

WATERCARE SERVICES LIMITED

AGENDA | Board meeting | 29/5/2015

Venue Watercare, 73 Remuera Road, Newmarket

Time 10:30am

Open Public Meeting

Item	Spokesperson	Action sought at governance meeting	Supporting Material
1. Apologies	Chair	<ul style="list-style-type: none"> Record Apologies 	
2. Minutes of Meeting	Chair	<ul style="list-style-type: none"> Approve Board Meeting Minutes <ul style="list-style-type: none"> 30 April 2015 	Minutes 30 April 2015
3. Directors' Corporate Governance Items	Chair	<ul style="list-style-type: none"> Corporate Planner 2015 Review Disclosure of Interests Organisation Chart 	Corporate Planner Disclosure of Interests Organisation Chart
4. Chief Executive's Report and Scorecard	R Jaduram	<ul style="list-style-type: none"> Note the Chief Executive's report <ul style="list-style-type: none"> Customer Services Infrastructure and Planning Service Delivery Finance Board Correspondence Execution of Documents Communications Working with Local Boards Statutory Planning Long Term Plan 2015-2025 	Chief Executive's Report
5. 2015 - 2018 Statement of Intent	R Chenery	<ul style="list-style-type: none"> Approve report 	Report
6. Strategic Direction for Providing Services to Support Urban Growth	J van Brink	<ul style="list-style-type: none"> Approve report 	Report
7. Proposed Water Supply and Wastewater Network Bylaw 2015	R Fisher	<ul style="list-style-type: none"> Approve report 	Report
8. General Business	Chair		

Date of next Meeting – 26 June 2015

Location – Watercare Services, 73 Remuera Road, Newmarket

MINUTES

SUBJECT	WATERCARE SERVICES BOARD MEETING
VENUE	Boardroom Level 2, Watercare Services Limited, 73 Remuera Road, Remuera, Auckland
DATE	30 April 2015
TIME	11:10
STATUS	Open Session

	Present:	In Attendance:	Public in Attendance:
	M Allen D Clarke (Chairman) N Crauford P Drummond C Harland J Hoare T Lanigan D Thomas	R Chenery S Cunis R Jaduram B Monk T Munro B Taplin S Vitas	One
1.	Apologies <ul style="list-style-type: none"> There were no apologies. 		
2.	Minutes of Previous Meeting <ul style="list-style-type: none"> The Board resolved that the Minutes of the public section of the Board meeting held on 19 March 2015 be confirmed as correct. 		
3.	Directors Corporate Governance Items <ul style="list-style-type: none"> Corporate Planner 2015 The Corporate Planner for 2015 was noted. Disclosure of Interests The Disclosure of Interests was noted. J Hoare advised that she has been appointed to the Advisory Panel of External Reporting Board. 		
4.	Chief Executive's Report and Scorecard <ul style="list-style-type: none"> R Jaduram spoke to the report. Water losses are still high and unlikely to meet target this year. Management will provide an update on how Watercare proposes to meet the SOI target of 13%. Health and Safety It was noted that tertiary ACC accreditation has been retained by Watercare. Customer Services All customer KPIs were met and there has been a decrease in the incidence of issues/calls being escalated to management. Operations Management noted that lake levels were 10% lower than average for this time of year. The use of the Waikato source is being maximised. The rain forecast for Autumn and Winter is expected to lift lake levels before next summer. S Cunis noted that rains are projected to come and should average rainfall occur, storage levels should increase to average levels. 		

	<p>A watching brief is being maintained. If lake levels do not increase as anticipated, the Auckland Drought Management Plan will be implemented.</p> <ul style="list-style-type: none"> • Finance <p>B Monk spoke to financials. Revenue is above budget largely due to IGC revenue and non-cash vested asset income.</p> <p>Water and wastewater revenue is below that budgeted by 1%. It is expected that revenue for full year will be above budget and controllable costs, capital expenditure and debt will be below budget.</p> <p>The Chairman noted that Watercare continues to focus on efficiencies and driving down costs.</p> <ul style="list-style-type: none"> • Communications <p>The Board noted that positive feedback from customers was received following the Albany incident.</p> <ul style="list-style-type: none"> • Maori Engagement <p>Role of Mana Whenua was discussed. Auckland Council's Te Waka Angamua is reviewing the issue of water supply to rural marae. It was noted that Central Government is provided some assistance to iwi in this respect. Watercare is providing ongoing advice.</p> <ul style="list-style-type: none"> • Long Term Plan 2015-2025 <p>Public submissions regarding the LTP are important to Watercare and areas of greatest submission are being considered.</p> <p>The Board resolved to approve financial inputs to Long Term Plan (LTP) subject to IGC price increase being set at 2.5% for the first year. It was noted that this would result in some cross-subsidisation of new customers by existing customers.</p> <ul style="list-style-type: none"> • Auckland Utilities Operators Group <p>It was noted that although Watercare had previously been a member of the Auckland Utilities Operators Group, Watercare specifically excluded itself from the submission that the AUOG made to Auckland Council's Unitary Plan.</p>
5.	<p>Strategic Direction for Providing Services to Support Urban Growth</p> <ul style="list-style-type: none"> • D Blow spoke to the paper. <p>Watercare's fundamental role is to be an enabling organisation whilst giving effect to the Long Term Plan. It is recognised that customers have a choice as to whether they wish to connect to Watercare's network. It is recognised that Watercare must be fair to existing customers when making provision for new connections.</p> <p>The Board noted the concerns of the NZ Fire Service in relation to pressure and supply of water for firefighting purposes in private scheme areas.</p> <p>The Board requested that the paper be amended to reflect discussions and feedback from the directors.</p>
6.	<p>AMDD Trade Waste Charges</p> <ul style="list-style-type: none"> • S Cunis spoke to the paper. <p>The Board resolved to carry the recommendation to confirm final trade waste charges for 2013/2014 at the same level as provisional trade waste charges invoiced for 2013/14, subject to acceptance by the EMA.</p>

7.	<p>General Business</p> <ul style="list-style-type: none"> The matter of application of herbicide and 1080 in the Hunua catchments was discussed. <p>It was confirmed by S Cunis that no application can take place without adherence to agreed protocols. That protocol must be approved by Auckland Council and Watercare has input into the development of the protocol.</p> <p>Increased testing/monitoring of water supply will be put in place by Watercare. If, for any reason, a lake storage reservoir has to be taken out of service, the approval of the Medical Officer of Health will be obtained before a reservoir can be returned to service.</p> <ul style="list-style-type: none"> Watercare Harbour Clean Up Trust (WHCUT) – verbal report from P Drummond. <p>P Drummond advised that the Watercare Harbour Clean Up Trust has recently been recognised by way of an international award. The Watercare Harbour Clean Up Trust received the 2014 Annual Honor Award from the Waterfront Center (Washington DC) for Excellence on the Waterfront. P Drummond advised that a successful 2 month trial was recently undertaken by WHCUT in the Manukau Harbour. The trial was received very positively by the community and local boards.</p> <p>The Chairman noted how proud and grateful Watercare is for the excellent work of the WHCUT.</p> <ul style="list-style-type: none"> The public section of the meeting closed at 12.15pm.
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CERTIFIED AS A TRUE AND CORRECT RECORD

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Chairman

WATERCARE BOARD PLANNER 2015

	2015											
	January	February	March	April	May	June	July	August	September	October	November	December
Board Meeting		4 Feb Newmarket 26 Feb - Workshop Newmarket	19 March Mangere	30 April Newmarket	29 May Newmarket*	26 June Newmarket	31 July Newmarket	20 Aug Newmarket	25 Sept Newmarket	29 Oct Newmarket*	19 Nov Newmarket	16 Dec Newmarket
Health & Safety Committee Meeting			19 March Mangere	30 April Newmarket	29 May Newmarket	26 June Newmarket	31 July Newmarket	20 Aug Newmarket	25 Sept Newmarket	29 Oct Newmarket*	19 Nov Newmarket	16 Dec Newmarket
Health & Safety Committee Workshops		26 Feb Newmarket		2 April Newmarket	6 May Newmarket	4 June Newmarket	2 July Newmarket	6 Aug Newmarket	3 Sept Newmarket	1 Oct Newmarket	5 Nov Newmarket	3 Dec Newmarket
Audit + Risk Committee Meeting		^4 Feb Newmarket			6 May Newmarket		^31 July Newmarket	17 Aug Newmarket			10 Nov Newmarket	
Capital Projects Working Group		4 Feb Newmarket		30 April			15 July Newmarket			21 October Newmarket		
Remuneration Committee		26 Feb Newmarket						31 August Newmarket			19 Nov Newmarket	
Statement of Intent		Approval of Draft 2015-2018 SOI	1 March Draft SOI to shareholder		Present shareholder SOI feedback at public meeting	Final 2015- 2018 SOI issued to shareholder				Work on 2016-2019 Sol Key dates yet to be advised by Auckland Council		
Shareholder Interaction			3 March CCO Governance & Monitoring Committee		12 May CCO Governance & Monitoring Committee (Q3)			4 August CCO Governance & Monitoring Committee (Tentative)(Q4)				
Key Finance Decisions						26 June Approval of 2015/16 Budget						
Other		Qtr Statutory Compliance Reporting		Qtr Statutory Compliance Reporting			Qtr Statutory Compliance Reporting			Qtr Statutory Compliance Reporting		

* Statutory public Board meeting - deputations invited

^ Extraordinary Audit & Risk and Board Meeting to meet shareholder half year and annual report timeline

Report to the Board of Watercare Services Limited

Subject: Disclosure of Interests

Date: 8 May 2015

Section 140 of the Companies Act 1993 requires disclosure of interests of a director to the Board. Set out below are the disclosures of interests received as at the date of this report.

<i>Director</i>	<i>Interest</i>
David Clarke	<ul style="list-style-type: none"> – Chairman, TRGG Ltd – Radiology Services – Chairman, Skin Institute – Director, Hawkins Watts Ltd – Director, FarmIQ Systems Ltd – Director, Hynds Group Ltd – Chairman, Health Alliance Limited – Chairman, Jucy Group Limited
Peter Drummond	<ul style="list-style-type: none"> – Chairman, Appliance Connection Ltd – Chairman, Watercare Harbour Clean Up Trust – Chairman, Variety Medical Missions South Pacific – Chairman, Ngati Whatua o Orakei Whai Maia – Chairman, Variety International Childrens Charity – Director, NARTA New Zealand Ltd – Director, NARTA International PTY Ltd – Panel member , Fire Review, Dept Internal Affairs – Director – Ports of Marlborough Limited – Director – Ngati Awa Group Holdings Limited
Catherine Harland	<ul style="list-style-type: none"> – Director, McHar Investments Ltd – Director, Interface Partners Ltd – Trustee, One Tree Hill Jubilee Educational Trust – Member, Auckland Regional Amenities Funding Board
Tony Lanigan	<ul style="list-style-type: none"> – Director and Shareholder, A G Lanigan & Associates (2007) Limited – Shareholder, Fletcher Building – Director, Habitat for Humanity New Zealand Limited – Director and Shareholder, Lanigan Trustee Limited – Director and Shareholder, Lanison and Associates Limited – Director and Chair, NZ Housing Foundation Limited – Director, Tamaki Makaurau Community Housing Limited – Director, NZ Transport Agency (NZTA) – Member, Ministry of Health Hospital Redevelopment Partnership Group for Canterbury
Mike Allen	<ul style="list-style-type: none"> – Director, Coats PLC – Director, Guinness Peat Group – Director, Godfrey Hirst Limited – Shareholder, Innoflow – Director, Tainui Group Holdings Limited – Director, Breakwater Consulting Limited
Julia Hoare	<ul style="list-style-type: none"> – Director, AWF Group Limited – Director, New Zealand Post Limited – Director, The A2 Milk Company Limited

	<ul style="list-style-type: none"> – Member, Auckland Committee, Institute of Directors – Member, Advisory Panel to External Reporting Board
Nicola Crauford	<ul style="list-style-type: none"> – Chair, Wellington Rural Fire Authority – Director, Environmental Protection Authority – Member of Electoral Authority - Cooperative Bank Limited – Senior Consultant - WorleyParsons New Zealand Ltd – Director and Shareholder - Riposte Consulting Limited – Director and Shareholder - Crauford Robertson Consulting – Director and Shareholder - Martin Crauford Limited – Director, Wellington Water Limited – Director, Orion New Zealand Limited
David Thomas	<ul style="list-style-type: none"> – Chairman, Ngati Whakaue Tribal Lands Inc – Council Member, Business New Zealand – Board Member, EMA (Northern) – Chairman, Gypsum Board Manufacturers of Australasia – Shareholder / Employee – Fletcher Building Limited

RECOMMENDATION

That the report be noted.

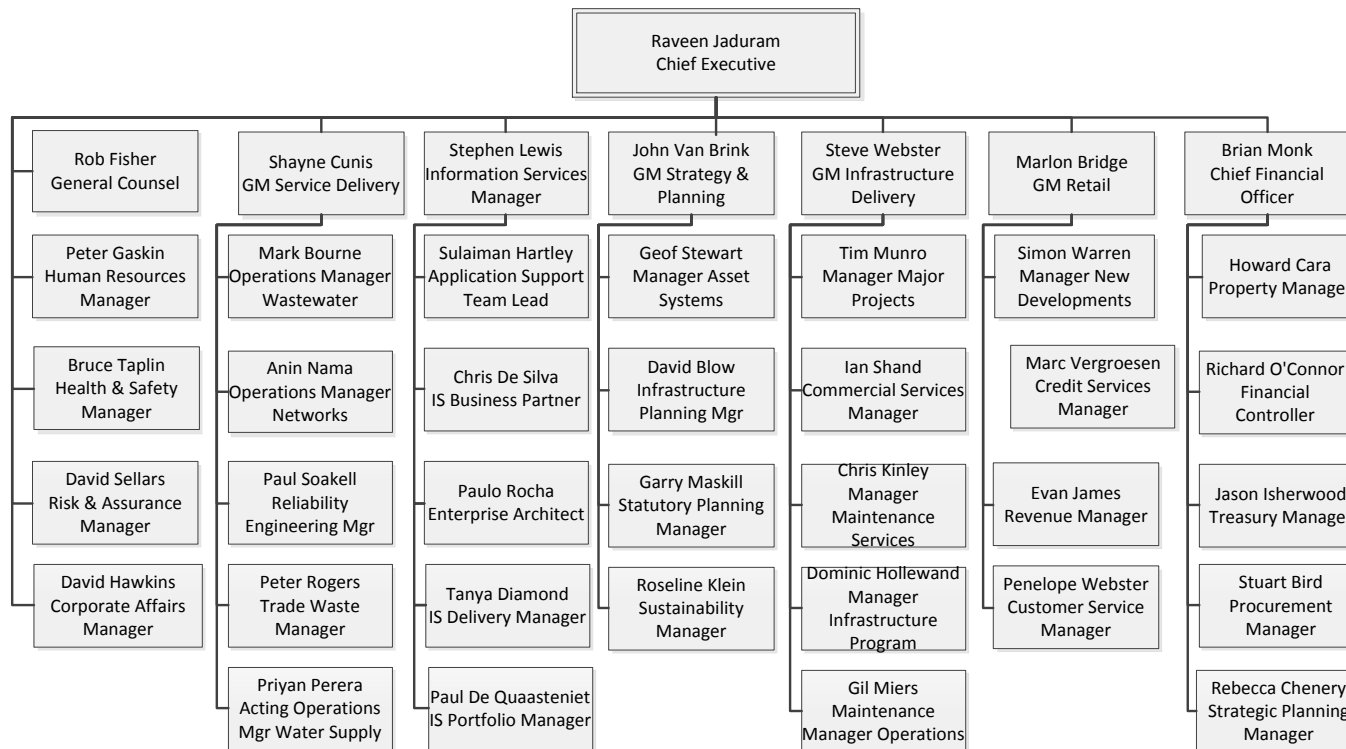
Report prepared by:

Approved by:

R Fisher
General Counsel

R Jaduram
Chief Executive

ORGANISATION STRUCTURE – APRIL 2015



Board - Public Session - Chief Executives Report and Scorecard

WATERCARE SCORECARD 2014/15

On budget, on time, within parameters
Unfavourable but within parameters
Major issue, needs attention

Focus Area	Performance Measure	SOI	2014/15 Target	Amber Threshold	Red Threshold	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	
1 Safe and Reliable Water																			
1a	Percentage compliance with MoH drinking water standards for graded plants (annual measure)	☑	100%	n/a	<100%	Projected result for 2014/15 = 100%													
1b	Percentage of metropolitan water treatment plants achieving Grade A (annual measure)	☑	100%	n/a	<100%	Projected result for 2014/15 = 100%													
1c	Percentage of metropolitan water supply reticulation achieving Grade A (annual measure)	☑	100%	n/a	<100%	Projected result for 2014/15 = 100%													
1d	Percentage of non-metropolitan water treatment plants achieving Grade A (annual measure)	☑	50%** (2013/14 target = 45%)	n/a	<45%	Projected result for 2014/15 = 50%													
1e	Percentage of non-metropolitan water supply reticulation achieving Grade A (annual measure)	☑	50%** (2013/14 target = 25%)	n/a	<25%	Projected result for 2014/15 = 70%													
1f	Percentage of unplanned water shutdowns restored within five hours (12 mth rolling average)	☑	>95%	93% to <95%	<93%	99%	98%	96%	98%	98%	97%	97%	97%	97%	97%	97%	97%	97%	97%
1g	Number of unplanned water interruptions per 1000 connected properties (12 mth rolling average)	☑	≤10	>10 to 12	>12	8.1	8.1	8	7.9	7.8	7.9	7.8	7.7	7.6	7.5	7.6	7.1	6.9	
1i	Unrestricted demand - metropolitan		Unrestricted	Subjective	Restrictions apply	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted
1j	Unrestricted demand - non-metropolitan		Unrestricted	Subjective	Restrictions apply	Stages 2 - 3 of Drought Mgmt Plan	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted
2 Healthy Waterways																			
2a	Number of dry weather sewer overflows per 100km of wastewater pipe length per year (12 mth rolling average)	☑	≤5	>5 to 7	>7	1.90	1.80	1.83	1.94	1.88	1.93	2.04	2.00	2.06	2.16	2.10	2.05	2.02	
2b	Average number of wet weather overflows per discharge location	☑	WW network discharge consent lodged and operational	n/a	Consent not lodged and operational	Consent lodged in September 2013 and granted in June 2014													
2c	Number of sewer bursts and chokes per 1000 properties (12 mth rolling average)	☑	≤10	>10 to 12	>12	8.30	8.50	8.80	8.50	8.40	8.50	8.50	8.40	8.30	8.20	8.20	7.90	7.70	
2d	Percentage of wastewater discharged that is compliant with consent discharge requirements for metropolitan areas	☑	100%	98 to <100%	<98%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2e	Percentage of wastewater discharged that is compliant with consent discharge requirements for non-metropolitan areas	☑	35%	n/a	<35%	64%	64%	64%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%
2f	Number of successful RMA prosecutions against Watercare	☑	0	≥1	subsequent prosecutions for same or similar offences	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Customer Satisfaction																			
3a	Percentage of customers surveyed satisfied with Watercare's delivery of water and wastewater services (12 mth rolling average)	☑	≥80%	≥75% to <80%	<75%	85.5%	88.0%	89.7%	88.7%	88.4%	85.8%	88.1%	88.8%	87.0%	88.3%	86.1%	83.5%	87.6%	
3b	Percentage of calls answered within 20 seconds (12 mth rolling average)	☑	≥80%	≥75% to <80%	<75%	84.1%	82.7%	82.3%	81.8%	82.1%	93.6%	82.6%	82.1%	82.2%	82.1%	83.4%	85.1%	85.1%	
3c	Number of water quality complaints (taste, odour, appearance) per 1,000 water supply connections (12 mth rolling average)	☑	≤5	>5 to 5.5	>5.5	6.3	6.1	5.9	5.9	5.9	6.0	5.9	5.8	5.7	5.3	4.80	4.80	4.80	
3d	Percentage of complaints being 'closed and resolved' within 10 working days (12 mth rolling average)	☑	≥95%	≥90% to <95%	<90%	94.4%	94.2%	94.2%	94.3%	94.8%	95.0%	95.0%	95.0%	96.3%	96.6%	96.8%	97.6%	98.1%	
3e	Abandonment rate and call volume (12 mth rolling average)	☑	≤3%	>3% to ≤3.5%	>3.5%	1.7%	1.9%	2.0%	2.1%	2.1%	2.0%	2.0%	2.1%	2.1%	2.1%	2.0%	1.8%	1.6%	
3f	Customer correspondence and resolution within 10 working days (12 mth rolling average)	☑	≥95%	≥90% to <95%	<90%	99.5%	99.5%	99.5%	99.5%	99.7%	99.7%	99.7%	99.7%	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%
3g	Customer experience survey - Maintenance (12 mth rolling average)	☑	≥80%	≥75% to <80%	<75%	80.0%	82.1%	87.6%	86.4%	84.5%	81.1%	82.9%	84.0%	85.9%	86.0%	81.2%	83.6%	83.6%	
4 Health, Safety and Wellbeing																			
4a	Last-time injury frequency rate per million hours worked (12 mth rolling average)	☑	≤5	5 - 7	>7	1.91	2.54	2.50	1.88	1.87	2.49	3.71	4.88	6.06	6.65	6.60	5.93	5.33	
4b	Level of ACC workplace management practices accreditation	☑	Tertiary	Primary Accreditation	Loss Accreditation	Tertiary	Tertiary	Tertiary	Tertiary	Tertiary	Tertiary	Tertiary	Tertiary	Expired - re-audit underway	Expired - re-audit underway	Expired - re-audit underway	Tertiary	Tertiary	
4c	Percentage of total hours absent due to illness (12 mth rolling average)	☑	≤2.5%	>2.5 to 3.5%	>3.5%	2.24%	2.16%	2.13%	2.13%	2.81%	2.12%	2.10%	2.07%	2.06%	2.09%	2.11%	2.12%	2.11%	
4d	Percentage of voluntary leavers relative to number of permanent staff (12 mth rolling average)	☑	≤12%	>12 to 14%	>14%	12.76%	12.60%	12.50%	12.48%	12.54%	12.08%	11.61%	11.15%	10.28%	11.00%	11.84%	11.12%	12.48%	
4e	Total recordable injury frequency rate	☑	≤30	>30 to ≤33	>33	11.44	12.09	11.40	13.19	11.20	13.05	16.68	18.30	18.78	15.11	19.79	17.20	18.33	
5 Financial																			
5a	Minimum funds flow from operations to interest cover (FFD) before any price adjustment	☑	≥2.5	2.4 to <2.5	<2.4	3.21	3.19	3.30	3.34	3.31	3.46	3.38	3.32	3.35	3.40	3.38	3.45	3.40	
5b	Percentage of household expenditure on water supply services relative to the average household income	☑	≤1.5%	1.2 to <1.5	>1.5	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.91%	0.91%	0.92%	0.92%	
5c	Water & wastewater revenue against budget YTD %	☑	≥100%	≥98% to <100%	<98%	98%	98%	99%	100%	101%	101%	101%	100%	99%	100%	100%	100%	100%	
5d	Infrastructure growth charge revenue against budget YTD %	☑	≥100%	≥95% to <100%	<95%	118%	122%	132%	164%	156%	206%	189%	167%	164%	156%	149%	149%	149%	
5e	Other revenue against budget YTD %	☑	≥100%	≥95% to <100%	<95%	192%	200%	233%	149%	131%	138%	138%	248%	264%	264%	250%	176%	174%	
5f	Controllable costs against budget YTD %	☑	≤100%	>100 to ≤102%	>102%	98%	99%	100%	98%	98%	98%	99%	98%	99%	99%	98%	98%	99%	
5g	Total contribution against budget YTD (\$ millions)	☑	+	-\$0.1m to -\$2m	> -\$2m	17.20	18.80	29.30	3.60	7.30	15.87	18.18	18.48	22.37	26.79	27.94	26.76	24.98	
5h	Net surplus / deficit before tax against budget YTD (\$ millions)	☑	+	-\$0.1m to -\$2m	> -\$2m	5.40	-3.30	-7.30	-1.40	-14.70	-4.63	-22.12	-28.00	-43.59	-90.04	-74.28	-76.19	-67.08	
5i	Total net borrowing against budget YTD (\$ millions)	☑	-	\$0.1m to \$10m	> \$10m	-38.50	-37.20	-28.30	-8.10	-19.50	-20.60	-20.40	-25.50	-29.70	-34.80	-49.30	-71.70	-71.20	
5j	Total 60 days+ debtors (\$ millions)	☑	≤\$3m	>\$3m to ≤3.5	>\$3.5m	2.82	2.62	2.07	1.67	1.56	1.34	1.43	1.82	2.03	1.77	1.71	1.72	1.72	
6 Effective Asset Management																			
6a	Percentage of actual capital expenditure relative to budget YTD	☑	≥85% to ≤100%	≥80% to <85%	<80%	95%	96%	100%	68%	91%	84%	84%	86%	84%	85%	83%	84%	82%	
7 Sustainable Environment																			
7a	Per capita consumption (litres / person / day) (12 mth rolling average) - Overall	☑	278+/-5%** (2013/14 target = 280+/-5%)	283 to 290	>290	270	271	270	270	270	270	269	267	266	273	273	273	273	
7a1	Per capita consumption (litres / person / day) - Residential Monthly PCC		No specific target - information only			153	148	145	140	140	141	144	156	163	170	170			Sourced from metering data, reporting lag as a result of actual readings occurring every 2nd month
7a2	Non-Domestic Monthly Water Volume		No specific target - information only			2,958,266	2,899,451	2,773,596	2,837,670	2,801,523	2,701,694	2,889,481	2,858,163	2,892,951	2,898,831	3,079,838			Sourced from metering data, reporting lag as a result of actual readings occurring every 2nd month
7b	Percentage of annual potable water network losses (12 mth rolling average) - Overall	☑	≤13%** (2013/14 target = ≤14%)	>13 to 13.2%	>13.2	14.10%	14.15%	14.00%	13.97%	13.40%	13.30%	13.45%	13.58%	13.66%	13.89%	13.66%	13.66%	13.50%	
7b1	Percentage of annual potable water network losses (12 mth rolling average) - Rural		No specific target - information only			28.64%	27.59%	27.47%	27.26%	26.40%	26.36%	25.92%	25.22%	25.19%	24.95%	23.92%	20.85%	20.35%	
7b2	Percentage of annual potable water network losses (12 mth rolling average) - Urban		No specific target - information only			13.65%	13.70%	13.64%	13.51%	13.44%	13.50%	13.42%	13.17%	13.40%	13.67%	13.49%	13.54%	13.38%	
8 Policy Compliance																			
8a	Treasury Policy - Committed facilities (liquidity risk)		Within policy	Planned outside policy	Unplanned outside policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy
8b	Treasury Policy - Fixed interest rate risk		Within policy	Planned outside policy	Unplanned outside policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy
8c	Treasury Policy - Credit risk		Within policy	Planned outside policy	Unplanned outside policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy
8d	Treasury Policy - Funding risk		Within policy	Planned outside policy	Unplanned outside policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy
8e	Treasury Policy - Foreign exchange risk		Within policy	Planned outside policy	Unplanned outside policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy	Within policy

** Target has changed from 1 July 2014 (14/15 Statement of Intent)

Board - Public Session - Chief Executives Report and Scorecard

WATERCARE SCORECARD 2014/15

On budget, on time, within parameters
Unfavourable but within parameters
Major issue, needs attention

2015/25 LTP Measures				Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15
9a	The extent to which the local authority's drinking water supply complies with part 4 of the drinking-water standards (bacteria compliance criteria)															
9b	The extent to which the local authority's drinking water supply complies with part 5 of the drinking-water standards (protozoal compliance criteria)															
9c	The percentage of real water loss from the local authority's networked reticulation system (rolling 12 mth average)	≤13%	>13 to 13.2%	>13.2	14.10%	14.15%	14.00%	13.97%	13.40%	13.30%	13.45%	13.58%	13.66%	13.89%	13.66%	13.50%
9d	Median response time for attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site.															
9e	Median response time for resolution of urgent calls-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption															
9f	Median response time for attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site															
9g	Median response time for resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption															
9h	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															
9i	The average consumption of drinking water per day per resident within the territorial authority district (rolling 12 mth average)		278+/-5% (2013/14 target = 280+/-5%)	283 to 290	>290	270	271	270	270	270	269	267	266	273	273	273
9j	The number of dry weather overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system															
9k	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															
9l	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															
9m	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															
9n	The total number of complaints received by the territorial authority about any of the following: a) sewerage odour b) sewerage system faults c) sewerage system blockages d) the territorial authority's response to issues with its sewerage system expressed per 1000 connections to the territorial authority's sewerage system															

Watercare Services Limited

Subject: Chief Executive Report – April 2015

Date: 18 May 2015

1. CUSTOMER SERVICES

April's performance against Statement of Intent (SOI) measures was good with all targets met. Customer satisfaction exceeded the target this month with all three focus areas (faults, on-site faults maintenance and billing) exceeding 80%. All complaints received were resolved within 10 working days, exceeding the 95% target.

2. INFRASTRUCTURE AND PLANNING

The capital programme is forecast to be 8% under budget for the month, mainly as a result of timing. Highlights for the month include the award of the marine drilling contract for the Central Interceptor preliminary design phase, the completion of the last redundancy works at the Waikato Water Treatment Plant following the upgrade to 150 MLD in 2014, and the receipt of the draft concept design and development report for the Rosedale Water Treatment Expansion Project.

Watercare's engagement with Auckland Council on Special Housing Areas, the Unitary Plan and the Long Term Plan continues, with the priority growth areas for Auckland being supported as required.

A Capital Expenditure Dashboard Report of all capital expenditure projects over \$2million is shown in Appendix C.

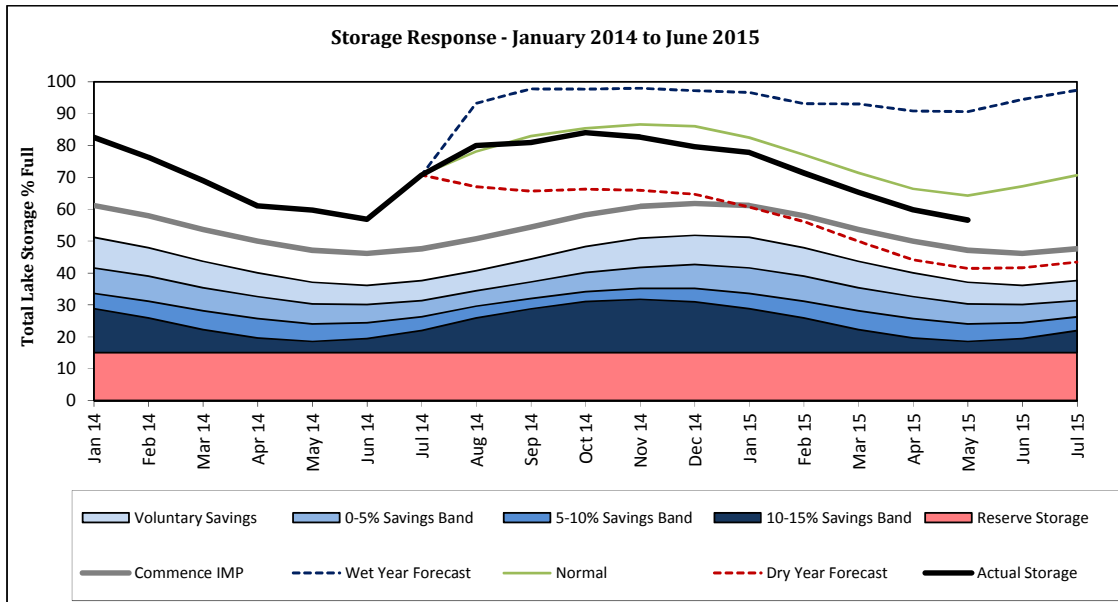
3. SERVICE DELIVERY

Rainfall and Water Resources

The Auckland region experienced near average rainfall in April:

Waitakere Ranges	93% of average
Hunua Ranges	107% of average
Northern Non-metropolitan	90% of average
Southern Non-metropolitan	141% of average

Metropolitan total system storage decreased in April from 59.8% to 56.6%. This is below the average storage for the end of April (64.2%). Lake levels are near those for the same time in 2010 (57.9%) and 2008 (58.5%). Abstraction from the Waikato River and Onehunga Aquifer continues to be maximised given the current system storage position and capacity limitations at the Huia WTP from ongoing cyanobacteria in the lakes. Additionally, the Lower Huia Dam remains unavailable due to the failure of the watermain in a major landslip.



Weather forecasts for May 2015 indicate rainfall is expected to be near normal for all regions, and temperature near or above average for all regions. Longer term, for May – July 2015, temperatures are most likely to be above normal for all regions, with rainfall most likely to be normal or below normal. With normal rainfall over autumn and winter, total lake levels are expected to replenish to 65% by 1 July.

The Puketutu Island biosolids cells have filled at a quicker rate than expected, as a result of increased sludge volumes and lower density. Work to construct the next lift of the cell walls has commenced. This will provide an additional 60,000m³ of storage and enable the ongoing deposition of biosolids.

Real Water Losses

The 12 month rolling average for real losses is 13.50% against a Statement of Intent Target of 13%. It is unlikely that the target will be achieved for this year. Increased leak detection in the central area continues, in an effort to achieve further reduction in real losses in the remaining months of the year.



Watercare has approximately 405,000 small bore water meters, which generate almost two thirds of the water sales volume. A sample testing programme on aged (>20 years) or high consumption (6,000m³) small bore water meters was undertaken in 2013 and 2014. This programme highlighted

that under registration of water consumption is likely to significantly exceed the 3% assumed by Watercare as part of the non-revenue water calculation, particularly at low flows.

Watercare currently replaces water meters when they are reported to have failed. Failures are usually reported by the meter readers or identified by billing staff via their investigations of unusual water consumption data. Approximately 6,000 meters are replaced each year.

An initial programme to replace 15,000 small bore water meters per year, along with those units that have failed, has commenced. Currently 2,500 meters are being replaced in Waiuku with a continuing replacement programme across the region.

The meter replacement programme in Waiuku, (approx. 3600) will be enabled with smart meter technology.

4. FINANCE

Financial Performance

Figures (\$millions)	Current Month			Year to Date			Full Year		
	Actual	Budget	Var	Actual	Budget	Var	Forecast	Budget	Var
Revenue	39.91	41.08	(1.18)	432.76	418.45	14.31	515.91	499.58	16.33
Operating Expenses	17.91	17.18	(0.73)	167.87	169.53	1.66	204.63	201.59	(3.04)
Depreciation	18.35	17.55	(0.80)	171.09	175.13	4.03	207.00	210.44	3.44
Interest expense	5.99	6.91	0.93	61.52	66.49	4.97	74.14	80.57	6.44
Total Contribution	(2.34)	(0.56)	(1.78)	32.27	7.30	24.98	30.15	6.98	23.17
Non-operating costs/(income)	(0.19)	0.57	0.76	4.00	5.86	1.85	5.15	7.00	1.85
Financial instruments revaluation - loss/(gain)	(10.12)	-	10.12	93.91	-	(93.91)	93.91	-	(93.91)
Operating Surplus / (Deficit) Before Tax	7.97	(1.13)	9.10	(65.64)	1.44	(67.08)	(68.91)	(0.02)	(68.89)
Deferred Tax - Expense/(Credit)	2.24	(1.00)	(3.24)	(10.14)	6.22	16.36	(8.01)	4.51	12.53
Net Surplus / (Deficit) After Tax	5.74	(0.13)	5.87	(55.50)	(4.77)	(50.73)	(60.90)	(4.54)	(56.36)
FFO Ratio				3.40	2.97		3.32	2.94	
Operating EBITDAF	22.00	23.91	(1.91)	264.89	248.92	15.97	311.28	297.99	13.29
EBITDA	32.31	23.33	8.98	166.98	243.06	(76.09)	212.22	290.99	(78.77)
EBIT	13.96	5.78	8.18	(4.12)	67.93	(72.05)	5.22	80.55	(75.33)

Month – Total Contribution of \$(2.34) m - unfavourable variance to budget of \$1.78m

Total revenue was unfavourable \$1.18m to budget largely due to the timing of recognition of vested asset income (\$0.49m) and lower than budgeted water volumes. Water and wastewater revenues were unfavourable \$0.61m.

Operating expenses were unfavourable \$0.73m to budget with unfavourable variances for, chemical costs, asset operating costs and professional services partially offset by favourable variances for planned maintenance and labour.

Depreciation was unfavourable to budget \$0.80m due to accelerated depreciation on resource consents.

Interest expense was \$0.93m favourable to budget.

Year to date – Total Contribution of \$32.27m - favourable variance of \$24.98m

Year to date revenue is \$14.31m favourable to budget primarily due to IGC revenue favourable \$13.51m, vested asset income favourable \$2.80m. Water and wastewater revenue is unfavourable \$1.53m to budget with year to date water volumes 0.60% under budget.

Operating expenses are \$1.66m favourable to budget with favourable variances for labour, planned maintenance, professional services and general overheads partially offset by unplanned maintenance and other asset operating costs.

Depreciation is favourable \$4.03m to budget.

Interest expense is \$4.97m favourable to budget.

Year to date – Net Deficit after Tax of \$55.50m – unfavourable variance of \$50.73m

The unfavourable variance year to date of \$50.73m is primarily due to an unfavourable revaluation of financial instruments of \$93.91m resulting from the substantial decrease in medium to long term swap rates since June 2014 partially offset by the \$24.98m year to date favourable operating contribution.

Full year Forecast – Operating Contribution of \$30.15m – favourable variance of \$23.17m

Full year revenue is now forecast at \$515.9m, favourable by \$16.3m largely due to expected higher than budgeted IGC revenue favourable \$13.5m and vested asset revenue favourable \$2.8m. Water and wastewater revenue forecasts are being held at budgeted levels for the remaining months of the year.

Operating expenses for the remaining months are forecast to be unfavourable \$1.0m with budget with unfavourable variances for planned maintenance, unplanned maintenance, professional services and other asset operating costs.

Depreciation costs are expected to be favourable \$3.4m at year end due to forecast lower accelerated depreciation than budgeted.

Interest expensed through the P&L is expected to be \$6.4m beneath budget at year end.

Financial Position

\$million	Actual Mar-15	Actual Apr-15	Monthly Movement	Budget Apr-15	Var from Budget
Non Current Assets	8,371.8	8,373.4	1.6	8,396.4	(23.0)
Current Assets	78.5	73.2	(5.3)	70.3	2.9
Total Assets	8,450.3	8,446.7	(3.6)	8,466.8	(20.1)
Other Liabilities	278.3	261.0	(17.3)	184.3	76.7
Deferred Tax Liability	952.9	955.1	2.1	944.5	10.6
Borrowings - Short Term	187.6	193.5	5.9	192.9	0.6
Borrowings - Long Term	1,309.7	1,309.5	(0.2)	1,381.3	(71.8)
Shareholders Funds	5,721.9	5,727.6	5.8	5,763.8	(36.1)
Total Liabilities and Shareholders Funds	8,450.3	8,446.7	(3.6)	8,466.8	(20.1)

The major movements in the Statement of Financial Position as at 30 April 2015 compared with 31 March 2015 were the increase in non-current assets reflecting capital expenditure net of depreciation in the month, a decrease in cash offset against borrowings and a decrease in other liabilities (\$17.3m).

Compared with budget the material variances are largely in respect of derivative financial instruments (Other liabilities), non-current assets and debt. Net debt at \$1,497m is \$71.2m beneath budget.

Receivables

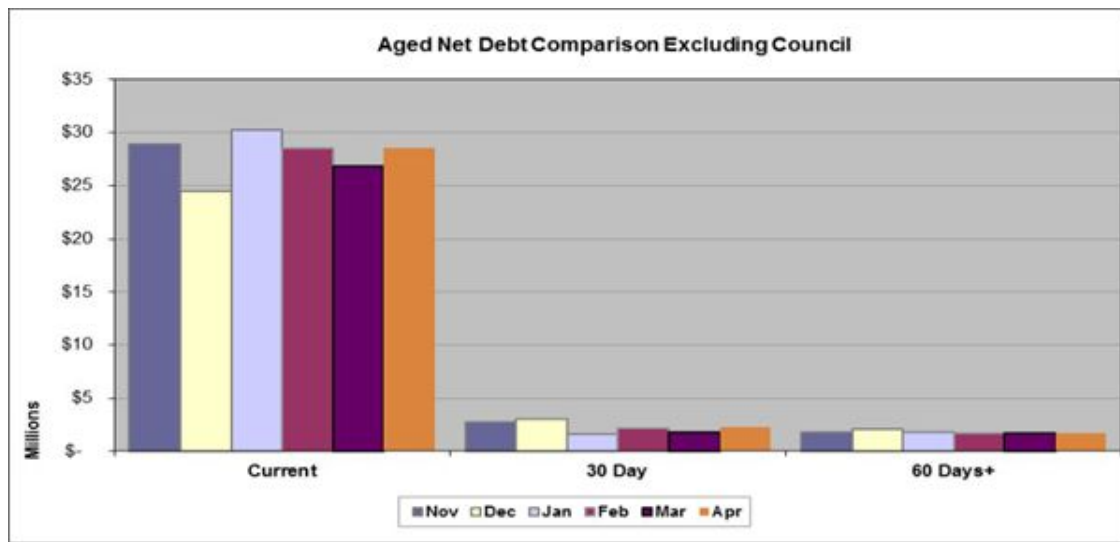
Receivables before provision for doubtful debts totalled \$33.2m at April month end compared with \$31.4m at the end of March. The Auckland Council component of total debt was \$0.68m compared with \$1.078m at March. Total 60+ day debt has increased by \$2k during the month.

Total receivables – month-on-month comparison

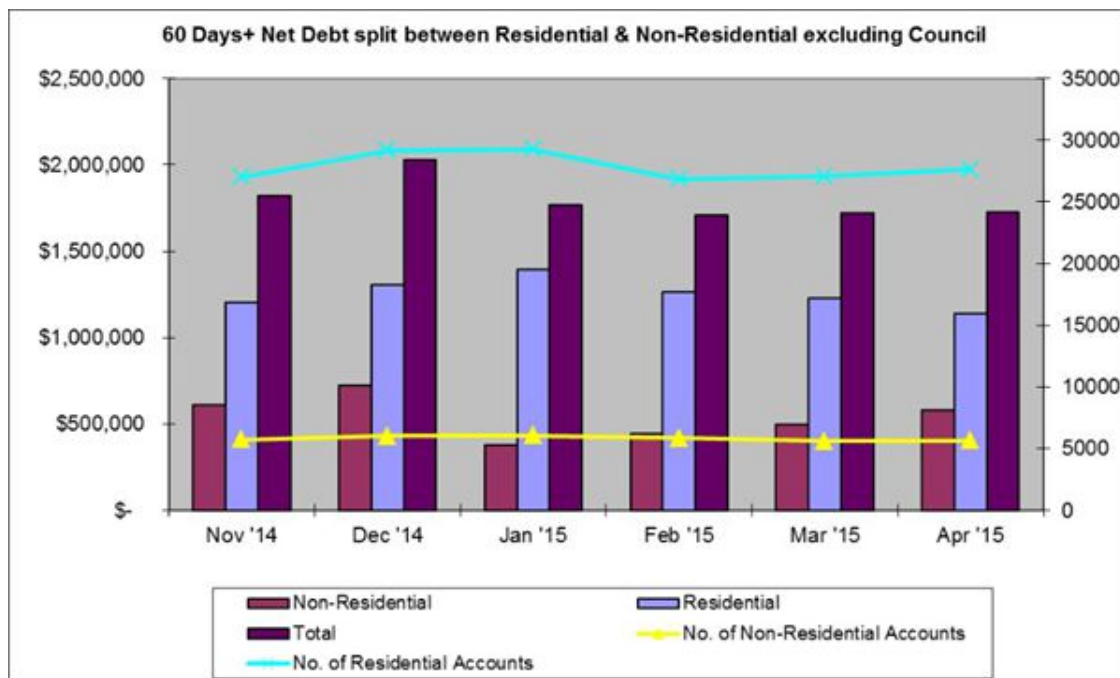
Net Debt	0-30 days <i>(previous month in italics)</i>	30-59 days <i>(previous month in italics)</i>	60 days + <i>(previous month in italics)</i>	Total <i>(previous month in italics)</i>
Receivables excluding Council & IGC	\$28,528,894	\$2,272,166	\$1,723,737	\$32,524,797
	<i>\$26,847,708</i>	<i>\$1,784,429</i>	<i>\$1,721,417</i>	<i>\$30,353,554</i>
Auckland Council Group	\$486,311	\$74,239	\$122,676	\$683,227
	<i>\$925,659</i>	<i>\$94,542</i>	<i>\$54,440</i>	<i>\$1,074,641</i>
Total receivables	\$29,015,205	\$2,346,405	\$1,846,414	\$33,208,024
	<i>\$27,773,366</i>	<i>\$1,878,971</i>	<i>\$1,775,857</i>	<i>\$31,428,195</i>

The change in age of debt (excluding Auckland Council) over the last six months is shown below.

Age of debt comparison – October 2014 to April 2015



The split of 60 days+ receivables between residential and commercial is shown below:



The trends of 60 days is shown below:



Water Utility Consumer Assistance Trust (WUCAT)

The following tables summarise the results of the Trust:

Apr 2015

WUCAT Summary		
Financial year	Board approved applications (includes WSL additional write offs)	\$000's
Jun-12	33	\$ 29
Jun-13	172	\$ 196
Jun-14	123	\$ 114
(YTD) Jun-15	139	\$ 138
Total	467	\$ 477

WUCAT Summary last 3 meetings		
Month	Board approved applications	\$000's
Feb-15	19	\$ 14.23
Mar-15	12	\$ 13.50
Apr-15	13	\$ 9.44
Total	44	\$ 37

467 applicants have successfully completed the budget adviser review process and these applicants have had \$480k of hardship relief approved by the Trust. This has resulted in \$370k actually being written-off as payment plans have been completed. For various reasons 39 applicants did not fully complete their agreed payment plans and they have foregone \$38k of approved hardship relief. A further 35 applicants continue with their payment arrangements with \$72k of approved hardship write-offs to be granted when they successfully complete their plan.

The results of the last 3 WUCAT meetings are that 44 applicants have successfully completed the budget process and had \$37k of hardship relief approved by the Trust.

Restrictions

During April 1321 reminder notices were sent to customers warning that water restriction may be actioned if payment was not received and 15 cards were sent to customers warning of possible restriction of their water supply in 48 hours. As a result, 12 new water restrictions were actioned during April and 7 restrictions were removed as payment was received.

The table below summarises the restrictions carried out by Watercare Services Limited.

Restriction Summary Year-ending	Commercial		Residential		Total	
	Restriction	De-restriction	Restriction	De-restriction	Restriction	De-restriction
30-Jun-12	1		5		6	0
30-Jun-13	13	11	6	4	19	15
30-Jun-14	20	20	17	14	37	34
30/4/2015 YTD	29	26	49	30	78	56
Total	63	57	77	48	140	105
Restrictions Remaining	6		29		35	

The following restrictions remain in place:

- Four residential restrictions remain in place on vacant properties. Communications are ongoing with the customers and if the properties are tenanted in future resolution will be required.
- A further 25 residential restrictions remain in place on occupied properties and communication continues with these customers.
- Six commercial properties remain restricted at the end of April and communication continues with these customers. One of these commercial properties is currently vacant.

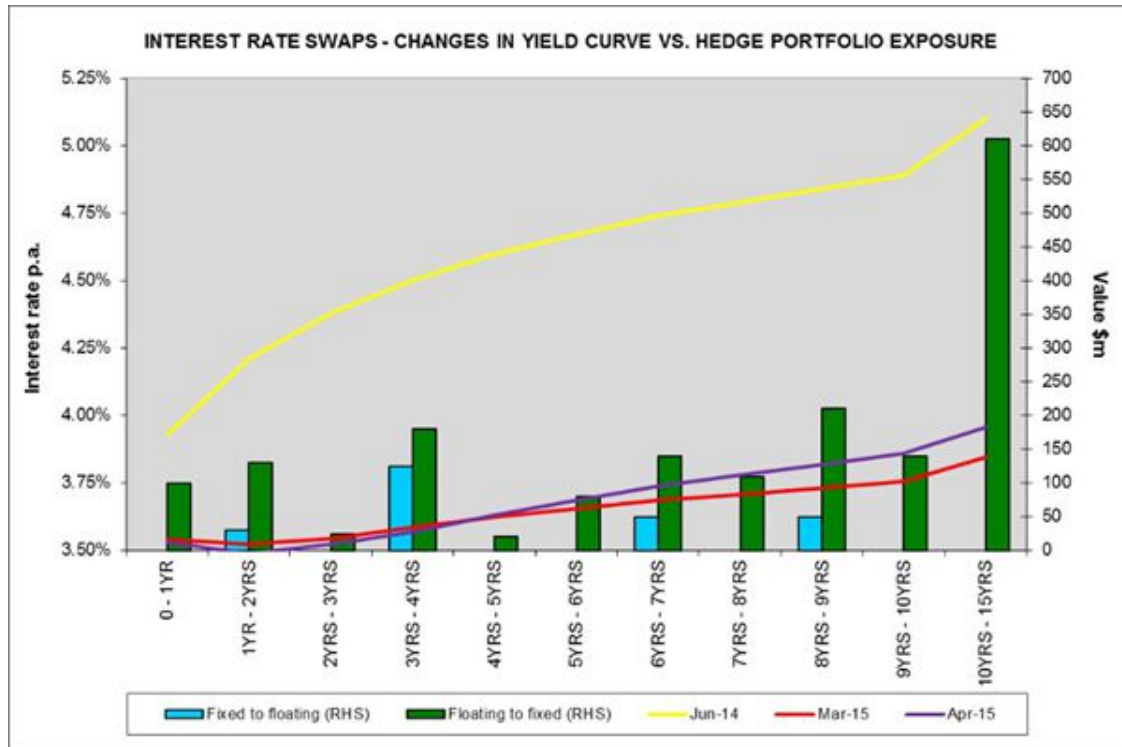
Water Pressure Group Customers

Watercare holds charging orders over all of the water pressure group properties, securing our rights if these customers attempt to refinance or sell their properties. New judgements will be sought in the near future to ensure the full amounts outstanding are covered by charging orders.

Six Water Pressure Group members continue to refuse to settle their account or enter into a payment arrangement. These properties remain restricted. There are 5 other properties that have not been restricted as the occupants meet the definition of vulnerable customers. Firmer legal action is being considered to encourage the owners of these properties to pay their bills. The next logical step is to enforce the existing judgements through a financial assessment hearing where the court examines the debtor's ability to pay and makes a court order directing future payments. One Water Pressure Group customer who had 2 accounts, has fully settled their amount outstanding and are no longer part of the group. Their charging orders have been fully discharged.

At the end of April Water Pressure Group members owed \$300k to Watercare.

Treasury



Interest Analysis \$million	Current Month			Year to date			Full Year		
	Actual	Budget	Var	Actual	Budget	Var	Forecast	Budget	Var
Interest as per Statement of Financial Performance	5.99	6.91	0.93	61.52	66.49	4.97	74.14	80.57	6.43
Capitalised Interest	1.15	1.14	(0.01)	11.70	12.61	0.92	13.93	15.01	1.08
Gross Interest	7.14	8.05	0.91	73.22	79.10	5.88	88.07	95.58	7.51
Less Interest Income	0.02	0.00	(0.02)	0.26	0.00	(0.26)	0.32	-	(0.32)
Net Interest	7.12	8.05	0.93	72.96	79.10	6.14	87.74	95.58	7.84

For the month and year to date net interest is favourable to budget \$0.93m and \$6.14m respectively; largely due to lower debt than budgeted.

Capital Expenditure

Capital expenditure for the month was \$25.0m against a budget of \$28.0m.

Summary Capital Expenditure (\$millions)	Month March 2015			Year to Date			Full Year	
	Actual	Budget	Var	Actual	Budget	Var	Forecast	Budget
Infrastructure Wastewater Projects	10.6	12.6	2.0	91.5	105.2	13.7	133.1	146.1
Infrastructure Water Projects	10.8	10.4	(0.4)	90.9	94.2	3.3	121.5	125.7
Operations	2.4	3.0	0.6	12.4	22.5	10.1	19.9	30.5
Maintenance Services	0.1	0.2	0.1	1.3	2.2	0.9	1.9	2.7
Information Services	0.3	0.9	0.6	2.5	9.2	6.7	6.5	12.0
Other Projects	0.8	0.9	0.1	4.8	9.4	4.6	7.8	12.2
TOTAL	25.0	28.0	3.0	203.4	242.7	39.3	290.7	329.2
Includes:								
Water Projects Capitalised Interest	0.6	0.6	0.1	6.1	7.0	0.9	7.9	9.0
Wastewater Projects Capitalised Interest	0.6	0.5	(0.1)	4.5	4.5	0.0	6.1	6.0
Total Capitalised Interest	1.2	1.1	(0.0)	10.5	11.5	0.9	14.0	15.0

5. BOARD CORRESPONDENCE

There was no Board correspondence during the month.

6. EXECUTION OF DOCUMENTS

There were two documents executed during April in accordance with the delegated authority provided to the Chief Executive by the Board in relation to deeds, instruments and other documents. These included approval of an easement and approval of a licence to occupy.

There were six capex approvals totaling \$5.199m signed in accordance with the delegated authority provided to the Chief Executive by the Board in relation to capex approvals below a threshold of \$15m.

Summary of Capital Projects approved by Chief Executive – April 2015		
C-11468-b	Manukau North Local Wastewater Network Improvements - extension	\$2,686,000
C-11825A	Radio Bearer Expansion Capex Extension	\$505,000
C-12258-07	Discrete Analyser	\$183,350
C-12372a	Omaha WWTP Resource Consents Replacements - extension	\$691,000
C-12498	Purchase of motor vehicles for MSO for Nwst TP & Transmission assets	\$876,000
C-12499	Health and Safety Incident Database and Workflow Tool	\$258,000

There were four contracts over \$100,000 awarded during April in accordance with the delegated authority provided to the Chief Executive by the Board in relation to capex and opex contract approvals.

Summary of Contract Awards – April 2015		
2/04/2015	Vector Limited	Mangere WWTP BNR Upgrade Services Relocation
9/04/2015	CDS Limited	CT 5694 - Manukau North Wastewater Local Network Upgrade
14/04/2015	CH2MBeca	C6012 Pukekohe WWTP Capacity Upgrade Principal Engineering Advisor
20/04/2015	Jacobs	C5927 Mangere WWTP Solids Stream Design Peer Review

7. COMMUNICATIONS

Media summary

April was fairly quiet from a media perspective. A media release on a collaborative art and conservation project involving Waterlea School in Mangere gained favourable coverage in the Manukau Courier. In addition, a media release on the *Bewaterwise for Businesses and Organisations* booklet gained favourable coverage in the *New Zealand Herald's Element* supplement.

The *North Harbour News* ran a positive article the Northern Interceptor saying it will accommodate population growth as well as reduce the likelihood of overflows in the future. The article was triggered by the community information sessions and the result of a face-to-face interview with the project manager.

The price of housing continues to receive significant media attention. The Nor West News ran an article criticising Watercare's IGCs, and the NBR ran articles on the cost of consenting, including Watercare's IGCs, as well as the Taniwha tax. Watercare has developed an internal fact sheet on IGCs to ensure consistent messaging.

Customer communications

A new newsletter for domestic and non-domestic customers entered circulation at the end of April. Called *Tapped In*, it will be received by customers throughout the month of May and made available on the website. The purpose of the newsletter is to use the combination of text, images and graphics to build a balanced perception of Watercare as a trustworthy company that:

- understands its customers
- is active in its community
- is committed to providing a safe and reliable water and wastewater services everyday
- is environmentally responsible.

The price rise will be communicated to domestic customers via bill inserts and public notices in June.

A new GIS mapping feature was added to the website this month, enabling visitors to the website to search for infrastructure projects in their area.

Internal communication

The internal publication *Your Source* was distributed to staff as part of the strategy framework launch. The publication has been restructured and redesigned to align with the new values as well as the new brand 'look and feel'. Each month, there are a number of regular features including a column from the chief executive, a spotlight on health and safety, a pat on the back and a day in the life. The purpose of the publication is to build employees' understanding about the organisation, to develop/maintain a sense of workplace pride, to embed the values, and to celebrate diversity.

A new health and safety publication called *Home Safe* was distributed to staff in late April. This issue focused on maintaining tidy work sites. Each month, this publication will focus on a single issue, featuring best practice advice to ensure our staff and contractors get home safe.

8. WORKING WITH LOCAL BOARDS

During April the Watercare booklet *Bewaterwise for Businesses and Organisations* was provided to Councillors and Local Boards encouraging them to share the ideas and tips about water savings.

Watercare Stakeholder Liaison and project staff recently hosted Councillor Denise Krum and members of the Maungakiekie Tamaki Local Board at the Hunua 4 construction site. The project is now moving into the more intensive residential areas of Onehunga and Greenlane. The Local Board members were able to meet key Watercare and project staff and to observe the scale of the project including rock breaking and trench construction. The visit also offered a chance for the members to hear how the effects on residents were being managed. The Local Board acknowledged the work being done to liaise with and assist residents affected by the works.

Project staff working on the Kohimarama Storage Tank Project worked with Orakei Local Board members to ensure the impacts of surrounding street closures was minimised by preparing information signage in addition to the normal traffic management requirements.

Information on the timing of Central Interceptor geotechnical investigations in local parks also continued to be shared with Local Boards along the route.

A meeting was held with Hibiscus and Bays Local Board and Parks representatives regarding the Mairangi Bay Wastewater Rising Main Project and the next phase of works impacting on local parks.

At the request of the Chair, an update was provided to the full Board by way of a deputation to the April Business meeting. A progress meeting was also held with the Upper Harbour Local Board regarding landowner approvals for the Northern Interceptor project.

Notification of local watermain breaks in Glendene and Birkdale was shared with local board Chairs and advisors.

A full schedule of local board interactions over the month is attached as Appendix D.

9. STATUTORY PLANNING

Auckland Proposed Unitary Plan

Hearings by the Independent Hearing Panel on the Regional and District Plan have commenced. The Panel is now operating as a split panel to progress more rapidly through topics. The key areas of focus for Watercare are water (discharge and water allocation), network utility rules, trees and vegetation, and earthworks. Watercare is contributing to the process for modifying the plan in accordance with submissions, participating in mediation, and attending hearings.

Proposed Water Supply and Wastewater Bylaw

A recommendation from the Hearing Panel will be made to the Watercare Board in May. The Board will be asked to confirm the Proposed Water Supply and Wastewater Network Bylaw and recommend to the Auckland Council Governing Body that it adopt the proposed bylaw and revoke the legacy bylaws. It is intended that the new bylaw take effect from 1 July 2015.

Auckland Council Operative Plan Changes

There is currently one plan change of significant interest to Watercare:

Kingseat: The draft consent order was submitted to the Environment Court. One s274 party (an affected iwi party) failed to sign the consent order and was given more time by the Court to respond. This time has now lapsed and the Court is considering the draft consent order.

Watercare has made submissions on three private plan changes.

Snells-Algies: The applicant has proposed to rezone land that is out of Watercare's service area.

Watercare cannot provide service to those areas until the ocean outfall pipe is replaced. A hearing was held on this plan change in December; the hearing has been put on hold pending a request for further information.

Three Kings: The applicant proposes a significant residential development of the Three Kings quarry. Watercare is working with the applicant to address the capacity issues in the area. Watercare will appear at the May hearing to set out the servicing options and respond to any questions from the hearing panel.

Tamaki Campus: The applicant proposes to rezone the site of the University of Auckland Tamaki campus to mixed residential and commercial use. This plan change is now on hold at the request of the applicant.

Maori Engagement

The next meeting of the Mana Whenua Forum is on 9 July 2015. The Kaitiaki Managers Group met at the Mangere Wastewater Treatment Plant on the 8 May. Principal matters discussed were:

- Issues relating the new Heritage NZ Pouhere Taonga Act
- Marine environmental monitoring of relevance to the Auckland harbours
- Marae water

Watercare is participating in Auckland Council's Whai Rawa Maori Economic Well-Being and Te Toa Takitini Maori Cultural Well-Being programmes.

10. LONG TERM PLAN 2015-2025

Watercare is continuing to work with Auckland Council on the Long Term Plan (LTP). The adoption of the final LTP by the Governing Body is scheduled for 25 June 2015.

.....
R Jaduram
CHIEF EXECUTIVE

WATERCARE SERVICES LIMITED

Apr-15

Key Financial Indicators

Financial performance	YTD	Page Ref
Total Revenue		A1
Operating Costs		A1
Interest expense		A1
Depreciation		A1
Net Contribution		A1
Financial position		
Net Borrowings		A4
Cashflow		
Operating cashflow		A2
Investing cashflow		A2
Treasury policy	Compliance	Page Ref
Committed facilities (liquidity risk)		A5
Fixed interest rate risk		A5
Credit risk		A6
Funding risk		A6, A7
Foreign exchange risk		A7

Key to Financial performance, Financial position and cashflow measures



Favourable variance - actual result on or above budget for total revenue, net contribution, operating cash flow and actual result below budget for operating expenses, interest, depreciation, net borrowings and investing cash flow



Unfavourable variance - actual result below budget for total revenue, net contribution, operating cash flow and actual result above budget for operating expenses, interest, depreciation, net borrowings and investing cash flow

Key to Treasury policy compliance



Full compliance



Non compliance

Commentary on unfavourable variances



N/A

WATERCARE SERVICES LIMITED
Management Report

Apr-15

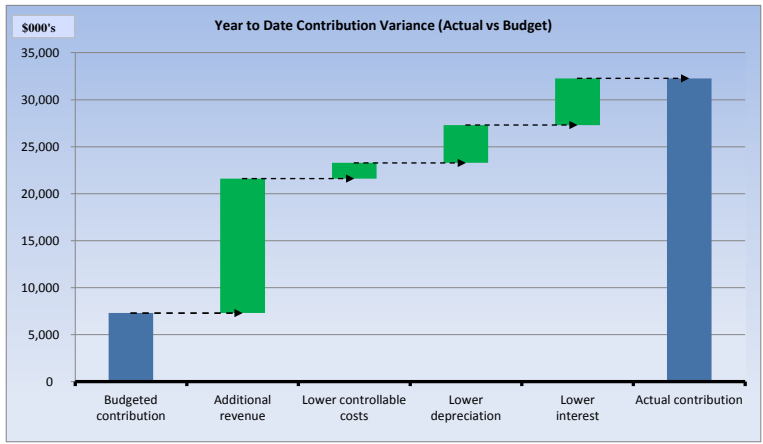
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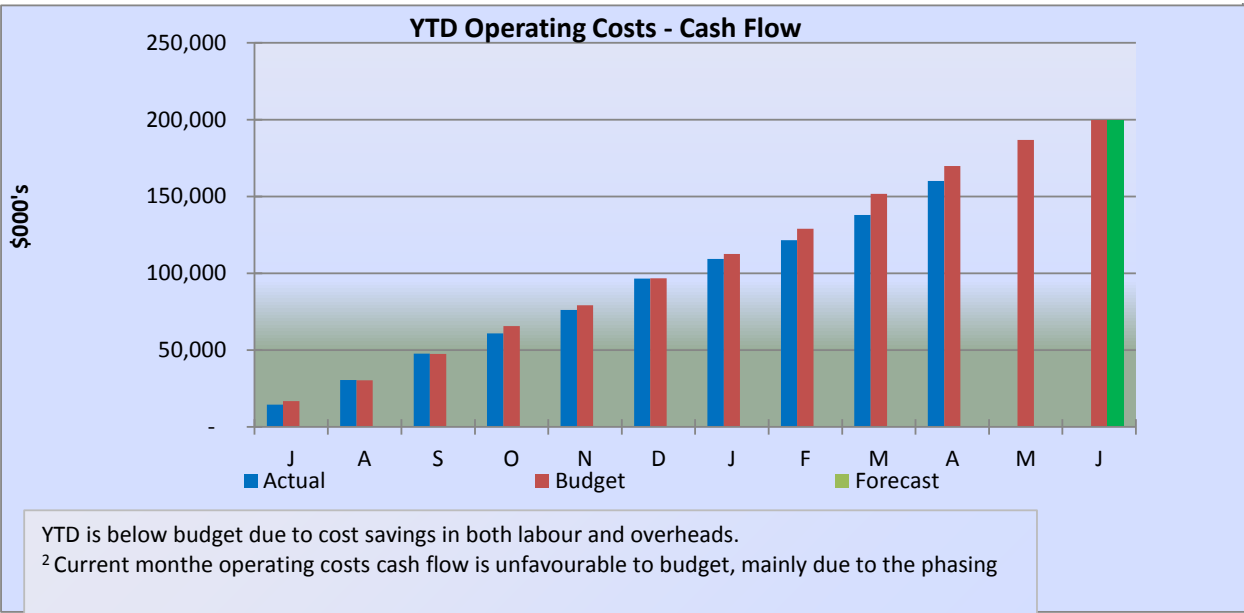
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WATERCARE SERVICES LIMITED
STATEMENT OF FINANCIAL PERFORMANCE **Apr-15**
(\$000's)

	Current Month				Year to Date				Full Year			
	Actual	Budget	Variance	Result	Actual	Budget	Variance	Result	Forecast	Budget	Variance	Result
Wastewater Revenue	23,586	23,951	(365)	✘	241,782	242,269	(487)	✘	289,091	289,578	(487)	✘
Water Revenue	11,079	11,266	(187)	✘	114,491	115,070	(579)	✘	136,479	137,059	(580)	✘
Infrastructure Growth Charge Revenue (IGC)	3,102	3,200	(98)	✘	41,108	27,600	13,508	✔	47,608	34,100	13,508	✔
Other Revenue	2,143	2,667	(524)	✘	35,381	33,511	1,870	✔	42,734	38,844	3,890	✔
Total Revenue	39,909	41,084	(1,175)	✘	432,761	418,450	14,311	✔	515,912	499,581	16,331	✔
Labour	5,634	6,202	568	✔	58,342	59,279	937	✔	70,751	71,622	871	✔
Contract Labour	275	262	13	✘	3,616	3,808	192	✔	4,129	4,341	212	✔
Oncosts	247	309	62	✔	2,538	3,057	519	✔	3,090	3,674	585	✔
Labour Recoveries	(2,564)	(3,020)	(456)	✘	(28,333)	(29,617)	(1,284)	✘	(33,987)	(35,778)	(1,791)	✘
Net Labour	3,592	3,753	161	✔	36,163	36,527	364	✔	43,982	43,860	(122)	✘
Materials & Cost of Sales	195	176	(19)	✘	1,908	1,730	(178)	✘	2,336	2,074	(262)	✘
Planned Maintenance	731	1,192	460	✔	11,689	14,364	2,675	✔	14,251	16,275	2,024	✔
Unplanned Maintenance	2,748	2,774	26	✔	28,723	26,222	(2,501)	✘	33,130	31,105	(2,024)	✘
Asset Operating Costs - Chemicals	1,251	944	(307)	✘	8,930	9,299	369	✔	10,608	11,099	490	✔
Asset Operating Costs - Energy	1,501	1,580	79	✔	13,605	13,869	263	✔	16,854	17,143	289	✔
Operating Costs - Other	3,492	3,256	(236)	✘	34,204	32,551	(1,653)	✘	40,673	38,652	(2,021)	✘
Depreciation and Amortisation	18,353	17,554	(799)	✘	171,093	175,128	4,034	✔	206,997	210,440	3,443	✔
Asset Operating Costs	28,076	27,300	(777)	✘	268,244	271,432	3,188	✔	322,514	324,714	2,201	✔
Communications	154	132	(23)	✘	1,317	1,358	40	✔	1,624	1,625	1	✔
Professional Services	1,824	1,033	(792)	✘	9,394	10,368	974	✔	14,867	12,149	(2,719)	✘
Interest	5,985	6,911	925	✔	61,523	66,491	4,967	✔	74,136	80,573	6,438	✔
General Overheads	2,419	2,339	(81)	✘	21,937	23,247	1,310	✔	26,306	27,610	1,304	✔
Overheads	10,383	10,414	30	✔	94,172	101,463	7,291	✔	116,933	121,957	5,024	✔
Total Expenses	42,246	41,642	(605)	✘	400,487	411,152	10,665	✔	485,765	492,605	6,840	✔
Total Contribution(Loss)	(2,337)	(558)	(1,779)	✘	32,274	7,298	24,976	✔	30,147	6,976	23,171	✔
Gain/Loss on Disposal of Fixed Assets & other Costs	(188)	573	761	✔	4,002	5,855	1,853	✔	5,147	7,000	1,853	✔
Financial Instruments Revaluation (Gain)/Loss	(10,123)	-	10,123	✔	93,913	-	(93,913)	✘	93,913	-	(93,913)	✘
Non Operating (costs)/Revenue	(10,311)	573	10,884	✔	97,915	5,855	(92,060)	✘	99,060	7,000	(92,060)	✘
Net Surplus / (Deficit) before Tax	7,974	(1,130)	9,105	✔	(65,641)	1,443	(67,084)	✘	(68,913)	(24)	(68,889)	✘
Deferred Tax	2,237	(999)	(3,235)	✘	(10,141)	6,215	16,356	✔	(8,013)	4,512	(12,525)	✘
Net Surplus / (Deficit) after Tax	5,738	(132)	5,870	✔	(55,500)	(4,772)	(50,728)	✘	(60,900)	(4,536)	(56,364)	✘

Key: Financial performance result
 ✔ Favourable variance - actual/forecast income on or above budget and actual/forecast expenditure on or below budget
 ✘ Unfavourable variance - actual/forecast income below budget and actual/forecast expenditure above budget



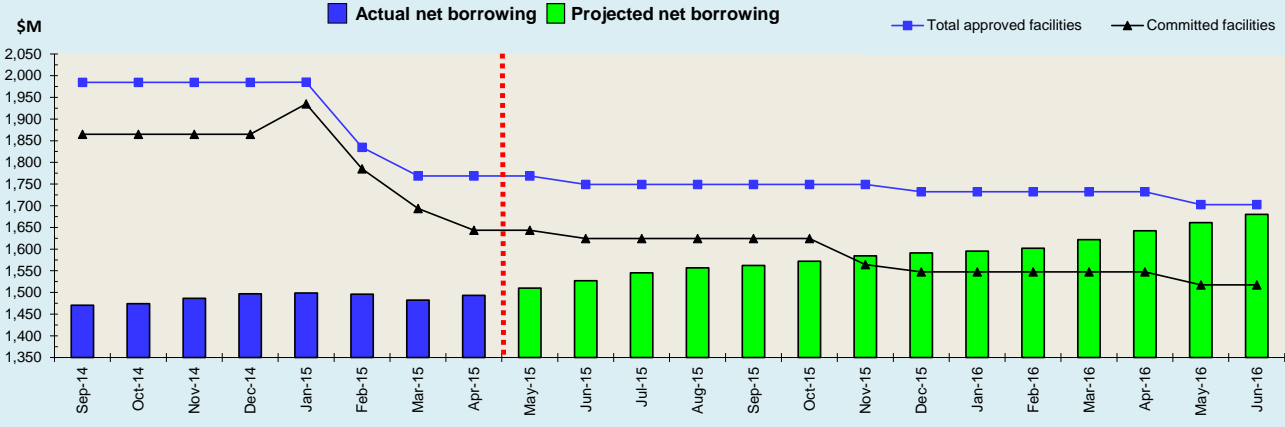


WATERCARE SERVICES LIMITED							Apr-15	
STATEMENT OF FINANCIAL POSITION							(\$000's)	
June 2014 Actual	March Actual		April			June 2015		
			Actual	Budget	Variance	Forecast	Budget	Variance
		Non-Current Assets						
7,988,872	8,221,783	Property, Plant and Equipment	8,251,404	8,249,280	2,124	8,251,846	8,425,067	(173,220)
453,301	422,545	Construction/Work-in-progress	411,875	457,342	(45,467)	418,154	462,776	(44,623)
(210,329)	(353,083)	Provision for Depreciation	(369,223)	(387,943)	18,720	(29,668)	(49,978)	20,310
8,231,844	8,291,245	Total Property, Plant and Equipment	8,294,056	8,318,679	(24,623)	8,640,332	8,837,865	(197,533)
39,784	42,952	Intangible Assets	42,262	43,968	(1,706)	42,714	44,837	(2,123)
24,208	23,828	Prepaid Expenses	23,791	23,889	(98)	23,717	23,815	(98)
4,123	3,528	Inventories	3,504	4,211	(707)	3,504	4,211	(707)
5,698	10,245	Derivative Financial Instruments	9,795	5,664	4,131	9,795	5,664	4,131
8,305,657	8,371,798	Total Non-Current Assets	8,373,408	8,396,411	(23,003)	8,720,062	8,916,392	(196,330)
		Current Assets						
97	4,774	Cash and Cash Equivalents	44	-	44	-	-	-
48,186	43,808	Trade and Other Receivables	44,345	45,105	(760)	45,345	42,760	2,585
19,452	22,843	Unbilled Revenue Accrual	20,364	19,226	1,138	19,451	18,459	992
4,146	2,495	Prepaid Expenses	3,827	1,242	2,585	3,819	698	3,121
3,836	4,358	Inventories	4,475	3,684	791	4,475	3,684	791
556	241	Derivative Financial Instruments	193	1,084	(891)	193	1,084	(891)
76,273	78,519	Total Current Assets	73,249	70,341	2,908	73,282	66,685	6,597
8,381,930	8,450,317	Total Assets	8,446,657	8,466,752	(20,095)	8,793,343	8,983,077	(189,734)
		Non-Current Liabilities						
30,000	30,000	Bonds (18/05/16)	30,000	30,000	-	30,000	30,000	-
75,000	75,000	Bonds (26/10/18)	75,000	75,000	-	75,000	75,000	-
50,932	50,734	Bonds (26/10/18)	50,715	50,715	-	50,715	50,715	-
150,000	150,000	Term Loan (13/10/16)	150,000	150,000	-	150,000	150,000	-
5,000	-	Bank Revolving Credit Facility	-	-	-	-	-	-
722,339	1,003,937	Auckland Council Loan	1,003,765	1,075,610	(71,845)	1,028,697	1,119,602	(90,905)
1,033,271	1,309,671	Total debt non-current	1,309,481	1,381,325	(71,844)	1,334,412	1,425,317	(90,905)
13,120	17,705	Other Accrued Expenses	17,645	12,527	5,118	17,645	12,408	5,237
1,201	1,186	Provision for Staff Benefits	1,186	896	290	1,140	847	293
63,490	171,106	Derivative Financial Instruments	160,587	62,576	98,011	160,587	62,576	98,012
963,808	952,854	Deferred Tax Liability	955,090	944,462	10,628	1,045,764	1,085,179	(39,415)
2,074,891	2,452,523	Total Non-Current Liabilities	2,443,990	2,401,786	42,204	2,559,550	2,586,327	(26,778)
		Current Liabilities						
133,811	148,579	Commercial Paper	148,633	119,036	29,597	148,633	119,036	29,597
250	-	Bonds (26/10/18)	262	-	262	262	264	(2)
150,000	262	Bonds (16/02/15)	-	239	(239)	-	-	-
-	-	Bank Revolving Credit facility	6,000	35,000	(29,000)	-	-	-
136,395	38,777	Auckland Council Loan	38,613	38,613	-	38,613	18,918	19,695
420,456	187,618	Total debt current	193,508	192,888	620	187,508	168,218	19,290
28,427	22,045	Trade and Other Payables	13,764	38,426	(24,662)	23,395	31,323	(7,928)
12,681	12,624	Interest Accrued	12,557	13,808	(1,251)	12,557	13,805	(1,247)
55,903	41,963	Other Accrued Expenses	44,660	48,984	(4,324)	50,040	55,121	(5,081)
6,382	6,717	Provision for Staff Benefits	6,372	5,759	613	6,196	5,483	713
928	4,159	Other Provisions	3,500	1,152	2,348	3,500	1,152	2,348
150	800	Derivative Financial Instruments	700	194	506	700	194	506
524,927	275,925	Total Current Liabilities	275,061	301,211	(26,150)	283,896	275,296	8,601
		Equity						
260,693	260,693	Authorised & Issued Capital	260,693	260,693	-	260,693	260,693	-
3,779,111	3,779,111	Capital Contribution Reserve	3,779,111	3,779,111	-	3,779,111	3,779,111	-
1,666,754	1,666,138	Revaluation Reserve	1,666,062	1,641,392	24,670	1,893,753	1,998,856	(105,103)
84,968	77,164	Retained Earnings	77,240	87,330	(10,091)	77,240	87,330	(10,090)
(9,413)	(61,237)	Current Year Earnings after Tax	(55,500)	(4,771)	(50,728)	(60,900)	(4,536)	(56,364)
5,782,113	5,721,869	Total Shareholders' Funds	5,727,606	5,763,755	(36,149)	5,949,897	6,121,454	(171,557)
8,381,930	8,450,317	Total Shareholders' Funds and Liabilities	8,446,657	8,466,752	(20,095)	8,793,343	8,983,077	(189,734)

TREASURY RISKS AND INTEREST RATE PERFORMANCE

Apr-15

4



Interest rates

	Actual YTD	Benchmark YTD	Year end forecast
Weighted averages (excl. fees and margins)	4.97%	4.89%	4.98%
Weighted averages (incl. fees and margins)	6.23%	N/A	6.22%

Debt (\$m)

	Actual	Budget	Variance
Short-term borrowings	193.5	192.9	0.6
Long-term borrowings	1,309.5	1,381.3	(71.8)
Total gross debt	1,503.0	1,574.2	(71.2)
Less cash & deposits	-	-	-
Total net borrowing	1,503.0	1,574.2	(71.2)

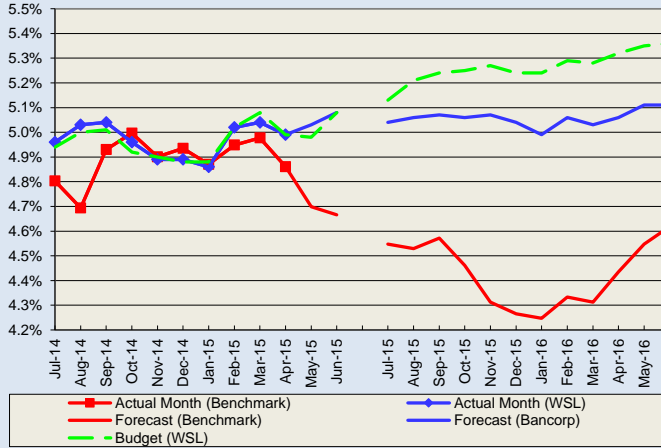
Committed facilities

- Westpac Term Loan facility	\$150 million
- BNZ CP Standby facility	\$175 million
- Westpac Revolving Credit facility	\$60 million
- Medium term notes	\$155 million
- Auckland Council	\$1,104 million
Total committed facilities as at 30 April	\$1,644 million

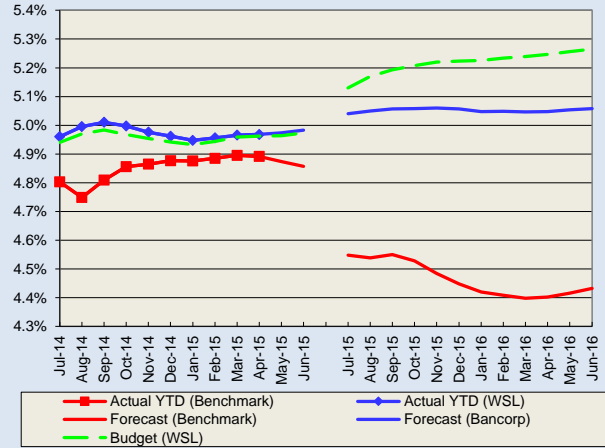
Additional approved facilities

- Approved new funding from Auckland Council	\$50million
- Approved CP issuance, over and above CP Standby facility	\$75 million
Total approved facilities as at 30 April	\$1,769 million

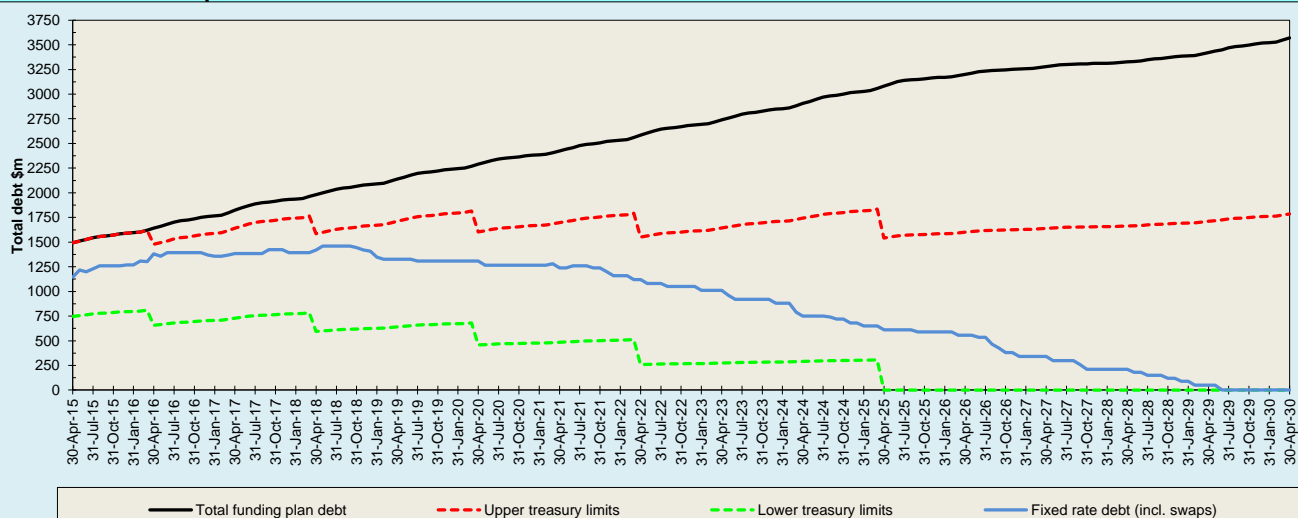
Monthly interest rate performance



Year to date interest rate performance



Forecast total debt profile



COUNTERPARTY EXPOSURES, DEBT CONCENTRATION & COVENANT COMPLIANCE							Apr-15	
Counterparty exposures	S&P credit rating Short / long term	Face value \$000	Credit exposures \$000	Limit \$000	Limit OK / exceeded			
Obligations of registered banks								
ANZ Bank	A1+ / AA-	700,903	4,250	100,000	Limit OK	✓		
Bank of New Zealand	A1+ / AA-	631,684	14,120	100,000	Limit OK	✓		
Commonwealth Bank of Australia	A1+ / AA-	115,000	2,427	100,000	Limit OK	✓		
Westpac Institutional Bank	A1+ / AA-	555,295	372	100,000	Limit OK	✓		
		2,002,882	21,170					
<i>Note: Credit exposures are the aggregate of direct exposures, 10% of the 'face' value of forward foreign exchange contracts, 15% of the 'face' value of electricity hedging contracts, and the sum of the MTM value of interest rate derivative contracts plus a 3% 'risk' factor (if this produces a positive value).</i>								
Debt concentration \$000								
Committed debt facilities	Maturity	0-12 months	12-24 months	24-36 months	36-48 months	48-60 months	> 60 months	Total
Westpac Revolving Credit facility	30/11/15	60,000						60,000
Westpac Term Loan facility	13/10/16		150,000					150,000
BNZ CP Standby facility	1/07/17			175,000				175,000
Medium-term notes	Various		30,000		125,000			155,000
Auckland Council	Various	36,060	79,668	78,368	82,243	200,000	627,243	1,103,582
Total committed debt facilities		96,060	259,668	253,368	207,243	200,000	627,243	1,643,582
Approved new funding from Auckland Council							50,000	50,000
Approved CP issuance, over and above CP Standby							75,000	75,000
Total committed and approved debt facilities		96,060	259,668	253,368	207,243	200,000	752,243	1,768,582
Treasury policy - total committed debt facilities		<= 500,000	<= 500,000	<= 500,000	<= 500,000	<= 500,000		
Treasury policy compliance		✓	✓	✓	✓	✓		
Drawn bank facilities	Maturity	0-6 months	6-12 months	12-18 months	18-24 months	24-30 months	> 30 months	Total
Westpac Revolving Credit facility (\$60m)	30/11/15		6,000					6,000
Westpac Term Loan facility (\$150m)	13/10/16			150,000				150,000
BNZ CP Standby facility (\$175m)	1/07/17							0
		0	6,000	150,000	0	0	0	156,000
Treasury policy for drawn bank facilities		<= 250,000	<= 250,000	<= 250,000	<= 250,000	<= 250,000	<= 250,000	
Treasury policy compliance		✓	✓	✓	✓	✓	✓	
Other facilities								
BNZ overdraft	On demand	2,000						2,000
		2,000	0	0	0	0	0	2,000
Counterparty exposure in relation to borrowing facilities		Westpac	BNZ	ANZ	CBA			
Term loan facility		150,000						
Revolving credit facility		60,000						
CP standby facility			175,000					
		210,000	175,000	0	0			
Treasury policy		<= 500,000	<= 500,000	<= 500,000	<= 500,000			
Treasury policy compliance		✓	✓	✓	✓			
Compliance with financial covenants and ratios under the Negative Pledge Deed and Guarantee Facility Deed								
Covenant / ratio	Benchmark/target measure		Outcome		Compliance			
Security interests / total tangible assets - maximum	5%		0.00%		✓			
Total liabilities / total tangible assets - maximum	60%		32.35%		✓			
Total liabilities (including contingent) / total tangible assets - maximum	65%		32.35%		✓			
Shareholders funds - minimum (\$000)	500,000		5,727,606		✓			
EBITDA : funding costs ratio - minimum	1.75		4.04		✓			
Funds from operations : interest cover ratio - minimum	2.00		3.40		✓			
Total tangible assets of borrowing group / total tangible assets - minimum	90%		100.00%		✓			
Loans, guarantees etc to related companies / total tangible assets - maximum	5%		0.00%		✓			
External debt maturing in less than 5 years - minimum	50%		100.00%		✓			
								Page A6

FOREIGN EXCHANGE, COMMERCIAL PAPER & ELECTRICITY HEDGING							Apr-15					
Foreign currency exposures (NZ\$000) including hedging for chemical purchases							USD	AUD	Total			
Total exposure to be hedged							2,278	563	2,841			
Foreign exchange hedging							2,278	563	2,841			
Percentage cover							100%	100%	100%			
Treasury policy							100%	100%	100%			
Treasury policy compliance							✓	✓	✓			
Hedging for chemical purchases (US\$000)					Jun-15	Sep-15	Dec-15	Jun-16	Total			
Chemicals forward foreign exchange hedging					500	500			1,000			
Treasury policy									<= 5,000			
Treasury policy compliance									✓			
Commercial paper maturities												
Issue #	\$000	BKBM	Interest rate	Bid cover (x)	Term (days)	Maturity date						
277	50,000	3.620%	3.721%	1.71	89	25-May-15						
278	50,000	3.630%	3.730%	2.74	91	22-Jun-15						
279	50,000	3.640%	3.700%	3.87	91	30-Jul-15						
150,000		3.717%										
<p><i>Note: BKBM is the banks' mid-rate for bank bills of a similar term on the CP issue date.</i></p>												
					May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Beyond Oct-15	Total
Outstanding CP					50,000	50,000	50,000	0	0	0	0	150,000
Uncommitted short-term debt								0	0	0	0	0
					50,000	50,000	50,000	0	0	0	0	150,000
Treasury policy for maximum amount of CP outstanding											<= 250,000	
Treasury policy compliance											✓	
Undrawn committed standby facilities				1 month	1-2 months	2-3 months	3-4 months	4-5 months	5-6 months	6-7 months	> 7 months	
Undrawn committed standby facility - CP facility				175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	
50% of CP and other short-term debt repayable within 60 days				50,000	50,000	25,000	0	0				
Treasury policy: Undrawn standby facilities >= 50% of outstanding CP and other uncommitted short-term debt repayable within 60 days												
Treasury policy compliance				✓	✓	✓	✓	✓	✓			
Electricity hedging (NZ\$000)				0-6 months	6-12 months	12-18 months	18-24 months	24-30 months	30-36 months	36-42 months	42-48 months	
Contract maturity												
Contract length												
Total value of outstanding contracts				0								
Treasury policy for maximum value of outstanding contracts				<= 10,000								
Treasury policy compliance				✓								
Page A7												

Management Report
Monthly Statistics Update

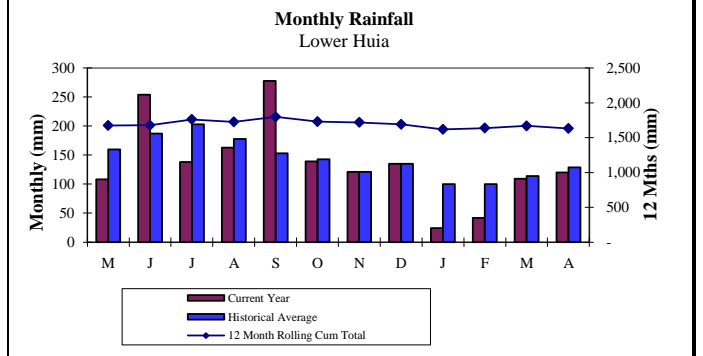
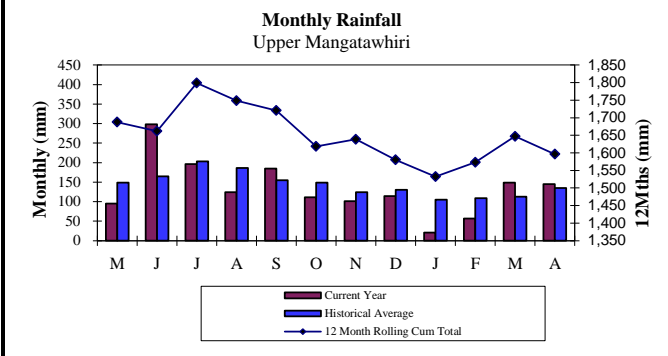
WATERCARE SERVICES LIMITED

Apr-15

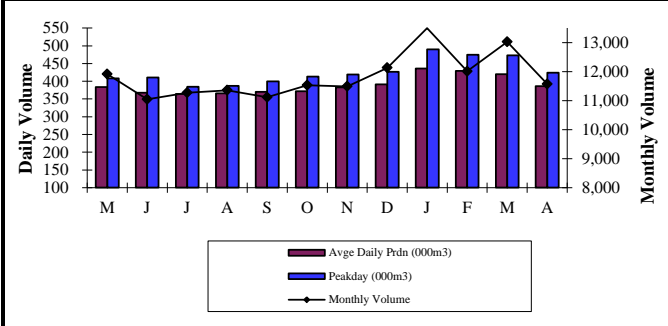
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Rainfall

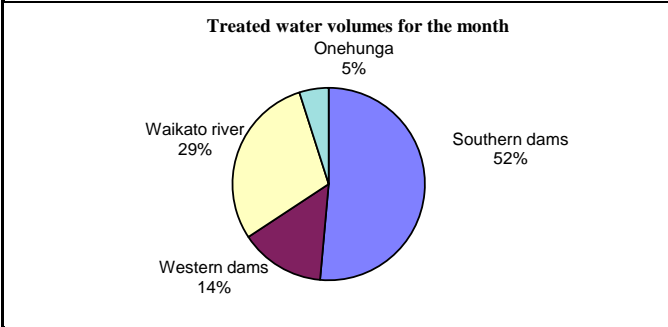
Rainfall	Current Month	12 Mth Cumulative Rolling	Rainfall	Current Month	12 Mth Cumulative Rolling
Actual - Upper Mangatawhiri	145 mm	1596 mm	Actual - Lower Huia	120 mm	1631 mm



Water Production - Metropolitan Supply

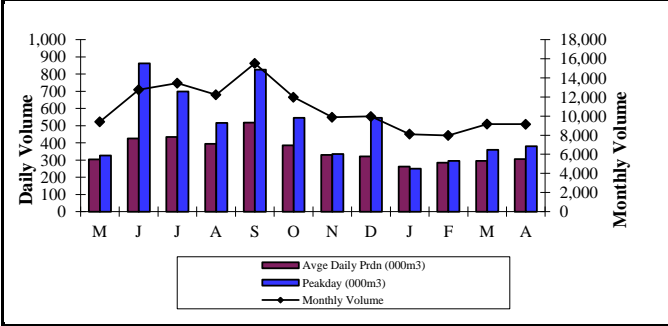


	Current Month	12 Month Rolling Ave
Monthly Volume (000m ³)	11,572	11,830
Average Daily Production	386	389
Peak Day	424	426



Treated water volumes (000m ³)	Current Month	Year to Date		
Southern dams	5,953	51%	65,929	55%
Western dams	1,655	14%	22,673	19%
Waikato river	3,395	29%	25,848	22%
Onehunga aquifer	570	5%	4,558	4%
Total	11,573	100%	119,009	100%

Wastewater Treatment - Metropolitan Treatment

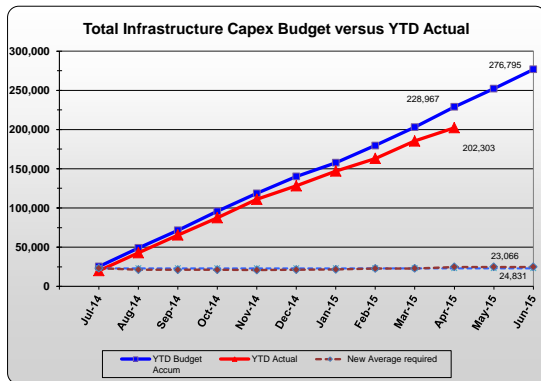


	Current Month	12 Month Cumulative Ave
Monthly Volume (000m ³)	9,152	10,797
Average Daily Production	305	355
Peak Day Mangere	381	495

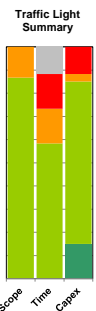
Period 10 - April 2015

INFRASTRUCTURE GROUP DASHBOARD
CAPITAL EXPENDITURE
(\$000)

SAP Code	Project / Programme Name	Stage 1 Capex Out Turn Cost	Total Project Performance		Annual Project Performance			Scope Quality	Time / Milestones	Costs - Capex
			Current Forecast	Forecast	Budget	Budget Variance				
Water Projects (>\$2m)										
C-12205	Huia WTP Upgrade	-	232,334	268	700	432				
C-10370	Mt Hobson Upgrade	-	6,798	224	185	(39)				
C-11781	Sanderson Rd Water Treatment Plant	-	9,209	614	2,345	1,731				
C-11619	North Harbour Watermain Duplication	-	239,989	8,855	9,100	245				
C-12066	Huia No 1 Watermain Replacement	42,103	42,092	398	450	62				
C-11998	Runciman Rd Reservoir	40,007	40,007	510	175	(335)				
C-12278	Albany Pinehill WM & PS	14,850	14,850	192	983	791				
C-10049P	Hunua No 4 Programme	-	378,385	60,244	49,780	(10,464)				
C-11995	Waikato VSD Replacements	-	2,139	1,618	600	(1,018)				
C-10183	Ardmore rapid restart & sludge handling	-	18,735	3,011	3,005	(6)				
C-11681	Albany Second Reservoir	-	4,803	3,117	3,230	113				
C-11981	Riverhead Reservoir	-	5,057	2,692	3,442	750				
C-12220	Mt Albert Level of Service Upgrade	2,900	2,062	1,620	2,830	1,210				
C-11232P	North Franklin Programme	-	24,651	3,403	787	(2,616)				
C-11980	Waikato Expansion to 150MLD	-	11,727	3,214	2,000	(1,214)				
Water Projects >\$2m			1,032,849	89,971	79,612	(10,359)				
Other Water Projects			215,776	26,389	37,160	10,771				
C-12112	I000 Water Capitalised Interest	-	-	7,781	8,967	1,186				
Total Water Projects			1,248,625	124,141	125,740	1,599				
Wastewater Projects (>\$2m)										
C-11281	Army Bay WWTP Outfall Upgrade	-	27,400	-583	90	673				
C-11421	Fred Thomas Drive WW PS & Storage Tank	-	25,822	1,121	1,349	228				
C-12001	Snells Algies WWTP Ocean Outfall	-	22,333	462	1,000	538				
C-11827	Pukekohe Trunk Sewer Upgrade	-	35,574	528	2,070	1,542				
C-10976	Glendowie Branch Sewer Upgrade	-	17,844	412	514	102				
C-11472	Sidmouth WW PS Mairangi Bay Upgrade	-	8,229	39	1,474	1,435				
C-12003	Otara Sewer System Upgrade TSS	-	18,277	358	1,387	1,029				
C-11470	Glen Eden Storage & Pipe Upgrade	-	13,489	336	2,763	2,427				
C-11207	Howick Diversion	-	30,985	834	1,540	706				
C-12192	Wynyard Quarter Wastewater Pump Station	14,036	14,019	594	300	(294)				
C-10923	Upgrade of North Shore TSS	-	5,974	122	817	695				
C-10006	Central Interceptor Feasibility Design	-	960,470	10,518	13,428	2,910				
C-11436	Northern Interceptor - Stage 1	-	147,777	2,381	3,020	639				
C-11983	Rosedale WWTP Expansion Project	-	63,737	1,450	2,658	1,208				
C-11923	Upgrade Pukekohe WWTP	59,000	58,170	1,503	2,070	567				
C-11468	Manukau North Future Upgrades	-	9,044	609	3,622	3,013				
C-12290	Wynyard Quarter Gravity Sewer	7,084	6,877	134	265	131				
C-12199	Northern Networks Generator Connections	-	1,880	748	430	(318)				
C-10922	Wairau (HSPS05) Rising Main Replacement	-	11,120	3,289	3,085	(204)				
C-11077	Mangere WWTP BNR Capacity	-	141,040	12,541	14,800	2,259				
C-12338	Local Sewer Planned Replacement	-	3,000	1,926	2,502	576				
C-11455	Pump Station CI Pipework Replacement	-	1,836	235	1,046	811				
C-12112	Mangere WWTP Solids Stream Upgrade	-	74,800	1,534	1,430	(104)				
C-11338	New Gravity Sewer Miranda Reserve	-	3,691	1,445	170	(1,275)				
C-10952	Helensville WWTP Upgrade	-	8,298	2,368	3,626	1,257				
C-12048	Blackbridge Local Network Upgrade	2,595	2,919	2,106	1,970	(136)				
C-11423	Rosedale WWTP Cogeneration Upgrade	-	5,433	1,420	4,121	2,701				
C-12071	Alexander Rising Main Replacement	3,313	2,957	2,041	3,171	1,130				
C-11067	North Shore PS09 rising main	-	12,039	5,309	2,754	(2,555)				
C-11711	Mangere WWTP Cogeneration Replacement	-	2,626	-536	0	536				
C-11769	Orewa West Wastewater Network	-	14,907	8,180	3,312	(4,868)				
C-10925	Kohimarama Storage Tank & Branch Sewer	-	12,838	7,109	8,196	1,086				
C-10098	Pakuranga Rising Main DPS028	-	12,051	3,751	3,630	(121)				
C-11539	Eastern Interceptor Rehab Prgm - Stg 1	-	8,537	1,942	858	(1,084)				
C-11474	Sunnynook Road Sewer Upgrade	-	3,327	2,893	2,293	(600)				
C-10277	Reconstruction of Eastern Interceptor	-	2,800	580	239	(341)				
C-11813	Mangere WWTP Rehab.Prim.Sed Tks 11 & 12	-	2,661	1,887	1,321	(566)				
C-11569	Branch 1 Rehabilitation B01023 to B01025	-	2,325	1,421	300	(1,121)				
C-11768	Beachlands Village: New Avenue Pump Str	6,458	5,318	4,485	5,517	1,032				
C-11467	Tamaki South East Extension	-	2,488	1,481	2,781	1,300				
C-10017	Biosolids Puketutu Rehabilitation	-	172,629	3,055	3,900	845				
C-11290	Orakei Main Sewer Rehabilitation MH21-19	-	5,610	2,058	0	(2,058)				
C-10147	Mangere WWTP Diester 8	-	14,310	964	950	(14)				
C-11991	Add'l Local Wastewater Network Renewals	-	1,868	347	50	(297)				
Wastewater Projects >\$2m			1,999,326	95,398	110,819	15,421				
Other Wastewater Projects			-	25,010	29,272	4,262				
C-12113	J000 Wastewater Capitalised Interest	-	-	6,150	6,044	(106)				
Total Wastewater Projects			2,140,665	126,558	146,136	19,577				
Other Infrastructure Projects										
C-10126	Networks Controls Upgrade	-	19,935	2,811	3,000	189				
Other Infrastructure Projects			48,222	1,227	1,920	693				
TOTAL INFRASTRUCTURE			3,457,446	254,737	276,795	22,058				
Non Infrastructure, including Capital Interest			133,570	31,389	52,516	21,126				
TOTAL ALL			3,591,015	286,127	329,311	43,184				



WSL Capex Summary	Month		Year to Date	
	Actual	Budget	Actual	Budget
Water Treatment	1,175	11,217	13,041	1,824
Water Distribution	7,424	81,848	85,668	3,819
Wastewater Treatment	1,378	26,371	34,319	7,948
Wastewater Collection	5,226	65,934	76,680	10,746
Infrastructure Shared Service	632	5,236	6,647	1,411
Capital Interest	1,152	11,695	12,612	917
TOTAL INFRASTRUCTURE	16,987	202,303	228,967	26,664
Operations	1,905	14,290	25,166	10,876
Information Services	317	2,797	10,171	7,374
Shared Service-Other	812	3,954	8,844	4,890
TOTAL NON INFRASTRUCTURE	3,034	21,041	44,181	23,140
TOTAL ALL	20,022	223,343	273,147	49,804



Local Board Interaction

Local Board	Chair	Deputy Chair	Mar-15	Apr-15	May-15
Albert - Eden	Peter Haynes	Glenda Fryer	Update to Local Board on start time for Geotechnical Investigations (27 Mar).	'Be Waterwise for Businesses and Organisations' booklet sent to Local Board (8 Apr). Update to Local Board on start time for Geotechnical Investigations in Roy Clements Treeway (13 Apr).	
Devonport - Takapuna	Mike Cohen (4 November 2013 to 4 May 2015) Joseph Bergen Watercare Rep (5 May 2015 to end of the 2013-2016 term)	Joseph Bergen – (4 Nov 2013 to 4 May 2015) Grant Gillion (5 May 2015 to end of the 2013-2016 term)	Update provided on the Sunnynook wastewater project (6 March). Information on traffic management changes to accommodate Sunnynook School Gala Day (18 Mar). Provided visual rendering of new pump station on Fred Thomas Drive (25 Mar).	'Be Waterwise for Businesses and Organisations' booklet sent to Local Board (8 Apr). Site visit with Parks re Local Board development of the Greville Reserve including art work on Watercare's reservoir (21 April).	Response to escalated complaint regarding loose manhole cover – identified as a Chorus asset (8 May)
Franklin	Andy Baker	Jill Naysmith	Information on escalated complaint regarding IGC's and developer contributions (10 Mar). Meeting with Cr Bill Cashmore and Chair Andy Baker re Franklin Issues (25 Mar). Report on dry weather wastewater overflow in Waiuku (30 Mar)	'Be Waterwise for Businesses and Organisations' booklet sent to Local Board (8 Apr) Information on Patumahoe wastewater pond decommissioning sent to local board and Cr Cashmore (8 April). Information on old Pukekohe water treatment plant sent in response to Local Board member question (9 April). Heads up on official opening for water reservoir and reserve at Clarks Beach (15 Apr).	
Great Barrier	Izzy Fordham	Susan Daly			
Henderson - Massey	Vanessa Neeson	Shane Henderson		'Be Waterwise for Businesses and Organisations' booklet sent to Local Board (8 Apr). Notification of watermain break in Glendene (9 Apr).	
Hibiscus and Bays	Julia Parfitt	Greg Sayers	Response to odour complaint escalation at Hobbs Bay Gulf harbour (11 Mar). Heads up re broken concrete coating on North Shore wastewater pipeline walkway (19 Mar).	Meeting with Local Board and parks representatives regarding Mairangi Bay Rising Main and landowner approval for drilling equipment (7 Apr). Local Board business meeting deputation re proposed works in Mairangi Bay park (15 April).	
Howick	David Collings	Adele White		'Be Waterwise for Businesses and Organisations' booklet sent to Local Board (8 Apr)	Information on local wastewater upgrades in Howick (1 April)
Kaipatiki	Kay McIntyre	Ann Hartley	Feedback on watermain leak repair (10 Mar).	'Be Waterwise for Businesses and Organisations' booklet sent to Local Board (8 Apr). Information on emergency water shutdown in Birkdale (13 Apr). Notice to vacate the North Shore Resource Centre	Information sent in response to question on works in View Road (12 May)

Board - Public Session - Chief Executives Report and Scorecard

Local Board	Chair	Deputy Chair	Mar-15	Apr-15	May-15
				(14 April)	
Mangere - Otahuhu	Lydia Sosene	Carrol Elliott	Update on Hunua 4 Project (10 Mar).	Information on Westney Road Project, including flyer (1 April). 'Be Waterwise for Businesses and Organisations' booklet sent to Local Board (8 Apr). Information provided in response to query regarding foreshore erosion from Te Kawerau and Makaurau Marae (20 April).	
Manurewa	Angela Dalton	Simeon Brown	Attendance at Auckland Council "Have your say" consultation at Manurewa Marae (11 Mar). Meeting with Deputy Chair re submission on Water and Wastewater Bylaw (18 Mar).	'Be Waterwise for Businesses and Organisations' booklet sent to Local Board (8 Apr). Information provided on question related to use of self-sufficient devices (21 April)	Response to escalated complaint from member of the public regarding reinstatement works (6 May)
Maungakiekie - Tamaki	Simon Randall	Chris Makoare		'Be Waterwise for Businesses and Organisations' booklet sent to Local Board (8 Apr). Site visit to Hunua 4 Watermain project, including Cr Krum (29 April).	
Orakei	Desley Simpson	Kit Parkinson, Colin Davis (Watercare Rep)	General Briefing (19 Mar).	'Be Waterwise for Businesses and Organisations' booklet sent to Local Board (8 Apr). Update on works at Madills Farm and surrounding streets (9 April). Notification of upcoming works in Karaka Bay and Riddell Road (16 Apr).	
Otara - Papatoetoe	Fa'anānā Efeso (Efeso) Collins	Ross Robertson		'Be Waterwise for Businesses and Organisations' booklet sent to Local Board (8 Apr)	
Papakura	Bill McEntee	Michael Turner	Meeting regarding Water and Wastewater Bylaw Submission (18 Mar).	'Be Waterwise for Businesses and Organisations' booklet sent to Local Board (8 Apr)	
Puketapapa	Julie Fairey	Harry Doig		Local Board Briefing (1 April). 'Be Waterwise for Businesses and Organisations' booklet sent to Local Board (8 Apr). Notification of pending geotechnical investigations for the Central Interceptor in local Parks (17 April).	Response to questions raised on the settlement of appeals to the Consent Applications for the Central Interceptor Project (6 May).
Rodney	Brenda Steele	Stephen Garner	Photo with Brenda Steel for Helensville and Parakai newsletter (4 Mar). Advance copy of Helensville Matters – Watercare newsletter (17 Mar). Information to Local Board member on toll-free calling for Rodney customers (20 Mar).	'Be Waterwise for Businesses and Organisations' booklet sent to Local Board (8 Apr).	
Upper Harbour	Brian Neeson (4 November 2013 to 4	Lisa Whyte (4 November 2013 to 4 May 2015)	Information sharing with local board services staff on the regional network	'Be Waterwise for Businesses and Organisations' booklet sent to Local Board	Responded to enquiry regarding odour in area of Paremoremo from a private

Board - Public Session - Chief Executives Report and Scorecard

Local Board	Chair	Deputy Chair	Mar-15	Apr-15	May-15
	May 2015) Lisa Whyte (5 May 2015 to end of the 2013-2016 term)	Brian Neeson (<i>5 May 2015 to end of the 2013-2016 term</i>)	discharge consent (6 March). Notification and updates on watermain break in Oteha Valley Road, including site meeting with local board services staff (12,13 Mar). Distribution of flyer advertising Northern Interceptor wastewater main open days (20 Mar). Information on potential for overflows from Rosedale Wastewater Treatment Plant (24 Mar).	(8 Apr). Progress meeting regarding landowner approvals for works in Parks associated with the Northern Interceptor (16 April)	network (4 May).
Waiheke	Paul Walden	Shirin Brown		'Be Waterwise for Businesses and Organisations' booklet sent to Local Board (8 Apr). Information on new connections (17 April).	Local Board Briefing re wastewater plant upgrade (1 May). Chairman thanked Watercare for engaging with the Local Board in advance.
Waitakere Ranges	Sandra Coney	Denise Yates		'Be Waterwise for Businesses and Organisations' booklet sent to Local Board (8 Apr).	
Waitemata	Shale Chambers	Pippa Coom		'Be Waterwise for Businesses and Organisations' booklet sent to Local Board (8 Apr).	
Whau	Catherine Farmer	Susan Zhu	Derek Battersby re footpath reinstatement (9 Mar) as well as follow up (24 Mar)	'Be Waterwise for Businesses and Organisations' booklet sent to Local Board (8 Apr).	
Manukau Harbour Forum	Jill Naysmith			Harbour water quality briefing planned for 8 June.	

Report to the Board of Watercare Services Limited

Subject: Statement of Intent – Shareholder Comments

Date: 18 May 2015

1. Background

Watercare must, under the provisions of Schedule 8 of the Local Government Act 2002, provide the shareholder (Auckland Council) annually with a Statement of Intent (SOI) covering a three year period. The purpose of the SOI is to:

- state publicly the activities and intentions of Watercare for the year and the objectives to which those activities will contribute; and
- provide an opportunity for shareholders to influence the direction of the organisation; and
- provide a basis for the accountability of the directors to their shareholders for the performance of the organisation.

A draft of the SOI must be issued to the shareholder by 1 March each year. The shareholder must then, within two months, provide Watercare with comments relating to the SOI in order to influence its direction. Watercare publicly considers the shareholders comments before a final version is issued to the shareholder by the end of June each year.

The draft 2015-2018 SOI was sent to Auckland Council on 27 February 2015.

2. Shareholder Comments

The Mayor wrote to the Chairman on 30 April setting out the shareholder's comments on the draft SOI. A copy of the letter is attached as Appendix 1. It is acknowledged that in some cases the shareholder's comments are generic to all of the shareholder's controlled organisations and not specific or relevant to Watercare.

Watercare has considered the shareholder's comments and Watercare's proposed responses are detailed in Appendix 2.

3. Revisions to SOI

The Watercare SOI is a strategic governance document that outlines at a high level the activities, intent and objectives for the year ahead and how they contribute to the Shareholder's plans and strategies. The SOI contains a range of financial and non-financial measures that are set by the shareholder to demonstrate achievement of targets.

Where a shareholder comment is already covered in the SOI by a higher commitment such as "giving effect to the Long Term Plan" or the "Auckland Plan", Watercare's approach is that duplicated detail should not be added to the document. Where a

generic shareholder comment is already covered by the SOI, no change is recommended.

A copy of the proposed final SOI 2015-18, including revisions, is attached as Appendix 3.

4. Recommendation

It is recommended that the proposed approach to the shareholders comments on the 2015-2018 SOI and the recommended amendments be approved.

Report prepared by:

Recommended by:

Approved for submission by:

.....
R Chenery
**Strategic Planning
Manager**

.....
B Monk
Chief Finance Officer

.....
R Jaduram
Chief Executive

30 April 2015

Mr David Clarke
Chair
Watercare Services Limited
BY EMAIL

Tēnā koe David,

RE: Shareholder comments on the draft Statement of Intent 2015-2018

The Council Controlled Organisations Governance and Monitoring Committee considered Watercare's draft Statement of Intent 2015-2018 (SOI) at its 14 April meeting.

During the meeting, the committee resolved on a number of general shareholder comments that relate to all CCOs and some specific comments relating directly to Watercare. Each CCO is asked to work with council staff to ensure that these comments and any minor editorial changes are reflected in your final SOI.

General shareholder comments

1. Watercare has worked well to support council's objective to improve the quality and consistency of SOIs across all CCOs. We would like this to continue, going forward, as the 2015-2018 SOIs are finalised.

Long-term Plan 2015-2025 alignment with final SOI

2. The final SOI must align to the decisions made as part of the council's Long-term Plan 2015-2025 (LTP). This must ensure:
 - a. information contained in the final SOI is consistent with the LTP,
 - b. financial information is provided for FY 2014/2015, and the first three years of the LTP,
 - c. agreed non-strategic asset sale targets are included, and
 - d. performance information aligns with the LTP and includes:
 - i. all related LTP measures, that are clearly labelled in the SOI, with measures and targets worded exactly as in the LTP,
 - ii. 2013/2014 actual performance, 2014/2015 target, and
 - iii. next three years' targets.

Te Toa Takitini

3. Te Toa Takitini – Māori Responsive High Performance Council has been recently established by the Executive Leadership Group. It will be led by this group with a top-down council family approach to:
 - a. significantly lift Māori social and economic well-being,
 - b. strengthen the council's effectiveness for Māori as part of a high performance council, and
 - c. maximise post-Treaty settlement opportunities for the benefit of mana whenua, Auckland Council and the wider public of Auckland.

4. The final SOI should reflect the shift from "contributing to Māori well-being and Māori outcomes" to "Māori responsiveness – contributing to Māori well-being, organisational effectiveness, and post-Treaty settlement opportunities".
5. The SOI should also include activities, projects, programmes and expenditure over the next three years identified through the Long-term Plan 2015-2025 that support Auckland Council group's Māori responsiveness.
6. The final SOI should include a focused service performance measure on your engagement with mana whenua, to be drafted in consultation with the Independent Māori Statutory Board.

Specific shareholder comments

7. As outlined in the Letter of Expectation, delivering on growth, geographic priorities and Special Housing Areas is extremely important for council. In the final SOI, there should be stronger reference to how Watercare will plan for and support growth, work in conjunction with other infrastructure providers, and consider growth priorities. This should also be reflected in the three year work plan.
8. Council supports the commitment that "Watercare is working closely with Auckland Council to ensure that, where possible, water and wastewater infrastructure is available in the Special Housing Areas (SHAs)." In finalising the SOI, the three year work plan for Watercare should reflect this focus.
9. One of the requests in the Letter of Expectation was that Watercare should demonstrate how it will contribute to infrastructure support and technical advice on marae development and papakāinga housing. There is nothing in the SOI that clearly articulates this. A relevant list of initiatives or projects should be included in the final SOI. An example could be a project with key stakeholders (Auckland Council, marae, and mana whenua) to understand how Watercare can contribute to the needs and aspirations of marae, and with mana whenua on papakāinga housing.

I look forward to receiving the final SOI by 30 June 2015.

Nāku noa, nā



**DEPUTY MAYOR PENNY HULSE
CHAIR CCO GOVERNANCE AND MONITORING COMMITTEE
AUCKLAND COUNCIL**

cc. Mayor Len Brown
cc. Stephen Town, Chief Executive, Auckland Council
cc. Raveen Jaduram, Chief Executive, Watercare Services Limited

Shareholder Comments	Proposed Action
General Comments	
Watercare has worked well to support council's objective to improve the quality and consistency of SOIs across all CCOs. We would like this to continue, going forward, as the 2015-2018 SOIs are finalised.	No action required.
<p>The final SOI must align to the decisions made as part of the council's Long-term Plan 2015-2025 (LTP). This must ensure:</p> <ul style="list-style-type: none"> a. Information contained in the final SOI is consistent with the LTP, b. Financial information is provided for FY2014/2015, and the first three years of the LTP, c. Agreed non-strategic asset sale targets are included, and d. Performance information aligns with the LTP and includes: <ul style="list-style-type: none"> i. All related LTP measures, that are clearly labelled in the SOI, with measures and targets worded exactly as in the LTP, ii. 2013/2014 actual performance, 2014/2015 target, and iii. next three year's targets. 	No action required – draft SOI complies with requirements.
<p>Te Toa Takitini – Maori Responsive High Performance Council has been recently established by the Executive Leadership Group. It will be led by this group with a top-down council family approach to:</p> <ul style="list-style-type: none"> a. significantly lift Maori social and economic well-being, b. strengthen the council's effectiveness for Maori as part of a high performance council and, c. maximise post-Treaty settlement opportunities for the benefit of mana whenua, Auckland Council and the wider public of Auckland. 	No action required. Addressed in responses to 'specific shareholder comments'.
The final SOI should reflect the shift from "contributing to Maori well-being and Maori outcomes" to "Maori responsiveness – contributing to Maori well-being, organisational effectiveness, and post-Treaty settlement opportunities".	<p>Additional wording to be inserted in the SOI:</p> <p><i>Watercare has a close relationship with Maori and recognises the importance of natural resources to mana whenua. Watercare acts in accordance with relevant</i></p>

	<p><i>statutory provisions and Treaty of Waitangi principles. Watercare is a member of the Mana Whenua Kaitiaki Forum and as such, attends the quarterly meetings of the forum with the intention of gaining a direct understanding of the issues and objectives of Mana Whenua with respect to Watercare. The Chairman of the Mana Whenua Kaitiaki Forum will continue to have the opportunity to present the annual report of the Forum to the Watercare Board and to prepare a statement for inclusion in the Watercare Annual Report. The Chairman of the of the Mana Whenua Kaitiaki Forum and the Watercare Chief Executive will meet annually with the Chairman and Deputy Chairman of the IMSB to consider Watercare’s performance with regards to engagement with Mana Whenua.</i></p>
<p>The SOI should also include projects, programmes and expenditure over the next three years identified through the Long Term Plan 2015-2025 that support Auckland Council groups Maori responsiveness.</p>	<p>Additional wording to be inserted in the SOI:</p> <p><i>Watercare will continue to engage with mana whenua to provide technical advice and support for marae development and papakainga housing.</i></p> <p><i>In doing so Watercare will support Maori representation to Government for funding of infrastructure for those rural marae in the Auckland region that are disadvantaged as a result of the Supercity formation.</i></p> <p>.</p>
<p>The final SOI should include a focussed service performance measure on your engagement with mana whenua, to be drafted in consultation with the Independent Maori Statutory Board.</p>	<p>New non-financial performance measure to be included in the SOI:</p> <p><i>Watercare percentage attendance at quarterly meetings of the Mana Whenua Forum. Target = 100%.</i></p>
<p>Specific Shareholder Comments</p>	
<p>As outlined in the Letter of Expectation, delivering on growth, geographic priorities and Special Housing Areas is extremely important for Council. In the final SOI, there should be stronger reference to how Watercare will plan for and support growth, work in conjunction with other infrastructure providers, and consider growth priorities. This should also be reflected in the three year work plan.</p>	<p>Additional wording to be inserted in the SOI:</p> <p><i>Watercare’s Asset Management Plan 2015-2025 provides for \$2.2 billion of expenditure on water and wastewater infrastructure to service growth in the Auckland region.</i></p> <p><i>Watercare will actively engage with Auckland Council and other infrastructure providers through the Housing Project Office, the Spatial Priority Areas Steering Group and the Auckland Plan Oversight Group to understand the regional growth</i></p>
<p>Council supports the commitment that “Watercare is working closely with Auckland Council to ensure that, where possible, water and</p>	

<p>wastewater infrastructure is available in the Special Housing Areas (SHAs).” In finalising the SOI, the three year work plan for Watercare should reflect this.</p>	<p><i>priorities and to ensure that, where possible, water and wastewater infrastructure is available in a timely manner to service growth.</i></p>
<p>One of the requests in the Letter of Expectation was that Watercare should demonstrate how it will contribute to infrastructure support and technical advice on marae development and papakainga housing. There is nothing in the SOI that clearly articulates this. A relevant list of initiatives or projects should be included in the final SOI. An example could be a project with key stakeholders (Auckland Council, marae, and mana whenua) to understand how Watercare can contribute to the needs and aspirations of marae, and with mana whenua on papakainga housing.</p>	<p>Additional wording to be inserted in the SOI:</p> <p><i>Watercare will continue to engage with mana whenua to provide technical advice and support for marae development and papakainga housing.</i></p> <p><i>Watercare will make representations to Government to support funding of infrastructure for rural marae in the Auckland region that are disadvantaged as a result of the Supercity formation.</i></p>



WATERCARE SERVICES LIMITED

STATEMENT OF INTENT

2015 - 2018



Leanne McKenzie, Water Quality and Compliance Analyst, demonstrating how to conduct a leak test.

INTRODUCTION

Matariki tāpuapua	Pleiades, harbinger of growth.
Puanga kai rau e	Rigel, symbol of the harvest.
Tihei Mauriora	Let there be life.
Me mihi ki te whenua, me tangi hoki mō rātou kua okioki	We greet the land beneath us; we grieve for the have gone before us, and we acknowledge their ir upon us.
E ngā mana, e ngā reo, e ngā huihuinga tāngata puta noa Tāmaki Makaurau Tāmaki Whānui hoki tēnā koutou i raro i te pikinga ake o Matariki o Puanga hoki. E manakohia nei kia pērā ano hoki te pikinga ake o ā tātou mahi ngātahi āmuri ake nei. Anei rā te tauāki hei tātaki i aua manako. Kāti ake.	To you the leaders, you the spokespeople, and to all the people throughout Tāmaki Makaurau, warm and heartfelt greetings in this time of Matariki. As the New Year dawns, we come together to seek a new way forward, united in our shared responsibilities, and committed to achieving our collective vision.

This Statement of Intent (SOI) sets out Watercare’s obligations and commitments, how it intends to meet those, and the measures by which its shareholder, the Auckland Council, can assess the company’s success.

This SOI recognises the important relationship that exists between Watercare and the Auckland Council, and that the success of each is dependent on the actions of the other. Auckland Council requires Watercare to give effect to its strategic intent and facilitate the regions sustainable growth and development, with particular emphasis on Special Housing Areas. Watercare relies on the Auckland Council providing a policy and regulatory environment that enables the development and operation of the infrastructure necessary to achieve this.

DAVID CLARKE
CHAIRMAN

JUNE 2015

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DRAFT

1. PURPOSE OF STATEMENT OF INTENT

In accordance with the Local Government Act 2002, this annual Statement of Intent (SOI) publicly states the activities and intentions of Watercare Services Limited for the next three years, and the objectives that those activities will contribute to. This SOI takes shareholder comments into consideration and includes performance measures and targets as the basis of organisational accountability.

2. ABOUT WATERCARE SERVICES LIMITED

Each day, Watercare Services Limited (Watercare) supplies around 326 million litres of water to the people of Auckland and collects, treats and discharges around 378 million litres of wastewater in an environmentally sustainable fashion.

Watercare is a council-controlled organisation (CCO), wholly owned by Auckland Council. It funds all of its activities itself, receives no money from the Council or central government and is prohibited by statute from paying a dividend to the Council.

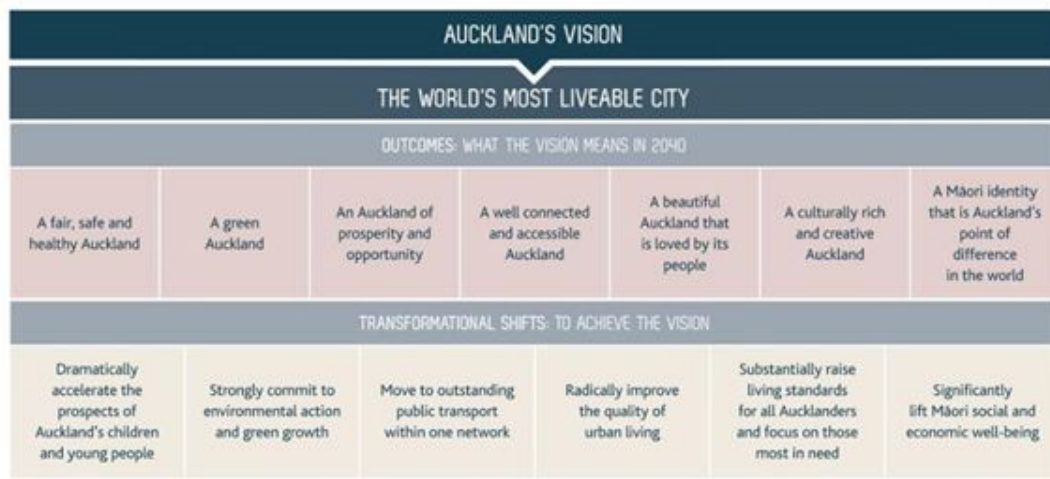
The company's obligations to deliver water and wastewater services for Auckland, are set out in Part 5 section 57(1) of the Local Government (Auckland Council) Act 2009 which stipulates amongst others, that an Auckland water organisation:

- (a) Must manage its operations efficiently with a view to keeping the overall costs of water supply and wastewater services to its customers (collectively) at the minimum levels consistent with the effective conduct of its undertakings and the maintenance of the long-term integrity of its assets; and
- (b) Must not pay any dividend or distribute any surplus in any way, directly or indirectly, to any owner or shareholder; and
- (c) Is not required to comply with section 68(b) of the Local Government Act 2002; and
- (d) Must have regard for public safety (for example, the safety of children in urban areas) in relation to its structures.

This SOI has been prepared in accordance with Schedule 8 of the Local Government Act 2002 and covers a three-year term from 1 July 2015 to 30 June 2018.

3. WATERCARE'S CONTRIBUTION TO THE WORLD'S MOST LIVEABLE CITY

The Auckland Plan is the roadmap to deliver on Auckland's vision to be the world's most liveable city. This is a thirty year plan that is under pinned by a set of outcomes and transformational shifts to achieve this vision which help ensure we focus on the right things.



The Auckland Plan sets strategic direction and transformational shifts to achieve actions, targets and outcomes that are required to achieve the vision to be the world's most liveable city.

[Watercare's Asset Management Plan 2015-2025 provides for \\$2.2 billion of expenditure on water and wastewater infrastructure to service growth in the Auckland region.](#)

[Watercare will actively engage with Auckland Council and other infrastructure providers through the Housing Project Office, the Spatial Priority Areas Steering Group and the Auckland Plan Oversight Group to understand the regional growth priorities and to ensure that, where possible, water and wastewater infrastructure is available in a timely manner to service growth.](#)

Watercare plays a critical part in delivering on actions and targets. In particular, Watercare actions which contribute to the outcomes are outlined in the table below:

Auckland Plan Transformational Shift	Degree of contribution	How Watercare contributes
Quality urban living	Primary	Watercare is facilitating this outcome by providing Aucklanders with a high-quality, reliable supply of drinking water. Every effort is made to ensure that the quality of drinking water is maintained at every stage of its journey to the customer's taps.

Auckland Plan Transformational Shift	Degree of contribution	How Watercare contributes
		By ensuring that stringent standards are applied in collecting, treating and discharging wastewater, the environment is preserved and Auckland waterway's are available for the enjoyment of Aucklanders.
Environmental action & green growth	Primary	<p>Effective treatment of wastewater is very important to safeguard human health and to protect our harbours and waterways. Watercare continuously strives to improve its wastewater collection process, reduce overflows, and ensure wastewater is treated to a standard that protects public health, and the local environment.</p> <p>Through its Waterwise Advice line and Be Waterwise programme, Watercare is promoting water-efficient behaviours to consumers and making every effort to reduce the demand for water services, detailed in the Auckland Regional Water Demand Management Plan.</p> <p>Watercare regularly consults with the specially created Environmental Advisory Group whose experts advise on how the company's activities affect the environment.</p> <p>Watercare's free education programme offers Auckland primary and intermediate school pupils the opportunity to take part in a range of exciting and hands-on lessons that teaches them about water, wastewater and their local environment.</p>
Raised living standards	Secondary	<p>Watercare is committed to providing safe, reliable and efficient water and wastewater services. It has continued to expand its service network to the wider Auckland region, making every effort to supply all Aucklanders with the same quality of service.</p> <p>Watercare is working closely with Auckland Council to ensure that where possible, water and wastewater infrastructure is available in the Special Housing Areas (SHA's).The Watercare Utility Consumer Assistance Trust provides financial support to residential customers of Watercare who are struggling to manage their water and wastewater costs.</p>
Māori social and economic wellbeing	Secondary	<p>Watercare's Māori advisory group, the Mana Whenua Kaitiaki Forum, advises the company on how its plans and operations affect Māori and Māori's relationship with the natural environment. Watercare consults with the Mana Whenua Kaitiaki Forum on infrastructure projects, operations and business decisions that may affect the interests of Mana Whenua.</p> <p><i>Watercare has a close relationship with Maori and recognises the importance of natural resources to mana whenua. Watercare acts in accordance with relevant statutory provisions and Treaty of Waitangi principles. Watercare is a member of</i></p>

Auckland Plan Transformational Shift	Degree of contribution	How Watercare contributes
		<p><u><i>the Mana Whenua Kaitiaki Forum and as such, attends the quarterly meetings of the forum with the intention of gaining a direct understanding of the issues and objectives of Mana Whenua with respect to Watercare. The Chairman of the Mana Whenua Kaitiaki Forum will continue to have the opportunity to present the annual report of the Forum to the Watercare Board and to prepare a statement for inclusion in the Watercare Annual Report. The Chairman of the of the Mana Whenua Kaitiaki Forum and the Watercare Chief Executive will meet annually with the Chairman and Deputy Chairman of the IMSB to consider Watercare's performance with regards to engagement with Mana Whenua.</i></u></p> <p><u><i>Watercare will continue to engage with mana whenua to provide technical advice and support for marae development and papakainga housing.</i></u></p> <p><u><i>In doing so Watercare will support Maori representation to Government for funding of infrastructure for those rural marae in the Auckland region that are disadvantaged as a result of the Supercity formation.</i></u></p>
Children & young people	Not applicable	
Outstanding public transport	Not applicable	

Degree of contribution: Primary/ Secondary / Not applicable

4. WATERCARE'S STRATEGIC OBJECTIVES

Watercare has four strategic priorities – these priorities reflect the organisation's focus on becoming a more customer-centric business and continuing to consistently deliver reliable, affordable, high quality, sustainable water and wastewater services.

- Customer Focus – *Putting customers at the heart of our business by aligning processes, people and systems to deliver exceptional performance at minimum cost.*
- Business Excellence - *We deliver positive customer outcomes by being a commercially-savvy, performance-based organisation that prioritises the development and well-being of our people and the long-term resilience of our assets.*
- Financial Responsibility - *We are a financially responsible and efficient business, balancing our long-term financial obligations with our requirement to be a minimum cost service provider.*
- Fully Sustainable - *As custodians of the environment, we effectively manage and minimise the impact of our operations on the environment and embed sustainability into all aspects of our business.*

5. THREE YEAR WORKPLAN TO DELIVER ON STRATEGIC DIRECTION

The following are the key initiatives/projects to deliver on Watercare strategic objectives

Key project and initiatives	Description	Contribution to strategic objectives
Second Waikato River Take	The proposal to increase the net water take from the Waikato River progressively over the next 35 years, from the current 150 million to 350 million litres per day. Watercare lodged its resource consent application with the Waikato Regional Council in December 2013 and continues to consult with stakeholders. Watercare decided to apply for additional take from the Waikato River as that was the only viable option available to sustain the supply of drinking water to Auckland in the future. Once the consent is granted, Watercare will plan a staged expansion of the Waikato Water Treatment Plant and the construction of a second pipeline from the plant. This will secure Auckland's water supply for more than 30 years.	Watercare is focused on consistently delivering exceptional and reliable products and service to customers. By increasing the net water take from the Waikato River, Watercare will ensure that Auckland's water supply is secured for more than 30 years so that Aucklanders will continue to receive safe and reliable water – now and in to the future.
Central Interceptor	The Central Interceptor will carry wastewater 13-kilometres from Western Springs to the Mangere Wastewater Treatment Plant. This \$950-million project will replace the ageing Hillsborough Tunnel and Manukau Siphon that are nearing the end of their life, reduce overflows significantly and cater for population growth.	Watercare's business is intrinsically linked to the environment – protecting the health of our waterways is essential to the long-term

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Key project and initiatives	Description	Contribution to strategic objectives
	Watercare received resource consent in November 2013 and is currently working on a detailed design as well as confirming the construction methodology. The construction is expected to take six years to complete.	sustainability of the business and key to our role as custodians of the environment. The Central Interceptor will significantly reduce the number of overflows in to the Waitemata and Manukau Harbours, greatly improving the health of waterways as well as providing additional capacity to cater for Auckland's growth.

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Specific projects delivering on Māori outcomes

Key project and initiatives	Description	Contribution to Māori outcomes
Mana Whenua Kaitiaki Forum	<p>Watercare has engaged with 19 Iwi groups throughout Auckland to establish the Mana Whenua Kaitiaki Forum. The emergence of the Kaitiaki Forum resulted from a collective desire for proactive engagement between Iwi and Watercare in order to build strong and enduring relationships and to enhance business efficiencies.</p> <p>Watercare engages with all Mana Whenua entities individually as well as through the Forum, in some cases on a regularly scheduled basis and in other cases, as need arises.</p>	Watercare consults with the Mana Whenua Kaitiaki Forum on infrastructure projects, operations and business decisions that may affect the interests of mana whenua.

6. PERFORMANCE OUTLOOK

Watercare has an agreed set of performance measures and targets which form the basis for accountability to delivering on council's strategic direction, priorities and targets. These are reported on a quarterly basis, in accordance with the CCO Governance Manual. These include the new mandatory DIA measures agreed as part of the Long-term Plan 2015-2025.

Service Level Statement	Measure	2013/14 Actual	2014/15 Annual Plan	2015/16	2016/17	2017/18
Provide uninterrupted access to safe, clean and drinkable water.	The extent to which Watercare's drinking water supply complies with part 4 of the drinking-water standards (bacteria compliance criteria)	New measure	New measure	100%	100%	100%
	The extent to which Watercare's drinking water supply complies with part 5 of the drinking-water standards (protozoal compliance criteria)	New measure	New measure	100%	100%	100%
	Median response time for attendance for urgent call-outs: from the time that Watercare receives notification to the time that service personnel reach the site.	New measure	New measure	≤60 mins	≤60 mins	≤60 mins
	Median response time for resolution of urgent calls-outs: from the time that Watercare receives notification to the time that service personnel confirm resolution of the fault or interruption	New measure	New measure	≤5 hours	≤5 hours	≤5 hours
	Median response time for attendance for non-urgent call-outs: from the time that Watercare receives notification to the time that service personnel reach the site	New measure	New measure	≤3 days	≤3 days	≤3 days

Service Level Statement	Measure	2013/14 Actual	2014/15 Annual Plan	2015/16	2016/17	2017/18
	Median response time for resolution of non-urgent call-outs: from the time that Watercare receives notification to the time that service personnel confirm resolution of the fault or interruption	New measure	New measure	≤6 days	≤6 days	≤6 days
	The total number of complaints received by Watercare 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) Watercare's response to any of these issues expressed per 1000 connections to the local authority's networked reticulation system	New measure	New measure	≤10	≤10	≤10
	The percentage of real water loss from Watercare's networked reticulation system	13.9%	≤13%	≤13%	≤13%	≤13%
	The average consumption of drinking water per day per resident	270	278 +/- 5%	272 +/- 2.5%	270 +/- 2.5%	268 +/- 2.5%
Provide reliable wastewater services and manage discharges to maintain or improve the health of the environment	The number of dry weather overflows from Watercare's sewerage system, expressed per 1000 sewerage connections to that sewerage system	New measure	New measure	≤10	≤10	≤10
	Compliance with the Watercare's resource consents for discharge from its sewerage	a) 0 b) 0	a) 0 b) 0	a) ≤2 b) ≤2	a) ≤2 b) ≤2	a) ≤2 b) ≤2

Service Level Statement	Measure	2013/14 Actual	2014/15 Annual Plan	2015/16	2016/17	2017/18
	system measured by the number of: a) abatement notices b) infringement notices c) enforcement orders d) convictions received by Watercare in relation to those resource consents	c) 0 d) 0	c) 0 d) 0	c) ≤2 d) 0	c) ≤2 d) 0	c) ≤2 d) 0
	Attendance at sewerage overflows resulting from blockages or other faults: median response time for attendance - from the time that Watercare receives notification to the time that service personnel reach the site	New measure	New measure	≤60 mins	≤60 mins	≤60 mins
	Attendance at sewerage overflows resulting from blockages or other faults: median response time for resolution - from the time that Watercare receives notification to the time that service personnel confirm resolution of the blockage or other fault	New measure	New measure	≤5 hours	≤5 hours	≤5 hours
	The total number of complaints received by Watercare about any of the following: a) sewerage odour b) sewerage system faults c) sewerage system blockages d) the Watercare's response to issues with its sewerage system expressed per 1000 connections to the Watercare's sewerage system	New measure	New measure	≤50	≤50	≤50
	Average number of wet weather overflows per discharge location	WW network discharge	WW network discharge	≤2 overflows per year	≤2 overflows per year	≤2 overflows per year

Service Level Statement	Measure	2013/14 Actual	2014/15 Annual Plan	2015/16	2016/17	2017/18
		consent lodged and operational	consent lodged and operational	per engineered overflow point	per engineered overflow point	per engineered overflow point
Health, Safety and Well-being	Lost-time injury frequency rate per million hours worked (12 month rolling average)	2.53	≤5	≤5	≤5	≤5
	Total recordable injury frequency rate per million hours worked	New measure	New measure	≤30	≤30	≤30
	Percentage of voluntary leavers relative to number of permanent staff	12.5%	≤12%	≤12%	≤12%	≤12%
Customer Satisfaction	Percentage of customers surveyed satisfied with Watercare's delivery of water and wastewater services	84.7%	≥80%	≥80%	≥80%	≥80%
	Percentage of complaints 'resolved and closed' within 10 working days	94.2%	≥95%	≥95%	≥95%	≥95%
	Percentage attendance at the quarterly meetings of the Mana Whenua Kaitiaki Forum	100%	n/a	100%	100%	100%
Financial	Minimum funds flow from operations to interest cover (FFO) before any price adjustment	3.30	≥2.5	≥2.5	≥2.5	≥2.5
	Percentage of household expenditure on water supply services relative to the average household income	0.90%	≤1.5%	≤1.5%	≤1.5%	≤1.5%

7. SUMMARY OF FINANCIALS

The following summary of financials supports the delivery of the strategic objectives and performance targets for Watercare

Operating expenditure (\$ millions)

	2013/14 Actual	2014/15 Annual Plan	2015/16 LTP	2016/17 LTP	2017/18 LTP
Personnel costs	52	50	55	57	59
Other expenses	145	152	152	157	163
Interest expense	69	80	83	83	87
Depreciation	206	210	217	228	244
Total operating expenditure	472	491	508	524	553
Operating expenditure to be funded (excludes depreciation)	266	281	291	296	309
<u>Funded by:</u>					
External revenue	447	449	469	486	508
Grants/ subsidies					
Auckland Council funding					
Total	447	449	469	486	508
Surplus/ (deficit)	181	168	178	189	199

Capital expenditure (\$ millions)

	2013/14 Actual	2014/15 Annual Plan	2015/16 LTP	2016/17 LTP	2017/18 LTP
Growth	124	145	200	205	173
Level of service	94	96	89	112	105
Renewals	89	82	93	124	133
Capital expenditure excluding capitalised interest	307	323	382	441	411
Capitalised interest	17	16	18	29	30
Total capital expenditure	324	339	400	470	441
Funded by:					
Operating surplus	181	168	178	189	199
Infrastructure growth charges	33	34	58	84	101
Debt	93	137	164	197	141
Grants / subsidies					
Auckland Council funding					
Total	324	339	400	470	441

Specific expenditure towards Māori outcomes (\$ 000s)

Initiative	2013/14 Actual (000'S)	2014/15 Annual Plan (000'S)	2015/16 LTP (000'S)	2016/17 LTP (000'S)	2017/18 LTP (000'S)
Mana Whenua Kaitiaki Forum	140	140	140	140	140
Iwi Engagement on Watercare Projects	996	996	1,059	1,059	1,059

Initiative	2013/14 Actual (000'S)	2014/15 Annual Plan (000'S)	2015/16 LTP (000'S)	2016/17 LTP (000'S)	2017/18 LTP (000'S)
Total expenditure	\$1,136	\$1,136	\$1,199	\$1,199	\$1,199

Other financial information

Current value of assets	The current value of Watercare Services Limited assets as at 30 June 2014 is \$8,386 million.	
Shareholder equity ratio	The latest shareholder equity ratio for Watercare Services Limited as at 30 June 2014 is 69%.	
Accounting Policies	Watercare Services Limited accounting policies are consistent with those of the Auckland Council group policies with nominated exceptions (e.g. interest capitalisation).	
Financial Reporting	Watercare Services Limited financial reporting is in accordance with requirements of the CCO Governance Manual.	
Asset sales (\$ million)	2013/14 Actual	<i>\$0.2 million</i>
	2014/15 Annual Plan	<i>\$nil</i>
	2015/16 LTP	<i>\$nil</i>
	2016/17 LTP	<i>\$nil</i>
	2017/18 LTP	<i>\$nil</i>

8. APPROACH TO GOVERNANCE

Auckland Council works in partnership with its CCOs and the agreed approach to governance is outlined within the CCO Governance Manual which sits alongside this SOI and also forms part of the annual binding agreement between council and Watercare.

Watercare board meetings are open to members of the public. Watercare also meets the public meetings requirement of the Local Government (Auckland Council) Act 2009 which requires Auckland Council CCOs to hold two public meetings a year:

Purpose	Date	Form of Public Notification
Consider shareholder comments on draft SOI	29 May 2015	Public notice
Consider performance against SOI targets	29 October 2015	Public notice



Report to the Board of Watercare Services Limited

Subject: Strategic Direction for Providing Services to Support Urban Growth

Date: 17 May 2015

6

1. INTRODUCTION

A paper on the Strategic Direction for Providing Services to Support Urban Growth was presented to Directors at the April Board meeting. The paper sets out the policies that apply in respect of wastewater servicing in areas identified for growth.

The paper has been reviewed in light of Board discussion. The updated document is appended to this paper as Attachment A for Board approval. Changes incorporated:

- Revised wording on the obligation to provide service
- The principle of user pays in respect of funding growth infrastructure has been clearly outlined
- Service provision outside the Rural Urban Boundary has been amended to reflect full cost recovery when a Council has requested service to these areas
- The requirement that servicing of specific non-contiguous growth areas will be considered in the context of the long-term strategy for servicing wider growth areas has been clarified
- The attachment to the document has been revised to align the servicing strategy with specific areas.

2. GROWTH AREAS AND SERVICE CATEGORIES

An updated list of all currently known Special Housing Areas (SHAs), Future Urban Zones (FUZs) under the Proposed Auckland Unitary Plan and other plan change areas is appended as Attachment B.

3. RECOMMENDATION

That the Board approve the strategic direction for providing services to support urban growth.

Report prepared by:	Recommended by:	Approved for submission by:
---------------------	-----------------	-----------------------------

.....
 D Blow
**Infrastructure Planning
 Manager**

.....
 J van Brink
**General Manager Strategy
 and Planning**

.....
 R Jaduram
Chief Executive

ATTACHMENT A

Strategic Direction for Providing Services to Support Urban Growth (30 April 2015)

1. INTRODUCTION

The Board, in May 2014, approved the policy and principles of providing water and wastewater infrastructure to service development. This paper sets out the servicing categories, underlying funding principles and assigns a servicing category to all currently identified growth areas.

2. OBLIGATION TO PROVIDE SERVICE

Watercare is required to “*give effect to the relevant aspects of the Long Term Plan*” and “*acting consistently with the relevant aspects of any other plan (including a local board plan) or strategy of the Council to the extent specified in writing by the governing body of the Council*”, as set out in s58 of the Local Government (Auckland Council) Act 2009.

One of Watercare’s objectives is to provide water and wastewater services in support of Auckland Council’s priorities for growth. Services are made available in accordance with the policy set out below. The policy follows the principle that new customers creating additional demand are responsible for funding the costs of the infrastructure required to service that demand. This avoids cross-subsidy from existing customers.

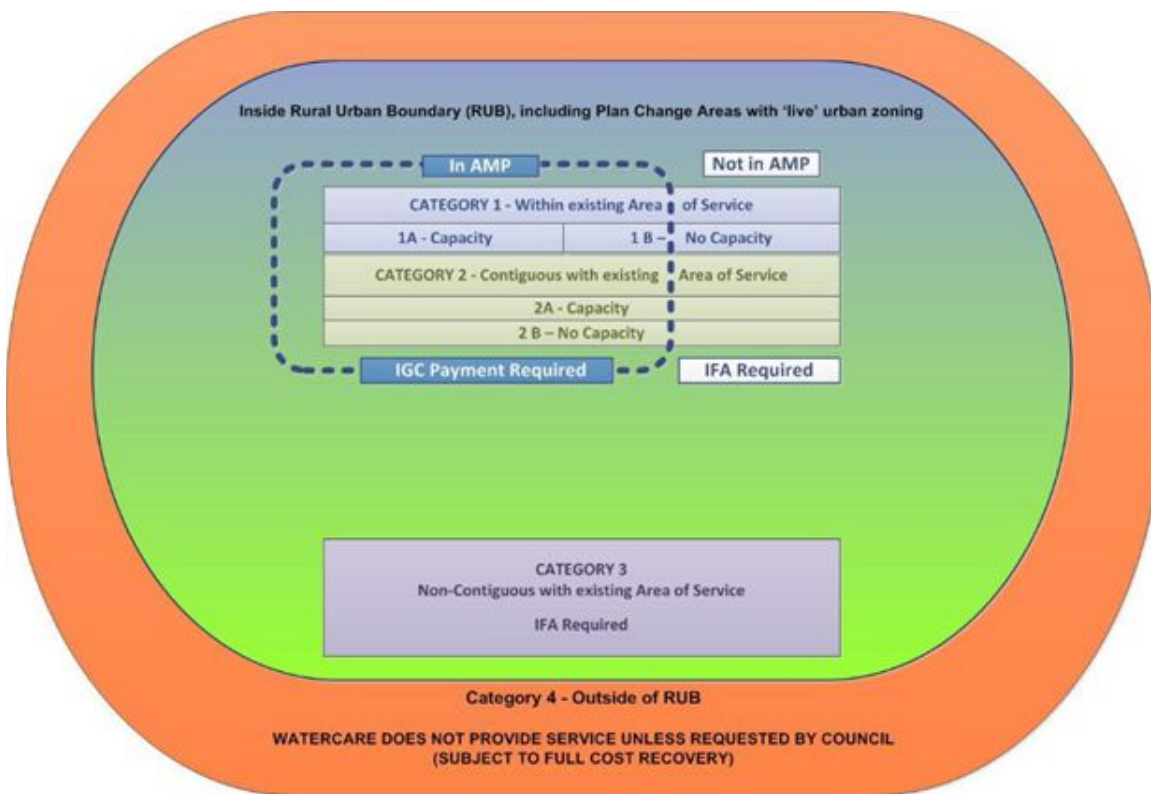
3. SERVICE CATEGORIES

Watercare’s servicing policy is based on the Rural Urban Boundary (RUB) concept set out in the Proposed Auckland Unitary Plan, and provides for urban development by establishing four Servicing Categories (Figure 1):

- Category 1: Developments within the existing Area of Service
- Category 2: Developments Contiguous with the existing Area of Service
- Category 3: Developments that are not Contiguous with the existing Area of Service
- Category 4: Developments outside of the RUB

The key factor that determines how the increased demand from a proposed development is provided for is the available capacity within the trunk infrastructure (transmission networks and treatment plants) needed to service the development. Developers of subdivisions are required to construct the water and wastewater reticulation and vest these in Council/Watercare.

Figure 1: Servicing Policy Categories



Category 1: Developments within the existing Area of Service

These are developments that are within Watercare’s existing Area of Service, which is largely consistent with existing urban areas or zones. There are two sub-categories:

- **Category 1A:** There is capacity in Watercare’s infrastructure and Watercare will connect the new development.
- **Category 1B:** There is limited or no capacity to service the development. The development will either need to be staged to remain within the available trunk capacity, progress with infrastructure upgrades as programmed in Watercare’s Asset Management Plan (AMP). Alternatively the developer requests Watercare to accelerate the infrastructure investment and agrees to fund the additional costs through an Infrastructure Funding Agreement (IFA).

Category 2: Developments Contiguous with the existing Area of Service

These are developments that are within the Rural Urban Boundary and are contiguous with (but not within) Watercare’s existing Area of Service. In most cases, these developments are in areas that are zoned rural and are required to go through a formal Council Plan Change process to change the zoning from rural to urban. These plan changes are normally supported by a planning process which includes the development of a Water and Wastewater Servicing Plan. This is a requirement of the Proposed Auckland Unitary Plan. Depending on the availability of capacity, there are two sub-categories:

- **Category 2A:** The infrastructure is available or Watercare plans (subject to a Water and Wastewater Servicing Plan) to develop the transmission infrastructure, and the developer chooses to align the timing of the development with the installation of infrastructure.
- **Category 2B:** The infrastructure is not currently available, but Watercare plans to develop the transmission infrastructure to service the development (subject to a Water and Wastewater Servicing Plan) and has made provision for this in the AMP. However, if the developer wants to proceed with the development earlier, then Watercare will bring forward its infrastructure investment and require the developer to fund the additional costs through an IFA.

Category 3: Developments that are not Contiguous with the existing Area of Service

These are developments that are within the RUB (or future RUB) but are not contiguous with the existing Area of Service. Watercare will assess whether it will provide service to the development based on technical, economic, and environmental factors. The evaluation takes into consideration the size of development and whether the provision of service forms part of a long-term strategy for the wider RUB area. The provision of service will be on a cost-recovery basis funded through an IFA. The developer retains the option of building and operating its own water and/or wastewater system, or to contribute towards the costs of a Watercare service through an IFA.

Category 4: Outside of the RUB

Watercare will provide services outside the RUB where requested by Council. Any services provided outside the RUB will be on the basis that the developer fund the investment required to service the area.

4. INFRASTRUCTURE GROWTH CHARGES

When physical water and/or wastewater connections are provided to individual buildings (domestic or non-domestic), an Infrastructure Growth Charge (IGC) is levied on the applicant. The IGC contributes to funding Watercare's transmission and treatment plant infrastructure, as identified in the Asset Management Plan. The IGCs currently contribute approximately 25% of the funds required to service growth, with the balance being recovered from existing customers.

Developers who undertake subdivisions do not generally pay the IGCs unless they are the same entity that constructs the buildings and requires water and/or wastewater connections.

ATTACHMENT B: GROWTH AREAS AND SERVICE CATEGORIES (STATUS MARCH 2015)

Explanations and Definitions

- Watercare's Infrastructure Growth Charge (IGC) recovers a proportion of the costs associated with expanding the capacity of the existing treatment plants and transmission networks (trunk infrastructure) to service growth.
- The IGC is payable at the time a new connection is made to the network.
- The provision of the local reticulation within new developments and connection of the new development to the existing trunk networks and is the responsibility of the land developers.
- If existing local network infrastructure downstream of the proposed development requires upsizing to enable the proposed development to connect, this must be funded by the developer.
- **Future Urban Zones must become 'live' urban zones for services to be provided, regardless of funding provisions.**

Category 1A - Within existing Area of Service and trunk capacity is available

The area will be serviced subject to an IGC payment.

Category 1B - Within existing Area of Service but limited or no trunk capacity is available

If capacity is provided for in the AMP and the development is staged to remain within the available trunk infrastructure capacity, the area will be serviced subject to an IGC payment. If the developer wants to proceed in advance of the trunk infrastructure being provided by Watercare, the area will be serviced subject to an Infrastructure Funding Agreement (IFA).

If capacity is not provided for in the AMP, the area will be serviced subject to an IFA.

Category 2A - Contiguous with existing Area of Service and trunk capacity is available

The area will be serviced subject to an IGC payment.

Category 2B - Contiguous with existing Area of Service but limited or no trunk capacity is available

If capacity is provided for in the AMP and the development is staged to remain within the available trunk infrastructure capacity, the area will be serviced subject to an IGC payment. If the developer wants to proceed in advance of the trunk infrastructure being provided by Watercare, the area will be serviced subject to an Infrastructure Funding Agreement (IFA).

If capacity is not provided for in the AMP, the area will be serviced subject to an IFA.

Category 3 - Non-Contiguous with existing Area of Service

A decision about servicing is made on a case-by-case basis. If service is provided, it is subject to an IFA.

Category 4 - Outside Rural Urban Boundary

Watercare does not provide service.

Area Type	Auckland Council Reference	Geographic Area	Development Area Name	Servicing Category	Servicing Strategy
SHA (T2)	12	North	Silverdale	1A	Capacity is available within existing trunk infrastructure (treatment plants and networks) to service brownfield SHA development.
SHA (T2)	15	North	Lake Pupuke Drive - Takapuna	1A	
SHA (T3)	24	North	Albany East Strategic Area	1A	
SHA (T3)	25	North	Albany Highway, Albany	1A	
SHA (T3)	26	North	Beach Haven cluster	1A	
SHA (T3)	27	North	Northcote Road, Takapuna	1A	
SHA (T3)	28	North	Northcote Strategic Area	1A	
SHA (T4)	64	North	West Hoe Heights, Orewa	2A	
SHA (T4)	65	North	East Coast Road, Pinehill	1A	
SHA (T4)	66	North	Takapuna Strategic Area	1A	
SHA (T4)	67	North	Akoranga Drive, Northcote	1A	
SHA (T4)	68	North	Mokoia Road, Birkenhead	1A	
SHA (T4)	82	North	Beach Haven Road, Beach Haven	1A	
Northern FUZ		North	Warkworth	2B	Discharge consent limitations will require Warkworth wastewater to be conveyed to Snells/Algies WWTP in the short - medium term.
Northern FUZ		North	Silverdale	2B	Significant investment is required to expand trunk networks to service Silverdale and Dairy Flat FUZ land.
Northern FUZ		North	Dairy Flat	3	
SHA (T1)	1	West	Huapai Triangle	1A	Capacity is available within existing trunk infrastructure (treatment plant and networks) to service brownfield SHA development and part of the greenfield SHA development.
SHA (T1)	2	West	Hobsonville (Catalina & Marine Industry Precincts)	1A	
SHA (T1)	3	West	McWhirter Block - Massey	1A	
SHA (T2)	13	West	Royal Rd - Massey	1A	
SHA (T2)	14	West	Scott Point, Sunderland Precinct, Hobsonville	2A	
SHA (T3)	29	West	Oraha Road, Kumeu	2A	
SHA (T3)	30	West	Whenuapai Village, Whenuapai	1A	
SHA (T3)	31	West	Fred Taylor Drive, Massey	1A	

Area Type	Auckland Council Reference	Geographic Area	Development Area Name	Servicing Category	Servicing Strategy
SHA (T3)	32	West	Massey cluster	1A	
SHA (T3)	33	West	Crows Road, Swanson	2A	
SHA (T3)	34	West	Wilsher Village, Henderson	1A	
SHA (T3)	35	West	Coburg Street, Henderson	1A	
SHA (T3)	36	West	Hulme Place, Henderson	1A	
SHA (T3)	37	West	Denver Avenue, Henderson	1A	
SHA (T3)	38	West	Glendale Road, Glen Eden	1A	
SHA (T3)	23	West	Rautawhiri Road, Helensville	3	Developers will need to provide the local infrastructure and fund the cost of connecting their development to the existing trunk networks.
SHA (T4)	69	West	Redhills (Fred Taylor Drive) Stage 1	2B	
SHA (T4)	81	West	Restall Road, Woodhill	4	Will be serviced privately.
Western FUZ		West	Kumeu-Huapai-Riverhead	2B	Developers will need to provide the local infrastructure and fund the cost of connecting their development to the existing trunk networks.
Western FUZ		West	Whenuapai	2B	
SHA (T1)	4	Central	Orakei - Ngati Whatua	1A	Capacity is generally available within existing trunk infrastructure (treatment plants and networks) to service brownfield SHA development. Depending on location and extent of development, local network upgrades may be required to service growth. Developers will be responsible for funding local network upgrades required to service their development.
SHA (T1)	5	Central	Alexander Crescent Otara	1A	
SHA (T2)	16	Central	Clinker Place & Thom St New Lynn	1A	
SHA (T2)	17	Central	Trent St Avondale	1A	
SHA (T2)	18	Central	Khyber Pass Rd - Newmarket	1A	
SHA (T2)	19	Central	George Terrace - Onehunga	1A	
SHA (T2)	20	Central	Northern Tamaki	1A	
SHA (T3)	39	Central	New Lynn Strategic Area	1A	
SHA (T3)	40	Central	New Windsor Cluster	1A	
SHA (T3)	41	Central	Sandy Lane, Avondale	1A	
SHA (T3)	42	Central	Waterview cluster	1A	
SHA (T3)	43	Central	Pt Chevalier Road, Pt Chevalier	1A	
SHA (T3)	44	Central	Asquith Avenue, Mt Albert	1A	
SHA (T3)	45	Central	Haverstock Road, Sandringham	1A	
SHA (T3)	46	Central	Mt Albert cluster	1A	

Area Type	Auckland Council Reference	Geographic Area	Development Area Name	Servicing Category	Servicing Strategy	
SHA (T3)	47	Central	Mt Roskill cluster	1A		
SHA (T3)	48	Central	Bristol Road, Mt Roskill	1A		
SHA (T3)	49	Central	Akepiro Street, Kingsland	1A		
SHA (T3)	50	Central	Surrey Crescent, Grey Lynn	1A		
SHA (T3)	51	Central	Great North Road Strategic Area	1A		
SHA (T3)	52	Central	Bedford Road, Parnell	1A		
SHA (T3)	53	Central	St Marks Road, Remuera	1A		
SHA (T3)	54	Central	Orakei cluster	1A		
SHA (T3)	55	Central	Meadowbank cluster	1A		
SHA (T3)	56	Central	Kohimarama Road, Kohimarama	1A		
SHA (T3)	57	Central	Jordan Avenue, Onehunga	1A		
SHA (T3)	58	Central	Tuata Street, One Tree Hill	1A		
SHA (T3)	59	Central	Walmsley Road, Mangere	1A		
SHA (T3)	60	Central	Otahuhu Coast Strategic Area	1A		
SHA (T3)	62	Central	Oruarangi Road, Mangere	1A		
SHA (T4)	70	Central	Racecourse Parade, Avondale	1A		
SHA (T4)	71	Central	Cnr Great North Road and Walsall Street, Avondale	1A		
SHA (T4)	72	Central	St Lukes Road, Mt Albert	1A		
SHA (T4)	73	Central	Enfield Street, Mt Eden	1A		
SHA (T4)	74	Central	Morrin Street, Ellerslie	1A		
SHA (T4)	75	Central	Coates Avenue, Orakei	1A		
SHA (T4)	76	Central	Barrack Road, Mt Wellington	1A		
SHA (T4)	77	Central	Tamaki Regeneration Area	1B		
SHA (T4)	83	Central	Mt Eden Road and Haul Road, Three Kings	1B		
Plan Change		Central	Puhinui - PC 35	2B		Developers will need to provide the local infrastructure and fund the cost of connecting their development to the existing trunk networks.

Area Type	Auckland Council Reference	Geographic Area	Development Area Name	Servicing Category	Servicing Strategy
SHA (T1)	6	East	Flat Bush School Rd	1A	Capacity is available within existing trunk infrastructure (treatment plants and networks) to service brownfield SHA development and part of the greenfield SHA development.
SHA (T1)	7	East	Flat Bush Murphy's Road	1A	
SHA (T3)	61	East	Flat Bush Strategic Area	1A	
SHA (T4)	84	East	Point View Drive, East Tamaki	2A	
Plan Change		East	Clevedon - PC 32	3	Developers will need to provide the local infrastructure in greenfield developments and fund the costs of connecting their development to the existing trunk networks.
Plan Change		East	Whitford - PC 127	3	Will be serviced privately.
SHA (T1)	8	South	Weymouth	2A	Capacity is available within existing trunk infrastructure (treatment plants and networks) to service brownfield SHA development and part of the greenfield SHA development. Developers will need to provide the local infrastructure in greenfield developments and fund the costs of connecting their development to the existing trunk networks.
SHA (T1)	9	South	Addison - Takanini	1A	
SHA (T1)	11	South	Anselmi Ridge - Pukekohe	1A	
SHA (T2)	21	South	Hingaia	2A	
SHA (T2)	22	South	Belmont - Pukekohe	2A	
SHA (T3)	63	South	Takanini Strategic Area	1A	
SHA (T4)	78	South	Bunnythorpe Road, Papakura	1A	
SHA (T4)	79	South	Harbourside Drive, Hingaia	2A	
SHA (T4)	80	South	Bellfield Road, Papakura	2A	
SHA (T1)	10	South	Wesley College	3	
Plan Change		South	Kingseat - PC 28	3	Kingseat can be reticulated to an expanded Clarks Beach plant expanded due to discharge limitations in Kingseat. Developers will need to provide the local infrastructure and fund the costs of connecting their development to the existing trunk networks.
Plan Change		South	Drury South - PC 12 & 38	3	Developers will need to provide the local

Area Type	Auckland Council Reference	Geographic Area	Development Area Name	Servicing Category	Servicing Strategy
Southern FUZ		South	Alfriston	2B	infrastructure and fund the costs of connecting their development to the existing trunk networks. These areas will be serviced by the Mangere WWTP. Significant investment is required to expand the capacity of the Southern trunk wastewater system from Hingaia to Mangere.
Southern FUZ		South	Drury/Opapeke	2B	
Southern FUZ		South	Paerata	3	Developers will need to provide the local infrastructure and fund the costs of connecting their development to the existing trunk networks. These areas will be serviced by the Pukekohe WWTP.
Southern FUZ		South	Pukekohe	2B	
Southern FUZ		South	Clarks Beach	2B	Developers will need to provide the local infrastructure and fund the costs of connecting their development to the existing trunk networks. The Clarks Beach WWTP will need to be expanded.
Southern FUZ		South	Glenbrook Beach	2B	

REPORT TO THE BOARD OF WATERCARE SERVICES LIMITED

SUBJECT: Proposed Water Supply and Wastewater Network Bylaw 2015 -
Recommendations of the Hearings Panel and request for confirmation
by the Board

DATE: 13 May 2015

7

1. Purpose of Paper

The purpose of this paper is to recommend that the Watercare Board:

1. Confirms the Proposed Water Supply and Wastewater Network Bylaw 2015 (the proposed Bylaw) in the form recommended by the joint Watercare-Auckland Council Hearings Panel and attached to this paper as **Appendix A**.
2. Recommends to Auckland Council that it adopt the proposed Bylaw and revoke the legacy bylaws, with the exception of the onsite wastewater disposal provisions.
3. Approves the Chairman writing to the Mayor of Auckland to communicate the Board's resolutions once made.

The paper sets out the recommendations of the joint Watercare-Auckland Council Hearings Panel appointed in relation to the proposed Bylaw and the proposal to revoke legacy water supply and wastewater bylaws.

2. Special Consultative Procedure

The Watercare Board commenced the special consultative procedure on the proposed Bylaw and the related proposal to revoke the legacy bylaws (with the exception of the onsite wastewater disposal provisions) at its 19 December 2015 meeting.

Watercare and Auckland Council issued a joint Public Notice in the *New Zealand Herald* and suburban newspapers on 21 January 2015 seeking submissions on the proposed Bylaw and proposal to revoke the legacy bylaws. The period for the public to lodge submissions was 21 January to 25 February 2015.

The Public Notice was complemented by a public information campaign including:

- Website information on both the Watercare and Auckland Council websites
- Notification of elected members, local boards, Mana Whenua, members of the Auckland Utility Operators Group, council controlled organisations, selected Maata Waka entities, selected construction and engineering companies, and selected industry organisations.

As at 25 February 2015, 14 submissions had been received on the proposed Bylaw. One submission was received late on 11 March 2015 from Housing New Zealand. Attached to this paper as **Appendix B** is a copy of a document prepared by Watercare staff for the Hearings Panel (including addendum 1) setting out the submissions made (by topic) and staff comments and recommendations.

3. Recommendations of the Hearings Panel on the proposed Bylaw and Proposal to Revoke Legacy Bylaws

The Hearings Panel heard and deliberated on public submissions on the proposed Bylaw on 23 March 2015. The panel was comprised of Catherine Harland (Chairperson) Peter Drummond, Councillor Cameron Brewer, and Independent Maori Statutory Board member John Tamihere.

The Hearings Panel recommended the amendments to the proposed Bylaw set out in the table below:

Topic	Recommendations
Bylaw Clause 4 - Purpose	<p>That clause 4(b) be amended to read: <i>“assist in the provision of <u>reliable</u>, safe and efficient water supply and wastewater services in Auckland”</i></p> <p>That clause 4(c) be amended to read: <i>“protect the environment and the health and safety of people using the water supply or wastewater network”</i></p>
Bylaw Clause 5 - Interpretation	<p>That the definition of “water supply network” be amended to read: <i>“water supply network means all components of the water supply network including:</i></p> <p style="padding-left: 40px;"><i>(a) any catchment area, river, well, storage tank or reservoir;</i></p> <p style="padding-left: 40px;"><i>(b) all intake structures, pipes, pumping stations, treatment plants and other related equipment and structures owned by or under the control of Watercare and used for water supply and includes any part of the water supply network.”</i></p> <p>That the definition of “allotment” be inserted as follows: <i>“allotment has the meaning given by section 218(2) of the <u>Resource Management Act 1991.</u>”</i></p> <p>That the definition of “groundwater” be deleted from clause 5.</p>
Bylaw Clause 11 – Protection of water quality	<p>That clause 11(1) be amended to read: <i>“(1) No person may contaminate or pollute any raw water, <u>source of raw water</u>, or drinking water, or do any act likely to contaminate or pollute any raw water, <u>source of raw water</u>, or drinking water.”</i></p>
Bylaw Clause 14 – Prohibited inflow and discharge	<p>That clause 14(2) be amended to read: <i>“(2) Subclause (1) does not apply where:</i></p> <p style="padding-left: 40px;"><i>(a) the stormwater is directed into the combined sewer network with council approval and there is no provision for separate stormwater drainage; <u>or</u></i></p> <p style="padding-left: 40px;"><i>(b) <u>the addition of stormwater to the wastewater network is in accordance with clause 12(2)(a) or 12(2)(b) of the Trade</u></i></p>

Topic	Recommendations
	<u>Waste Bylaw 2013.</u> "
Bylaw Clause 17 – Default by owner or occupier	That clause 17 be amended to read: <p><u>"17 Default by owner or occupier in undertaking action required under bylaw</u></p> <p><i>"(1) If an owner, or occupier or other person defaults in undertaking any action required under this bylaw, the council or Watercare may at its discretion upon giving notice to that <u>owner, occupier or other person</u>, undertake that action and recover on demand <u>from them</u> the full cost of undertaking the action from that person."</i></p>

These amendments are considered to be relatively minor and do not change the overall scope or intent of the proposed Bylaw that was subject to the special consultative procedure. The rationale for the amendments is set out in the document prepared for the Hearings Panel attached as **Appendix B**.

The more notable amendments are summarised as follows:

- The amendment to the definition of water supply network in clause 5 and the amendment to clause 11 are related. They will ensure that parts of the bylaw relating to the "water supply network" do not apply more broadly than is necessary, whilst still imposing an obligation not to contaminate raw water sources;
- The amendment to clause 14 clarifies the relationship with the Trade Waste Bylaw 2013, which authorises discharges of stormwater to the wastewater network in some circumstances; and
- The amendment to clause 17 would make the person actually responsible for a bylaw breach (who may not be the owner or occupier – for example, a contractor working on site with the owner or occupier's consent) the liable party.

The Hearings Panel also recommended that the existing legacy bylaws should be revoked with effect from 1 July 2015 (with the exception of onsite wastewater disposal provisions, which Auckland Council will address through a separate review).

When it met on 23 March 2015 the Hearings Panel also delegated to its Chair (Catherine Harland) the power to correct typographical or other minor errors in consultation with Watercare's management. Following discussion with Watercare's management two corrections have been suggested by the Hearings Panel Chair.

First, the Hearings Panel originally decided that clause 4(b) should be amended to read:

"... assist in the provision of reliable, safe and efficient water ~~supply~~ and wastewater services in Auckland;"

The recommendation to delete the word "supply" in clause 4(b) is problematic as the proposed Bylaw consistently refers to "water supply" (defined in clause 5(1) of the proposed Bylaw as the provision of drinking water by network reticulation to the point of supply for dwelling houses, commercial and other premises). The Chair therefore suggests that the word "supply" in clause 4(b) be retained.

Second, following discussion with Watercare's management the Chair suggests an amendment to the definition of "water supply" in Clause 5 as follows:

***"water supply** means the ~~provision~~ supply of drinking water by network reticulation to the point of supply for dwelling houses, commercial and other premises."*

This amendment is necessary to avoid clause 4(b), in effect, referring twice to the "provision" of drinking water. With the suggested amendment clause 4(b) will read as stating that the purpose of the bylaw is to assist in the provision of the supply of drinking water by network reticulation.

4. Watercare and Council Decisions

Having consulted on the proposed Bylaw, the Board must now decide, under section 62(2) of the Local Government (Auckland Council) Act 2009 (the **LGACA**), whether to confirm the bylaw as originally proposed or to modify it. If the proposed Bylaw is modified as recommended by the Hearings Panel (and also by the Chair in the two minor respects noted above), Watercare must then give written notice of its decision to the Governing Body of the Auckland Council under section 62(4) of the LGACA.

The Governing Body then makes the final decision on adoption of the bylaw. Under section 62(4) it must adopt the modified bylaw if it is satisfied that the requirements of section 61(2) of the LGACA are met. At that point the bylaw will be formally made. If the Governing Body is not satisfied that the section 61(2) requirements are met, then it must advise Watercare of that, and give reasons.

The section 61(2) requirements are that:

- (a) the proposed bylaw is a bylaw relating to the management or supply of water supply or wastewater services; and
- (b) the specified enactment under which the proposed bylaw is to be made authorises the making of the bylaw; and
- (c) the proposed bylaw complies with the applicable statutory requirements of that enactment and any other relevant enactment; and
- (d) the proposed bylaw is not inconsistent with any strategy, policy, plan, or bylaw of the Council; and
- (e) the proposed bylaw can be implemented and enforced in a cost-effective manner.

These are the same requirements that the Governing Body considered were satisfied when it considered the proposed Bylaw on 18 December 2014. In practice, then, the focus of the upcoming Governing Body decision should be on whether any changes to the proposed Bylaw compared to what was originally proposed, take it outside the section 61(2) requirements. As the recommended amendments to the proposed Bylaw are only minor, it is considered there has been no change in its compliance with the section 61(2) requirements.

Auckland Council is also the only entity that can revoke the legacy bylaws. Accordingly in this paper the Board is being asked to recommend to Auckland Council that it revoke the legacy bylaws (with the exception of onsite wastewater disposal provisions). The proposed Bylaw has been drafted on the basis that the legacy bylaws would be revoked, and replaced by the proposed Bylaw, both with effect from 1 July 2015.

5. Next Steps

If the Board accepts the recommendations in this paper (and hence makes recommendations to Auckland Council to adopt the proposed Bylaw and revoke the legacy bylaws), the Council's Governing Body will consider those recommendations at its 26 June 2015 meeting. If the Governing Body decides to adopt the proposed Bylaw and revoke the legacy bylaws, the Council would then issue a Public Notice advising that these decisions will take effect on 1 July 2015.

6. Recommendation

That the Board resolves to:

- A. Confirm the Proposed Water Supply and Wastewater Network Bylaw 2015 as modified and set out in Attachment A of this paper;
- B. Recommend to Auckland Council that it adopt the Proposed Water Supply and Wastewater Network Bylaw 2015 as modified and set out in Attachment A of this paper;
- C. Recommend to Auckland Council that it revoke the legacy water supply and wastewater bylaws of Auckland's former city and district councils (with the exception of the onsite wastewater disposal provisions);
- D. Give notice of its decisions to the Governing Body of Auckland Council, and to that end approves the Chairman writing to the Mayor of Auckland to communicate resolutions A to C above.
- E. Thank the members of the Hearings Panel, submitters and stakeholders for their contribution.

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Report prepared by:

Reviewed by:

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D Newman
Senior Policy and Corporate Advisor

I Gotelli
Environmental Planning Manager

Recommended by:

Approved by:

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R Fisher
General Counsel

R Jaduram
Chief Executive

Water Supply and Wastewater Network Bylaw

~~December~~ May 20142015

7



Water Supply and Wastewater Network Bylaw

20142015

[DRAFT]

Ture ā Rohe Whakarato Wai me te Pae Kōtuitui

Wai Para 20142015

Governing Body of Auckland Council

Resolution in Council

[Insert date of resolution]

Pursuant to the Local Government Act 2002 and the Local Government (Auckland Council) Act 2009, the Governing Body of Auckland Council makes the following bylaw.

Water Supply and Wastewater Network Bylaw 2014

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Water Supply and Wastewater Network Bylaw 2014

1 Title

(1) This bylaw is the Water Supply and Wastewater Network Bylaw 2015.

2 Commencement

(1) This bylaw comes into force on 1 July 2015.

3 Application

(1) This bylaw applies to Auckland.

**Part 1
Preliminary provisions**

4 Purpose

(1) The purpose of this bylaw is to:

- (a) protect the public water supply and wastewater networks from damage, misuse and interference;
- (b) assist in the provision of [reliable](#), safe and efficient water supply and wastewater services in Auckland;
- (c) protect the environment and the health ~~and safety~~ of people using the water supply or wastewater network.

5 Interpretation

(1) In this bylaw, unless the context otherwise requires:

Act means the Local Government Act 2002.

allotment has the meaning given by section 218(2) of the Resource Management Act 1991.

Auckland has the same meaning as in section 4 of the Local Government (Auckland Council) Act 2009.

backflow means the unplanned flow of water from premises into the water supply network.

building work has the same meaning as in section 7 of the Building Act 2004.

code of practice means an approved code of practice that sets standards in relation to water supply or wastewater infrastructure that is to vest in Watercare or connect with the water supply or wastewater network.

Explanatory note: *the latest approved code of practice as at the date this bylaw was made is Watercare Services Limited's Water and Wastewater Code of Practice for Land Development and Subdivision [20122014](#).*

combined sewer network means the combined stormwater and wastewater drainage system, which carries both stormwater and wastewater within a single piped network.

connection means the physical connection of a supply pipe to the water supply network, or of a private drain to the wastewater network, and **connect** has the equivalent meaning.

Water Supply and Wastewater Network Bylaw 2014

council means Auckland Council or any person authorised or delegated to act on its behalf.

disconnection means the physical cutting or sealing of a supply pipe from the water supply network, or of a private drain from the wastewater network, and **disconnect** has the equivalent meaning.

drinking water has the same meaning as in section 69G of the Health Act 1956.

~~groundwater means water beneath the surface of the ground.~~

network means the wastewater network and the water supply network.

occupier means the person occupying any premises, and includes the owner of the premises if the premises are unoccupied.

owner means the person who owns any premises.

person means a person or body of persons whether corporate or unincorporated, and includes the Crown and any successor of a person.

point of supply means the boundary between the water supply network or wastewater network and private water supply or private drain, as defined by Watercare from time to time under clause 10.

premises means:

- (a) a property or allotment which is held under separate certificate of title or for which a separate certificate of title may be issued and in respect of which a building consent has or may be issued; or
- (b) a building that has been defined as an individual unit by a cross lease, unit title or company lease and for which a certificate of title exists; or
- (c) an individual unit in a building where units are separately leased; or
- (d) land held in public ownership.

private drain means any privately owned pipe or drain through which wastewater flows before entering into the wastewater network.

prohibited waste means waste that has, or is likely to have, any of the prohibited characteristics set out in Schedule 1.

raw water has the same meaning as in section 69G of the Health Act 1956.

restricted works has the meaning given by clauses 8(3) and (4) of this bylaw.

rising main means a type of wastewater pipe where wastewater is pumped from a pump station to join with another part of the wastewater network.

stormwater means surface run-off water originating from precipitation events such as drizzle, mist, rain, sleet, hail or snow.

supply pipe means any privately owned pipe through which drinking water is conveyed to individual premises from the water supply network.

wastewater means water or other liquid waste, including sewage and waste matter in solution or suspension, discharged to the wastewater network.

wastewater network means all pipes, pumping stations, storage tanks, wastewater treatment plants, sea outfalls and other related structures owned by or under the control of Watercare, and used for receiving, transporting, treating or disposing of wastewater; and includes any part of the wastewater network.

water supply means the ~~provision-supply~~ of drinking water by network reticulation to the point of supply for dwelling houses, commercial and other premises.

water supply network means all components of the water supply network including:

- (a) any ~~catchment area, river,~~ well, storage tank or reservoir;
- (b) all intake structures, pipes, pumping stations, treatment plants and other related equipment and structures owned by or under the control of Watercare and used for water supply and includes any part of the water supply network.

Water Supply and Wastewater Network Bylaw 2014

Watercare means the Auckland water organisation as defined in section 4(1) of the Local Government (Auckland Council) Act 2009, or any person authorised or delegated to act on its behalf.

watermain means any pipe in the water supply network carrying potable water.

- (2) To avoid doubt, compliance with this bylaw does not remove the need to comply with all other applicable Acts, regulations, bylaws, and rules of law.
- (3) Unless the context requires another meaning, a term or expression that is defined in the Act and used in this bylaw, but not defined, has the meaning given by the Act.
- (4) Any explanatory notes and attachments are for information purposes, do not form part of this bylaw, and may be made, amended and revoked without formality.
- (5) The Interpretation Act 1999 applies to this bylaw.

Part 2**Protection of water supply and wastewater networks****6 Connection, disconnection and other works**

- (1) No person may, without Watercare's approval:
 - (a) connect to the water supply network or the wastewater network;
 - (b) disconnect from the water supply network or the wastewater network;
 - (c) carry out any other works on, or in relation to, the water supply network or the wastewater network;
 - (d) open any manhole, chamber, access point, or valve on, or otherwise tamper with, the water supply network or the wastewater network.
- (2) Any person wishing to connect to or disconnect from the water supply network or wastewater network, or to otherwise carry out works on such a network, must make a written application for approval to Watercare, and must provide with that application all information relating to the application as is specified by Watercare.
- (3) Watercare may grant approval to such connection, disconnection or other works, as the case may be, and may impose conditions which must be complied with in the exercise of the approval.
- (4) Without limiting subclause (3), a condition imposed under that subclause may require that the connection, disconnection or works comply with any relevant code of practice.
- (5) Watercare may refuse an application for approval to connect to a network where:
 - (a) the applicant has not paid fees or charges associated with the connection (including infrastructure growth charges) that have been required by Watercare, or has refused to provide such information relating to the application as has been specified by Watercare; or
 - (b) Watercare has a documented record of the applicant's non-compliance with this bylaw or any previous water supply or wastewater bylaws, codes of practice, or approvals granted under such bylaws or codes of practice; or
 - (c) in Watercare's reasonable opinion, there is insufficient capacity in the network to accommodate the connection; or
 - (d) in Watercare's reasonable opinion, the connection could compromise its ability to maintain levels of service in relation to the water supply or wastewater network; or
 - (e) the connection is outside the area currently served by the water supply or wastewater network, regardless of its proximity to any specific component of the water supply or wastewater network; or
 - (f) in Watercare's reasonable opinion, refusal is necessary to protect the water supply network or wastewater network, the health and safety of any person, or the environment.

Water Supply and Wastewater Network Bylaw 2014

- (6) Without limiting subclause (5), Watercare may refuse approval to connect to a network work where:
 - (a) in the case of the water supply network, connection may detrimentally affect its ability to supply water at the volume and/or pressure required for firefighting;
 - (b) in the case of the wastewater network, connection would or may give rise to wastewater overflows.

7 Damage to or interference with water supply or wastewater network

- (1) Except as authorised by Watercare, no person may damage, stop, obstruct or otherwise interfere with the water supply network or the wastewater network.
- (2) Any person who breaches subclause (1) must promptly report that damage, stopping, obstruction, or other interference to Watercare.

8 Works near water supply or wastewater network

- (1) No person may carry out restricted works except in accordance with an approval granted by Watercare, and any conditions attaching to that approval.
- (2) Every person carrying out restricted works must, before commencing the works:
 - (a) notify Watercare of their intention to carry out the works;
 - (b) obtain written approval from Watercare for the works, which approval may include such reasonable conditions as Watercare considers appropriate including a requirement to carry out or to permit Watercare to carry out (in either case at the expense of the person) works for the protection of the network.
- (3) For the purposes of this clause, restricted works are works which will or are likely to damage, or adversely affect the operation of, the water supply network or the wastewater network.
- (4) Without limiting subclause (3), restricted works are works of the following type which are carried out closer than the specified distance to the asset type set out in the following table:

Water Supply and Wastewater Network Bylaw 2014

Type of works	Type of water supply or wastewater network asset	Specified distance from asset
General excavation	pipes 300mm in diameter and greater, including connected manholes and structures	10 metres
	pipes less than 300mm in diameter, including connected manholes and structures	2 metres
Piling	pipes 300mm in diameter and more, including connected manholes and structures	10 metres
	pipes less than 300mm in diameter, including connected manholes and structures	2 metres
Blasting	pipes 300mm in diameter and more, including connected manholes and structures	15 metres
	pipes less than 300mm in diameter, including connected manholes and structures	15 metres

- (5) No person may undertake restricted works or any building work over a watermain or a rising main without prior Watercare approval.

9 Standard of water supply or wastewater infrastructure

- (1) Any person responsible for the construction of water supply or wastewater infrastructure which is to vest in Watercare and become part of the water supply or wastewater network (whether on the deposit or approval of a survey plan or at any other time) must comply with all relevant codes of practice and standards relating to such infrastructure.
- (2) Any person responsible for the construction of water supply or wastewater infrastructure which is to connect to the water supply or wastewater network must comply with all relevant codes of practice and standards relating to the connection.

Explanatory note: the relevant standard as at the date this bylaw is made is Watercare Services Limited's Water and Wastewater Code of Practice for Land Development and Subdivision [20+22014](#).

- (3) To avoid doubt, Watercare is not required to accept the vesting of water supply or wastewater infrastructure, or a connection to the water supply or wastewater network, which does not comply with subclauses (1) or (2).

10 Point of supply

- (1) Watercare may from time to time and by resolution define the point of supply, and make information as to the point of supply publicly available on its website.

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Water Supply and Wastewater Network Bylaw 2014

Part 3
Water supply

11 Protection of water quality

- (1) No person may contaminate or pollute any raw water, [source of raw water](#), or drinking water, or do any act likely to contaminate or pollute any raw water, [source of raw water](#), or drinking water.
- (2) Every owner must prevent backflow either by providing an adequate air gap or by using a backflow prevention device.

12 Restriction on water use

- (1) Where the council considers that its ability to maintain an adequate supply of drinking water is or may be at risk because of drought, emergency or for any other reason, it may restrict the use of water supplied to any premises.
- (2) Any such restriction may apply to all of Auckland or one or more parts of Auckland.
- (3) The council will give such public notice as is reasonable in the circumstances of any restriction on water use under subclause (1).
- (4) No person may use water contrary to a restriction made under this clause.

13 Fire hydrants

- (1) No person may take water from a fire hydrant unless that person:
 - (a) is a firefighter or a member of a volunteer fire brigade or is taking the water for the purposes of firefighting; or
 - (b) has the written approval of Watercare to do so, and the taking of water is in accordance with any conditions attaching to that approval.
- (2) Any person using a fire hydrant in breach of subclause (1) must immediately remove the standpipe when requested to do so by Watercare.
- (3) Any person using a fire hydrant pursuant to subclause (1)(b) is liable to Watercare for any damage or loss caused to the fire hydrant or the water supply network as a result of that use.

Part 4
Wastewater network

14 Prohibited inflow and discharge

- (1) No person may cause or allow stormwater to enter the wastewater network or any private drain which is connected to the wastewater network.
- (2) Subclause (1) does not apply where:
 - (a) [the stormwater is directed to the combined sewer network with council approval and there is no provision for separate stormwater drainage; or](#)
 - (b) [the addition of stormwater to the wastewater network is in accordance with clause 12\(2\)\(a\) or 12\(2\)\(b\) of the Trade Waste Bylaw 2013.](#)
- (3) No person may discharge or introduce prohibited waste into the wastewater network.

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Part 5
Enforcement, offences and penalties

15 Offences

- (1) A person who breaches clause 8, 12, 13 or 14 of this bylaw commits an offence under section 239 of the Act.

Explanatory note: As at [1 July 2015](#) the maximum penalty for a person convicted of the offence of breaching this bylaw is a fine of \$20,000 per offence.

16 Removal of works

- (1) The council or Watercare may:
- (a) remove or alter any work or thing that is, or has been, constructed in breach of this bylaw; and
 - (b) recover on demand the full costs of removal or alteration from the person who committed the breach.

17 Default ~~by owner or occupier~~ in undertaking action required under bylaw

- (1) If an owner, ~~or occupier~~ or other person defaults in undertaking any action required under this bylaw, the council or Watercare may at its discretion, upon giving notice to that owner, occupier or other person, undertake that action and recover on demand from them the full cost of undertaking the action from that person.

18 Recovery in the event of damage or other loss

- (1) Where any breach of this bylaw causes damage to the water supply network or wastewater network, or otherwise causes the council to incur a loss, the council or Watercare may recover the cost of repairing the damage and/or the full extent of its loss from the person responsible for the breach.

Schedule 1 – Prohibited Waste

Prohibited waste is waste that has or is likely to have any of the prohibited characteristics set out below. Prohibited characteristics are present if their concentration exceeds background levels. The background level in relation to any substance means the extent to which that substance is present (if at all) in the water supply network serving the premises, or in any other water supply that is approved by the Watercare for the purpose of discharging waste.

Prohibited characteristics

- (1) Any discharge has prohibited characteristics if it has any solid, liquid or gaseous matters, or any combination, or mixture of such matters which by themselves or in combination with any other matters will immediately or in the course of time:
 - (a) interfere with the free flow of wastewater in the wastewater network, or damage any part of the wastewater network; or
 - (b) in any way, directly or indirectly, cause the quality of the effluent or biosolids and other solids from any wastewater treatment plant to breach the conditions of a permit issued under the Resource Management Act 1991, or water right, permit or other governing legislation; or
 - (c) prejudice the occupational health and safety of any person or people; or
 - (d) after treatment be toxic to fish, animal or plant life in the receiving waters; or
 - (e) cause malodorous gases or substances that causes the discharge of any wastewater treatment plant to receiving waters to be coloured.
- (2) A discharge has a prohibited characteristic if it has any amount of:
 - (a) harmful solids, including dry solid wastes and materials which combine with water to form a cemented mass; or
 - (b) dry solids, solids longer than 30mm, heavy solids which settle faster than 50mm/minute, fibrous material, sheet films, and anything which may react to form a solid mass.
 - (c) liquid, solid or gas which could be flammable or explosive in the wastes, including oil, fuel, solvents (except as allowed for in Schedule 1), calcium carbide and any other material which is capable of giving rise to fire or explosion hazards either spontaneously or in combination with sewage; or
 - (d) asbestos; or
 - (e) the following organo-metal compounds:
 - i. tin (as tributyl and other organotin compounds); or
 - ii. chromium (as organic compounds); or
 - (f) genetic wastes, being all wastes that contain or are likely to contain genetically altered material from premises where the genetic alteration of any material is conducted; or
 - (g) any health care wastes covered by NZS 4304 or any pathological or histological wastes; or
 - (h) radioactivity levels in excess of national radiation laboratory guidelines.
 - (i) any pharmaceutical liquid waste containing cytotoxic ingredients. Cytotoxic waste means waste that is contaminated by a cytotoxic drug.

Appendix B

Appendix 1: Submission points by topic and staff comments

Note: comments and recommendations are based solely on the written submissions and may change following hearing of the oral submissions.

Topic 1: General submission points (no specific clause identified or inferred)

Submitter	Submission point (non-edited submitter text is in italics)	Comment and recommendation
Paul Christensen	<p>Q1. What parts of the proposed bylaw do you support? <i>None</i></p> <p>Q2. What parts of the proposed bylaw do you oppose? <i>all</i></p>	Note the submission. The reasons for the submitter's opposition are not stated in his submission.
Kira Bacal	<p>Q1. What parts of the proposed bylaw do you support? <i>All</i></p> <p><i>Need standardised processes as described.</i></p>	Note the submission. The reference to the standardised process appears to support development of a single bylaw.
Martin Evans	<i>I fully support Watercare's initiative in protecting the pipework assets and making the interface between public and private responsibilities clear.</i>	Note the submission.
Louise Mingins	<i>No active support for the proposal.</i>	Note the submission.
Manurewa Local Board	<ul style="list-style-type: none"> <i>Welcomes moves to consolidate and modernise the rules regulating the provision of water supply and the treatment of waste water.</i> <i>Note the intention is to protect the public water supply and waste water networks from damage, misuse and interference.</i> <i>Acknowledge that this is significant work and requires time.</i> 	Note the submission.
Wilcox Bros Limited (Alan Wilcox)	<i>Due to the reasons set below our submission is rather general and our objections are detailed hereunder.</i>	Watercare followed the statutory requirements for the special consultative procedure under section 62 of the Local Government (Auckland Council) Act 2009, as outlined in sections 83 and 86 of the

Submitter	Submission point (non-edited submitter text is in italics)	Comment and recommendation
	<ul style="list-style-type: none"> • <i>There has been no advice from the Franklin local Board in 2014 to ratepayers following the notice from Water care of the proposed review in 2015!</i> • <i>Very limited public notice of the proposal. (Nothing directly to customers or Local news media)</i> • <i>Time allowed for submissions far too short. (3 weeks only)</i> • <i>Undue haste to effect a change in July 2015. Franklin Bylaw 2008 still had till October 2015 to run giving more time for consideration of the changes</i> • <i>We have now waited 7 days for a requested clarification of some clauses of the proposal. No response to our request to Water Care!</i> 	<p>Local Government Act 2002.</p> <p>Section 83 (b) (iii) of the Local Government Act 2002 states that this consultation period be no less than one month.</p> <p>Watercare advertised the bylaw in Auckland-wide and local newspapers via public notices.</p> <p>The consultation period ran for five weeks between 21 January and 25 February 2015.</p>
<p>Wilcox Bros Limited (Alan Wilcox)</p>	<p><i>The proposed Bylaw appears to be directed greatly to an urban situation. Parts of Franklin and especially Bombay have a use for some farming and pastoral activities which differ widely from the urban requirements.</i></p>	<p>The bylaw covers Watercare's water supply and wastewater networks wherever they are located (urban or rural), and its purpose is to protect those networks.</p>
<p>Wilcox Bros Limited (Alan Wilcox)</p>	<p><i>The proposal appears to provide for an opportunity for the further spread of beaurocratic controls. (The Franklin Bylaw 2008 is more simple and straight forward)</i></p>	<p>The bylaw has revised existing bylaws and reduced the number of duplicated clauses already covered by local or central government legislation, or by Watercare's customer contract.</p> <p>The existing Franklin water supply bylaw has approximately 82 clauses; the proposed Auckland-wide bylaw that covers both water supply <i>and</i> wastewater networks has approximately 40 clauses.</p>
<p>Clyde P Johnson</p>	<p><i>Good day and welcome to Super Rugby!</i></p> <p><i>I have read the Statement of Proposal and looked at the draft bylaw after obtaining a website download at a public library.</i></p> <p><i>As normal, the public library i.e. COUNCIL library, knew nothing about the draft bylaw and had zero copies – refer your notice in Manukau Courier February 10th page 5.</i></p>	<p>Watercare followed the statutory requirements for the special consultative procedure under sections 83 and 86 of the Local Government (Auckland Council) Act 2002.</p> <p>Watercare advertised the bylaw in Auckland-wide and local newspapers via public notices. The consultation period ran for a five week period between 21 January and 25 February 2015.</p> <p>The submission is noted. Auckland Council's practice in making a proposed bylaw (and its statement of proposal) available to the public is to brief staff in the council's local boards, service centres and</p>

Submitter	Submission point (non-edited submitter text is in italics)	Comment and recommendation
		libraries that a bylaw is being notified and that the consultation material will be available on the <i>Shape Auckland</i> website. Council staff are available to assist customers who require assistance in downloading that information. Accordingly, the public notice for a proposed bylaw refers to the proposed bylaw being available 'on request' rather than 'on display'. It appears that in this instance, library staff were not aware of this. Council has now addressed this.
Clyde P Johnson	<i>I support option Four for reasons in the SOP. However your SOP states also, that the Council is statute bound to 'remain' the sole owner of Watercare until July 1st 2015. Therefore has Watercare ownership by the Council after 30th June 2015 already been contracted, and if so when and how? If not, then why a bylaw for Watercare?</i>	Watercare Services Limited will continue as a Council-Controlled Organisation beyond July 1 2015, as a result of Auckland Council's 2014 review of CCOs (see resolution number GB/2014/139 and GB/2014/141 from the meeting of the Governing Body on 27 November 2014).
Papakura Local Board	<p><i>Papakura Local Board welcomes the proposed consolidation and updating of regulations covering the provision of water supply and the treatment of waste water. The local board support the purpose of the bylaw, namely:</i></p> <ul style="list-style-type: none"> <i>a) protect the public water supply and waste water networks from damage, misuse and interference</i> <i>b) assist in the provision of safe and efficient water supply and wastewater services in Auckland</i> <i>c) protect the environment and the health and safety of people using the water supply or wastewater network.</i> <p><i>After giving due consideration to the clauses of the proposed bylaw, the local board believes that the provisions are reasonable and, in general, supports them. There are some specific concerns however, which are set out below.</i></p>	Note the submission.
Papakura Local Board	<i>4. The draft bylaw and associated documentation does not mention the franchise agreement under which Veolia is responsible for the provision of water and wastewater services in the Papakura district. The contract period is an initial term of 30 years with a 20 year right</i>	The proposed bylaw defines 'Watercare' as meaning: "... the Auckland water organisation as defined in section 4(1) of the Local Government (Auckland Council) Act 2009, or any person authorised or delegated to act on its behalf".

Submitter	Submission point (non-edited submitter text is in italics)	Comment and recommendation
	<p><i>of renewal. In the local board's view, the body of the bylaw should recognise this agreement and provide Veolia with the necessary powers. This would provide certainty to Veolia and transparency and accountability to customers in the Papakura area.</i></p>	<p>This allows Watercare to delegate the necessary functions under this bylaw to Veolia where applicable. It is Watercare's intention to delegate appropriate functions and powers to Veolia in respect of the Local Network Organisation in Papakura for which it has responsibilities under the franchise agreement. This will be done via a Watercare Board resolution.</p>
<p>Carter Holt Harvey Pulp and Paper Limited</p>	<p>1. INTRODUCTION</p> <p><i>1.1 This is a submission by Carter Holt Harvey Pulp & Paper Limited ("CHH P&P") principally relating to the Proposed Auckland Water Supply and Wastewater Network Bylaw ("the Proposed Bylaw"). 1.2 CHH P&P wishes to be heard in support of this submission.</i></p> <p>2. BACKGROUND TO CHH P&P'S PENROSE MILL</p> <p><i>2.1 Penrose Recycling Mill ("Penrose Mill") is a paper recycling facility located in Hugo Johnston Drive, Penrose, built in 1982 to make corrugating medium from recycled fibre. It is New Zealand's only 100% paper recycling operation.</i></p> <p><i>2.2 The Penrose Mill operates 24 hours a day, 361 days per year and employs 80 permanent staff as well as supporting 120 downstream jobs in contracted roles such as waste paper collection, maintenance engineering and other support services.</i></p> <p><i>2.3 Paper recycling at CHH P&P's Penrose facility processes 100,000 tonnes of waste paper per year collected from around the greater Auckland area and New Zealand. It contributes significantly to the approximately 70% recovery for recycling of industrial and household paper waste recycling achieved annually in New Zealand. It converts waste paper into paper for use in the packaging industry with the resulting products sold nationally and internationally on competitive commodity markets. The Penrose Mill makes a significant contribution to the "extended producer responsibility" required of the paper sector by both the Waste Minimisation Act 2008</i></p>	<p>Note the submission.</p>

Submitter	Submission point (non-edited submitter text is in italics)	Comment and recommendation
	<p><i>and Auckland Council's Waste Management and Minimisation Plan.</i></p> <p><i>2.4 Recycled paper is an internationally traded and priced commodity. The 'open market' trading conditions within which CHH P&P operates means the Penrose Mill has limited capacity to pass on arbitrary and imposed increased operating costs.</i></p> <p><i>2.5 The demand for waste paper from Penrose and other mills operated by CHH P&P in New Zealand has stimulated waste paper recovery and related community waste minimisation efforts since its construction. Alternative means of extended producer responsibility such as direct export of co-mingled paper and other waste is dependent on the exchange rate, shipping costs and continued international acceptability and demand for that product. Cyclical changes in commodity pricing suggest that export for recycling will be periodically uneconomic.</i></p> <p><i>2.6 The Company's paper recycling mill relies on the cost effective operation and fair pricing of Auckland Council's infrastructure.</i></p> <p><i>2.7 CHH P&P retains an ongoing interest in the development of bylaws that have the potential to affect the Company's operations.</i></p>	
<p>Auckland Regional Public Health Service</p>	<p><i>1. Auckland Regional Public Health Service (ARPHS) is Auckland's regulatory public health agency serving Auckland's diverse populations through health protection, prevention and promotion.</i></p> <p><i>2. ARPHS welcomes the opportunity to submit on the bylaw. ARPHS supports the purpose of the document as a means to protect water quality in the Auckland region. Water is one of the key determinants of public health and its importance is reflected through its inclusion in ARPHS work programmes relating to water. ARPHS undertakes a range of public health activities with respect to drinking water.</i></p> <p><i>3. Overall ARPHS supports the introduction of the bylaw. We agree that a single bylaw for the wider Auckland region will provide a consistent and efficient regulatory mechanism to protect the public</i></p>	<p>Note the submission.</p>

Submitter	Submission point (non-edited submitter text is in italics)	Comment and recommendation
	<p><i>water supply and wastewater network, as well as the environment, and the health and safety of people using the network.</i></p> <p><i>4. However, we do have several comments we wish to make, including:</i></p> <ul style="list-style-type: none"> <i>• Suggested amendments for two definitions outlined in section 5 of the Bylaw.</i> <i>• The inclusion of provisions within the bylaw that enable particular decisions by Watercare (i.e. section 6(5)) and Council (i.e. section 12(1)) to be reviewed or considered further from a public health perspective.</i> <i>• Encouraging consultation with iwi.</i> 	
<p>Auckland Regional Public Health Service</p>	<p><i>Consultation with iwi - 10. We recognise that the region's freshwater resources are of great value and significance to Tangata Whenua. We encourage Watercare to consult with local iwi on all matters that have the potential to alter natural water systems.</i></p>	<p>Consultation has been carried out with iwi, including holding presentations and workshops with the Watercare Mana Whenua Kaitiaki Forum and the Kaitiaki Resource Managers' Group, as well as writing to other iwi groups, including various Maata Waka entities.</p> <p>Watercare regularly consults with Mana Whenua on its activities and projects both through regular meetings with the Mana Whenua Kaitiaki Forum and Kaitiaki Resource Managers' Group as well as on-going consultation with iwi authorities.</p>

Topic 2: Bylaw Clause 4 - Purpose

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
<p>Carter Holt Harvey Pulp and Paper Limited</p>	<p><i>Clauses (b) and (c) unnecessarily duplicates the issue of safety.</i></p> <p>Recommendation: Amend Clause 4(b) to “assist in the provision of safe and efficient water supply and waste water services in Auckland”.</p>	<p>This is a reasonable request, as ‘safe’ is covered by both clauses.</p> <p>Recommendation: that Clause 4(b) be amended to read: “assist in the provision of safe and efficient water supply and waste water services in Auckland”.</p>

Topic 3: Bylaw Clause 5 - Interpretation (definitions)

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
<p>Carter Holt Harvey Pulp and Paper Limited</p>	<p><i>The proposed definition of “point of supply” enables Watercare to define the point of supply “from time to time” by reference to Clause 10. Clause 10 proposes that Watercare may from time to timedefine the point of supply....”.</i></p> <p><i>The proposed definition is circular, unclear and uncertain. The definition of “point of supply” in the customer contract is “the point where Watercare’s network connects with a private network.” The Determination Report notes that the issue may be associated with the situation where a customer supplies a third party with water from their side of the point of supply but does not elucidate as to how amending the definition of “the point of supply” may address the issue. Beyond establishing that it is the point where Watercare’s network connects with a private network, it is difficult to comprehend what further resolutions might be necessary. As such it is not possible to provide informed feedback or for the council to properly consult potentially affected parties.</i></p> <p>Recommendation: Define the point of supply as the point where Watercare’s network connects with a private network, without recourse to further resolutions of Council.</p>	<p>The point of supply is generally the same across all of Watercare’s customers, but it can vary in different areas. In particular, the point of supply is defined in a different way for the Veolia operated network in Papakura. As such, it is not appropriate to have a single ‘point of supply’ definition in the bylaw itself.</p> <p>To define the point of supply as recommended by the submitter may be insufficient because it raises the question as to where the public and private networks start and stop. A more detailed definition may be necessary. The procedure in clause 10 for the point of supply to be defined by resolution and made publicly available gives appropriate flexibility to Watercare as well as certainty to Watercare’s customers and the public (including those who are not customers of Watercare) as to the location of the point of supply in particular circumstances.</p> <p>Recommendation: No change.</p>
<p>Carter Holt Harvey Pulp and Paper Limited</p>	<p><i>The definition of “wastewater” means “water or other liquid waste, including sewage and waste matter in solution or suspension discharged to the wastewater network”.</i></p> <p><i>Reading this definition it is difficult to understand whether stormwater or trade waste are subsets of the term “wastewater”. In the Trade Waste Bylaw 2013 wastewater, stormwater and trade waste are treated distinctly and trade waste is separately defined. For the purpose of the Proposed Bylaw, as there is no specific reference to trade wastes, it is not clear how the Proposed Bylaw applies.</i></p> <p><i>Similarly, stormwater is distinct from wastewater as evidenced by</i></p>	<p>The submission at paragraphs 3.7 - 3.10 questions whether the definition of “wastewater” includes trade waste, and recommends in paragraph 3.10 that the Proposed Bylaw “make it clear that the management of trade waste is dealt with in the Trade Waste Bylaw, and that stormwater is managed through the Stormwater Bylaw”. Paragraph 3.8 of the submission also refers to cases in which stormwater enters the wastewater network.</p> <p>The Trade Waste Bylaw 2013 allows for stormwater to enter the wastewater network in some circumstances set out in clause 12(2) of that bylaw, which is as follows:</p>

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
	<p><i>clause 14 which provides that no person may discharge stormwater to the wastewater network. However, in some cases it may enter the wastewater network. It is noted that, with the exception of Schedule One, there is no reference to the term “wastewater” without referring to the term “wastewater network”.</i></p> <p>Recommendation: <i>The definition of “wastewater” could be usefully clarified by including trade waste and stormwater in the wastewater definition. The Proposed Bylaw should make it clear that the management of trade waste is dealt with in the Trade Waste Bylaw, and that stormwater is managed through the Stormwater Bylaw.</i></p>	<p>(2) No person or occupier may add or allow the addition of stormwater to any wastewater unless:</p> <p>(a) The area from which the stormwater originates is part of the trade premises and is included in any transitional consent and appropriate detention or treatment devices are in place and maintained in accordance with that consent; or</p> <p>(b) Prior written approval or a transitional consent has been granted by the council, and such discharge is in accordance with any conditions set out in that approval or consent; or</p> <p>(c) The trade premises are within the council approved combined sewer system catchment area and there is no provision for separate stormwater drainage. (our emphasis)</p> <p>“Council” is defined in the Trade Waste Bylaw 2013 as meaning “Auckland Council, an Auckland water organisation, or any person delegated or authorised to act on their behalf”. Watercare is the Auckland water organisation until 1 July 2015 (s4 LGACA), and Auckland Council has also delegated to Watercare its powers and functions under the Trade Waste Bylaw 2013.</p> <p>It is appropriate to recognise in the proposed bylaw that under the Trade Waste Bylaw 2013 Watercare may authorise stormwater discharges to the wastewater network from trade premises, and that this is a further exception to the prohibition on stormwater entering the wastewater network in clause 14(1).</p> <p>Clauses 14(1) and 14(2) as currently worded have the potential to create some confusion because on its face the prohibition in clause 14(1) applies to stormwater discharges from trade premises, but the possibility of these discharges being authorised under the Trade Waste Bylaw 2013 is not recognised in clause 14(2). Accordingly, it is helpful to clarify the relationship between clause 14 and the Trade</p>

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
		<p>Waste Bylaw 2013.</p> <p>If this is clarified, no change is then needed to the definition of wastewater in clause 5. Wastewater <i>may</i> include stormwater where it is discharged into the wastewater network, although generally such discharges are not permitted. It is unnecessary to refer to “trade waste” within the definition of “wastewater” as it clearly falls within the scope of the definition.</p> <p>Recommendation: clause 14(2) of the Proposed Bylaw be amended as follows:</p> <p>(2) Subclause (1) does not apply where:</p> <p>(a) the stormwater is directed into the combined sewer network with council approval and there is no provision for separate stormwater drainage; <u>or</u></p> <p>(b) <u>the addition of stormwater to the wastewater network is in accordance with clause 12(2)(a) or 12(2)(b) of the Trade Waste Bylaw 2013.</u></p> <p>Recommendation: no change to the definition of ‘wastewater’ in clause 5.</p>
<p>Carter Holt Harvey Pulp and Paper Limited</p>	<p><i>The definition of “water supply network” includes “any catchment area, river...”. The effect of this proposed definition could be to extend significant controls over large areas, possibly including the catchment of the Waikato River, recognising that in excess of 7% of Auckland’s water is drawn from the Waikato River.</i></p> <p><i>Clauses 6, 7 and 8 propose broad obligations including prohibition of works on private land within the “water supply network” area and the need to make written application for approval for works on that network. This could result in unnecessary applications for approval from Watercare for matters well beyond the scope of the Proposed</i></p>	<p>The definition does appear to have an unintended consequence of capturing activities beyond the intention of the bylaw.</p> <p>The underlying intention of including catchment areas and rivers within the definition of “water supply network” was to protect raw water sources. This is already the focus of clause 11(1) of the Proposed Bylaw which states:</p> <p><i>(1) No person may contaminate or pollute any raw water or drinking water, or do any act likely to contaminate or pollute any raw water or drinking water.</i></p>

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
	<p><i>Bylaw.</i></p> <p>Recommendation: Delete “any catchment area, river” from the definition of water supply network.</p>	<p>“Raw water” is defined in the Proposed Bylaw as having the same meaning as in section 69G of the Health Act 1956 which is as follows:</p> <p>raw water</p> <p>(a) <i>means water intended for domestic and food preparation use that has been taken from a source of water but-</i></p> <p>(i) <i>has not been assessed for suitability for that use without treatment; or</i></p> <p>(ii) <i>is not suitable for that use without treatment and has not yet been treated to make it suitable for that use; but</i></p> <p>(b) <i>does not include-</i></p> <p>(i) <i>water that has been assessed as suitable for that use without treatment; or</i></p> <p>(ii) <i>water that has been treated to make it suitable for that use; or</i></p> <p>(iii) <i>water that has not entered any pipe, tank, or cistern leading from a source of raw water</i></p> <p>Because this definition refers to water “that has been taken from a source of water” and excludes “water that has not entered any pipe, tank, or cistern leading from a source of raw water”, “raw water” would not include water in rivers, or overland flow within catchments. The intention of the bylaw is to prevent pollution of these water sources, which was why the definition of “water supply network” included catchment areas and rivers.</p> <p>However, if clause 11(1) is widened to include a prohibition on the contamination or pollution of any “source of raw water ...”, then the original intention of the bylaw will be achieved and the words “any catchment area, river” can be deleted from the definition of “water supply network”.</p> <p>Recommended change: that the definition of “water supply network” in clause 5 be amended by deleting the words “any catchment area,</p>

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
		<p>river” from the definition.</p> <p>As a consequential change, that clause 11(1) be amended as follows:</p> <p>(1) No person may contaminate or pollute any raw water, <u>source of raw water</u>, or drinking water, or do any act likely to contaminate or pollute any raw water, <u>source of raw water</u>, or drinking water.</p>
<p>Auckland Regional Public Health Service</p>	<p>6. Similarly, to distinguish between the natural and human environment, we suggest the following amendment to the definition of groundwater:</p> <p><i>"groundwater means water beneath the surface of the ground and not contained within infrastructure".</i></p>	<p>Inclusion of ‘groundwater’ in the definitions is a drafting error, as the term is not used elsewhere within the proposed bylaw.</p> <p>Recommendation: that the definition of “groundwater” be deleted from clause 5 of the bylaw.</p>
<p>Auckland Regional Public Health Service</p>	<p>5. ARPHS considers the definition of backflow should be amended to ensure it not only applies to the unplanned flow of water from premises, but also from other sources, such as non-potable cross connections. This could be rectified by removing the reference to 'premises'.</p>	<p>The definition of “backflow” in clause 5 is “the unplanned flow of water from premises into the water supply network”. “Premises” is defined in clause 5 widely enough to cover sources of backflow outside a building, including backflow from non-potable cross connections. Therefore the bylaw already covers the concern raised in the submission.</p> <p>Recommendation: no change.</p>

Topic 4: Bylaw Clause 6 - Connections, disconnections and other works

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
Elizabeth Hufton	<i>Enable Watercare to refuse connections where there is insufficient network.</i>	Note the submission.
Louise Mingsins	<p>Q2. What parts of the proposed bylaw do you oppose? <i>1) enable Watercare to refuse connections where there is insufficient network capacity</i></p> <p><i>Point 1 - no Government / elected body / local board or other organisation or person should have the ability to refuse a household a connection to water - the network capacity should be upgraded to suit the development.</i></p>	<p>Watercare provides water supply services to the urban areas within metropolitan Auckland. Services are generally not provided in rural areas and to countryside living lots. Watercare has a programme of capital works of approximately \$4 billion over the next 10 years targeting projects to improve levels of service, renewing existing assets, and providing for Auckland's growth. Watercare aligns its capital programme with Auckland Council's strategic priority growth areas.</p> <p>The purpose of this clause is to support Watercare's ability to manage connections to the network where there are capacity limitations. Capacity issues in this instance generally refer to new developments requesting connections where there is inadequate capacity and/or the development is out of alignment with Council's strategic growth priorities. However, individual household requests in areas currently serviced would generally be approved.</p> <p>Recommendation: no change.</p>
Auckland Regional Public Health Service	<i>Section 6(5) permits Watercare to refuse an application for approval to connect to a water supply or wastewater network in several situations. ARPHS believes there should be a formal review process available for applicants who do not agree with Watercare's decision, and where there is reasonable doubt surrounding the appropriateness of the decision. ARPHS advocates that there should be rights of appeal for any decision where the applicant can demonstrate that a lack of connection to a network will adversely impact on vulnerable members of the community.</i>	<p>Within the area of service, Watercare would generally provide a water supply and/or wastewater connection, but reserves the right to not approve a connection when there are mitigating circumstances such as no capacity or failure of the customer to pay the required connection charges. Customers who do not agree with Watercare's decision can lodge a complaint in accordance with the process set out on Watercare's website.</p> <p>It is important to note that clauses 6(5) and 6(6) apply to connections to water supply and wastewater networks for new dwellings and not to existing dwellings that are already connected to these networks. As such, vulnerable members of the community would not be directly</p>

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
		<p>affected. It is also important to note that these clauses do not concern <i>restriction</i> of water supply or wastewater services for whatever reason.</p> <p>Recommendation: no change.</p>

Topic 5: Bylaw Clause 7 - Damage to or interference with water supply or wastewater network

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
Elizabeth Hufton	<i>Manage inflows and illegal dumping of material into the wastewater network to avoid wastewater overflows.</i>	<p>Clause 14 of the draft bylaw specifically provides for this.</p> <p>Recommendation: no change.</p>
Carter Holt Harvey Pulp and Paper Limited	<p><i>Without specifically creating an offence this clause infers that it is an offence to damage, stop, obstruct or otherwise interfere with the water supply network or the wastewater network. Section 76 of the Local Government (Auckland Council) Act 2009 provides that an offence is only committed where a person wilfully destroys, damages, stops, obstructs or interferes with a work or property.</i></p> <p>Recommendation: Rather than infer an offence, if the Council wishes to receive notice of such damage, it should modify clause 7 as follows:</p> <p>(1) Except as authorised by Watercare, no person may damage, stop, obstruct or otherwise interfere with the water supply network or the wastewater network.</p> <p>(2) Any person who damages, stops, obstructs or otherwise interferes with the water supply network or the wastewater network breaches subclause (1) must promptly report that damage, stopping, obstruction, or other interference to Watercare.</p>	<p>This part of the submission is on a purely legal point which is addressed in separate legal advice available to the hearings panel.</p> <p>Recommendation: No change.</p>

Topic 6: Bylaw Clause 8 - Works near water supply or wastewater network

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
<p>Carter Holt Harvey Pulp and Paper Limited</p>	<p><i>Clause 8 of the Proposed Bylaw relates to works near the water supply or wastewater network. It does not require any element of intent. The Determination Report states that if such provisions are included in the Proposed Bylaw this clause cannot be worded as an “offence” provision because it cannot be inconsistent with the existing legislation. Section 76 of the Local Government (Auckland Council) Act 2009 provides that an offence is only committed where a person wilfully destroys, damages, stops, obstructs or interferes with a work or property. Notwithstanding, the Proposed Bylaw has drafted this provision as an offence provision (refer clause 15 which makes a breach of clause 8 an offence under s239 of the Act). Including an offence provision that is inconsistent with the existing legislation is contrary to s61 of the Local Government (Auckland Council) Act 2009.</i></p> <p><i>Clause 8 also significantly extends the offences relating to damage to water supply and wastewater assets found in s61 of the Act by prescribing set distances around which activities cannot occur. Imposition of a general bylaw power to retrospectively create a liability without recourse to the Public Works Act is unreasonable and uncertain. Where Watercare has easements over private land these will appropriately constrain the use of the land. Where easements do not exist it is incumbent on owners of land to manage their land in a manner that ensures that they comply with the legislation. Otherwise it is inappropriate and unreasonable to use secondary regulation (bylaws) to materially alter private property rights (Footnote: 1 McCarthy v Madden (1914) 33 NZLR 1251 – “a bylaw which destroys or unnecessarily interferes with a public right without producing a corresponding benefit to the inhabitants of a locality will be unreasonable”).</i></p> <p>Recommendation: <i>Rely on the provisions of the Local Government (Auckland Council) Act 2009 (s76) and delete clause 8.</i></p>	<p>This part of the submission is on a purely legal point which is addressed in separate legal advice available to the hearings panel.</p> <p>Recommendation: No change.</p>

Topic 7: Bylaw Clause 9 - Standard of water supply or wastewater infrastructure

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
<p>Wilcox Bros Limited (Alan Wilcox)</p>	<p><i>Section 9 (2) (Standard of Water Supply infrastructure) re "relevant codes of practice & standards relating to connection". Interpretation of the exact meaning of this clause is unclear. For ever farmers have constructed suitable infrastructure on their farms. Is this clause to be read that as it is a requirement that the farm infrastructure is to be done by a registered trade person?</i></p>	<p>This clause is specifically related to infrastructure that is to be vested with Watercare. Farm infrastructure referred to by the submitter is not covered by the clause, unless there is an intention to vest such infrastructure with Watercare.</p> <p>Recommendation: No change.</p>

Topic 8: Bylaw Clause 10 - Point of supply

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
<p>Louise Miggins</p>	<p>Q2. What parts of the proposed bylaw do you oppose?</p> <p><i>3) define the “point of supply”, i.e. the boundary between public and private water supply and wastewater networks</i></p> <p><i>Point 3 - 'Point of supply' should be reached in consultation with the private property owner or administrator.</i></p>	<p>Watercare serves over 1.3 million people and its network encompasses over 16,000 kms of pipe. It would not be feasible to negotiate and agree the technical ‘point of supply’ with individual customers on a case by case basis. There are however different circumstances where the point of supply might vary, due to how a property is configured, and these are taken into account when defining the point of supply (see Watercare’s website).</p> <p>See also the comments and recommendations in relation to Topic 3 above (definition of “point of supply”).</p> <p>Recommendation: No change.</p>
<p>Carter Holt Harvey Pulp and Paper Limited</p>	<p>See Topic 3 above for Carter Holt Harvey Pulp and Paper Limited’s submission point that is also relevant to this bylaw clause.</p>	<p>See Topic 3 above for comment regarding this submission point.</p>

Topic 9: Bylaw Clause 11 - Protection of water quality

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
Papakura Local Board	<p><i>3. The opportunity for a more rigorous cross organisation review of matters relating to wastewater and stormwater seems to have been missed. Mitigation or avoidance of issues with the network could be assisted by reducing the flow of stormwater into the collection system. This can be achieved through green infrastructure techniques such as permeable surfaces, green roofs, bio-retention systems and rainwater harvesting. Additionally grey water collection and use on site reduces sewage discharges.</i></p>	<p>The bylaw prohibits stormwater to be directed into the wastewater system (clause 14) unless this has been done with Council approval and there is no provision for separate stormwater drainage (clause 14 (2)). As set out above under Topic 3, one of the recommended changes to the bylaw is to amend clause 14(2) to recognise discharges of stormwater to the wastewater network authorised under the Trade Waste Bylaw 2013.</p> <p>The bylaw does not prohibit or attempt to limit use of innovative or 'green' solutions. The only controls it imposes relate to prevention of backflow through the use of appropriate technologies to avoid contamination of the public water supply (via clause 12).</p> <p>Use of "green infrastructure techniques such as permeable surfaces, green roofs, bio-retention systems and rainwater harvesting" is generally a matter for developers or owners to adopt, either on a voluntary basis or in order to comply with other regulatory requirements such as those in a stormwater bylaw or under the district or regional plan. Clause 16 of the proposed Stormwater Bylaw provides for the Council to specify on-site stormwater management controls in relation to the installation of stormwater treatment devices such as planting and landscape design improvements. Controls of this nature are not appropriate for inclusion in the proposed Water Supply and Wastewater Network Bylaw.</p> <p>The requirement to reduce stormwater flows into the combined sewer network is addressed in the Proposed Auckland Unitary Plan (PAUP). The PAUP contains a suite of measure to promote water sensitive design and green infrastructure.</p> <p>The bylaw does not restrict grey water collection and on site use.</p> <p>Recommendation: No change.</p>

Topic 10: Bylaw Clause 12 - Restriction on water use

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
<p>Louise Mingins</p>	<p>Q2. What parts of the proposed bylaw do you oppose? <i>2) allow for the restricting of water supply to maintain adequate quantities of drinking water in the event of drought or other emergency</i></p> <p><i>Point 2 - no Government / elected body / local board or other organisation or person should be able to restrict water supply - water is a basic human right</i></p>	<p>Clause 12(1) allows the council to restrict the use of water supplied to any premises, where it considers that its ability to maintain an adequate supply of drinking water is or may be at risk because of drought, emergency or for any other reason.</p> <p>Accordingly clause 12 is not concerned with restricting the supply of water, but rather with restricting the use of water supplied where this is necessary to maintain an adequate supply of drinking water to the public, for example, restrictions on the use of water for gardening in the event of a drought. The submission is concerned with matters that are outside the scope of clause 12 and the proposed bylaw more generally.</p> <p>Notwithstanding the comment above, Watercare will not disconnect customers unless this has been specifically requested by the customer, and requires approval.</p> <p>The Health Act 1956 (Section 69S) requires a drinking water supplier to provide an adequate supply of drinking water despite any non-payment of any bill. Section 193 of the Local Government Act 2002 also states that any restriction of water supply must not create unsanitary conditions in or associated with land or buildings.</p> <p>Any <i>restrictions</i> on water supply in the event of non-payment are only implemented after other avenues have been pursued, and the restriction still provides a potable water supply (a minimum of 1 litre per minute). This level of supply meets WHO guidelines. This process is accordance with Watercare’s ‘Debt Management Code of Practice’, which outlines Watercare’s debt management process.</p> <p>Watercare will not restrict supply in any situations that would cause unsafe conditions or extreme hardship. Watercare does not restrict supply where there are people in the household with known health</p>

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
		<p>conditions, or who are under the age of 5 or over the age of 65.</p> <p>Recommendation: No change.</p>
<p>Auckland Regional Public Health Service</p>	<p><i>8. Pursuant to section 12(1) ARPHS notes that Council may restrict the use of water supplied to any premises if it considers its ability to maintain an adequate supply of drinking water is (or may be) at risk.</i></p> <p><i>9. We recognise that water must also be available in a sufficient quantity for sanitation activities, such as food preparation, personal hygiene, laundry washing and cleaning. To safeguard against any potential health risks associated with restricting water supply, we consider it appropriate to include a provision that requires a Medical Officer of Health to be consulted if the water supply is restricted for a period of more than 8 hours.</i></p>	<p>The intention of this clause is to provide the ability to restrict usage of water supplied where the maintenance of an adequate supply is at risk due to drought, emergency or some other reason. The submission point appears to be concerned with the shutdown of water in the event of reactive or planned maintenance.</p> <p>Section 69S(3) of the Health Act 1956 states:</p> <p>(3) Any restriction or interruption of the provision of drinking water by a networked supplier or a bulk supplier in reliance on subsection (2)(a) must not exceed 8 hours on any one occasion unless,-</p> <p>(a) in the event of planned works,-</p> <p>(i) approval has been given by the medical officer of health; and</p> <p>(ii) the supplier has taken all practicable steps to warn the affected persons before the restriction or interruption of the provision of water occurs.</p> <p>Section 69S(3) also provides for notification of the medical officer of health and affected persons in the case of interruption or restriction of supply in the event of an emergency.</p> <p>Accordingly no change to the proposed bylaw is required, as Watercare is already required by statute to obtain the approval of the medical officer of health if, in the case of planned works, supply is to be restricted or interrupted for more than 8 hours. Watercare also arranges alternative supply (such as water tankers) where there is a prolonged period on non-supply.</p> <p>Recommendation: No change.</p>

Topic 11: Bylaw Clause 13 - Fire hydrants

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
<p>Sirani McNeill</p>	<p><i>I do agree with most of your bylaws.</i></p> <p><i>The firefighters part - I think that anyone should be able to access it in case of emergency. You should think about the cheapest cost going to the water system.</i></p>	<p>The bylaw makes provision for access by firefighters for firefighting purposes, and provides access via Watercare approval for other uses.</p> <p>Providing general public access to fire hydrants would however have health and safety implications, and introduce greater risks around improper use, water wastage and theft. Hydrants also require specific tools for access.</p> <p>Recommendation: No change.</p>

Topic 12: Bylaw Clause 14 - Prohibited inflow and discharge

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
<p>Elizabeth Hufton</p>	<p><i>Any storm water and waste water should not be discharged into the Manukau Harbour.</i></p>	<p>As referred to in clause 14 (2) of the proposed bylaw, there are examples of lawful Council-approved connections of stormwater into the wastewater network, due to the limitations of certain areas where there are no separate stormwater drainage systems available.</p> <p>There are also circumstances where some Industrial or Trade Activity sites ('ITAs') are consented to discharge stormwater into the wastewater network, in order to protect the environment. This is due to the increased likelihood of contamination of stormwater from such sites, due to the nature of their activities. As set out above in Topic 3, one of the recommended changes is that stormwater discharges to the wastewater network authorised under the Trade Waste Bylaw 2013 are recognised in clause 14(2) of the proposed bylaw.</p> <p>The bylaw cannot manage overflows and discharges, rather its purpose is to protect the network. It does however attempt to manage inputs to the network to reduce the likelihood of overflows from it.</p> <p>Discharges of wastewater (including overflows) and stormwater are managed by the Resource Management Act 1991. In Auckland, discharges are managed via the Auckland Council Plan: Air, Land, and Water and the Auckland Council Plan: Coastal, and will be subject to the provisions of the Proposed Auckland Unitary Plan (PAUP) once it becomes operative.</p> <p>Watercare has various projects underway, including the Central Interceptor (costing over \$880 million) to reduce overflows. These projects are part of Watercare's commitment to reducing the impacts from stormwater and wastewater discharges. These are guided by the Auckland Plan's 'Strategic Direction 12' which is: "<i>To plan, deliver and maintain quality infrastructure to make Auckland liveable and resilient</i>". This includes a target to reduce wet weather overflows to an average of no more than two events per discharge location per annum, where the stormwater and wastewater systems are</p>

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
		<p>separated, by 2040 (with priority given to bathing beaches and other sensitive receiving environments by 2030).</p> <p>Recommendation: No change.</p>
<p>Papakura Local Board</p>	<p><i>1. The apparent intention to continue operating a combined sewer network in some locations is concerning, due to the inherent risk this poses to the health of local watercourses and the Manukau Harbour. The Manukau Harbour has for too long been used as a dumping ground and urgent work is needed to improve all discharges into the harbour. The proposed bylaw should be strengthened to require that all practicable steps are taken to avoid overflow or discharges of wastewater into streams and harbours.</i></p>	<p>As noted above, discharges and overflows are managed through the Auckland Council Plan: Air, Land, and Water and the Auckland Council Plan: Coastal, and will be subject to the provisions of the PAUP once it becomes operative. The provisions of the bylaw support Watercare’s ability to control interference with the networks that could result in overflows.</p> <p>Recommendation: No change.</p>
<p>Manurewa Local Board</p>	<ul style="list-style-type: none"> • <i>Note that there has been a practice in older areas of the Auckland isthmus of running the stormwater into the wastewater network</i> • <i>note that the practice is out of step with modern principles of stormwater management which call for low impact design</i> • <i>Note that this practice is no longer supported in the context of the Auckland Plan and that the practice can be seen as tantamount to misuse of the wastewater network</i> • <i>Recommend phasing out stormwater being added into the wastewater network in the modern era because:</i> <ul style="list-style-type: none"> <i>(i) of the risks to public and environmental health which arise when there are overflows into local creeks and harbours at times of heavy rainfall;</i> <i>(ii) because the practice is financially expensive as it results in a very much larger volume of water being required to be transported and then treated through the wastewater network;</i> • <i>recommend the proposed bylaw be strengthened to require that all practicable steps are taken to avoid ‘overflow’ or ‘discharges’ of wastewater into the streams</i> 	<p>As noted above, discharges and overflows are managed through the Auckland Council Plan: Air, Land, and Water and the Auckland Council Plan: Coastal, and will be subject to the provisions of the Proposed Auckland Unitary Plan once it becomes operative. The provisions of the bylaw support Watercare’s ability to control interference with the networks that could result in overflows.</p> <p>The requirement to reduce stormwater flows into the combined sewer network is addressed in the PAUP. The PAUP contains requirements for developments in the combined sewer network area to reduce stormwater flows.</p> <p>The Auckland Isthmus is serviced by the older components of Watercare’s wastewater network. Much of the Auckland Isthmus is served by a combined sewer system, where both wastewater and stormwater discharges drain to the same pipe network which was originally constructed in the early 1900s. This had the advantage of requiring only one network of pipes. However, as the network has only a limited capacity to convey storm flows, it regularly overflows during rainfall events and results in discharges of dilute wastewater and stormwater.</p>

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
		<p>Watercare is planning to build a new “Central Interceptor” between 2018 and 2023. This involves construction of a new tunnel (the “Central Interceptor”) to collect wastewater flows from the Auckland isthmus area and transfer them across the Manukau Harbour to the Mangere Wastewater Treatment Plant (WWTP).</p> <p>The primary drivers for the Central Interceptor project are to reduce strategic risk associated with ageing assets (particularly the Western Interceptor in Hillsborough and across the Manukau Harbour); to provide for future growth in Auckland; and to reduce overflows from the combined sewer network in the Auckland Isthmus area by approximately 80%.</p> <p>Other alternatives which have been considered to reduce overflows include:</p> <ul style="list-style-type: none"> (a) local storage tanks; (b) sewer separation; (c) infiltration reduction; (d) satellite treatment facilities; (e) wastewater minimisation programmes; and (f) local treatment and disposal of combined sewer overflows. <p>The other options, such as local storage tanks, sewer separation and infiltration reduction, do not address the strategic risks associated with ageing assets or provide adequate capacity for growth (the existing trunk sewer system will be at capacity on a dry weather flow basis within 10 to 15 years if additional capacity is not added).</p> <p>The only option which adequately addresses the strategic risks, provides for growth and significantly reduces overflows is the Central Interceptor project, as the tunnel can be used to provide both conveyance and storage capacity.</p> <p>Recommendation: No change.</p>

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
<p>Papakura Local Board</p>	<p>(NOTE: this submission point is also found under Topic 9)</p> <p><i>3. The opportunity for a more rigorous cross organisation review of matters relating to wastewater and stormwater seems to have been missed. Mitigation or avoidance of issues with the network could be assisted by reducing the flow of stormwater into the collection system. This can be achieved through green infrastructure techniques such as permeable surfaces, green roofs, bio-retention systems and rainwater harvesting. Additionally grey water collection and use on site reduces sewage discharges.</i></p>	<p>The bylaw prohibits stormwater to be directed into the wastewater system (clause 14) unless this has been done with Council approval and there is no provision for separate stormwater drainage (clause 14 (2)).</p> <p>The bylaw does not prohibit or attempt to limit use of innovative or 'green' solutions. The only controls it imposes relate to prevention of backflow through the use of appropriate technologies to avoid contamination of the public water supply (via clause 12).</p> <p>The Auckland Council stormwater unit is developing strategies for managing stormwater across the region. These strategies include the use of green infrastructure techniques. Requirements for managing stormwater are being included in the Proposed Auckland Unitary Plan.</p> <p>See also the comments in relation to Topic 9 above.</p> <p>Recommendation: No change.</p>

Topic 13: Bylaw Part 5 (clauses 16, 17 & 18) - Enforcement, offences and penalties

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
<p>Wilcox Bros Limited (Alan Wilcox)</p>	<p><i>Penalties exist to penalise waste and after all any water passing the point of supply is metered and charged for.</i></p>	<p>Note the submission. Water supply and wastewater pricing is not the subject of this bylaw.</p> <p>Recommendation: No change.</p>

Topic 14: Non-bylaw issues

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
Michaela Soar	<i>The fact that water used to top up pools, water the gardens etc. is charged as wastewater. Watercare had made huge profits due to overcharging.</i>	Watercare charges wastewater based on a percentage of water supply usage (78.5%). This makes an allowance for matters such as swimming pools and gardening. Water supply and wastewater pricing is not the subject of this bylaw. Recommendation: no change.
Jo Hall	<i>Watercare NZ needs to bill the user of the water, rather than its present system of billing the homeowner. Like electricity and other utilities, the USER should be billed. The homeowner / landlord has no control over how much water a tenant may use. The homeowner / landlord should not be a debt collector for Watercare NZ. A contract to supply water should be agreed on and signed between the User of the water and Watercare NZ.</i>	Billing policy is dealt with separately through the Watercare customer contract. This is not a matter that is addressed via the bylaw. Recommendation: No change.
Papakura Local Board	<i>2. The Council and Watercare should be taking a cross-organisation approach to managing the wastewater network. It appears that for administrative purposes, on-site wastewater systems are considered separately as they are not part of Watercare's network. This is not helpful from either a customer or a sustainability perspective.</i>	Watercare has no legal jurisdiction over private wastewater systems on private land. Its power to propose a bylaw under s61 of the Local Government (Auckland Council) Act 2009 is confined to a bylaw relating to the management or supply of "water supply and wastewater services". This term is defined in section 4 of that Act as excluding water supply or wastewater schemes that are independent of a water supply network or a wastewater network, and privately owned water supply or wastewater schemes. Private systems are consented by Auckland Council and are subject to Auckland Council's compliance regime. Auckland Council will likely be undertaking a review of onsite wastewater systems and Auckland's existing Waiheke Island Wastewater Bylaw in 2015, including whether to consider the need

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
		for an Auckland-wide bylaw. Recommendation: No change.

Addendum 1:

This addendum contains Housing New Zealand submission points by topic with corresponding Watercare staff comments and additional Watercare comments regarding two of the Carter Holt Harvey Pulp and Paper Limited submission points made in the Hearings Panel report.

Note: comments and recommendations are based solely on the written submissions and may change following hearing of the oral submissions.

Topic 1: General submission points (no specific clause identified or inferred)

Submitter	Submission point (non-edited submitter text is in italics)	Comment and recommendation
Housing New Zealand	<p><u>General Feedback</u></p> <p><i>Following our review of the Statement of Proposal and the proposed Water Supply and Wastewater Bylaw Housing New Zealand is submitting in overall support of the bylaw but with a request that some clauses within the bylaw be amended.</i></p> <p><i>Housing New Zealand supports a single regulation document that controls the water supply and wastewater network across the Auckland Region, in as much as it provides a level of clarity to general public, contractors and the development industry.</i></p>	Note the submission.
Housing New Zealand	<p><i>Points where Housing New Zealand has concern and wish to see amendments relate to:</i></p> <ul style="list-style-type: none"> <i>• Limit duplication in approval / consent processing and clarification of when approval under the bylaw is required; and</i> <i>• Specific details on what is the “point of supply”; and</i> <i>• Additional clauses relating to the formulation, consultation and implementation of Code of Practice; and</i> <i>• clauses that detail Watercare’s / Council obligations under the Bylaw being processing time frames and appeal rights relating to application for approval from Watercare; and</i> 	Note the submission. Comments on these concerns are made in the table below on the individual submission points.

Submitter	Submission point (non-edited submitter text is in italics)	Comment and recommendation
	<ul style="list-style-type: none"> • <i>The use of other methods that appropriately balance rights of land owners with the need to protect the Watercare networks; and</i> • <i>Additional clauses relating to the obligation by Watercare to keep accurate records on the network and provide certainty to landowners on locations where connections cannot be provided; and</i> • <i>Where approval of Watercare is required that these applications are processed in a timely and cost efficient manner.</i> <p><u>Conclusion</u></p> <p><i>As the largest residential landowner in the Auckland Region, managing nearly 7% of residential dwellings and over 1,400 hectares of land, Housing New Zealand recognises the importance of managing the water supply and wastewater infrastructure.</i></p> <p><i>New Zealand has provided a table of where we seek changes to the individual clauses.</i></p> <p><i>Housing New Zealand would welcome the opportunity to further discuss our concerns in relation to the proposed bylaw and the regulation of the water and waste water systems generally.</i></p>	

Topic 3: Bylaw Clause 5 - Interpretation (definitions)

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
<p>Housing New Zealand</p>	<p>Clause 5: Interpretation</p> <p><i>Clauses 8(3) being “works which will or are likely to damage, or adversely affect the operation of, the water supply network or the wastewater network” is too general and all encompassing particularly taking into account the extent of specified distance detailed in table clause 4. Clauses in bylaw should be clear and unambiguous.</i></p> <p>Amendments sought: <i>restricted works</i> has the meaning given by clauses 8(3) and (4) of this bylaw.</p>	<p>It is not possible to comprehensively specify, in advance, the types of works which will or are likely to damage or adversely affect the operation of water supply and wastewater networks. The bylaw is specific, to the extent that it can be, by defining particular works in clause 8(4). However, to adequately protect the networks the bylaw must also include the more general clause 8(3), as any number of types of works could damage the networks. The bylaw is clear in that it applies to <i>any</i> works, provided that they meet a high threshold: that they will or are likely to damage, or adversely affect the operation of the networks.</p> <p>It is noted that the Auckland Metropolitan Drainage Act 1960 and the North Shore Drainage Act 1963 (NSDA), the repeal of which has necessitated clauses such as clause 8 of the proposed bylaw, included “protection” provisions which were more generally worded than proposed clause 8 e.g. section 35(1) of the NSDA commenced:</p> <p><i>“If any person proposes to erect any buildings or to carry out any works over, under, or within such distance of any sewer or other structure owned by or under the control of the Board that such sewer or structure may be injuriously affected, such person shall notify the Board in writing of his intentions and shall carry out or shall permit the Board to carry out (at the expense in either case of such person) such works for the protection of the Board's sewer or other structure as the Board may deem necessary for the purpose...”. (our emphasis)</i></p> <p>Despite section 35 not specifying clearance distances and referring to the possibility that sewers etc. “may be injuriously affected”, there is no suggestion or evidence that the provision was unworkable in practice. Clauses 8(3) and 8(4) are “tighter” on Watercare because they do specify clearance distances for</p>

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		<p>certain types of work in clause 8(4), while in clause 8(3) the threshold is that the works “will” or “are likely to” damage etc. the networks (i.e. a probability, something that might well happen, rather than just the mere possibility of damage, which was all that was required under the wording “may be affected”).</p> <p>Recommendation: no change to the "restricted works" definition.</p>
<p>Housing New Zealand</p>	<p>Clause 5: Interpretation</p> <p><i>Controls specified under the bylaw</i> <i>The provisions of the bylaw should detail the manner in which a Code of Practice or similar document is notified and adopted by Watercare / Council.</i></p> <p>Amendments sought: <u><i>Any control specified by the council under clauses 5, 6, & 8 of this bylaw;</i></u> <u><i>(a) Must be publicly notified following the notification, and hearings process set out in accordance with the provisions of section 156 of the Local Government Act.</i></u></p>	<p>Clauses 6(4) and 9(1) and (2) of the proposed bylaw refer to codes of practice. The proposed bylaw does not, unlike some other Auckland Council bylaws, provide for the making of “controls”. Accordingly there is no need to specify a process that applies before controls under the bylaw are made.</p> <p>As to codes of practice, clause 5(1) of the proposed bylaw defines “code of practice” as “an approved code of practice that sets standards in relation to water supply or wastewater infrastructure that is to vest in Watercare or connect with the water supply or wastewater network”. Section 151(2) of the Local Government Act 2002 states that a bylaw may leave any matter or thing to be regulated, controlled, or prohibited by the local authority by resolution either generally, for any specified classes of case, or in a particular case. This subsection recognises that there are some matters which, for a variety of reasons such as their technical detail, are best left out of a bylaw but regulated through a separate process. There is no need for the proposed bylaw to set out the process that Watercare is to follow when adopting codes of practice.</p> <p>Recommendation: no change.</p>
<p>Housing New Zealand</p>	<p>Clause 5: Interpretation Additional definition: Allotment should be defined as per the Resource Management Act</p>	<p>The definition of “premises” is the only part of the proposed bylaw that uses the term “allotment”. The use of the section 218(2) RMA definition of “allotment” is acceptable and reflects common understandings of this term. This definition is:</p>

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	<p>Amendments sought: <u>allotment has the meaning given by section 218 of the Resource Management Act 1991</u></p> <p><u>NOTE:</u></p> <ul style="list-style-type: none"> • 2) In this Act, the term allotment means— <ul style="list-style-type: none"> • (a) any parcel of land under the <u>Land Transfer Act 1952</u> that is a continuous area and whose boundaries are shown separately on a survey plan, whether or not— <ul style="list-style-type: none"> • (i) the subdivision shown on the survey plan has been allowed, or subdivision approval has been granted, under another Act; or • (ii) a subdivision consent for the subdivision shown on the survey plan has been granted under this Act; or • (b) any parcel of land or building or part of a building that is shown or identified separately— <ul style="list-style-type: none"> • (i) on a survey plan; or • (ii) on a licence within the meaning of <u>Part 7A</u> of the Land Transfer Act 1952; or 	<p>In this Act, the term allotment means—</p> <p>(a) Any parcel of land under the Land Transfer Act 1952 that is a continuous area and whose boundaries are shown separately on a survey plan, whether or not—</p> <p>(i) The subdivision shown on the survey plan has been allowed, or subdivision approval has been granted, under another Act; or</p> <p>(ii) A subdivision consent for the subdivision shown on the survey plan has been granted under this Act; or</p> <p>(b) Any parcel of land or building or part of a building that is shown or identified separately—</p> <p>(i) On a survey plan; or</p> <p>(ii) On a licence within the meaning of Part 7A of the Land Transfer Act 1952; or</p> <p>(c) Any unit on a unit plan; or</p> <p>(d) Any parcel of land not subject to the Land Transfer Act 1952.</p> <p>Recommendation: insert a definition of “allotment” as follows:</p> <p><u>allotment has the meaning given by section 218(2) of the Resource Management Act 1991</u></p>

Topic 4: Bylaw Clause 6 - Connection, disconnection and other works

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<p>Housing New Zealand</p>	<p>Clause 6(1): Connection, disconnection and other works: Support with amendments - It is proposed that the following advice note is included to ensure bylaw does not duplicate provisions contained within the Building Act or require approvals that are specifically permitted under the Building Act.</p> <p>(1) No person may, without <u>first obtaining building consent from Auckland Council or Watercare's approval:</u></p> <p>(a) connect to the water supply network or the wastewater network; (b) disconnect <u>the point of supply</u> from the water supply network or the wastewater network; (c) carry out any other works on, or in relation to, the <u>public</u> water supply network or the <u>public</u> wastewater network; (d) open any manhole, chamber, access point, or valve on, or otherwise tamper with, the water supply network or the wastewater network.</p> <p><u>Advice note: works included in the Building Act Schedule 1 parts 1 & 2 does not require Council Consent</u></p>	<p>The proposed bylaw does not duplicate provisions of the Building Act. The purpose of this clause is to require Watercare approval for a connection to its networks. Council approval of a resource consent or building consent addresses different issues and is not a substitute for Watercare's approval to connect to its networks, therefore the proposed change in (1) is not supported. It is not appropriate for this bylaw to set out or refer to separate requirements under legislation to obtain resource consent or building consent from Auckland Council.</p> <p>A resource consent typically only requires consideration of whether a network connection is possible, and may refer to connection to Watercare's networks within the consent conditions, but does in itself not constitute approval to make the connection. Likewise, a building consent only confirms that the proposed water supply and drainage infrastructure associated with a building meets the required standards in the building code. It does not constitute approval to connect. The advice note sought in the submission is also not supported, as all approvals and disconnections to the network require Watercare approval.</p> <p>With respect to (b), the point of supply is defined in clause 5(1) as the boundary between the water supply network or wastewater network and private water supply or private drain, as defined by Watercare from time to time under clause 10. It is the service that is being disconnected, not the boundary; therefore, the proposed addition does not accurately describe the disconnection.</p> <p>Clause 5(1) also defines "disconnection" as "the physical cutting or sealing of a supply pipe from the water supply network, or of a private drain from the wastewater network, and disconnect has the equivalent meaning". Disconnection could</p>

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		<p>therefore occur other than at the point of supply, which is a further reason not to accept the proposed insertion into (b).</p> <p>With respect to (c) and (d), the element of “public” is already included in the definitions of water supply network and wastewater network; therefore, there is no need to repeat it here.</p> <p>Recommendation: no change.</p>
<p>Housing New Zealand</p>	<p>Clause 6(1): Connection, disconnection and other works: It is proposed that the following is included to ensure bylaw does not duplicate provisions contained within the Building Act or Resource Management Act or require provision of information at the discretion of Watercare, any application requirements should be explicitly described and publicly consulted on.</p> <p>Amendments sought: (2) Any person wishing to connect to or disconnect from the water supply network or wastewater network, or to otherwise carry out works on such a network, <u>must either seek building landuse or subdivision consent from Auckland Council or make a written application for approval to Watercare, and must provide with that application all information relating to the application as is specified by Watercare.</u></p>	<p>As noted above, seeking (or even obtaining) a building or subdivision consent does not confer the right to connect to the networks. Those processes do not necessarily address the “network owner” issues (addressed in clauses 6(5) and 6(6) of the proposed bylaw) which are of particular concern to Watercare. In addition, a requirement to simply “seek” consent infers that a person could simply make a connection upon lodging a consent application.</p> <p>Recommendation: no change.</p>
<p>Housing New Zealand</p>	<p>Clause 6(3): Connection, disconnection and other works: Support with amendments- It is proposed that the following is included to ensure bylaw does not duplicate provisions contained within the Building Act or require approvals that are specifically permitted under the Building Act and that any conditions imposed enable the appropriate protection of the water and wastewater network.</p> <p>Amendments sought: <u>Where works are not otherwise enabled by an approved building,</u></p>	<p>As noted above, obtaining a land use, subdivision or building consent may be necessary, but it does not itself confer a right to connect. It is not process duplication for there to be separate consent requirements addressing different (albeit sometimes related) issues. This request is not supported.</p> <p>Recommendation: no change.</p>

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	<p><i>landuse or subdivision consent</i> Watercare may grant approval to such connection, disconnection or other works, as the case may be, and may impose <i>reasonable conditions to ensure the network is appropriately protected during the works.</i></p>	
<p>Housing New Zealand</p>	<p>6(4) Connection, disconnection and other works: Delete clause - Clause unnecessary.</p> <p>Amendments sought: (4) Without limiting subclause (3), a condition imposed under that subclause may require that the connection, disconnection or works comply with any relevant code of practice.</p>	<p>This is not an unnecessary clause. It is a signal to any applicant that there may be codes of practice that require standards to be met for infrastructure connected to Watercare's networks (or for how disconnection is to be undertaken). If it cannot require compliance with these standards, Watercare may have to fix improperly made connections or disconnections at its own expense (i.e. funded out of water and wastewater revenue), when the cost should more fairly be borne by the person who has undertaken the improper / substandard connection or disconnection.</p> <p>Recommendation: no change.</p>
<p>Housing New Zealand</p>	<p>6(5) Connection, disconnection and other works: Support (in part) with amendments: Locations where connections are not available should be confirmed publicly by Watercare. The ability to refuse a connection contrary to an otherwise Council approved landuse, subdivision or building consent is not an appropriate discretion for Watercare to have. The effects of development are required to be considered under the respective statues when Council grants consents for development. Watercare should not have right of veto over approved otherwise development.</p> <p>Matters of previous actions by parties in respect of compliance with Watercare standards should not be a matter to refuse a connection.</p> <p>Amendments sought: (5) Watercare may refuse an application for approval to connect to a network where: (a) the applicant has not paid fees or charges associated with the</p>	<p>A building, land use or subdivision consent does not confer access to Watercare's networks. The bylaw does not give Watercare the right of veto over developments. It gives Watercare the ability to refuse connections requests when there is no available network or no available capacity in the network. The development in question could still be undertaken, with provision of onsite wastewater treatment and / or water supply systems. Consent from council does not equate to access to reticulated water supply and wastewater networks.</p> <p>Refusal to pay fees relating to the connection or undertake works in accordance with Watercare's requirements is considered to be an acceptable reason to refuse approval, since these charges reflect the cost an application for approval generates. In fact infrastructure growth charges (IGCs) fund only a portion of the overall costs of capital expenditure new connections generate, with the balance of these costs being</p>

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	<p>connection (including infrastructure growth charges) that have been required by legislation Watercare, or has refused to provide such information relating to the application as has been specified by Watercare; or</p> <p>(b) Watercare has a documented record of the applicant's non-compliance with this bylaw or any previous water supply or wastewater bylaws, codes of practice, or approvals granted under such bylaws or codes of practice; or</p> <p>(c) the connection is proposed in a location shown on a publicly available map (or GIS viewer) where its has been determined that in Watercare's reasonable opinion, there is insufficient capacity in the network to accommodate the additional the connections ; or</p> <p>(d) in Watercare's reasonable opinion, the connection could compromise its ability to maintain levels of service in relation to the water supply or wastewater network; or</p> <p>(d) the connection is outside the area currently served by the water supply or wastewater network, regardless of its proximity to any specific component of the water supply or wastewater network, and is shown on a publicly available map (or GIS viewer) as a location where no connections are available; or</p> <p>(f) in Watercare's reasonable opinion, refusal is necessary to protect the water supply network or wastewater network, the health and safety of any person, or the environment.</p> <p>(5A) Watercare may not refuse connection to a network where the connection is otherwise consistent with any approved landuse, subdivision or building consent.</p>	<p>funded out of water and wastewater charges. The reference to charges required "by legislation" is not supported, as Watercare's charges including IGCs are contractual rather than statutory charges.</p> <p>The extent of the water supply and wastewater network is available on Council's external GIS viewer. This indicates where there is a physical network. The physical presence of a network does not however equate to there being capacity in the network. This will depend on capacity of the network both at the point of connection and the downstream capacity at the time of the proposed connection, taking into account that the infrastructure was sized to accommodate the level of development planned at the time the network was installed. It will also depend on the scale of development that is being planned. Watercare works to update network capacity in coordination with Council's priority areas for development as set through documents such as the Auckland Plan and Proposed Auckland Unitary Plan. There are ready means for obtaining information of this type in any particular case and there is no need to write anything into the bylaw.</p> <p>Recommendation: no change.</p>
<p>Housing New Zealand</p>	<p><u>6. Connection, disconnection and other works</u></p> <p>The proposed bylaw or associated Code of Practice should specify the time to assess and process applications and also fees charged.</p> <p>Amendments sought:</p> <p><u>(7) The time frames by which Watercare will assess and respond to an application are contained within the Code of Practice.</u></p> <p><u>(8) The fees for application for Watercare approval are contained within the Code of Practice.</u></p>	<p>It is not necessary or appropriate to specify timeframes, as these will depend on the nature and complexity of the application(s) before Watercare. A code of practice is a technical document related to the standards for infrastructure to vest in Watercare or connections to or disconnections from its networks, and it is not appropriate to include a list of fees in that document. Watercare's fees and charges for services (which are contractual) are updated from time to time (whereas codes of practice tend to be developed and approved less</p>

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		<p>frequently), and this information is made available on Watercare's website.</p> <p>Recommendation: no change.</p>

Topic 5: Bylaw Clause 7 - Damage to or interference with water supply or wastewater network

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<p>Carter Holt Harvey Pulp and Paper Limited</p>	<p><i>Without specifically creating an offence this clause infers that it is an offence to damage, stop, obstruct or otherwise interfere with the water supply network or the wastewater network. Section 76 of the Local Government (Auckland Council) Act 2009 provides that an offence is only committed where a person wilfully destroys, damages, stops, obstructs or interferes with a work or property.</i></p> <p>Recommendation: <i>Rather than infer an offence, if the Council wishes to receive notice of such damage, it should modify clause 7 as follows:</i></p> <p>(1) Except as authorised by Watercare, no person may damage, stop, obstruct or otherwise interfere with the water supply network or the wastewater network.</p> <p><i>(2) Any person who damages, stops, obstructs or otherwise interferes with the water supply network or the wastewater network breaches subclause (1) must promptly report that damage, stopping, obstruction, or other interference to Watercare.</i></p>	<p>Watercare’s Determination Report in respect of the proposed bylaw identified in the Hearings Panel report in Appendix 1 (under issue 2) that any bylaw provision aimed at protecting the water supply and wastewater network “cannot be worded as an offence provision because it cannot be inconsistent with the existing legislation [section 76 of the LGACA] which says an offence is committed only if the damage is caused wilfully or negligently”. Clause 15 does not make a breach of clause 7 an offence under section 239 of the Local Government Act 2002 (LGA). Officers do not agree with the submission point that clause 7 “infers” that the conduct set out in that clause amounts to an offence. Clause 15 expressly states that breach of certain clauses in the bylaw is an offence, and clause 7 is not one of those clauses.</p> <p>However, a breach of clause 7(1) could still support an application by Auckland Council (or Watercare under delegation from the Council) to the District Court to grant an injunction restraining a person from committing a breach of the bylaw, under section 162 of the LGA.</p> <p>Recommendation: No change.</p>

Topic 6: Bylaw Clause 8 - Works near water supply or wastewater network

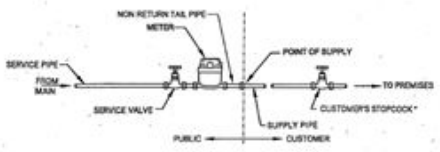
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<p>Housing New Zealand</p>	<p>8 Works near water supply or wastewater network:</p> <p>Oppose these provisions – seek deletion or substantial changes.</p> <p>Housing New Zealand considers that these provisions may not be the most appropriate mechanism to protect the network infrastructure and appropriately balance the rights of individual landowners to utilise land. If Watercare seeks such a level of control over private land then other methods such as designations over the network should be considered to provide the degree of control of private land being sought by Watercare. Housing New Zealand principally seeks that this section is deleted.</p> <p>That said, Housing New Zealand appreciates the need to protect buried services from unintentional damage as a result of excavation. If this section is to remain in the proposed bylaw Housing New Zealand considers that the section should include provisions that detail the responsibility of Watercare / Council to maintain accurate as built information, making that available to contractors and respond to application to excavate in a timely fashion. If this section is retained Housing New Zealand proposes a number of changes that are broadly consistent with provisions contained in the Rodney City Council Legacy Bylaw.</p> <p>Amendments sought:</p> <p>(2) Every person carrying out restricted works must, before commencing the works:</p> <p>(a) notify Watercare of their intention to carry out the works. <i>Watercare shall keep and maintain plans of the location of its buried services. This information shall be available for inspection during normal business hours at no cost to the user. Reasonable charges may be levied to cover the costs of making copies available;</i></p> <p>(b) <i>Any person proposing to carry out excavation work shall view the</i></p>	<p>Watercare requires legal protection for its network across Auckland. Watercare has over 15,000km of pipes and it is not feasible nor practical to protect this extent of pipes via designations. Landowners and network utilities already follow 'works over' and 'BeforeUDig' processes in order to safely undertake developments, so the general approach reflected in the proposed bylaw is already well known and generally accepted.</p> <p>The submitter's proposal that Watercare is given "notice" of "an intention to excavate in the vicinity of its services as detailed in the table clause 4" (presumably clause 8(4)) is not supported, as it allows works within the specified distances in clause 8(4) to proceed without Watercare's prior approval. To protect the water supply and wastewater networks from the risk of damage through works such as excavation or piling, it may be necessary for Watercare to withhold approval or to impose conditions on restricted works, whereas the submitter's "notice" proposal would not allow for this.</p> <p>The intention of the bylaw is to expressly require Watercare approval for restricted works to ensure that reasonable conditions can be applied, where necessary, to protect the infrastructure. Watercare considers the setbacks from the assets appropriate to manage the risks of the proposed works.</p> <p>Details of the location of underground services or other infrastructure can be obtained from Watercare. The provision of this information and the terms on which it is made available does not need to be specified in a bylaw, which is a regulatory document.</p> <p>Recommendation: no change</p>

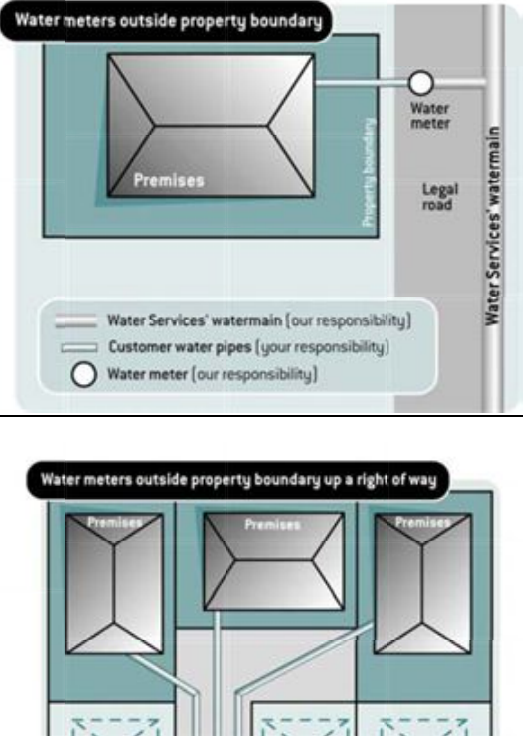
Submitter	Submission point (non-edited text is in italics)	Comment and recommendation											
	<p><u>as-built information to establish whether utility services are located in the vicinity. At least three (3) days notice in writing shall be given to the Watercare of an intention to excavate in the vicinity of its services as detailed in the table clause 4. Liability for accurate identification of as-builts rests entirely with the person proposing to excavate.</u></p> <p>(b e) obtain written approval from Watercare for the works, which approval may include such reasonable conditions as Watercare considers appropriate including a requirement to carry out or to permit Watercare to carry out (in either case at the expense of the person) works for the protection of the network.</p> <p>(3) For the purposes of this clause, restricted works are works which will or are likely to damage, or adversely affect the operation of, the water supply network or the wastewater network. When excavating and working around buried services due care shall be taken to ensure the services are not damaged, and that bedding and backfill is reinstated in accordance with the appropriate Council Code of Practice.</p> <p>(4) Without limiting subclause (3), restricted works are works of the following type which</p> <table border="1" data-bbox="564 858 1182 1270"> <thead> <tr> <th data-bbox="564 858 712 938">Type of works</th> <th data-bbox="712 858 1012 938">Type of water supply or wastewater network asset</th> <th data-bbox="1012 858 1182 938">Specified distance from asset</th> </tr> </thead> <tbody> <tr> <td data-bbox="564 938 712 1193" rowspan="2">General excavation</td> <td data-bbox="712 938 1012 1066">pipes 300mm in diameter and greater, including connected manholes and structures</td> <td data-bbox="1012 938 1182 1066">40-2 metres</td> </tr> <tr> <td data-bbox="712 1066 1012 1193">pipes less than 300mm in diameter, including connected manholes and structures</td> <td data-bbox="1012 1066 1182 1193">21 metres</td> </tr> <tr> <td data-bbox="564 1193 712 1270">Piling</td> <td data-bbox="712 1193 1012 1270">pipes 300mm in diameter and more, including connected manholes and</td> <td data-bbox="1012 1193 1182 1270">40-2 metres</td> </tr> </tbody> </table>	Type of works	Type of water supply or wastewater network asset	Specified distance from asset	General excavation	pipes 300mm in diameter and greater, including connected manholes and structures	40-2 metres	pipes less than 300mm in diameter, including connected manholes and structures	21 metres	Piling	pipes 300mm in diameter and more, including connected manholes and	40-2 metres	
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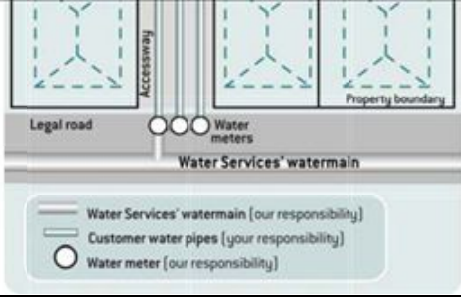
Submitter	Submission point (non-edited text is in italics)			Comment and recommendation
		structures pipes less than 300mm in diameter, including connected manholes and structures	≥1 meters	
	Blasting	pipes 300mm in diameter and more, including connected manholes and structures	40-2 metres	
		pipes less than 300mm in diameter, including connected manholes and structures	≥1 meters	
Carter Holt Harvey Pulp and Paper Limited	<p><i>Clause 8 of the Proposed Bylaw relates to works near the water supply or wastewater network. It does not require any element of intent. The Determination Report states that if such provisions are included in the Proposed Bylaw this clause cannot be worded as an "offence" provision because it cannot be inconsistent with the existing legislation. Section 76 of the Local Government (Auckland Council) Act 2009 provides that an offence is only committed where a person wilfully destroys, damages, stops, obstructs or interferes with a work or property. Notwithstanding, the Proposed Bylaw has drafted this</i></p>			<p>Clause 8 (which is an offence provision – see clause 15) is not inconsistent with section 76 of the LGACA because the two provisions deal with different conduct. Clause 8(1) states that no person may carry out restricted works (works which will or are likely to damage, or adversely affect the operation of, the water supply network or the wastewater network) except in accordance with an approval from Watercare and the conditions of approval. By contrast the conduct that amounts to an offence under section 76(2) is to wilfully destroy,</p>

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	<p><i>provision as an offence provision (refer clause 15 which makes a breach of clause 8 an offence under s239 of the Act). Including an offence provision that is inconsistent with the existing legislation is contrary to s61 of the Local Government (Auckland Council) Act 2009.</i></p> <p><i>Clause 8 also significantly extends the offences relating to damage to water supply and wastewater assets found in s61 of the Act by prescribing set distances around which activities cannot occur. Imposition of a general bylaw power to retrospectively create a liability without recourse to the Public Works Act is unreasonable and uncertain. Where Watercare has easements over private land these will appropriately constrain the use of the land. Where easements do not exist it is incumbent on owners of land to manage their land in a manner that ensures that they comply with the legislation. Otherwise it is inappropriate and unreasonable to use secondary regulation (bylaws) to materially alter private property rights (Footnote: 1 McCarthy v Madden (1914) 33 NZLR 1251 – “a bylaw which destroys or unnecessarily interferes with a public right without producing a corresponding benefit to the inhabitants of a locality will be unreasonable”).</i></p> <p>Recommendation: Rely on the provisions of the Local Government (Auckland Council) Act 2009 (s76) and delete clause 8.</p>	<p>damage, stop, obstruct, or interfere with a work or property. Section 76(2) does not concern works which will or are likely to damage a network being undertaken without or in breach of an approval, or imply that this is lawful in some circumstances.</p> <p>Clause 8 being an offence provision is not inconsistent with section 61 of the LGACA, which does not set out offences, but rather is the provision that authorises an Auckland water organisation to propose a bylaw relating to the management or supply of water supply or wastewater services.</p> <p>The proposed bylaw does not “retrospectively create a liability”. The bylaw does not have retrospective effect, i.e. apply to conduct which occurred before the bylaw comes into force. The bylaw will come into force on the state specified in clause 3 i.e. 1 July 2015, and only affect conduct occurring on or after that date.</p> <p>The perceived problem that clause 8 seeks to address is people undertaking works which will or are likely to cause damage to the water supply or wastewater network and potentially disrupt water supply or wastewater services. The consequences of damage to these networks from restricted works are potentially very serious in terms of public health and convenience and costs to Watercare as the network owner and operator. In terms of the impact of clause 8 on private rights, restricted works are not prohibited under clause 8(1) or clause 8(5): there is simply a requirement to obtain Watercare’s prior approval (which may or may not be granted, depending on the risk of damage) and to comply with the conditions of approval. Officers do not consider clause 8 to be an unreasonable response to the perceived problem.</p> <p>Recommendation: No change.</p>

Topic 8: Bylaw Clause 10 - Point of supply

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
<p>Housing New Zealand</p>	<p>10 (1) Point of supply: It is considered that details in relation to the point of supply needs to be detailed in the Bylaw as this is critical to the customer contract at the point as which customers are responsible for maintenance etc. Most of the existing Bylaws include details relating to the point of supply. The requested changes are taken from the North Shore City Council Bylaw.</p> <p>Amendments sought:</p> <p>(1) <u>The point of supply for an individual customer must be located outside the property boundary as shown in figure 1 or as close as possible where fences, walls or other permanent structures make it difficult to locate it at the required position. Other positions will require the written agreement of Watercare.</u> <u>Figure 1 – Point of supply - single dwelling units</u></p> <p style="text-align: center;">Figure 1 – Point of supply - single dwelling units</p>  <p style="text-align: center;"><small>* Provision of New Zealand Building Code Approved Document G12/ASL (means of establishing compliance with the Code)</small></p> <p>(2) <u>Each allotment must have it's own individual point of supply. Generally one point of supply is normally allowed unless Watercare approve more than one in writing. Where an allotment has more than one separately used or inhabited part, Watercare may provide a separate point of supply for each part.</u></p>	<p>The point of supply is generally defined in the bylaw, and is further defined via the customer contract and via Watercare's website. There are several different permutations of where the point of supply is located for water and wastewater. Watercare does not wish to limit the definition by including a diagram in the bylaw that may not convey all situations across Auckland (and to that extent may be misleading or confusing). Examples of the point of supply are provided on the Watercare website.</p>

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
	<p>The typical layout at a point of supply is shown in Figure 2.</p> 	

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
	 <p>(3) <u>The point of supply for the different forms of multiple ownership of premises are as follows:</u> <u>(a) For company leases, flat and office owning companies under Part VIIA of the Land Transfer Act - as for single ownership.</u> <u>(b) For cross-lease, strata title, unit title, and other rating units as defined under the Local Government (Rating) Act 2002 – at least one point of supply shall be provided to the allotment. Additional points of supply for individual parts of the allotment may be supplied following the written agreement with Watercare.</u> <u>For a multiple ownership supply, which existed before these bylaw provisions came into effect, the point of supply will be the arrangement existing at that time, or as determined by agreement with us.</u></p>	

Topic 12: Bylaw Clause 14 - Prohibited inflow and discharge

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
<p>Housing New Zealand</p>	<p>14 (1) Prohibited inflow and discharge: Support with amendments: Clause (1) should be amended to acknowledge that the imposition on persons should be based on what they could reasonably know, especially given that these clauses are subject to offence provisions.</p> <p>Amendments sought: (1) No person may <u>knowingly and deliberately</u> cause or allow stormwater to <u>continually</u> enter the wastewater network or any private drain which is connected to the wastewater network.</p>	<p>The word ‘continually’ suggests the prohibited flow is on-going. This would not protect Watercare’s network appropriately from one-off or multiple, but discrete, discharges. There is no good reason why the bylaw prohibition should only apply to continuing discharges.</p> <p>It is not unreasonable to expect landowners, even large landowners such as Housing New Zealand, to be aware of whether stormwater is entering the wastewater network on their property or properties. The submission if accepted would potentially mean that clause 14 was not breached, and no offence of breaching clause 14 was committed, where a landowner failed to properly monitor what was occurring on site, and sheltered behind the defence of “not knowing” that stormwater was entering the wastewater network.</p> <p>Recommendation: no change.</p>

Topic 13: Bylaw Part 5 (clauses 16, 17 & 18) - Enforcement, offences and penalties

Submitter	Submission point (non-edited text is in italics)	Comment and recommendation
<p>Housing New Zealand</p>	<p>15 (1) Offences: Support with amendments Housing New Zealand has principally sought that clause 8 of the bylaw is removed. Consequential amendment is required to this section of the bylaw.</p> <p>Amendments sought: (1) A person who breaches clause 8, 12, 13 or 14 of this bylaw commits an offence under section 239 of the Act. <i>Explanatory note: As at [insert date] the maximum penalty for a person convicted of the offence of breaching this bylaw is a fine of \$20,000 per offence.</i></p>	<p>See earlier comments re: clause 8.</p> <p>Recommendation: no change.</p>
<p>Housing New Zealand</p>	<p>17 (1): Default by owner or occupier Seek amendments: This clause should not be limited to owners or occupiers, this should be phrased to address the person who is in default.</p> <p>Amendments sought: (1) If an owner or occupier <u>a person</u> defaults in undertaking any action required under this bylaw, the council or Watercare may at its discretion upon giving notice to that person, undertake that action and recover on demand the full cost of undertaking the action from that person.</p>	<p>Officers agree with this suggested change. It would make the person actually responsible for the breach (who may not be the owner or occupier – for example, it may be a contractor working on site with the owner or occupier's consent) the liable party.</p> <p>Recommendation: amend clause 17 as follows:</p> <p><u>17(1): Default by owner or occupier in undertaking action required under bylaw</u></p> <p>(1) If an owner or occupier <u>a person</u> defaults in undertaking any action required under this bylaw, the council or Watercare may at its discretion upon giving notice to that person, undertake that action and recover on demand the full cost of undertaking the action from that person.</p>

Attachment 1: Housing New Zealand submission

06 March 2015

Auckland Council
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7

FEEDBACK BY HOUSING NEW ZEALAND CORPORATION ON THE WATER SUPPLY AND WASTEWATER NETWORK BYLAW

Introduction

Housing New Zealand has reviewed the proposed Water Supply and Wastewater Network bylaw and the Statement of Proposal and provides feedback to Watercare and Auckland Council. As a major land owner and developer with assets spread throughout the Auckland Region Housing New Zealand is uniquely placed to provide comment that may influence the direction of local bylaws with the intent to improve the health, safety and amenity of the communities we help to support but also with a view to improve the social housing portfolio and make the best possible use of our land asset.

Background

Housing New Zealand has a wide range of functions including:

- a) The provision and management of social rental housing;
- b) undertaking housing and other developments either on its own account or in conjunction with other persons;
- c) acquiring and developing land for housing or other developments.

As outlined in Housing New Zealand's Statement of Intent¹, reconfiguring the Corporation's housing stock in Auckland is a priority as a means of providing efficient affordable housing that meets the needs of residents and the community. This is consistent with the strategic direction of the Auckland Plan, to develop a quality compact and liveable city and the implementation of this plan through the objectives and policies of the Proposed Auckland Unitary Plan. To facilitate redevelopment and urban intensification within existing communities Housing New Zealand has an interest in insuring that there is sufficient and appropriate physical infrastructure and that the land drainage network is managed in the best practicable approach while still ensuring the general health and safety of communities.

Housing New Zealand Corporation is a major asset holder within the Auckland Region with assets in all of the Local Board areas of Auckland, excluding Great Barrier. Apart from the role as a social housing provider, Housing New Zealand also has a significant role as a landowner, landlord and a rate payer. Last financial year Housing New Zealand paid over \$70m in rates to Auckland Council (approx. \$43m in land rates and \$29m in Water Rates).

General Feedback

Following our review of the Statement of Proposal and the proposed Water Supply and Wastewater Bylaw Housing New Zealand is submitting in overall support of the bylaw but with a request that some clauses within the bylaw be amended.

Housing New Zealand supports a single regulation document that controls the water supply and wastewater network across the Auckland Region, in as much as it provides a level of clarity to general public, contractors and the development industry.

Points where Housing New Zealand has concern and wish to see amendments relate to;

- Limit duplication in approval / consent processing and clarification of when approval under the bylaw is required; and
- Specific details on what is the "point of supply"; and
- Additional clauses relating to the formulation, consultation and implementation of Code of Practice; and
- clauses that detail Watercare's / Council obligations under the Bylaw being processing time frames and appeal rights relating to application for approval from Watercare; and
- The use of other methods that appropriately balance rights of land owners with the need to protect the Watercare networks; and
- Additional clauses relating to the obligation by watercare to keep accurate records on the network and provide certainty to landowners on locations where connections can not be provided; and
- Where approval of Watercare is required that these applications are processed in a timely and cost efficient manner.

¹ Housing New Zealand Corporation Statement of Intent 2012-2015

Conclusion

As the largest residential landowner in the Auckland Region, managing nearly 7%² of residential dwellings and over 1,400 hectares of land, Housing New Zealand recognises the importance of managing the water supply and wastewater infrastructure.

New Zealand has provided a table of where we seek changes to the individual clauses.

Housing New Zealand would welcome the opportunity to further discuss our concerns in relation to the proposed bylaw and the regulation of the water and waste water systems generally.

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Brendon Liggett
Development Planning Manager – Asset Development Group
Housing New Zealand Corporation

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Senior Development Planner

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Central Auckland 1051

DDI: 09 261 5825
Email: mandy.sherring@hnzc.co.nz

² HNZN managed portfolio as at 31 January 2014 compared to total occupied dwellings 2013 census

Housing New Zealand in principle supports the proposed Water Supply and Wastewater Network Bylaw, but we seek changes to the following individual clauses.

Part	Decision Request	Commentary on Housing New Zealand Reasons for Submission	Amendment Sought
Part 1 – Preliminary provisions			
5 Interpretation	Object with amendments	Clauses 8(3) being “works which will or are likely to damage, or adversely affect the operation of, the water supply network or the wastewater network” is too general and all encompassing particularly taking into account the extent of specified distance detailed in table clause 4. Clauses in bylaw should be clear and unambiguous.	restricted works has the meaning given by clauses 8(3) and (4) of this bylaw.
	Controls specified under the bylaw	The provisions of the bylaw should detail the manner in which a Code of Practice or similar document is notified and adopted by Watercare / Council	<u>Any control specified by the council under clauses 5, 6, & 8 of this bylaw;</u> (a) <u>Must be publicly notified following the notification, and hearings process set out in accordance with the provisions of section 156 of the Local Government Act.</u>
	Additional definition	Allotment should be defined as per the Resource Management Act	<u>allotment has the meaning given by section 218 of the Resource Management Act 1991</u>
Part 2 – Protection of water supply and wastewater networks			
6 (1) Connection, disconnection and other works	Support with amendments	It is proposed that the following advice note is included to ensure bylaw does not duplicate provisions contained within the Building Act or require approvals that are specifically permitted under the Building Act.	(1) No person may, without <u>first obtaining building consent from Auckland Council or</u> Watercare's approval: (a) connect to the water supply network or the wastewater network; (b) disconnect <u>the point of supply</u> from the water supply network or the wastewater network; (c) carry out any other works on, or in relation to, the <u>public</u> water supply network or the <u>public</u> wastewater network; (d) open any manhole, chamber, access point, or valve on, or otherwise tamper with, the water supply network or the wastewater network. <u>Advice note: works included in the Building Act Schedule 1 parts 1 & 2 does not require Council Consent</u>
		It is proposed that the following is included to ensure bylaw does not duplicate provisions contained within the Building Act or Resource Management Act or require provision of information at the discretion of Watercare, any application requirements should be	(2) Any person wishing to connect to or disconnect from the water supply network or wastewater network, or to otherwise carry out works on such a network, <u>must either seek building landuse or subdivision consent from Auckland Council or</u> make a written application for approval to Watercare, and must

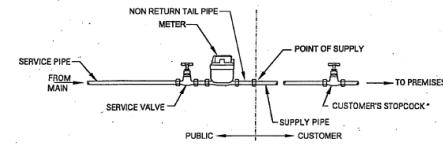
		explicitly described and publicly consulted on.	provide with that application all information relating to the application as is specified by Watercare.
6(3) Connection, disconnection and other works	Support with amendments	It is proposed that the following is included to ensure bylaw does not duplicate provisions contained within the Building Act or require approvals that are specifically permitted under the Building Act and that any conditions imposed enable the appropriate protection of the water and wastewater network.	Where works are not otherwise enabled by an approved building, landuse or subdivision consent Watercare may grant approval to such connection, disconnection or other works, as the case may be, and may impose reasonable conditions to ensure the network is appropriately protected during the works.
6(4) Connection, disconnection and other works	Delete clause	Clause unnecessary.	(4) Without limiting subclause (3), a condition imposed under that subclause may require that the connection, disconnection or works comply with any relevant code of practice.
6(5) Connection, disconnection and other works	Support (in part) with amendments	<p>Locations where connections are not available should be confirmed publicly by Watercare. The ability to refuse a connection contrary to an otherwise Council approved landuse, subdivision or building consent is not an appropriate discretion for Watercare to have. The effects of development are required to be considered under the respective statues when Council grants consents for development. Watercare should not have right of veto over approved otherwise development.</p> <p>Matters of previous actions by parties in respect of compliance with Watercare standards should not be a matter to refuse a connection.</p>	<p>(5) Watercare may refuse an application for approval to connect to a network where:</p> <p>(a) the applicant has not paid fees or charges associated with the connection (including infrastructure growth charges) that have been required by legislation Watercare, or has refused to provide such information relating to the application as has been specified by Watercare; or</p> <p>(b) Watercare has a documented record of the applicant's non-compliance with this bylaw or any previous water supply or wastewater bylaws, codes of practice, or approvals granted under such bylaws or codes of practice; or</p> <p>(c) the connection is proposed in a location shown on a publicly available map (or GIS viewer) where its has been determined that in Watercare's reasonable opinion, there is insufficient capacity in the network to accommodate the <u>additional</u> the connections; or</p> <p>(d) in Watercare's reasonable opinion, the connection could compromise its ability to maintain levels of service in relation to the water supply or wastewater network; or</p> <p>(e) the connection is outside the area currently served by the water supply or wastewater network, regardless of its proximity to any specific component of the water supply or wastewater network, <u>and is shown on a publicly available map (or GIS viewer) as a location where no connections are available;</u> or</p> <p>(f) in Watercare's reasonable opinion, refusal is necessary to protect the water supply network or wastewater network, the health and safety of any person, or the environment.</p> <p><u>(5A) Watercare may not refuse connection to a network where the connection is otherwise consistent with any approved</u></p>

<p>6 (6) Connection, disconnection and other works</p>		<p>Proposed bylaw needs to be clear that issues of network capacity are resolved and/or addressed as part of a resource consent which includes conditions of consent where necessary. It should not be the role of the bylaw to revisit these issues following a granted resource, subdivision or building consent.</p> <p>Applicants should also not have connections declined where capacity constraints are identified as a result of poor or lack of maintenance being undertaken on the network.</p>	<p><u>landuse, subdivision or building consent.</u></p> <p>(6) Without limiting subclause (5) <u>and unless otherwise approved by a landuse, subdivision or building consent,</u> Watercare may refuse approval <u>for a new to connection</u> to a <u>public</u> network work where:</p> <p>(a) in the case of the water supply network, connection may detrimentally affect its ability to supply water at the volume and/or pressure required for firefighting;</p> <p>(b) in the case of the wastewater network, connection would or may give rise to wastewater overflows.</p> <p><u>Watercare may however not refuse connection due to limitations within the network resulting from insufficient maintenance of the network being undertaken in the past by Watercare.</u></p>
<p><u>6 Connection, disconnection and other works</u></p>		<p>The proposed bylaw or associated Code of Practice should specify the time to assess and process applications and also fees charged.</p>	<p><u>(7) The time frames by which Watercare will assess and respond to an application are contained within the Code of Practice.</u></p> <p><u>(8) The fees for application for Watercare approval are contained within the Code of Practice.</u></p>
<p>8 Works near water supply or wastewater network</p>	<p>Oppose these provisions – seek deletion or substantial changes.</p>	<p>Housing New Zealand considers that these provisions may not be the most appropriate mechanism to protect the network infrastructure and appropriately balance the rights of individual landowners to utilise land. If Watercare seeks such a level of control over private land then other methods such as designations over the network should be considered to provide the degree of control of private land being sought by Watercare. Housing New Zealand principally seeks that this section is deleted.</p> <p>That said, Housing New Zealand appreciates the need to protect buried services from unintentional damage as a result of excavation. If this section is to remain in the proposed bylaw Housing New Zealand considers that the section should include provisions that detail the responsibility of Watercare / Council to maintain accurate as built information, making that available to contractors and respond to</p>	<p>(2) Every person carrying out restricted works must, before commencing the works:</p> <p>(a) notify Watercare of their intention to carry out the works. <u>Watercare shall keep and maintain plans of the location of its buried services. This information shall be available for inspection during normal business hours at no cost to the user. Reasonable charges may be levied to cover the costs of making copies available;</u></p> <p>(b) <u>Any person proposing to carry out excavation work shall view the as-built information to establish whether utility services are located in the vicinity. At least three (3) days notice in writing shall be given to the Watercare of an intention to excavate in the vicinity of its services as detailed in the table clause 4. Liability for accurate identification of as-builts rests entirely with the person proposing to excavate.</u></p> <p>(b c) obtain written approval from Watercare for the works, which approval may include such reasonable conditions as Watercare considers appropriate including a requirement to carry out or to permit Watercare to carry out (in either case at</p>

		<p>application to excavate in a timely fashion. If this section is retained Housing New Zealand proposes a number of changes that are broadly consistent with provisions contained in the Rodney City Council Legacy Bylaw.</p>	<p>the expense of the person) works for the protection of the network.</p> <p>(3) For the purposes of this clause, restricted works are works which will or are likely to damage, or adversely affect the operation of, the water supply network or the wastewater network. When excavating and working around buried services due care shall be taken to ensure the services are not damaged, and that bedding and backfill is reinstated in accordance with the appropriate Council Code of Practice.</p> <p>(4) Without limiting subclause (3), restricted works are works of the following type which</p> <table border="1"> <thead> <tr> <th data-bbox="1196 644 1308 692">Type of works</th> <th data-bbox="1341 644 1621 692">Type of water supply or wastewater network asset</th> <th data-bbox="1644 644 1800 716">Specified distance from asset</th> </tr> </thead> <tbody> <tr> <td data-bbox="1196 724 1308 772" rowspan="2">General excavation</td> <td data-bbox="1341 724 1621 820">pipes 300mm in diameter and greater, including connected manholes and structures</td> <td data-bbox="1644 724 1800 748">40.2 metres</td> </tr> <tr> <td data-bbox="1341 852 1621 948">pipes less than 300mm in diameter, including connected manholes and structures</td> <td data-bbox="1644 852 1800 876">21 metres</td> </tr> <tr> <td data-bbox="1196 979 1308 1003" rowspan="2">Piling</td> <td data-bbox="1341 979 1621 1075">pipes 300mm in diameter and more, including connected manholes and structures</td> <td data-bbox="1644 979 1800 1003">40.2 metres</td> </tr> <tr> <td data-bbox="1341 1107 1621 1203">pipes less than 300mm in diameter, including connected manholes and structures</td> <td data-bbox="1644 1107 1800 1131">21 metres</td> </tr> <tr> <td data-bbox="1196 1235 1308 1259">Blasting</td> <td data-bbox="1341 1235 1621 1303">pipes 300mm in diameter and more, including connected manholes and</td> <td data-bbox="1644 1235 1800 1259">40.2 metres</td> </tr> </tbody> </table>	Type of works	Type of water supply or wastewater network asset	Specified distance from asset	General excavation	pipes 300mm in diameter and greater, including connected manholes and structures	40.2 metres	pipes less than 300mm in diameter, including connected manholes and structures	21 metres	Piling	pipes 300mm in diameter and more, including connected manholes and structures	40.2 metres	pipes less than 300mm in diameter, including connected manholes and structures	21 metres	Blasting	pipes 300mm in diameter and more, including connected manholes and	40.2 metres
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			<p>structures</p> <p>pipes less than 300mm in diameter, including connected manholes and structures 21 meters</p> <p><u>(5) Notwithstanding the distances specified in the table clause 4 where buried services are located within the road reserve or in land not otherwise forming part of the site where excavation or piling is proposed the setback distances and the provisions of clause 8 do not apply.</u></p> <p><u>(5 6) No person may undertake restricted works or any building work over a watermain or a rising main without either first obtaining a landuse, subdivision or building consent or prior Watercare approval.</u></p>
10 (1) Point of supply		<p>It is considered that details in relation to the point of supply needs to be detailed in the Bylaw as this is critical to the customer contract at the point as which customers are responsible for maintenance etc. Most of the existing Bylaws include details relating to the point of supply. The requested changes are taken from the North Shore City Council Bylaw.</p>	<p>(1) Watercare may from time to time and by resolution define the point of supply, and make information as to the point of supply publicly available on its website.</p> <p><u>(4) The point of supply for an individual customer must be located outside the property boundary as shown in figure 1 or as close as possible where fences, walls or other permanent structures make it difficult to locate it at the required position. Other positions will require the written agreement of Watercare.</u></p> <p><u>Figure 1 – Point of supply - single dwelling units</u></p>

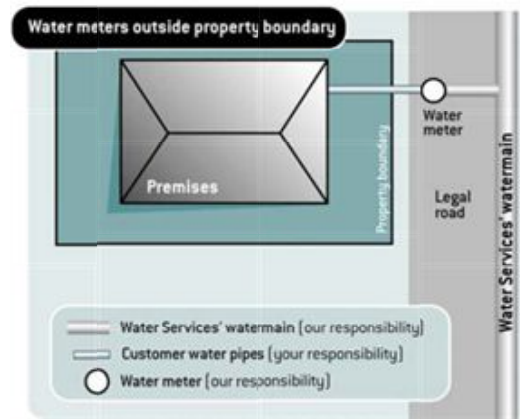
Figure 1 – Point of supply - single dwelling units

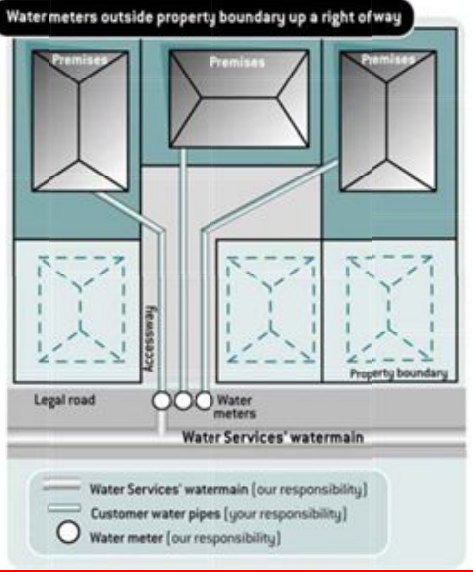


*Provision of New Zealand Building Code Approved Document G12/AS1.
(means of establishing compliance with the Code)

- (5) Each allotment must have it's own individual point of supply. Generally one point of supply is normally allowed unless Watercare approve more than one in writing. Where an allotment has more than one separately used or inhabited part, Watercare may provide a separate point of supply for each part.

The typical layout at a point of supply is shown in Figure 2.



			 <p>(6) <u>The point of supply for the different forms of multiple ownership of premises are as follows:</u> <u>(a) For company leases, flat and office owning companies under Part VIIA of the Land Transfer Act - as for single ownership.</u> <u>(b) For cross-lease, strata title, unit title, and other rating units as defined under the Local Government (Rating) Act 2002 – at least one point of supply shall be provided to the allotment. Additional points of supply for individual parts of the allotment may be supplied following the written agreement with Watercare.</u></p> <p>(7) <u>For a multiple ownership supply, which existed before these bylaw provisions came into effect, the point of supply will be the arrangement existing at that time, or as determined by agreement with us.</u></p> <p>14 (1) Support with Clause (1) should be amended to acknowledge that (1) No person may knowingly and deliberately cause or allow</p>
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Prohibited inflow and discharge	amendments	the imposition on persons should be based on what they could reasonably know, especially given that these clauses are subject to offence provisions.	stormwater to <u>continually</u> enter the wastewater network or any private drain which is connected to the wastewater network.
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General Business