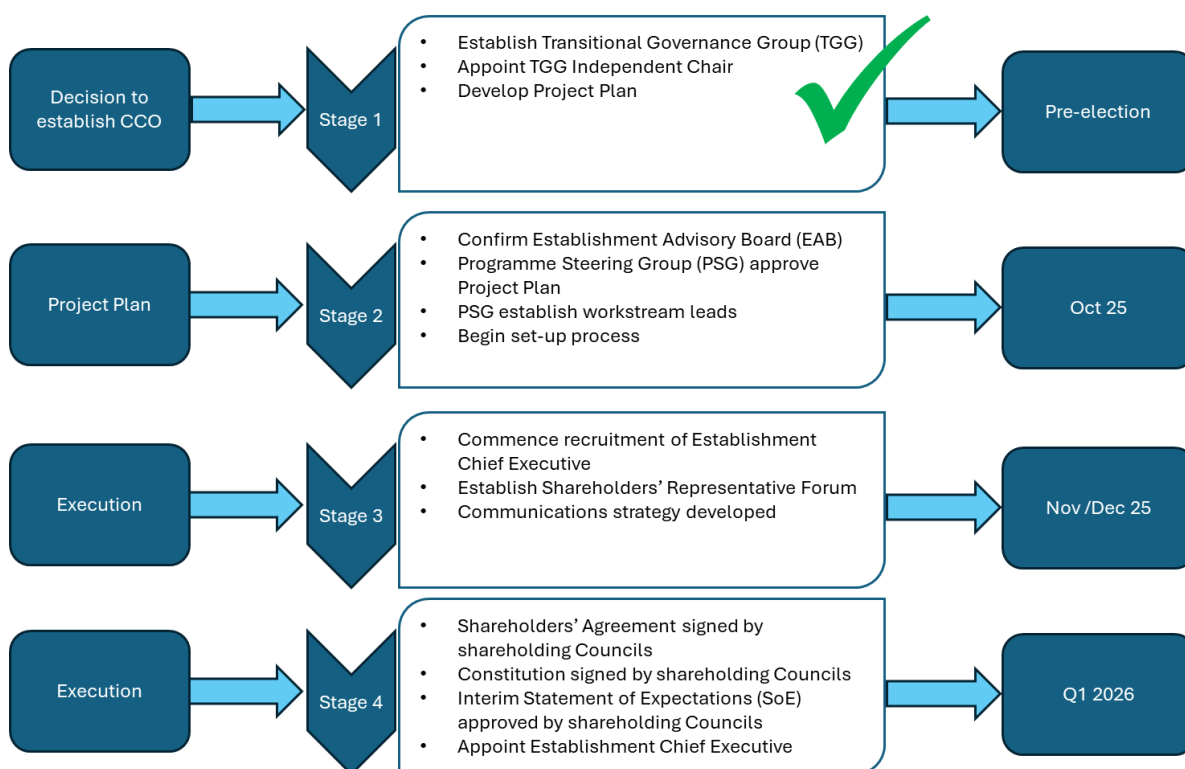
- 1.1 The Hawke's Bay Water Services Council Controlled Organisation (WSCO) Project Plan outlines the roadmap for establishing a new regional water services entity, jointly initiated by Hastings District Council, Napier City Council, and Central Hawke's Bay District Council.
- 1.2 The WSCO aims to deliver resilient, affordable, and sustainable water services for all Hawke's Bay communities, in alignment with the Local Water Done Well (LWDW) framework and legislative requirements.
- 1.3 Building on the Water Services Delivery Plan (WSDP) implementation section, three phases of the project were identified.
  - 1.3.1 Pre-Establishment (Jul – Sep 2025): Finalising the WSDP, securing council resolutions, and entering into foundational agreements.
  - 1.3.2 Establishment (Sep 2025 – Jul 2026): Current phase. Constituting governance bodies, appointing leadership, developing foundational documents, and preparing for operational transition.
  - 1.3.3 Transitional (Jul 2026 – Jul 2027): Future stage. Transferring staff, assets, and responsibilities; integrating systems; and formalising long-term arrangements.
- 1.3.4 The key information provided in this report will be focused on the Establishment phase of the project.

## 2.0 Recommendations - Ngā Tūtohunga

- A) That the Transitional Governance Group receive the report titled HBWSCCO Project Plan dated 30 September 2025.
- B) That the Transitional Governance Group:
- Notes that the Project Plan is a living document and will evolve and be further refined over the course of the project.
  - Notes that the Project Plan and progress updates are to be reported monthly to the TGG and PSG, as outlined in clause 4.7(a) of the Heads of Agreement.
  - Notes that, while the Project Steering Group (PSG) is formally responsible for approving the Project Plan, the TGG is responsible for providing direction to the PSG in relation to the plan, as outlined in clause 4.4(a) of the Heads of Agreement.
  - Directs Chief Executives of the Councils to commence the recruitment process for the Establishment Chief Executive of the WSCCO, in discussion with the TGG Independent Chair.

## 3.0 Key Milestones

3.1 The following process map highlights the key milestones for the first four stages of the project.



3.2 The following five key actions will be the immediate focus for those supporting this work:

- 3.2.1 **Recruit and support the Establishment Advisory Board:** Following TGG's consideration of the paper *Establishment Advisory Board Appointments* at today's meeting, the process for recruiting the board members and confirming the board arrangements will begin, overseen by the TGG Independent Chair.
- 3.2.2 **Commence recruitment of the Establishment Chief Executive:** This paper recommends the TGG direct the Chief Executives of the Councils to commence the recruitment process for the Establishment Chief Executive of the WSCCO, in discussion with the TGG Independent Chair. Following TGG's consideration of this paper, that process will begin, including working with the Napier Council People and Capability Team to finalise the appropriate documentation.
- 3.2.3 **Establish workstream leads:** The establishment of the WSCCO will be structured around a set of integrated workstreams. Each workstream has clear deliverables, milestones and interdependencies, ensuring a coordinated and robust transition to the new entity. The appropriate levels of project management disciplines and outputs are also in scope. The PSG will lead the work to ensure sufficient resourcing is provided to support this work.



- 3.2.4 **Commence framing the shareholders agreement and the constitution for WSCCO:** Once the Establishment Board is formed this will become a prime workstream which is consistent with their Statement of Expectations.
- 3.2.5 **Provide support to Councils for incoming elected members:** The Project Team and Project Steering Group will work collectively to prepare materials and workshops to the incoming councils, following the local body elections. The purpose will be to ensure that newly elected members have a sufficient understanding of the Local Water Done Well policy and requirements, the Water Services Delivery Plan and the council decisions to inform that plan, and the process to establish the WSCCO.

## 4.0 Next steps – *Te Anga Whakamua*

- 4.1 The Project Plan will continue to be developed as the project continues. It will be used as the basis to guide the work of the Project Team and the PSG, as well as the Establishment Advisory Board once established. The plan is currently in solid draft form and is being reviewed by the PSG. Once completed in final draft it will be shared with the TGG.
- 4.2 Monthly updates on progress on the Project Plan will be provided to the PSG and the TGG, as per the Heads of Agreement.

### Attachments:

There are no attachments for this report.



# HASTINGS DISTRICT COUNCIL

## TRANSITIONAL GOVERNANCE GROUP MEETING

TUESDAY, 30 SEPTEMBER 2025

### RECOMMENDATION TO EXCLUDE THE PUBLIC

#### SECTION 48, LOCAL GOVERNMENT OFFICIAL INFORMATION AND MEETINGS ACT 1987

THAT the public now be excluded from the following part of the meeting, namely:

**6 HBWSCCO Establishment Advisory Board Remuneration**

**7 HBWSCCO Establishment Advisory Board Appointments**

The general subject of the matter to be considered while the public is excluded, the reason for passing this Resolution in relation to the 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 is as follows:

<i>GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED</i>	<i>REASON FOR PASSING THIS RESOLUTION IN RELATION TO EACH MATTER, AND PARTICULAR INTERESTS PROTECTED</i>	<i>GROUND(S) UNDER SECTION 48(1) FOR THE PASSING OF EACH RESOLUTION</i>
<b>6 HBWSCCO Establishment Advisory Board Remuneration</b>	<b>Section 7 (2) (a)</b> The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person. To protect the privacy of individuals.	<b>Section 48(1)(a)(i)</b> Where the Local Authority is named or specified in the First Schedule to this Act under Section 6 or 7 (except Section 7(2)(f)(i)) of this Act.
<b>7 HBWSCCO Establishment Advisory Board Appointments</b>	<b>Section 7 (2) (a)</b> The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person. To protect the privacy of individuals.	<b>Section 48(1)(a)(i)</b> Where the Local Authority is named or specified in the First Schedule to this Act under Section 6 or 7 (except Section 7(2)(f)(i)) of this Act.

Item ERROR! REFERENCE SOURCE NOT FOUND.