

Board meeting | 7 March 2023  
Public session



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

	<b>Meeting administration</b>	<b>Spokesperson</b>	<b>Action sought</b>	<b>Supporting material</b>
1	<a href="#">Opening Karakia</a>	Brendon Green	-	Verbal
2	Apologies	Chair	Record apologies	Verbal
3	Quorum	Chair	Five directors required	Verbal
4	Declaration of any conflicts of interest	Chair	For noting	Verbal
5	<a href="#">Minutes of the previous meeting of 8 February 2023 Board meeting</a>	Chair	For approval	Minutes
6	Public deputations	Chair	For information	Verbal
<b>Items for information, discussion and approval</b>				
7	<a href="#">Chief Executive's report</a>	Dave Chambers	For discussion	Report
8	<a href="#">Conflict of interest policy</a>	Sumed Ingrole	For approval	Report
<b>Governance</b>				
9	<a href="#">Board planner</a>	Chair	For information	Report
10	<a href="#">Directors' meeting attendances</a>	Chair	For information	Report
11	<a href="#">Disclosure of Directors' and Executives' interests</a>	Chair	For information	Report
12	General business	Chair	For discussion	Verbal update

<b>Date of next meeting</b>	Tuesday 4 April 2023
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**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**

<b>Board meeting</b>	Public session
<b>Date</b>	8 February 2023
<b>Venue</b>	Watercare Services, Level 3 Boardroom, 73 Remuera Rd, Remuera and via Microsoft Teams
<b>Time</b>	11:00am to 12:39pm

<b>Attendance</b>		
<b>Board of Directors</b>	<b>Watercare staff</b>	<b>Guests</b>
Margaret Devlin (Chair) Hinerangi Raumati-Tu'ua Nicki Crauford Julian Smith  <b>Via Microsoft Teams</b> Frances Valentine	Dave Chambers (Acting CE) Jamie Sinclair (Chief Corporate Services Officer) Mark Bourne (Chief Operation Officer, for item 7) Steve Webster (Chief Infrastructure Office, for items 7 to 14) Amanda Singleton (Chief Customer Office, for items 7 to 14) Andrew Chin (Executive Director – Transition, for items 1 to 7) Nigel Toms (GM Risk, Quality and Assurance, for items 1 to 7) Chris Kinley (Head of Laboratory Services, for items 1 to 7) Suzanne Lucas (GM Asset Upgrade and Renewals, for items 1 to 7) Rebecca van Son (Executive Officer, for item 9) Bronwyn Struthers (Head of Health, Safety and Wellbeing, for items 1 to 8) Emma McBride (Head of Legal and Governance) Pinaz Pithadia (Legal and Governance Advisor)  <b>Via Microsoft Teams</b> Sarah Phillips (GM-People & Capability, for items 1 to 8) Mark Bishop (Regulatory & Policy Manager, for items 7 to 14) Hannah Retimana (Summer Intern)	<b>Via Microsoft Teams</b> Councillor Ken Turner, Watercare's Lead Councillor (for part of item 7)

<p><b>1.</b></p>	<p><b>Opening karakia</b></p> <p>Nicki Crauford opened the meeting with a karakia.</p> <p><b>Meeting administration</b></p> <p>The Chair thanked everyone in Watercare for their efforts over the last few weeks as we have dealt with some of the heaviest rains Auckland has ever seen. Whilst we continue to receive positive feedback from various stakeholders, the recovery from flooding remains our key focus.</p> <p>The Chair welcomed Dave Chambers to the meeting as Watercare’s Acting CE. The Chair confirmed that Dave remains a director of Watercare but will be on secondment as a director so he can work as Watercare’s Acting CE until Entity A is stood up.</p> <p>On behalf of the Board, the Chair congratulated Jon Lamonte for his appointment as the Chief Executive of Entity A. The Chair acknowledged Jon’s contribution during his time at Watercare.</p> <p>The Chair noted that that Wi Pere Mita will cease his internship programme for personal reasons. Wi Pere will advise Auckland Council of this.</p> <p>The Chair congratulated the Central Interceptor team and Bronwyn Struthers for receiving the Jacobs’ Beyond Excellence Award for ‘doing things right’ in terms of taking responsibility for their work, caring for people, and staying focused on health and safety.</p> <p>The Chair noted that she will send the NTU and DIA an email following our Board meetings advising them of any significant decisions that are made. This will occur following each board meeting.</p>
<p><b>2.</b></p>	<p><b>Apologies</b></p> <p>Apologies were received from Graham Darlow and Brendon Green.</p> <p>Graham provided feedback on the meeting packs to the Chair ahead of the meeting.</p>
<p><b>3.</b></p>	<p><b>Quorum</b></p> <p>The Chair confirmed that a quorum was established.</p>
<p><b>4.</b></p>	<p><b>Declaration of any conflicts of interest</b></p> <p>No conflicts of interest were noted.</p>
<p><b>5.</b></p>	<p><b>Minutes of the previous meeting</b></p> <p><i>The Board <b>resolved</b> that the minutes of the public session of the Board meeting held on 1 November 2022 be confirmed as true and correct.</i></p>

6.	<p><b>Public deputations</b></p> <p>There were no public deputations.</p>
7.	<p><b>Update from Auckland Flood Watercare Incident Controllers</b></p> <p>Due to the intense rain event that started on 27 January 2023, the Chair added an item to the agenda on the Auckland Floods.</p> <p>Nigel Toms, Andrew Chin, Suzanne Lucas and Chris Kinley provided the Board with a presentation on the Auckland Flood event and our plan for the recovery (attachment 1).</p> <p><b>Incident current status / Key risks</b></p> <ul style="list-style-type: none"> <li>• Nigel Toms was the incident controller and provided the Board with summary of the event, including the following points: On Friday, throughout the day, we had a level 1 incident stood up to deal with the weather; the weather worsened throughout Friday, 27 January 2023 and at 7:45pm, Mark Bourne together with Jon Lamonte (CE) declared a Level 3 incident, being the highest-level incident in our Incident Response Plan. An Incident Team was stood up and worked through the night until 1:30am. There were no major water issues at that time, but then at 4:15am, there was a major slip on Scenic Drive that saw 30m of watermain lost and 3,000 houses (5-7,000 people) without water. Work commenced on reconnecting those houses to the water supply. Our crews built a 150-metre overland pipe, in challenging conditions. Water was successfully restored to all customers overnight on Saturday. While service has been restored to these customers, they are still strongly encouraged to keep their water use to a minimum for another week until a more robust solution is in place.</li> <li>• Over the following days, the dams became a second challenge. Whilst the southern dams were fine, the western dams had high turbidity, which means the lower dams are out of service. This means the Huia Water Treatment Plant (WTP) is operating at a slower rate (50MLD – which is less than half of its production capacity) and we are looking at whether we need to ask customers to conserve water in the west. In the meantime, the teams have worked very hard on ways to move southern water to the north and west via the New Lynn Pump Station, which can pump 110MLD. If this becomes necessary, then some north and western customers may need to conserve water. Ahead of the potential cyclone, the PS has a permanent generator and the site has been sandbagged.</li> <li>• If Huia goes offline, we still have 575MLD available to us from Ardmore, Waikato and Waikato 50.</li> <li>• Some other challenges dealt with over the incident include: <ul style="list-style-type: none"> <li>○ Pukekohe WTP was flooded and unable to operate.</li> <li>○ Rosedale Wastewater Treatment Plant (WWTP) heaters were flooded and were operating in a recovery mode.</li> <li>○ The Wairau Pump Station (PS) and Alma PS were both flooded.</li> <li>○ The Waitākere WTP raw watermain was compromised with slips and a leak, and one of the two watermains of the exiting plant was also compromised with leaks.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• Suzanne Lucas is the GM of Asset Upgrades and Renewals and is working on the Flood recovery. It is early days, but they are putting significant work into the governance structure. An issue will be having enough contractors to do the work required, as the recovery will be substantial and may well involve coordination with Council and Central Government. She summarised the recovery phases as follows:             <ul style="list-style-type: none"> <li>○ Phase: 1 – A governance structure has been established specifically for the recovery plan, governed by the incident team, operation team and infrastructure team.</li> <li>○ Phase: 2 – A Recovery Working Group will oversee the short to medium term recovery. The group will assess the asset conditions and prioritise the repairs. As some of the repairs will take some time, the team may set up a separate delivery structure from the AMP delivery structure. Costs will be ring-fenced and the strategy and planning team is working on how the Auckland Flood recovery response will impact our AMP funding. Auckland Council has asked for an estimate of the likely cost by 9 February 2023. We are working out the cost and insurance claim, but at this stage, likely costs are going to be at least \$250m plus.</li> <li>○ Phase: 3 – A designated team for recovery has been set up for long term recovery work, as some of the recovery will take about 18 months or more. We will put together programmes of work to repair items (e.g. a programme of work for Pump stations, another for landslides, another for pipe bridges).</li> </ul> </li> <li>• Given the scale of works, the Board requested that they be updated on the recovery at every Board meeting.</li> <li>• A tropical cyclone is expected to form over the weekend and the incident team will be fully operational to respond.</li> <li>• Frances Valintine provided the meeting with an update of her flood experience in Hillsborough. She had a number of questions which Mark Bourne would follow up with her off-line.</li> <li>• The Chair thanked everyone for their hard work and noted the following:             <ul style="list-style-type: none"> <li>○ The estimated cost of the recovery needs to be a prudent number arrived at using a cautious approach</li> <li>○ In undertaking our review, the teams will need to stand back and work out whether our assets need to be fixed, replaced or significantly adapted. It will be important to determine whether the asset that broke was ready to fail, or was a high quality asset that nevertheless failed. The Chair noted that asset condition work is currently being undertaken by the DIA, so any work that we do in this area, needs to loop in the DIA.</li> <li>○ Once the above is done, we will need to review the AMP and this will also need to be done in light of Council’s debt headroom.</li> <li>○ Once Council has done a review of the Auckland Flood response, Watercare should also conduct its own review.</li> <li>○ It will be important to ‘ring fence’ the cost of the recovery, and the impact the storm had on our service levels and SOI results.</li> <li>○ Enterprise Risk profiles need to be reassessed in light what we have learned from the Auckland flood.</li> </ul> </li> </ul>
<p>8.</p>	<p><b>Chief Executive’s report</b></p> <p>The Acting CE introduced the report, which was prepared by Jon Lamonte. The following topics were discussed.</p> <p><b>Current significant issues</b></p> <ul style="list-style-type: none"> <li>• The dam levels were at 100% in January for the first time since 1989, and previous to that in 1954.</li> </ul>

- Sadly, the Ghella Abergeldie Joint Venture lost one of their graduate engineers in a swimming accident at Piha. The Board recommended an education piece around New Zealand environment and beach safety should be part of our induction process for any new workers who have come from overseas.
- In relation to Three Waters legislative reform, Watercare has been invited by the Finance and Expenditure Committee to make a submission on the Water Services Legislation Bill and the Water Services Economic Efficiency and Consumer Protection Bill.
- The CE noted a minor typo in the report and confirmed that a formal launch of the first Central Interceptor electric trucks will take place in early 2023 rather than 2024.
- In response to a query from a Board member, Mark Bourne confirmed that we have sufficient consultant and in-house resources for the work to be undertaken to comply with the new Building (Dam Safety) Regulations
- The Board was pleased to see the significant work being put into growing our relationship with elected members.

***Key performance measures***

- The Chair noted that the business should continue to manage to the economic level of leakage.
- The commentary on safety improvement plans does not align with the actual measure of 100%.
- Given the level of engagement of Te Rua Whetū team with the DIA, there is a significant risk for Watercare to deliver its Māori outcome priorities. Management noted that there is an opportunity for the business to bring more of this work into the business and take more responsibility for meeting the targets.

***Health, safety and wellbeing***

- Bronwyn noted that over the course of the flooding incident, we have been stressing Health and Safety of our teams, including taking care when travelling at night as given potholes and slips on many roads. We also put in place strict protocols around the hours worked, which mean that some staff had to be stood down to rest. Our leaders' messaging was clear that our people's safety was our number one concern during the incident.
- The Board was concerned with the high potential incident at the Snells Beach WWTP. Steve Webster summarised the following key points from the final investigation report:
  - Steve had been involved since the incident occurred.
  - There were multiple failures on the site – Fletchers response was fairly good. There are many lessons to learn from this incident.
  - A load (30kg) was not stopped properly and fell whilst the crane was lowering it into the shaft. There was a person in the shaft at the time, and whilst they were outside the exclusion zone (3m), and were not harmed, if the load had dropped on them, it would have been very serious.
  - Investigation has revealed: the worker in the shaft was not alerted to the load being moved; the exclusion zone was not big enough; and the individuals operating the crane (crane driver and dogman), left the site after the incident.
  - The crane driver and dogman returned negative drug tests the following day.

	<ul style="list-style-type: none"> <li>○ There was a robust discussion regarding the procedures to be followed after an incident (i.e. not leaving the site with no notice); and whether additional drug testing should be undertaken for staff and contractors.</li> </ul> <p><i>The Board <b>noted</b> the report.</i></p>
9.	<p><b>Scanning the Horizon</b></p> <p>Rebecca van Son introduced the report which was taken as read. The Board and Management discussed the following points:</p> <ul style="list-style-type: none"> <li>● In relation to the Australia Optus Cyber-attack, Amanda Singleton noted the confidential customer data (e.g. medical information) is flagged separately in our system at an Enterprise Level. A tag is also placed on the customer water meter, so that meters cannot be swapped without permission.</li> <li>● Our frontline staff undergo privacy training. We report any breach of privacy to the Privacy Commissioner.</li> <li>● The economic environment was discussed, and vulnerable customers. The Board asked Amanda to consider whether the WUCAT trust should be made more prominent.</li> <li>● The Board acknowledged that it takes a lot of time and efforts to pull this report together. Whilst it provides a great insight of external environment however, the focus during the transition period is on the CE’s five priorities, namely: People and Culture; Capital; Finance; Stakeholders; and Operations. Therefore, from next month, this report will discontinue and anything that the Board needs to know about will be included in the CE’s report.</li> </ul> <p><i>The Board <b>noted</b> the report.</i></p>
10.	<p><b>Update on Audit and Risk Committee (ARC) meetings of 22 November 2022 and 3 February 2023</b></p> <p>Hinerangi Raumati-Tu’ua, Chair of the ARC, reported that the ARC meeting was held on 3 February 2023. She noted that the ARC:</p> <ul style="list-style-type: none"> <li>● Reviewed the half year accounts;</li> <li>● Discussed Deloitte’s external audit update;</li> <li>● Recommended to the Board for its approval of the Conflicts of Interest Policy;</li> <li>● Discussed internal audit report; and</li> <li>● Discussed the deep dive on supply chain procurement.</li> </ul>
11.	<p><b>Board planner</b></p> <p><i>The Board <b>noted</b> the Board planner.</i></p>

	The Chair noted that she will work with Dave Chambers to update the Board planner to ensure it reflects our five strategic priorities, namely: People and Culture; Capital; Finance; Stakeholders; and Operations.
<b>12.</b>	<b>Directors' meeting attendances</b> <i>The Board <b>noted</b> the report.</i>
<b>13.</b>	<b>Disclosure of Directors' and Executives' interests</b> <i>The Board <b>noted</b> the report.</i>
<b>14.</b>	<b>General business</b> There was no general business to discuss. The meeting closed at 12:39pm.

CERTIFIED AS A TRUE AND CORRECT RECORD

.....  
Margaret Devlin, Chair

Attachment 1

5.1

## 27 January 2023 –Extreme Weather Event Incident Update

8 February 2023

## Current Status

5.1

- We are extremely proud of how everyone in Watercare has come together to respond
- All services restored
- Positive feedback from customers and stakeholders
- Now moving into recovery/adaptation phase, teams being stood up to deliver

## Scenic Drive slip

5.1



## Waitakere 2 watermain exposed in slip, Tram Valley Rd

5.1



# Lower Nihotupu Dam

5.1



## Wairau Wastewater Pump Station flooded

5.1



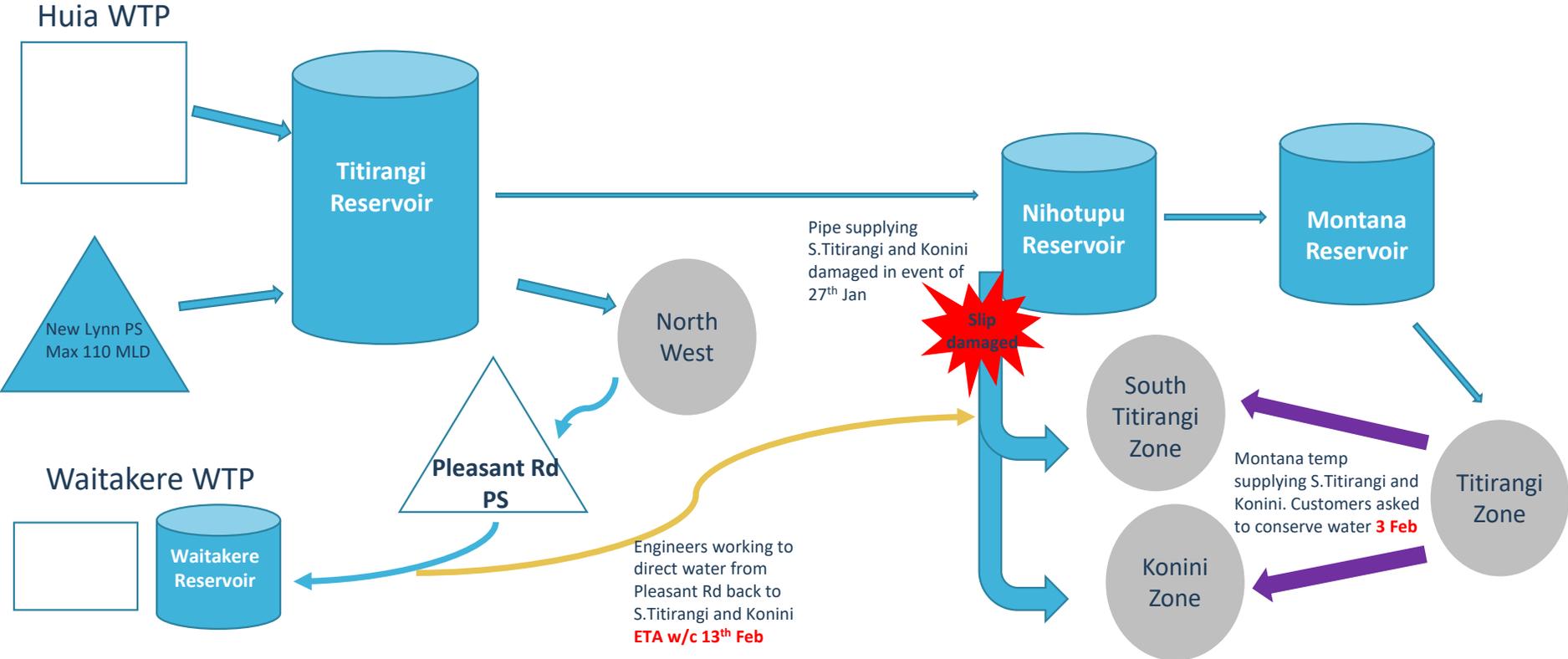
## Incident Current Status / Key Risks

## Recovery Approach

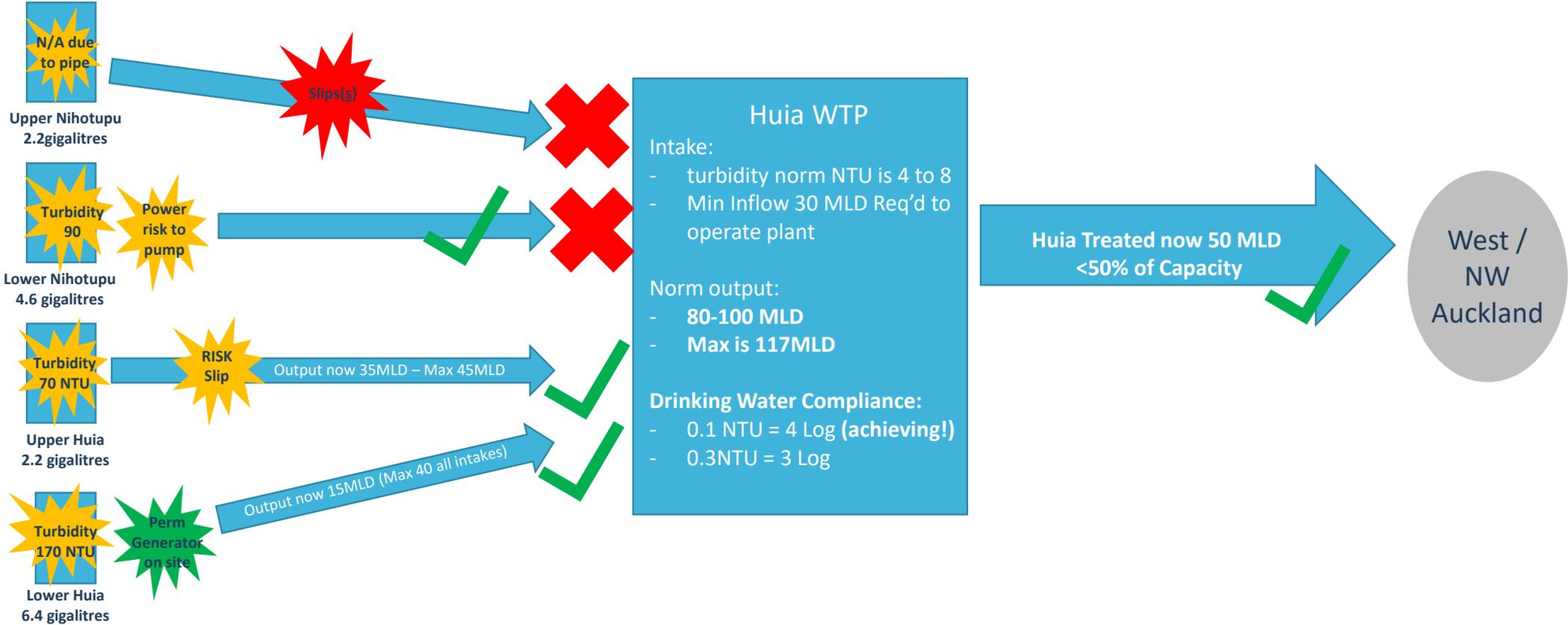
5.1

- **Phase 1** – Incident Response/Initial Risk Mitigation/Immediate Restoration of Service
- **Phase 2** – Urgent/Priority Works: Service restoration focused
- **Phase 3** – Medium-Long term Asset Rehabilitation/Adaptation

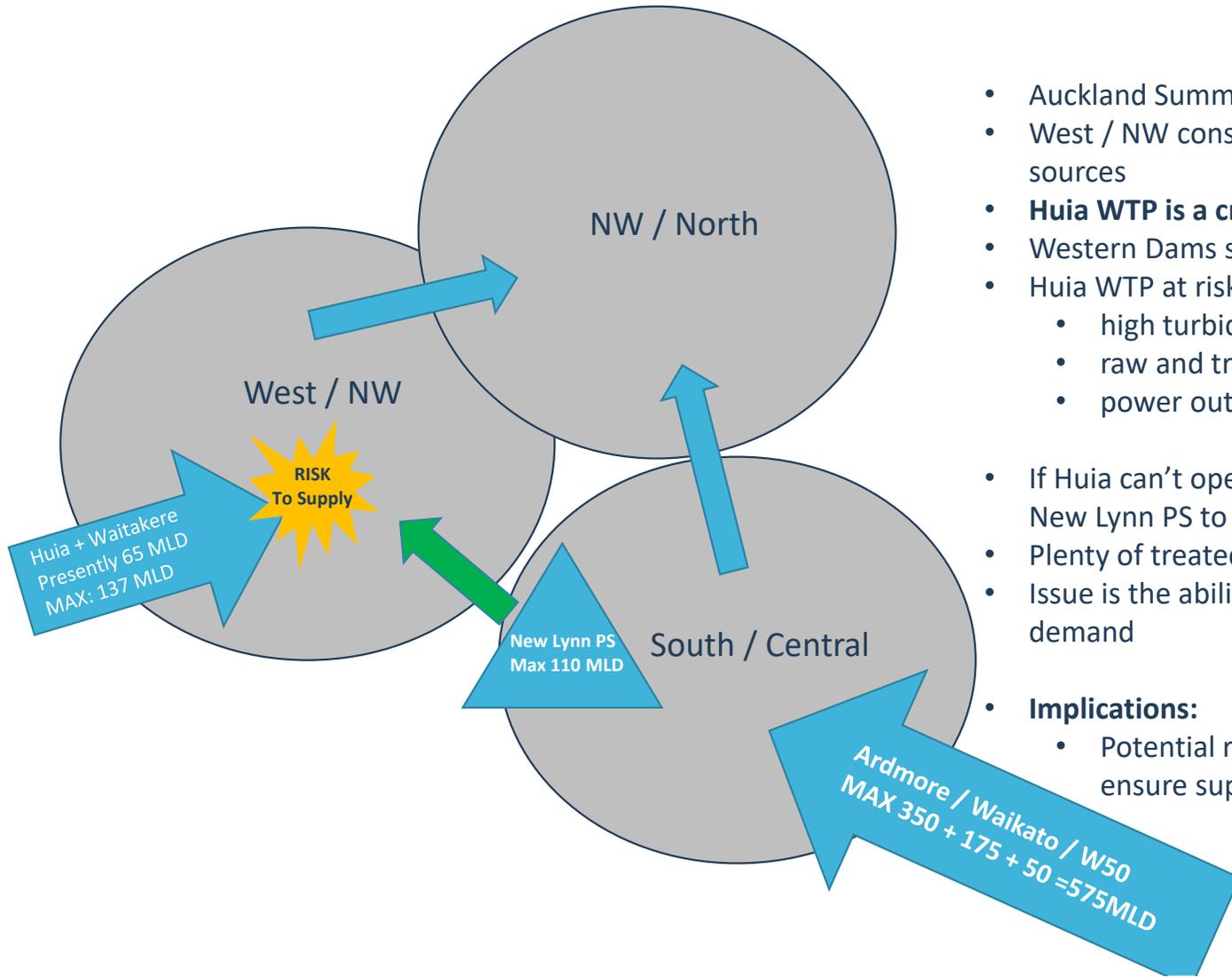
# Titirangi / South Titirangi / Konini Water Supply Situation



# Huia Water Supply Risks



# Water Supply Risks



- Auckland Summer demand currently 400 to 500+MLD
- West / NW consume more than is produced from Western sources
- **Huia WTP is a critical supply capability**
- Western Dams supply Max 137MLD – Currently 65MLD
- Huia WTP at risk from:
  - high turbidity
  - raw and treated pipes at risk from land slips and / or
  - power outages
- If Huia can't operate and supply, the option is to pump through New Lynn PS to West Auckland
- Plenty of treated water capacity from the South
- Issue is the ability to distribute to all areas noting summer demand
- **Implications:**
  - Potential request to moderate water consumption to ensure supplies reach West/NW areas

# Recovery Planning

## Governance and Management

5.1

- A governance structure has been established specifically for recovery
- There will be a separate delivery structure from our core AMP delivery
- Costs will be ring-fenced
- The impact on the AMP funding is yet to be determined, Council family have been requested to provide an estimate by Thursday evening
- The Board will be updated at each board meeting

## Phase 3 - Plan

5.1



TASK	27 January	Event Day + 3 Days	Event Day + 6 Days	Event Day + 9 Days	Event Day + 14 Days	Event Day + 3 Weeks	Event Day + 4 Weeks	Event Day + 6 Weeks	Event Day + 2 Months	Event Day + 6 Months	Event Day + >6 Months	
Impact Assessment	[Task duration bar]											
Prioritisation	[Task duration bar]											
Condition Assessment		[Task duration bar]										
Solution Development			[Task duration bar]									
Execution				[Task duration bar]								

# Chief Executive's report – March 2023

Presented by: Dave Chambers



7

## 1. Current significant issues

January 2023 recorded perhaps the worst weather event in the history of the North Island. However, with the help of our incredible team, at the time of writing this, Auckland's water and wastewater services are largely stable. With unprecedented rainfall and cyclones, this is something we are immensely proud of, and we are making sure that our people are recognised for their efforts.

Whilst this is the January 2023 board report, I will focus on key updates since joining Watercare on 7 February 2023.

Together, January and February 2023 have received two thirds of the average annual rainfall and as a result we recorded some wastewater consent non-compliance due to storm surges and flow volumes. The appropriate parties (for example the Māngere Audit committee) have been informed. We have been extremely proactive with our communications and have received excellent feedback from our customers and stakeholders as a result. This feedback can be seen by the significant uplift in our trust score.

We are still assessing the extent of the storm damage and scoping the repairs that will be required. What is already clear is that significant long-term investment, over a period of many years, is required to build resilience to climate change. We have established a separate flood response recovery team that will work in with Council and other lifeline services to ensure we get the best outcomes for our city.

On top of weather events, workloads continue to be high. As a result, we are ensuring we look after our people and prioritise workloads. We have revisited the company plan and simplified it to ensure we are focussing on our core priorities ([Attachment 1](#)).

We are also working closely with our staff around NTU entity announcements and organisational structures. NTU has shared a draft high-level organisation design for the entities as well as more information on transition pathways for our people. We are encouraging our people to share their views independently and directly. At this time, we are also focussing on strengthening our internal communications to support our people through this period of significant change.

Over the past four weeks, I've visited several sites and spoken to teams across the company. I always walk away thinking our people are fabulous – whether it's an MSN crew digging a section of road in St Heliers or our Huia plant staff solving problems on the fly. Being on site is a great reminder that we need to look after our people and ensure they go home safely every single day.

On Thursday, 23 February 2023, I attended Te Matatini Herenga Waka Herenga Tāngata Festival 2023. This is New Zealand's largest cultural festival and the pinnacle event for Māori performing arts. Held every two years, the four-day celebration is one of the most highly anticipated events for performers, their whānau and the mass of passionate Kapa Haka fans throughout the world. Hosted in a different city each time, the festival draws thousands of people who come to witness the best of the best.

As a primary tenant of Eden Park, the Central Interceptor project delivery team was approached in 2019 by The Eden Park Trust to meet with the Tāmaki Makaurau Senior Kapa Haka Incorporated Society and the Auckland Council Te Matatini organising committee to discuss supporting them in their preparation to host the premier national Kapa Haka festival. As a result, we provided Te Reo admin support, provision of water via x20 water refill stations for Eden Park, branded water vessels for fan-zone attendees and office/desk space.

Being an extremely high-profile event, we believe this was a fantastic opportunity to drive sustainability messaging 'He Taonga te Wai'. Feedback from attendees of the event has been extremely positive.

This engagement has brought about lasting benefits that align Watercare:

- Meeting our KPI of supporting Cultural Events within the Tāmaki Makaurau region, which is under both our Tangata Whakapa (Whole Identity) and Whanaungatanga (Family/Community) keystones.
- Upholds the principles of the Mana Whenua Managers Kaitiaki Forum and Watercare Relationship Agreement 2012.
- Exclusion of the sale of plastic water bottles onsite during the festival which meets the Sustainability goals of the project and the Sustainability objectives of the organising committee which is to reduce waste to landfill and impact on Papatūānuku.

I am proud of our contributions and thoroughly enjoyed my time at the event.

Finally, late in February 2023 we deployed staff to Napier to support the Cyclone Gabrielle emergency response and ensure we share our expertise. We will do what we can to help get New Zealand's water and wastewater services back up and running.

## 2. Key Performance Measures

[Attachment 2](#) sets out Watercare's performance against the current Statement of Intent measures for January 2023. At the monthly performance hui, the following points were noted:

- Response and resolution times for January KPI results are being investigated. We would expect performance to decline as a result of the storm event, however this does not appear to be the case. Some reasons considered for why the results may not be reflecting this are:
  - Multiple call outs/faults may have been raised under one work order, i.e. all call outs in Titirangi recorded under the same work order.

- Given the storm occurred at the end of January, work orders may have been closed in February and therefore we may see a decline in performance reported in February.
  - We will review results and analyse again during February.
- The Total recordable injury frequency rate is significantly above target and has declined in recent months. Lead indicator KPI's such as leadership walks also do not appear to be working. We are therefore establishing an entity wide Health and Safety meeting to discuss lead indicators, with a focus on improving our health, safety and wellbeing outcomes.
- Delivery of our capital program is behind schedule however the current forecast is being reviewed to clearly understand where we expect to end up on 30 June 2023. High rain and the current economic environment have also seen a drop in revenue, and as a result, we are reviewing debt levels and what the reduced revenue means to the funding of our capital program.
- Controllable costs before the storms were on track to meet budget and all storm related costs will be ringfenced and reported separately going forward.
- We are driving Māori spend during March to ensure we achieve this KPI.

### **3. People**

#### **3.1 Our people**

The start of 2023 has been a busy one for our people. The Auckland Anniversary Flood at the end of January and impacts of Cyclone Gabrielle saw many of our teams jump into action. While this was possibly the worst weather event in the history of the North Island, today Auckland's water and wastewater services are largely stable. This is because our people have been working tirelessly to minimise the impact on customers and the environment.

It was testament to the calibre of our people that we were able to quickly stand up four incident teams to manage the events 24/7 as they unfolded as well as deploy our operational teams across Auckland to maintain our services. Our People and HSW teams quickly set up a Flood support channel to help our kaimahi and their whanau who were dealing with the impact of the weather systems directly. This channel provided immediate support through key contact information, grocery and supplies, time off to make arrangements, as well as wellbeing and mental health support. We are also supporting some of our people who, because of their skills and experience outside of work, were asked to be involved in Taskforce Kiwi providing vital recovery response to the Hawkes Bay region.

At the 6 December 2022 Board meeting, a matter arose requesting an update on the status of the storage of our training records across the organisation. This followed the findings of an ACC audit as part of their Accredited Employer Programme. Following the audit, Watercare was issued with several improvement recommendations around training records storage and ability to provide evidence of training records. In response our Learning and Organisation Development (L&OD) team have been working hard to make improvements. These have included:

- **Systems improvements** – Immerse is our online Learning Management System (LMS) and we have made several changes to how we were storing training records to increase the functionality to provide a single source of truth. This means that individuals can access their own learning records and we can access reporting as needed and where required for audit purposes.
- **Historical records** – The team have retrospectively entered training data housed in individual site spreadsheets and entered this into immerse. This resulted in nearly 17,000 records being uploaded and assigned to the right person. By January 2023, L&OD team had cleared all historical records.
- **Process Improvement** – We have embedded a new system control and oversight that ensures records are maintained correctly and we can spot check to ensure accuracy. We are working on increasing the visibility across the business of the capabilities of immerse and an individual's ability to manage their learning records. Concurrently, we are working with site administrators to support them to transition from excel spreadsheet to utilising immerse.

We are confident we have an adequate system to manage learning records and have put further controls in place to ensure our data is accurate.

[Attachment 3](#) is a workforce snapshot for January 2023. This shows our new hires remain low over January 2023 which reflects the seasonal reduction in recruitment. Our turnover remains higher than the same period last year but has levelled off over the last five months. Monthly sick leave has decreased however, rolling sick leave is higher than average due to the increase in Covid-19 cases across December 2022 and January 2023.

### **3.2 Health, safety and wellbeing**

The report attached as [Attachment 4](#) provides a comprehensive overview of Watercare's health, safety and wellbeing for January 2023.

## **4. Effective and reliable delivery of services**

### **4.1 Water sources**

The leak management programme is ongoing. Since the start of the programme approximately 15,371kms have been surveyed to date with 8,924 leaks found.

### **4.2 Water quality**

January 2023 is the first month of reporting under the new Taumata Arowai regulations. Formal compliance reporting will likely be issued to Taumata Arowai from March 2023 when their systems are ready, with exception reporting until then.

All water quality objectives have been achieved for the month of January 2023 except for residual disinfection compliance in the Hilltop zone in Pukekohe where 58% compliance was achieved compared to the required 85% compliance. It must be noted that under previous regulations, residual disinfection was not a compliance reporting requirement. This is not a reflection of a change in water quality, but a change in compliance requirements. Low chlorine has occurred in this zone over the summer months previously due to water age and temperature impacts. Proactive network flushing has been implemented in the short term to improve turnover, whilst medium to long term solutions are identified.

#### 4.3 Watercare flood response recovery plan

- Watercare Recovery Working team set up – Programme Manager appointed and dedicated Project Managers contracted – Teams to be co-located.
- Specialised Engineering consultants being used to supplement Condition Assessment teams to enable more site visits and assessments as well fast tracking scope definition.
- Work programmes underway for similar types of repairs – head works, pipe bridges.
- Prioritisation meetings happening to ensure emergency works being addressed immediately and then prioritisation of the remainder of the works.
- Recovery Steering Group established to challenge solution development, adaptation and carbon impact.
- [Attachment 5](#) sets out the governance and management structure of the recovery working teams.
- Insurance information gathering and loss assessments underway.
- Like for like replacement value of \$250m provided to Auckland Council and a top end value including improvements and adaptation of \$460m.
- Auckland Council is planning to set up a co-ordinated recovery response. High level discussion on how the build will require collaboration. Also discussed:
  - Co-location
  - Inclusion of life-line partners – Spark, Chorus, Vector etc.
  - Initial approach to organisation and how this will fit into the wider reporting structure.

## 5. Stakeholder

### 5.1 Meeting with iwi collective Waipuna aa rangi (Entity A)

At the end of 2022, the Board and executive leadership team met with iwi delegates from Waipuna aa rangi. They represent the interests of 45 iwi and hapū across Northland and Tāmaki Makaurau. Existing relationships with the 19 recognised mana whenua of Auckland are already in place.

This was the first formal meeting with Watercare. Discussions focused on three waters. Waipuna aa rangi representatives gave an update on reform engagement and shared their expectations on iwi involvement in the new water services entities. From now through to 1 July 2024, we should consider extending access to relevant staff expertise to help iwi and mana whenua build their knowledge of the water industry.

## 5.2 Leading iwi engagement for the National Transition Unit

Te Rua Whetū have been an integral support system in the delivery of Watercare's Māori outcomes initiatives. In recent months, the team's focus has shifted to water reforms. This included reprioritising Watercare's engagement with iwi and mana whenua on reform issues. Central to this change in approach has been the secondment of Te Rua Whetū to the Department of Internal Affairs.

Since September, the team have led engagement on behalf of the NTU's Iwi Māori Directorate. As part of the wider reform programme, a core function of the team's responsibilities is to facilitate all engagement with iwi and mana whenua throughout the country. Capacity and resources issues, coupled with the pace of reform have made it challenging for some iwi to fully participate.

However, key deliverables Te Rua Whetū are helping progress includes the establishment of iwi collectives and secretariats for each entity. To date, work plans for iwi collectives Waipuna aa rangi (Entity A) and Te Manawa o Ngā Wai (Entity B) are in place and currently being implemented. This enables iwi collectives to outline their reform priorities and creates direct touchpoints into the various portfolios including asset management, operations, and storm water (AMOS).

Iwi collectives have also identified Te Mana o Te Wai statements and the application of its principles in the new water services entities, as a priority area they want to give direction on. This insight reinforces Watercare's strategic outcomes to improve our staff understanding and knowledge base on this subject. Furthermore, it validates the work we're undertaking with our own internal Te Mana o Te Wai workshops.

Secondment of Te Rua Whetū to DIA poses certain risk for Watercare. Reduced access to team expertise has exposed a breakdown in parts of the wider business to continue implementing Māori outcome activities. This reliance on Te Rua Whetū is not sustainable or practical.

Additional pressures on the team to balance both DIA and Watercare commitments needs effective management. Monitoring of workloads and staff wellbeing is the main concern. Planning and forecasting Māori outcome priorities for Watercare over the next 18 months will help mitigate these challenges.

## 6. Risk and compliance update

### 6.1 Enterprise risk management

The Enterprise Risks presented to the 8 February 2023 Board meeting were significantly revised with many risk profiles increasing due to the Auckland Anniversary Floods and Cyclone Gabrielle. Work on these risks and their associated mitigation actions will continue in the coming months. Many of these risks will remain elevated for a considerable time. Due to timings for reporting to Auckland Council, Watercare's next quarterly enterprise risk report will be presented at the 4 April 2023 Confidential Board meeting for review and approval.

## 6.2 LGOIMA requests

During January 2023, we received four requests for information under the Local Government Official Information and Meetings Act 1987 (the Act). Two of these requests were forwarded to us from Auckland Council. Watercare processed all four requests in accordance with the Act.

## 6.3 Legal action

- RMA related:
  - Huia Water Treatment Plant: the first two-day mediation session between all the parties to the Environment Court appeal was held in September 2022. This resulted in a number of actions that Watercare agreed to complete between then and the next mediation session which all agreed to and was set down for February 2023. This session however has been postponed to May 2023 as one party could not attend on the set date. The experts in Kauri Dieback and ecological compensation have undertaken caucusing as directed by the Environment Court. These discussions are ongoing. Watercare continues to meet with the neighbours in an attempt to resolve their issues.
- Non-RMA related:
  - There is currently one claim for \$1.2m for alleged damage to a residential property from a burst watermain. The matter is being handled by our insurers, and a three day trial is set down for 17 July 2023.
  - In February 2023, Watercare was served with a copy of proceedings lodged in the Māori Land Court by Te Runanga o Ngati Whatua, Ngati Manuhiri Settlement Trust concerning the legal status of the Hōteu River bed. Watercare owns property in Wellsford that adjoins the river. The deadline to file an application to be heard is 31 March 2023. In the meantime, Watercare is obtaining legal advice on its position and recommended next steps.

## 6.4 Whistleblowing

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

## 6.5 Non-compliance with resource consents

Consent non-compliance in January 2023 increased due to the Auckland Anniversary Floods. The non-compliances included technical non-compliances for the network discharge consents, which occurred because we could not meet reporting timelines due to the magnitude of the event and the number of associated overflows. Most full non-compliances were due to extremely high flows coming into wastewater treatment plants, which forced to staff manage the plants in a way that protected the assets from longer-term issues (i.e. permanent damage) at the expense of resource consent compliance.

Despite site-wide flooding, the Rosedale wastewater treatment plant remained compliant throughout the event, as did Pukekohe. However, flows were too great to remain in compliance at Māngere, Army Bay, and some smaller regional plants. Some issues persisted into early February 2023, so non-compliance for February 2023 will again be higher than otherwise expected.

Waikato Regional Council issued an abatement notice to Waikato District Council in January for the Raglan Wastewater Treatment Plant – essentially reinforcing the current planned replacement by July 2024. Additionally, an old wooden water storage tank in Raglan, disused for the last two years but retaining 17% of the 1250m<sup>3</sup> capacity to retain the structural integrity for as long as possible finally failed in mid January and the Waikato team have been involved in clearing the debris from the farm site. A response has been provided to the Waikato Regional Council, including the completion of the plant upgrade.

[Attachment 6](#) sets out the details on the significant non-compliance for January 2023.

## **7. Policy update**

[Attachment 7](#) sets out the current programs of work that are underway, and their expected impacts to Watercare.

## **8. Matters for noting**

### **8.1 Significant meetings in January 2023 attended by previous CE, Jon Lamonte**

- Te Tokanganui-a-noho Regional Management Committee and Hauauru Ki Uta Regional Management Committee (Maniapoto RMCs)
- Visited Rarotonga
- Heather Shotter from DIA to discuss DIA oversight
- The Water Commission UK to discuss progress and early findings from the 2022/2023 Information Request.
- Local and Central Government to discuss the impact of the floods
- Kawenata discussions (Waikato River Iwi, Ngāti Maniapoto)
- KOTM mana outcome-related projects (water tanks, waharoa installation, interns site visit – Ngāti Whātua Ōrakei, consents – Ngāti Manuhiri, Pukekohe WTP opening – Waikato-Tainui).

### 9. Delegated authority to Chief Executive

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

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

Contract description	Successful supplier
NTOU & Unmetered Supply of 100% Carbonzero certified renewable electricity	Ecotricity Limited Partnership
LNT Telemetry Equipment Renewal – Electrical Systems Lead	Neo Engineering Consultancy Limited
ServiceNow Subscription Fee ORD1445900-1	Servicenow Australia Pty Limited



Dave Chambers  
**Chief Executive**

Attachment 1

Our purpose

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



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

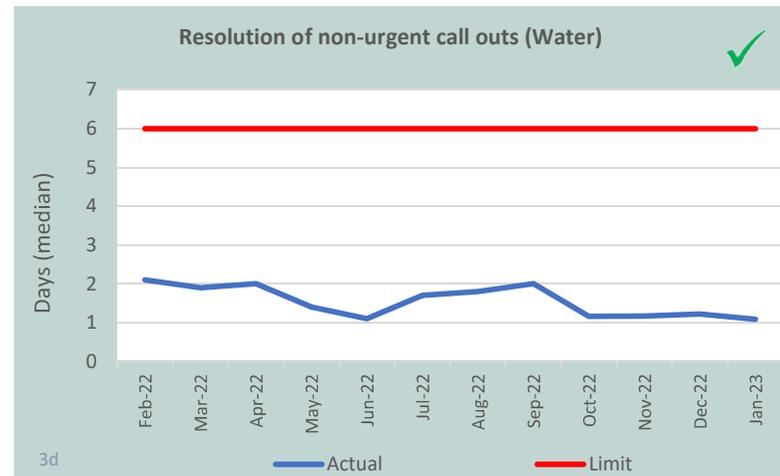
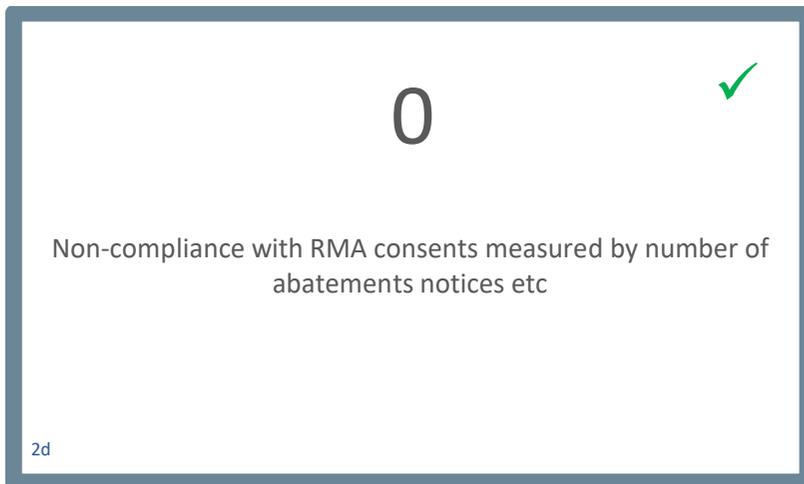
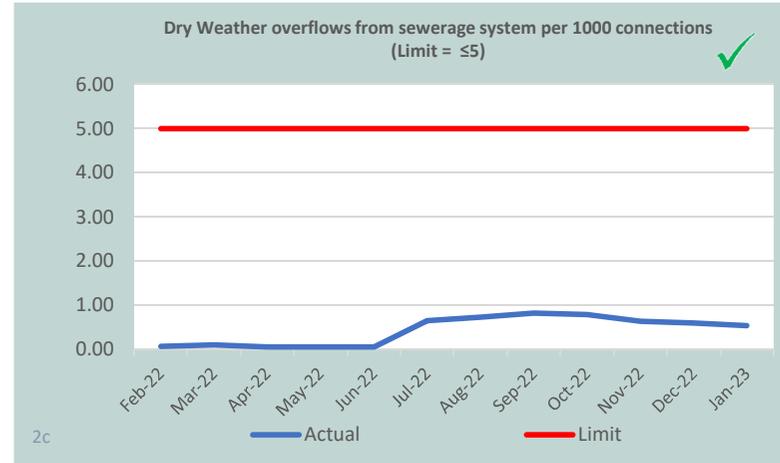
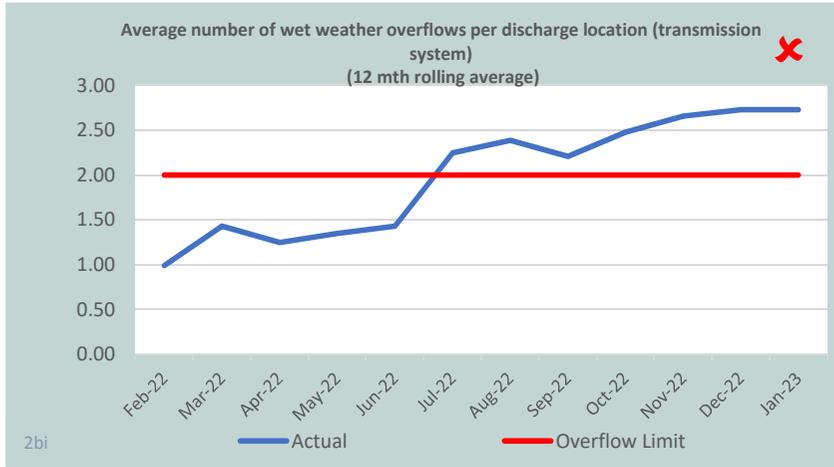
We recognise Te Tiriti O Waitangi and the significance of Te Mana O Te Wai. Te ao Māori values are embedded throughout our organisation.

Core	Our people and our customers	Capital programme	Operations	Finance	Partnerships
	<p>Everyone is well informed, feels competent and confident to do their job well, is treated with respect, and goes home safely every single day.</p>	<p>We will deliver our AMP, including the Central Interceptor, on schedule and to budget. The AMP supports our climate change targets, builds resilience and services growth.</p>	<p>We provide safe and reliable drinking water and wastewater services, ensuring we meet all quality and health regulations.</p>	<p>We have an optimised price path, including development charges.</p>	<p>We build and maintain strong and constructive working relationships with council and elected members, communities, and other key stakeholders.</p>
	<p>We listen to our customers, providing excellent customer service.</p>	<p>We drive the outcomes of the Enterprise Model – 40:20:20 – optimising our capital investment decisions and delivery, incorporating whole-of-life cost and carbon, and improving safety.</p>	<p>We ensure that we meet our resource consent conditions and take care of the environment in which we operate.</p>	<p>We drive a controllable-cost efficiency programme that ensures we are a sustainable business into the future.</p>	<p>Mahi tahi – we work together with iwi Māori, partners and suppliers to deliver the best outcomes for our city.</p>
	<p>We increase the water literacy of our communities, building trust and a shared appreciation for the value of water.</p>		<p>We maintain our assets so that they are in a condition to best serve our customers.</p>	<p>Our risk register is up to date and action plans are ready to implement.</p>	<p>We deliver our Māori Outcomes Plan.</p>
Reform	<p>We help our people through reform and to be successful into the future.</p>	<p>We work with the DIA to incorporate our capital programme with the new entity business plan.</p>	<p>We maintain continuity of our services during the period of change.</p>	<p>We are accepting of, and preparing for, economic regulation.</p>	<p>We work collaboratively with the DIA and councils to implement reforms. We know and understand the legislation and policies.</p>
Our values	Respect	Excellence	Make it Happen	Accountability	One Team

7.1

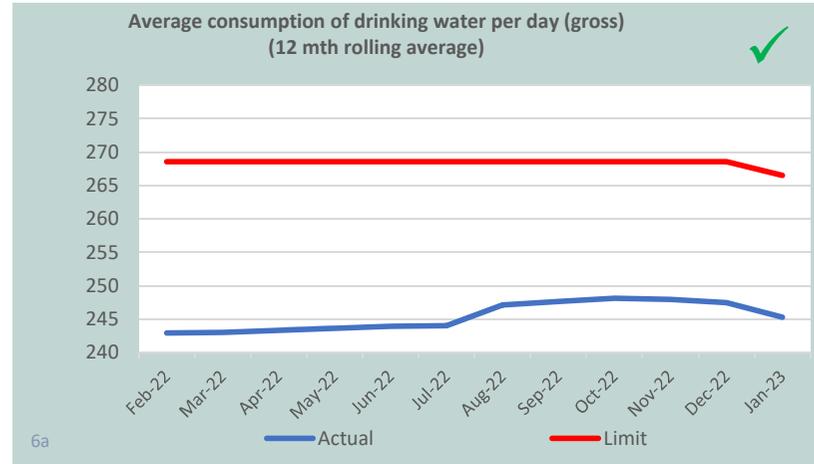
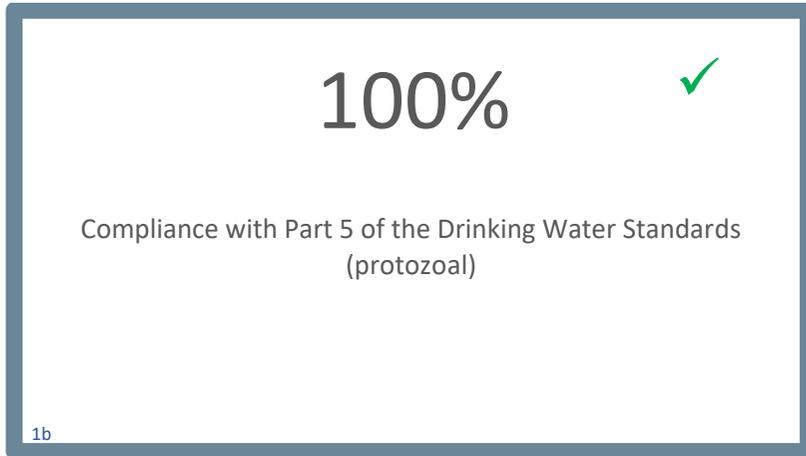
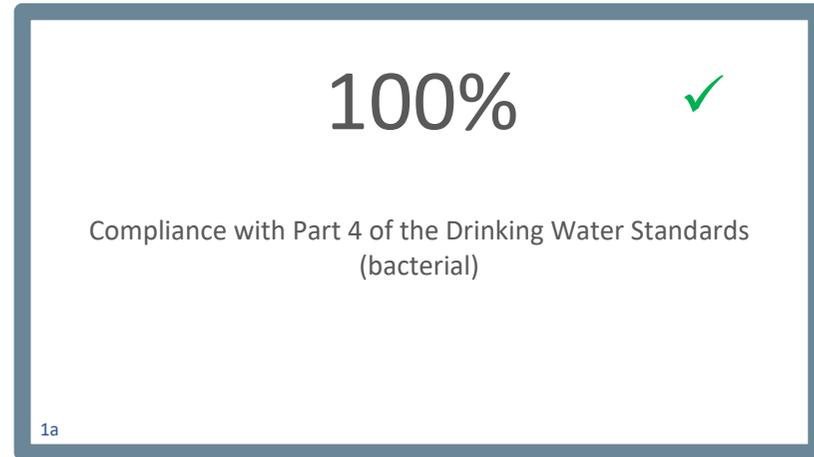
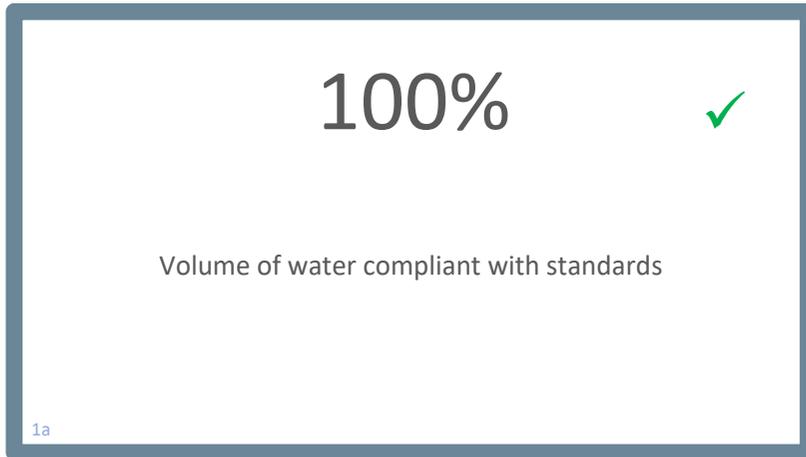
Attachment 2 – Performance against Statement of Intent measures

SOI Measures — Natural Environment



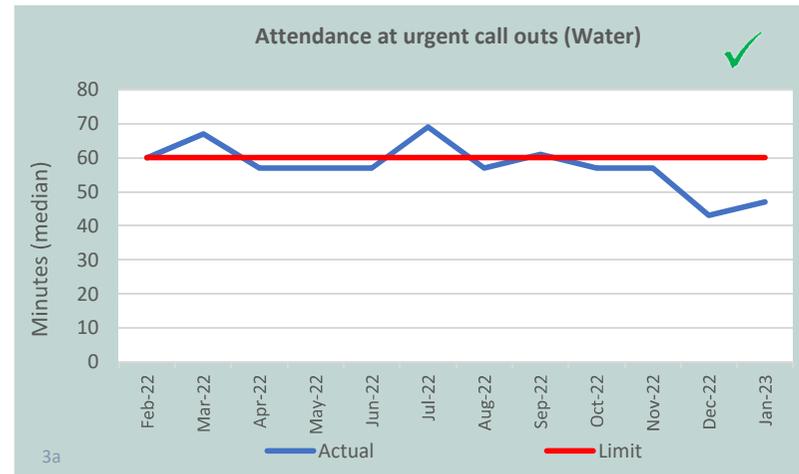
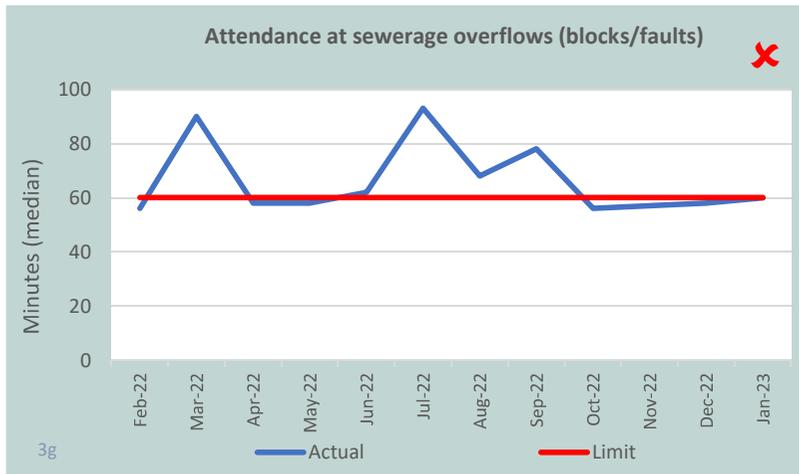
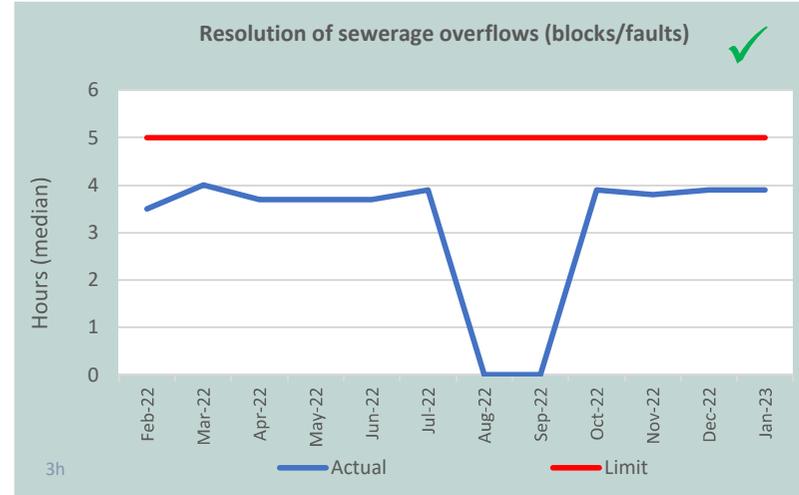
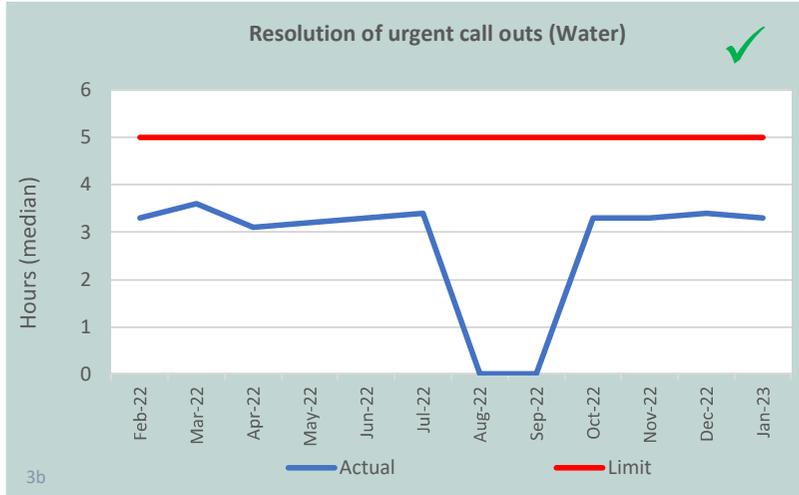
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### SOI Measures — Assets and Infrastructure



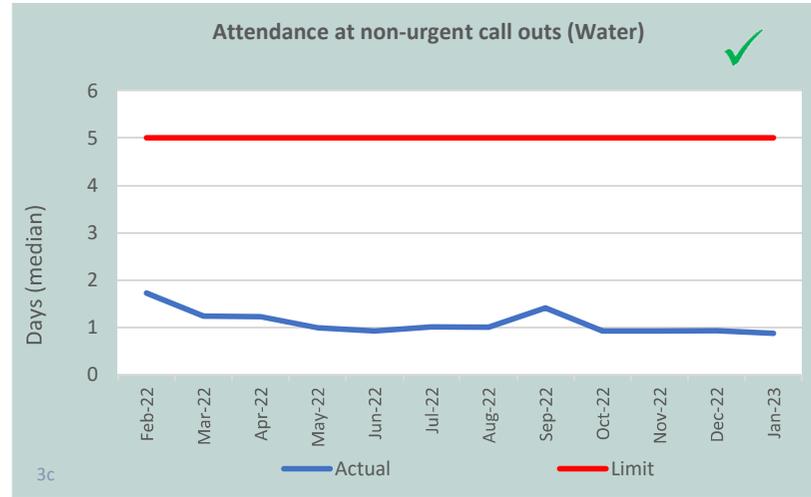
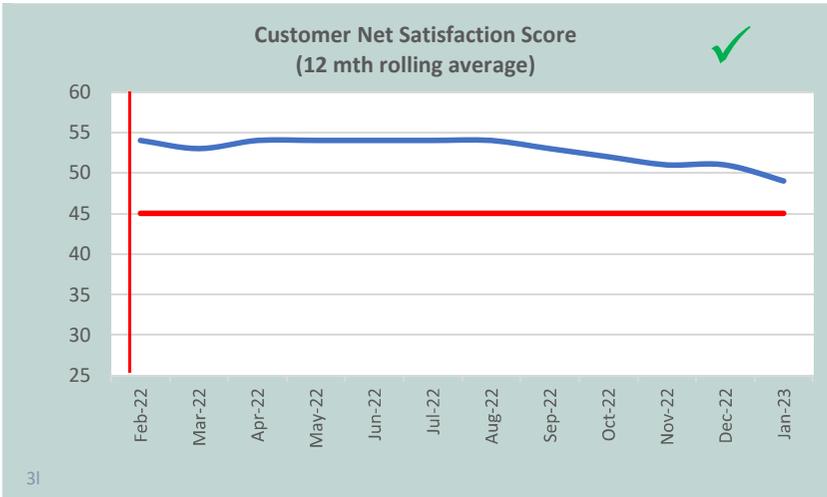
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**SOI Measures — Community and Stakeholder Relationships**

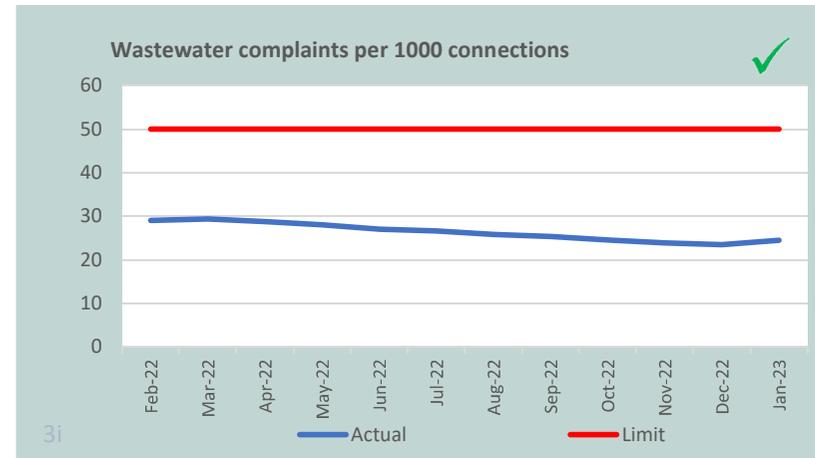
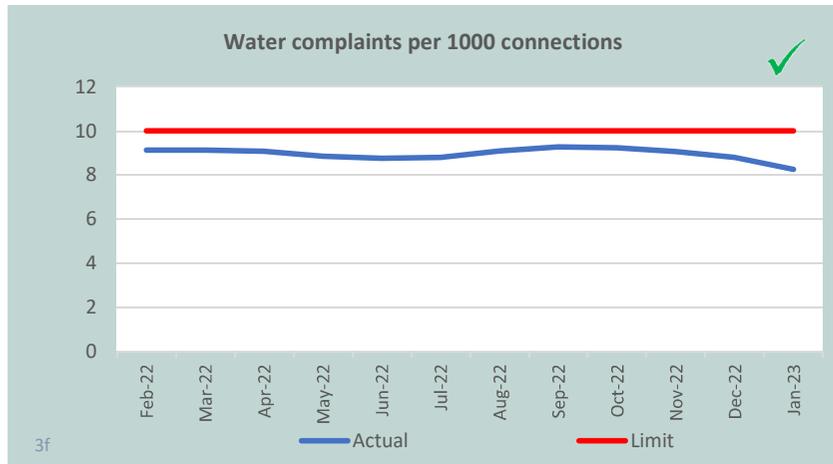


7.2

### SOI Measures — Community and Stakeholder Relationships



7.2



## Watercare performance measures (unaudited)

No.	Measure	FY23 Target	Actual			Commentary
			January 2023	December 2022	November 2022	
1.	Total recordable injury frequency rate (TRIFR) per million hours worked (12-month rolling average)	<10	16.79%	15.8%	16.71%	
2.	Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of: a) abatement notices b) infringement notices c) enforcement orders d) convictions received by the territorial authority in relation to those resource consents <i>Note the assumption is that abatement notices received relates to new notices issued in the financial year.</i>	≤2 ≤2 ≤2 0	0 0 0 0	0 0 0 0	0 0 0 0	
3.	The average consumption of drinking water per day per resident within the territorial authority district (*litres plus/minus 2.5%) (12-month rolling average)	258 litres	245.26	247.46	247.93	
4.	The extent to which the local authority's drinking water supply complies with part 4 of the drinking water standards (bacteria compliance criteria)	100%	100%	100%	100%	
5.	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%	

No.	Measure	FY23 Target	Actual			Commentary
			January 2023	December 2022	November 2022	
6.	Median response time for attendance for urgent water call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (minutes) 12-month rolling average.	≤ 60 mins	47	43	43	
7.	Median water response time for resolution of urgent callouts: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption (hours) 12-month rolling average.	≤ 5 hours	3.03	3.2	3.17	<p>Result for January is being investigated. We would expect performance to decline as a result of the storm event. Some reasons considered for why the results may not be reflecting this are:</p> <ul style="list-style-type: none"> <li>• Multiple call outs/faults may have been raised under 1 work order, i.e. all call outs in Titirangi recorded under the same 1 work order.</li> <li>• Given the storm occurred at the end of January, work orders may have been closed in February and therefore we may see a decline in performance reported in February.</li> </ul> <p>We will review results and analyse again at the end of February.</p>
8.	Median response time for attendance for non-urgent water call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (days) 12-month rolling average.	≤ 5 days	0.87	0.93	0.92	Same commentary as 6 above.
9.	Median response time for resolution of non-urgent water call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption (days) 12-month rolling average.	≤ 6 days	1.08	1.22	1.17	Same commentary as 6 above.

No.	Measure	FY23 Target	Actual			Commentary
			January 2023	December 2022	November 2022	
10.	The total number of complaints received by the local authority about any of the following: a) drinking water clarity b) drinking water taste c) drinking water odour d) drinking water pressure or flow e) continuity of supply f) the local authority's response to any of these issues expressed per 1000 connections to the local authority's networked reticulation system.(12-month rolling average)	≤ 10	8.26	8.81	9.07	Complaints reduced due to the significant volume of proactive communications sent to customers during the storm event.
11.	Attendance at sewerage overflows resulting from blockages or other faults: median response time for attendance – from the time that the territorial authority receives notification to the time that service personnel reach the site (minutes) 12-month rolling average.	≤ 60 mins	60	58	57	Same commentary as 6 above.
12.	Attendance at sewerage overflows resulting from blockages or other faults: median response time for resolution – from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault (hours) 12-month rolling average.	≤ 5 hours	3.23	3.13	3.13	Same commentary as 6 above.
13.	The total number of complaints received by the territorial authority about any of the following:	≤ 50	24.45	23.47	23.88	Complaints have not increased as much as expected from the storm event due to the significant volume

No.	Measure	FY23 Target	Actual			Commentary
			January 2023	December 2022	November 2022	
	a) sewerage odour b) sewerage system faults c) sewerage system blockages d) Watercare's response to issues with its sewerage system expressed per 1000 connections to the territorial authority's sewerage system (12-month rolling average)					of proactive communications sent to customers during the storm event.
14.	The percentage of real water loss from the territorial authority's networked reticulation system (12-month rolling average)	≤13%	10.35% (September figure)	10.44% (August figure)	10.70% (July figure)	The percentage of real water loss during September 2022 was 10.35%. The water losses in this measure are calculated by deducting the volume of water sold and unbilled water usage (or non-revenue water) from the total volume of water produced. Due to meter readings being completed on a four monthly cycle, non-revenue water loss reporting is delayed.
15.	The number of dry-weather overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system (12-month rolling average)	≤ 5	0.54	0.01	0.03	Calculation revised to include L1 events (previously only L2-L4 priority events were included in this measure). Calculations have been restated for the current financial year (July – December 2022).
16.	Average number of wet weather overflows per engineered overflow point per discharge location (12-month rolling average)	≤ 2 overflows per year	2.73	2.73	2.66	Same commentary as 6 above.
17.	Leakage <b>target</b> – Economic level of leakage (ELL) - litres/connection/day (l/c/d)	107.9 l/c/d	107.9	107.9	107.9	Leakage Target – Economic Level of Leakage has now been established and as such going forward two of the lines will be consolidated namely, Leakage Target (item 16) and Leakage Performance (item 17).

No.	Measure	FY23 Target	Actual			Commentary
			January 2023	December 2022	November 2022	
18.	Leakage <b>performance</b> - litres/connection/day (l/c/d)	107.9 l/c/d	100.18 (September figure)	100.71 (August figure)	103.03 (July figure)	The real water reported this month is for September 2022. The water losses in this measure are calculated by deducting the volume of water sold and unbilled water usage (or non-revenue water) from the total volume of water produced. Due to meter readings being completed on a four monthly cycle, non-revenue water loss reporting is delayed.
19.	We are sourcing water from a diversity of sources; and we are preparing for, and promoting, the adoption of alternative sources of human drinking water in the future	Watercare to develop submission points to Central Government supporting the use of desalination and purified recycled water as recognised sources of drinking water in New Zealand.	See commentary	See commentary	See commentary	<p>Natural and Built Environments Bill – (“NBA”) and the Spatial Planning Bill (“SPA”) were introduced into Parliament in mid-December 2022.</p> <p>Watercare currently working on developing potential submission points to input into Councils submission. Submission is due late February.</p> <p>The Water Services Legislation Bill (known as “Bill 2”) and the Watercare Services Economic Efficiency and Consumer Protection Bill (known as “Bill 3”) were introduced into Parliament in mid-December. Watercare is currently working on developing its own submission and is due late February.</p>
20.	Employee net promoter score (eNPS)	≥20	N/A	N/A	4.00	Survey is carried out two times per year. Survey result from November 2022 was lower than anticipated (eNPS 4) but reflects the challenging year. Management Support and Peer Relationships

No.	Measure	FY23 Target	Actual			Commentary
			January 2023	December 2022	November 2022	
						scored well, Workload, Reward and Strategy were areas identified for action.
21.	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: 38.36% M: 61.64%	F: 38.32% M: 61.68%	F: 38.5% M: 61.5%	
22.	Employees in fixed term and/or permanent roles, including leadership positions (Tier 3 and above) identify as Māori	6%	4.34%	4.15%	4.04%	
23.	Safety improvement plans	100% of teams with a HSW Improvement Plan	100%	100%	100%	Improvement plans are in place for all sites and business units.
24.	Culture and Leadership	100% of Tier 1 to Tier 4 who have completed at least 10 leadership walks per year	25% (approx.)	25% (approx.)	25% (approx.)	<p>A video has been developed and launched to inform leaders what constitutes a 'leadership walk'. The H&amp;S team will ensure all T4's and above are clear, and that people start to log these walks into iCare.</p> <p>It is believed this target can be achieved.</p> <p>Numbers have been increasing in Infrastructure, Operations and MSN. Training has been provided to Infrastructure team members and is scheduled for the Operations team. HSW Business Partners and Coaches are available to support.</p>

No.	Measure	FY23 Target	Actual			Commentary
			January 2023	December 2022	November 2022	
						Whilst it is a positive concept for corporate culture, going forward this KPI should be refined as it needs to be better targeted to ensure the right managers go to the right locations and can add value by performing their reviews.
25.	Debt to revenue ratio	≤3.61	2.68%	2.68%	2.68%	
26.	Percentage of household expenditure on water supply services relative to average household income	≤ 1.5%	0.81%	0.82%	0.80%	
27.	Formal engagement with mana whenua of Tāmaki Makaurau	Partnering with mana whenua of Tāmaki Makaurau to achieve outcomes for Māori Each year, <i>at least five priority outcomes</i> within our Achieving Māori Outcomes Plan are being progressed with mana whenua	100%	100%	100%	

No.	Measure	FY23 Target	Actual			Commentary
			January 2023	December 2022	November 2022	
		(updated measure).				
28.	Ratio of procurement sourced through Māori owned businesses	2%	Total spend 1.89%  Direct 1.02%  Indirect 0.87%	Total spend 1.97%  Direct 1.07%  Indirect 0.90%	Total spend 2.03%  Direct 1.03%  Indirect 1.00%	Direct spend of \$1.26m in December 2022 is the highest monthly spend since we started recording. By comparison December 2021 spend was \$582K.  Indirect spend is still proving difficult to obtain. Of our 12 partner suppliers only 4 (Fletchers, Fulton Hogan, McConnell Dowell and March Cato) have provided spend numbers this FY despite regular reminders. Focus will be on getting numbers for 1/2 yearly reporting.
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 for all staff	100%	100%	100%	Te Reo Māori translations for all Tier 1 - 4 job titles are complete.
30.	Percentage of customer complaints resolved within ten days of notification	≥95%	98.80%	98.90%	99.10%	
31.	Customer Net Satisfaction Score (Previously Net promoter score)	≥45%	49%	51%	51%	This is a 12-month rolling average.
32.	Community trust score	≥55%	58%	57%	58%	This is a 12-month rolling average.

No.	Measure	FY23 Target	Actual			Commentary
			January 2023	December 2022	November 2022	
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 <sub>2</sub> e	45,347 (Q2 result)	N/A	N/A	Q1-2 GHG performance is 2.5% above target for the projected year value. Noting that 11% of process emissions are extrapolated due to lack of reporting data from the plants. Reported data includes all fleet, electricity, natural gas data, and process emissions for Māngere, Rosedale and Pukekohe WWTPs.

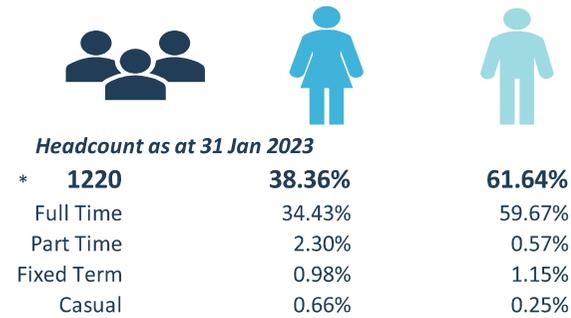
*\*Note: these targets exclude emissions from Puketutu island as our current measurement methodology does not provide enough accuracy for a performance target. Actions to directly monitor emissions from this source as well as reduce them are being delivered and future SOI's will include these numbers.*

Attachment 3

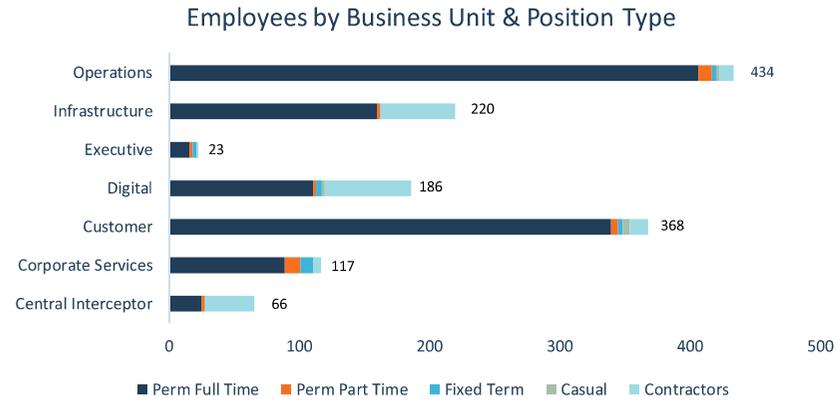
PEOPLE DASHBOARD: January

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

Workforce Snapshot



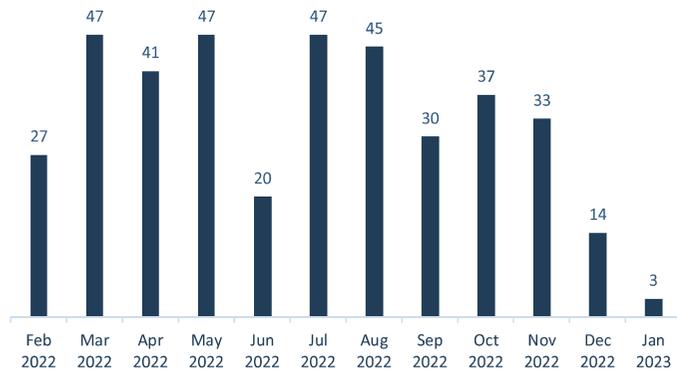
\* Contractors and Directors are excluded from the headcount figures above. Long term leave and parental leave employees are included.



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

7.3

New Hires by Month



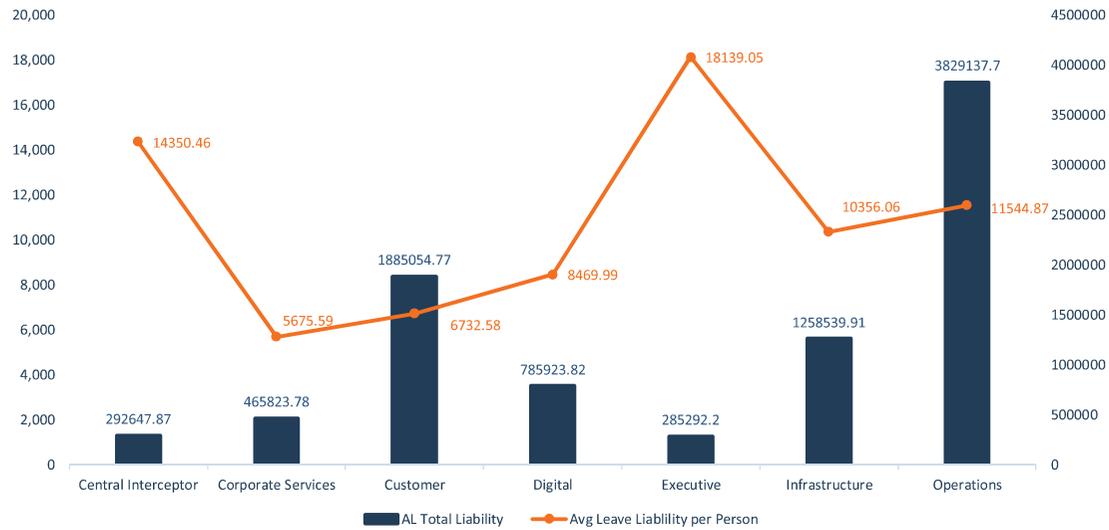
Current vacancies in the recruiting process has increased from 41 last month to 67 this month (15 new roles, 52 replacement roles).

Average 12 mos 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.

Annual & Long Service Leave Liability (\$ Value)



Includes all full time and fixed term employees.  
As at 31 January 2023,  
total annual leave liability \$8.80 mil,  
total long service leave liability \$2.49 mil.

Average leave liability per person has kept decreasing since Dec 2022.

7.3

Total Sick Leave by Month V 12mos Rolling & Target



Monthly sick leave percentage has decreased while 12mos rolling sick leave percentage has increased compared to December, 2022.

## Attachment 4

**Health, safety and wellbeing – January 2023**

It was pleasing to see the new year get off to a safe start. Contractor teams held safe-start sessions and the Infrastructure Leadership Team is running the same for our Infrastructure team in February 2023.

Following feedback from Board, a suggestion was made to the on-boarding teams for both Watercare and GA-JV to include information for kaimahi new to Aotearoa, New Zealand about the risks associated with the outdoor environment and activities. This suggestion was timely for the Watercare recruitment team who are currently developing onboarding materials for our sponsorship programme.

Work is progressing on improving training record-keeping in the Immerse system. Functionality of the system is now better understood. A large piece of work that is outstanding is to upload existing records from site-held spreadsheets into the Immerse system.

7.4

**HSW metrics**

**Month: January 2023**

**Incident metrics**

	Note	Jan-23	Dec-22	Nov-22	Oct-22	Sep-22	Aug-22	Jul-22	Jun-22	May-22	Apr-22	Mar-22	Feb-22
<b>No. of recordable injuries</b>	1	6	3	3	7	5	4	9	6	8	8	8	6
<b>Critical risk/all incidents</b>	2, 3	4/49	4/29	16/58	17/45	7/40	8/54	18/62	17/74	20/76	14 /60	5/64	10/64
<b>High-Potential Critical events</b>	2	-	1	-	-	1	-	-	1	-	-	1	-

Notes:

- In January, there were four recordable injuries to Watercare staff and two to contractors.
  - Two Watercare injuries resulted from reactions to insect bites and the other two were muscle strains from manual tasks
  - The contractor injuries were both muscular-skeletal damage resulting in restricted duties; one from a trip and one from a manual task
- Of the 49 incidents recorded in January 2023, ten required first aid on site, eight did not require treatment and twenty did not result in injury
- Critical Risk Exposures: There were no high potential critical incidents or close calls in January. There were four incidents involving critical risks, none resulting in injury.

Hazardous materials 2      Mobile plant 2

**Critical risk discussion**

**Hazardous materials – 2**

The WDC maintenance team were lifting a pump when the pump started and sprayed raw sewage onto one kaimahi. An initial investigation has been conducted and the HSW team will work with the WDC team to strengthen prevention actions.

At the Snells Beach site, an excavator operator came across a piece of broken pipe which looked like asbestos. Work was stopped immediately, the area was made safe and wet cloth was used to cover the exposed pipe. Immediate actions included:

- Update the site Hazard Board and prevent unnecessary access to the area by personnel
- Contain surface water/sediment and dust
- Arrange for a specialist to inspect, sample and advise on specific controls

The event was handled well to ensure all those in the area were safe.

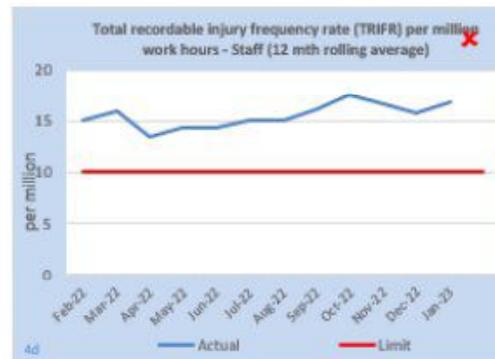
**Mobile plant – 2**

Both incidents occurred on CI. In the first incident, a crane lowering a basket stopped unexpectedly with two kaimahi on board. The crane contractor investigated and found an alternator fault which was repaired, and the crane was certified as safe to use.

In a second incident, an inbound train derailed at the Main Tunnel's mobile California switch. The loco was travelling at 3 km/h through the Mobile California when one of the flat cars carrying the tunnel segment slid down off the rail while passing through the switch. No damage to the locomotive or material reported.

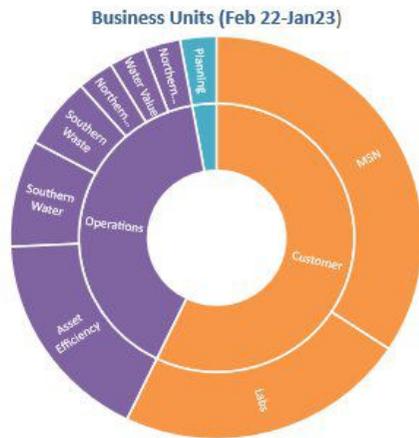
The recovery operation was carried out safely; as a corrective action, the contractor investigated the mechanical switch on the track and reinforced them to ensure rail switches are functioning properly.

**Injury metrics**





**Injuries by business unit – last 12 months**

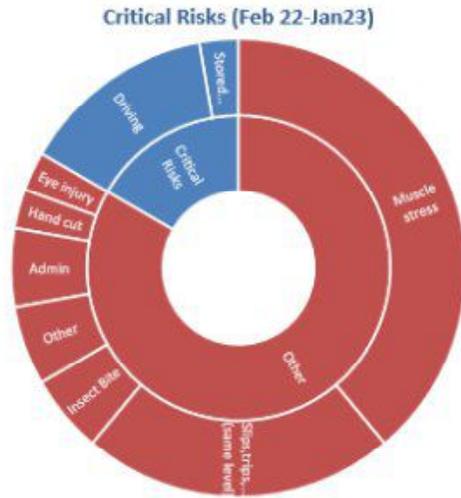


Customer	Labs	8
	MSN	12
Infrastructure	Planning	1
Operations	Southern Waste	2
	Southern Water	3
	Asset Efficiency	6
	Northern Water	1
	Water Value	1
	Northern WWTP	1
	WDC	1
		36

Hours – Jan 23	
Ops	52,017
Asset Efficiency	14,478
Lab	17,281
MSN	11,357

7.4

Injury type and mechanism – last 12 months



Critical Risks	Driving	5
	Stored Energy	1
Other	Admin	2
	Muscle stress	14
	Slips, trips, falls (same level)	8
	Other	2
	Eye injury	1
	Hand cut	1
	Insect Bite	2
		36

7.4

## Critical risks review

### Service Strikes (Live Energy)

#### What are our underground and overhead services?

- **Overhead:** All overhead electricity line and communications lines
- **Underground:** All underground electricity, gas, water, steam, wastewater (sewer, storm water), telecommunications, LPG/oil pipelines etc.

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

- Damaging or striking high voltage electrical lines is our biggest service strike risk. This can cause death or serious injury.
- Any work done near low voltage lines carries a risk of electric shock and severe burns.
- Arc flash (release of energy) can result in blast injuries, lung injuries, ruptured eardrums etc.
- Touching a live overhead line with any part of the body, a tool or equipment can cause death or serious injury, even if the line appears to be insulated.
- Ignition of fires or explosions in the vicinity of flammable or explosive materials.
- Water and wastewater service strikes have lower consequence from a safety perspective.

MSN crew and infrastructure sites (contractors) need to locate services for almost every job. Every job requiring a break-out or excavation for maintenance requires service location.

It should be noted that this is an industry and New Zealand-wide issue.

### Service location in maintenance teams

- There are service location SOPs in place. Crews check the NetView GIS report and Before U Dig reports, complete visual inspections on site, use service location equipment, mark out services, then, if necessary, trace a line using a probe.
- If there are services in the close area of the excavation, hand digging or hydro excavation is used. However, hydrovac is not always available and can be expensive, and hand-digging is slow and tiring so there are times when service location does not always occur in practice.

### Service location for CI and Infrastructure (contractor work)

- All underground services are identified, marked at the surface, and protected prior excavation or groundwork is required. Plans and drawings are used to locate services but can be unreliable.
- Ground penetration radar (GPR) and potholing are also used to mark out services safely.
- Information gained from the service investigation is cross-checked with the as-built drawings, amended as needed, and incorporated into the work permits, such as the permit to excavate.

### Which parts of the business are affected and how big is our exposure to these risks? (Contractors or Watercare staff)

- People working in the road corridors (contractors, MSN) have high exposure to overhead and underground services
- Plants and operational sites have less exposure, but many do not have accurate as-builts with services identified
- While maintenance teams and contractors are doing excavations and break-outs multiple times a day, service strikes are rare

### What improvements are we working on?

Service strikes with excavators can occur on our infrastructure sites so the infrastructure teams are promoting good spotting practices this year and working to improve the mana of spotters to help reduce service strikes.

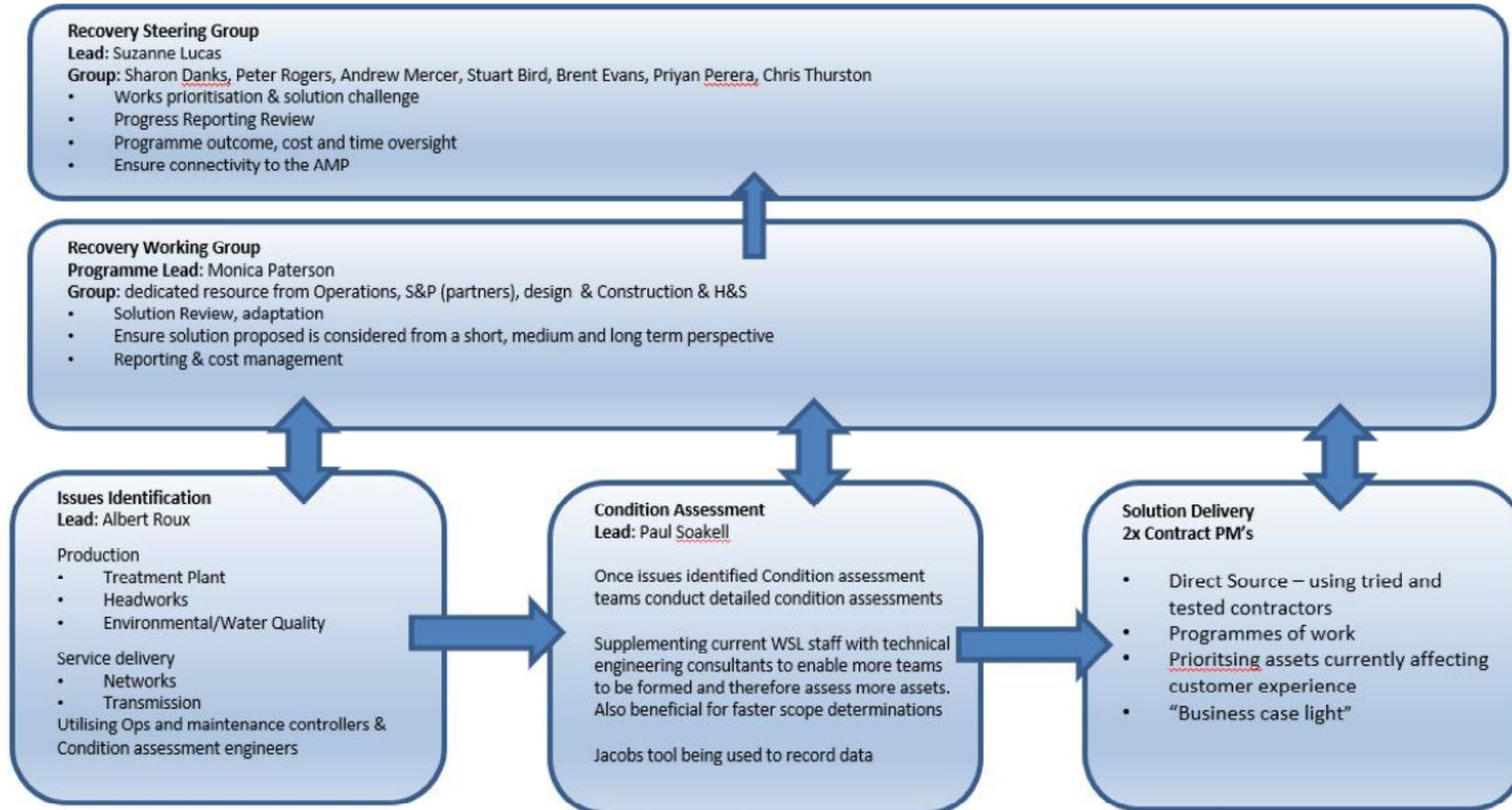
Discussions are underway with other industry groups with a view to developing an industry initiative.

Training is inconsistent both within Watercare and across industry. In New Zealand, there is no unit standard for qualifications in underground utility location (UUL). Watercare's Head of HSW is part of a service location group creating a unit standard and qualification pathway for GPR service location.



Attachment 5

Governance and Management



7.5

**Attachment 6****Non-compliance with resource consents**

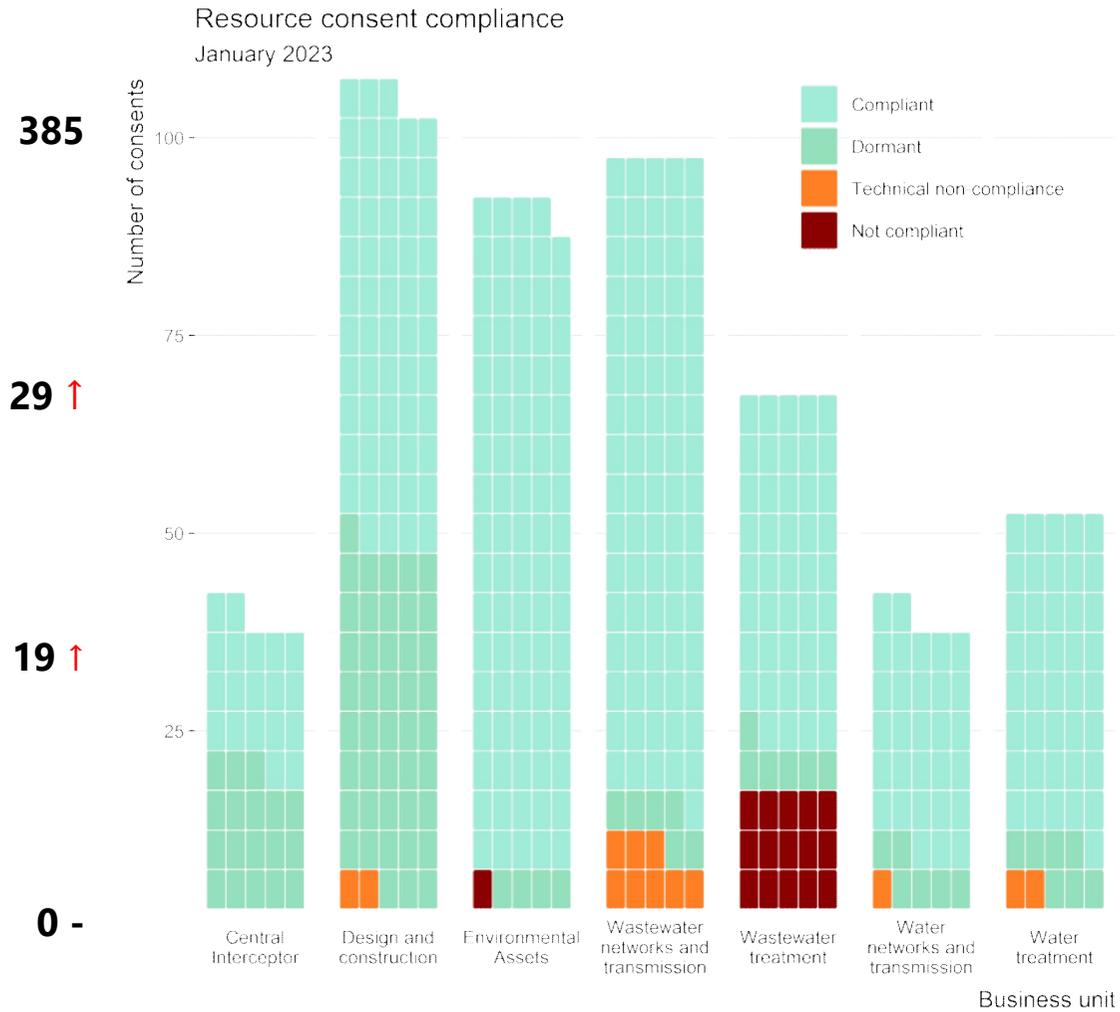
<b>Rating</b>	<b>Detail</b>
Category 1	Watercare has complied with the consent condition.
Category 2	Watercare has not complied with the consent condition. Watercare has assessed the non-compliance as technical or having no more than a minor adverse effect.
Category 3	Watercare has not complied with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

Active resource consents in January 2023

Consents with non-compliances in January 2023

Rolling 6-month average (non-compliant consents)

Consents under enforcement in January 2023



**Significant non-compliances for January 2023 (excludes technical non-compliances)**

Facility/Asset	Consent	Condition(s)	Issue(s)	Actions and Commentary	Potential consequence
Army Bay WWTP	DIS60331146	6	Breach of maximum effluent flow rate UV dose not maintained	The cause was extremely high inflows during the Anniversary flood event. Although the plant breached the maximum discharge rate limit, remained below the daily maximum volume limit. The high flows also affect the performance of the UV system.	<b>Minor:</b> Extraordinary circumstances and any effects on receiving environment minor compared to effects of region-wide flooding
Beachlands-Maraetai WWTP	DIS60263339	2	Breach of maximum daily volume limit	The cause was extremely high inflows during the Anniversary flood event.	<b>Minor:</b> Extraordinary circumstances and any effects on receiving environment minor compared to effects of region-wide flooding
Clarks Beach WWTP	R/REG/2015/4227-A / DIS60084111	1	Bypass of secondary treated effluent direct to stormwater	The cause was extremely high inflows during the Anniversary flood event.	<b>Minor:</b> Extraordinary circumstances and any effects on receiving environment minor compared to effects of region-wide flooding

Facility/Asset	Consent	Condition(s)	Issue(s)	Actions and Commentary	Potential consequence
		18	High faecal coliforms in late summer mean a breach of the 12-month rolling 92%ile limit for this parameter  Compliant in January.	Problems related to power to the UV lamps and algal growth in the sand filter. The production team has resolved both issues and the WWTP has met compliance month-on-month since May. The Southwest WWTP will replace this treatment plant.	<b>Minor</b> (Council grade 2): Issue resolved.
<b>Denehurst WWTP</b>	REG-65084 / DIS60048047	8	Breach of maximum irrigation rate	Response to extremely high inflows during Anniversary flood event	<b>Minor:</b> Extraordinary circumstances and any effects on receiving environment minor compared to effects of region-wide flooding
<b>Helensville WWTP</b>	22225 / DIS60265455	6	Breach of tidal window condition Breach of daily volume limit	High inflows during the flood event meant the plant had to discharge irrespective of tide or otherwise risk catastrophic damage to the treatment ponds	<b>Minor:</b> Extraordinary circumstances and any effects on receiving environment minor compared to effects of region-wide flooding

Facility/Asset	Consent	Condition(s)	Issue(s)	Actions and Commentary	Potential consequence
		7,17	Ongoing issue. High ammoniacal nitrogen in the discharge (above consented limit). High <i>Escherichia coli</i> during bypass events.  Not compliant in January.	Action underway. Upgrade project due for completion in March 2023. Because the limits use rolling 12-month calculations, full compliance will not occur until April 2024.	<b>Realised (Council Grade 4):</b> WWTP was under abatement notice and continues to be non-compliant
<b>Māngere WWTP</b>	30083 / CST80294146	2 (12)	Full plant bypass and breach of tidal window condition	Response to extremely high inflows during Anniversary flood event	<b>Minor:</b> Extraordinary circumstances and any effects on receiving environment minor compared to effects of region-wide flooding
<b>Omaha WWTP</b>	DIS60050606 / REG-67923 DIS60050490		Bypass of secondary treated water to the land to protect the polishing/storage dam.	Response to extremely high inflows during Anniversary flood event	<b>Minor-Moderate: (Council may grade 3 or 4)</b> because while there were extraordinary circumstances and any effects on receiving environment were minor compared to effects of region-wide flooding, there was a similar issue last winter.

7.6

Facility/Asset	Consent	Condition(s)	Issue(s)	Actions and Commentary	Potential consequence
Owhanake WWTP (Waiheke)	37282 / DIS60263346	35,36	High E. coli and ammoniacal nitrogen in discharge	Quality problems related to issues with the permeate tank. The Production team has resolved these issues.	<b>Minor (Council Grade 2):</b> Issues notified to Council per consent and issues resolved.
Puketutu Island Biosolids Facility	34086 / DIS60266942	112	Contamination of stormwater with leachate	The issue occurred during the flood event, with a valve accidentally left open. Leachate suckered out.  Council and mana whenua aware of the incident.	<b>Minor-Moderate: (Council may grade 2 or 3)</b> Event occurred during extraordinarily heavy rain.
Snells-Algies WWTP	REG-67909 / DIS60069253-B	2,6	Bypass of secondary treated effluent direct to the estuary.	The cause was extremely high inflows during the Anniversary flood event.	<b>Minor:</b> Extraordinary circumstances and any effects on receiving environment minor compared to effects of region-wide flooding

Facility/Asset	Consent	Condition(s)	Issue(s)	Actions and Commentary	Potential consequence
	REG-67911	38	Substantial leaks in the outfall pipe meant treated wastewater went to farmland rather than the ocean	<p>Leaks occurred just before the flood event and repairs did not occur until it was safe enough to access the site (days after the event).</p> <p>The outfall has leaked previously and is due for decommissioning once the pumpstation at the new plant (under construction) and the new outfall (already built) can go online.</p> <p>Investigations have begun into whether the pump station can be fast-tracked ahead of full plant completion in 2025.</p>	<p><b>Moderate (Council grade 3-4 likely):</b> Significant leaks to farmland and receiving streams</p>
<b>Waiuku WWTP</b>	DIS60334129	1	Bypass of secondary treated effluent direct to the estuary.	The cause was extremely high inflows during the Anniversary flood event.	<p><b>Minor:</b> Extraordinary circumstances and any effects on receiving environment minor compared to effects of region-wide flooding</p>

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

Facility/Asset	Consent	Condition(s)	Issue(s)	Actions and Commentary	Potential consequence
Wellsford WWTP	DIS60068492	24	<p>High faecal coliforms in discharge. This issue occurs because a bottleneck at the ultrafiltration process forces by-passes to old wetlands during periods of heavy rain.</p> <p>Not compliant in January.</p>	<p>Full upgrade due by November 2025 when tighter standards will apply. Operations optimisation to minimise issues until then.</p>	<p><b>Moderate (Council grade 2-3):</b> Repeat annual non-compliance.</p>

## Attachment 7

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

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

7.7

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

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

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

Upcoming Bills, Government Reforms/Programmes/Policies, Council Plan Changes/Policy Initiatives	Potential implications on Watercare and any associated Watercare actions	Expected date of release/enactment/submissions due	What will Watercare be doing? Filing submissions? Providing Council feedback? Attending hearing?	Who will hold the pen?	Who in Watercare has been / needs to be involved?	High/Medium/Low impact?
<b>Auckland Council currently developing a 100-year adaptive policy</b>	Focus - Water-related impacts of climate change. Responding to water-related climate change issue. Adaptive (100 year) policy to be developed We expect Watercare will be invited to contribute.	Delivery 2025 – 2028	TBC	TBC	TBC	Low
<b>Worksafe H2S limits</b>	A reduction in H2S limits is being proposed by Worksafe NZ. These limits could result in costs to make work environments have greater ventilation or less H2S. Watercare is performing work to understand the new limit implications before they are implemented in November 2022.	November 2022.	No submission expected. Australian entities have performed a significant amount of work and Watercare will leverage this.	N/A	H&S, Ops, Strategy	Medium
<b>Fluoridation – Ministry of Health</b>	Watercare has been informed that Fluoridation of all water supplies is being mandated.	June 2023	No submission required.	N/A	Infrastructure & Strategy	Medium

Board meeting | 7 March 2023

Public session



## Conflict of Interest Policy – Update

For approval

### Te pou whenua tuinga / Document ownership

**Prepared by**

Sumed Ingrole  
Internal Audit Manager

**Recommended by**

Nigel Toms  
GM Risk, Quality & Assurance

**Submitted by**

Dave Chambers  
Chief Executive Officer

### 1. Te tūhanga / Recommendation

We recommend that the Board accepts the Audit and Risk Committee’s recommendation to approve the Conflict of Interest Policy (Attachment 1).

### 2. Kōrero pitopito / The details

The Water Services Entities (WSE) Bill passed its third reading and became law in December 2022.

As a result of this Bill being enacted, Watercare engaged Russell McVeagh to provide us with advice on whether conflicts of interest are likely to arise during the establishment period. In particular, we were interested to know what type of conflicts could arise if Watercare directors are appointed as a director of an establishment board of a WSE, and how such conflicts should be managed.

The recommended changes to the policy resulting from the review include:

- Addition of two new definitions for “Reform” and “Establishment Period”
- In Section 6, Policy Procedures now includes a requirement to disclosure any Reform related conflict of interests that arise during the Establishment Period.
- Section 7, is a new section on managing conflicts of interest.

The updated policy with the marked changes highlighted in green text is included at Attachment 1.

The Audit and Risk Committee discussed the recommended changes at their meeting held on 3 February 2023.

### 3. Ā muri ake nei / Next steps

The policy will be implemented.

### 4. Te whakapiringa / Attachment

Attachment number	Description
1.	The marked-up version of Conflict of Interest Policy



# Conflict of Interest Policy

March 2023

## Key:

Green text – Changes from the original policy

### 1. Introduction

Watercare Services Limited's (Watercare) Board Members, employees or contractors may have a number of professional and personal interests, and roles that could give rise to an actual or potential conflict of interest with Watercare's interests. This policy defines what a "Conflict of Interest" is and sets out the associated process and guidelines for identifying, declaring, and managing any actual or potential conflicts of interest.

### 2. Application

This policy is applicable to all employees which is defined as:

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

### 3. Purpose

To preserve public trust in Watercare by ensuring the organisation is respected for its good business practice and ethics with respect to identifying and managing conflicts of interest.

The purpose of this policy and associated procedures is to:

- enable Watercare employees to recognise and manage potential or perceived conflicts of interest situations
- provide best practise guidance to ensure the actions of Watercare employees, when participating in or undertaking any business-related activities, are transparent
- set Watercare rules and expectations for its employees to ensure compliance with the policy statement set out below.

### 4. Definitions

**Conflict of Interest:** A conflict of interest could arise in any business situation where a person has, or could be perceived to have, an opportunity for personal gain (or that of friends and/or family may gain a business advantage as a result of their actions) that could compromise the impartiality of their judgment. Conflicts of interest can arise or be perceived to arise with reference to a financial, personal or business interest.

**Financial Interest:** The term financial interest means anything of monetary value, including but not limited to:

- Salary or payments for services (e.g., consulting fees)

- equity interests (e.g., shares, share options and other ownership interests including any beneficial interests in trusts)
- accepting gifts (refer to Gifts and Inducements Policy)
- allowances, forgiveness of debts, any property interests
- intellectual property rights (e.g., patents, copyrights and royalties)
- contra deals or discounted services
- awarding of contracts, and
- employment of relatives.

**Personal Interest:** An employee will have a personal interest in a matter if their spouse or partner, or other person in their family or personal circle of friends could be advantaged, or disadvantaged, by any decision that the employee either can make, or is in a position to influence.

**Business Interest:** An employee will have a business interest in an enterprise seeking to do business with Watercare if they:

- are a director of the enterprise
- are an owner of, or partner in the enterprise
- have a shareholding in the enterprise
- have a close personal or family relationship with a person who is an owner or partner or shareholder in the enterprise.

**Reform:** The Government's Three Waters Reform Programme, including the Water Services Entities Act 2022, which received Royal Assent on 14 December 2022, and established four Water Services Entities (WSE). Watercare will transition into "Water Services Entity A" on 1 July 2024.

**Establishment Period:** The period between 14 December 2022 and 30 June 2024 when both Watercare Services Limited, and Entities A to D, are all in existence and operating. If a Watercare Board member is also appointed to the Board of one of the four WSE, there is the potential for a conflict of interest to arise.

## 5. Policy Statement

All employees are expected to adhere to the principles outlined below:

- self-interest or personal factors must not influence any decision making. Every precaution should be taken to avoid any situation where a conflict of interest or any perception that a conflict of interest could arise in carrying out their duties. If there is any doubt, then the employee or contractor should declare this in writing to their Manager who must seek advice from the Head of Internal Audit.
- a manager must be informed as soon as reasonably practicable if an actual, perceived or potential conflict of interest arises. The manager concerned is responsible for taking appropriate steps to resolve and/or record the situation, involving the Head of Internal Audit as appropriate.
- if a conflict of interest arises involving employees' supervising contractors or in the management of any of the associated claims processes from those contractors, then Watercare management will take all necessary steps to either manage or remove the conflict. Where necessary Watercare's GM People and Capability and the GM Risk, Quality and Assurance should be apprised of the issues and be involved in formulating the solutions.
- there must be no involvement in the appointment process of people or organisations with which an employee or contractor has a close personal or family relationship.

- prior written approval must be sought from the Chief Executive if an employee or contractor proposes to use for private or personal purposes any company or contractor that provides services to Watercare where that employee or contractor is responsible for recommending, engaging, or overseeing their work.
- observation of the highest standards of behaviour when accepting gifts or rewards and considering any implication of a perceived conflict. (Refer to the Gifts and Inducements Policy for further details).
- directors must not take improper advantage of their position and are legally required to act in the best interest of Watercare as per the Companies Act 1993.

## 6. Policy Procedures

An updated interest register for all Members of the Board and Executives is maintained and circulated at the monthly Board meetings. **Any Reform related conflicts of interest (or potential conflicts of interest) arising during the Establishment Period must also be disclosed in the interests register and noted either in the monthly Board papers or minutes of the meeting.**

All Watercare employees must be familiar with and are bound by the requirements of this policy.

In addition, while all staff have an on-going obligation to report any actual or potential conflicts of interest, certain Watercare staff (refer section 8 below) will be required to confirm in writing annually the following:

- that they have read and understood this policy
- that they either have no conflict of interest in the execution of their role, or that they are declaring an actual or potential conflict of interest.

The confirmation process will provide transparency regarding Watercare's approach to identifying and managing conflicts of interest and will promote confidence with staff and the public.

Details of all annual disclosures are required to be forwarded to the Head of Internal Audit when requested in June each year.

Potential conflicts of interest for projects must be assessed each time a new project involving contestable business is undertaken. The Project Manager must retain evidence that this declaration and management of conflicts of interest process has been undertaken. Any potential conflicts of interest should be reported to the Head of Internal Audit as soon as the conflict has been identified.

All Watercare staff involved in contesting work with third parties (via tenders or requests for proposals) should provide a conflicts of interest declaration for each tender/request or proposal prior to the evaluation taking place. The Tender Manager must retain evidence that this process has been undertaken. Any potential conflicts of interest should be reported to the Head of Internal Audit as soon as the conflict has been identified.

## 7. Managing conflicts of interest

If a conflict of interest is declared it must be described and then assessed by management, who will determine the best way to either eliminate or manage the potential/actual conflict of interest. Management's decision must be shared with the GM Risk, Quality and Assurance. The GM Risk, Quality and Assurance will then assess whether management's decision is appropriate.

If a conflict of interest is declared by a Board member or Executive (including a Reform related conflict of interest declared during the Establishment Period), the Board will collectively agree on how the conflict should be eliminated, or if it cannot be eliminated, managed. Recommendations could include ensuring that that Board or Executive member:

- does not receive any board reports or updates relating to that issue;
- removes themselves from any meeting for any agenda items relating to that issue; and
- does not take part in any voting or decision making on the issue on behalf of Watercare.

The decision of the Board will be recorded in the meeting minutes.

## 8. Requirement to Confirm in Writing Annually

The following staff will be required to assert compliance with section 6 of this Policy on an annual basis using Appendix 1 of this policy:

- The Chief Executive
- All Chief Officers and direct reports to the Chief Executive
- All Tier 3 Managers
- Direct Reports of the following Tier 3 Managers:
  - Head of Supply Chain
  - Head of Service Delivery – Local Networks Team
  - Head of Developer Services – New Connections Team
- Any other Watercare staff member at the discretion of the Chief Executive or Head of Internal Audit.

## 9. Authorities and Responsibilities

All managers are responsible for upholding this policy and for ensuring that their team members adhere to it.

Any failure to follow this policy and associated procedures **will** be considered serious misconduct and may result in disciplinary action being taken in accordance with Watercare's policies and procedures.

If you are unclear about the application of this policy in relation to your specific circumstance or situation you should seek clarification from your manager or the Head of Internal Audit.

Compliance of this policy will be subject to review by the Head of Internal Audit.

## 10. Approval

Policy Name: Conflict of Interest	Introduction date: September 2011
Approval for issue by: Watercare Board	Last revision: July 2022
Last approved by: Chief Executive	This revision date: March 2023
Application: All employees	Issue method: Intranet

**Appendix 1**

I confirm I have read the Conflict of Interest Policy and understand my obligations to Watercare in respect of my role.

I acknowledge that I am required to notify the Company in accordance with the provisions of this policy in the event that a conflict of interest (actual or perceived) arises at any time during the course of my employment.

I advise that (please tick as appropriate):

I have no conflict of interest at this time.

I have an actual or potential conflict of interest as detailed below.

**8.1**

Nature of Conflict of Interest:	Details:

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Received by/ Date: \_\_\_\_\_

Board - Public Session - Board planner

		Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	
Meetings	Board	6-Dec		8-Feb	7-Mar	4-Apr	9-May	13-Jun (Statutory Public Meeting)	4-Jul	8-Aug	5-Sep	10-Oct	7-Nov (Statutory Public Meeting)	12-Dec		8-Feb	5-Mar	9-Apr	7-May (Statutory Public Meeting)	12-Jun 25-Jun	
	Audit and Risk Committee			3-Feb			23-May			16-Aug 30-Aug			21-Nov			2-Feb		3-Apr	21-May	21-Jun	
Running the Business	Financial			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	Auckland Council and Watercare to review 30 June Treasury Interest rates	Approve Auckland Council Reporting Pack (via an out-of-cycle resolution)	Delegate final sign off of Annual Report 2023		Auckland Council Draft Annual Plan - approve Watercare input		Approve half year accounts	Approve financials for Draft SOI including projected 24/25 price increases	Approve long term financials for Auckland Council modelling		Board approval of insurance proposal	Board approval of 2024/25 Budget and updated SOI financials	
	Statement of Intent	2023/24 Letter of Expectations to be received		Q2 Performance Report - due to Council by 24 February	Draft 2023-2026 SOI for Board's approval - to be sent to Council by 1 April 2023		Q3 Performance Report - due to Council by 28 April 2023	Present shareholder SOI feedback at public meeting. Public deputations to be received.	Final 2023-2026 SOI issued to shareholder by 31 July 2023	Final 2023-2026 SOI adopted by Auckland Council	Q4 Performance Report - due to Council by 25 August 2023		Q1 Performance Report - due to Council (date TBC)	2022/2023 SOI Results to be presented to Board at Public Meeting. Public deputations to be received.	Q1 Performance Report - due to Council (date TBC)	2024/25 Letter of Expectations to be received	Q2 Performance Report - due to Council by TBC	Draft 2024-2027 SOI for Board's approval - to be sent to Council by TBC	Present shareholder SOI feedback at public meeting. Public deputations to be received.	Q3 Performance Report - due to Council by TBC	
	HSW Deep Dives			Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives	Critical risk - deep dives
	Community and Stakeholder Relationships			Stakeholder	wi	Stakeholder	wi	Stakeholder	wi	Stakeholder	wi	Stakeholder	wi	Stakeholder	wi	Stakeholder	wi	Stakeholder	wi	Stakeholder	wi
	Governance	Board Delegations to CE		Enterprise Risk Report Q2 Statutory compliance Tax Risk Management Policy Tax Subvention Income Policy	Conflict of Interest Policy Update on Auckland flood recovery	Enterprise Risk Report Q3 Statutory compliance Update on Auckland flood recovery		Corporate Governance charter Audit and Risk Committee Charter review Update on Auckland flood recovery	Enterprise Risk Report (Board then Council) Update on Auckland flood recovery	Q4 Statutory compliance Update on Auckland flood recovery			Enterprise Risk Report (Board then Council) Q1 Statutory compliance Delegations to the CE Policy Update on Auckland flood recovery	Board Delegations to CE Update on Auckland flood recovery		Enterprise Risk Report Q2 Statutory compliance Update on Auckland flood recovery		Enterprise Risk Report Update on Auckland flood recovery	Q3 Statutory compliance Update on Auckland flood recovery	Q3 Statutory compliance Update on Auckland flood recovery	Update on Auckland flood recovery
		Karaka	Margaret Devlin		Nicola Crauford	Brendon Green	Hinerangi Raumati-Tu'ua	Graham Darlow	Julian Smith	Frances Valentine	Margaret Devlin	Nicola Crauford	Brendon Green	Hinerangi Raumati-Tu'ua	Graham Darlow	Julian Smith	Frances Valentine	Nicola Crauford	Brendon Green	Margaret Devlin	
Confidential			CE's KPIs	AMP Implementation Report		CE's KPIs		Approval of CE's KPIs for FY24		A year end progress update for CE's KPIs			CE's KPIs		CE's KPIs AMP Implementation Report			CE's KPIs			
Audit & Risk Committee			Approve FY23 half year accounts	Conflict of Interest Policy		Present plan for Year end to A&R A&R Approve Insurance Proposal Approval of 2023/24 Budget & updated SOI Financials Audit and Risk Committee Charter review Review tax ahead of year end			Auckland Council FY23 Reporting Pack (16 August meeting) Approval of Financial Statements FY23 (29 August meeting)			Board Delegations to CE		Approve FY24 half year accounts				Present plan for Year end to A&R A&R Approve Insurance Proposal Approval of 2024/25 Budget & updated SOI Financials Audit and Risk Committee Charter review Review tax ahead of year end			
Ultra Limited	Statement of Intent			Draft SOI 2023-2026 to be presented to the Watercare Board			Present shareholder SOI feedback at public meeting. Public deputations to be received.	Final 2023-2026 SOI to be sent to Council	Final 2023-2026 SOI adopted by Auckland Council			2022/2023 SOI Results to be presented to Board at Public Meeting. Public Deputations to be received.		Draft SOI 2024-2027 to be presented to the Watercare Board				Present shareholder SOI feedback at public meeting. Public deputations to be received.			



**Board meeting | 7 March 2023**  
**Public session**

## **Directors' meeting attendances**

For information

**Te pou whenua tuinga / Document ownership**

**Prepared and recommended by**

Emma McBride  
Head of Legal and Governance

**Submitted by**

Dave Chambers  
Chief Executive Officer

### **1. Te tūhonga / Recommendation**

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

### **2. Take matua / Key points**

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

### **3. Kōrero pitopito / The details**

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

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

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

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



Board meeting | 7 March 2023  
Public session

## Disclosure of Directors' and Executives' interests

For information

### Te pou whenua tuhinga / Document ownership

#### Prepared and recommended by

Emma McBride  
Head of Legal and Governance

#### Submitted by

Dave Chambers  
Chief Executive Officer

### 1. Te tūhanga / Recommendation

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

### 2. Take matua / Key points

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

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

### 3. Kōrero pitopito / The details

#### 3.1 Watercare Services Limited's Directors' Interests Register

- The Board has appointed Dave Chambers, one of our directors, as acting chief executive until Entity A is stood up. Dave is on sabbatical (effective from 7 February 2023) whilst acting chief executive.
- All new additions in 2023 are in [Blue](#).
- All deletions in 2023 have been ~~struck out~~.

DIRECTOR	INTEREST
<b>Margaret Devlin</b>	<ul style="list-style-type: none"> <li>• Director and Chair, Lyttleton Port Company Limited</li> <li>• Director, Waikato Regional Airport</li> <li>• Director, Titanium Park (wholly owned subsidiary of Waikato Regional Airport)</li> <li>• Director, Waimea Water Limited</li> <li>• Director, IT Partners Group</li> <li>• Chair, Advisory Board Women in Infrastructure Network</li> <li>• Chair, Hospice Waikato</li> <li>• Chartered Fellow, Institute of Directors</li> <li>• Member, Institute of Directors, Waikato Branch Committee</li> <li>• Director, Dairy NZ Limited</li> </ul>
<b>Nicola Crauford</b>	<ul style="list-style-type: none"> <li>• Chair, GNS Science Limited</li> <li>• Chair, Electricity Authority</li> <li>• Director and Shareholder, Riposte Consulting Limited</li> <li>• Trustee, Wellington Regional Stadium Trust</li> <li>• Director and Chair, Burgundy Holdco Limited (owner of StraitNZ Holdings)</li> </ul>
<b>Brendon Green</b>	<ul style="list-style-type: none"> <li>• Director, Kaitiaki Advisory Limited</li> <li>• Director, Tainui Kawhia Incorporation</li> <li>• Director, Hiringa Energy Limited</li> <li>• Director, Hiringa Refueling Investments Limited</li> <li>• Management contract, Tainui Kawhia Minerals</li> <li>• Australia-NZ representative, Wattstock LLC (USA)</li> <li>• Representative of Waipapa Marae, Kawhia, Te Whakakitenga o Waikato Tainui</li> <li>• Runanga Manukau Institute of Technology, Te Whakakitenga o Waikato representative</li> <li>• Member, Waikato District Council – Infrastructure Committee</li> <li>• Advisor, Taumata Aronui – Ministry of Education</li> <li>• Adjunct Senior Fellow, University of Canterbury – Department of Chemical Engineering</li> <li>• Co-chair, Waikato Regional Skills Leadership Group</li> <li>• Member, Construction and Infrastructure Workforce Development Council</li> </ul>

DIRECTOR	INTEREST
	<ul style="list-style-type: none"> <li>• Director, Scion Research Institute registered as New Zealand Forest Research Institute Limited</li> </ul>
<b>Hinerangi Raumati-Tu'ua</b>	<ul style="list-style-type: none"> <li>• Chair, Ngā Miro Trust</li> <li>• Director, Taranaki Iwi Holdings Management Limited</li> <li>• Director, Te Puia Tapapa GP Limited</li> <li>• Chair, Tainui Group Holdings Limited</li> <li>• Executive Member, Te Whakakitenga O Waikato</li> <li>• Director, Genesis Energy Limited</li> <li>• Director, Reserve Bank of New Zealand</li> <li>• Director, Pouarua Farms Limited</li> </ul>
<b>Frances Valintine</b>	<ul style="list-style-type: none"> <li>• Director and CEO, The Mind Lab Limited</li> <li>• Director and CEO, Tech Futures Lab</li> <li>• Director and Shareholder, Harcourt Jasper Limited</li> <li>• Director and Shareholder, Pointed Tangram Limited</li> <li>• Director and Shareholder, Harper Lilley Limited</li> <li>• Director and Shareholder, On Being Bold Limited</li> <li>• Director and Shareholder, Sandell Trustees Limited</li> <li>• Selection Advisor, Edmund Hillary Fellowship</li> <li>• Board of Trustee, University of Silicon Valley</li> <li>• Shareholder, Thought-Wired Limited</li> <li>• Director, Academy EX Limited</li> <li>• Director, Earth Futures Lab</li> <li>• Director, Edlab Limited</li> </ul>
<b>Graham Darlow</b>	<ul style="list-style-type: none"> <li>• Business Executive, Acciona Infrastructure NZ Limited</li> <li>• Director and Shareholder, Brockway Consulting Limited</li> <li>• Chair, Frequency NZ Limited</li> <li>• Director, Hick Bros. Civil Construction Limited</li> <li>• Director, Hick Bros. Infrastructure Limited</li> <li>• Director, Tainui Auckland Airport Hotel GP (No.2) Limited</li> </ul>

DIRECTOR	INTEREST
	<ul style="list-style-type: none"><li>• Director, Hick Bros. Heavy Haulage Limited</li><li>• Director, Hick Bros. Holdings Limited</li><li>• Director, Holmes Group Limited</li><li>• Chair, The Piritahi Alliance Board</li></ul>

**3.2 Watercare’s Executives’ Interests Register**

- Dave Chambers, one of our directors, is acting chief executive until Entity A is stood up. Dave is on sabbatical (effective from 7 February 2023) whilst acting chief executive.
- All new additions in 2023 are in [Blue](#).
- All deletions in 2023 have been ~~struck out~~.

EXECUTIVES	INTEREST
Dave Chambers	<ul style="list-style-type: none"> <li>• Director, Paper Plus New Zealand Limited</li> <li>• Director, Turners and Growers Fresh Limited</li> <li>• Director, GB &amp; DD's Outfit Limited</li> <li>• Director, Watercare Services Limited (on sabbatical since 7 February 2023)</li> </ul>
Jamie Sinclair	<ul style="list-style-type: none"> <li>• Director and Shareholder, Sinclair Consulting Group Ltd</li> <li>• Chair, Lutra Limited</li> </ul>
Shayne Cunis	<ul style="list-style-type: none"> <li>• Director, Lutra Limited</li> <li>• Director, The Water Research Foundation (USA)</li> </ul>
Amanda Singleton	<ul style="list-style-type: none"> <li>• Director, Die Weskusplek Pty Limited (South Africa)</li> <li>• Trustee, Te Motu a Hiaroa (Puketutu Island) Governance Trust</li> </ul>
Nigel Toms	<ul style="list-style-type: none"> <li>• Director, TRN Risk &amp; Resilience Consulting</li> </ul>
Steve Webster	<ul style="list-style-type: none"> <li>• Director, Howick Swimgym Limited</li> </ul>
Mark Bourne	<ul style="list-style-type: none"> <li>• Trustee, Watercare Harbour Clean Up Trust</li> <li>• Trustee, Te Motu a Hiaroa (Puketutu Island) Governance Trust</li> </ul>
Andrew Chin	<ul style="list-style-type: none"> <li>• Nil</li> </ul>
Richard Waiwai	<ul style="list-style-type: none"> <li>• Director, and owner of Te Hautapu Consultants Limited</li> <li>• Trustee of Te Rana Te Araroa Waiwai Whanau Trust</li> <li>• Relatives work for Waikato Tainui, the Department of Internal Affairs and Three Waters National Transition Unit</li> <li>• Manager Strategic Relations, on secondment to the National Transition Unit</li> </ul>
Angela Neeson	<ul style="list-style-type: none"> <li>• Director, Tranquillo Properties Limited</li> </ul>

