Board meeting | 30 August 2021 Public session



Venue	Watercare Services, Level 3 Boardroom, 73 Remuera Rd, Remuera		
Time	9:15am		

	Item	Spokesperson	Action sought	Supporting material
1	Opening Karakia	Board		
2	Meeting administration	Chair	For discussion	Verbal update
3	Apologies	Chair	Record apologies	Verbal
4	Minutes of meeting	Chair	Approval of minutes of the meeting of 29 July 2021	Minutes of the meeting of 29 July 2021
5	Public deputations	Chair	For information	Verbal
6	Chief Executive's report	Jon Lamonte	For discussion	Report
7	Health, safety and wellbeing report for July 2021	Bronwyn Struthers	For discussion	Report
8	For approval			
8.1	Review of the Corporate Governance Charter	Rob Fisher	For approval	Report
8.2	Update on Watercare's narrative	Amanda Singleton	For approval	Report
9	For discussion			
9.1	Central Interceptor report – July 2021	Shayne Cunis	For discussion	Report
9.2	Drought update	Mark Bourne and Anin Nama	For discussion	Report
9.3	Iwi relationships – including Tame Te Rangi from the Managers Kaitiaki	Richard Waiwai and Tame Te Rangi	For discussion	Report
	Forum			
10	Governance			
10.1	Board Committee updates	Committee Chairs	For discussion	Verbal
10.2	Board planner	Chair	For information	Board planner
10.3	Directors' appointment terms and committee memberships and meeting attendances	Chair	For information	Report
10.4	Disclosure of Directors' and Executives' interests	Chair	For information	Report
11	General business	Chair	For discussion	Verbal update

Date of next meeting Thursday 30 September 2021		
	Date of next meeting	Thursday 30 September 2021

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1

Opening Karakia

E te katoa

Toia mai ngā mahi

Ki te awatea

Haumi e, hui e, tāiki e

To all

bring forth our aims and objectives for today

Embrace, gather, anoint.





Minutes

Board meeting Public session			
Date	Pate 29 July 2021		
Venue Watercare, Level 3 Boardroom, 73 Remuera Road, Remuera			
Time 10.25am			

Attendance				
Board of Directors	Watercare staff	Guests		
Margaret Devlin (Chair) Dave Chambers Brendon Green Frances Valintine Nicola Crauford Hinerangi Raumati-Tu'ua Graham Darlow	Jon Lamonte (CEO) Marlon Bridge (Deputy CEO) Rob Fisher Bronwyn Struthers (for item 7) Rebecca Chenery (for item 8.1) Shayne Cunis (until the end of item 9.2) Mark Bourne (for item 9.3 & 9.4) Anin Nama (for item 9.3) Rob Tinholt (for item 9.4) Suzanne Naylor (for item 9.4) Richard Waiwai (for item 9.5) Jacky Simperingham Jodie Atkin (via Teams) Pinaz Pithadia (via Teams)	Claire Gomas, Principal Advisor, CCO Governance and External Partnership, Auckland Council (via Teams) (via Teams – until the end of item 9.5) Francesco Saibene, GAJV (until the end of item 9.1)		

1.	Opening karakia
	Dave Chambers opened the meeting with a karakia.
2.	Meeting administration
	The Chair noted that agenda items 9.1 and 9.2 would be brought forward due to Shayne Cunis' media commitments.
	The Chair acknowledged the opening of the additional treatment capacity of 50MLD at the Waikato Water Treatment Plant on 20 July. The Board acknowledged the phenomenal achievement in such a short space of time, and how it illustrates the capability of Watercare to achieve things. The Chair asked for this to be conveyed to all staff.
3.	Apologies
	Apologies were received from Councillor Cooper as she was attending a Governing Body meeting.
4.	Minutes of meeting
	The Board resolved that the minutes of the public session of the Board meeting held on 5 July 2021 be confirmed as true and correct.
	Rob Fisher (Acting Chief Officer Support Services) confirmed that Watercare had sent a response to the students from Auckland University's Equal Justice Project that had attended the 5 July 2021 Board meeting.
5.	Public deputations
	There were no public deputations.
9.	For discussion
	9.1 Update from Francesco Saibene, GAJV
	Francesco Saibene, GAJV, spoke to the presentation.
	Francesco explained two safety moments as examples of the issues those working on the Central Interceptor project face.

Francesco gave an update on the project noting that it is going well, and explained successes achieved so far which include: • The great people on the project. A successful and supportive relationship between Watercare and the JV. The focus on sustainability. The recent funding from ECCA toward the electric trucks initiative is an example of that. • The project is leading the construction industry. He discussed the challenges the project faces which include: Shortage of skilled staff. • Suppliers and sub-contractors have the same issues with not being able to bring staff from overseas. JV not able to visit the project in NZ. • The departure of staff who had a good relationship with WorkSafe. Francesco explained the focus in the coming months which include: • Safety will continue as the number one priority. A focus on improvements following the Micro TBM starting, and the Main TBM starting on 30 July. People including succession planning, ensuring it continues to be an enjoyable place to work and considering a retention scheme. ٠ Relationships with stakeholders to ensure the continuation of a collaborative environment. The Board thanked Francesco for the update and had a discussion about various topics including: The relationship with WorkSafe, and the work that has been done. • Francesco explained there is a risk of delay and/or complexities in the future following a question from the Board. Vacancies and shortage of skilled staff. • Following 100 day extension of time for Covid-19, the project is back on the pre-Covid-19 critical path. • Due to the international experience of the JV, issues have been pre-empted. • • Cost pressures on project including in general, vacancies and remuneration. • Support mechanisms for dealing with being away from home. Management to schedule another meeting with Francesco and the Board early in 2022. Francesco left the Board with hard copies of a book that summarise the project for 2020.

	9.2 Central Interceptor report for June 2021
	Shayne Cunis (Executive Programme Director CI) played a video that summarised the CI project to date ahead of the TBM launch on 30 July 2021.
	Shayne took his report as read.
	It was noted that the costs of the project are only provided at a high level. It was discussed that a deep dive on the commercials would be provided at the next AMCC meeting on 11 August. The costs were discussed, and Management explained the costs are monitored and discussed every month.
	The Board and Management discussed the possibility of further Covid-19 lockdowns. Shayne explained that the CI project has updated its Covid-19 plans. It was discussed that vaccinations and testing in relation to Covid-19 is a wider action for Watercare to discuss at the CCO CE forum.
	The Board queried the level of risk associated with the potential for the Western Interceptor settlement. Shayne explained that the CI project has managed it to date.
	The Board and Management discussed the people issue, including the fact this is something the wider construction industry is facing, and the importance of investing in the training of current staff. Claire Gomas (Principal Advisor, CCO Governance and External Partnership, Auckland Council) agreed that the CCO CE forum would be an appropriate forum for a discussion of this issue (and Covid-19 vaccinations issue) as it is a broader Auckland Council discussion, and with Government.
	The Board noted the report.
6.	Chief Executive's report
	The report was taken as read.
	Jon Lamonte requested feedback on the general format of the report, and noted the increase in number of attachments that could potentially be put in the Resource Centre on Boardbooks. The Board requested that the attachments to the Chief Executive's report are retained, while Management continue to refine the report.
	The Chief Executive noted:
	 Media attention has been received following the discussion on the skills shortage Watercare is facing at the last Board meeting. Following the Board strategy session on 27 July, Management will report back to the Board on progress in early September. The average leave liability. Management have advised staff of the Christmas shutdown period early to encourage staff to use leave.

	Performance against the customer related measures is good.			
	Rob Fisher provided an update on the Huia resource consent since the report was written. Seven appeals have been filed against the decision.			
	Management to provide more detail in relation to what the "illness complaints" are at page 47 of Boardbooks.			
	Union negotiations ongoing, and Management is not aware of any issues with the negotiations at this stage.			
	The Chair noted that WICS has been engaged, and a discussion around the resources necessary to produce information for them was had.			
Rob Fisher explained the non-compliance with the resource consent at the Helensville treatment plant and measures taken to into compliance.				
The Board and Management discussed the consistent messaging around water sources and restrictions with customers as we lo summer.				
	The Chair queried the wording in relation to <i>E.coli</i> at page 45 of Boardbooks. Management to ensure wording clarifies the position that Watercare is 100% compliant.			
	It was discussed that the voluntary turnover of 8% was healthy, as other organisations are experiencing two to three times that. Jon noted the loyalty of Watercare staff.			
	The Board noted the report.			
7.	Health, safety and wellbeing report for June 2021			
	The report was taken as read.			
	Bronwyn Struthers (Head of Health, Safety and Wellbeing) noted that she had attended a meeting, along with Jon and Shayne, with WorkSafe which was very productive. The parties discussed the engagement of the workforce, contractor execution of plans, and the quality of conversations. The Board and Management discussed the challenges, and Management noted that plans are being put in place to make improvements.			
	The Board commented that the new format of the report was useful, including the deep dives on critical risks.			
	The Board noted the 24 days average leave liability, and Management confirmed that actions were being taken to proactively encourage staff to take their annual leave.			
	The Board asked for future rollover incident reports to state whether or not the person was wearing a seatbelt.			

	The Board and Management discussed setting a KPI for senior staff to conduct site visits. Jon noted that senior staff are conducting site visits, but not necessarily recording them, so a KPI would assist in ensuring they are recorded.
	The Chair asked Management to put their minds to whether each critical risk that is discussed each month can be eliminated. For example, in relation to the chemical incident at page 55, can an over-fill cut off be used, similar to what is used on petrol pumps.
	The Board thanked Bronwyn for the report, and noted that the increased engagement from the Board indicates the usefulness of the reporting.
	The Board noted the report.
8.	For approval
	8.1 Final draft of Lutra's revised Statement of Intent 2021-2024
	Rebecca Chenery (Chief Technology Officer) spoke to the report.
	Rebecca noted that Lutra's Statement of Intent has been updated to include Lutra's performance against the measures. The targets included in Lutra's Statement of Intent for the next three years are stretch targets.
	The Board and Management discussed that the targets are achievable in the current market, however, are stretch targets.
	The Chair asked for the targets to be a signatory of the Diversity Agenda Accord to be removed from the Statement of Intent. Instead, the management of Lutra should have more meaningful targets to increase diversity.
	A question about how the staff mood was measured. Rebecca explained that Lutra use a scientific tool called Team Mood.
	The Board approves Lutra's revised draft Statement of Intent 2021-2024 for submission to Auckland Council by 31 July 2021 for Auckland Council's information subject to the third target on 68 of Boardbooks being removed.
9.	9.3 Drought update
Cont'd	Mark Bourne (Chief Operations Officer from 1 August 2021) and Anin Nama (Manager Improvement Programme Operations) spoke to this report, which they took as read.
	The Chair noted that the Board is delighted with Mark's appointment as Chief Operations Officer from 1 August 2021.
	Anin noted that demand is currently well below the target ceiling of 413MLD.
	Anin explained that the graph at page 102 of Boardbooks has been updated to include yellow bars which set out the forecast from 1 July.

Anin noted that work continues with the programmes of work set out in the Augmentation Status Update at page 104 of Boardbooks. There has been good savings from the leakage management work. The Chair was pleased to see the replacement of domestic meters was on target. Mark confirmed that Waikato 50 has been operating as planned. There had been one unplanned outage at 11pm one night, and it was back online by the morning. The Chair acknowledged the huge effort made to achieve the operation of Waikato 50, and thanked staff. The Board **noted** the report. 9.4 Resource recovery pathway for biosolids – overview and next steps Mark Bourne introduced Rob Tinholt (Resource Recovery Manager) and Suzanne Naylor (Head of Water Value). Mark noted that a decision was made in 2014 to in-source the production of biosolids at Mangere. This was due to a desire to manage the environment, and health and safety. Rob Tinholt spoke to this report which he took as read. The Board fully supported the progress that has been made, and encouraged Watercare to proceed at pace. The Board and Management discussed that incineration, conversion to biofuels, and conversion to biochar were not addressed by the report due to regulatory uncertainty and technology constraints in the NZ context. The Chair acknowledged that Watercare is on a journey in this regard. The Board and Management discussed that the products were fully compliant with relevant regulatory requirements due to the fact the contaminants are at an acceptable level. The Chair asked members of the Board to email detailed questions to Rob Tinholt via Rob Fisher. The Board and Management discussed the consideration of scale partners, how far down the supply chain do we partner and the importance of co-creation with customers. It was discussed to consider using a paper bag for the product, rather than plastic. Rob Tinholt noted that there had been various workshops conducted, and the packaging was not yet finalised.

The Chair noted that the Board is very supportive of this work and noted that this is already being done in a lot of other jurisdictions. She encouraged Watercare to take learnings from overseas.

Rob Fisher acknowledged that Rob Tinholt has had a lead role in saving Watercare \$40 million over the life of the rehabilitation project. This had benchmarked by working with the Government at the time to ensure that the biosolids deposited at Puketutu Island did not attract a waste levy given they are an essential element in the rehabilitation. The Board congratulated Rob Tinholt.

The Board **noted** the report.

9.5 Iwi relationships

Richard Waiwai (Poutiaki, Tikanga Māori) (Principal Advisor) spoke to this report which he took as read.

Richard noted that the representatives from the two iwi's detailed in the report are interested in connecting with the Chair, and Jon. Richard is awaiting dates.

The Board **noted** the report.

9.6 CCO review recommendations

Rob Fisher spoke to this report which he took as read.

Rob noted that Watercare has continued to engage with the CCO Monitoring Group to progress and participate on the recommendations.

The relationship is very good.

The Board and Management discussed the upcoming CCO visit on 10 August, and the current plan.

The Board **noted** the report.

9.7 Statement of Expectations update

Rob Fisher took the report as read.

The Board **noted** the report.

10.	Governance
	10.1 Board committee updates
	There have been no sub-committee meetings since the last Board meeting, so there were no updates.
	10.2 Board planner
	The Board noted the Board planner.
	10.3 Directors' appointment terms and committee memberships and meeting attendances
	The Board noted the report.
	10.4 Disclosure of Directors' and Executives' interests
	The Board noted the report.
11.	General Business
	The meeting closed at 12:47pm.

CERTIFIED AS A TRUE AND CORRECT RECORD

Margaret Devlin, Chair

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Chief Executive's report – July 2021

Presented by: Jon Lamonte



1. Ngā take matua o te wā/ Current significant issues

Safety concerns continue to feature highly. With the fifth excavator to overturn in six weeks, we took the opportunity to take the CEO of Fletcher Construction out to the Tuakau site to see in person what happened, ahead of the formal investigation, to talk to those involved and to come up with an action plan. At the same time, we were able to visit the site of the switch room issue reported previously, where an operations person entered the switch room and fell 1.2m as the scaffolding floor had been removed that day by construction workers. The visit gave us the chance to revisit the working between operators focused on service delivery, and construction workers, who focus on the last four months of project delivery. Subsequently, a further incident of an excavator nearly overturning on a Fletcher Construction site occurred, and Richard McIntosh got the representatives of all the major construction companies together for a planned stop work to review the use of these machines.

Following the round of Town Hall sessions, I received feedback from our people in Warkworth about the issues at the wastewater treatment plant (which has been extended in stages and maintained pending the new plant at Snells), and the water treatment plant which was completed in 2018 but has a number of residual issues. I took Steve Webster and Bronwyn Struthers with me to talk to staff and see the issues for ourselves. At the heart of the issues lies a need for better communications at all levels, and a more careful review of residual risks when decisions are taken on programme deferrals, including the impact on operational staff.

Close out of the financial year is always a stressful period for the team, and the auditors have broadly confirmed (subject to any last changes) that our accounts will be unqualified. Given a substantial revaluation of assets, resolution of a lot of WIP to be capitalised, and a number of accounting changes, this is some achievement. Going forward, there will be a need for the infrastructure and finance teams to work even more closely together to ease the processes.

The launch of Hiwa-i-te-Rangi, the main TBM for the Central Interceptor, was a major milestone for the project and a massive achievement for the team. Particularly pleasing was the family day on the Saturday and the public open day on the Sunday, such that some 2000 people visited the site and the CI team proudly showed off one of the most significant projects that Watercare has ever done. The positive reaction from communities and media was extremely good for the whole organisation's morale. Hot on the heels of the TBM launch came the Water Expo, the first done by Watercare. Focusing on demand management, and bringing together suppliers and consumers, this was a great success and set the benchmark for future events.

2. He korero hou mo te whakatinanatanga o te mahere rautaki/ Update on strategic plan implementation

The Board and the Executive had a successful strategy day session on 27 July. Management has been progressing the actions that came out of this session, and the Board and Executive will be meeting on 27 August to solidify the strategy.

3. He korero hou mo te kokenga whakamua o nga taunakitanga/ Update on progress on recommendations

The table set out at Attachment 1 provides an update on Watercare's progress against the recommendations it has received from various reviews, including the Aurecon review. A report updating progress on the CCO Review recommendation is provided to the Board every two months.

4. Te tangata/ People

Watercare is monitoring its leave liability closely particularly since the introduction of travel restrictions in 2020 as part of the Government's Covid-19 response. Recent announcements by the Government indicate a slow lifting of border restrictions meaning it is unlikely that travel will free up until well in to 2022. It is therefore important Watercare actively manage our leave liability, particularly through leave planning with individuals with excessive leave balances and to ensure adequate rest and recouperation away from the workplace.

In March 2020 we observed a steep increase in leave liability following the first lockdown. However, more recently this has levelled off. Key factors in this uplift were the cancellation of leave booked by employees, and an inability to travel during alert levels 2.5 and above. This spike is consistent with trends felt by most businesses in New Zealand. This uplift led to a leave liability increase of 9% in April and May 2020. Since April 2020, leave liability growth has stabilized significantly, with average monthly growth of 1% to the period ending June 2021. We have seen that general patterns of leave around holiday times appear to be in the average range. The July school holidays saw a decrease in average leave per employee of approximately three days from July to August. We have also announced another Christmas 'shut-down' period for all non-critical employees which was effective in reducing leave over the summer period.

Current staff numbers are 1,143 full time equivalents (excludes contractors filling full time positions)¹. Voluntary turnover has increased by 2% in the last quarter to 8%, up 0.5 % from this time last year. This turnover rate is reasonably stable compared to other New Zealand businesses and a third of already-employed job seekers are cautious about starting a new job with a new employer (Seek, June 2021). Statistics NZ reports that online job advertisements reached their peak in June 2021 compared to June 2019 and 2020. Before Covid-19 the average national turnover rate was 16% which is well above our current level.

6

¹ Please note, this number is *full time equivalents* and differs from the *number of employees* in the HSW Report. The HSW Report uses the number of persons, whether part-time, full-time, directly employed or contracted.

We have seen an increase on the average seasonal sick leave in July. Work hours taken as sick leave was at 3.46% compared to 2.38% in June. This is higher than the same period last year which was 2.85% in July 2020. However, this was a lower than average rate was likely due to Covid-19 restrictions in place involving social distancing, lockdowns, mask wearing and increased hygiene awareness etc. In July 2019 (pre-Covid-19) sick leave was at 3.02%. Whilst the rate for July this year is higher than average, it is still well below our target of 5% and compares well to other businesses in NZ.

Update on Skegg report

Sir David Skegg recently released advice to the Government regarding New Zealand's Covid-19 response on behalf of the Strategic Covid-19 Public Health Advisory Group. The advice focussed on three main areas: effectiveness of our elimination strategy, vaccinations, and reopening of our borders.

Overall, the report was complimentary of the Government's response and identified that the elimination strategy had resulted in significant health and economic benefits particularly in comparison to other countries of a similar demographic.

In terms of vaccination levels, the report concluded a vaccination target may not be effective as there is no "magical state of herd immunity". Instead, the report concluded that "consistently high proportion of adults" being vaccinated will make it easier to stamp out the virus as it presents.

Encouragingly, the Skegg report did provide advice on gradually opening our borders and indicated that this could be achieved in 2022. This was dependent on travellers being fully vaccinated, regularly tested, and effective contact tracing.

Since the report the Government has provided more information on the plan to reduce the need for mandatory MIQ for vaccinated travellers to low or medium risk countries.

At Watercare we will continue to encourage high vaccination participation for our employees and welcome the move to relax border restrictions. We are working with various advisory groups to explore quarantine exemption options for critical workers and will continue to support this agenda.

5. Nga Tohu Matua Takinga Mahi/ Major Key Performance Indicators (KPIs)

Watercare has a number of performance indicators set out in our Statement of Intent. Attachment 2 sets out Watercare's performance against the current Statement of Intent measures for July 2021.

In addition to the Statement of Intent measures, an outcome of the Board strategy day could include a decision on the major KPIs that the Board would like to be updated on every month in this report.

In the meantime, we set out the following update:

- Watercare has commenced customer engagements with the aim of developing a new platform for public participation in complex decision making. While these sessions are intended to provide learnings for the establishment of a citizens' jury to be held at later in the year, we are already gaining great benefit from them. The single biggest insight from the first three sessions is just how invested our customers are in the city's water future. The customer groups are asked to discuss what Auckland's next (2040 and beyond) water source should be. After receiving high-level information (packaged by Watercare and delivered by Auckland University experts) on a number of options, groups discuss the suitability - from their perspectives - of each option. They then have an opportunity to ask questions to Watercare experts before reporting back on the option(s) they are most likely to support. Very early indications are that purified, recycled wastewater combined with at-home/business water efficiency are preferred over desalination. Participants were fully engaged, and willing to be invited back to similar engagements, including the three to four day long jury session.
- Watercare's first regionalised editions of *Tapped In* were well received by customers. We let them know about our investment plans in their respective regions and how these would benefit their communities. Together with our pricing communication, which explained why and where we are investing to ensure a resilient water future for Auckland, this initiative contributed to an eight-point increase over July 2020 in our trust score, now at 52.
- We continue to provide our customers with more digital options for transacting with us. With the addition of Google Pay, Watercare has become the first utility in New Zealand to offer all currently available online payment services. Our chat channel continues to grow as customers are appreciating the quick and instant service which now makes up 9% of total contacts. Just over 62% of customers now receive their bills by email.
- The number of wastewater overflows has increased recently over the last few months with July 2021 being 22% higher than July 2020. This is negatively impacting the NPS for field services. Therefore, it is a key focus area for us, especially in the central more heavily built-up areas, where we currently find it challenging to meet service level agreements.

6. He korero hou mo nga raru tupono me te aheitanga/ Risk and compliance update

6.1 Update on risk and compliance management

Work on the updated Risk Policy is nearing completion and will be presented to the Board for approval in November 2021. A refreshed Watercare business strategy is being developed, once this has been finalised the Watercare Risk Appetite statement will be defined to ensure alignment.

A full review of the format, risks and associated mitigation actions in this report is planned for July to October 2021 with the intention of streamlining and enhancing our current risk reporting to be more strategically focused. Planning work has commenced on a new risk system with an implementation approach to be confirmed by October 2021.

6.2 Risk and compliance incidents

Health, safety and wellbeing

Health, safety and wellbeing incidents are reported separately. The Board will note that we are trying to make more use of lead indicators, and to identify focus areas, relating to current patterns of incidents and future workload.

Non-compliance with resource consents

There were 31 resource consents with non-compliances in July. Attachment 3 sets out Watercare's consent compliance.

The increase in non-compliance this month is due to a continued backlog in reporting and scrutiny of consents as we transition to Lutra's Infrastructure Data (ID) platform. The current focus is Operations, which holds most of the regional consents (discharges and takes). Environmental Care expects to clear most of the reporting backlog in August and September.

Data communication issues between ID, Watercare's Pi Historian and the laboratory's LabWare package have delayed the ID system rollout. While we resolve these issues, we have instructed Lutra to prioritise the consents for the Central Interceptor (CI) so that CI can go live without waiting for the rest of the business.

Water quality

Attachment 4 sets out the Water Quality Report for July 2021.

All water quality parameters have been met for the month. Wai Comply acknowledged receipt of the ten Watercare WSPs that were submitted in June 2021. Wai Comply will complete its assessments by September 2021. Watercare's commitment to drinking-water quality statement was updated and signed. My Place WSP App has been updated to reflect the above. Good trends continue for reduced total coliforms across Watercare's water supply operations following the delivery of several improvements at the laboratory and across the wider water supply system.

LGOIMA requests

In July, we received five requests for information under the Local Government Official Information and Meetings Act 1987 (the Act). Two of the requests were forwarded to us by Auckland Council. Watercare has complied well within the 20-working-day requirement for a response (which is set out in the Act).

Legal action

- RMA related:
 - Waikato River BOI: Watercare's rebuttal evidence was filed on 9 July. This completes the evidence phase of the project. The hearing will commence on 31 August, and it is scheduled to conclude by 10 September. Arrangements are being made for a virtual hearing. Prior to the hearing, expert conferencing by statutory planners has been arranged in an attempt to resolve matters of disagreement between the parties. A joint statement has been produced. All planning witnesses have agreed the form of conditions, apart from the witness for Te Taniwha who declined to participate. The witnesses for HCC and Te Whakakitenga are advocating for a term of 20 to 25 years.
 - Huia Water Treatment Plant: Council granted approval to the resource consents to carry out the site preparation works (earthworks and vegetation removal) on the 30 June 2021. Seven parties have appealed the decision to the Environment Court (EC). They are the five immediate neighbours, the Titirangi Protection Society and the Tree Council. Since these were lodged, two parties have joined the appeals as 274 parties. These are the Waitākere Ranges Protection Society and Forest and Bird. The primary reasons for the appeal are the risks associated with kauri dieback, loss of amenity, compensation levels and impact on the area's ecology. The EC should issue directions as to how it views the appeal proceeding within the next few weeks. The EC will initially direct all the parties to enter into mediation. If the mediation is unsuccessful then it is anticipated that the hearing will be held before July 2022.
- Non-RMA related:
 - There is currently one claim for \$1.2m for alleged damage to a residential property from a burst watermain.

Whistleblowing

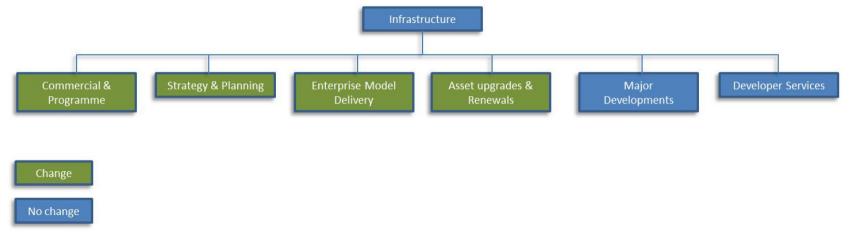
There have been no disclosures made through the PwC whistle-blower service since the last Board meeting. There is one ongoing investigation resulting from a previous disclosure. All disclosures are reported to the Audit and Risk Committee on a quarterly basis.

7. He korero hou mo nga wahanga pakihi/ Update on business areas

Infrastructure

\$7.5b of our 10-year Asset Management Plan (AMP) (\$8.9b) will be delivered through the Infrastructure team and partner organisations. To support this delivery a new operating model is being introduced. This model brings together the initiative to have the Enterprise Model (EM) as "one team, one brand, one business" as introduced to the Board in June 2021 and the change to how we engage with our engineering consultants and embedding them into the EM. In addition, it aligns with an initiative in the business to integrate the AMP processes and to ultimately have one system that enables end-to-end management of the AMP development and delivery.

The new operating model is portrayed in the figure below.



The purpose of the new operating model is to enable us to meet the needs of our customers through the delivery of the AMP.

The objectives are:

- To accelerate the achievement of our 40:20:20 vison
- The establishment of specific business units to allow dedicated focus of EM and non-EM programmes
- Getting ready for the integration of the new Consultant Partners at the beginning of 2022
- Providing improved programme discipline, focus and monitoring in the delivery of our AMP
- To enable a step-change to accelerate the EM delivery and the EM game changers
- To offer improved and real career pathways.

The key aspects of this operating model change are:

- Commercial & programme: Bringing programme management across the entire programme, together with the processes and procedures that are in place to manage and monitor the delivery inclusive of risk and continuous improvement.
- Strategy & planning: Combining both these functions into a single business unit and to provide improved collaboration between servicing strategies, AMP, and planning. In addition, to provide the platform for the new engineering partner model to be successful.

• Enterprise Model delivery and Asset Upgrades & Renewals: These are design and construction delivery business units that separate the EM delivery (\$5.5b) with the rest of the infrastructure delivery programme (\$2.0b). Both these delivery areas have a different focus and there is a need to give them the leadership and structure to allow them to be successful.

8. Ngā take me whakaaro/ Matters for noting

Water Services Bill update

As you will be aware, the Water Services Bill signals significant changes to the way the three waters, especially drinking water, is to be managed.

The purpose of the Water Services Bill (Bill) is to ensure that drinking water suppliers provide safe drinking water to consumers. It seeks to do so by providing a regulatory framework for drinking water that is consistent with internationally accepted best practice. The framework includes a duty for drinking water suppliers to have a drinking water safety plan and consistently comply with legislative requirements. The Bill would also provide:

- a risk management framework for source water that would enable risks to be identified, monitored, and managed
- mechanisms that would enable the regulation of drinking water to be proportionate to the scale, complexity, and risk profile of each drinking water supply
- mechanisms that would enable knowledge and expertise to be developed among suppliers of drinking water and across the water services sector
- a framework that would continuously and progressively improve the quality of water services.

The Bill would repeal Part 2A of the Health Act 1956, which relates to drinking water, and replace it with a stand-alone act. It would also amend several other Acts, including the Local Government Act 2002 and the Resource Management Act 1991. The amendments are related to the Government's decision to comprehensively reform the regulatory system for drinking water.

The Bill was referred to the Health Select Committee on 8 December 2020. The Minister of Local Government provided an initial briefing on the Bill on 10 March 2021. The closing date for submissions on the Bill was 2 March 2021. The Health Select Committee received and considered 977 submissions from interested groups and individuals and heard evidence from 130 submitters at hearings in Wellington and by Zoom. The Health Select Committee also received advice on the Bill from the Department of Internal Affairs and The Office of the Clerk. The Parliamentary Counsel Office assisted with legal drafting and the Regulations Review Committee reported on the powers contained in the Bill.

The Health Select Committee has just released its report and recommendations on the Bill. The report makes several recommendations both around the purpose of the Bill and in relation to definitions of certain terms.

We expect the legislation to be back in the House for its second reading shortly. We also understand that over the next few weeks, there will be further amendments to the Bill in the form of supplementary order papers. This will happen before the Bill's third and final reading.

Significant meetings

WDC/TITO 3-waters steering group; Councillor Darby; NEOM Saudi Arabia; Miriam Dean and Doug Martin; CCO Oversight Committee visit to Māngere; Hugo Group breakfast with Andrew Little; Aurecon; Bill Kapea re Martin's Bay Ocean Outfall; Singapore PUB; NZ Green Building Council; Te Arataura Board Representative Jackie Colliar; Te Ahiwaru, Makaurau Marae Leaders; James Brown Chair of Ngai Tai ki Tāmaki, CE Tama Potaka; Te Aupouri Iwi in Kaitaia and Te Kao; Ngāti Whātua Ōrākei opening and engagement with He Taonga Te Wai; Ngāti Paoa Chair, Glen Tupuhi; Kīngi Tuheitia Charity Dinner (cancelled); Matatini meeting with Councillor Alf Filipaina and CCOs.

9. Te Mana kua Tuku ki te Tumu Whakarae/ Delegated authority to Chief Executive

The delegations of the Chief Executive that have been exercised this month are set out in Attachment 5.

Jon Lamonte Chief Executive

Attachment 1

Update on progress following Aurecon, Senate and Propero recommendations – July 2021

	Recommendations	Status	Commentary
AURECON			
Water Strategy theme (addressing recommendations 5, 6, 15, 25, 26 and 27) Ongoing.		Ongoing.	As set out in the CE's report at the 29 April 2021 Board meeting, Watercare is working with Auckland Council on the water supply and demand workstream of the Strategy. Watercare has committed to key investments towards the 2030 targets which are a residential smart meter programme and reducing leakage below 13%, aiming for 11%. It is important to note that these targets still imply the need to secure additional water for Auckland, and therefore Watercare's 2020 application to the Board of Inquiry to take water from the Waikato Awa is still required in order to be a prudent water provider for the city of Auckland. Auckland Council are in support of this application. Watercare is also working with the Auckland Council group on the water sensitive cities index, a tool designed to benchmark the city's current performance against seven water sensitive goals and this work is in progress.
Customer engagement theme (addressing recommendation s 2, 6, 9, 12, 14, 20, 22 and 23)	Mass media (owned, paid and earned)	Ongoing.	 Two papers were presented at the 1 June Board meeting (narrative, and reputational equity and trust). Communications staff from the Mayor's Office and Council provided feedback on our narrative before it was presented to the Board. The narrative is broader than our drought response – it looks at water security and safety, investment in capital programmes, and pricing. The Board provided constructive feedback including a desire to see less corporate and more customer focused language, incorporation of Te Mana o te Wai and a more balanced perspective on growth and climate change. Work on the narrative will continue alongside the development of the Watercare Strategy and a further update will be reported back to the Board in August. In terms of specific tactics, we have implemented since receiving the Aurecon report: Our July <i>Topped</i> In focuses on how the investment in the AMP will deliver customer outcomes as we manage growth and address climate change challenges. For the first time, the newsletter has been geographically targeted to three regions, providing more localised examples of investment. C E received media training and we are leveraging the interest in him as newly appointed CE to get our messages to as wide an audience as possible. The winter campaign is underway, which encourages water efficient behaviour through social media competitions, radio sponsorships on eight major stations and distribution of shower timers across 85 gyms, pools and sports centres around Auckland. We are also reminding people to use water wisely this winter via our <i>Tapped In</i> e-newsletter. A water efficiency expo for commercial customers was held in August connecting commercial customers with key water efficient suppliers. Over 200 customers attended the expo and feedback was very positive. We had thought leaders speaking on the importance of being water efficient in this changing climate. We are planning to make this an annual event. Our stakeholder updates, whic
	Targeted face to face (forums)	Ongoing.	developers. The Watercare Board and the executive met with the CCO oversight committee for a tour of the Mangere wastewater treatment plant and Puketutu Island. The visit also provided a less formal opportunity for open discussion between the Councillors, the Directors and staff. Those attending enjoyed the visit and the opportunity for free and frank discussion.
	Customer co-design	Ongoing.	This is done as required. Recent examples include My Account enhancements and smart meter dashboards.
	Bespoke research	Ongoing.	Currently we are undertaking research on commercial customers and their willingness to pay for future resiliency – the initial top-line results have been reported back to the Customer team. A board paper will be presented in September to share the research and findings across residential and commercial customers.
	Deliberative democracy	Ongoing.	Update provided in 1 June 2021 Board pack. Four workshops have been held across Auckland with approximately 30 participants in each workshop. The participants were selected using a tool to ensure there was a representative sample (age and ethnicity) for each of the areas of Auckland. The complex conversations were engaging, and the public were willing to come back and continue to participate in events such as these. Participants have expressed an appreciation for being given the opportunity to be involved in these and complex future decisions. A number of staff have also supported the workshops.
Building trust Ongoing.		Ongoing.	A paper on rebuilding our trust and reputation in response to the drought and other issues was included in the 1 June 2021 Board papers. This paper identified key issues eroding trust and reputation and has helped with the development of consistent messaging in response. These messages are being used for key communications.
Water literacy Ongoing.		Ongoing.	We aim to move our engagement with customers from one-way information flows to include more inclusive and collaborative engagement. This was addressed in the board paper on rebuilding trust and reputation. The participatory model is providing great insights as to the water literacy of our customers.
Stakeholders relat	ionships	Ongoing.	We have analysed our key stakeholders, their areas of interest and the nature of the relationship as well as the effective channels for communication. Work will continue on developing the understanding of these relationships relative to our strategic issues while also providing a much more targeted and coordinated response.
Drought standard and restrictions Ongoing.		Ongoing.	Watercare is working to update its Drought Management Plan (referring to national and international learnings, and lessons learnt from our current drought). The work will include a review of communication with our customers (in the form of focus groups) and with Auckland Council (which will be aligned with the work set out above). A kick-off workshop was held in August with the timeline for completion being December 2021. The website has also been updated to include a wider perspective on the water supply situation beyond the dams and to provide more transparency around the water use restrictions and potential trigger levels.

SENATE	SENATE			
	Appointment and job description of new relationship role.	Complete.	The Deputy CE will take responsibility for this role identified by Senate. It is included in the job description.	
responsibility Creating internal				
strategy and support to make happen	Develop the strategy	Complete.	The draft forward engagement plan was discussed at the 5 July Board meeting.	

Update on progress following Aurecon, Senate and Propero recommendations – July 2021

	opdate on pro	<u> </u>	
	Put in place in plan to support the implementation of this strategy.	Complete.	The draft forward engagement plan was discussed at the 5 July Board meeting.
Roadmap for impl	Roadmap for implementation C		The roadmap was discussed at the 5 July Board meeting. The progress made was set out in the Board paper and will be reported on quarterly.
PROPERO			
PROPERO			
	Ensure the CE has clarity on the Board's view of critical / priority areas of focus	Complete.	Conversations have been held between the CE and Chair as well as with Board members.
	Keep providing feedback to the CE on what is working well, areas of continuing concern, etc.	Noted.	
	Reduce management presence (in some areas of Board meetings) to assist the lift in strategic focus and ability to hold candid conversations with the CE	Ongoing.	There was reduced management presence at the 5 July Board meeting, and this will continue going forward.
Setting up the	Work with management to build greater insight in customer reporting	In progress.	Customer monthly dashboard shared with CE and all executives.
new CE for success	Jon is to immerse himself in the company and industry to quickly develop his operational knowledge and awareness of stakeholder and customer needs	Noted.	Key focus has been 'business as usual' with initial focus on customer facing roles and interactions.
	The Board is to provide a key support role – providing clarity of expectations around strategy and management interaction and setting a framework for this engagement	Ongoing.	Regular conversations are being held between the Chair and CE. Work has also started on a strategic plan for the company. This was agreed with the Board at the 27 July 2021 workshop between Board and Management.
	Regular feedback (and small 'course corrections' as needed) is required early in his tenure as his key strategic, personal, interpersonal, and operational capabilities develop	Noted.	
	Build future meeting agendas around the "big rock" areas of strategic focus to carve out high-quality focus / dialogue on these key topics. Seek to streamline public meeting time to support this rebalancing of time	In progress.	Forward months agendas have been developed. CE to finalise approach with the Chair.
	Ensure clarity on the "golden metrics" – the most critical performance objectives	To be started.	This will be identified and reported on, following the Board and Executive meeting on 26 August.
	Increase visibility of risk and performance, especially around H&S	In progress.	Work has started on a different approach to reporting HSW information. The first stage was consolidating all the reported information into one part of the Board pack which was done at the 1 June Board meeting. For the company, the focus is on lead indicator reporting.
	Reset the CE performance evaluation, and clarify KPIs (especially early in his tenure)	In progress.	The Chair is in discussion with the CE.
	Continue streamlining reporting – address the concern of a bias towards 'good news', use an excellent CE report to frame meetings with a depth of strategic insight	In progress.	First iteration of streamlining the reporting was in the 1 June Board pack. Various report templates have been provided as a template for future reporting. With the aim of continuing to streamline reporting and drive the right discussions Watercare is tailing a new board report template.
	Develop a stakeholder engagement plan to track relevant groups and clarify the Board and management's role in leveraging and strengthening these relationships	In progress.	A board paper on "Rebuilding Trust", which is largely about stakeholder relations, was in the 1 June Board pack. An iteration of this board paper is being worked on, and following the Board and Executive meeting on 26 August, this will be presented to the Board. A plan for improving the Council stakeholder relationship was presented at the 5 July Board meeting.
Continue the rebuild of relationships and perceptions of Watercare	Maintain communication with the Council through regulatory reforms for clarity on shareholder expectations, potential changes in strategic direction, and upcoming risks and opportunities	In progress.	 The Department of Internal Affairs (DIA) has established the national transition workstreams on a 'no regrets' basis and is currently appointing personnel to lead these. Watercare is working with Auckland Council and DIA as required to support the transition. DIA are planning to release the scope of the stormwater function that will transfer to the new Water Services Entities. Early operational conversations have commenced with the Northland Councils with a focus on establishing relationships and sharing information. Watercare continues to engage in fortnightly steering group meetings with Auckland Council.
	Engage with Council around future capability needs (led by the Chair)	In progress.	
Step out of 'activist mode' and shift to 'thought partnership mode'	With the CE, reset the Board-management relationship – clarify Board expectations and priorities, reduce management's defensiveness, and build greater collaboration and transparency	Noted.	
	Management to ensure they are adopting an open stance and sharing a "warts and all" view with the Board	Noted.	
	Board members to focus on constructive challenge / inquiry / debate and ensure they provide a safe environment for management to openly share their challenges	Noted.	

Update on progress following Aurecon, Senate and Propero recommendations – July 2021

	The Chair-CE relationship will be critical to frame the wider dynamic, and both report a commitment to 'setting a tone from the top'	Noted.	
	Board to demonstrate confidence and provide clarity around expectations to the team	Noted.	
	Board and management commit to providing clear feedback on what is / is not working, increasing transparency and open communication, and decreasing defensiveness	Noted.	
Shift to a thought	Clarify key goals and align on the company's core focus	In progress.	Watercare Executive and management held a Strategy workshop with the Board on 27 July. The workshop, facilitated by Frances Valentine resulted in a number of exciting goals being discussed. The group will meet again on 26 August to approve the strategic outcomes and initiatives going forward.
partnership update	Set clear, aspirational, and realistic goals	In progress.	Watercare Executive and management will meet on 26 August to approve the strategic outcomes and initiatives going forward.
	Board and CE-only time	Complete.	A half hour session has been established prior to the start of confidential sessions.

CCO REVIEW

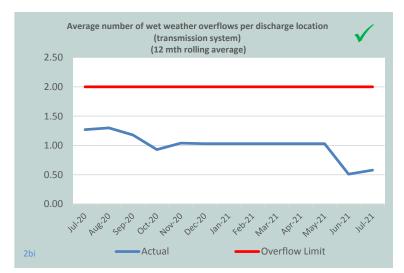
A number of recommendations set out in the bi-monthly	Poard undato
A number of recommendations set out in the printing	y board update

Ongoing.

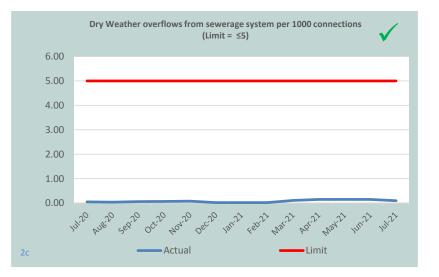
Continue to work on the actions that come out of the number of recommendations from the CCO Review. CCO Review update reported to the Board bi-monthly by exception.

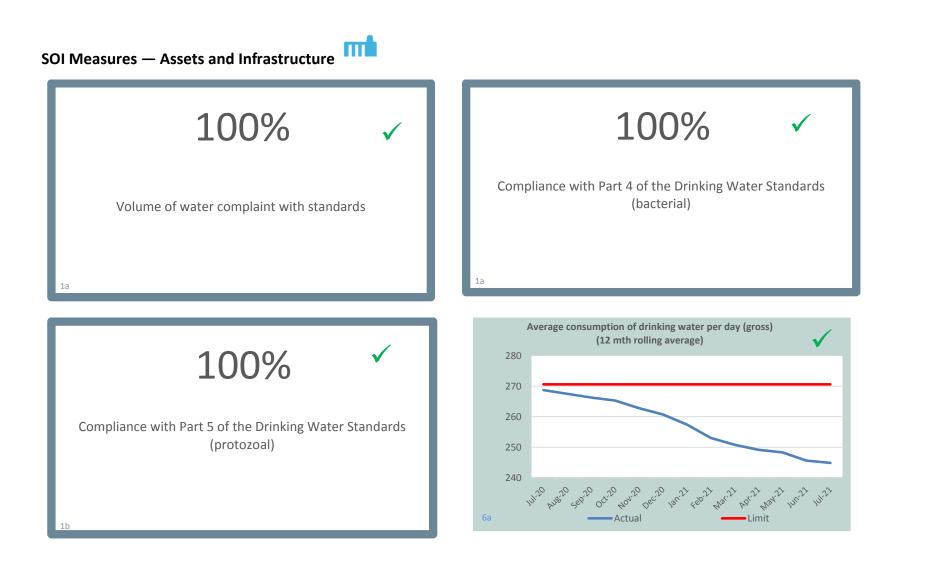
Attachment 2 – Performance against Statement of Intent measures

SOI Measures —Natural Environment

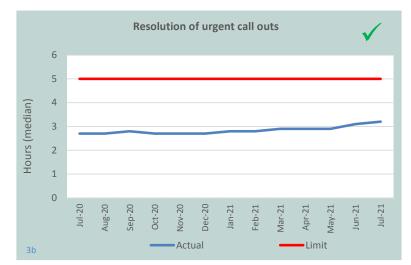


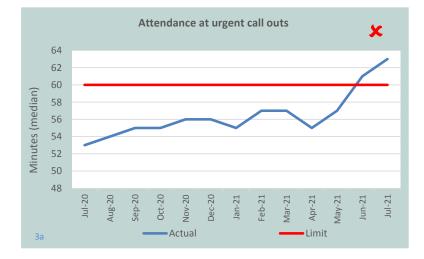
O Non-compliance with RMA consents measured by number of abatements notices etc

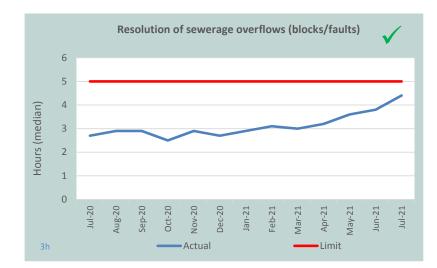


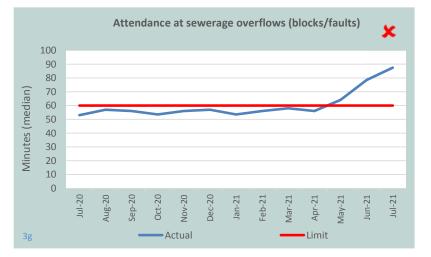


SOI Measures – Community and Stakeholder Relationships

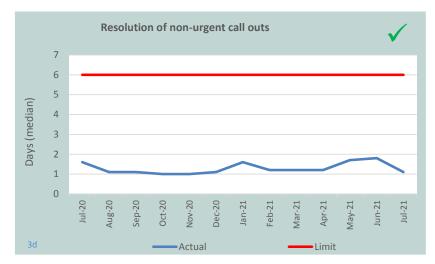


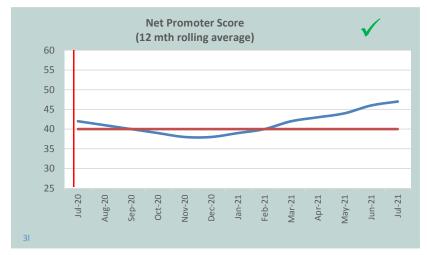


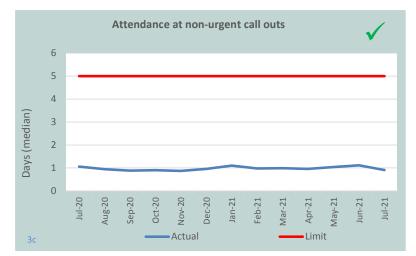


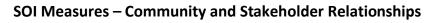


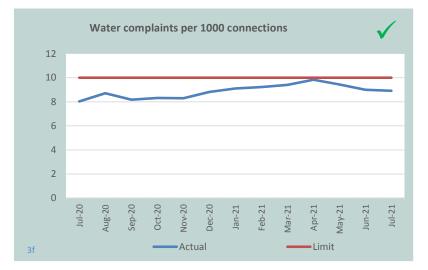
SOI Measures – Community and Stakeholder Relationships

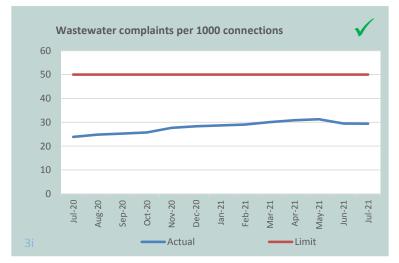












29

Watercare performance measures (unaudited)

No.	Measure	Target	Actual			Commentary
			July	June	May	
1.	Compliance with the territorial authority's resource consents for discharge					
	from its sewerage system measured by the number of:					
	a) abatement notices	≤2	0	0	0	
	b) infringement notices	≤2	0	0	0	
	c) enforcement orders	≤2	0	0	0	
	d) convictions	0	0	0	0	
	received by the territorial authority in relation to those resource consents					
2.	The average consumption of drinking water per day per resident (gross PCC)	>260	244.85	245.63	248.30	
	(12-month rolling average)					
3.	The extent to which the local authority's drinking water supply complies with	100%	100%	100%	100%	
	part 4 of the drinking-water standards (bacteria compliance criteria)					
4.	The extent to which the local authority's drinking water supply complies with	100%	100%	100%	100%	
	part 5 of the drinking-water standards (protozoal compliance criteria)					
5.	Median response time for attendance for urgent call-outs: from the time that	≤ 60 mins	63	61	57	
	the local authority receives notification to the time that service personnel					
	reach the site.					
6.	Median response time for resolution of urgent calls-outs: from the time that	≤ 5 hours	3.20	3.10	2.90	
	the local authority receives notification to the time that service personnel					
	confirm resolution of the fault or interruption					
7.	Median response time for attendance for non-urgent call-outs: from the time	≤ 5 days	0.91	1.12	1.04	
	that the local authority receives notification to the time that service					
	personnel reach the site					
8.	Median response time for resolution of non-urgent call-outs: from the time	≤ 6 days	1.1	1.8	1.7	
	that the local authority receives notification to the time that service					
	personnel confirm resolution of the fault or interruption					

No.	Measure	Target	Actual			Commentary
			July	June	May	
9.	The total number of complaints received by the local authority about any of	≤ 10	8.91	9.00	9.44	
	the following:					
	a) drinking water clarity					
	b) drinking water taste					
	c) drinking water odour					
	d) drinking water pressure or flow					
	e) continuity of supply					
	f) the local authority's response to any of these issues					
	expressed per 1000 connections to the local authority's networked					
	reticulation system (12-month rolling average)					
10.	Attendance at sewerage overflows resulting from blockages or other faults:	≤ 60 mins	88	79	64	
	median response time for attendance - from the time that the territorial					
	authority receives notification to the time that service personnel reach the					
	site					
11.	Attendance at sewerage overflows resulting from blockages or other faults:	≤ 5 hours	4.4	3.8	3.6	
	median response time for resolution - from the time that the territorial					
	authority receives notification to the time that service personnel confirm					
	resolution of the blockage or other fault					
12.	The total number of complaints received by the territorial authority about	≤ 50	29.41	29.5	31.27	
	any of the following:					
	a) sewerage odour					
	b) sewerage system faults					
	c) sewerage system blockages					
	d) the territorial authority's response to issues with its sewerage system					
	expressed per 1000 connections to the territorial authority's sewerage					
	system (12-month rolling average)					

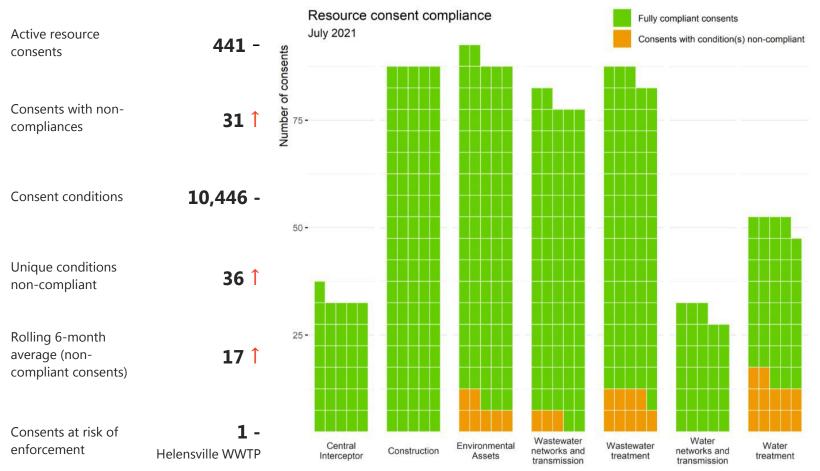
No.	Measure	Target	Actual			Commentary
			July	June	May	
13.	The percentage of real water loss from the local authority's networked reticulation system (12-month rolling average)	≤13	-	-	13.7	Watercare has now adopted a new way of measuring and reporting on real water loss as the use of a single percentage (%) loss factor compared to total volume supplied is an outdated and inherently errored measure (as per person consumption drops, real water loss increases). The new measurements are consistent with the International Water Association measures and are widely adopted in Europe and the UK.
14.	The number of dry weather overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system (12-month rolling average)	≤ 5	0.1	0.15	0.15	
15.	Average number of wet weather overflows per discharge location (transmission system) (12-month rolling average)	≤ 2 overflows per year	0.58	0.51	1.03	
16.	Employee net promoter score (eNPS)	≥20	-	-	35	No change as next survey not due until October.
17.	Gender workforce ratio	Improve on prior year	-	-	-	Next update when July data is available.
18.	Total recordable injury frequency rate per million hours worked (12-month rolling average)	<20	15.99	16.07	15.18	
19.	DUEs (domestic unit equivalent) measured through IGCs	TBD	2304	1690	1305	

No.	Measure		Actual			Commentary	
			July	June	May		
20.	Average asset age	Reduce	New	New	New	This figure is not currently	
		on prior	measure	measure	measure	available. This is a long-term	
		year				measure and will be reported	
						every six months to give an	
						indication of how this is tracking.	
21.	Debt to revenue ratio	3.54	-	2.89	2.92	Debt Headroom is based on	
						Forecasted Debt and Revenue.	
						Forecasting is only done from	
						September.	
22.	Percentage of household expenditure on water supply services relative to	≤ 1.5%	0.92%	0.82%	0.82%		
	average household income						
23.	Formal engagement with mana whenua of Tāmaki Makaurau	100%	New	New	New	While we continue to meet with	
			measure	measure	measure	many iwi entities on a one-on one	
						basis, our performance against	
						this measure is also heavily	
						influenced by iwi priorities and	
						their varying levels of interest in	
						meeting with us. Our main focus is	
						on working together as partners	
						to develop meaningful measures	
						for Māori outcomes rather than	
						merely achieving a target for	
						meetings.	
24.	Ratio of procurement sourced through Māori owned businesses	1%	0.37%	New	New	July figures is only direct spend as	
				measure	measure	yet not reporting indirect spend.	
25.	Percentage of customer complaints resolved within ten days of notification	≥95%	98.2%	98.3%	98.5%		
26.	Net promoter score (NPS)	≥40	47	46	44		
27.	Community trust score	≥55%	52%	51%	51%		

Attachment – 3 Resource consent complaince

Resource consent compliance – Watercare (Auckland populace)

Arrows indicate changes from the previous month (- indicates no change)



Business unit

6.3

Non-compliances for July 2021

Facility/Asset	Consent Condition(s)		Issue(s)	Actions	Potential consequence	
		39	Not all L2 and L3 overflows escalated to Council	Action underway. The solution is to improve communication and reiterate procedures for Watercare and all wastewater contractors		
Auckland wastewater network comprehensive	R/REG/2013/3743 R/REG/2013/3755	48	Not all inflow and infiltration remedial works completed within two years of identification	Yet to develop a solution. There is a backlog because workload outstrips resourced capacity.	Moderate: Technical issues, but Auckland Council has increased focus on these	
discharge consent		50	Some type 1 EOPs do not have documented erosion control	Action underway. The solution is the establishment of a formal EOP inspection	consents	
		51	Type 1 EOP inspections not consistent with Attachment 7 of Consent	programme with a process to produce associated documentation		
Hamilton Road	37953	21	Late reporting and reviews. No forecast demands for regional water takes	Action underway.	Moderate: Data gaps	
bores (Snells- Algies)	37993	21,22,23		Currently approximating forecast demand to complete reports	highlight a missing business function.	
Helensville WWTP	22225	17	Ongoing issue. High ammoniacal nitrogen in the discharge (above consented limit). Historical high E. coli and total suspended solids	Actions are underway. Pond desludging complete. Workshops planned in event desludging does not resolve the issue.	High: Risk of enforcement if actions are not successful.	

Facility/Asset	Consent	Condition(s)	Issue(s)	Actions	Potential consequence
Huia WTP	26979	02 c	Late delivery of compliance report	The report is in preparation.	Minor: Technical issue due to natural circumstances
Huia WTP (continued)	26979	03 (i)	Ongoing high aluminium in the lagoon	Investigation into the aluminium source is underway.	Minor: Technical issue due to natural circumstances
Kingseat WWTP	24255	21	Historical issue. High <i>E. coli</i> and ammoniacal nitrogen in September 2020.	No actions are required. The compliance issue is the annual percentile calculation due to a toxic-shock event in September 2020. Plant running as well as possible.	Moderate: Repeat annual non- compliance. The ultimate solution (Southwest) is four- five years away.
	30962 (groundwater)	11	Flowmeter for a groundwater take requires replacement	Action underway. Flowmeter replacement and system upgrade currently underway by Central Interceptor project team	Minor: Procedural issue
Māngere WWTP	33167 (closed landfill)	37,39,40	Results for monitoring of the former Pond 2 landfill monitoring was reported for several years	Action underway. Reports in preparation. The reporting requires a data backfill from the laboratory and a survey of relative levels for all monitoring wells.	Moderate: Potentially had non-compliances not sent to Council.
Omaha WWTP	DIS60050490	24		Action underway.	

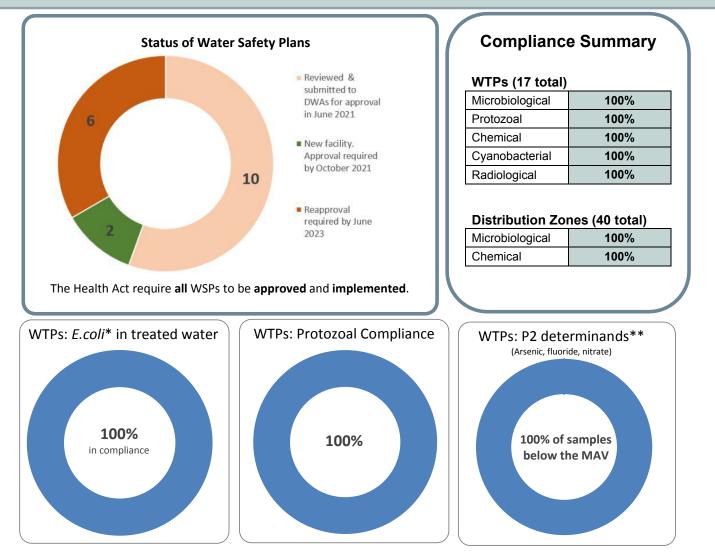
Facility/Asset	Consent	Condition(s)	Issue(s)	Actions	Potential consequence				
	DIS60050606		Applied UV dose rate not approved. A minimum treatment dose requires approval by an independent expert.	Works required a conservative estimate of UV dose rates and a process investigation (now complete). External review by independent microbiologist has commenced	Minor: Procedural issue				
Orakei Main Sewer	29011	18	No pH measurement of the biofilter. No walkover records on file.	Action underway. Update of procedures and reinstatement of regular walkovers and pH measurements.	Minor: Procedural issue				
Parau Landfill	37113	1	Overdue quarterly report	The report is in preparation.	Minor: Procedural issue				
	34086			The report is in preparation.	Minor: Procedural issue				
	36001								
	36002								
Puketutu Island	36003	10	10 Overdue quarterly report						
	36004								
	36005								
	36007								
Rosedale WWTP	30249	30	Loss of unflared biogas during 11kV tie-in project	No follow up actions are needed. No discernible environmental effects. Works completed	Minor: Auckland Council satisfied with the response.				

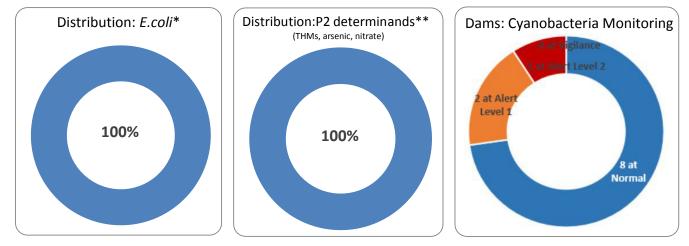
Facility/Asset	Consent	Condition(s)	Issue(s)	Actions	Potential consequence	
Snells WWTP	REG-67909	6	Discharge volume exceeded	Capital works issue. The plant has no screens, needs desludging to provide capacity and improve discharge quality, but no plans until deferred upgrade in 2024. The new consent will not change consent limits.	High: Risk of enforcement if non- compliances become routine.	
12024 Waikato WTP		4	Discharge volume exceeded	Captial works issue – planning underway. There is an increased need for maintenance and associated discharges with the plant running at capacity.	Moderate: Waikato Council could raise as breach during Board of Inquiry Hearing.	
	960089a	8,9	Raw and discharge flows	Action underway.	Moderate: Waikato	
	AUTH141825.01	11,12,13	calculated not measured and cannot be	We are reviewing alternative ways to meet consent reporting	Council could raise as breach during Board of	
	AUTH142090.01	AUTH142090.01 14, 18		requirements.	Inquiry Hearing.	
Waitakere WTP	26983	1	Overdue quarterly report	Report prepared and will be delivered after internal review	Minor: Procedural issue	
	36380	3 i)	Overdue annual report	Report prepared and will be delivered after internal review	Minor: Procedural issue	

Facility/Asset	Consent	Condition(s)	Issue(s)	Actions	Potential consequence
Waiuku (Victoria bore)	WAT60071034	21	Water strategy and demand forecast overdue. Similar problems as Hamilton Bores	Action underway. Currently approximating forecast demand to complete reports	Moderate: Data gaps highlight a missing business function.
Waiuku WWTP	DIS60334129	14	Routinely high historical inorganic nitrogen concentrations in discharge during winter/spring.	Capital works issue. Winter/spring issue – a lack of light and low temperatures limit treatment efficacy. A known problem of aging treatment technology. Plant upgrade required ultimate solution (Southwest) is four-five years away.	Moderate: Repeat annual non- compliance.
Wellsford WTP	36246	15	Overdue monitoring report requires demand forecast. Similar problems as Hamilton and Waiuku Bores	Action underway. Currently approximating forecast demand to complete reports	Moderate: Data gaps highlight a missing business function.

Water Quality Report - July 2021

Scorecard





*E.coli –an indicator organism to demonstrate bacterial compliance. E.coli is monitored to indicate the probable presence of bacterial contamination of water supply. ** P2 determinands - one of three classes of determinands defined in the DWSNZ. Priority classes are ranked according to the potential impact on public health if present in excess of its Maximum Acceptable Value (MAV) in drinking-water. Priority 2 (P2) are chemical determinands.

Spotlight On: Annual Compliance Assessment

Annual compliance for July 2020 – June 2021 against the Drinking Water Standards for New Zealand 2005 (revised 2018) and duties under the Health Act 1956 was audited by Wai Comply. A compliance report will be issued by Wai Comply by September. Compliance is also published in the Ministry of Health Annual Report on Drinking Water Quality. Latest published report can be found here: <u>https://www.health.govt.nz/our-work/environmental-health/drinking-water/drinking-water-</u>

Spotlight On: Water Safety Plan (WSPs)

Wai Comply acknowledged receipt of ten Watercare's WSPs that were submitted in June 2021. Wai Comply will complete their assessments by September 2021. Watercare's commitment to drinking-water quality statement was updated and signed by CEO. My Place WSP App has been updated to reflect the above.

Spotlight On: Internal Audit Report to the Audit and Risk Committee

Progress has been made to address the lower risk non-conformances and recommendations.

High-risk non-conformances require further work to reduce/mitigate these significant risks, including improving document management, training and competency record keeping. WSL remains exposed until these risks are closed. Progress report to be provided at the next Audit and Risk Committee in August 2021.

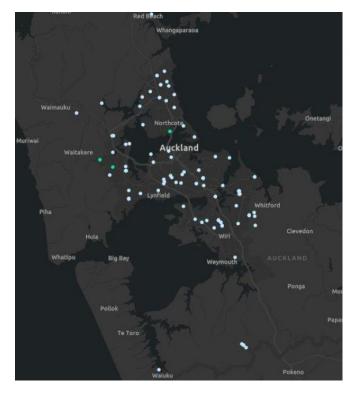
Spotlight On: Water Quality

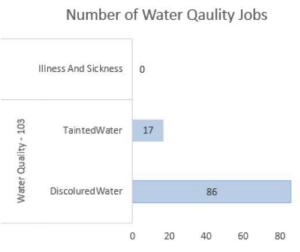
Total Coliforms Investigation – Good trends continue for reduced total coliforms across Watercare's water supply operations following the delivery of several improvements at the laboratory and across the wider water supply system.

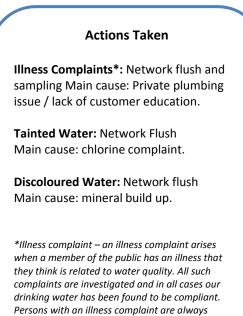
Disinfection By-products (Trihalomethanes (THMs)) Investigation – The presence of THMs in the drinking water supplied throughout Watercare's water supply systems is a risk that requires ongoing assessment and management. The likelihood of further THMs exceedances is high. A region wide monitoring programme has commenced to determine the extent of this issue across our distribution zones. Initial results indicate that a strategy will be required to reduce THM formation. A broader THM management strategy is being developed in conjunction with this data gathering exercise and will require organisational wide input.

Investigations into Emerging Contaminants – Microplastics, PFAS, nematodes, nitrates, viruses including Covid-19 – new research highlights new areas for investigation will be required.

Customer Complaints







referred to their medical professional.

Attachment 5 – Delegated authority to the CE

For the month of July 2021, in accordance with the authority delegated to the Chief Executive by the Board:

• There were five documents required to be signed by Watercare's Chief Executive with the delegated authority provided to the Chief Executive by the Board in relation to deeds, instruments and other documents:

2 x compensation certificates protecting Watercare's rights over a private property 1 x exemption to Part X of the Resource Management Act for a disposal of a parcel land 1 x deed of lease for Watercare as a tenant, for the Central Interceptor project 1 x section 18 Public Works Act notice to compulsorily acquire land.

- There were five capex approvals signed below a threshold of \$15m.
- There were five capex and opex contracts over \$100,000 approved by the CE. They are as follows:

Contract description	Successful supplier
Print and Mailing Services	Solution Dynamics Limited
Te Kauwhata WWTP Phase 1 Upgrade	Spartan Construction Limited
Te Kauwhata WWTP Phase 2 Membrane Aerated Biofilm Reactor (MABR) System	Suez Water Technologies & Solutions
Puketutu Island Cell Walls	Waiau Pa Bulk Haulage Limited
New Connections Contract	Fulton Hogan Limited

Board meeting | 30 August 2021 Public session

Health, safety and wellbeing report for July 2021

Te pou whenua tuhinga / Document ownership

Prepared by Bronwyn Struthers Head of Health Safety and Wellbeing Recommended by Rob Fisher Acting Chief Officer Support Services Submitted by Jon Lamonte Chief Executive Officer

This month

It is great to see the increase in time spent on site by our leaders. The team on site are enjoying site visits by Jon and value the opportunity to have him see and understand their work.

Through these visits there has been a consistent message from the team on operations sites that they would like more consultation and communication about changes to scope and timings of major projects. As a result, the COO and CIO have committed to:

- Regular, joint communication on site by Infrastructure and Operations leaders, with opportunities for questions and discussion
- A risk review to be conducted if a programme's scope or dates change.

It is also good to see an uplift in the site visits amongst the Construction and Delivery team in Infrastructure as they gain confidence through their leadership training. The Back to Basics campaign has connected well with sites, and we look forward to learnings emerging in future months.

What we've seen

Mobile Plant Tipping Over: In recent months, we have had six incidents of mobile plant tipping over on our sites.

- All operators were wearing seatbelts which undoubtedly prevented significant injury
- Five of the six involved contractors

We have focused our contractors on this issue, have developed a spotter/operator workshop to be rolled out to all relevant sites in August, and will send an alert to industry.

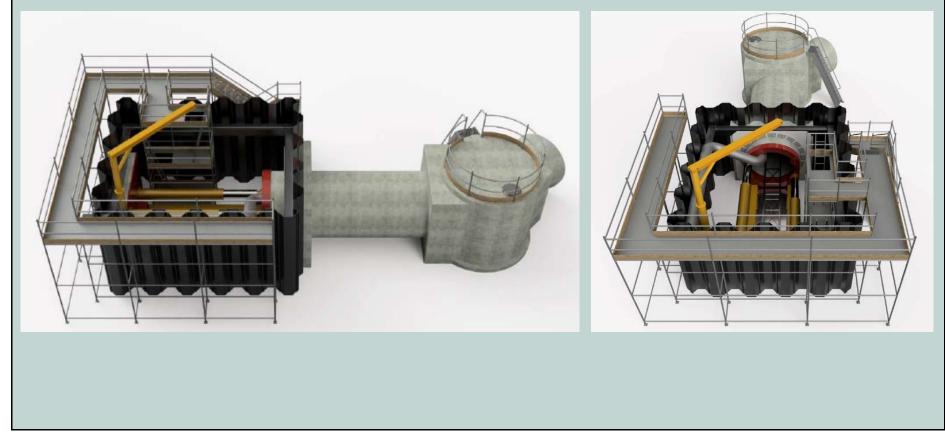


Current Activities

Training Centre: Work is progressing well for the Training Academy at the pipe yard on Ascot Road. Plans are being finalised and a project manager has been identified.

The CI pipe-jacking training simulator will start being built at the end of August and will be the first training facility at the centre. The facility will provide high-fidelity training for all those working underground on the CI project, particularly in rescues, emergency response, and equipment and procedure familiarization. Our safety training provider and Mines Rescue have had input into the design so the facility will also support realistic, bespoke training in confined space entry and rescue, heights training and rescue, and other safety training.

This facility will enable high-quality training for CI and Watercare staff and will be made available to our contractors through the training centre. This facility is a continuation of the safety training initiative the CI project is driving.



Wellbeing: A blueprint for an Immerse induction regarding pain, discomfort and injury process and resources has been completed. We are planning to be ready to roll it out in the next month. This will be followed by a people leader module to support the workshops completed earlier in the year.

Regarding prevention of pain, discomfort and injuries, the Industrial Athlete summary report has been completed and presented to level 4's for feedback. The APHIRM toolkit for injury prevention trial has started in laboratory services.

Following a best practice approach, a one- minute information gathering piece has been created to be used by our nurses, via email, through toolboxes and HSRs to inform our wellbeing plan for the year. A draft framework has been completed which will follow the 5 Ways to Wellbeing and Te Whare Tapa Whā models. Based on this, trial wellbeing workshops have been held with a number of teams and has been integrated into Teamfit workshops. In addition, planning for mental health awareness week is well underway between HSW and P&C teams, including a workshop for the rainbow network.

Employee Assistance Programme: OCP use has increased from 5% to 8% of our total staff in line with other organisations. Nearly every site has made use of the service and the balance of gender and roles having engaged with the service is in line with our organisation demographics.

Looking ahead

COVID-19: To be as best prepared for Covid-19 cases in the community in New Zealand as possible, we had plans in place to run a lockdown exercise on 20 August. Nonetheless, the lockdown proceeded smoothly.

In the meantime, staff have been given up to four hours in work time to attend vaccination appointments and many have already been vaccinated. In August, we will ask staff to let us know if they have been vaccinated to gain an understanding of our exposure.

We have registered with the Ministry of Health to run workplace vaccinations. Workplace vaccinations will start in mid-September and we have arranged for Vitality Works to run these for us if required. The key criteria is that we must be able to guarantee a minimum of 70 vaccinations per day at a site which can include people from surrounding businesses.

We will review the number of staff who are vaccinated by the end of August to determine whether we will go ahead with workplace vaccinations at Newmarket.

Driving / Vehicle Use:	Vehicle Use	Controls currently in place
 Use of vehicles and towed equipment, on or off-road, for work purposes 	Watercare vehicles average over six million kilometres per year with a running time of close to 200,000 hours. Despite this level of exposure, there was one LTI related to a vehicle incident in the last FY when a worker was concussed following a collision. There were 21 incidents involving vehicles in July 2021.	Purchasing/Selection of Vehicles Watercare's procurement specifications include safety standards and the equipment vehicles must be fitted with. These include reversing cameras, sensors, air bags. The Watercare fleet is managed by a dedicated team as
Hazards include:		well as by our fleet provider who ensure all inspections maintenance, and servicing is carried out as required.
Mechanical failureDriver error	Most incidents result in minor damage to vehicles or property and do not involve injury. There is a mixture of Watercare workers and other road-users at fault.	Pool vehicles are maintained well but some vehicle allocated to sites or individuals are not alway
Other road usersPedestrians	Examples:	consistently maintained or serviced. Fleet reporting i being upgraded to provide visibility to managers o
Road conditions	'Site vehicle hit the intercom as it was driving off and the vehicle got	vehicle serviceability.
WeatherFatigue	damaged. Rear left lights are broken.'	Training & Competency Drivers must hold a current licence and be registered i
Watercare vehicles include:	'Truck driver didn't merge correctly at the end of a lane and clipped the back of my truck'	E-Road prior to being able to use a Watercare vehicle.
 Cars Utility vehicles 	'Driving on Neilson Rd. Heard something weird with truck then saw smoke coming from the tyre. The tyre has blown.'	A gap has been identified in that we rely on drivers to te us if they were to lose their licence. There is no current driver training requirement.
TrucksVansTrailers	'Car Accident – Slowed to a stop for lights and was rear-ended. Everyone was OK, the young lady apologized and was clearly shocked.'	There may be value in training our high-use drivers in parking, reversing and manoeuvring vehicles at low spee
		Monitoring and Reporting The E-Road system is being used to track vehicles and alert when a vehicle has been used inappropriately e.g sharp cornering, heavy braking or speeding.
		The E-Road reporting has recently been improved an monthly reports are sent to all managers regarding poor driver behaviour. The CEO has highlighted the importance of safe driving the ceo has highlighted the importance of safe driving the term of ter
		and that there will be heightened vigilance by manager. The Watercare Driving Policy has been updated ar following union consultation, will be rolled out to th business.

HSW Metrics July 2021			
No. employees & contractors	Total Hours worked	No. days overtime	Leave Liability
1411 Employees – 1215 Contractors – 196	438, 438 (7% decrease on previous month) WC – 41% (+1%) Contractor – 59% (-1%)	1057 days (4.3%) Customer 535 days (7%) Operations 492 days (5.5%)	21 Days on average per employee
	The information above is provided for contex	ct	
Average days to incident completion – iCare 124 days Average time between event and reporting 4.5 days	Current no. of cases open older than 3 months in iCare 582 in iCare (12% decrease on previous month)	 Comments The HSW team are continuing business in timely incident investigation of the second discussion with Construct to improve reporting time for A side effect of closing a signing an increase in the average date due to the older and more coord an impact on the average. 	vestigation. ruction and Design team contractor incidents. ficant number of cases is ys for completion. This is
H&S Representative Numbers	Comments HSR and HSW committees on sites are working well. Focus is being given to the HSW committee, Fire Wardens and First Aider groups at Newmarket as all groups have lost members and direction. Training is scheduled for August and practice drills are underway.	No. of Safety Committee meetings held 6	Common Themes: Worker consultation
Number of people hurt 5 2 – WSL employees 3 – Contractors	Comments Injuries were predominately muscular-skeletal and cuts	Senior Leadership Safety Conversations 5 Tier 1&2 (1 less than last month as recorded in iCare)	Comments Jon Lamonte – 2 Steve Webster – 1 Nigel Toms – 1 Rebecca Chenery – 1

Critical risk exposure

16

From 69 incidents recorded in iCare

There are three more incidents relating to critical risks reported this month.

The overall number of incidents reported has more than doubled but last month saw a decrease of 64% on the previous month. These large fluctuations require further tracking to determine whether there are wide variations month on month, or that there is inconsistency in reporting.

Comments

These are those incidents recorded in iCare that are linked to one of our critical risks (see attachment 1).

Working at Height1Using Vehicles2Suspended Loads1Excavations2Energy2Chemicals2

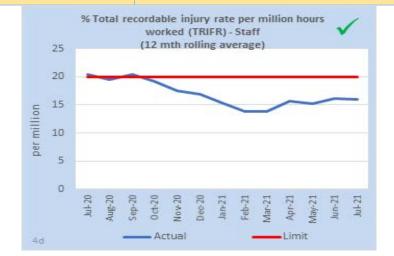
No. of overspeeds

4583

45% decrease on the previous month

The significant improvement in overspeeds is attributed to the increased focus by managers, led by the CEO, as reporting has improved.





1: Excavator Tip-Over

Contractor: Fulton Hogan Infrastructure – Orewa #1 iCare number HRC0020500 Critical Risk – Working with mobile plant

What happened:



A 1.7 tonne excavator was inside a trench, being used to spread metal during a backfilling operation. As the excavator was reversed out of the trench, the operator tracked over the metal ramp that was uneven and not properly compacted. This caused the right track of the digger to sink into the metal, tipping the excavator 70 degrees onto its side, resting on the edge of the trench.

The operator was wearing their seatbelt and was unharmed.

Actions

- The contractor stopped work and completed an investigation
- The operator completed D&A testing with a negative result
- The investigation found the tracks were too narrow, the driver was reversing without a spotter and the surface was unstable
- Site team has been supplemented with an experienced supervisor to train and improve site planning and execution
- Hold points added to methodology for trench entry and exit
- Learnings shared

Our Learnings

Watercare is leading work to improve mobile plant use with all our contractors

2: Fall into Void

Contractor: Fletcher Construction Infrastructure – Waikato 50 iCare number HRC0020502 Critical Risk – Working at height



What happened:

During a night shift, two Watercare operators went to the plant to check pumps. The temporary lighting was not working so they followed the cable to find the cause. As one operator stepped through the door into an unlit switchboard room, they fell 1.2m into a void caused by the temporary floor being removed. The door was not secure and there was no

warning of the hazard. The team had not been notified of the change by the contractors who had been working on site.

The operator received bruising to their shoulder and knee and a mild concussion.

Actions

- The operators secured the site
- A formal investigation is underway with results pending
- The operations and construction teams developed a rigorous handover process and documentation which was implemented immediately

Our Learnings

The communication between all parties is critical when construction, commissioning and operations co-exist on a site. The construction team have normalised hazards that the operations team are exposed to when they are on site.

3: Dropped Compactor

Contractor: March Cato Infrastructure – Huia 1 iCare number HRC0020514 Critical Risk – Working with suspended loads

What happened: A compactor was being lifted out of a trench by an excavator when the compactor became snagged. The lifting bar failed, and the compactor fell back into the trench, narrowly missing a worker.



Actions

- The contractor stopped work and completed an investigation.
- It was found the spotter lost sight of the load during the lift so was not aware of the snag.
- Lifting point checks have been added to all equipment inspection checklists
- Hold a spotter / operator forum to strengthen the role of the spotter. May use coloured hard-hat to depict spotter and ensure all workers understand that the spotter controls the lift.

Our Learnings

Workers become normalised to risk. The Watercare HSW team spent time on site with the contractor team to reinforce learnings.

4: Excavator Tip-Over

Contractor: Fletcher Construction Infrastructure – Waikato 50 iCare number HRC0020668 Critical Risk – Working with Mobile Plant



What happened: An operator was using a 1.6 tonne excavator to spread backfill when the excavator tipped onto its side, pinning the operator's foot under the frame.

The operator sustained ligament damage to one of his toes for which they had surgery.

Actions

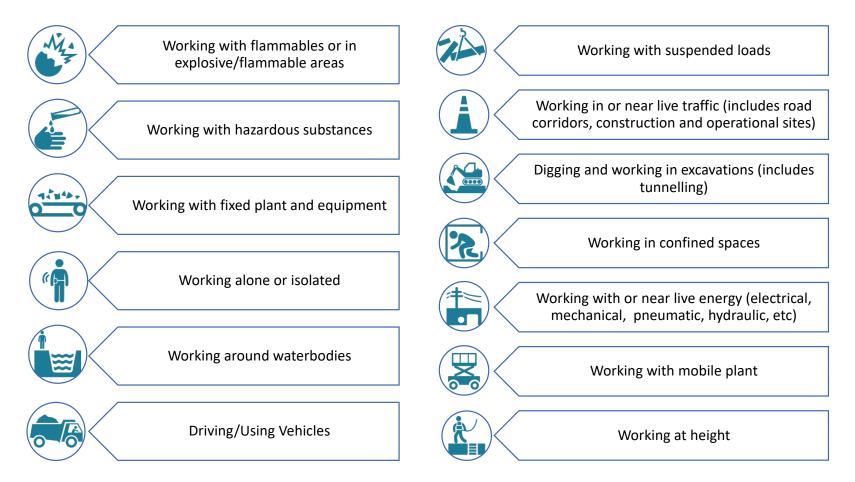
- The site was isolated and a group including the Watercare CEO, Fletcher Construction CEO and the respective heads of HSW attended site to understand the issue
- The investigation found the tracks were too narrow, the driver was reversing without a spotter and the surface was unstable
- The group reviewed the site in light of the two recent incidents and found that the Operations and Construction teams were not working together to ensure all hazards were identified and risks mitigated
- As above, improved documentation and handovers have been implemented
- Further improvements are to be implemented following completion of the site investigation

Our Learnings

There have been five mobile plant tip-overs in recent times on Watercare sites. We have developed a workshop to be delivered to all mobile plant operators in Infrastructure and Operations in August, in conjunction with our contractors.

7

Attachment 1 Watercare – Critical Risks





Board meeting | 30 August 2021 Public session

Review of the Corporate Governance Charter

For approval

Te pou whenua tuhinga / Document ownership

Prepared by Jacky Simperingham Head of Governance Recommended by Rob Fisher Acting Chief Officer Support Services Submitted by Jon Lamonte Chief Executive Officer

1. Te tūtohunga / Recommendation

We recommend that the Board accept the revisions proposed to be made to the Corporate Governance Charter (the Charter). A marked-up version of the Charter is attached with this report as Attachment 1.

2. Take matua / Key points

The key points are:

- Section 3 of Charter, 'Key activities of the Board', under the sub-title 'Stakeholders', we have inserted the bullet point:
 - Ensuring that Management gives effect to the relevant recommendations of the CCO Review Panel.
- We have also suggested a number of minor proofing changes as can be seen in the marked-up version at Attachment 1.

3. Ngā tuhinga ō mua / Previous deliberations

Date	Report title	Key outcomes
29 January 2021	Corporate Governance Charter review.	The Board approved the marked-up version of the Charter and agreed that it reviewed again in August 2021.

4. Whāinga / Purpose and context

The Charter was last reviewed in January 2021. That review was done ahead of schedule at the request of the Board, partly as a result of the recommendations made by the CCO Review Panel.

In January 2021, the Board accepted the recommendation that the Charter be reviewed again in August 2021 (rather than August 2022) as it was expected that, by now, more recommendations of the CCO Review Panel would have been implemented, which may have required further revisions to the Charter.

This review is now brought to the Board in accordance with the recommendation that it be reviewed this month. Further, as part of the regular programme to refresh the Charter, Management has updated the Charter as per the marked-up version in Attachment 1.

5. Kōrero pitopito / The details

The implementation of the CCO Review Panel recommendations is ongoing. A number of the recommendations (which are enumerated in the Review) required Management to take particular actions. For example:

Item 16: Watercare and Auckland Transport submit their asset management plans and detailed supporting information to the council every year so it can assess how well the plans give effect to its urban growth strategy.

Item 51: CCO chief and senior executives' job descriptions include requirements about collaborating with the council, following council directions and meeting council expectations.

Item 52: Job descriptions refer to the need to contribute to Māori outcomes.

It is likely that as the implementation process continues, further actions will be added. We envisage that as part of the Board's oversight role, it must ensure that Management, or the Board and Management together, undertake all such actions. To this end, we have updated the Charter as follows:

- At section 3 of Charter, 'Key activities of the Board', under the sub-title 'Stakeholders', we have inserted the bullet point:
 - Ensuring that Management gives effect to the relevant recommendations of the CCO Review Panel.
- We have also suggested a number of minor proofing changes as can be seen in the marked-up version at Attachment 1.

6. Ngā ūpoko / The capitals



6.1 Natural Environment including Climate Change

There has been no potential impact identified on this capital.

6.2 People and Culture

There has been no potential impact identified on this capital.



Ω

6.3 Customer and Stakeholder Relationships, including Māori Outcomes

This Charter has been updated to expressly address the need for oversight of the actions required to address the recommendations of the CCO Review Panel. This will therefore strengthen Watercare's relationship with its shareholder, Auckland Council, and the other CCOs.

6.4 Asset and Infrastructure

There has been no potential impact identified on this capital.

6.5 Intellectual Capital

This Charter will bring positive impact on this capital as we try to achieve best practice in our Board leadership, effectiveness and governance. The Charter provides useful induction tool for new Board members.



6.6 Financial Capital and Resources

There has been no potential impact identified on this capital.

7. Ngā tūraru matua / Key risks and mitigations

Key risk	Mitigation
The Charter will become outdated and not accurately serve	The Charter has been prepared in consultation with the Board Chair and members of
the governance purpose.	the Board and subject to review the charter often as conditions dictate.

8. Ā muri ake nei / Next steps

Subject to the Board's approval, the Charter will next be reviewed in August 2022.

9. Te whakapiringa / Attachment

Attachment number	Description
1.	A marked-up version of the Charter

Corporate Governance Charter

1. Purpose

This is the Corporate Governance Charter (Charter) for Watercare Services Limited (Watercare). This Charter identifies the principles of corporate governance that assist the Board of Directors of Watercare ('Board') in performing their duties.

2. Role of the Board

The Board members have been appointed by Auckland Council (shareholder) to govern Watercare. Within the constraints of the legislation, Constitution, and the Statement of Intent¹ (SOI) and <u>the Statement of Expectations (SOE)</u>, the Board:

- establishes Watercare's purpose
- defines desirable outcomes
- approves major strategies for achieving these outcomes
- sets the overall policy framework within which the business of Watercare is conducted
- monitors <u>mM</u>anagement's performance with respect to the above matters.

The Board delegates day-to-day management to the Chief Executive <u>(CE). The CE in turn delegates</u> authority to Management.

Watercare's obligations to deliver water and wastewater services for Auckland (Watercare's Obligations) are set out in Part 5, sections 57(1) and 58 of the *Local Government (Auckland Council) Act 2009*. This Section 57(1) stipulates that an Auckland water organisation:

- must manage its operations efficiently with a view to keeping the overall costs of water supply and wastewater services to its customers (collectively) at the minimum levels consistent with the effective conduct of its undertakings and the maintenance of the long-term integrity of its assets;
- must not pay any dividend or distribute any surplus in any way, directly or indirectly, to any owner or shareholder;
- is not required to comply with section 68(b) of the Local Government Act 2002;

¹ Watercare became a Council-Controlled Company on 1 July 2012 and is governed under a Statement of Intent (SOI).

 must have regard for public safety (for example, the safety of children in urban areas) in relation to its structures.

Section 58<u>stipulates that an Auckland water</u> organisation:- This stipulates:

- An Auckland Water Organisation must give effect to the relevant aspects of the LTP-; and
- An Auckland Water Organisation must act consistently with the relevant aspects of any other plan (including a local board plan) or strategy of the Council to the extent specified in writing by the governing body of the Council.

3. Key activities of the Board

The primary role of the Board is to exercise leadership, enterprise, integrity and judgement in delivering Watercare's Obligations. Having regard to the interests of our shareholder and stakeholders and achieving sustainability.

Key activities of the Board include:

Legislative Responsibilities

- Setting the price of water and wastewater services
- Complying with Part 5 of the Local Government (Auckland Council) Act 2009, as set out above at point 2
- Complying with all relevant obligations the Board has under the Companies Act 1993 "and other statutes,"

Oversight of Management

- Appointing the Chief Executive
- Reviewing the terms and conditions of the Chief Executive's contract
- Setting and monitoring the objectives for the Chief Executive
- Monitoring the Chief Executive's performance against the above objectives
- Overseeing the operation of Watercare's business to ensure it is being managed appropriately

Comment [J(11]: Header to be updated to August

- Reviewing progress on major projects, strategic plans and operating plans
- Monitoring the financial performance of Watercare including approving:
 - budgets
 - capital expenditure and investments above delegations operating expenditure outside budgets and delegations.

In the normal course of events, day-to-day management of Watercare will be in the hands of the \underline{mM} anagement.

Ethics

- Ensuring Watercare adheres to high standards of ethics and corporate behaviour
- Ensuring business is conducted in an honest, ethical, responsible and safe manner
- Safeguarding the reputation of Watercare, the Watercare brand and building public trust and confidence in Watercare and the wider Council Group
- Effectively and confidently manage complaints regarding unacceptable behaviour that are escalated to the Board
- Promote ethical and responsible corporate behaviour, including leading by example.

Governance

- Acting in the best interests of Watercare in a manner based on transparency, accountability and responsibility²
- Balancing these interests against Auckland Council's expectations of Watercare as a Council Controlled Oorganisation³
- Monitoring the effectiveness of our governance practices
- Monitoring the integrity of all financial and non-financial reporting to the shareholder.

Strategy

- Defining our purpose and setting the strategic direction
- Overseeing mManagement's implementation and achievement of our strategic direction.

Stakeholders

- Serving the legitimate interests of the stakeholders of Watercare and accounting to them in a clear, transparent and accessible manner
- Ensuring that Watercare communicates effectively with the shareholder, customers and all other stakeholders, including <u>the</u> nineteen +iwi entities of Taamaki Makaurau and the Independent Māori Statutory Board and Local Boards
- Ensuring that Management gives effect to the relevant recommendations of the CCO Review Panel.
- Ensuring that Watercare complies with all relevant laws and regulations and that it meets its contractual obligations

People

- Approving and monitoring our health, and safety and wellbeing systems, with a view to ensuring the health, <u>safety and</u> wellbeing and <u>safety</u> of Watercare's employees, contractors, agents, and also the public at <u>all</u> Watercare sites
- Ensuring Watercare is a good employer and acts in accordance with Watercare's Good Employer Policy

Risk Management

- Ensuring Watercare has appropriate risk management/<u>and</u> regulatory compliance policies in place, including defining the limits to acceptable risk
- Regularly reviewing processes and procedures to ensure the effectiveness of internal systems of control
- Report to Council quarterly including any new/emerging risks

4. Board committees

To assist in the process of corporate governance, the Board currently has the following has established five $C_{committees}$.

- Audit and Risk Committee
- 2. Te Tangata Komiti

1.

- 3. Strategic Transformation Programme Committee 4-3. Asset Management Plan (AMP) & Major Capex
- Committee.
- 5.4. Committee for Climate Action

The Board is responsible for oversight of any Committee. -Committees may make recommendations to the full Board, but do not make decisions on behalf of the Board unless specifically mandated to do so.

² Note: Under the Watercare's Constitution, Directors may act in the best interests of the shareholder ³ Auckland Council's expectations of Watercare are set out in

³ Auckland Council's expectations of Watercare are set out in the Governance Manual for Substantive CCOs and the CCO Accountability Policy.

Committee Chairs and members are appointed by the Chair.

The Board may establish or disestablish committees to assist in the process of corporate governance.

5. Duties imposed on Board members

Each Board member must understand the specific legal requirements of their position since this will form the basis of the duties and responsibilities of the individual Board member.

There are three types of duties imposed on Board members:

Fiduciary Dutiesy

- The fiduciary duties of a Board member are to, act honestly, avoid conflicts of interest, and generally act in what the Board member believes to be the best interests of Watercare as a whole. Noting that under
- the constitution set by the shareholder, a Board
- shareholder where there is no conflict with legislation.

Duty of Care and Diligence

Each Board member must exercise the care, diligence and skill that a reasonable person would exercise in the same circumstances.

Legal and statutory duties

These are duties imposed upon Board members by statute and common law, and the Constitution.

In accordance with these requirements, Board members of Watercare will:

- Discharge their duties in good faith and honesty in what they believe to be the best interests of Watercare and with the level of skill and care of a well-informed Board member of an important company
- Promote a corporate culture that embraces diversity and inclusiveness
- Owe a fiduciary duty to Watercare using the powers of office only for a proper purpose, in the best interests of Watercare as a whole
- Act with required care, diligence and skill, demonstrating reasonableness in their decisions
- Make adequate disclosure to the Board of any actual or potential conflicts of interest
- Act in accordance with the Constitution and the law relating to Watercare and companies generally
- Act for the benefit of Watercare as a whole

- Not make improper use of information gained through their position as Board members
- Not take improper advantage of the position of a Board member
- Not allow personal interests, or the interest of any associated person, to conflict with the interests of Watercare
- Make reasonable inquiries to ensure that Watercare is operating efficiently, effectively and legally towards achieving its goals
- Undertake diligent analysis of all proposals placed before the Board
- Not agree to Watercare incurring an obligation unless the Board member believes at the time, on reasonable grounds, that Watercare will be able to perform the obligations.

6. Role of individual Board members

The Board decides what matters are delegated to either specific Board members or mManagement and what controls are in place to oversee the operation of these delegated powers.

Board members have no individual authority to participate in the day-to-day management of Watercare. This includes making any representations or agreements with any other party including employees, unless such authority is expressly delegated by the Board. The delegation is by resolution, to the Board member (including the Chair) either individually or as a member of a sub committee.

Board members are expected to give of their specific expertise generously to Watercare.

In respect to any matters not dealt with in an open meeting, Board members will keep Board discussions and deliberations absolutely confidential.

Board members are expected to be forthright in Board meetings. They have a duty to question, request information, raise any issue, and fully canvas any aspects of any issue. Votes must be cast on any resolution according to their own opinion. Outside the Boardroom, Board members will support the letter and spirit of Board decisions in discussions with all external parties including staff.

A Board member present at a Board meeting will be presumed to have voted in favour of a resolution of the Board unless they expressly dissent or expressly abstain from voting.

Confidential information received by a Board member in the course of the exercise of their duties remains the

property of Watercare. It is improper to disclose it or to allow it to be disclosed. An exception would be if disclosure has been authorised by the person from whom the information was obtained, or is required by law.

A Board member will not engage in any conduct likely to bring discredit upon Watercare.

A Board member must not agree to the business being carried in such a way that there is substantial risk of serious loss of reputation.

A Board member has an obligation at all times to comply with the spirit as well as the letter of the law and with the principles of this charter.

Board members are expected to provide feedback to the Chair if they have any suggestion to improve the performance/effectiveness of the Board.

Board members will act in good faith and conduct themselves in a manner that is consistent with generally accepted procedures for the conduct of meetings at all meetings of the Board.

6.1 Disclosure of interest/<u>and Cc</u>onflicts of interest

Board members must make adequate disclosure to the Board of any actual or potential conflicts of interest. These include the interests of Watercare, the Board member and associates of the Board member. All disclosures of interest are recorded and tabled at each Board meeting.

Generally, when a Board member has a conflict of interest, the individual is expected to withdraw for the relevant portion of the meeting.

7. Role of Chair

The role of the Chair is to lead the Board. The Chair is expected to fulfil the following responsibilities:

- Ensure that the Board provides leadership and vision to Watercare
- Assess and implement a balanced Board membership within the confines of the shareholder appointment process
- Ensure that the Board is participating in setting the aims, strategies and policies of Watercare
- Ensure that there is adequate monitoring of the pursuit and attainment of the goals of Watercare
- Ensure that the Board reviews the human resources of Watercare

- Make certain that the Board has adequate information to undertake effective decision making and actions
- Ensure that administrative tasks such as the circulation of Board papers are carried out efficiently and effectively
- Direct the Board discussion to effectively use the time to address important issues
- Develop an ongoing and healthy relationship with the Chief Executive
- Guide the ongoing development of the Board as a whole and individual Board members
- Lead the Board's relationship with the shareholder
- Ensure that all Board members are encouraged to actively participate in Board discussions and decisions
- Ensure that all new Board members are provided with an appropriate induction programme.

The Chair will also:

- Chair board meetings
- Establish the agenda for board meetings in conjunction with the Chief Executive.

8. Board process and proceedings

8.1 Board meetings

- Board members will meet in-person at least 10 times per year. Additional meetings (including via teleconference) may be scheduled at the discretion of the <u>DirectorsBoard members</u>. <u>DirectorsBoard</u> <u>members may</u> also may be required to participate in strategy and professional development workshops.
- The agenda and papers for the meeting will be circulated to all Board members in the week prior to the meeting
- The agenda will be constructed having regard to the Board's annual board planner
- The agenda will allow the Board to exercise adequate monitoring of company performance
- Agenda items will be supported by sufficient information to allow effective decision making.

8.2 Conduct of meetings

- The Chair will determine the degree of formality required at each meeting while maintaining the decorum of such meetings
- The Chair shall will ensure that all members are heard
- The Chair will maintain sufficient control to ensure that the authority of the Chair is recognised so that

Comment [J(12]: Do we need to change or delete this to provide for attendance by Teams or other electronic method? This could be because of restrictions to movement (ie Covid-19 restrictions or a directors' inability to attend in person.

There has been mention of reducing the number o public meetings to be held each year – is any such change likely & do we need to amend this?

Comment [J(13]: Suggest we use 'Board members' for consistency

a degree of formality can be reintroduced when required

- The Chair will ensure that the decisions and debate are completed with a formal resolution recording the conclusions reached.
- The Chair will take care that decisions are properly understood and well recorded

8.3 Board minutes

- Minutes will contain a brief review of the discussion plus the official resolution adopted by the Board
- All decisions will be recorded by way of a formal resolution
- Board members who dissent or abstain may ask to have their dissention or abstention recorded in the minutes
- Material conflicts of interest will be recorded in the minutes.

9. Key Board functions

9.1 Delegation of authority

Legislation and Watercare's Constitution provide the Board with all the powers necessary for managing, directing and supervising the management of the business and affairs of Watercare.

The Board has in turn delegated an appropriate level of authority to the Chief Executive, for the operation and management of Watercare. Under the Constitution Board Members remain accountable for all delegated authority.

9.2 Public representation

Official representation of Watercare publicly (including news media comments) will be by the:

- Chair;
- Chief Executive; or
- in accordance with the External Relations and Media Contact Policy.

9.3 Execution of documents

- Generally, documents will be signed by the mManagement of Watercare, provided it is within their delegated authority. Where documents are required to be signed by two directors (including signing delegation to the Chief Executive for such documents), details of each signing will be notified to the Board in the Chief Executive's rReport. -Such signings are deemed to be
- ratified at the next Board meeting.

9.4 Supporting the Chief Executive

It is recognised that a key component of Board member duties is providing a sounding board for the Chief Executive's ideas. In recognition that the Chief Executive/Board relationship is critical to effective governance, Board members should provide frank and honest advice to the Chief Executive. All advice should be constructive in nature and provided in a positive manner. The Chief Executive is not to regard advice from individual Board members (including the Chair) as instructions. Only the Board as a whole may instruct the Chief Executive.

9.5 Chief Executive evaluation

The Chief Executive's evaluation will be undertaken at least once a year by the Board.

9.6 Board composition

As far as possible within the constraints of the shareholder appointments process, the Board should ensure that Board appointments result in a diverse mix of directors which has a balance of:

- skills,
- knowledge;
- experience; and
- perspectives

which together add value and to bring independent judgement to bear on the decision-making process.

9.7 Board evaluation

- At least every two years, the Board will conduct a formal evaluation of its performance.
- The evaluation will be aligned with any process required by the shareholder including the opportunity to have input into the shareholder appointment process

9.8 Board Member development

In order to continually improve Board performance, all Board members are expected to undergo continual professional development.

Where skill gaps are identified, Board members may be provided with training and resources to address them by Watercare at the discretion of the Chair.

9.9 Remuneration

Board member remuneration will be determined from time to time by the shareholder.

Remuneration will be paid on a monthly basis.

Watercare will reimburse reasonable and properly incurred travel, accommodation and other costs with the approval of the Chair. The Chair's costs are to be reviewed and approved by the Chair of the Audit and Risk Committee. Payment of Board Member fees may be suspended for prolonged absence at the discretion of the Chair, after a thorough investigation of the reason for the absence. **9.10 Director indemnity and insurance** Watercare will ensure that there is current Directors' and Officer Liability insurance cover (including 'run-off' insurance cover) for all Board members and for Senior Managers. Similarly, written indemnities will also be provided for these individuals.

10. Inconsistency with Constitution

To the extent that there is any inconsistency between this Board Charter and the Constitution, the Constitution will-prevails.

11. Review of the Charter

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This Charter was reviewed by the Board in January 2024<u>August 2021</u> and will next be reviewed in August 2024<u>August 2022</u>. Board meeting | 30 August 2021 Public session



Update on Watercare's narrative

For approval

Te pou whenua tuhinga / Document ownership

Prepared by Rachel Hughes Communications manager (With input from Richard Waiwai) **Recommended by** Amanda Singleton Chief Customer Officer Submitted by Jon Lamonte Chief Executive Officer

1. Te tūtohunga / Recommendation

We recommend that the Board approves the process for developing a company narrative that resonates with stakeholders, iwi partners and customers (as set out in this paper).

2. Take matua / Key points

The key points are:

- Watercare regularly engages with customers, stakeholders and iwi partners and needs a consistent message about its purpose and priorities for these engagements.
- As the world around us changes and evolves, so will our strategic focus and our narrative.

3. Ngā tuhinga ō mua / Previous deliberations

Date	Report Title	Key Outcomes
1 June 2021	Update on Watercare's narrative	Board requested a more concise rewrite in line with tikanga principles

4. Whāinga / Purpose and context

For Watercare to gain and maintain the trust of its stakeholders, iwi partners and customers, we need to show that our actions and interactions are purposeful. To achieve this, we must align our narrative with our company strategy, which is currently under review. Therefore, the narrative and content direction outlined in this paper is in DRAFT form until the strategy is finalised.

5. Korero pitopito / The details

5.1 Draft whakataukī from the strategy workshops

Ki te ora te wai

Ka ora te whenua

Ka ora te tangata

We ensure the water is healthy, so the land and the people are nourished.

Note: if the draft whakatauki is approved, we need to ensure those who use it truly understand its meaning.

5.2 Draft elevator pitch to align with the draft whakataukī

Water is life: it makes us, flows through us, and connects us.

Our role at Watercare is to deliver this precious resource safely and reliably to our customers and communities so they can thrive, both now and into the future, as our population grows and climate changes.

And after the water has passed through their homes and businesses, our role is to treat it so that it can be safely and sustainably returned to the natural environment.

Together with iwi, our customers and communities, we take care of Auckland's most precious resource, from sky to sea. We continuously explore innovative ways of delivering services that are resilient and can stand the test of time. We do our best to understand and respect our iwi partners and customers' relationship with water.

Because when the water is healthy, the land and the people are nourished.

5.3 Draft message house

The purpose of a message house is to create an internal and external line of sight between our activities – such as a specific construction project – and our company purpose and strategy. This helps to ensure a consistent narrative across different channels.

		K K We ensure the w	Ki te ora te wai a ora te whenua a ora te tangata vater is healthy, so eople are nourishe		l and		Draft whakatauki
lwi	People	Customers	Sustainability	Future	generations	Resilient water supply	Strategic focus areas
	ooking after Auckland's ırce, from sky to sea. : of our DNA.	communities, we we plan for tomorrow.	wi as well as our custom ork to improve our servic We encourage our comm e all have role to play in ous resource.	ces and	that connects p sea. We deliver stand the test o our operating e innovative tech	uild and operate infrastructure eople to water, from source to services that are resilient and of time by adapting to changes in environment and exploring nologies. The need to look after st precious resource shapes our g.	Core messages to support position
NRW (non-reve Energy, climate resource recove initiatives Wastewater tre and network up I&I	er use as well as enue water) e change and ery targets and eatment plant ogrades, including and rehabilitation	 Māori outcomes of te reo Māori a Commercial personalised ac meter roll-out Customer insig improvements, s Free education communications literacy 	th hapū and iwi as well a plan and increasing visi icross the business customer segmenta count management, s nts used to drive se uch as town to tank programme and mark activities improving v agement on projects absite	ation, smart • ervice	pricing inforr Examples of as Huia WTP Examples of being deliver which is havi health of the Examples of water source the Waikato Enterprise M ways of deliv	specific planned projects such replacement specific projects currently ed such as Pukekohe WWTP ng a positive impact on the Waikato River engaging customers on future is which will take pressure off	Examples of proof points that reinforce messaging

6. Ngā ūpoko / The capitals

6.1 Natural Environment including Climate Change

The narrative seeks to keep climate change top of mind, while providing a level of confidence that our planning caters for its potential impact.

6.2 People and Culture

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The Watercare story is clear on purpose and thus inspiring current and future employees to be part of a company contributing to the greater good in our community.

6.3 Customer and Stakeholder Relationships, including Māori Outcomes

A key part of the Watercare story relates to iwi and customers' relationship with water. We will continue to engage with all parties to ensure our narrative remains relevant. These engagements include consultations with iwi as well as participatory sessions with all customer segments.

6.4 Asset and Infrastructure

The narrative speaks to our infrastructure investments with a clear focus on the customer outcomes related to each project.

6.5 Intellectual Capital

With major challenges related to population growth and climate change, Watercare will invest in innovative and emerging approaches as we think about the future of water for the communities we serve. Our narrative will speak to these initiatives and encourage our people and our partners to be more creative and innovative every day.

6.6 Financial Capital and Resources

The narrative will illuminate the customer benefits of our investments, mitigating the reaction to increased customer contributions to infrastructure projects.

7. Ngā tūraru matua / Key risks and mitigations

Key risk	Mitigation
The narrative does not resonate with key audiences	We will continue to take on board feedback and adapt as and when required.

8. Ā muri ake nei / Next steps

After feedback has been received from the Board, and the company strategy has been confirmed, the next step is to hold workshops with our iwi partners and segmented customer groups to identify what water means to them – as individuals, as communities and as businesses. This will enable us to identify how we, as a water supplier, are meeting their needs.

Board meeting | 30 August 2021 Public session

Central Interceptor Report for July 2021

For discussion

Te pou whenua tuhinga / Document ownership

Prepared by Michael Webster Contract Manager CI Recommended by Shayne Cunis Executive Programme Director CI Submitted by Jon Lamonte Chief Executive Officer

1. Te tūtohunga / Recommendation

We recommend that the Board notes the report.

2. Take matua / Key points

The key points are:

- From 29 July to 1 August, the Mangere construction site hosted the tunnel boring machine (TBM) launch ceremony, open days for industry, families and friends of people working on the project, and the general public. Over 2,000 people visited the site and excellent feedback was provided.
- The first stages of tunnelling at Mangere presents the greatest risk of damage to the Western Interceptor. Additional settlement monitoring will be carried out, along with detailed contingency plans to minimise the potential for service disruption should damage occur.
- The micro-tunnel boring machine (MTBM) at May Rd has progressed 299m of the first drive from May Road to Haycock Avenue (970m).
- Watercare has provided support to the Ghella Abergeldie Joint Venture (GAJV) for a request to MBIE to secure up to 10 places in the construction industry's group allocation category for MIQ spaces.

3. Ngā tuhinga ō mua / Previous deliberations

Date	Report title	Key outcomes
29 July 2021	Central Interceptor report for June 2021	The update of the project for June 2021 was noted and discussed.



4. Whāinga / Purpose and context

The paper is the update of the project for July 2021.

5. Kōrero pitopito / The details

Project Progress

5.1 Health, Safety & Wellbeing

WorkSafe carried out inspections in July at the Mangere Pump Station (MPS) and May Road sites. Feedback centred on application of the controls written in the hazard management plans. In particular, WorkSafe focussed on mucking out activities, radio communications in the tunnel and carbon dioxide sensor settings at May Road, and we anticipate that it will issue the GAJV with improvement notices. However, the GAJV has proactively addressed these items.

Reviews of the safe system for electrical works and lock out/tag out processes were conducted by Watercare, in conjunction with the GAJV. As a result, the GAJV has issued an updated procedure that deals specifically with the main TBM commissioning, which has significant high voltage electrical risks associated with it. Compliance audits will commence in August.

5.2 Delivery

Due to delays, primarily resulting from Covid-19, there has been an extension of time of 100 days to the completion of Section 1 (MPS operational – now 30 April 2024) and Section 2 (Southern system fully operational – now 12 October 2024). However, the overall contract completion date remains at 18 December 2025.

5.2.1 Māngere Pump Station



MPS – TBM (including gantries 1 & 2) assembled at the base of the shafts

- TBM surface plant (water treatment plant, grout plant, air compressors, cooling tower) have been installed and commissioned.
- Shaft dewatering remains ongoing and unchanged with no evidence of environmental impact.
- Materials for the wastewater effluent reuse plant have arrived in the country. Construction works will commence in August.

5.2.2 May Road

- Tunnelling has now advanced 299m on the first drive from May Road.
- MTBM progress has been slower than initially programmed. The revised programme from the GAJV is more indicative of actual progress. This has significantly delayed programmed completion of MTBM activities for Link Sewer B and C but has not impacted the main tunnel or critical path commissioning milestones.
- Shaft B shaft excavation has commenced and has reached a depth of 3.4m below ground level.



May Road – Shaft B blessing

5.2.3 Other Sites

- Keith Hay Park Construction of the Branch 9B diversion chamber is ongoing.
- Haycock Avenue Construction works for the diversion chamber on the Lynfield branch sewer have been halted following discovery of a concrete encasement repair on the existing pipe which requires replacement before construction can continue. Remedial works will require a cut in on a live transmission asset.
- Dundale Avenue Shaft excavation has now been completed.
- Miranda Reserve Construction has continued for the MH01 wastewater chamber.
- Walmsley Park No works on site. Site to re-establish in September 2021.
- Pump Station 23 GAJV has taken possession of site and commenced site establishment activities.



Pump Station 23 – Site overview



MPS – TBM launch public day event

6. Ngā ūpoko / The capitals

6.1 Natural Environment including Climate Change

- The Central Interceptor Project will improve the health of our waterways by reducing overflows into our streams and harbours by 80%.
- The Central Interceptor Project is the first Watercare project to seek an Infrastructure Sustainability Council of Australia (ISCA) rating in New Zealand, achieving a 'leading' rating on retrospective design. ISCA is an independent tool to guide and assess best-practice sustainability outcomes on infrastructure projects.

6.2 People and Culture

- The project aims to provide job opportunities for a wide range of individuals across many different positions while paying every employee above living wage.
- The Central Interceptor Project has become a foundation partner with Mates in Construction NZ, funding a full-time field officer to deliver a programme of suicide prevention and mental health awareness in the construction industry



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6.3 Customer and Stakeholder Relationships, including Māori Outcomes

- The project currently employs six small Māori businesses to provide a variety of services. We aim to increase this statistic over the life of the project through innovative and awareness programmes, such as engaging with Makaurau Marae Māori Trust to set up and run the project laundry facility.
- The Central Interceptor Project engages regularly with the 16 primary and intermediate schools along the route of the tunnel and a 'Wastewater Education' course for Year 5–8 children has been developed in conjunction with Watercare's education advisor, featuring the Discovery Centre to educate pupils about wastewater infrastructure.

6.4 Asset and Infrastructure

• The project will enable Watercare to take critical infrastructure out of service for maintenance without impacting level of service.

6.5 Intellectual Capital

• In order to minimise the consumption of potable water as part our tunnelling and future operating activities at Mangere Pump Station, a pilot wastewater re-use plant is to be constructed at the site. This will be a first for Watercare and New Zealand and is anticipated to encourage further initiatives in the water reuse space. The contract has been awarded and construction is now underway.

6.6 Financial Capital and Resources

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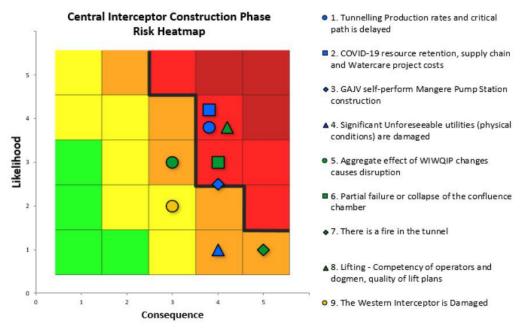
• Financials associated with the project now included in the Finance Report.

7. Ngā tūraru matua / Key risks and mitigations

As identified last month, the risk associated with sourcing and retention of key personnel is becoming challenging for both the GAJV and Watercare, and has increased this month. Watercare has provided support to the GAJV as part of a request to MBIE to secure up to 10 places in the construction industry's group allocation category for MIQ spaces. A night-shift allowance was approved in July for Watercare staff who cover night shifts in support of the GAJV's 24-hour operations. Watercare and Jacobs construction management and design support resourcing continues to be reviewed monthly.

The GAJV continues to display strong competency around tunnelling activities and the confidence of Watercare is increasing in this regard. We expect the risk likelihood associated with tunnelling production rates will reduce in the coming months.

There have been no significant movements in any of the other existing risks over the month.



Risk Description	Risk Reduction Actions
Tunnelling production rates and critical path is delayed	Additional probe drilling for specific ground conditions.
Ground conditions are more adverse than baselined in the Geotechnical Baseline Report	We will actively monitor ground conditions and tunnelling rates during operation. TBM has facility
(GBR) resulting in delays to programme and additional costs.	for real-time monitoring.
COVID-19 impact on resource retention, supply chain and Watercare project costs	Engagement with GAJV for critical resourcing requirements from overseas. GAJV have recruited a
Sourcing and retention of critical staff for the GAJV is becoming more challenging and	number of local resources for critical roles.
now presents a critical risk to the project. This is also impacting Watercare & Jacobs	Close monitoring of supply chain impacts due to Covid-19 including engagement with suppliers.
labour costs on the project due to Covid-19 delays and construction labour market	Regular revision of Watercare construction management and design support service resourcing for
influences.	the project and timely demobilisation of resources. Application of liquidated damages where
	appropriate.
GAJV self-perform Mängere Pump Station construction	Approval process and in-depth review of the GAJV capabilities.
GAJV proposing to self-perform delivery of Mangere Pump Station works. Quality and/or	Engagement of appropriate sub-consultants where required.
commissioning issues arising from insufficient capability within the GAJV to successfully	The GAJV presented their delivery plan, but it had significant areas of concern. At this time, we
deliver works.	have not approved and highlighted that any delays in delivery are, in our view, a result of the
	GAJV's performance.
Significant utilities (unforeseeable physical conditions) are damaged	Ensure services investigations are undertaken by the GAJV
Utilities not shown on drawings or with visible evidence on site. Inadequate	Review the GAJV method statements and risk assessments for utility location.
investigations.	
Aggregate effect of WIWQIP changes causes disruption	Change management process in place.
Sum of WIWQIP changes impacts GAJV scheme procurement activities.	Considering all viable options for delivery of WIWQIP work, and impact of timeframe for delivery of
	works without impacting CI performance.
There is a fire in the tunnel	Tunnel management controls around ignition sources. Electric locomotive to reduce flammable
Construction with pre-installed liner, some incident e.g., electrical fire causes the lining	risk. Detection and suppression systems.
to catch fire.	PHMPs being agreed with WorkSafe. Early engagement with mines rescue.
Fire in the tunnel impedes evacuation and rescue operations.	AME system – real-time personnel tracking.
	Limiting visitor and personnel access to essential only.
Partial failure or collapse of the confluence chamber	Provisional sum removes cost pressure for condition survey and investigation to provide the most
A lack of understanding/underestimation/inaccurate assessment of the existing asset	appropriate solution. Work will proceed on least risk option.
condition	Shutdown works to be programmed for dry season/periods of low flow.
The GAJV's methodology is unsuitable, or a deviation from the approved approach.	Workshop between the GAJV, designers, and treatment plant to identify the most appropriate
	solution.
Lifting	Competent operators and dogmen, operating with high quality lift plans.
Suspended loads pose a risk of being dropped and causing injuries to staff.	Establishment of critical rules, with a specific rule to eliminate workers under suspended loads.
The Western Interceptor is Damaged	Close monitoring of tunnelling conditions.
Ground settlement due to tunnelling in proximity to WI. Tunnelling process being	Increased ground settlement monitoring.
established.	Contingency planning to limit service disruptions.



Board meeting | 30 August 2021 Public session

Drought update

For discussion

Te pou whenua tuhinga / Document ownership

Prepared by Anin Nama Manager of Improvements Programme **Recommended by** Mark Bourne Chief Operations Officer Submitted by Jon Lamonte Chief Executive Officer

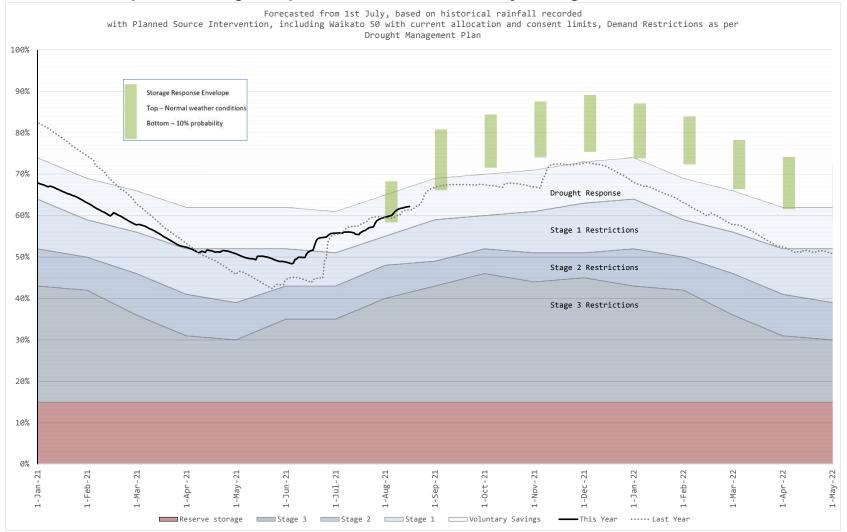
Take Matua / Key points

- Demand of 394MLD for the week was below the target ceiling of 410MLD
- Stage 1 restrictions remain in place
- Current system storage remains within the expected target response envelope
- Hamilton City Council has granted consent to Watercare to take 25 million litres a day from the Waikato River between 1 October 2021 and 30 April 2022.

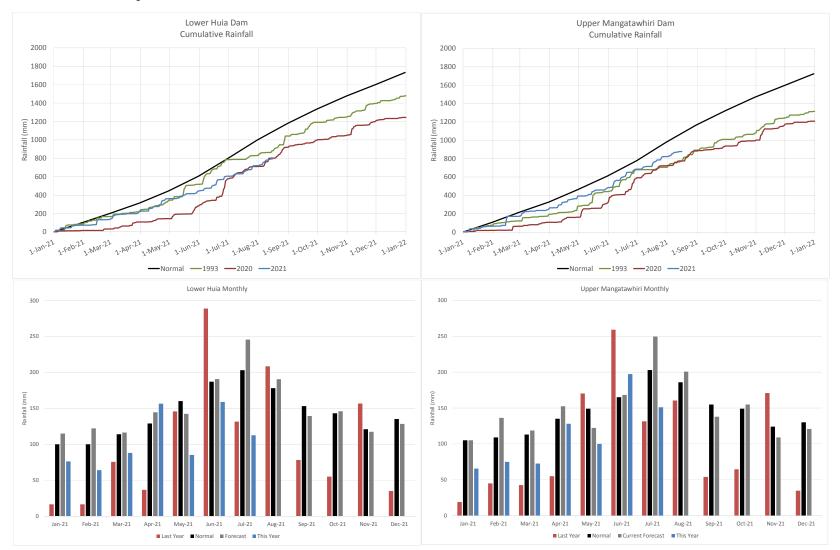


Auckland Metropolitan Total Water Demand – week ended Sunday 15 August

Auckland Metropolitan Storage Response – Week ended Sunday 15 August



Rainfall Summary



AUGMENTATION STATUS UPDATE

Location	Pukekohe Bore	Hays Creek dam in Papakura	Waitākere Water Treatment Plant
On track			
Update	The Pukekohe WTP is operating reliably at a	Stage 1 = 5MLD out of service	8MLD increase in service by September 2021. The
	production output of 5.5MLD.	Stage 2 = 12MLD Commissioning due by February 2022	supply of the filter floor assets, which are essential
			to restoring capacity at the Waitākere WTP, has
		Following the commissioning of the Waikato 50 WTP, the	been delayed due to supplier resourcing issues.
		temporary Papakura WTP was shutdown to allow the	Watercare is working constructively with the
		development of the new permanent 12MLD Papakura	equipment supplier to ensure that there are no
		WTP.	further delays.

Location	Waikato Water Treatment Plant (existing plant)	Ardmore Water Treatment Plant	Onehunga Water Treatment Plant
On track			
Action	Capacity increased by 25MLD.	Low flow operation reconfigured to 80MLD – 250MLD.	The Onehunga WTP is operating reliably at a production output of 23MLD. This is 2MLD more than what was originally expected.

Location	Waikato 50
On track	
Action	Waikato 50 plant in supply since 14 July 2021 and 225MLD supply from Waikato River tested successfully and available. Waikato No.1 watermain boost pump station is in service and operational.

NON-REVENUE WATER STATUS UPDATE

Activity	Creating smaller District Metered Areas and pressure management						
On track							
Action	Target is to develop district meter areas with less than 10,000 connections for 65% of the city						
	 Stage 1 Waitākere – rezoned from 6 DMAs to 24 DMAs, 95% complete 						
	Stage 2 Maungakiekie – Complete rezone from 1 DMA to 4 DMA's by end of August 2021						

Activity		Leakage management
On track		
Action	•	Increase ground surveying of leak detection to 6,000km a year
	•	Total since start of programme
		o 5900km surveyed to date
		o 4422 leaks found
		o 9.76MLD saved
	•	Total since July 2021
		o 500km surveyed to date
		o 240 leaks fixed
		o 0.62MLD saved
	•	95% of leaks are responded to within KPI
	•	Fixed all moderate to major leaks detected within five days

Activity	Meter replacements					
On track						
Action	Improve accuracy of customer meters					
	32,600 domestic meters replaced YTD, target 30,000					
	1530 commercial customer smart meter loggers installed to date, target 2000 completed in August 2021					

Activity		Non-potable and reuse
On track		
Action	•	Currently there are three non-potable sites in operation with a total of 161 commercial customers
	•	A review is underway of the location of both the Lake Pupuke and Western Springs non-potable sites, due to feedback requiring changes in locations prior to summer -
		ongoing
	•	Both Lake Pupuke and Western Springs are closed during Covid-19 level 4 restrictions.

Board meeting | 30 August 2021 Public session



Iwi relationships

For discussion

Te pou whenua tuhinga / Document ownership

Prepared & Recommended by Submitted by Richard Waiwai Poutiaki, Tikanga Māori (Principal Advisor)

Jon Lamonte **Chief Executive Officer**

1. Watercare Mana Whenua Managers Kaitiaki Forum

General Background

When building sustainable relationships, we need to uphold the integrity throughout those engagements – from the way we prioritise attendance to agreed hui, being present and contributing, and navigate procurement, through to completing our agreed actions to effect great decision making.

The Watercare Mana Whenua Mangers Kaitiaki (MWMK) forum was the first of many forums that now exist throughout Tāmaki Makaurau. We have now arrived at a point in time that we need to reflect on our purpose and the way this forum operates, but more importantly commit to the future of this forum.

In 2013, the mana whenua of Tāmaki Makaurau and Watercare Services Limited established a relationship agreement to achieve the mission of "kaitiaki – kaitiakitanga mauri, pupuri i te mauri mēnā ka tau te mauri i te taiao ka tau te oranga o te ira tangata (if the life force of the environment is in balance, the wellbeing of mankind is assured). Essentially this relationship will promote partnership, protection, and preservation.

The framework for this relationship was based on a set of over-arching principles and objectives, which is promoted through a mana whenua kaitiaki forum.

- Relationship building building understanding and enhancing the relationship between the mana whenua and Watercare ٠
- Integrity ensuring cultural integrity and respect ٠
- Opportunities identifying opportunities for mutual interest and benefit ٠
- . Best practice – advising on best practice for meeting the mana whenua kaitiaki forum's cultural, environmental, social and economic responsibilities
- Efficiency establishing efficient collective processes for building the relationship and engagement ٠
- Water as taonga.

The objective of the Mana Whenua forum is straight forward:

• To provide specialist advice and guidance on all Watercare infrastructure projects within each Iwi and Hapū area of mana whenua.

Membership to the mana whenua forum are all 19 mana whenua entities of Tāmaki Makaurau.

Watercare has supported the mana whenua managers kaitiaki forum since its inception.

Tame Te Rangi, Te Rūnanga o Ngāti Whātua is the current Chair.

On average we have 12 regular entities represented at the bi-monthly forum. However, during 2020 and coupled with the pressures of Covid-19, we experienced a decline in representation. This can also be attributed to the leadership changes and restructure of some iwi entities.

Watercare and MWMK forum are now going through a re-set. Covering the following pātai:

- Are there faults with the process we are following to date?
- Does MWMK want Watercare to follow the written agreement of 2013?
- If not, should we update that agreement to reflect our working environment today?
- With the lack of quorum and the competing schedules of kaitiaki representatives should the MWMK forum revert to four hui a year as opposed to the six we have now?
- We need to identify the difference between the 2013 agreed process and what we do now in 2021 and beyond.

The engagement process we undertake is neither better nor worse than what was agreed in 2013, but it is different.

I have invited Tame Te Rangi, Chair MWMK forum to attend today's Board meeting to address the Board and speak to the re-set of the forum.

Nō reira, kāti ake nei, nā

2. Ngā ūpoko / The capitals

2.1 Natural Environment including Climate Change

Ora i te Tuatahi: The connection of all things in Tāmaki Makaurau.

The interconnectedness of Te Ira Atua (primal ancestors), Te Ao Tūroa (The natural world) and Te Ira Tangata (humanity).

2.2 People and Culture

Mana Māori Motuhake

Supporting Mana whenua, hapū and Iwi with aspirations and development.

Working relationships with Mana whenua to maintain their relevance and kaitiakitanga.



2.3 Customer and Stakeholder Relationships, including Māori Outcomes

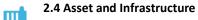
Engagement with Mana whenua across a wide range of Watercare projects

Kia hāngai te Kaunihera - Empowering an organisation

Kia ora Te Taiao – Kaitiakitanga

Kia te reo – Te Reo Māori

Kia ora te Hononga – Effective Māori Participation.



This report does not affect this capital.

2.5 Intellectual Capital

Matauranga of Mana whenua

- improves organisational capability through improved systems, procedures, knowledge and protocols.



2.6 Financial Capital and Resources

Mana whenua entities are provisioned for in budget to cover costs of attendance and engagement.



Board - Public Session - Governance

Board Planner 2021

Doard Fia	inner 2021	January	February	March	April	May	June	July	August	September	October	November	December
	Board	29-Jan	26-Feb	30-Mar	29-Apr		1-Jun (April Results)	5-Jul* (May Results) 29-Jul	30-Aug	30-Sep	28-Oct	30-Nov	14-Dec (Teleconference)
	Audit and risk committee		3-Feb			26-May			9-Aug 24-Aug		28-Oct		
Meetings	Te Tangata Komiti	27-Jan 3pm			28-Apr 10am				19-Aug 10am			24-Nov 10am	
	AMP & Major Capex Committee		18-Feb 10am			20-May 10am			11-Aug 10am			18-Nov 10am	
	Committee for Climate Action		19-Feb 10am			24-May 10am				13-Sep 10am			8-Dec 10am
	CCO Oversight Committee meetings					18-May				21-Sep			
Events	Community and Stakeholder Relationships							Waikato 50 opening at Tuakau on 20 July 2021		TBC: Meet Diversity and Inclusion Committee			10
	Charter reviews	Corporate Governance charter						A&R Charter (5 July meeting)	Corpoate Governance charter	Committee for Climate Action Terms of Reference Te Tangata Charter			
	Policy reviews											Good Employer Policy	
	Risk report due to Council	Risk report (due to Council 22 February)			Risk report (due to Council 18 May)			Risk report (due to Council 23 August) (29 July meeting)		Risk report (due to Council 13 September)		Risk report (due to Council mid- November)	
Governance	Enterprise Risk report to Board	Report to Board			Report to Board			Report to Board (29 July meeting)		Report to Board	C (1)		
	Compliance	Statutory compliance			Statutory compliance			Statutory compliance (29 July meeting)			Statutory compliance		
	Shareholder interaction			Presentation to CCO Oversight Committee of Q2 Report 23 March	Q3 Report to Council due 30 April				Q4 Report to Council due 30 August	Presentation to CCO Oversight Committee of Q4 Report on 21 September			
	Site Visits					Dave Chambers: HSW tour 4 May Nicki Crauford HSW tour 12 May	Water sites tours: all directors 10 June & 21 June			Cl safety tour 08/09 Margaret & Dave 10/09 Nicki & Brendon	Cl safety tour 01/10 Graham & Hinerangi Ardmore & Hunua dams tours 6/10 & 27/10		

.2

Board - Public Session - Governance

Board Planner 2021

		January	February	March	April	May	June	July	August	September	October	November	December
	Board training & development							Directors' responsibilities in relation to Water Safety Plan (5 July meeting) Personal Security - RISQ (29 July meeting)			Mental Health & Wellbeing in the workplace		
	Strategic planning & Deep Dives							Critical risk - deep dives on working in confined spaces (S July Board meeting) Board Strategy Day 27 July 2021 Critical risk - deep dives on working with mobile plant (29 July Board meeting)		Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives
	Key finance and business decisions	Approve half year accounts	 a) approve financials for Draft SOI including projected 21/22 price increases, b) approve long term financials for Auckland Council modelling 		Auckland Council to notify Watercare of Group Treasury Interest Rate by 30 April	Present plan for Year End to A&R Approve Insurance Proposal Approval of 2021/22 Budget & updated SOI Financials (1 June board meeting)		Auckland Council and Watercare to review 30 June Treasury Interest rates	a) approve 2020/21 accounts, b) delegate final sign off of 2021/22 Annual Report c) Approve Auckland Council Reporting Pack				Auckland Council Draft Annual Plan - approve Watercare input
Bus	Statement of intent	2021/22 Letter of Expectation to be received		Approval of Draft 2021-2024 SOI				meeting on 5 July. Final 2021-2024 SOI issued to shareholder on 31 July.	Final 2021-2024 SOI adopted by Auckland Council		2020/2021 SOI Results to be presented to Board at Public Meeting. Public Deputations to be received.		2022/23 Letter of Expectations to be received
	Performance report							Half-yearly performance report (29 July meeting)					
Lutra Limíted	Statement of intent							Final 2021-2024 SOI to be send to Council on 31 July.	Final 2021-2024 SOI adopted by Auckland Council		2020/2021 SOI Results to be presented to Board at Public Meeting. Public Deputations to be received.		2022/23 Letter of Expectations to be received

2

Statutory public Board meeting - deputations invited
 Extraordinary Audit & Risk and Board Meeting to meet shareholder half year and annual report timeline

Board meeting | 30 August 2021 Public session

Directors' appointment terms, committee memberships, and meeting attendances

For information

Te pou whenua tuhinga / Document ownership

Prepared by Jacky Simperingham Head of Governance Recommended by Rob Fisher Acting Chief Officer Support Services Submitted by Jon Lamonte Chief Executive Officer

1. Te tūtohunga / Recommendation

We recommend that the Board notes this paper outlining directors' appointment terms, committee membership, and meeting attendances.

2. Take matua / Key points

The key points are:

- the tenure of the seven current directors of Watercare Services Limited
- details of the committees each director is a member of
- details of directors' attendance at Board and committee meetings over the calendar year.



3. Kōrero pitopito / The details

Table 1: We currently have seven directors

Our directors are appointed by Auckland Council.

Director	Original appointment date	End of term
Margaret Devlin (Chair)	1 November 2016	31 October 2022
Dave Chambers	1 November 2019	31 October 2022
Nicola Crauford	1 April 2014	31 October 2022
Brendon Green	1 November 2016	31 October 2022
Hinerangi Raumati-Tu'ua	1 August 2019	31 October 2024
Frances Valintine	1 November 2019	31 October 2022
Graham Darlow	3 February 2021	31 October 2024

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

Committee Chairs and members are appointed by the Chair. Attendance at Committee meetings by non-members is optional.

Director	Audit and Risk	Te Tangata	AMP & Major Capex	Committee for Climate Action
Margaret Devlin (Chair)	*	\checkmark	\checkmark	
Dave Chambers		Committee Chair		\checkmark
Nicola Crauford			Committee Chair	✓
Brendon Green	\checkmark			Committee Chair
Hinerangi Raumati-Tu'ua	Committee Chair		\checkmark	
Frances Valintine		\checkmark		✓
Graham Darlow	\checkmark		\checkmark	

*Board Chair attends in ex-officio capacity

Attended ✓ Did not attend ≭ Not on the committee ■ Not on the Board ☑	Attendance at Board meetings								Attendance at Audit and Risk Committee meetings					Attendance at AMP & Major Capex Committee meetings					Tangata Komiti				Attendance at Committee for Climate Action meetings						
Board members attendance 2021	Board 29 January 2021	Board 26 February 2021	Board 30 March 2021	Board 29 April 2021	Board 1 June 2021	Board 5 July 2021	Board 29 July 2021	Board 30 August 2021	Board 30 September 2021	Board 28 October 2021	Board 30 November 2021	A&R 3 February 2021	A&R 26 May 2021	A&R 9 August 2021	A&R 24 August 2021	A&R 28 October 2021	AMCC 18 February 2021	AMCC 16 April 2021	AMCC 20 May 2021	AMCC 11 August 2021	AMCC 18 November 2021	TTK 27 January 2021	TTK 28 April 2021	TTK 19 August 2021	TTK 24 November 2021	CCA 19 February 2021	CCA 24 May 2021	CCA 13 September 2021	CCA 8 December 2021
Margaret Devlin	\checkmark	\checkmark	\checkmark	✓	\checkmark	\checkmark	✓					\checkmark	\checkmark	\checkmark			\checkmark	x ¹	\checkmark	\checkmark		\checkmark	\checkmark	\checkmark					
Nicki Crauford	\checkmark	\checkmark	\checkmark	\checkmark	\checkmark	\checkmark	\checkmark										\checkmark	\checkmark	\checkmark	\checkmark						✓	\checkmark		
Brendon Green	×	\checkmark	✓	\checkmark	\checkmark	\checkmark	\checkmark					\checkmark	\checkmark	\checkmark												\checkmark	\checkmark		
David Thomas	\checkmark	\checkmark									\square	\checkmark										\checkmark	\angle	\angle	\angle		\angle	\square	
Hinerangi Raumati-Tu'ua	×	×	\checkmark	\checkmark	\checkmark	\checkmark	\checkmark					\checkmark	\checkmark	\checkmark				\checkmark	\checkmark	\checkmark									
Dave Chambers	\checkmark	\checkmark	\checkmark	\checkmark	\checkmark	\checkmark	\checkmark													\checkmark		\checkmark	\checkmark	\checkmark		✓	\checkmark		
Frances Valintine	✓	\checkmark	\checkmark	\checkmark	\checkmark	\checkmark	\checkmark										×						\checkmark	\checkmark		\checkmark	\checkmark		
Graham Darlow		\checkmark	\checkmark	\checkmark	\checkmark	\checkmark	\checkmark						\checkmark	×				\checkmark	\checkmark	×									

Table 3: Attendance at Board and committee meetings in 2021 is detailed in the table below:

1. Margaret Devlin was absent from this meeting as she was required to attend another meeting as Chair of the Board.



Board meeting | 30 August 2021 Public session

Disclosure of Directors' and Executives' interests

For information

Te pou whenua tuhinga / Document ownership

Prepared by Jacky Simperingham Head of Governance Recommended by Rob Fisher Acting Chief Officer Support Services Submitted by Jon Lamonte Chief Executive Officer

1. Te tūtohunga / Recommendation

We recommend that the Board notes the directors' and executives' interests.

2. Take matua / Key points

Section 140 of the Companies Act 1993 requires all directors to keep an Interests Register, which must be disclosed to the Board of the company.

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, but also voluntarily maintains an Interests Register for our executives.

3. Korero pitopito / The details

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

DIRECTOR	INTEREST
Margaret Devlin	Director and Chair, Lyttleton Port Company Limited
	• Director, Waikato Regional Airport
	 Director, Titanium Park (wholly owned subsidiary of Waikato Regional Airport)
	• Director, Waimea Water Limited
	• Director, Aurora Energy

DIRECTOR	INTEREST						
	Director, IT Partners Group						
	Councillor, Waikato University						
	Deputy Chair, WINTEC						
	Chair, Advisory Board Women in Infrastructure Network						
	Chair, Hospice Waikato						
	Chair, Infrastructure NZ						
	Chartered Fellow, Institute of Directors						
	Member, Institute of Directors, Waikato Branch Committee						
Nicola Crauford	Chair, GNS Science Limited						
	Chair, Electricity Authority						
	• Director and Shareholder, Riposte Consulting Limited						
	Director, CentrePort Limited Group						
	Trustee, Wellington Regional Stadium Trust						
Brendon Green	Director, Kaitiaki Advisory Limited						
	Director, Tainui Kawhia Incorporation						
	• Director, Hiringa Energy Limited						
	• Director, Hiringa Refueling Investments Limited						
	• Executive Director, Advanced Biotech NZ Limited						
	• Management contract, Tainui Kawhia Minerals						
	Australia-NZ representative, Wattstock LLC (USA)						
	 Representative of Waipapa Marae, Kawhia, Te Whakakitenga o Waikato Tainui 						
	 Runanga Manukau Institute of Technology, Te Whakakitenga o Waikato representative 						
	Member, Waikato District Council – Infrastructure Committee						
	• Advisor, Te Taumata Aronui – Ministry of Education						
	 Adjunct Senior Fellow, University of Canterbury – Department of Chemical Engineering 						
	• Co-chair, Waikato Regional Skills Leadership Group						
	Member, Construction and Infrastructure Workforce Development Council						
Hinerangi Raumati-Tu'ua	Chair, Parininihi Ki Waitotara Incorporated						
	• Chair, Te Rere O Kapuni Limited						
	• Chair, Ngā Miro Trust						

10.4

DIRECTOR	INTEREST
	Chair, Nga Kai Tautoko Limited
	Chair, Te Kiwai Maui o Ngaruahine Limited
	• Trustee, PKW Trust
	Director, Taranaki Iwi Holdings Management Limited
	Chair, Aotearoa Fisheries Limited
	Director, Sealord Group Limited
	Director, Port Nicholson Fisheries GP Limited
	• Director, Te Puia Tapapa GP Limited
	Chair, Tainui Group Holdings Limited
	• Executive Member, Te Whakakitenga O Waikato
Dave Chambers	Director, Paper Plus New Zealand Limited
	Director, Living Clean NZ Limited
	Director, Turners and Growers Fresh Limited
Frances Valintine	Director and CEO, The Mind Lab Limited
	Director and CEO, Tech Futures Lab Limited
	Director, Harcourt Jasper Limited
	Director, Pointed Tangram Limited
	Director, Harper Lilley Limited
	Director, On Being Bold Limited
	Director, Sandell Trustees Limited
	Selection Advisor, Edmund Hillary Fellowship
	• Trustee, Dilworth Trust Board
	Futures Advisor, BNZ Bank
Graham Darlow	Business Executive, Acciona Infrastructure NZ Limited
	Director and Shareholder, Brockway Consulting Limited
	Chair, Frequency NZ Limited
	Director, Hick Bros. Civil Construction Limited
	Director, Hick Bros. Infrastructure Limited
	Chair, Holmes GP Structure Limited
	Director, Tainui Auckland Airport Hotel GP (No.2) Limited

DIRECTOR	INTEREST
	Director, Hick Bros. Heavy Haulage Limited
	• Director, Hick Bros. Holdings Limited

Watercare's Executives' Interests Register is set out below.

EXECUTIVES	INTEREST
Jon Lamonte	 Director, Water Services Association of Australia Member, Water Workforce Development Strategy Steering Group
Marlon Bridge	 Trustee, Te Motu a Hiaroa (Puketutu Island) Governance Trust Director, WCS Limited
Rebecca Chenery	• Director, Lutra Limited
Shayne Cunis	• Director, The Water Research Foundation (USA)
Rob Fisher	• Trustee, Watercare Harbour Clean Up Trust • Trustee, Te Motu a Hiaroa (Puketutu Island) Governance Trust
Amanda Singleton	 Director, Die Weskusplek Pty Ltd (South Africa) Trustee, Te Motu a Hiaroa (Puketutu Island) Governance Trust
Nigel Toms	Director, TRN Risk & Resilience Consulting
Steve Webster	Director, Howick Swimgym Limited
Mark Bourne	 Trustee, Watercare Harbour Clean Up Trust Trustee, Te Motu a Hiaroa (Puketutu Island) Governance Trust