



**Panuku
Development
Auckland**
An Auckland Council Organisation



**Board
Report**

Date

Wednesday, 27 April 2016

Time

Commencing at 9.30 am

Venue

Panuku Development Auckland
Level 2, Pier 21 Building,
11 Westhaven Drive, Freemans Bay

Board Agenda

Where: Level 2, Pier 21 Building, 11 Westhaven Drive, Freemans Bay, Auckland

When: Wednesday, 27 April 2016 – 9.30 am – 2:00 pm

Board Members: Sir John Wells – Chair
R.H. Aitken – Deputy Chair
M.A. Blackburn - Director
E.W. Davies - Director
R.I. Leggat - Director
Dr S.C. Macken - Director
P.F. Majurey - Director
M.E. Pohio - Director
C.M. Udale – Director

Apologies:

In attendance: J.G. Dalzell – Interim Chief Executive
C. Gosbee – Director Corporate Services
D. Rankin – Director Strategy and Engagement
R. Marler – Director Place Shaping
A. Young – Director Development
I. Wheeler – Director Portfolio Management
A. Cutler – Manager Governance Relationships
D. Gurney – Corporate Governance Lead / Board Secretary

| | | Timing | | | | | | | | |
|---|---|---|--|-------------------------------|-------------------------------|----------------|-------------------------------|-------------------------|-------------------------------|-----------------|
| 1. | <p>Opening of Public Meeting</p> <p>1.1 Apologies</p> <p>1.2 Directors' Interests and advice of any conflicts</p> <p>1.3 Directors' Board Meeting Attendance Register</p> <p>1.4 Minutes of the Development Auckland Board meeting of 30 March 2016</p> | 9:30 am | | | | | | | | |
| 2. | <p>Chief Executive's Report to the Board</p> | 9:40 am | | | | | | | | |
| 3. | <p>3.1 Procedural:</p> <p>Procedural motion to exclude the public:</p> <p>Put the motion that, pursuant to the provisions of Section 48(1)(a) of the Local Government Official Information & Meetings Act 1987, the public be excluded from the following proceedings of this meeting; the subject matter, the reasons and specific grounds for exclusions are set below:</p> <table border="1"> <thead> <tr> <th>General subject of matters to be considered</th> <th>Grounds under Section 48(1) for considering in private</th> </tr> </thead> <tbody> <tr> <td>Governance; Committee reports</td> <td>Commercially sensitive issues</td> </tr> <tr> <td>Finance & Risk</td> <td>Commercially sensitive issues</td> </tr> <tr> <td>Management & operations</td> <td>Commercially sensitive issues</td> </tr> </tbody> </table> | General subject of matters to be considered | Grounds under Section 48(1) for considering in private | Governance; Committee reports | Commercially sensitive issues | Finance & Risk | Commercially sensitive issues | Management & operations | Commercially sensitive issues | 10:00 am |
| General subject of matters to be considered | Grounds under Section 48(1) for considering in private | | | | | | | | | |
| Governance; Committee reports | Commercially sensitive issues | | | | | | | | | |
| Finance & Risk | Commercially sensitive issues | | | | | | | | | |
| Management & operations | Commercially sensitive issues | | | | | | | | | |

| | | | |
|------------|--|------------|-----------------|
| | 3.2 Minutes of the Development Auckland Board Meeting of 24 February 2016 (Confidential) | 9 | |
| | 3.3 Board Action List | 25 | |
| | 3.4 Board work programme | 27 | |
| | Grounds under Section 48(1) for considering Action List and Board Work Programme in private: Commercially sensitive | | |
| 4. | Chief Executive's Report (confidential) | 33 | 10:15 am |
| | 4.1 SOI Strategic Initiatives | 46 | |
| | 4.2 Strategic Projects | 57 | |
| | 4.3 SOI Performance Measures | 66 | |
| | 4.4 Health and Safety Report | 70 | |
| | 4.5 Risk Dashboard | 75 | |
| | 4.6 Summary of Property Acquisitions | 78 | |
| | 4.7 Summary of Property Disposals | 79 | |
| | 4.8 Quarterly Update on Auckland Property Market | 80 | |
| | Grounds under Section 48(1) for considering Chief Executives Report – Confidential Issues) in private: Commercially sensitive | | |
| 5. | Financial Report to the Board | 87 | 10:45 am |
| | Grounds under Section 48(1) for considering Panuku Financial Report to the Board in private: Commercially sensitive | | |
| | Morning Tea | | 10:50 am |
| 6. | Decision Papers | | 11:00 am |
| | 6.1 Grants and Donations Policy | 113 | |
| | 6.2 Disposals Recommendations | 115 | |
| | 6.3 Acquisition of Land for Stormwater Purposes – Lots 805-807 40 Hughs Way, Flat Bush | 127 | |
| | Grounds under Section 48(1) for considering Decision Papers in private: Commercially sensitive | | |
| 7. | Information Papers | | 11:30 am |
| | 7.1 Fanshawe Street and Wynyard Quarter Public Transport Project | 130 | |
| | 7.2 Waterfront Report | 133 | |
| | 7.3 Housing for Older People - Update | 148 | |
| | Grounds under Section 48(1) for considering Information Papers in private: Commercially sensitive | | |
| 8. | Committee and Subsidiary Reports | | 12:00 pm |
| | 8.1 Minutes of Committees | | |
| | 8.1.1 Conflicts Committee – 12 February 2016 | 159 | |
| | Grounds under Section 48(1) for considering Committee and Subsidiary Reports in private: Commercially sensitive | | |
| 9. | Document Register | 161 | 12:05 pm |
| | Grounds under Section 48(1) for considering Document Register details in private: Commercially sensitive | | |
| 10. | Senior Leadership Team – Interests Register | | 12:10 pm |
| 11. | General Business | | 12:15 pm |
| | Lunch | | 12:30 pm |

Directors' Interests at 27 April 2016

| Member | Interest | Company/Entity | Potential Conflicts |
|-------------------------|--|--|---|
| Sir John Wells | Chairman | Development Auckland Limited | - |
| | Trustee | Auckland Grammar School Foundation Trust | None |
| | Chairman | Bancorp Group Ltd | Potential financier – Housing for Older Persons |
| | Chairman | Bancorp Holdings Corporation Ltd | None |
| | Chairman | Bancorp New Zealand Ltd | None |
| | Director | Bancorp Strategic Investments Ltd | None |
| | Chairman | Bancorp Treasury Services Ltd | None |
| | Chairman | CBL Insurance Ltd | None |
| | Chairman | CBL Corporation Ltd | None |
| | Chairman | Fisher Funds Management Ltd | None |
| | Chairman | Greenpark Holdings Ltd | None |
| | Advisory Board Member | Marsh Ltd | None |
| | Director | Martin Jenkins and Associates Ltd | None |
| | Chairman | Sheffield North Island Ltd | None |
| | Trustee | Wadhurst Trust | None |
| | Trustee | Wells Family Trust | None |
| | Chairman | World Masters Games 2017 Ltd | None |
| | Member | Committee for Auckland – Chairman's Advisory Group | |
| | Director | CBLNZ Ltd | |
| | Chairman | Assetinsure Pty Ltd (Australia) | |
| Chairman | Assetinsure Holdings Pty Ltd (Australia) | | |
| Richard H Aitken | Deputy Chairman | Development Auckland Limited | - |
| | Director | Beca AMEC Ltd | None |
| | Chairman and Employee | Beca Group Ltd | Supplier |
| | Director | Beca Group Holdings Ltd | None |
| | Director | BGCF Trustee Ltd | None |
| | Director | BGL Custodian Ltd | None |
| | Director | BGL Depository No. 2 Ltd | None |
| | Director | BGL Finance Ltd | None |
| | Director | BGLIR Trustee Ltd | None |
| | Director | BGL Management Share Trustee Ltd | None |
| | Director | BGL Nominees Ltd | None |
| | Director | BGS Trustee Ltd | None |

27 April 2016 Panuku Board Meeting (Public) - Opening of Public Meeting

| Member | Interest | Company/Entity | Potential Conflicts |
|---|---------------------------------------|---|------------------------------|
| | Director | Derceto Trustee Ltd | None |
| | Director | Hopetoun Pitt Ltd | None |
| | Director | Beca Chile S.A (Chile) | None |
| Richard H Aitken (continued) | Director | Gands Plan Pty Ltd (Australia) | None |
| | Director | John Scotts Investments Ltd | None |
| | Director | TrustPower Ltd | None |
| | Chair | Te Punaha Matatini Advisory Board | None |
| | Trustee | BAS Custodian Trust | None |
| | Trustee | Beca Indemnity Fund Custodian Trust | None |
| | Trustee | BGLIR Custodian Trust | None |
| | Trustee | BGL Custodian Trust | None |
| | Trustee | BGS Custodian Trust | None |
| | Trustee and discretionary beneficiary | The Glade Trust | None |
| | Trustee | The Sunnybrae Trust | None |
| | Trustee | The Waimarama Trust | None |
| | M Anne Blackburn | Director | Development Auckland Limited |
| Member | | Commercial Operation Advisory Board to the Treasury | None |
| Director | | New Zealand Venture Investment Fund Limited | None |
| Director | | NZVIF Investments Limited | None |
| Director | | Warren & Mahoney Limited | Supplier |
| Director | | Warren & Mahoney Architects Limited | Supplier |
| Director | | Committee for Auckland Limited | None |
| Director | | Fidelity Life Assurance Company Limited | None |
| Chair | | Royal District Nursing Service NZ Limited | None |
| Director | | RDNS Group Limited (Australia) | None |
| Director | | Fisher Funds Management Limited | None |
| Director | | TSB Bank Limited | None |
| Director | | TSB Group Capital Limited | None |
| Director | | TSB Group Investments Limited | None |
| Director | | Ten Gracie Square Limited | None |
| Director | | Wairaka Land Company Limited (Unitec land development subsidiary) | Possible |

27 April 2016 Panuku Board Meeting (Public) - Opening of Public Meeting

| Member | Interest | Company/Entity | Potential Conflicts |
|--------------------------|--------------|---|---|
| Evan W Davies | Director | Development Auckland Limited | - |
| | Director | Welch Securities Ltd | None |
| | Director | Paris Magdalinos Architects Ltd | None |
| | Director | Kokako Fames Ltd | None |
| | Director | Todd Property Group Limited and Subsidiaries | None |
| | Director | Todd Property Ormiston Town Centre Ltd | J/V with Panuku |
| | Trustee | Melanesian Mission Trust | None |
| | Trustee | Anglican Trust for Women and Children | None |
| | Chair | Capital Investment Committee, Nation Health Board | None |
| | Chair | Christchurch Hospital Redevelopment Partnership Board | None |
| Richard I Leggat | Director | Development Auckland Limited | - |
| | Director | New Zealand Post Ltd | None |
| | Deputy Chair | Tourism NZ | None |
| | Director | Education NZ | None |
| | Director | Cycling NZ | None |
| | President | Union Cycliste Internationale Ethics Commission | None |
| | Chairman | NZ Cycle Trail Incorporated | None |
| | Director | Snowsports NZ | None |
| | Panel Member | NZ Markets Disciplinary Tribunal | None |
| | Director | Trophy Metropolitan | None |
| | Director | Mortleg Ltd | None |
| | Advisor | Busways PTY Ltd | None |
| Dr Susan C Macken | Director | Development Auckland Limited | - |
| | Deputy Chair | Bank of New Zealand | Possible as provider of banking services to Auckland Council & CCOs |
| | Director | Treasury Advisory Board | None |
| | Director | Blossom Bear Ltd | none |
| | Director | Fertility Associates Trustee Ltd and Associates | None |
| | Director | STG Ltd | None |
| | Deputy Chair | Tāmaki Redevelopment Company Ltd | Possible |
| | Director | Spa Electrics Ltd (Aust) | None |

27 April 2016 Panuku Board Meeting (Public) - Opening of Public Meeting

| Member | Interest | Company/Entity | Potential Conflicts |
|------------------------|-------------------------------------|--|------------------------|
| Paul F Majurey | Chair | Tūpuna Maunga o Tāmaki Makaurau Authority | Possible – Three Kings |
| | Chair | Tāmaki Makaurau Community Housing Limited | Possible |
| | Chair | Tāmaki Collective | None |
| | Chair | Hauraki Collective | None |
| | Chair | Marutūāhu Collective | None |
| | Director | Development Auckland Limited | - |
| | Director | Pouarua Farm General Partner Limited | None |
| | Director | Tikapa Moana Enterprises Limited | None |
| | Director | Marutūāhu Rōpū General Partner Limited | None |
| | Director | Ngāti Maru Pouarua Farm limited | None |
| | Director | Pare Hauraki Asset Holding Limited | None |
| | Director | Museum of New Zealand Te Papa Tongarewa | None |
| | Director | Half Moon Bay Venture Limited | None |
| | Co-Chair | Sea Change Marine Spatial Plan Project | None |
| | Co-Chair | Tāmaki Healthy Families Alliance | None |
| | Trustee | Crown Forestry Rental Trust | None |
| | Trustee | Hapu – Ngāti Maru Rūnanga | None |
| | Trustee | Hauraki Fishing Group | None |
| Representative | Tāngata Whenau – Hauraki Gulf Forum | None | |
| Michael E Pohio | Director | Development Auckland Limited | - |
| | Director | National Institute of Water & Atmospheric Research Limited | None |
| | Director | NIWA Vessel Management Limited | None |
| | Director | Transpower New Zealand Limited | None |
| | Chairman | BNZ Partners Waikato | None |

| Member | Interest | Company/Entity | Potential conflicts |
|-----------------------|----------------|---|-------------------------------|
| C Martin Udale | Director | Development Auckland Limited | - |
| | Director | Canvas Investments Limited | None |
| | Director | Essentia Consulting Group Limited | None |
| | Director | Fleming Urban Limited | Possible Onehunga development |
| | Director | Innovation Waikato Limited | None |
| | Director | Paparata Limited | None |
| | Director | Peterborough Quarter Limited | None |
| | Director | Tall Wood Limited | None |
| | Director | Tamaki Redevelopment Company Limited | Possible |
| | Council member | Unitec Institute of Technology | None |
| | Director | Waikato Innovation Park Limited | None |
| | Chair | Wairaka Land Company Limited (Unitec land development subsidiary) | Possible |
| | Member | McConnell Property Advisory Committee | Possible |



DIRECTORS' MEETING ATTENDANCE REGISTER

| | 2015 | | | | 2016 | | | | | No. of meetings | | 2016 | | | | | |
|----------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-----------------|-------|--------|--------|--------|--------|--------|--------|
| | 23 Sep | 28 Oct | 25 Nov | 11 Dec | 24 Feb | 30 Mar | 27 Apr | 25 May | 29 Jun | Attended | Total | 27 Jul | 31 Aug | 21 Sep | 26 Oct | 30 Nov | 14 Dec |
| Sir John Wells | ✓ | A | ✓ | ✓ | ✓ | ✓ | | | | | | | | | | | |
| R H Aitken | ✓ | ✓ | ✓ | A | ✓ | ✓ | | | | | | | | | | | |
| M A Blackburn | A | ✓ | ✓ | ✓ | ✓ | ✓ | | | | | | | | | | | |
| E W Davies | ✓ | ✓ | A | ✓ | ✓ | ✓ | | | | | | | | | | | |
| R I Leggat | A | ✓ | ✓ | A | ✓ | ✓ | | | | | | | | | | | |
| Dr S C Macken | A | ✓ | ✓ | A | A | ✓ | | | | | | | | | | | |
| P F Majurey | ✓ | ✓ | A | ✓ | ✓ | ✓ | | | | | | | | | | | |
| M E Pohio | ✓ | A | A | ✓ | ✓ | ✓ | | | | | | | | | | | |
| C M Udale | ✓ | A | ✓ | ✓ | ✓ | ✓ | | | | | | | | | | | |



MINUTES OF THE MEETING OF DIRECTORS OF DEVELOPMENT AUCKLAND LIMITED (PANUKU DEVELOPMENT AUCKLAND), HELD AT LEVEL 2, PIER 21 BUILDING, 11 WESTHAVEN DRIVE, AUCKLAND ON WEDNESDAY 30 MARCH 2016 COMMENCING AT 09:30 A.M.

| | | |
|--|----------|---|
| ATTENDING | | <p>Board: Sir John Wells (Chair), R H Aitken, M A Blackburn, E W Davies, R I Leggat, Dr S C Macken, P F Majurey, M E Pohio and C M Udale</p> <p>Executive: J Dalzell (Interim Chief Executive), C Gosbee (Director Corporate Services), R Marler (Director Placemaking), D Rankin (Director Strategy and Engagement), I Wheeler (Director Portfolio Management), A Young (Director Development), A Cutler (Manager Governance Relationships), D Gurney (Board Secretary).</p> |
| APOLOGIES | 01/06/16 | No apologies were received as there was full attendance by Board members. |
| DIRECTORS' INTERESTS | 02/06/16 | The Board reviewed and received the Register of Directors' Interests. |
| MINUTES OF PREVIOUS MEETING | 03/06/16 | <p>It was RESOLVED THAT the Minutes of the Meeting held on 24 February 2016, as amended, be confirmed as a correct record and be signed by the Chairman.</p> <p><i>Moved Sir John Wells; seconded R H Aitken; CARRIED.</i></p> |
| DEPUTATION BY MS KATHLEEN WELCH | 04/06/16 | <p>Ms Kathleen Welch presented to the Board on her concerns about the development of the Hammerhead site in Gulf Harbour. Key issues that Ms Welch raised included:</p> <ul style="list-style-type: none"> • Concerns about the Environment Court waiving the requirement to retain an esplanade • The potential loss of the deep water boat ramp • The impact of the development on the ferry service <p>Ms Welch advocated for restrictions to be put on the lease to limit building density, to retain the esplanade and to retain recreation areas.</p> |
| CHIEF EXECUTIVE'S REPORT | 05/06/16 | <p>The Chief Executive introduced his report. Key issues highlighted included:</p> <ul style="list-style-type: none"> • High Level Project Plans – there had been a favourable response from the Auckland Development Committee when the Manukau HLPP had been presented. • Viaduct Harbour Holdings Ltd – the Board noted that VHHL had a new CE, Angela Bull, and that a new strategic relationship with Panuku was being formed. • Kestrel – the Board noted that the historic ferry Kestrel had sunk and that Panuku was working with the Kestrel Preservation Society to determine what the next steps are. <p>The Health and Safety Report was reviewed by the Board.</p> <p>The New Zealand Institute of Directors have released a Health and Safety Guide – this would be made available to Panuku Directors on Boardbooks. The Board noted that Panuku is working closely with Hawkins after a cease work notice had been served after a services strike, and that it presented a good opportunity to improve processes.</p> <p>The Health and Safety Manager, Blair McMichael, advised that he had been to inspect Hobsonville and that from a Health and Safety perspective everything looked in order, including the removal of asbestos from a number</p> |

| | | <p>of buildings.</p> <p>Preventative activity to stop people jumping of the cliff face into the pool at Te Henga Quarry was noted. It was also noted that at Whiford Quarry there had been a number of vehicle rollovers – the issue was one of lack of experience and competency by drivers, not an equipment issue.</p> <p>The Board noted that the Council is changing its Health and Safety system in October 2016, and that this is an opportunity for Panuku to look at real time reporting with greater use of targets and a stronger forward focus. It was noted that a Panuku specific information system would be required for the next 3 years which the Council upgraded its IT systems.</p> <p>The Board noted that Health and Safety improvement will be in 4 areas:</p> <ol style="list-style-type: none"> 1. Project management - ensuring safety design is through all project management steps 2. Contract management – ensuring safety clauses are in contracts 3. Health and Safety Policy and implementation across Panuku staff 4. Reporting systems to improve a better overview and greater visibility. <p>The Chief Executive's Report was received.</p> | | | | | | | | |
|--|--|---|---|--|------------------------------|-------------------------------|------------------|-------------------------------|---------------------------|-------------------------------|
| PROCEDURAL MOTION TO EXCLUDE THE PUBLIC | 06/06/16 | <p>It was RESOLVED THAT, pursuant to the provisions of Section 48(1)(a) of the Local Government Official Information & Meetings Act 1987, the public be excluded from the Meeting for the following proceedings; the subject matter, the reasons and specific grounds for exclusions being set out below:</p> <table border="1" data-bbox="614 1025 1437 1294"> <thead> <tr> <th>General subject of matters to be considered</th> <th>Grounds under Section 48(1) for considering in private</th> </tr> </thead> <tbody> <tr> <td>Governance; Committee report</td> <td>Commercially sensitive issues</td> </tr> <tr> <td>Finance and Risk</td> <td>Commercially sensitive issues</td> </tr> <tr> <td>Management and operations</td> <td>Commercially sensitive issues</td> </tr> </tbody> </table> <p><i>Moved by Sir John Wells, seconded by R H Aitken; CARRIED.</i></p> | General subject of matters to be considered | Grounds under Section 48(1) for considering in private | Governance; Committee report | Commercially sensitive issues | Finance and Risk | Commercially sensitive issues | Management and operations | Commercially sensitive issues |
| General subject of matters to be considered | Grounds under Section 48(1) for considering in private | | | | | | | | | |
| Governance; Committee report | Commercially sensitive issues | | | | | | | | | |
| Finance and Risk | Commercially sensitive issues | | | | | | | | | |
| Management and operations | Commercially sensitive issues | | | | | | | | | |
| | | The meeting closed at 10:30 A.M. | | | | | | | | |

READ AND CONFIRMED_____ **Chairman**_____ **Date**



Chief Executive's Report to the Board

| | |
|------------------------|--|
| Document Author | John Dalzell – Interim Chief Executive David Gurney – Corporate Governance lead Board Secretary |
| Contributors | David Rankin – Director of Strategy & Engagement Rod Marler – Director of Place Shaping Allan Young – Director of Development Ian Wheeler – Director Portfolio Management Carl Gosbee – Director of Corporate Services |
| Date | 27 April 2016 |

1. Overview

The Chief Executive's Report provides Directors with a summarised overview of the most important issues facing the organisation. This report provides Directors with the strategic context and confidence that the key issues are being managed; and to frame the consideration of Decision Papers and Information Papers later in the meeting.

2. Key Issues

This section outlines issues that are not otherwise covered by a Decision Paper or an Information paper elsewhere in the agenda and are either:

- Strategically significant or material.
- Emerging issues.
- Involve notification or approval from the shareholder.
- Have the potential to become publically noteworthy.

2.1 Strategically significant or material issues

2.1.1 Manukau Transformation

The Board approved the Manukau High Level Project plan at its March meeting and it was placed on the 14 April 2016 agenda of the Auckland Development Committee. It was preceded by a workshop with the committee, which included a focus on the associated funding strategy for transform areas based on reinvestment of the Council development site proceeds.

2.1.2 Onehunga High Level Project Plan

Considerable work is continuing on the Onehunga High Level Project Plan which is, at this

point, on track for the agreed timeline. We are prioritising input into the east/west link dialogue with NZTA and Auckland Transport, given the fact that the design of this is in real time. It is also on a tight timeframe and we need to make every effort to contribute constructively to the thinking.

2.1.3 Executive Leadership Team strategy day

A week prior to the Board strategy workshop the Panuku ELT spent the bulk of a day also focusing on organisational direction and strategy. This was a useful session which covered a lot of ground. Given where we are organisationally there was a strong feeling it would be a good idea to have some more sessions over the calendar year. These will be programmed.

2.2 Emerging issues

2.2.1 Kestrel

The Kestrel was lifted on Thursday 14th April. It is now on Titan Slipway awaiting a decision to be made on its future.

It appears the sinking was due to the vessel taking on water and filling to a point where she was so low in the water that additional water was able to enter through multiple entry points, including discharge points, possibly water intake points and rotten timber at the belting level. This in turn would have tightened mooring lines, cantering the deck level over accentuating the influx of water through porous side decks.

2.3 Involve notification or approval from the shareholder.

There are not issues under this category for this month.

2.4 Potential to be publicly noteworthy

There are not issues under this category for this month.

3. Compliance Summary

3.1 Health and Safety

The Health and Safety report for February 2016 is attached as *Attachment A* to this report.

3.2 Policy Updates

All operational and strategic policies are reviewed as they fall due, either annually, biennially or three yearly, as stipulated in the respective policies. Operational policies are approved by the Chief Executive, policies of a strategic nature are approved by the Board.

The following Panuku operational policies have been reviewed and signed off by the Interim Chief Executive, during the third quarter of this financial year:

- Procurement
- Purchase Card (P-Card)
- Gifts and Hospitality
- Queens Wharf and Rate card Discounting Policy

The Grants and Donations Policy has also been updated to reflect a change in the Chief Executive's delegated authority and the timing of reporting. This has been included as a Decision paper for Board approval.

The next phase of policy reviews includes Health and Safety, Governance, Code of Conduct, Debt Management and the ACPL Negotiating Agreement with Developers.

Attachments

Attachment A – Health and Safety Report (Mar. 2016)

Health and Safety Report – March 2016

| | |
|--------------------|--|
| Document Author(s) | Blair McMichael, Health and Safety Manager |
| Reviewer(s) | Carl Gosbee, Director Corporate Services |
| Date | 14 April 2016 |

1. Introduction

The new Health and Safety at Work Act 2015 came into effect 4 April 2016, along with the Asbestos Regulations 2016 and the Mining and Quarries Regulations 2016.

2. Governance

The formation of a Health and Safety Steering Group is underway, consisting of members from the Senior Leadership Team and Board of Directors. Volunteers are currently being sought from the Board Directors. The role of the Steering Group is to develop the health and safety charter, and provide direction on Panuku Health and Safety Strategy.

Following the February Board meeting, clarification of the term PCBU was requested:

PCBU:¹

A PCBU is a 'person conducting a Business or Undertaking'. The term PCBU does not include workers or officers of PCBUs, volunteer associations with no employees, or home occupiers that employ or engage a tradesperson to carryout residential work. The reference to 'Person' in the definition does not refer to an individual rather to an entity.

A PCBU must ensure, so far as is reasonably practical, the health and safety of workers, and that 'other persons' are not put at risk by its work.

3. Strategy and Policy

An implementation plan is underway to convert the 90-180 day plan (as per the Information Paper provided at the February Board meeting) into actions. This implementation / action plan will 'dovetail' into the Business Plan for 2016/17.

The draft report from Impac Solutions has been received, and currently being reviewed. The final report will be included with the April Board papers.

Key draft recommendations include requirements for:

- A Health and Safety Charter
- Inclusion of Lead and Lag KPIs for Health and Safety
- Health and Safety management systems implementation
- Inclusion of 'Directorate Specific' performance measures (within the Business Plan)
- Review of Panuku contract / agreement 'arrangements'
- Implementation of a contractor management work flow (framework)

¹ Per the 'Health and Safety Guide: Good Governance for Directors (2016)'.

- Implementation of a project management health and safety framework.

Following discussions with Board members during the February meeting, SMART objectives are in the process of being defined for inclusion in the 2016/17 Business Plan.

Lead and lag indicators may include the following:

- Monitoring and inspection – internal auditing by Panuku contract / project staff (number to be defined by Risk criteria) - 80% of 'high' risk physical works audited monthly.
- Monitoring and inspection - independent quality audits (20% of development contracts, annually) – Target 70% compliance against measurement criteria;
- Monthly Health and Safety reporting criteria for contractors (physical works) – 80% physical works contractor reporting per month;
- Lost Time Injury Frequency (LTIFR) < 4.0 (source: Auckland Council);
- Near miss reporting increase;
- Health and Safety Contract Management training completion - 80% Panuku contract staff trained by June 2017.

Example template:

| Lead indicators | | | |
|--|-------|--------------|----------|
| <i>The lead indicator table illustrates areas that we want to target and focus for future reports.</i> | | | |
| | Month | Year to date | 12 Month |
| Employee Inductions | 5 | | |
| Hazards Identified | | | |
| Hazards Closed | | | |
| Site inspections | | | |
| Incident Investigation closed in period | | | |
| Safety Observations in period | | | |
| Audits Scheduled | 2 | | |
| Audits Completed | 2 | | |
| Executive Site visits planned | | | |
| Executive Site visits completed | | | |

The above indicators would be categorised by Directorate and dependent on the development and imbedding (including resourcing) of a Contractor Management (Health and Safety) Framework.

4. Monthly Reporting

4.1 Development

4.1.1 Pakenham-Madden Street

Audit completed by Attwood Consultants on 30 March, no issues identified. The following elements were reviewed:

- Weekly safety meetings held
- Weekly inspections completed
- All incidents recorded and investigated

- d. Task analyses completed as required
- e. Permit to Dig system in use

Items raised included:

- f. Lack of eye and hearing protection for concrete breaking workers. Raised with the contractor and resolved
- g. Fencing around Madden excavation required improvement – resolved.

Incidents onsite included (all incidents are either closed or pending an investigation):

- Side of trench collapsed due to digger weight
- Hand injury as a paver's hand was stood on by colleague
- Water main hit by excavator
- Reversing truck struck fence panel (in attention from 'spotter')
- Reversing truck operating without an assigned 'spotter'.

4.1.2 Hobsonville Roads 'D&E', Stormwater ponds, and Building 4

Audit completed by Attwood Consultants on 3 March reviewing for the Stormwater Ponds. No actions identified. The following elements were reviewed:

- h. Task analysis for the current stage of work (completion of the pond liners)
- i. Regular safety inspections are being completed
- j. A daily log is being completed recording any issues
- k. Accident register (and accident forms).

Two minor **incidents** and one environmental incident were recorded across the various Hobsonville projects. Awaiting close out actions from the Engineer's Representatives (RCP).

4.2 Place Shaping

The Events team are seeking to formalise events management health and safety guidance with intended completion in April/May. The current approach to events involves a combination of Council's events management framework and improvements by the Events team.

4.3 Portfolio Management

The Property Portfolio team are working with the Auckland Council Procurement team to ensure contracts are in place, Health and Safety clauses are suitable (including insertion of risk), and monitoring and inspection provisions are adequate based on the level of risk for property repairs and maintenance work.

Currently working with the Portfolio team to establish auditing expectations and deliverables.

5. Systems and Process

5.1. Training

Due to the uncertainty of continuing with the 'Vault' health and safety management system managed by Auckland Council, training for managers has been rescheduled for May. The intention is to ensure managers actively investigate, and implement corrective actions for near misses, incidents and accidents.

5.2. Incident Management and Reporting

A policy for 'at risk' staff has been drafted for field-related activities such as entering residential properties, working alone, and remote working (outside cell phone coverage). The policy aims to define notifications to line management when a Panuku worker fails to respond within predefined times. The policy asserts pre-task risk assessment, communication, activation of an 'at-risk' app (on phones), and emergency response. Both the policy and app will be trialled among affected staff during April and May.

A draft 'Panuku' contractor Health and Safety Prequalification policy has been completed and will be under consultation during April/May. The prequalification process aligns an assessment of risk with the contractor's work category/ type.

5.3. Update on hazard and risk management

The risk register has been reviewed to ensure alignment with planned controls and updates.

A decision tree for staff visiting property where material or microbes such as asbestos, toxic mould, chemical manufacturing such as methamphetamine, may be prevalent is in trial by the facilities management team. Once agreed a 'contaminant' process would be extended to contractor workers to ensure an understanding of exposure and sampling and monitoring requirements.

This process will be released together with training in the Asbestos Regulations in May.

5.4. Emergency planning

A trial emergency evacuation was completed in March for office workers at Pier 21, Westhaven.

No exceptions noted against the evacuation plan.

6. Review and Monitoring

6.1 Injury management

No activity this month

6.2 Employee participation activity

The Panuku Health & Safety Committee met, with a majority of actions aligned to 'in-office' health and wellbeing.

Actions include:

- Defibrillator installation
- Personal Protective Equipment (PPE) issuing to contract and project management staff (WIP)
- Emergency evacuation planning / trial
- Training to be provided around the Asbestos Regulations.

6.3 Reports on any external audits and system reviews

Audit templates for both an independent auditing function and Worker (staff) auditing are to be trialled in May. The former is intended to be used by an existing independent auditor to determine Panuku compliance in contract management.

The latter for staff to ensure Contract safety plan requirements are reviewed and controls proposed are relevant and current to the physical work environment.

Both forms of monitoring will require lead support within Panuku, to ensure Panuku staff affected by physical works contracts increase their direct involvement in contract H&S, reducing their

reliance on external reviews. Staff involvement will increase the organisation's ability to further develop the existing H&S culture.

6.4 Contractor management

A consistent contractor Management Framework is intended, as referred to in Section 3 'Strategy and Policy'.

6.5 Incident Data

| Incident Type | Month | Total for year commencing 1 September 2015 |
|---|-----------|--|
| 1. Fatalities | 0 | 0 |
| 2. Significant Near Miss or Event An event which under different circumstance may have resulted in serious harm or a fatality. | 0 | 4 |
| 3. Lost Time Injury (LTI) Injury that prevents a worker returning to work for their next working day. | 0 | 0 |
| 4. Restricted Work Injury incident where an employee can return to work but is only able to complete restricted/alternative duties. | 0 | 0 |
| 5. Medical Treatment Injury that requires treatment by a physician or health care professional that is not considered first aid (broken bones etc). | 1 | 1 |
| 6. First Aid Minor injury that is treated in the workplace; may also include an incident where a worker is taken to a doctor/clinic for minor procedure (minor cuts or tetanus shots etc). | 1 | 6 |
| 7. No Treatment Incident where no treatment is required. | 0 | 1 |
| 8. Incident An event that results in an environmental incident or property damage and no injury. | 2 | 11 |
| 9. Near Miss An event that given certain additional circumstances may have resulted in personal injury or property damage | 8 | 20 |
| Totals | 12 | 43 |