

**Strategic Outcome 1: Wellington Water is a strong and capable organisation ready to fold into a new asset-owning entity**

*We will enhance organisational capability in the lead-up to the new entity.*

**Version 2**

Objective	Action Q4 (2024/25)	Action Q1 (2025/26)	Action Q2 (2025/26)	Action Q3 (2025/26)	Action Q4 (2025/26)
<b>Outcome1.1: We will enhance organisational capability in the lead-up to the new entity</b>					
<b>1.1a:</b> Update and develop technology systems and increase capability - Technology Systems Investment Programme		Request for Proposal to market	Evaluate proposals	Vendor selection	Phase 1 implementation
<b>1.1b:</b> Prepare an Interim Capability Roadmap (numbers, process, systems) to de-risk our financial reporting	Financial reporting structure including allocations	Financial systems scoping as part of the Technology Systems Investment	Support delivery of Water Services Strategy budgets	Complete interim capability assessment and roadmap during Q3 with implementation aligning with Tiaki Wai Day 1 & Day 2 timeframes. Provision to Establishment Team for inclusion in plans.	Follow up with Establishment Team on further capability requirements
<b>1.1c:</b> As required, support the development of the Water Services Delivery Plan and Water Services Strategy in preparation for the new entity	Provide information and insight to meet timelines	As required to support transition timelines	As required to support transition timelines	As required to support transition timelines	As required to support transition timelines
<b>1.1d:</b> Create and implement a change framework for coordinated and systematic delivery of changes	Recruit Head of Transformation	Define how we positively influence transition through the improvement plan	Recruit Change Lead for Technology Systems Improvement Programme. Commence Programme approach to change.	Resource plan for change Programme approach. Delivery of improvement areas.	Resource plan for change Programme approach. Delivery of improvement areas.
<b>1.1e:</b> Engage with Watercare specifically to identify and convert practical future synergies	Explore opportunities	Explore opportunities	Explore opportunities	Explore opportunities	Explore opportunities

**WWL Strategic Outcome 2: Water services are affordable and provide value**

*We will strengthen mechanisms for demonstrating value for money, strengthen the control and oversight of our suppliers and strengthen commercial and procurement competency and capability across the organisation that drives a focus on delivery of value for money.*

Objective	Action Q4 (2024/25)	Action Q1 (2025/26)	Action Q2 (2025/26)	Action Q3 (2025/26)	Action Q4 (2025/26)
<b>Outcome 2.1: Strengthen mechanisms for demonstrating value for money</b>					
<b>2.1a:</b> Create healthy competition and establish clear benchmarks for what jobs should cost in the open market through putting more projects and contracts out to competitive bidding	For the rest of the 24/25 financial year put as many projects as possible out to tender	Make an assessment of the percentage of work that will be tendered through the panel vs open market	Competitive tension in all work - professional services and construction contracts. Adjust procurement approached as benchmarks established.	Competitive tension in all work - professional services and construction contracts. Adjust procurement approached as benchmarks established.	Competitive tension in all work - professional services and construction contracts. Adjust procurement approached as benchmarks established.
<b>Outcome 2.2: Strengthen the control and oversight of our suppliers</b>					
<b>2.2a:</b> Implement value-focused performance metrics and regular reviews of performance against these for consultants and contractors	Develop performance metrics	Commence	Contractors and consultant performance assessed through contract delivery performance	Contractors and consultant performance assessed through contract delivery performance	Contractors and consultant performance assessed through contract delivery performance
<b>2.2b:</b> Implement a value-focussed performance framework for the Operations and Maintenance Alliance that also includes pain/gain sharing	Performance Alliance Board agrees final algorithms of how performance measures calculate pain/gain sharing of any potential bonus	Performance of the Alliance is published and briefed to the WWL Board	Performance of the Alliance is published and briefed to the Wellington Water Board		Performance Alliance Board reviews algorithms of how performance measures calculate pain/gain sharing of any potential bonus.  Alliance performance is published and briefed to the Wellington WaterBoard.
<b>Outcome 2.3: Strengthen commercial and procurement competency and capability across the organisation that drives a focus on delivery of value for money</b>					
<b>2.3a:</b> Strengthen the Commercial and Procurement competency and functions for Wellington Water	Increase resource	Deliver training in Procurement Policy and processes to staff with financial delegations. Front-load procurement with external advisers	Start assessment of progress with strengthening the procurement competency and adjust	Respond to the assessment priorities	Rerun the comparative analysis completed in the AECOM Analysis of panel cost and valuation unit rates

**WWL Strategic Outcome 3: Communities receive reliable three waters services**

*Orthodox organisational model with clear purpose and lines of accountability, a strengthened culture of raising issues and overall awareness of controls, strengthened governance oversight and assurance internally and externally.*

Objective	Action Q4 (2024/25)	Action Q1 (2025/26)	Action Q2 (2025/26)	Action Q3 (2025/26)	Action Q4 (2025/26)
<b>Outcome 3.1: Orthodox organisational model with clear purpose and lines of accountability</b>					
<b>3.1a:</b> Implement improvements to asset management practice with a no-regrets basis. Establish an Investment Delivery Executive Oversight (IDEO) Group to stabilise the capital programme, strengthen accountability, and create a single, integrated investment system across Strategy & Planning, Delivery, Finance, and Operations.	Develop a resourced action plan	Deliver against action plan	Resource the asset management functions for oversight of asset management, monitoring and investment prioritisation.  Establish Investment Delivery Executive Oversight (IDEO) Group.	Continue implementing asset management framework, secure resource and IDEO	Continue implementing asset management framework and IDEO
<b>3.1b:</b> Document a process and control framework that outlines the key elements and workflows that are involved in running a water services organisation and implement changes to critical assurance and control processes identified through internal audit	Document process and control framework	Commence critical process improvements	Critical process improvements	Critical process improvements	Critical process improvements
<b>3.1c:</b> Develop and implement group purpose statements	Develop group purpose statements	Implement through group business plans	No further action required		
<b>3.1d:</b> Implement good practice approaches for recognising and rewarding values-based staff actions	A subset action of creating clearer accountabilities through structural changes is the approach taken to create the specific organisational culture we want. The key action this quarter is to revise the Internal Communications and Engagement Strategy and include mechanisms that support values and actions.	Develop an approach as part of our internal communications and engagement efforts	Implementation	Objective completed in Q2 - no further action required	Objective completed in Q2 - no further action required

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<b>Outcome 3.2: Strengthened culture of raising issues and overall awareness of controls</b>					
<b>3.2a:</b> Communicate with staff through staff meetings and messages the importance of speaking up and raising risks early	Develop an Internal Communications and Engagement Strategy which reinforces the importance of speaking up and raising risks early. Create and deliver key messaging to staff regularly through multiple channels (i.e. leader-led conversations, CE and ELT comms, all-staff comms) that sends this message.	Initiate a set of staff workshops	Within business as usual activities, e.g. leadership forum, online sessions, and every day work, people are encouraged to speak up and raise issues	Continue to promote the importance of speaking up early, promoting the mechanisms to do so. Focus on supporting leaders and employees to be proactive in highlighting risks early.	Continue to promote the importance of speaking up early, promoting the mechanisms to do so. Focus on supporting leaders and employees to be proactive in highlighting risks early.
<b>3.2b:</b> The Code of Conduct is reviewed to include positive, value-reinforcing behaviours across the organisation	Review Code of Conduct		Implement changes	Objective completed in Q2. No further work required. Will be superseded by Tiaki Wai Code of Conduct.	Objective completed in Q2. No further work required. Will be superseded by Tiaki Wai Code of Conduct.
<b>3.2c:</b> Review the existing Protected Disclosures 'Speak Up' Policy, including disclosure requirements that extend beyond just staff, and the Items of Significance Policy to ensure they are easily understood and have mechanisms in place to use	Implement a confidential mechanism for staff to make suggestions on how to improve Wellington Water	Review policies	Review significance policy	Deliver training and awareness of Protected Disclosures ("Whistleblowers") policy	

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<b>Outcome 3.3: Strengthened governance oversight and assurance internally and externally</b>					
<b>3.3a:</b> Improve assurance through improving the quality and content of information provided to, and reporting products from, the Risk and Assurance function	Amended Wellington Water Internal Audit Programme that includes: 1. Finance process focussed internal audits 2. Continued targeted auditing on costs  Assurance provided to WWL Board over the development of annual planning advice	Assurance provided to Wellington Water Board over the implementation of the Improvement Plan	Assurance provided to Wellington Water Board over the implementation of the Improvement Plan	Assurance provided to Wellington Water Board over the implementation of the Improvement Plan	Assurance provided to Wellington Water Board over the implementation of the Improvement Plan
<b>3.3b:</b> Report on the implementation of the Improvement Plan	Performance is published and briefed to the Wellington Water Board and Water Committee	Performance is published and briefed to the Wellington Water Board and Water Committee	Performance is published and briefed to the Wellington Water Board and Water Committee	Performance is published and briefed to the Wellington Water Board and Water Committee	Performance is published and briefed to the Wellington Water Board and Water Committee
<b>3.3c:</b> Meet the Foundational Information Disclosure Requirements from the Commerce Commission	Engage with the Commerce Commission	Establish reporting	Report	Report	Report
<b>3.3d:</b> Simplify the internal management framework by reviewing existing Management Committee Framework and implement changes	Capture the results of the first stages of streamlining post-organisational change	Further streamline		Updated list of current management committees and terms of reference	

**WWL Strategic Outcome 4: Services delivered by Wellington Water are compliant**

*Maintain a relentless focus on effective fluoridation in both the short and long term, strengthen the control and oversight of our suppliers, and strengthened financial controls that protect the integrity of financial transactions.*

Objective	Action Q4 (2024/25)	Action Q1 (2025/26)	Action Q2 (2025/26)	Action Q3 (2025/26)	Action Q4 (2025/26)
<b>Outcome 4.1: Maintain a relentless focus on effective fluoridation in both the short and long term</b>					
<p><b>4.1a:</b> The 2022 Phase 1 response focused on restoring full fluoridation to the Wellington region's drinking water supply with containerised solutions with a lifespan of 7 years. This has given time for Phase 2 to be well-planned and invested in through the LTP. The objective is to establish permanent fluoride dosing systems at all four Drinking Water Treatment Plants, ensuring they are safe for operators and capable of consistently meeting WWL's fluoride performance targets.</p>	<p>Completion of the Phase 2 options investigations into an Activity Brief</p>	<p>Completion of the Phase 2 options investigations into an Activity Brief</p>	<p>Undertake optioneering and develop a multi-year programme of work to replace existing fluoridation systems</p>	<p>Progress preferred solution</p>	<p>Progress preferred solution</p>
<b>Outcome 4.2: Strengthen the control and oversight of our suppliers</b>					
<p><b>4.2a:</b> Improve Wastewater Treatment Plant compliance</p>	<p>Make an assessment that changes to contract management and capital programme governance is reflected in improving compliance data</p>	<p>Provide assurance to Board that the compliance projects are on track</p>	<p>To provide assurance to the Wellington Water Board that the compliance projects are on track and regulatory enforcement is avoided</p>	<p>To provide assurance to the Wellington Water Board that the compliance projects are on track and regulatory enforcement is avoided</p>	<p>To provide assurance to the Wellington Water Board that the compliance projects are on track and regulatory enforcement is avoided</p>

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<b>Outcome 4.3: Strengthened financial controls that protect the integrity of financial transactions</b>					
<b>4.3a:</b> Strengthen financial controls including large purchase orders, automatic payments of invoices, approvals for spending and payment (including Alliance statement of claim), financial system access, stop disclosing operational and capital budget information	No large purchase orders and automatic payment of invoices	Financial system access resolved to enable implementation of delegations. Implement good practice financial management practices training.	No statement of claims	Report back on improvements	
<b>4.3b:</b> Reduce the conflicts of interest in key roles associated with the consultant panel through building internal project management capacity and ensuring client project managers are independent from the panel	Recruit internal project managers and ensure project managers are sourced from outside of the panel	Recruit internal project managers and ensure project managers are sourced from outside of the panel	Build internal competency and standard of practice with clear responsibility for oversight of external project manager performance	Build internal competency and standard of practice with clear responsibility for oversight of external project manager performance	Make an assessment of how the conflict is managed
<b>4.3c:</b> Implement a comprehensive set of company wide delegations	Approved internal delegations from Chief Executive to employees	Delegations communicated to all delegation holders via formal letters of delegation	Review effectiveness of new delegations	Completed in Q2 - no further action required	Completed in Q2 - no further action required
<b>4.3d:</b> Increase transparency and quality of delivery/investment planning information shared with Councils. Standardised approach to contingency management (for programmes of capital investment and delivery provided to Councils), including separate line for corporate costs for increased transparency.	Agree the final allocation methodology and reporting		Review the management of contingency for programmes of capital investment	Completed in Q4 2024/25 - no further action required	Completed in Q4 2024/25 - no further action required