

WATERCARE SERVICES LIMITED

AGENDA	BOARD MEETING	Tuesday 29 January 2019
Venue	Watercare Services Limited, Level 3, 73 Remuera Road, Newmarket	
Time	10.30am	

Open Public Meeting

Item	Spokesperson	Action sought at governance meeting	Supporting Material
1 Apologies	Chair	Record apologies	
2 Minutes of Meeting	Chair	Approve Board Meeting Minutes 28 November 2018	Board Minutes 28 November 2018
3 Disclosure of Directors' Interests	Chair	For noting	Report
4 For approval			
4.1 Our Commitment to Health, Safety and Wellness Policy	J Glennon	For approval	Report
5 For discussion			
5.1 Safety Moment	All	For sharing	Nil
5.2 Chief Executive's Report	R Jaduram	For discussion	Report
5.3 Board Committee Updates	Committee Chairs	For discussion	Nil
5.4 Our Climate Change Strategy	C Thurston	For discussion	Presentation
5.5 Our Strategic Business Plan Update	R Chenery	For discussion	Presentation
6 Directors' Corporate Governance Items			
6.1 Board Planner	Chair	For noting	Report
6.2 Disclosure of Senior Executives' Interests	Chair	For noting	Report
6.3 Directors' Appointment Terms and Committee Memberships	Chair	For noting	Report
7 General Business	Chair	For discussion	Nil
Date of next meeting	Tuesday, February 26, 2019		
Venue	Watercare, Level 3, 73 Remuera Road, Newmarket		

MINUTES

DRAFT

SUBJECT	WATERCARE SERVICES BOARD MEETING
VENUE	Watercare Services Limited, 73 Remuera Road, Remuera, Auckland
DATE	28 November 2018
TIME	9.30am
STATUS	Public Session

	<p>Present: M Devlin (Chair) J Hoare N Crauford B Green C Harland Hon Dame A King D Thomas</p> <p>In Attendance: R Jaduram (CE) J Glennon S Webster S Morgan A Singleton E McBride R Fisher D Hawkins from 10.05am M Bridge from 10.05am.</p> <p>Members of the Public: One member of the public Barry Potter, Jacques Victor, Dawne McKay, Sarah Holdem, Andrew Chin and Alastair Cameron, all from Auckland Council for Items 4.4 and 4.5.</p>
1.	<p>Apologies</p> <p>From Management, R Chenery. D Hawkins and M Bridge for lateness.</p>
2.	<p>Minutes of Previous Meetings</p> <p>The Board resolved that the minutes of the public section of the Board meeting held on 30 October 2018 be confirmed as true and correct.</p>
3.	<p>Review Disclosure of Directors' Interests</p> <p>The report was noted.</p> <ul style="list-style-type: none"> - C Harland advised she is on the Committee of Broadway Park Owners' Society Incorporated. - D Thomas declared his conflict of interest given his position in the Fletcher Group. The Fletcher Group is a member of one of the four consortia bidding for the Central Interceptor (CI). Over the coming months, there will be confidential, commercially sensitive information that will be brought to the attention of the Board, which is unlikely to be shared with all four consortia. D Thomas is not to receive any sensitive information that would cause a conflict of interest and will excuse himself from the meeting for any agenda item that concerns such sensitive information.
4.	<p>For Discussion</p> <p>4.1 Safety Moment</p> <p>S Morgan, Chief Operations Officer, provided a safety moment.</p> <ul style="list-style-type: none"> - Last week at Māngere wastewater treatment plant, S Morgan noticed the Chief Executive of one of our Tier 1 contractors in the foyer. He was waiting to investigate an incident involving one of his sub-contractors, who had been injured (a full report will appear in next month's CE's report). The CE was accompanied by a number of other managers as well. This contractor has treated this incident very seriously. R Jaduram, Watercare's CE spoke at

a recent Contractors' Forum and contractors were told to monitor their sub-contractors more closely. It was reassuring to see this message has been received by this particular contractor.

B Green also provided a safety moment.

- B Green is also a director of a forestry company. The forest has a caretaker on site, who is responsible for keeping a log of the people moving in and out of the forest. However, instilling a Health and Safety discipline is challenging, as people can easily move in and out of the forest. In an attempt to have a better record of the people entering the forest, the company is now using an app, which provides a geo-fence around the forest.
- S Morgan noted that a product that we already use, HealthSafe (a New Zealand company), has a geo-fence add-on option, and we have looked at whether this add-on could be used on our sites. This type of geo-fence technology is being considered as part of our Strategic Transformation Programme.
- C Harland noted that the Broadway Park Owners' Society had introduced SiteSoft's Mobile App for health and safety contractor tracking.

4.2 Chief Executive's Report

Management responded to questioning from the Board.

Ardmore Safety Case (Boardbooks page 11 and 17).

- Worksafe has introduced new requirements around High Risk Sites; these sites now require a Safety Case.
- The Safety Case at Ardmore involves the storage of chlorine.
- In response to questioning from the Board regarding the rejection of the Safety Case by Worksafe, S Morgan noted that the rejection was not unexpected. A number of Safety Cases for high risk sites throughout the country have gone to the high hazard unit. All have been rejected. These Safety Cases have only recently been introduced and Worksafe is still working on its systems and processes. We also understand that Worksafe has quite a number of Safety Cases to complete. For Watercare, they have done an initial review and rejected the case, but have provided us with more time to provide more information. Because this is a new process, there are no New Zealand precedents, and it is uncertain what could happen if there is a further rejection.
- In response to concerns raised that Worksafe may not be doing a thorough and complete job, S Morgan noted that we retained independent consultants to help us with our Safety Case submission. The independent consultants therefore provide a further layer of assurance that we are adopting best practice methods around the storage/use of chlorine.
- The Board requested more detail on this issue. Management confirmed they would provide a summary of the assurances we have received from our independent consultant, who helped us with the preparation of the Safety Case. Management will also provide further detail around the three issues that Worksafe has with our Safety Case; what the next stage in the Safety Case process is; and what powers Worksafe has if the Safety Case is rejected.

Health and safety review (Boardbooks page 17).

- This review was prompted by the appointment of our new Health and Safety Manager, B Struthers. Our activities in the Health and Safety area can always be improved, and there are opportunities to engage with our people and contractors in a more proactive way. The

aim is to move away from Health and Safety being a “compliance” process, to a partnership with active engagement.

NPS Score (Boardbooks page 23)

- A Singleton, Chief Customer Officer, noted that the NPS rolling 12 month average remained at 29. This is an SOI measure.
- As noted last month, we are reviewing the NPS questions, as some of the questions are not very well suited to a monopoly utility.
- All other measures relating to customer service remained healthy

Employee Net Promoter Score (eNPS) (Boardbooks 30)

- J Glennon, Chief People Officer, provided an update on Watercare’s first staff eNPS survey.
- The completion rate was 65%, which is a very good response rate.
- An eNPS score ranges from -100 to +100. +10 is a good result. Watercare is currently sitting at -5, which means we are in a good space, with room to improve
- The survey results are classified into Detractors (0-6), Passives (7-8) and Promoters (9-10). To calculate the eNPS, Passives are ignored. At Watercare, the first survey indicates 31% are Detractors; 25% Promoters; 43% Passives. The aim is to move Passives into Promoters.
- Management is also analysing the written feedback submitted in the survey to identify common themes.
- Management will share the results of the eNPS survey in more detail with the People, Remuneration and Appointments Committee (PRAC) in January 2019.

Real water loss from the network (Boardbooks page 21)

- C Harland questioned why the District Metered Areas in Waitakere had to be re-established.
- In February 2019, a detailed paper will be presented to the Board regarding water losses. This paper will include further information about District Metered Areas.

Planned and Unplanned Maintenance (Boardbooks page 26 and 27)

- Unplanned Maintenance is higher than budget, and Planned Maintenance is below budget.
- S Morgan explained that Planned Maintenance includes “Planned Preventative Maintenance” and “Planned Major Asset Maintenance”. One of the main reasons why Unplanned Maintenance is higher than budget is due to the cost of Traffic Control. We propose to talk with Auckland Transport (AT) to negotiate the rules around Traffic Control, so we can ensure, for example, the right sized truck is going to the correct job.
- The Chair requested that in the future, the graph shows the split between Planned Preventative Maintenance and Planned Major Asset Maintenance.

Customer Satisfaction (Boardbooks, page 33)

- There has been a slight downturn in customer satisfaction.
- A Singleton explained this is a direct result of us managing our debt more proactively. Customers with overdue accounts are getting more collection phone calls at the moment. Our new Head of Retail is working to manage our 60-90 day debt, so that we can reduce write-offs.

D Hawkins, Chief Communications Officer, and M Bridge, Chief Financial Officer, joined the meeting at this point.

Full time staff numbers (Boardbooks page 31)

- Budgeted FTEs are higher than actual FTEs.
- J Glennon explained that this is not unusual. It is common for businesses to have a vacancy level around 10%.

4.3 Board Committee Updates***Strategic Transformation Programme Committee (STPC)***

- Committee Chair, Dame A King, reported that the STP Committee last met on 26 November 2018.
- The STP is on schedule and up to Release 4.

PRAC Committee

- Committee Chair, C Harland, reported that the last PRAC meeting was on 30 October 2018.
- The meeting included a paper that summarised a workshop, facilitated by Generator Talent, which the Senior Executive team attended. C Harland recommended that all Board members read this paper.
- The Committee received a number of other updates, including outstanding leave balances, the PRAC Charter, the Whistle-blower service, which is working well, and gaps in our policies, the main one being the Code of Conduct, which is being prepared.

Audit and Risk Committee (ARC)

- Committee Chair, J Hoare, confirmed the next ARC meeting is later today.

AMP & Major Capex Committee (AMCC)

- Committee Chair, N Crauford, reported that the last AMCC meeting was on 9 November 2018.
- The meeting discussed the Asset Management Plan in detail. This will be presented to the Board for approval in January 2019.
- The AMCC also received the usual project updates as well as a presentation on the new construction procurement strategy.

4.4 Accountability Policy and Auckland Plan 2050 Update

At this stage of the meeting, Barry Potter, Jacques Victor, Dawne McKay, Sarah Holdem, Andrew Chin and Alastair Cameron from Auckland Council joined the meeting.

- A Cameron and S Holdem provided the Board with an update on the CCO Accountability Policy, which was refreshed in the recent Long Term Plan.
- Once the Auckland's Waters Strategy is complete, it is likely to be folded into the Accountability Policy.
- J Victor provided the Board with an update on the Auckland Plan 2050. In response to a question from the Chair, J Victor noted that the largest area of frustration for the Council in this area is obtaining certainty around new developments and phasing. On this topic, Watercare's CE noted that from our point of view, we keep our programmes on-track, and

do not bend to the ups and downs of cycles. If development slows, then this means we may have invested too early. Watercare's other challenge is Brownfields developments, where we need to react.

- J Victor noted that Auckland Council is working to implement a more efficient framework, so it can better predict the extent of development, and where and when it will happen.
- M Bridge, Chief Financial Officer noted that for Watercare, one of our main concerns is the size of new developments. Economically, if the development is larger, we can achieve better economies of scale. A minimum of 5,000 new houses is economically efficient for Watercare.
- One area where Watercare and Council need to work closely together is Drury. Here, it will be important to keep communications line open and agree on the phasing. Watercare needs to know the size of new developments so that we can size our assets appropriately.
- C Harland noted that the Urban Development Authority will put another layer on these discussions. J Victor considers that the UDA may be extremely helpful in brownfield areas.
- In response to a question from the CE, J Victor noted that at a staff level, the relationship between Watercare and Council is very good, and much improved from 3-4 years ago.

4.5 Auckland's Waters Update

A Chin spoke to the presentation provided to the Board (Refer Boardbooks, page 65).

- The Auckland's Waters Strategy is linked to the Auckland Plan 2050.
- The draft discussion document will be released this week and open for public consultation in February/March 2019.
- Watercare can provide feedback at any time.
- The Chair noted that from the Board's perspective, the Waters Strategy is something that was missing. The Chair also noted that it will be important to review the s17A Three Waters recommendations, once the Auckland's Waters Strategy is complete.

5.

For Approval

5.1 PRAC Charter

At this state of the meeting, the Chair thanked our guests from Auckland Council and escorted them from the meeting room.

The Deputy Chair took over as Chair during the Chair's absence.

C Harland spoke to the report.

- The PRAC recommends a few small changes to the Charter. The most significant change is including a requirement for the PRAC to have monitor the "future of work" and wellness of Watercare's people.




The Board **approved** the updated PRAC Charter as set out at Appendix B.

6.	<p>Directors' Corporate Governance Items</p> <p>6.1 Board Planner</p> <p><i>At this stage of the meeting, the Chair returned to the meeting.</i></p> <p>The report was noted.</p> <ul style="list-style-type: none"> - The second Governing Body workshop, on 29 August 2019, should include sufficient time to workshop the next Letter of Expectation. - E McBride, Governance Manager is to schedule 2019 dates for the AMCC and the STPC. <p>6.2 Review Executive Management Disclosure of Interests</p> <p>The report was noted.</p> <p>6.3 Director Appointment Terms and Committee Memberships</p> <p>The report was noted.</p> <ul style="list-style-type: none"> - Dame A King has resigned from the Board. Her last day will be 31 December 2018. The Chair thanked A King for her contribution to the Board and noted her contributions will be missed. The meeting wished her the very best with her new role and posting to Australia as New Zealand's High Commissioner to Australia. - The Chair advised that she has provided a paper to Auckland Council's Appointments, Performance Review and Value for Money Committee meeting on 6 December 2018. This paper addresses the October 2019 issue, when five directors' terms all end on the same date, and provides Council with some options to consider. - B Green has been appointed the new Chair of the Strategic Transformation Programme Committee. - The Board is interviewing potential Board interns for next year.
7.	<p>General Business</p> <p>There was no general business.</p> <ul style="list-style-type: none"> - The member of the public was provided with an opportunity to address the Board. He advised that he had no comments.
	<p>The meeting closed at 11.10am.</p>

CERTIFIED AS A TRUE AND CORRECT RECORD

Margaret Devlin
Chair

Disclosure of Directors' interests

Purpose			Team		
Information	Discussion	Approval	Prepared	Recommended	Submitted
			E McBride Governance Manager	R Fisher Company Secretary	R Jaduram Chief Executive
Intellectual capital	People and culture	Community and stakeholder relationships	Financial capital & resources	Natural environment	Assets and Infrastructure
					

1. Purpose and context

s140 Companies Act 1993 requires all companies to keep an Interests Register, which must be disclosed to the Board of the company.

2. The details

Watercare Services Limited's Directors' Interests Register is set out below.



Director	Interest
Margaret Devlin	<ul style="list-style-type: none"> • Chair, Harrison Grierson Limited • Director, Meteorological Services of NZ Limited • Director, Waikato Regional Airport • Chair, Titanium Park (wholly owned subsidiary of Waikato Regional Airport) • Director, IT Partners Group • Director, Aurora Energy • Independent Chair of Audit and Risk Committee, Waikato District Council • Chair, Women in Infrastructure Network • Councillor, WINTEC • Councillor, The University of Waikato Council • Member, Audit and Risk Committee of The University of Waikato • Director and Chair, Lyttleton Port Company Limited • Director, Infrastructure New Zealand • Chartered Fellow, Institute of Directors • Member, Institute of Directors, Waikato Branch Committee • Member, National Infrastructure Advisory Board
Catherine Harland	<ul style="list-style-type: none"> • Director, McHar Investments Limited • Director, Interface Partners Limited • Trustee, One Tree Hill Jubilee Educational Trust • Member, Auckland Regional Amenities Funding Board • Member, Urban Planning Pillar Critical Friends • Member of the Committee of Broadway Park Owners' Society Incorporated.

Director	Interest
Julia Hoare	<ul style="list-style-type: none"> • Director, AWF Madison Group Limited • Director, New Zealand Post Limited • Deputy Chair, The a2 Milk Company Limited • Director, The a2 Milk Company (New Zealand) Limited • Director, Port of Tauranga Limited • Director, Auckland International Airport Limited • Chair, Auckland Committee, Institute of Directors • Member, Advisory Panel to External Reporting Board • Member, Institute of Directors National Council
Nicola Crauford	<ul style="list-style-type: none"> • Director, Environmental Protection Authority (EPA) • Member of Electoral Authority, Cooperative Bank Limited • Specialist Advisor, WorleyParsons New Zealand Limited • Director and Shareholder - Riposte Consulting Limited • Director, Wellington Water Limited • Director, Orion New Zealand Limited • Chair, GNS Science Limited • Deputy Chair, Fire and Emergency New Zealand
David Thomas	<ul style="list-style-type: none"> • Chair, Ngāti Whakaue Tribal Lands Inc. • Chair, Gypsum Board Manufacturers of Australasia • Shareholder / Employee, Fletcher Building Limited • Director, New Zealand Ceiling & Drywall Supplies Limited • Chair, Altus NZ Limited • Director, Winstone Wallboards Limited
Brendon Green	<ul style="list-style-type: none"> • Director, Kaitiaki Advisory Limited • Director, Tainui Kawhia Incorporation • Director, Peak2Peak • Executive Director, Advanced Biotech NZ • Executive, Te Rūnanganui o Ngāti Hikairo • Management contract, Tainui Kawhia Minerals • Representative of Waipapa Marae, Kawhia, Te Whakakitenga o Waikato Tainui. • Consultant to Trility (Australian water infrastructure company) • Runanga Manukau Institute of Technology - Te Whakakitenga o Waikato representative



Report to the Board of Watercare Services Limited
 Prepared for the 29 January 2019 Board meeting

Our Commitment to Health, Safety and Wellness

Purpose			Team		
Information	Discussion	Approval	Prepared	Recommended	Submitted
			B Struthers HS&W Manager	J Glennon Chief People Officer	R Jaduram Chief Executive
Intellectual capital	People and culture	Community and stakeholder relationships	Financial capital & resources	Natural environment	Assets and Infrastructure
					

1. Recommendation

That the Board approve the updated “Our Commitment to Health, Safety and Wellness” policy (the “Policy”) (**Appendix A**).

2. Purpose and context

The Policy is a Board approved policy that communicates our commitment to health, safety and wellness internally and externally.

The Policy was last reviewed in November 2017.

3. The details

The Policy has been reviewed and updated to reflect Watercare’s commitment to employee wellness, including mental health. This aligns with our commitment to the UN’s Sustainable Development Goal Number 3, namely “Good Health & Well Being”.

The updated Policy also expressly now includes our expectation that employees should:

- Look out for their own safety and the safety of others
- Stop any activity they feel is unsafe and ask for help when they need it
- Seek opportunities to improve the health and safety of our work environment
- Report not just incidents, but also near misses (as this allows us to learn and put in place safer practices).

The additions align our Value Creation Model and our aim to have “safe, engaged and empowered team”.

- **Appendix A** is the updated Policy for the Board’s approval.
- **Appendix B** is a marked-up copy of the existing Policy, showing the proposed changes.



Our commitment to health, safety and wellness

Safety – I Care, We Care, Watercare

At Watercare, we are committed to making every reasonably practicable effort to establish and maintain a safe and healthy environment for people to work and to visit.

We understand our health and safety responsibilities and are committed to continually improving practices at all of our locations, for our benefit and for visitors.

To achieve this, we will:

- Provide a safe and healthy working environment for all people by identifying, understanding and managing workplace hazards
- Establish safe working practices and ensure they are adhered to at all times
- Provide appropriate leadership, training and communication to all employees
- Have all incidents and near misses accurately reported, recorded and investigated when and where required and apply the learnings
- Actively promote and support the health and wellness, both physical and mental, of our team
- Establish and maintain an early return-to-work programme in consultation with injured employees
- Provide opportunities for employees or their representatives to be involved with and participate in matters relating to the health and safety of themselves and their colleagues
- Ensure full compliance with relevant legislation, regulations, codes of practice, policies and procedures for all aspects of our operation
- Annually review our health and safety systems to ensure they remain appropriate for the needs of the business.

We are all employees of Watercare and together we will contribute to making this a healthy and safe place, to work or to visit. Therefore we will:

- Look out for our own safety and the safety of others
- Comply with all safe work procedures, rules, signs and instructions
- Stop any activity we feel is unsafe and ask for help when we need it
- Seek opportunities to improve the health and safety of our work environment
- Correctly use all equipment provided to us, including safety equipment
- Immediately report all hazards, all unsafe work conditions and equipment, and all incidents and near misses
- Participate actively in incident investigation and injury rehabilitation plans and activities
- Develop, implement and actively monitor controls to ensure a healthy and safe place of work
- Make sure that no action or inaction by me causes any harm or injury to me or any other person.

Chief Executive

Chair of the Board

Our commitment to health, safety and wellness

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- **Stop any activity we feel is unsafe and ask for help when we need it**
- **Seek opportunities to improve the health and safety of our work environment**
- Correctly use all equipment provided to us, including safety equipment
- Immediately report all hazards, all unsafe work conditions and equipment, and all incidents **and near misses**
- Participate actively in incident investigation and injury rehabilitation plans and activities
- Develop, implement and actively monitor controls to ensure a healthy and safe place of work
- Make sure that no action or inaction by me causes any harm or injury to me or any other person.

Chief Executive

Chair of the Board

Issue Date: November 2017
Review Date: January 2019

Watercare 
An Auckland Council Organisation

Report to the Board of Watercare Services Limited
Prepared for the 29 January 2019 Board meeting

Chief Executive's report for December 2018

HIGHLIGHTS AND LOWLIGHTS

1. Health, Safety & Wellness

- There were no Lost Time Injuries (LTI) involving Watercare employees or contractors in December 2018. There were two near misses involving contractors in December. Learnings have been made, and actions taken, following a contractor injury from November 2018.
- The rolling 12-month Lost Time Injury Frequency Rate (LTIFR) for employees has remained at 4.27 per million hours, staying below the Statement of Intent target of ≤ 5 .
- The rolling 12-month Total Recordable Injury Frequency Rate (TRIFR) has remained at 8.37 per million hours, remaining significantly below the Statement of Intent target of ≤ 20 .
- The Health & Safety team has been restructured and renamed, the "Health, Safety and Wellness" team.
- Progress against the Health and Safety Plan is running to schedule.

2. SOI measures

- Three SOI are not being met, namely the average consumption of drinking water per day per resident, the number of wet-weather overflows per discharge location and the percentage of real water loss from the network.

3. People, Capability and Learning:

- The percentage of voluntary leavers and absences due to illness all remain below our limits.
- The number of FTE remains below our budget.
- Our Ways of Working project is now underway. Management is also working to update the Code of Conduct.

4. Customer service:

- In December 2018, our customer satisfaction score was 84.3%. The rolling 12 month average remains above target, with an average score of 82.1%, against a target of 80%.
- Our Net Promoter Score (NPS) for December 2018 was 35. The rolling 12 month average NPS was 30, against a target of >30 .

- Complaint resolution was 100% for December 2018. The rolling 12 month average was 98.5%, against a target of 95%.
- The e-billing campaign continues to make good progress. In December 2018, the adoption of e-Billing by customers trended up by 1% (from 48% to 49%).
- Automated payments remain below our target, but are trending in the right direction.
- We have introduced a new “Voice of Customer” survey, which is simplified, and now delivered by SMS to increase our reach and response rate.
- The Water Utility Consumer Assistance Trust continues to provide relief to customers experiencing hardship. This year, the Trust will increase awareness of its existence and purpose amongst Māori and Pacific communities.

5. Community and stakeholder relationships:

- We continue to work together with Council and the iwi of Auckland and Waikato to achieve outcomes identified in our Maori Responsiveness Plan.
- We presented to a number of Local Boards in December to keep them up to date with local projects.
- The Auditor General released a report that reviewed stormwater management by three councils. The learnings and recommendations, however, were applicable to all councils.
- Watercare made supporting submissions regarding changes to the Health (Drinking Water) Amendment Bill.
- **Unplanned maintenance:** Watercare is continuing its engagement with AT to determine more efficient ways to work within roading corridors.
- **Clevedon Water Supply and Wastewater Networks:** In Clevedon, we plan to introduce a three tier charging structure, which has been presented to the Franklin Local Board.
- We launched a new publication for our commercial and industrial customers, Tapped in for Business, in December 2018.

6. Natural Environment update:

- Our Climate Change Strategy has been finalised and will be presented to the Board at the January 2019 meeting.
- **Western Isthmus Water Quality Improvement Programme:** Work is underway in three of 10 catchments. The 12-month Council stormwater and Watercare wastewater work-plan will be presented to the Board in February 2019.
- Watercare and Council are supporting a study by Scion on plastic microparticles entering the environment.

7. Resource Management Act compliance: There were no Category 3 or 4 non-compliances with consents in December 2018.

8. Digital updates: Our Strategic Transformation Programme continues to progress. The STP was instrumental in the new Tapped in For Business and the new Voice of the Customer solution.

9. Assets and infrastructure:

- A preferred bidder for the Central Interceptor was approved by the Board in late November 2018. Due Diligence continued during December and January, with an expected confirmation by month end.
- Our Consultant/Contractor performance assessment by staff using PACE, dropped very slightly to 68.3%, but is still well above our target of 66%.

Financial Summary

- No financial result information is provided in this publicly available Board report, as Watercare must comply with the Council group's obligations as a listed debt issuer.
- Watercare's half-year financial performance will remain confidential until after Group results have been released to the market on 28 February 2019.

FUTURE OUTLOOK

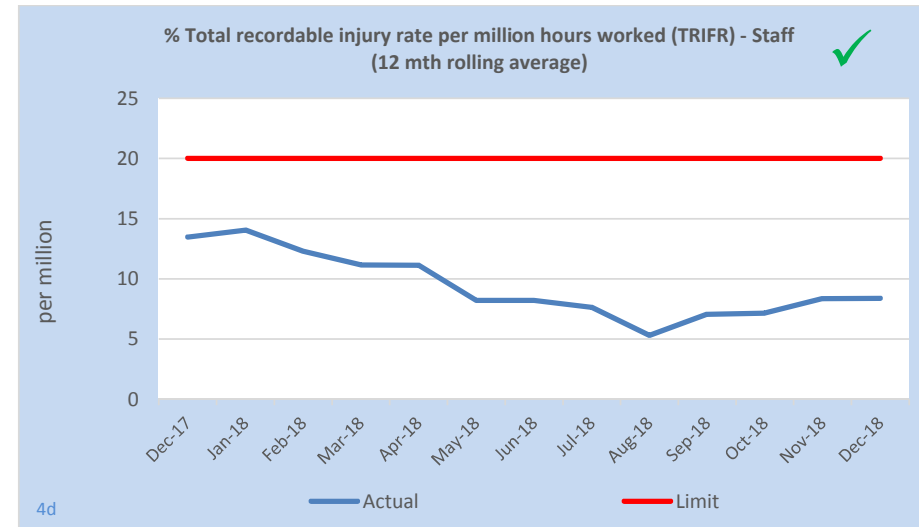
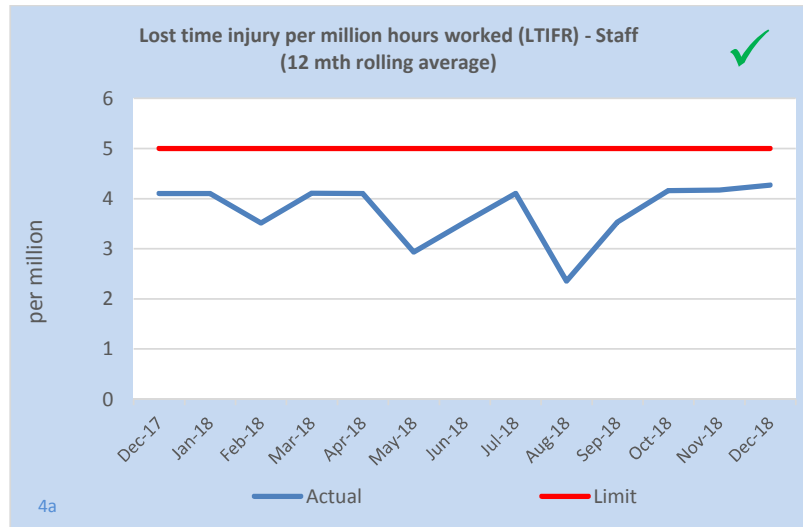
Upcoming Board activity

- The February Board meeting is on Tuesday, 26 February 2019.
- An AMCC Meeting needs to be scheduled for February.
- In March, the Board will have a workshop with the Governing Body on Thursday, 21 March 2019.
- The March Board meeting is on Thursday, 28 March 2019.



Raveen Jaduram
Chief Executive

1. HEALTH, SAFETY & WELLNESS UPDATE



THERE WERE NO WATERCARE WORKER INJURIES

- There were no Lost Time Injuries (LTI) or Medical Treatment Injuries (MTI) involving Watercare employees in December 2018.

THERE WERE NO CONTRACTOR WORKER INJURIES

- There were no Lost Time Injuries (LTI) or Medical Treatment Injuries (MTI) involving contractors in December 2018.

HEALTH, SAFETY & WELLNESS continued

SIGNIFICANT INCIDENTS/HAZARDS/NEAR MISSES

There were two significant/near miss incidents in December 2018. An update on a November injury to a contractor is also provided below.

Near miss at Ardmore Water Treatment Plant

Near miss: Contractors observed working within the drop zone of a 5.2 x 1.6m stainless duct, whilst being stood up and lifted by hi-ab crane. Work stopped by Watercare staff.

Learnings

- Exclusion zone must be established
- Workers should not suffer from fatigue
- Watercare Project Managers must manage the production schedule to ensure that contractors are not tempted to cut corners to meet deadlines.

Actions taken

- Toolbox meeting held with supervisors and work team
- Watercare and the contractor worked together to agree on new production targets. The contractor agreed to suspend work over Christmas as originally planned to provide workers with a break.
- Contractors to report on the incident by 27 January 2019.

Near miss at Northern

Near miss: Watermain repair required isolation of valves leading to temporary interruption of supply to a dialysis patient. Dialysis patients are always notified prior to planned shutdowns.

When the isolated valves were reinstated, one was missed and supply to several customers, including the dialysis patient, remained turned off. Watercare was advised of the supply interruption, the dialysis patient was contacted, water supply prioritised and restored.

Learnings

- Isolation plans need improved documentation and education.

Actions taken

- A detailed valve audit of water supply valves in the local network area was carried out to ensure all valves were in their correct state.
- Networks are to review their Planned Valve Maintenance programme to mitigate potential future issues.
- Workshop to improve isolation planning, documentation and education with contract managers planned for February 2019.

Update on November 2018 injury

Injury: A contractor was attempting to add pipe to loaded flatbed truck that was backloading a digger. The contractor was using his body to hold the pipe in place whilst tying it down. The pipe shifted and his hip was dislocated. The contractor was treated in hospital and has been assessed as medically unfit for work until 4 February 2019.

Learnings

- When plans or activities change, safety must be considered and risks reviewed and controlled.

Actions taken

- Safety alert sent to all parts of the business to remind people to plan (including safety planning via the Job Safety Analysis (JSA)) to the scope of work.
- Toolbox talk across business
- Developed new Standard Operating Procedure (SOP) for the use of transporters
- Review of contractor management documentation to ensure our expectations about planning and JSAs are clear (contained in our Health and Safety Management Plan (HSMP))

HEALTH, SAFETY & WELLNESS continued**Q2 FY19 - SUMMARY OF INJURIES****5.2****Watercare Injuries per Business Unit**

Month	Business Unit	Medical Treatment Injury (MTI)	Lost Time Injury (LTI)	Total Recordable Injuries (MTI+LTI)
Oct-18	Laboratory Services	0	1	1
	Total	0	1	1
Nov-18	There were no Lost Time Injuries (LTI) or Medical Treatment Injuries (MTI) for Watercare Employees during November.			
Dec-18	There were no Lost Time Injuries (LTI) or Medical Treatment Injuries (MTI) for Watercare Employees during December.			
2nd Quarter Total (Watercare Employees)		1	1	1
Total YTD		2	4	6

Contractor Injuries per company

Month	Project	Medical Treatment Injury (MTI)	Lost Time Injury (LTI)	Total Recordable Injuries (MTI+LTI)
Oct-18	Total Group Cleaning	0	1	1
	A.D. Riley	2	0	2
	Total	2	1	3
Nov-18	Brian Perry Civil	1	1	2
	City Care	0	1	1
	Total	1	2	3
Dec-18	There were no Lost Time Injuries (LTI) or Medical Treatment Injuries (MTI) for Contractors during December.			
2nd Quarter Total (Contractors)		3	3	6
Total YTD		5	5	10

HEALTH, SAFETY & WELLNESS continued

HEALTH, SAFETY AND WELLNESS TEAM

- The team has been restructured and renamed the Health, Safety and Wellness (HS&W) team.
- This was undertaken as part of ongoing improvements in the HS&W within Watercare.
- Recruitment continues for the HS&W Business Partner for the Central Interceptor Project.

HEALTH AND SAFETY INSPECTIONS

- In December, we conducted 107 inspections.
- YTD inspections total 869 against a target of 1,408 (69% completion rate).

CONTRACTOR LEAD INDICATOR STATISTICS

- HS&W Team is revising tools and processes to ensure contractors have a consistent understanding of information requirements, processes and definitions of lead indicators and to streamline and simplify information collection processes and expectations for Project Managers.
- Management are attending internal workshops to determine lead and lag indicators based on critical risks and high-likelihood events.
- The new processes will be deployed in February 2019.

HEALTH, SAFETY AND WELLNESS POLICY REVISED AND UPDATED

- The Health and Safety policy has been reviewed and updated.
- The Policy is being presented to the Board for approval at this meeting.
- The updated Policy now includes a focus on mental health and wellbeing.
- The updated policy also aligns with our commitment to the UN's Sustainable Development Goal Number 3, namely "Good Health & Well Being".

INDEPENDENT AUDIT REVIEWS



- Advisian conducted a confined space entry audit on 12 November 2018. Their report will be presented to us on 4 February 2019.
- Rosedale WWTP machinery, interlocks and safety mechanisms have been independently audited. The auditor's findings were reviewed on site. We now have one critical risk outstanding regarding interlocks and safety stops. These do not meet the standard required. A team of internal electrical specialists will support HS&W and the Rosedale plant leadership team to identify and implement an ALARP (As Low as Reasonably Practicable) solution.



HEALTH, SAFETY & WELLNESS continued

Q2 UPDATE ON PROGRESS AGAINST OUR HEALTH AND SAFETY PLAN

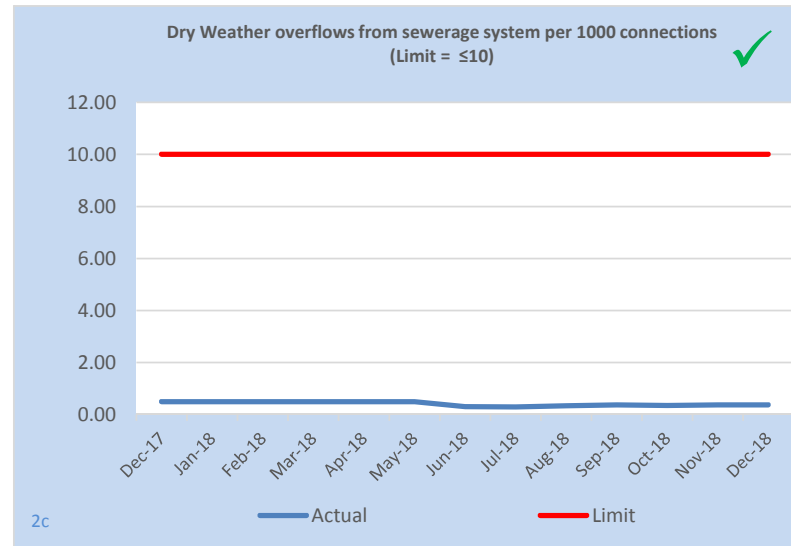
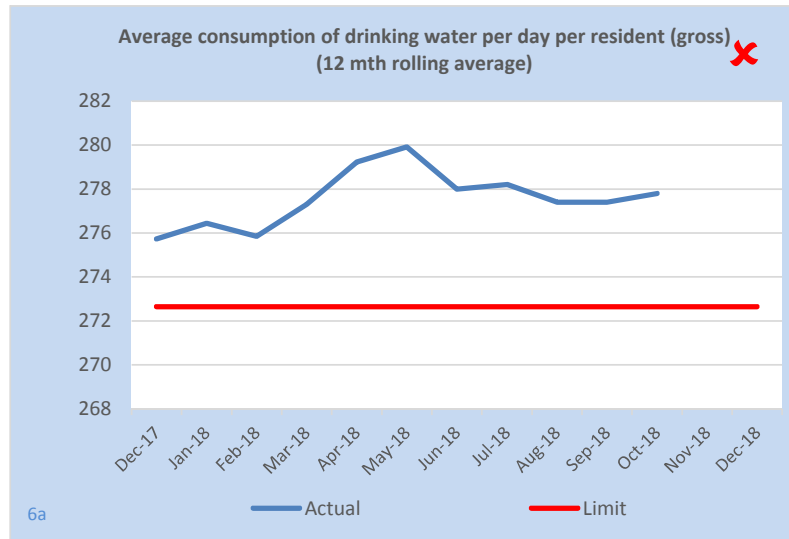
Watercare's 2018-2019 health and safety plan included a number of programmes to reduce operational risks, develop leadership and management capability, and to develop and implement a company-wide health and safety system. Outcomes for Quarter Two are summarised below:

Outcomes for Quarter 2 are summarised below:

Summary of outcomes for Q2, FY19	
Strategic Objective 1 To enhance Safety Leadership Capabilities among officers and managers to enable the promotion of a proactive Health and Safety culture.	 Programme 1: Develop an organisational culture that supports industry-best health and safety performance <u>HS&W Team Restructure</u> The H&S Team re-structure has been implemented with a HS&W Wellness Business Partner and three HS&W Area Business Partners starting in their roles in January. Recruitment continues for the HS&W Business Partner for CI. <u>Monthly Exec HS&W Sessions</u> Monthly Exec HS&W sessions re-instituted to review events and share learning.
Strategic Objective 2 To manage our operations to reduce the risk of injury with a focus on serious or fatal injuries.	 Programme 1: Improvement of process safety management <u>Ardmore Safety Case</u> The Safety Case for the Ardmore WTP received an initial rejection centred around: <ul style="list-style-type: none"> ○ Detailed planning and delivery of a scrubber for the chlorine building; ○ Consultation and engagement with contractor workforce; and ○ Detailed understanding and mitigation of the interaction between chlorine gas and activated carbon in the event of a gas cloud. A revised plan is to be submitted by 1 March 2019. The team is meeting monthly and escalates roadblocks via the COO.

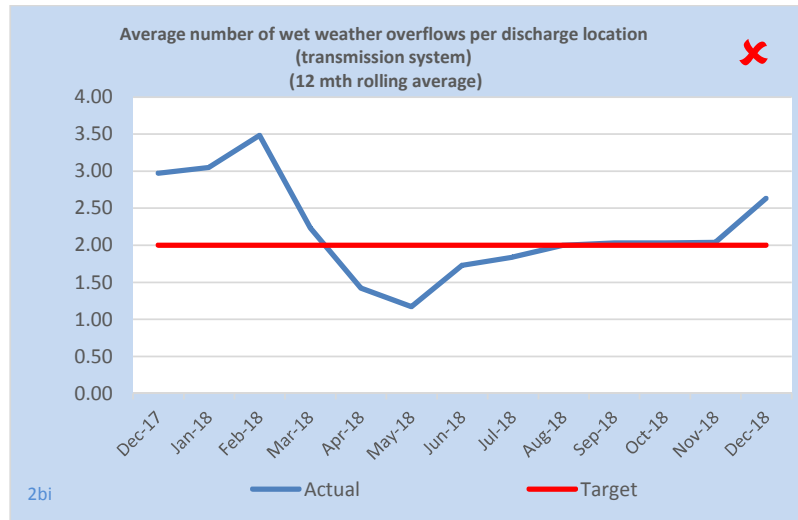
Summary of outcomes for Q2, FY19		
		<p>Programme 2: Reducing Risks from other critical hazards</p> <p><u>Permit to Work</u></p> <p>Inconsistencies identified in PTW will be resolved with Operations Team prior to further roll-out.</p>
<p>Strategic Objective 3</p> <p>To engage with our workers through programmes that reduce Health and Safety risks, and support their physical and psychological health.</p>		<p>Programme 1: Reducing safety risks arising from impairment from Fatigue, Drugs and Alcohol</p> <p>The Drug and Alcohol Policy pilot feedback has been reviewed. We are now working on new initiatives that will encourage our staff to make better health choices.</p> <p>Work in this area will escalate once the new HS&W Wellness Business Partner starts work in January 2019. This role will involve addressing critical health and wellness risks, managing the ACC Partnership Programme, Injury Management and Return to Work as well as health monitoring and occupational hygiene.</p> <p>All of our people were encouraged to take annual leave over the Christmas holiday period, if this was possible given their role. Staff with high-leave balances are being actively managed by their Managers to ensure they take leave in a timely manner.</p>
<p>Strategic Objective 4</p> <p>To implement and further improve systems and resources that enable continual improvement of Health and Safety performance by enabling leaders, managers and workers to effectively meet their Health and Safety responsibilities.</p>		<p>Programme 2: Complete and fully implement the Health and Safety Management System</p> <p>Synergi (H&S reporting system) is a stand-alone system and has not maintained alignment with structural and personnel changes since implementation in 2014. Therefore, the system is unable to provide accurate reporting data. Actions:</p> <ul style="list-style-type: none"> ○ Identify current gap between business organisation and Synergi data (complete) ○ H&S Team provided with access and trained in back-of-house system admin (complete) ○ Consult business to identify required outputs (February 2019) ○ Align business structure and personnel in Synergi (by mid-March 2019) ○ Develop and implement ongoing update procedure (by mid-March 2019) ○ Upgrade Synergi to most recent version (aligned with Digital function and budget).

2. SOI MEASURES – 2017-2018 - Natural environment



An update on this SOI measure will be presented to the Board in February 2019, as part of our update on the work we doing as part of the Water Efficiency Strategy.

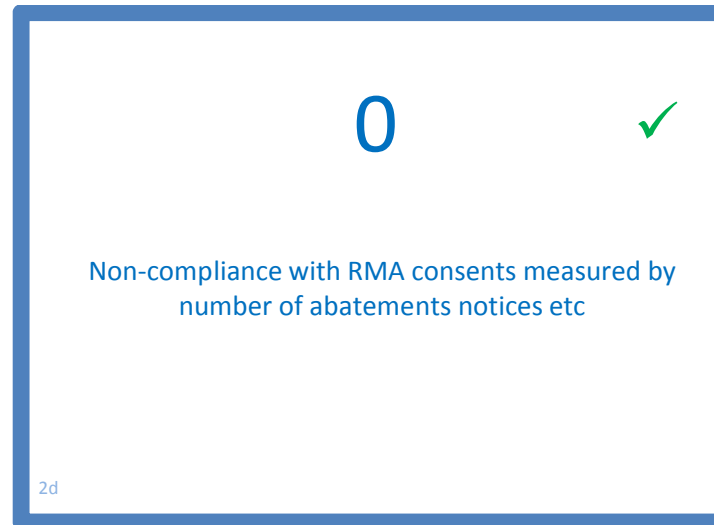
SOI MEASURES – 2017-2018 - Natural environment continued



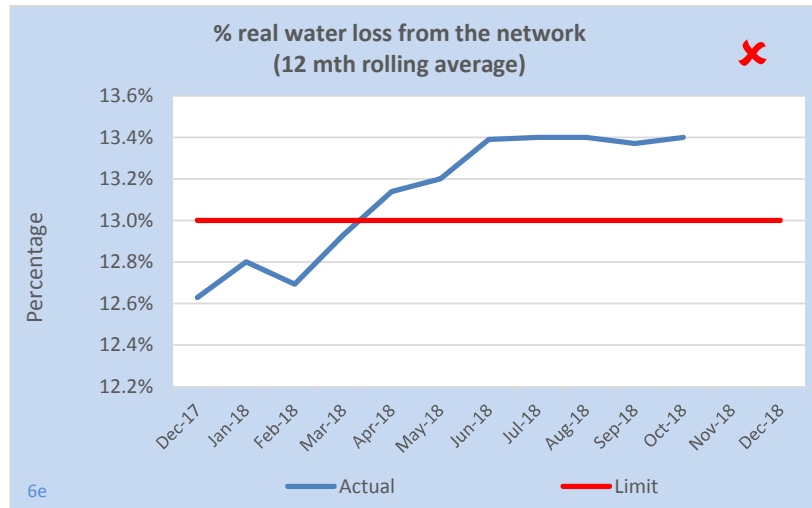
This target is based on the network discharge consent, which includes transmission and local networks.

Further work is required to allow reporting of this across the whole network.

Investigations are underway to determine the reasons behind the adverse December 2018 result.



SOI MEASURES – 2017-2018 - Assets and Infrastructure



- A programme of work is underway to address the real water loss score.
- A detailed update will be provided to the Board in February 2019.

100%



Compliance with Part 4 of the Drinking Water
Standards (bacterial)

1a

100%



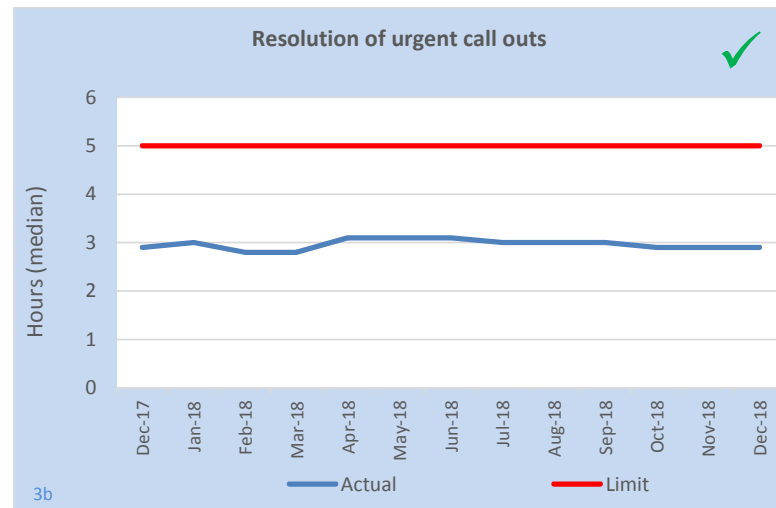
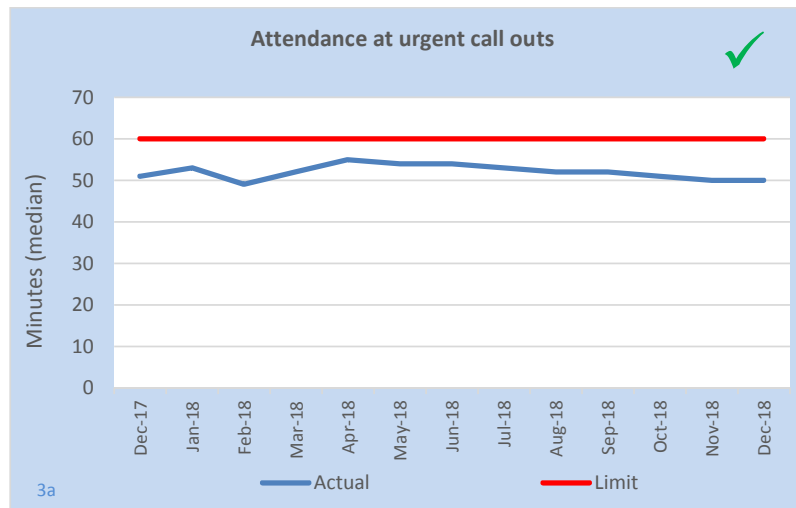
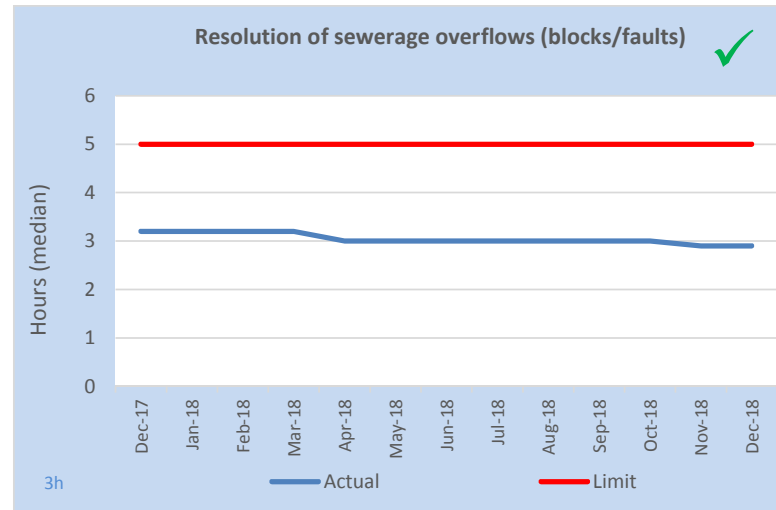
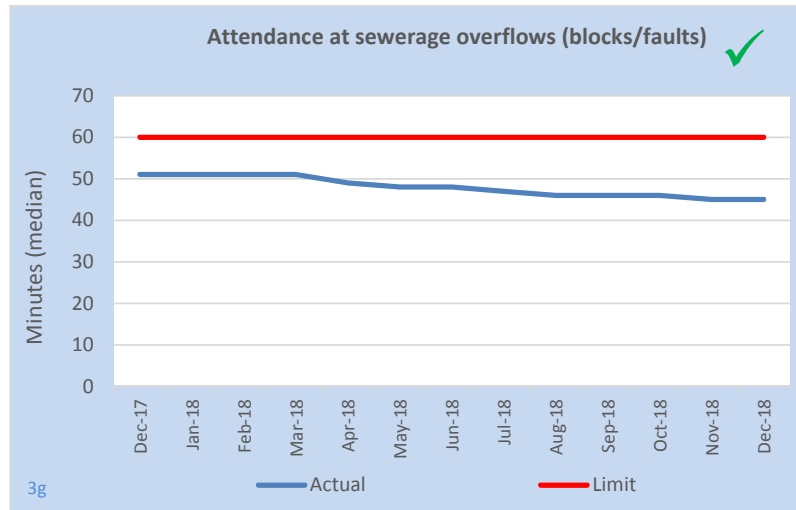
Compliance with Part 5 of the Drinking Water
Standards (protozoal)

1b

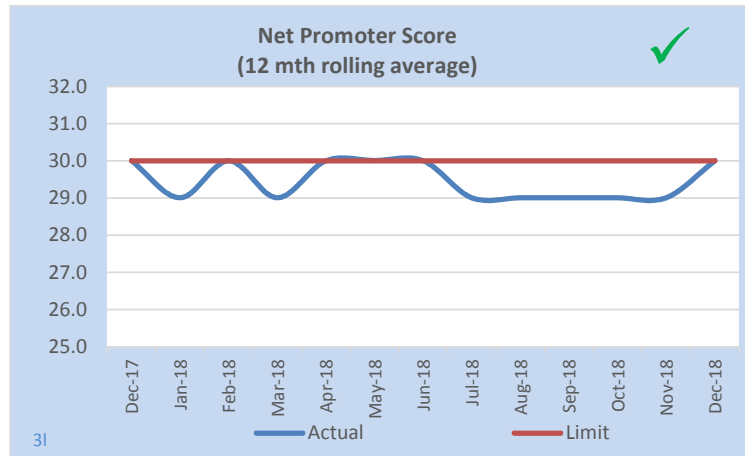


SOI MEASURES – 2017-2018 - Community and Stakeholder relationships

5.2



SOI MEASURES – 2017-2018 - Community and Stakeholder relationships continued



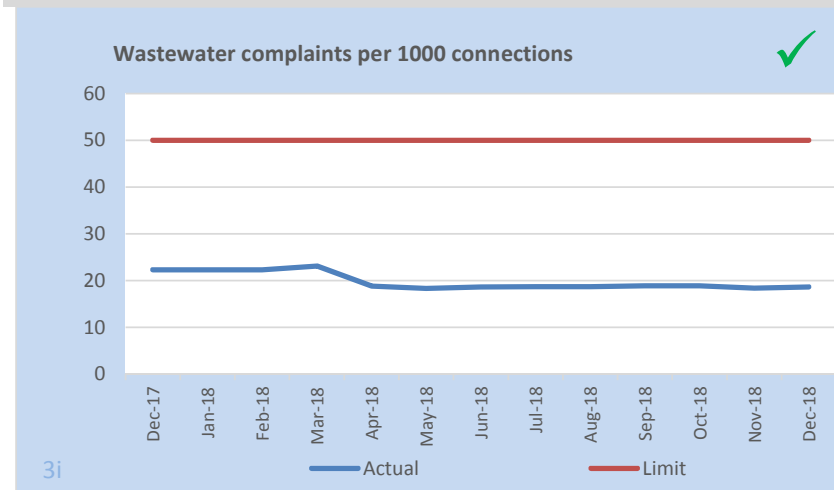
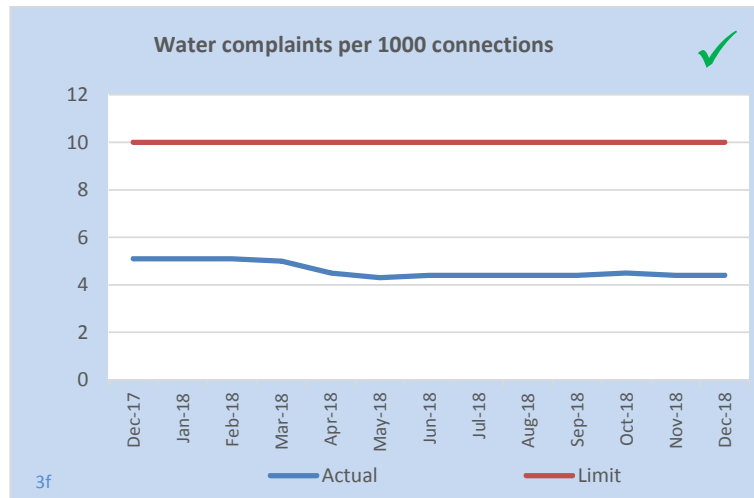
OUR NPS SCORE

NPS for first half of the year is tracking at 30 (December 2018, 12 month rolling average). Month to month, the score has been a little volatile due to two main changes:

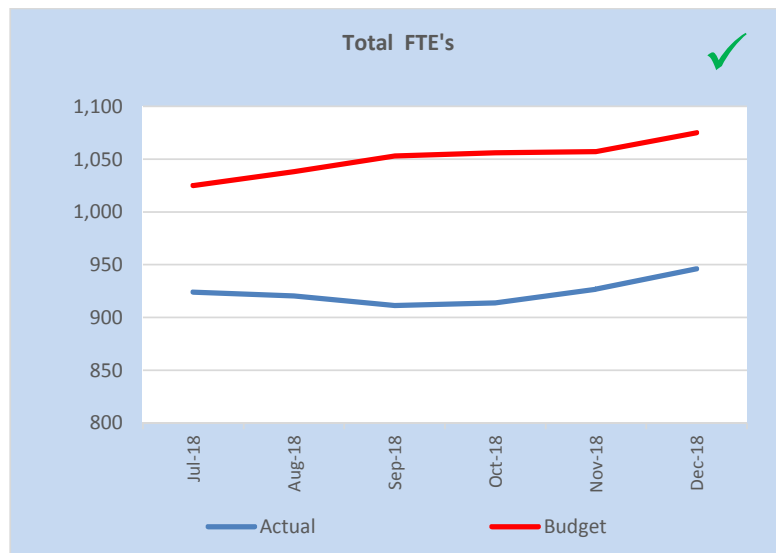
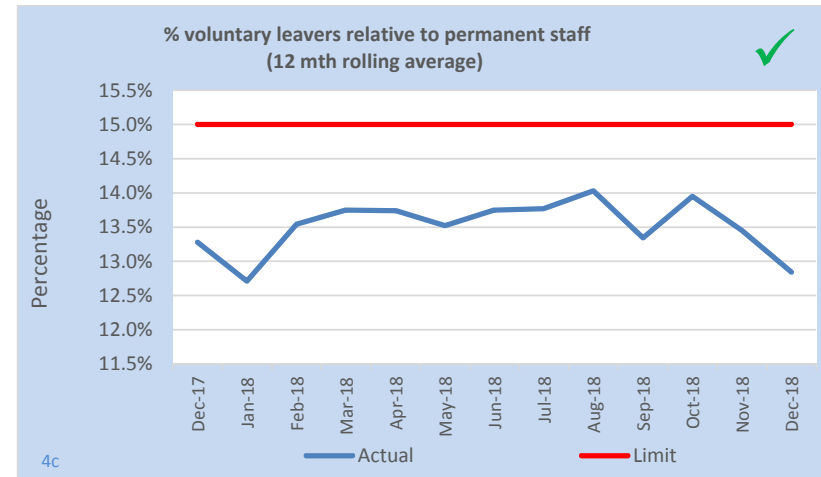
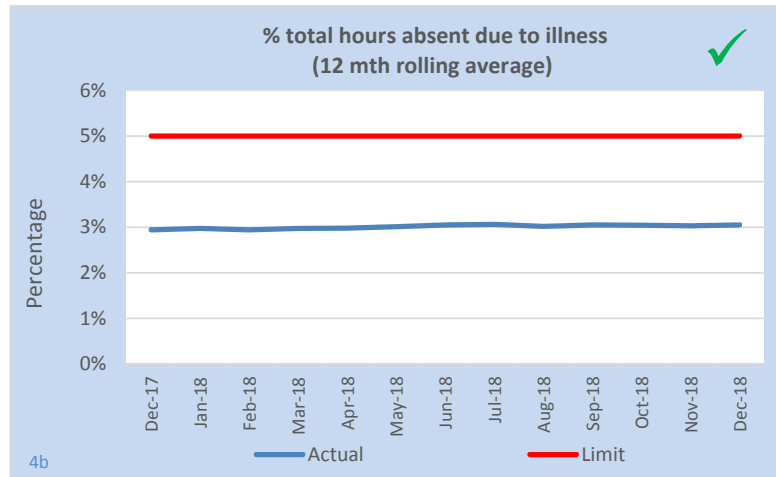
1. We have been actively managing our debtors
2. We have been focussing on the leak allowance, as this was showing a concerning trend.

These two changes have resulted in some volatility on the NPS.

We continue to balance these conversations with our customers, whilst also ensuring we deliver a great customer experience.



3. PEOPLE, CAPABILITY AND LEARNING



OUR CULTURE AND CONDUCT

Ethical behaviour and a healthy organisational culture is a priority for Watercare management. We are currently updating our Code of Conduct. It will be presented to the Board's People, Remuneration and Appointments committee for review and approval in the first half of 2019.

OUR WAYS OF WORKING

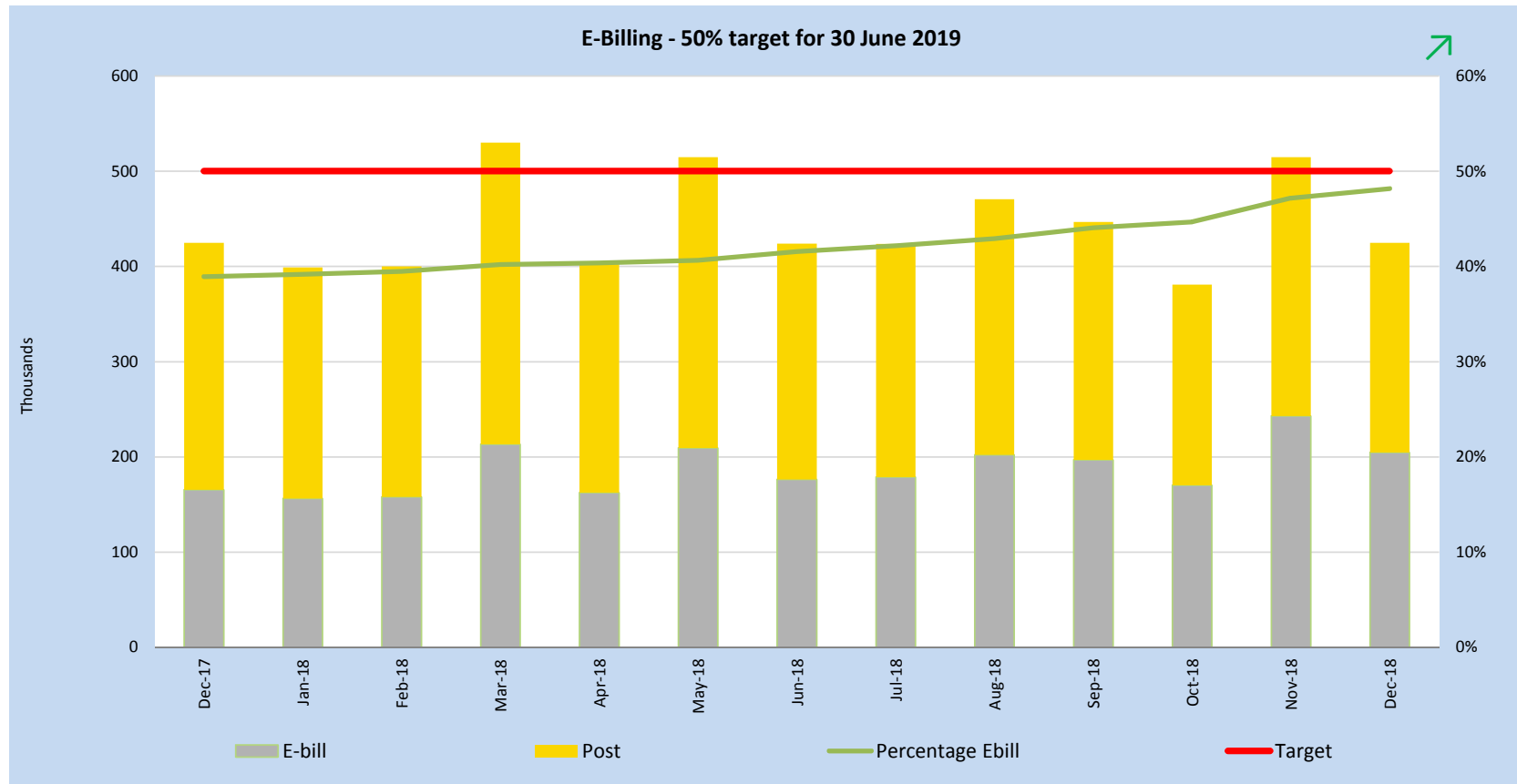
Our "Ways of Working" (WOW) project is now underway. The project is about preparing for the "future of work" and creating a workplace environment that is optimised for collaboration, considers how our people use technology and better supports Watercare's values and culture.

Both of these initiatives (culture and the future of work/automation) have been identified as two of the five top issues for organisations in 2019.

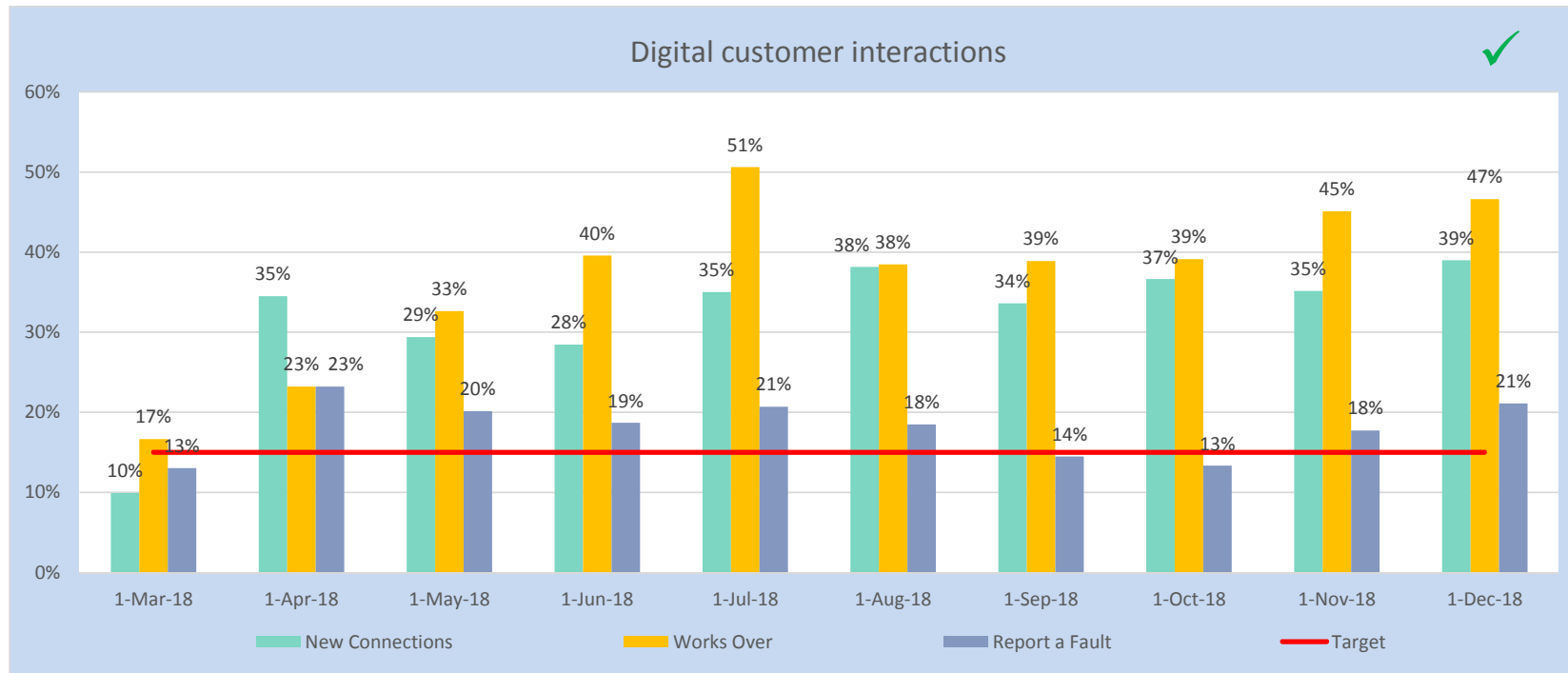
4. CUSTOMER SERVICE



5.2

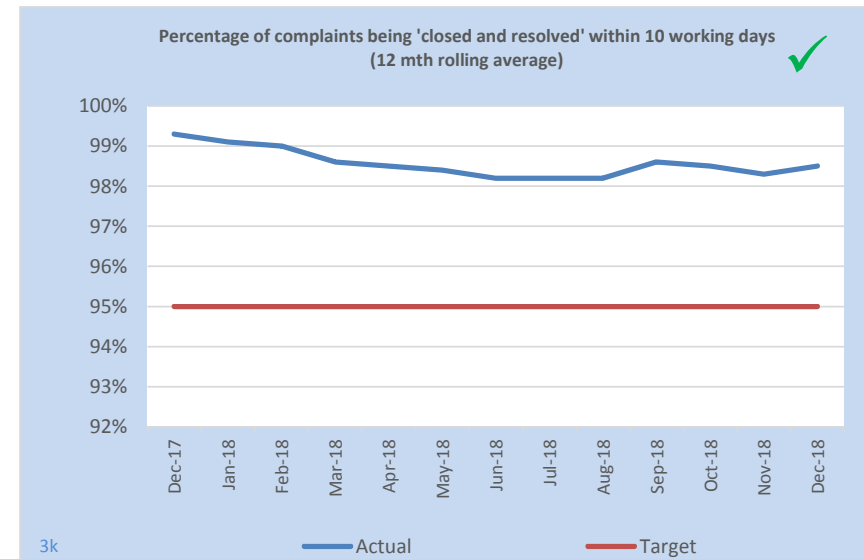
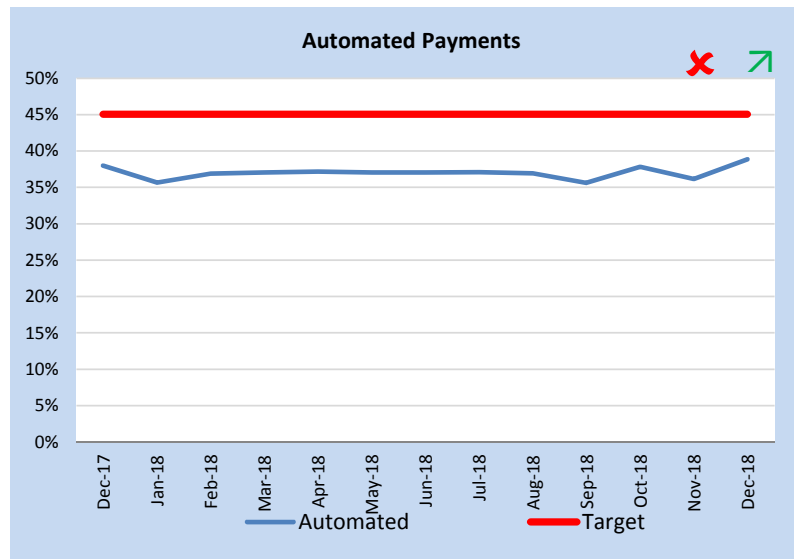
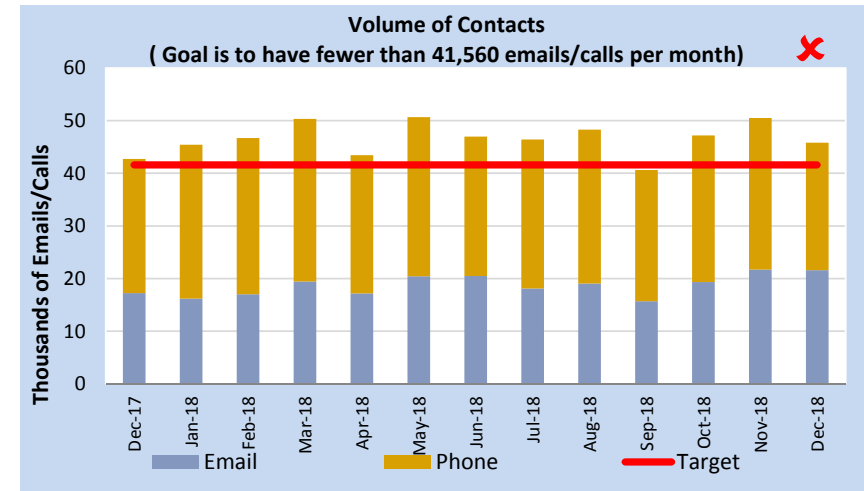


CUSTOMER SERVICE continued

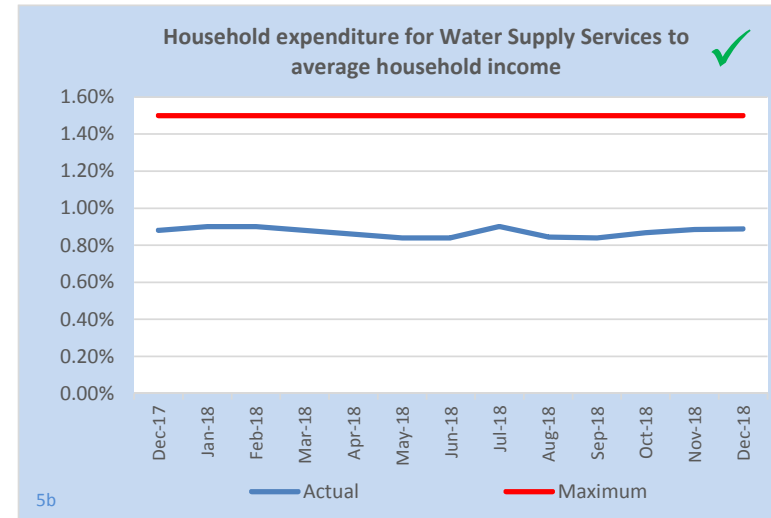
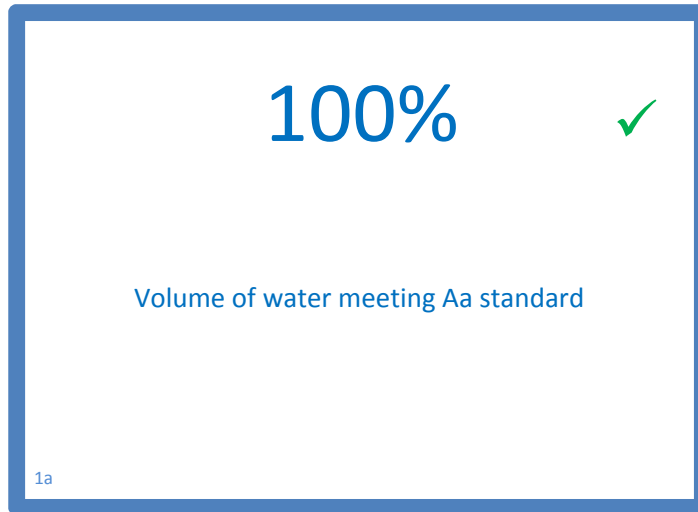


5.2

CUSTOMER SERVICE continued



CUSTOMER SERVICE continued



OUR VOICE OF THE CUSTOMER SURVEY HAS BEEN UPDATED AND DEPLOYED

- We deployed our new Voice of the Customer survey to customers in mid-January 2019.
- The survey has been significantly simplified to increase our customer response rate.
- We can now also deliver the survey by SMS, which we believe will increase our reach.
- In line with improving our customer experience, we have changed the rules around delivery of surveys. They are now sent within a day of interaction (in the past, it could be up to 10 days later). As the related interaction will still be top of mind, the feedback is likely to be much more relevant.
- To help us turn insights into action, we have also introduced a full closed-loop process, whereby all detractors will be case managed with root cause identification and then looped-back into relevant areas of the business where improvements are required.

WATER UTILITY CONSUMER ASSISTANCE TRUST (WUCAT) UPDATE – THREE MONTHLY UPDATE

Customers experiencing hardship may be eligible to apply to WUCAT for assistance with their water bills.

WUCAT applications numbers have grown reflecting increased promotion and awareness of the Trust in the community. Watercare staff have also actively been pursuing high and old debts and this has assisted the Trust in helping these families in hardship onto payment plans for their Watercare accounts.

- The Trust has noticed during this period the dollar value of debts has been high with one debt to Watercare of \$10,500 (and the applicant has made the weekly payments consistently since approval).
- At the last three WUCAT meetings, 34 applicants successfully completed the budget process with \$45,000 of hardship relief approved by the Trust.

The Trust is in the process of formulating an awareness programme for 2019. This year, the Trust will increase awareness of its existence and purpose amongst Māori and Pacific communities by promotion through Marae and Church networks.

UPDATE ON RESTRICTIONS AS 31 DECEMBER 2018

- 11 domestic restrictions on vacant properties
- 42 domestic restrictions on occupied properties
- 16 non-domestic properties

We are communicating with all of these customers to try to find a resolution.



5. COMMUNITY AND STAKEHOLDER RELATIONSHIPS UPDATE

5.2

MĀORI ENGAGEMENT IN DECEMBER 2018

- We hosted a relationship meeting with Waikato Tainui at Watercare's Newmarket offices.
- We continue to work together with Council to respond to the nine priorities in the Te Toa Takitini portfolio, including Water, Marae, Economic Development, Rangatahi, Mana whenua engagement, Papakainga Development
- Our Poutiaki, Tikanga Māori /Principal Advisor, continues to work closely with our Central Interceptor team, as well as the Mana Whenua Forum Technical Advisor and Mana Whenua Representatives on Iwi engagement. CI project site visits, as well as Marae visit, are being arranged for Watercare staff, and the CI team, and manua whenua representatives
- Cultural advice and support continues to be provided to our people on various projects, including Army Bay WWTP discharge project, Wellsford WWTP Wetland Pilot Plant Site Visit (which involved a site visit by Mana Whenua).
- Watercare attended and led the Mana whenua kaitiaki forum hui with Watercare project leads on operational projects in December 2018
- We engaged with Iwi regarding marae water and wastewater issues.
- Watercare continues to work together with Council to provide input into the implementation of the recommendations arising from the Māori Engagement Value for Money Report
- Watercare attended strategic meetings with Graham Pryor, GM Te Waka Anga Whakamua Unit, Auckland Council, Andrew Firth, Auckland Council and Te Hōanga team.
- Engagement with Ngāti Te Ata representatives.

LOCAL BOARD ENGAGEMENT

- In December, Watercare joined Rodney, Upper Harbour, Papakura, Albert-Eden and Waitakere Ranges local boards for workshop briefings on local projects. The information was timely and well received in the lead up to Christmas.
- A community presentation was held with the Warkworth community advisory group. This provided an opportunity to talk about the water supply coming into production and developments with wastewater servicing.
- Local board activity normally decreases in January as first workshops tend to start again in February.
- 2019 will be an election year for local boards.
- Notice of overflows and local issues continue to be shared with relevant local boards in the interests of no surprises.

COMMUNITY AND STAKEHOLDER RELATIONSHIPS UPDATE *continued*

AUDITOR GENERAL REPORT INTO STORMWATER

- In mid-December 2018, the Office of the Auditor General presented its “Managing stormwater systems to reduce the risk of flooding” to the House of Representatives.
- The report looked at how Dunedin City Council, Porirua City Council, and Thames-Coromandel District Council manage their stormwater systems to protect people and their property from the effects of flooding.
- The AG found the three councils had an incomplete understanding of the flood risks in their district/city.
- The Attorney General noted *“that the historical under-investment in stormwater systems in New Zealand creates a level of urgency for councils to address our recommendations; and their main findings and recommendations are relevant to all councils. There is also an opportunity for councils to work together to address shared challenge”*.
- The report included five recommendations for all councils.

THE A-G’S FIVE RECOMMENDATIONS FOR ALL COUNCILS

1. understand the current and likely future flood risks in their district or city sufficiently to take a proactive approach to reduce the risk and effects of flooding;
2. provide elected members with the necessary information and options, including about local flood risks and their stormwater systems, to make well-informed and deliberate decisions about investment in their stormwater systems;
3. improve the information they make available to their communities so that people can understand:
 - a. the potential risk of flooding;
 - b. what the council is doing to manage that risk, including how it is managing the stormwater system and at what cost; and
 - c. what the remaining risk is to the community;
4. improve their understanding of their stormwater systems, which will entail ensuring the adequacy of their stormwater asset data, including condition data and information on the performance and capacity of the stormwater systems; and
5. identify and use opportunities to work together with relevant organisations to more effectively manage their stormwater systems

HEALTH (DRINKING WATER) AMENDMENT BILL SUBMISSION LODGED

- Watercare made a submission to the Health (Drinking Water) Amendment Bill in late December 2018. Submitters now also have the opportunity to speak to the Health Select Committee (Hon. David Clark, Health Minister) if they wish.
- Following the Government Inquiry into Havelock North Drinking Water, Cabinet agreed to a range of measures to address the Inquiry’s recommendations, including some immediate amendments to Part 2A of the Health Act 1956.
- The policy objectives of the Bill are to improve the effectiveness and efficiency of Part 2A (Drinking Water) of the Health Act 1956, without materially affecting any party or imposing new or additional costs.
- Watercare’s submission was supportive of the changes. It also advocated for general reform of related Drinking Water legislation.

COMMUNITY AND STAKEHOLDER RELATIONSHIPS UPDATE continued

UNPLANNED MAINTENANCE AND WORKING WITH AUCKLAND TRANSPORT

- There continues to be upward pressure on maintenance budgets, particular unplanned retail network maintenance costs.
- A cost efficiency improvement review is underway.
- Whilst volumes of work are only marginally up, costs for services are on average 4 to 12% higher than in previous periods. Apart from inflationary impacts such as labour and consumables, a significant component and high proportion of the total job cost for work in roading corridors are due to the traffic control measures stipulated by Auckland Transport for the design, implementation, maintenance and removal of temporary traffic management.
- Watercare is seeking to work with AT to determine a more efficient way to work within roading corridors.

CLEVEDON WATER SUPPLY AND WASTEWATER NETWORKS

Watercare is designing and constructing a new water supply and wastewater networks to service Clevedon.

The networks are designed to service approximately 2,000 Development Unit Equivalent (DUE), including 130 existing dwellings and a small commercial area. The networks are largely being funded by Clevedon Infrastructure Services Limited (CISL), under a commercial agreement with Watercare. CISL is a group of three major Clevedon landowners, and two affiliates, which require water and wastewater infrastructure to be constructed so they can develop their land.

Under the funding agreement, Watercare agreed that all other new development undertaken in the area would need to pay an equivalent per connection amount. Therefore, we have proposed a three tier charging structure:

- New dwellings developed by CISL members are subject to IGCs and normal connection charges
- Existing dwellings (which are currently on septic tanks, but which want to connect to the new Watercare network) are subject to IGCs and normal connection charges
- Non CISL new dwellings are subject to IGCs, normal connection charges and a “Clevedon network charge” - for wastewater this is \$15,000 and for water supply this is \$11,200.

Because the wastewater network is a vacuum system, connection pits will be required at the wastewater point of supply to house the vacuum equipment and will be charged as set out in the table below.

The proposed pricing structure was presented to the Franklin Local Board on 27 November 2018. The Local Board is pleased that the Watercare networks are now being built. They had no objection to our pricing structure and were supportive of the proposal for an ‘early bird’ discount for existing households.

COMMUNICATIONS SNAPSHOT



Enabling engaged communities and stakeholders

Media

Media highlights for the month include coverage about the Central Interceptor project on Newshub; eel and fish migration in the Titirangi Fringe and the rare yellow pohutukawa at our Māngere Wastewater Treatment Plant by the Onehunga Community News.



Enabling safe, happy and empowered teams

Staff

Internally, we farewelled our three wastewater veterans Chris Harbour, Sanjay Kumarasingham and Allan Twinch; promoted the graduates of the first batch of Level 3 NZQA Tikanga Māori course and the completion of the new pipe bridge over SH 1 in Albany, in partnership with NZTA.



Enabling customer trust and value

Customers

We published our first Tapped In for business, a dedicated newsletter for our commercial customers, which received great feedback. Highlights on social media include posts on the rare yellow pohutukawa at Māngere, rescue of a dog by our headworks team at the lower Nihotupu Dam (Facebook); farewelling our wastewater veterans, the completion of the new pipe bridge in Albany (LinkedIn).

Stakeholders

Recent activities include:

- Lodging of consents for the Mairangi Bay pump station construction
- Hui at Makaurau Marae for the Central Interceptor team and preferred contractor Ghella-Abergeldie Harker Joint Venture to discuss working together and the project outcomes with Mana Whenua
- Site blessing at Redhills to kick off the network expansion in the area and at Lawson's Creek
- Presented to the community liaison group on the Warkworth Water Treatment Plant and received the below positive feedback:

"I am happy to say that as a user of the new water system there does not appear to be any issues that I have heard about with the new supply and the fresher taste of the water is welcome!"

Watercare



6. NATURAL ENVIRONMENT UPDATE

WESTERN ISTHMUS WATER QUALITY IMPROVEMENT PROGRAMME UPDATE

A revised 12 month work programme is being developed, and will be presented at the February 2019 board meeting.

The area has been divided in 10 catchments. Work is underway in three catchments (as described below). We will commence work on the other seven catchments in March 2019.

Freemans Bay

Tenders are being sought for approximately 1.34 km of new public stormwater network in Wellington Street, Hepburn Street, Picton Street, Barrie Street and Lower Anglesea Street.

These networks will:

- enable the separation of approximately 100 properties to be completed in the Picton Street/Anglesea Street area; and
- realise the benefits of the recently constructed Franklin Road/Collingwood separation project (72 properties), by re-directing the stormwater network in Wellington Street from the combined network to the stormwater tunnel in Wellington Street; and
- also facilitate the private drainage separation of around 15 properties in Picton Street.

Construction will commence in April 2019.

Waterview

Field property drainage investigations of 1,060 properties will be completed by February 2019.

Initial indications are that 70% of the properties will require separation.

Given the large extent of existing stormwater network in the area, it is proposed to separate the remaining areas by new public and private stormwater pipes.

This is in line with the Watercare Board's October 2018 resolution that separation should be pursued when this is practicable and provides a better financial and long-term environmentally sustainable option.

Design of the separation scheme will commence in May 2019. The separation works are being coordinated with Housing New Zealand, who are progressively developing the area.

St Marys Bay and Herne Bay

Field property drainage investigations in St Mary's Bay have commenced to validate the drainage status of each property.

Approximately 40% of the area has been completed and the remaining area scheduled for completion by mid February 2019.

Similar investigations will commence in Herne Bay and should be complete in April 2019.

The field investigations will inform the scope and cost of the separation works in these suburbs.

The proposed St Mary's Bay Stormwater tunnel is now incorporated under the Western Isthmus Programme to ensure alignment with any separation works in the area. The tunnel is required to manage stormwater flows.

WESTERN ISTHMUS WATER QUALITY IMPROVEMENT PROGRAMME UPDATE CONTINUED...**Political and Mana Whenua update**

- An update was provided to the Mana Whenua Kaitiaki forum in October 2018.
- A briefing on the field investigations in St Mary's Bay and a general project update was provided to the Waitematā Local Board in December 2018.
- Further updates will be provided to the Waitematā Local Board, the Mana Whenua Kaitiaki forum, the Community Liaison Group and local residents associations once field investigations are complete.

Community Liaison Group

A Western Isthmus Stormwater and Wastewater Community Group has been established. The group comprises the Chairs of various existing community groups within the Western Isthmus area. The first meeting was held in December 2018. A quarterly programme update will be provided to the group and this will be shared with the various groups through the Chairs. The group is chaired by Colin Dale, who also chairs other Watercare community liaison groups.

Project funding

The cost of the field investigation is shared 50/50 between Watercare and Auckland Council (Healthy Waters). The design and construction of new infrastructure that is required under the Programme will be funded by the respective organisations, for example:

- new stormwater pipes will be funded by Auckland Council through the water quality targeted rate
- any road separation (catch pits connected to the combined network) will be funded by Auckland Transport.
- wastewater pipes, such as the Grey Lynn Tunnel, will be funded by Watercare.

Council may also require some residents in the area to privately fund separation on their properties.

WATERCARE SUPPORTS "TURNING THE TIDE OF PLASTIC MICROPARTICLES" STUDY

- Watercare, together with Auckland Council, Packaging Council New Zealand and the Waste Minimising Fund, are supporting a scientific collaboration team involving Scion and the University of Canterbury.
- The team is studying what kind of plastics are found around Auckland's waterways and coastlines, where they came from and how they are being transported to the coast.
- Sampling work started in July 2018 and the findings will be reported in March 2019.
- The research results will be used to increase understanding of the nature and source of microplastic contamination in New Zealand's aquatic environment so that long term solutions to minimise contamination can be established.
- The results will also be used to increase public awareness and educate relevant industry sectors about the problems and consequences of plastics in our waterways.
- Later stages will involve removing the dominant sources of microplastics, before they enter the environment and introducing alternative options, such as biodegradable plastic, into manufacturing applications.

7. RESOURCE MANAGEMENT ACT COMPLIANCE



December 2018	Compliance proceedings	Nil	Environmental incidents of significance	Nil
Summary	Category 4 non-compliant consents	Nil	Category 3 non-compliant consents	Nil

12 of our 485 active consents are technically non-compliant, but none are in either Category 3 or 4.

	Jul	Aug	Sep	Oct	Nov	Dec
Number of total active consents	479	483	484	482	486	485
Number of non-compliant consents ¹	15	10	9	7	12	12
Number of non-compliant category 3 conditions <i>Non-compliance where the result will have or has the potential to have an adverse or significant adverse effect on the environment, or where there has been a repeat of a lower score non-compliance.</i> <i>We would typically receive notification or have warning of a category 4 non-compliance well before we prepare this report.</i>	0	1	0	0	0	0
Number of non-compliant category 1 or 2 conditions <i>Technical non-compliance with no more than minor potential or actual adverse effect to the environment. For example, reports provided after due date.</i>	17	16	12	15	20	18

Notes: 1 – excludes trade waste consents

Non-compliant consents in Category 3 and 4 for December: There are no Category 3 or 4 non-compliances for the month of December 2018.

8. DIGITAL UPDATES



5.2

STRATEGIC TRANSFORMATION PROGRAMME (STP) UPDATE

- STP continues to progress to programme with Release 4 concluding at the end of January.
- During December 'Tapped In for Business' was launched using the newly developed STP marketing communications solution, Marketo. The newsletter was emailed to over 200 key customers including educational institutions, hospitals, construction and manufacturing industries, the food and beverage industry, as well as the hospitality and tourism sectors.
- A significant milestone was achieved in January with the implementation of the new Watercare Voice of the Customer solution. While the underlying NPS survey methodology remains the same as current, the new solution replaces and improves upon the existing solution by providing the ability to customise surveys and target audiences as well as the ability for customers to receive the surveys via text message. The new solution also includes a closed loop feedback process, which will support Watercare in better identifying the root causes of customer complaints and areas of improvement.
- Additionally, the prior NPS solution was provided by an external partner. The new solution provides greater flexibility with Watercare being able to directly manage the implementation of new surveys, updates and changes through the use of internal resources.
- During February, EY will complete an independent review of the organisational change management approach as part of their IQA (independent quality assurance) engagement. The review will assess the STP change management approach with a particular focus on business engagement, business readiness and business adoption. Outcomes of the review will be reported to the STP sub-committee in March.

9. ASSETS AND INFRASTRUCTURE



CENTRAL INTERCEPTOR UPDATE

- A preferred bidder for the delivery of Central Interceptor (Ghella-Abergeldie Harker Joint Venture) was approved by the Board at the end of November 2018.
- The CI team is currently undertaking further due diligence, working with the joint venture on conditions and issues relating to their bid.
- If these conditions can be successfully worked through, Management will take a recommendation to the Board in the first quarter of 2019 to issue a contract.
- Three of the tender bids were within our projected project cost, which was a positive outcome and the result of a thorough procurement process.
- Assuming a contract is signed in the first quarter of 2019, construction will start mid 2019.

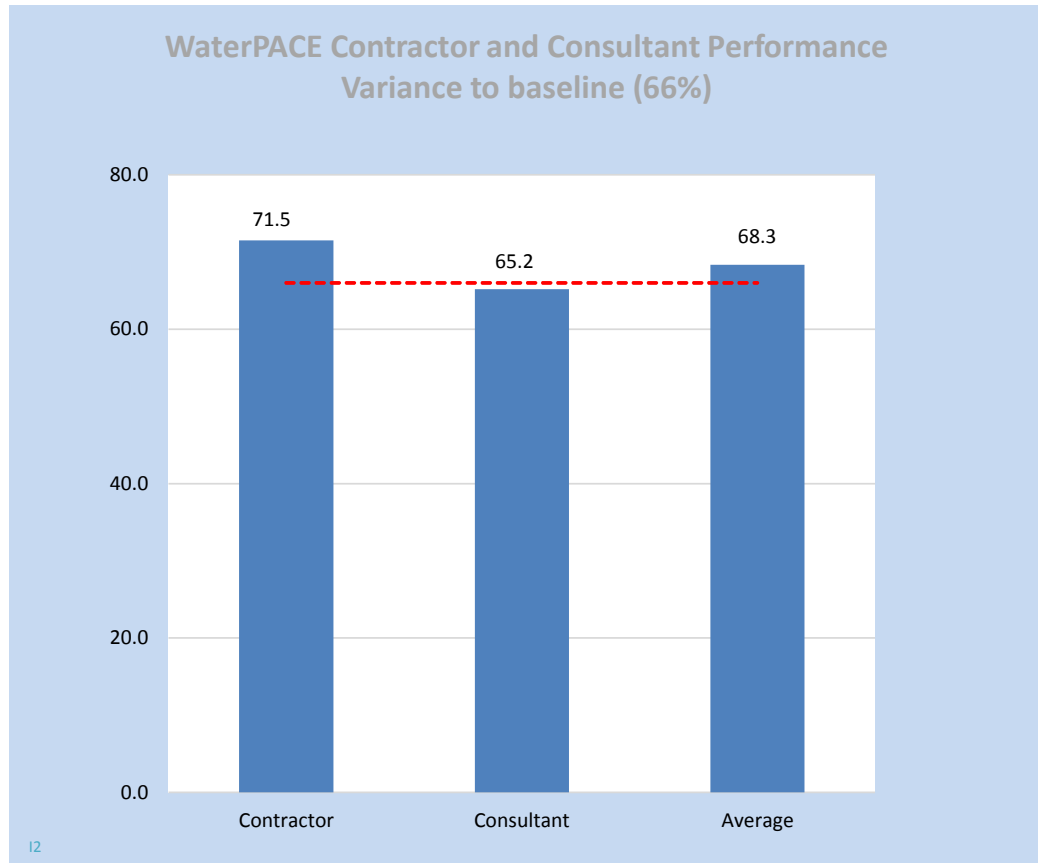
THE PREFERRED BIDDER

- Ghella and Abergeldie Harker has over 150 years of Italian and international tunnelling experience
- Ghella has successfully completed numerous projects of this scale worldwide. These include the Legacy Way tunnel project in Brisbane which achieved world records in tunnel boring machine excavations.
- Currently, Ghella is working on some of the biggest tunnelling projects around the world, including the Follo Line in Oslo, the Sydney Metro and the Riachuelo sewage system in Buenos Aires.
- Abergeldie Harker has successfully delivered complex underground construction projects across New Zealand over the past four decades and is one of New Zealand's foremost shaft sinking and pipejacking contractors. Its parent company Abergeldie is one of Australia's leading three waters contractors with extensive working on major water and wastewater assets throughout Australia.

5.2

ASSETS AND INFRASTRUCTURE continued

CONSULTANT AND CONTRACTOR PERFORMANCE



WaterPace measures the performance of our contractors and consultants.

The baseline target for “good performance” is 60%.

Our contractors and consultants average performance score dropped from 68.8% to 68.3%, which is still over the baseline target and well above our target for FY19 of 66%.

The scores are an average of the scores our Project Managers give the contractors/consultants in areas including:

- Project leadership
- Risk management
- Communication and responsiveness
- Customer focus
- Health and Safety relationships, management and compliance
- Administration, documentation and handling of variations

10. DELEGATED AUTHORITY OF THE CHIEF EXECUTIVE

In December 2018, Watercare processed one deed, instruments or documents, executed with the delegated authority provided to the Chief Executive by the Board:

- An agreement to acquire land by Watercare

There were seven Capex and Opex contracts, over \$100,000, approved by the CE in accordance with the delegated authority provided to the Chief Executive by the Board:

- Greenhithe Bridge Watermain Duplication and Northern Interceptor Projects (Fletcher Construction Co Limited NZ)
- Supply And Installation Of Solar PV (Powersmart NZ Limited)
- Mangere WWTP 11Kv Ring Main (Broadspectrum (New Zealand) Limited)
- Middlemore Wastewater Pump Station - Pump Upgrade and Internal Pipework Replacement (Equipment Engineering (2008) Limited)
- Software Subscription And Analytics for HR (Servicenow Australia Pty Limited)
- Huia No 2 Watermain Critical Works Initial Design (ACH Consulting Limited)
- Golf Road and Mt Albert Road (Huia No 1) Watermain Replacement (March Cato Limited)

There were three Capex approvals totaling \$453K signed in accordance with the delegated authority provided to the Chief Executive by the Board in relation to Capex approvals below a threshold of \$15m.

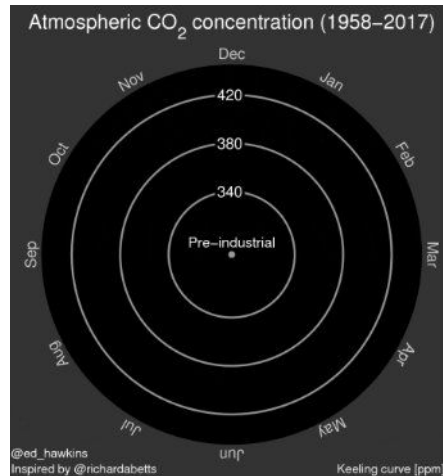
- Replacement Vehicle – Trade Waste Van (\$46,675)
- Clevedon BSP – Construction (\$356,561)
- Purchase of a replacement 4x4 ute MSONW (\$48,000)

Watercare's Climate Change Strategy

29 January 2019 Board Meeting

Chris Thurston
Head of Sustainability

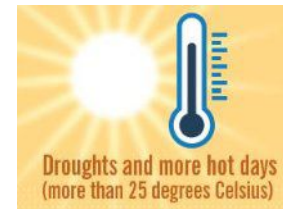
Why we are focusing on climate change



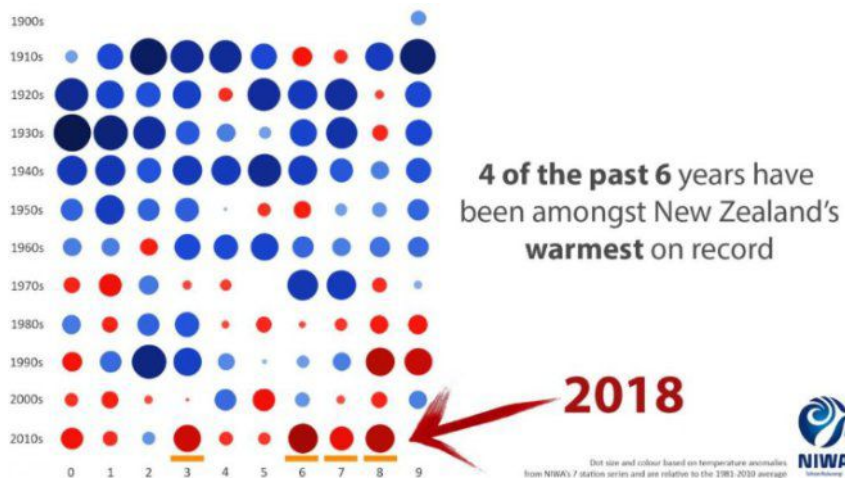
Magnitude of the 99th percentile daily rainfall (wettest one to two days) increasing by more than 25% in some areas.



Sea-level projections are for 0.2 to 1.2 metres of rise between 2040 and 2110.



The number of dry days (<1mm of rain) will significantly increase

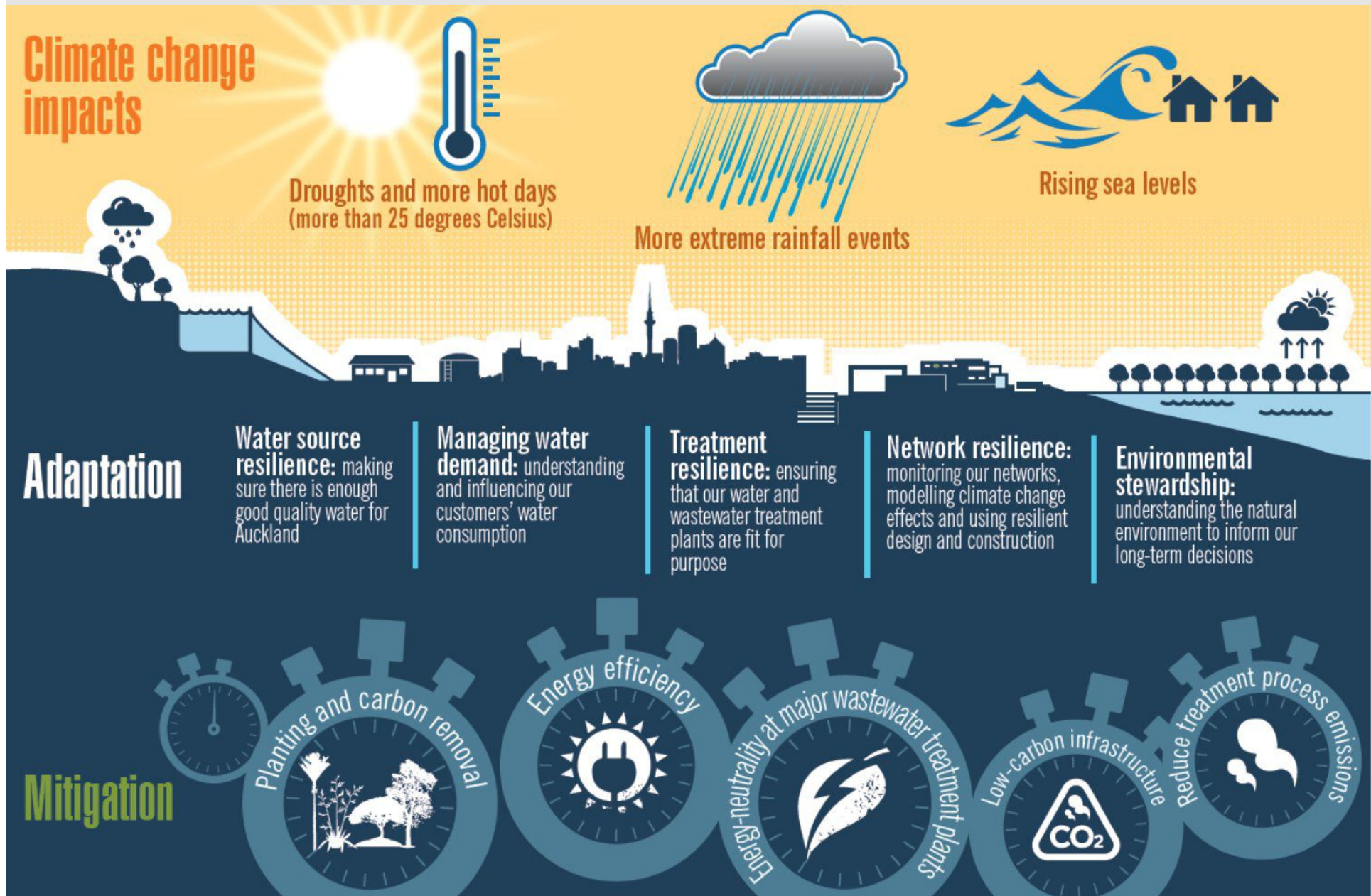


Climate change – the journey



5.4

2018 Objectives	Update
Climate change strategy completed by December	Finalised in December New additions included a focus on infrastructure carbon and process emissions
Support Auckland Council in their ACAP work and understand the direction taken by central government's climate change policies	Participated in ACAP working group and subject matter expert workshops. Supported Auckland Council presenting on climate work at Executive Leadership Group meeting. Stayed abreast of local and international policies, updating strategy as required
Be at the forefront of climate change in New Zealand	Presented climate and energy papers at WaterNZ conference Winner of EECA Energy and Emissions Leadership Award (Roseline Klein) Member of Climate Leaders Coalition Science Based Target Initiative Targeting infrastructure carbon



Climate change strategy

5.4

STRATEGIC PRINCIPLES

- Factor climate change into decision-making and operationalise it
- Mitigation adaptation balance
- Start to act, even with uncertainty
- Implement Adaptive planning pathways
- Identify areas of control and acknowledge dependencies
- Build regular reviews as a core part of the strategy
- Deliver an agile programme of work
- Consider all those that are impacted by climate change

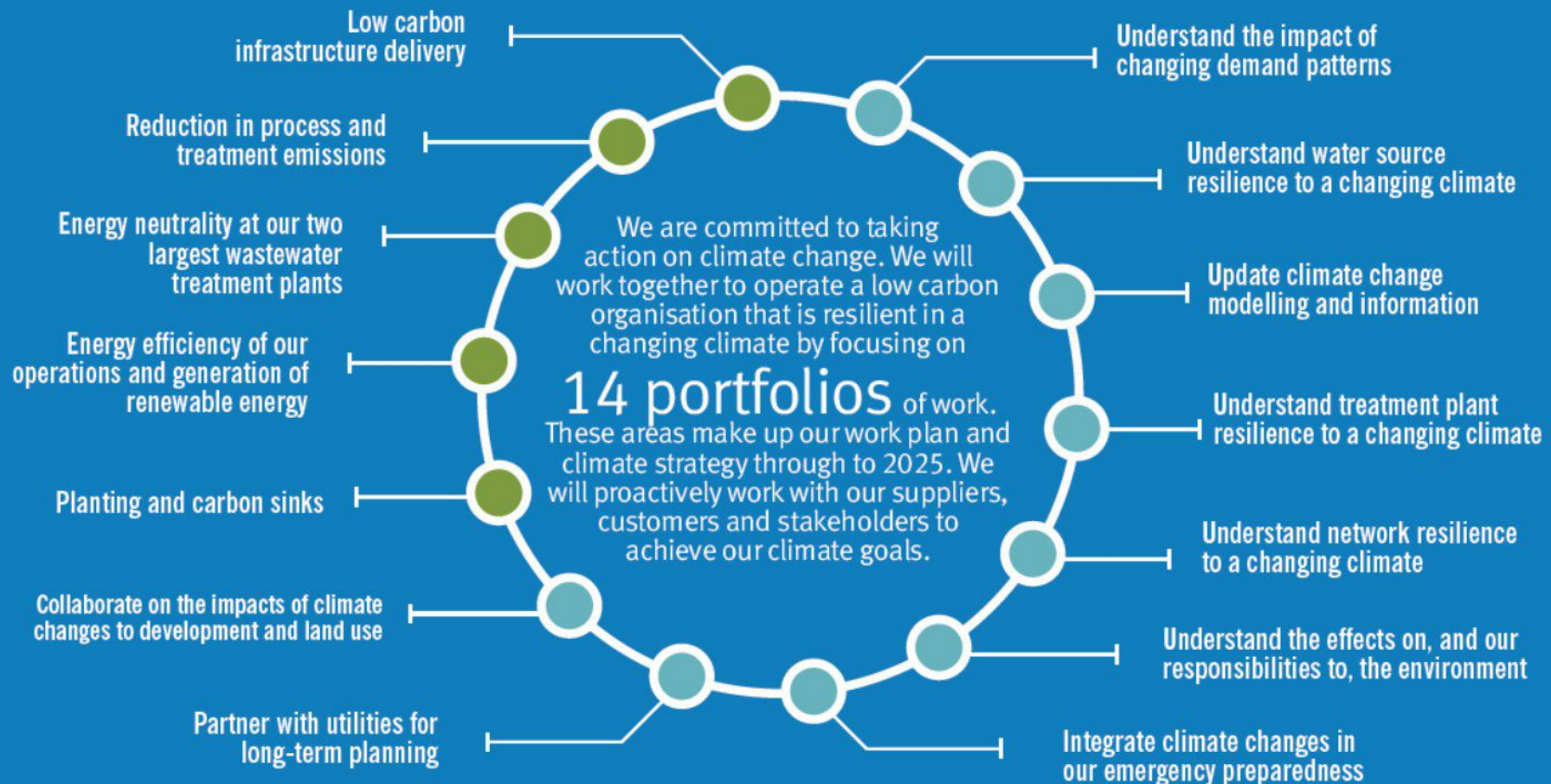
Climate change strategy

5.4

STRATEGY	APPENDICIES
1. Introduction Climate change and its implications Climate change action at Watercare Establishing a climate change strategy 2. Principles 3. Where we will focus Climate change adaptation Long term adaptation Climate change mitigation Infrastructure carbon 4. Our work plan – how we are going to do this 5. Integrated approach and review	A. Watercare Climate Change policy B. The future climate – Climate change predictions for Auckland C. Identified consequences of climate change at Watercare D. Watercares greenhouse gas emissions E. Mitigation strategy – Emission pathway F. Adaptive planning pathways G. Strategy development process H. References and influence in strategy development

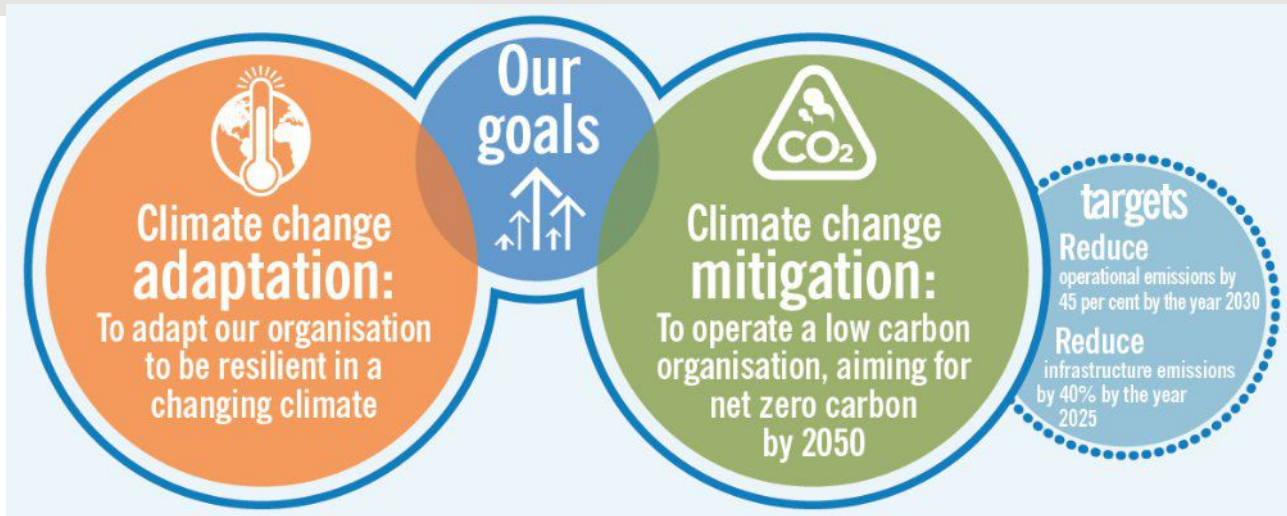
Where we will focus

Our focus going forward



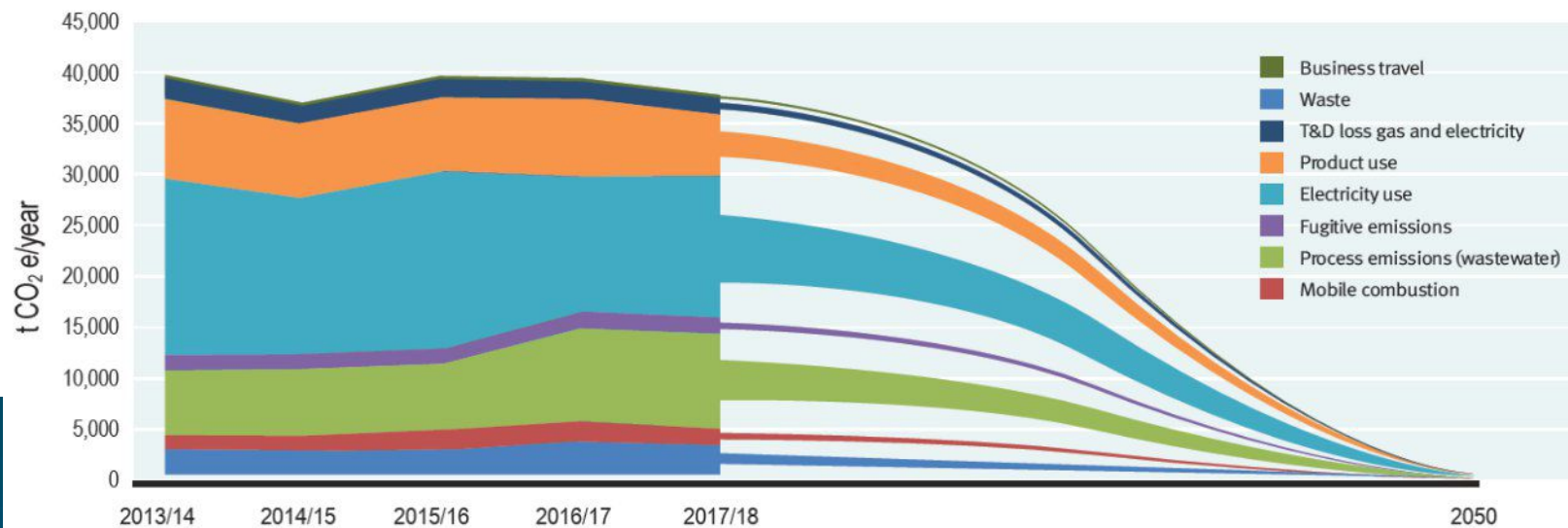
5.4

Our emissions and targets



5.4

Watercare's emissions per source (scopes 1,2 and 3) - *Getting to Net Zero 2050*



Governance

5.4

Potential risks	Mitigating factors
Lack of buy in / priority	<ul style="list-style-type: none"> • Strong commitment from the Board, Executive and Watercare staff
Not achieving goals	<ul style="list-style-type: none"> • Establish road maps with cross functional teams • Establish KPI's and objectives in line with targets • Regular reviews (external factors and internal progress)
Not integrated into BAU	<ul style="list-style-type: none"> • Commitment from leadership team • Leverage the brilliance and interest of our people • Consider all the benefits associated with the actions

Reporting and communication

- Develop measure for Statement of Intent
- Board reporting
- External verification of green house gasses (GHG)
- Annual report to include additional GHG information showing emissions over time
- Internal communications (to be developed)
- External communication brief developed

Strategic Business Plan update

Board meeting – 29 January 2019



Intellectual capital

5.5

Goal	2018/2019 Target	Progress to date
Customer - Enhanced digital enablement for customers	<p>Increase uptake of e-billing (Target – 50%)</p> <p>Channel migration from assisted to unassisted – 5% increase per year</p> <p>Proactive vs Reactive customer engagement split: 15/85</p>	<ul style="list-style-type: none"> Over the last few months, ebilling has increased to 48%. The current FY to date has seen 6.6% increase and previous 2 FY it averaged 5% per year. The volume of unassisted interactions as a % of total interactions was 41%. As December being a month with fewer contacts – the % of unassisted interactions is the same as for December 2017
Efficiency - Implement robotic process automation (RPA) to drive back office efficiencies	8 in total	<ul style="list-style-type: none"> 6 bots are in operation. Business case assessment underway for Number 7.



People and Culture

5.5

Goal	2018/2019 Target	Progress to date
Develop a 3-year culture programme aimed at helping our people live our values	<p>Measure shift towards greater levels of collaboration, agile ways of working and self-motivated teams</p> <p>Develop and implement a diversity agenda</p>	<p>Each executive is working on agile fundamentals where appropriate. These are being discussed at the monthly management forum.</p> <p>Diversity and Inclusion policy developed. Focus for 2019 will be working towards achieving the Rainbow Tick which supports our wider diversity agenda</p>
Employee engagement	<p>69%</p> <p>Develop and establish an Employee NPS (employer of choice measure)</p>	<p>To be measured in April 2019. More regular Pulse surveys focusing on Watercare as an employer planned in meantime.</p> <p>eNPS completed in November. Further development of the right analytic tools underway to provide meaningful data. The next eNPS will be conducted in February.</p>
Talent Optimisation	A Talent Development Programme has been developed and implemented (capability matrix as the base of this project)	Talent Framework developed and activity in Q3 and Q4 will include analysis, development and succession planning.
Learning and Development	All employees have access to learning and development programs	Learning Management System is being tested prior to roll-out to all staff. A cross section of the business are providing input into the system. Launch is in the first half of 2019.



Financial capital and resources

5.5

Goal	2018/2019 Target	Progress to date
Assist Council to review its debt challenges	Comprehensive review evaluating options for Watercare to alleviate Council's debt to revenue issue.	No further updates. There has been no discussion with Treasury, nor the Council working group, regarding an SPV for CI. However, Matthew Walker met with Treasury in January 2019 and we are awaiting an update.
Assist Council with its debt to revenue challenges	Business cases to the Board in respect of the Waikato District Council three waters management and one other opportunity.	Waikato District Council A draft of the key terms of the agreement is complete. We continue with due diligence and the finalising a financial model in preparation for the a transition once a contract is agreed. Go-live is targeted for 1 July 2019.
Ensure Watercare is 'future-fit' for a potential industry restructure	Identify and influence regulatory model and potential legislative changes. Prepare for any impending changes.	We are providing information to DIA when requested. In December 2018, we provided the DIA with information regarding our wastewater consents to assist the DIA with its three water review.
Assist Council with debt to revenue challenges	Achieve \$7m savings target set in 2018/2019 budget.	Efficiency savings are challenging and now slightly behind budget due to unplanned maintenance costs being ahead of budget. A Working group has been established to address the unplanned maintenance costs.



Natural environment

5.5

Goal	2018/2019 Target	Progress to date
We are preparing for climate change	<p>We will create and implement a Climate Change Strategy and associated Sustainability statement. Strategy released.</p> <p>We will collaborate with Auckland Council, Government agencies and other utilities to implement agreed plans and meet climate change targets.</p>	<ul style="list-style-type: none"> Our final Climate Change Strategy will be presented to Board in January 2019. The Climate Change Strategy and plan will be released to the business in February 2019.
We will develop a water efficiency strategy	Achieve Year 1 goals in the Auckland Water Efficiency Strategy 2017 to 2020	<ul style="list-style-type: none"> Update to be presented to the Board in February.
We will deliver on carbon and energy initiatives that create value to our business	We continue to work on the roadmap for Energy Neutrality at Māngere and Rosedale, saving 37 Gwhr/annum by 2025.	<ul style="list-style-type: none"> Thermal hydrolysis design at Rosedale is proceeding to construction, completion in 2020. Planning for Māngere Thermal Hydrolysis is underway with a completion date of June 2024. The 37 Gwhr/annum target will be achieved by 2025. Other energy efficiency initiatives continue. Our first solar array is installed in Pukekohe. Wellsford and Redoubt Road arrays will be installed by June 2019. An infrastructure build carbon reduction target of 40% has been set. A rollout for the business of this target and plan will be in February/March 2019.
We will create financially beneficial value added biosolids products from our wastes	We are researching a range of commercial biosolids 'products'	<ul style="list-style-type: none"> Thermal hydrolysis design at Rosedale is proceeding to construction. Delivery contracts are being negotiated. We are exploring opportunities with third parties around beneficial reuse of biosolids. Pilot work is being planned at Māngere including a "green nursery".



Assets and Infrastructure

5.5

Goal	2018/2019 Target	Progress to date
We are increasing our preparedness to deal with extreme and unforeseeable events	We will introduce a Resilience Policy and develop an action plan.	<ul style="list-style-type: none"> Resiliency development pathway Board paper submitted in September 2018. Staff awareness of Resiliency is the theme of the current series of business Expo's circulating all of Watercare's sites.
We will deliver the Central Interceptor	Successfully negotiate and award the CI construction contract.	<ul style="list-style-type: none"> Following the tender, a preferred contractor has been nominated and being taken through a negotiation. Subject to a satisfactory negotiation, contract award will be in the first quarter of the 2019 calendar year.
We will reduce our infrastructure capital TOTEX (total expenditure approach to build and operate water assets).	We will implement two new initiatives to reduce our TOTEX.	<ul style="list-style-type: none"> An integrated construction partnering strategy has been developed. A market sounding was held with senior construction industry leaders. Following feedback from the market and the AMCC we have moved the go-live to 2 August 2019. Standard product design initiative. The core building blocks of the design library are implemented. Population of the library is on-going and will revert to a BAU process over the next three months.
We will improve consultant and contractor performance	We will improve the overall WaterPace score by 10%.	<ul style="list-style-type: none"> Monthly reviews being undertaken. Current performance score is 15% above the June 2018 baseline.



Community and stakeholder

5.5

Goal	2018/2019 Target	Progress to date
Customer - Improved Net Promoter Score (NPS) (16/17 baseline = 27)	NPS \geq 30	<ul style="list-style-type: none"> Customer Strategy to be presented to the Board in February.
We are engaged with our stakeholders	We will progress the conversation on the value of water and link this to our brand identity.	<ul style="list-style-type: none"> Watercare is about to commence a joint campaign with Plunket regarding the correct disposal of wet wipes.

Board - Public Session - Directors' Corporate Governance Items

Board Planner 2019

	January	February	March	April	May	June	July	August	September	October	November	December
Meetings	Board 29-Jan	26-Feb	28-Mar	30-Apr	28-May	25 June (NB: Strategy day on 24 June as well, with Board dinner)	29-Jul	30-Aug	24-Sep	30 Oct (with Board dinner on the 29th)	26-Nov	17 Dec (Teleconference)
	Audit and risk committee 29-Jan (before Board Meeting)				27 May (3pm-5pm)		29 July (before Board meeting)	23 Aug (9-11am)		29 Oct (3-5pm)		
	People, Remuneration and appointments committee 29 Jan (after Board meeting)			30 Apr (after Board Meeting)		25 Jun (after Board Meeting)	Week starting 15 July - exact date TBC.	30 Aug (after Board Meeting)		29 Oct (1-3pm)		
	STP Committee		28 Mar (after Board Meeting)				1 July (10-12pm)		24 Sept (after Board Meeting)		25 Nov (3-5pm)	
	AMP & Major Capex Committee											
Events	Community and Stakeholder Relationships	26 Feb Morning tea with award winners	28 Mar (Board dinner with Waikato Tainui)									
Governance	Charter reviews		AMCC Terms of Reference	STP Terms of Reference	A&R Charter					PRAC charter		
	Policy reviews	Our commitment to H&S Policy		2020 - Good Employer Policy	2020 - Sensitive Expenditure Policy	2020 - IGCS			Tax Risk Management Policy		Fraud Policy	
	Delegations				Annual review of board delegations to CE							
	Quarterly risk reviews	Risk report		Risk report			Risk report			Risk report		
	Compliance	Statutory compliance		Statutory compliance			Statutory compliance			Statutory compliance		
Governance	Shareholder interaction	Q2 quarterly report due on 1 March 2019 (to be approved by Board at February meeting)	Q2 briefing to F&P Committee 20 March 2019 (M Devlin) Governing Body Workshop - 21 March at 1.30pm		Q3 quarterly report due 31 May 2019 (to be approved by the Board on 28 May)	Q3 briefing to F&P Committee 19 June 2019 (J Hoare)	Q4 quarterly report due 23 August (to be approved by Board at July meeting, subject to final sign off)	Governing Body Workshop - 29 August at 9.30am	Q4 briefing to F&P Committee 11 September 2019 (M Devlin) Auckland Council's A&R Committee Date TBC	Q1 quarterly report due TBA		Q1 briefing to F&P Committee TBA
	Site Visits		Site Visit (after Board Meeting)		Site Visit (after Board Meeting)		Site Visit (after Board Meeting)		Site Visit (after Board Meeting)	Date TBC	Site Visit (after Board Meeting)	
	H&S Quarterly report	Oct-Dec 18 Report			Jan-Mar 19 Report		Apr-Jun 19 Report			Jul-Sept 19 Report		
Board Training	Board training & development				H&S Board Update							
Business strategy	Strategic planning					Strategy Workshop 24 June followed by Board Dinner						
Business planning	Key finance and business decisions	Approve half year accounts Draft Auckland Council Annual Plan - approve Watercare input <i>December financials in confidential</i>	a) approve financials for Draft SOI including projected 19/20 price increases, b) approve long term financials for Auckland Council modelling Approval of CI Contract AMP <i>January financials in confidential</i>		Auckland Council to notify Watercare of Group Treasury Interest Rate by 30 April	Present plan for Year End to A&R Approve Insurance Proposal Auckland Council and Watercare to review Treasury Interest rate by 31 May	Approval of 2019/20 Budget Mayor's Treasury Guarantee Letter due by 30 June	Approve Auckland Council Reporting Pack	a) approve 2019/20 accounts, b) delegate final sign off of 2019/20 Annual Report	Update from WUCAT	AMP	Auckland Council Draft Annual Plan - approve Watercare input*
	Statement of intent	Draft 2019-2022 SOI for Board's review	Approval of Draft 2019-2022 SOI			Present shareholder SOI feedback at public meeting. Public Deputations received.	Final 2019-2022 SOI approved and issued to shareholder		Final 2019/2022 SOI adopted by Auckland Council	2018/2019 SOI Results to be presented to Board at Public Meeting. Public Deputations received.		2020/21 Letter of Expectation to be received




* Statutory public Board meeting - deputations invited

^ Extraordinary Audit & Risk and Board Meeting to meet shareholder half year and annual report timeline



Disclosure of senior executives' interests

6.2

Purpose			Team		
Information	Discussion	Approval	Prepared	Recommended	Submitted
			E McBride Governance Manager	R Fisher Company Secretary	R Jaduram Chief Executive
Intellectual capital	People and culture	Community and stakeholder relationships	Financial capital & resources	Natural environment	Assets and Infrastructure
					

1. Purpose and context

One of key principles of good governance is transparency, and having an open and honest approach to working with the wider community. Watercare not only maintains an Interests Register for its directors (as required by law), but also voluntarily maintains an Interests Register for our senior executives.

2. The details

Watercare Services Limited's senior executives' Interests Register is set out below.




Senior Executive	Interest
Raveen Jaduram	<ul style="list-style-type: none"> Steering Committee Member – Business Leaders' Health and Safety Forum Board Member – Committee for Auckland Director – J N Jaduram Corporation Limited (Fiji) Member - Auditor-General's Local Government Advisory Group
Rob Fisher	<ul style="list-style-type: none"> Deputy Chair – Middlemore Foundation President – Auckland University Rugby Football Club Trustee – Watercare Harbour Clean Up Trust Trustee – Te Motu a Hiaroa (Puketutu Island) Governance Trust
Steve Webster	<ul style="list-style-type: none"> Director – Howick Swingym Limited
Marlon Bridge	<ul style="list-style-type: none"> Trustee – Te Motu a Hiaroa (Puketutu Island) Governance Trust Director – Hunua Forests Ltd
Rebecca Chenery	<ul style="list-style-type: none"> Director – Chenery Consulting Services Limited
David Hawkins	<ul style="list-style-type: none"> Nil
Jason Glennon	<ul style="list-style-type: none"> Director - Michaels Ave Investments Limited
Amanda Singleton	<ul style="list-style-type: none"> Director – Die Weskusplek Pty Ltd (South Africa) Trustee – Te Motu a Hiaroa (Puketutu Island) Governance Trust
Shane Morgan	<ul style="list-style-type: none"> Nil
Shayne Cunis	<ul style="list-style-type: none"> Director – The Water Research Foundation



Report to the Board of Watercare Services Limited
Prepared for the 29 January 2019 Board meeting

Directors' appointment terms and committee memberships

6.3

Purpose			Team		
Information	Discussion	Approval	Prepared	Recommended	Submitted
			E McBride Governance Manager	R Fisher Company Secretary	R Jaduram Chief Executive
Intellectual capital	People and culture	Community and stakeholder relationships	Financial capital & resources	Natural environment	Assets and Infrastructure
					

1. Purpose and context

This paper provides an update on:

- the tenure of the six directors of Watercare Services Limited
- details of the committees each director is a member of.

2. The details

Table 1: We have six directors.

Our directors are appointed by Auckland Council

Director	Original appointment date	End of term
Margaret Devlin (Chair)	1 November 2016	31 October 2022
Brendon Green	1 November 2016	31 October 2022
Nicola Crauford	1 April 2014	31 October 2021
Julia Hoare (Deputy Chair)	1 November 2013	31 October 2020
David Thomas	1 November 2014	31 October 2020
Catherine Harland	21 April 2011	31 October 2019

Table 2: We have four committees to assist the Board in its corporate governance

Our four committees assist in the process of corporate governance

Committee Chairs and members are appointed by the Chair

Director	Audit and Risk	People, Remuneration & Appointments	Strategic Transformation Programme	AMP & Major Capex
Margaret Devlin (Chair)	*	*		✓
Julia Hoare (Deputy Chair)	Committee Chair			✓
Catherine Harland		Committee Chair		✓
Nicola Crauford			✓	Committee Chair
David Thomas	✓	✓		
Brendon Green	✓		Committee Chair	

**Board Chair attends in ex-officio capacity*