

**Hamilton City Council Submission**

# **IAWAI – Flowing Waters’ Draft Water Services Strategy 2026–2036**

**IAWAI – Flowing Waters**

**10 April 2026**

## Strategic Context for this Submission

Council has endorsed [The Mayor's Plan 2025 - 2028](#) to inform the projects and services it will deliver to ensure Hamilton has what it needs now and for the future – efficiently, responsibly, and sustainably. The seven guiding themes of The Mayor's Plan are:

- **Sensible, cost-effective infrastructure**
- **Grow with balance**
- **A central city to be proud of**
- **City places and services that work for people**
- **Open for business**
- **A transparent and efficient organisation**
- **Financial responsibility**

## Council Approval and Status

This submission was approved by Hamilton City Council on 10 April 2026.

Submission # 834

## Key Messages/Recommendations

### **1. Acknowledgement of work undertaken**

Council acknowledges the substantial work undertaken by IAWAI to establish the organisation and develop its first Water Services Strategy, including collaboration with shareholder councils and elected members, and delivery in line with the agreed Statement of Expectations. This marks an important milestone in the transformation of water service delivery for our communities.

### **2. Support for the Draft Strategy**

Council supports the direction and intent of the Draft Water Services Strategy and recognises it as a strong platform for delivering resilient, affordable, and sustainable water services over time.

### **3. Staged nature of the Strategy and future Council input**

While framed as a ten-year document, Council notes that the Draft Strategy is necessarily more developed in its early years. Council supports the staged approach and the importance of ongoing partnership with shareholder councils as future iterations refine areas of focus and optimisation. IAWAI will prepare a further Water Services Strategy covering the period 2027–2037, aligned with Council’s Long-Term Plan, which will provide a further formal opportunity for Council input.

### **4. Strong support for improved affordability outcomes**

Council strongly supports the lower water charges proposed for Hamilton households compared to previous plans and historic Water Services Delivery Plan forecasts, and considers these improved affordability outcomes to be a significant benefit of the new delivery model.

### **5. Affordability and debt settings require clearer guardrails**

Council supports the use of debt to smooth price impacts and promote intergenerational equity, and encourages IAWAI to continue providing clear and accessible information over time on peak debt levels, sensitivities, and affordability guardrails.

### **6. Greater clarity is needed around project prioritisation and sequencing**

Council supports clearer differentiation between compliance-driven investment, renewals, and growth-enabling projects, and greater visibility of how trade-offs will be managed if costs escalate or delivery capacity is constrained.

### **7. Growth should pay for growth, with continued transparency**

Council supports the principle that growth should contribute to the costs it creates and encourages continued transparency regarding growth charges, Development Contributions, and distributional impacts.

### **8. Price harmonisation impacts must be transparent and well-managed**

Council recognises that price harmonisation will be a key focus of future Strategy iterations and encourages clear communication on impacts, timeframes, and equity considerations as this work progresses.

### **9. Affordability impacts and vulnerable households require stronger future recognition**

Council considers it important that future iterations of the Strategy more explicitly define how affordability will be assessed, monitored, and communicated over time, including the cumulative impacts of water charges and related costs on different household cohorts, and how hardship support mechanisms will operate in practice.

## Introduction

10. Hamilton City Council welcomes the opportunity to make a submission on **IAWAI – Flowing Waters’ Draft Water Services Strategy 2026–2036**.
11. Council acknowledges the substantial work undertaken to establish IAWAI and prepare its first Water Services Strategy, recognising the scale and complexity of the challenges facing water service delivery across the sub-region, including rapid growth, ageing infrastructure, increasing regulatory requirements, affordability pressures, and the need to protect the Waikato River and wider environment.
12. Council also acknowledges the clarifications and refinements provided by IAWAI in response to elected member feedback through workshops held in February 2026. As a result, this submission focuses on remaining strategic and governance level matters from a shareholder perspective, rather than revisiting issues already addressed.
13. Council supports the direction and intent of the Draft Strategy and particularly welcomes the lower water charges proposed for Hamilton households compared to previous plans. These improved affordability outcomes represent a meaningful and positive shift and demonstrate the benefits of the new delivery model and the additional tools available to IAWAI.

## Feedback on the Draft Water Services Strategy

### 14. Affordability, Debt and Financial Sustainability

15. Council welcomes the proposed lower near-term increases in water charges for Hamilton households and supports the intent to keep charges as low as practicable while addressing compliance, renewal, and growth pressures.
16. Council supports the use of debt to smooth price impacts and recognises its role in spreading the cost of long-life assets across the generations that will benefit from them.
17. From a shareholder perspective, Council encourages continued transparency regarding:
  - Expected peak debt levels;
  - Sensitivity of the interest rate or growth changes;
  - How affordability will be assessed over the full life of borrowing; and
  - The circumstances under which projects would be delayed or re-prioritised.
18. Council welcomes the ambitious savings target set out in the Strategy and looks to future iterations, including the 2027-37 Water Services Strategy, to provide further clarity on how these savings will be achieved over time.

### 19. Capital Programme Prioritisation and Deliverability

20. Council supports the ambition of the proposed capital programme and agrees that addressing infrastructure deficits, regulatory non-compliance, and growth constraints is critical, including in development-constrained areas of the city.
21. Given the scale of investment and delivery constraints, Council seeks greater clarity on how projects are prioritised and sequenced, including:
  - Mandatory compliance requirements;
  - Growth enabling investments;
  - The balance between renewals and new infrastructure; and
  - Projects that could be staged or deferred if risks increase.

## **22. Price Harmonisation and Equity Impacts**

- 23.** Council acknowledges the long-term objective of harmonising water charges across the sub-region and recognises that IAWAI enables greater network resilience through sub-regional infrastructure investment that would not otherwise be possible.
- 24.** Council also notes the importance of smoothing price transitions over time to avoid sudden impacts on customers, and supports a measured pathway to harmonisation.
- 25.** Council further emphasises that price harmonisation will require a strong focus on transparency and clear, proactive communication. From a shareholder perspective, it is important that IAWAI clearly explains the drivers, timing, and distributional impacts of any harmonisation pathway, including how different communities and household types may be affected over time. Clear and accessible communication will be critical to maintaining public confidence and supporting affordability outcomes as price harmonisation work progresses.

## **26. Affordability, Equity, and Vulnerable Households**

- 27.** Council also emphasises that water affordability is a systemwide outcome, not solely a function of headline charges. From a shareholder perspective, Council expects future iterations of the Strategy to more explicitly define how affordability will be assessed, monitored, and communicated over time, including how cumulative impacts of water charges, rates, and growth-related costs affect different household cohorts.
- 28.** In particular, Council considers it important that renters are explicitly recognised in future affordability and hardship frameworks. While water charges are levied on property owners through rates bills, the costs of water services are often passed through, directly or indirectly, to renters via rents or tenancy arrangements. Council encourages IAWAI to ensure that affordability analysis, communication strategies, and hardship mechanisms take account of this dynamic, including households that do not have a direct relationship with water billing but nonetheless experience affordability pressures.
- 29.** Council supports clearer, more accessible communication about hardship support mechanisms, including eligibility, application processes, and how households, including renters, can access assistance or advice. This will be particularly important as price harmonisation, metering approaches, and network investment decisions evolve in future Strategy iterations.
- 30.** Looking ahead, Council expects future versions of the Water Services Strategy to more clearly link affordability objectives with demand management, efficiency initiatives, and long-term investment decisions, recognising that every litre of water not required to be treated and transported contributes to improved affordability outcomes over time. Council sees this as a critical component of delivering equitable, resilient, and financially sustainable water services for current and future communities.

## **Conclusion**

- 31.** Hamilton City Council supports the direction of the Draft Water Services Strategy and welcomes the improved affordability outcomes proposed for Hamilton households. Council encourages IAWAI to continue strengthening future iterations of the Strategy as the organisation matures, with a focus on transparency, resilience, affordability, and equity.

## Further Information and Opportunity to Discuss our Submission

32. Should IAWAI require clarification of the submission from Hamilton City Council, or additional information, please contact **Blair Bowcott** (General Manager Strategy, Growth and Planning) on **07 838 6742** or **021 775 640**, or email [Blair.Bowcott@hcc.govt.nz](mailto:Blair.Bowcott@hcc.govt.nz) in the first instance.
33. Hamilton City Council representatives would welcome the opportunity to discuss the content of this submission in more detail with IAWAI.

Yours faithfully



**Lance Vervoort**  
**CHIEF EXECUTIVE**

#### **FURTHER INFORMATION**

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