

Board meeting | 4 April 2023
Public session



Venue	Watercare Services, Level 3 Boardroom, 73 Remuera Rd, Remuera and via Microsoft Teams
Time	9:45am

Meeting administration		Spokesperson	Action sought	Supporting material
1	Opening Karakia	Hinerangi Raumati-Tu'ua	-	Verbal
2	Apologies	Chair	Record apologies	Verbal
3	Quorum	Chair	Five directors required	Verbal
4	Declaration of any conflicts of interest	Chair	For noting	Verbal
5	Minutes of the previous meeting of 7 March 2023 Board meeting	Chair	For approval	Minutes
6	Public deputations	Chair	For information	Verbal
Items for information, discussion and approval				
7	Chief Executive's report	Dave Chambers	For discussion	Report
8	Health, safety and wellbeing update	Executive Team	For discussion	Report
9	Strategic deep dive: our people	Jamie Sinclair and Sarah Phillips	For discussion	Presentation
10	Waitākere tramlines (The Rainforest Express)	Mark Bourne and Peter Rogers	For approval	Report
Governance				
11	Board planner	Chair	For information	Report
12	Directors' meeting attendances	Chair	For information	Report
13	Disclosure of Directors' and Executives' interests	Chair	For information	Report
14	General business	Chair	For discussion	Verbal update
Date of next meeting		Tuesday 9 May 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	7 March 2023
Venue	Watercare Services, Level 3 Boardroom, 73 Remuera Rd, Remuera and via Microsoft Teams
Time	9:45am to 11:12am

Attendance		
Board of Directors	Watercare staff	Guests
Margaret Devlin (Chair) Hinerangi Raumati-Tu'ua Nicki Crauford Julian Smith Frances Valentine Brendon Green Graham Darlow	Dave Chambers (Acting CE) Jamie Sinclair (Chief Corporate Services Officer) Mark Bourne (Chief Operations Officer) Amanda Singleton (Chief Customer Office, for items 1 to 7) Nigel Toms (GM Risk, Quality and Assurance, for items 7 and 8) Bronwyn Struthers (Head of Health, Safety and Wellbeing, for items 1 to 7) Sumed Ingrole (Internal Audit Manager, for items 1 to 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 7) Kuiarangi Paki (Senior Lead & Strategic Advisor, for items 1 to 7)	Councillor Wayne Walker, Ward Councillor, Albany Ward, Chair CCO Direction and Oversight Committee (for items 7 to 12) Trudi Fava, CCO Programme Lead, Auckland Council Via Microsoft Teams Brian Coman, Regional New Business Manager, Seipp Construction Limited

1.	<p>Opening karakia</p> <p>Brendon Green opened the meeting with a karakia. Brendon and the Chair thanked the team for their efforts in organising the recent dawn blessing to mark the completion of the \$128m upgrade of the Pukekohe Wastewater Treatment Plant (WWTP). The project involved Watercare working closely with mana whenua.</p> <p>Meeting administration</p> <p>The Chair referred to the NZ Herald article <i>'The secret life of: An Auckland sewage worker' by NZ Herald</i> and noted that this was a great example of the mahi our staff do every day to keep our services running.</p> <p>The Chair acknowledged the hard work done by staff to respond to both the Auckland Anniversary weekend floods and Cyclone Gabrielle.</p> <p>The Chair welcomed Brian Coman, a member of the public and Trudi Fava, CCO Programme Lead, Auckland Council to the meeting. The Chair noted that Councillor Wayne Walker, Ward Councillor for Albany Ward, Chair CCO Direction and Oversight Committee will join the meeting from around 10am.</p>
2.	<p>Apologies</p> <p>Apologies were received from Councillor Ken Turner, Watercare's Lead Councillor as he has a diary conflict with Auckland Council's Regulatory and Safety Committee meeting.</p>
3.	<p>Quorum</p> <p>The Chair confirmed that a quorum was established.</p>
4.	<p>Declaration of any conflicts of interest</p> <p>No conflicts of interest were noted.</p>
5.	<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 8 February 2023 be confirmed as true and correct.</i></p>
6.	<p>Public deputations</p> <p>The Chair noted that there were no public deputations. However, Brian Coman, Regional New Business Manager of Seipp Construction Limited, was attending the meeting as an observer.</p>

7.	<p>Chief Executive's report</p> <p>The CE introduced the report. The CE highlighted the following key topics from the report.</p> <p><i>Current significant issues</i></p> <ul style="list-style-type: none"> • A separate flood response recovery team consisting of people leaders from various areas of the business has been set up. We plan to work collaboratively with Auckland Council and other utilities who are also carrying out repair work to ensure we minimise disruption to communities, and where possible, only dig once. • Last week we deployed five water engineers to Napier to support the recovery in Hawkes Bay. This allowed those workers in the district to have some days off and rest after working 7 days a week since the cyclone. • Our Muriwai Water Treatment Plant (WTP) has been red stickered. Also, 150 of the 206 properties that Watercare normally supplies in Muriwai have been red stickered or cannot be occupied. We have an interim solution in place to maintain water supply to remaining customers. • The company plan has been reframed to ensure we focus on our core priorities. The Board will be presented with a deep dive dedicated to each of the five core priorities starting from next Board meeting. • The DIA's National Transition Unit has shared a draft high-level organisation design for the four entities across New Zealand. This has caused some confusion and uncertainty for our people. People managers are working closely with their teams to support our people through this period of significant change. <p><i>Key performance measures</i></p> <ul style="list-style-type: none"> • Controllable costs are on track for budget. All storm and cyclone related costs will be ringfenced for insurance and reporting purposes. <p><i>Effective and reliable delivery of services</i></p> <ul style="list-style-type: none"> • We have provided Auckland Council with an initial estimate of at least \$250 million to repair our network following the flood events and an upper estimate of \$460m for repair and adaptation where necessary. • In response to a query from the Board regarding flood/storm impacts on our current programmes of work, Mark Bourne noted that we are responding first to emergency/temporary repairs caused by landslips. We have around 125 projects to prioritise, (a process that will take about six weeks), and then we will start designing permanent repairs (e.g. in areas where like-for-like cannot be built as the land has significantly changed or disappeared due to slips). • The CE noted that the repair works due to floods have not impacted capital projects that are already underway. • In response to a query from the Board regarding the integrity of dams, Mark noted that as a part of our Dam Safety Management Programme, after any storm event, dam safety surveillance is being undertaken by a dam safety specialist within 48 hours. Our dams performed as expected during the extreme weather and remain in a stable condition.
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- The Board had a discussion with Mark regarding how our dams operate and how they are designed to carry us through droughts, and do not provide flood protection. At the request of the Board, Mark will provide a more detailed update on our dams at a future Board meeting.
- Mark also noted that there has been concern from Onehunga residents regarding the flooding in that area. Onehunga was built on a natural spring. The large amount of flooding in the area was due to groundwater becoming artesian (i.e. rising to the surface). The flooding in Onehunga was not caused by Watercare turning off the WTP last year.

Stakeholder

- The CE noted that the title of section 5.2 of the report should have noted Te Rua Whetū's secondment to the NTU, which is putting some of the good work already done at Watercare at risk.
- The Board requested an update on the work Te Rua Whetū is doing for Watercare, including Te Mana O Te Wai, at the next Board meeting.

Risk and compliance update

- A mediation session with various community members for the Huia Water Treatment Plant Replacement Project has been postponed to May 2023.
- We have fully engaged with the neighbours to attempt to resolve their issues. It has been more than six years since the Board decision to proceed with the selected site, and the new plant will not be ready until at least 2030. At the May Board meeting, Management will provide an update on this project.

Our people and our customers

- At the people deep dive session in April 2022, the Board would like a breakdown by department of staff turnover, and any insights we have into people leaving to do reform related work either at DIA or other entities.
- In response to a query from the Board regarding the trends in the customer net satisfaction score and community trust score, Amanda Singleton noted that the customer net satisfaction score (whilst still within our targets), started trending downwards before the Auckland Anniversary Weekend floods. This is mainly because our contact centre has fewer staff, and they are dealing with a higher number of calls.

Health, safety and wellbeing

- The CE noted that at future Board meetings, business leaders will attend the Board meetings to provide insight into any critical injuries that are included in the report.
- Bronwyn Struthers provided the Board with a presentation on Watercare's health, safety and wellbeing metrics over the last few years ([attachment 1](#)).

	<ul style="list-style-type: none"> Bronwyn highlighted the following key topics: <ul style="list-style-type: none"> <u>TRIFR (Total Recordable Injury Rate)</u>: There has been a sharp increase since 2019. This is due to the improved transparency and reporting. Therefore, the numbers are now more accurate than they were in the past. <u>Lost Time Injury Frequency Rate (LTIFR) vs TRIFR</u>: Of the injuries that require a doctor, half require time off work. We are working with Green Cross Health. Their occupational physicians are working with us to understand the different type of roles we have at Watercare which will ensure our people are less likely to require time off during their recovery process. <u>Injury breakdown</u>: Around 75% of incidents do not require a doctor's visit. <u>Injury breakdown by business units</u>: MSN has a higher injury rate compared to other parts of the business. Work with the MSN leadership team (many of whom are new to leadership positions, having been promoted up from trade positions), is ongoing, and is starting to show results. The bottom line on the graph reflects high potential injury events, which is zero for most months. <u>Injury costs and Lost time</u>: Since we became self-insured in 2019, our costs have significantly decreased. In addition to that, the number of days that people have been away from work due to injuries has significantly decreased. In 2021, we introduced our early intervention programme to reduce the likelihood of bigger injuries. Muscular-skeletal injuries are our main cause of harm. We are using internationally recognisable physio tool to understand the sources of injuries and the causes. The issue is a combination of many things, including pre-existing injuries in 30% of cases. We are now undertaking a comprehensive integrated approach to uncover pre-existing injuries before we hire new staff, so this can be managed once they are employed and on the tools. MSN also has a physio visiting them two times a week as part of our early intervention programme. <p>Service strikes</p> <ul style="list-style-type: none"> In New Zealand, there is no consistent training around service strikes and no unit standards or qualifications that workers can obtain for working around utilities (e.g. water/ gas/ electricity/ fibre etc.) Bronwyn is a part of the group who is engaged in developing qualification pathways. The Board supported Watercare's further involvement in working with the industry to develop a national standard qualification in this area. <p><i>The Board noted the report.</i></p>
8.	<p>Conflicts of interest policy</p> <p>Nigel Toms introduced the report and noted the policy had been reviewed by the Audit and Risk Committee (ARC) meeting held on 3 February 2023.</p> <p>The Board requested that the first paragraph of Clause 7 be amended to clarify that this process relates to Watercare staff (excluding Board members / Executive).</p>

	<i>The Board accepted ARC's recommendation to approve the Conflicts of Interest Policy subject to minor amendments discussed at the Board meeting.</i>
9.	<p>Board planner</p> <p>The Board planner is to be updated to include deep dives dedicated to each of the five core priorities starting from next Board meeting. The deep dives will focus on issues and risks related to our core priorities. The first deep-dive will cover off our people. Three Waters Reform will be a standing agenda item.</p> <p><i>The Board noted the Board planner.</i></p>
10.	<p>Directors' meeting attendances</p> <p><i>The Board noted the report.</i></p>
11.	<p>Disclosure of Directors' and Executives' interests</p> <p>Emma McBride noted that Julian Smith's interests were not included in the Directors' interests register due to an oversight.</p> <p>Julian's interests are as follows:</p> <ul style="list-style-type: none"> • 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 • Chair, Institute of Directors Te Tai Tokerau, 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. <p><i>The Board noted the report.</i></p>

12.	<p>General business</p> <p>Councillor Walker asked for an update on the flood response. The Chair noted that an update had been provided before he arrived, and that a governance structure has been established specifically for recovery. Where appropriate, Watercare is working collaboratively with Healthy Waters through joint operational review meetings.</p> <p>The meeting closed at 11:12am.</p>
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CERTIFIED AS A TRUE AND CORRECT RECORD

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Margaret Devlin, Chair

Attachment 1

5.1

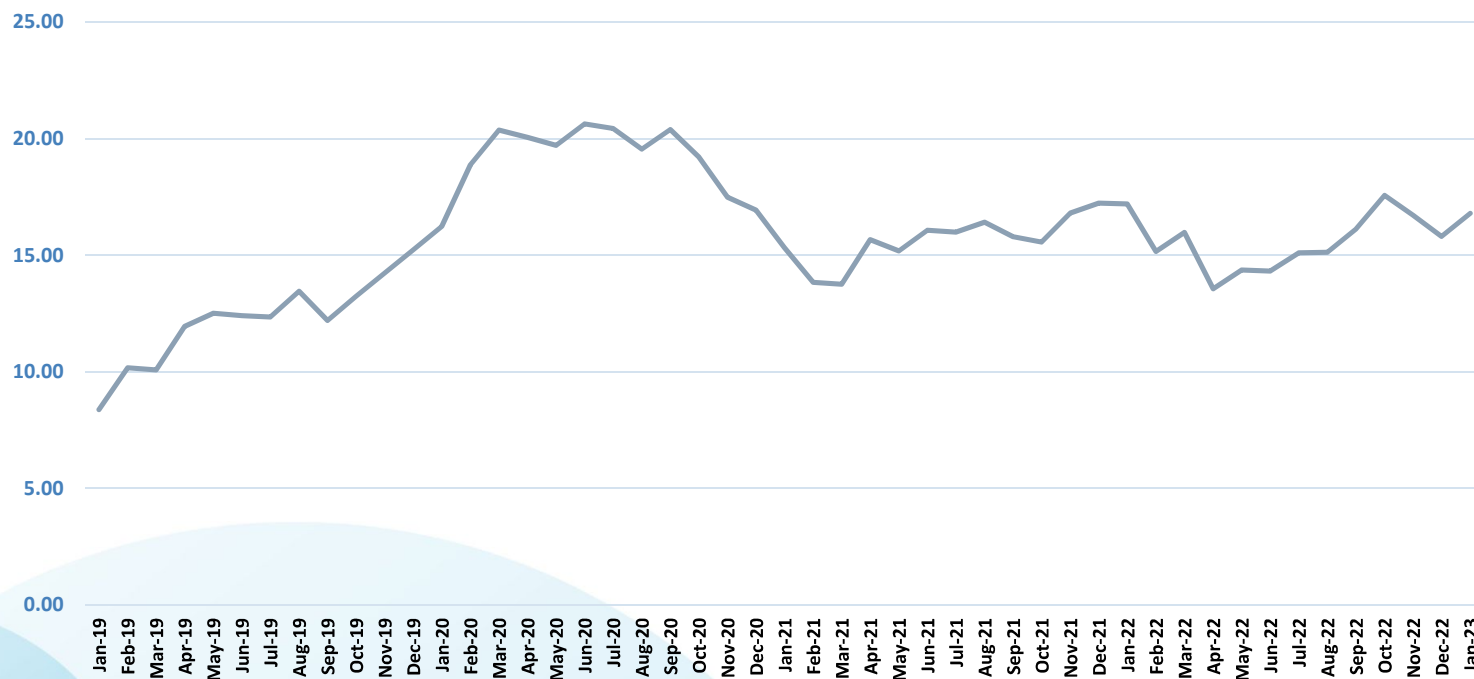
Board HSW Update

7 March 2023

Total Recordable Injury Rate (TRIFR)

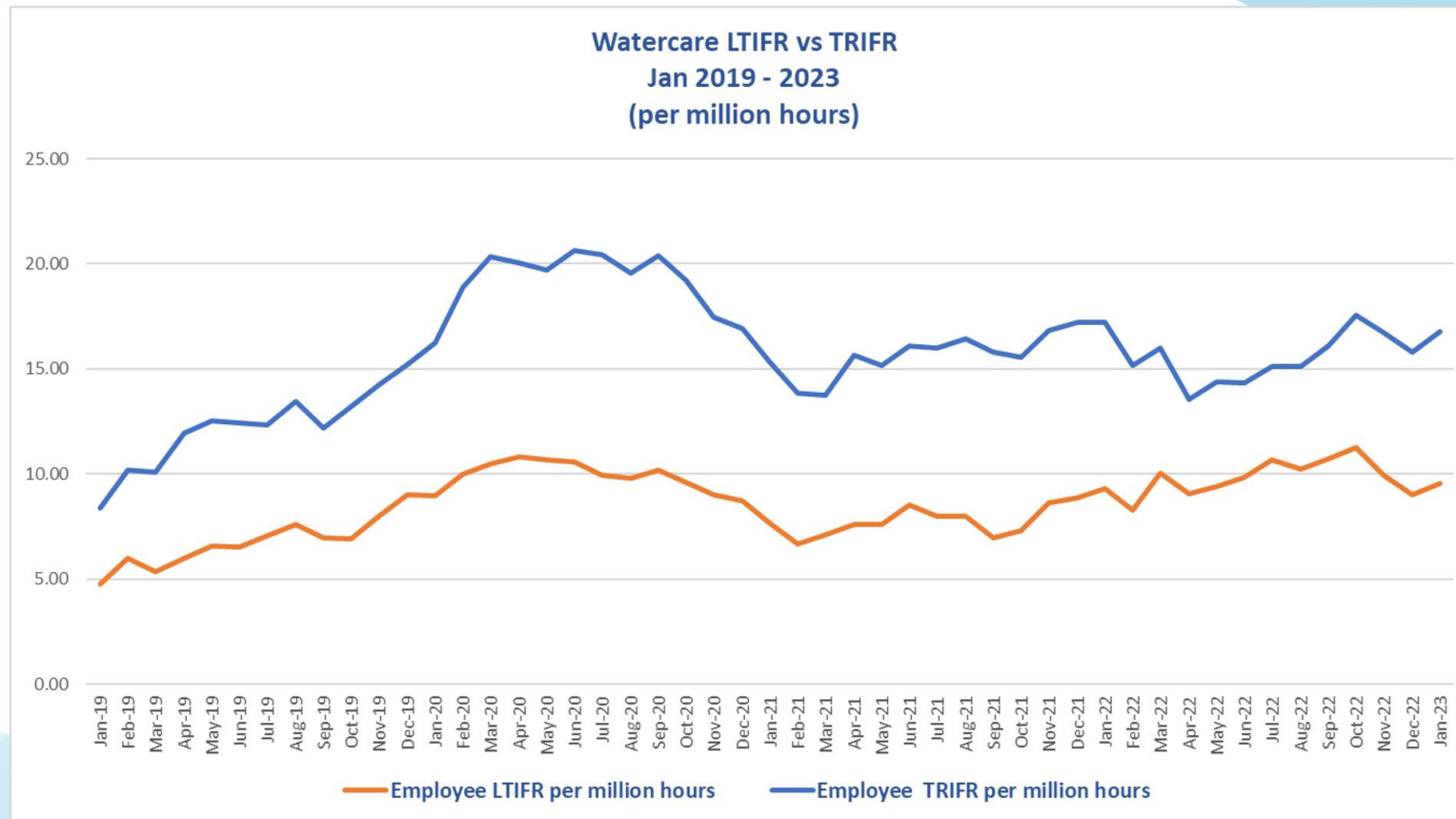
5.1

Watercare TRIFR
January 2019 to January 2023
(per million hours)



Lost Time Injury Frequency Rate (LTIFR) vs TRIFR

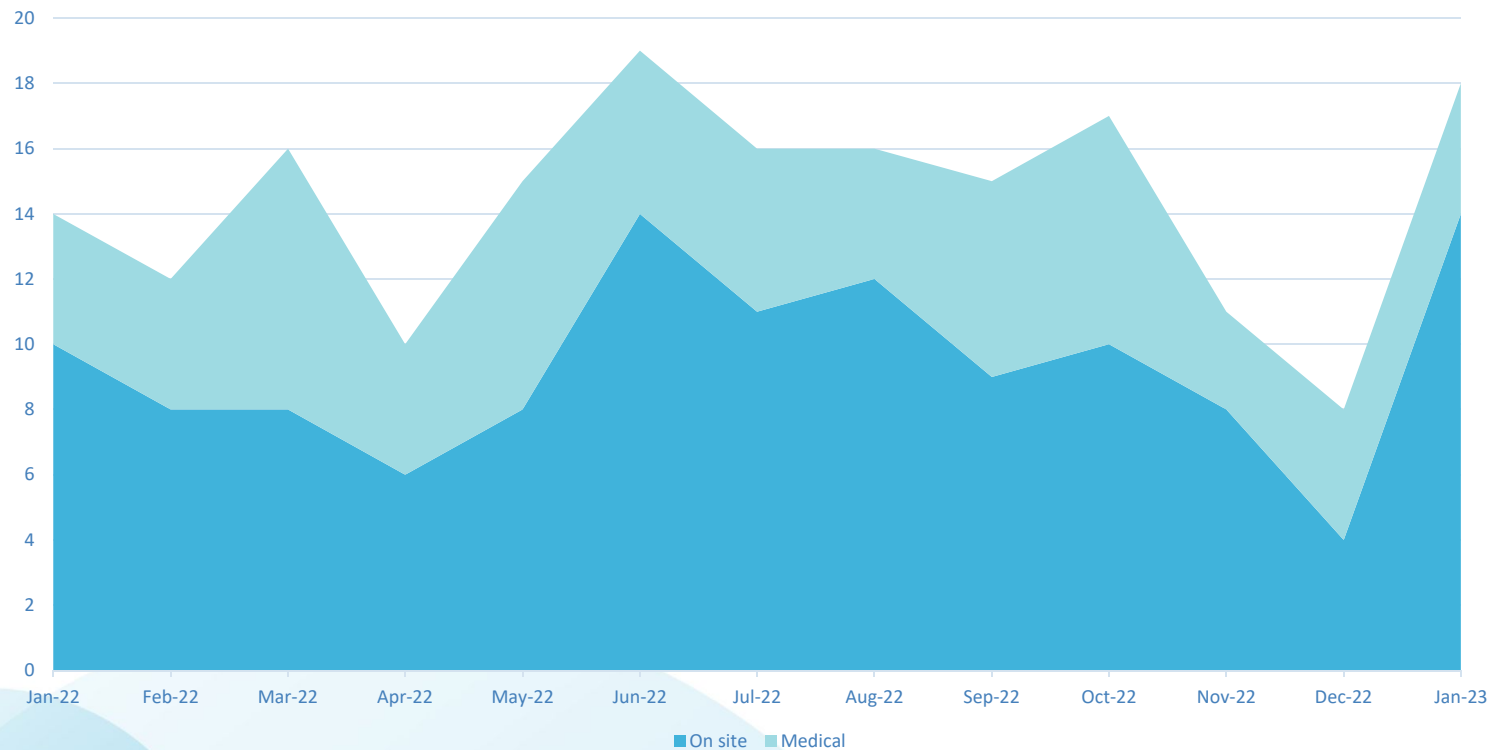
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Injury Breakdown

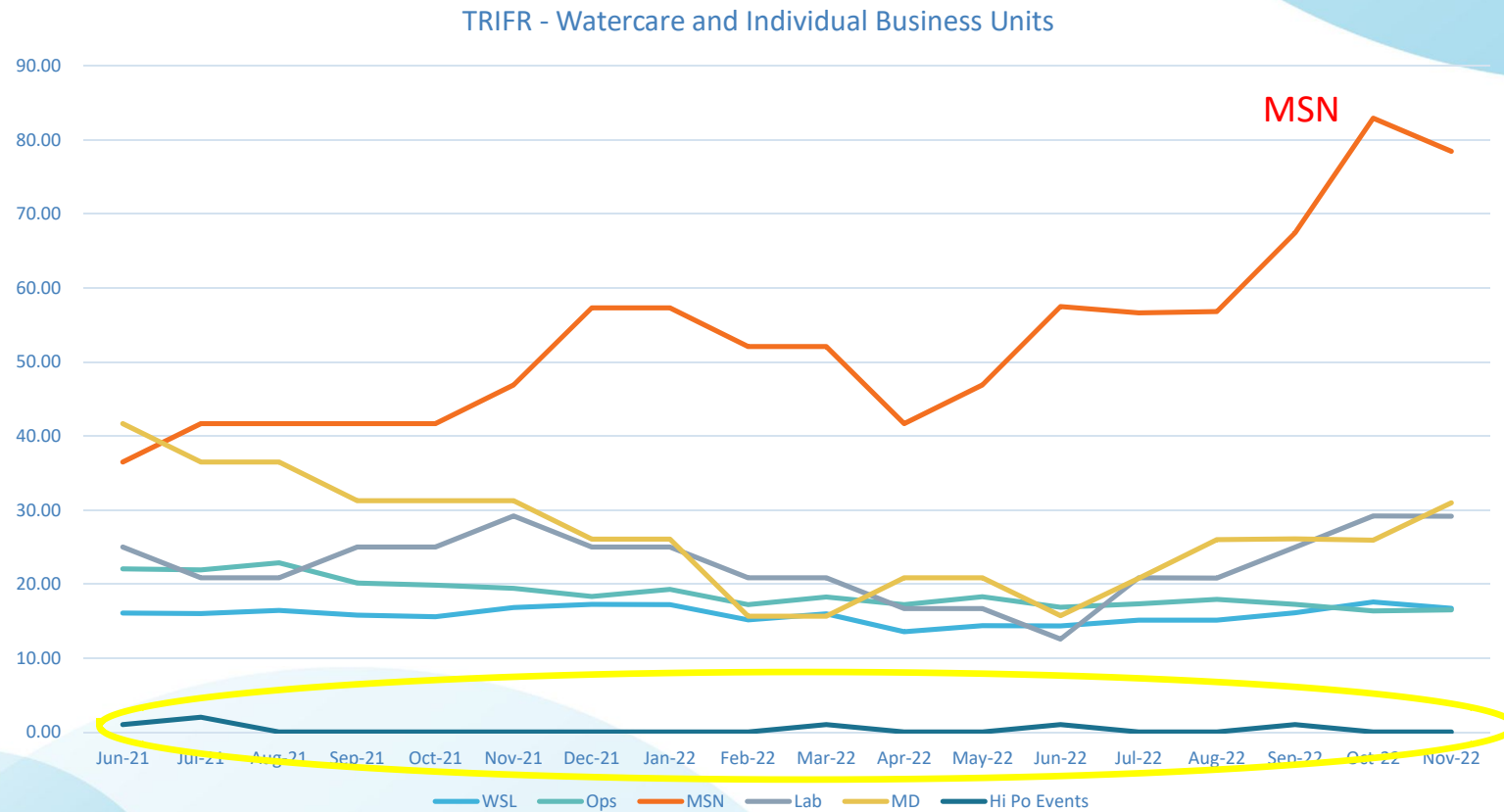
5.1

On Site Treatment vs Medical Intervention



Lost Time Injury Frequency Rate (LTIFR) vs TRIFR

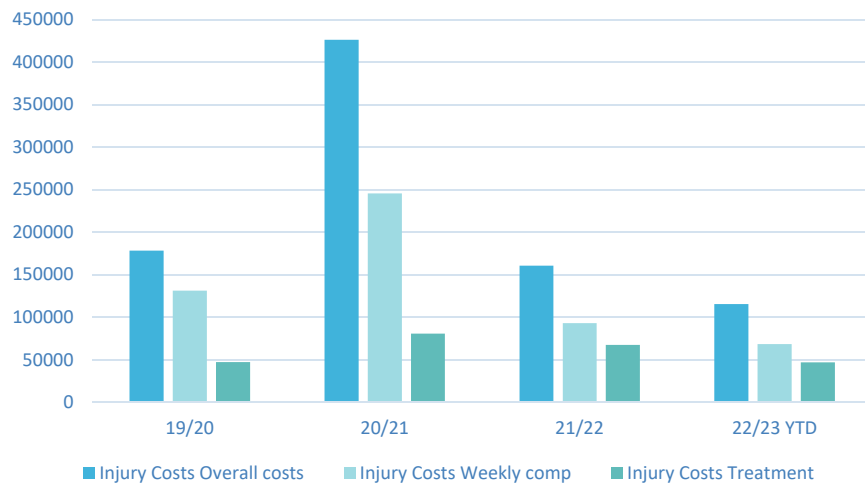
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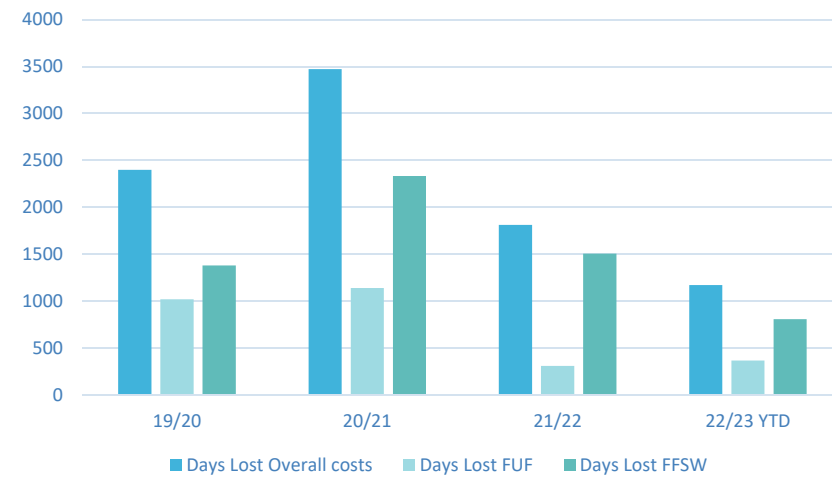
Injury Costs and Lost Time

5.1

Injury Costs



Lost Days



Chief Executive's report – April 2023

Presented by: Dave Chambers



1. Current significant issues

February 2023 was very busy across the business. I have included some commentary on events that occurred in March 2023 that is too topical to leave for another month.

Our water supply situation is stable - dams are still very murky, but turbidity is decreasing and our storage position is close to full. Our teams are now in recovery mode. While our operations team has focused on identifying issues and implementing temporary solutions, our infrastructure team has focused on standing up a dedicated cross functional recovery team. Over the next few years, this team will fully scope and deliver a recovery programme. We will also use this opportunity to evaluate adaptation across our networks, so that it is more resilient to climate change and extreme weather events. While some permanent repair work is already underway, the full programme will be prioritised based on customer and environmental impact. Of the 172 breakages reported, we still need to determine a long-term solution for 155 – note that all of these do have temporary solutions in place. The impact of the floods has been significant across the entire business. For example, the stakeholder team had 1,600 local board and elected member interactions, and the insurance work stream is also underway which will take some time to complete.

In terms of water quality, New Zealand's new drinking water standards, overseen by Taumata Arowai, commenced on 1 January 2023. Teams across the business, led by our water quality experts, have worked very hard to update our planning, reporting, and monitoring systems. For February 2023, we maintained full compliance for our water treatment plants and microbial standards for all distribution zones. However, due to the impact of cyclone Gabrielle on raw water quality, one of our zones (Helensville) did not fully achieve residual disinfection and Trihalomethanes (THMs) compliance. The water quality team is working to rectify these issues and evaluate future risks. Despite there having been non-compliant samples, at no point was there a risk to public health.

Health, safety and wellbeing (HSW) has been a real focus for me since commencing on 8 February 2023. It is important to me to ensure our people are kept informed, supported, and go home safely every day. As part of the evolution of our safety culture, we have a refreshed HSW commitment – this means we are moving towards a human-centered safety culture based on a set of key principles. These key principles are:

- people make mistakes;
- blame fixes nothing;
- context drives behaviour;
- learning is vital; and
- response matters.

In practice, this means:

- celebrating champions and good HSW behaviours;

- sharing learnings and best practices; and
- hands-on, meaningful training.

The other thing I am focussing on is clear, constant communication – from leaders, their teams, and beyond. We have a huge and passionate pool of experts, and I would like to see them build connections beyond their immediate teams. As a result, I have set an expectation that every leader in the business must present a “Ted Talk” to another part of the business over the next 12 months.

We have already launched a weekly leaders’ digest email to support our leaders in sharing the same key messages across the business. Leadership development of communication skills is being rolled out across Watercare to support our people leaders to be able to deliver the increased communication expectation.

Communication is the key to us being successful with the change that is immediately in front of us.

We also have a lot to celebrate in terms of our infrastructure projects. In February 2023, we marked the completion of our \$128m upgrade at the Pukekohe Wastewater Treatment Plant with a dawn blessing – this is a big milestone for us, our mana whenua partners, and the wider community. With these upgrades, we have doubled the treatment capacity of the plant but more importantly, the high quality of the treated wastewater ultimately improves the water quality in Parker Lane Stream – a tributary of the Waikato River where the plant discharges to.

Our recent staff engagement pulse survey results are out – our average employee engagement score increased slightly from 7.1 in November 2022 to 7.2 in March 2023 (this is on a scale of 1-10). Our eNPS was 6, up from 4 in November 2022 (this is on a scale of –100 to +100). While this is an improvement, I am more encouraged by the response rate and qualitative feedback from our people. About 76% of our people participated in the survey and we received close to 1,000 comments. This tells me that our people are very engaged in what we do and have a view on how we can do it better; despite the imminent changes and uncertainty associated with reform. From the comments, things that are working well include a supportive, flexible workplace and supportive managers.

2. Key performance measures

[Attachment 1](#) sets out Watercare’s performance against the current Statement of Intent measures for February 2023. At the monthly performance hui, the following points were noted:

- The total recordable injury frequency rate is significantly above target and has declined in recent months. Lead indicator KPIs such as leadership walks also do not appear to be working. We are therefore establishing an entity wide Health and Safety meeting to discuss lead indicators, with a focus on improving our health, safety and wellbeing outcomes.
- Attendance at, and number of, sewerage overflows both exceeded targets due to significant rain and storm events. We expect the number of overflows to continue to be above target as this figure is a 12-month rolling average and weather continues to be wetter than normal.

- Some workforce targets such as gender and contractor ratios are not achieving target. However, these are a challenge to address in the current reform environment.
- We are driving Māori spend to ensure we achieve this KPI, however many of these programs of work are a slow burn. From May we will reset our plan.
- Our GHG performance is not on track and requires a re-focus to achieve our targets.
- At the end of February, Media Impact, Community Trust, and Customer Net Satisfaction scores all continue to track well and above target.

3. Our people and our customers

3.1 Our people

We completed an engagement pulse survey as part of our annual engagement programme to measure how employees feel about their work and Watercare. The pulse survey focusses on two questions giving us insights into progress made since the full survey in November and ahead of the next full survey in June. Overall the results were positive with a healthy response rate of 75% and all areas improving slightly with just one area staying the same. The results indicate our action planning is taking us in the right direction and also helps us identify areas that need further attention.

In March 2023 we recognised International Women's Day with a celebration at all our sites and a launch event of the Ata Network. The network is for those who identify, have identified, or hope to identify as wāhine and its purpose is to create an environment that empowers women at Watercare. Part of the launch included a panel discussion featuring senior leaders and our Board Chair, Margaret Delvin, who shared insights into gender challenges they have faced over their careers. The event was well attended by over 150 people in person and there were a number of site-based celebrations.

[Attachment 2](#) is a workforce snapshot for February 2023. Our turnover has increased slightly but remains steady since September 2022. Annual leave and long service leave both show a downward trend on December 2022. Rolling sick leave and monthly sick has increased slightly compared to January 2023.

3.2 Our customers

3.2.1 Financially vulnerable customers

At the 7 March 2023 Board meeting, and ahead of the 1 July 2023 price rises, the Board requested that Management to provide an update on how we support our financially vulnerable customers, including through WUCAT.

[Attachment 3](#) outlines the services we offer for financially vulnerable customers and explains the steps we go through to first identify potentially vulnerable customers, and how we support them through the process if they are having difficulty paying their bills.

In summary, we offer support through a multi-step process:

- We first identify customers with high bills and encourage them to better understand their consumption. If there are leaks, we offer a leak allowance for prompt repairs. If usage is high, we offer a free water efficiency assessment through Ecomatters to help the customer find ways to reduce their water use and therefore their water bill.
- Once customers enter the debt collection process, we offer payment plans over 6 months to help customers catch up on their bills.
- If customers are still struggling, then we offer WUCAT (Water Utility Consumer Assistance Trust) services which includes budgeting advice, financial rehabilitation through community referrals to get wider support their overall wellbeing (including payment plans and fixing private leaks). WUCAT has strong community networks with Citizens Advice Bureau, Māori Women's League and churches to provide a two-way wider support network. Typically, customers are referred to WUCAT by Watercare's customer team members, when our own internal processes do not achieve the expected outcomes.

3.1.2 Update on the recommendations of the Citizens' Assembly

This update sets out half-yearly update on the recommendations of the Citizens' Assembly (Assembly). The next update will be presented at the 7 November 2023 Board meeting.

Since November, we have updated our website to include two new webpages on [Alternate water sources](#) and [Purified recycled water](#) (PRW). The first webpage provides information on current and future alternate water sources; and the second provides information on Purified Recycled Water, which the Citizen's Assembly recommended as the next source of water for Auckland beyond 2040.

These webpages were developed in partnership with Watercare's Operations team and are designed to act as a starting point for our communication with the public about alternate sources of water.

The Operations team has produced a detailed roadmap capturing the regulatory, operational, community, social, and cultural initiatives required to implement PRW as a next water source. Next, the Operations team will determine which work streams sit with which parts of the business, and then to obtain resourcing and secure funding.

In the meantime, we are endeavouring to get the best value for money and use existing resources/facilities where possible as part of our pilot PRW projects. It is vital that we collect data as well as giving the public low-risk and safe opportunities to interact with recycled water.

Our Infrastructure and Customer teams will present the outcomes of the Assembly at the Water NZ Conference later this year. The focus will be on developing new deliberative ways of engaging with the community for future servicing strategies, as there is great potential in this space (global café style engagement is a mini-version of this).

Jenny Wigley, our Customer Insights Specialist presented to the Water Services Association of Australia re-use group on the recommendation of direct PRW and the potential of this style of engagement with citizens.

4. Operations

4.1 Water resources

The leak management programme is ongoing. Since the start of the programme approximately 15,531kms have been surveyed to date with 9,030 leaks found.

4.2 Water quality

Formal compliance reporting will be issued to Taumata Arowai from March 2023 when their systems are ready, with exception reporting until then.

Cyclone Gabrielle resulted in access issues for network compliance points in the Rodney zones, with samples unable to be taken. This was discussed with Taumata Arowai at the time and will not be reported as non-compliance. It is likely to be reported as “compliance not able to be achieved”.

While most water quality objectives have been achieved for the month of February 2023, the following non-compliances have been reported:

- Residual disinfection compliance was not achieved in the Helensville zone where 75% compliance was achieved compared to the required 85% compliance. It must be noted that under previous regulations, residual disinfection was not a compliance reporting requirement. This is not a reflection of a change in water quality, but a change in compliance requirements. Proactive network flushing has been implemented in the short term to improve turnover, whilst medium to long term solutions are identified.
- Helensville zone breached the Drinking-water Standards for New Zealand Maximum Acceptable Value ratio of 1 for Trihalomethanes (THMs). This chemical non-compliance was reported to Taumata Arowai.

Taumata Arowai is currently conducting a rapid review of our Drinking Water Safety Plans (DWSPs) and Source Water Risk Management Plans (SWRMPs). We are planning a formal audit against the plans and wider water quality compliance for around June 2023.

4.3 Flood response recovery plan

[Attachment 4](#) outlines the most recent update from the Flood Recovery Working Group (FRWG).

4.3 Water supply dam operation during storm events

Watercare operates 12 water supply dams as part of our diverse network of water sources. These dams are designed and are operated foremost as storage dams for water supply. While these dams do provide a measure of passive flood protection to the downstream environment, their purpose is not to provide active flood protection for those downstream of the dams.

The operation of Watercare's dams are authorised by specific resource consents from both Auckland Council and Waikato Regional Council. These consents acknowledge the operation of these dams to be part of an efficient water supply system. The consents allow for abstraction of water from the dams for water supply purposes. They also require releases from the dams to the downstream environment for environmental mitigation, or for periodic operational/maintenance reasons.

Our dams have passive spillways. That is, once the dam is at full capacity, excess inflows will spill over the top via an engineered spillway structure to the downstream environment. While this spill flow rate is not actively managed, the dams do provide a small measure of flood protection by delaying and suppressing the peak flow compared to that of the inflow into the dam or what would naturally occur in the catchment without the dam. This is achieved as the flow rate increases over the spillway, the water level behind the spillway also needs to increase to 'drive' this additional flow over the spillway. This increase in water level results in an increased volume of water in the dam, effectively holding back the peak flow.

Water is drawn from the dams and piped to a water treatment plant. The infrastructure that allows for this abstraction has been sized to ensure an appropriate balance between drought yield, peak summer demand, and a measure of resilience when one or more sources may be unavailable. This sizing means that abstractions from each catchment is typically in the range of 2,000 m³/day for our smallest catchments to 125,000 m³/day for our largest catchments. These volumes are orders of magnitude less than the recent inflows during both the Auckland Anniversary storm and Cyclone Gabrielle and would have made no appreciable difference downstream river flows. As our Waitakere and Hunua dams are part of the wider Auckland metropolitan system, abstractions decisions are managed using the Integrated Source Management Model (ISMM). ISMM balances the operational costs of abstraction and treatment against the hydrological risk of both shortfall and spilling. ISMM will attempt to minimise the volume of water spilled from the dams, but given the quantity of rainfall, and the resulting inflows that Auckland has experienced to date for 2023, abstractions have had limited impact on the volume of water that has been spilled to the downstream environment.

Watercare's resource consents allow for, and in some cases mandate, the release of water to downstream environment under certain conditions. The most visible is releases that provide a measure of environmental mitigation typically during low stream flow conditions. The flow rate released is generally low, typically a percentage of the 5-year low flow, and is designed to maintain in-stream habitat. The second environmental release from the dams are the periodic 'flushing' flows during summer where a higher flow rate is released for typically three hours to simulate a small fresh downstream to promote stream health (fresh is a technical term for rapid increase in flow in stream, which then returns back to the original flow rate). While these flushing flows may visually appear to be significant, this is mainly due to these releases occurring during lower flow periods, and the energy dissipators they are released onto minimise erosion. The flow rate released during these operations are well below what would be typically defined as a 'flood' flow.

Watercare is also authorised to release water for operational and maintenance purposes. This could be to allow renewal work to be undertaken on the dam where a high-water level may be an impediment on the work being undertaken safely. These releases require Watercare to follow the conditions of the respective resource consents, and dam safety considerations such as a maximum rate of drawdown, and notification to the relevant Council and downstream

stakeholders. At all times dam safety is paramount and this dictates the rate dam storage levels can be lowered. An excessively fast drawdown can result in slumping of saturated soils within the dam and compromise dam safety.

Releasing water from dams in advance of a storm to provide what is commonly termed an airspace, would have a significant impact on Watercare's operations and future infrastructure planning. Mandating an airspace would result in a significant reduction in storage capacity which would correspondingly result in a reduction in drought yield and bring forward the need for additional water sources. From an asset and operational point of view, significant investment would be required at each dam to construct and incorporate active spillways, similar to the gates on hydro generation dams, as the current dewatering facilities are not designed for rapid draw down of the water level and are not suitable for flood management purposes.

5. Partnerships

5.1 Growing elected member relationships

The Elected Member Relationship team was extremely busy in late January and early February with communications to elected members during the storm and cyclone events. We received very positive feedback from elected members for the quality of communications and responsiveness throughout the emergency.

A big part of the elected member focus in the first quarter of 2023 has been the engagement with the Local Boards on the Wastewater Network strategy. Workshops have been completed with all the Boards who expressed an interest. There are further meetings through April and May 2023 to formalise their feedback. Engagement is also underway on the Waiheke, Beachlands and Helensville Servicing Strategies.

There has been a lot of interest from local boards to visit our projects and facilities, and we have site visits planned for:

- Albert-Eden and Puketapapa Local Board to visit the various Central Interceptor sites within their areas.
- Upper Harbour to visit the Rosedale Wastewater Treatment Plant.
- Rodney Local Board to visit Sandhills Weir and water treatment facilities in Helensville.
- Maungakiekie Tamaki Local Board to visit the Dunkirk wastewater project.
- Kaipatiki Local Board to visit the Kahika Rising Main project.

In terms of the Governing Body, quarterly updates continue with the CCO Direction and Oversight Committee. The updated Drought Management Plan will also go to the Planning and Environment Committee of the Governing Body at the end of March 2023.

Finally, following on from the local government elections in October 2022 the central government elections are expected to take place in October 2023. We have updated our election policy based on experience in the local government elections and to reflect our changing relationship with central government.

5.2 Community stakeholders and the flood recovery

As part of our flood recovery efforts, we recognised the importance of reaching out to our directly impacted communities to better understand their current situations and provide information on the steps Watercare planned to take in both the short and long term. With large groups of impacted customers located in West Auckland and North Shore, Watercare representatives engaged the community impacted in Titirangi, Laingholm, Glen Eden, Swanson and New Lynn on 7 March 2023 and with impacted community members of Birkdale, Birkenhead, Beach Haven, Chatswood and Northcote on 8 March. The North Shore session was particularly well attended, with groups of residents attending to better understand the issues faced in their area. Both sessions included a Healthy Waters team member to provide assistance on stormwater related queries. This provided a valuable opportunity for Watercare to front the community and better understand some of the pain points currently being experienced. We are using these insights as we plan our permanent repairs. Elected members attending the events were particularly complementary of Watercare's approach. Proactive communications and engagement with impacted customers and communities will continue, working as part of the flood recovery team.

5.3 Wastewater Network Strategy

In December 2022, mana whenua and public consultation started on the 6 yearly Wastewater Network Strategy review, part of the 35-year comprehensive Wastewater Network Discharge Consent. Over 150 pieces of feedback were received via numerous engagement channels. Eleven one-on-one engagements were held with special interest groups along with 11 Local Board workshops. The objective was to listen and learn from our community about what matters to them with regards wastewater and their thoughts on the strategy. Feedback will help identify areas to strengthen the strategy, improve literacy around wastewater issues and improve future engagement and community participation. Feedback tells us that we should be actively creating new, practical pathways for meaningful engagement with the people of Auckland when it comes to wastewater: 'consulting' only when consents need renewing is an option, but not a good one. The direction will move us beyond the six yearly required community consultation on overflows, to deliver new opportunities for our communities to improve their knowledge of our wastewater systems and be a valued partner in enhancing te mana o te wai into the future. A community that understands the potential of getting it right with wastewater will help us protect their network, actively support beneficial recycling of wastewater, and protect our shared environment as an empowered community partnership.

5.4 Servicing Strategy

Our servicing plans provide long-term, location-based strategies that provide options to direct investment in water and wastewater infrastructure. We have started engaging with Local Boards, partnering with mana whenua, and are preparing to engage with the communities in Helensville and Beachlands to talk about the future of water and wastewater services in these areas. Te mana o te wai is at the core of the servicing strategy. We are seeking to understand what the community cares about and how we can develop a strategy, where the options take into consideration what matters to the community, whilst also demonstrating respect of partnership with mana whenua. Our servicing strategies are a key engagement tool as the Water Services Entities will be required to engage with communities every three years to report on progress.

5.6 Te Mana o Te Wai

5.6.1 Te Mana o Te Wai within water reforms

Statutory recognition of Te Mana o Te Wai through water reforms means Watercare will need to pivot in essential aspects of our service delivery arrangements. Much like Watercare's own strategic purpose, "*Ki te ora te wai, ka ora te whenua, ka ora te tangata*", Te Mana o Wai recognises the life-supporting capacity of wai and the relationship it has with the environment and our communities.

A broad description of Te Mana o Te Wai will be provided through legislation. However, the emphasis is that mana whenua will define what Te Mana o Te Wai means to their specific location through Te Mana o Te Wai statements.

Iwi collectives have identified these statements and the application of Te Mana o Te Wai in the new water services entities as a priority area they want to give direction on. A key deliverable of the National Transition Unit's water reform work programme is to resource iwi collectives to support development of Te Mana o Te Wai statements.

Additional strategies to build internal capability and understanding within the NTU are being explored. Discussions are in progress with the Freshwater Iwi Leaders Advisory Group to also deliver Te Mana o Te Wai workshops.

This insight reinforces Watercare's approach to improve our staff understanding and knowledge base on this kaupapa. Furthermore, it validates the approach we are undertaking with our own internal Te Mana o Te Wai workshops and future learning and development initiatives.

5.6.2 Building Watercare's internal capability

At the end of last year, six workshops on Te Mana o Te Wai were delivered to both Watercare's staff and board members. The purpose of these workshops was to explore the concept, expression, and application of Te Mana o Te Wai. Key topics covered included Te Ao Māori cultural and spiritual values of water, co-governance models, and examples of Te Mana o Te Wai in practice.

Feedback from staff who participated in the first series of workshops has been positive. But momentum to progress additional workshops and a more long-term internal training programme were deferred due to the secondment of Te Rua Whetū to DIA. A shift of the team's capacity includes the end of secondment for some of the team at the end of April. They will return fulltime to their roles with Watercare.

A final report by facilitator Julian Williams (Te Huia Natural Resources) will be completed in April. It will provide a summary of learnings from each workshop and include potential pathways Watercare should consider as next steps. Planning and budget for any future learning and development opportunities will be factored into Te Rua Whetū's workplan for the new financial year.

Irrespective of any reset within the three waters space, Watercare is well positioned to show genuine leadership as a treaty partner by implementing our own strategies that demonstrate best practice of Te Mana o Te Wai principles in action. For this to be successful, we will also need to consider how best to resource and support Watercare's iwi and mana whenua partners in achieving their aspirations of Te Mana o Te Wai alongside us.

6. Risk and compliance update

6.1 Enterprise risk management

A number of the Enterprise Risks presented to the 8 February 2023 confidential Board meeting remain elevated due to the impacts of the Auckland Anniversary Floods and Cyclone Gabrielle. Work on these risks and their associated mitigation actions is continuing. However, they will take considerable time to complete, so these risks will continue to be closely monitored as they will remain elevated for a some time. The related council risk report will also be presented at the 4 April 2023 confidential Board meeting for review and approval.

6.2 LGOIMA requests

During February 2023, we received 15 requests for information under the Local Government Official Information and Meetings Act 1987 (the Act). Three of these requests were forwarded to us from Auckland Council. We transferred one request (that we received directly) to Auckland Council. We processed all 15 requests in accordance with the Act.

6.3 Legal action

- RMA related:
 - Huia Water Treatment Replacement Plant: the first two-day mediation session between all the parties to the Environment Court appeal was held in September 2022. This resulted in a number of actions that Watercare agreed to complete between then and the next mediation session. The February mediation session was postponed to May 2023 as one party could not attend on the set date. We are still waiting for an exact date. The experts in Kauri Dieback and ecological compensation have undertaken caucusing as directed by the Environment Court. These discussions are ongoing. Watercare continues to meet with the neighbours in an attempt to resolve their issues regarding the impact on construction on their properties. The three key activities we are undertaking are:
 - a) continuing the resource consent process including the Environment Court process, and the timeframe is unfortunately out of our control;
 - b) continuing our other planning activities, including confirmation of our design basis for the facility; and
 - c) planning for the infrastructure required to support the plant (i.e. raw water infrastructure and the drinking water network infrastructure).
- Non-RMA related:
 - There is currently one claim for \$1.2m for alleged damage to a residential property from a burst watermain. The matter is being handled by our insurers.

- In February 2023, Watercare was served with a copy of proceedings lodged in the Māori Land Court by Te Runanga o Ngati Whatua, Ngati Manuhiri Settlement Trust concerning the legal status of the Hōteio River bed. Watercare owns property in Wellsford that adjoins the river and draws water from the river. The deadline for Watercare to file a notice of intention to appear is 31 March 2023. Watercare has obtained legal advice on its position.

6.4 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.

6.5 Non-compliance with resource consents

Consent non-compliance in February 2023 remained high due to the after-effects of the Auckland Anniversary weekend floods coupled with the impacts of Cyclone Gabrielle. Like in January 2023, the non-compliances included technical non-compliances for the network discharge consents, which occurred because we could not meet reporting timelines due to the magnitude of the event and the number of associated overflows. Cyclone Gabrielle had an impact on the Waikato water treatment plant due to poor river water quality and compounded issues at regional wastewater plants, such as Army Bay and Omaha.

[Attachment 5](#) sets out the details on the significant non-compliance for February 2023.

7. Policy update

[Attachment 6](#) sets out the current programs of work that are underway, and their expected impacts to Watercare.

8. Climate change delivery and sustainability update

8.1 Carbon emission measurement and reduction

A recent procurement exercise for a portion of electricity supply resulted in the selection of Ecotricity as a new supplier. Ecotricity provide carbon zero certified electricity that is sourced from renewable sources and includes an offset of any residual emissions to make it a net zero product. This will result in a reduction in reported emissions for Watercare of approximately 1700 tCO₂e in FY24. A further portion of our electricity supply contract is expiring later this year and sustainability opportunities such as this Ecotricity product will form part of the review criteria.

Ongoing low carbon trials are happening in infrastructure projects. Recently fly ash was used to replace 25% cement content in the Redoubt Road Reservoir project saving approximately 200 tCO₂e. The team are always looking for further opportunities and innovations, as this aligns with the roadmap towards having low carbon cement and an ultimate goal of zero carbon concrete.

Watercare continues to demonstrate leadership in the sustainability space: the Central Interceptor e-trucks were unveiled in March; we delivered a webinar on N₂O emissions in wastewater, which had a majority of Australian utilities dialling in; and Chris Thurston, Head of Sustainability has been invited to speak at and represent Watercare at the Global Water Summit in Berlin.

8.2 Climate change adaptation and disclosure

Auckland Anniversary floods and Cyclone Gabrielle remind us that the impacts of climate change are here now. Immediate analysis has shown that 2-day maximum rainfall over certain areas was about 30% more intense than it might have been had human greenhouse gas emissions not warmed the climate by 1.2°C. This also means a rainfall event of this magnitude is now about four times more likely to happen than it was when the world was 1.2°C cooler than it is today.

Climate change adaptation has been identified as a component of the Flood Recovery programme and a project to align lessons learnt with future climate projections will also take place.

Our climate related disclosure project continues internally and in liaison with Auckland Council. Risks have been identified from the Council working group for this project based on resourcing. A report will be provided to the Audit and Risk Committee in May 2023, outlining the current detailed assessment process and any gaps we see in Watercare's current approaches in line with the disclosure requirements.

8.3 Other Sustainability

The Resource Recovery team are trialling a new soil amendment product from water treatment sludge which is rich in activated carbon. The preliminary results are encouraging and field trials will commence in April 2023. This is in addition to Watercare's Emerge[®] fertiliser product.

9. Matters for noting

9.1 Significant meetings in February and early March 2023 attended by the CE

- Alan Sutherland from WICS
- Various staff from the DIA
- Presentation to Select Committee – Three Waters 8 March 2023
- WRA Board to Board Engagement Hui – 14 March 2023

10.Delegated authority to Chief Executive

In accordance with the authority delegated to the Chief Executive by the Board for the months of February 2023:

- there was one document required to be signed by the Chief Executive in relation to deeds, instruments and other documents.
- there were no documents required to be signed by two members of the Watercare Board.
- there was one capex approval signed below a threshold of \$50m.
- there were two contracts approved over \$100,000. They are as follows:

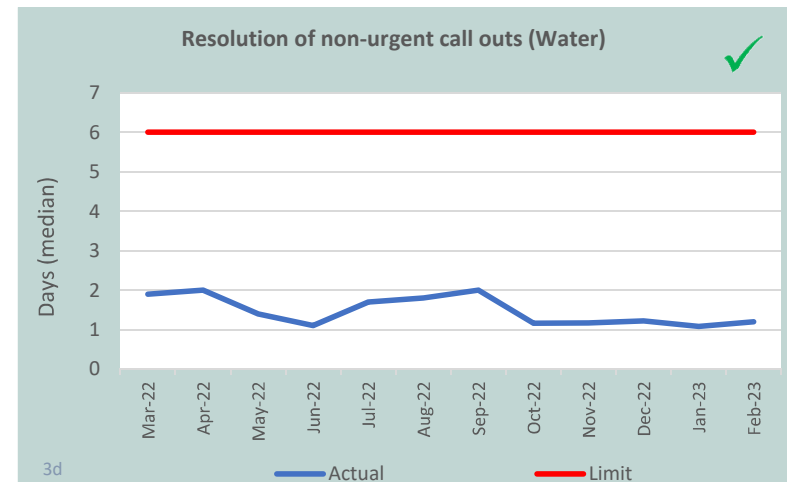
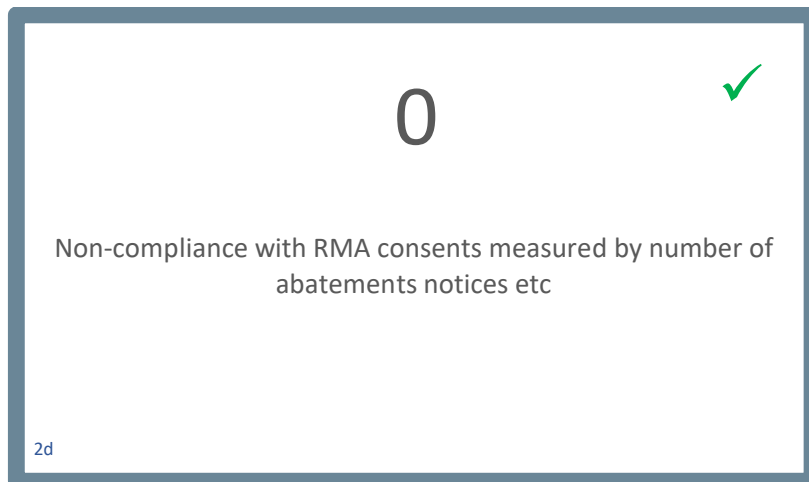
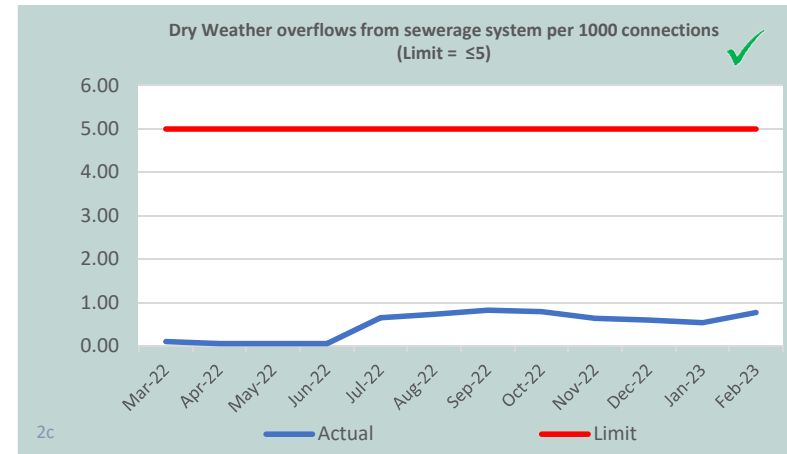
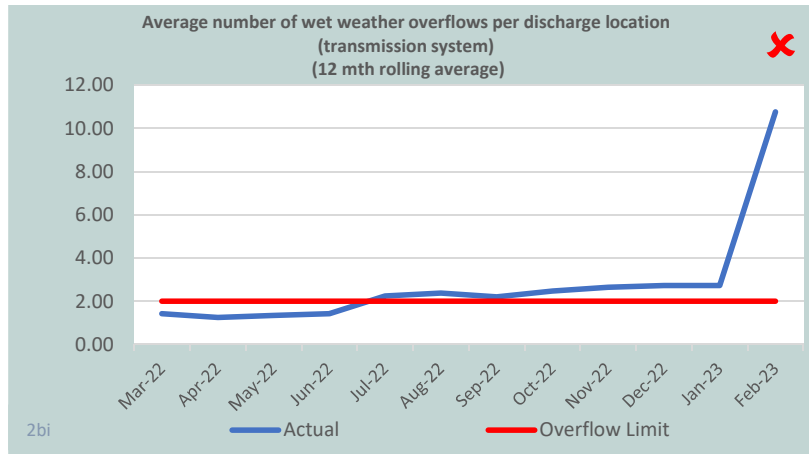
Contract description	Successful supplier
Rapid response vehicle	Herco Trucks and Machinery Limited
Contact Centre as a Service (CCaaS) service contract	Lexel Systems Limited



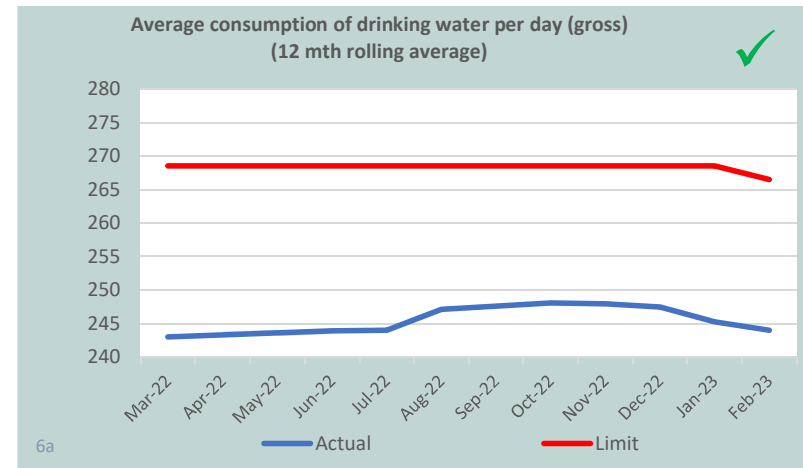
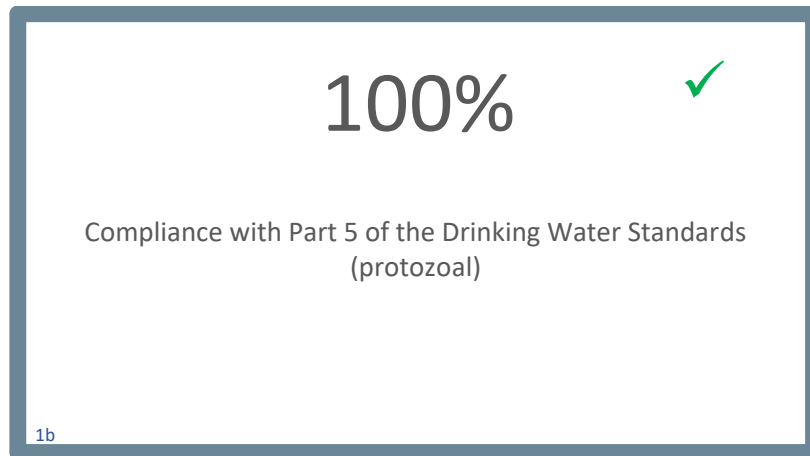
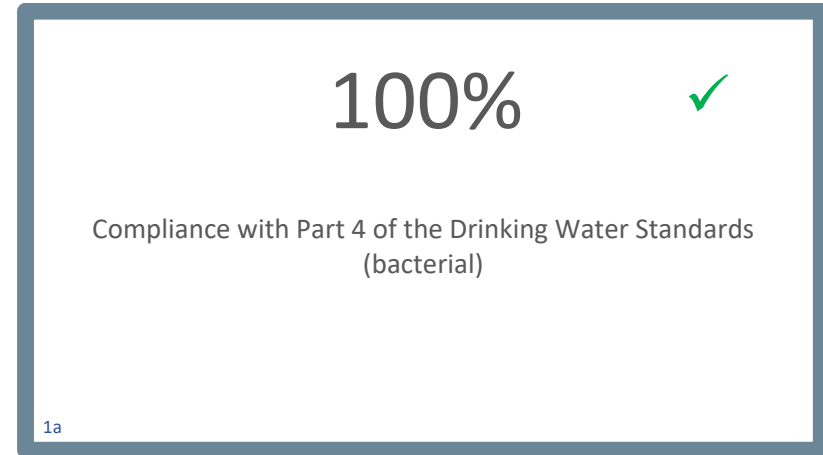
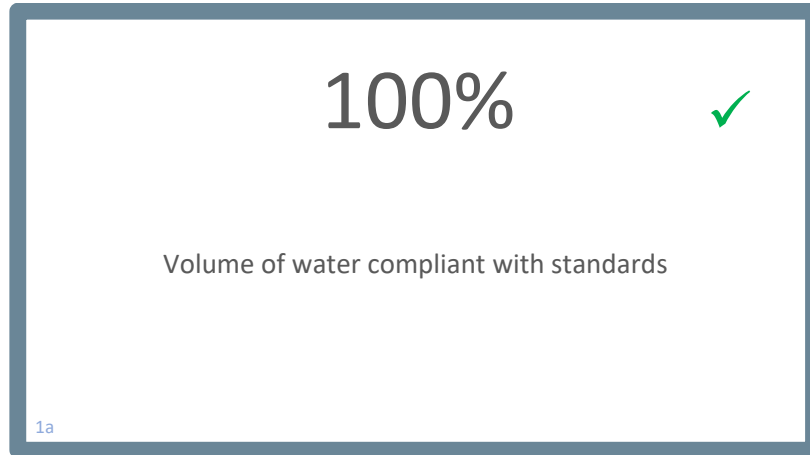
Dave Chambers
Chief Executive

Attachment 1 – Performance against Statement of Intent measures

SOI Measures — Natural Environment

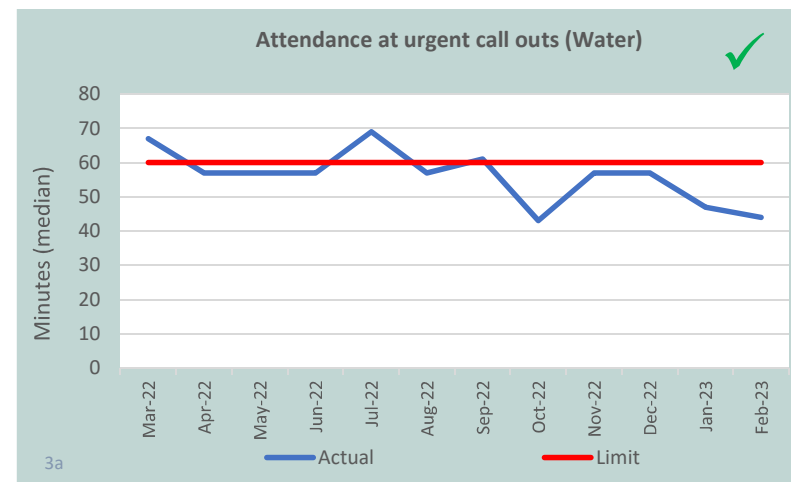
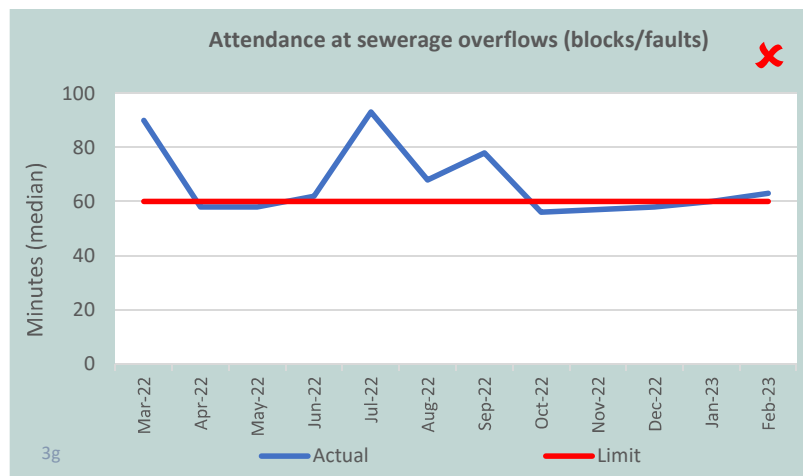
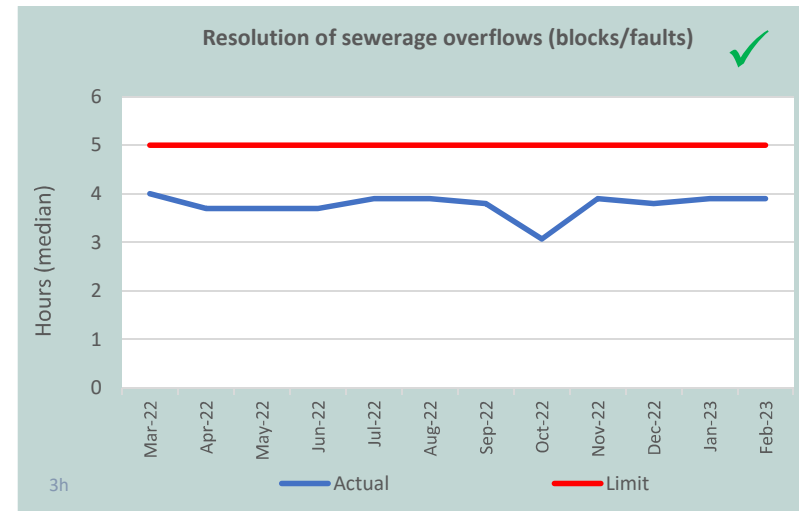
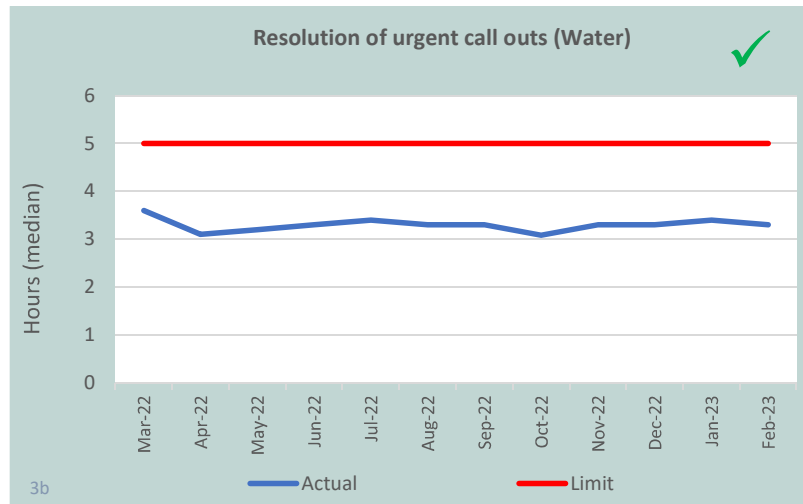


SOI Measures — Assets and Infrastructure



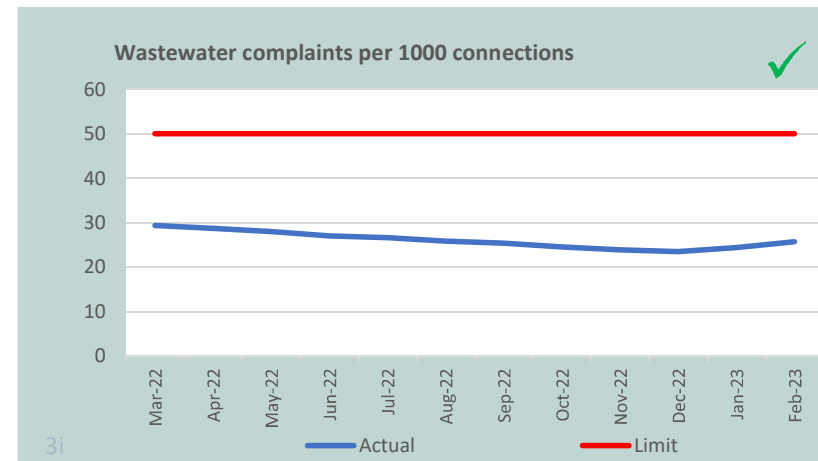
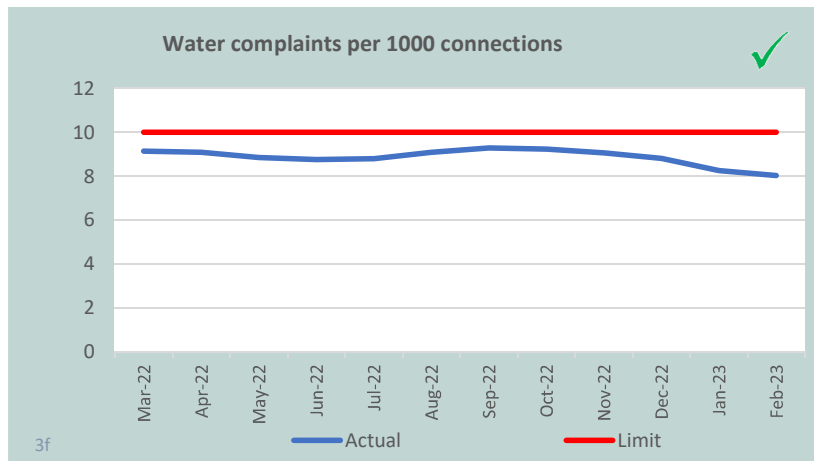
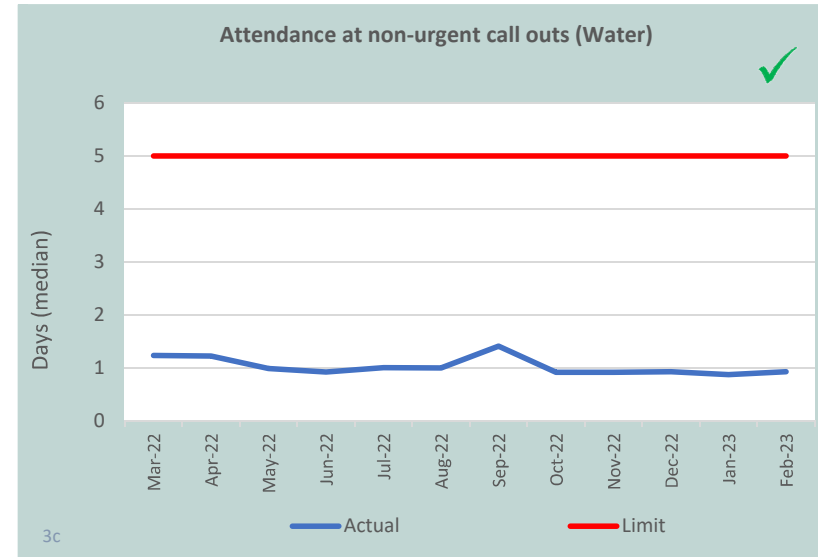
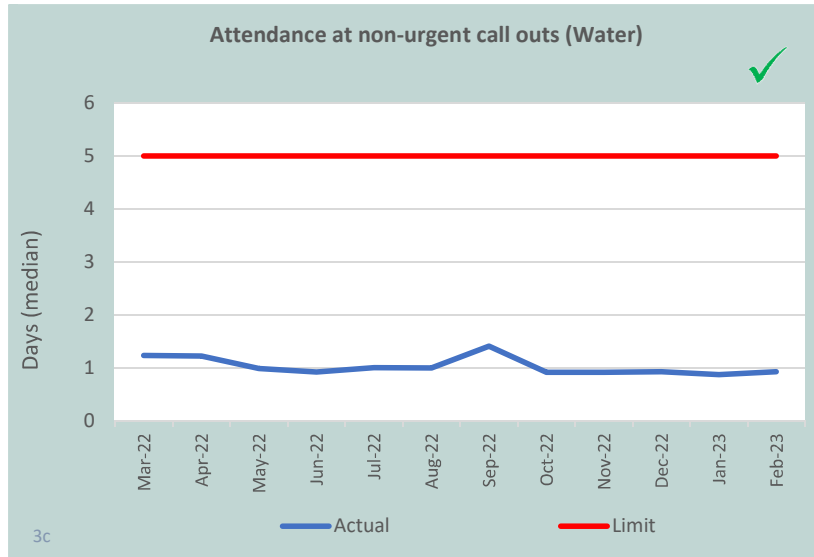
7.1

SOI Measures — Community and Stakeholder Relationships



7.1

SOI Measures — Community and Stakeholder Relationships



Watercare performance measures (unaudited)

No.	Measure	FY23 Target	Actual			Commentary
			February 2023	January 2023	December 2022	
1.	Total recordable injury frequency rate (TRIFR) per million hours worked (12-month rolling average)	<10	19.55%	16.79%	15.8%	
2.	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 Note the assumption is that abatement notices received relates to new notices issued in the financial year.	≤2 ≤2 ≤2 0	0 0 0 0	0 0 0 0	0 0 0 0	
3.	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	244.00	245.26	247.46	
4.	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%	January is the first month of reporting under the new Taumata Arowai regulations. Formal compliance reporting will likely be issued to Taumata Arowai from March 2023 when their systems are ready, with exception reporting until then.
5.	The extent to which the local authority's drinking water supply complies with part	100%	100%	100%	100%	January is the first month of reporting under the new Taumata Arowai regulations. Formal

No.	Measure	FY23 Target	Actual			Commentary
			February 2023	January 2023	December 2022	
	5 of the drinking water standards (protozoal compliance criteria)					compliance reporting will likely be issued to Taumata Arowai from March 2023 when their systems are ready, with exception reporting until then.
6.	Median response time for attendance for urgent water call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (minutes) 12-month rolling average.	≤ 60 mins	44.00	47	43	
7.	Median water 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) 12-month rolling average.	≤ 5 hours	3.35	3.03	3.2	Storm event recorded at the end of January. Resolution of call outs reduced in February as a result of volume of work.
8.	Median response time for attendance for non-urgent water call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (days) 12-month rolling average.	≤ 5 days	0.93	0.87	0.93	Storm event recorded at the end of January. Response time of call outs reduced in February as a result of volume of work.
9.	Median response time for resolution of non-urgent water 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) 12-month rolling average.	≤ 6 days	1.20	1.08	1.22	Storm event recorded at the end of January. Response time of call outs reduced in February as a result of volume of work.

No.	Measure	FY23 Target	Actual			Commentary
			February 2023	January 2023	December 2022	
10.	The total number of complaints received by the local authority about any of the following: a) drinking water clarity b) drinking water taste c) drinking water odour d) drinking water pressure or flow e) continuity of supply f) the local authority's response to any of these issues expressed per 1000 connections to the local authority's networked reticulation system. (12-month rolling average)	≤ 10	8.03	8.26	8.81	Complaints reduced due to the significant volume of proactive communications sent to customers during the storm event.
11.	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) 12-month rolling average.	≤ 60 mins	63	60	58	Storm event recorded at the end of January. Response time of call outs reduced in February as a result of volume of work.
12.	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) 12-month rolling average.	≤ 5 hours	3.3	3.23	3.13	Storm event recorded at the end of January. Response time of call outs reduced in February as a result of volume of work.
13.	The total number of complaints received by the territorial authority about any of the following:	≤ 50	25.74	24.45	23.47	Complaints have not increased as much as expected from the storm event due to the

No.	Measure	FY23 Target	Actual			Commentary
			February 2023	January 2023	December 2022	
	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)					significant volume of proactive communications sent to customers during the storm event.
14.	The percentage of real water loss from the territorial authority's networked reticulation system (12-month rolling average)	≤13%	10.14% (October figure)	10.35% (September figure)	10.44% (August figure)	The percentage of real water loss during October 2022 was 10.14%. 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 reporting is delayed.
15.	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	0.77	0.54	0.60	Calculation revised to include L1 events (previously only L2-L4 priority events were included in this measure). Calculations have been restated for the current financial year (July – December 2022).
16.	Average number of wet weather overflows per engineered overflow point per discharge location (12-month rolling average)	≤ 2 overflows per year	5.9	4.03	2.73	Significant storm events and more frequent rain over the last 12 months have increased the number of overflow events. Note: Prior month corrected.
17.	Leakage performance [#] - litres/connection/day (l/c/d)	107.9 l/c/d	98.49 (October figure)	100.18 (September figure)	100.71 (August figure)	The real water reported this month is for October 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

No.	Measure	FY23 Target	Actual			Commentary
			February 2023	January 2023	December 2022	
						meter readings being completed on a four monthly cycle, non-revenue water loss reporting is delayed.
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 develop submission points to Central Government supporting the use of desalination and purified recycled water as recognised sources of drinking water in New Zealand.	See Commentary	See Commentary	See Commentary	<p>Natural and Built Environments Bill – (“NBA”) and the Spatial Planning Bill (“SPA”) were introduced into Parliament in mid-December 2022.</p> <p>Watercare currently working on developing potential submission points to input into Councils submission. Submission is due late February.</p> <p>The Water Services Legislation Bill (known as “Bill 2”) and the Watercare Services Economic Efficiency and Consumer Protection Bill (known as “Bill 3”) were introduced into Parliament in mid-December. Watercare is currently working on developing its own submission and is due late February.</p>
19.	Employee net promoter score (eNPS)	≥20	N/A	N/A	N/A	Last survey was below target. Survey is carried out two times per year. Survey performed in March will be reported in 31 March SOI pack.
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: 38.18% M: 61.82%	F: 38.36% M: 61.64%	F: 38.32% M: 61.68%	
21.	Employees in fixed term and/or permanent roles, including leadership positions (Tier 3 and above) identify as Māori	6%	4.50%	4.34%	4.15%	

No.	Measure	FY23 Target	Actual			Commentary
			February 2023	January 2023	December 2022	
22.	Safety improvement plans	100% of teams with a HSW Improvement Plan	100%	100%	100%	Improvement plans are in place for all sites and business units.
23.	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 has been developed and launched to inform leaders what constitutes a 'leadership walk'. The H&S team will ensure all T4's 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> <p>Whilst it is a positive concept for corporate culture, going forward this KPI should be refined as it needs to be better targeted to ensure the right managers go to the right locations and can add value by performing their reviews.</p>
24.	Debt to revenue ratio	≤3.61	2.68%	2.68%	2.68%	
25.	Percentage of household expenditure on water supply services relative to average household income	≤ 1.5%	0.83%	0.81%	0.82%	
26.	Formal engagement with mana whenua of Tāmaki Makaurau	Partnering with mana	100%	100%	100%	6 of 10 priority outcomes identified within Kia Ora Tāmaki Makaurau. Initiatives under the following areas are being progressed: 1) Kia Ora te Marae, 2)

No.	Measure	FY23 Target	Actual			Commentary
			February 2023	January 2023	December 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).				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. Given Te Rua Whetu's secondment, it is unlikely this target will increase until such time as Te Rua Whetu have increased resources and capacity to support delivery of Māori outcome priorities.
27.	Ratio of procurement sourced through Māori owned businesses	2%	Total spend 1.88% Direct 0.98% Indirect 0.90%	Total spend 1.89% Direct 1.02% Indirect 0.87%	Total spend 1.97% Direct 1.07% Indirect 0.90%	
28.	Integration/Adoption of Te Reo and Tikanga Māori within Watercare	Ensure all Tier 1-4 job titles	100%	100%	100%	Te Reo Māori translations for all Tier 1 - 4 job titles are complete.

No.	Measure	FY23 Target	Actual			Commentary
			February 2023	January 2023	December 2022	
		include Te Reo Māori translation. and hold a Watercare Tikanga Māori experience for all staff				
29.	Percentage of customer complaints resolved within ten days of notification	≥95%	98.80%	98.80%	98.90%	
30.	Customer Net Satisfaction Score (Previously Net promoter score)	≥45%	48%	49%	51%	This is a 12-month rolling average.
31.	Community trust score	≥55%	58%	58%	57%	This is a 12-month rolling average.
32.	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	45,347 (Q2 result)	45,347 (Q2 result)	45,347 (Q2 result)	Q1-2 GHG performance is 2.5% above target for the projected year value. Noting that 11% of process emissions are extrapolated due to lack of reporting data from the plants. Reported data includes all fleet, electricity, natural gas data, and process emissions for Mangere, Rosedale and Pukekohe WWTPs. Not likely to be achieved for 30 June '23.

Leakage Target for Economic Level of Leakage has now been established and as such two of the lines have been consolidated namely, Leakage Target and Leakage Performance.

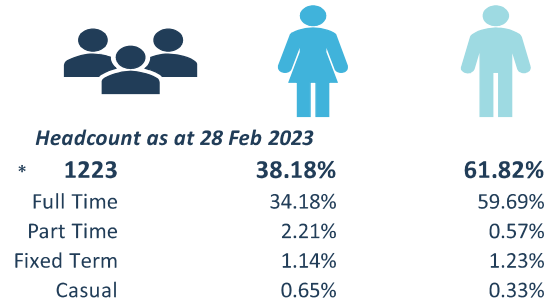
*Note: these targets exclude emissions from Puketutu island as our current measurement methodology does not provide enough accuracy for a performance target. Actions to directly monitor emissions from this source as well as reduce them are being delivered and future SOI's will include these numbers.

Attachment 2

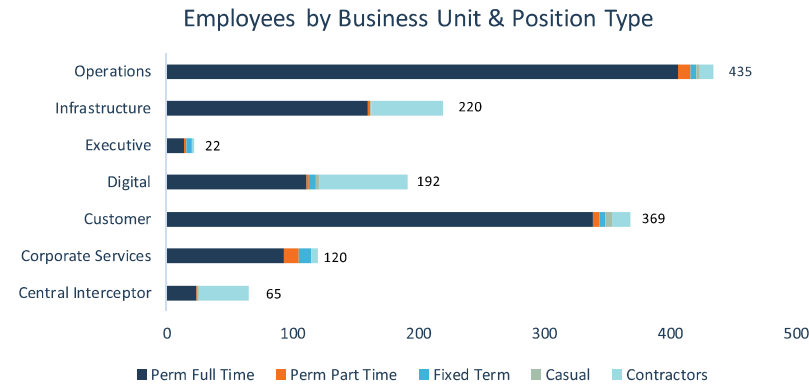
PEOPLE DASHBOARD: February

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

Workforce Snapshot

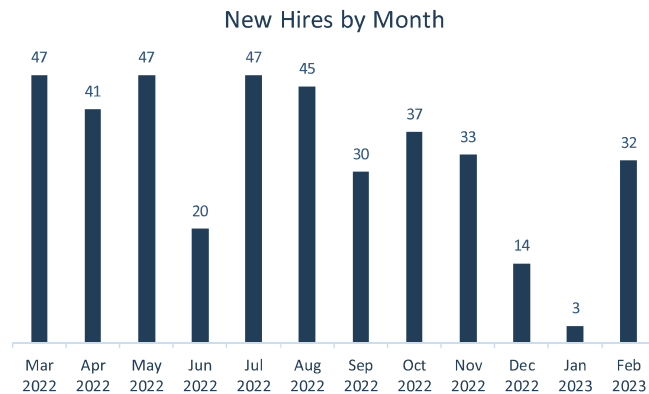


* Contractors and Directors are excluded from the headcount figures above. Long term leave and parental leave employees are included.

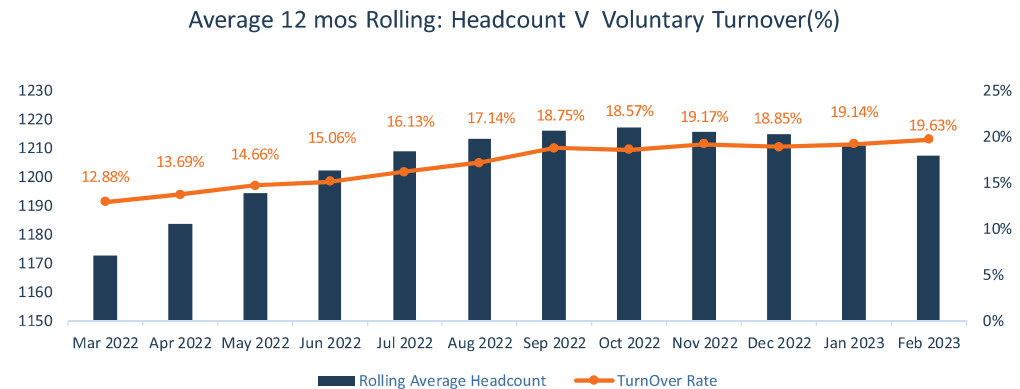


Please note active contractor information is based on data entered into ServiceNow & PayGlobal . The business is currently reviewing contractor processes to enable more accurate capture of information.

7.2

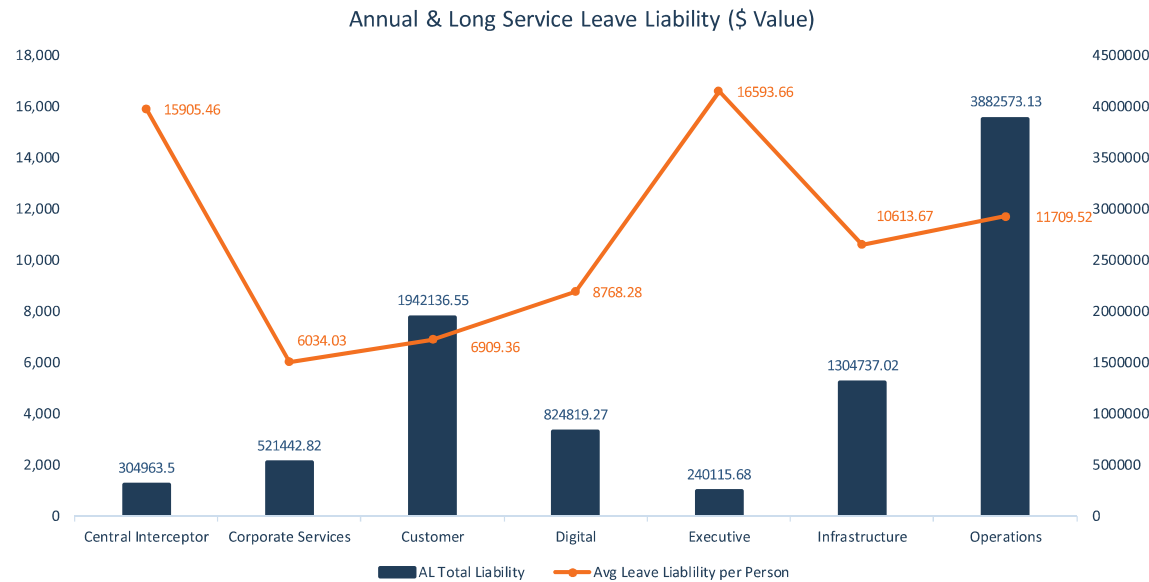


Current vacancies in recruiting process 69, +2 on prior month (8 new, 61 replacement). Hires by gender for February M:53%, F:37.5%, (9.4% - blank).



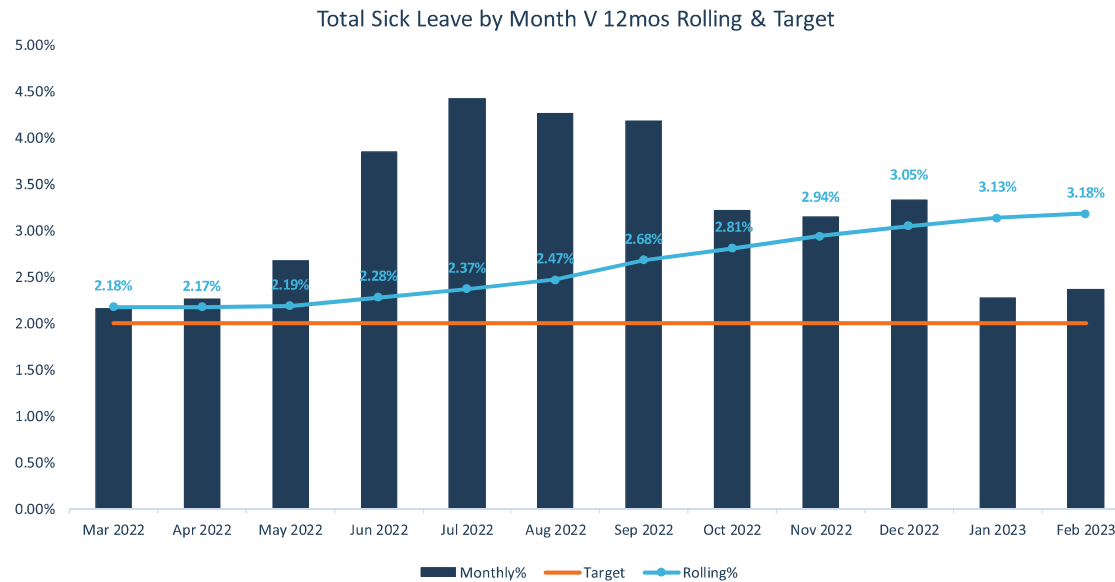
This does not include anyone that has left for reasons other than resignation. Only Permanent employees (full time and part time) are included in the data.

Attachment 2



Includes all full time and fixed term employees.
As at 28 February 2023,
total annual leave liability \$9.02 mil,
total long service leave liability \$2.50 mil - both
showing a continuing downward trend on December
2022.

Average leave liability per person has also continued
to decrease since December 2022.



Both monthly sick leave
percentage and 12mth rolling
have increased slightly
compared to January 2023.

Attachment 3

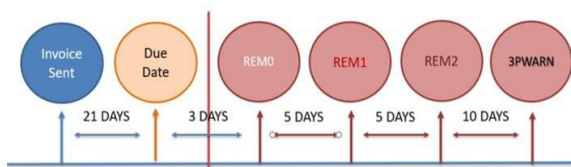
Services offered for financially vulnerable customers

• High bills

- Alerting customers as soon as **higher** than normal **consumption** is identified to avoid bill shock and potential inability to pay;
- These customers are invited to investigate for potential leaks and are eligible for **leak allowance**.
- We offer free in-home audits to reduce consumption through **EcoMatters**.
- Should the high bill not be due to a leak, we offer **payment plans** – customers can now register for this option online to reduce embarrassment factor

• Dunning

- The process is designed to identify vulnerability and offer support throughout the process and we continue to refer to WUCAT
- Restrictions are applied only as a last resort



• WUCAT

- Customers are allocated **case managers**
- Independent budgeting and financial counselling** offered with a view to rehabilitate customers
- Work with other **community advisors and church groups** on budgeting advice, mental wellbeing, domestic challenges - including Māori Women's League
- In extreme cases they can **write off bad debts**

• Increase visibility of services available from other organisations on our website:

- Dialysis patients** – concession provided through DHB can claim up to \$120 every 3 months
- Work and income also provide **provisions based on asset and income testing**
- Auckland Council threshold for **rates rebates** is \$26,510, offering up to \$665 off their bill incl. water

• Additional services for vulnerable customers offered are with dedicated priority assistance phone number:

- Website and Invoices optimised for Text Readers
- Text service notification of faults in your area. All water-off incidents are notified.
- Alerts for staff to identify at-risk customers, dialysis and sensitive sites (Marae/ Tapu) – Field crew identification with Free bottled water delivered
- Chat Services/ Translator Services/ Relay Services
- Nominate another person to manage account
- Free meter checks, reads and smart meters installs
- Self-Read options are available for nominated parties

Energy Sector in NZ offers:

- Payment plans and smooth pay
- Do apply restrictions**
- Pausing debt collection and disconnection during hard times
- Budgeting services
- Energy saving tips
- Medically dependant register
- Free pour hours offered/gifted to help more vulnerable customers

7.3



Attachment 4

7.4

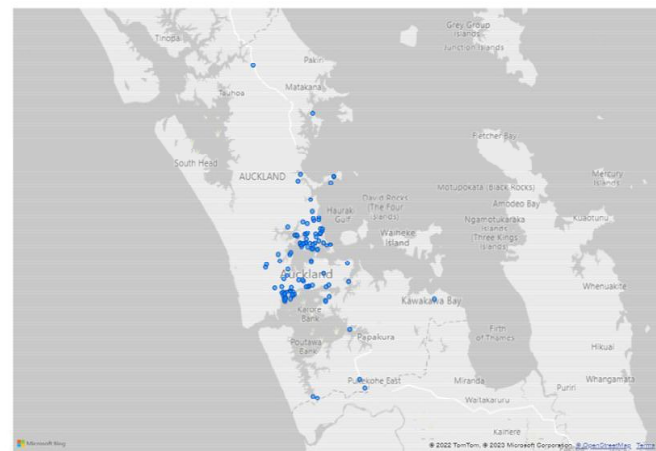
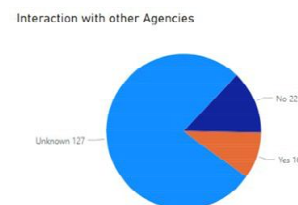
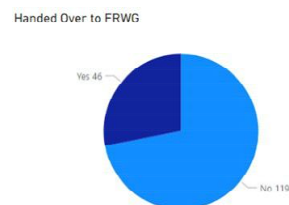
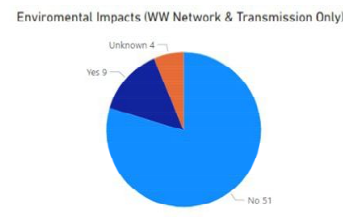
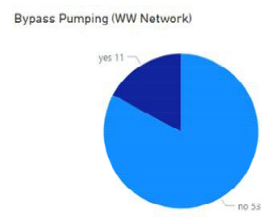
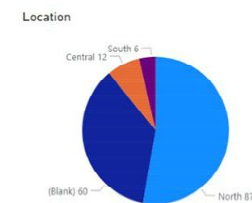
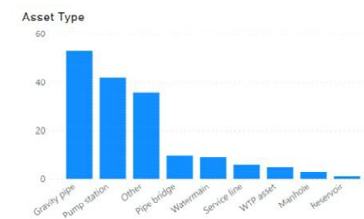
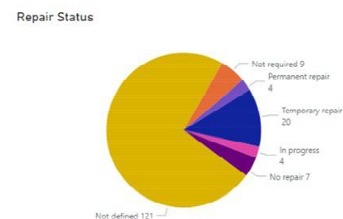
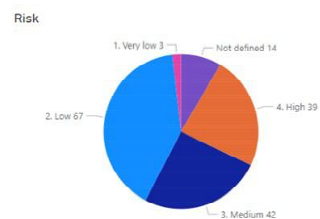
Flood Recovery Working Group - Update

March 2023

Watercare 

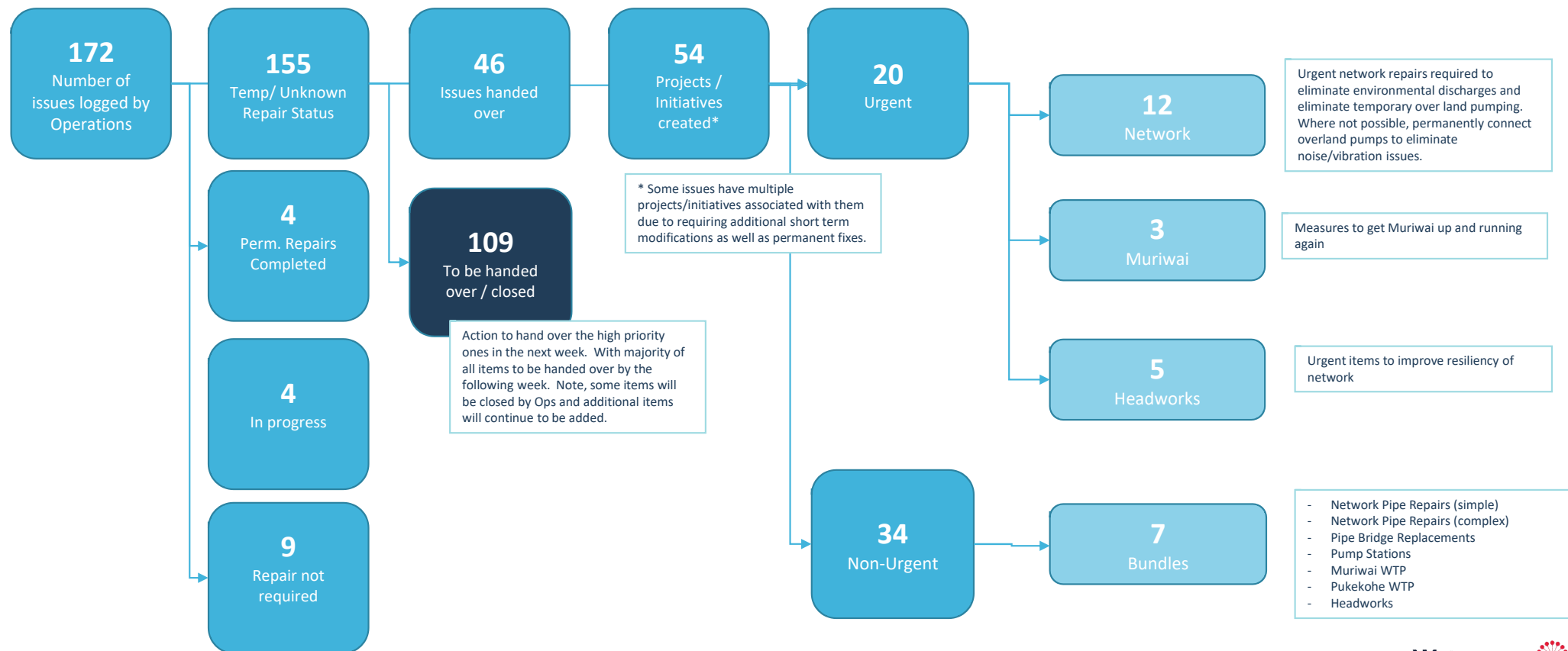
FRWG – Scope of the Issues

- 172 flood damage issues logged
- All issues ranked in terms of priority and risk impact
- 155 of those issues currently have temporary repairs in place
- The remainder have either been repaired permanently, repairs in progress or there is no requirement for a repair
- Majority of our repairs have limited interaction with other council agencies



7.4

FRWG Workflow Status



7.4

Other focus areas

Condition Assessments - Further condition assessments required to assess full extent of damage

- The Asset Integrity team have carried out condition assessments of 31 of 47 complex assets which were known to be flooded/damaged during the weather event
- Condition Assessment team to be supported with specialty external engineers to enable faster CA assessment of assets. Asset condition work will be shared with NTU/DIA
- Further inspections of assets for which condition is not currently known and damage is possible
 - All pipe bridges
 - All assets in/near slips (co-ordination with EQC slip database)
 - All other complex assets

Insurance Claim

- WSL has two insurance claims, above ground assets (with AC) & below ground assets (with Healthy Waters)
- Resource being secured to assist with Insurance Submission
- Working AON to formulate our submission
- Loss assessors currently visiting high value damaged assets
- We are targeting late April for our first submission

Stakeholder Engagement

- Weekly WSL key stakeholder meetings
- Daily Auckland council update meetings
- Regular interaction with AT
- Monthly Steering group meetings

Muriwai

- Since the weather event approximately 50 properties have been serviced by temporary setup
- w/o 16 March 2023, Council advised approx. 60 houses that had been red placarded were going to change to yellow/white in the coming week, in response:
 1. Modifications are being made to the temporary setup to ensure its fit for purpose for the additional numbers
 2. Plan being put together to recommission of parts of the network that have been isolated since the event
 3. Comms to homeowners to communicate that it may take up to 7 days to reconnect properties
- Long term it is possible that the current WTP site will need to be abandoned, in response we are:
 1. Investigating if Gunn Springs will be sufficient to supply a new packaged WTP
 2. Taking early steps to begin the process of planning a new WTP if Gunn springs proves sufficient



7.4

Risks & Issues

7.4

Not all simple fixes and solutions

- Although temporary repairs have been put in place, permanent solutions are likely to take some time owing to various reasons:
 1. Permanent fixes requiring new alignments due to land loss
 2. Co-ordination with private land-owners land remediation
 3. LP Sewer solutions
 4. Consenting timeframes
- Extent of damage is still not fully known or understood
- Considered approaches to long term solutions required to ensure:
 1. Alignment with the AMP
 2. Adaptation considerations are made where appropriate

Attachment 5**Non-compliance with resource consents**

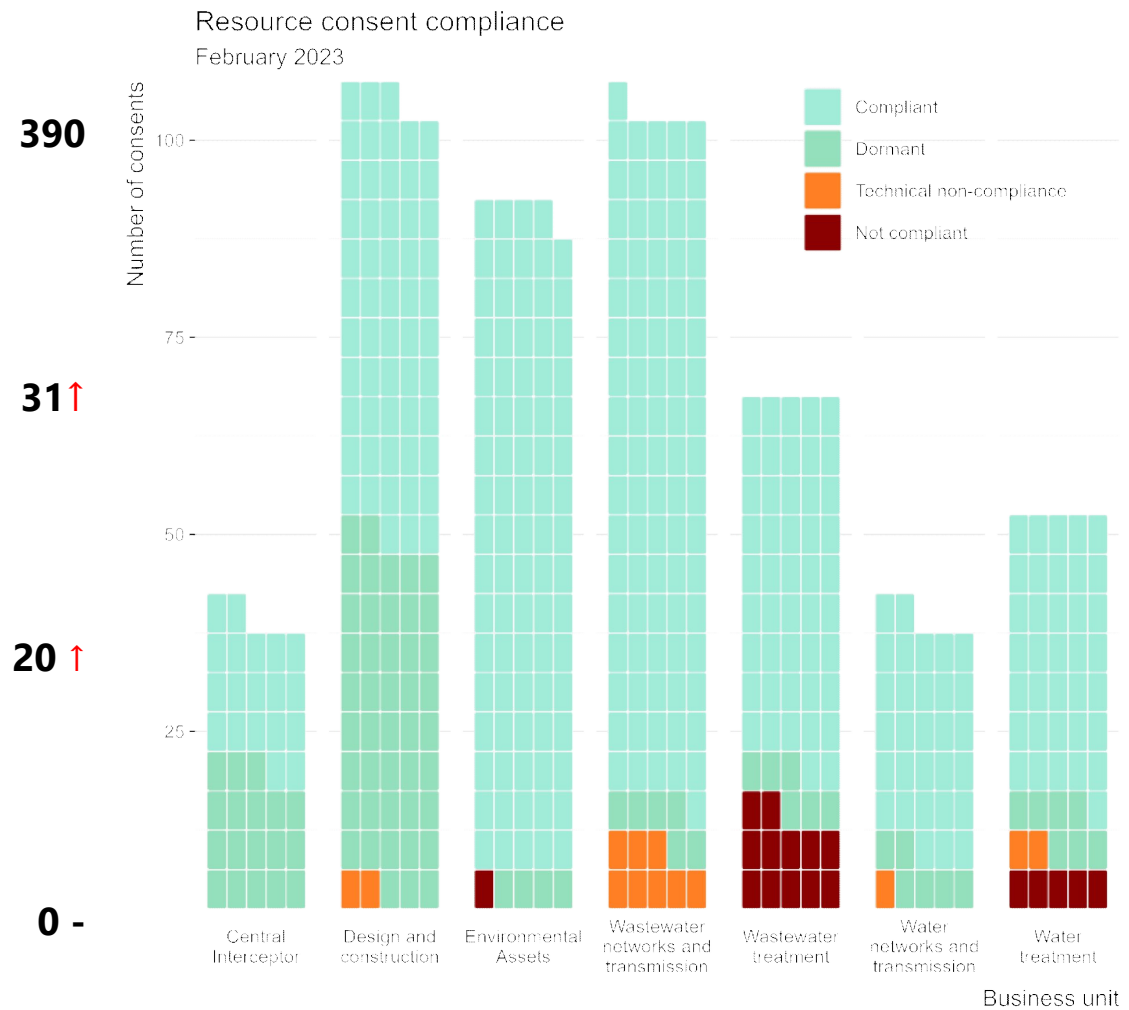
Rating	Detail
Category 1	Watercare has complied with the consent condition.
Category 2	Watercare has not complied with the consent condition. Watercare has assessed the non-compliance as technical or having no more than a minor adverse effect.
Category 3	Watercare has not complied with the consent condition. Watercare has assessed that non-compliance has the potential to result in minor adverse effects on the environment. Alternatively, since the last audit, there is evidence of repeat Category 2 non-compliance.
Category 4	Watercare has not complied with the consent condition. Watercare has assessed the non-compliance as having the potential to cause significant adverse effects on the environment. Alternatively, since the last audit, there is evidence of repeat Category 3 non-compliance.

Active resource consents in February 2023

Consents with non-compliances in February 2023

Rolling 6-month average (non-compliant consents)

Consents under enforcement in February 2023



Significant non-compliances for February 2023 (excludes technical non-compliances)

Facility/Asset	Consent	Condition(s)	Issue(s)	Actions and Commentary	Potential consequence
Army Bay WWTP	DIS60331146	6	UV dose not maintained	Continued issues with solids carryover affecting performance. The business case for a screens upgrade has been submitted and awaiting final approval. Conceptual design for Stage 1 upgrades commences in July 2023	Moderate (Council may grade 3): Long-term and repeat issue.
Beachlands-Maraetai WWTP	DIS60263339	2	Breach of maximum daily volume limit	Consent breach due to extremely high inflows following Cyclone Gabrielle event.	Minor - Moderate (Council grade 2-3): Extraordinary circumstances and any effects on receiving environment minor compared to effects of region-wide flooding. However, any breaches this winter may come under increasing scrutiny.
Clarks Beach WWTP	R/REG/2015/4227-A / DIS60084111	18	Occasional high faecal coliforms mean a breach of the 12-month rolling 92%ile limit for this parameter. Not compliant in February (one high sample).	The plant will return to full compliance if no further high results through to May 2023. The Southwest WWTP will replace this treatment plant.	Minor (Council grade 2): The issue relates to historical high results.

Facility/Asset	Consent	Condition(s)	Issue(s)	Actions and Commentary	Potential consequence
Denehurst WWTP	REG-65084 / DIS60048047	9; 11	Irrigation field over-loaded during Cyclone Gabrielle	Response to extremely high inflows during the Anniversary flood event and subsequent cyclone	Minor: Extraordinary circumstances and any effects on receiving environment minor compared to effects of region-wide flooding
Helensville WWTP	22225 / DIS60265455	6	Breach of annual average volume limit	Exceedingly high effluent volumes in July 2022 and January-February 2023 meant a breach of the rolling annual average. A return to compliance relies on dryer weather and ongoing ingress & infiltration (I&I) improvement programme	Moderate (Council may grade 3): WWTP was under abatement notice, but should return to full compliance
		7,17	Historical issues. High ammoniacal nitrogen in the discharge. High <i>Escherichia coli</i> during by-pass events. Compliant in February.	Action underway. Upgrade project due for completion in March 2023. Because the limits use rolling 12-month calculations, full compliance will not occur until April 2024.	

Facility/Asset	Consent	Condition(s)	Issue(s)	Actions and Commentary	Potential consequence
Māngere WWTP	30083 / CST80294146	30	No control of fugitive (odour) emissions during biofilter replacement	<p>The enabling works for the Central Interceptor project include the upgrade of an earth filter. The project team took this biofilter out of commission, but the inlet was not properly isolated. As a result, significant volumes of odorous air went into the atmosphere without any treatment or control.</p> <p>The project team isolated the inlet in early March.</p>	Minor (Council grade 2): The issue is resolved.
Omaha WWTP	DIS60050606; DIS60050490		Bypass of secondary treated water to the land to protect the polishing/storage dam.	<p>Response to extremely high inflows that began with the Anniversary flood event and continued through Cyclone Gabrielle.</p> <p>No significant upgrades are currently allowed for in AMP. Interim solutions for this winter are under review. An assessment of longer-term solutions will commence in 2023-2024.</p>	Moderate-High (Council may grade 3 or 4): While there were extraordinary circumstances and any effects on receiving environment were minor compared to effects of region-wide flooding, there was a similar issue last winter, and the plant remains vulnerable to rain events.

Facility/Asset	Consent	Condition(s)	Issue(s)	Actions and Commentary	Potential consequence
Papakura WTP	DIS60375065	28	Exceedance of discharge quality standards	Poor discharge quality during the restart of commissioning. Ecological response measures enacted and confirmed no discernible downstream effects.	Minor (Council grade 2): The issue was a one-off.
Puketutu Island Biosolids Facility	34086 / DIS60266942	112	Contamination of stormwater with leachate	The issue occurred during the flood event, with a valve accidentally left open. Leachate suckered out in early February. Council and mana whenua are aware of the incident.	Minor-Moderate: (Council may grade 2 or 3): The event occurred during extraordinarily heavy rain.
Snells WTP	37993 / WAT60275761; 37953 / WAT60274031	17	Environmental monitoring was not possible	Sampling pumps, sourced in 2022, are not fit for purpose. A review of alternative methodologies is underway.	Minor-Moderate (Council grade 2-3): Repeat annual non-compliance.
Waikato WTP	AUTH137497.01.01; AUTH142778.01.01	5	High sediment in discharge – breach of concentration and load limit	Unusually high sediment load in the river (intake) meant that wash cycles produced more sediment than normal. In addition, process issues due to poor river water quality (high organics) have meant the need to bypass raw river water that does not meet the discharge standards for off-spec water.	Minor (Council grade 2): Non-compliance related to environmental factors, not treatment plant processes

Facility/Asset	Consent	Condition(s)	Issue(s)	Actions and Commentary	Potential consequence
Waiuku WWTP	DIS60334129	14	Routinely high historical inorganic nitrogen concentrations in the discharge during winter/spring mean rolling 12-month limits not met. Compliant in February.	Issue from November – April when consent limits are tighter. A lack of light and low temperatures in overcast (wet) conditions limits treatment efficacy. A known problem of aging treatment technology. The Southwest WWTP will replace this treatment plant.	Minor-Moderate (Council grade 2-3): Repeat annual non-compliance.
Waiwera WWTP	907537a / CST60263133	2	Breach of consented date window (no discharge 15 December – 1 February)	Response to extremely high inflows during the Anniversary flood event and Cyclone Gabrielle	Minor (Council grade 2): Extraordinary circumstances and any effects on receiving environment minor compared to effects of region-wide flooding
Warkworth WWTP	REG-67905 / DIS60050164 / DIS603386349	8	High total suspended solids concentration in discharge meant a breach of the rolling 12-month median limit. Not compliant in February	The trial solution for sludge thickening control has not been as successful as hoped. Alternative options remain under review.	Moderate (Council grade 2-3): Repeat issue.

Facility/Asset	Consent	Condition(s)	Issue(s)	Actions and Commentary	Potential consequence
Wellsford WWTP	DIS60068492	24	<p>High faecal coliforms in discharge. This issue occurs because a bottleneck at the ultrafiltration process forces by-passes to old wetlands during periods of heavy rain.</p> <p>Not compliant in February.</p>	Full upgrade due by November 2025 when tighter standards will apply. The design contract has been signed. The construction start is currently under commercial negotiation.	Moderate (Council grade 2-3): Repeat annual non-compliance.

Attachment 6

Upcoming Bills, Government Reforms/Programmes/Policies, Council Plan Changes/Policy Initiatives	Potential implications on Watercare and any associated Watercare actions	Expected date of release/enactment/submissions due	What will Watercare be doing? Filing submissions? Providing Council feedback? Attending hearing?	Who will hold the pen?	Who in Watercare has been / needs to be involved?	High/Medium/Low impact?
Urban Intensification ("Tier 1" Councils) – MfE National Policy Statement for Urban Development (NPS-UD), and Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021 <ul style="list-style-type: none"> Auckland Council is developing their Plan Change to give effect to these two initiatives. Watercare has been invited to contribute to the plan change. 	Increased intensification without requiring a resource consent (as a permitted activity) puts Watercare at risk of breaching our existing level of service and network discharge consent conditions due to being unaware of where, and when, growth is occurring in advance. Watercare, AT and HW have been working with Auckland Council to develop Council's plan change.	Submissions to these intensification related plan changes closed end of September 2022.	Hearings are proposed to begin approximately mid-2023. Watercare is currently preparing its evidence. Expert conferencing and mediation expected to begin Feb/March	Infrastructure	Policy, Infrastructure, Ops, S&P	Medium
Three Waters Reform Programme – DIA <ul style="list-style-type: none"> Water Services Entities Bill 2022. ("Bill 1") Now an Act – Royal assent, 14 Dec 2022 Water Services Legislation Bill ("Bill 2") – First Reading, Dec 2022 – At Select Committee stage. Water Services Economic Efficiency and Consumer Protection Bill ("Bill 3") – First Reading, Dec 2022 - At Select Committee stage. Associated – Consultation on Taumata Arowai's - Second Tranche of Drinking Water and Wastewater Network Environmental Performance Measures.	Watercare is develop its submission points. Impacts are wide ranging. Note we have already submitted into previous Water Services related Bills with Auckland Council, namely, the bills that established the regulatory authority Taumata Arowai. Will impact Watercare's and Healthy Waters reporting requirements and operations	Submissions close: <ul style="list-style-type: none"> "Bill 2" 24 February 2023 "Bill 3" 24 February 2023 Submissions on second tranche of Performance Standards closed December 2022 Third tranche consultation due to open mid-2023	Watercare made its own submission and presented to the Select Committee.	Policy	All	High
Government Climate Change Work Programme – MfE	Many potential impacts on Watercare's (and Council's) future climate change adaptation and GHG emissions reduction plans.	Submissions have closed	Watercare contributed submission points	Policy	Policy, Sustainability,	Medium

Upcoming Bills, Government Reforms/Programmes/Policies, Council Plan Changes/Policy Initiatives	Potential implications on Watercare and any associated Watercare actions	Expected date of release/enactment/submissions due	What will Watercare be doing? Filing submissions? Providing Council feedback? Attending hearing?	Who will hold the pen?	Who in Watercare has been / needs to be involved?	High/Medium/Low impact?
Key documents under the Climate Change Response Act 2002 and the Climate Change Response (Zero Carbon) Amendment Act 2019 were released in mid-2022: <ul style="list-style-type: none"> Three emissions budgets for 2022-'25, 2026-'30, and 2031-'35 The Emissions Reduction Plan (ERP) Updated Emissions Trading Scheme (NZ ETS) Draft National Adaptation Plan (NAP) to help resilience to climate change 		Will keep a watching brief over the implications of these documents	into Councils submissions		Infrastructure, Ops, S&P, Finance	
Resource Management (RM) System Reform – MfE <ul style="list-style-type: none"> Natural Built and Environments Act (Bill) (NBA) Strategic Planning Act (Bill) (SPA) and Climate Adaptation Act (Bill) (CAA) 	Potentially large implications for Watercare's planning, AMP, and resource consenting processes.	Submissions due: <ul style="list-style-type: none"> NBA – Late February 2023 SPA – Late February -2023 CAA – expected First Reading, late 2023 	Watercare has contributed submission points to Council	Policy	Policy, Infrastructure, Ops, S&P, Finance	High
Essential Freshwater Package – MfE Auckland Council - and all other regional councils and unitary councils – need to effect to the NPS-for Freshwater Management (NPS-FM) <ul style="list-style-type: none"> Fundamental concept – Te Mana o te Wai National Policy Statement for Freshwater Management 2020 (NPS-FM) – Auckland Council is engaging. 	This plan change is likely to have major implications in relation to water allocation methodology and how freshwater limits/standards will be set.	Public notification from Regional and Unitary councils of respective plan change is required by Dec 2024	Auckland Council have invited Watercare to contribute to their water quality/quantity plan change. Watercare is working with Auckland Council and have a seat on the Steering Group and Technical Group.	Policy	Policy, Infrastructure, Ops, S&P, Finance	Medium to High

Upcoming Bills, Government Reforms/Programmes/Policies, Council Plan Changes/Policy Initiatives	Potential implications on Watercare and any associated Watercare actions	Expected date of release/enactment/submissions due	What will Watercare be doing? Filing submissions? Providing Council feedback? Attending hearing?	Who will hold the pen?	Who in Watercare has been / needs to be involved?	High/Medium/Low impact?
Essential Freshwater Package – (NPS-FM) - MfE Waikato Regional Council (WRC) – Freshwater Policy Review <ul style="list-style-type: none"> Waikato Regional Council has begun its Community & Stakeholders Engagement, Round 1 – mid 2022 Round 2 – mid-2023 	Watercare will need to engage with Waikato Regional Council as this plan change to their Regional Policy Statement and Regional Plan is rolled out. This plan change is likely to have major implications in relation to water allocation methodology and how freshwater limits/standards will be set.	Engagement round 1 – May to July 2022 Engagement Round 2 – May to July 2023 Plan change notified Dec 2024	Watercare is a member of the Water Users Liaison Forum and will contribute as a stakeholder.	Policy	Policy, Infrastructure, Ops, S&P, Finance	Medium to High
Essential Freshwater Package – (NPS-FM) - MfE Northland Regional Council (NRC) <ul style="list-style-type: none"> The Northland Regional Council has begun its engagement by setting up two advisory groups 	Given the three-waters reforms, Watercare will have an interest in how NRC will review its Regional Policy Statement and Regional Plan to give effect to the NPS-FM.	We are unclear on NRC's next engagement steps.	TBC	Reform team.	TBC	Medium
Water Availability and Security Programme – MPI <ul style="list-style-type: none"> Water Availability and Security in Aotearoa New Zealand - Information Paper – August 2021 	Recommended next step for MPI to develop an action plan for NZ. Waikato Regional Council is planning for a "Water Security Strategy for the Waikato Region -Action Plan". Potential implications for Watercare.	TBC	TBC	TBC	TBC	Medium
Indigenous Biodiversity – DOC <ul style="list-style-type: none"> Aotearoa New Zealand Biodiversity Strategy 2020 (released mid-2020) Aotearoa New Zealand Biodiversity Strategy Implementation Plan (released April 2022) National Policy Statement for Indigenous Biodiversity (NPS-IB) (upcoming) 	The NPS-IB is likely to have significant implications for Watercare, especially in relation to future renewals, maintenance and upgrade works in areas of high biodiversity value.	Submissions to the Exposure Draft of National Policy Statement for Indigenous Biodiversity (NPS-IB) were called for mid-2022. Gazetted NPS-IB is expected early 2023.	Watercare contributed submission points to Auckland Councils submission. Will identify implications of gazetted NPS-IB on Watercare when gazetted	Policy	Policy, Infrastructure, Ops, S&P, Finance	Medium to High
Review into the Future for Local Government – Draft Report	Watercare has been invited to contribute to Auckland Council's Working Group. Unclear on any potential outcomes on Watercare.	Submissions to Draft Report close 28 February 2023	Working with Council and CCOs	Policy	Policy, Finance	Low

Upcoming Bills, Government Reforms/Programmes/Policies, Council Plan Changes/Policy Initiatives	Potential implications on Watercare and any associated Watercare actions	Expected date of release/enactment/submissions due	What will Watercare be doing? Filing submissions? Providing Council feedback? Attending hearing?	Who will hold the pen?	Who in Watercare has been / needs to be involved?	High/ Medium /Low impact?
<ul style="list-style-type: none"> Auckland Council Working Group has been set up to make a submission to the Draft Report 						
Infrastructure Commissions 30-Year Final Infrastructure Strategy – 2022-2052 <ul style="list-style-type: none"> Draft delivered, May 2022 – Government responded September 2022 Final Strategy released late 2022 	Watercare, with Auckland Council, forwarded a submission. The strategy includes a number of recommendations, many of which are water specific. Watercare will undertake a review of potential impacts and update the board late 2022 once the strategy is finalised and adopted.	Closed early 2022	Watercare supplied submission points to Auckland Councils submission. Final Strategy has been released	Policy	Policy, Infrastructure, Ops	Low
Waste System Reform - MfE <ul style="list-style-type: none"> New Aotearoa New Zealand Waste Strategy -Consultation due early 2023 New waste related legislation is proposed (to replace Waste Minimisation Act 2008) – expected mid 2023 	Implications of upcoming Strategy, and any resultant legislation, likely to impact Watercare's sludge, biosolids, construction waste disposal aspirations.	Submissions to draft Strategy expected early 2023. Any resultant bill submissions, likely mid-2023.	Watercare will consider developing submission points.		Ops	Low
Per- and polyfluoroalkyl substances (PFAS) National Environmental Management Plan (PFAS NEMP) version 3.0 for public consultation	May impact Watercare's future biosolids disposal aspirations	Public submissions close 28 February 2023	Watercare made its own submission	Policy	Ops	Low to Medium
New Zealand Freight and Supply Chain Strategy <ul style="list-style-type: none"> Te rautaki ueā me te rautaki whakawhiwhinga o Aotearoa New Zealand freight & supply chain issues paper – 30 years 	Implications will be considered when Draft Strategy arrives.	Submissions closed June 2022 Draft Strategy was due August 2022 – nothing arrived	Watercare didn't provide submission points Will keep a watching brief	Procurement	Procurement	Medium
Revitalising the Gulf Government action on the Sea Change Plan - Government Strategy in response to the Sea Change – Tai Timu Tai Pari – Hauraki Gulf Marine Spatial Plan - DOC	Potential implications on our assets (future maintenance, upgrades) on Watercare's wastewater outfalls within the Hauraki Gulf	Submissions closed October 2022	Watercare contributed to Auckland Council submission	Policy	Infrastructure	Low

Upcoming Bills, Government Reforms/Programmes/Policies, Council Plan Changes/Policy Initiatives	Potential implications on Watercare and any associated Watercare actions	Expected date of release/enactment/submissions due	What will Watercare be doing? Filing submissions? Providing Council feedback? Attending hearing?	Who will hold the pen?	Who in Watercare has been / needs to be involved?	High/Medium/Low impact?
Emergency Management System Reform <ul style="list-style-type: none"> Proposed to replace the Civil Defence Emergency Management Act (2002) (the CDEM Act) with the "Emergency Management Bill" 	Likely to have implication for Watercare	No submission period yet announced	Watercare to keep a watching brief	Policy	Infrastructure	Low
Government's response to UN Declaration on the Rights to Indigenous Peoples (UNDRIP) – Te Puni Kōkiri	Government has halted any further consultation	None	TBC	TBC	TBC	Medium
Marine and Coastal Area (Takutai Moana) Act 2011 (MACA)	Settlements are still working through the High Court. Settlements may have implications on Watercare's coastal assets, and wastewater treatment plant discharges. Will report any updates.	Currently active	TBC	TBC	TBC	Low - Medium
Energy Strategies for New Zealand The government's energy strategies will set the policy direction and priorities for the NZ energy sector and focus on transitioning to net zero carbon emissions by 2050 – being worked on: <ul style="list-style-type: none"> Aotearoa New Zealand Energy Strategy Gas Transition Plan New Zealand Energy Efficiency and Conservation Strategy (Expires mid 2022) Renewable energy strategy work programme 	The Strategies and plans will be reviewed to determine the impacts on Watercare.	TBC	TBC	TBC	TBC	Low
Digital Strategy for Aotearoa Discussion document was released late 2021 2022–23 Action Plan for the Digital Strategy for Aotearoa is proposed	Watercare did not provide a submission. May have future implications for Watercare and WSE's.	-	-	-	-	Low
Auckland Council currently developing a 100-year adaptive policy	Focus - Water-related impacts of climate change.	Delivery 2025 – 2028	TBC	TBC	TBC	Low

Upcoming Bills, Government Reforms/Programmes/Policies, Council Plan Changes/Policy Initiatives	Potential implications on Watercare and any associated Watercare actions	Expected date of release/enactment/submissions due	What will Watercare be doing? Filing submissions? Providing Council feedback? Attending hearing?	Who will hold the pen?	Who in Watercare has been / needs to be involved?	High/Medium/Low impact?
	Responding to water-related climate change issue. Adaptive (100 year) policy to be developed We expect Watercare will be invited to contribute.					
Worksafe H2S limits	A reduction in H2S limits is being proposed by Worksafe NZ. These limits could result in costs to make work environments have greater ventilation or less H2S. Watercare is performing work to understand the new limit implications before they are implemented in November 2022.	November 2022.	No submission expected. Australian entities have performed a significant amount of work and Watercare will leverage this.	N/A	H&S, Ops, Strategy	Medium
Fluoridation – Ministry of Health	Watercare has been informed that Fluoridation of all water supplies is being mandated.	June 2023	No submission required.	N/A	Infrastructure & Strategy	Medium

Board meeting | 4 April 2023
Public session



Health, safety and wellbeing update

For discussion

Te pou whenua tuinga / Document ownership

Prepared by

Bronwyn Struthers
Head of Health, Safety and Wellbeing

Recommended by

Jamie Sinclair
Chief Corporate Services Officer

Submitted by

Dave Chambers
Chief Executive Officer

1. Te tūtohunga / Recommendation

We recommend that the Board notes and discusses this report.

2. Whāinga / Purpose

This report provides a comprehensive overview of health, safety and wellbeing at Watercare.

3. Kōrero pitopito / The details

3.1 HSW Governance

- The Business Leaders' Health and Safety Forum (BLHSF) have completed a study into HSW Governance in New Zealand and have launched a guidance document for officers supported by a detailed report. These documents have been endorsed by both WorkSafe and NZIoD as good practice and an information session on this kaupapa is recommended as CPD for officers. An information session is being run during our HSW CEO Hui on 5 May 2023.

This kaupapa recognises that kaimahi hauora (health and wellbeing) and haumaru (safety) are positive outcomes of work going well. In April, Watercare's executive will determine the key elements that need to be present for work to go well. Therefore, we can be alert to any elements that need focus proactively.

There will be an update on this kaupapa in the May Board meeting.

- There were seven recordable injuries to Watercare kaimahi in February 2023. This increase corresponds with an increase in incidents all together.

Importantly, there were no high-potential events and none of the recordable injuries resulted from exposure to critical risks. This supports our focus on continual improvement of critical risk controls.

3.2 HSW metrics – February 2023

Incident metrics

	Note	Feb- 23	Jan- 23	Dec-22	Nov-22	Oct-22	Sep-22	Aug-22	Jul-22	Jun-22	May-22	Apr-22	Mar-22
No. of recordable injuries	1	8	6	3	3	7	5	4	9	6	8	8	8
Critical risk/all incidents	2,3	12/73	4/49	4/29	16/58	17/45	7/40	8/54	18/62	17/74	20/76	14 /60	5/64
High-potential critical events	2	-	-	1	-	-	1	-	-	1	-	-	1

- In February 2023, there were seven recordable injuries to Watercare staff and one to contractors.
 - Four recordable injuries to Watercare staff resulted in time away from work: Three were from same-level falls, including one where a kaimahi slipped on the stairs at Newmarket and fractured their arm. The fourth injury was an eye irritation following a kaimahi wiping their eye with a dirty glove.
 - One injury required medical treatment for muscle strain
 - Two kaimahi were on restricted duties following injuries sustained from manual tasks
 - The contractor injury was a hand injury requiring medical treatment
- Of the 73 incidents recorded in February, nine required first aid on site, three needed no treatment and 53 did not result in injury.
- Critical Risk Exposures: There were no high potential critical incidents or close calls in February. There were twelve incidents involving critical risks, two of which required first aid treatment on site.

Hazardous materials 5

- Two incidents involving leaking gas that was detected by safety equipment and action taken to manage.
- Three incidents involved splashes of product during work tasks that were washed and managed on site.

Mobile plant 5

- Two incidents involved unstable ground when working. When this was detected, the work was postponed until safe work could continue.
- In one incident, a golf-cart battery overheated and had to be replaced.
- One incident involved a portable pump overheating and catching fire which was put out by the fire extinguisher carried in the vehicle.

Electricity 1

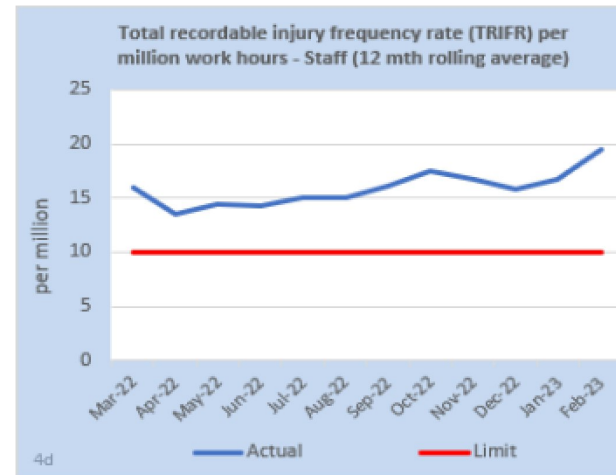
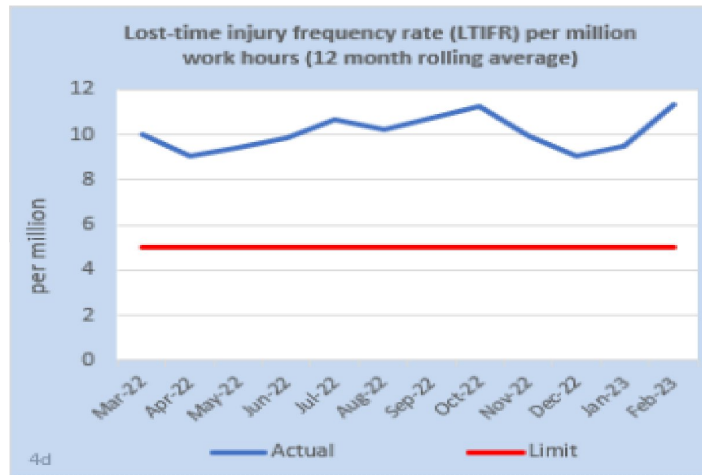
- A meter-box was found to be energized during a read. Electricity provider attended and fixed issue.

Service Strike 1

- An overhead line was pulled down on a site in the road corridor. The line was not live and there were no injuries or other damage.

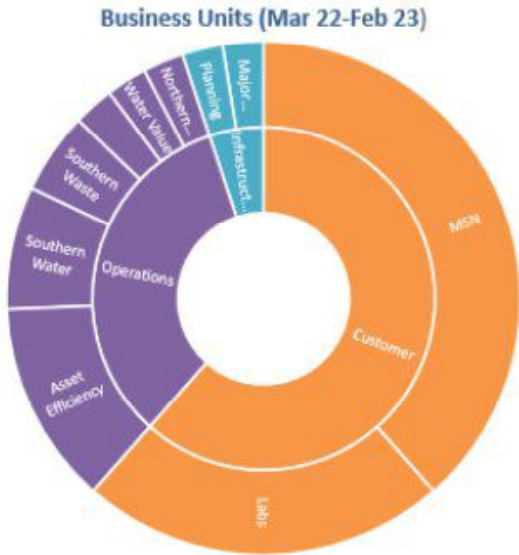
Fire 1

- Blower filters were overheating sending smoke into the blower room. The E-stop for the blowers is located in the blower room so kaimahi had to enter the smokey room to stop the blowers. E-stop location is being altered and reason for overheating filters being investigated.

Injury Metrics



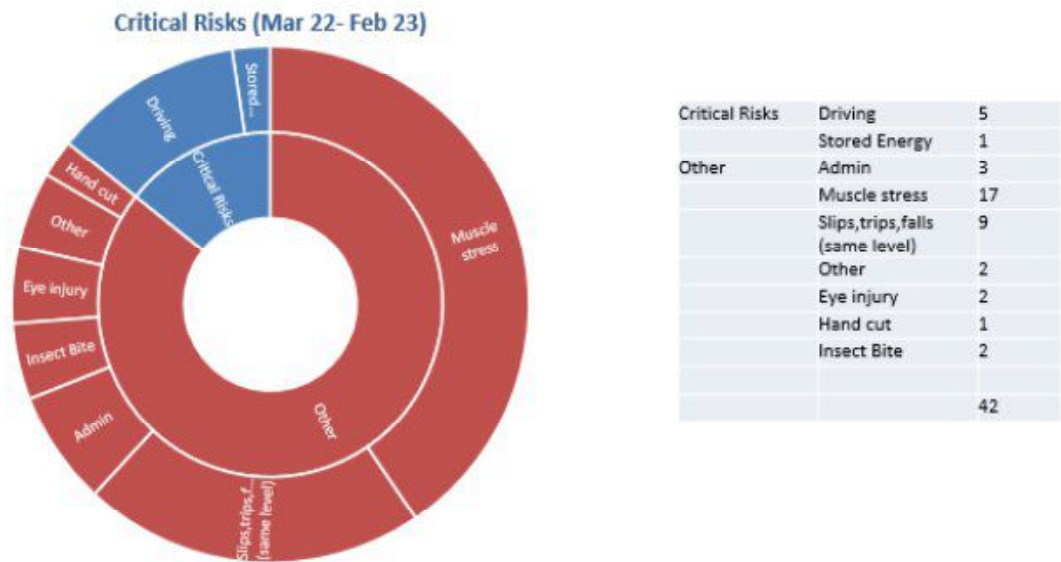
Injuries by Business Unit – Last 12 months



Exec	Transition	1
Customer	Labs	9
	MSN	15
Infrastructure	Major Projects	1
	Planning	1
Operations	Southern Waste	2
	Southern Water	3
	Asset Efficiency	5
	Northern Water	1
	Water Value	1
	Transmission	1
	WDC	2
		42

Hours – Feb 23	
Ops	62,656
Asset Efficiency	16,904
Lab	17,681
MSN	13,336

Injury type and mechanism – Last 12 months



3.3 Critical risk review – Flammable or Explosive Atmospheres

Areas with flammable substances like petrol, fuels, gases, vapour, or dust as well as many common products like solvents, thinners, cleaners, adhesives, paints, waxes, and polishes, are highly flammable and there is a high risk of fire and/or explosion if there is a source of ignition nearby.

Fire or explosion is the main risk associated with flammable liquids. The consequences are significant and can result in critical injuries or fatality. An example is the Watercare Onehunga disaster from 2011.

There have not been any recent or significant incidents or injuries involving flammable or explosive atmospheres. This is a good indicator that our current controls and processes in place is effective in lowering the risk and exposure out onsite.

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

Operation and Infrastructure sites

- Maintenance and networks commute with generator fuel and LPG gas
- Some operational plant and equipment contain flammable gases
- Watercare sites include areas where flammable or explosive substances are generated, piped, or stored in pipelines, wells or chambers
- Sites like wastewater treatment plants and pumpstations emit methane and other gases during the treatment process
- Most operations, infrastructure and project sites have switch boards, electricity supply pillars and/or electrical equipment with different voltage levels which are potential ignition sources for flammable atmospheres
- Watercare teams, maintenance delivery, projects, and construction sites work in confined spaces where flammable gases, such as biogas and methane, can be detected



Māngere WWTP Digester

Maintenance Services

- Working in manholes has the potential for exposure to methane. Drainage teams are frequently working in manholes
- Hot works is performed at least weekly

Tunnelling

- When working underground, ventilation is critical due to potential risks of flammable or explosive atmospheres

Controlling the risk

Controls include:

- Isolation, of people, fuel, or ignition sources
- Engineering controls – Including intrinsically safe equipment, ventilation, barriers, fire suppression systems
- Continuous gas monitoring and recording
- Trained and competent personnel to do the mahi
- Signage and communication
- PPE and clothing with anti-static properties must be worn within the perimeter of an explosive atmosphere zones.

Resources – Watercare Hazardous (Explosive) Atmosphere – Key Requirement and Watercare Permit to Work.



People Pillar Deep Dive

Prepared by – Sarah Phillips, GM People & Capability

Inputs from: People Leadership team - Kirsty Cels, Justine Corbett, Naomi Houston, Clare Sarney and Kate Bell (Org Change Lead)

April 2023

People Deep Dive

Contents

- Change Approach – supporting our people to transition through reform.
- Engagement – what are our people telling us and what are we doing about it?
- People Insights – deep dive gender split and turnover themes

Our
purpose

Ki te ora te wai, Ka ora te whenua, Ka ora te tangata

The wellbeing of our customers and communities depends on us looking after our water sources.
Because when the water is healthy, the land and the people are nourished.



We recognise Te Tiriti O Waitangi and the significance of Te Mana O Te Wai. Te ao Māori values are embedded throughout our organisation.

Core

Our people and
our customers

Everyone is well informed, feels competent and confident to do their job well, is treated with respect, and goes home safely every single day.

We listen to our customers, providing excellent customer service.

We increase the water literacy of our communities, building trust and a shared appreciation for the value of water.

Capital programme



We will deliver our AMP, including the Central Interceptor, on schedule and to budget. The AMP supports our climate change targets, builds resilience and services growth.

We drive the outcomes of the Enterprise Model – 40:20:20 – optimising our capital investment decisions and delivery, incorporating whole-of-life cost and carbon, and improving safety.

We work with the DIA to incorporate our capital programme with the new entity business plan.

Operations



We provide safe and reliable drinking water and wastewater services, ensuring we meet all quality and health regulations.

We ensure that we meet our resource consent conditions and take care of the environment in which we operate.

We maintain our assets so that they are in a condition to best serve our customers.

We maintain continuity of our services during the period of change.

Finance



We have an optimised price path, including development charges.

We drive a controllable-cost efficiency programme that ensures we are a sustainable business into the future.

Our risk register is up to date and action plans are ready to implement.

We are accepting of, and preparing for, economic regulation.

Partnerships



We build and maintain strong and constructive working relationships with council and elected members, communities, and other key stakeholders.

Mahi tahi – we work together with iwi Māori, partners and suppliers to deliver the best outcomes for our city.

We deliver our Māori Outcomes Plan.

We work collaboratively with the DIA and councils to implement reforms. We know and understand the legislation and policies.

Reform

We help our people through reform and to be successful into the future.

Our values

Respect

Excellence

Make it Happen

Accountability

One Team

Change Approach

Our overall aim:

Ensure our people are informed, engaged, and supported to help them through transition and to be successful into the future.

What does success look like?

Our people understand 'the why'

Our people are informed

Our people are actively engaged in transition

Our people feel supported

Our people are ready for day 1

Approach:

Four key change phases through transition with different focus for each:



Progress transition progress

What we have done

- ✓ Assigned change resource to our people transition; planned key change activities.
- ✓ Developed and piloted internal leading through change training and toolkit to increase change capability.
- ✓ Sought feedback from our people and adapted our approach in response.

Key themes from staff feedback:

- our people want more communication about reform
 - uncertainty re impact on roles, transition process, terms & conditions
 - some feeling positive about reform and potential opportunities
 - majority know where to get support, but we can improve this
- ✓ Established key building blocks to support the change including:
 - communication channels (442 views of reform SharePoint site in past 30 days)
 - key relationships with NTU
 - built our internal understanding & capability around key transition concepts e.g., transition pathways
 - regular communications, engagement & support sessions with our leaders; provided key messages to help them support their teams
 - Regular updates to our people translating NTU information into what it means for Watercare
 - registered 50% of our people for the Staff Room (NTU online portal, remaining staff will be joined up automatically in next phase)

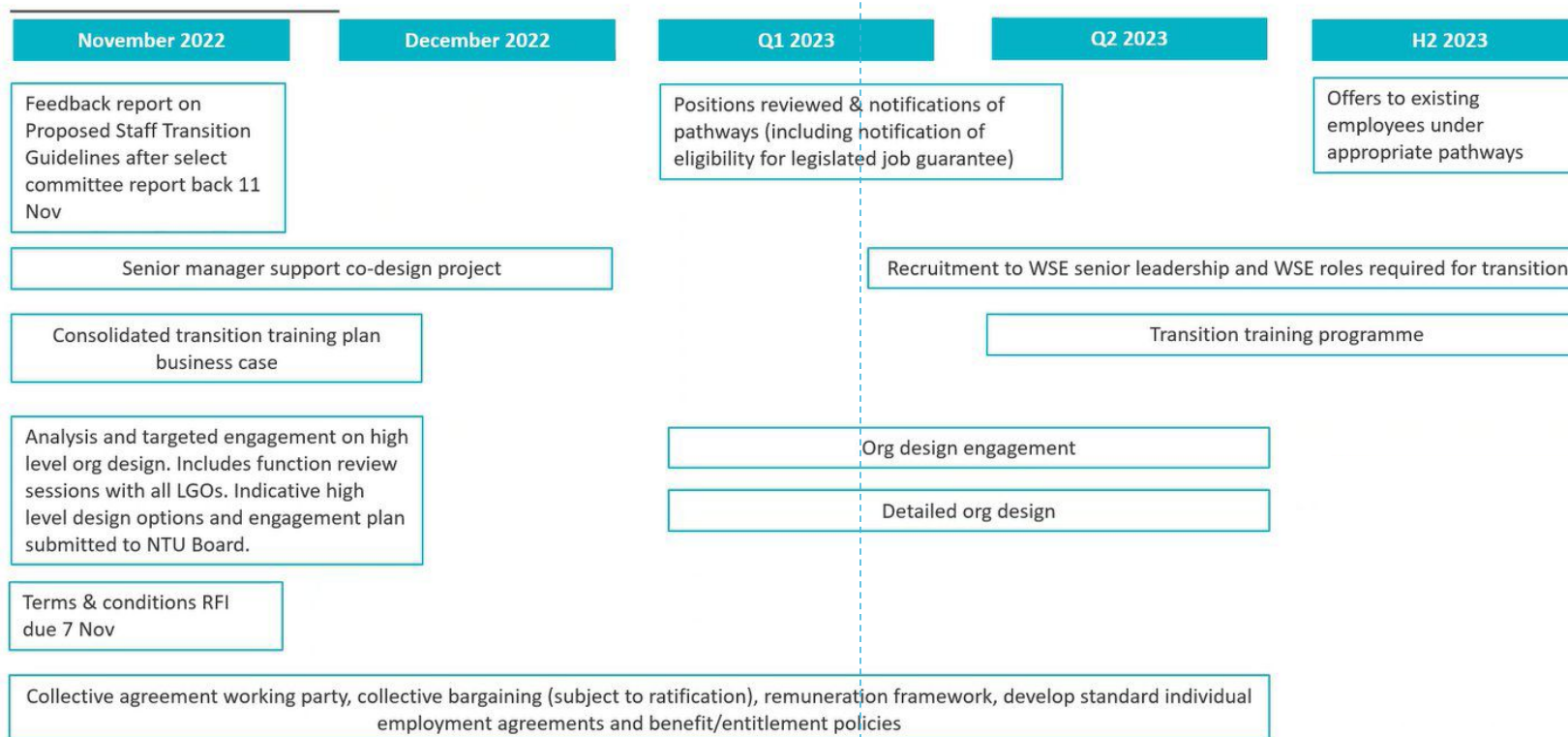
What we are planning next

- Continue active engagement with NTU (including key people in entity A and B implementation teams)
- Support NTU to deliver their first phase of training to our people:
 - Leading Through Change (people leaders)
 - Resilience Through Change (all staff)
 - Te Mana o Te Wai (all staff)
 - Career Coaching (senior managers)
- Enable leaders to be key communicator of change through briefings, updates, key messages and peer feedback channels
- Support our leaders and our people through consultation on transition pathways process
- Continue our engagement and support sessions with leaders connecting them to NTU and the process for senior manager transition
- High level of communication using mix of channels, reinforce support options, promote benefits and opportunities
- Seek feedback from our people on how they're feeling, questions and what they need via surveys and direct face to face engagement (including at operational sites)
- Watercare change resource focused on people transition and building change capability across the business

DIA – National Transition Unit – People & Workforce Stream

Current timeline

Indicative timeline of key activities



9

What is underway and what is coming up

Activity	Date
Consultation on staff transition pathways begins	23 March
Feedback on high-level organisation design of new entities	By end of March
Staff Room registration process (for anyone not registered)	Mid-March
NTU training	April-Oct
Confirmation of final staff transition pathway	April/May
Detailed org design complete <ul style="list-style-type: none"> • People will be able to see what roles form tier 3, 4 and below in the new entity structure 	June
Recruitment <ul style="list-style-type: none"> • Recruited in batches, will be able to express interest in roles • Most T3 roles ring fenced to offer guarantee people • Guaranteed interview where current accountabilities overlap 	Tier 2 from June Tier 3 around June - August

Indicative timeline only – subject to change

People Strategic Priorities - Retention



Retention
Retain our people
against market
challenges and
reform



Reform Ready
Prepare for reform
changes and provide a
transition process
where our People
thrive



Leadership
People who are
visible, and
advocates for brave
leadership



Culture & Engagement
Continue to build and
maintain a constructive
and positive work
environment where
employees stay and thrive



Capability
Grow capability of our
workforce now and
ready for the future

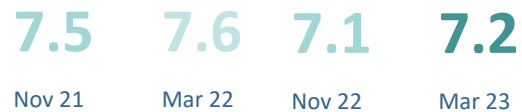


Optimise Core
Provide a strong and
efficient foundation
of systems,
processes and data

- Retention remains a priority for Watercare as we face external challenges and prospect of reform.
- We are ensuring our people are engaged, well informed and ready for the transition process.
- Using data to improve engagement and target areas with higher turnover.
- Succession planning focussing on critical roles.
- Opportunities to access learning and development – every employee has access to learning in some way.
- Celebrating achievements and recognising good work.

Engagement - what are our people telling us?

Engagement over time



March 23

- 7.2 benchmark Mid-range of energy and utilities sector
- Response rate 76%, ↓ from 83% (Nov)
- Pulse survey only
- Full survey identified company wide priorities:
 - Reward 6.5 (.2 below sector benchmark)
 - Strategy 7.0 (.4 below sector benchmark)

Response

- Refreshed company plan for greater clarity and rationalisation of priorities.
- Prepared companywide remuneration framework education module (in development).
- Renewed emphasis on targeted team action plans in response to feedback.

How are people feeling about reform

(from Peakon and Heata Survey)

Key themes from staff:

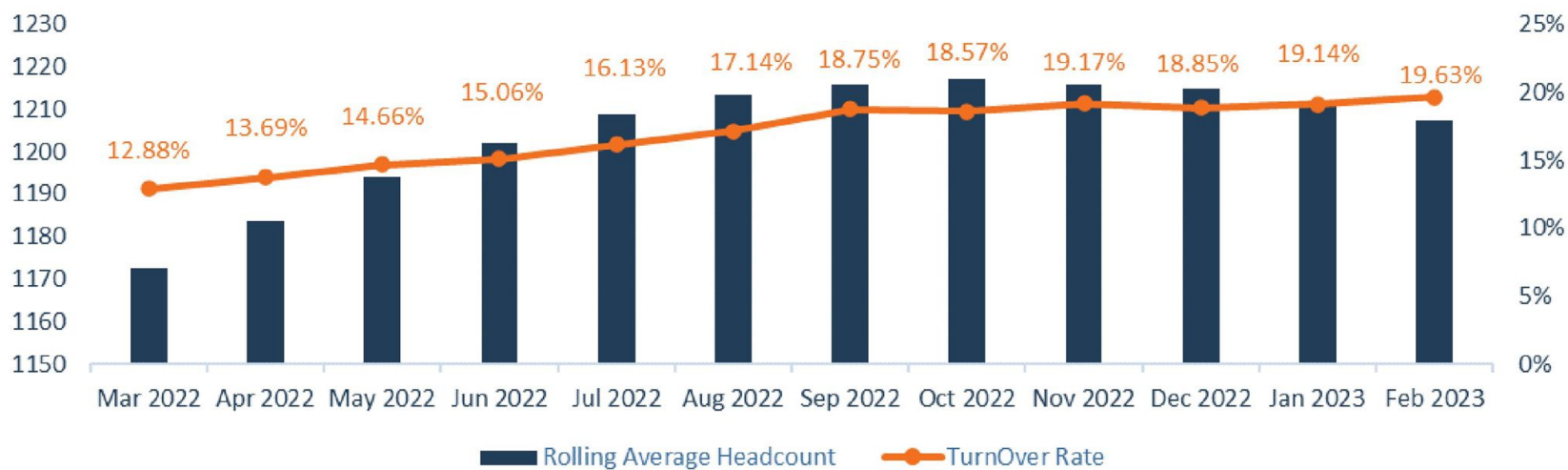
- They want more communication about reform.
- Some uncertainty about how the changes will impact roles, structure, terms and conditions, job security.
- Some feeling positive about reform and the potential opportunities.
- Desire for more information/clarity on high level org design.
- Questions about whether they can move to different roles in the new entities, or potentially different entities.
- Clarity on whether Waikato people will move to entity B.
- Majority know where to get support, but we can improve on this.

Key themes from our senior leaders:

- Questions around recruitment process for senior manager roles and how it will work e.g., ring fencing.
- Questions around terms and conditions for new entities.
- Confusion about the transition pathways and how they will work.
- Higher level of uncertainty within this group.

Headcount v Voluntary Turnover (%)

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

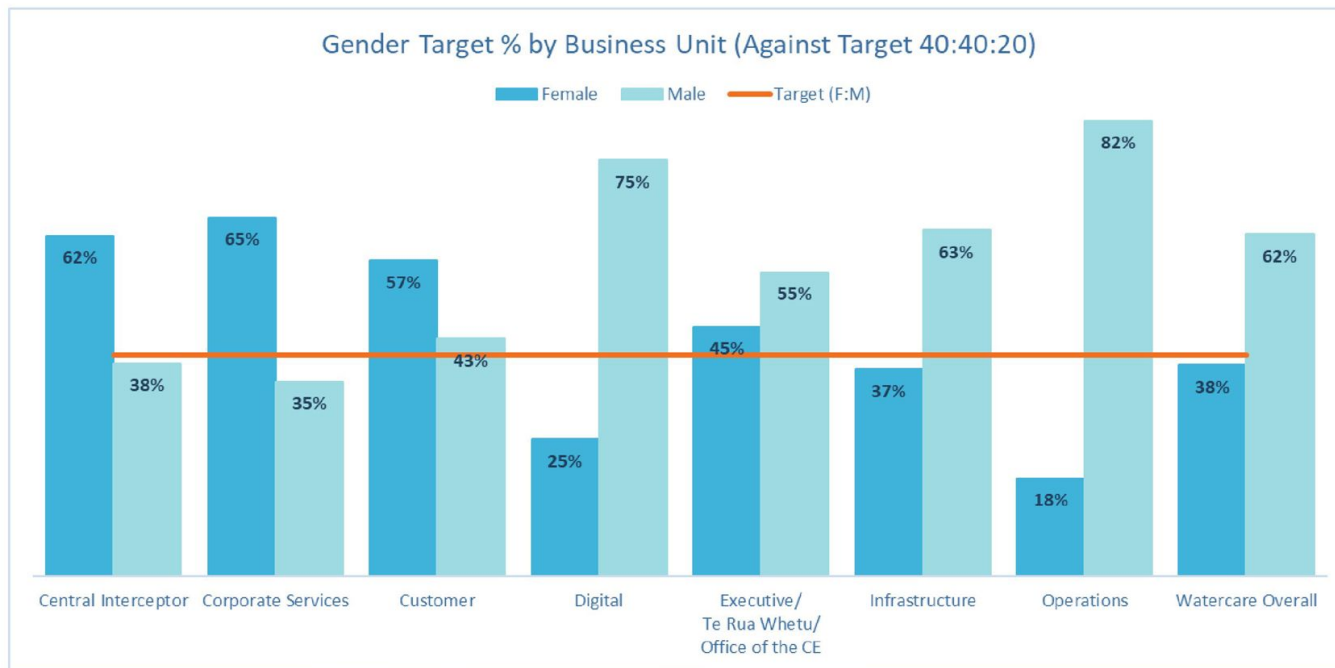


Analysis of turnover data

Themes

- We complete regular analysis of turnover with business units.
- Overall voluntary turnover is higher than the same period last year, but this is not reflective of all business units.
- Turnover is higher in Customer and in some areas of Corporate Services.
- Areas of Corporate Services went through some restructuring last year impacting rolling 12-month turnover. However, efforts to improve retention are paying off with a 7% improvement in engagement score since November.
- We have a higher proportion of leavers in first 3 years of employment.
- We now survey new starters at week 1 and month 3. Themes from this survey show:
 - Starters are frustrated with difficulty accessing systems and devices.
 - There is a lack of induction on new systems.
 - Generally, people had good reflection on leaders however commented that in some areas, leaders can be timid and have blind spots.
 - 44% of leavers are female compared to 38% of total employees.

Gender Breakdown



- We have increased female representation by 4% since 2020/21.
- We have high female representation in our early careers' programs e.g., 42% Grads, 70% interns.
- We have implemented several positive initiatives such as Gender Tick accreditation, Ata Network, improved policies and benefits.
- Need to improve our system functionality to capture those who identify as gender diverse.
- Preparing for Gender pay reporting through Mind the Gap by Q1 FY24.

Kōrero

Pātai for Board members?

- What concerns do the Board have regarding the impact of reform on our people?
- From a governance perspective what information is useful for the Board to be kept across as we move through transition?
- In terms of increasing gender representation in our workforce, what have the Board seen elsewhere that has been successful?
- How do we shift the dial to increase gender representation at senior levels?
- What turnover trends are Board members seeing in other businesses?

Board meeting | 4 April 2023
Public session



Waitākere tramlines (The Rainforest Express)

For discussion

Te pou whenua tuhinga / Document ownership

Prepared by

Peter Rogers
Head of Production

Recommended by

Mark Bourne
Chief Operations Officer

Submitted by

Dave Chambers
Chief Executive Officer

1. Te tūtohunga / Recommendation

We recommend that the Board discusses and confirms what their position is in relation to the Waitākere Tramlines (Upper Nihotupu and Waitākere) ("Tramlines"), namely:

- That so long as the Tramline assets remain Watercare owned, they must stay closed for public use; and
- In the meantime, Watercare is happy to engage with interested parties to dispose of Tramlines assets completely.

We recommend that this report be released to the public as the decision and reasoning is a matter of public interest.

2. Whāinga / Purpose

- In November 2014, due to significant risks to public safety, the Watercare Board resolved that the Tramlines would close to the public.
- Bush Tramlines (Chris Newman) and Cr Ken Turner (Auckland Council Councillor) have recently approached Watercare about bringing the Tramline back into service for public use.
- Bush Tramlines and Ken Turner have asked for a clear decision from Watercare on whether we will facilitate bringing the Tramline back into service.
- This paper sets out the history of the Tramlines, the historical and current health and safety risks associated with the Tramline; and Management's recommendation for a possible way forward.

3. Kōrero pitopito / The details

The history of the Tramlines and the Rainforest Express

The Tramlines were built in the early 1900s to bring materials to the Upper Nihotupu and Waitākere dams' construction sites. Raw water pipelines that run from the dams to our water treatment plants follow the Tramlines.

Following the construction of the dams, the Tramlines continued to be used for operational and maintenance purposes of the dams and associated raw water pipelines. From 1998, the Tramlines were also opened to the public for public passenger excursions. The Rainforest Express was operated by Watercare on the Nihotupu tramline and the Waitākere Tramline Society operated a similar service on the Waitākere tramline under permission granted by Watercare.

The closure of the Rainforest Express

In 2014, following concerns around rock falls and instability around the Tramlines, a geological report was commissioned. It identified 20 at-risk sites across both Tramlines, nine of which posed a significant risk to public safety. The report put the cost of reducing the risk to an acceptable level for paying public use at these nine sites to more than \$11m, and noted that even then, the residual risk could be "significant".

In November 2014, due to significant risks to public safety, the Watercare Board agreed that public use of both Tramlines be suspended indefinitely on safety grounds. Watercare's press statement quoted the Chair of Watercare's Health and Safety Committee as saying the following:

"As a provider of water and wastewater services, public health and safety sits at the core of what we do as a business. Quite simply, the Board believes it is impossible to reopen these lines for general use in a way that meets our statutory requirements and our broader responsibilities regarding the welfare of the public,".

Since 2014, rockfalls have continued to affect the Tramlines. Below are examples of rockfalls on the Tramlines that have occurred over the last few years.



In 2019, Bush Tramlines approached Watercare

In February 2019, Watercare was approached by Bush Tramlines (Chris Newman) about bringing the Upper Nihotupu Tramline back into service for public use (i.e. essentially reopening the Rainforest Express for public recreational use).

Watercare officers advised Bush Tramlines at the time that this could only occur if Auckland Council took over ownership of the assets (e.g. the tramline, rolling stock etc), and then allowed Bush Tramlines public access. This did not occur.

Bush Tramlines continued to pursue Watercare to have the Upper Nihotupu Tramline brought back into service.

Watercare subsequently engaged Bush Tramlines to investigate the cost and requirements to bring the Upper Nihotupu Tramline back into service, specifically for Watercare operational purposes and not for public use. Bush Tramlines advised the following costs to reinstate and operate the Tramline for **operational purposes** only:

"Upfront Deferred Maintenance & Capital works of \$240,615; Governance/Ops. \$68,620 p.a. Then, four years track replacement project at \$193,909 p.a. plus Governance/Ops. of \$68,620 p.a."

Watercare's current approach to the Tramline

The above works to reinstate and operate the Tramline for operational purposes were not undertaken.

- Capital cost/investment by Watercare, in the Tramline, over the five years to December 2022 has been \$0.
- Operational costs to access the Tramline for repairs and maintenance to the raw water pipelines have totalled \$4,000 for the same period (relating to three significant repairs over the five years to December 2022).

Management considers the approach taken over the last five years has met Watercare's needs for maintenance, while managing the identified risks in a safe, effective, and cost-efficient manner.

Watercare Management is comfortable with the current approach taken to maintaining the raw water pipes around the Tramline. This means that if any future repairs or maintenance require greater access requirements (e.g. transportation of plant or materials) we will use alternative options to access the raw water mains, including helicopter, mini 4x4 and tracked carrier. Indeed, recent repairs, following the 2023 Auckland Anniversary Storm were undertaken with the aid of a helicopter due to the condition of the tracks.



Examples of equipment used or available to effect repairs to the raw water mains that were previously serviced by the Tramline

Current status of the Waitākere catchments and around the Tramline

Significant land movement occurred during the 2023 Anniversary Weekend storm and Cyclone Gabrielle throughout the Waitākere catchments. Below are two photographs of slips that occurred in the Waitākere Ranges. Whilst not in the immediate area of the Rainforest Express Tramline, it does show the wider impacts of the storm and how much the land in the Waitākere catchments has been affected by the storm.



There were also several large slips and washouts adjacent to the Tramline, further demonstrating land instability in the area. The three photographs below are of the Tramline, following the storms earlier this year:



Slip adjacent to Quinns Bridge – damage to pipebridge, Tramline bridge to be inspected



Upper Nihotupu Raw Water Main displaced by slip which covered Tramline, repair underway

Management's current position

The effects of the recent storms and cyclone on the Waitākere catchment have consolidated Management's position. Our recommendation remains unchanged:

- So long as the Tramlines remain Watercare owned, Management position is that they stay closed for public use. This is because it remains impossible to reopen these lines for general use in a way that meets Watercare's statutory requirements and our broader responsibilities regarding the welfare of the public.
- If there is a desire by a third party to return the Tramline into operation, for public use, then the Tramline assets (i.e. tram lines and rolling stock) should be first acquired by Auckland Council, ideally at book value.
- Current book value is \$543,694 covering the tramline, bridges and rolling stock.
- The subsequent operation of a "Rainforest Express" tourist attraction would then need to be facilitated by a change to Headworks Lease Agreement between Watercare and Auckland Council, which would allow a third-party operator to lease the Tramline assets and the surrounding land from Auckland Council. Any change to the Headworks Lease Agreement would need to ensure that Watercare's core operations were in no way compromised by the operation of the Rainforest Express tourist attraction, and that either Council or the Third party would need to take full responsibility for the health and safety of all people operating and visiting the tourist attraction.

4. Ngā whakaaweawe ki a Watercare / Impact on Watercare

The risks that led to the Board decision to close the Tramlines in November 2014 remain unchanged, however conditions around the Tramline have deteriorated.

Operationally, Watercare staff will continue to access the raw water mains for operational and maintenance purposes following strict protocols to ensure that the appropriate safety standards are maintained to protect staff and contractors. This can continue to be done at nil capital cost and minimal operational expense.

5. Ā muri ake nei / Next steps

We recommend that the Board discuss and confirm their position.

We recommend that this report be released to the public as the decision and reasoning is a matter of public interest.



Board - Public Session - Board planner

		Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
Meetings	Board	4-Apr	9-May	13-Jun (Statutory Public Meeting)	4-Jul	8-Aug	5-Sep	10-Oct	7-Nov (Statutory Public Meeting)	12-Dec		8-Feb	5-Mar	9-Apr	7-May (Statutory Public Meeting)	12-Jun 25-Jun
	Audit and Risk Committee		23-May			16-Aug 30-Aug			21-Nov			2-Feb		3-Apr	21-May	21-Jun
Running the Business	Financial		SOI financials	Board approval of Insurance proposal Board approval of 2023/2024 Budget	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		Auckland Council Draft Annual Plan - approve Watercare input			Approve half year accounts	Approve financials for Draft SOI including projected 24/25 price increases Approve long term financials for Auckland Council modelling			Board approval of Insurance proposal Board approval of 2024/2025 Budget and updated SOI financials
	Statement of intent	Q3 Performance Report - due to Council by 28 April 2023		Present shareholder SOI feedback at public meeting. Public deputations to be received. SOI to be approved	Final 2023-2026 SOI issued to shareholder by 31 July 2023	Final 2023-2026 SOI adopted by Auckland Council Q4 Performance Report - due to Council by 25 August 2023		Q1 Performance Report - due to Council (date TBC)	2022/2023 SOI Results to be presented to Board at Public Meeting. Public deputations to be received. Q1 Performance Report due to Council (date TBC)	2024/25 Letter of Expectations to be received		Q2 Performance Report - due to Council by TBC	Draft 2024-2027 SOI for Board's approval - to be sent to Council by TBC		Present shareholder SOI feedback at public meeting. Public deputations to be received.. Q3 Performance Report - due to Council by 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	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	Stakeholder Progress update from Infrastructure, Operations and Customer teams on the recommendations of the Citizens' Assembly	Iwi	Stakeholder	Iwi	Stakeholder	Iwi	Stakeholder	Iwi Progress update from Infrastructure, Operations and Customer teams on the recommendations of the Citizens' Assembly	Stakeholder		Iwi	Stakeholder	Iwi Progress update from Infrastructure, Operations and Customer teams on the recommendations of the Citizens' Assembly	Stakeholder	Iwi
	Governance	Enterprise Risk Report Update on Auckland flood recovery	Q3 Statutory compliance Update on Auckland flood recovery	Corporate Governance charter Audit and Risk Committee Charter review Update on Auckland flood recovery	Enterprise Risk Report (Board then Council) Update on Auckland flood recovery	Q4 Statutory compliance Update on Auckland flood recovery	Update on Auckland flood recovery	Update on Auckland flood recovery	Enterprise Risk Report (Board then Council) Q1 Statutory compliance Delegations to the CE Policy Update on Auckland flood recovery	Board Delegations to CE Update on Auckland flood recovery		Enterprise Risk Report Q2 Statutory compliance Update on Auckland flood recovery	Update on Auckland flood recovery	Enterprise Risk Report Update on Auckland flood recovery	Q3 Statutory compliance Update on Auckland flood recovery	Update on Auckland flood recovery
	Karakia	Hinerangi Raumati-Tu'ua	Graham Darlow	Julian Smith	Frances Valintine	Margaret Devlin	Nicola Crauford	Brendon Green	Hinerangi Raumati-Tu'ua	Graham Darlow		Julian Smith	Frances Valintine	Nicola Crauford	Brendon Green	Margaret Devlin
Deep Dives - aligned to the five priorities		Our people - Sarah Phillips/Jamie Sinclair	Capital programme - Steve Webster/Hamish Corbett, Chris Thurston and Priyan Perera	Operations - Mark Bourne/Nathaniel Wilson, Sharon Danks and Peter Rogers	Finance - Jamie Sinclair/Angela Neeson, Nigel Toms and Chantelle Subritzky	Partnerships - Richie Waiwai, Amanda Singleton, Brent Evans and Andrew Chin	Our customers - Amanda Singtone/Priya Thurai Sundaram and Rachel Hughes	Our people - Sarah Phillips/Jamie Sinclair	Capital programme - Steve Webster/Hamish Corbett, Chris Thurston and Priyan Perera				Operations - Mark Bourne/Nathaniel Wilson, Sharon Danks and Peter Rogers	Finance - Jamie Sinclair/Angela Neeson, Nigel Toms and Chantelle Subritzky	Partnerships - Richie Waiwai, Amanda Singleton, Brent Evans and Andrew Chin	Our customers - Amanda Singtone/Priya Thurai Sundaram and Rachel Hughes
Confidential			Approval of CE's KPIs for FY24			A year end progress update for CE's KPIs			CE's KPIs			CE's KPIs AMP Implementation Report			CE's KPIs	
Audit & Risk Committee			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 Delegations to CE			Approve FY24 half year accounts			Present plan for Year end to A&R A&R Approve Insurance Proposal Approval of 2024/25 Budget & updated SOI Financials Audit and Risk Committee Charter review Review tax ahead of year end	
Lutra Limited	Statement of intent	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			2022/2023 SOI Results to be presented to Board at Public Meeting. Public Deputations to be received.				Draft SOI 2024-2027 to be presented to the Watercare Board		Present shareholder SOI feedback at public meeting. Public deputations to be received.	

Board meeting | 4 April 2023
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

Dave Chambers
Chief Executive Officer

1. Te tūhunga / 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 Report.

3. Kōrero pitopito / The details

Attendance at the Board meetings and the Audit and Risk Committee meetings for 2023 is detailed in the table.

Table 1: Attendance at Board and committee meetings in 2023 is detailed in the table below:

Attended ✓ Did not attend ✕ Not on the committee ■	Attendance at Board meetings											Attendance at Audit and Risk Committee meetings				
	8 February 2023	7 March 2023	4 April 2023	9 May 2023	13 June 2023	4 July 2023	8 August 2023	5 September 2023	10 October 2023	7 November 2023	12 December 2023	3 February 2023	23 May 2023	16 August 2023	30 August 2023	21 November 2023
Margaret Devlin	✓	✓										✓				
Nicki Crauford	✓	✓														
Brendon Green	✕	✓										✓				
Hinerangi Raumati-Tu'ua	✓	✓										✓				
Frances Valintine	✓	✓														
Graham Darlow	✕	✓										✓				
Julian Smith	✓	✓										✓				
Dave Chambers [#]																

[#] The Board has appointed Dave Chambers as acting chief executive until Entity A is stood up. Dave is therefore on sabbatical from the Board (effective from 7 February 2023) whilst acting chief executive.



Board meeting | 4 April 2023
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

Dave Chambers
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

- The Board has appointed Dave Chambers, one of our directors, as acting chief executive until Entity A is stood up. Dave is on sabbatical from the Board (effective from 7 February 2023) whilst acting chief executive.
- All new additions in 2023 are in [Blue](#).
- All deletions in 2023 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, 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
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)
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 • Member, Construction and Infrastructure Workforce Development Council

DIRECTOR	INTEREST
	<ul style="list-style-type: none"> • Director, Scion Research Institute registered as New Zealand Forest Research Institute 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
Frances Valentine	<ul style="list-style-type: none"> • Director and CEO, The Mind Lab Limited • Director and CEO, Tech Futures Lab • Director and Shareholder, Harcourt Jasper Limited • Director and Shareholder, Pointed Tangram Limited • Director and Shareholder, Harper Lilley Limited • Director and Shareholder, On Being Bold Limited • Director and Shareholder, Sandell Trustees Limited • Selection Advisor, Edmund Hillary Fellowship • Board of Trustee, University of Silicon Valley • Shareholder, Thought-Wired Limited • Director, Academy EX Limited • Director, Earth Futures Lab • Director, Edlab Limited
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	INTEREST
	<ul style="list-style-type: none"> • Director, Hick Bros. Heavy Haulage Limited • Director, Hick Bros. Holdings Limited • Director, Holmes Group Limited • Chair, The Piritahi Alliance Board
Julian Smith	<ul style="list-style-type: none"> • 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 • Chair, Institute of Directors Te Tai Tokerau, 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 • Board Trustee – Auckland Philharmonia Orchestra

3.2 Watercare's Executives' Interests Register

- All new additions in 2023 are in [Blue](#).
- All deletions in 2023 have been ~~struck out~~.

EXECUTIVES	INTEREST
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, Watercare Services Limited (on sabbatical since 7 February 2023)
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, Lutra Limited • Director, The Water Research Foundation (USA)
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	<ul style="list-style-type: none"> • 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

