

Board meeting | 1 November 2022

Public session



Venue	Watercare Services, Level 3 Boardroom, 73 Remuera Rd, Remuera and via Microsoft Teams
Time	9.45am to 12pm

Meeting administration		Spokesperson	Action sought	Supporting material
1	Opening Karakia	Frances Valentine	-	-
2	Apologies	Chair	Record apologies	Verbal
3	Quorum	Chair	Five directors required	Verbal
4	Declaration of any conflicts of interest	Chair	-	Verbal
5	Minutes of the previous meeting of 6 September Board meeting	Chair	Approval of minutes	Minutes
6	Public deputations	Chair	For information	Verbal
Running the Business				
7	Our performance under the 2021–2024 Statement of Intent	Emma McBride	For discussion	Report
8	Chief Executive's report	Jon Lamonte	For discussion	Report
Deliver the Future				
9	Good Employer Policy – update	Jamie Sinclair and Sarah Phillips	For approval	Report
10	Review of Watercare's commitment to health, safety and wellbeing	Jamie Sinclair and Paula Luijken	For approval	Report
11	Scanning the Horizon	Rebecca van Son	For discussion	Report
12	Watercare Board's response to NZ's first Citizens' Assembly: Aucklanders' recommendations on the next source of water for the city	Amanda Singleton	For approval	Report
13	Strategic focus: We educate, innovate and collaborate for future generations	Frances Valentine and Apra Boyle Gotla	For discussion	Verbal
Governance				
14	Board planner	Chair	For information	Report
15	Directors' meeting attendances	Chair	For information	Report
16	Disclosure of Directors' and Executives' interests	Chair	For information	Report
17	General Business	Chair	For discussion	Verbal update

Date of next meeting	Wednesday 8 February 2023
-----------------------------	---------------------------

Karakia Timatanga (To start a meeting)

1. Whakataka te hau ki te uru

Whakataka te hau ki te tonga

Kia mākinakina ki uta

Kia mātaratara ki tai

E hī ake ana te atakura

He tio, he huka, he hau hū

Tihei mauri ora!

*Cease the winds from the west
Cease the winds from the south
Let the breeze blow over the land
Let the breeze blow over the ocean
Let the red-tipped dawn come with a sharpened air.
A touch of frost, a promise of a glorious day.*

2. Tukua te wairua kia rere ki ngā taumata

Hai ārahi i ā tātou mahi

Me tā tātou whai i ngā tikanga a rātou mā

Kia mau kia ita

Kia kore ai e ngaro

Kia pupuri

Kia whakamaua

Kia tina! TINA! Hui e! TĀIKI E!

Allow one's spirit to exercise its potential

To guide us in our work as well as in our pursuit of our ancestral traditions

Take hold and preserve it

Ensure it is never lost

Hold fast.

Secure it.

Draw together! Affirm





Minutes

Board meeting	Public session
Date	6 September 2022
Venue	Watercare Services, Level 3 Boardroom, 73 Remuera Rd, Remuera and via Microsoft Teams
Time	10:15am

Attendance		
Board of Directors	Watercare staff	Guests
Margaret Devlin (Chair) Dave Chambers Nicki Crauford Graham Darlow Hinerangi Raumati-Tu'ua Julian Smith Frances Valintine Via Microsoft Teams Brendon Green (for items 6 to 14)	Jon Lamonte (CE) Jamie Sinclair (Chief Corporate Services Officer) Mark Bourne (Chief Operation Officer, for items 1 to 6) Steve Webster (Chief Infrastructure Officer, for item 9) Amanda Singleton (Chief Customer Officer, for item 9) Richie Waiwai (Tumuaki Rautaki ā-lwi me ngā Hononga, for items 1 to 6) Nigel Toms (Acting GM – Finance, for item 7) Harsha Mistry (Finance Manager, for item 7) Bronwyn Struthers (Head of Health, Safety and Wellbeing, for items 1 to 6) Rebecca van Son (Head of Strategy, for item 8) Emma McBride (Head of Legal and Governance) Pinaz Pithadia (Legal and Governance Advisor) Via Microsoft Teams Sarah Phillips (GM – People & Capability, for items 1 to 6)	Councillor Linda Cooper, Auckland Council Liaison Councillor Via Microsoft Teams Trudi Fava, CCO Programme Lead, Auckland Council (for items 6 to 14)

1.	<p>Opening karakia</p> <p>The Chair noted that although this item was on the Public agenda, Julian Smith opened the confidential meeting with a karakia earlier this morning.</p>
2.	<p>Apologies</p> <ul style="list-style-type: none"> • Apologies were received from Wi Pere Mita. • Brendon Green was an apology for items 1 to 5.
3.	<p>Quorum</p> <p>The Chair confirmed that a quorum was established.</p>
4.	<p>Minutes of the previous meeting</p> <p><i>The Board resolved that the minutes of the public session of the Board meeting held on 2 August 2022 be confirmed as true and correct.</i></p>
5.	<p>Public deputations</p> <p>There were no public deputations.</p>
6.	<p>Chief Executive's report</p> <p>The CE took the paper as read and highlighted the following key topics from his report:</p> <p><i>Current significant issues</i></p> <ul style="list-style-type: none"> • July rainfall was double the usual amount. As a result, there were a high number of faults and overflows, which had a consequential effect on the delivery of two of Watercare's Statement of Intent (SOI) measures. • Watercare was invited to appear at the Government's Finance and Expenditure Committee on 31 August 2022 to present on the Water Services Entity Bill (Bill 1). The CE and Dave Chambers attended the session in Wellington. Questions from the Committee concerned: pricing; working with the Northern Councils; Watercare's relationship with the Waikato District Council; and Watercare's SOI. • Health, safety and wellbeing requires attention. Incidents are higher than our targets. The "Back to Basics" campaign is a positive next step but has only recently been rolled-out so it will take time to see the results. We are encouraging our people leaders to do more safety walks and be on the ground, interacting with field staff. The Board requested that Management develop a metric which reflects the benefit of the leadership walks.

	<p><i>Water resources update</i></p> <ul style="list-style-type: none"> • Mark Bourne noted that at the end of August 2022, dam storage reached 100%. Water is now being drawn heavily from our gravity sources to minimise the level of spilling. • A wet July resulted in an increased level of wet weather overflows compared to previous months. • In response to a query from Councillor Cooper regarding Watercare's ability to meet the targets, Mark noted our mitigation measures included: an ongoing programme of works to identify illegal stormwater discharges to our wastewater network; and larger infrastructure projects such as the Northern Interceptor and the Central Interceptor. • The 7-day rolling demand is 404MLD, marginally below our production budget of 405MLD. Demand is higher than last year because in 2021 we had the ongoing effects of the restriction programme suppressing demand. The Board urged the business to ensure messaging continues around water efficiency and water literacy. <p><i>People and Communities</i></p> <ul style="list-style-type: none"> • Staff turnover has been increasing by 1% each month. The Executive Team is keeping a close eye on the levels and will take proactive action to protect key people. • A dawn blessing was held to open the Watercare Training Campus on 14 July 2022. The site has proven popular already with our contractors. Fulton Hogan has already trained 100 staff at the Campus and March Cato has booked the Campus for its people as well. <p><i>SOI Measures – water quality</i></p> <ul style="list-style-type: none"> • In response to a query from the Board, Mark Bourne explained the PFAS were found at low levels at the Onehunga Water Treatment Plant. This is being closely monitored. If PFAS levels increase, solutions could include: closing this plant; adopting a new type of treatment at this plant; or diluting this plant's water with water from Southern sources. <p><i>Watercare dam safety monitoring and surveillance training</i></p> <p>The Board had a query regarding dam safety and training. Immediately following the meeting, Mark provided the Governance team with the following information for inclusion in these minutes to answer the Board's question:</p> <ul style="list-style-type: none"> • Dam safety monitoring and surveillance training is provided by Dam Safety Intelligence in accordance with the New Zealand Society on Large Dams (NZSOLD) Guidelines. • Watercare retains a full list of trained staff and copies of certification. • Watercare keeps a record of other job specific training for Headworks staff. • Internally, Watercare provides initial dam safety training for new Dam Technicians or Dam Safety Staff, so they are aware of the dam safety monitoring and surveillance requirements. We undertake annual Emergency Preparedness Plan Training. We also send dam safety staff to NZSOLD / ANCOLD (The Australian National Committee on Large Dams) organised workshops, conferences, courses and field trips.
--	---

	<p><i>Water quality</i></p> <ul style="list-style-type: none"> • In response to a query from Councillor Cooper, Mark noted that Taumata Arowai’s final Drinking Water Quality Assurance Rules require monitoring and reporting to be undertaken. This will result in additional operational cost. Implementing this reporting is a broader programme that will occur in tranches. Additional surveillance will be undertaken by the Watercare Laboratory Services. We are also installing more online instrumentation. <p><i>Risk and compliance update – National Hazard Model (GNS)</i></p> <ul style="list-style-type: none"> • In relation to the National Hazard Model, Nicki Crauford noted her conflict of interest and advised that she is the Chair of GNS Science Limited. <p><i>Key performance measures</i></p> <ul style="list-style-type: none"> • Net Promoter Score has been changed to Customer Net Satisfaction Score from FY23. The title of the chart needs to be renamed. • The Board requested a copy of the methodology behind the SOI measure on ‘Ratio of procurement sourced through Māori owned businesses’. • The SOI measure on ‘Culture and Leadership’ (leadership walks by people leaders) is to be reported to the Board monthly, with the reporting to show the benefits of the leadership walks. • The Board raised their concerns with the four-month lag in reporting the leakage performance. Mark explained the reasons around the lag and noted that implementing the smart meter programme will provide immediate leakage information and help manage leakage to the Economic Level of Leakage. • The Chair requested that the Board-to-Board hui with the Waikato River Authority be scheduled after the election but ideally before Christmas. • There was a typographical error on page 22. The contracts listed were signed by the CE in July, not June. <p><i>Health, safety and wellbeing</i></p> <p>Bronwyn Struthers spoke to the HSW update.</p> <p>In response to the Board’s request for a break-down of injury frequency rates at the 2 August meeting, Bronwyn shared a presentation (Attachment 1) and highlighted the following key points for the Board:</p> <ul style="list-style-type: none"> • The cost of each injury is falling, meaning injuries involve less time away from work and fewer medical costs. • Our TRIFR target is 10, which works out to less than 2 injuries per month. MSN and the Lab account for 50% of all injuries. Operations account for around the other 50%. Around 430 people work in Ops, and around 180 in MSN and Lab. MSN & Labs have fewer people, but a higher proportion of injuries than Ops. The Board noted it would be useful to know the proportion of hours within each business unit. • Slips, trips and falls account for 1/3 of all injuries.
--	---

	<ul style="list-style-type: none"> Dave Chambers suggested that the HSW team should talk with the people who do not get injured on the job and find out what they do to avoid injuries. Learnings from these staff can help drive down injury rates. The Board requested a deep dive into MSN injury rates, and to be updated on the action plan. <p><i>The Board noted the report.</i></p>
7.	<p>Sensitive expenditure policy – update</p> <p>Hinerangi Raumati-Tu’ua, the Chair of the Audit and Risk Committee (ARC), noted that this policy was reviewed by the ARC at its meeting held on 29 August 2022. Hinerangi noted that the updated policy provides more clarity around the pre-approval criteria.</p> <p>Harsha Mistry spoke to the report and noted the key changes for the Board.</p> <p><i>The Board accepted the ARC’s recommendation and approved the updated Sensitive Expenditure Policy.</i></p>
8.	<p>Scanning the Horizon</p> <p>Rebecca van Son introduced the report, which was taken as read. The Board and Management discussed the following points:</p> <ul style="list-style-type: none"> Climate change, and how the company will make big leaps. This, and our innovation fund initiative, are to be discussed at the Board Development Day. The Office of Auditor-General’s (OAG) recommendations on the City Rail Link (CRL), demonstrate that on large infrastructure projects, it is good to be brave and invest at the start of the project. Upfront investment could have avoided later stage mitigation costs on the CRL. <p><i>The Board noted the report.</i></p>
9.	<p>Strategic focus: Our communities trust and respect us</p> <p>Julian Smith began the agenda item with a karakia and thanked Steve Webster and Amanda Singleton for their mahi in preparing this item.</p> <p>Amanda provided an overview of the Customer team. Watercare’s contact centres are a combination of back office and front-line office staff. Significant efficiency improvement has been achieved in terms of contact centre spend per connected properties.</p> <p>Amanda highlighted three key focus areas for the team over the next two years: working smarter; embedding te mana o te wai principles; and embedding customer centricity.</p>

	<p><i>Working smarter</i></p> <ul style="list-style-type: none"> • The key to unlocking further efficiencies is through digital enablement, process improvement and staff development. However, digital development is uncertain whilst we transition through three waters reform. <p><i>Embedding te mana o te wai principles</i></p> <ul style="list-style-type: none"> • The Watercare purpose is strongly rooted in the principles of te mana o te wai. It drives everything Watercare does such as capital investment programmes, corporate narrative, and the customer engagement framework. • Over the last two years, Watercare has spent around \$3m a year on customer education. <p><i>Embedding customer centricity</i></p> <ul style="list-style-type: none"> • Customer centricity is an articulated expectation in the Water Services Bill (Bill 1) as will be a key aspect of economic regulation (protecting customers against monopoly behaviour). • Watercare has an obligation to ensure that the services it provides, represent value for money. • The Board also noted that we must always be conscious that our decisions are intergenerational and will impact today's children in the future. <p><i>Three key segments of customers – commercial, residential and developers</i></p> <ul style="list-style-type: none"> • Our channel model for residential customers is designed to deliver an optimal customer experience through digital engagement for most customers (high volume, low emotion), with human interactions reserved for low volume, high emotion issues. • Our commercial customer strategy allows for a segment specific servicing model for optimal trust and collaboration on a tiered basis. During the drought, Watercare worked closely with our commercial customers to achieve collective objectives. • A customer satisfaction measure has been developed for the commercial segment. <p><i>The recent customer satisfaction survey of the developer segment</i></p> <p>Steve Webster provided the insights from the recent customer satisfaction survey of the developer segment. Steve noted the following initiatives undertaken by Watercare to improve developer services:</p> <ul style="list-style-type: none"> • Proposed CRM implementation will improve process consistency. • Better Faster Consenting (BFC), once implemented, will improve developer / Watercare / Council's visibility of consent application lifecycle. • We are working with Council on traffic management constraints and cost. • Collaboration with the Customer team is currently underway to review where improvements can be implemented.
--	--

	<p>The Board recognised a need for proactive improvement in serving our developer community and noted the ongoing actions undertaken by Management. The Board requested a quarterly update on the NPS score for developers to be provided through the CE's report.</p> <p>The Chair thanked the team for their korero.</p>
10.	<p>Audit and Risk Committee update</p> <p>Hinerangi Raumati-Tu'ua, the Chair of the Committee, provided an update to the Board on the most recent ARC meeting on 29 August 2022. At the meeting, the ARC:</p> <ul style="list-style-type: none"> • reviewed the end of year financial statements and financial report; • discussed Deloitte's external audit update; and • reviewed the updated Sensitive Expenditure Policy ahead of its approval by the Board.
11.	<p>Board planner</p> <p>The Board Planning Day has been scheduled for 4 October 2022 and therefore, there will be no Board meeting in the month of October.</p> <p><i>The Board noted the Board planner.</i></p>
12.	<p>Directors' meeting attendances</p> <p><i>The Board noted the report.</i></p>
13.	<p>Disclosure of Directors' and Executives' interests</p> <p>Julian Smith advised of his conflict of interest and noted that:</p> <ul style="list-style-type: none"> • His spouse's business has been contacted by Watercare to provide professional services. • He has no interest in his spouse's business and has not been associated with the business in any way. • The contract value is less than \$3,000. <p>The Board noted and confirmed with Julian that:</p> <ul style="list-style-type: none"> • Julian has not been involved in any decision making relating to the contract. • The contract value is low which will be continued to be monitored by the Internal Audit team. • Julian's conflict of interest is disclosed in the governance register and mitigating actions will be documented by the Internal Audit team.

	<p>Nicki Crauford advised: she is no longer a director of CentrePort Limited Group; she has been appointed as a Chair of Burgundy Holdco Limited (owner of StraitNZ Holdings Limited).</p> <p><i>The Board noted the report.</i></p>
14.	<p>General business</p> <p>Trudi Fava noted that Watercare’s Statement of Intent for 2022-2025 was approved by the CCO Oversight Committee meeting earlier this morning.</p> <p>In closing, the Chair recognised that, with the upcoming local body elections, this will be Councillor Cooper’s last meeting as Watercare’s Liaison Councillor.</p> <p>Councillor Cooper extended her thanks to the Watercare team and the Board for their support during her term.</p> <p>The Chair recognised Councillor Cooper’s great influence on helping to build strong relationship between Council and Watercare.</p> <p>The meeting closed at 12.13pm.</p>

CERTIFIED AS A TRUE AND CORRECT RECORD

.....
Margaret Devlin, Chair

Attachment 1

Injury Frequency Rates Review and Investigation

6 September 2022

Calculation

$$\frac{\text{LTI} + \text{MTI} + \text{RDI}}{\text{Total hours worked}} \times 1,000,000$$

- Rolling 12

Key Numbers wrt TRIFR

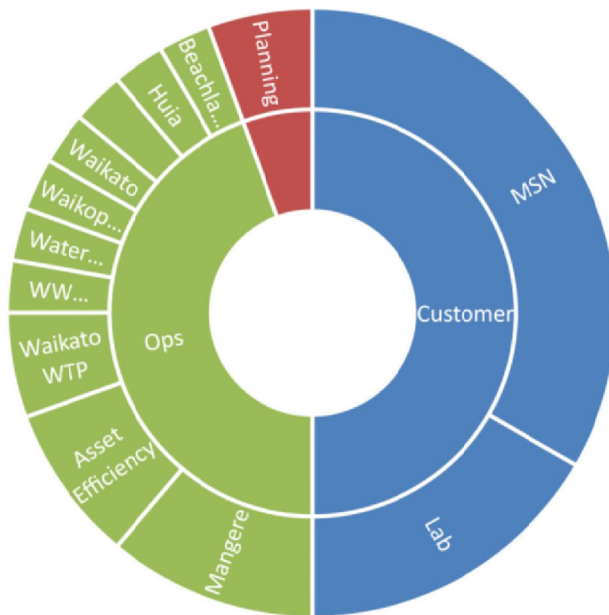
Ave Rec Injuries pm	Watercare		Contractor	
2020-2021	2.83	(1.8)	2.91	(1.8)
2021-2022	2.67	(1.8)	3.66	(2.2)

Ave hours pm	Watercare		Contractor	
2020-2021	176320		182930	
2021-2022	186271		220944	

Our target number is 10 and to achieve that we must have less than 2 recordable injuries per month

Injuries by business unit

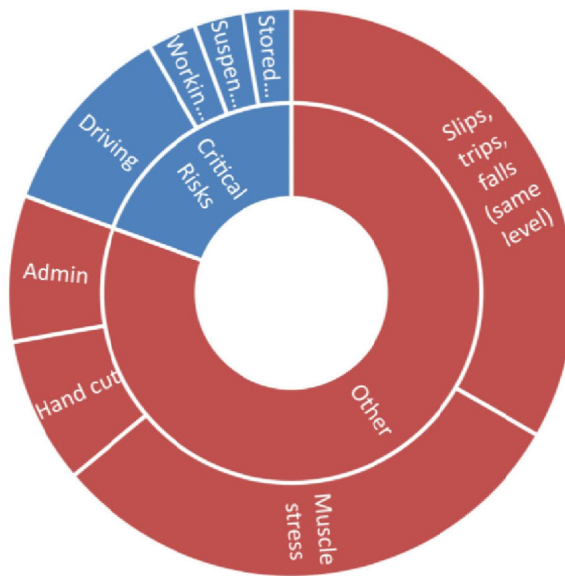
Recordable Injuries 2021-2022



Customer	MSN	12
	Lab	6
Infrastructure	Planning	2
	Asset Efficiency	3
Ops	Beachlands	1
	Huia	1
	Mangere	4
	Muruwai WTP	1
	Waikato	1
	Waikato WTP	2
	Waikophai PS	1
	Water Value	1
	WW Pump Station	1
		36

Injuries by type and mechanism

Recordable Injuries 2021-2022



Critical Risks	Driving	4
	Stored Energy	1
	Suspended Load	1
	Working at Height	1
Other	Admin	3
	Hand cut	3
	Muscle stress	11
	Slips, trips, falls (same level)	12
		36

Notes

- Focus on the right things
- Increased support for MSN
- Focus on muscle stress through APHIRM programme
- STF – work with design team & increase planning and situational awareness
- Driving – work with Fleet Manager and drivers

Board meeting | 1 November 2022
Public session



Our performance under the 2021 – 2024 Statement of Intent

For discussion

Te pou whenua tuhinga / Document ownership

Prepared and recommended by

Emma McBride
Head of Legal and Governance

Submitted by

Jon Lamonte
Chief Executive Officer

1. Te tūhunga / Recommendation

We recommend that the Board notes this report and the presentation attached to this report.

2. Take matua / Key points

The key points are:

- The Annual Report 2022, which includes our performance under the 2021–2024 Statement of Intent (SOI), was published on 30 September 2022.
- An overview of Watercare's performance under the SOI 2021–2024, including our performance under FY2022 SOI targets, will be presented in the public session of the Board meeting.
- Members of the public will be allocated time to address the Board in relation to our performance under our SOI.

3. Whāinga / Purpose and context

The Local Government (Auckland Council) Act 2009 (Act) requires council-controlled organisations (CCOs) of the Auckland Council to nominate two Board meetings per year to be open to the public.

- One meeting must be held before 30 June each year for the purpose of considering comments from shareholders on the organisation's draft SOI for the following financial year
- One meeting must be held after 1 July each year for the purpose of considering the CCO's performance under its SOI in the previous financial year.

At each of these meetings, the Board must allocate a reasonable amount of time for members of the public attending the meeting to address the Board in relation to the subject matter of the meeting.

4. Kōrero pitopito / The details

The SOI represents Watercare’s public expression of activities, intentions and objectives, and the legislative expression of accountability to its shareholder, the Auckland Council.

We have reported on our overall performance under the SOI

- We report to the shareholder, Auckland Council, via our Quarterly Reports on our progress under the SOI.
- Our overall performance under the SOI is also recorded in the Statement of Service Performance that is included in our Annual Report 2022.
- Our Annual Report 2022 was published online on our website on 30 September 2022 - <https://www.watercare.co.nz/About-us/Reports-and-publications>.

At the Public Board meeting, an overview of our performance under the SOI will be presented

- A copy of the presentation is attached as Attachment 1.
- Members of the public will be allocated time to address the Board in relation to our performance under our SOI.

5. Ngā ūpoko / The capitals

The SOI is structured around our six capitals and how they align to Council’s Auckland Plan Outcomes.

6. Ngā tūraru matua / Key risks and mitigations

Risk themes	Key risk	Mitigation
Organisational Capability	Performance measure targets may not be met	Continuous monitoring of performance measure targets, and reporting to Council via quarterly reports; agreement with Council to review targets should it be necessary.
Organisational Capability	Annual work programme deliverables and outcomes are not met	Continuous monitoring of progress against our agreed work programme, and reporting to Council via quarterly reports.

7. Ngā tuhinga ō mua / Previous deliberations

Date	Report title	Key outcomes
30 November 2021	Our performance under the 2020–2023 Statement of Intent	The Board noted the report and presentation. The Board also noted that there were no public deputations regarding the report and presentation.

8. Ā muri ake nei / Next steps

This paper and the presentation finalise the reporting for the 2021–2024 SOI. Watercare is now working towards the 2022–2025 SOI.

9. Te whakapiringa / Attachment

Attachment number	Description
1.	Our performance under the 2021–2024 Statement of Intent



Attachment 1

Our performance under the 2021-2024 Statement of Intent



Watercare education programme coordinator Kathryn Lorenz at Northcross Intermediate School

Watercare's overall performance under the 2021-2024 Statement of Intent

In FY22, Watercare had a total of 27 SOI measures, of which 14 were LTP measures.

Of the 27 measures:

- 23 measures were achieved
- 3 measures were not achieved
- 1 baseline measure was not established as the measure has not been included in our current SOI for 2022-25*

** DUEs (domestic unit equivalent) measured through Infrastructure Growth Charges.*

23 SOI measures were achieved



NATURAL ENVIRONMENT

- Compliance with Watercare's resource consents for discharge from its sewerage system measured by the number of:
 - a) abatement notices
 - b) infringement notices
 - c) enforcement orders
 - d) convictions received by Watercare in relation to those resource consents ✓
- The average consumption of drinking water per day per resident ✓



PEOPLE AND CULTURE

- We will improve our employee engagement (eNPS) ✓
- Gender workforce ratio ✓
- Total recordable injury frequency rate per million hours work (new measure) ✓

23 SOI measures were achieved



CUSTOMER AND STAKEHOLDER RELATIONSHIPS

- Net promoter score ✓
- Community trust score (new measure) ✓
- Percentage of customer complaints resolved within ten days of notification (new measure) ✓
- Ratio of procurement sourced through Māori owned businesses (new measure) ✓
- The extent to which Watercare's drinking water supply complies with part 4 of the drinking water standards (Bacterial Compliance Criteria) ✓
- The extent to which Watercare's drinking water supply complies with part 5 of the drinking water standards (Protozoal Compliance Criteria) ✓

23 SOI measures were achieved



CUSTOMER AND STAKEHOLDER RELATIONSHIPS (CONT.)

- Median response time for attendance to urgent call-outs: from the time that Watercare receives notification to the time that service personnel reach the site ✓
- Median response time for resolution of urgent call-outs: from the time that Watercare receives notification to the time that service personnel confirm resolution of the fault or interruption ✓
- Median response time for attendance of non-urgent call-outs: from the time that Watercare receives notification to the time that service personnel reach the site ✓
- Median response time for resolution of non-urgent call-outs: from the time that Watercare receives notification to the time that service personnel confirm resolution of the fault or interruption ✓
- Attendance at sewage overflows resulting from blockages or other faults: median response time for resolution – from the time that Watercare receives notification to the time that service personnel confirm resolution of the blockage or other fault ✓

23 SOI measures were achieved



CUSTOMER AND STAKEHOLDER RELATIONSHIPS (CONT.)

- The total number of complaints received by Watercare about any of the:
 - a) drinking water clarity
 - b) drinking water taste
 - c) drinking water odour
 - d) drinking water pressure or flow
 - e) continuity of supplyexpressed per 1000 connections to the local authority's networked reticulation system ✓
- The total number of complaints received by Watercare about any of the following:
 - a) sewage odour
 - b) sewerage system faults
 - c) sewerage system blockagesexpressed per 1000 connections to the Watercare sewerage system ✓

23 SOI measures were achieved



ASSETS AND INFRASTRUCTURE

- The number of dry-weather overflows from Watercare's sewerage system, expressed per 1000 sewerage connections to that sewerage system ✓
- Average number of wet-weather overflows per engineered overflow point per discharge location in the transmission system (12-month rolling average) ✓
- We will develop and use talent, processes and technologies to manage non-revenue water and ensure optimal supply efficiency (New measure) ✓



FINANCIAL CAPITAL AND RESOURCES

- Percentage of household expenditure on water supply services relative to the average household income ✓
- Debt to revenue ratio ✓

Three SOI measures were not achieved



CUSTOMER AND STAKEHOLDER RELATIONSHIPS

- **Formal engagement with mana whenua of Tāmaki Makaurau (new measure) x**
 - Over the last 12-months, despite changes in staff and capacity issues which limited the ability of all mana whenua to engage directly with Watercare or to participate in the Mana Whenua Kaitiaki forum, **Watercare achieved 95% compliance by meeting with 18 of the 19 mana whenua of Tāmaki Makaurau.**
 - Although engagement with some of our mana whenua partners was more frequent than others, we were not able to meet with Ngāti Rehua Ngāti Wai ki Aotea.

Actions we are taking

- **We intend to re-engage with mana whenua of Tāmaki Makaurau through the water reforms and Entity A discussions.**

Three SOI measures were not achieved



CUSTOMER AND STAKEHOLDER RELATIONSHIPS

- **Attendance at sewerage overflows resulting from blockages or other faults: median response time for attendance – from the time that Watercare receives notification to the time that service personnel reach the site ✖**
 - The longer times for attendance were due to short-staffed teams that were impacted by COVID and the Government’s isolation requirements.

Actions we are taking

- **We are now triaging wastewater overflows more carefully into P1 and P2 (60 minute and 4-hour response time respectively).**
- This means that the methodology for this SOI measure (a DIA measure) has been reviewed. The new methodology for FY23 for call-outs will relate only to “Priority 1” jobs.

Three SOI measures were not achieved



ASSETS AND INFRASTRUCTURE

- **Average Asset Age (new measure) ✗**
 - The calculation for average asset age applies asset age and replacement cost to form a weighted average asset age. The driver for the weighted average asset age increase in 2021/22 compared to 2020/21 is mainly due to some older assets influencing the overall asset age result.

Actions we are taking

- This measure is not included in the SOI 2022-2025 as the expected life of our various assets vary greatly and the simple average does not provide a useful measure.
- The SOI 2022-2025 includes two new measures that relate to the **Economic Level of Leakage (ELL)**. **The ELL provides a better indication of the quality of our linear assets.**

How we delivered value

...



NATURAL ENVIRONMENT

ENSURING RESILIENCE



Our efforts over the past year have focused on ensuring a resilient water supply situation for Auckland, especially after a prolonged drought which saw us implementing water restrictions, introducing new water sources and improving network performance.

FY22 Highlights

Drought restrictions removed

- The water storage levels at Auckland's main dams recovered sufficiently to enable us to remove restrictions in October 2021, nearly two years after the drought began.

Reduced the volume of water lost to leaks

- This was due to the benefits realised from our ongoing proactive leak detection programme and improved feedback processes for managing leaks, right from reporting a leak, fixing the leak to updating the customer.

Resource Recovery

- The launch of a fertiliser made from Struvite. 'Emerge' is a sand-like, slow-release Struvite fertiliser that our resource recovery team has started producing from phosphorus and nitrogen which crystallises during the wastewater treatment process. This is extracted, sun-dried, sieved and sorted at our resource recovery facility within the Māngere Wastewater Treatment Plant. The fertiliser's first sale was to a turf management company in early 2022.



PEOPLE AND CULTURE

BUILDING A SUPPORTIVE AND INCLUSIVE WORKPLACE



Against the backdrop of an extended lockdown, pandemic fatigue and an extremely tight labour market, looking after our people and building a supportive and future-focused workplace took on even more significance in 2021/22.

FY22 Highlights

Employee engagement score

- Increased to 23, which was above our target of 20.

Culture

- We also saw a measurable improvement in our culture, achieving a 7% increase in the constructive behaviours we remeasured – a sign that we are seeing a change in the right direction.

Company Plan

- In early 2022, we launched our company plan which clearly articulated our purpose and clarified our strategic priorities and workstreams.



CUSTOMER AND STAKEHOLDER RELATIONSHIPS

IMPROVING CUSTOMER EXPERIENCE WITH INSIGHTS AND EMPATHY



We continue to move closer to our customers and communities as we deliberately shift to making decisions and developing solutions with them instead of for them.

FY22 Highlights

Net Customer Satisfaction Score

- Increased this year to 54, from 46 in 2020/21.

Chatbot

- Our customer experience team introduced a chatbot.
- We were able to handle 222 customer conversations during an extreme storm event, which is the capacity equivalent of three full-time employees.
- Our live chat agents can handle 2.5 concurrent conversations, while the chatbot has the potential to handle up to 500 concurrent conversations.

Citizens Assembly

- In August 2022, the assembly brought together 40 Aucklanders to deliberate over four full days on future water sources for Auckland. The outcome of the assembly will be a recommendation presented to Watercare's Board in the public meeting on 1 November 2022.



ASSETS AND INFRASTRUCTURE

DELIVERING DESPITE COVID-19, SUPPLY CHAIN CHALLENGES

In July 2021, we launched our ambitious Asset Management Plan for Auckland, detailing an investment of \$18.5 billion for building and renewing water/ wastewater infrastructure over the next 20 years.

FY22 Highlights

Construction on the Central Interceptor wastewater tunnel

- Progressed steadily, despite some challenges during the COVID-19 lockdown and subsequent Omicron outbreak.

Built a new water and wastewater network in Clevedon

- This caters for growth over the next 20 years.
- The new network can accommodate more than 2000 households.
- It is designed to help address environmental pollution from failing septic tanks and provide reliable and safe water and wastewater services to Clevedon Village.
- The network is now live, with our first applicants receiving water and wastewater services.



INTELLECTUAL CAPITAL

THINKING DIFFERENTLY, WORKING DIFFERENTLY



The world has changed, especially over the past two years. Locally and nationally, the challenges faced by the water industry – climate change, ageing infrastructure and population growth – have really come to the fore.

To tackle these challenges effectively, during FY22 we needed to think differently, remain open to new ideas and collaborate, both within and outside the business. Highlights include:

- **Reduced carbon in our infrastructure**
 - applied new thinking and partnerships to monitor and reduce our emissions. These include low-carbon concrete trials, New Zealand-first portable greenhouse gas monitor to trap and measure nitrous oxide (N₂O) from wastewater treatment processes and introducing a water efficiency component to New Zealand's pilot low-carbon homes.
- **Made the most of our waste**
- **Learned new ways of doing things**
- **Collaborated with the community, industry and academia to improve how we operate**



FINANCIAL CAPITAL AND RESOURCES



MOVING FORWARD IN CHALLENGING TIMES

The COVID-19 pandemic has had a far-reaching impact, touching every sector of society. The infrastructure industry has been particularly hard hit, with inflationary pressure pushing up the cost of construction materials, labour and shipping.

At the end of FY22:

- We delivered \$689 million of our capital programme, against a budget of \$747 million. In the year ahead, we plan to invest \$800 million, which will include a range of digital projects to improve our customers' experience such as upgrading our call centre software.
- Our total revenue was \$933.0 million in 2021/22 and compared favourably with – \$802.6 million in 2020/21.
- Revenue from Infrastructure Growth Charges totalled \$240.5 million compared with \$196.9 million in 2020/21, reflecting the unprecedented growth in housing development across the Auckland region.
- We maintained positive debt headroom for 2021/22. Our debt to revenue ratio (the amount that Watercare can borrow in proportion to our revenue/assets) was 2.8, which is lower than the baseline of 3.54 we set for our debt headroom.



Chief Executive's report – November 2022

Presented by: Jon Lamonte



1. Current significant issues

September 2022 performance as measured in SOI targets fell short by 9 measures, but some of these relate to rolling 12 month averages, which still show the effects on July 2022 rainfall, and others are always challenging to meet until later in the year such as mana whenua engagement.

The points to focus on are the high level of HSW incidents, made worse this month by a crush injury to a worker at Mt Albert on the CI site there. Although Worksafe released the site very quickly, there have been a lot of lessons for the JV management team to consider. Not in the figures, but also relevant, is the recent incident at the Redoubt Road site, where an unplanned delivery required a lift of equipment when only strops were available rather than the right methods. In the event, the load slipped 300-500mm, and we were fortunate that this was done in an exclusion zone where no one could be injured. The underlying message is one of managing in change – one moving from a mining site to a standard construction site, the other an unplanned delivery. We continue with our messages of taking your time to get things done properly.

Separately, Worksafe did an annual inspection at Ardmore WTP on 19 October 2022; although we await the formal report which is likely to take some 5 weeks, we are resolving some of the minor issues that were raised.

The HSW update attached with this report includes a full update on the CI Incident Management Level 3 Exercise. Overall, the exercise was managed well and provided useful learning, particularly regarding communication between all parties. Observations include:

- The Incident Governance Group worked effectively and managed communication well, including to the Board and the Mayor's office via Jim Stabback, Chief Executive at Auckland Council
- Roles within the Incident Support Group vs Incident Governance Group need further clarification
- Some communication technology improvement required
- Off-site groups were not clear about the number of workers who were unaccounted for.

A final debrief will be held to with the team to ensure all improvement actions are captured and actioned.

Capital delivery is still behind where we would like it to be, with design and delivery not being as advanced as we would want. Our focus remains on catching up over the year.

Staff turnover is currently 18.7%. As previously reported, we are looking closely at key areas to make sure they are properly resourced, but anecdotal evidence from other organisations across the Council group is that high turnover has just about peaked, and elsewhere has returned to near normal levels.

2. Key Performance Measures

Attachment 1 sets out Watercare's performance against the current Statement of Intent measures for September 2022.

From the Executive team's monthly performance hui, the following key strands emerged:

- HSW remains a key focus area following recent incidents at Mt Albert (CI), Dunkirk and Papakura.
- Customer satisfaction and trust scores are closer to target
- The Water Expo was very successful in its second year.
- Staff turnover at 18.7% is very high – but is thought to be peaking.
- Onehunga WTP now closed following engagement with community and Council
- We are starting to sense a concern over security, given a rise in graffiti, some interactions with residents requiring police assistance, and the potential break in at the Dunkirk site.
- The definitions of SOI measures have been reviewed against the original DIA requirements and some anomalies have been raised, which will need to be resolved when the next SOI is produced.

At the 6 September 2022 Board meeting, the Board requested an update on the quarterly Developer's NPS score. The score for Q1, FY23 was 24.

- The score has increased by 6 points since the previous quarter
- Themes improving the overall results have been driven largely by ease of service improvements, less customers are commenting on wait times and follow up
- Knowledgeable staff continue to be an area of promotion, with customers commenting that our staff are professional and efficient
- Areas that are showing as detraction are for more complex connections, which have increased traffic management costs, as well as frustration for customers if further information is required to process applications
- Our Works Over team have had significant improvements with their results with a focus on improving case management.

The next quarterly update on the Developer's NPS score will be provided in the February 2023 CE's report.

2. Organisational plan implementation

On 26 January 2022, Watercare launched the new Company Plan, a framework with targets and deliverables to enable us to be a more purposeful and outcome-focused organisation. The Company Plan targets are around six pillars.

During the year, each of our Board meetings were dedicated to a deep dive aligned to the six pillars. At today's Board meeting, we will be focusing on the 'We educate, innovate, and collaborate for future generations', last of the six strategic pillars at item 13 on the public agenda of the 1 November 2022 Board meeting.

The update below sets out a brief update on the performance of our commitments and targets under each of the six pillars. During 2023, Management will keep the Board up to date with further progress.

Delivery of the Company Plan

During 2022 all teams across Watercare have been actively working on the 80 specific initiatives identified within the Company Plan. These initiatives were key projects required to achieve the outcomes we said were most important to us in January 2022 (see image below).

The existence of this plan has been beneficial as it has provided direction and transparency to all employees across the organisation. These initiatives are tracked monthly, and any delays or issues are highlighted in the monthly Executive Performance meetings.

A number of the projects are now complete or have been transferred into business as usual

Project	Update
We ensure the quality of our water at all times/We will meet all Taumata Arowai regulations once they take effect	We performed work and implemented new processes to ensure all new regulations would be met. This is now considered business as usual.
We have actioned our Māori Outcomes Plan to support Auckland Council's Kia Ora Tāmaki Makaurau Māori Outcomes Framework by March 2022. The plan will be implemented over the next three to four years	This plan is in place, and we are now delivering against it, which is reported through the SOI, Monthly reporting, and Council quarterly reporting.
We have an engaged workforce operating in a flexible working environment, measured through an 10% improvement in eNPS by FY23	March 2022 Survey results confirmed the score has improved from 11 to 23 (^110%).
We have improved resilience by reducing key single points of failure (eg Waikato 2 pipeline by 2034, Hūnua 1 water pipeline replacement 2026, Hūnua 4 water pipeline 2022)	These projects have been included in the AMP and are part of our strategic programme delivery.

Key projects that we think are making a real difference

Project	Update
Prioritisation of key issues – We will take a targeted approach. We will prioritise key issues, such as improvements in our data capture and management making them	A project was established to enhance our AMP. Currently, we are validating and enhancing the data associated with every line in the AMP. This is establishing







ready for information disclosure by December 2022	the foundation of our servicing strategies and the AMP going forward. We expect this project to add significant value to the business.
We have updated our Long-term Plan forecasts and received endorsement from the Board with the strategy to keep price increases as previously planned, target efficiency savings of 4% against current opex cost, and hold our current nominal capex spend. We continue to engage the Council planning team and are due to receive feedback on our plan update in the coming weeks	This initiative is being supported by the efficiency programme to ensure we remain within the 2023 budget envelope and continue to find further efficiencies into the future.

Key Initiatives that need attention

Project	Update
50% emission reduction by 2030	We have an approved roadmap for this target (with 45 projects over 7.5 years), however some capex and opex is not currently budgeted. There are four priority projects for this year, which includes approx. \$2m-3m of unbudgeted capex, which we expect to be able to fund. Whilst we have a plan, this initiative is a challenge because emissions are still increasing
Energy neutrality at major wastewater treatment plants by 2030	This initiative is wholly dependent on the investment within the AMP/capital programme.
We are working on Climate Related Financial Disclosure (TCFD) metrics that will be developed in 2023 post XRB reporting standard finalisation. Disclosure required for periods after 1 January 2023.	It is worth highlighting that this initiative is a challenge to achieve. It requires engagement from Finance, Risk, Operations, and Infrastructure. There are around 70 climate risks that have to be identified, assessed and quantified by 2024 for the first mandatory report, however Council are aiming for a voluntary report in 2023.
We have a governance engagement plan that involves all Board members to be active in the engagement space. The plan will be in place in April 2022	The Stakeholder engagement plan is in place and includes lwi engagement.

Due to budget and resource constraints, as well as Three Waters Reform, some other initiatives have been put on hold or have been delayed. Some examples of these projects are below.

Project	Update
Work has commenced to identify the workstreams and resources required to prepare the business for possible economic regulation. These plans will be incorporated into the budget process to receive and appropriate resource allocation for FY23	This initiative is not on track and was not included in the budget due to lack of mandate. However, DIA will now support the current preparedness process which will increase Watercare capability and may in time lead to the establishment of the regulatory function.
We have developed a climate change risk analysis register and action plan by December 2022.	This action has been delayed due to keys resources leaving Watercare. However, risk identification workshops have been completed, and next steps include assessment and actions which will be completed in 2023 in line with XRB reporting timelines.
Completing our discovery phase, with a target state architecture in place, and commencement of technical integration of Stormwater into the Nerve Centre by July 2022	This is on hold – a Council decision
We increase the visibility of Te Reo Māori in all Watercare worksites and buildings. We will have bi-lingual signage both at sites and within the office (H&S, directions and instructions, naming etc) by June 2022	This initiative is on hold because if water reform proceeds, the name of Entity A is not yet known.
We will implement a fit for purpose People systems solution replacing outdated systems to provide a seamless employee experience across the 'hire to retire' journey	This will now be implemented by DIA under reform.

<p>We are fully sustainable</p> 	<p>Te Ao Māori is embedded throughout our organisation</p> 	<p>We value our People</p> 	<p>We educate, innovate, and collaborate for future generations</p> 	<p>Our communities trust and respect us</p> 	<p>We have a resilient water supply</p> 
<p>We understand the impacts of climate change, making bold actions to reduce our emissions and prepare our business for future climate challenges.</p> <p>We protect and enhance a thriving natural environment.</p> <p>We reimagine waste as a valuable resource.</p> <p>We are sustainability leaders in and beyond our industry and embed sustainability in everything we do.</p> <p>We believe that water is a treasured resource/taonga and this is part of our cultural DNA.</p> <p>We optimise our investment decisions, are efficient, effective and financially responsible.</p>	<p>We value Te Ao Māori and understand the cultural importance of water.</p> <p>We embrace and develop our own Māori identity and culture competencies.</p> <p>We recognise Te Tiriti O Waitangi and the significance of Te Mana O Te Wai.</p> <p>Iwi and mana whenua are active partners, decision makers and participants with Watercare.</p>	<p>Our people are valued, and they represent the communities in which we serve.</p> <p>We have highly capable, engaged, and productive people in an embedded safety culture.</p> <p>We value diversity and invest in our people.</p> <p>We meet the learning needs of our people and provide a safe cultural environment.</p> <p>We have strong brave leadership.</p> <p>We are proud of the legacy we leave.</p>	<p>We build trust with stakeholders:</p> <ul style="list-style-type: none"> • Staff • Customers • Council • Iwi • Government • Interest groups • Communities <p>Collaboration pathways are paved between water companies, regulators, supply chains, SMEs, start-ups, academia, customers, and other innovators to allow innovation to work.</p> <p>We drive and showcase innovation. We have a shared innovation culture and people are incentivised to contribute. We take risks, we experiment, and we accept that we may fail.</p> <p>We increase the water literacy of our communities.</p>	<p>We trust and have confidence in ourselves to provide excellent customer service across the entire business.</p> <p>The service provision is transparent, and customers and communities work with us to improve service and decision making.</p>	<p>We provide excellent water quality that meets drinking water standards and customer expectations.</p> <p>We have enough water for everyone in Auckland. We ensure resource sustainability and supply resilience to enable sustainable growth whilst reducing existing demand.</p> <p>We are future proofed - we have a balanced water resource portfolio.</p> <p>We maintain the integrity of our assets in the long term.</p>

3. Te tangata / People

In September 2022, we completed our revised Remuneration Review. Historically, remuneration reviews were done every December but are now effective from 1 July 2022, to align our performance year with our financial year. It did bring forward applicable salary changes to 1 July 2022 in what is a challenging financial year for our kaimahi (staff) due to rising inflation and cost of living challenges. The condensed process was a result of a lot of hard work from the team but has received positive feedback and achieved a successful audit outcome.

Recruitment for our internship programme is complete with 20 interns engaged to start the programme in late November. Efforts to increase diversity of the programme have paid off with 25% of the group identifying as Māori, 15% Pasifika and 70% women. The programme runs from November to February 2023 and provides a great pipeline for future employees.

Attachment 2 is a workforce snapshot for September 2022. Overall employee numbers have decreased which is slightly in line with the efforts of the efficiency programme. Voluntary turnover (rolling average) is still increasing up from 17.14% to 18.75% which is concerning. We have created a more in-depth analysis of the turnover data. This has highlighted areas of concern for us to target our retention activity on and address factors driving turnover. Monthly sick leave has decreased slightly which is in line with seasonal trends as we move out of the winter months.

4. Health, safety and wellbeing

The report attached as Attachment 3 provides a comprehensive overview of Watercare's health, safety and wellbeing including the deep dive on one of Watercare's 14 critical risks (mobile plant).

5. Community and stakeholder relationships

Kia Ora Tāmaki Makaurau Mana Outcome: Kia Ora te Hononga (effective Māori participation) and Kia Hāngai te Kaunihera (an empowered organisation)

A significant milestone was reached in August 2022, with the signing of a kawenata between Watercare and Te Kawerau ā Maki. The partnership agreement outlines several key commitments. This includes establishing the Waima Biodiversity Trust, with a dedicated trustee appointed by Te Kawerau ā Maki; direct input into the preparation and implementation of management plans for the Huia Water Treatment Plant; and collaboration with Te Kawerau ā Maki on a number of cultural monitoring mechanisms. Focus will now shift to ensure we effectively manage implementing these commitments at an operational level. It reinforces our obligations as Te Tiriti partners and creates additional pathways for Watercare to demonstrate this in action. To date, Watercare has signed relationship agreements with nine mana whenua from Tāmaki Makaurau and Waikato River iwi.

Kia Ora Tāmaki Makaurau Mana Outcome: Kia Ora te Ahurea (Māori identity and culture) and Kia Ora te Reo (Te Reo Māori)

During September 2022, we celebrated Te Wiki o te Reo Māori (Māori language week) by hosting the Voices of Moana song festival and Te Aka Pono – a staff workshop on numerology and chakras from a Te Ao Māori perspective. As part of our wider te reo initiatives, the first visual design drafts of Watercare's e-learning Māori language app are complete. Building of content is underway. Rollout of the app is set for the end of Q2. We have also completed te reo translations for all Watercare business units and staff job titles (Tiers 1 - 4). Next steps will be to share these translations with staff and update signatures and branding where appropriate.

Kia Ora Tāmaki Makaurau Mana Outcomes: Kia Ora te Umanga (Māori business, tourism and employment) and Kia Ora te Taiao (Kaitiakitanga)

Other deliverables achieved in this quarter included Watercare partnering with Ngā Puna Pūkenga (NPP). NPP includes the Ministry of Social Development, Healthy Waters and Auckland Council. Watercare will support their Skills for Industry Programme, which aims to help long-term unemployed jobseekers into full-time employment and has a focus on supporting Māori and Pasifika businesses. Te Mana o Te Wai workshops for Watercare staff were also held throughout August and September 2022. 25 staff from Operations, Infrastructure, Customer, Corporate Services and Central Interceptor participated in these first series. The purpose of this programme was to provide context on the concept, expression, and application of Te Mana o te Wai from Te Ao Māori cultural and spiritual perspective.

Treaty of Waitangi obligations and compliance

Outside of consent conditions and the commitments Watercare has in place with iwi and mana whenua, we have endeavoured to act in good faith when meeting our obligations under the Treaty of Waitangi. Watercare's effectiveness in the treaty partnership space will need reviewing. With no direct monitoring frameworks in place to measure performance and levels of accountability, it is an area we will need to address. The recognition and provisioning of Iwi/Māori rights and interest within water reforms has created a renewed emphasis on treaty obligations and compliance, and more specifically, giving effect to Te Mana o Te Wai in service delivery. This presents some challenges for Watercare. There are obvious knowledge gaps in understanding Te Mana o Te Wai across the organisation. A co-designed approach with iwi and mana whenua will be required to implement this in practice.

6. Climate change delivery and sustainability

This is a new standing item in the Chief Executive's report. Any feedback on this update is welcomed and will be used to improve future updates to the Board.

Carbon emission measurement and reduction

In July 2022 an audit was completed of Watercare's greenhouse gas emissions for FY23 with verification successfully achieved from experts Toitu-Envirocare. This assessment used the updated methodology for measuring wastewater process emissions for the first time. Emissions totalled 107,898 tCO₂e, an increase of 5% from the previous year. This was primarily driven by an 8% increase of weather-related flow into our wastewater network – this increases process emissions and also electricity consumption from additional water pumping from the Waikato. This increase is not ideal, however, not unexpected. Our roadmap aims to level out these emissions in the next three years and then significantly reduce emissions as reduction investments come into play.

Progress has been made on the four priority areas of the Decarbonisation Roadmap. Trials to measure the direct generation of nitrous oxide at Rosedale WWTP have been successful. These trials use a combination of direct sensors and a digital twin model. This is one of the first in New Zealand and has had support from experts in Belgium who are world leaders in this field. An internal expression of interest for a Decarbonisation Programme has been successful and faults co-ordinator Emma Barret-Garnier and Design Delivery Project Manager Jhonny Gaglione have been selected to move the plan from strategy into implementation.

Our first Central Interceptor electric trucks have landed in the country and are undergoing fitting and testing.

Climate change adaptation and disclosure

Voluntary disclosure of climate change impacts has been included as part of the Auckland Council annual reporting. Watercare and other CCOs have contributed to this document as we work toward mandatory disclosure in 2024.

Climate change risk workshops have recently been completed across physical and transition risks. This was run in conjunction with Auckland Council colleagues as part of the Climate Disclosure Project and is a key step in progressing towards mandatory disclosure in 2024. There were around 50 attendees from across the business that inputted to the identification step. From here a specific climate change risk assessment methodology will be applied to determine likely impact and therefore key areas for our focus. Once assessed, the priority risks will require financial quantification and will be presented to the Board.

Our Integrated Source Management Model (ISMM) has been updated to include recent climatic events as well as future climate scenario projections (using RCP4.5 and 8.5). This tool informs current water source allocation daily and the newly added projections will support the yield and headroom components of future water supply planning. At a high level the modelling shows a potential range of yield between +9MLD and -69MLD by 2090 – as per most climate projections there is uncertainty in time and severity but strong certainty on the changes occurring.

Other sustainability

Watercare staff presented a number of sustainability related papers at the WaterNZ Conference in October 2022. These included: Powering a greener future; Innovative chain dragging technique for midge control; Quantifying the potential impacts of climate change on Auckland's water supply; and Membrane aerated biofilm reactor (MABR) pilot approach.

Watercare and Mott McDonald won both a gold and special sustainability award at the Association of Consulting and Engineering (ACE) awards for work on infrastructure carbon baseline and reduction approach.

7. Water resources update

7.1 Water sources

The total dam storage level is approximately 9% above the historical average for this time of the year. In terms of non-revenue water updates:

- The leak management programme is progressing well. Since the start of the programme approximately 13,290 kms have been surveyed to date with 8,059 leaks found.
- FIDO bugs were installed across the region. Approximately 800 bugs are spread across New Lynn, Waiuku, Penrose and Māngere. These bugs relay leak data to Watercare and are analysed by Artificial Intelligence that assist in detecting leaks.

7.2 Water quality

Positive E. coli was detected on 5 September 2022 at Gordon Craig Place, Algies Bay (network sampling point). Investigations confirmed this to be an isolated event and not representative of the water supply.

Watercare has temporarily shut down its Onehunga Water Treatment Plant to ensure it can continue to consistently meet Taumata Arowai's new drinking water regulations that take effect in November 2022. The presence of per- and poly-fluorinated alkyl substances (PFAs) has proved to exceed the maximum acceptable value (MAV) that will come into effect on 14 November 2022. We want to be able to meet the new regulations 100% of the time so the presence of PFAs in just four of the monthly samples taken over the past four years (i.e. 4/48 samples) has resulted in the decision to suspend operations. Onehunga residents and businesses will now be supplied from the metropolitan water network, with water treated at our Ardmore and Waikato water treatment plants. A coordinated communication plan is in place.

Water quality was compliant with the Drinking Water Standards for New Zealand 2005 (revised 2018) for all sites in September 2022.

We are working on the implementation of the required improvements to meet areas of the final standards issued by Taumata Arowai. Essential activities remain on programme.

The water quality compliance reporting timeframe changes to a monthly report from January 2023. A summary of this report will be provided to the Board each month.

7.3 Water Safety Plans update

We are on target to submit updated water safety plans to Taumata Arowai as required by November 2022. We are planning internal education / management audits against the plans from the new year. We are also planning a formal audit against the plans and wider water quality compliance for around June 2023.

8. Risk and compliance update

8.1 Enterprise risk management

Training for updates to the enterprise risk register is currently being provided to senior managers to improve quarterly reporting.

We are working with Auckland Civil Defence and Emergency Management (CDEM) to reassess the risks associated with our regional hazards (Volcanic Eruption, Tsunami, Tornado, Earthquake etc.). This will take the form of a series of workshops run utilising tools provided by the National Emergency Management Agency (NEMA).

8.2 Legal and compliance

LGOIMA requests

During August and September 2022, we received 19 requests for information under the Local Government Official Information and Meetings Act 1987 (the Act). One of these requests was forwarded to us from Auckland Council. Watercare has or will respond to all 19 requests within 20 working days (in accordance with the Act).

Legal action

- RMA related:
 - Huia Water Treatment Plant: The first session of mediation between all the parties was undertaken over two days in September. The mediation resulted in a number of actions that Watercare has agreed to. These will take several months to complete. The next mediation session has been

set down for February (due to the summer period). In the meantime, the experts are continuing to caucus with the purpose of resolving their differences and Watercare is meeting with the neighbours with the intent of resolving their issues.

Whistleblowing

There have been no disclosures made through the PwC whistle-blower service since the last Board meeting. All disclosures are reported to the Audit and Risk Committee on a quarterly basis.

Non-compliance with resource consents

The number of non-compliances continues to decrease month-on-month. In September 2022, of the 14 consents that were non-compliant, most related to discharge quality from water treatment plants (Waikato and Huia) or regional wastewater treatment plants.

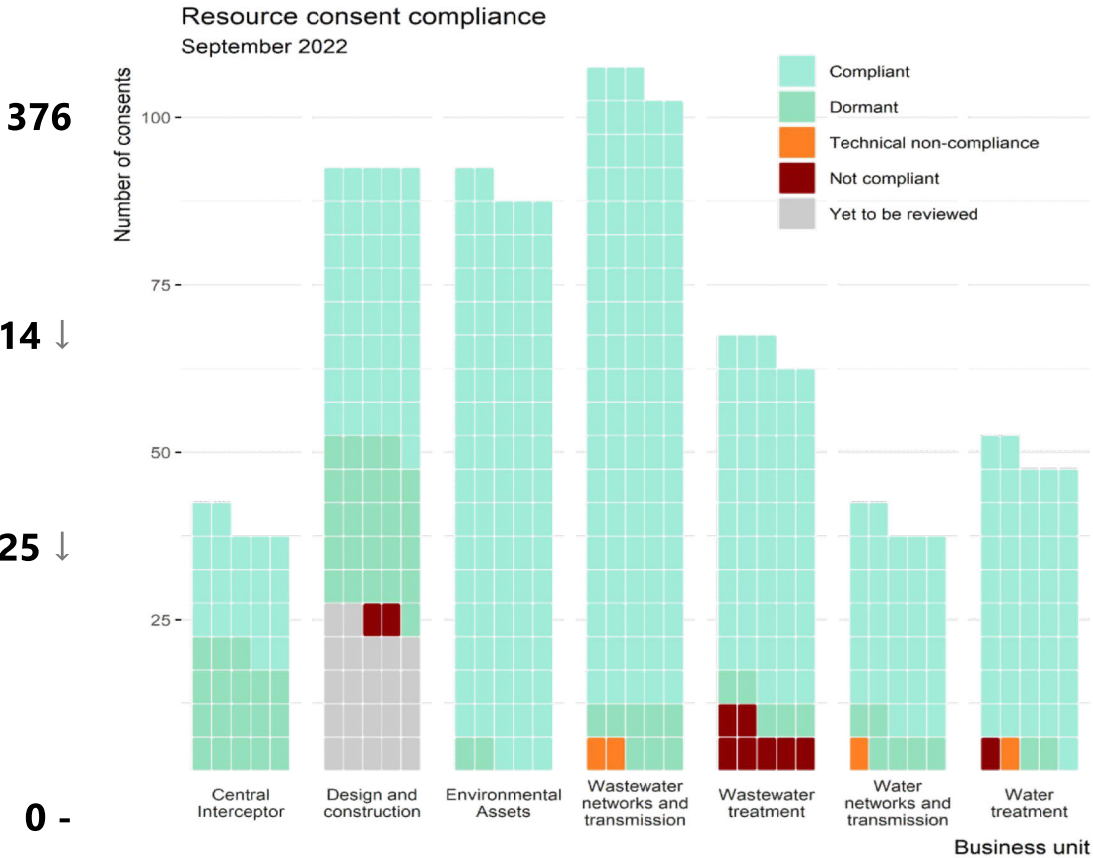
Except for the small Kingseat and Denehurst wastewater treatment plants, there are upgrades scheduled in the AMP that will resolve these discharge issues. The two non-compliances for construction and design relate to the close-out of the Waikato 50 project (infrastructure).

Active resource consents in September 2022

Consents with non-compliances in September 2022

Rolling 6-month average (non-compliant consents)

Consents under enforcement in September 2022



9. Update on business areas

Customer – Building trust with our customers and communities

One of our strategic priorities is to earn the trust of our communities. Aucklanders are clear on what they expect from us. They trust us when they can see where and how we invest in securing our city's water future, while delivering exceptional service every day. They trust us even more when we involve them in key decisions around these outcomes.

That is, why we now involve communities from the onset when developing servicing strategies for their neighbourhoods. In areas with established servicing plans, we invest in open and transparent engagement to secure the social licence for our sometimes very disruptive projects, as the community's understanding of how these will benefit them increases.

In a first for New Zealand, we established a methodology for public engagement in solving complex challenges. Dubbed the Watercare Citizens' Assembly, we brought together a group of 37 Aucklanders, representative of the demographic make-up of our city, to deliberate on and make a consensus-based recommendation to our Board on the next source of water post 2040. After almost 50 hours of active engagement, including learning from local and international independent subject matter experts, discussions, voting and prioritising, the Citizens' Assembly handed their recommendation to us on Saturday, 24 September 2022. Having landed on direct recycled wastewater as the preferred future source, the assembly felt strongly that we needed to invest in significant public education to dispel any water quality and health concerns. They acknowledged the value of this kind of engagement and recommended that we use this more often.

Water literacy in pursuit of water efficiency continues to be a key focus area. While we will no longer have the level of investment as during the drought of 2020/21, we continue to use our own media as well as social media to remind Aucklanders of the value of water. Our spring campaign on water efficient gardens is targeting high water users in the residential sector. We have also started rolling out residential smart meters and plan to install 44,000 by the end of financial year 2023.

We continue to work closely with our largest customers to help them improve their water efficiency by leveraging smart meter data and performing on-site audits. On 11 October 2022, we hosted our second annual water efficiency expo for this customer segment, "He taonga te wai" with around 200 customers attending.

We do not make assumptions around how our customers and communities experience our service delivery and capital projects – we ask them. In the same way as we measure a customer's experience at every transactional touchpoint, we now also measure the perceptions of those impacted by our major projects. We use these insights to do things better and to build trust.

In November 2022, we will launch a customer promise, clearly articulating what our customers and communities can expect of us. While customers have been involved in the development of the promise, our reporting will allow them to also keep us accountable for delivering on it.

10. Matters for noting

11.1 Significant meetings

- Water Services Entities Bill – Select Committee (Oral submission)
- Peter Cox (Head of Strategic Relationships, Three Waters NTU, DIA)
- Entity A CE's roadshow
- Kawenata agreement signing (Te Kawerau ā Maki)
- Central Interceptor blessing – Manukau Harbour crossing (Ngāti Tamaoho, Te Ākitai Waiohua, Ngāti Te Ata Waiohua, Te Ahiwaru Waiohua, Ngāti Maru)
- Auckland Water strategy presentation (Te Kotahitanga o Ngāti Tūwharetoa)
- KOTM mana outcome-related projects (water tanks – Ngāti Whātua Ōrakei, resources – Ngāti Manuhiri)
- Three Waters iwi engagement Entities A and B (Waikato-Tainui, Ngāti Tamaterā, Ngāti Wai, Ngāti Manuhiri, Te Rūnanga o Ngāti Whātua).

11.2 Update on progress against the recommendations

This update follows the update provided in the CE's report for the 5 July 2022 Board pack. The final update will be provided in the February 2023 Board meeting.

Aurecon review: The table set out at Attachment 4 provides an update on Watercare's progress against the recommendations it has received from the Aurecon's review.

11. Delegated authority to Chief Executive

In accordance with the authority delegated to the Chief Executive by the Board for the month of August and September 2022:

- there was one document 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.
- there were no documents required to be signed by two members of the Watercare Board.

- there were three capex approvals signed below a threshold of \$50m.
- there were two contracts approved over \$100,000. They are as follows:

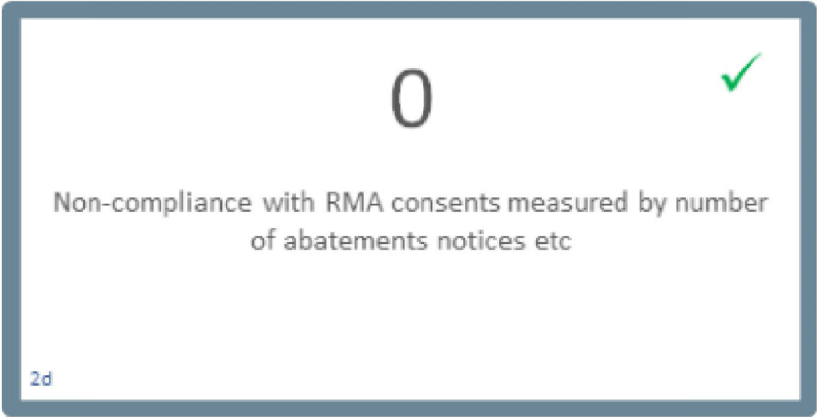
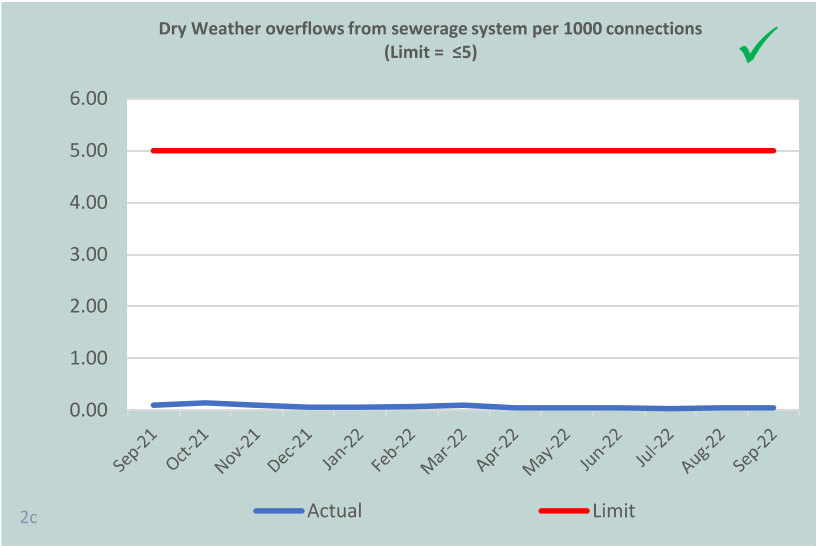
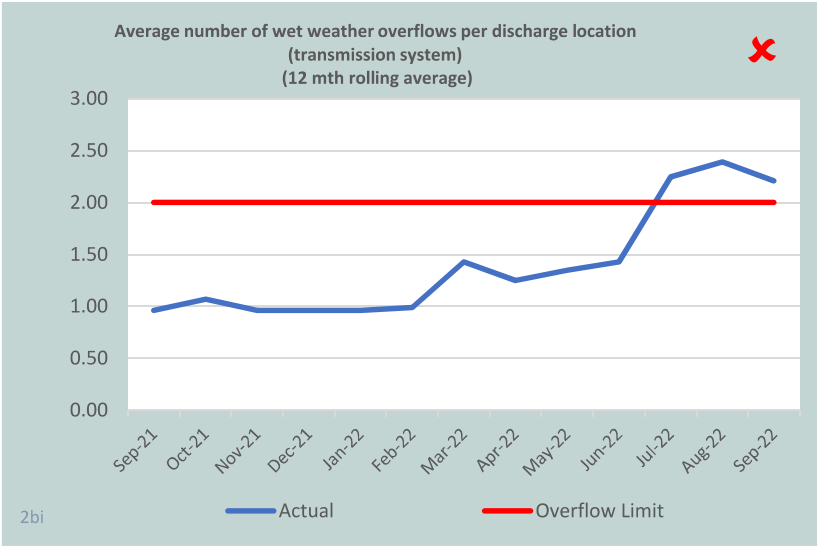
Contract description	Successful supplier
Replacement of equipment at Māngere Wastewater Treatment Plant	Xylem Water Solutions NZ Limited
SOW for Smart Meter – Execute SoW 4	RUSH Digital Interactive Limited



Jon Lamonte
Chief Executive

Attachment 1 – Performance against Statement of Intent measures

SOI Measures — Natural Environment



SOI Measures — Assets and Infrastructure

100%



Volume of water compliant with standards

1a

100%



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

1a

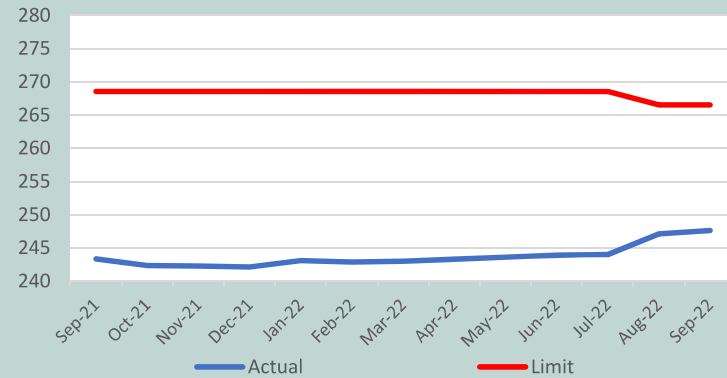
100%



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

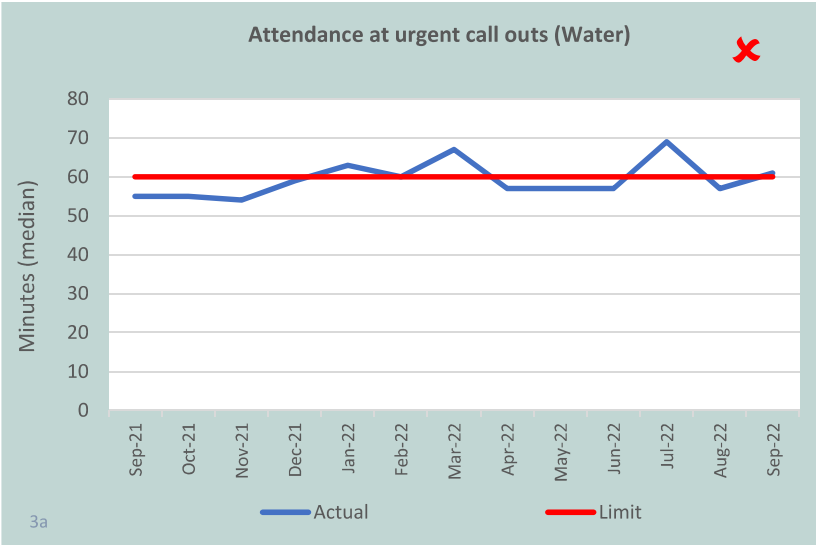
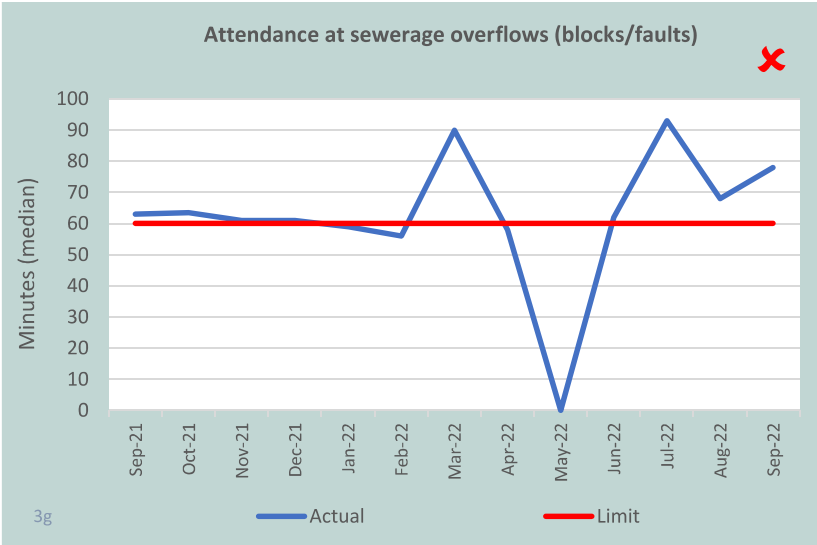
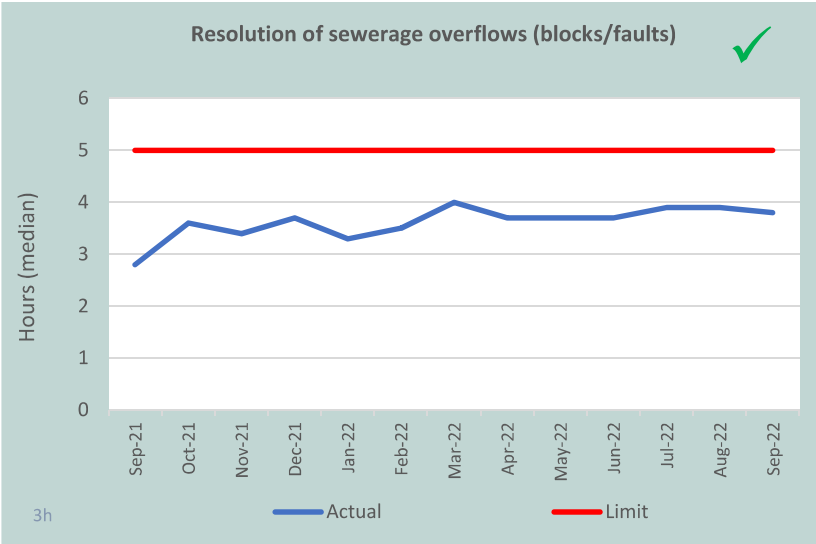
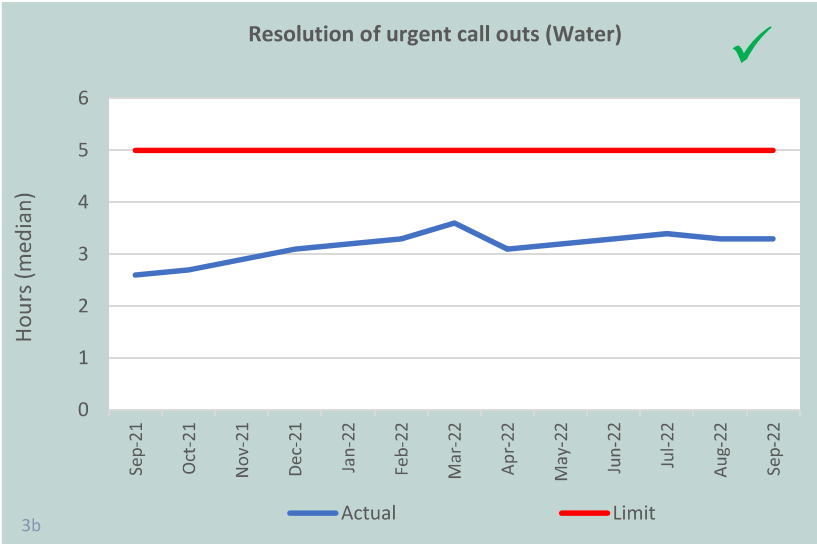
1b

Average consumption of drinking water per day (gross)
(12 mth rolling average)

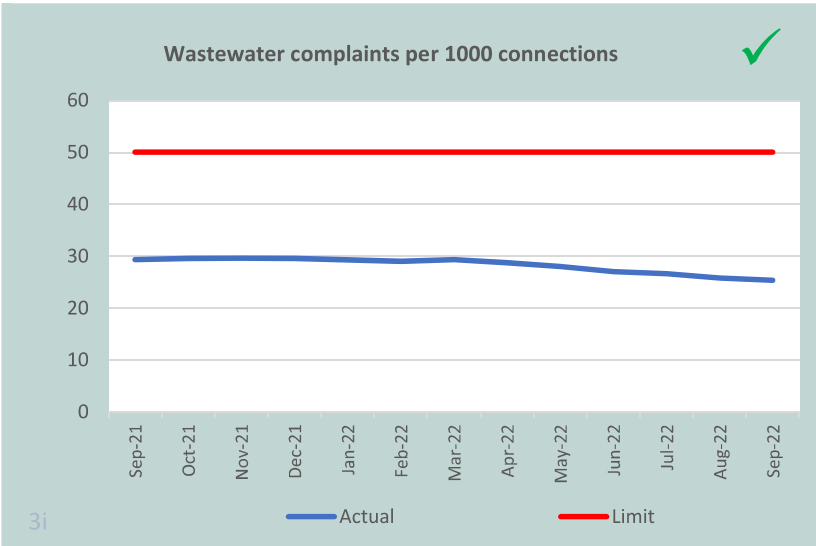
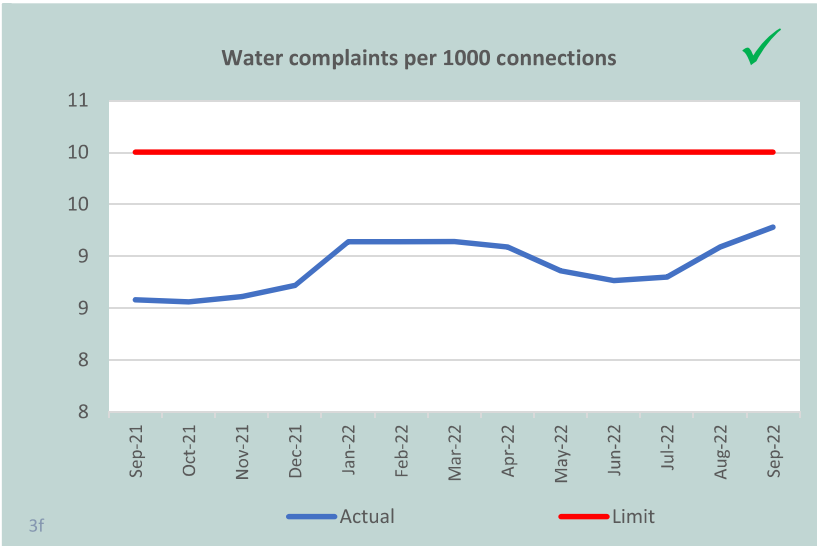
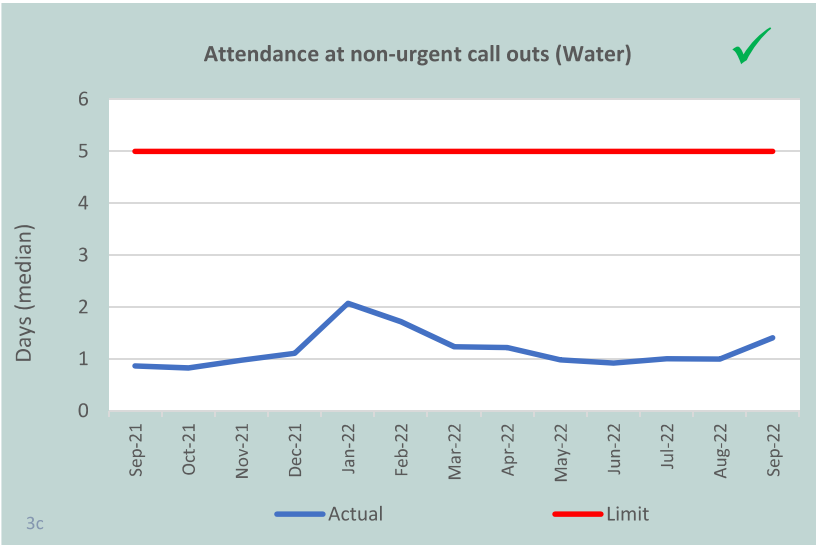
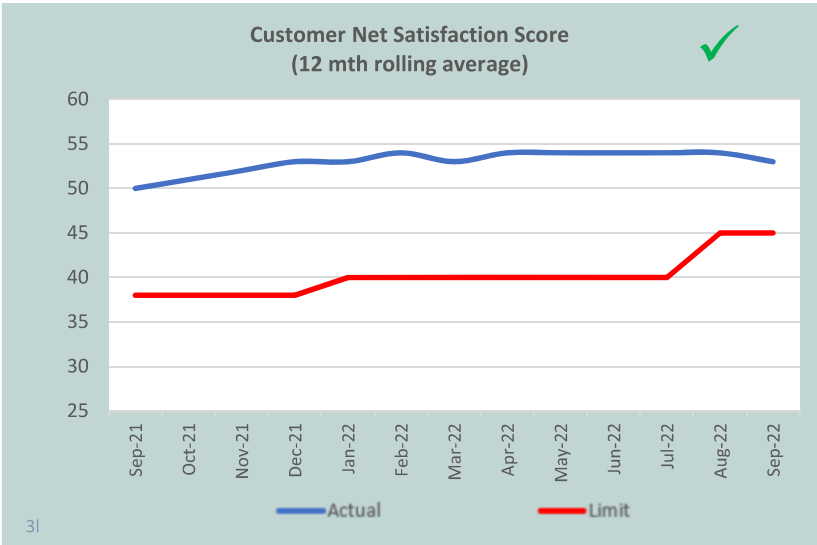


6a

SOI Measures — Community and Stakeholder Relationships



SOI Measures — Community and Stakeholder Relationships



Watercare performance measures (unaudited)

No.	Measure	FY23 Target	Actual			Commentary
			September 2022	August 2022	July 2022	
1.	Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of: a) abatement notices b) infringement notices c) enforcement orders d) convictions received by the territorial authority in relation to those resource consents	≤2 ≤2 ≤2 0	0 0 0 0	0 0 0 0	0 0 0 0	
2.	The average consumption of drinking water per day per resident within the territorial authority district (*litres plus/minus 2.5%) (12-month rolling average)	258 litres	247.60	247.10	244	
3.	The extent to which the local authority's drinking water supply complies with part 4 of the drinking water standards (bacteria compliance criteria)	100%	100%	100%	100%	<p>Positive <i>E. coli</i> was detected on 5 September 2022 at Gordon Craig Place, Algies Bay. Investigation confirmed it as being an isolated event and not representative of the water supply.</p> <p>Under the current regulatory rulers (i.e. Drinking Water Standard for New Zealand 2005 (Revised 2018) (DWSNZ), positive <i>E.coli</i> detection does not automatically constitute a non-compliance. The DWSNZ 2005 (Revised 2018) allow for "95 percent confidence" provision to remain compliant, providing water supplier established a high level of confidence that <i>E.coli</i> exceedance does not constitute public health risk.</p> <p>This will all change from 14 November 2022 when new Taumata Arowai Quality Assurance Rules will</p>

No.	Measure	FY23 Target	Actual			Commentary
			September 2022	August 2022	July 2022	
						come into effect. From 14 November 2022 every E.coli positive will be reported as non-compliance.
4.	The extent to which the local authority's drinking water supply complies with part 5 of the drinking water standards (protozoal compliance criteria)	100%	100%	100%	100%	
5.	Median response time for attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (minutes)	≤ 60 mins	61	57	69	We have changed priority logging for urgent wastewater overflows. More jobs are now classified as Priority 2 rather than Priority 1. P1s must be attended within 60 minutes or less.
6.	Median response time for resolution of urgent callouts: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption (hours)	≤ 5 hours	3.3	3.3	3.4	
7.	Median response time for attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (days)	≤ 5 days	1.4	1.0	2.0	
8.	Median response time for resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption (days)	≤ 6 days	2.0	1.8	1.2	
9.	The total number of complaints received by the local authority about any of the following: a) drinking water clarity b) drinking water taste	≤ 10	9.28	9.09	8.8	

No.	Measure	FY23 Target	Actual			Commentary
			September 2022	August 2022	July 2022	
	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: median response time for attendance – from the time that the territorial authority receives notification to the time that service personnel reach the site (minutes)	≤ 60 mins	78	68	93	We have changed priority logging for urgent wastewater overflows. More jobs are now classified as Priority 2 rather than Priority 1. P1s must be attended within 50 minutes or less.
11.	Attendance at sewerage overflows resulting from blockages or other faults: 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 (hours)	≤ 5 hours	3.8	3.9	4.0	
12.	The total number of complaints received by the territorial authority about any of the following: a) sewerage odour b) sewerage system faults c) sewerage system blockages d) Watercare's response to issues with its sewerage system expressed per 1000 connections to the territorial authority's sewerage system (12-month rolling average)	≤ 50	25.37	25.83	26.7	

No.	Measure	FY23 Target	Actual			Commentary
			September 2022	August 2022	July 2022	
13.	The percentage of real water loss from the territorial authority's networked reticulation system (12-month rolling average)	≤13%	10.71% (May figure)	10.31% (April figure)	9.94% (March figure)	The percentage of real water loss during May 2022 was 10.71%. The water losses in this measure are calculated by deducting the volume of water sold and unbilled water usage (or non-revenue water) from the total volume of water produced. Due to meter readings being completed on a four monthly cycle, non-revenue water loss for September 2022 can be reported in January 2023.
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	0.05	0.05	00.3	
15.	Average number of wet weather overflows per engineered overflow point per discharge location (12-month rolling average)	≤ 2 overflows per year	2.21	2.39	2.3	Significant storm events in August increased the 12 month rolling average.
16.	Leakage target – Economic level of leakage (ELL) - litres/connection/day (l/c/d)	107.9 l/c/d	107.9	107.9	107.9	
17.	Leakage performance – litres/connection/day (l/c/d)	107.9 l/c/d	102.86 (May figure)	98.67 (April figure)	94.71 (March figure)	The real water reported this month is for May 2022. The water losses in this measure are calculated by deducting the volume of water sold and unbilled water usage (or non-revenue water) from the total volume of water produced. Due to meter readings being completed on a four monthly cycle, non-revenue water loss for September 2022 can be reported in January 2023.
18.	We are sourcing water from a diversity of sources; and we are preparing for, and promoting, the adoption of alternative sources of human drinking water in the future	Watercare to make submissions to Central	N/A	N/A	N/A	Natural and Built Environments Bill - The "Exposure Draft" submissions have been considered and are informing the development of the Natural and Built Environments Bill, to be introduced to the House in (potentially October) 2022 alongside the Strategic Planning Bill. There will be an opportunity for the

No.	Measure	FY23 Target	Actual			Commentary
			September 2022	August 2022	July 2022	
		Government when the opportunity arises (eg the Natural and Built Environments Bill and Strategic Planning Bill), supporting the use of desalination and purified recycled water as recognised sources of drinking water in New Zealand.				public to provide feedback on these two bills at that time. Watercare will provide feedback to support alternative water sources.
19.	Employee net promoter score (eNPS)	≥20	N/A	N/A	N/A	The employee net promoter score for Q3 FY22 was 23. The next eNPS survey is due to be conducted in Q2 FY23 (November 2022).
20.	Gender workforce ratio in fixed term and/or permanent roles, including leadership positions (Tier 3 and above)	40% men 40% women 20% any gender	F: 38.20% M: 61.80%	F:38.23% M:61.77%	F: 38.77% M:61.23%	

No.	Measure	FY23 Target	Actual			Commentary
			September 2022	August 2022	July 2022	
21.	Employees in fixed term and/or permanent roles, including leadership positions (Tier 3 and above) identify as Māori	6%	4.19%	4.31%	3.96%	Four leavers during September identified as Māori while only one new starter identified as Māori.
22.	Total recordable injury frequency rate (TRIFR) per million hours worked (12-month rolling average)	<10	16.11	15.12	15.10	The target for TRIFR has been adjusted from 20 (FY22) to 10 (FY23) to reflect our aspiration of improvement. The result for the measure was 16.11 in September 2022 and was above the FY23 target of less than 10.
23.	Safety improvement plans	100% of teams with a HSW Improvement Plan	85% (approx.)	85% (approx.)	85% (approx.)	Improvement plans are in place for most Operations and Maintenance sites, as well as the Laboratory. Newly established HSW committees for our Newmarket-based teams are currently identifying gaps and establishing plans.
24.	Culture and Leadership	100% of Tier 1 to Tier 4 who have completed at least 10 leadership walks per year	25% (approx.)	25% (approx.)	25% (approx.)	<p>A video is being developed to inform leaders what constitutes a 'leadership walk'. The H&S team will ensure all T4s and above are clear, and that people start to log these walks into Icare.</p> <p>It is believed this target can be achieved.</p> <p>Numbers have been increasing in Infrastructure, Operations and MSN. Training has been provided to Infrastructure team members and is scheduled for the Operations team. HSW Business Partners and Coaches are available to support.</p>
25.	Debt to revenue ratio	≤3.61	2.66%	N/A	N/A	Debt Headroom is based on Forecasted Debt and Revenue. Forecasting is only done from September month end.
26.	Percentage of household expenditure on water supply services relative to average household income	≤ 1.5%	0.79%	0.83%	0.94%	
27.	Formal engagement with mana whenua of Tāmaki Makaurau	Partnering with mana	60%	50%	50%	6 of 10 priority outcomes identified within Kia Ora Tāmaki Makaurau. Initiatives under the following

No.	Measure	FY23 Target	Actual			Commentary
			September 2022	August 2022	July 2022	
		whenua of Tāmaki Makaurau to achieve outcomes for Māori Each year, at least five priority outcomes within our Achieving Māori Outcomes Plan are being progressed with mana whenua (updated measure).				areas are being progressed: 1) Kia Ora te Marae, 2) Kia Ora te Ahurea, 3) Kia Ora te Rangatahi, 4) Kia Ora te Taiao, 5) Kia Ora te Reo and 6) Kia Ora te Umanga.
28.	Ratio of procurement sourced through Māori owned businesses	2%	2.14%	2.38%	1.50%	
29.	Integration/Adoption of Te Reo and Tikanga Māori within Watercare	Ensure all Tier 1-4 job titles include Te Reo Māori translation. and hold a Watercare	100%	100%	100%	Te Reo Māori translations for all Tier 1 - 4 job titles are complete. Next steps will be to share these translations with staff and update signatures and branding where appropriate.

No.	Measure	FY23 Target	Actual			Commentary
			September 2022	August 2022	July 2022	
		Tikanga Māori experience for all staff				
30.	Percentage of customer complaints resolved within ten days of notification	≥95%	98.99%	98.90%	98.96%	
31.	Customer Net Satisfaction Score (Previously Net promoter score)	≥45%	53%	54%	54%	This is a 12-month rolling average.
32.	Community trust score	≥55%	57%	58%	57%	This is a 12-month rolling average.
33.	We will implement Mitigation measures in line with our emissions reduction targets. We will report annual greenhouse gas emissions from Scope 1 and Scope 2 emissions (operational mitigation) in line with our emission reduction pathway to meet 50% reduction by 2030.*	<88,400 tonnes CO ₂ e	N/A	N/A	N/A	FY22 data was successfully verified by Toitu in July 2022. Emission data is currently only reported annually and is a manual process. This is a risk to this target being achieved because of this monitoring limitation. Emissions increased last year.

**Note: these targets exclude emissions from Puketutu island as our current measurement methodology does not provide enough accuracy for a performance target. Actions to directly monitor emissions from this source as well as reduce them are being delivered and future SOI's will include these numbers.*

Attachment 2

PEOPLE DASHBOARD: September

Note: As of 1 July 2022, this reporting has been changed to align with Finance mapping - people to cost centre, not group.

Workforce Snapshot

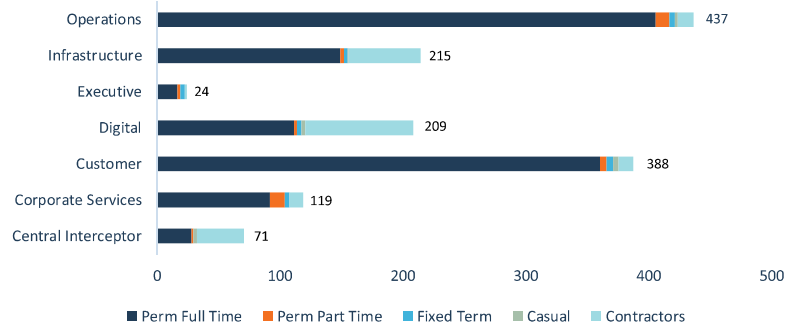


Headcount as at 30 Sep 2022

* 1241	38.20%	61.80%
Full Time	34.09%	59.79%
Part Time	2.58%	0.40%
Fixed Term	0.73%	1.29%
Casual	0.81%	0.32%

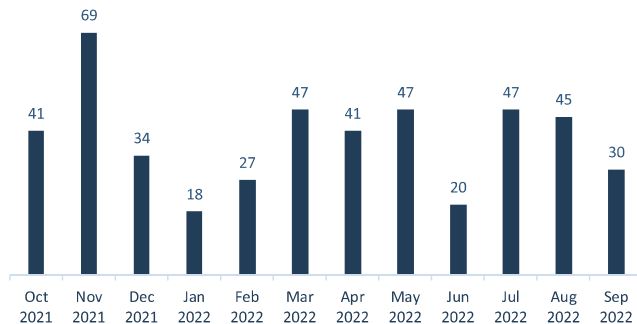
* Contractors and Directors are excluded from the headcount figures above. Long term leave and parental leave employees are included.

Employees by Business Unit & Position Type



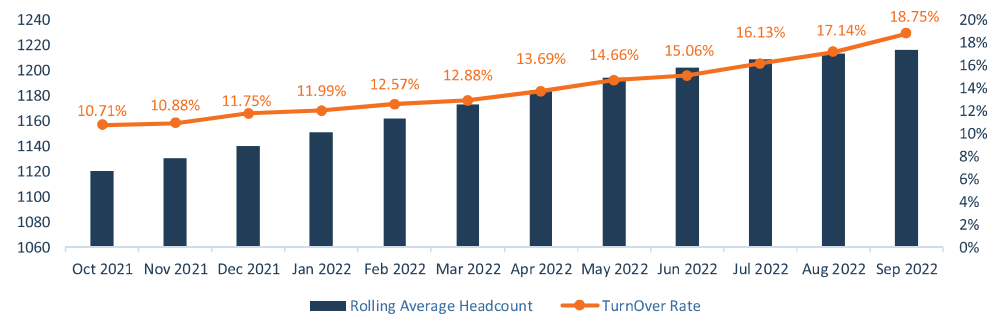
Please note active contractor information is based on data entered into ServiceNow & PayGlobal .
The business is currently reviewing all contractor information to ensure it is captured correctly and up to date.

New Hires by Month

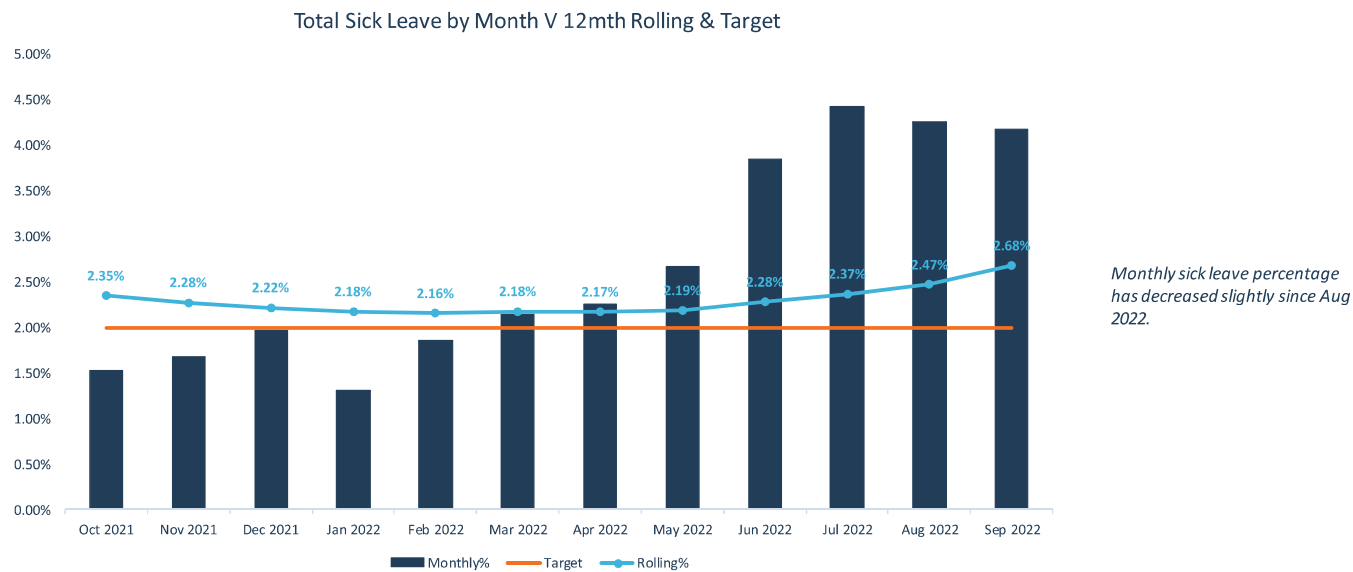
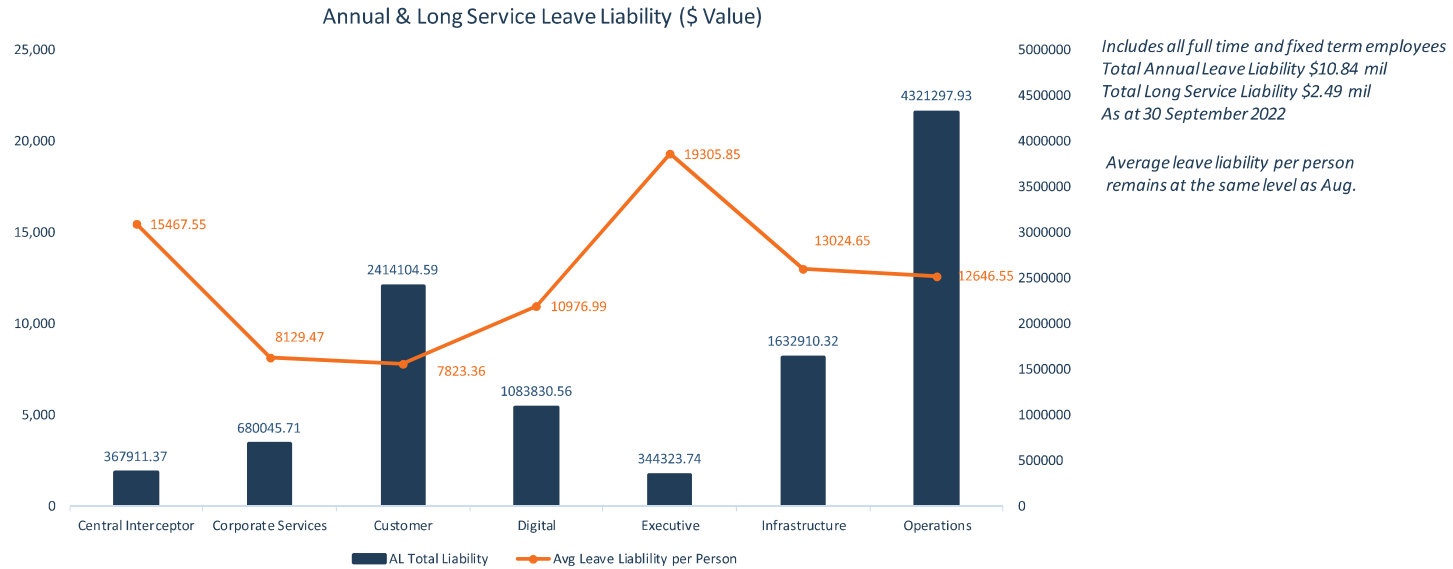


Time to Hire in work days (from jobs open) has further decreased slightly from 43.02 days in August to 41.54 days in September, as new hires for September has decreased to 30 from 45 in August. Currently 74 vacancies (10 new roles, 20 intern roles, 44 replacement roles) in the recruiting process.

Average 12 mth Rolling: Headcount V Voluntary Turnover(%)



This does not include anyone that has left for reasons other than resignation.
Only Permanent employees (full time and part time) are included in the data.



Attachment 3

Health, safety and wellbeing

CI Incident Management Level 3 Exercise

The CI team, including Watercare, GA-JV, Police, FENZ, WorkSafe, Mines Rescue and St Johns Ambulance conducted a joint level 3 exercise.

The scenario was a fire in the main tunnel at Māngere with workers in the refuge chamber, an injured worker and workmate in the tunnel, and a worker injured in the evacuation of the Pump Station site.

Overall, the exercise went well and provided useful learnings. The site response was very good, due largely to the exercises and rehearsals over the last twelve months that have built to this level of response.

There were four groups operating at four sites:

- Incident Management Team – Māngere site
- Incident Support Group – GAJV offices at Onehunga
- Incident Governance Group – Watercare office at Newmarket
- Emergency Control Centre – Civil Defence site in Auckland CBD.

In addition to exercising the team on the ground, this scenario, and the presence of emergency services allowed us to test co-ordination and communication between the four groups.

The Incident Governance Group worked effectively and managed communication well, including to the Board and the Mayor's office via Jim Stabback, Chief Executive at Auckland Council.

There were both positive observations and improvements identified:

- Insufficient role clarity in the Incident Support Group vs Incident Governance Group
- Technology limitations which impaired communication between groups
- Valuable learning and exposure for those who had not previously been involved in an event, especially regarding roles of external agencies
- Off-site groups were not clear about the number of workers who were unaccounted for
- Strong presence of emergency services personnel.

There is a final debrief planned to ensure all improvement actions are captured and actioned. Future exercises are planned for other parts of the business.

September 2022

Incident metrics

	Note Below	Sep-22	Aug-22	Jul-22	Jun-22	May-22	Apr-22	Mar-22	Feb-22	Jan-22	Dec-21	Nov-21	Oct-21
No. of recordable injuries	1	8	4	9	6	8	8	8	6	6	5	9	7
Critical risk/all incidents	2/3	7/40	8/54	18/62	17/74	20/76	14/60	5/64	10/64	7/61	8/44	11/73	5/44
High-Potential Critical events	2	1	-	-	1	-	-	1	-	-	-	-	-

1. In September, there were four recordable injuries to Watercare staff and four to contractors. One Watercare injury was muscle stress resulting from a worker over-extending and required time away from work. The remaining three injuries led to restricted duties: two from lifting strain, and one from a vehicle incident.

Two of the contractor injuries resulted in kaimahi (staff) having time away from work; one with a fractured pelvis following an incident with an excavator, and a second involved a project manager hitting their head on protruding scaffolding pipe leading to a concussion. A worker was treated at a medical centre following a dog bite, and one worker was on restricted duties following a lifting strain.

2. Of the 40 events recorded in September, 11 required first aid on site and 21 did not result in injury. There were 10 events involving property and vehicle damage, six from muscle stress and five resulting in cuts to hands.
3. Critical Risk Exposures: There was one high potential critical event in September which was the CI incident involving the excavator incident. There were seven incidents involving critical risks, one of which resulted a recordable injury (Driving).

Mobile plant	3	Driving	1
Working near live energy	3		

Critical risk discussion

High potential critical risk event

On 15 September 2022 at our Mt Albert site, a worker sustained a fractured pelvis when they were struck by the rear of an excavator and pushed against a concrete block. Following five days in hospital, the worker was able to return home and is expected to make a full recovery.

Interaction between people and mobile plant is a high-risk activity controlled at the front line with exclusion zones, spotters and engagement between operators and other workers.

In addition, planning and site management is very important to ensure safety, especially when more than one piece of plant is operating at a site.

In this case, planning and communication of exclusion zones was not sufficiently clear and changes to the site layout, including access ways, during the day were not clearly defined nor communicated.

The incident itself was well managed and follow-up care for the worker and their whanau has been of a high standard.

Work was stopped, an investigation conducted and WorkSafe attended the site. The site was released, and an investigation was conducted by the contractor and Watercare.

Mobile plant – 3

All mobile plant incidents this month occurred on the CI Project.

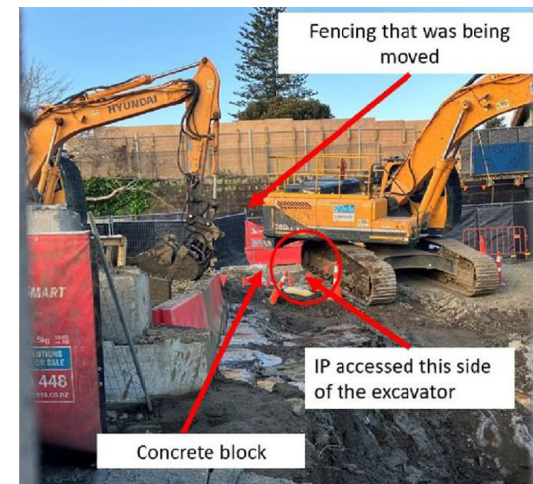
One event as above.

In a second incident, an excavator turned onto its side when being used on an uneven surface, and the remaining incident was an excavator arm striking the top of a noise shed.

The CI team have a number of actions in place, including a review of all sites' layouts, exclusion zones and traffic management plans.

Live energy – 3

The first incident occurred when the rear corner of work truck caught a power pole and brought it down. Vector attended site to replace the pole and repair the lines.



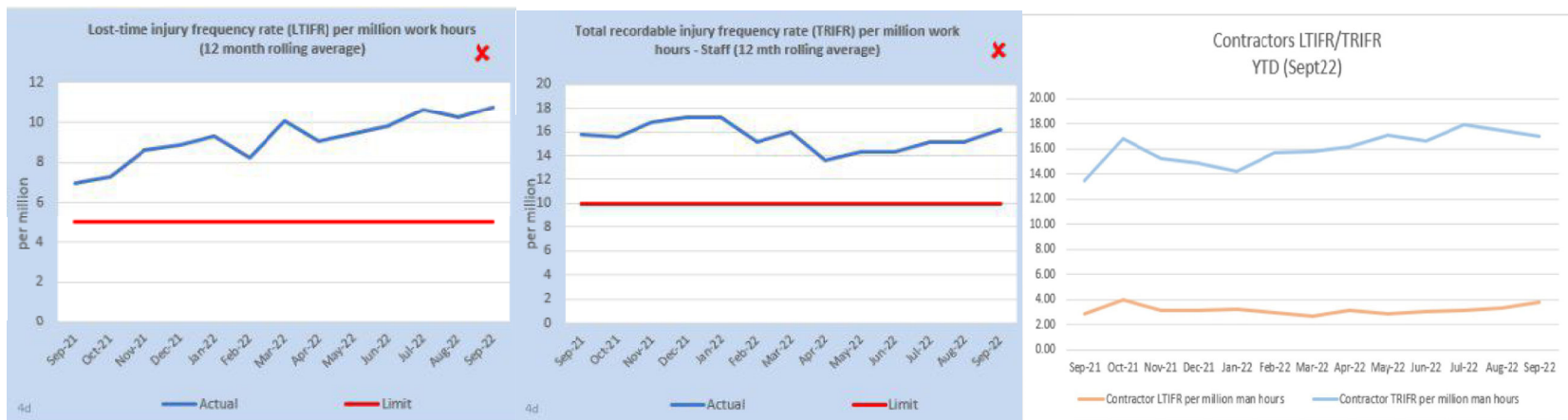
In a second incident, a gas line was damaged during road excavation. The services had been marked and potholed, but the line unexpectedly veered into the roadway and was not in the position expected.

A worker was using a concrete cutter near power line. A water service line was located immediately below the concrete and was damaged. Methodology was changed to use a sledgehammer and an electricity line was found directly under water service line. This would have been cut by the concrete cutter if the methodology had not changed.

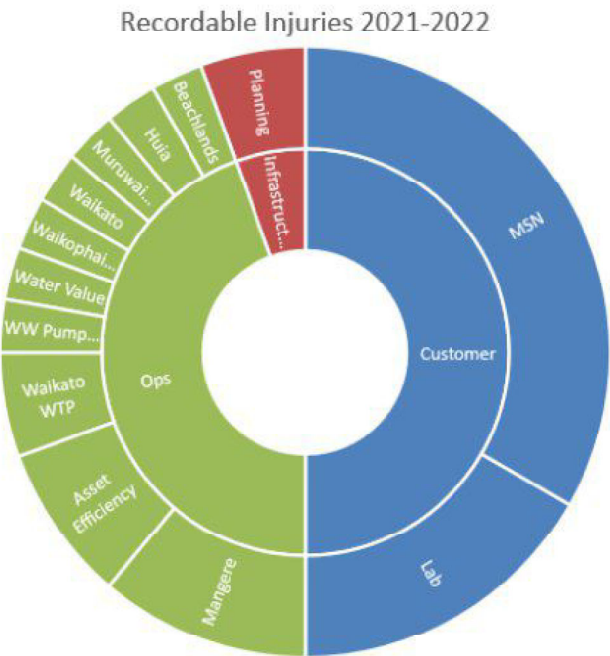
Driving – 1

A worker was returning to the office and was waiting at light when a collision occurred in the intersection. One of the vehicles involved spun into the Watercare vehicle causing significant damage but no injury.

Injury metrics



Injuries by business unit – last 12 months

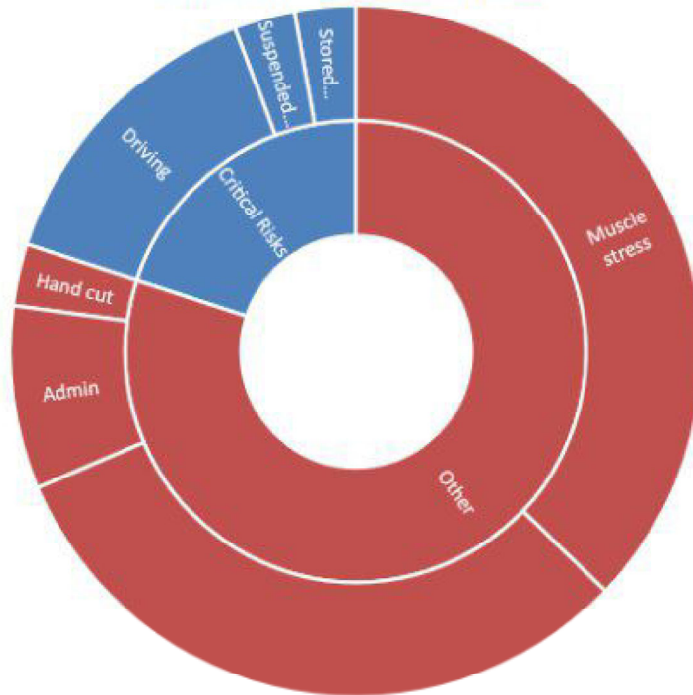


Customer	Labs	6
	MSN	13
Infrastructure	Planning	2
	WW Pump Station	1
Operations	Mangere	2
	Waikato WTP	2
	Muruwai WTP	1
	Asset Efficiency	4
	Mangere	1
	Huia	1
	Water Value	1
	Waikato	1
		35

Hours	Sep-22
Ops	48,635
Lab	20,047
MD	15,102
MSN	15,151

Injury type and mechanism – last 12 months

Critical Risks (Oct21-Sept22)



Critical Risks	Driving	5
	Stored Energy	1
	Suspended Load	1
Other	Admin	3
	Hand cut	1
	Muscle stress	13
	Slips,,trips,falls (same level)	11
		35

Leadership walks

All leaders Tier 4 and above have a KPI to complete 10 leadership walks per month. These walks are intended to manage a perceived disconnect between leaders and kaimahi, and to break down silos between business units. The Walks are recorded in iCare as feedback.

The Infrastructure and CI teams have been working on having leaders present and engage on site with their teams for a long time and we are moving them further to measure the quality of the leadership interactions. These groups are on track to meet the KPI.

In Operations and MSN, leadership walks tend to be recorded as an audit or inspection so these groups, as well as the remaining business units, are receiving coaching on the intent and recording of leadership walks. These groups will be able to meet the KPI if they engage now. Reporting is being developed.

Critical risk deep dive: Mobile plant

Mobile plant is any equipment that can move under its own power. For example, dump trucks, forklifts, elevated work platforms, mobile cranes, excavators, compactors and more. It is **NOT** passenger vehicles such as cars or Utes.

More than half of all fatalities in NZ workplaces involve mobile plant.

What are the biggest risks for Watercare and how frequently are these risks encountered?

Low frequency, high potential: <ul style="list-style-type: none"> • plant vs person • plant vs plant/vehicle • plant vs stationary object • roll over or tip over 	High frequency, low potential: <ul style="list-style-type: none"> • exposure to: <ul style="list-style-type: none"> ○ noise ○ vibration ○ hazardous fumes ○ dust • fall hazards getting in/out/onto plant
--	---

Which parts of the business are affected and how big is our exposure to these risks?

Infrastructure site

- mobile plant is found on all infrastructure sites and is managed and operated by contractors
- Puketutu Island, Redoubt Road – majority of work is done by mobile plant

Operation sites

- maintenance teams frequently use mobile plant (used by both WSL and contractors)
- there are forklifts at most treatment plants (used by WSL teams)
- we contract the use of mobile plant at treatment plants
- Puketutu has mobile plant for laying bio solids in cells

What are our controls and which controls are working well/need improvement?

Site traffic management plans

- exclusion and operating zones
- traffic flow

- layout to minimise reversing
- communication
- speed limits

The above controls are important to reduce risk of high potential incidents (collision). At Puketutu Island, the traffic management is used effectively to minimise risk of collision with good separation of mobile plant on roads, well-established exclusion zones, one-way traffic systems in busy areas. Papakura WTP is also an example of well managed traffic management on a compact site with a lot of mobile plant.

From time to time there are minor instances where traffic management has been breached or needs improvement. Traffic management is taken seriously on infrastructure sites, so issues are resolved quickly. Back to basics has identified that several of our operational sites could improve traffic management. Recently we have encountered issues when mobile plant is transitioning from public roads to sites – we are working with road controlling authorities to improve traffic management at site entrances.

Spotters

- There is no accredited training for spotters currently in the industry
- Spotters must be used when:
 - reversing (unless the plant is fully excluded)
 - the driver does not have full visibility
 - there are other hazards in the area

Spotters are responsible for the activity

From the 6 incidents/close calls we had in August 2022 involving mobile plant, four of these cases involved spotters. One case was positive where a spotter was able to stop a potential incident from occurring and three of the cases were due to no spotter or spotter communication and visibility.

Pre-start checks

- Inspections must be done before use, when the operator changes or as per equipment or site requirements. These checks must be recorded.

Training and competency

- Operators and spotters must be trained and competent, such as licenses, formal training, or SOPs. These may be site or plant specific.
- Some contractors ensure that workers have experience on site specific mobile plant and are supervised/signed off before able to use alone. We would like to see this across all businesses. This practice is in place at Puketutu Island (WSL staff) and MSN, but we don't have the visibility to ascertain across the whole business.

What ideas are we exploring to improve our risk controls?

- Improving relationships between Operations/Infrastructure/Contractors to share knowledge to make site visits more effective and aligned.
- Working with contractors to increase the mana of the spotter and to encourage more senior kaimahi to take on the role.

- Infrastructure HSW BP ran workshops with contractors where operators and spotters reviewing previous incidents to identify issues and develop better ways of working. The pilot was conducted prior to lockdown and engagement was high. Next step is to train Coaches to run the session and take it on the road.
- CI is trialling two types of technology designed to warn operators and workers when they are at risk of being too close to each other.

Critical risks

Watercare's 14 critical safety risks are below. Every month the HSW team reviews one of these risks and updates the Board. The current month review and deep dive is **Working with mobile plant**

1. Working in confined spaces
2. Working with mobile plant
3. Driving / using vehicles
4. Working alone or isolated
5. Working with hazardous materials
6. Working with suspended loads
7. Working with or near live energy (electrical, mechanical, pneumatic, hydraulic, etc)
8. Working with fixed plant and equipment
9. Working in or near live traffic (includes road corridors, construction and operational sites)
10. Working at Height
11. Working around water bodies
12. Digging and working in excavations (includes tunnelling)
13. Working with flammables or in explosive/flammable areas
14. Worker mental wellbeing



Attachment 4

Update against Aurecon report recommendations

Recommendations	Status C= critical E= essential D= desirable	Initiative to address	Status
AURECON <i>(Note that recommendations 21 and 25 have been removed as they were duplicates)</i>			
Key items identified as being required to be performed:			
<ul style="list-style-type: none"> Complete and compile all customer (commercial and residential) expectations around levels of service Feed levels of services expected into drought standards review (noted that Auckland Council currently expect the currently drought standard to remain) Co-develop with an agreed set of future scenarios (most likely, probable, plausible, and preferable/ desirable), to stress-test and develop robust drought strategies and standards. A drought resilience workshop is to be established with the Board and the Watercare Management to agree on levels of service Stocktake gaps/overlaps/synergies with Auckland Council 			
Recommendations – targeted for completion			
Recommendation no. 1 Watercare must review and revise the 2020 DMP. The revised Drought Standard should be based on all supply sources and should clearly state the level of service to customers.	C	Feedback from Auckland Council during preparation of the Auckland Water Strategy (AWS) was that the current security of supply standard was not being changed. The Drought Management Plan (DMP) has been updated and feedback from Auckland Council has been included. Awaiting any final comments following Environment Committee presentation. 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.	December 2022
Recommendation no. 5 It is recommended that an Integrated Water Security Program for Auckland be developed, to ensure water supply security for Auckland for medium to long-term.	C	Following the completion of the updated DMP, we will commence work on a Water Security Plan which will sit alongside our Asset Management Plan to help identify and manage the reliable availability of an acceptable quantity and quality of water for health, livelihood and production, coupled with an acceptable level of water-related risks. We have obtained consent to take additional water from the Waikato River for the next 20 years. We are working with Auckland Council to deliver on the commitments made within the AWS. We have committed to key investments towards the 2030 targets which are a residential smart meter programme and reducing leakage below the economic level of leakage which is currently 123 l/c/d.	2022/2023
Recommendation no. 10 Watercare must review and revise the 2020 DMP, the Drought Standard, IMP, and the Asset Management Plan (AMP). The revised Drought Standard should be based on all supply sources and should clearly state the level of service to customers.	C	The 2020 DMP and lessons learnt from the drought were taken into consideration as part of the DMP update undertaken in June/July 2022. A full review of Watercare's Incident Management Plan is conducted in a three yearly cycle, with the last review conducted in April 2021. Given the learnings from Covid-19, a review of the Incident Management Plan content and simplification will be planned for FY23.	July 2022 Incident Management FY23.
Recommendation no. 13 Using climate change scenarios, Watercare should review the 2020 DMP including hydrology, yield, the Drought Standard, and the restrictions regime, and revise as required.	E	The updated drought management plan is going through the approval process. We have updated the tools we use for water source yield to include future climate scenarios. This includes the downscaling of global models and input to the ISMM tool.	December 2022
Recommendations – addressed, ongoing and completed			
Recommendation no. 9 Watercare should co-develop with key stakeholders, an agreed set of integrated 'top-down' future scenarios (most likely, probable, plausible, and preferable/ desirable), to stress-test and develop robust drought strategies and standards.	E	The updated DMP has considered future scenarios. Instead of using scenario modelling Watercare has used stochastic modelling (including climate variables). The Customer team also obtained feedback from key customers around what restrictions should look like in future.	July 2022
Recommendation no. 27 It is recommended that Watercare leads and coordinates the development of the Integrated Water Security Program. Taking into consideration the accountability, capability, knowledge base and resources the component projects could be led in partnership with key stakeholders.	C	Auckland Council coordinated the AWS. This is integrated water strategy and included the Water Sensitive Cities benchmarking. We contributed to, and continue to support Auckland Council in achieving the targets within the AWS and are also supporting a Water Security programme being run by Auckland Council which is part of the C40 Cities programme.	Addressed, but will continue on an ongoing basis.

Board - Public Session - Chief Executive's report

Recommendation no. 2 Watercare needs to engage with Auckland community and stakeholders on water security to ensure they understand the Drought Standard, water supply resilience and planned response to droughts.	E	<p>Current highlights</p> <p>A water literacy strategy has been prepared to guide all customer and community initiatives, such as:</p> <ul style="list-style-type: none"> • Our education programme in schools • Face-to-face events such as the water efficiency expo for commercial customers (held in October 2022) • Water efficiency campaigns targeting specific water uses (eg gardening). <p>Smart meters are being progressively rolled out:</p> <ul style="list-style-type: none"> • Customers have been involved in the co-design of an app that will enable them to gain insights into their water use • Commercial customers including schools – roll out is advanced • Residential customers – roll out is about to start. <p>Deliberative democracy:</p> <ul style="list-style-type: none"> • A process to identify what should be Auckland's next water source beyond 2040, involving 'citizens' assembly' was performed in 2022. 	Addressed, but will continue on an ongoing basis.
Recommendation no. 3 Watercare must monitor water security and update relevant strategies regularly to ensure they achieve the desired levels of service. Watercare should engage continually with the community to raise water literacy, maintain trust, and build shared understanding.	E	<p>We monitor water security on a daily to weekly basis to ensure we continually meet our desired level of service. Annual reporting tracks water security for supply and demand over the time and against AMP growth projections.</p> <p>The upgrade to ISMM (Integrated Source Management Model) has been completed. This has extended the climate record in ISMM and confirms that the underlying data reflects the current climate. In addition, we have also modelled climate change scenarios for mid- and end-century time horizons.</p> <p>We are moving our engagement with customers from one-way information flows to include more inclusive and collaborative engagement (see comments against recommendation 2 above). The participatory model is providing great insights as to the water literacy of our customers. 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. Our education programme continues to run in schools, reaching over 8,000 pupils a year (when there are no Covid lockdowns). It is focused on raising water literacy and is supporting by water and wastewater hardcopy and digital books (English/te reo Māori versions).</p>	<p>Addressed, but will continue on an ongoing basis.</p> <p>Climate change modelling completed June 2022.</p>
Recommendation no. 4 Watercare must clarify for stakeholders on how Auckland's water security is being met and the basis for Watercare's confidence must be clearly conveyed to its stakeholders, especially Auckland Council.	C	Addressed in response to recommendation 2 above.	Addressed, but will continue on an ongoing basis.
Recommendation no. 6 Watercare should form a Customer Reference Group or similar body to inform, gain customer insights, co-design solutions, raise awareness and build support, to represent the voice of customers.	E	<p>Residential Customers Refer to comments included in recommendation 2 above.</p> <p>Commercial Customers Refer to comments included in recommendation 2 above.</p> <p>Public Authorities (Auckland Council)</p> <ul style="list-style-type: none"> • The majority of our WWTP and WTP consents require us to hold community liaison group (CLG) meetings at least once a year. The new consents also include technology reviews which we perform and report on regularly. • The process of meeting with stakeholder/submitters is consistently applied for all notified wastewater and water consents. For example, the Board of Inquiry consenting process was publicly notified with 55 submissions. Watercare met with most of the submitters. • The Watercare Board and Management meet with the CCO oversight committee annually. The Board Chair and CEO attend the CCO Oversight Committee meetings every quarter. Following the election of October 2022, the Council committees and relationships with CCO's are still to be established. The first governing body meeting is scheduled for 1 November 2022. 	Addressed, but will continue on an ongoing basis.
Recommendation no. 7 Watercare and Auckland Council to put in place agreed protocols which would clarify lines of communication and consultation.	E	<p>A paper on the Auckland Council and Watercare relationship was presented to the Watercare Board in October 2021 outlining the major steps in building and maintaining the relationship with Auckland Council including a transition to business-as-usual practice. The main initiatives include:</p> <ul style="list-style-type: none"> • The Rangatira-to-Rangatira relationship – this is the senior relationships with Auckland Council at the elected member/Director/Executive level. • Portal for elected members – this will be regularly updated to ensure it remains relevant. • Internal communications. <p>We meet with Auckland Council staff on a regular basis to discuss any issues. This is over and above the communication with Auckland Council as a major commercial customer. We acknowledge the critical importance of sharing the water resource position with Auckland Council and we will continue to improve on the process around interactions and engagement.</p>	Addressed, but will continue on an ongoing basis.
Recommendation no. 8 Watercare undertake future scenario planning incorporating internal and external factors/forces of change and trends.	E	<p>Water supply and demand modelling is updated on a regular basis. We use the UK Headroom and Outage planning model that has a significant number of scenarios.</p> <p>We are involved in a project with Auckland Council on climate risk assessments and disclosure. This project will include scenario planning for climate futures that will support this recommendation.</p>	<p>Addressed, but will continue on an ongoing basis.</p> <p>Council climate project due for completion in December 2022 – mid 2023.</p>

Board - Public Session - Chief Executive's report

Recommendation no. 11 Watercare should review the Drought Standard at the same time as the DMP, IMP and the Asset Management Plan (AMP) and if necessary, appropriate revisions made to them.	C	Addressed in response to recommendation number 10 above. The Drought Standard has been reviewed with Auckland Council and a decision has been made to retain our existing drought standard. It is acknowledged that we need to ensure that business critical documents are required to be reviewed at regular intervals. We will continue to do this.	Completed.
Recommendation no. 12 To align the Drought Standard and response measures with customer and community expectations, Watercare should develop a comprehensive desired Level of Service (LoS) for water supply security and resilience.	C	We undertook research on commercial customers and their willingness to pay for future resiliency. The research was qualitative and involved a cross section of 30 key, strategic, major and SME commercial customers. Given the decision to maintain the drought standard, there is no proposed change to residential customer service levels at this stage. However, further work is taking place to better understand domestic customer expectations (see response in recommendation 2 above).	Ongoing.
Recommendation no. 14 To ensure drought resilience for the future, further assessment of the level of security in ongoing climate change, benefits of alternative decentralised supply sources, and willingness to pay for extent of drought resilience are recommended.	E	It has been determined by Auckland Council that the Drought Standard will not change at this stage. We have performed a detailed analysis of future and alternate sources. We have also considered decentralised sources to support our application to the Board of Inquiry for the Waikato Water take consent. We undertook research with commercial and residential customers to determine their expectations. Refer to comments in recommendation 2.	Ongoing.
Recommendation no. 15 Given the community support for stormwater/ rainwater harvesting for augmenting local supplies, Auckland Council and Watercare should explore mutually beneficial precinct level projects to engage with the broader community.	D	We have provided Auckland Council with information on rain tanks to help inform their rain tank policy changes. We have also worked with Council to remove barriers for customers to install rain tanks in the home. Finally, we are working with Fletchers to build water efficient homes. These homes will provide Watercare with valuable data on rain tank efficiency to support and inform future policies, regulations, and pricing.	Ongoing.
Recommendation no. 16 Watercare needs to raise awareness and understanding of the stakeholders to provide assurance of water supply security and resilience and the integral role of water restrictions in achieving supply security and resilience.	D	We are using <i>Tapped In</i> , the Website, and many forms of advertising to ensure that stakeholders understand water supply security and resilience. Refer to the comments in recommendation 2.	Ongoing.
Recommendation no. 17 The lack of regulations and guidelines for use of recycled water is a constraint to supply diversification. This should be addressed at the earliest by the regulators, commencing with guidelines for outdoor use in parks, gardens and playing surfaces	C	We are working on some small-scale reuse programmes, such as community gardens, to commence the recycled water journey. We expect these small-scale programmes of work will support the establishment of regulations and guidelines. A Recycled Water Strategy was developed and presented at the August 2021 Board Meeting. Focus this FY is on operating and testing our new recycled water pilot plant which will provide insights into requirements for future uses. We are working on six non-potable demonstration projects that are all in different stages of development which include sports fields irrigation, golf course irrigation, community garden, recycled water ice rink and our first recycled water pilot plant as part of the CI project. We have also created two focused recycled water roles within the Water Value team. We expect to work closely with Iwi and Auckland Council on this journey.	Commenced and ongoing.
Recommendation no. 18 Watercare should consider leveraging off the Three Waters Reform opportunity to influence policy and planning to improve drought resilience and supply reliability.	C	We are working with Auckland Council and DIA to support the transition, and to influence policy, with the intention of improving drought resilience and supply reliability across NZ.	Ongoing.
Recommendation no. 20 Watercare needs to engage with Auckland community and stakeholders on water security to ensure they understand the Drought Standard, water supply resilience and planned response to droughts. Since Drought Resilience is a shared responsibility of service providers and consumers/ beneficiaries, the wider community needs to be consulted and have an opportunity to provide input.	E	We are using <i>Tapped In</i> , the Website, and many forms of advertising to ensure that stakeholders understand water supply security and resilience. Refer to the comments in recommendation 2.	Ongoing.
Recommendation no. 22 Watercare must explore opportunities with large water users, water dependent/sensitive customers, emerging developments, CCOs, water utilities as well as industry researchers and on how to better incorporate water security into their business planning and to explore opportunities of mutual benefit.	E	We are working closely with our large commercial customers such as Kāinga Ora, Auckland Council and Auckland Zoo to ensure that they are using water wisely and have water sensitive strategies in place.	Ongoing.

Board - Public Session - Chief Executive's report

Recommendation no. 23 Watercare must clarify for stakeholders on how Auckland's water security is being met and the basis for Watercare's confidence must be clearly conveyed to its stakeholders, especially Auckland Council.	E	We are using <i>Tapped In</i> , the Website, and many forms of advertising to ensure that stakeholders understand water supply security and resilience.	Ongoing.
Recommendation no. 24 Auckland could consider collaborating with its sister City Brisbane (given the similarities) to co-develop, adopt, adapt, and apply their collective wisdom and resources in achieving drought resilience.	D	We held a meeting with Brisbane water utility to understand how they developed their water strategy. The intention is to continue this engagement. We also have regular contact with WSAA, to learn from them and connect with other utilities in Australia.	Ongoing.
Recommendation no. 26 It is recommended that Watercare do a stocktake and map actions/ initiatives of Watercare, Auckland Council and stakeholders to create shared understanding of their status, gaps, overlaps, synergies, timeframes, and resources.	E	Watercare have worked with Council on a regular basis in the development of the Auckland Water Strategy. In addition, the Drought Management Plan has been reviewed by Council. Watercare and Council Resources are now regularly working together. Both Watercare and Council have separate Three Waters working groups – Council is focussing on the impact to Council while Watercare is preparing for integration.	Ongoing.

Board meeting | 1 November 2022
Public session



Good employer policy – update

For approval

Te pou whenua tuhinga / Document ownership

Prepared by

Sarah Phillips
GM People & Capability

Recommended by

Jamie Sinclair
Chief Corporate Services Officer

Submitted by

Jon Lamonte
Chief Executive Officer

1. Te tūtohunga / Recommendation

We recommend that the Board approves the updated Good Employer policy.

2. Take matua / Key points

The purpose of this Policy is to ensure that Watercare meets our legal obligations as an employer under Section 59 of the Local Government Act 2002 (the Act), and that our policies, programmes, and practices promote values of equity and fairness.

Changes have been made to the Policy to demonstrate our commitment to Māori and the rainbow community.

Attachment 1 is the updated Policy, with changes highlighted in blue.

3. Whāinga / Purpose and context

The Policy must be reviewed and approved by the Board every two years.

4. Ngā ūpoko / The capitals

Our people and culture

This updated policy:

- Provides a policy framework to ensure we meet our statutory obligations and create a working environment that promotes our values

- Supports an engaged and empowered team aiming to be an employer of choice
- Supports and protects staff so that they are healthy and safe
- Builds customer trust and value.

There is no significant impact to the other five capitals.

5. Ngā tūraru matua / Key risks and mitigations

The Watercare Risk Appetite Statement has been considered and the report aligns with Organisational Capability and Reputation and Engagement risk themes.

Risk themes	Key risk	Mitigation
Organisational Capability	Failure to attract critical skills and talent	Ensuring our policies are aligned and promote our organisational values helps us to create a constructive working environment and attract and retain a skilled and engaged workforce
Reputation and Engagement	Failure to meet legal obligations	This policy helps us meet our employer obligations under Section 59 of the Local Government Act 2002 (the Act) The policy also aligns with Watercare's values

6. Ngā tuhinga ō mua / Previous deliberations

Date	Report title	Key outcomes
May 2018	Good Employer Policy	The Policy was introduced and approved by People, Remuneration and Appointments Committee (PRAC).
November 2020	Good Employer Policy – update	The Policy was reviewed, updated then approved by Te Tangata Komiti.

7. Ā muri ake nei / Next steps

Following approval by the Board, Management will communicate the updated Policy to the business.

8. Te whakapiringa / Attachment

Attachment number	Description
1.	Good Employer Policy with the changes highlighted in blue



Attachment 1



Good employer policy

November 2022

1. Overview and scope

The purpose of this Policy is to ensure that Watercare not only meets our legal obligations as an employer under Section 59 of the Local Government Act 2002 (the Act), but that our policies, programmes, and practices promote our values of “Respect” and “One Team” which reflect our commitment to equity and fairness.

2. Application of Policy

This Good Employer policy covers all employees (which includes staff members and contractors) who work for Watercare and its related companies (*including all divisions, business units and subsidiaries*).

3. Principles of a Good Employer Policy

Watercare’s Good Employer Policy and associated policies and practices are based on the following principles:

3.1 Fair treatment for all

At all times we maintain a workplace that is free of discrimination whilst demonstrating zero-tolerance for all forms of bullying and harassment. We foster a positive climate in the workplace which celebrates diversity and encourages and supports all employees to access development opportunities.

We provide clear expectations around integrity, conduct, and concern for public interests. We provide clear performance expectations and transparency in assessment of performance and feedback opportunities.

3.2 Good and Safe working conditions

We provide good and safe working conditions and take a proactive approach to employee health, safety, and well-being. We create an environment that supports and encourages employee participation in health, safety and environmental initiatives.

We ensure our culture and practices enable employees to maintain proper standards of integrity, conduct, and concern for the public interest.

3.3 Equal employment opportunities

We provide an equitable approach to developing all employees. We ensure our processes and practices maximise the use of skills and unique strengths of all employees. We recognise the aims and aspirations, cultural differences, and employment requirements of Māori, ethnic or minority groups, women, persons with disabilities and the rainbow community.

3.4 Fair recruitment and selection

We maintain a highly engaged workforce through inclusive attraction and impartial selection of suitably qualified persons for appointment based on job requirements, giving preference to the person who is best suited to the position.

We ensure no bias or barriers exist to employ the best person for the job.

3.5 Fair Remuneration and reward

We provide a remuneration framework that reflects the skills and experience required to attract employees. We ensure a remuneration system that is equitable, transparent and gender neutral providing equal access to job opportunities, conditions, development opportunities, and further advancement.

3.6 Leadership and culture

We provide a positive organisational culture of accountability and leadership with a clear vision and one where people are valued. We promote an engagement process with employees and their representatives providing opportunities to engage and participate in organisational decisions.

We recognise the aims and aspirations of Māori and the need for greater involvement of Māori in local government employment and the water industry. We recognise the importance of tikanga in our decision making and practices.

Watercare reserves the right to review, amend or add to this Policy at any time upon reasonable notice to its staff members.

This Policy has been reviewed and approved by the Board in November 2022. It will next be reviewed in November 2024.

4. Approval

Policy Number: PC-010-POL-007	Introduction date: May 2018
Approved for issue by: Board	Last Revision: November 2020
Revision approved by: Board	This revision date: November 2022
Application: All Staff	Issue Method: Intranet

Board meeting | 1 November 2022
Public session



Review of 'Our Commitment to Health Safety and Wellbeing'

For approval

Te pou whenua tuhinga / Document ownership

Prepared by

Bronwyn Struthers
Head of health, safety and wellbeing

Recommended by

Jamie Sinclair
Chief Corporate Services Officer

Submitted by

Jon Lamonte
Chief Executive Officer

1. Te tūhonga / Recommendation

We recommend that the Board approves the updated 'Our Commitment to Health Safety and Wellbeing' (commitment) (Attachment 1).

2. Take matua / Key points

The proposed commitment differs from the current version as follows:

- It now expressly includes our commitment to kaimahi mental wellbeing. This provides a single commitment encompassing all elements of wellbeing instead of adding a separate mental wellbeing policy to our policy suite.
- In consultation with Te Rua Whetū, te reo Māori has been incorporated into the commitment as well as reference to Professor Tā Mason Durie's model of wellbeing, Te Whare Tapa Whā. This is reflective of our efforts to generate a more inclusive work environment and provides an intuitive framework for our wellbeing strategy.
- Language and phraseology have been reviewed to incorporate a plain language approach to ensure the commitment is accessible and meaningful across our organisation.

3. Whāinga / Purpose and context

The commitment is reviewed bi-annually and was last reviewed by the Board in October 2020 (current version attached as Attachment 2).

The proposed updated commitment articulates both the commitment from the business, and that required of kaimahi, to deliver high standards of health, safety, and wellbeing.

4. Ngā ūpoko / The capitals

4.1 Our environment including climate change

The commitment does not impact our natural environment, nor does it manage the effects of climate change.

4.2 Our people and culture

Through the updated language and clear commitment to employee wellbeing, as well as health and safety, the commitment:

- supports an engaged and empowered team and Watercare's aspiration to be an employer of choice
- supports and protects staff so that they are healthy and safe, and their wellbeing is supported.

4.3 Our communities, including Māori outcomes

- The commitment has been updated to support Te Ao Māori by using Professor Tā Mason Durie's Te Whare Tapa Whā model for wellbeing and the inclusion of te reo Māori.
- Our intent is to support our diverse kaimahi and promote inclusivity.

4.4 Our assets and infrastructure

The commitment does not impact our assets and infrastructure.

4.5 Our future

By supporting high kaimahi engagement, we are strengthening our culture for the future.

4.6 Our finances

Development of the updated commitment has been completed using internal consultation and resources and does not impact our finances.

5. Ngā tūraru matua / Key risks and mitigations

The Watercare Risk Appetite Statement has been considered and the commitment aligns with the following risk themes:

Risk themes	Key risk	Mitigation
We value our people	We place health and safety as one of our highest priorities and have no appetite for deficiencies in controls that expose our staff, contractors, customers and community to injury or harm. All health and safety risks must be managed so far as is reasonably practicable.	The review process for the updated commitment ensured alignment with the Health and Safety at Work Act 2015 (the Act) both in intent and in language.
We value our people	We have a heightened appetite to achieve a high performing culture with an engaged and diverse workforce that represents the community we serve.	Incorporation of te ao Māori concepts in wellbeing framework. Use of te reo Māori and plain language approach to support inclusion.
Compliance and Conduct	We have no appetite for known or systemic non-compliance with relevant laws and regulations and expect our business partners and contractors to uphold these obligations.	The updated commitment ensures we are complying with our moral, legal and ethical obligations under the Act, relevant regulations, codes of practice and industry standards.

6. Ngā tuhinga ō mua / Previous deliberations

Date	Report title	Key outcomes
27 October 2020	Update to Watercare's commitment to health, safety and wellness	The Board approved the updated commitment subject to minor amendments discussed during the meeting.

7. Ā muri ake nei / Next steps

Following the Board approval, the commitment will be:

- updated to include electronic signatures of the CE, Jon Lamonte, and the Chair of the Board, Margaret Devlin.
- published and distributed across the business.

8. Ngā whakapiringa / Attachments

Attachment number	Description
1.	Proposed update Commitment to Health Safety and Wellbeing
2.	Current Commitment to Health Safety and Wellbeing – last updated 2020



Our commitment to health, safety and wellbeing

At Watercare, we are committed to supporting the hauora (wellbeing and health) and haumaru (safety) of everyone impacted by our work.

To ensure a positive and safe working environment that supports te taha tinana (physical), te taha hinengaro (mental and emotional), te taha whānau (social and relationship), and te taha wairua (spiritual) wellbeing we will:

- Lead well, communicate, consult, and listen
- Establish safe and healthy work practices with our kaimahi (staff), and make sure they are confident, trained and well supported
- Support kaimahi to be involved and provide opportunities for them and their representatives to participate in hauora and haumaru systems
- Encourage innovative and diverse thinking in an open, transparent, and safe environment
- Meet all relevant legislation and regulation requirements and keep up to date with changes
- Consult and work with kaimahi to remedy, learn and improve when things don't go right
- Care for anyone who is hurt to support timely rehabilitation and their safe return to work
- Prioritise elimination of hazards and reduction of risks and encourage effective and prompt reporting
- Continuously review and improve our hauora and haumaru systems and objectives.

We are all part of the Watercare team, and it takes each of us to create and deliver good hauora and haumaru for our team and our community, so I will:

- Respect my own hauora and haumaru and that of others
- Stop any activity I feel is unsafe and ask for help when I need it
- Follow the procedures, instructions and rules provided and use all equipment safely
- Report incidents, close calls and hazards in a timely manner
- Actively participate in hauora and haumaru activities, kōrero (discussions) and investigations
- Make sure my actions, and my inactions, do not cause harm to me or to others.

Chief Executive

Chair of the Board

Attachment 2 - Current Commitment to Health Safety and Wellbeing October 2020

Our commitment to health, safety and wellbeing

Safety – I Care, We Care, Watercare

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

We understand our health, safety and wellbeing responsibilities and are committed to continually improving practices at all of our locations, for our benefit and for everyone impacted by the work we do.

To achieve this, we will:

- Provide a safe and healthy working environment for everyone by identifying, understanding and managing workplace hazards
- Create an open and inclusive environment where health, safety and wellbeing issues are raised and managed transparently
- Establish safe working practices and ensure they are adhered to
- Provide appropriate leadership, training and communication to all our team
- Have all incidents and close calls accurately reported, recorded and investigated as required and apply the learnings
- Actively promote and support the health and wellbeing, both physical and mental, of our team
- Establish and maintain an early return-to-work programme in consultation with injured team members, and support their timely rehabilitation and safe return-to-work
- Provide opportunities for our team or their representatives to be consulted and to participate in matters relating to the health, safety and wellbeing of themselves and others
- Ensure full compliance with relevant legislation, regulations, codes of practice, policies and procedures for all aspects of our business
- Annually review our health, safety and wellbeing systems to ensure they remain appropriate for the needs of the business.

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

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



Chief Executive



Chair of the Board

Board meeting | 1 November 2022
Public session



Scanning the Horizon

For discussion

Te pou whenua tuhinga / Document ownership

Prepared by

Rebecca van Son
Executive Officer

Submitted by

Jon Lamonte
Chief Executive Officer

1. Te tūhunga / Recommendation

We recommend that the Board discusses the following information updates:

- Broader outcomes: The Construction Sector Accord's guidance on achieving long-term public value for Aotearoa New Zealand
- Government's response to Rautaki Hanganga o Aotearoa, New Zealand Infrastructure Strategy
- The Construction and Infrastructure Sector Agreement
- Australian cities are diversifying their water supplies and water security
- National Seismic Hazard Model
- Eight big challenges for the water sector in the next 10 years
- PHANTOR – the atmospheric water generator
- Valuing Water Finance Initiative.

2. Whāinga / Purpose and context

The purpose of this report is to ensure that the Board remains informed of important matters (both short and longer term) that are likely to have an impact on Watercare in the future. This includes strategic and operational insights as well as possible risks and opportunities on the horizon.

3. Kōrero pitopito / The details

3.1 Broader outcomes: the Construction Sector Accord's guidance on achieving long-term public value for Aotearoa New Zealand

In June 2022, the Construction Sector Accord (**Accord**) released new guidance to support government agencies to embed broader outcomes into their construction procurement activity. The guidance explains what is meant by broader outcomes and outlines four key steps for implementing them into construction projects. A summary of the guidance is set out below:

What are broader outcomes?

Broader outcomes are the additional cultural, social, economic, and environmental benefits that can be achieved through procurement activities. Rule 16 of the Government Procurement Rules requires each agency to consider and incorporate, where appropriate, broader outcomes when purchasing goods, services or works. The Government Procurement Rules identifies four priority broader outcomes, namely:

- To increase New Zealand businesses' access to government procurement.
- To increase the size and skill level of the domestic construction sector workforce.
- To improve conditions for New Zealand workers.
- To reduce emissions and waste.

Key steps to implement broader outcomes

The Accord highlights the importance of considering broader outcomes as early as the business case planning phase to ensure they are appropriately considered and implemented into construction projects. The guidance sets out the following four key steps to implement broader outcomes.

1. Opportunity Map: Exploring and identifying broader outcomes for the project

A project should focus on three to five broader outcomes. It is important to consider the wider communities your project will impact and its potential avenues of procurement. Is there room for improvement when considering the various project development stages, or the long-term repercussions once completed?

2. Question Guide: Selecting RFx questions in relation to broader outcomes

Request for Tender and Request for Interest documents should be written so it is obvious to tenderers the basis on which they will be evaluated. Questions may be “open” or more “specific”.

Example RFx questions include:

- What training opportunities can you make available to new workers?
- Are all your employees being paid correctly for annual leave, and receiving the bereavement leave, alternate holidays, public holidays, sick leave, and domestic violence leave they are entitled to?

3. Response and Evaluation Guide: How to evaluate and select a tenderer based on the RFx responses

Broader outcomes weightings can be between 10% and 30% (or more or less), and will depend on the project's size, scope, and purpose. Evaluators should include a panel with diverse perspectives and the skills to adequately evaluate broader outcomes.

4. KPIs measurement Guide: How to measure and report on broader outcomes using Key Performance Indicators (KPIs)

KPIs can be used to measure the progress of broader outcomes.

Example KPIs include:

- Number of employees on living wage involved with the project.
- Total waste (per thousand tonnes) throughout the project.
- Number of female, Māori, or Pasifika employees in senior leadership positions.

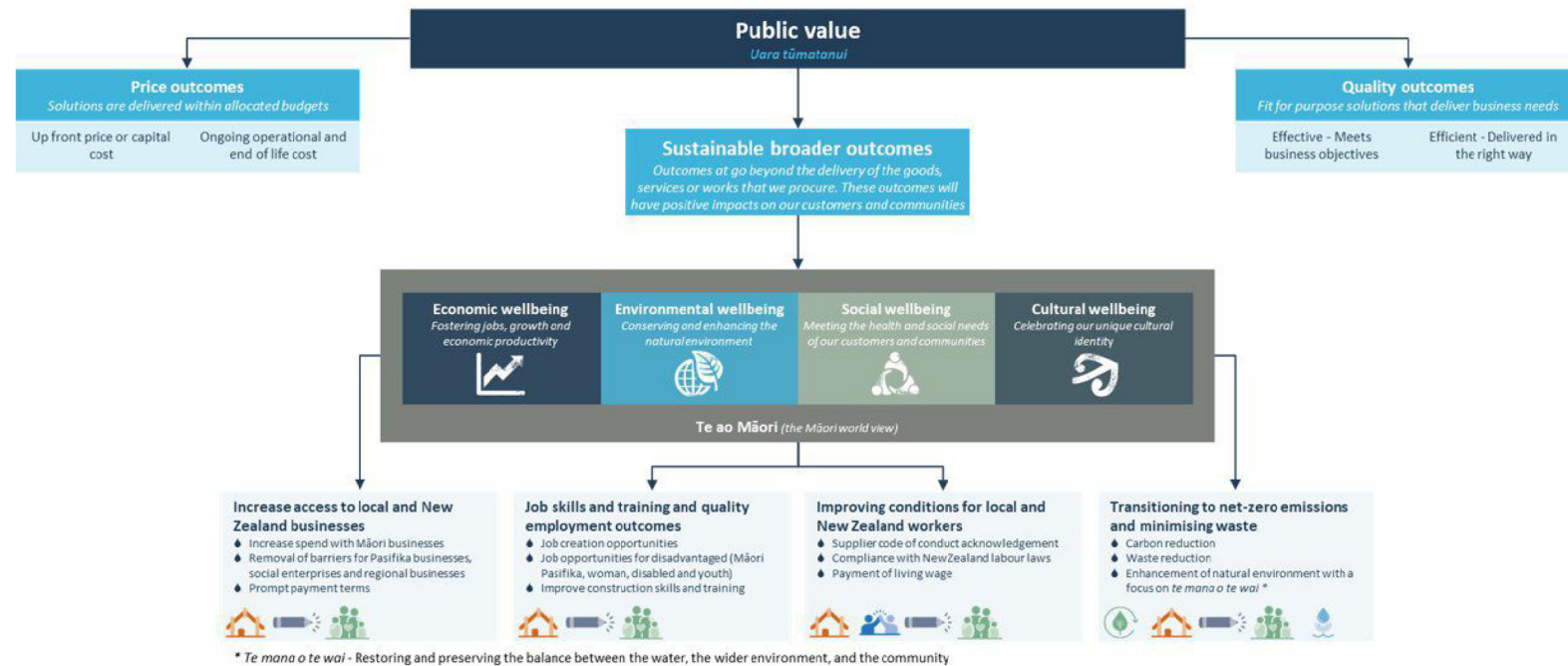
It is also necessary to consider how broader outcomes and KPIs can be reported on and incentivised. For example, consider how KPI data will be collected, and how broader outcomes can be reported on through mechanisms such as monthly reports or payment claims. Broader outcomes may also be more successful if a contract includes incentives or consequences for meeting or failing to meet KPIs.

Impact on Watercare

Watercare is actively implementing a broader outcomes procurement process (see diagram below). We believe this will add significant value to our processes. This is relatively new thinking for us, and forms part of our new procurement policy that we are preparing, tying it into our strategic priorities, and preparing us for the future.

In creating the concept of Public Value and defining Broader Outcomes we have taken a consistent approach to Central Government (MBIE's) procurement which is also reflected in the Construction Accord. We are also keeping a watch on the work that MBIE are doing under the heading 'Government procurement: Refreshing Strategic Priorities' to see what we can learn from that.

Delivering public value



3.2 Government's response to Rautaki Hanganga o Aotearoa, New Zealand Infrastructure Strategy

The Government provided a response to the New Zealand Infrastructure Strategy in September 2022. The Government's response acknowledges the country's significant infrastructure deficit and provides overall government support for the Strategy's principles and 58 of the 68 recommendations made by Te Waihanga. The Government has provided a specific response for each recommendation and provides an indication of the priority of the work identified based on four varying levels of support assigned as follows:

- Supported in full - and work is underway
- Supported – where the government is addressing or has agreed to address at least part of the recommendation

- Supported in principle – where government supports the intent of the recommendation but where further consideration is required of the best way forward
- Noted – where a recommendation is a lower priority.

There are many fully supported and high priority recommendations, with the Government's current reform programme underpinning many of these. Infrastructure NZ highlighted that it makes sense to focus on the significant system transformations, and then look to address the other issues once the new operating environment has been established. System transformations, such as the Future Resource Management System, the Health and Disability sector reform and the Three Waters Reform Programme, will be critical for shaping the operating environment so that infrastructure can be planned, funded and delivered in a timely, quality and cost-effective manner within nationally set environmental limits.

Now that the Government has agreed on the content and priority of the infrastructure strategy, they will develop a detailed action plan and reporting programme for the recommendations that it supports. The action plan will include expected time frames and identify which organisations will lead and contribute to individual actions. It is an ambitious but necessary programme. The challenge will be coordinating so many moving and often overlapping components.

Recommendations around the certainty of the pipeline will encourage identification of priority projects and will allow the industry to invest in its capability and capacity. Ramping up capacity and capability in the sector can't happen overnight and needs to be underpinned with work certainty and sector commitment. A combination of addressing urgent skill shortages is needed, with measures to competitively attract skilled people on the international market alongside attracting and training the local workforce.

The Government supports the strategy's strong focus on improving the resiliency of infrastructure and supporting emissions reduction and addressing climate change. Infrastructure-related decisions will have a significant impact on New Zealand's path to decarbonisation and net zero emissions. Transitioning to a low emissions economy requires a transformational change in how we plan, fund, and deliver infrastructure and operate services.

The Government's response to the Strategy can be read here:

<https://www.treasury.govt.nz/publications/commissioned-report/government-response-rautaki-hanganga-o-aotearoa-new-zealand-infrastructure-strategy>

Impact on Watercare

We expect that several recommendations will fall directly impact water and wastewater operators. Watercare will therefore ensure we continue to follow the Government's progress and closely review the impending Action Plan as soon as it is released.

3.3 The Construction and Infrastructure Sector Agreement

In August 2022, the Government announced The Construction and Infrastructure Sector Agreement as part of the Immigration Rebalance. This agreement will allow the recruitment of lower skilled workers, that are currently in shortage, into the sector.

However, as Infrastructure NZ's September addition of InfraRead noted, work to improve residency pathway certainty and global competitiveness will need to follow to ensure New Zealand's construction labour shortages begin to ease.

Under the sector agreement, the construction and infrastructure sector is provided with a few exceptions to the median wage requirement in exchange for ongoing improvements to productivity and wage growth. The construction and infrastructure sector agreement will allow employers to hire migrants at 90 per cent of the median wage, or \$25/hour. This will be updated annually in line with the 90 per cent threshold. Migrant workers will be able to be paid at that rate for two years. Then, a stand down period of 12 months will apply before they are able to be paid at below the median wage again. A range of roles are eligible across the sector.

The agreement acknowledges the continuing pressure of an ageing workforce, the size of the infrastructure deficit, and Covid-related pressures, which have all impacted the sector's capacity to transition in line with the Government's vision of a high-wage economy.

The agreement came into effect in October 2022 and will be reviewed in 2024.

While helpful, New Zealand is not alone in this tight labour market. Ability to attract workers for these below median wage positions during the transition period will be affected by New Zealand's global competitiveness at cost of living and policy setting levels. In Australia, Prime Minister Albanese has added an extra 35,000 permanent visas and has announced a review to streamline immigration processes.

Impact on Watercare

Whilst we support the new agreement, we do not consider the list of skill shortages broad enough, i.e. excavator operators and pipeline technicians. In addition, the wage floors, along with high demand are driving up wage rates across the trade sector rapidly and Watercare are encountering significant cost escalation on all projects. Based on discussions with our construction partners, we consider the need to access immigrant workers within the broader spectrum of the New Zealand workforce is required, rapidly. We also note that focusing efforts on increasing the availability of training, and incentivising (and supporting) companies to up-skill, could prove more successful in the long term. It could also take the focus away from being a problem of 'lower skilled migrants' and start addressing the main goal of trying to increase sector productivity. One of our construction partners noted *"if New Zealand had world matching/leading construction training programmes in place, with a track record of developing well skilled trades people, rather than the current NZQA, compliance driven programmes, we think that our construction industry would be in a far better position to sustainably increase productivity"*.

3.4 Australian cities are diversifying their water supplies and water security

The recently released Greater Sydney Water Strategy, Urban Utilities Water Leadership Plan and Central and Gippsland Region Sustainable Water Strategy all include future options that do not depend on rainfall and can still supply during times of drought. In the face of climate change and population growth, Australian cities and regions need to continue diversifying their water supplies to provide water security, including options such as desalination and purified recycled water for drinking.

For more information of the additional non climate dependent water sources planned in Australia, see references below:

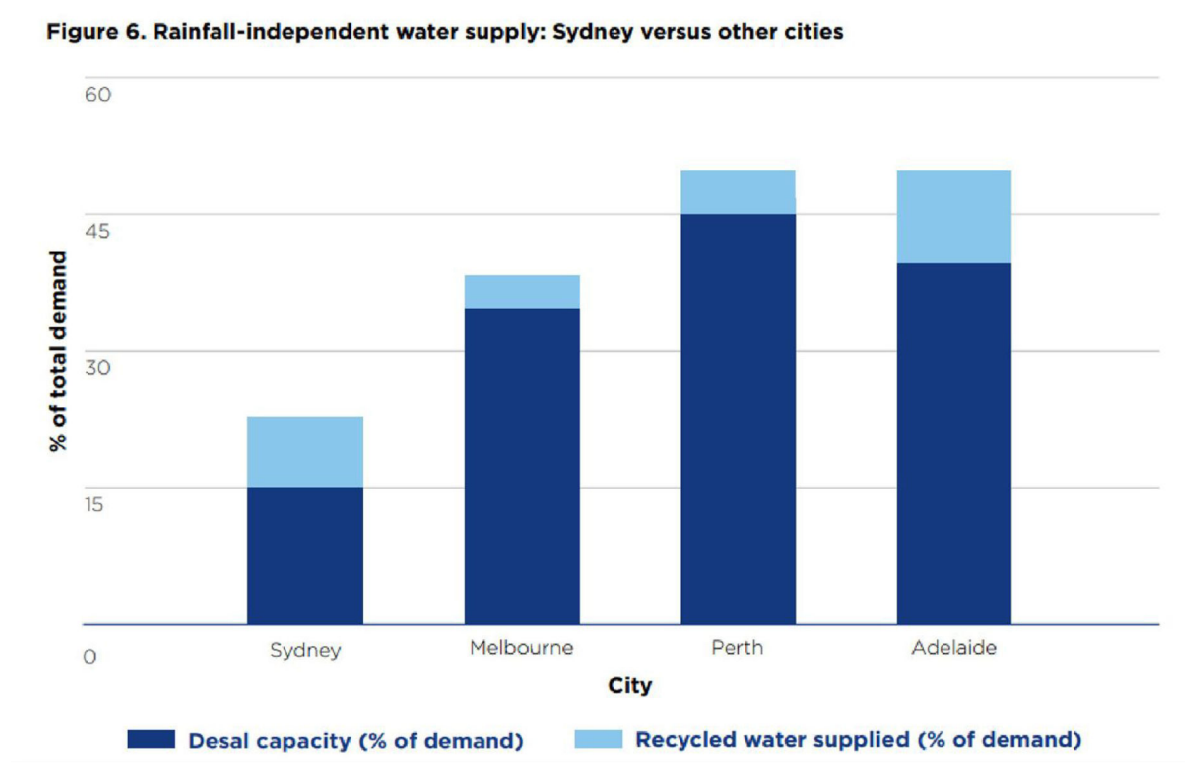
<https://issuu.com/urbanutilities/docs/uu-our-water-way-water-leadership-plan-2022>

https://water.dpie.nsw.gov.au/_data/assets/pdf_file/0006/527316/greater-sydney-water-strategy.pdf

<https://www.water.vic.gov.au/entitlements/long-term-assessments-and-strategies/central-gipps-sws>

Impact on Watercare

Watercare currently do not have any water sources that are rain independent unlike many of our Australian peers – see comparisons below.



Population growth, future climate risks and extreme weather events mean Watercare may not be able to meet our future water needs by only using traditional water supply approaches too. We know this, and we have committed resource to commence small, recycled water trials. In addition, we have non potable water volumetric targets included within the Auckland Water Strategy. To ensure our trials are successful, we are following our peers across the Tasman on their desalination and purified recycled water for drinking journeys. We have contacts within these utilities, and we will also work closely with WSAA to ensure our trials are a success.

3.5 National Seismic Hazard Model

GNS (Institute of Geological and Nuclear Sciences Limited) released an updated National Seismic Hazard Model in October 2022. This model calculates the likelihood and strength of earthquake shaking that may occur in different parts of Aotearoa New Zealand over specified time periods. New Zealand continues to be challenged by earthquakes and, because of our geographical make-up, it always will be. As an important part of New Zealand's hazard-scape toolkit, the National Seismic Hazard Model provides an estimate of the likelihood and strength of earthquake ground shaking at any given site in New Zealand and considers how different parts of the country might behave in the event of large magnitude earthquakes. It is part of Aotearoa New Zealand's science 'infrastructure', helping to inform technical standards for earthquake engineering design as well as providing critical information for earthquake risk management relevant to insurance, infrastructure management, and emergency planning and response.

The 2022 revision of the NSHM estimates the likelihood of future earthquake shaking hazard to have increased throughout most of the country.

Impact to Watercare

While earthquakes are common in New Zealand, Auckland lies in a less seismically active part of the country. The Auckland region lies upon a small number of active faults such as Wairoa North, Drury and Glenbrook faults. More shaking is forecast in the south of the Auckland region. Overall, shaking is forecast to be lower than nationwide. However, earthquakes have been felt in Auckland in the past, and therefore we need to ensure our network is resilient, and that we have emergency response plans in place.

Natural hazards are identified in our risk register and will continue to be monitored. Specifically, we model the possible impact of an earthquake, we insure against this, and we also construct according to all current construction standards.

3.6 Eight big challenges for the water sector in the next 10 years

EurEau is the European Federation of National Associations of Water Services. They represent national drinking and wastewater service providers from 30 countries, from both the private and the public sectors. Through their work, they have identified eight major challenges for the next ten years:

I.) Delivering safe and reliable water services 24/7

Safe drinking water at the tap and appropriate waste water treatment are a prerequisite for human health and a healthy water ecosystem. In order to deliver on this key goal, in a way that is economically justifiable, the capacity of both the drinking water and the wastewater sectors to address current and future challenges must be strengthened.

II.) Protecting water as a vulnerable resource

The EU's '**zero pollution**' ambition should ensure the protection of water resources.

Micropollutants originating from the use of substances such as pharmaceutical products, personal hygiene products or household chemicals, microplastics (from textiles, car tyres etc.), nano-particles, nutrients and pesticides may represent a risk for water resources. Although observed concentrations in water resources are currently very low for most of them, adverse impacts on the aquatic ecosystems have been observed. At current concentration levels, there is no definite scientific evidence of adverse effects on human health yet, but, as their use increases, micropollutants might represent a challenge for water resources and for water services once they enter the water cycle. In line with the Precautionary Principle and the EU

Treaties, pollution should be prevented and controlled as much as possible at the source. Extended Producer Responsibility must apply and end-of-pipe solutions should be considered as a last resort.

Despite encouraging success stories, a lot remains to be done to ensure the full implementation of Europe's water legislation. Effective policy coordination with other areas, appropriate funding and good governance are key success factors.

III.) Promoting the value of water services to ensure long-term sustainable financing

The water sector must continue to **engage effectively with its customers and other stakeholders** to ensure there is a greater understanding of the many ways 'water matters'. The sector must promote the intangible values of water services in terms of protecting public health, the quality of life, safety and the well-being of people and the environment. Customer and stakeholder engagement are fundamental in achieving an understanding of mutual priorities and needs.

Against this scenario, the water sector supports greater transparency of water bills so that customers can understand the real costs of supplying drinking water and treating wastewater.

Public understanding of the value of water services is a prerequisite for achieving long-term sustainable financing. The price consumers pay for water services must strike the right balance between the affordability of the services on one hand, and the need to recover the cost for water services and ensure the necessary investments to build, maintain and renew the infrastructure of water services on the other.

If the price for water services is kept artificially below costs, the costs of maintaining the infrastructure will have to be covered through taxes or transfers or further postponed. The latter will lead to substantial impacts on the sustainability of the water sector.

IV.) Promoting water in the circular economy

The water sector forms a part of the circular economy and is committed to strengthening its involvement. Wastewater (and its by-product sludge) contains valuable resources such as energy, phosphorus, nitrogen, other nutrients and cellulose that can be recovered and reused in a circular economy with the aim to save scarce or depleted nature-mined resources (and the associated negative impacts) and foster economic growth and job creation.

Treated wastewater can be re-used under certain conditions. Likewise, residues from drinking water treatment are also considered as a source of secondary raw materials. For example, calcite is produced by drinking water softening and reused in construction, agriculture and the mineral-resources industry.

European legislation must be a driver for innovation and allow for the development of good practices to recover these resources. Incentives to channel recovered resources into the market, in a sustainable manner, needs to be put in place. Our needs should work together with those of the agricultural sector.

At the same time, control at source measures must be reinforced to avoid that toxic substances end up in wastewater and threaten the potential recovery of resources.

V.) Moving towards resource-efficient and climate-neutral water services

Responsible use, appropriate allocation and efficient delivery of water are fundamental to ensure efficient use of a valuable resource. The European water sector is committed to achieving climate neutrality in line with the EU's Green Deal goals, and despite increasing water and wastewater treatment needs. This will require further sustained efforts to be more energy-efficient, generate renewable energy and wisely use chemical substances in water treatment processes.

Water operators will undertake measures to reduce all greenhouse gas emissions be they carbon dioxide or others. With a view to including indirect emissions, i.e. those embodied in the products and materials purchased for the provision of water services, water operators will need detailed life cycle data from their suppliers.

VI.) Enabling innovation and inspiring professionals to meet current and future challenges

Technological progress, including digitalisation, the data economy and even artificial intelligence, offer new opportunities to water operators to deliver their services more efficiently and more sustainably. Access to **innovative solutions** must be facilitated and future-safe investments secured. Public authorities should support this process by including the water sector in European and national research and innovation programmes.

Furthermore, water services have to accompany the development of appropriate skills and opportunities for young professionals through apprenticeships, traineeships and training programmes.

VII.) Managing long-term assets in a fast-changing environment

Traditionally water services look at the long term when planning and constructing their water works, distribution networks, collection systems and treatment plants. Some parts of the water infrastructure last for 50 years or more. The water sector has to balance its long-term approach with an appropriate level of **flexibility**, allowing infrastructure to be responsive and adapt to a fast-changing environment and innovative solutions in terms of treatment efficiency, resource use, climate change adaptation and mitigation etc. Likewise, policy makers must take these inherent inflexibilities into account when designing new regulations.

It is crucial for the water sector to have efficient long-term planning matched to investment needs on the basis of the 3Ts, (tariffs, taxes and transfers) from other sources or budgets such as funds for regional development or international aid while maintaining affordability.

VIII.) Reinforcing the resilience of water services

Maintaining safe and secure water services is essential services for the functioning of our societies even in crisis situations. Drinking water supply should be given priority over competing water uses.

Resilience includes two main areas:

- **Natural disasters and climate change:** Extreme weather events are becoming more frequent. Severe floods and droughts are regular occurrences in Europe. Climate change remains a serious challenge for the water sector. Water operators have to minimise its impacts and enact mitigation and adaptation measures while controlling costs and complying with legislation. It is therefore essential that water service providers develop long-term plans and that the water sector's efforts are coordinated, wherever possible, with other sectors' mitigation and adaptation measures with the support of EU, national and local policies.

- **Man-induced security risks:** The security situation in Europe has deteriorated and the risk of malicious acts is present across the continent. The sector must strive to analyse any security-related vulnerabilities and take effective measures to mitigate them. Consideration must be given to cyber-security and interdependencies with other sectors (power, telecommunication etc.).

Impact on Watercare

Whilst the above article refers to specific European policies and issues, it is worth acknowledging that the challenges we face here in NZ are not isolated. For example:

- Watercare needs to ensure we **protect the environment** and also our communities by ensuring we stay aware of **new and emerging contaminants**.
- We must continue to **engage effectively with our customers and other stakeholders** to ensure there is a greater understanding of the many ways 'water matters'. Customer and stakeholder engagement are fundamental in achieving an understanding of mutual priorities and needs.
- We need to explore and invest in flexible and **innovative solutions**.
- And we must enhance our **resilience**.

The issues we face are same, therefore it is critical that we stay connected with all our peers internationally, to learn from and share are processes for a better future.

3.7 PHANTOR – The atmospheric water generator

The atmospheric water generator PHANTOR is currently producing pure drinking water on a Dubai hotel island in a pilot plant setup. The innovative atmospheric water generator is on an international tour. As 750 million people on earth do not have access to clean drinking water, and the risk of drinking water shortages is increasing sharply, solutions are urgently needed. In response to this high demand for safe and clean water, Imhotep.Industries developed an atmospheric water generator (AWG) based on the latest scientific findings. By condensing water from ambient air, the PHANTOR can produce up to 10,000l of pure drinking water per day to contribute to people's self-sufficiency.

Being mobile means this plant can provide water for remote locations, infrastructure, and organic agriculture, without producing waste and with a minimized carbon footprint. PHANTOR produces enough water to supply a complete residential building, hotel or hospital with fresh water.

A second smaller PHANTOR will be presented for the first time at the GreenTech Festival in Berlin.

Impact on Watercare

Plants like PHANTOR could help serve remote communities where ground water is hard to come by, or distance is prohibitive to connecting to the main network. Staying in touch with the latest innovation will ensure Watercare are future fit, resilient and water efficient.

3.8 Valuing Water Finance Initiative

Institutional investors from around the world joined Ceres on 16 August 2022 in launching the Valuing Water Finance Initiative, a new effort to engage 72 corporate water users and polluters to value and act on water as a financial risk and drive the necessary large-scale change to better protect water systems. The initiative is the only global investor-led initiative aimed at moving companies to respond to the global water crisis.

About Ceres

Ceres is a non-profit organisation working with the most influential capital market leaders to solve the world's greatest sustainability challenges. Through their powerful networks and global collaborations of investors, companies, and non-profits, they drive action and inspire equitable market-based and policy solutions throughout the economy to build a just and sustainable future.

The Ceres Valuing Water Finance Initiative offers the most comprehensive and ambitious guidelines available to investors while also considering the full suite of water-related issues, from water availability and quality to board oversight and public policy engagement.

Signatories at the launch included financial institutions such as pension funds, mainstream asset owners and socially responsible investors spanning the globe; and included companies such as Amazon, Sony, Nestle, Danone, Kraft Heinz and Heineken N.V.

The Ceres Valuing Water Finance Initiative raises the profile of fresh water as the world's most precious natural resource and its essential role in industries, communities, and ecosystems and provides investors with the tools required to "make the case" for prioritising water risk.

The initiative prioritises a set of six science-based, actionable Corporate Expectations for Valuing Water, which are informed by scientific evidence that aligns with the United Nation's 2030 Sustainable Development Goal for Water (SDG6). The expectations lay out clear action steps for focus companies and set the stage for investor engagement focused on collective progress:

1. Water quantity. Companies do not negatively impact water availability in water-scarce areas across their value chain.
2. Water quality. Companies do not negatively impact water quality across their value chain.
3. Ecosystem protection. Companies do not contribute to the conversion of natural ecosystems critical to freshwater supplies and aquatic biodiversity and actively work to restore degraded habitats that their businesses depend upon.
4. Access to water and sanitation. Companies contribute to the social, economic and ecological resilience of communities they interact with by contributing to achieving universal and equitable access to WASH across their value chain.
5. Board oversight. Corporate boards and senior management oversee water management efforts.
6. Public policy engagement. Companies ensure that all public policy engagement and lobbying activities are aligned with sustainable water resource management outcomes.

"The water crisis is playing out across the U.S. and around the world in many ways, from severe drought and pollution to inadequate access to safe drinking water, all of which disproportionately impact our most vulnerable communities," said Mindy Lubber, CEO and President of Ceres. "The private sector must recognise water's importance for their institutions and investments lest they further expose themselves and society to increased material water risk".

The initiative and expectations were guided by an advisory council of major investors including members of the Valuing Water Finance Task Force and other investor and NGO partners, signaling capital market support for properly valuing water and centering the need for sustainable water management among corporations. Task Force members include ACTIAM, AustralianSuper, California State Controller Betty T. Yee, New York City Comptroller Brand Lander and PGGM Investments, among others. Investor signatories have committed to engage Valuing Water Finance Initiative focus companies in:

- Ensuring that their current practices don't negatively impact water quality and water availability
- Integrating sound water management into business processes and governance, including board oversight and policy engagement
- Securing access to water and sanitation across company value chains
- Protecting ecosystems critical to the freshwater supplies that their businesses depend on

"The world's fresh water supply is under severe stress in all regions, which poses risks not just to local communities, but also to those companies reliant upon water across their value chains. Investors have a critical role to play in helping companies assess those risks, and to respond to the opportunities ahead as we build resilience to climate change." said Anne Simpson, Ceres Board Member and Global Head of Sustainability at Franklin Templeton. "The Valuing Water Finance Initiative reflects investors' fiduciary duty to generate sustainable risk adjusted returns".

The Valuing Water Finance Initiative engagement and its Corporate Expectations provide investors the framework they will need to move companies to better prioritise water and understand its material, reputational, regulatory and legal risks.

Impact on Watercare

As part of our water efficiency and education programs, Watercare could promote large New Zealand investors, such as NZ Superfund, to join the initiative in supporting the Corporate Expectations for Valuing Water and engaging on water stewardship.

4. Ngā tūraru matua / Key risks and mitigations

This report is for information purposes and has highlighted risks in Section 4 – The details, wherever appropriate.

5. Ā muri ake nei / Next steps

This report is a standing agenda item for the Board meeting.



Board meeting | 1 November 2022
Public session



Watercare Board's response to NZ's first citizens' assembly: Aucklanders' recommendations on the next source of water for the city

For approval

Te pou whenua tuhinga / Document ownership

Prepared by

Jenny Wigley and Priya Thuraisundaram
Customer Insights

Recommended by

Amanda Singleton
Chief Customer Officer

Submitted by

Jon Lamonte
Chief Executive Officer

1. Te tūhunga / Recommendation

We recommend that the Board:

- Notes the recommendations of the 2022 citizens' assembly on the next source of water for Auckland (Attachment 1); and
- Approves the draft response to the citizens' assembly (Attachment 2) for sending to each assembly member.

2. Take matua / Key points

The key points are:

- Our citizens' assembly was a new approach to engaging with a representative group of Aucklanders on a potential solution to a complex future challenge
- After more than 50 hours of deliberation, the assembly produced three key recommendations about the next source of water for Auckland, post 2040
- The attached draft response to the assembly sets out what Watercare proposes to do in light of those recommendations.

3. Whāinga / Purpose and context

We are committed to involving our customers and communities in authentic engagements about complex issues which impact them. In partnership with Koi Tū, a cross-disciplinary think tank at the University of Auckland, we were able to test a new form of engagement: a 'citizens' assembly'. In this process, a representative sample of Aucklanders were brought together. They were then given a problem to solve with the help of accessible information, expert advice, and comprehensible trade-offs. Deciding on the next source of water for Auckland was a perfect question to trial the first citizens' assembly in this

country. Watercare, our partners and customers went on a journey, sharing the challenges we face in our water supply, the different perspectives our communities hold on water, with the goal of finding common ground to make the best decision on behalf of the people of Tāmaki Makaurau.

4. Kōrero pitopito / The details

On Saturday, 24 September 2022, New Zealand's first Citizens' Assembly handed over their consensus recommendations to Margaret Devlin, Chair of the Watercare Board (Attachment 1). The three recommendations were:

1. direct recycled water as the water source that should be developed to meet the projected demands of the city post-2040;
2. a request to continue research into desalination; and
3. investment in preparing customers and communities for the introduction of recycled drinking water.

These recommendations were the product of a two-month long hui on the Future of Water in Auckland: four full-day in-person meetings at the University's Fale Pasifika, three online sessions, and extensive reading and thinking between these sessions.

The assembly itself was the culmination of over two years of research and partnership between the University of Auckland's Koi Tū and Watercare, including: studying the fast-growing area of deliberative democracy; applying this to the Aotearoa context; and running four, pilot 'deliberative workshops' in 2021 to test the knowledge levels and appetite of Aucklanders for deliberation on complex water issues. From the pilot workshops, the project team developed a learning resource to support *water novices* to understand complex water issues and a facilitation process to support reasoned conversations about the city's potential water sources.

Prior to the assembly, the project team socialised the approach with Local Boards and mana whenua and conducted a stakeholder submissions process. Then in June, through a selection process led by Koi Tū, around 12,000 invitations were sent to Aucklanders across a wide range of demographics. Hundreds responded with an expression of interest to participate in the process. We then used sortition to bring together a group of 37 Aucklanders whose ethnicity, age, living situation and education levels matched those of our city. It is this group that met for the first time on 6 August 2022, to learn, deliberate and decide on the city's water future.

The group took the gravity of their task seriously and requested to meet with mana whenua to better understand which options might be acceptable to Māori in Tāmaki Makaurau. The assembly assessed the options and consulted technical experts external to Watercare to better understand the environmental, cost, and social impacts of each potential source. They gained an appreciation for the complexity and gravity of the decisions and investment Watercare must deliver to ensure we have a resilient water supply to support population growth and meet the challenges of climate change.

5. Ngā ūpoko / The capitals

5.1 Our environment including climate change

The assembly was given information about the impact of each potential water source and their impacts on the environment. They were informed about the increased risks of droughts and floods that climate change will bring about. In conclusion, they chose a rain-independent option to secure Auckland's water supply. The assembly recommended direct recycled water as the next source due to its local environmental benefits, relative drought resilience (compared to rainwater reliant sources) and its lower energy requirements compared to indirect recycled water and desalination. As such, the recommendation for re-use of wastewater will: protect and enhance the local environment by reducing wastewater flows to the Manukau harbour; require leading edge research; and is a prime example of resource efficiency and the circular economy.

5.2 Our people and culture

The assembly required the engagement of a cross section of Watercare staff members from infrastructure, operations, corporate services, Te Rua Whetū, and customer, as well as a range of external experts. As such it fostered a crossover of worldviews (between engineers and communications experts, accountants and educators) and a sharing of skills in the service of explaining complex issues to customers. This has honed our organisations' customer focus whilst strengthening bonds across our business areas.

5.3 Our communities, including Māori outcomes

This project showcased the challenges and potential of a multicultural and representative community conversation within a bicultural governance framework. One of the primary goals of the research partnership between Watercare and Kōi Tū was to design a process that was appropriate to Aotearoa and respectful of Te Tiriti. We needed to ensure tikanga was observed in a way that was meaningful to the participants rather than appropriated and trivial, and convey complex water issues through a bicultural lens to a multicultural audience. On the morning of the third assembly the Chair of the Mana Whenua Kaitiaki Forum was welcomed into the Fale Pasifika and answered questions about iwi views of wastewater reuse, desalination, and taking water from other regions. In addition to his generous feedback at the third assembly, the Chair of the Kaitiaki Forum also provided feedback on draft recommendations which the participants considered on their final day of deliberation, parts of which are included in the final recommendations from the assembly.

Local Boards were engaged during the Local Board Chairs Forum in June and feedback was incorporated into the process and the design of invitations.

We also consulted with the Independent Māori Statutory Board (IMSB) for advice on the process.

The Council Water Strategy team provided valuable feedback on the collateral and process. They also presented the Auckland Water Strategy on the second day of the assembly to ensure that participants were aware of the targets and activities already committed to by Auckland Council and CCOs.

Stakeholder submissions took in the feedback of a number of community groups, particularly environmental groups.

5.4 Our assets and infrastructure

The purpose of the project was to ensure that certainty of water supply for Auckland after 2040 (in the context of population growth and climate change) was aligned with the preferences of the public who own, and are served by, our assets. In their recommendation, the assembly has articulated the future infrastructure that they want us to build.

5.5 Our future

Being the first of its kind in New Zealand, this process was industry-leading, not just for the water industry but as a trial of a new form of democratic decision-making. The question that the assembly needed to resolve was future-oriented, and their task was to future-proof our water supply.

5.6 Our finances

The assembly members chose the least expensive and lowest energy option of all possible future water sources. This means that Watercare is not committed to expenditure on relatively more expensive water source assets such as a new reservoir for indirect recycled water (including conveyance, power supply) or a desalination plant. However, we do note that the investment into recycled water will come at a cost in developing the ability to operate, monitor and maintain a safe direct recycled water system, as well as the required education and engagement to ensure public acceptance of the water.

6. Ngā tūraru matua / Key risks and mitigations

The Watercare Risk Appetite Statement has been considered and the report aligns with reputation and engagement, financial responsibility and commercial acumen and innovation and opportunities.

Risk themes	Key risk	Mitigation
Reputation and Engagement	Balanced appetite: We may face pushback from the public if media sentiment is unsupportive.	We will develop a robust engagement plan as specified in the attached response to the citizens' assembly.
Financial Responsibility & Commercial Acumen	Limited appetite: Insufficient funding to act on recommendations in the current year Heightened appetite: unlocking synergies in support of economic regulation.	This will require dedicated investment to support the realisation of the citizens' recommendations, not just undertaking re-use pilot studies, but in engaging and educating the Auckland public on this water source.

Risk themes	Key risk	Mitigation
Innovation and Opportunities	Heightened appetite: Need to develop our intellectual capital with regards to potable re-use.	Upskilling and investing in innovation to deliver on re-use as the next source.

7. Ā muri ake nei / Next steps

After the letter is sent to the citizens' assembly, Watercare will commence work on:

- Scoping a re-use path that will map out the requirements to enable direct potable reuse (working group)
- Reviewing our education programme to ensure that it aligns with the recommendations of our citizens' assembly.

8. Ngā whakapiringa / Attachments

Attachment number	Description
1.	Recommendations of the 2022 citizens' assembly on the next source of water for Auckland
2.	Draft letter responding to the citizens' assembly members



Attachment 1

Watercare Citizens' Assembly

August - September 2022

*What should be
the next source
(or sources)
of water for
Auckland?*

Recommendations
from the Assembly

Introduction:

A citizens' assembly is a form of public involvement in decision making where a representative sample of the public is invited to deliberate and make recommendations on a specific question. The organisation that posed the question then commits to taking on board the recommendations in future decision making.

12,000 invites were randomly sent out to people across the Auckland Metropolitan Network. 40 people representative of Auckland's demographics were selected. These ranged from different educational backgrounds, ages, genders, living situations and ethnicities.

Out of the 40 people selected, 37 people attended and were tasked with finding the next future water source for Auckland. This task is important because we need to ensure that beyond 2040 our water supply is sustainable, resilient, reliable and adapts to climate change. We know that Waikato awa is not a source we can rely on forever. We also need to factor in the population and economic growth of Auckland.

In the sessions, six options were presented concerning Auckland's future water source. These six options had been narrowed down prior to the assembly, however, alternative ideas were encouraged to be submitted if applicable.

During each session options were explored further with additional queries and information being provided by experts. There were also discussions surrounding the involvement and opinions of mana whenua.

In the final sessions, panels were held to discuss tikanga and mana whenua principles surrounding water. This included narrowing down the recommendations and figuring out what we found important as a group and what needed further discussion. The first draft of our collective final recommendations were presented to Watercare, these recommendations were finalised during the last session. We understand from mana whenua that everyone needs equal and fair

access to water and that it is also a human right to have access to clean and fresh water. We also understand that it is the belief of some Māori that we must find something else for our future water source as what we currently have is not sustainable. We are in agreement with mana whenua and have taken on-board their perspective when deciding on the final recommendations to make to Watercare.

The common topics that often came up throughout these discussions were that cost and environmental impacts must be considered, and this is shown throughout each recommendation we have made. Education is also a key factor to ensure the recommendations are successful. After much collaborative deliberation, the following recommendations are what we believe would be the best options for Auckland's next future water source.

A. Recycled Water

Recommendation
We recommend the implementation of direct recycled water as the next source of water for Auckland. Engaging the Auckland public in education on the safety and quality of the water is necessary to facilitate acceptance.
Rationale
<ul style="list-style-type: none"> ● Cost effective in relation to other options ● Environmentally friendly because it assists with reducing wastewater ● Provides another source of water to secure Auckland's water supply <p><i>"Water is the essence of life"</i></p>
Implementation
<ul style="list-style-type: none"> ● It is imperative that education is implemented immediately to allow citizens to be informed and engaged. The quality, cost and environmental impacts need to be addressed. <ul style="list-style-type: none"> ○ This can be done through PSAs, primary school trips, and integrated into the curriculum. ○ Open ended but targeted. ○ Cost of education must be considered. Must be cost effective and not result in this method being more expensive than indirect. ○ Use multi media and social media to engage the public ● Feedback from relevant groups (cultural, religious, communities) must be considered from the start. ● Monitoring for public health safety ● Phrasing is incredibly important. Singapore has renamed their recycled water "New Water" and put a lot of focus on independence from Malaysia's water sources. Using similar tactics in Auckland may increase public support.

B. Desalination

Recommendation
We recommend Watercare continue research & investigation studies to understand the feasibility of desalination for the future as we believe it may be a required supplementary source if it is projected that we will not be able to meet our water needs with recycled water only.
Rationale
<ul style="list-style-type: none"> ● We need to be prepared ● A plan needs to be put in place so if Auckland experiences long term drought the system can be implemented in a timely manner. ● We won't have built strong international relationships from whom we can learn best practice ● It seems to be the only drought resilient solution
Implementation
<ul style="list-style-type: none"> ● Continuation of overseas engagement with countries that have desalination plants, and make this public information (Building & operating processes/costs, successful and unsuccessful facilities) ● A need to ensure the water from the desalination plant matches the current mains water quality in terms of health benefits (e.g. minerals). ● Investigate cost sharing & sharing resources with neighbouring regions. ● Possibility of co-location with other water servicing plants (e.g. Recycled water treatment plant & Desalination plant on the same site. Build Recycled water plant & have systems in place to upgrade to include desalination plant.) ● How it would integrate into the existing current water network system ● Utilising brine and alternative use of the waste created from desalination ● Implementing in a 'timely manner': taking climate conditions/trends into consideration, technology advancements and cost ● Watercare should provide information on desalination research on their website so that the public can be informed.

C. Water Efficiency

Recommendation

To provide education and resources to consumers in reducing water usage.
Rationale
<ul style="list-style-type: none"> ● Consumers will make informed choices around water consumption. ● We believe rain tanks can play a positive part in reducing water usage and support educating consumers around rain water tanks, but the decision and implementation of them should be at the discretion of homeowners (minimal resources to promote rain tanks). ● Majority of resources should be for water reduction methods. ● This is important because it will allow finite water sources to service more households.
Implementation
<ul style="list-style-type: none"> ● Transparency of costs to the public. ● Making sure information and resources are accessible and understandable for consumption by the general public. ● Passively advertise water reduction options (i.e Facts in bills, Digital advertisement, TV advertisement, Radio advertisement, School education, Information on rain tanks, etc.)

Minority report on the public involvement in decision-making

Recommendation
We recommend that 2-3 people from the Assembly sit on Watercare's steering committee, for future water sources
Rationale
<ul style="list-style-type: none"> ● This assembly has gone through a learning process and has a lot of knowledge. Leaving it at this assembly would be a waste of time, knowledge and resources. ● It provides the input of a well-informed public, in particular when it comes to education and engagement of the public around the future water sources. ● Having some representation of the group would keep the momentum going.
Implementation



Watercare Services Limited

73 Remuera Road, Remuera,
Auckland 1050, New Zealand

Private Bag 92521, Victoria Street West,
Auckland 1142, New Zealand

Telephone +64 9 442 2222

www.watercare.co.nz

1 November 2022

Assembly member

[ADDRESS LINE ONE]

[ADDRESS LINE TWO]

[ADDRESS LINE THREE] [POSTCODE]

Kia ora [Assembly member name],

Response to the 2022 Watercare Citizens' Assembly's recommendations

Thank you for investing the time and effort to understand and provide reasoned and thoughtful proposed solutions to one of the most important questions our city faces: *what should be Auckland's next source (or sources) of water?*

I hope you enjoyed being part of our inaugural Citizens' Assembly. I certainly was impressed by your reflections on the final day, ranging from a deep appreciation for the opportunity to influence such an important future decision, to acknowledging the value of your learning about the world of water, to being grateful for new friendships formed through this process.

Having had the opportunity to study your recommendations, our responses to each of your recommendations is as follows:

Recommendation 1: Recycled water

<p><u>What the Assembly said:</u></p> <p><i>We recommend the implementation of direct recycled water as the next source of water for Auckland. Engaging the Auckland public in education on the safety and quality of the water is necessary to facilitate acceptance.</i></p> <p><u>What we understand:</u></p> <p>The assembly wants Watercare to plan for direct recycled water as the next source of water for the Auckland metropolitan network after 2040. We note that this recommendation had unanimous support from the assembly.</p> <p>This source was chosen because it is more cost-effective and environmentally friendly than the</p>	<p><u>What we will do:</u></p> <p>We accept this recommendation.</p> <p>Our commitment is to stand up a detailed programme – from strategic planning to building – to work out the details that will support the realisation of direct recycled water as a source of drinking water for people on the Auckland metropolitan network. We note that there are no sources of resilient water that will be cheaper to develop than our current sources. Any new source will cost more than we currently pay.</p> <p>The direct recycled water programme will cover three key programmes of work, which will be publicly visible in Watercare's servicing strategies and asset management plans. This programme will be published by 2024.</p> <p><u>Operational commitments:</u></p> <ol style="list-style-type: none"> 1. We will complete the Watercare reuse advanced water treatment pilot - for both non-potable and potable reuse. 2. The pilot activities will collect data and help us understand: <ol style="list-style-type: none"> a. water quality, b. plant requirements (breakdown and maintenance), c. operational costs,
--	---

<p>other options, as well as providing security of supply to the city. The importance of equal and fair access to water as a human right as articulated by mana whenua was taken on board when deciding on this final recommendation.</p> <p>The assembly wants education on this water source to begin immediately. The assembly would not have recommended direct recycling if it weren't for the understanding that there is enough time to get people on board. The assembly have also noted that the naming of the new water source is important too.</p>	<ul style="list-style-type: none"> d. emerging contaminants of concern, e. lab testing ability, f. cost of testing, g. management of by-products, h. disposal of by-products, and i. the environmental effects of disposal. <p>3. If the water does not meet quality requirements (health or environmental standards) or is prohibitively costly, we will re-evaluate direct recycled water as a source.</p> <p><u>Regulatory commitments:</u></p> <ol style="list-style-type: none"> 1. We will work with the following organisations to develop recycled water as a drinking water source: <ul style="list-style-type: none"> a. Taumata Arowai, for drinking water quality standards and recognition of reuse as a drinking water source. b. The Ministry of Health, to ensure health impacts are known, understood, and not negative. c. The Ministry for the Environment, for the discharge of residuals, and d. Auckland Council to support resource consents under the Resource Management Act (or relevant acts within the new legislation). <p><u>Community engagement commitments:</u></p> <ol style="list-style-type: none"> 1. We will invest in a number of pilot project to gradually introduce the concept to the people of Auckland. 2. We will develop an education plan and policy to support understanding and acceptance of recycled water. 3. We will monitor progress towards community acceptance using best practice methods. 4. We will partner with mana whenua for development of the reuse programme to support the citizens' assembly recommendations ensuring that we embed tikanga in the process.
--	---

Recommendation 2: Desalination

<p><u>What the Assembly said:</u></p> <p><i>We recommend Watercare continue research & investigation studies to understand the feasibility of desalination for the future as we believe it may be a required supplementary source if it is projected that we will not be able to meet our water needs with recycled water only.</i></p>	<p><u>What we will do:</u></p> <p>We accept this recommendation.</p> <p>We will continue to monitor all water source technologies. We will ensure we stay abreast of innovation in desalination methodologies that may reduce environmental impacts and reassess accordingly.</p> <p><u>Research and Investigation:</u></p>
---	--

<p><u>What we understand:</u></p> <p>The assembly is concerned that droughts are going to be a more frequent part of our future and wants to ensure that desalination remains an option. The assembly does not want to invest a lot of resources into this option.</p>	<ol style="list-style-type: none"> 1. We will continuously review international best practice on desalination. 2. We will monitor the environmental and health impacts of desalination in other parts of the world and include desalination research in our management plans, where appropriate. <p><u>Community engagement:</u></p> <p>We will provide ongoing updates about our research and learnings regarding desalination on our website and in any pilot desalination plant that is developed.</p>
--	---

Recommendation 3: water efficiency and education

<p><u>What the Assembly said:</u></p> <p><i>The recommendation is that Watercare 'provide education and resources to consumers in reducing water usage.' The assembly also notes that 'rain tanks can play a positive part in reducing water usage' and there was support for education 'around rain water tanks, but the decision and implementation of them should be at the discretion of homeowners (minimal resources to promote rain tanks).</i></p> <p><u>What we understand:</u></p> <p>Assembly members recognise that water is a taonga and want Aucklanders to use less water so the finite resource will go further. Assembly members believe the reason people don't save more water is because there is an information gap in how to reduce water use. Assembly members want Watercare to do more to educate Aucklanders on how to use less water.</p> <p>The assembly wants to support the installation of rain tanks through education but not through mandates or financial incentives.</p>	<p><u>What we will do:</u></p> <p>We accept this recommendation.</p> <p>Water literacy and water efficiency will always be a key area of focus for Watercare but we understand that the assembly has asked us to invest more in this space. We will put more resources into education and engagement activities with the intention of driving down water use.</p> <p><u>Education and resources: ongoing</u></p> <p>We will invest in the following initiatives:</p> <ol style="list-style-type: none"> 3. Ongoing water wise campaigns to educate customers on ways to be water efficient 4. Introducing an app to promote better oversight of residential water use, including water efficiency tips 5. Investigating a similar style of process as the citizens' assembly for a younger audience eg. youth summit as a way to promote water literacy and water efficiency for rangatahi 6. Investigating how to bring water education into the school curriculum, and should the right model or opportunity be developed we commit to co-funding this with an appropriate partner organisation. <p><u>Reducing water usage: 2022-2025</u></p> <ol style="list-style-type: none"> 1. We are committed to targets to reduce usage in accordance with our water efficiency plan to 2025 and Auckland Water Strategy to 2050: <ol style="list-style-type: none"> a. Reducing loss from leakage b. Improving data oversight from source to tap, including a significant investment in smart meters for commercial and residential customers c. Reducing pressure in our network
--	---

	<p>d. Improving residential, community and commercial water efficiency:</p> <ul style="list-style-type: none"> ▪ We will continue to work with commercial customers to enhance water efficiency in different industries so that we support economic growth while reducing water use. ▪ We will continue to support rain tank adoption and work with the Auckland Council to reduce barriers to rain tank installation, including promoting rain tanks for gardeners and potentially commercial customers
--	--

Minority Report on the public involvement in decision-making

<p><u>What the Assembly said:</u></p> <p><i>We recommend that 2-3 people from the Assembly sit on Watercare's steering committee for future water sources</i></p> <p><u>What we understand:</u></p> <p>The members gained a lot of knowledge during the assembly. The authors of the minority report see an opportunity to support the realisation of the recommendations by continuing to be involved in the development of a future water source; that they might be a part of the education and engagement of Aucklanders. There is also some concern that without representation of this group, momentum may stall.</p>	<p><u>What we will do:</u></p> <p>We accept this recommendation.</p> <p>Our suggestion is that a nominated sub-set of representatives of the citizens' assembly be invited to public board sessions where water resource updates are discussed. This topic is on the agenda twice a year.</p>
---	--

Tēnā koe mōu i whai wāhanga ai ki te wānanga i ētahi taunakitanga uaua, nui hoki mō tō hapori te take.

Again, we thank you for making complex and important recommendations on behalf of your community.

Ngā mihi nui,

Margaret Devlin
Board Chair
Watercare Services Limited

Deep dive: Innovation in Watercare

1 November 2022

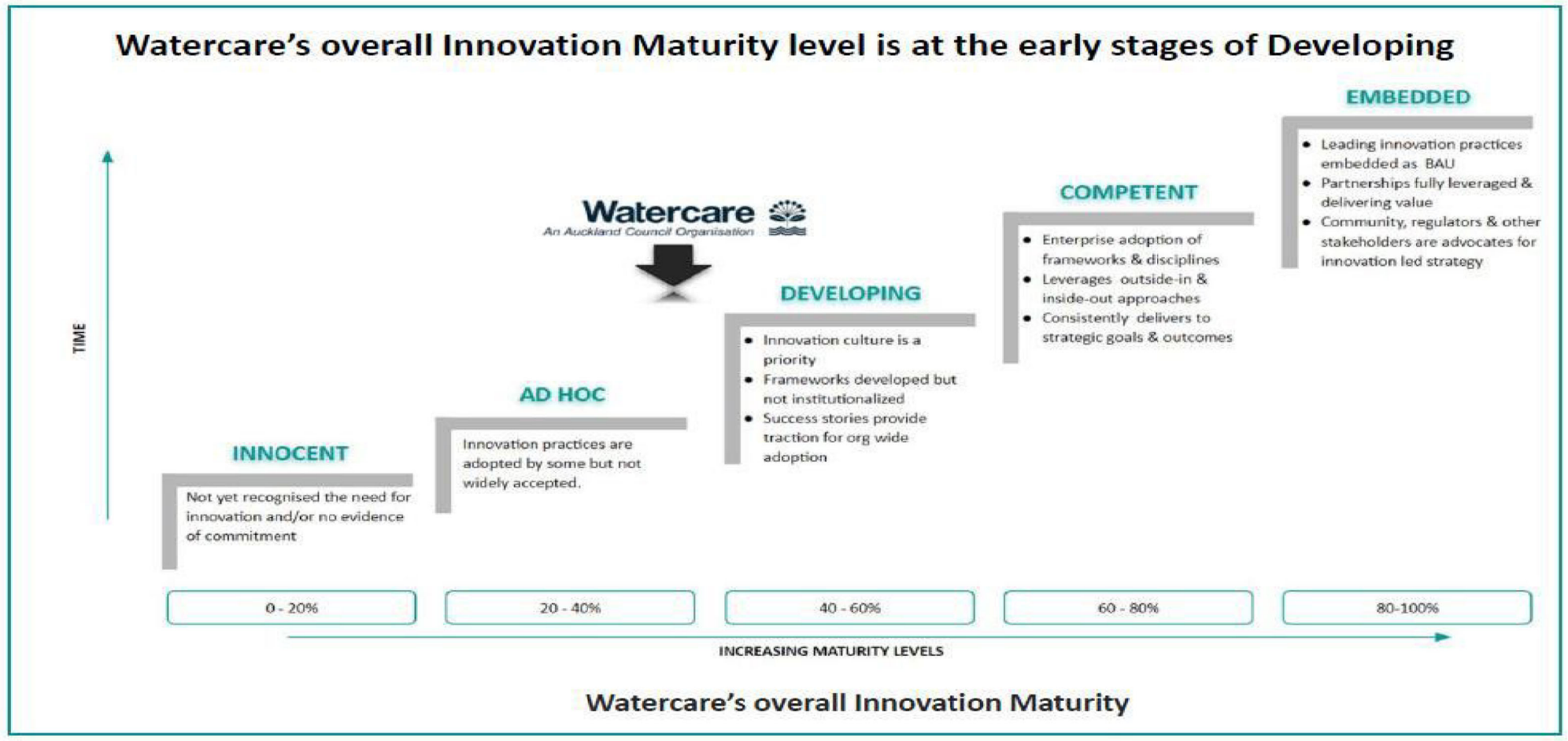


We educate, **innovate** and collaborate for future generations

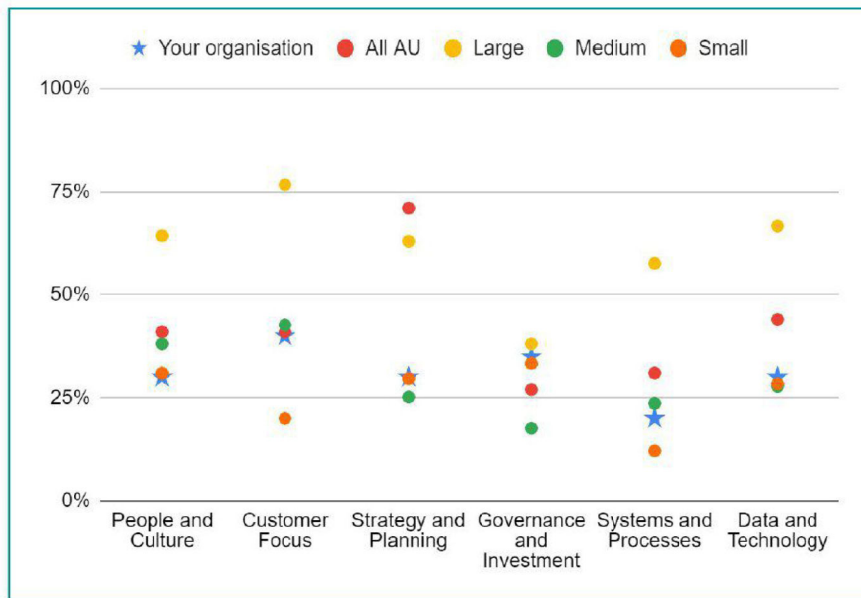
We drive and showcase **innovation**. We have a shared innovation culture and people are incentivised to contribute. **We take risks, we experiment, and we accept that we may fail.**

- We **encourage innovation** to find new solutions to improve the way we work. We will do this by allowing our staff and partners to explore, experiment and if necessary, fail safe and learn fast. ✓
- We will drive a **deliberate outside in approach** to gather learning and best in class practices to inform our thinking and ensure we achieve whole of life solutions. ✓
- We will develop a **measurement tool and establish a benchmark** to measure future progress by 30 June 2022. ✓
- We will investigate **an innovation and learning centre** which could amplify and create awareness for the work we do. ✗

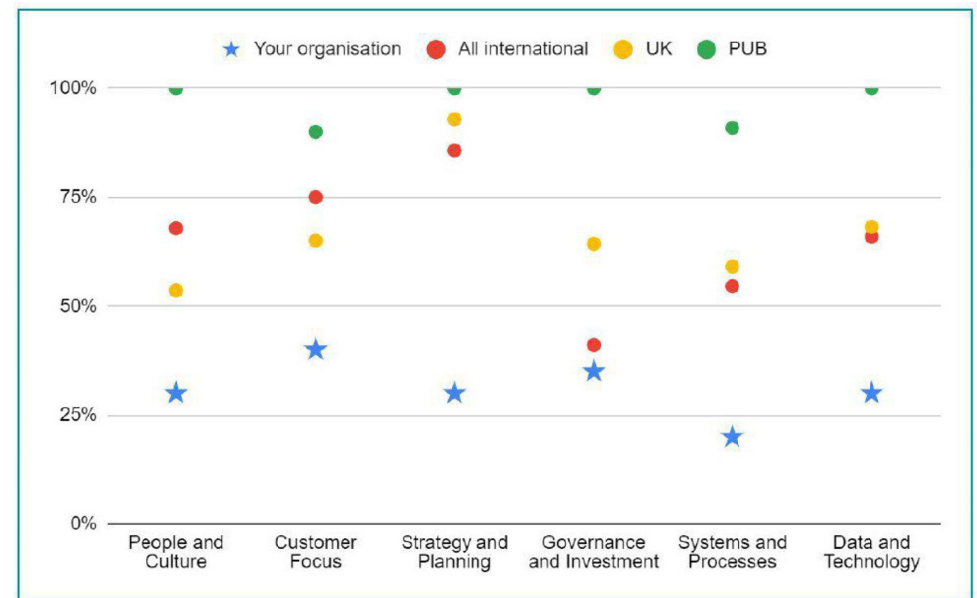
Benchmarking – Innovation is a journey



How does Watercare compare with other utilities?

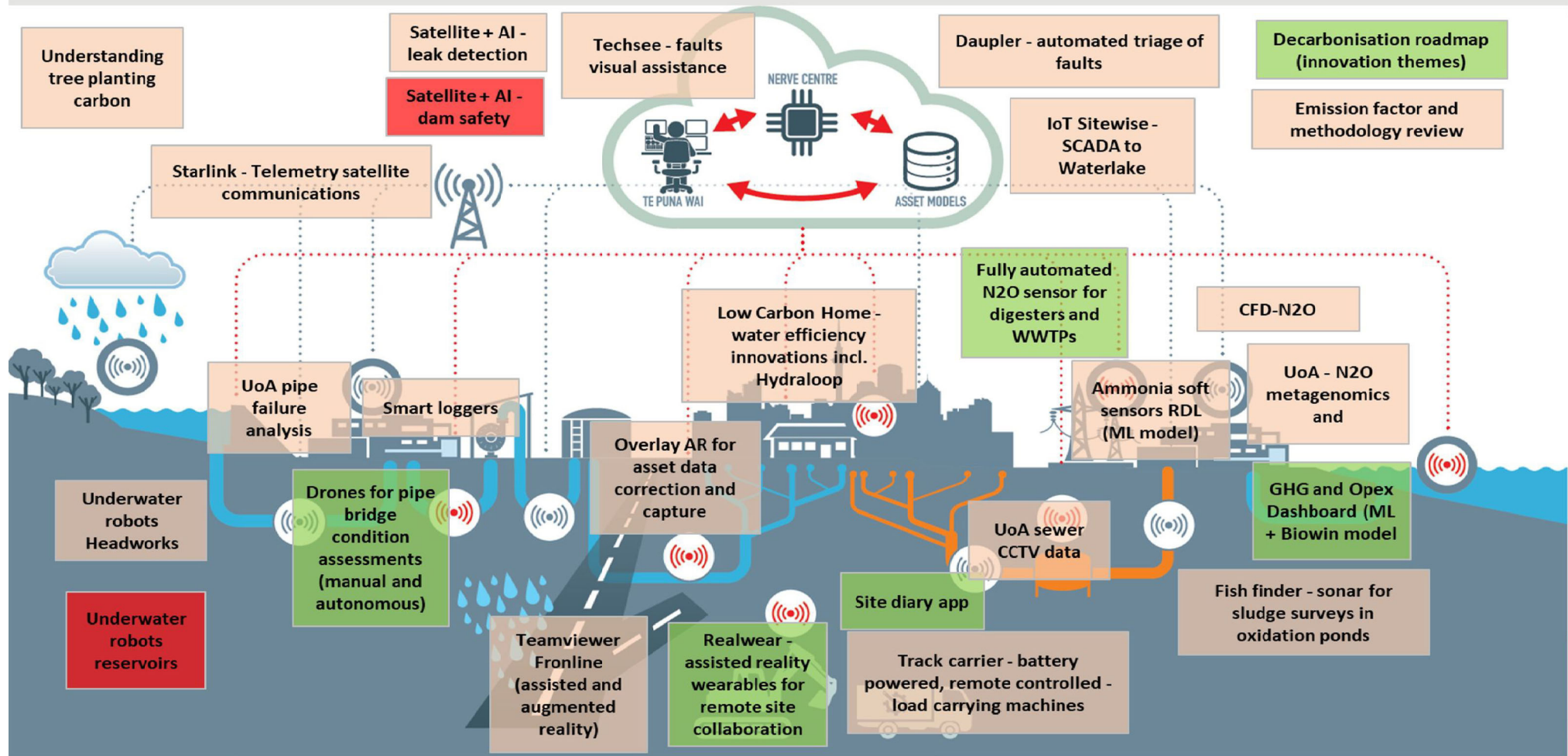


Benchmarking against Australian utilities

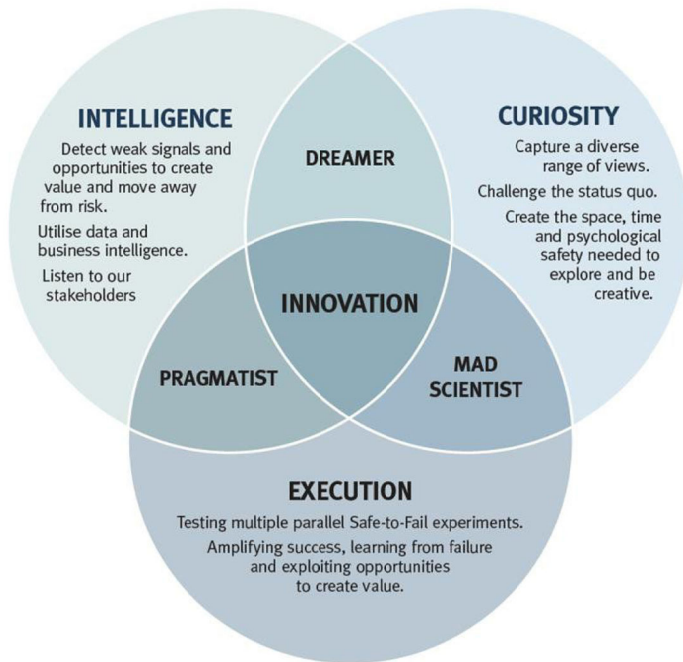


Benchmarking against global utilities

The innovation fund is a key enabler for safe-to-fail experimentation



I.C.E. safe-to-fail framework and canvas

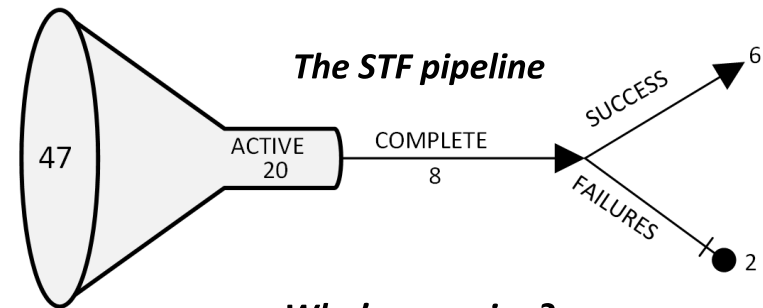
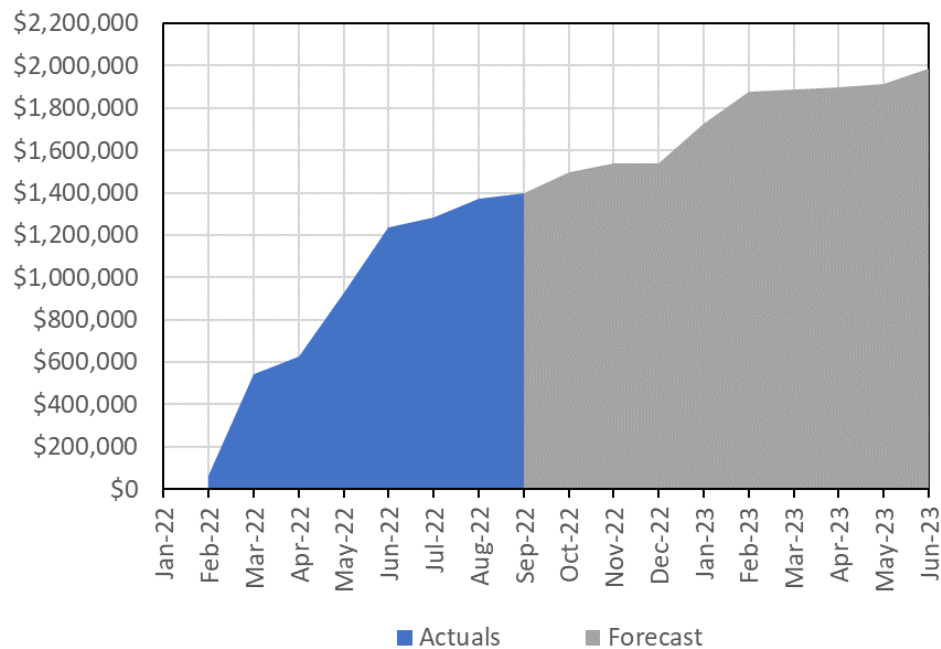


THE SAFE-TO-FAIL EXPERIMENT CANVAS

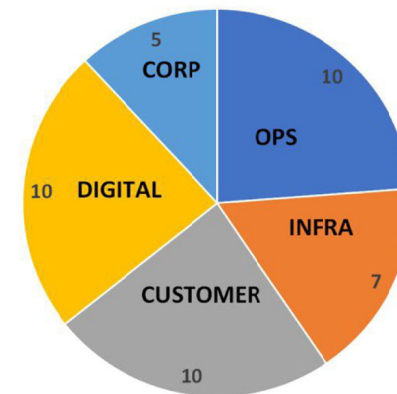
ACTION NAME: <small>Something memorable</small>	EXPECTED SIGNS OF SUCCESS: <small>How will we know our action is succeeding?</small>	AMPLIFICATION ACTIONS: <small>How do we build on the signs of success?</small>
ACTION DESCRIPTION: <small>What will we do? For how long? Who will be involved?</small>		
BUDGET REQUIRED:		
WHY IS IT COHERENT? <small>Why does this make sense to try?</small>	POSSIBLE SIGNS OF FAILURE: <small>How will we know our action is failing?</small>	DAMPENING/RECOVERY ACTIONS: <small>How do we appropriately shut down the action? What is our exit strategy? Notes: Move to 'key insights' or design a new action rather than try to engineer action to success</small>

The numbers and who's engaging

Innovation fund Jan 2022 to date



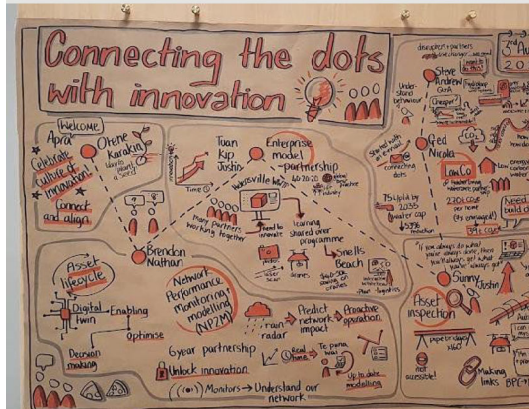
Who's engaging?



Allowing our staff and partners to collaborate and experiment

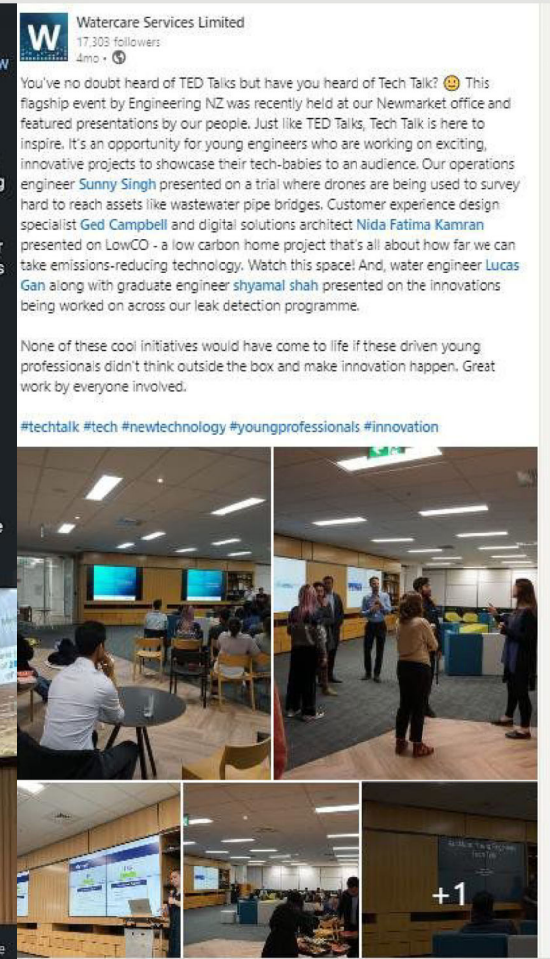
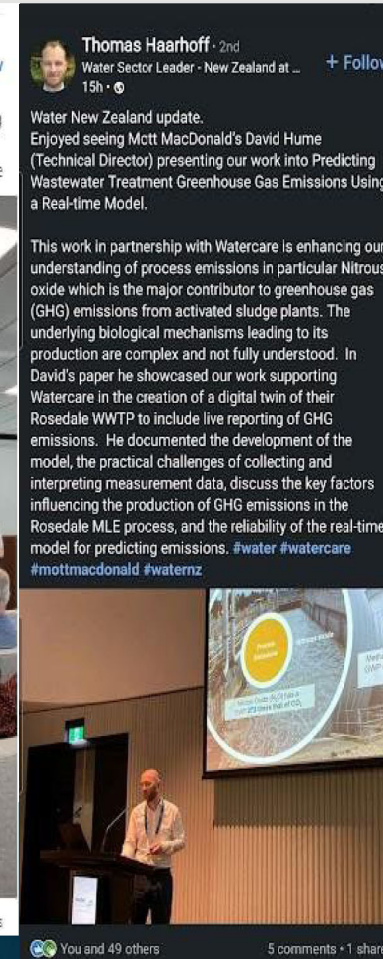


Showcasing and celebrating



FLETCHER LIVING | WATERCARE SERVICES LIMITED

LowCO: A low-carbon home pilot



Feedback from staff



BTelfer (Blair) 11:48 am

Well done to everyone - great presentation & this is just the start for future initiatives. 👍 1



TScheirlinck (Tim) 11:48 am

Thanks all, great work! 👍 1



MKim (Micayla) 3/02/2022 11:33 am

Thank you!! It was great listening to everyone and i've learnt alot 👍 1



SMaclean (Sylvie) 3/02/2022 11:33 am

Really enjoyed this discussion and now feeling very inspired 😊 Thanks everyone 👍 1



Craig Carpenter 11:01 am

Thanks for taking us through the work you've been doing Apra. You've made amazing progress in a such a challenging space in a short time, well done. ❤️ 1

challenging ... and oh so important

12:25 pm

Thank you so much for your kind words Craig. I really appreciate you saying this 😊



KVahora (Kasim) 11:48 am

That was brilliant thank you 🙌 1



Justin Johnson (Construction Infrastructure) (External) 11:49 am

Thanks for the opportunity to share - have a good long weekend. 👍 2



GCampbell (Ged) 15/11/2021 12:46 pm

Shot mate, you are nailing this! I cannot imagine the number of meetings you are in across the week with all of these stakeholders, but I feel HIGHLY engaged and it feels like you're cutting through with so many people to change the mindsets around innovation 😊 ❤️ 1

Technology update at Toolkit update



MFindlay (Matthew)

To: ABoyleGolla (Apra)

Cc: Justin Johnson (Construction Infrastructure); AMogridge (Anna) 1

Hi Apra,

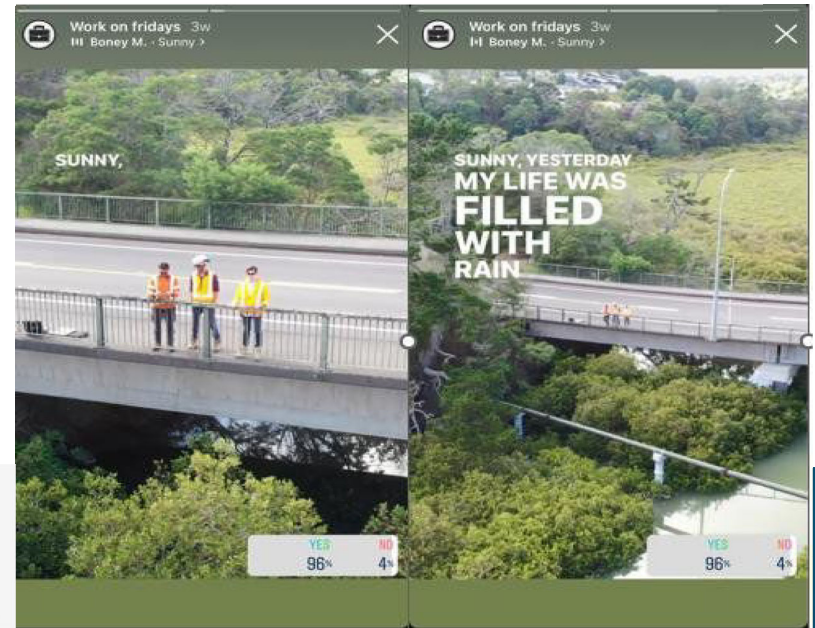
Hope you had a great weekend.

Just FYI I've asked Justin to give a really quick overview tomorrow morning re a couple of technology items – including the pipe bridge inspection. Feel free to join us on Level 2 or online if you are free.

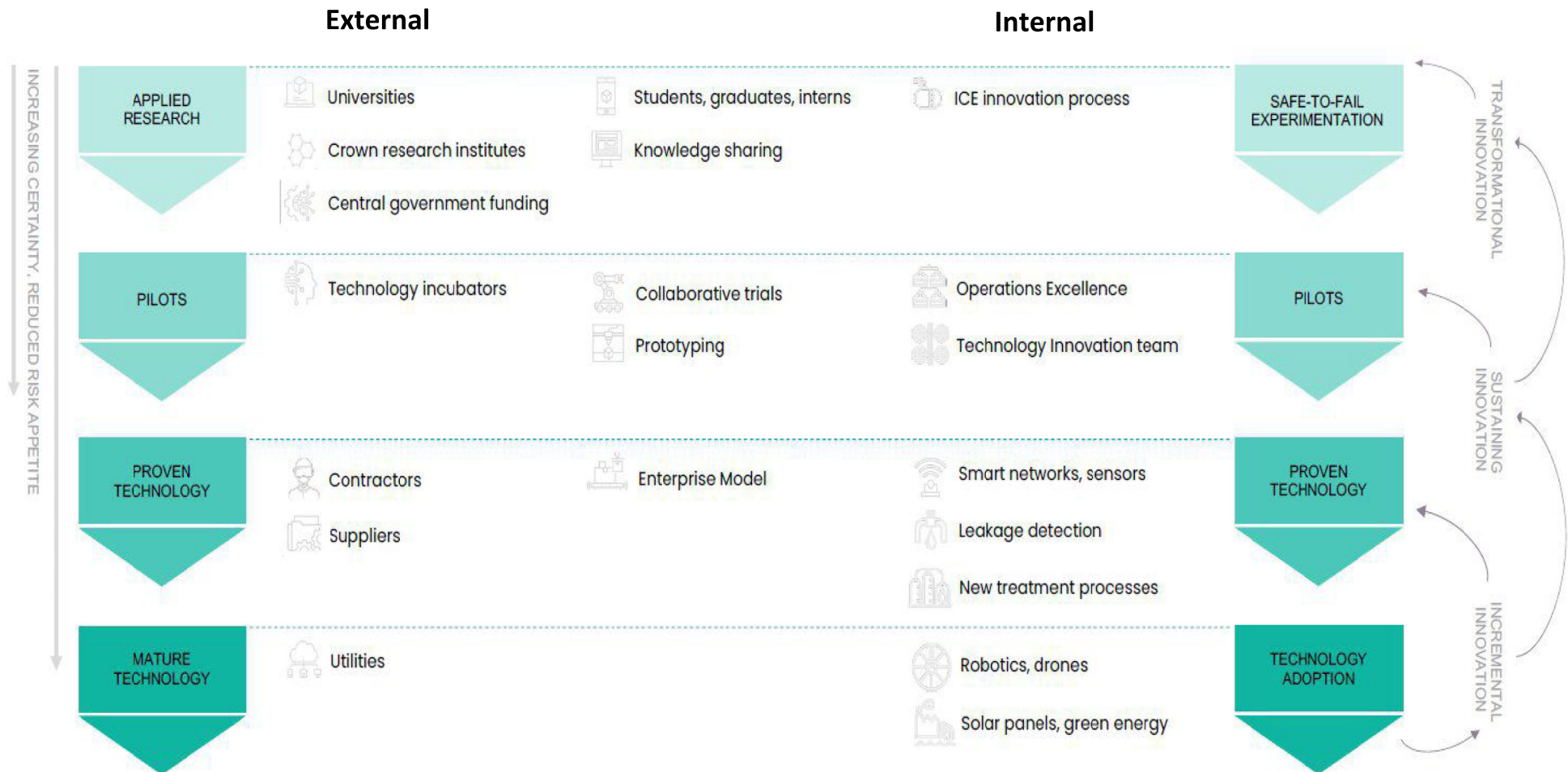
I've also asked him also to start putting this experience into a EM Bulletin, and we can share this across the partnership. The Bulletin could include the video of the session from the other day.

Great to be able to further make use of this good work you have been leading.

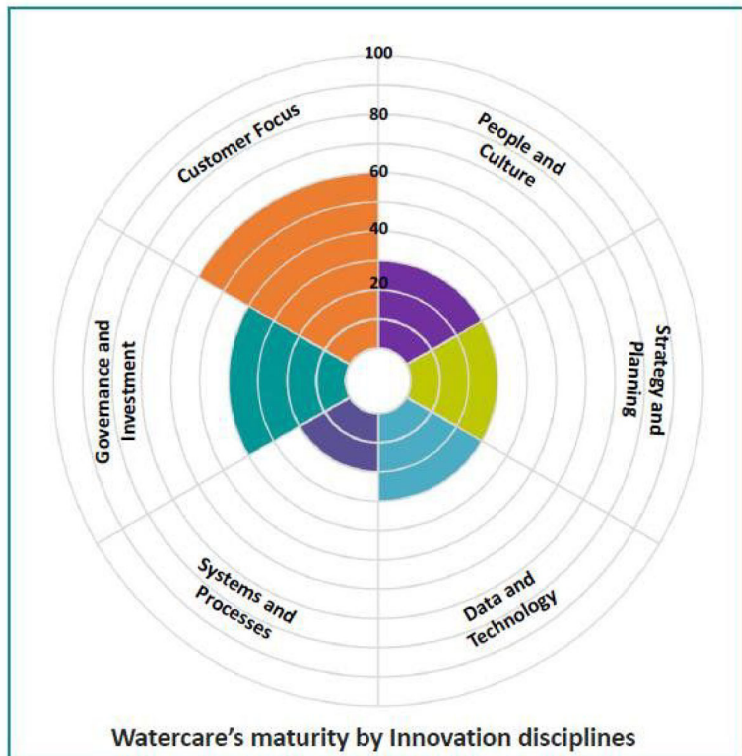
Reply Reply All Forward Tue 8/02



How experimentation feeds our innovation lifecycle



What's next? Keeping the momentum going



- **Experimentation**
 - Embed and foster the cultural conditions for safe-to-fail experimentation
 - Encourage complexity thinking – particularly in strategy and planning
- **Connect the dots internally**
 - Are we learning from failed experiments?
 - Are we amplifying success into 'business-as-usual'?
 - And are both driving strategic direction?
- **Open up externally**
 - Sharing our data
 - Playing an active role in an innovation ecosystem
 - Partnering and co-designing
 - Don't try to do everything ourselves

Patai?

Board - Public Session - Board planner

		Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23
Meetings	Board	4-Oct (Board Planning Day) A condensed CE's report with financials	1-Nov (Statutory Public Meeting)	6-Dec (Board check-in) A condensed CE's report with financials		8-Feb	7-Mar	4-Apr	9-May (Board Development Day) A condensed CE's report with financials	13-Jun	4-Jul	8-Aug	5-Sep	10-Oct (Board Planning Day) A condensed CE's report with financials
	Audit and Risk Committee		22-Nov			3-Feb			23-May			16-Aug 29-Aug		
Running the Business	Financial		Auckland Council Draft Annual Plan - approve Watercare input			Approve half year accounts	Approve financials for Draft SOI including projected 23/24 price increases Approve long term financials for Auckland Council modelling			Board approval of Insurance proposal Board approval of 2023/2024 Budget and updated SOI financials	Auckland Council and Watercare to review 30 June Treasury Interest rates	Approve Auckland Council Reporting Pack (via an out of cycle resolution)	Approve 2022/23 accounts Delegate final sign off of Annual Report 2023	
	Statement of intent		2021/2022 SOI Results to be presented to Board at Public Meeting. Public deputations to be received. Q1 Performance Report - due to Council by 1 November 2022	2023/24 Letter of Expectations to be received		Q2 Performance Report - due to Council by TBC	Draft 2023-2026 SOI for Board's approval - to be sent to Council by 1 April 2023	Q3 Performance Report - due to Council by 28 April 2023		Present shareholder SOI feedback at public meeting. Public deputations to be received.	Final 2023-2026 SOI issued to shareholder by 31 July 2023	Final 2023-2026 SOI adopted by Auckland Council Q3 Performance Report - due to Council by 25 August 2023		Q1 Performance Report - due to Council (date TBC)
	HSW Deep Dives		Critical risk - deep dives			Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives		Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives	
	Community and Stakeholder Relationships		Iwi			Stakeholder	Iwi	Stakeholder		Iwi	Stakeholder	Iwi	Stakeholder	
	Governance		Good Employer Policy Enterprise Risk Report (Board then Council) Q1 Statutory compliance Our commitment to health, safety and wellness			Enterprise Risk Report Q2 Statutory compliance Board Delegations to CE Tax Risk Management Policy Conflict of Interest Policy Tax Subvention Income Policy		Enterprise Risk Report Q3 Statutory compliance		Corporate Governance charter Audit and Risk Committee Charter review	Enterprise Risk Report (Board then Council)	Q4 Statutory compliance		
	Karakia	Margaret Devlin	Frances Valintine	Margaret Devlin		Nicola Crauford	Dave Chambers	Brendon Green	Hinerangi Raumati-Tu'ua	Graham Darlow	Julian Smith	Frances Valintine	Margaret Devlin	Nicola Crauford
Deliver the future	Aligned to the Six Pillars		We educate, innovate, and collaborate for future generations - Frances Valintine and Apra Boyle Gotia				Te Ao Māori is embedded throughout our organisation Achieving Māori outcomes - Board member and Executive TBC An annual summary report on people (gender, diversity and inclusion)	We value our People & Culture - Board member and Executive TBC		We are fully sustainable - Board member and Executive TBC	We have a resilient water supply - Board member and Executive TBC	Our communities trust and respect us - Board member and Executive TBC	We educate, innovate, and collaborate for future generations - Board member and Executive TBC	

Board - Public Session - Board planner

		Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23
Confidential			CE's KPIs Capex approvals AMP Implementation Report			CE's KPIs Capex approvals	Capex approvals			CE's KPIs Capex approvals	Approval of CE's KPIs for FY24	A year end progress update for CE's KPIs Capex Approvals		
Audit & Risk Committee			Board Delegations to CE Tax Risk Management Policy Conflict of Interest Policy Tax Subvention Income Policy			Approve FY23 half year accounts			Present plan for Year end to A&R A&R Approve Insurance Proposal Approval of 2023/24 Budget & updated SOI Financials Audit and Risk Committee Charter review Review tax ahead of year end			Auckland Council FY23 Reporting Pack (16 August meeting) Approval of Financial Statements FY23 (29 August meeting)		

Board - Public Session - Board planner

		Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23
Lutra Limited	Performance report					Half-yearly performance report						End of financial year performance report		
	Statement of intent		2021/2022 SOI Results to be presented to Board at Public Meeting. Public Deputations to be received.					Draft SOI 2023-2026 to be presented to the Watercare Board	Present shareholder SOI feedback at public meeting. Public deputations to be received.		Final 2023-2026 SOI to be sent to Council	Final 2023-2026 SOI adopted by Auckland Council		

Board meeting | 1 November 2022
Public session



Directors' meeting attendances

For information

Te pou whenua tuhinga / Document ownership

Prepared and recommended by

Emma McBride
Head of Legal and Governance

Submitted by

Jon Lamonte
Chief Executive Officer

1. Te tūtohunga / Recommendation

We recommend that the Board notes this report outlining meeting attendances.

2. Take matua / Key points

- This report details directors' attendance at the Board and Audit and Risk Committee meetings.
- This information is included in Watercare's Annual Reports.

3. Kōrero pitopito / The details

Attendance at the Board meetings (including the Development Day and the Planning Day) and the Audit and Risk Committee for 2022 is detailed in the table:

Attended ✓ Did not attend ✕ Not on the committee ■	Attendance at Board meetings								Attendance at Audit and Risk Committee meetings					Attendance at Board Development Day	Attendance at Board Planning Day
	8 February 2022	1 March 2022	5 April 2022	7 June 2022	5 July 2022	2 August 2022	6 September 2022	1 November 2022	2 February 2022	31 May 2022	15 August 2022	29 August 2022	22 November 2022	3 May 2022	4 October 2022
Margaret Devlin	✓	✓	✓	✓	✓	✕	✓		✓	✓	✕	✕		✓	✓
Nicki Crauford	✓	✓	✓	✓	✓	✕	✓							✓	✓
Brendon Green	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓		✓	✓
Hinerangi Raumati-Tu'ua	✓	✓	✓	✓	✕	✓	✓		✓	✓	✓	✓		✓	✓
Dave Chambers	✓	✓	✓	✓	✓	✓	✓		✓		✓			✓	✓
Frances Valintine	✓	✓	✓	✓	✕	✓	✓							✓	✓
Graham Darlow	✓	✓	✓	✓	✓	✓	✓		✓	✕	✓	✓		✓	✓
Julian Smith	✓	✓	✓	✓	✓	✓	✓			✓				✓	✓
Wi Pere Mita (Intern)*	✓	✓	✕	✕	✕	✓	✕			✓	✓			✓	

*Wi Pere Mita's Internship programme has been paused from mid-September 2022.



Board meeting | 1 November 2022
Public session



Disclosure of Directors' and Executives' interests

For information

Te pou whenua tuhinga / Document ownership

Prepared and recommended by

Emma McBride
Head of Legal and Governance

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. Kōrero pitopito / The details

3.1 Watercare Services Limited's Directors' Interests Register

- All new additions in 2022 are in [Blue](#).
- All deletions in 2022 have been ~~struck out~~.

DIRECTOR	INTEREST
Margaret Devlin	<ul style="list-style-type: none">• 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	INTEREST
	<ul style="list-style-type: none"> • Director, IT Partners Group • Chair, Advisory Board Women in Infrastructure Network • Chair, Hospice Waikato • Chartered Fellow, Institute of Directors • Member, Institute of Directors, Waikato Branch Committee • Director, Dairy NZ Limited • Member, the Office of the Auditor General, Mid Term Review Panel (term ended on 30 July 2022) • Chair, Infrastructure NZ • Director, Aurora Energy • Deputy Chair, WINTEC
Nicola Crauford	<ul style="list-style-type: none"> • Chair, GNS Science Limited • Chair, Electricity Authority • Director and Shareholder, Riposte Consulting Limited • Trustee, Wellington Regional Stadium Trust • Director and Chair, Burgundy Holdco Limited (owner of StraitNZ Holdings) • Director, CentrePort Limited Group
Brendon Green	<ul style="list-style-type: none"> • Director, Kaitiaki Advisory Limited • Director, Tainui Kawhia Incorporation • Director, Hiringa Energy Limited • Director, Hiringa Refueling Investments 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, Taumata Aronui – Ministry of Education • Adjunct Senior Fellow, University of Canterbury – Department of Chemical Engineering • Co-chair, Waikato Regional Skills Leadership Group

DIRECTOR	INTEREST
	<ul style="list-style-type: none"> • Member, Construction and Infrastructure Workforce Development Council • Director, Scion Research Institute registered as New Zealand Forest Research Institute Limited • Executive Director, Advanced Biotech NZ Limited
Hinerangi Raumati-Tu'ua	<ul style="list-style-type: none"> • Chair, Ngā Miro Trust • Director, Taranaki Iwi Holdings Management Limited • Director, Te Puia Tapapa GP Limited • Chair, Tainui Group Holdings Limited • Executive Member, Te Whakakitenga O Waikato • Director, Genesis Energy Limited • Director, Reserve Bank of New Zealand • Director, Pouarua Farms Limited • Chair, Te Rere O Kapuni Limited • Chair, Nga Kai Tautoko Limited • Chair, Te Kiwai Maui o Ngaruahine Limited • Trustee, PKW Trust • Chair, Aotearoa Fisheries Limited • Director, Sealord Group Limited • Director, Port Nicholson Fisheries GP Limited • Chair, Parininihi Ki Waitotara Incorporated
Dave Chambers	<ul style="list-style-type: none"> • Director, Paper Plus New Zealand Limited • Director, Turners and Growers Fresh Limited • Director, GB & DD's Outfit Limited • Director, Living Clean NZ Limited
Frances Valintine	<ul style="list-style-type: none"> • 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	INTEREST
	<ul style="list-style-type: none"> • Director, On Being Bold Limited • Director, Sandell Trustees Limited • Selection Advisor, Edmund Hillary Fellowship • Board of Trustee, University of Silicon Valley • Trustee, Dilworth Trust Board
Graham Darlow	<ul style="list-style-type: none"> • 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 • Director, Tainui Auckland Airport Hotel GP (No.2) Limited • Director, Hick Bros. Heavy Haulage Limited • Director, Hick Bros. Holdings Limited • Director, Holmes Group Limited • Chair, The Piritahi Alliance Board • Chair, Holmes GP Structure Limited
Julian Smith	<ul style="list-style-type: none"> • Board Trustee – Auckland Philharmonia Orchestra • Advisory Board Member – Vadacom Limited • Board Trustee – Look Good Feel Better Trust • Director and Shareholder of JTB Enterprises Limited • Committee member of Institute of Directors – Auckland Committee • Committee member of Institute of Directors – Northland Sub-Committee • Committee member of Body Corporate Chairs Group NZ – Auckland Committee • Body Corporate Chair – The Residences, Auckland • Body Corporate Committee member – The Connaught Residential Apartments, Auckland • MyCareerBrand
Wi Pere Mita (Board intern)*	<ul style="list-style-type: none"> • Chairperson, Copyright Tribunal • Director, Trust Tairāwhiti Trustee Limited

DIRECTOR	INTEREST
	<ul style="list-style-type: none"> • Director, Prime SPV Limited • Director, Te Runanganui o Ngāti Porou - Toitu Ngāti Porou Trustee Limited • Director, Resolution Institute NZ & Australia • Trustee, SkyCity Entertainment Group (SkyCity Auckland Community Trust) • Director and Shareholder, Laidlaw Law and Consultancy Limited • Māori Advisory Board member, New Zealand Police, Counties Manukau East • Member, Community Law Centres o Aotearoa Incorporated • Member, Wayfinding civil access to justice – Advisory Group

**Wi Pere Mita's Internship programme has been paused from mid-September 2022.*

3.2 Watercare's Executives' Interests Register

All new additions in 2022 are in [Blue](#).

EXECUTIVES	INTEREST
Jon Lamonte	<ul style="list-style-type: none"> • Director, Water Services Association of Australia • Chair, Audit and Risk Committee of Water Services Association of Australia • Member, Department of Civil and Environmental Engineering Advisory Board • Member, Central Government Advisory Group, Auditor General • Member, Water Workforce Development Strategy Steering Group
Marlon Bridge*	<ul style="list-style-type: none"> • Trustee, Te Motu a Hiaroa (Puketutu Island) Governance Trust • Director, WCS Limited • The Department of Internal Affairs
Jamie Sinclair	<ul style="list-style-type: none"> • Director and Shareholder, Sinclair Consulting Group Ltd • Chair, Lutra Limited
Shayne Cunis	<ul style="list-style-type: none"> • Director, The Water Research Foundation (USA) • Director, Lutra Limited
Amanda Singleton	<ul style="list-style-type: none"> • Director, Die Weskusplek Pty Limited (South Africa) • Trustee, Te Motu a Hiaroa (Puketutu Island) Governance Trust
Nigel Toms	<ul style="list-style-type: none"> • Director, TRN Risk & Resilience Consulting
Steve Webster	<ul style="list-style-type: none"> • Director, Howick Swimgym Limited
Mark Bourne	<ul style="list-style-type: none"> • Trustee, Watercare Harbour Clean Up Trust • Trustee, Te Motu a Hiaroa (Puketutu Island) Governance Trust
Andrew Chin	Nil
Richard Waiwai	<ul style="list-style-type: none"> • Director, and owner of Te Hautapu Consultants Limited • Trustee of Te Rana Te Araroa Waiwai Whanau Trust • Relatives work for Waikato Tainui, the Department of Internal Affairs and Three Waters National Transition Unit • Manager Strategic Relations, on secondment to the National Transition Unit
Angela Neeson	<ul style="list-style-type: none"> • Director, Tranquillo Properties Limited

*Currently on secondment to the DIA and not working for Watercare

