

WATERCARE SERVICES LIMITED

AGENDA	BOARD MEETING	Friday 30 August 2019
Venue	Watercare Services Limited, Level 3, 73 Remuera Road, Newmarket	
Time	9.30am	

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 29 July 2019	Board Minutes 29 July 2019
3 Disclosure of Directors' Interests	Chair	For noting	Report
4 For discussion			
4.1 Safety Moment	All	For sharing	Nil
4.2 Chief Executive's Report	Raveen Jaduram	For discussion	Report
4.3 Board Committee Updates	Committee Chairs	For discussion	Nil
5 For information			
5.1 Dam safety update	Shane Morgan/Priyan Perera	For information	Presentation
6 For approval			
6.1 Annual review of the AMP & Major Capex Terms of Reference	Emma McBride	For approval	Report
7 Directors' Corporate Governance Items			
7.1 Board Planner	Chair	For noting	Report
7.2 Disclosure of Senior Executives' Interests	Chair	For noting	Report
7.3 Directors' Appointment Terms and Committee Memberships	Chair	For noting	Report
8 General Business	Chair	For discussion	Nil
Date of next meeting	Tuesday 24 September 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	29 July 2019
TIME	10.05am
STATUS	Public Session

	<p>Present: Margaret Devlin (Chair) Nicki Crauford Brendon Green Catherine Harland David Thomas</p> <p>Board intern Colin Magee</p>	<p>In Attendance: Raveen Jaduram (CE) Marlon Bridge David Hawkins Emma McBride Rebecca Chenery Shane Morgan Steve Webster Rob Fisher Amanda Singleton Caleb Male (From start until end of item 5.1) Sarah Phillips (For items 5.2 and 5.3)</p>	<p>Members of the Public: One member of the public</p>
1.	<p>Apologies</p> <p>Apologies were received from Julia Hoare, Deputy Chair, Jason Glennon, Chief People Officer, Shayne Cunis, Executive Programme Director CI and Bronwyn Struthers, Head of Health, Safety and Wellness.</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 28 May 2019 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"> - The Board congratulated Julia Hoare on her appointment as Vice President of the Institute of Directors. 		
4.	<p>For Discussion</p> <p>4.1 Safety Moment</p> <p>Shane Morgan, Chief Operations Officer provided a safety moment. Earlier in the week, he was out walking with another Chief who was about to jaywalk. S Morgan stopped the other Chief from doing so and explained that all Chiefs needed to set a good safety example at all times, even out of the office.</p> <p>4.2 Chief Executive's Report</p> <p>Health, Safety and Wellness (HS&W)</p> <ul style="list-style-type: none"> - Bronwyn Struthers and Shayne Cunis are in London, learning more about the Thames Tideways HS&W programme. 		

- This month there were a number of incidents. The CE noted that many of the incidents were minor, and involved individuals who should be taking more care (e.g. sprained ankles, burns from food taken out of microwaves).

Customer service

- The customer satisfaction score is 79%, which is 1% below target. However, our NPS score is high. Amanda Singleton, Chief Customer Officer, explained that she is not concerned with the customer satisfaction score falling slightly as the number of FTE staff in our Billing and Faults team is at a record low. In preparation for the improvements from the STP initiative, we are currently 20 FTE people down, but the number of contacts we are receiving is up 13%. Ms Singleton's key concern is with the wellbeing of our people, rather than the slight drop in score. To ease the pressure on our people, we are in the process of hiring four new team members for the Billing and Faults team. Our new Billing system will also be implemented in the next few months. While this will increase pressure in the short term, in the long term, it should reduce the pressure on our Billing team.

Watercare Utility Consumer Assistance Trust (WUCAT)

- In response to questioning from the Board, the CE explained that many customers experiencing hardship are financially assisted by Watercare before they need to be referred to WUCAT (e.g. agreements to repay debt over time and leak allowances).
- Management is pleased with the way WUCAT is operating.

STP

- STP's Finance system, LN, went live on 1 July 2019. The new asset management system also went live on 1 July 2019 at Rosedale WWTP, following a successful live trial at Huia WTP.
- Rebecca Chenery, Chief Digital Officer, confirmed that the teams involved celebrated the successful go-live.

Award wins

- The Board congratulated the Army Bay Ocean Outfall project team, which won the "Projects with a value greater than \$20m" at the Civil Contractors New Zealand (CCNZ) Excellence Awards.

Huia water treatment replacement plant

- Our consent application for Huia has been lodged. It will be notified shortly (before Auckland Council elections). A hearing will likely be held after the new Council has been appointed.
- Rob Fisher, Company Secretary, noted that we will most certainly obtain a section 92 request for more information.

Trade Waste Bylaw Review

- Catherine Harland updated the Board on the recent Trade Waste Bylaw review, as she was a member of the Hearings Panel.
- The Panel received around 30 submissions.
- The Bylaw was accepted on 25 July 2019. The next review will be in 10 years' time.
- Action points from the review included that Watercare is to ensure its educational information around Trade Waste is available in a variety of languages. Also, Watercare is to continue to work closely with Healthy Waters to provide more targeted joint communications around Trade Waste in the commercial sector.

	<p>4.3 Board Committee Updates</p> <p>AMP and Major Capex Committee (AMCC)</p> <p>Nicki Crauford, Committee Chair, updated the Board on the AMCC held on 28 May 2019.</p> <ul style="list-style-type: none"> - The meeting included a “deep dive” into HS&W for the Central Interceptor (CI) project - The meeting received updates from project managers on four major projects, as well as an update on the Enterprise Model process. <p>Strategic Transformation Programme Committee (STPC)</p> <p>Brendon Green, Committee Chair, updated the Board on the STP Meeting held on 15 July 2019.</p> <ul style="list-style-type: none"> - The launch of the new financial system, LN, on 1 July 2019 went smoothly with teams working well together. - The benefits are being reported quarterly. These will be realised over the next six months as well as over the coming years as STP moves into “business as usual”. <p>People, Remuneration and Appointments Committee (PRAC)</p> <p>Catherine Harland, Committee Chair, updated the Board on the PRAC meeting held on 17 July 2019.</p> <ul style="list-style-type: none"> - The PRAC discussed the CE’s development and remuneration. - The PRAC discussed succession planning for Senior Executive positions and a talent map for Senior Managers. - The PRAC received a detailed briefing on the results of the recent Ask Your Team survey. - The Domestic Violence law change was discussed, including how this will work practically at Watercare when required. - The draft Code of Conduct was reviewed and the PRAC provided feedback. This Code will also apply to Board members, once introduced. <p>Audit and Risk Committee (ARC)</p> <p>All Board members attended the ARC meeting held earlier in the day from 7.30am. At the meeting, the main item of business was the approval of the Auckland Council reporting pack for year end.</p>
5.	<p>For Information</p> <p>5.1 Puketutu Island Rehabilitation Update</p> <p>Caleb Male, Project Manager Puketutu, spoke to the paper.</p> <ul style="list-style-type: none"> - The site is very complex and involves both construction works and operational activities. Up to 80 people work on the site at any one time during the height of the season. There are two main contractors, a number of subcontractors and Watercare personnel. - Blasting is complete for the moment. It is unlikely further blasting will be required. - ADT rollovers were an issue last year. However, since the re-set in culture last season, there have been no more rollovers.

- We have had four serious near misses over the last 18 months. In addition to the serious near misses we had a number of non-serious near misses. Many of the near-misses relate to a “passive tolerance” and not following agreed procedures. It was also noted that much of the work is repetitive which could lead to complacency on site.
- The actions that will be taken to reduce the risk of harm on site are:
 - o We will engage an independent mining specialist to review our key risks on the site and to provide an improvement plan (if required):
 - o Implement a behavioural re-set with all site based staff similar to the successful process undertaken with our MSN department. This will occur prior to the construction season in October 2019; and
 - o Both the Chief Operations Officer and Chief Infrastructure Officer will immediately join the project steering group with the express task of lifting the safety performance
- Management are therefore confident the action plan will result in a positive culture change and an improvement in safety performance on this site
- A site visit to Puketutu Island is to be scheduled for Board members before the end of the year.

5.2 Ask Your Team Update

Sarah Phillips entered the meeting at this point.

Sarah Phillips, Head of People and Capability, presented to the Board.

- The annual Ask Your Team survey was undertaken over two weeks in May 2019. Participants were given 55 questions/assertions to respond to.
- The overall result was stable from last year. The main change was a 5% rise in the Organisational Learning score, reflecting the additional work we have invested in our SURF and IMMERSE learning platforms.
- While the overall score has remained stable, this was achieved in the face of massive changes within the organisation due to the STP, Target Operating Model and the Ways of Working (WOW) project. WOW has seen many people move physically within the Newmarket building to sit and work in new areas, alongside different teams.
- The survey highlighted further work is required in the area of remuneration, which is an issue every year. We have recently hired a remuneration specialist. Our work in this area will include educating our employees around remuneration and making the process more transparent.
- Engagement scores are strong, with our people remaining positive, despite changes to the way we work as well changing people’s physical environment.
- The scores in the CI team were on the low side. However, this is the first year they have taken part in the survey and participation rates were relatively low. There are many new people in this team and they are still in set-up phase. Currently, this is not an area of concern, but it is one that the People & Capability team will monitor.

5.3 Strategic Business Plan Update

The Senior Executives all spoke to the presentation.

Key points noted for the Board were:

	<ul style="list-style-type: none"> - We exceeded our e-billing target for the year. Our campaign to drive further customers to use e-billing is currently on hold while we prepare for the new Billing system. - Around 1,100 faults are being logged online per month. This is a good level, but our aim now is to try and automate the back-end of this process. - Watercare now has many more digital payments channels available to customers (including WeChat, Alipay, UnionPay and Apple Pay). This is the largest number of payment channels for any New Zealand company. - Our WOW project continues, with people continuing to be moved into their new “neighbourhoods” as these are finalised. - We are forming a Diversity Committee. Members have been selected and we are now working on the Terms of Reference for the Committee in conjunction with Diversity Works. The Board requested that this new Committee meet with the Board early in the New Year. - Our eNPS score rose significantly from the last result, which means even more of our people recommend Watercare as a good place to work. - We are meeting with Waikato District Council this afternoon to continue to negotiate the contract to provide water and wastewater services to this area. - The DIA’s review into the three waters is continuing. Central Government anticipates that some local Councils may form larger water companies. However, we anticipate that the Government will intervene where necessary. A notification on a Drinking Water Regulator is expected shortly, and this is likely to have the greatest impact in rural areas, on schools, marae and farms. Management understand significant work is being done in Cabinet, behind the scenes, but that the Government remains committed to changes being brought in shortly. - Rob Fisher, Company Secretary, noted that we have had the first decision from the Independent Commissioner into Infrastructure Growth Charges (IGCs). A laundromat challenged our charge for an IGC. The Commissioner’s decision was in Watercare’s favour and the process went smoothly. - Our new solar array in Redoubt Road is working well and the facility is now only drawing off the main grid four hours per day. We have recently agreed to install a 1 MW floating array at Rosedale. This will be the largest solar array in New Zealand and should be operational in around nine months. - The target for CI was to sign the CI contract and also manage risk. This has been done successfully. - The Waterpace target is being achieved. We will look at increasing the target for the 2019/2020 year. - The NPS score is tracking well. All of our customer facing people know their own individual NPS scores. <p><i>Sarah Phillips departed the meeting at this point.</i></p>
6.	<p>For Approval</p> <p>6.1 Annual Review of the Audit and Risk Committee Charter</p> <p>Emma McBride, Governance Manager, spoke to the paper.</p> <p>The Board resolved to approve the updated Audit and Risk Committee Charter (Appendix A).</p>




7.	<p>Directors' Corporate Governance Items</p> <p>7.1 Board Planner</p> <p>The report was noted.</p> <p>7.2 Review Executive Management Disclosure of Interests</p> <p>The report was noted.</p> <p>7.3 Director Appointment Terms and Committee Memberships</p> <p>The report was noted.</p> <ul style="list-style-type: none"> - The Chair will work with the Deputy Chair to review the sub-Committee memberships in light of the changes in the Board membership occurring over the following few months.
8.	<p>General Business</p> <ul style="list-style-type: none"> - Emma McBride and Rebecca Chenery will send the Board members a copy of the agenda for the upcoming Water Symposium. - The Board congratulated Shane Morgan on being a finalist in the "Walk the Talk" category at the upcoming Diversity awards.
	<p>The meeting closed at 11.25am.</p>

CERTIFIED AS A TRUE AND CORRECT RECORD

Margaret Devlin
Chair

Report to the Board of Watercare Services Limited
Prepared for the 30 August 2019 Board meeting

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"> • 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, Lyttelton Port Company Limited • Director, Infrastructure New Zealand • Chartered Fellow, Institute of Directors • Member, Institute of Directors, Waikato Branch Committee • Member, National Infrastructure Advisory Board
Julia Hoare	<ul style="list-style-type: none"> • Director, AWF Madison Group 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 • Vice President, Institute of Directors National Council • Member, The Sustainable Finance Forum Leadership Group

Director	Interest
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 of the Committee of Broadway Park Owners' Society Incorporated. • Independent Chair of the Aircraft Noise Community Consultative Group • Co-Chair, Sea Change Tai Timu Tai Pari Ministerial Advisory Committee
Nicola Crauford	<ul style="list-style-type: none"> • Director, Environmental Protection Authority (EPA) • Member of Electoral Authority, Cooperative Bank Limited • Director and Shareholder - Riposte Consulting Limited • Director, Orion New Zealand Limited • Chair, GNS Science Limited • Independent Chair, Joint Governance Board, Chorus and Visionstream UFB Connect. • Member, EPA Decision Making Committee, OMV Great South Basin marine discharge consent application
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. • Runanga Manukau Institute of Technology - Te Whakakitenga o Waikato representative
Hinerangi Raumati-Tu'ua	<ul style="list-style-type: none"> • Chair, Parininihi Ki Waitotara Incorporated • Trustee, PKW Trust • Chair, Ngā Miro Trust • Chair, Nga Kai Tautoko Limited • Chair, Te Kiwai Maui o Ngaruahine Limited • Director, Taranaki Iwi Holdings Management Limited • Director, Aotearoa Fisheries Limited • Director, Sealord Group Limited • Director, Port Nicholson Fisheries GP Limited • Director, Te Puia Tapapa GP Limited • Director, Tainui Group Holdings Limited • Executive Member, Te Whakakitenga O Waikato • Member, Venture Taranaki.
Colin Magee (Board intern)	<ul style="list-style-type: none"> • Chair, Ākau Ltd and Ākau Foundation • Member, Advertising Standards Complaints Board • Contractor, College of Law • Director, C Magee Limited • Director, MyCap Limited • Director, MyCap Markets Limited • Member, Te Ārai Tūpono (Audit and Risk committee) of Te Wānanga o Aotearoa



Report to the Board of Watercare Services Limited

Prepared for the 30 August 2019 Board meeting



Chief Executive's report for July 2019

HIGHLIGHTS AND LOWLIGHTS

1. Health, Safety & Wellness

- There were two Lost Time Injuries (LTI) involving Watercare employees in July 2019. There was also one work-related Lost Time Illness involving a Watercare employee reported at the end of June 2019. There was a significant incident involving a Watercare employee.
- There were two Medical Treatment Injuries (MTI) and two Lost Time Injuries (LTI) involving contractors in July 2019.
- The rolling 12-month Lost Time Injury Frequency Rate (LTIFR) for employees is 7.05 per million hours exceeding our target of ≤ 5 .
- The rolling 12-month Total Recordable Injury Frequency Rate (TRIFR) for employees is 12.34 per million hours, remaining below our target of ≤ 20 .
- In July, Worksafe accepted the Ardmore Water Treatment Plant safety case.

2. SOI measures

- On 8 August 2019, our shareholder, Auckland Council, accepted Watercare's 2019-2022 Statement of Intent (SOI). **Appendix A** is a copy of the letter from Auckland Council. The 2019-2022 SOI is now available on the Watercare website. A few of the SOI targets have been strengthened since last year.
- We met 14 of our 16 SOI targets in July. The two targets that we did not meet was the per capita consumption and percentage of real water loss. We are working on a number of fronts to encourage Aucklanders to be more mindful of their water use.

3. People, Capability and Learning:

- The percentage of voluntary leavers and absences due to illness all remain below our limits.
- The number of FTEs remains below our budget.
- **Aotearoa NZ Skills Pledge:** Watercare has signed up to the Prime Minister's Skills Pledge to disclose our investment on on-the-job training and re-skilling hours and double our commitment to this type of training/reskilling by 2025.

4. Customer service:

- In June 2019, the e-billing total was 52.2%. A self-service campaign commencing late August 2019 will continue to promote e-billing.
- NPS is 41 (12 month rolling average). The score has lowered two points due to technical issues with emails, and meter reading issues. This drove high contacts and affected service levels.
- Faults logged online was at 28%, and digital payments remaining steady at 92%.
- Customer satisfaction remained steady at 79% despite high contact rates. Our people continued to focus on quality conversations. Now that the issues around emails and meter reading have been resolved, our customer satisfaction score should improve.

5. Community and stakeholder relationships:

- **Māori engagement:** We continued to work on Mana Whenua Outcomes by working with Council and Auckland's 19 Iwi.
- **Education programme:** Our educator, Sally Smith, celebrated a milestone at Long Bay Primary School when she taught her 100,000th student.
- **Local Board engagement:** We continue to keep Local Boards up to date with local water and wastewater issues in their areas.
- **Ministerial announcement on the DIA's three waters review recommendation:** The ministerial announcement in late July 2019 will result in a number of changes to the way water and wastewater is operated in New Zealand. A centrally located water regulator has been confirmed.
- **Large number of documents and bills open for public submissions:** Over the last few months, Watercare has made submissions in relation to Dam Safety. We are considering whether to make a submission in relation to Local Government Funding and Financing.
- **Contract signed with Waikato District Council:** Watercare has entered into a contractual relationship with this neighbouring council to provide water, wastewater and stormwater services.
- **Trade Waste Bylaw updated:** The Trade Waste Bylaw 2013 has been updated to better protect our community, our network and the environment.
- **St Mary's Bay and Masefield Beach Stormwater/Wastewater project:** The residents, Watercare and Healthy Waters are close to reaching a resolution for this project.
- **Communications snapshot:** A snapshot of external media, internal, customer and stakeholder communications is included in this report.

6. Natural Environment

- **Water resources outlook:** The report includes an update the water resource position, as at the end of July 2019. We are also keeping our stakeholders and the community up-to-date with the water situation. Meanwhile, we have a number of initiatives in place to encourage both our domestic and commercial customers to be mindful and more efficient with their use of water.
- **Watercare presents to the Environment Select Committee:** In mid-August 2019, Watercare presented to the Committee on the Climate Change Response (Zero Carbon) Amendment Bill. We were asked about our energy neutrality goal, our current dam levels and the take from the Waikato River.

- **New Zealand Productivity Commission releases Low Emissions report:** The Productivity Commission appears unlikely to include emission from wastewater treatment plants in an emissions pricing scheme given waste from such plants only represents 10% of waste emissions. The Productivity Commission appears to support prioritising work to reduce emissions from solid waste instead.
- **Tree planting season underway:** The tree planting season is underway. We are on track to plant between 300,000-400,000 native plants this season.

7. Resource Management Act compliance

- **Resource Consent Compliance:** There were three Category 3 non-compliances in July 2019. There were no category 4 non-compliances. The three Category 3 non-compliances include one water issue and two wastewater issues. The number of technical Category 1 and 2 non-compliances has risen in July 2019 so some of the non-compliances relate to delays in reporting to Council at year-end, and such non-compliances apply across multiple consents.

8. Assets and Infrastructure

- **Huia water treatment plant replacement project:** During the month, the consent application for Huia has been lodged and was notified on 5 August 2019. Submissions close on 2 September 2019.

9. Digital update:

- Work continues on Release 7 delivery, including enhancing our billing functionality and rolling out our new asset management system
- An independent review of programme quality (testing strategy and execution) and our go-live readiness for our customer and billing value stream is underway.

FUTURE OUTLOOK

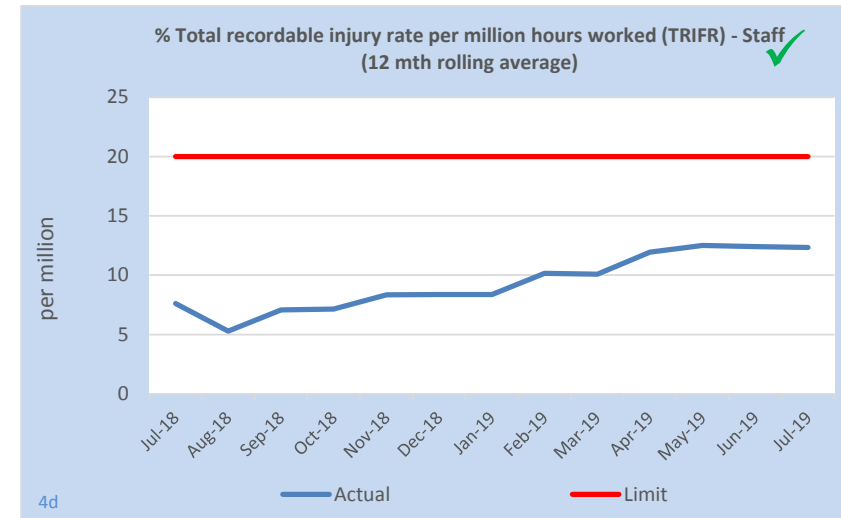
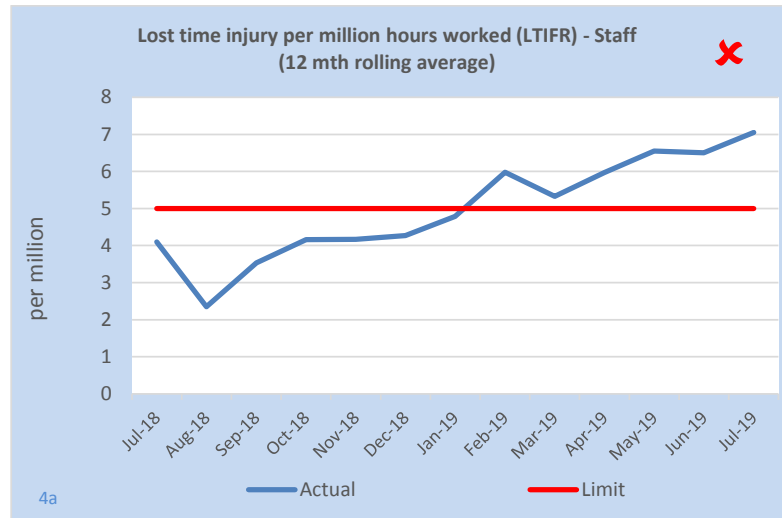
- **Watercare Symposium – Action 2030:** On 19/20 August 2019 Watercare hosted an inaugural symposium at Eden Park. The event provided leaders and members of the water industry, plus many other industries to engage, debate and share thoughts on the decade ahead and what actions we need to take to become more resilient organisations and individuals. Attendees had very positive feedback and full update will be provided to the Board at the meeting.

- **14th Annual Building Nations Symposium – Building Regions:** A number of our people, from across the organisation, are currently attending the Infrastructure New Zealand symposium in Rotorua from 21-23 August 2019. Watercare is scheduled to present at the Symposium on the following topics. An update on the Symposium will be presented to the Board in August 2019:
 - **Water Sector Reform** - “Watercare: A Model for New Zealand”? presented by Raveen Jaduram
 - **Housing and Urban Development** – Introduced by Chief Infrastructure Officer, Steve Webster
 - **Woman’s Infrastructure Network Breakfast: The Diversity Agenda:** Moderated by Rebecca Chenery, Chief Digital Officer
- **Discussion documents and bills for public submission:** Over the coming months, there are a large number of discussion documents and national policy statements open for public submission. These include the Local Government Funding and Financing draft report, the Proposed National Policy Statement for Highly Productive Land, the Proposed National Policy Statement on Urban Development, a Freshwater related National Policy Statement and National Environmental Statement, as well as a DOC Biodiversity Strategy Discussion document. In line with our usual practice, we will review each document in order to determine whether Watercare should make a submission, either alone, or jointly with our shareholder, Auckland Council.
- **New Zealand Infrastructure Commission – Te Waihanga:** On 21 August 2019, Infrastructure Minister Shane Jones announced the inaugural board for the New Zealand Infrastructure Commission. I am proud to have been selected as one of the six Commissioners. The Commission will have two broad functions – strategy and planning, and procurement and infrastructure delivery support. It will be responsible for developing a 30-year infrastructure strategy for New Zealand as well as producing a pipeline of major projects. The infrastructure industry is facing issues in terms of profitability and investment in resources. This Commission will look to address some of these issues, delivering better outcomes for the industry and communities throughout New Zealand. The members of the commission include Chair, Alan Bollard, David Cochrane, Sarah Sinclair, Stephen Selwood, Sue Tindal and myself. The CEO of the Commission is John Grayson.



Raveen Jaduram
Chief Executive

1. HEALTH, SAFETY & WELLNESS UPDATE



Worker	Description of injury/incident	Our learnings	The actions we have taken
Watercare Lost Time Illness	A worker was feeling unwell and suffering from diarrhoea after working in the fine screens at Māngere.	An initial investigation has highlighted a trend of sickness absence with new employees working in the wastewater treatment plants, although this is the first occasion where an official diagnosis of Campylobacteriosis has been confirmed.	<p>The worker saw the Watercare Occupational Health Nurse later the same morning who advised him to seek medical treatment from his GP and sent him home.</p> <p>He attended an appointment with his GP three days later and samples were taken for analysis.</p> <p>Three days later he received a letter from the Auckland Regional Public Health Service confirming Campylobacteriosis.</p> <p>We are now undertaking an in-depth analysis of absence reports and statistics provided by Watercare's Occupational Health Nurses to see if we can obtain more insight into this issue.</p>

Watercare Lost Time Injury	<p>While working under the Alkaline Stabilisation Unit (ASU) discharge conveyor, drips of condensation fell on the worker's shoulder and back.</p> <p>When showering at the end of shift, he noticed pain and blistering on the skin of his back.</p> <p>He reported this the following day. The Occupational Health Nurse treated two partial thickness burns and referred the worker to the doctor for review.</p> <p>He was off work for one day.</p>	<p>Aging plant and equipment can create unexpected hazards, which we need to look for and control.</p>	<p>The Operations team took samples and confirmed condensation pH of 9.5. This comes from the lime used in the process, which will react with water and heat to cause caustic burns.</p> <p>All staff were formally advised to avoid the area. If a worker needs to access the area, they are required to wear a chemical suit, in addition to standard PPE.</p> <p>This equipment is to be decommissioned and replaced during 2019.</p>
Watercare Lost Time Injury	<p>A worker sustained a back strain while attempting to drag a large cabinet on a pallet.</p> <p>He was treated by the doctor and was off work for three days.</p> <p>The worker has been cleared to return to work by the doctor with restrictions on undertaking work involving lifting and heavy work.</p>	<p>Seemingly small tasks can cause injury if they are not thought through.</p>	<p>The work group held a toolbox meeting to discuss the handling large and awkward objects.</p> <p>The team were asked to consider the use of mechanical lifting aids to move loads. They were also reminded of the importance of conducting a risk assessment prior to every task.</p>
Contractor Lost Time Injury	<p>A digger operator had placed a large metal frame in an incorrect position. The digger operator then left the site due to road closure time restraints.</p> <p>Three workers then attempted to move the metal frame into the correct position by hand. Whilst placing it down, a worker's finger became trapped underneath the lip of the frame. The worker sustained an open wound requiring medical treatment.</p> <p>The worker was given two days off work by the doctor.</p>	<p>Communication - The task of placing the equipment was not well described. This led to some confusion within the team as how to the job was to be done.</p> <p>Cutting corners to achieve deadlines - Due to road close time restraints, the digger was unable to return to move the metal frame. The team then opted to move the metal frame by hand.</p>	<p>The work group held a toolbox meeting to discuss handling the metal frame and discussed the importance of waiting for the correct piece of equipment to become available, despite access limitations and time restraints.</p> <p>A learning team was formed to assess possible solutions, including whether time pressures were a contributing factor.</p> <p>Each crew is to review the current Work Method Statement and determine whether any further equipment or tasks need to be included.</p> <p>Handles have been welded to the frame to discourage workers from placing their hands underneath the lip of the frame.</p>

Contractor Lost Time Injury	<p>A worker injured his lower back when he raised lifting chains into position.</p> <p>He was assisted by co-workers and transferred by ambulance for treatment.</p> <p>The injury is an aggravation of a previous lower-back injury.</p> <p>He was off work for three days.</p>	<p>Leaders need to be aware of and manage any restrictions or limitations within their work crew.</p>	<p>The removal of swivel lifts from chains has been identified as way to reduce the overall chain weight during manual handling.</p> <p>Continuously refresh manual handling risks at pre-starts.</p>
Contractor First Aid Injury	<p>A worker was using a “Waratah” driver to erect site fencing. The task involved lifting the 10kg driver above shoulder height and using it to hit a star picket into the ground.</p> <p>The worker strained his shoulder and was assessed by a doctor.</p>	<p>Potential value in a series of stretches and warm-up activities.</p>	<p>All work stopped immediately until an investigation could be completed.</p> <p>This was used as a learning exercise for review of systems and procedures in place ahead of major construction commencing.</p> <p>Investigating the potential for incorporation of stretching and body management exercises into the Safe Work Procedure where extended periods of this nature of work is undertaken.</p>
Contractor Medical Treatment Injury	<p>While moving a stepladder in the Primary Screens Mezzanine level, a worker stepped over a piece of timber, swivelled and caught his boot on the timber causing him to trip and twist his back, which resulted in a slight back sprain.</p> <p>The worker received physiotherapy treatment.</p>	<p>Site housekeeping and planning tasks can prevent injury.</p>	<p>The work crew conducted a site clean-up and reviewed the risk assessment.</p>
Contractor Medical Treatment Injury	<p>While drilling into overhead concrete, a small amount of dust fell between a worker’s forehead and eye protection into his eyes.</p> <p>The worker’s eyes were flushed out on site. He was taken to the doctor where small particles of concrete dust and metal were removed from the eye.</p>	<p>PPE must be correctly fitted and maintained to be effective.</p>	<p>The incident was raised at morning prestart meeting with the supervisors, ensuring the correct PPE was in place for this type of task. Goggles are more appropriate than safety glasses.</p>

SIGNIFICANT INCIDENTS/HAZARDS/NEAR MISSES

There was one significant incident in July 2019.

Worker	Description of injury/incident	Our learnings	The actions we have taken
Watercare Significant Incident	<p>The Watercare Security Manager was conducting a residential visit when the customer became agitated and aggressive. The Security Manager was grabbed by the arm and pushed, and he was subjected to verbal abuse.</p> <p>The Security Manager left the site and called the Police who facilitated access for our work crew and the work was completed.</p>	<p>Incidents like this can develop quickly. Despite prior information we cannot always anticipate likely outcomes.</p>	<p>The customer's address and name has been tagged in our database as questionable.</p> <p>Approaches of this nature, where we have some prior knowledge that the reception is likely to be hostile, will be made by two people.</p>

HEALTH, SAFETY & WELLNESS

WORKER ENGAGEMENT AND INVOLVEMENT IN HEALTH, SAFETY AND WELLNESS (HSW)

- Our Health and Safety Representatives (HSR) provide an important connection between workers and leaders.
- Over the last three months, our HSRs have attended a series of workshops where they revisited their role and purpose, became an integral part of the Health, Safety and Wellness team, and received training and developed tools for their role.

PROACTIVE SAFETY IMPROVEMENT

The HSW Team is working to increase its focus on preventative safety strategies. Successes in July included:

- Rescue rehearsals, including review of procedure and equipment.
- Hazard identification and remediation plan close-out.
- Standard Operating Procedure reviews.
- Site walks with leader.

WELLBEING ASSESSMENT

- In May/June 2019, we conducted a wellbeing assessment for each of our staff members. We wished to develop a baseline measure for wellbeing. We also wanted to gain insights into the issues facing our staff so we can tailor the wellbeing programme we are developing.
- The wellbeing assessment survey highlighted some immediate issues that our staff are facing, including financial stresses, family issues and workplace changes. It also provided some direction for the long-term strategy.
- A 12-month plan will be developed by the People team in conjunction with the Executive. A number of initiatives are ready to implement immediately, including mental health training for managers, the introducing of a financial literacy programme, as well as mental fitness and emotional agility workshops for all staff. We are also planning a Healthy Habits challenge.

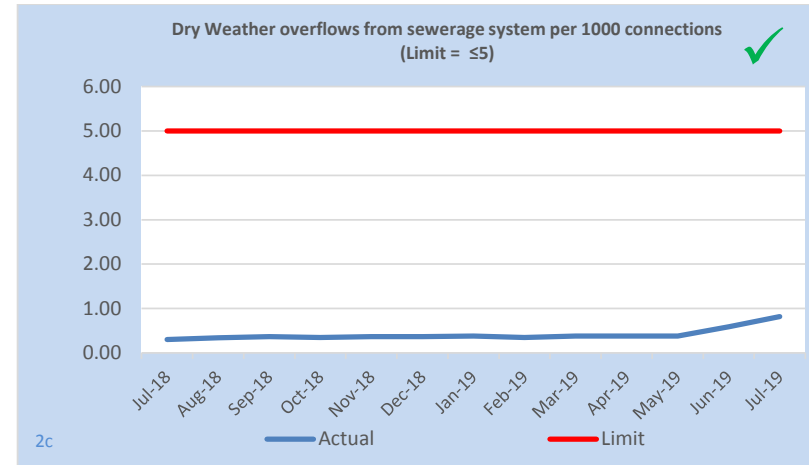
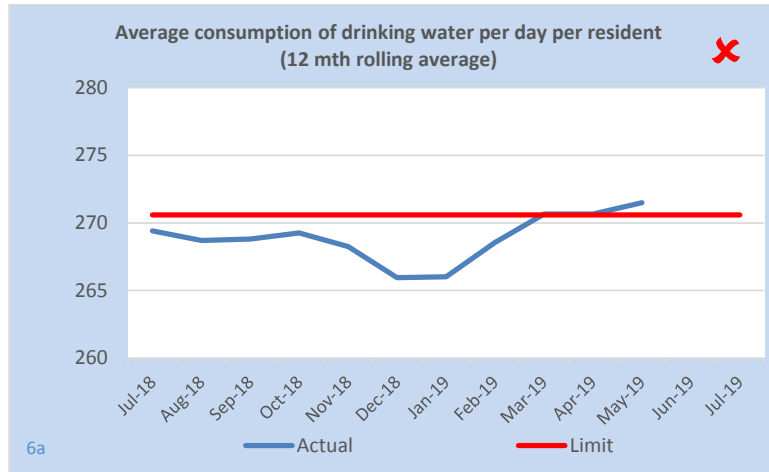
SYNERGI H&S REPORTING REPLACEMENT

- Work is underway to build an in-house HSW reporting solution to replace Synergi.
- The replacement system is scheduled to be live by the end of October 2019.
- The new system will use the same platform as the new People and Capability system. It will improve data accuracy, increase processing efficiency, and improve reporting capability and accuracy.

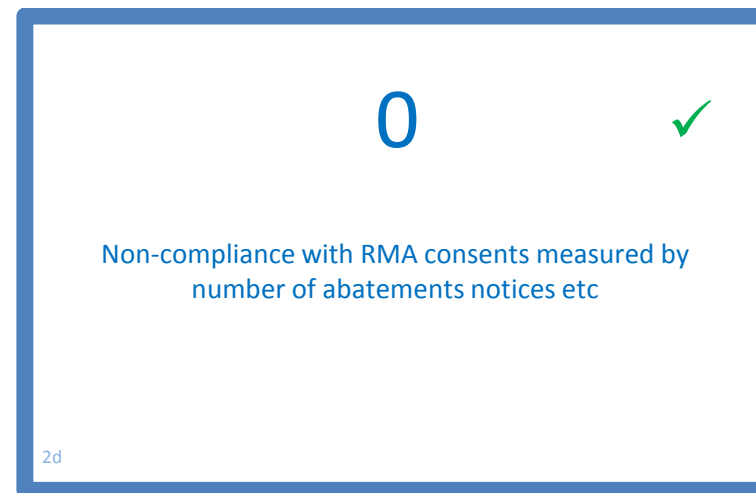
ARDMORE SAFETY CASE

- On 23 July 2019, the Ardmore Water Treatment Plant Safety Case was formally accepted by Worksafe.
- Watercare senior management has committed to and approved the installation of a chlorine scrubber. In light of this commitment, Worksafe believes that compliance with the safety case is likely to constitute compliance with the requirements of the MHF Regulations.

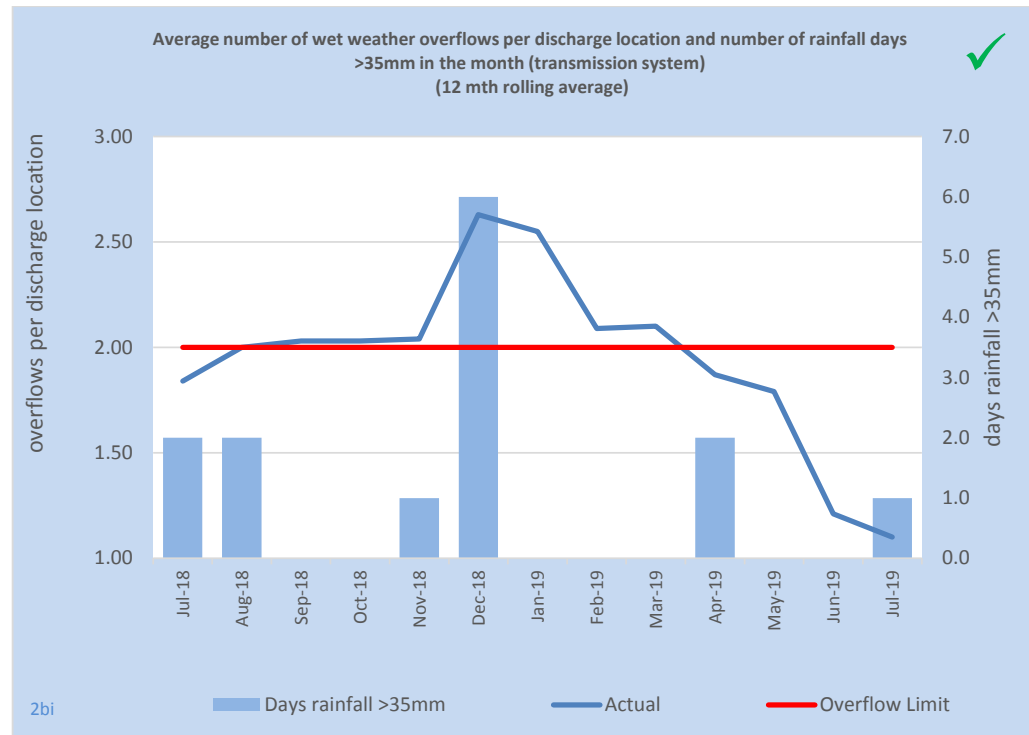
2. SOI MEASURES – 2017-2018 - Natural environment



- We have a team who are working with our large commercial customers to encourage them to adopt water efficient practices.
- We are also asking all Aucklanders to be mindful of their water use.



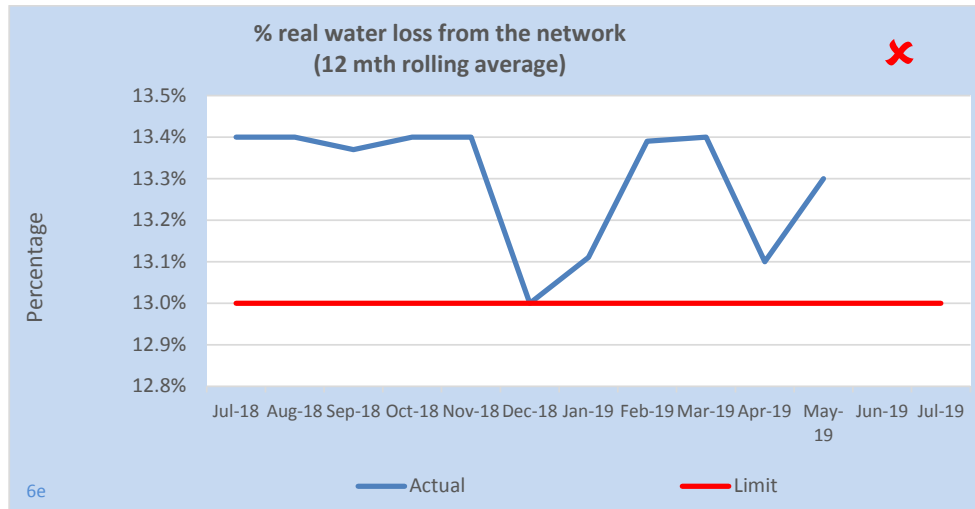
SOI MEASURES – 2017-2018 - Natural environment continued...



This measure is now being contrasted/compared with the average number of rainfall days greater than 35mm.

More wet days results in more wet weather overflows. The graph shows we had a particularly wet November, December 2018 and January 2019. However, the drier weather has meant there have been fewer wet weather overflows.

SOI MEASURES – 2017-2018 - Assets and Infrastructure



- Our proactive leak detection programme has escalated.
- We are now using data gathered from bulk, district and property meters to identify which suburbs are likely to have the most pipe leaks. This ensures we deploy crews to the areas with the highest need.

100% ✓

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

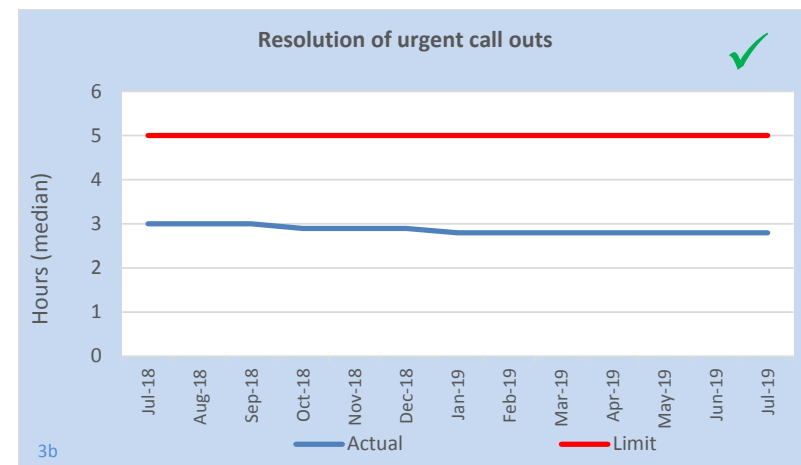
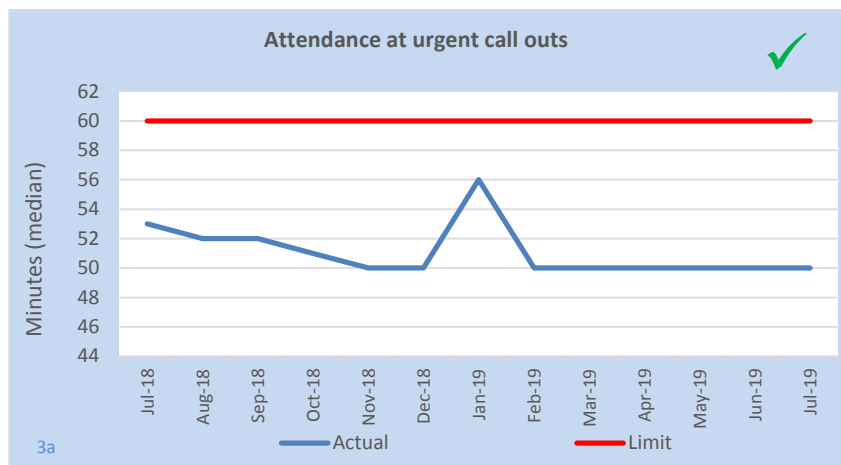
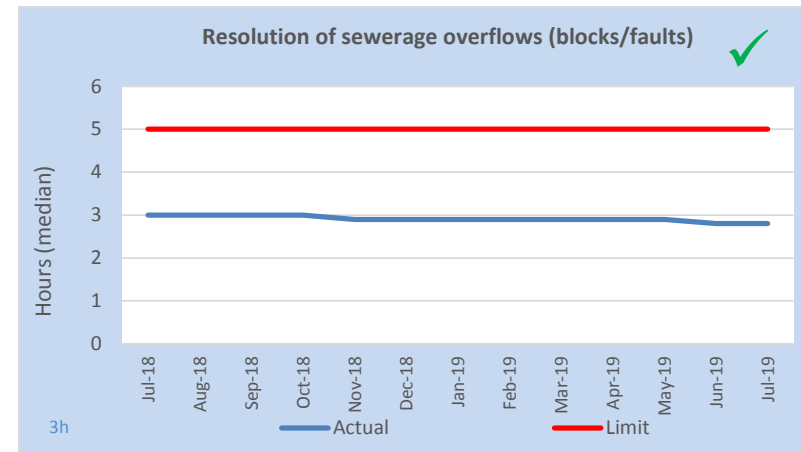
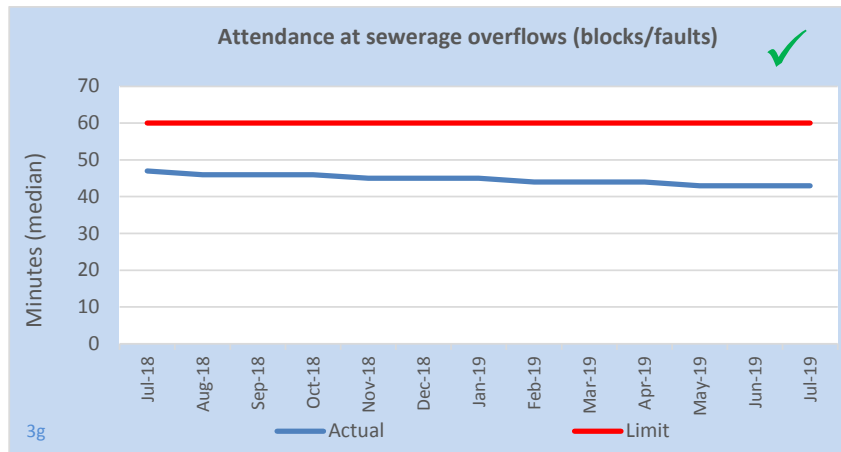
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100% ✓

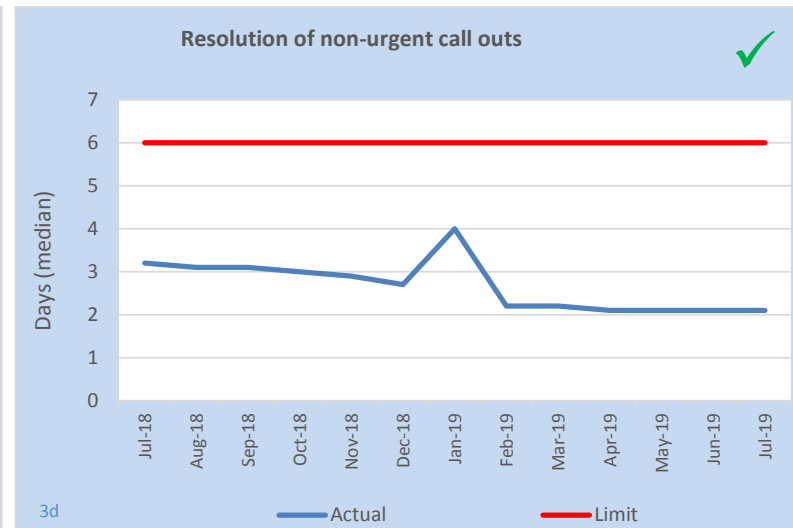
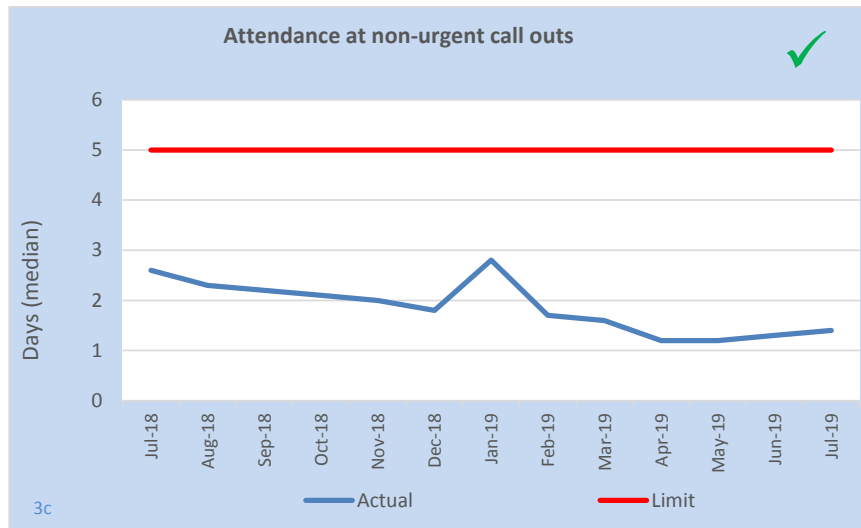
Compliance with Part 5 of the Drinking Water Standards (protozoal)

1b

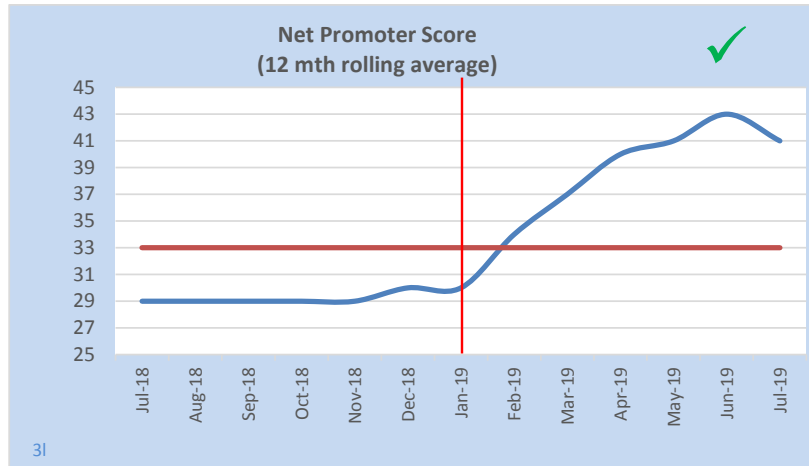
SOI MEASURES – 2017-2018 - Community and Stakeholder relationships



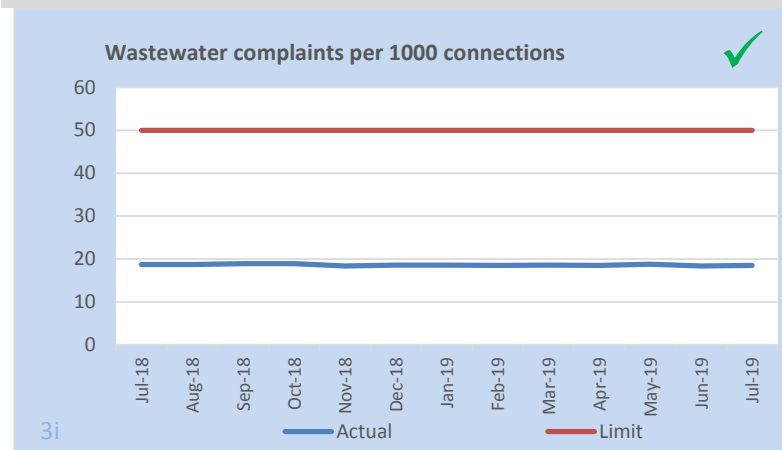
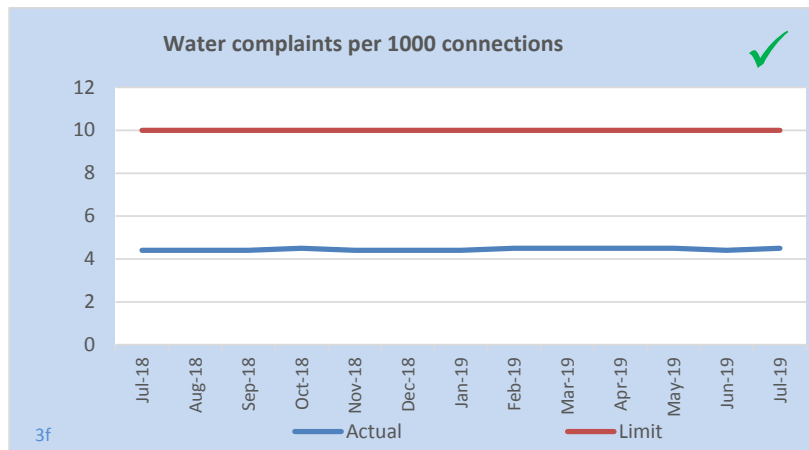
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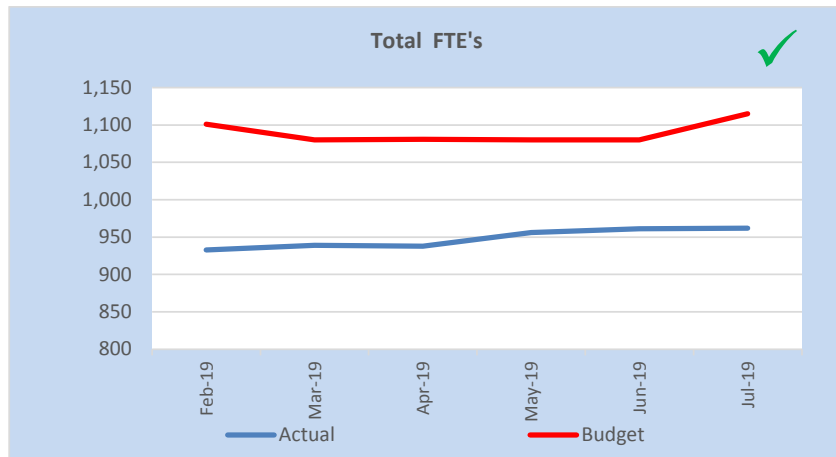
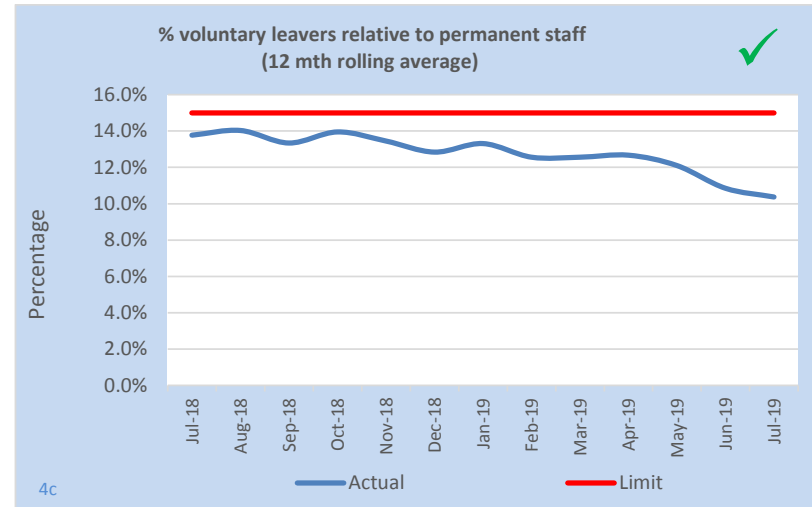
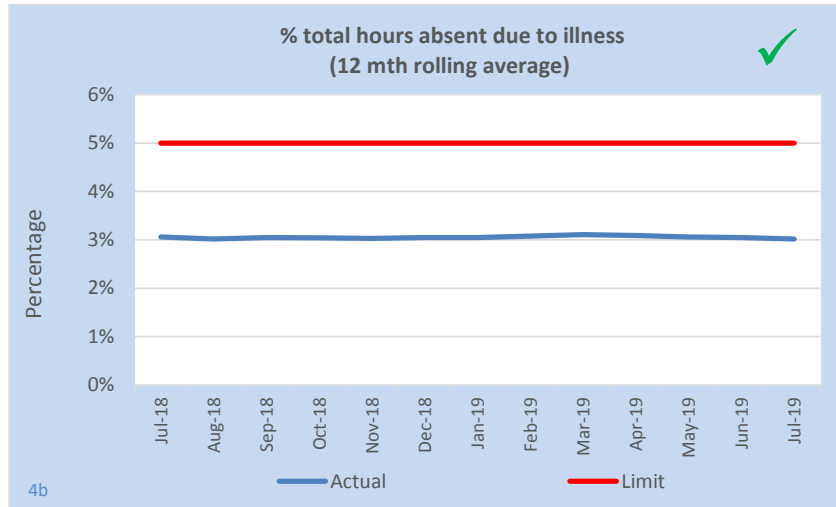
SOI MEASURES – 2017-2018 - Community and Stakeholder relationships continued

**NPS**

- The new NPS target is 33.
- NPS is 41 (12 month rolling average). The score has lowered two points from last month due to technical issues with emails and meter reading issues. This drove high contacts and affected service levels.



3. PEOPLE, CAPABILITY AND LEARNING

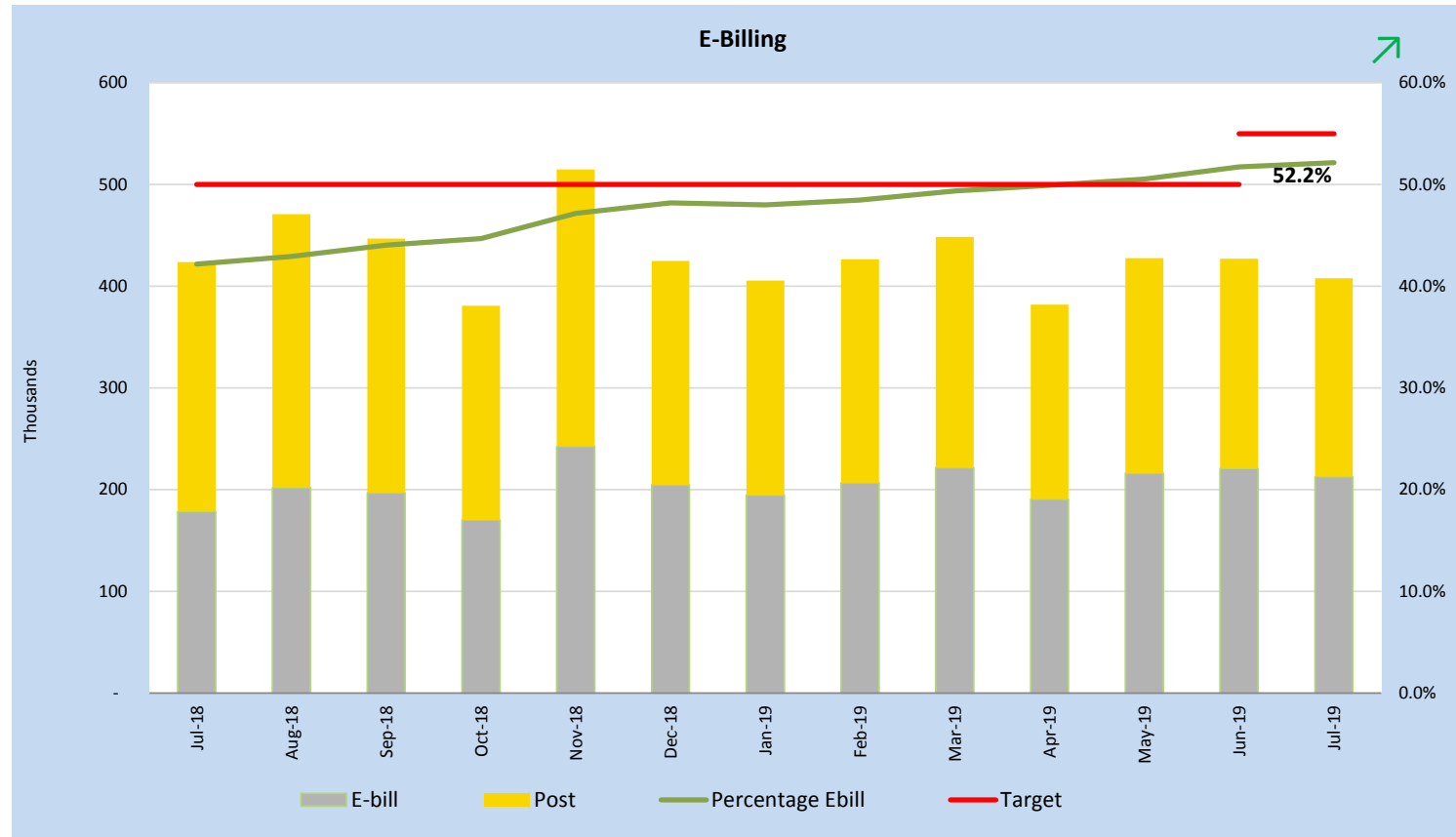


WATERCARE SIGNS AOTEAROA SKILLS PLEDGE

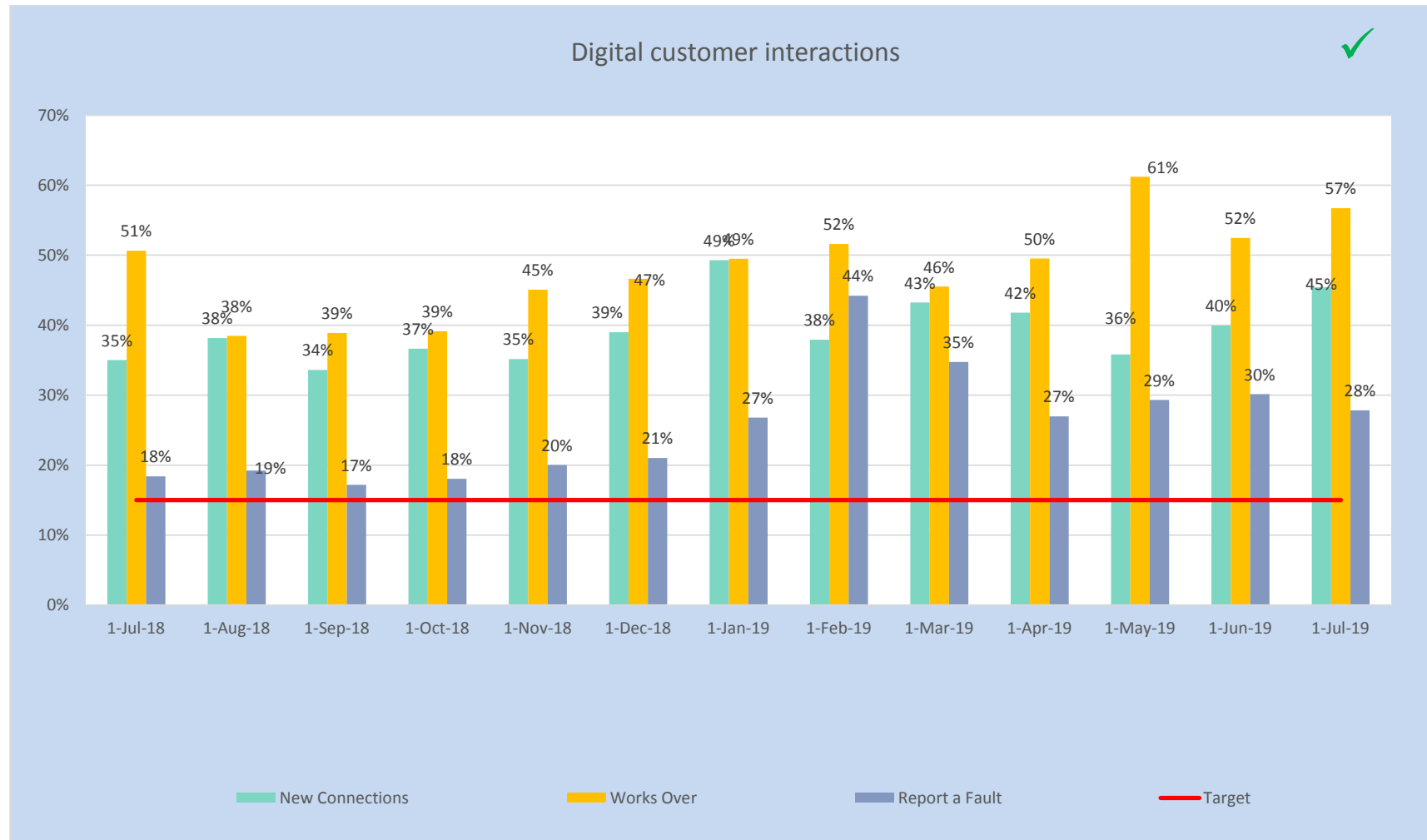
Watercare has joined a number of New Zealand businesses in signing the Aotearoa NZ Skills Pledge, an initiative from the Prime Minister's Business Advisory Council. In doing so, we pledge to:

- Publicly disclose our investment in on-the-job training and re-skilling hours annually; and
- Double the number of on-the-job training and reskilling hours we provide by 2025.

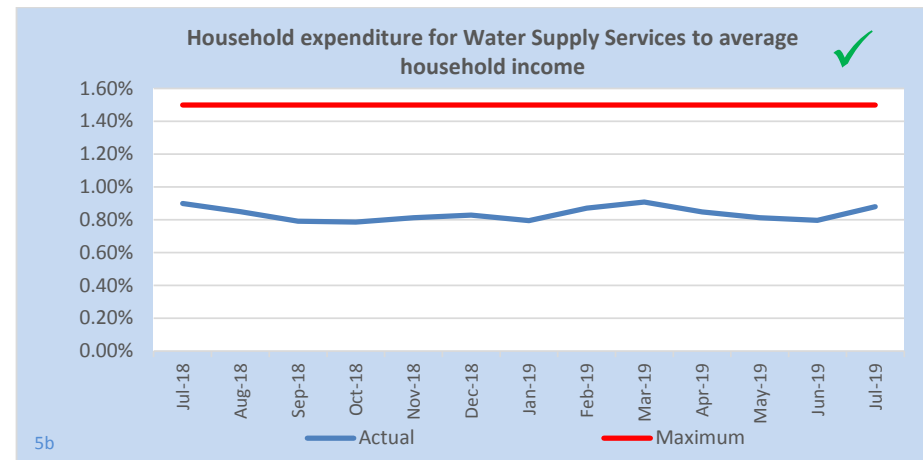
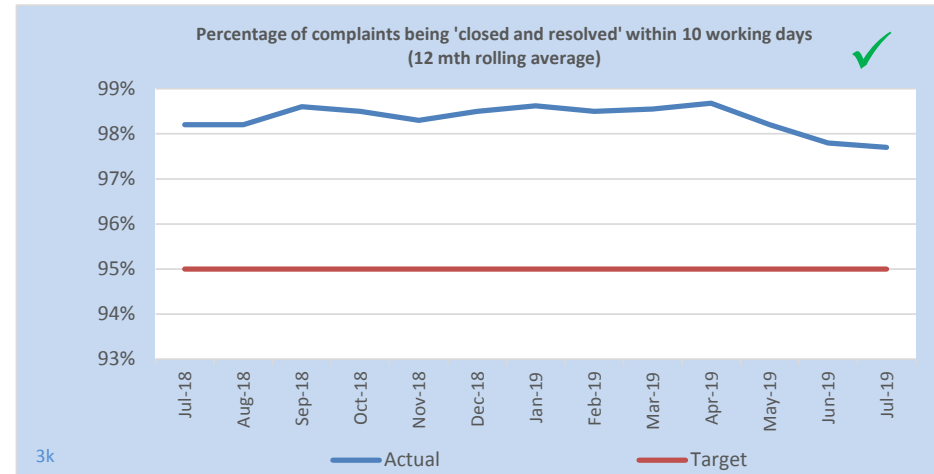
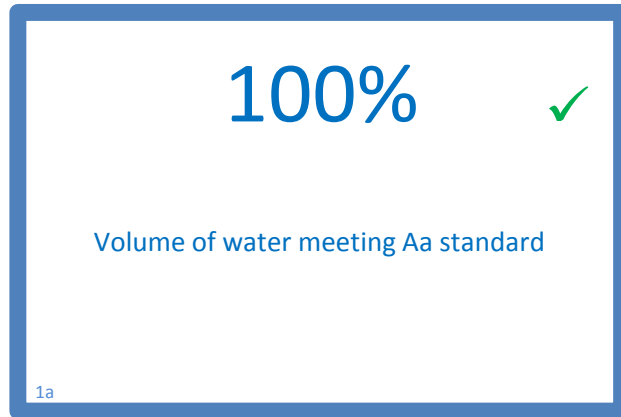
4. CUSTOMER SERVICE



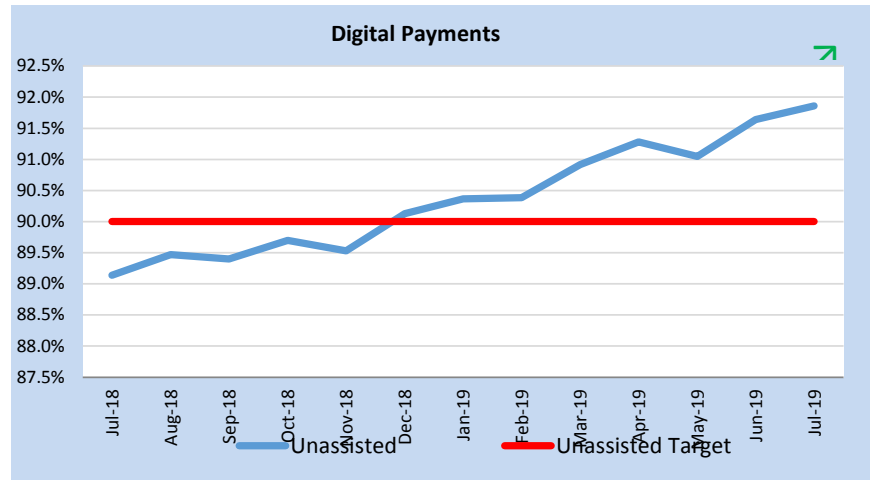
CUSTOMER SERVICE continued



CUSTOMER SERVICE continued

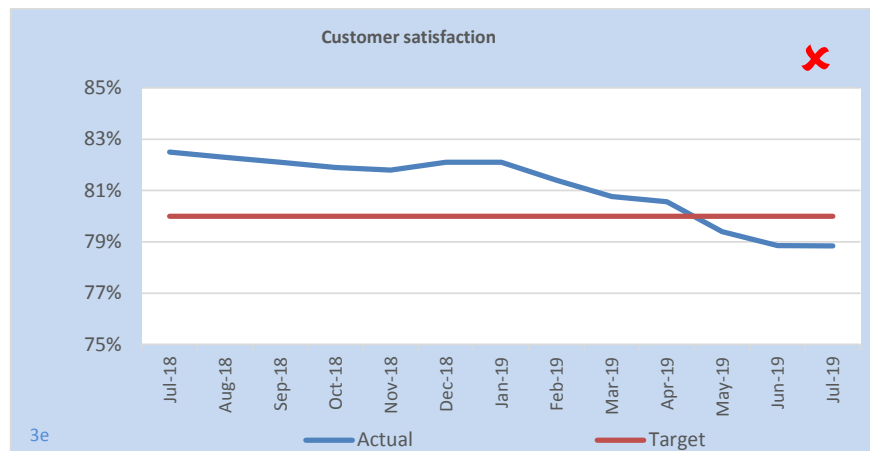


CUSTOMER SERVICE continued



DIGITAL PAYMENTS

- Automated payments remains steady at 92%.



CUSTOMER SATISFACTION

- Customer satisfaction remained steady with last month's score.

5. COMMUNITY AND STAKEHOLDER RELATIONSHIPS UPDATE

MĀORI ENGAGEMENT IN JULY 2019

Work over July included the following:

- Discussions with the Chief executive of the Independent Maori Statutory Board regarding Watercare's Māori expertise in organisation.
- High-level relationship hui - CE Waikato Tainui and CE Watercare, as well as senior leadership teams from both organisations.
- Meeting with Ngāti Whātua ki Ōrākei Marae, kaumātua ahead of the Watercare water symposium
- Arrange meeting with Ngāti Paoa, Waikato Tainui, Ngāti Whātua ki Ōrākei, Te Kawerau a Maki and Ngāti Te Ata with CE Watercare, CI Project Lead Shayne Cunis, Tame Te Rangi and Rob Fisher.
- Various work with Watercare executives, and mana whenua, including the Kaitiaki Forum regarding the Central Interceptor Project, including technical advice, cultural management and archaeological plans.
- Attend and lead discussions for Watercare with Andrew Firth, Te Hōanga input into FY19 quarter one Value for Money Implementation Progress Report, Māori Engagement, and Auckland Council provide strategic framework for engagement model across council whānau, provide briefing on Watercare Māori responsiveness plan. Provide advice on potential collaborative projects with Mana whenua and Council whānau. Provide advice with Auckland Council family with engagement model with Mana whenua. Provide advice and leadership on priority #7 Water. Attend meetings with TWAU Unit Policy Advisors. Attend Meetings Māori Outcomes Steering Group @ Auckland Council (Te Toa Takitini portfolio). Lead Watercare response to the 9 priorities, including Water, Marae, Economic Development, Rangatahi, Mana whenua engagement, Māori housing & Papakainga Development.
- Liaise and support Roseline Klein, Head of Water Value with Te Taniwha o Waikato Pukekohe WWTP discharge consent conditions and Mātauranga Māori strategy.
- Discussions with Ngāti Whanaunga and Ngāti Paoa regarding the Hunua ranges restoration proposal.
- Support Watercare staff with Te Reo Māori me ōna Tikanga. Follow up on Tuesday evening tikanga sessions with tutor, Mahaki Albert.
- Meeting with Te Whao tapu carvers at Papakura, Ted Ngataki (Ngāti Tamaoho) in furtherance of the Priority Outcome Culture and Identity.
- Further work on a Watercare Iwi document storage platform.
- All inductions of new staff at Watercare now include a Maori cultural component.

COMMUNITY AND STAKEHOLDER RELATIONSHIPS UPDATE continued...

EDUCATION PROGRAMME CELEBRATES 100,000 STUDENTS

- Watercare's education coordinator Sally Smith reached a special milestone earlier this month, when she taught Watercare's 100,000th pupil.
- Sally has kept a careful record of the number of pupils and schools she has visited all over the Auckland region. The historic lesson took place at Long Bay Primary School, North Shore. After water activities with Room-7 children in the playground, Sally and children enjoyed a giant water themed chocolate cake featuring a reservoir sitting on a hill, with a water pipe, leading to miniature houses and buildings.
- Watercare's free education lessons for Auckland school children (from kindergarten to Intermediate level) began in 2001. The original programme was called "Adopt A Stream", as it involved freshwater sampling. Sally joined Watercare five years later and as more lessons were added, and the programme was renamed the Watercare Education Programme.
- Sally is an experienced primary school teacher, who has a natural rapport with youngsters. Many of the lessons, such as 'water quality' have a field-trip element – e.g. learning how to catch and identify freshwater macroinvertebrates or find out about the effects of pollution. Water experiments cover magnification, refraction and surface tension. In wastewater lessons, students find out how waste solids and liquids are treated and where they end up.



The cake was made by Watercare's billing services advisor, Catherine Singh, who took four hours to create the giant cake.

COMMUNITY AND STAKEHOLDER RELATIONSHIPS UPDATE continued...

LOCAL BOARD ENGAGEMENT

- Local Boards were provided with follow up information on the status of dam levels and low winter rainfall in the Hunua Ranges over autumn and winter.
- Notifications of the resource consents lodged for the Mairangi Bay Wastewater Pump Station and Huia Water Treatment Plant Replacement were sent to the Hibiscus and Bays and Waitakere Ranges Local Boards respectively.
- Auckland Transport joined Watercare and our contractor Fulton Hogan on site at the Glen Innes Wastewater Project for a meeting with the Maungakiekie Tamaki Local Board Chair. The meeting was to discuss traffic management issues in the area. Some upgrades are being implemented to try and slow traffic into the roundabout, however issues remain with people ignoring traffic signage.
- A topical story for the Puketapapa Local Board was that Watercare was able to successfully remove paint from the dog mural (a memorial to Murray Ball) on Big King Reservoir. Local Board members were very appreciative of the response and action from Watercare which received great coverage on social media.
- Brent Evans (Manager Local Board and Stakeholder Liaison) and Alice Hausia (CI Project support) joined Liz Walker of STEPS at the Roy Clements Treeway in St Lukes on 15 July 2019. Watercare is undertaking tree privet control in the area as part of the Meola Stream environmental improvement initiatives for the Central Interceptor project associated with the Lyon Ave construction site.



COMMUNITY AND STAKEHOLDER RELATIONSHIPS UPDATE continued...**MINISTERIAL ANNOUNCEMENT ON THE DIA'S THREE WATERS REVIEW RECOMMENDATIONS**

On 31 July 2019, Minister Mahuta, and David Clark, Minister of Health, announced the cabinet decisions around the Department of Internal Affairs review of the Three Waters. The three key features of the announcement include:

1. a dedicated water regulator
2. a new Water Services Bill, which will extending regulatory coverage to all water suppliers, except individual household self-suppliers
3. strengthened Government stewardship of wastewater and stormwater services, with Regional Councils remaining primary regulators for the environment

A DRINKING WATER REGULATOR

The drinking water regulator will be responsible for overseeing the entire drinking water system in New Zealand. It will be centrally located and responsible for:

- Sector leadership
- Setting standards
- Compliance, monitoring and enforcement
- Capacity building accreditation and licencing
- Information advice and education
- Performance reporting.

The final form, scope and location of the regulator will be the subject of advice due with Cabinet later this year.

WATER SERVICES BILL

- This Bill will implement the majority of the policy initiatives. It is being fast-tracked through Parliament and could be enacted by mid-2020.
- All suppliers that provide drinking water to 500 or more consumers would be captured by the new laws that will require water suppliers to:
 - a. Develop and implement source water risk management plans
 - b. Adopt a multi-barrier approach to drinking water
 - c. Prepare/update water safety plans.
- The new regulatory system will be implemented over a 5-year period to allow water suppliers to adjust to the regulations, if necessary with support from the new regulator.

NATIONAL ENVIRONMENTAL STANDARD FOR TREATMENT OF WASTEWATER DISCHARGES AND MANAGEMENT OF WASTEWATER OVERFLOWS

- Central Government will also introduce new obligations for wastewater and stormwater network operators to manage the risks to people, property and the environment associated with the operation of their infrastructure networks.
- This will include annual reporting on a set of nationally-prescribed environmental performance metrics and compliance (National Environmental Standard).
- It will also include development of national guidance to improve the regulation and design of stormwater systems.

COMMUNITY AND STAKEHOLDER RELATIONSHIPS continued

WATERCARE SIGNS CONTRACT WITH WAIKATO DISTRICT COUNCIL TO PROVIDE WATER, WASTEWATER AND STORMWATER SERVICES

- In mid-August 2019, we signed a contract with Waikato District Council (WDC) to deliver water, wastewater and stormwater services to 16,000 homes and businesses in the district from 1 October 2019.
- The contract starts with a 21-month transition period, during which time we will complete the condition assessment of assets and write an asset management plan.
- Meanwhile, WDC will continue to engage with their customers – billing them, logging faults and responding to enquiries.
- The operational period will begin on 30 June 2021 and has the potential to run for 27 years. Over this period, Watercare will be responsible for end-to-end services – operating assets, managing networks and engaging with customers.
- Post 30 June 2021, WDC's water customers will contract directly with Watercare. This will require Watercare to consult, under Section 137 of the Local Government Act, with our Auckland customers. This consultation will occur prior to 30 June 2020.
- The contract is flexible to allow for changes that arise from regulation and/or through the passage of time.
- Our Auckland-based customers will not be subsidising our work in the Waikato. The efficiency benefits will be realised through our greater scale and buying-power.
- Watercare has been operating in the Pokeno area for a number of years now so this new relationship is a natural and positive extension of our existing relationship.

TRADE WASTE BYLAW UPDATED

On 25 July 2019, the Trade Waste Bylaw 2013 was updated, following a public consultation process. The changes better protect people, the public wastewater system, wastewater treatment plants and the environment from any detrimental effects caused by trade waste discharges.

The updated Bylaw and new controls are published on the Watercare website.

COMMUNITY AND STAKEHOLDER RELATIONSHIPS continued

ST MARY'S BAY AND MASEFIELD WATER QUALITY IMPROVEMENT PROJECT

The wastewater and stormwater project, proposed by Healthy Waters in St Mary's Bay and Masefield Beach is close to reaching a resolution.

A number of residents' associations appealed Healthy Waters consent application for the proposed project earlier this year. As part of the project, Watercare, through Anin Nama, Network Improvement Manager, persuaded Healthy Waters that the combined network should be separated now, rather than years later. This encouraged the concerned residents to agree to a series of meetings between the Appellants, Watercare and Healthy Waters. Watercare's Company Secretary facilitated the meetings and expert engineers were engaged to provide independent advice on the project. The engineers recommended some amendments to the proposed project. On 23 August 2019, the parties confirmed an agreement to the amendments recommended by the engineers – these will now be reflected in the conditions under which the resource consent for the project will be constructed and operated.

By 2022, when this project is due to be commissioned, there will be a very significant improvement in the performance of the stormwater and wastewater networks in this area of Auckland.

This has been a good example of Healthy Waters and Watercare working collaboratively together. That high level of collaboration will continue with the balance of the Western Isthmus Water Quality Improvement Project.

COMMUNICATIONS SNAPSHOT



Enabling engaged communities
and stakeholders

Media

Media highlights for the month include continued widespread coverage about the extended dry-weather in Auckland in Stuff, Newshub, Breakfast News, NZ Herald, Radio NZ and an interview with environmental scientist Liam Templeton about what not to flush down the loo on Breakfast News.

Auckland water shortage: Storage dams remain lower than last year

Updated: 11:25, Aug 20 2019



The extended low mark is visible at the Upper Mangawhero Dam, Hume Range, near the reservoir.

Aucklanders continue to be urged to conserve water, as the region's situation.

It comes just one month after the city seemingly failed to water following one of the driest Januarys in June periods.

Watercare said despite moderate rainfall throughout August.

Aucklanders asked to conserve water as dam levels drop

Updated: Thursday, 29 Aug 2019



The water level at the Mangawhero Dam in the Hume Range is significantly lower than last year.

Aucklanders are being asked again to conserve water, after a record dry start to the year and no good outlook for the rest of it.

The city has never had less rain through the first seven months of a year, as far as records go back to the 1950s.

The message: be careful when you turn on the tap because it's not endless.

"Potentially we see the conditions become right for thunderstorms."

Excavations in Levin, Ohau as floods hit homes.

Watch: Monitor avalanche storms down Mt Ruapehu.

Water shortage continues.

Despite the seemingly constant deluge, Aucklanders still have a water shortage problem.

The dams in the Hume range - the largest catchment area for the super city, are down significantly.

Auckland water shortage: Newshub's top tips for conservation.

Weather: Another 'big test' to bring thunders weather.

They're normally confining in August, but are running 30 per cent lower than last year.

They're due to the record dry summer and autumn, and a couple of wet weeks' rain in coming weeks.

Water shortage: Auckland needs twice as much rain to top up dams.

Updated: 11:25, Aug 20 2019

Watercare said the Hume Range dams are at their lowest levels.

By Liz Chen for NZ Herald

Watercare says August will have to be the best as well as worst if Auckland's water supplies are to get back to a normal level.

A record dry start to the year meant the city's four main dams in the Hume Range were only about 60 per cent full, while the historical average is 80 per cent at this time of the year.

At the start of July, Watercare called for people to use less water, suggesting

that the city had a 10 per cent chance of seeing a wet August.

The big dry continued through July with the Hume Range - home significantly less rainfall than normal.

Height of water used in the Hume Range during July was only 100mm of rain, less than 20mm for the month.

"You're simply not receiving enough rainfall this winter to replenish

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Enabling safe, happy and
empowered teams

Staff

Internally, we featured the fundraising efforts by our staff, awards won by projects such as Army Bay Wastewater upgrades and Wynyard Quarter, promoted the learnings from Digital Day, and continued to keep our staff informed on our Waterwise Winter campaign.

Live Hack on Digital Day shows how easy it is to get into computer systems

14/08/2019



For all those dreams of getting into computer systems, a chance to see how easy it is to get into computer systems was on hand at Digital Day.

One person about 100m from the entrance to the city centre, the danger of cyber attacks.

A single infected USB can infect thousands of computers in the city of Auckland.

Wastewater wins big at CCNZ National Awards 2019!

14/08/2019



A wastewater pump station in a busy part of the city and a wastewater outfall pipe in the Gulf Harbour have been recognised for excellence in last year's awards.

The recently completed Wynyard Quarter Pump Station project was recognised in the projects under \$5 million category while the Army Bay Wastewater Outfall pipe was recognised in the projects between \$50-\$100 million category at the CCNZ National Awards.

Big dry continues through July

14/08/2019



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Another good turn from Team Watercare for Jammies in June!

14/08/2019



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6. NATURAL ENVIRONMENT



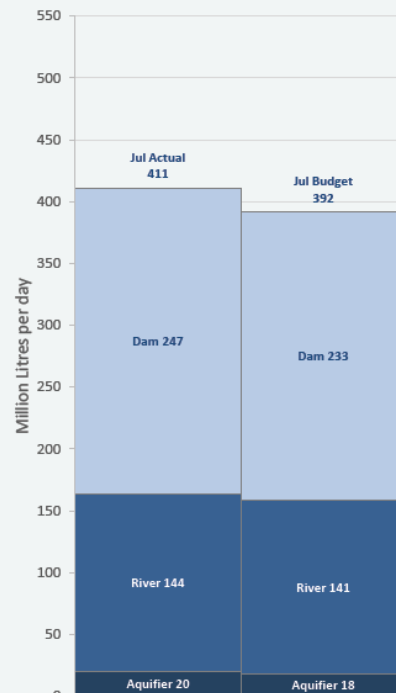
Water outlook for August 2019

Rain fall
for
July



	Waitakere	Hunua
July Actual	226.0	163.4
July Normal	203.0	210.3
Jan – July Actual	667.5	652.0
Jan – July Normal	999.3	989.2

Average daily water produced



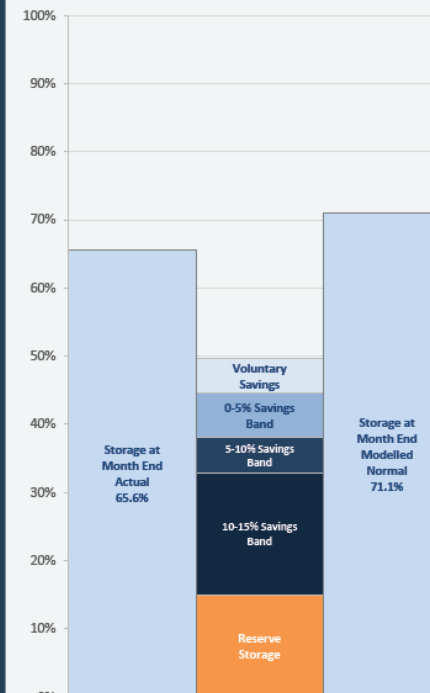
Water resources position

- Total system storage increased through July from 59.2% to finish the month at 65.6% after near normal rainfall for the month and a 2.5% decrease in demand from June.
- Dam storage is at 65.6% compared to the FY2020 budgeted storage response of 71.1% for normal July rainfall. Storage remains below levels that would normally be experienced at this time of year (85%), if compared with the historical average (1981-2010). July's storage response was above that of a five year dry July (63.1%) and is well above drought management trigger levels for mandatory restrictions (44.6%).
- Abstractions from Waikato and Onehunga were optimised throughout July to reduce abstraction pressures on the storage lakes.
- Total water treatment plant production was 4.6% above budgeted volumes for July.
- The increase in demand reflects the continued growth within Auckland, and the dry, warm weather experienced since January.

Long range forecast position

- August is traditionally an unsettled and rather wet time of year, with fronts and lows common across New Zealand.
- Above normal August rainfall totals are expected from Waikato south. While for Northland, things should run a touch drier than normal. In Auckland, near normal August rainfall accumulations are forecasted.
- Normal rainfall for August will not be sufficient to make up the deficit in rainfall experienced so far this year.
- There is now predictions of near normal rainfall for the remainder of the year, however the confidence in this forecast is low and it is uncertain if this will be sufficient to overcome the deficit experienced in the first half of the year.

Total system storage



Watercare

NATURAL ENVIRONMENT continued

KEEPING OUR STAKEHOLDERS AND THE COMMUNITY UP-TO-DATE WITH THE WATER SITUATION

Below are two photographs of the Mangatawhiri dam in the Hunua Ranges. The one on the left was taken last year, when the dam was relatively full. The one on the right was taken on 20 August 2019 and is 73% full.



The four operational dams in the Hunua Ranges are very large by comparison to the five dams we operate in the Waitakere Ranges. For example, Mangatangi Dam can hold twice as much water as all of the dams in the Waitakere Ranges combined. This means the Hunua dams require significantly more rainfall to recover from an extended dry period than the Waitakere dams.

The normal rainfall we have been receiving in the Hunua Ranges in August is not enough to make up for the shortfall we accumulated over the first seven months of this year.

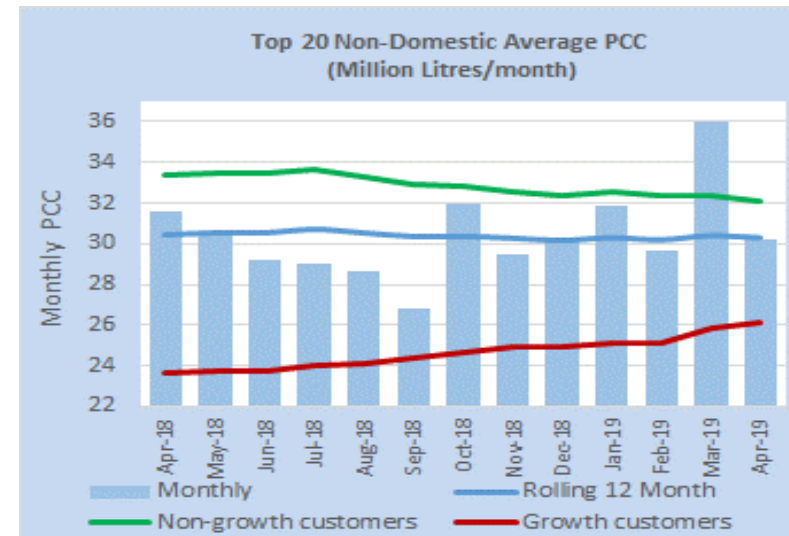
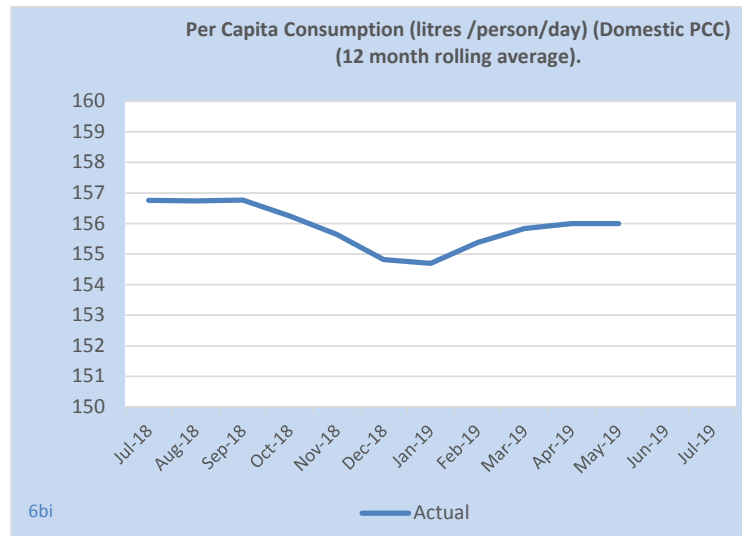
In response to the situation, we are continuing to maximise production from our river and aquifer sources in order to reduce demand on our southern dams. We are also investigating other drinking and non-drinking water sources that we can utilise, should the need arise.

Our internal water task force has also been working on numerous work streams that aim to increase the volume of water available in Auckland and decrease the volume being wasted. For example, one group is looking into non-potable sources for use in construction-industry activities. Another group is identifying which areas in Auckland are likely to have the most leaks based on water supplied/consumed data. By using data, we aim to target our resources more wisely.

We also continue to brief the Mayor, Councillors and Local Board members of the current situation. We have a team who are working with our large commercial customers to encourage them to adopt water efficient practices. We are also asking all Aucklanders to be mindful of their water use. We are also encouraging our customers to be mindful of their water use through various communications mediums, including the media, Facebook and via our publications such as Tapped in.

NATURAL ENVIRONMENT continued

DOMESTIC AND COMMERCIAL WATER USE



- Given the long spell of dry weather, and the lower levels of our dams, we have been asking all Aucklanders to be mindful of their water use.

- The above graph shows non-domestic average water use for our top 20 commercial customers. Six of the 20 customers' water use is trending upwards (red line) and 14 of our commercial customers' water use is trending downwards (green line). The overall average use of our commercial customers is remaining steady.
- We have a team who are working closely with our large commercial customers to encourage them to adopt water efficient practices.

NATURAL ENVIRONMENT continued

WATERCARE PRESENTS TO THE ENVIRONMENT SELECT COMMITTEE ON THE CLIMATE CHANGE RESPONSE (ZERO CARBON) AMENDMENT BILL

- This bill will be a series of amendments to the existing Climate Change Response Act 2002.
- Watercare made a submission in relation to this Bill earlier this year. 12,000 submissions were made and 1,500 people/organisations requested to the present to the Select Committee. Given these numbers, the Select Committee split into three (4 Ministers of Parliament each), and are travelling around the country to listen to submitters. Individuals are able to speak for 5 minutes, and organisations for 10 minutes.
- Watercare presented to the Environment Select Committee on 15 August 2019. Watercare was represented by Roseline Klein, Head of Water Value, and Mark Bishop, Senior Policy Planner. Watercare was asked about our energy neutrality goal, our current dam levels, and the take from the Waikato River.
- At the end of these public presentations, the Select Committee will recommend drafting changes to the Bill. It will then it will receive its second, then third reading, before becoming an Act, most likely, in late 2019.

NEW ZEALAND PRODUCTIVITY COMMISSION – LOW EMISSIONS ECONOMY REPORT

Earlier this year, the Productivity Commission released a draft report titled “Low Emissions Economy Report”, which, amongst other topics, questioned whether emissions from wastewater treatment plants should be included in the emission pricing schemes.

Watercare made a submission and the Government has now released a report addressing whether it agrees or disagrees with the draft recommendations.

In summary, the Government report noted that *“Estimates of emissions from WWTPs already occur to a sufficient level of accuracy, and estimates from WWTPs will be further refined annually as part of the continual improvement of NZ’s GHG Inventory. In addition, an emissions price on its own is unlikely to create sufficient financial incentive to reduce emissions due to the already low emissions from most WWTPs, and the high capital costs and long life of the infrastructure. Wastewater accounts for just 10% of waste sector emissions, and work to reduce emissions from solid waste (comprising 90% of emissions) is being prioritised over work to reduce emissions from WWTPs”*.

TREE PLANTING SEASON UNDERWAY

By early August 2019, Watercare had planted 206,500 native trees in the Hunua ranges this season. We expect to plant between 300,000 and 400,000 trees in total, in the Hunua Ranges, this planting season.

7. RESOURCE MANAGEMENT ACT COMPLIANCE



July 2019 Summary	Compliance proceedings	Nil	Environmental incidents of significance	1
	Category 4 non-compliant consents	Nil	Category 3 non-compliant consents	3

21 of our 484 active consents were technically non-compliant. Three consents were Category 3, one of which was due to an environmental incident of significance with potential to affect the environment. None of the non-compliances were in Category 4.

	Feb	Mar	Apr	May	June	July
Number of total active consents	485	489	495	490	482	484
Number of non-compliant consents ¹	9	13	15	9	10	21 ²
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	3
Number of non-compliant category 1 or 2 conditions² <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>	13	14	18	14	15	16

Notes: 1 – excludes trade waste consents; 2 - There are more consents technically non-compliant than there are non-compliant conditions. Some of the non-compliances relate to delays in reporting to Council at year end, and such non-compliances apply across multiple consents.

Non-compliant consents in Category 3 for July:

There were three Category 3 non-compliances for the month of July.

	Background and Reason for Non-Compliance	Summary of Current Actions	Current Self-Assessed Council Compliance Rating
WATER TREATMENT			
Huia Village	Long-term issue. Consent has a condition for some recycling of process discharges back to the dam, but this recycling is not currently possible given the existing infrastructure at site. Instead, all discharges go direct to Huia Stream. Monitoring shows no adverse environmental effects.	Large-scale engineering works would be needed to enable recycling. Given this, the consent will need to be varied to amend the condition, otherwise this condition will remain non-compliant. Environmental Care to work with Servicing & Consents to progress the variation.	3 – Ongoing issue (negligible environmental impact)
WASTEWATER TREATMENT			
Helensville	On-going water quality issues at the compliance point.	<p>Compliance point is at the mouth of a tidal pond that receives the treated wastewater. The water quality of this tidal pond is also influenced by other factors (birdlife, sediment disturbance etc.).</p> <p>To better protect the pond, Watercare is about to re-line the pond and fit a floating cover on it. These enhancements will exclude birds from the pond, prevent groundwater ingress, and result in better water quality at the compliance point.</p> <p>The contract for these works is about to be awarded. Under the contract, works must start by November 2019 and be completed by March 2020. Based on recent results, consent will likely be non-compliant until completion of works. Results from downstream monitoring do not indicate any adverse environmental effects are occurring as a result of the non-compliances.</p>	3 – Ongoing issue (negligible environmental impact)

	Background and Reason for Non-Compliance	Summary of Current Actions	Current Self-Assessed Council Compliance Rating
Warkworth (Environmental incident of significance)	<p>A loss of 250 m3 untreated wastewater to Mahurangi River. The loss occurred between 4:30 pm and 6:30 pm on Friday 19 July 2019. The event was due to the failure of an automated process (the ActiFlo bypass unit did not switch on during a peak flow event).</p> <p>Baseload wastewater was treated as usual through the main treatment unit. The peak flow (rain-influenced) passed through the bypass unit without any significant disinfection.</p>	<p>Water quality and oyster sampling was carried out in conjunction with oyster farmers and MPI. E. coli levels were low in samples (water and oysters). However, there was norovirus in a single sample, which meant a temporary closure of the inner farms for oyster harvesting (initially a 28-day stand-down).</p> <p>No noroviruses were detected in follow up sampling (collected ten days after the event), and the farms were reopened after 14 days (rather than the full 28 days). Watercare received no complaints about sickness relating to contact recreation or shellfish consumption.</p> <p>During the closure period, Watercare held a meeting with oyster farmers to discuss the event, Watercare's response, and the farmers' wider concerns about the catchment. The farmers were disappointed the event occurred, but were satisfied with Watercare's response.</p> <p>A review of related processes across all wastewater treatment plants indicates Warkworth is the only plant at risk. New procedures at Warkworth have been put in place as a fail-safe.</p>	<p>3 – One-off incident that had potential to affect receiving environment</p>

8. ASSETS AND INFRASTRUCTURE



HUIA WATER TREATMENT PLANT REPLACEMENT PROJECT – CONSENT APPLICATION

- The Huia WTP consent application has progressed during the month.
- The Council issued a draft request for additional information in accordance with section 92 of the Resource Management Act.
- Our experts have met with and provided further information to the Council's experts on the matters raised in the letter.
- Subsequently the Council issued a formal Section 92 request for the outstanding matters, which are generally minor in nature. A formal response is being prepared, and there are no matters that require additional work.
- The application was publicly notified on the 5 August 2019, and closes on 2 September 2019. As at writing this report, 51 submissions have been received, 49 opposed, 1 neutral and 1 in support of the project.
- An Outline Plan of Works for the construction of the plant and reservoirs will be lodged following the receipt of final technical reports.

9. DIGITAL UPDATES



STRATEGIC TRANSFORMATION PROGRAMME (STP) UPDATE

- An independent review of programme quality (testing strategy and execution) and our go-live readiness for our customer and billing value stream (particularly the core billing functionality) is underway by EY as part of their IQA (Independent Quality Assurance) engagement. Quality and go-live readiness will continue to be a key enabler across the remainder of the programme and into the future across on-going work independent of specific platforms.

RELEASE 7 WORK UNDERWAY

STP continues to progress to programme with Release 7 delivery.

- Continue to enhance the new usage to pay processes (core billing functionality) and release across the full Watercare customer base
- Updated web portal integrated with the new core billing functionality.
- Development of the faults and work order management work flow across Watercare, MSN and contractors
- Continue to roll out asset management across Northern and Southern regions
- Development of the activity tracker to view all work order activities across Watercare
- Supporting the new financial and project management activities and develop and migrate remaining functionality
- Develop and rollout of predictive connected network models moving closer towards a digital twin of our network
- Development of our Nerve Centre capability

10. DELEGATED AUTHORITY OF THE CHIEF EXECUTIVE

In July 2019, Watercare processed one deed, instruments or document, with the delegated authority provided to the Chief Executive by the Board.

- 1 Section 18 Public Works Act Notice to acquire two properties for the Grey Lynn Tunnel in Ponsonby.

In July, there were no Capex or Opex contracts, over \$100,000, approved by the CE in accordance with the delegated authority provided to the Chief Executive by the Board.

In July 2019, was one capex approval totalling \$2.077m 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.

- Meeting Watercare's energy self-sufficiency & climate change objectives - floating solar array at Rosedale WWTP - \$2,077,000

9 August 2019

APPENDIX A

Margaret Devlin
Chair of Watercare Services Limited

By Email: margaret@margaretdevlin.co.nz

Dear Margaret,

Approval of Watercare Services Limited's Final Statement of Intent (2019 – 2022).

I am pleased to advise that on 23 July 2019 Auckland Council's Finance and Performance Committee has approved Watercare Services Limited's Final Statement of Intent for 2019 – 2022 (Resolution number FIN/2019/78).

I have attached a copy of the minutes from the relevant committee meeting for your reference. The minutes are also accessible via the link below:

http://infocouncil.aucklandcouncil.govt.nz/Open/2019/07/FIN_20190723_MIN_6820_WEB.htm

If you have any questions or concerns, please do not hesitate to contact me.

Yours sincerely,



Alastair Cameron,
Manager, CCO Governance and External Partnerships

CC: Raveen Jaduram, Chief Executive - raveen.jaduram@water.co.nz
Sarah Holdem, Principal Advisor – sarah.holdem@aucklandcouncil.govt.nz

Dam Safety Update August 2019 Watercare Board Meeting

Watercare Dam Assets

Watercare operates 56 dams

- 17 Water Supply Dams:
 - 6 in Waitakere Ranges,
 - 4 in Hunua Ranges,
 - 5 in Helensville,
 - 1 in Sandhills,
 - 1 in Papakura.
- 33 Wastewater Dams
(from Wellsford to Pukekohe)
including Rosedale WWTP
- 5 Attenuation Dams:
 - 3 in Ardmore WTP,
 - 1 in Huia WTP
 - 1 in Redoubt.
- 1 Stormwater Dam (Mark Ford Drive).



Dam risk profile is based on consequences of dam failure.

Potential Impact Classifications (PIC) is a system of classifying dams according to the incremental consequence of dam failure. Dams are classified High, Medium or Low PIC. Watercare owns and manages:

- 12 High PIC Dams,
- 1 Medium PIC Dam,
- 43 Low PIC Dams.

5.1



Dam Safety Management Summary

5.1

- Current **New Zealand Dam Safety Guidelines 2015** (NZSOLD), referenced in the Building Act, form the basis for legislative regulation
- Our Dam Safety Management System (DSMS) provides an overarching dam safety framework consistent with NZSOLD and our own Dam Safety Policy
- Enacted through surveillance and management via a dam safety assurance programme
- Dam safety surveillance undertaken by trained and experienced staff including a dedicated team of Dam Safety Engineers
- Annual and 5 yearly Comprehensive Dam Safety Reviews by independent dam safety experts
- Emergency Preparedness Plans in place for all dams

Proposed Dam Safety Assurance Regulations

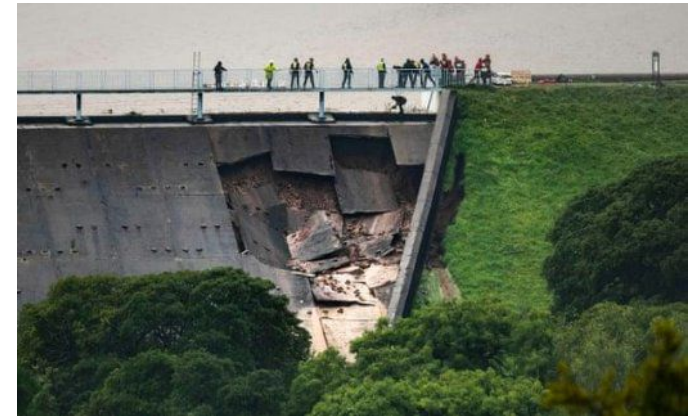
5.1

- Key difference between the existing guidelines and the proposed regulation is the definition of dams that will require regulatory scrutiny. Watercare will be required to register all classifiable dams.
- We will be required to report the performance annually of all classifiable dams with a Medium or High PIC classification.
- Regulations will not change our procedures for carrying out surveillance and monitoring of our dams.
- Report 5 yearly on changes to dam classification.
- Average cost to have documentation for all dams to be certified and comply with regulations approximately \$200,000/annum.
- There will be 37 classifiable dams with approximately 25 reported on annually to regional authorities
- Where a Dam Owner does not act where a dam poses immediate danger the regulator can assume operational control of the affected asset.

Whaley Bridge Dam Collapse - Background

5.1

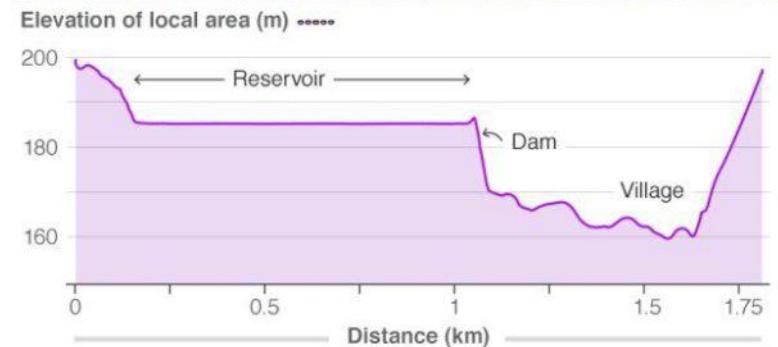
- Whaley Bridge Dam was damaged on Thursday 1 August 2019 following a night of intense rainfall.
- Whaley Bridge Dam's emergency spillway concrete slabs collapsed.
- There was evidence of vegetation growing in the spillway concrete panels. There is no evidence of reinforcing, shear keys between the panels, or water stops.
- It prompted 1,500 people to be evacuated from their homes in the Derbyshire town.
31 people in 22 properties refused to evacuate.
- Reservoir level was drawdown and aggregate was flown in to divert water from the emergency spillway to prevent further damage.
- Residents were allowed back on the 7 August 2019, nearly a week from evacuation.



Whaley Bridge Dam Collapse – Lessons Learnt

Watercare have no immediate Asset Management concerns associated with the Whaley event. We are, however, reviewing the following two areas:

- Our Emergency Action Plans to ensure they are up to date and communicated effectively to Civil Defence, Emergency Services and downstream stakeholders
- Our spillway slab joint monitoring programme to ensure regular and appropriate inspections will detect in a timely manner any deterioration of concrete slab joints



Source: Environment Agency

BBC







5.1



Report to the Board of Watercare Services Limited
 Prepared for the 30 August 2019 meeting

Annual Review of the AMP & Major Capex Committee and Terms of Reference

6.1

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. Recommendation

That the Board approve the updated AMP & Major Capex Committee (AMCC) Terms of Reference (TOR) (**Appendix A**).

2. Purpose and context

In accordance with Clause 6 of the TOR, at the May AMCC meeting the Committee undertook, with Management's assistance, an annual review of its performance, purpose, responsibilities and TOR.

The AMCC is now required to advise the Board of the outcome of that review, along with any recommended changes to the TOR (such changes must be approved by the Board).

3. The details

At the May 2019 AMCC meeting:

- The Committee discussed the conduct and performance of the AMCC. As the Committee is new, it is still establishing its purpose. The Committee Chair was keen to see the AMCC evolve and become more involved in forward planning of asset management and procurement (rather than at delivery), as this is where the Committee can add the most value.
- In the future, Management will provide draft papers for the Committee meetings to the non-Board External Expert Advisor so he can review and add value from their perspective before they are finalised and shared with the Committee.
- The AMCC did not request any further changes to the ARC TOR additional to those suggested by Management (which are mainly stylistic and grammatical).

Appendix B is a copy of the current TOR, marked up with Management's suggested changes.

Appendix A is a clean copy of the document in Appendix B, with the changes accepted. The Board is being asked to approve this document.



AMP and Major Capex Committee (AMCC) Terms of Reference

6.1

1. Purpose and Composition

The AMP and Major Capex Committee (AMCC) is a committee established by the Board of Directors of Watercare Services Limited ('Watercare').

The primary purpose of the AMCC is to assist the Board of Directors of Watercare ('Board') to exercise due care, diligence and effective oversight of all matters relating to the Asset Management Plan (AMP) and Major Capital Projects (MCP).

AMCC means any capital projects involving capital expenditure above \$100M, including the Central Interceptor.

The AMCC will, in relation to the AMP:

- Serve as an independent, objective party to review information presented by senior management relating to the AMP;
- Review the AMP prior to the presentation to the Board; and
- Act as a forum for the free and open exchange of views and information between the Board and internal Managers developing the AMP.

The AMCC will, in relation to MCPs:

- Serve as an independent, objective party to review information presented by senior management relating to MCPs;
- Review the capital planning;
- Review post completion audits of MCPs; and
- Act as a forum for the free and open exchange of views and information between the Board and internal Managers of MCPs.

The AMCC shall be independent of management and comprise:

- at least three Directors; and
- a non-Board External Expert Advisor.

The Board will appoint, remove or replace the AMCC Director members and Chair of the AMCC ('AMCC Chair'). The Chair of the Board of Directors may be a member of the AMCC, but not the Committee Chair of the AMCC.

The AMCC will appoint, remove or replace the non-Board External Expert Advisor.

The AMCC will be structured to ensure that, as a collective group, it has the qualifications, skills, experience and knowledge to fulfil its purpose and responsibilities.

At least one member of the AMCC will have experience overseeing a major capital infrastructure projects.

The AMCC is effective from 1 March 2018. It will be dissolved if agreed by Watercare's Board of Directors.

2. Meetings

Meetings of the AMCC will be held not less than four times a year, or as required.

Meetings of the AMCC shall be held at the discretion of the AMCC Chair at any time or if requested by any AMCC member, the Board or the Chief Executive.

A quorum shall be a majority of members.

Members may participate in, or conduct a meeting of the AMCC through the use of any means of communication by which all members participating can hear each other during the meeting and participation by such means shall constitute presence in person at the meeting.

A resolution in writing, signed or assented to by more than half of the members of the AMCC, is as valid and effective as if it had been passed at a meeting of the AMCC duly convened and held. Any such resolution may consist of several documents (including transmissions by email or other similar means of written communication) in like form, each signed or assented to by one or more members of the AMCC.

The AMCC will appoint an appropriate person to act as Committee Secretary ('Secretary') who will be a company employee or advisor as nominated by the AMCC from time to time. The Secretary, in conjunction with the AMCC Chair shall be responsible for coordination of all AMCC business including meeting scheduling, agendas, policy reviews, distribution of papers, minutes, and communication with the Board and management.

Minutes of each meeting shall be taken, circulated promptly in draft form to the AMCC Chair, confirmed at the following meeting and signed thereafter by the AMCC Chair as a correct record of proceedings of the meeting.

The AMCC may have in attendance Management (including the Chief Executive and the Chief Infrastructure Officer) and such others persons including external experts and others it deems necessary to provide appropriate information, explanation or assistance.

From time to time the AMCC Chair may request that the AMCC meet without these persons present.

Directors who are not members of the AMCC may attend meetings but may not vote.

3. Authority

The AMCC is authorised by the Board to deal with matters relating to Watercare's AMP and MCPs.

The AMCC may:

- Make decisions (or submit recommendations for consideration by the Board) on matters where decision-making authority has been delegated to the AMCC by the Board [see responsibilities in section 5]; and
- Submit recommendations to the Board on matters for which decision-making authority has not been delegated by the Board.

The AMCC will not become involved in day-to-day operations, functions or decision-making by management or employees.

It is the responsibility of Senior Executives¹ to draw the AMCC Chair and AMCC's immediate attention to any material matter that relates to the AMP and any MCP, including any material breakdown in internal controls.

4. Access and Independent Advice

To fulfil its functions, duties and responsibilities the AMCC is authorised by the Board to have all necessary access to, and seek any information it requires from, any employee, consultant or advisor to Watercare. All employees are directed by the Board to cooperate with any request made by the AMCC.

The AMCC is authorised by the Board to have access to external experts without management present, to request additional information or explanations.

Individual members of the AMCC are entitled at any time to access Watercare's Senior Executive to request additional information or explanations.

Members of Watercare's Senior Executive have an express right of direct access to the AMCC Chair in relation to any matters of material concern that have been raised through normal management processes but have not been advised to the AMCC.

The AMCC is authorised by the Board to obtain, at the expense of Watercare, independent legal or professional advice it considers necessary to discharge its responsibilities.

5. Responsibilities

The AMCC shall provide assistance to the Board in fulfilling its responsibility to the shareholder, and other stakeholders, relating to the provision of Watercare's AMP and MCPs. In

carrying out these responsibilities, the AMCC does not relieve the Board of its responsibilities and legal obligations.

It is the responsibility of the AMCC to maintain communication with the Board and Watercare's Senior Executive.

In carrying out its responsibilities, the AMCC's policies and procedures should remain flexible, in order to best react to changing conditions.

The duties and responsibilities of AMCC members are additional to those they have as a member of Watercare's Board.

In carrying out its responsibilities, the AMCC will:

5.1 Committee Governance

- Establish and review the work plan of the AMCC.
- Ensure minutes and papers (including documents tabled at meetings) for all AMCC meetings are provided to the Board. The AMCC Chair will report to the next Board meeting on the outcomes, findings and recommendations of the AMCC meeting.
- Investigate any matter brought to its attention within the scope of its responsibilities, retaining independent legal or professional advice for this purpose if, in its judgment, that is appropriate.
- Unless identified in these terms of reference, or otherwise directed by the Board, the AMCC will have no delegated authority in regard to its findings and recommendations.

5.2 Other Responsibilities

- Examine and report to the Board on any matters referred to the AMCC by the Board.

6. Review of the Terms of Reference

The AMCC will undertake, with management assistance, an annual review (or as often as conditions dictate) of its performance, purpose, responsibilities and Terms of Reference. It will advise the Board of the outcome of that review along with any recommended changes.

Any changes to the AMCC Terms of Reference must be approved by the Board.

These Terms of Reference were reviewed by the Board in August 2019.

¹ Executive Team and Senior Management Team

March 2018

AMP and Major Capex Committee (AMCC) Terms of Reference

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Any changes to the AMCC Terms of Reference must be approved by the Board.

These Terms of Reference were reviewed by the Board in ~~March 2018~~ | 2019.

¹ Executive Team and Senior Management Team

Board Planner 2019




		August	September	October	November	December
Meetings	Board	30-Aug	24-Sep	30 Oct (with Board dinner on the 29th)	26-Nov	17 Dec (Teleconference)
	Audit and risk committee	23 Aug (9-11am)		29 Oct (3-5pm)		
	People, Remuneration and appointments committee	30 Aug (after Board Meeting)		29 Oct (1-3pm)		
	STP Committee		24 Sept (after Board Meeting)		25 Nov (3-5pm)	
	AMP & Major Capex Committee	29-Aug (4.30-7pm)			TBC	
Events	Community and Stakeholder Relationships	19-20 August, Action 2030 (Watercare Symposium)				
Governance	Charter reviews			PRAC charter	STP Terms of Reference	
	Policy reviews		Tax Risk Management Policy		Fraud Policy	
	Delegations	Annual review of board delegations to CE				
	Risk report Due to Council	7 Aug and 21 August				TBC
	Enterprise Risk report to Board			Report to Board		
	Compliance			Statutory compliance		
	Shareholder interaction	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 31 October 2019 (to be approved by Board at the October meeting).		Q1 briefing to F&P Committee TBA
	Site Visits		Site Visit (11 September - Rosedale & Huia)		Site Visit (after Board Meeting)	
	H&S Quarterly report			Jul-Sept 19 Report		
Board Training	Board training & development	Propero reporting back to the board				H&S Board Update (once new board members have started)
Business strategy	Strategic planning					
Business planning	Key finance and business decisions	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	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

Report to the Board of Watercare Services Limited
Prepared for the 30 August 2019 Board meeting

Disclosure of senior executives' 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
					

7.2

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 Director – Committee for Auckland Director – J N Jaduram Corporation Limited (Fiji) Member - Auditor-General's Local Government Advisory Group Director designate – New Zealand Infrastructure Commission - Te Waihangā
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
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"> Committee Member – International Water Association, New Zealand
Shayne Cunis	<ul style="list-style-type: none"> Director – The Water Research Foundation (USA)



Report to the Board of Watercare Services Limited
Prepared for the 30 August 2019 Board meeting

Directors' appointment terms and committee memberships

7.3

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 seven 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
Hinerangi Raumati-Tu'ua	2 May 2019	31 October 2021

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	
Hinerangi Raumati-Tu'ua	✓			

**Board Chair attends in ex-officio capacity*

