



# Proposed Significance and Engagement Policy 2026

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Required by legislation: Local Government (Water Services) Act 2025  
Local Government Act 2002

## 1. PURPOSE

- 1.1 This policy is required by the Local Government (Water Services) Act 2025 (the Act). The policy content sets out:
- a. IAWAI's general approach to determining the significance of proposals and decisions.
  - b. Criteria or procedures that the organisation will use to assess significance.
  - c. The organisation's general approach to engaging with consumers and communities, including when engagement will be undertaken by IAWAI or IAWAI's shareholders, WDC and HCC.
  - d. How the organisation will respond to community preferences about engagement, and
  - e. IAWAI's approach for engaging with particular communities (for example, iwi, hapuu, and other Maaori organisations in its service area).
- 1.2 The purpose of the policy is, as set out in s.35(1) of the Act, is to:
- a. Enable IAWAI, its shareholders, consumers and communities to identify the degree of significance attached to issues, proposals, water services infrastructure, decisions and activities.
  - b. Enable the organisation to develop a flexible and locally appropriate approach to engagement.
  - c. Provide clarity about how and when engagement will occur, including if this will be undertaken by the organisation or its shareholders.
  - d. At the start of any decision-making process, inform IAWAI about how much engagement should occur before making a decision, who will be involved, and the method of engagement.



## 2. DEFINITIONS

Act	Local Government (Water Services) Act 2025
Consultation	a process generally required by statute or triggered by the Significance and Engagement Policy framework. This process is generally timebound, transactional, and asks for feedback on a proposal to enable citizen participation. This process aids and informs decision-making.
Community	a group of people living in the same place or having a particular characteristic in common. Includes interested parties, affected people and key stakeholders.
Decisions	refers to all the decisions made by or on behalf of IAWAI including those made by officers under delegation. (Management decisions made by officers under delegation during the implementation of IAWAI decisions will not be deemed to be significant).
Engagement	a term used to describe the process of listening to inform decision making, and is often informal, fluid and built on relationships. This process involves seeking input from or involving the community, particularly those affected by or interested in a decision, to inform and assist in the process of developing proposals.
HCC	Hamilton City Council.
Maataawaka	Maaori residing in the Waikato District and Hamilton City who do not have a genealogical connection to local iwi, hapuu and marae.
Mana whenua	Iwi, hapuu and marae with a genealogical connection to the Waikato District and Hamilton City, and as a result, have ancestral authority over land, water, and other taonga within the Waikato District and Hamilton City.
Public-private partnership	as defined in the Act, a long-term contract for delivering a water service, where: <ul style="list-style-type: none"> <li>a. Providing the service requires constructing a new water services infrastructure or enhancing existing water services; and</li> <li>b. The construction or enhancement is financed from external sources on a non-recourse basis; and</li> </ul> The water service provider acquires or retains full ownership of the infrastructure.
Shareholders	a legal entity that holds ownership shares in IAWAI and has formal rights over the company's financial and strategic decisions. IAWAI's shareholders are Hamilton City Council (HCC) and Waikato District Council (WDC), each holding a 50% ownership stake in IAWAI.
Significance	as defined in Section 5 of the LGA 'in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for, —



	<ul style="list-style-type: none"> <li>a. the district or region:</li> <li>b. any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter:</li> <li>c. the capacity of the local authority to perform its role, and the financial and other costs of doing so’.</li> </ul>
Significant	as defined in Section 5 of the LGA ‘means that the issue, proposal, decision, or other matter has a high degree of significance’.
Significant contract	As referenced in Section 22, 23 and 24 of the Act, a contract which is determined to be significant under the criteria set out in this Policy.
Strategic water services asset	<p>As defined in the Act, for a water service provider—</p> <ul style="list-style-type: none"> <li>a. means water services infrastructure or another asset or group of assets without which the provider is unable— <ul style="list-style-type: none"> <li>i. to meet its regulatory requirements; or</li> <li>ii. to maintain its capacity to achieve the outcomes set out in its water services strategy; and</li> </ul> </li> <li>b. includes an asset or group of assets listed as strategic water services assets in this significance and engagement policy.</li> </ul>
WDC	Waikato District Council

### 3. APPLICATION

3.1 This policy applies to all decisions taken by IAWAI where there is or likely to be an impact on the community within Hamilton City and Waikato District

### 4. STEP 1 – DETERMINING SIGNIFICANCE OF PROPOSALS AND DECISIONS

#### 4.1 Determining the significance of issues, proposals and decisions

4.2 Significance, in relation to the issues, proposals and decisions of IAWAI, means the degree of importance of an issue, proposal, decision, or matter as assessed by IAWAI in relation to its likely impact on, and likely consequences for:

- a. Hamilton City and Waikato District;
- b. any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter;

4.3 IAWAI will assess the significance of any proposal or decision using the criteria set out in ‘Attachment 2 – Determining Significance’.

4.4 When considering the matters listed in Attachment 2, each policy consideration will be rated either ‘low’, ‘medium’ or ‘high’. Following this assessment, the total level of significance of the matter will be rated as either ‘low’, ‘medium’ or ‘high’.



- 4.5 If a proposal or decision is affected by a number of the criteria in Attachment 2, it is more likely to have a higher degree of significance. In general, the more significant a decision, the greater the need for community engagement.
- 4.6 **District and city wide vs. local significance.**
- 4.7 IAWAI acknowledges that a decision or proposal can be of 'low' or 'medium' significance at a district and city-wide level but hold 'high' significance with a specific community, town or area.
- 4.8 Decisions or proposals can still be deemed of 'high' significance when the localised impact and interest are substantial, even if the wider city and district impact is less pronounced.
- 4.9 **Determining significant contracts**
- 4.10 To determine whether a contract is a significant contract, IAWAI will undertake an assessment, considering all the following criteria together:
- Whether the contract is of high in value relative to IAWAI's revenue; and
  - Whether the contract will create a public-private partnership,
  - All matters that are essential to IAWAI's ability to meet its obligations under this Act in relation to which the contract relates.
  - Whether the contract or commitment has an aggregate per annum value of more than 10% of annual operating revenue.
  - A contract providing for the construction of an asset or related assets with a value of more than 25% of the value of IAWAI's property, plant and equipment.
- 4.11 A contract will only be considered significant after considering all the criteria in Clause 4.10 and the overall impact, value, and importance of a contract. This approach ensures that only contracts with substantial impact on IAWAI's operations, finances, or strategic direction are classified as significant.
- 4.12 Engagement on significant contracts would generally be limited to:
- Practices and procedures within IAWAI's Procurement Policy and Procedures
  - Targeted engagement with relevant stakeholders.
  - Direct engagement with shareholders.
- 4.13 After entering a significant contract, IAWAI will develop performance indicators for the contract. The performance indicators will be reported on in its Water Services Annual Report.
- 5. STEP 2 – DETERMINING ENGAGEMENT APPROACH**
- 5.1 **General principles for engagement**
- 5.2 IAWAI acknowledges that community engagement is broader than consultation. Engagement is a process that involves all or some of the community and can be



focused on sharing information, generating ideas, decision making, and/or problem solving.

- 5.3 IAWAI staff will consider the level of significance of the decision or proposal (low, medium or high) and any relevant information it holds on the community's views and perceptions related to a proposal before undertaking any further community engagement.
- 5.4 The engagement approach (platform, questions, audiences, tactics, analysis, reporting) and associated communications, will be outlined by IAWAI staff in a communication and engagement plan specific to the proposal.
- 5.5 Each IAWAI communication and engagement plan will be informed by the proposal details.
- 5.6 IAWAI will tailor its engagement approach to reflect level of significance (low, medium or high) and the preferences and priorities of the communities it serves, as set out in Attachment 1.
- 5.7 Engagement techniques will be selected based on factors such as:
  - Public awareness and history of the issue or proposal;
  - Stakeholder involvement;
  - Timing in relation to other events;
  - Geographic location of affected communities;
  - Existing feedback channels (e.g. WDC community boards, Rural Economic Advisory Panel, HCC and WDC committees); and
  - The distinct priorities of IAWAI's communities, from urban centres like Hamilton, to growing towns such as Huntly and Pookeno, coastal settlements like Raglan, and smaller rural areas including Horotiu and Te Kauwhata.
- 5.8 IAWAI recognises that different communities have different experiences and engagement preferences. These differences will be considered to ensure meaningful participation in decision-making.
- 5.9 If IAWAI makes a decision that is significantly inconsistent with this policy, the steps identified in Section 38 of the Act will be undertaken.
- 5.10 **Engaging with Maaori**
- 5.11 IAWAI acknowledges the unique and enduring relationship of mana whenua with water bodies and taonga within the Waikato District and Hamilton City. In giving effect to Te Ture Whaimana o Te Awa o Waikato, IAWAI is committed to working in genuine partnership with mana whenua, guided by Te Tiriti o Waitangi and the principles of partnership, protection, and participation. IAWAI will recognise the following when engaging with Maaori:
  - Te Tiriti o Waitangi settlements, particularly specific identified mechanisms including, but not limited to, Co-Governance Agreements and Joint Management Agreements.



- The status of Te Ture Whaimana as the primary direction setting document for proposals or decisions that impact on Waikato te Awa, the Waikato River.
- 5.12 In some cases, IAWAI has statutory obligations, through its shareholders as their water services company, to engage with iwi/hapuu/marae (mana whenua). This is required by the Local Government Act 2002 (LGA), Resource Management Act 1991, Waikato Raupatu River Settlement Act 2010, and Ngaa wai o Maniapoto Act 2012. This engagement is primarily through formal agreements such as JMAs and Memorandum of Understandings (MOU).
- 5.13 To fulfil its obligations, IAWAI will assess the impact of its decisions and proposals on mana whenua and maataawaka, using the criteria outlined in 'Attachment 2 Determining Significance'.
- 5.14 Based on the assessed level of significance (low, medium or high), IAWAI will select appropriate engagement methods for mana whenua and maataawaka on a case-by-case basis. Engagement will be proportionate to the potential impact and significance of the decision.
- 5.15 For decisions of higher significance to mana whenua, IAWAI will actively engage with mana whenua throughout the decision-making process. As shown in Attachment 1, engagement channels may include:
- Participation in marae forums;
  - Use of iwi communication channels;
  - JMA hui; and
  - Other methods as required.
- 5.16 IAWAI will engage with maataawaka through committee hui, and/or other iwi, hapuu and marae forums where appropriate.
- 5.17 **When IAWAI will not engage with the community**
- 5.18 There are times when it will not be appropriate to engage with the community on certain issues, proposals, decisions, or matters. Examples of this include:
- Organisational decisions (e.g. staff changes and operational matters) that do not materially affect a level of service;
  - Decisions and contracts that are consistent with IAWAI Water Service Strategy, or another policy or plan that has already been subject to consultation, or directives from central government;
  - Protection of the privacy and safety of individuals (as provided for in the Privacy Act 2020 and Local Government Official Information and Meetings Act 1987);
  - Maintenance of confidentiality and/or commercial sensitivity to enable IAWAI to carry out commercial activity or negotiations without prejudice (as provided for in the Local Government Official Information and Meetings Act 1987);
  - Where IAWAI is acting with urgency (for example under the Civil Defence Emergency Management Act 2002);



- Decisions to act where it is necessary to: i. Comply with the law; ii. Save, or protect life, health or amenity and prevent serious damage to property; iii. Avoid, remedy or mitigate an adverse effect on the environment; iv. Protect the integrity of existing and future infrastructure and amenity.
- Decisions in relation to regulatory and enforcement activities, such as water restrictions under the water alert level system.

5.19 The requirements to engage with the community will not apply in circumstances where IAWAI is negotiating and entering unprogrammed public/private partnership development agreements where commercial sensitivity requires confidentiality and the financial triggers in clause 4.10 are not met. In those circumstances, subject to the financial thresholds being triggered (as outlined in paragraph 5.1 of the Shareholders' Agreement), IAWAI will consult with its shareholders.

5.20 Additionally, as noted in s.242 of the Act, IAWAI is not required to consult on its water services annual budget. If a decision relating to the water services annual budget meets the criteria for significance in this policy that would otherwise require consultation, s.242 prevails and consultation is not required.

5.21 Where IAWAI already holds a clear understanding of community views as a result of recent or related consultation, it may choose not to undertake further consultation, even where the proposal or decision is assessed as having a high level of significance.

## 6. WHO LEADS ENGAGEMENTS

### 6.1 IAWAI leads engagement

6.2 IAWAI is the consultation and engagement lead when the matter falls within its statutory power as a water organisation. When required, IAWAI will inform or seek approval or decisions from WDC and HCC, as shareholders.

6.3 IAWAI will use the Special Consultative Procedure where required to by law, including for:

- A summary of the Water Services Strategy (S.235 of the Act).
- Water service bylaws (Water Supply, Stormwater, and Trade Waste and Wastewater), if the bylaw is assessed as being significant. This is subject to delegations from shareholders.

6.4 IAWAI will consult with the community where required to do so by law or in accordance with the framework as described within this Significance and Engagement Policy, including for:

- A waiver policy (S. 102 of the Act)
- Proposed Trade Waste Discharge Plan, subject to delegations from its shareholders (S. 186 of the Act)
- Amendments to its Water Services Strategy, subject to its Significance and Engagement Policy (S.238 of the Act).



- The adoption, amendment, or revocation of water service bylaws (Water Supply, Stormwater, and Trade Waste and Wastewater) which are of lower significance or lower impact to the public, as assessed by Section 156 of the LGA. This is subject to delegations from shareholders.
- Development contributions policy (s.119 of the Act).
- A stormwater network risk management plan (s.204 of the Act).

6.5 IAWAI will consult with its shareholders HCC and WDC for the following matters:

- Development contributions policy (s.119 of the Act).
- A stormwater network risk management plan (s.204 of the Act).
- Water Services Strategy.

6.6 IAWAI will consult with stakeholders for the following matters:

- The Minister for Treaty of Waitangi Negotiations before purchasing any Crown owned land that is not subject to a Treaty settlement (s. 183 of the Act).
- Medical Officer of Health when making decisions to close or transfer a water service (s.73 of the Act).
- Water Services Authority, Shareholders, Waikato Regional Council and Corridor managers when preparing a stormwater network risk management plan (S. 204 of the Act)
- Before seeking approval from Fire and Emergency New Zealand regarding the location of fire hydrants (S.215 of the Act)

6.7 **Engagement with mana whenua and maataawaka**

6.8 IAWAI will lead engagement with mana whenua and maataawaka when the matters fall within its statutory power as a water organisation. These responsibilities are listed in clause 6.2 to clause 6.6.

6.9 **Shareholders lead engagement**

6.10 WDC and HCC are the engagement lead where legislation places the decision and consultative duty on territorial authorities.

6.11 WDC and HCC will consult with the community on the following matters:

- A Proposed Trade Waste Discharge Plan, unless delegated to IAWAI, under Section 188 of the Local Government (Water Services) Act 2025.
- The adoption, amendment, or revocation of water service bylaws (Water Supply, Stormwater, and Trade Waste) which are of lower significance or lower impact to the public, as assessed by Section 156 of the LGA, unless delegated to IAWAI.
- Preparing a stormwater network risk management plan (S. 204 of the Act), unless delegated to IAWAI.



## 7. IAWAI STRATEGIC WATER SERVICES ASSETS

7.1 IAWAI will determine over time whether specific water services assets are strategic water services assets for the purposes of section 236(11) of the Act.

### 7.2 Schedule of strategic assets

7.3 The following are IAWAI's strategic assets at the time of adoption of this policy, as required by s. 36 of the Act:

- Water plants, land, reservoirs and reticulation network as a whole; and
- Wastewater treatment plants, land, pump stations and network as a whole.

### 7.4 Application of schedule of strategic assets

7.5 IAWAI takes a group or whole-of-asset approach to the strategic water service assets listed in Clause 7.3.

7.6 This means where a strategic asset is a network or has many components, decisions may be made in respect of individual components within the networks to transfer ownership or control, without those components being regarded as strategic. This is unless such decisions are considered to significantly alter the level of service provided by IAWAI.

7.7 An asset that is part of a network or group that is not integral to the functioning of the whole (i.e. where the rest of the group or network will still enable IAWAI to meet its strategic outcomes) will not be regarded as strategic on its own.

7.8 Decisions relating to strategic assets may have a high degree of significance depending on the extent to which the decision affects IAWAI's ability to deliver key services and achieve strategic outcomes.

7.9 The degree of significance, including for mana whenua and maataawaka, will be assessed against the criteria in Attachment 2, and the consultation and engagement approach will reflect the degree of significance.

7.10 IAWAI will determine the significance of any proposed change to the level of service of a strategic asset using the criteria outlined in Attachment 2.

## 8. RELEVANT DOCUMENTS

8.1 The following documents may be read alongside IAWAI's Significance and Engagement Policy for information purposes:

- HCC Significance and Engagement Policy;
- WDC Significance and Engagement Policy;
- WDC Maau Taaiko (Maaori Partnerships) Strategy and Plan;
- HCC He Pou Manawa Ora Strategy;
- HCC Te Amorangi Maaori Partnerships Strategy



- IAWAI Maaori Engagement Strategy;
- Treaty Settlement Documents; and
- JMA/Co-Governance Agreements.

## 9. POLICY REVIEW

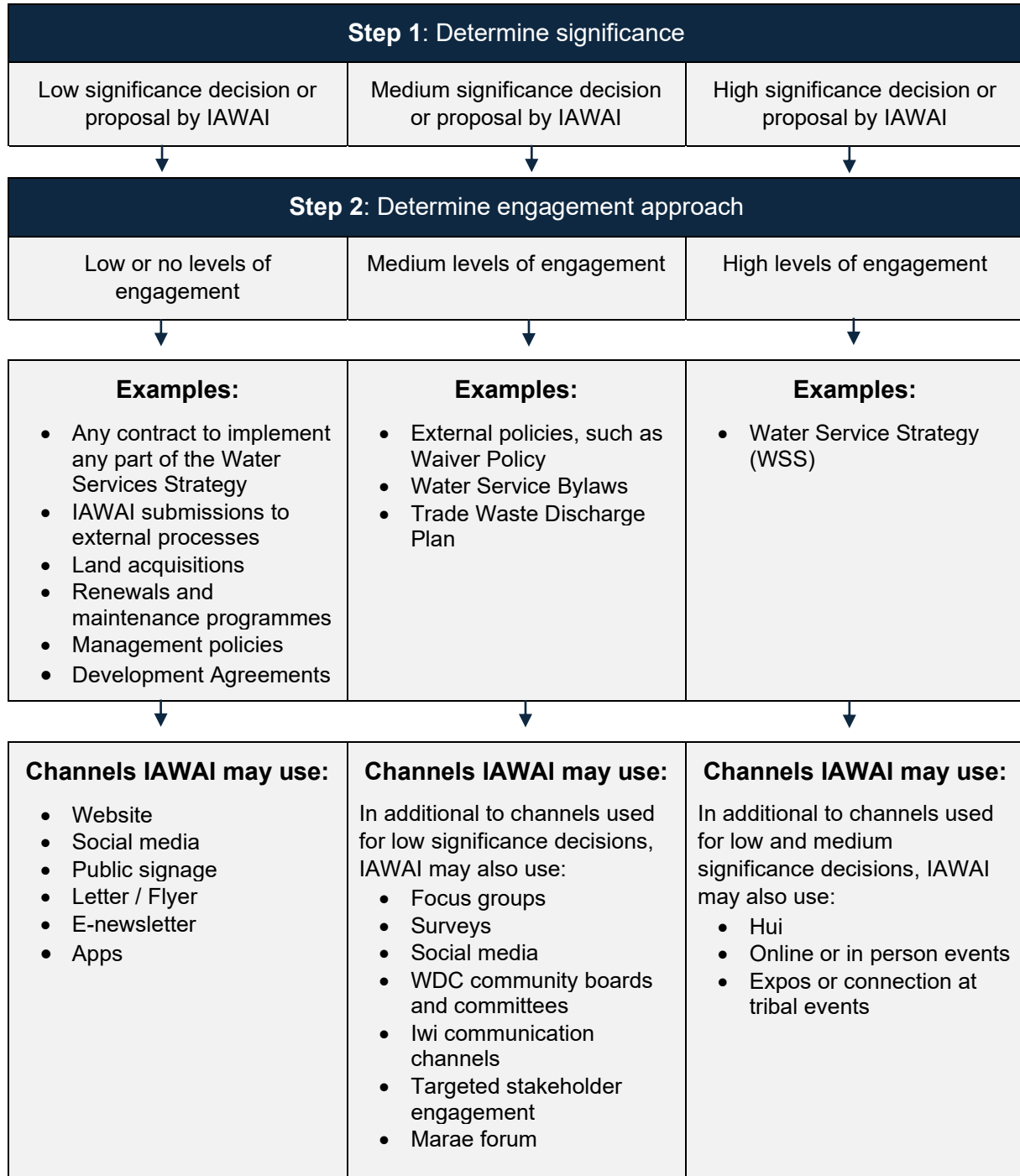
- 9.1 This policy shall be reviewed at three-yearly intervals or as otherwise required by the Chief Executive of IAWAI.

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## ATTACHMENT 1:

### Process to apply the Significance and Engagement Policy





## ATTACHMENT 2:

### Determining significance

- To identify the significance of a decision or proposal, refer to the criteria in the “low,” “medium,” and “high” columns for each policy consideration, shown in Table 1. If multiple considerations indicate higher significance, the overall significance of the proposal or decision increases. Generally, the greater the significance, the more community engagement is required.
- The example values provided under policy consideration ‘Level of financial impact’ are for illustration purposes only. The specific threshold amounts will change each financial year, reflecting changes in IAWAI’s operating and capital expenditure.

Table 1: Criteria for determining significance

Policy consideration	Low	Medium	High
1. Level of financial impact	The proposal or decision has no/minor financial impact on IAWAI budgets, reserves, debt levels or limits in the Financial Strategy.	The proposal or decision has a moderate financial impact on IAWAI budget, reserve, debt levels, but does not result in IAWAI’s Financial Strategy limits being exceeded.	The proposal or decision that would result in unbudgeted operating expenditure with an aggregate per annum value exceeding 10% of annual operating revenue  AND/OR  The acquisition or construction of any asset or related assets for a price or value exceeding 25% of the value of IAWAI’s plant, property and equipment.

<b>Policy consideration</b>	<b>Low</b>	<b>Medium</b>	<b>High</b>
2. Proportion of impact	Impacts an individual person or household.	Impacts subgroup or groups within the community.	Impacts a large portion of the community e.g. the whole district or city / multiple towns / wards.
3. Degree of impact	Low impact on current and future well-being	Moderate impact on current and future well-being	High impact on current and future well-being
4. Level of community interest	Minimal public engagement and discussion.	Moderate public engagement and discussion.	High levels of public engagement and discussion.
5. Degree of impact on the interests, values and aspirations of iwi / hapu / marae (mana whenua) in the district	No impact on land, bodies of water, waahi tapu (sacred sites), plant and animal life and other taonga (sacred treasures), or mana whenua values and aspirations.	Moderate impact on land, bodies of water, waahi tapu (sacred sites), plant and animal life and other taonga (sacred treasures) or mana whenua values and aspirations.	Significant impact in relation to land, bodies of water, sites, waahi tapu (sacred sites), plant and animal life and other taonga (sacred treasures), or mana whenua values and aspirations.
6. Degree of impact on the interests, values and aspirations of maataawaka	No impact on the interests, values and aspirations of Maaori in the district.	Moderate impact on the interest, values and aspirations of Maaori in the district.	Large impact on the interests, values and aspirations of Maaori in the district.