

Board meeting | 6 September 2022
Public session



Venue	Watercare Services, Level 3 Boardroom, 73 Remuera Rd, Remuera and via Microsoft Teams
Time	10.15am to 12pm

Meeting administration		Spokesperson	Action sought	Supporting material
1	Opening Karakia	Julian Smith	-	-
2	Apologies	Chair	Record apologies	Verbal
3	Quorum	Chair	Five directors required	Verbal
4	Minutes of the previous meeting	Chair	Approval of minutes	Minutes: 2 August 2022 meeting
5	Public deputations	Chair	For information	Verbal
Running the Business				
6	Chief Executive's report	Jon Lamonte	For discussion	Report
7	Sensitive expenditure policy – update	Harsha Mistry and Nigel Toms	For approval	Report
Deliver the Future				
8	Scanning the Horizon	Various	For discussion	Report
9	Strategic focus: Our communities trust and respect us	Julian Smith and Amanda Singleton	For discussion	Verbal
Governance				
10	Audit and Risk Committee update	Hinerangi Raumati-Tu'ua	For discussion	Verbal update
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 1 November 2022		



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	2 August 2022
Venue	Watercare Services, Level 3 Boardroom, 73 Remuera Rd, Remuera and via Microsoft Teams
Time	9:15am

Attendance		
Board of Directors	Watercare staff	Guests
Dave Chambers (Acting Chair) Brendon Green Graham Darlow Hinerangi Raumati-Tu'ua Julian Smith Via Microsoft Teams Frances Valintine Wi Pere Mita (Board intern)	Jon Lamonte (CE) Jamie Sinclair (Chief Corporate Services Officer) Mark Bourne (Chief Operations Officer) Rebecca van Son (Head of Strategy, for item 7) Tim Scheirlinck (Operations Manager – Northern Networks, for item 8) Andrew Lester (Water Resources Manager, for item 8) Emma McBride (Co-Head of Legal and Governance) Pinaz Pithadia (Legal and Governance Advisor) Via Microsoft Teams Kuilarangi Paki (Te Kaiurungi, Senior Lead & Strategic Māori Advisor for items 1 to 6) Sarah Phillips (Acting GM – People & Capability, for items 1 to 6) Bronwyn Struthers (Head of Health, Safety and Wellbeing, for items 1 to 6)	Via Microsoft Teams Trudi Fava, CCO Programme Lead, Auckland Council

1.	Opening karakia Graham Darlow opened the meeting with a karakia.
2.	Apologies Apologies were received from Margaret Devlin, Nicki Crauford, and Councillor Linda Cooper.
3.	Quorum The Acting Chair confirmed that a quorum was established.
4.	Minutes of the previous meeting <i>The Board resolved that the minutes of the public session of the Board meeting held on 5 July 2022 be confirmed as true and correct.</i>
5.	Public deputations There were no public deputations.
6.	Chief Executive's report The CE highlighted the following topics from the report: <i>Current significant issues</i> <ul style="list-style-type: none"> Recent extreme weather events put increased pressure on Watercare's frontline staff and appreciation goes to them for their work over the period. Auckland's dams are nearly full. <i>Key performance measures</i> <ul style="list-style-type: none"> Two SOI measures were not met in June: <ul style="list-style-type: none"> The medium response time for attendance at sewerage overflows resulting from blockages or other faults was 62 minutes in June (target is 60 minutes or less). The target was missed as rainfall was above normal with high numbers of staff on sick leave with cold/flu and Covid-19. Watercare achieved 95% for the SOI measure on formal engagement with mana whenua of Tāmaki Makaurau as compared to the target of 100%, which overall is a positive result.

- Whilst two SOI measures were not quite achieved, the Board recognised the excellent results that were achieved in FY22, sometimes in unprecedented circumstances due to ongoing Covid-19 restrictions.

Community stakeholder relationship

- Kuirangi Paki noted that the feedback had been positive from the students enrolled for the engineering apprenticeship programme.

Water resources update

- Mark Bourne noted that a geotechnical investigation was undertaken for Mangakura Dam 1 to help assess the extent of the remedial work required. This investigation identified further deficiencies in the lower spillway and the scope of work has therefore increased. This has resulted in an increase in cost and time to address the further deficiencies. However, the first pieces of work approved through the capex programme are already underway.
- Mark noted that the work methodology will be peer reviewed by Dam Safety Intelligence (DSI).
- At the request of the Board, Mark will provide a more detailed update on our dams and dam monitoring systems.

People

- Current headcount differs from the number of employees set out in the health, safety & wellbeing (HSW) update as the HSW update uses the number of total people, rather than FTEs. The Board noted that cost is driven by total headcount, rather than FTE, so they are keen to see that number. For consistency, next month's report will have alignment on these numbers.

Health, safety and wellbeing

- Bronwyn Struthers noted that the ACC audit was completed in July. Feedback was positive although the auditor noted gaps in record keeping and visibility of records. To address this, we are implementing a document management system and also enhanced HSW software solution – due for implementation by December 2022.
- In relation to the car accident in Penrose, Bronwyn advised that there was no vehicle failure (WOF and Registration were up to date and E-Road system was working). The cause of the accident remains under investigation by the Police, and we are awaiting the findings. The worker is being supported by the HSW team and we are working on a return-to-work plan with the employee. The Board and Management had a robust discussion around the controls in Watercare's fleet and reputational risks associated with such events.
- The CE confirmed that when serious injury is suffered by a worker, the Board and Mayor are notified. They are also notified when the injury is less serious, but it could cause reputational risk to the company.
- The Board requested that future HSW updates are to include a commentary around the critical risk exposures events (ie focus on one theme per month and our learnings).
- The graphs on Lost-time injury frequency rate (LTIFR) and total recordable injury frequency rate (TRIFR) are to be broken down to show the number of critical risk exposure events.

	<i>The Board noted the report.</i>
7.	<p>Scanning the Horizon</p> <p>The CE spoke to the report. The Board and Management discussed the following points:</p> <ul style="list-style-type: none"> • Construction of Auckland Light Rail (ALR) and Auckland's second harbour crossing, will necessarily have an impact on our AMP. For example, roads will be closed, and we may need to re-jig the AMP to coordinate with this project. • The Board and Management discussed the learnings from the Wellington Water fluoridation inquiry and the need to ensure a company's culture allows people to feel safe reporting bad news up. Rebecca van Son noted Watercare has been directed to fluoridate some of our supplies. The Board requested an update on the water treatment plants where Watercare has emerging issues relating to fluoridation. This will be done at the Board Development Day. • Rebecca van Son is to update the Board on the commercialisation of EMERGE® fertiliser before the end of the year. <p><i>The Board noted the report.</i></p>
8.	<p>Strategic focus: We have a resilient water supply</p> <p>Graham Darlow introduced the agenda item. He explained the consequences of a single point of failure in our network and the catastrophic impacts it could have. He illustrated this with the example of Auckland's electricity failure in 2006 resulting from a missing D-Shackle.</p> <p>Mark Bourne introduced his team. The presentation had three sections: Andrew Lester spoke to production resilience; Tim Scheirlinck spoke to distribution resilience; Mark spoke to water treatment resilience.</p> <p><i>Production resilience</i></p> <p>Andrew noted that work was undertaken with NIWA (The National Institute of Water and Atmospheric Research) and Tonkin + Taylor to analyse the future yield under various climate change scenarios. Peak usage and population growth are driving our next water source.</p> <p>Mark noted the factors impacting water production resilience such as: extreme weather events; plant and equipment failures; Covid-19; staffing issues; supply chain; cost increases; and the new water services regulator.</p> <p>Mark explained various measures are in place to build water production resilience such as: long-term procurement contracts wherever possible; lead time monitoring on supply chain; increased storage; built in redundancies in critical spare parts; maintenance programmes; multiple raw sources of water flowing into water treatment plants.</p>

	<p><i>Distribution resilience</i></p> <p>Tim discussed several critical points of failure in the network. One example is the two 1960s watermain running under the Auckland Harbour Bridge that service a huge population in the north. The watermain are aging, are in need of major maintenance, and are also reaching capacity. To mitigate this risk, Watercare has maintenance underway and a good plan in place to isolate one of the two watermain. We also maintain three reservoirs on the north shore to provide resilience, which would be combined with restrictions in the case of a failure. A future third watermain across the harbour will be separated from the existing two watermain.</p> <p>Tim highlighted other water distribution resilience and planned improvements in place to the north, south and west of Auckland.</p> <p><i>Water treatment resilience</i></p> <p>Mark noted that it is a challenge to recruit and retain skilled staff. The operations team has about 30 open vacancies. There are high expectations on the operations team with an on-call requirement and out of hours work with shutdowns. Watercare is working on career development programmes, hiring staff for the long term, providing staff with varied job opportunities, job rotation, and upskilling of new staff.</p> <p>Mark noted that having a large source of water north of the Harbour Bridge would increase our resilience. As there is no natural source to the north, this would need to comprise possibly a reuse facility at Rosedale waste water treatment plant or utilisation of the Riverhead site for large scale water storage.</p> <p>The team also does simulations to practice responses to various failures.</p> <p>The Board requested Management to consider what further education the Board requires in this area, so it can possibly be included in the 4 October 2022, Board Planning Day.</p> <p>The Acting Chair thanked the team for their korero.</p>
9.	<p>Board planner</p> <p>The Acting Chair requested that the agenda for the Board Planning Day be drafted.</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>Julian Smith has sent update directorship detail to the Governance Team and noted the following:</p>

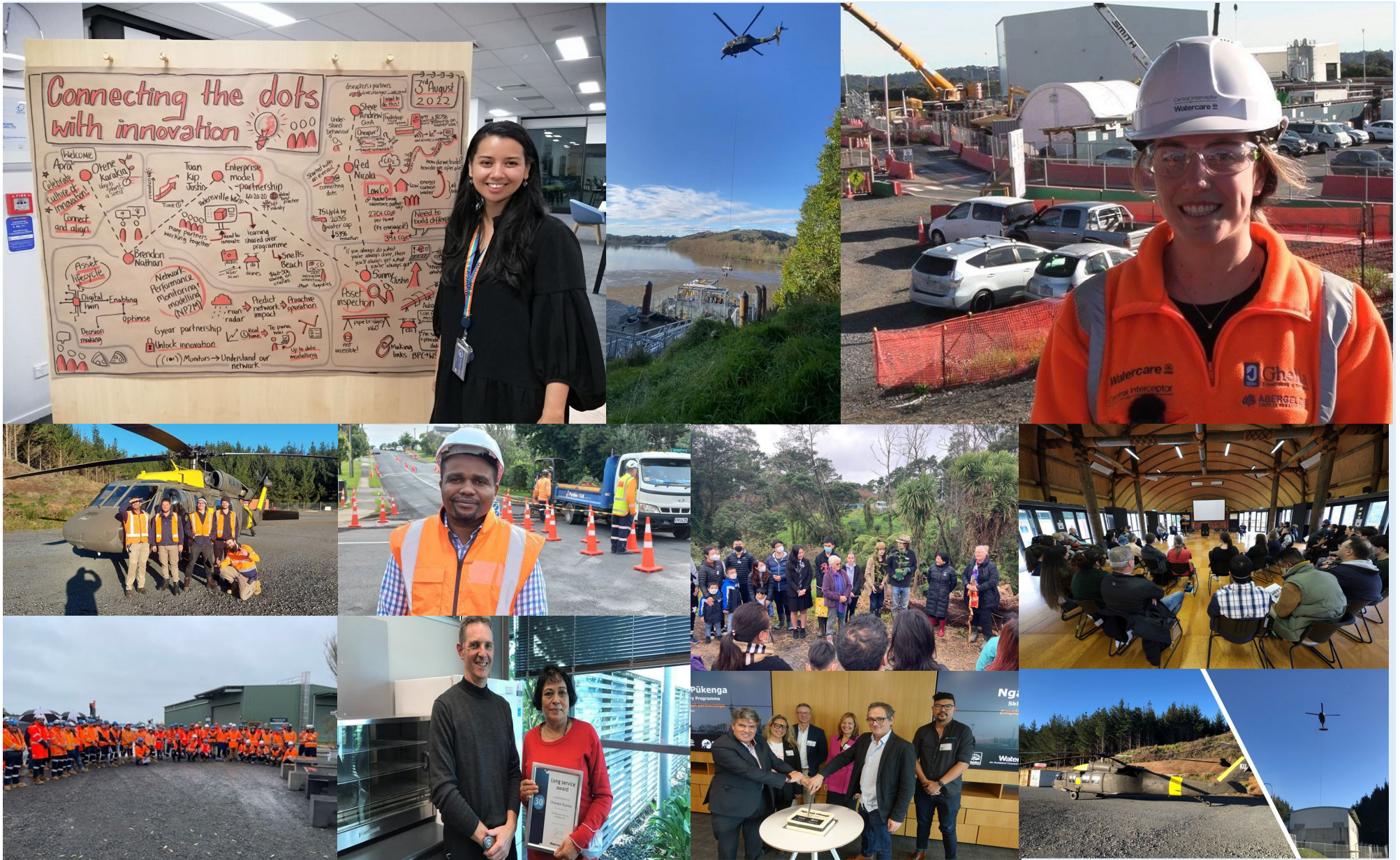
	<ul style="list-style-type: none"> • Director and Shareholder of JTB Enterprises Limited • Committee member of Institute of Directors – Auckland Committee • Committee member of Institute of Directors – Northland Sub-Committee • Committee member of Body Corporate Chairs Group NZ – Auckland Committee • Body Corporate Chair – The Residences, Auckland • Body Corporate Committee member – The Connaught Residential Apartments, Auckland. <p>The Acting Chair advised that he has resigned from Living Clean NZ Limited.</p> <p>Hinerangi Raumati-Tu’ua advised that she has been appointed as a director of Reserve Bank of New Zealand and Pouarua Farms Limited. She also advised that she has resigned from Te Rere O Kapuni Limited.</p> <p><i>The Board noted the report.</i></p>
12.	<p>General business</p> <p>The meeting closed at 10.58am.</p>

CERTIFIED AS A TRUE AND CORRECT RECORD

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Dave Chambers, Acting Chair

Chief Executive's report – September 2022

Presented by: Jon Lamonte



1. Current significant issues

As highlighted last month, the July performance was heavily coloured by rainfall, which was double the usual amount for the month. As a result, there were challenges for delivery of the infrastructure programme, as well as a real concerted team effort to deal with faults and overflows. On the positive side, this has meant that, at the time of writing (26 August), our dam hits 100% storage – it is the first time we have been 100% full since the winter of 2017. It just goes to show us how quickly things can change when it comes to weather and water in Auckland since we were only around 75% full at the end of May.

Much of the focus has been on Three Waters Reform in recent weeks, with engagement with senior officials in Department of Internal Affairs (DIA), meeting requests from politicians for briefings, and further discussions on economic regulation. The Mayor, with Deputy Mayor and Councillor Cooper, appeared at the Finance and Performance Committee in mid-August to support the Auckland Council submission. Despite not providing a written submission, Watercare has been asked to appear at the Committee on 31 August 2022 and the Acting Chair and I will provide an update to the Board on how that went when we meet on 6 September 2022.

We have been informed of the selection of the preferred IT solution for the four new entities.

The efficiency programme has really taken root in the organisation, with the restructure of the finance function all but completed, MSN having had a review from SPICAE, and Laboratories due to be reviewed by an external company in September. Vibrance have done a review over the last three weeks of the whole of the organisation at high level, and are starting a series of workshops with Management to see what the opportunities might be.

Health, safety and wellbeing continues to require attention. Recent LTIs, whilst small in nature (generally relating to slips, trips and falls or muscular skeletal injuries), are keeping our lag measures higher than we would want. Rolling out of “Back to Basics” within Operations is a positive next step but will take time to show results. We are encouraging more managers to visit workplaces and to work with staff on doing their jobs without cutting any corners and doing things at a sensible pace without incurring harm.

2. Key Performance Measures

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

- Financial performance for July showed a positive outcome for opex, but a small underachievement in capex.
- The capex result, linked with increasing numbers of faults and overflows, and challenges in consent compliance, all relate to the effects of significant weather events in the month. This slowed infrastructure delivery and caused operational difficulties for teams.
- The Executive are very focused on HSW trends, which are still too high (noting we halved the TRIFR target this year) and not pointing in the right direction yet.

- Our turnover of people seems to be increasing at about 1% per month, reflective of many organisations in the country. Whilst this helps with achieving efficiency targets, we are reviewing whether and at what point we would need to protect key people to deliver core services.
- A close watch needs to be kept on Onehunga water treatment, where PFAS was found at low levels. If this increases, the plant would need to be temporarily closed until the issue is resolved.

[Attachment 1](#) sets out Watercare's performance against the current Statement of Intent measures for July 2022.

3. Organisational plan implementation

We will be focusing on the 'Our communities trust and respect us' strategic pillar at item 9 on the public agenda of the 6 September 2022 Board meeting.

We have implemented an initiative tracker to measure progress against the company plan. This tracker is updated monthly and any initiatives that are not on track are discussed as exceptions at the Executive team's monthly performance hui.

4. People

A dawn blessing and opening ceremony was held to open the Watercare Training Centre. The opening was well attended by a mix of Watercare and industry partners. The multi-purpose outside training zone has built on our existing site to create an environment where people can learn a variety of skills, including working at heights, pipe-jacking, working in confined spaces and on scaffolding. This is the first step in developing the site and as the campus grows, there are plans to provide a broad range of industry training for frontline staff and contractors.

We recently celebrated the achievement of Chandra Sharma who reached her 30 year service date in our inorganic chemistry team at the laboratory. Chandra recognised the variety that each day brings and praised her teammates and noted that, *"Watercare is my home. Thank you all for making my life here a continuing adventure!"*

[Attachment 2](#) is a workforce snapshot for July 2022. Overall employee numbers dropped slightly compared to June. Despite this, new hires increased compared to the previous month in response to the increase in turnover. Rolling sick leave has increased marginally despite anticipated seasonal illnesses.

5. Health, safety and wellbeing

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

6. Community and stakeholder relationships

These relationships will be discussed during item 9 of the 6 September 2022 public Board meeting – 'Strategic focus: our communities trust and respect us'.

6.1 Citizen's Assembly

We are halfway through our citizens' assembly sessions and our assembly members have made good headway in understanding the complexities and trade-offs that need to be considered in such an important decision. The participants are a very diverse group and bring multiple perspectives on this critical decision for Auckland. The level of engagement from the group has been very high, reflecting the sense of responsibility they feel in being involved in deciding the next future water source of Auckland.

The first morning (held on 6 August 2022) covered the history of drinking water in Auckland, and important perspectives when thinking about the water system, including how to ensure it is safe, how we might treat water as a taonga, and why the answers are not as simple as they might seem at first. In the afternoon, our assembly members looked at the options for Auckland post 2040. They got to hear about various water source options from international experts in water efficiency, desalination and water recycling and asked the experts questions about each of the options. The assembly members were still engaged right until the final 'circle' at the end of the day. Members appreciated hearing the diverse views of other Aucklanders as well as the international experts who are managing desalination and wastewater recycling plants 'for real'.

The second session (held on 20 August 2022) had the assembly members learning which options might protect Auckland from climate change and drought, and what kinds of recommendations have the potential to enhance 'Te mauri o te Wai'. The environmental and economic costs were considered, and trade-offs discussed. The participants interrogated the options and identified knowledge gaps that our external water industry experts will help them understand, so that the assembly can make recommendations based on a sound understanding of the impact of decisions that will ultimately reflect our shared values.

Our next session is online, in which assembly members have raised the need for more information on cultural perspectives. They also wish to hear case studies and learnings from other countries that already use desalination and purified recycled water to supplement their traditional sources. The assembly members will have the opportunity to ask more technical, economic, and social questions of our external experts, and our third face to face session will be held on 10 September 2022. Our final session will be held on 24 September 2022 in which the assembly will formally hand over their recommendations to Watercare leadership. Board members have already been invited to the final session, and are also welcome to observe the intervening sessions.

6.2 Local government elections

Candidates for election have completed the first step in the official process, submitting their nomination paperwork and being officially announced. Three members of the Governing Body are not standing for re-election including the Mayor Phill Goff, Deputy Mayor Bill Cashmore (Franklin) and Counsellor

Cathey Casey (Albert-Eden-Roskill). Of the 149 Local Board members, 38 or 25% are not standing for re-election. A number of Local Board Chairs are retiring including Lee Corrick (Albert-Eden), Phelan Pirrie (Rodney), Margaret Miles and Lisa Whyte (Upper Harbour) and Saffron Toms (Waitakere Ranges).

Despite reports in the media, there appears to be a wide selection of candidates running for election with no less than 23 mayoral candidates. All the wards and local board areas have competitive numbers of candidates. The lone unopposed candidate is Louise Johnston of the Dairy Flat Subdivision of Rodney.

Information about the candidates has been distributed directly to managers and team leaders with customer facing staff. In accordance with Council election process, we are recording elected member interactions and ensuring that information is made available to all candidates via our information hub. We expect election activity to increase significantly now that campaigning has begun in earnest.

7. Water resources update

7.1 Water sources

The total dam storage level is close to 11% above the historical average for this time of the year. The long-range seasonal forecasts are indicating a slightly wetter-than-normal winter, so we expect our total dam storage to continue to rise.

In terms of non-revenue water updates:

- The leak management programme is progressing well. Since the start of the programme approximately 12,300kms have been surveyed to date with 7,557 leaks found.
- For Māngere and Konini zones, studies are being undertaken for future demand and growth including creating smaller district metered areas (DMAs) and pressure management areas. Pressure management is set to be implemented in six DMAs in the Maungakiekie area. PRV (Pressure Reducing Valve) controllers are currently in the process of being retrofitted and installed.
- 700 new FIDO bugs which can detect underground leaks have been deployed across Newmarket, Penrose and New Lynn. These bugs relay leak data to Watercare periodically. We have received data from 320 FIDO bugs which have detected approximately 70 leaks that have yet to be verified.

7.2 Water quality

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

Final Rules and Regulations were released by Taumata Arowai on 25 July 2022. The Regulations will come into effect on 14 November 2022.

Compliance with the new reporting requirements is from 1 January 2023. Internal review is underway to identify areas of the final Rules and Regulations where improvements are required. Gaps and recommended actions will be reported to Executive team by the end of August 2022.

All Water Safety Plans (WSPs) have been prepared and previously approved by the Ministry of Health. Watercare is in the process of updating and auditing all our WSPs which are required to be submitted to Taumata Arowai by November 2022. On-going implementation of the WSPs continues. Management audits of WSPs will commence during 2022. Internal and external audits of our WSPs are planned for 2023.

Disinfection By-products (Trihalomethanes (THMs)) Investigation

Taumata Arowai's final Drinking Water Quality Assurance Rules require monitoring and reporting to be undertaken. The region wide monitoring programme highlighted multiple results over 50% of the Maximum Acceptable Values (MAV) during winter, spring and summer. The reduction of THMs will require improvements across water supply. These improvements could involve operational changes but will most likely require significant capital investment.

Investigations into Emerging Contaminants – Microplastics, PFAS, nematodes, nitrates, viruses including Covid-19

New research highlights new areas for investigation will be required. The Water Quality Science team is looking into global trends and learnings that Watercare should be aware of.

7.3 Mangakura dam upgrade

Damwatch Engineering are currently working on the detailed design drawings and reports for the Mangakura Dam 1 upgrade works. These are due at the end of August 2022. Once the detailed design is finalised a Building Consent will be lodged.

A Procurement Plan for the Mangakura Dam 1 upgrade project has been prepared with inputs from Supply Chain and approval has been received.

7.4 Watercare Dam Safety Management System

Watercare has a Dam Safety Management System (DSMS) to provide dam safety assurance for the dams managed and operated by Watercare. The DSMS sets out how we comply with Watercare's dam safety assurance policy, the relevant legislation, and regulations. Watercare's Dam Safety team monitor 93 dams located in Auckland and the Waikato District. Each of the 93 dams are monitored according to their size and consequence of failure and are scheduled as being a High, Medium or Low Potential Impact Classification dam. Watercare's compliance against the DSMS is reviewed annually by independent external dam safety experts.

To achieve compliance with DSMS, Watercare utilises a combination of internal expertise to meet operational surveillance requirements and external expertise to provide external review and oversight of dam operations. The level of surveillance, inspection, assessment, reporting, and support are defined by the New Zealand Society of Large Dams (NZSOLD) Guidelines and recently passed Building (Dam Safety) Regulations. Watercare personnel involved in delivering dam safety assurance programme comprises four Dam Safety Engineers, an Engineer Headworks, seven Dam Technicians, and a Dam Safety

Caretaker. All are trained in dam safety surveillance and performance. The team provides systematic oversight and delivers the dam safety assurance programme which include:

- meeting dam safety legislative requirements
- addressing dam safety issues
- upgrade and maintenance of dam structures
- regular inspection and review of dam performance
- review of operational impact on dam safety
- authoring key dam safety documents.

Emergency preparedness plans are documented, and training undertaken to mitigate risks posed by a potential dam breach.

Key work undertaken includes:

- dam safety deficiency investigations to determine potential safety risks
- dam deformation surveys to determine short run and long run movement
- dam break analysis and modelling to identify potential downstream flood hazards, potential mitigation and emergency preparedness
- natural hazard identification effecting dam safety such as floods, earthquakes, landslides, high winds and waves, and seiches developed by fault movement or landslides into the reservoir
- determination of the Probable Maximum Flood (which is an estimate of the most severe “reasonably possible” flood event) and the Maximum Credible Earthquake (which is the maximum earthquake that can induce the largest seismic impact on a dam). High and Medium Potential Impact Classification dams are expected to remain operational following the Probable Maximum Flood Maximum Credible Earthquake event.

8. Risk and compliance update

8.1 Enterprise risk management

Our new risk solution went live at the end of June 2022 to further enhance our risk management capability across the organisation. This is a phased go-live across the organisation. Digital, Corporate Services and Customer are now live. The associated training was also completed by mid-August 2022. The next phase of implementation will cover Operations which is planned for completion in September 2022. This will provide a standardised solution to support our ‘risk aware’ culture.

External project risk management comparisons against Sydney Metro and Sydney Water are underway to support our Infrastructure team's project management practices. A draft project risk management roadmap will be developed to support the uplift in capability.

8.2 National Hazards Model (GNS)

The National Hazards Model (GNS) is due to be released in September 2022. Once released, Watercare's site-specific modelling will need to be updated accordingly. A study will be required on our 15 'High to Medium Potential Impact Classified Dams'. Other major Watercare assets across Auckland will also be assessed to understand implications. Management has been advised that Dam Safety have already budgeted for this work to be carried out.

8.2 Legal and compliance

LGOIMA requests

In July 2022, we received six requests for information under the Local Government Official Information and Meetings Act 1987 (the Act). One of these requests were forwarded to us from Auckland Council. Watercare responded to all requests within 20 working days (in accordance with the Act).

Legal action

- RMA related:
Huia Water Treatment Plant: The Environment Court (EC) was not willing to conduct face to face mediation under the Red light status. Since the changing of the status, the EC has sought to initiate mediation. However, the appellants have been unable to agree on a suitable date. The EC has now directed that the mediation begins in September 2022 and have set down two days for the initial discussions. Watercare has met on two occasions with the five immediate neighbours who have appealed the decision. At the last meeting, they presented a list of possible mitigation measures. These were general in nature, so we have agreed to tailor them to be more specific to each of the properties. We anticipate meeting with the neighbours again in several weeks, after the land valuation issues raised by them have been resolved.
- Non-RMA related:
This case involves a \$1.2m claim against Watercare for property to a residential property on Woodlands Park Road, where a watermain burst and flooded a private property. Considerable effort was made by Watercare staff to help the property owners, including finding temporary accommodation during the time the house was repaired. A claim was lodged nine months later and is now being handled by Kennedys, lawyers appointed by our insurance provider AON. Watercare has public liability insurance, and Watercare's excess on this policy is \$100k. Watercare has filed a statement of defence, and discovery has been completed. A trial has been set down for July 2023. The Board will be kept up to date with major developments.

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.

The new Protected Disclosures Act 2022 came into force on 1 August 2022. The Internal Audit team reviewed and updated the Watercare's Protected Disclosures ('Whistle-blower') Policy to ensure it complies with the new Act.

Non-compliance with resource consents

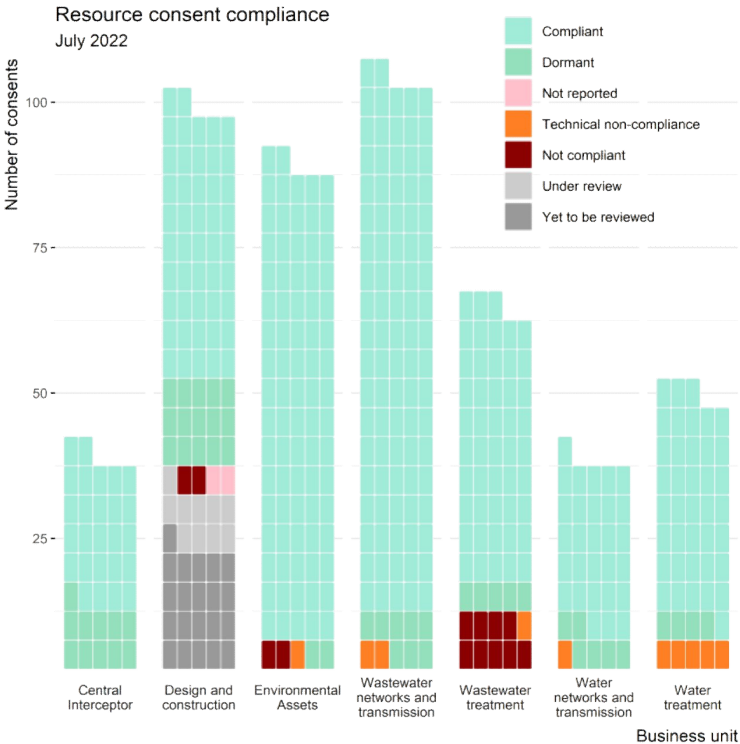
Net compliance was similar in July to that reported in June. The six-monthly trend continues to improve (trending down)

For Operations, the full non-compliances for Environmental Assets related to an issue with the contractor that brings daily cover to Puketutu Island. We have resolved this matter. For Wastewater Treatment, the Army Bay, Beachlands-Maraetai, Helensville, Omaha and Kingseat treatment plants all had problems associated with unusually high rainfall through July.

Non-compliances at the Wellsford, Warkworth, Clarks Beach and Waiuku wastewater treatment plants relate to historical issues that affect the rolling statistics we use to measure treatment plant performance. The number of technical non-compliances across Operations, which are due to late reporting and other procedural matters, continues to decline. Most of the late reporting and other technical non-compliances are due to a combination of staffing (the Project Manager had COVID) and supply chain issues. These issues have created a backlog that the team are now working through.

For Design and Construction, the two non-compliant consents relate to matters not closed-out for the Waikato 50 project. Not all the mitigation measures we committed to for the stream diversion consents have been implemented – some were missed in the project scope, and some have proved challenging to implement for operational reasons. A review of the wider project is underway. The consents not reported are associated with the North Harbour water main project, which, based on historical performance, are likely to be compliant.

Active resource consents in July 2023	388
Consents with non-compliances in July 2023	23 -
Rolling 6-month average (non-compliant consents)	30 ↓
Consents under enforcement in July 2023	0 -



9. Update on business areas

Infrastructure

\$7.5b of Watercare's 10-year Asset Management Plan (AMP) (\$8.9b) will be delivered through the infrastructure team and partner organisations. In addition, \$210m (26% of Watercare's annual revenue) is managed through the developer teams within Infrastructure. Since the previous update to the Board on 30 August 2021, the infrastructure team has:

- implemented the revised operating model.
- transitioned four new consultant partners: two to support the delivery of the strategy and planning functions, the two to deliver design services for the Enterprise Model team.
- developed and improved programme and project reporting, in conjunction with removing legacy spreadsheets that were difficult and time consuming to update and manage. The key benefit of this work is one source of the truth from AMP through to delivery, where previously we were operating with multiple data sets.
- implemented staged business cases to improve the timeliness and accuracy of business case estimates.
- visited both Sydney Water and Sydney Metro to share experiences, operating models, and information on how each organisation delivers their capital programmes. These visits confirmed that our processes are aligned with these two organisations. We are ahead in some areas but behind in other areas compared with where these two Australian organisations are operating. We are taking the learnings from the visits and implementing improvements where appropriate. The interaction with both organisations will continue as we all progress our operating model improvements.
- improved integration between planning and our major development team to provide improved accuracy of developer investments required.
- embedded the Kāinga Ora account management team. This is providing a singular focus on this important developer (New Zealand's largest). There has been a significant collective effort, with Kāinga Ora, to develop ways of working and relationship agreements.
- improved and surfaced-up developer services reporting to provide regular and accurate reporting of performance in consenting, engineering plan approvals, connections, and compliance (the developer lifecycle).
- implemented a new developer services leadership team for consenting, engineering plan approvals and connections. This has created a step change in team dynamics and performance.
- continued to work with the CCO improvement project of 'Better Faster Consents'.

Core areas for improvement and focus are:

- embedding an enhanced culture of 'Delivery of the AMP to Schedule', inclusive of roles, responsibilities, and accountability.
- improving the value realisation reporting and journey for the 40:20:20 delivery.

- continual improvement on programme and project reporting to support the delivery teams.
- lifting the NPS score for developers.

10. Matters for noting

10.1 Board of Inquiry update

On 21 January 2022, the independent Board of Inquiry, appointed by the Minister for the Environment, granted the consent, subject to conditions. The consents authorises Watercare to abstract 150MLD of water from the Waikato River.

On 15 February 2022, Te Whakakitenga o Waikato Inc lodged a notice of appeal to the High Court against the Board of Inquiry's decision on the Watercare application. The Watercare and Waikato Tainui team have held a number of meetings to resolve appeal matters. An update to the 2020 Kawenata has been drafted and shared with Waikato Tainui. The 2022 Kawenata addresses Te Whakakitenga appeal concerns and shapes future relationship between the parties. The High Court confirmed on 29 August 2022 that the Te Whakakitenga o Waikato appeal on the Waikato River water take BOI consent has been withdrawn and the filed closed.

We continue to review our next sources of water, including purified recycled water.

10.2 Significant meetings

- Mayor Goff
- Heather Shotter - Executive Director, Three Waters National Transition Unit
- National Party members Christopher Luxon, Simon Watts and Chris Bishop
- Thought leadership forum – a group of specifically selected leaders who are working together to identify initiatives to make the biggest difference to Infrastructure delivery in NZ
- Northern Council Chief Executives on Three waters progress
- Colin Crampton from Wellington Waters to discuss Economic Regulation
- Maria Nepia, Executive Director, Iwi/Māori Three Waters, DIA
- Waikato River Authority
- WSAA Board meeting and Audit and Risk Committee meetings
- Mana Whenua Kaitiaki Forum (Te Rūnanga o Ngāti Whātua, Ngāti Tamaoho, Te Ākitai Waiohū, Te Ahiwaru Waiohū, Ngāti Maru)
- Central Interceptor (Te Rūnanga o Ngāti Whātua, Ngāti Maru)

- KOTM mana outcome-related projects (procurement - Waikato-Tainui, relationship/strategic opportunities - Ngāti Tahu-Ngāti Whāoa
- Consents (Ngāti Manuhiri).

11. Delegated authority to Chief Executive

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

- there were four documents required to be signed by Watercare's Chief Executive with the delegated authority provided to the Chief Executive by the Board in relation to deeds, instruments and other documents.
- there was one property document required to be signed by two members of the Watercare Board.
- there were no capex approvals signed below a threshold of \$50m.
- there was one contract approved over \$100,000. This is as follows:

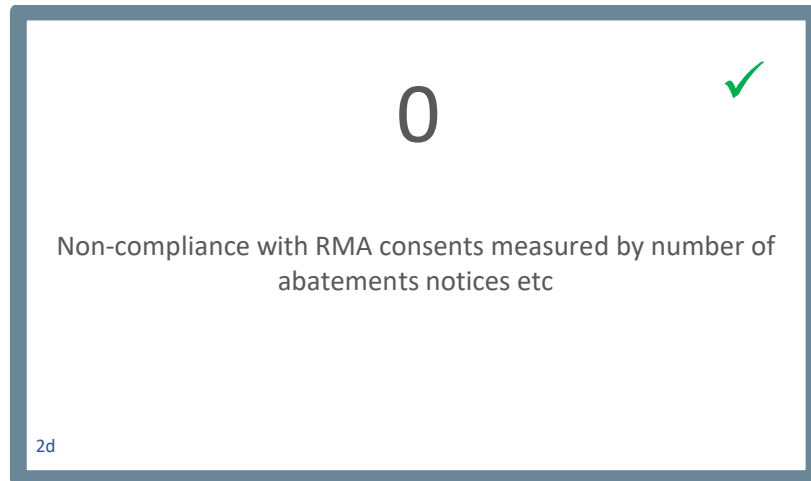
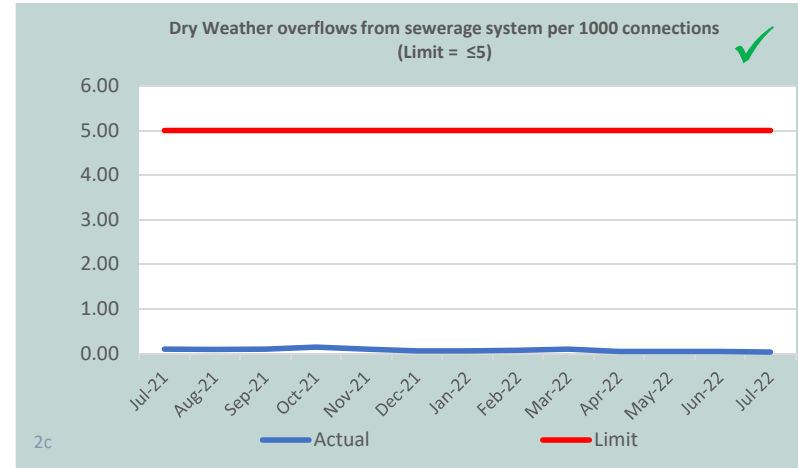
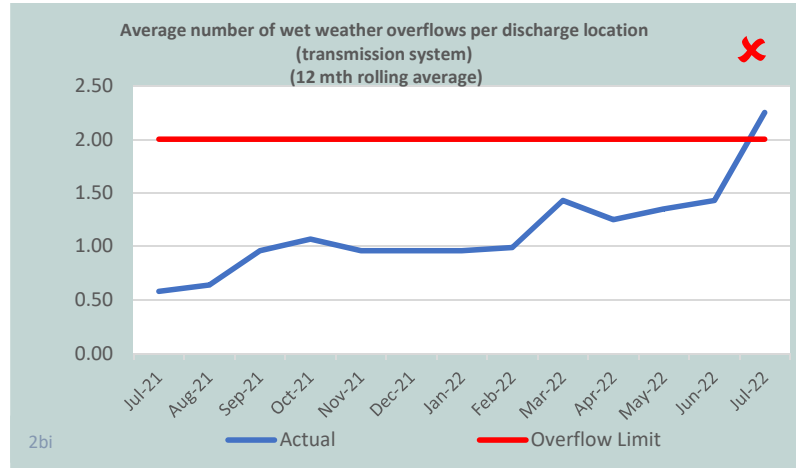
Contract description	Successful supplier
Leak Detection Services	Detection Services Limited



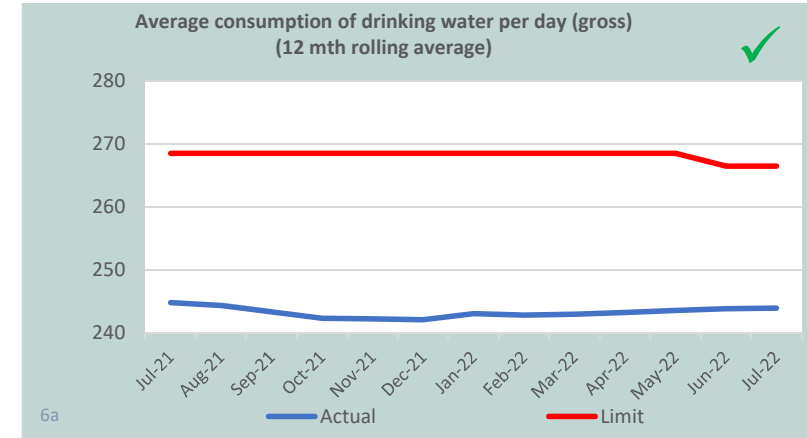
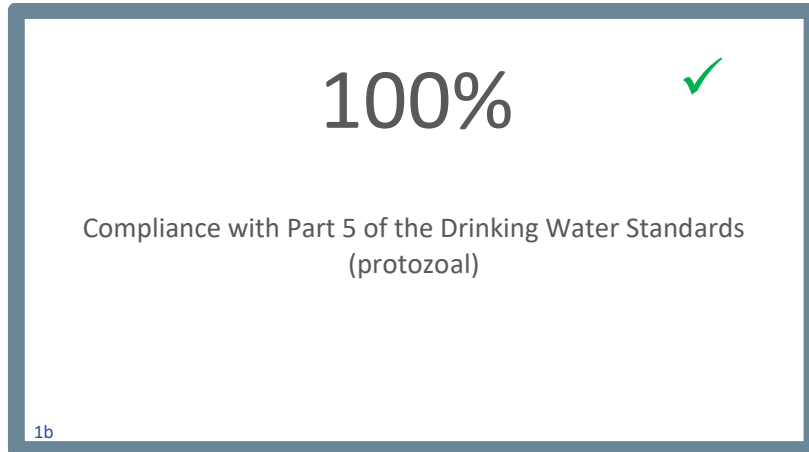
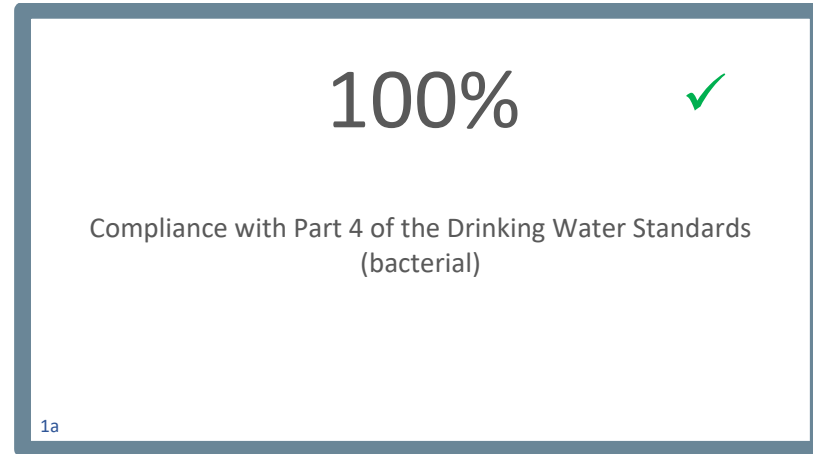
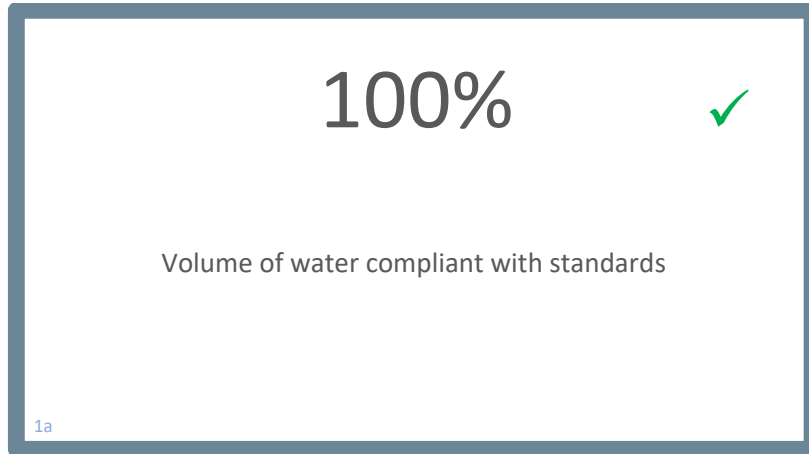
Jon Lamonte
Chief Executive

Attachment 1 – Performance against Statement of Intent measures

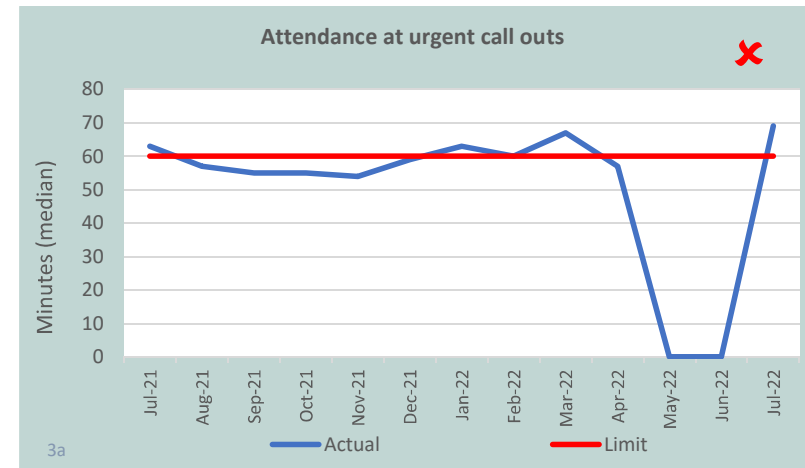
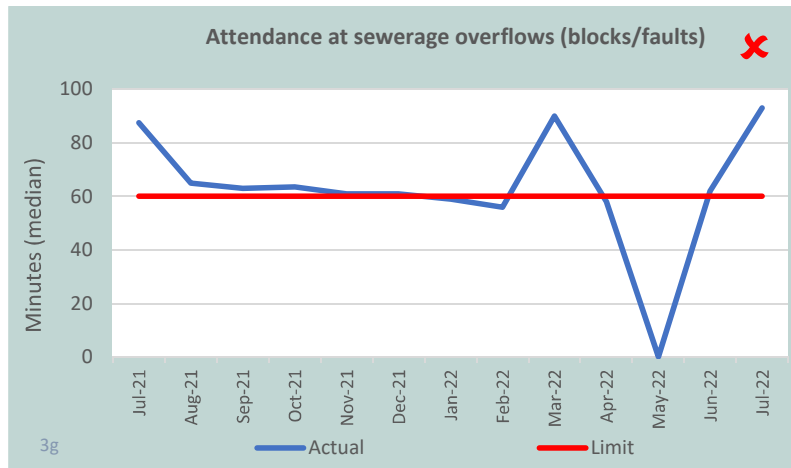
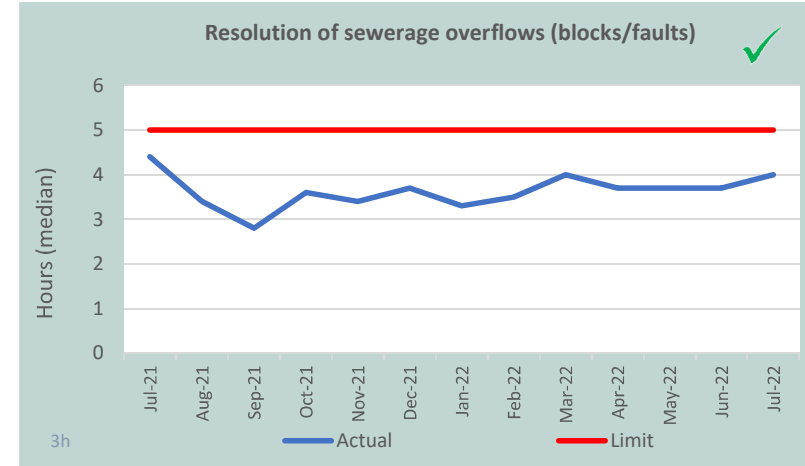
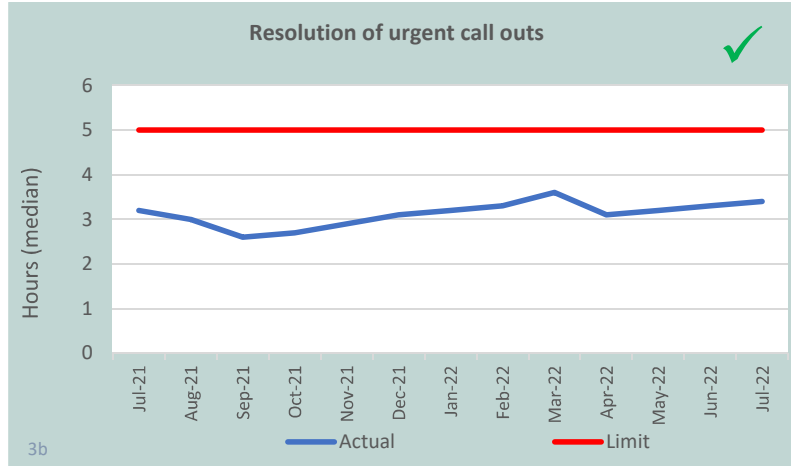
SOI Measures — Natural Environment



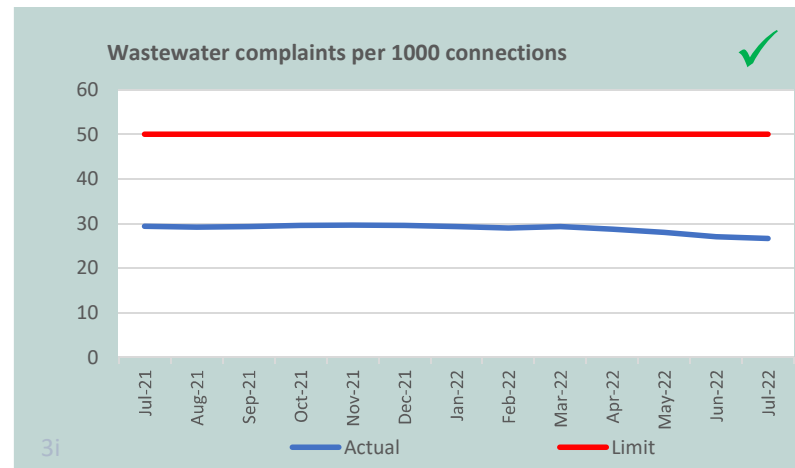
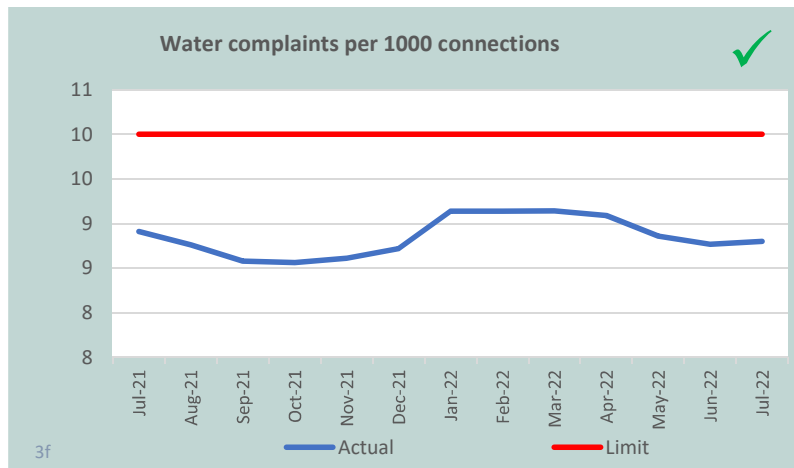
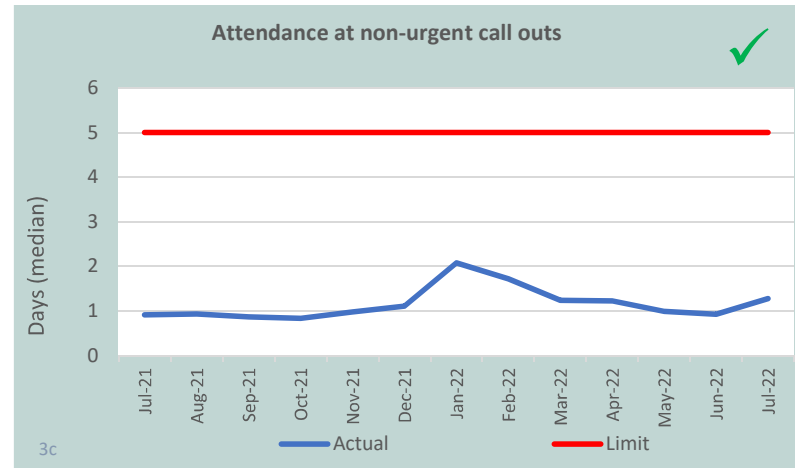
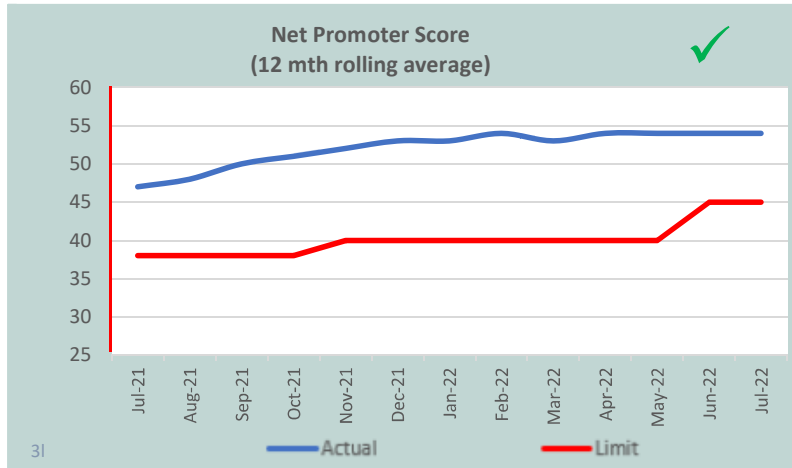
SOI Measures — Assets and Infrastructure



SOI Measures — Community and Stakeholder Relationships



SOI Measures — Community and Stakeholder Relationships



Watercare performance measures (unaudited)

No.	Measure	FY23 Target	Actual			Commentary
			July 2022	June 2022	May 2022	
1.	Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of: a) abatement notices b) infringement notices c) enforcement orders d) convictions received by the territorial authority in relation to those resource consents	≤2 ≤2 ≤2 0	0 0 0 0	0 0 0 0	0 0 0 0	
2.	The average consumption of drinking water per day per resident within the territorial authority district (*litres plus/minus 2.5%) (12-month rolling average)	258 litres	244	243.9	243.6	
3.	The extent to which the local authority's drinking water supply complies with part 4 of the drinking water standards (bacteria compliance criteria)	100%	100%	100%	100%	
4.	The extent to which the local authority's drinking water supply complies with part 5 of the drinking water standards (protozoal compliance criteria)	100%	100%	100%	100%	On 14 July Huia Village WTP did not complete Membrane Integrity Testings (MITs) due to a control system issue. Turbidity compliance confirms no risk to water supply. Taumata Arowai (TA) were notified on 18 July. Event Investigation Report (EIR) is being prepared and Production Team is working with Control Web to resolve the issue, going forward. TA called to discuss and is satisfied with our response. Formal compliance decision by the

No.	Measure	FY23 Target	Actual			Commentary
			July 2022	June 2022	May 2022	
						regulator is pending following submission of the EIR.
5.	Median response time for attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (minutes)	≤ 60 mins	69	57	57	Below is a summary of contributing factors to the increase in response time for July: <ul style="list-style-type: none"> • Rapid increase in wastewater volume during July due to storm events. • The change in logging urgent wastewater overflows jobs as Priority 2 rather than Priority 1. • Covid-19 has been an ongoing issue in particular for field crews which experienced an increase in absences. • Staff numbers and recruiting in the current climate has been challenging.
6.	Median response time for resolution of urgent callouts: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption (hours)	≤ 5 hours	3.4	3.3	3.2	
7.	Median response time for attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (days)	≤ 5 days	2.0	0.93	0.99	
8.	Median response time for resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that	≤ 6 days	1.2	1.10	1.40	

No.	Measure	FY23 Target	Actual			Commentary
			July 2022	June 2022	May 2022	
	service personnel confirm resolution of the fault or interruption (days)					
9.	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	8.8	8.77	8.86	
10.	Attendance at sewerage overflows resulting from blockages or other faults: median response time for attendance – from the time that the territorial authority receives notification to the time that service personnel reach the site (minutes)	≤ 60 mins	93	62	58	Below is a summary of contributing factors to the increase in response time for July: <ul style="list-style-type: none"> • Rapid increase in wastewater volume during July due to storm events. • The change in logging urgent wastewater overflows jobs as Priority 2 rather than Priority 1. • Covid-19 has been an ongoing issue in particular for field crews which experienced an increase in absences. • Staff numbers and recruiting in the current climate has been challenging.

No.	Measure	FY23 Target	Actual			Commentary
			July 2022	June 2022	May 2022	
11.	Attendance at sewerage overflows resulting from blockages or other faults: median response time for resolution – from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault (hours)	≤ 5 hours	4.0	3.7	3.7	
12.	The total number of complaints received by the territorial authority about any of the following: a) sewerage odour b) sewerage system faults c) sewerage system blockages d) Watercare's response to issues with its sewerage system expressed per 1000 connections to the territorial authority's sewerage system (12-month rolling average)	≤ 50	26.7	27.02	28.75	
13.	The percentage of real water loss from the territorial authority's networked reticulation system (12-month rolling average)	≤13	N/A	11.36 (February 2022 figure, updated to current consumption)	11.08 (February 2022 figure)	We currently report four months in arrears. March 2022 figures should be available in September 2022 once these have been internally audited.
14.	The number of dry-weather overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system (12-month rolling average)	≤ 5	00.3	0.05	0.50	
15.	Average number of wet weather overflows per engineered overflow point per discharge location (12-month rolling average)	≤ 2 overflows per year	2.3	1.43	1.25	
16.	Leakage target – Economic level of leakage (ELL) - litres/connection/day (l/c/d)	Equal to the ELL as	N/A	New measure	New measure	ELL target is calculated annually and should be available in September 2022.

No.	Measure	FY23 Target	Actual			Commentary
			July 2022	June 2022	May 2022	
		calculated annually				
17.	Leakage performance - litres/connection/day (l/c/d)	Performance to be reported at end of each month with final result available mid-November each year as there is a four-month lag.	N/A	107 l/c/d (as at February 2022)	107 l/c/d (as at February 2022)	We currently report four months in arrears. March 2022 figures should be available in September 2022 once these have been internally audited.
18.	We are sourcing water from a diversity of sources; and we are preparing for, and promoting, the adoption of alternative sources of human drinking water in the future	Watercare to make submissions to Central Government when the opportunity arises (eg the Natural and Built Environments Bill and Strategic Planning Bill),	N/A	New measure	New measure	Natural and Built Environments Bill - The "Exposure Draft" submissions have been considered and are informing the development of the Natural and Built Environments Bill, to be introduced to the House in (potentially October) 2022 alongside the Strategic Planning Bill. There will be an opportunity for the public to provide feedback on these two bills at that time. Watercare will provide feedback to support alternative water sources.

No.	Measure	FY23 Target	Actual			Commentary
			July 2022	June 2022	May 2022	
		supporting the use of desalination and purified recycled water as recognised sources of drinking water in New Zealand.				
19.	Employee net promoter score (eNPS)	≥20	23 (March survey results)	23 (March survey results)	23 (March survey results)	The next eNPS survey is due to be conducted in Q2 FY23.
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: 38.77% M:61.23%	New measure	New measure	
21.	Employees in fixed term and/or permanent roles, including leadership positions (Tier 3 and above) identify as Māori	6%	3.96%	New measure	New measure	
22.	Total recordable injury frequency rate (TRIFR) per million hours worked (12-month rolling average)	<10	15.10	14.32	13.56	
23.	Safety improvement plans	100% of teams with a HSW	85% (aprox.)	New measure	New measure	Improvement plans are in place for most Operations and Maintenance sites, as well as the Laboratory. Newly

No.	Measure	FY23 Target	Actual			Commentary
			July 2022	June 2022	May 2022	
		Improvement Plan				established HSW committees for our Newmarket-based teams are currently identifying gaps and establishing plans.
24.	Culture and Leadership	100% of Tier 1 to Tier 4 who have completed at least 10 leadership walks per year	N/A	New measure	New measure	This target is quite some way from being met. An estimated 25% of our T4 and above leaders achieved this target in the last FY. 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.
25.	Debt to revenue ratio	≤3.61	N/A	2.80	2.78	Debt Headroom is based on Forecasted Debt and Revenue. Forecasting is only done from September.
26.	Percentage of household expenditure on water supply services relative to average household income	≤ 1.5%	0.94%	0.80%	0.85%	
27.	Formal engagement with mana whenua of Tāmaki Makaurau	Partnering with mana whenua of Tāmaki Makaurau to achieve outcomes for Māori Each year, at least five priority	50%	95%	89.47%	5 of 10 priority outcomes currently being progressed: Kia Ora te Umanga, Kia Ora te Reo, Kia Ora te Ahurea, Kia Ora te Rangatahi and Kia Hāngai te Kaunihera.

No.	Measure	FY23 Target	Actual			Commentary
			July 2022	June 2022	May 2022	
		outcomes within our Achieving Māori Outcomes Plan are being progressed with mana whenua (updated measure).				
28.	Ratio of procurement sourced through Māori owned businesses	2%	1.50%	1.48%	1.32%	Māori business spend for FY22 was \$13.06m out of a total spend of \$884.57m. Direct spend with Māori business was \$5.75m (across 46 individual Māori businesses) Indirect spend was \$7.43m with all partner suppliers except Citycare reporting spend with Māori businesses).
29.	Integration/Adoption of Te Reo and Tikanga Māori within Watercare	Ensure all Tier 1-4 job titles include Te Reo Māori translation; and hold a Watercare Tikanga Māori experience	100%	New measure	New measure	

No.	Measure	FY23 Target	Actual			Commentary
			July 2022	June 2022	May 2022	
		for all staff				
30.	Percentage of customer complaints resolved within ten days of notification	≥95%	98.96%	98.90%	98.03%	
31.	Customer Net Satisfaction Score (Previously Net promoter score)	≥45%	54%	54%	54%	
32.	Community trust score	≥55%	57%	57%	57%	
33.	We will implement Mitigation measures in line with our emissions reduction targets. We will report annual greenhouse gas emissions from Scope 1 and Scope 2 emissions (operational mitigation) in line with our emission reduction pathway to meet 50% reduction by 2030.*	<88,400 tonnes CO ₂ e	N/A	New measure	Ne measure	FY22 data was successfully verified by Toitu in July 2022. Emission data is currently only reported annually and is a manual process.

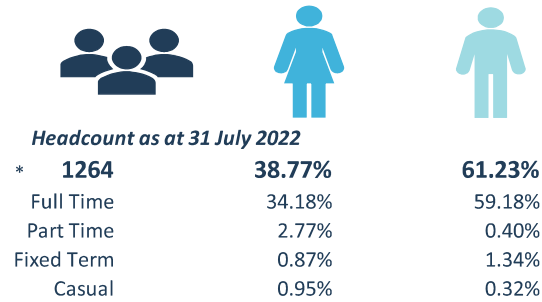
**Note: these targets exclude emissions from Puketutu island as our current measurement methodology does not provide enough accuracy for a performance target. Actions to directly monitor emissions from this source as well as reduce them are being delivered and future SOI's will include these numbers.*

Attachment 2

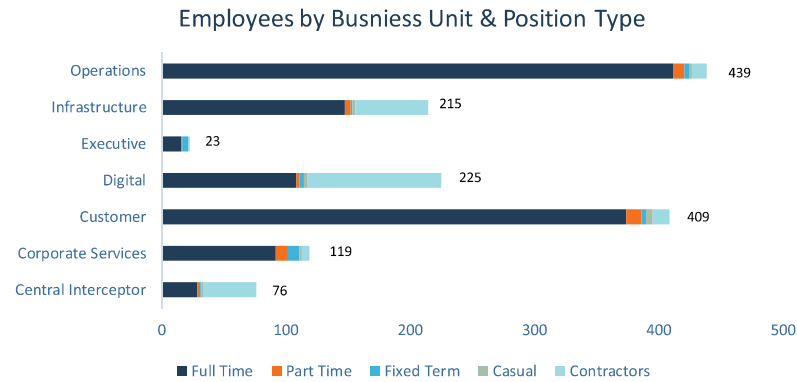
PEOPLE DASHBOARD: July

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

Workforce Snapshot

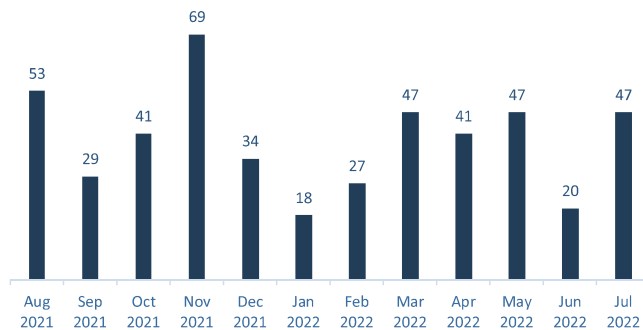


* Contractors and Directors are excluded from the headcount figures above. Long term leave and parental leave employees are included.



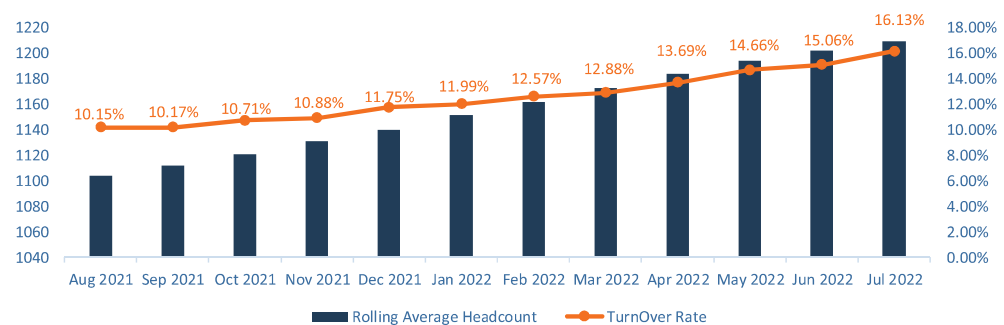
Please note active contractor information is based on data provided by the business through ServiceNow. Some third party contractors may not be included, and further categorization of contractors (direct, third party) was not provided at time of request. There are also potentially contractors who have expired but have not been terminated by the manager. We are currently working on improving the process to better capture this information and report on it.

New Hires by Month



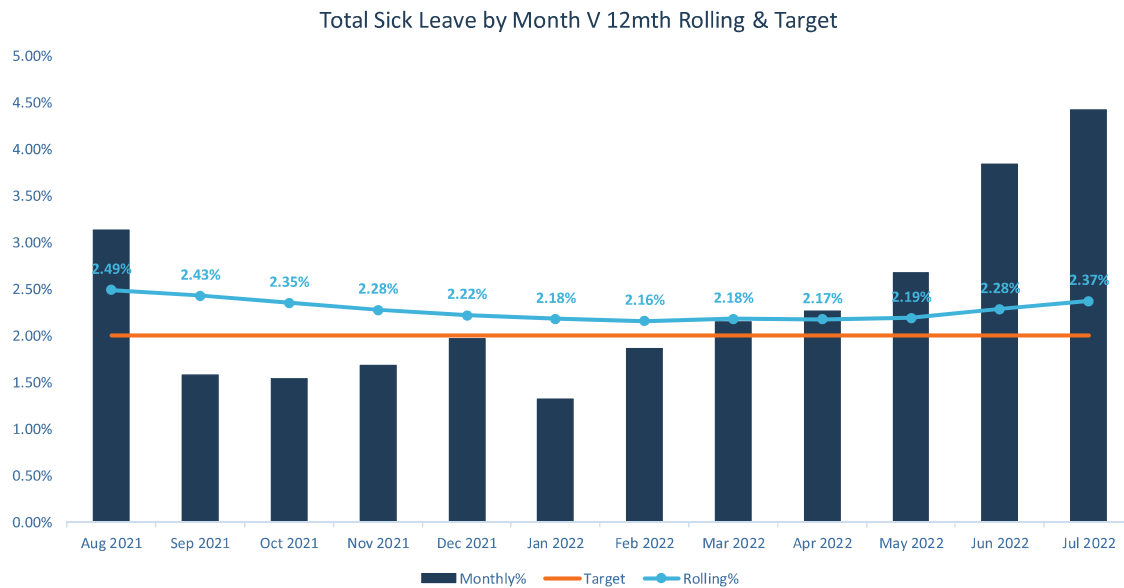
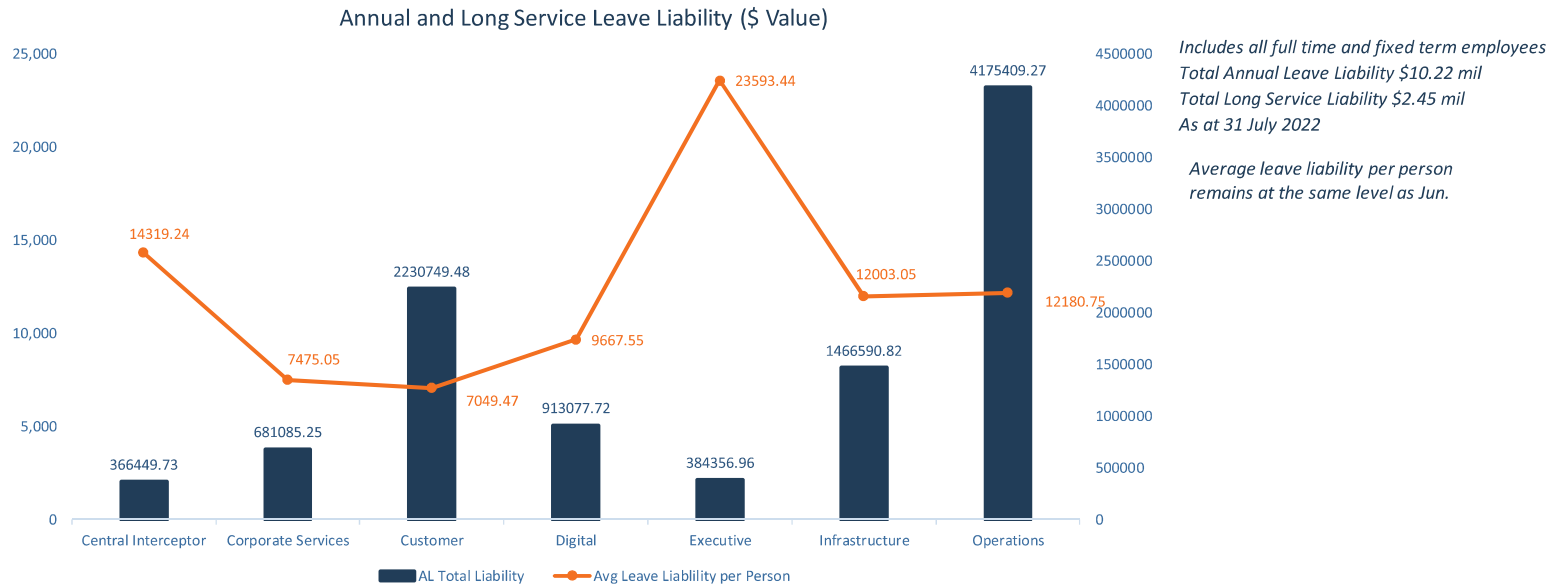
Time to Hire in work days (from jobs open) has increased significantly, from 42.9 days in June to 64.11 days in July, as new hires increase from 20 in Jun to 47 in July. Currently 107 vacancies (including new, replacement & intern) in the recruiting process.

Average 12 mth Rolling: Headcount V % Voluntary Turnover



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

Attachment 2



Attachment 3

Health, safety and wellbeing – July 2022

HSW Dashboard

Below is a draft dashboard which has been developed to provide visibility of HSW data for the whole organisation. The dashboard is interactive allowing business units and individuals to drill down into events and to see trends.



The dashboard is in the final stages of development and is due for release prior to the end of August.

Training Centre

The multi-use outdoor training facility was officially opened in July, marking the next stage in high-efficacy training for Watercare as well as the wider water and construction industries. The facility enables hands-on training for teams and individuals and was very well received by representatives from the business and industry who attended the open day.

HSW performance – July 2022

Total hours worked	No. days overtime
368,982	975 days
(4.46% inc on previous month)	Customer 464 days
WSL 54 %	Operations 511 days
Contractor 46%	

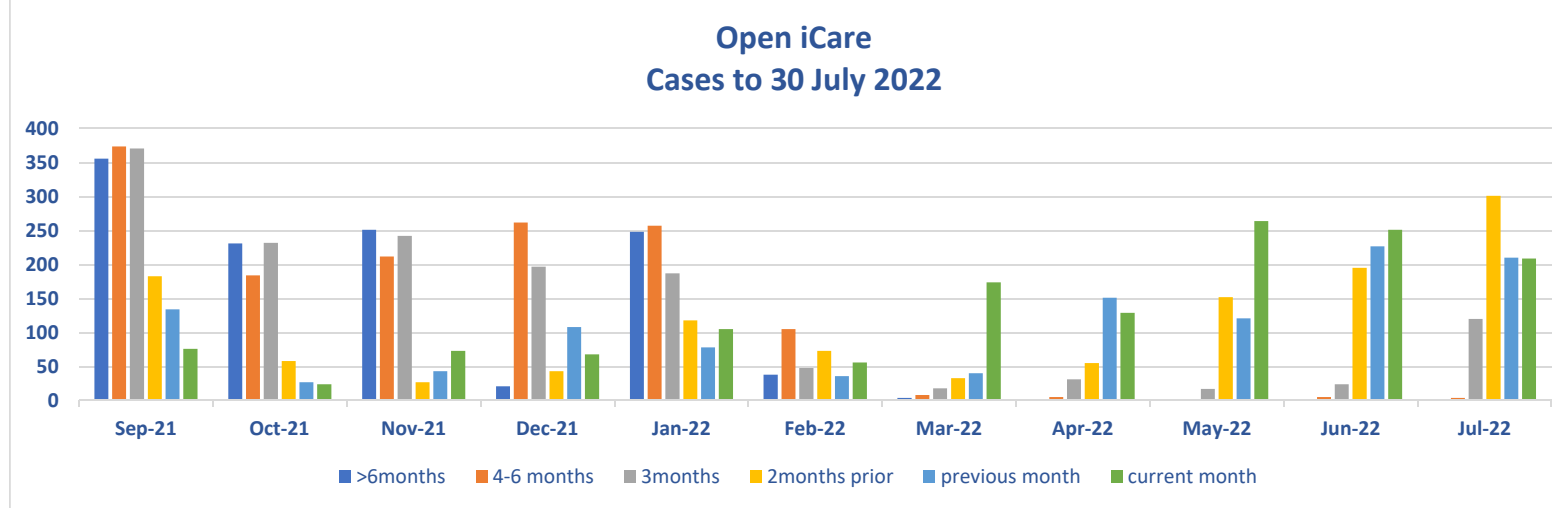


iCare cases

iCare is the Watercare incident reporting system.

Case close-out requires ongoing attention and manual reminders.

There are a handful of individuals who have a backlog of cases to close out. They have been made aware of this and have been offered support.



Incident metrics

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

1. In July, there were four recordable injuries to Watercare staff and five to contractors. Two of the Watercare injuries were Muscular Skeletal (MS) injuries to samplers requiring time away from work. The remaining Watercare injuries required medical treatment including one MS injury and one cut to a hand. Two contractor injuries were to meter readers, one requiring medical treatment for a MS injury and one requiring time off work. The remaining contractor injuries were on CI, all resulting in restricted duties; two from MS injuries and one from a slip.

2. Of the 62 events recorded in July, eleven required first aid on site and 42 did not result in injury. There were 13 events involving property damage, security, and low-speed vehicle damage and eight slips and trips, reflecting the wet and uneven surfaces more common in winter. Three events related to manual tasks this month, and there were eight hand injuries.

3. Critical Risk Exposures: There were no high potential critical events in July. There were 18 incidents involving critical risks, although none resulted in recordable injuries.

Working at Height	3	Chemical exposure	6	Service strikes	4
Electricity	3	Excavations	1	Mobile Plant	1

6.4

Critical Risk Discussion

Working at Heights - 3

- In all three events, work was stopped, and no injuries occurred.
- Two of these events related to kaimahi working on the top of portacoms that were being moved and installed on construction sites.
- This seems to be common practice by the teams delivering and installing portacoms. We have contacted our supplier and have asked them to share best practice so we can communicate this and ensure safe processes on our sites.

Chemical Exposure – 6

- Two events were treated with first aid on site and the remainder did not need treatment other than the chemical being washed off.
- These events occurred in the Laboratory and on operational sites and PPE was being used in all cases.
- Our PPE supplier is helping us to find gloves that are suitable for the team combining the dexterity, chemical, and cut protection required.

Service Strikes – 4

- In one case, the work crew suspect the gas line exposed had been damaged previously and buried in concrete to seal. When the concrete was shifted by our crew, the cracked pipe was exposed, and the leak was evident. Vector attended the site and repaired the pipe.
- In two cases, the damaged lines were not in the location / depth expected.
- The remaining event occurred on one of our construction sites. The site held a safety stand down and have worked closely with the sub-contractor involved to ensure improvement. Work is being closely monitored.

Mobile Plant – 1

The operator of a small digger nudged a stack of blocks with the digger bucket and the blocks toppled over. No other workers were in the area and there was no damage to the blocks or the digger. The operator has taken learning from the incident.

Excavations – 1

A contractor team were found in an excavation between 1.5-2m deep without shoring. Work was stopped and kaimahi were brought out of the excavation. An investigation is pending.

Injury Frequency Rates



Injury frequency rates remain too high and are not trending in the right direction.

We continue to drive a focus on preventative controls to reduce the number of injuries that occur.

It is important to note the costs for injury claims have significantly reduced for 2022 vs 2021, suggesting injury management is improving. However, this is mitigation control after one of our kaimahi has been injured.

Critical Risk Deep Dive: Worker Mental Wellbeing

At least ten times as many New Zealanders die each year of a work-related health condition (estimated 750 – 900) as from a workplace injury and many more develop ill-health because of their work. Clear links have been made between psychosocial hazards and both mental and physical health of kaimahi, more commonly from long-term exposure than from a single, critical event.

Implementation of the wellbeing approach supports an engaged and empowered kaimahi and builds Watercare's reputation as an employer of choice. In addition, kaimahi who are not exposed to psychosocial risks show better overall safety and health outcomes.

Many elements of our current environment have the potential to negatively impact the mental health of our kaimahi and WorkSafe has an increasing focus on workplace health issues, particularly mental health.

Current Status at Watercare

- Identify psychosocial hazards

- Human Synergistics, APHIRM injury prevention toolkit, the Burnout Survey with associated follow-up, and eNPS surveys have provided us with an understanding of the hazards.
- Managing and preventing risks
 - Underway:
 - Inclusion of psychosocial factors in incident investigations
 - Individual level controls developed in those identified from Burnout Survey
 - Worker led workshops to create and implement action plans to address hazards (MSN & Infrastructure) in progress
 - Monthly Wellbeing workshops and intranet content in progress
 - Mates in Construction engagement.
 - Next steps
 - Organisational level controls
 - Wellbeing Policy to be created
 - Work with Te Rua Whetū to frame Watercare's wellbeing approach around Sir Mason Durie's Te whare tapa whā model for health.
- Monitor effectiveness of controls
- Rehabilitate
 - Support employees to return to good psychological health following ill-health. We are currently doing this on an ad hoc basis through our occupational health service when employees are identified. We require a consistent company-wide strategy to identify employees requiring support.

We have an emerging approach to the management of the wellbeing of our kaimahi. We have work to do to mature the management system for psychosocial risk and to strengthen our kaimahi consultation. The aim is that, once implemented, Watercare's work and the work environment can be a protective factor against psychosocial harm.

Critical risks

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

1. Working in confined spaces
2. Working with mobile plant
3. Driving / using vehicles
4. Working alone or isolated
5. Working with hazardous materials
6. Working with suspended loads
7. Working with or near live energy (electrical, mechanical, pneumatic, hydraulic, etc)
8. Working with fixed plant and equipment
9. Working in or near live traffic (includes road corridors, construction and operational sites)

10. Working at Height
11. Working around water bodies
12. Digging and working in excavations (includes tunnelling)
13. Working with flammables or in explosive/flammable areas
14. Worker mental wellbeing



Board meeting | 6 September 2022
Public session



Sensitive Expenditure Policy – Update

For approval

Te pou whenua tuhinga / Document ownership

Prepared by

Harsha Mistry
Finance Manager

Recommended by

Nigel Toms
Acting General Manager - Finance

Submitted by

Jon Lamonte
Chief Executive Officer

1. Te tūtohunga / Recommendation

We recommend that the Board accepts the Audit and Risk Committee's (ARC) recommendation and approve the updated Sensitive Expenditure Policy (the policy) in [attachment 1](#).

2. Take matua / Key points

- In August 2022, the ARC reviewed Management's suggested changes to the existing policy and requested the following further updates to be made before the policy was returned to the Board for final approval:
 - Include a footnote reference to define "Members of the Watercare Board"
 - Wording changes to ensure the word pre-approval has been used consistently across the policy.
- The updated policy with the above recommended changes discussed at the ARC meeting held on 29 August 2022 have been highlighted in attachment 1.

3. Whāinga / Purpose and context

A review by the internal audit team highlighted that increased clarity was required in the Sensitive Expenditure Policy and that a practical lens should be applied over to the pre-approval criteria.

Management recommended the following key changes to the ARC:

- Additional guidance for staff on what constitutes entertainment expenditure and explicitly including gifts and gift cards, staff recognition awards, meals and accommodation for training and business travel.

- Proposal to delegate the approval responsibility for lower valued sensitive expenditure (<\$300) to Tier 3 managers (Heads of Business Units) following improved compliance with the existing Sensitive Expenditure Policy. This will promote accountability for the Heads of the Business Units and improve visibility of the unit's sensitive expenditure spend.
- New rules introduced to tighten controls and processes over the nature and quality of supporting documentation required, and a mechanism to maintain an approval audit trail within the system.
- Wording changes to explicitly state that public funds are not to be used for the purchase of alcohol and all Watercare sites are dry.

The ARC discussed the recommended changes at their meeting held on 29 August 2022. In addition to the proposed changes set out above, the ARC requested two amendments in the policy. These amendments have been highlighted in attachment 1.

4. Ngā tūraru matua / Key risks and mitigations

Key risk	Mitigation
The risk of not adhering to the Good Practice Guide from the Auditor General, "Controlling sensitive expenditure: Guidelines for Public Entities.	Periodic review of the policy is being undertaken.

5. Ngā tuhinga ō mua / Previous deliberations

Date	Report title	Key outcomes
1 March 2022	Sensitive Expenditure Policy – Update	The Board approved the revised policy.
29 August 2022	Sensitive Expenditure Policy – Update	The ARC reviewed the policy and recommended the policy to the Board for approval subject to minor amendments.

6. Ā muri ake nei / Next steps

- Following approval by the Board, Management will communicate the updated Sensitive Expenditure policy to the business.

7. Te whakapiringa / Attachment

Attachment number	Description
1.	The marked-up version of Sensitive Expenditure Policy.



Attachment 1



Sensitive Expenditure Policy

September 2022

Approved for issue by: Board of Directors	Last revision date: March 2022
Application: All Staff, Contractors and Directors	This review date: September 2022
Issue method: Intranet	Next revision date: August 2024

7.1

1. Application of Policy

Watercare Services Limited ('Watercare') is a public entity and therefore spends public money. As such, all expenditure must meet standards of probity that will withstand public scrutiny and enhance trust.

Sensitive expenditure is classified as expenditure that could be perceived as providing benefit to an individual staff member that is additional to the business benefit. Examples of where such perceptions could arise include (but are not limited to):

- Travel
- Accommodation
- Entertainment and Hospitality
- Food and Beverages
- Gifts and Gift Cards.

This policy applies to all employees, which is defined as:

- Current or former employees of Watercare
- Individuals seconded to Watercare
- Members of the Watercare Board¹
- Individuals contracted to Watercare under a contract for services
- Individuals who work for Watercare as volunteers without rewards.

2. Purpose

The purpose of this policy is to preserve public trust in Watercare by ensuring the organisation is respected for its good business practices and ethics.

Sensitive expenditure must be accountable and transparent.

This policy and associated procedures:

- provide employee guidance surrounding sensitive expenditure
- define the parameters for sensitive expenditure and required approval; and
- ensure sensitive expenditure is consistently assessed, reviewed, and **pre-approved** in accordance with this policy.

¹ Watercare Board includes both appointed directors and Board Interns

3. Principles-based approach

Watercare takes a principles-based approach to sensitive expenditure, utilising the Good Practice Guide from the Auditor General, “Controlling sensitive expenditure: Guide for Public Organisations”.

Expenditure decisions made by Watercare employees will:

- Have a justifiable business purpose;
- Preserve impartiality;
- Be made with integrity;
- Be moderate and conservative (based on circumstances);
- Be made transparently;
- Be appropriate in all respects; and
- Be clearly identifiable and accurately recorded.

Watercare policies and procedures issued by management will ensure that the above listed principles are applied. All principles have the same level of importance.

All expenditure will be subject to the standards of probity and financial prudence expected of a public benefit entity and be capable of withstanding public scrutiny as being a justified, moderate and conservative spend.

Sensitive expenditure must not be of a nature that could:

- compromise, or appear to have compromised judgement;
- place an employee under any obligation to a third party;
- be an actual or perceived conflict of interest; or
- indicate favouritism, bias or preference.

4. Directors and Chief Executive

4.1 Directors

Expenditure by directors of the Board of Watercare will only be made for Watercare related purposes and be reviewed for correctness by the General Manager of Finance and **pre-approved** by the Chair.

Expenses by the Chair will be **pre-approved** by the Chair of the Audit and Risk Committee.

4.2 Chief Executive

All expenses by the Chief Executive will be reviewed for correctness by the General Manager of Finance and be **pre-approved** by the Chair.

5. Entertainment specific guidance

Expenditure is sensitive because of the range of purposes it can serve, the opportunities for private benefit, and the uncertainty as to what is appropriate.

The Office of the Auditor Generals’ guidance on this kind of expenditure highlights the following five business purposes for entertainment and hospitality expenditure for private and public organisations. The expenditure must be for:

- building relationships;
- representing the organisation;
- reciprocity of hospitality where this has a clear business purpose and is within normal bounds;
- recognising significant business achievement;
- building revenue.

5.1 The principles of a **justifiable business purpose** and **moderate and conservative** expenditure are particularly relevant in all decision making. While recognising that Watercare is a public benefit entity, all expenditure needs to stand up to public scrutiny. However, where there is sometimes a need for Watercare to incur costs for entertaining and hospitality, the following pre-approval criteria must be followed:

Expenditure Level	Pre-approval required from
Likely to be over \$2,000	Chief Executive
Likely to be over \$1,000 but less than \$2,000	General Manager of Finance
Between \$300 and \$1,000	Relevant Chief
Below \$300	Relevant Tier 3 Manager
Outside of Auckland entertainment	Chief Executive

All expenditure incurred is to have the appropriate supporting documents in accordance with section 7 of this policy.

Cost for sensitive expenditure paid personally and included in an expense claim must be paid by the most senior staff member present. Claims must be promptly submitted after the expenditure is incurred.

5.2 Alcohol

No alcohol costs will be paid for by Watercare – this is an extension of the “dry-site” requirement that is already in place.

If an employee is attending an event or occasion and representing Watercare, care must be taken to act professionally and maintain Watercare’s Code of Conduct. Any alcohol purchased will be at the employee’s own expense.

5.3 Nature of Sensitive Expenditure

The table below outlines sensitive expenditure that requires pre-approval in accordance with the criteria in 5.1 above.

Expenditure type	Pre-approval Required?
Staff Achievement/recognition morning teas, lunches, gifts or gift cards	✓
Celebratory/farewell morning teas or lunches	✓
Refreshments for meetings	✓
Gift cards to external parties	✓
Leaving gifts to staff to be approved in accordance with the Recognition of Service Policy and approved by the relevant Chief only	✓

Expenditure type	Pre-approval Required?
Staff Welfare gifts for key life events (eg bereavement, birth, illness)	✓
Prizes/rewards for staff or external customer competitions	✓
Conference attendance related expenditure (eg travel, food, accommodation)	✓
Training attendance related expenditure incurred outside of usual place of business (eg travel, food, accommodation)	✓
Business travel related expenditure incurred outside of usual place of business (eg travel, food, accommodation)	✓
Procurement relationships – To maintain, preserve and build key supplier relationships, occasionally offsite lunches or dinners, events, venue hire, catering and entertainment is allowable with key business partners or suppliers. These events must not take place when any form of procurement action is planned or underway.	✓

7.1

6. Pre-approvals

All pre-approvals are to be in electronic or written format (such as via email or signature) and be obtained prior to the sensitive expenditure spend. In exceptional circumstances, if a written pre-approval is not obtained prior to the spend, retrospective written approval from the relevant approver is to be obtained.

Approvals for Watercare related travel expenditure outside of New Zealand and Australia must be pre-approved: by the Chair for the Chief Executive; by the Chair of the Audit and Risk Committee for the Chair; and by the Chief Executive for all staff. Similarly, cash advances for travel purposes and significant expenditure on hospitality should be pre-approved.

7. Supporting Documents for expenditure incurred

Public organisations need to retain proper supporting records for all expenditure incurred. Records as followed are required:

- original itemised invoices (hard or electronic copy showing details of all items purchased)
- records must clearly state the business purpose of the expenditure and nature of expenditure. If the supporting records do not clearly state the business purpose, a written statement of the purpose for the spend must be included as support.
- written pre-approvals of expenditure are to be attached to the Flexi Purchase system, expense reimbursement forms and purchase orders in LN;
- be in English or Te Reo Māori (or independently translated before payment).

8. Breaches of Policy

If it has been highlighted that any form of sensitive expenditure paid by or reimbursed by Watercare does not meet the principles-based approach outlined in section 3, the expenditure is to be repaid to Watercare by the respective employee.

9. Staff

The Chief Executive will prepare, maintain, and implement policies and procedures for all Watercare staff based on the principles and the Auditor General Good Practice Guide outlined in section 3. For specific guidance, please refer to:

- Reimbursement of Approved Business Expenses Guidance
- The Watercare Way – Code of Conduct
- Gifts and Inducements Policy
- Purchasing Card Policy
- Recognition of Service Policy
- Protected Disclosures ('Whistle-Blower') Policy
- Good Practice Guide from the Auditor General, "Controlling sensitive expenditure: Guide for Public Organisations."

Appropriate monitoring of sensitive expenditure shall be undertaken by the Finance team to ensure compliance with this policy.

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

10. Approvals

This Policy was reviewed by the Audit and Risk Committee on 29 August 2022 and approved by the Board on 6 September 2022.

7.1

Board meeting | 6 September 2022
Public session



Scanning the Horizon

For discussion

Te pou whenua tuhinga / Document ownership

Prepared by

Rebecca van Son
Head of Strategy

Submitted by

Jon Lamonte
Chief Executive Officer

1. Te tūhunga / Recommendation

We recommend that the Board discuss the following information updates:

- Is climate inaction a human rights violation?
- All Aboard Aotearoa Inc v Auckland Transport
- Funding for climate change – who might pay?
- Biosolids to biochar
- Lessons learnt for big projects
- Workforce diversity
- Energy efficient bricks made from human waste to help build new homes
- Singapore recruits swanbots to test water quality.

2. Whāinga / Purpose and context

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

3. Kōrero pitopito / The details

3.1 Is climate inaction a human rights violation?

The World Economic Forum published an article on 30 June 2020 where the UN Human Rights Office clearly states that climate change threatens the enjoyment of life, food, and health.

A group of young people recently filed a complaint with the European Court of Human Rights over a 1990s-era treaty requiring governments to compensate energy companies and investors if public policies cut into their profits. That includes policies designed to combat climate change. They argue the protections undermine climate action and their right to life and well-being. Clémentine Baldon, an attorney representing the group said, "It's likely that human rights-related climate litigation will continue to increase."

Baldon represented another plaintiff in the "Case of the Century" in France, which held that country's government liable last year for missing its climate goals.

The litigation push comes as impacts of the climate crisis mount. Recent heatwaves in India and Pakistan killed dozens of people while depleting crop yields; Europe has also been hit with extreme heat and drought in July that killed more than 2,000 people in Spain and Portugal; France is in severe drought, with water use restricted, residents of over 100 towns and villages being trucked drinking water, and nuclear power plants reducing output as the rivers are too hot to provide sufficient cooling; and last week record-high temperatures derailed a commuter train near San Francisco.

Impact on Watercare

We do not want to be a company allowing the catastrophic climate shift to continue. We must continue to ensure that sustainability is considered as the most critical outcome in everything that we do.

3.2 All Aboard Aotearoa Inc v Auckland Transport

The High Court has recently released its decision in relation to a judicial review lodged by All Aboard Aotearoa Incorporated ("AAA"). AAA's judicial review related to the Regional Transport Committee for Auckland ("RTC"), Auckland Council's ("AC") and Auckland Transport ("AT") decisions to respectively recommend, endorse and adopt the Auckland Regional Land Transport Plan 2021 ("RLTP"). AAA alleged that these decisions failed to deliver a meaningful reduction in greenhouse gas emissions.

Simpson Grierson successfully defended the judicial review.

The key issues to be determined by the Court were:

- Whether the Planning Committee failed to identify all reasonably practicable options as required by s 77 of the Local Government Act 2002, before endorsing the RLTP.
- Whether the Planning Committee breached section 80 of the LGA by failing to identify the RLTP as being significantly inconsistent with plans or policies of council.
- Whether the RLTP was developed in accordance with the Land Transport Management Act ("LTMA") and consistent with the Government Policy Statement on Land Transport 2021 ("GPS 2021").
- Whether the decisions of the RTC, the Planning Committee and AT Board were vitiated by failings in the process for developing the RLTP, whether these decisions were vitiated by material inaccuracies in the advice AT provided the RTC, Planning Committee and the AT Board.

The Court held:

- The Council's decision was not in breach of section 80 LGA by way of being inconsistent with the Local Government Leaders' Climate Change Declaration or Auckland Council's Te Tāruke-ā-Tāwhiri ("TTT") which includes a goal of reducing Auckland's GHG emissions by 50% by 2030 (against a 2016 baseline) and achieve net zero emissions by 2050. This is because the declaration and the TTT have no statutory or legal implications. In particular, TTT is a plan voluntarily prepared and adopted by Council. It has no statutory basis. Similarly, the declaration is not a policy or plan, and neither was it required or provided for by statute. In any event section 80 LGA does not prevent inconsistent decisions, it merely requires them to be acknowledged.
- The RTC was entitled to be satisfied that the RLTP contributed to the purposes of the LTMA. There was no suggestion that the RLTP did not contribute to an effective, efficient, and safe land transport system (the purpose of the LTMA).
- The focus of the GPS 2021 is clearly funding considerations, albeit those funding considerations are expected to achieve the results the Crown wishes to achieve. The climate change strategic priority was not a pre-eminent or dominant consideration under the GPS 2021 as suggested by AAA. The statutory obligation is for the RLTP to be consistent with the GPS 2021 taken as a whole.
- There were no failings in the process of developing the RLTP. While AAA's witnesses disagreed with RTC's analysis of whether the RLTP was consistent with the GPS 2021, that was a matter of opinion and did not render the analysis wrong. It was open for the RTC to be satisfied that the RLTP was consistent with the GPS 2021.
- The suggestion that the Planning Committee should have required AT to make changes to the RLTP was misplaced as it would have involved the Planning Committee stepping into the roles assigned to the RTC and AT under the LTMA. If the Planning Committee considered there were major issues with the RLTP then it could have declined to endorse it.

Ultimately AAA's challenges to the decisions and actions of RTC, AT and AC in relation to the RLTP all failed.

Impact on Watercare

Whilst AAA failed in their case, this is an excellent local example of how sustainability is continuing to gain significant attention and people want to hold entities, including local government entities, accountable to their climate commitments. Consistent with section above on climate inaction, Watercare must continue to ensure that sustainability is considered as the most critical outcome in everything that we do, and that our behaviours and outcomes are consistent with our Company Plan and Climate Change Strategy.

We measure progress against our Company plan/ outcomes/ targets on a monthly basis in the Executive Performance meeting to ensure they are always at the forefront of what we do.

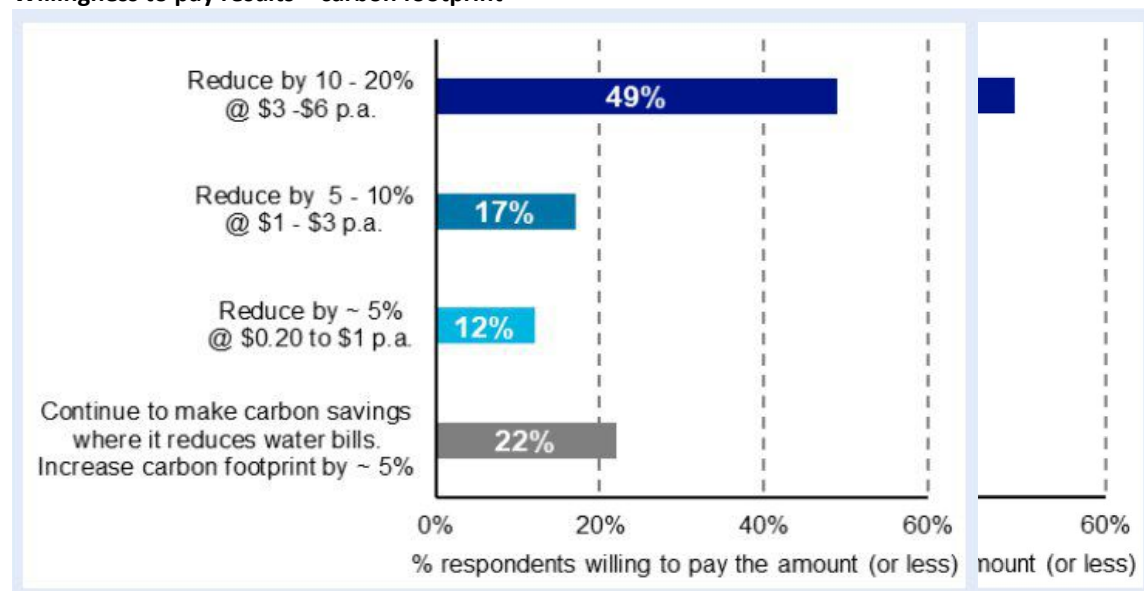
3.3 Funding for climate change – who might pay

As a result of its largest ever residential customer survey, Hunter Water has robust evidence of the role customers want it to play in a low carbon future. More than 90% of customers support acting now to address climate change, and around 75% are willing to pay \$1 or more annually on their water and wastewater bills to reduce Hunter Water's greenhouse gas emissions.

Hunter Water is making a concerted effort to engage broadly and deeply with its customers to develop a strong understanding of their values, preferences, and priorities so that the findings can be reflected in its activities and services. In parallel, Hunter Water has recognised the need to build more sustainable and resilient water and wastewater systems. Among other benefits, resilient systems would have the flexibility to help address climate change risk exposures, contributing to emissions neutrality targets in the NSW Government Climate Change Policy Framework and achieving consistency with global aspirations supported by Australia.

In support of these objectives, Hunter Water undertook its largest ever willingness to pay survey. The survey sought customer views on its role in delivering non-mandated environmental outcomes, such as climate change action. It also obtained evidence in support of delivering those outcomes through regulated expenditure allowed for in regulated prices.

Respondents were shown a detailed estimate of the impact of their choices on their future water bill and corresponding environmental outcomes that would be provided. A feedback loop allowed survey respondents to change the level of each environmental service they wanted until the respondent was comfortable with the bill impacts.

Willingness to pay results – carbon footprint

Customers were very engaged with Hunter Water's survey, as shown by the number of responses (680 households) and high completion ratio (93%). Customers also indicated that they appreciated the opportunity to provide input into shaping future activities, particularly environmental services. Around 75% of respondents were willing to pay \$1 or more towards reducing carbon emissions and approximately half said they were willing to pay an extra \$6 on bills each year.

By conducting the survey Hunter Water has piqued customer curiosity and gained robust insights. It can confidently continue to investigate and implement carbon reduction initiatives knowing it has a mandate from customers and robust evidence to support recovery of the costs through regulated prices.

Impact on Watercare

Growing evidence indicates that the water and wastewater sector will not only be affected by climate change, but that many of the impacts of climate change will result in floods, droughts, or severe storms. We need to invest in sustainable and resilient solutions.

Watercare will consider the options and relevance in the current operating environment.

3.4 Biosolids to biochar

Biochar technology shows promise in mitigating climate change and improving soil quality, as well as reducing waste and producing energy as a by-product. But what exactly is biochar and what is it made of?

Biochar is a charcoal-like substance that is made by burning organic material from agricultural and forestry wastes (also called biomass) in a controlled process called pyrolysis. Although, it looks a lot like common charcoal, biochar is produced using a specific process to reduce contamination and safely store carbon. During pyrolysis organic materials are burned in a container with very little oxygen. During the pyrolysis process, the organic material is converted into biochar, a stable form of carbon that cannot easily escape into the atmosphere. Biochar is by far more efficient at converting carbon into a stable form and is cleaner than other forms of charcoal.

Although, biochar technology is considered a more recent strategy for carbon sequestration, the practice of adding charred biomass to improve soil quality is not new. This process is modelled after a 2,000-year-old practice in the Amazonian basin, where indigenous people created areas of rich, fertile soils called terra preta (meaning “dark earth”). Whether these soils were intentionally made or are simply a by-product of farming and/or cooking practices is still unclear. However, the fertility of terra preta is significantly higher than other soils of the Amazon.

Biochar: an environmental solution

Biochar may seem like a simple material, but it can help solve a variety of global problems simultaneously. For instance, the process by which it is manufactured may help sequester tons of carbon annually and then hold it in the soil for thousands of years, where it is most beneficial.

Applications of biochar in agriculture: enhancing soil and compost properties

Soil degradation is a major concern in agriculture globally. To address this problem, researchers have suggested applying biochar to degraded soils to enhance the soil’s quality.

Impact to Watercare

The current and future management of biosolids presents challenges for meeting environmental sustainability objectives and future regulatory demands being placed on the water industry. These include emerging contaminants such as micro-plastics and PFAS as potential impediments to biosolids reuse. This challenge may be helped with the adoption of new processes.

Biosolids also present opportunities such as using biosolids to build soil carbon and provide renewable forms of phosphorus and nitrogen. In addition, biochar is a significantly smaller volume compared to conventional biosolids and would therefore have a reduced haulage cost, and a reduced disposal cost if it were to be landfilled.

Watercare is reviewing biochar and has considered case studies of the different approaches taken by Australian water utilities and councils in developing biosolids to biochar. Some useful facts and figures for the case studies are below:

Logan City Council (with Pyrocal and Downer)

- A\$28-million-dollar gasification facility with gas scrubbers (currently being commissioned)
- Carbon emissions assumed to reduce by up to 6,000 tonnes/yr (Watercare's **total** emissions are currently around 130,000 tonnes per year and our savings from solar are in the order of 5,000 tonnes per year)
- Annual return of A\$1m per year expected. Includes revenue as well as savings due to reduced costs of disposal and sale of carbon credits.

Pyroco – RMIT, SE Water, Greater Western Water and Intelligent Water Networks (trial scale)

- Uses pyrolysis (not gasification)
- Novel reactor – optimises heat and mass transfer. Can be made mobile
- Currently looking to scale up to a water recycling facility and testing different biosolids feedstock types from other utilities to ensure product consistency and quality.

Icon Water with Aecom and GHD – study to quantify benefits

- Potential markets – highest value found to be horticulture in potting mixes.
- Phosphorous in biochar not available for plant uptake – needs to be addressed. Australian National Uni – to assess pre-treatment of biochar feedstock to increase nutrient recovery and uptake availability.

Watercare is also a member of the Australian & New Zealand Biosolids Partnership (ANZBP) – a member-based collaboration of utilities, consultants, academics, and government bodies committed to the sustainable management of biosolids. Rob Tinholt is on the advisory board. This board supports our research in the biochar space.

3.5 Lessons learnt for big projects

Transformational infrastructure projects, like Auckland Light Rail and Let's Get Wellington Moving, are incredibly important and will create benefits for generations to come. However, it is imperative that we learn the lessons from these large-scale projects to ease the burden of disruption to communities and businesses along the way.

The Office of the Auditor-General's (OAG) recent report into the City Rail Link (CRL) found governance was generally effective, but also made four recommendations outlined below:

- to provide greater transparency of how well they are carrying out their oversight role, we recommend that the Sponsors' Forum and Joint Sponsors Team prioritise improvements to the way they manage the Assurance Manager's recommendations.
- that the Sponsors of the CRL project ensure that officials prioritise completing an agreed comprehensive benefits realisation plan that:
 - clearly defines and quantifies the benefits expected from the CRL, with measures that are specific, measurable, and realistic;
 - assigns responsibility for managing benefits; and

- assigns accountability for co-ordinating reporting on realising benefits over time.
- that the Sponsors of the CRL project review the governance arrangements to ensure that there is an appropriate mechanism for Boards of City Rail Link Limited, Auckland Transport, and KiwiRail Holdings Group to have collective oversight of project dependencies and support the Delivery Partners Steering Committee with joint decision-making where appropriate.
- that officials from Auckland Council, the Ministry of Transport, and the Treasury ensure that they sustain improvements in reporting to the Sponsors of the CRL project to promote accountability, improve governance, and gain the confidence of stakeholders.

Importantly, key learnings must be taken from construction to avoid repeats of the levels of disruption caused to businesses and communities. We need projects to succeed while they are being built, just as much as when they are completed and operational.

Claire Edmondson, Infrastructure NZ CEO noted *“we have a track record in New Zealand of doing projects ‘on the cheap’ and delivering them with an economic hit to the communities affected by construction. Communities should not have to bear the disruption of transport projects run in ways that severely impact on town centres, businesses, and commuters the way CRL has”*.

The CRL scope included the requirement to “cause the least practicable disruption to the public and businesses during construction”. However, business owners, particularly in the Albert Street area, have publicly shared their experiences of trying to keep operating, in an area that they describe is like a “war zone” with increased crime and delinquency.

Despite a government relief fund, several businesses have gone into liquidation, with owners reporting that banks will no longer extend overdrafts as Albert Street is currently considered “unsustainable”.

Red flags have been raised throughout the CRL project. In January 2020, then Auckland Central MP Nikki Kaye called a crisis briefing with Auckland Transport, calling for a review of the consent planning for government and private developments as 63 city centre streets faced disruption by public projects – including CRL and Auckland’s Downtown Programme. Ms Kaye described the situation as a “perfect storm” and called for better coordination of Auckland Transport, CRL and private development works to deliver a more efficient way of dealing with congestion and impacts of works.

Alongside the OAG recommendations, New Zealand should also be looking to overseas best practice and learning from mistakes in terms of supporting and managing affected communities through major construction programmes.

Impact on Watercare

How we address the OAG recommendations

Transparency of how well we are carrying out our oversight role

Watercare reports progress of major capital projects via the Major Projects Review Group (Chief Executive, Board, an independent major project advisor and Chief Infrastructure Officer).

Monthly performance meetings are also held where each divisional chief reports on their performance for the month and highlights key risks to discuss. This meeting encourages open and transparent discussions.

Any material issues are elevated to the Watercare Board.

We also undertake post project completion audits to ensure learnings are built into the development of future projects.

For the Central Interceptor, monthly meetings between the Chief Executive and the Executive Programme Director of the CI are held. In addition, as part of CI's monthly performance review, comprehensive dashboards for the various areas of the project (construction, H&S, commercial, quality, design, HR, sustainability) are prepared.

Completing an agreed comprehensive benefits realisation plan

All Watercare business cases outline the benefits expected from the delivery of an infrastructure projects. However, we do not consistently report on the benefits after the projects are delivered. This, however, will be a section in the new AMP Implementation Report. Key benefit realisation analysis could include:

- are those new treatment processes working, eg, do they deliver the flow and performance expected? Should we use the same technology again next time?
- are we achieving the sustainability outcomes we expected, eg, have we reduced carbon as much as we expected through solar?
- are our digital implementations delivering the efficiencies we expected?
- has that project delivered operational cost benefits, or is the new technology more expensive to run? Note that Watercare will be including operating expenses into the future AMP, so that we can see how future capital projects will decrease (or increase) future operational costs.

Review the governance arrangements to ensure that there is an appropriate mechanism for Boards to have collective oversight of project dependencies

The Council and CCO executives currently meet fortnightly where all large-scale projects can be discussed. In addition to this, a cross council group meets regularly to discuss projects within the centre of the city. This group is chaired by Auckland Council and includes all relevant CCOs. A key focus of this group is to minimise disruption to city centre stakeholders.

Promote accountability, improve governance, and gain the confidence of stakeholders

Accountability and governance are discussed above.

Watercare carefully plans projects ensuring the least possible community disruption. We have community communications in place for all capital projects and have recently implemented a stakeholder team, in Communications, to support stakeholder management on all our sites.

For the Central Interceptor, the local communities are regularly kept informed via open days, letters, and bulletins. There is also a school education programme, and the project is improving social outcomes along the tunnel route (gardens, laundromats, and literacy programs). We take an approach that closely considers and works with the communities in which the project is constructed, and for whom the project is ultimately designed to benefit.

We measure our community engagement on every large project, and we are in a very good position to take lessons from what has gone well and what has not – from our projects, CRL, and from many other international water projects. We do our best to adapt our planning accordingly, and to minimise disruption. We always strive to do better for our stakeholders.

3.6 Workforce diversity

This weblink sets out the report released by Diversity Work New Zealand: <https://diversityworks.nz/media/5227/2022-diversity-survey-report-final.pdf>

The survey

The New Zealand Workplace Diversity Survey is an annual record of how organisations view and address diversity. The survey results provide us with an insight into the issues and responses for Aotearoa New Zealand organisations. They tell a story of awareness and good practice alongside some gaps and the need to be more proactive in responding to diversity, equity, and inclusion.

There were 555 respondents, 4.7% of whom worked in electricity, gas, water, and waste services, and 51.5% from the public sector. The respondents were from across New Zealand, from various sized organisations and demographics.

The findings

The findings from this iteration of the survey revealed that respondents from public-sector organisations accord more importance than those from private-sector organisations to most of the diversity issues. Similarly, large organisations regarded most diversity issues as more important than medium-sized and small organisations. One aim of this survey is to identify the diversity issues that are most important to organisations. The three most important diversity issues for organisations were:

- Wellbeing/wellness
- bias, and
- flexibility.

These topics were followed by ethnicity (53.6 per cent), gender (50 per cent), and bullying and harassment (42.9 per cent).

Diversity issues	Mar-22 (%)	Mar-21 (%)	Mar-20 (%)	Mar-19 (%)
Wellbeing/wellness	75.4 (1)	72.2 (1)	76.9 (1)	79.6 (1)
Bias	62.1 (2)	57.3 (2)	54.6 (3)	63.0 (3)
Flexibility	53.8 (3)	56.7 (3)	54 (4)	58.4 (4)
Ethnicity	53.6 (4)	46.4 (5)	47 (5)	47.3 (5)
Gender	50.0 (5)	49.8 (4)	56.1 (2)	66.8 (2)
Bullying and harassment	42.9 (6)	45.6 (6)	45 (6)	42.1 (6)
Disability	30.8 (7)	22.8 (10)	26.3 (9)	24.2 (10)
Aging	30.6 (8)	27.6 (7)	34.3 (7)	37.0 (7)
Sexual orientation	25.8 (9)	26 (8)	29.8 (8)	29.6 (8)
Employment transition for younger staff	24.9 (10)	23.6 (9)	24 (10)	26.1 (9)
Neurodiversity	24.2 (11)	12.0 (11)		
Religion	11.6 (12)	9.0 (12)	14.7 (11)	11.7 (11)

Table 2: Importance of diversity issues for organisations, percentage and ranking 2019–2022, (N=422)

The changes from last year

Impact of Covid-19 on personal wellbeing and work-life balance	%	Responses
Negatively– I'm tired but not overwhelmed	43.2%	172
Neither positive nor negative– Covid-19 had no real impact on my personal wellbeing and work-life balance	19.9%	79
Positively– I feel supported and hopeful	15.6%	62
Very negatively– I'm feeling exhausted and burnt out	15.1%	60
Very positively– I'm feeling energised with excellent work-life balance	5.8%	23
Don't know	0.5%	2

Table 16: Impact of Covid-19 on personal wellbeing and work-life balance, (N=398)

Notably, when compared with findings from the survey in recent years, not only has ethnicity increased this year as an issue of importance in organisations, but it has also overtaken gender.

Last year neurodiversity was added to the list of diversity issues. The 2021 survey's new question on neurodiversity highlighted that organisations were least equipped to support their neurodiverse workforce, compared with other diversity issues. Additionally, only 11.8 per cent of organisations acknowledged having formal policies, programmes, or initiatives in place. This year, 19.9 per cent of respondents indicated their organisation had either a formal policy or programme/initiative in place for neurodiversity, which is a significant increase from last year's figure.

The survey also highlighted that Covid-19 had a negative impact on wellbeing and work/life balance.

How is diversity addressed?

Respondents indicated that they most commonly addressed diversity through encouraging/permitting cultural celebrations (63 per cent) in their organisations, facilitating awareness initiatives (49.5 per cent), and diversity training and education (48.6 per cent).

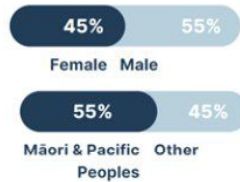
When asked whether organisations had difficulties in attracting diverse talent, many of the 422 people who answered the question indicated that it was challenging for their organisation to attract Māori (43.8 per cent), Pacific Peoples (39.3 per cent), people with physical disabilities (23.2 per cent), and transgender and gender-diverse people (20.6 per cent).

Impact on Watercare

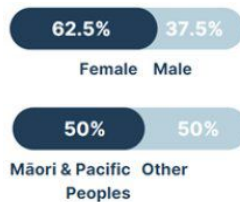
Building a diverse workplace that values a sense of belonging, inclusion and equity is an ongoing journey for Watercare. Doing so requires a strategic approach to diversity, equity, and inclusion management, and one that regularly measures and assesses the effectiveness of diversity programmes, initiatives, policies and processes. Watercare faces similar challenges to those raised in the survey, such as recruiting Māori and Pacific People. However, we have implemented processes to try to address these challenges, such as our early careers diversity programmes. Watercare has many diversity programmes and policies in place. These are:

- Gender Tick Accreditation – we have a commitment and work plan to achieve by end of the calendar year
- Gender and ethnicity – pay gap analysis – to be completed by end of the year
- Over 65 Review is taking place
- Diversity, Inclusion and Belonging Committee
- Rainbow Network
- Women in Watercare Network
- Gender transitioning at work policy and awareness for managers
- A transition through menopause support program is being developed
- Targeted representation early careers programmes for Māori and Pacific Peoples – Internships, Grad programmes.

Early Careers Programmes Diversity makeup



Summer Internship Offers (we are about 50% through)



We measure the effectiveness of our programmes, and many are reported in the Monthly Executive Performance meetings.

3.7 Energy efficient bricks made from human waste to help build new homes

In a breakthrough development, Thames Water has found an inventive way to use sewage – which already generates renewable power – to help create a material for carbon negative heavy-duty bricks.

Every day, the waste of four million Landowners entering Europe's largest sewage works in Beckton is drained of water, with the leftover solids roasted in the company's waste-to-energy incinerator. The high temperatures sanitise the waste and release heat for producing electricity on site. The leftover ash has – until now – been binned.

The latest innovation announced will see this dried residue ash reacted with carbon dioxide, water, sand, and a small quantity of cement to form aggregate for individual breeze blocks – each weighing 17kg. Thames Water's supply deal is expected to produce 18,000 tonnes of aggregate every year, enough for around 2.3 million construction blocks to be used in a range of property and business developments across the capital and beyond.

Nigel Watts, Thames Water's head of wastewater treatment, said: *"We're transforming tonnes of waste from our sewage treatment process into a useful product, which can be used in construction in a variety of ways. It's amazing to think that what's flushed down the toilet could light up your bathroom and now help build homes, helping to support the huge growth predicted for our region."*

“We’re always looking for alternative, more sustainable ways to dispose of waste that avoids landfill and this is fantastic news for our customers, putting downward pressure on bills, and the environment, which we work hard to protect and enhance.”

Using ash to produce synthetic aggregate locks in around 800 tonnes of CO₂ and will replace 18,000 tonnes of natural resources being dug out of the ground annually – contributing to the UK’s circular economy. In addition, the synthetic aggregate is carbon beneficial as more CO₂ is captured than is generated in the manufacturing process.

It is estimated that an extra 2.1 million people are due to move into the Thames Water region over the next 25 years. As part of its business plan for 2020-25, the company has pledged to spend £2.1bn increasing resilience and generate enough renewable electricity to power the equivalent of 115,000 homes. Beckton sewage works, in the east London borough of Newham, was part of Sir Joseph Bazalgette’s original 1864 waste network for the capital.

Thames Water is the UK’s biggest water and wastewater services provider. They invest more than £1 billion every year to improve services and have over 15 million customers across London and the Thames Valley. Each day they provide 2.7 billion litres of clean drinking water and safely remove 4.4 billion litres of wastewater. Sludge digestion and incineration, together with wind and solar power, generate more than one fifth of their energy needs in 2017/18, reducing greenhouse gas emissions, and saving the equivalent of £30 million in energy costs.



3.8 Singapore recruits swanbots to test water quality

Robot swans are taking to the waters of Singapore to test the quality of its reservoirs' drinking water.

The robots have been designed to look like real swans so that they will blend in with their surroundings. While gracefully drifting along on the surface, underneath is a system of propellers and water sampling equipment. They use wireless technology to send real-time results to national water agency PUB.

Professor Mandar Chitre of the National University of Singapore, part of a team that designed the swanbots, noted, *"We started with a number of smaller bird models, before we decided on the swan. It's just the right size. If you look at it in the environment, it looks just like a swan swimming around, but their main advantage is that the PUB will no longer have to send its scientists out in a boat to collect water samples manually"*.

The robots have been designed to be as autonomous as possible, and to cover wide expanses of water without human intervention. However, researchers say they can also control the swanbots by remote control, should they need to call their mechanical charges over for updates or repairs.

Impact on Watercare

Watercare has an innovation team that is now collaborating with international utilities to learn from their innovations. In terms of water quality, we test our source water daily at different locations. These locations include:

- At our raw water reservoirs, where we take samples from the surface via boats. We also take samples from valve towers to the depth of 40 meters.
- We take samples from the delivery lines that take water from raw water reservoirs to the water treatment plants.
- Some samples are collected from the taps at the end of the sampling lines.

At this stage Watercare plans to continue to use boats as this means we can also perform visual inspections. However, our innovation team is looking at performing visual inspections via under water drones. Therefore, a swanbots and an underwater drone, working together, could help us to automate water quality testing in future.



4. Ngā tūraru matua / Key risks and mitigations

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

5. Ā muri ake nei / Next steps

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



Board - Public Session - Board planner

		Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-22
Meetings	Board	2-Aug	6-Sep	4-Oct (Board Planning Day) A condensed CE's report with financials	1-Nov (Statutory Public Meeting)	6-Dec (Board check-in) A condensed CE's report with financials	A condensed CE's report with financials	8-Feb	7-Mar	4-Apr	9-May (Board planning day) A condensed CE's report with financials	13-Jun	4-Jul	8-Aug	5-Sep
	Audit and Risk Committee	15-Aug 29-Aug			22-Nov			3-Feb			23-May			16-Aug 29-Aug	
Running the Business	Financial	Approve Auckland Council Reporting Pack (via an out-of cycle resolution)	Approve 2021/22 accounts Delegate final sign off of Annual Report 2022		Auckland Council Draft Annual Plan - approve Watercare input			Approve half year accounts	Approve financials for Draft SOI including projected 23/24 price increases Approve long term financials for Auckland Council modelling			Board approval of Insurance proposal Board approval of 2023/2024 Budget and updated SOI financials	Auckland Council and Watercare to review 30 June Treasury Interest rates	Approve Auckland Council Reporting Pack (via an out-of cycle resolution)	Approve 2022/23 accounts Delegate final sign off of Annual Report 2023
	Statement of intent	Final 2022-2025 SOI adopted by Auckland Council Q4 Performance Report to Council - due to Council by 31 August 2022			2021/2022 SOI Results to be presented to Board at Public Meeting. Public deputations to be received. Q1 Performance Report to Council (Date TBC)	2023/24 Letter of Expectations to be received		Q2 Performance Report to Council (Date TBC)	Draft 2023-2026 SOI for Board's approval - to be sent to Council by 1 April 2023	Q3 Performance Report to Council (Date TBC)		Present shareholder SOI feedback at public meeting. Public deputations to be received.	Final 2023-2026 SOI issued to shareholder by 31 July 2023	Final 2023-2026 SOI adopted by Auckland Council Q4 Performance Report to Council (Date TBC)	
	HSW Deep Dives	Critical risk - deep dives on Working with flammables or in explosive/flammable areas	Critical risk - deep dives on Working at Height (moved from May)		Critical risk - deep dives on mental wellbeing			Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives		Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives
	Community and Stakeholder Relationships	Iwi	Stakeholder		Iwi			Stakeholder	Iwi	Stakeholder		Iwi	Stakeholder	Iwi	Stakeholder
	Governance	Q4 Statutory compliance	Sensitive expenditure policy update		Good Employer Policy Enterprise Risk Report (Board then Council) Q1 Statutory compliance Our commitment to health, safety and wellness			Enterprise Risk Report Q2 Statutory compliance Board Delegations to CE Tax Risk Management Policy Conflict of Interest Policy Tax Subvention Income Policy		Enterprise Risk Report Q3 Statutory compliance		Corporate Governance charter Audit and Risk Committee Charter review	Enterprise Risk Report (Board then Council)	Q4 Statutory compliance	
	Karakia	Graham Darlow	Julian Smith	Wi Pere Mita	Frances Valentine	Margaret Devlin		Nicola Crauford	Dave Chambers	Brendon Green	Hinerangi Raumati-Tu'ua	Graham Darlow	Julian Smith	Frances Valentine	Margaret Devlin
Deliver the future	Aligned to the Six Pillars	We have a resilient water supply - Graham Darlow and Mark Bourne	Our communities trust and respect us - Julian Smith and Amanda Singleton		We educate, innovate, and collaborate for future generations - Frances Valentine and Apra Boyle Gottla			Te Ao Māori is embedded throughout our organisation Achieving Māori outcomes - Board member and Executive TBC	We value our People & Culture - Board member and Executive TBC An annual summary report on people (gender, diversity and inclusion)	We are fully sustainable - Board member and Executive TBC		We have a resilient water supply - Board member and Executive TBC	Our communities trust and respect us - Board member and Executive TBC	We educate, innovate, and collaborate for future generations - Board member and Executive TBC	Te Ao Māori is embedded throughout our organisation Achieving Māori outcomes - Board member and Executive TBC
Confidential		Capex Approvals			CE's KPIs Capex approvals AMP Implementation Report			CE's KPIs Capex approvals	Capex approvals			CE's KPIs Capex approvals	Approval of CE's KPIs for FY24	A year end progress update for CE's KPIs Capex Approvals	

Board - Public Session - Board planner

		Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-22
Audit & Risk Committee		Auckland Council FY22 Reporting Pack (15 August meeting) Approval of Financial Statements FY22 (29 August meeting) Sensitive expenditure policy update			Board Delegations to CE Tax Risk Management Policy Conflict of Interest Policy Tax Subvention Income Policy			Approve FY23 half year accounts			Present plan for Year end to A&R A&R Approve Insurance Proposal Approval of 2023/24 Budget & updated SOI Financials Audit and Risk Committee Charter review Review tax ahead of year end			Auckland Council FY23 Reporting Pack (16 August meeting) Approval of Financial Statements FY23 (29 August meeting)	
Lutra Limited	Performance report	End of financial year performance report						Half-yearly performance report						End of financial year performance report	
	Statement of intent		Final 2022-2025 SOI adopted by Auckland Council		2021/2022 SOI Results to be presented to Board at Public Meeting. Public Deputations to be received.					Draft SOI 2023-2026 to be presented to the Watercare Board	Present shareholder SOI feedback at public meeting. Public deputations to be received.		Final 2023-2026 SOI to be sent to Council	Final 2023-2026 SOI adopted by Auckland Council	

Board meeting | 6 September 2022
Public session



Directors' meeting attendances

For information

Te pou whenua tuhinga / Document ownership

Prepared and recommended by

Emma McBride
Head of Legal and Governance

Submitted by

Jon Lamonte
Chief Executive Officer

1. Te tūtohunga / Recommendation

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

2. Take matua / Key points

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

3. Kōrero pitopito / The details

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

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



Board meeting | 6 September 2022
Public session



Disclosure of Directors' and Executives' interests

For information

Te pou whenua tuhinga / Document ownership

Prepared and recommended by

Emma McBride
Head of Legal and Governance

Submitted by

Jon Lamonte
Chief Executive Officer

1. Te tūtohunga / Recommendation

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

2. Take matua / Key points

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

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

3. Kōrero pitopito / The details

3.1 Watercare Services Limited's Directors' Interests Register

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

DIRECTOR	INTEREST
Margaret Devlin	<ul style="list-style-type: none"> • Director and Chair, Lyttleton Port Company Limited • Director, Waikato Regional Airport • Director, Titanium Park (wholly owned subsidiary of Waikato Regional Airport) • Director, Waimea Water Limited

DIRECTOR	INTEREST
	<ul style="list-style-type: none"> • Director, IT Partners Group • Chair, Advisory Board Women in Infrastructure Network • Chair, Hospice Waikato • Chartered Fellow, Institute of Directors • Member, Institute of Directors, Waikato Branch Committee • Director, Dairy NZ Limited • Member, the Office of the Auditor General, Mid Term Review Panel (term ended on 30 July 2022) • Chair, Infrastructure NZ • Director, Aurora Energy • Deputy Chair, WINTEC
Nicola Crauford	<ul style="list-style-type: none"> • Chair, GNS Science Limited • Chair, Electricity Authority • Director and Shareholder, Riposte Consulting Limited • Director, CentrePort Limited Group • Trustee, Wellington Regional Stadium Trust
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 • Executive Director, Advanced Biotech NZ Limited
Hinerangi Raumati-Tu'ua	<ul style="list-style-type: none"> • Chair, Ngā Miro Trust • Director, Taranaki Iwi Holdings Management Limited • Director, Te Puia Tapapa GP Limited • Chair, Tainui Group Holdings Limited • Executive Member, Te Whakakitenga O Waikato • Director, Genesis Energy Limited • Director, Reserve Bank of New Zealand • Director, Pouarua Farms Limited • Chair, Te Rere O Kapuni Limited • Chair, Nga Kai Tautoko Limited • Chair, Te Kiwai Maui o Ngaruahine Limited • Trustee, PKW Trust • Chair, Aotearoa Fisheries Limited • Director, Sealord Group Limited • Director, Port Nicholson Fisheries GP Limited • Chair, Parininihi Ki Waitotara Incorporated
Dave Chambers	<ul style="list-style-type: none"> • Director, Paper Plus New Zealand Limited • Director, Turners and Growers Fresh Limited • Director, GB & DD's Outfit Limited • Director, Living Clean NZ Limited
Frances Valentine	<ul style="list-style-type: none"> • Director and CEO, The Mind Lab Limited • Director and CEO, Tech Futures Lab Limited • Director, Harcourt Jasper Limited • Director, Pointed Tangram Limited • Director, Harper Lilley Limited • Director, On Being Bold Limited

DIRECTOR	INTEREST
	<ul style="list-style-type: none"> • Director, Sandell Trustees Limited • Selection Advisor, Edmund Hillary Fellowship • Board of Trustee, University of Silicon Valley • Trustee, Dilworth Trust Board
Graham Darlow	<ul style="list-style-type: none"> • Business Executive, Acciona Infrastructure NZ Limited • Director and Shareholder, Brockway Consulting Limited • Chair, Frequency NZ Limited • Director, Hick Bros. Civil Construction Limited • Director, Hick Bros. Infrastructure Limited • Director, Tainui Auckland Airport Hotel GP (No.2) Limited • Director, Hick Bros. Heavy Haulage Limited • Director, Hick Bros. Holdings Limited • Director, Holmes Group Limited • Chair, The Piritahi Alliance Board • Chair, Holmes GP Structure Limited
Julian Smith	<ul style="list-style-type: none"> • Board Trustee – Auckland Philharmonia Orchestra • Advisory Board Member – Vadacom Limited • Board Trustee – Look Good Feel Better Trust • Director and Shareholder of JTB Enterprises Limited • Committee member of Institute of Directors – Auckland Committee • Committee member of Institute of Directors – Northland Sub-Committee • Committee member of Body Corporate Chairs Group NZ – Auckland Committee • Body Corporate Chair – The Residences, Auckland • Body Corporate Committee member – The Connaught Residential Apartments, Auckland
Wi Pere Mita (Board intern)	<ul style="list-style-type: none"> • Chairperson, Copyright Tribunal • Director, Trust Tairāwhiti Trustee Limited • Director, Prime SPV Limited • Director, Te Runanganui o Ngāti Porou - Toitu Ngāti Porou Trustee Limited

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

3.2 Watercare's Executives' Interests Register

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

EXECUTIVES	INTEREST
Jon Lamonte	<ul style="list-style-type: none"> • Director, Water Services Association of Australia • Member, Water Workforce Development Strategy Steering Group • Chair, Audit and Risk Committee of Water Services Association of Australia • Member, Department of Civil and Environmental Engineering Advisory Board
Marlon Bridge (currently on secondment to the DIA and not working for Watercare)	<ul style="list-style-type: none"> • Trustee, Te Motu a Hiaroa (Puketutu Island) Governance Trust • Director, WCS Limited • The Department of Internal Affairs
Jamie Sinclair	<ul style="list-style-type: none"> • Director and Shareholder, Sinclair Consulting Group Ltd • Chair, Lutra Limited
Shayne Cunis	<ul style="list-style-type: none"> • Director, The Water Research Foundation (USA) • Director, Lutra Limited
Amanda Singleton	<ul style="list-style-type: none"> • Director, Die Weskusplek Pty Ltd (South Africa) • Trustee, Te Motu a Hiaroa (Puketutu Island) Governance Trust
Nigel Toms	<ul style="list-style-type: none"> • Director, TRN Risk & Resilience Consulting
Steve Webster	<ul style="list-style-type: none"> • Director, Howick Swimgym Limited
Mark Bourne	<ul style="list-style-type: none"> • Trustee, Watercare Harbour Clean Up Trust • Trustee, Te Motu a Hiaroa (Puketutu Island) Governance Trust
Andrew Chin	Nil
Richard Waiwai	<ul style="list-style-type: none"> • Director, and owner of Te Hautapu Consultants Limited • Trustee of Te Rana Te Araroa Waiwai Whanau Trust • Relatives work for Waikato Tainui, the Department of Internal Affairs and Three Waters National Transition Unit

