

## **Schedule 8: Site Particulars**

### **1. Department Site information**

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#### **1.1 Department Site description**

The Department Site (Lot 1 on LT 442050) is situated on the southern portion (20.1537 hectares) of a 47.2278 hectare site at 20 Hautu Drive, Wiri, Auckland, where the full site is legally described as Lot 1 DP 391946 and Lot 1 DP 448846.

#### **1.2 Information applicable to Department Site made available to Contractor**

The following reports and information relating to the Department Site were made available to the Contractor prior to the date of this Agreement:

- (a) Certificate for the Purpose of Schedule One of the Overseas Investment Act 2005 prepared by Robyn Elizabeth Shephard dated 14 April 2011;
- (b) Computer Freehold Register 368904 (North Auckland Land Registry) Search Copy dated 29 March 2011 together with all interests registered against the title as at that date;
- (c) Land Information Memorandum for the property at 20 Hautu Drive, Manukau dated 31 March 2011;
- (d) Computer Freehold Register 575590 (North Auckland Land Registry) Search Copy dated 31 August 2012 together with all interests registered against the title as at that date; and
- (e) relevant information contained in the Virtual Data Room (the content of which has been downloaded, electronically stored and a copy provided to each party).



- (g) Variations of the conditions of easement instrument created by Transfer 6984000.1 as varied by Instrument 8855865.4 (a copy of which is appended to Schedule 26 (Related Documents)).

### **3.2 Relevant agreements**

In addition, the following documents impose restrictions and obligations on the Contractor in relation to the Department Site:

- (a) Deed of Agreement between the Department and Wiri Oil Services Limited dated 28 July 2004;
- (b) Deed of Agreement between the Department and Wiri Oil Services Limited dated 7 March 2011;
- (c) an agreement to grant easement in favour of Vector Limited relating to the proposed new electricity easement associated with the Contractor's development of the Department Site substantially in the form attached at Appendix A (Form of Vector Limited Electricity Easement);
- (d) an agreement to grant easement in favour of Vector Limited relating to the proposed new gas easement associated with the Contractor's development of the Department Site substantially in the form attached at Appendix B (Form of Vector Limited Gas Easement);
- (e) Deed of grant of sewage easement in favour of the Department Site entered into between the Department and Her Majesty The Queen in Right of New Zealand acting by and through the Chief Executive of the Ministry of Social Development (a copy of which is attached at Appendix C (MSD Sewerage Easement)); and
- (f) an agreement to grant easement in favour of Watercare Services Limited relating to the proposed new storm water easement associated with the Contractor's development of the Department Site substantially in the form attached at Appendix D (Form of Watercare Services Limited Storm Water Easement).

### **3.3 Precedence of documents**

For the avoidance of doubt, in the case of any inconsistency between this Schedule 8 and the Computer Freehold Register for 575590, the Computer Freehold Register prevails.

## **4. Common or shared access**

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The principal operational access will be from Kiwi Tamaki Road.

## **5. Adjoining Crown Sites**

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As at the date of this Agreement, the Adjoining Crown Sites are as follows:

- (a) the Department of Conservation administers Matukurua Stonefields to the west of the Department Site;
- (b) Child Youth and Family administers land to the east of the Department Site;
- (c) the Department administers the ARWCF to the north of the Department Site (also on 575590); and

- (d) the Department administers that part of the Computer Freehold Register 575590 which lies to the south of the Department Site.

## Appendix A: Form of Vector Limited Electricity Easement

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1 August 2012

The Fletcher Construction Company Ltd  
19 Morgan Street  
Newmarket  
Auckland

Attention: Chris Lane

**Vector Reference**

EC-A1-12-CIP2-091

**Enquiries To**

John Ireland

DDI: 09 272 2858

OR

Vaughan Evans

DDI: 09 978 7608

Network Sales Co-ordinator

DDI: (09) 978 7833

**INSTALLATION OF SUBSTATION (AND ASSOCIATED WORKS)**

Dear Chris,

**Mens Correctional Facility 20 Hautu Drive, Wiri**

As per recent discussions, please find the below detail for the installation of 2 x 750kVA transformers and associated equipment at the correctional facility.

Please find **enclosed** an agreement for the installation of a substation (and all associated works) on the above property ("**Agreement**").

The contribution required for these works is \$109,479.00 plus GST and is valid for 30 days from the date of this letter. Any delays in accepting this Agreement could result in changes to the scope of works and the contribution amount.

Please take the time to read through the Agreement and the terms and conditions of our offer. If you wish to proceed with installation of these capital works, please return the executed Agreement along with sufficient evidence of full payment of the contribution amount. You are welcome to return the executed Agreement via email to [customer.solutions@vector.co.nz](mailto:customer.solutions@vector.co.nz). Vector cannot undertake any work prior to receiving the executed Agreement and full cleared payment including the applicable amount of GST.

Payment may be made by either:

Direct credit: By depositing the full contribution amount at your nearest ASB branch or via online banking to our bank account:

Bank: ASB Institutional  
Account Name: Vector Corporate Account  
Account Number: 12-3113-0002030-000  
Reference: A112CIP2091

Cheque: By posting a cheque for the full contribution amount made payable to Vector Limited to PO Box 99882, Newmarket, Auckland 1149.

We trust the terms set out in the Agreement meet with your expectations. We look forward to receiving the executed Agreement and full payment in due course in order for a representative of Vector to contact you to discuss programming of the works. Normally, we require six weeks notice from acceptance before work can start on site to allow for the delivery of required equipment and the scheduling of work crews.

If you require any further information regarding the commercial terms of the Agreement please contact Vaughan Evans on 09 978 7608. Alternatively, if you have questions regarding the installation and construction programme, please contact John Ireland on 09 272 2858.

Yours faithfully  
**VECTOR LIMITED**

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**Vaughan Evans**  
Customer Contract Manager

# AGREEMENT FOR INSTALLATION OF A SUBSTATION AND ALL ASSOCIATED WORKS

PROJECT #	EC-A1-12-CIP2-091	UPDATE	1 August 2012
PARTIES			
Her Majesty the Queen - for Justice Purposes ("Owner")		Vector Limited ("Vector")	
Secure Future Limited ("Customer")			
PROPERTY ADDRESS	20 Hautu Drive, Wiri		
AGREEMENT			
Agreement:	<p>1. The parties have agreed that a substation and all associated equipment (together, the "Equipment") will be installed at the property situated at 20 Hautu Drive, Wiri (which is comprised in computer freehold register title 575590 being Lot 1 DP 391946 &amp; Lot 1 DP 448846) ("Property"). Vector agrees to install the Equipment at the location indicated on the draft drawing appended as <b>Schedule A</b> in accordance with the terms of this Agreement (including the Schedules).</p> <p>2. A contribution of \$109,479.00 plus GST ("Contribution") is required to be paid by the Customer on or before the date of this Agreement and will be used by Vector to contribute to the costs that Vector will incur in respect of the installation of the capital works.</p>		
General Conditions:	<p>3. Vector's Standard Conditions of Contract (appended as <b>Schedule B</b>) form part of this Agreement and are binding on all parties. To the extent of any inconsistency or conflict between the terms set out in the main body of this Agreement and Schedule B, the terms set out in the main body of this Agreement shall prevail.</p> <p>4. If a Substation (as defined in Schedule C) forms part of the Equipment, then the General Conditions for Substations (appended as <b>Schedule C</b>) form part of this Agreement as guidance for the works contemplated hereunder. Particular attention should be paid to the paragraphs relating to Substation Location (paragraph 2), Access (paragraph 4) and Fire Risk &amp; Oil Damage (paragraph 11).</p>		
SCOPE OF CAPITAL WORKS			
Scope of works:	<ul style="list-style-type: none"><li>Supply and install High Voltage ("HV") cable in the ducting installed by the Customer as per schedule A.</li><li>Supply all required ducting, protective cover and tape to the Customer to install.</li><li>Supply and install switchgear and 2 x 750kVA transformers in the substation including trench covers.</li><li>Connect new cable into existing Vector network and energize.</li><li>Project management and supervision.</li></ul>		



## CLARIFICATIONS OF SCOPE OF CAPITAL WORKS

### Additional Obligations

- It is assumed that the works will be able to be conducted in a continuous manner, with unobstructed access to all work areas. Site obstructions or restriction of site access resulting in disruption, delays, or interruption to work will be charged to the Customer as a variation.
- The HV cable length has been calculated from drawing STE-BE-0207 and is estimated to be 350 meters in length. Should this differ then a variation will be charged to the Customer.
- This agreement is based upon all work being performed during normal work hours (8am-5pm Mon-Fri). Any additional cost for after hours work will be charged to the Customer as a variation.
- The Customer is to ensure that access to commence works on site is made available within 6 weeks of acceptance. If site access falls outside of this time frame it may result in a price adjustment to account for any cost escalations which the Customer will be charged for as a variation.
- The Customer is to provide all trenching, backfilling and reinstating required for this project. No allowance has been made for supervision of the Customer's civil contractor for the duration of this work. Compliance with Vector's standards for the civil work is the Customer's responsibility. Standards can be provided upon request.
- Where ducts are the responsibility of the Customer, once laid, duct ends are to be temporarily capped so as to prevent the ingress of foreign objects, water etc. Draw wires are required to be in place.
- Should difficulty be encountered with location of, or obstruction in ducts, it is the Customer's responsibility to locate, expose, repair or replace the ducts.
- Should the excavated material be unsuitable for backfill and backfill and/or sand is needed to be imported, then the developer will need to provide this material at their cost.
- The length of trench to be opened is to be agreed with Vector.
- The Customer is responsible for all trench protection including environmental and silt control.
- The Customer to ensure that the final surface level of the area is established prior to the installation of the electrical reticulation to provide the correct elevation of the power reticulation.
- Vector has not allowed for surveying any boundaries, this will be the responsibility of the Customer to ensure that all boundaries are clearly marked so the electrical assets are installed in the correct position.
- Prior to livening any cable left on site including that installed in ducts, is the responsibility of the Customer to ensure that it is kept safe and secure from theft.

	<ul style="list-style-type: none"><li>• Our price is based on the Customer installing a Low Voltage ("LV") cable from the Main Switch Board to the LV side of the transformer only. The Customer is to install new service cable to the transformer and fit any required LV tails, lugs or sleeves, sufficient to terminate the cables, prior to connection by Vector.</li><li>• The Customer is required to supply a copy of the Electrical Certificate of Compliance signed by an Electrical inspector holding a current practising license, confirming the service main is adequate for the increased loading, prior to livening.</li><li>• The Customer is required to supply written confirmation from the Electricity Retailer confirming metering is compliant, prior to livening.</li></ul>						
<b>Substation Accommodation:</b>	<div>5. The Owner shall provide Substation accommodation of the type specified below, which shall at all times remain the sole property of the Owner. The Owner shall at all times maintain the substation accommodation in a good state of repair.</div> <table><tr><th>TYPE:</th><th>PROVIDED BY:</th><th>OWNED &amp; MAINTAINED BY:</th></tr><tr><td>Fully Enclosed</td><td>Owner</td><td>Owner</td></tr></table>	TYPE:	PROVIDED BY:	OWNED & MAINTAINED BY:	Fully Enclosed	Owner	Owner
TYPE:	PROVIDED BY:	OWNED & MAINTAINED BY:					
Fully Enclosed	Owner	Owner					
<b>Point Of Supply And Ownership Of Equipment:</b>	<div>6. Point of supply:</div> <p>The point of supply shall be at the outgoing terminals of the low voltage fuses in the Substation. The Owner shall own all cables and equipment beyond the point of supply, and be responsible for their maintenance. Vector shall continue to own all cables and equipment up to the point of supply, and be responsible for their maintenance.</p>						
<b>POST COMPLETION OBLIGATIONS</b>							
<b>Easement:</b>	<div>7. Once the Equipment has been installed Vector will arrange for a survey to be completed of the easement area. The easement area will cover the Equipment and access to the Equipment within the boundary of the Property. It will also provide Vector adequate access to maintain and operate the Equipment.</div> <div>8. The Owner shall, forthwith on presentation by Vector following installation of the Equipment, execute all necessary documentation to enable the registration of an easement in favour of Vector ("Easement"). The Easement will be prepared, by Vector, in the form appended as Schedule D at the Owner's cost. The parties acknowledge and accept that this form of easement is hereby agreed and Vector's contractors rely on these terms to access the Property and maintain Vector's assets. Accordingly, no further amendments will be accepted in relation to the terms of the Easement, except in relation to clause 4 of Schedule D, where Vector will consider any requests for changes required by the specific circumstances and</div>						

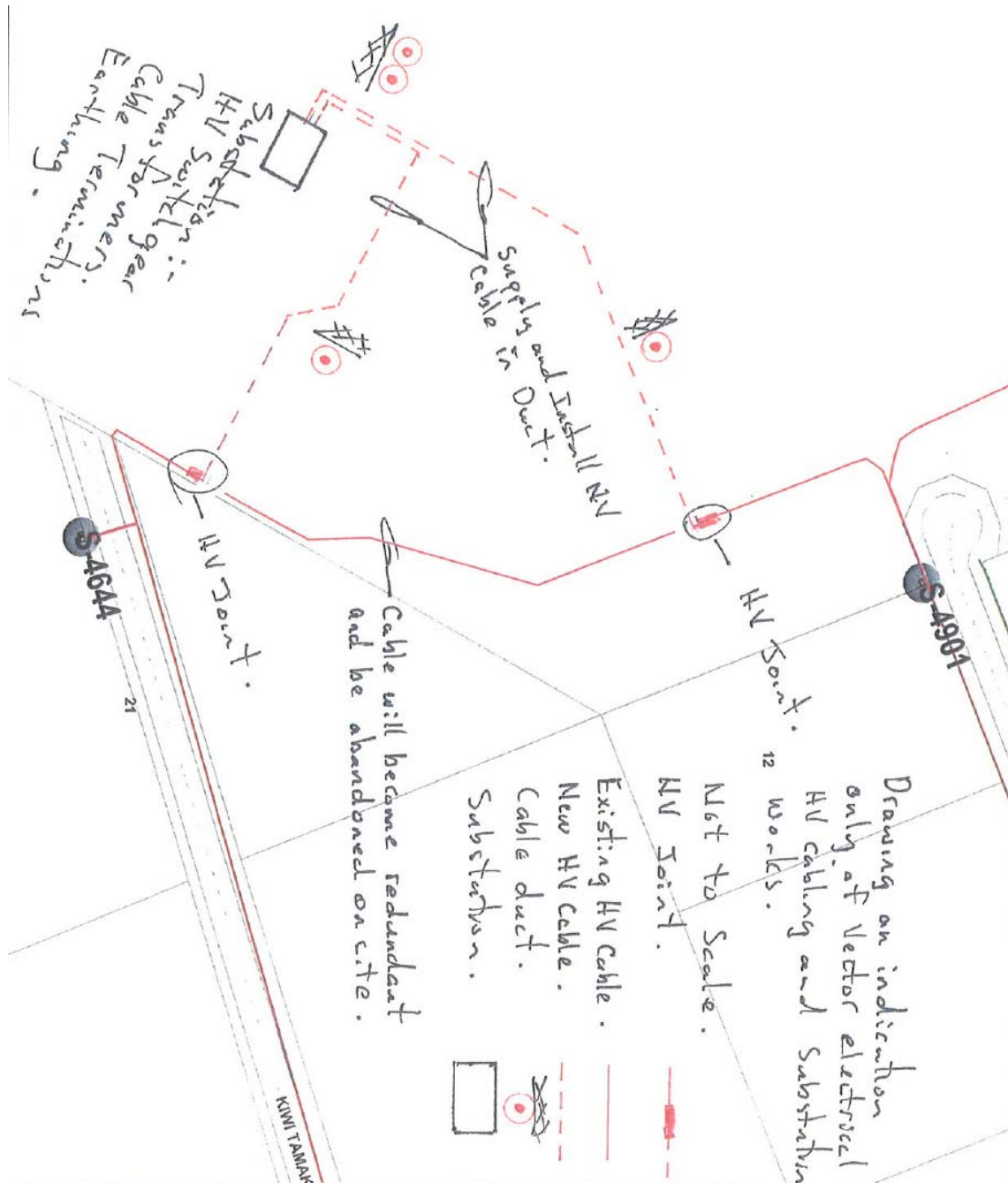
	location of the Easement.
<b>Terms and Conditions of Supply:</b>	9. Once the Customer's point of supply is livened, the Customer will be bound by either Vector's standard terms and conditions which are available at <a href="http://www.vector.co.nz/electricity/your-contract-us">www.vector.co.nz/electricity/your-contract-us</a> (as may be amended from time to time without notice) or the standard terms and conditions of supply as described in the Customer's energy supply agreement between the Customer and its respective retailer.
<b>Line Charges:</b>	10. Once the Customer's point of supply is livened, the Customer will be subject to either Vector's standard prices which are available on Vector's website at <a href="http://www.vector.co.nz/electricity/our-pricing">www.vector.co.nz/electricity/our-pricing</a> or the applicable standard prices as described in the Customer's energy supply agreement between the Customer and its respective retailer.
<b>CUSTOMER CONTACT DETAILS (Customer Please Complete)</b>	
Please provide contact details for invoicing purposes:	
Full Name:	In the event that variations are required, please provide details of an on-site representative that has the authority to accept such variations on behalf of the Customer/Owner:
Address:	
	Full Name:
	Position:
	Contact #:
<b>SOLICITOR OWNER CONTACT DETAILS (Owner Please Complete)</b>	
Please provide <b>the owner's</b> solicitor contact details to progress registration of the Easement.	
If you have any questions regarding the easement and for registration of the easement please contact your solicitor prior to signing.	
<b>Firm Name:</b>	
<b>Solicitor Name:</b>	
<b>Contact Number:</b>	
<b>Email Address:</b>	

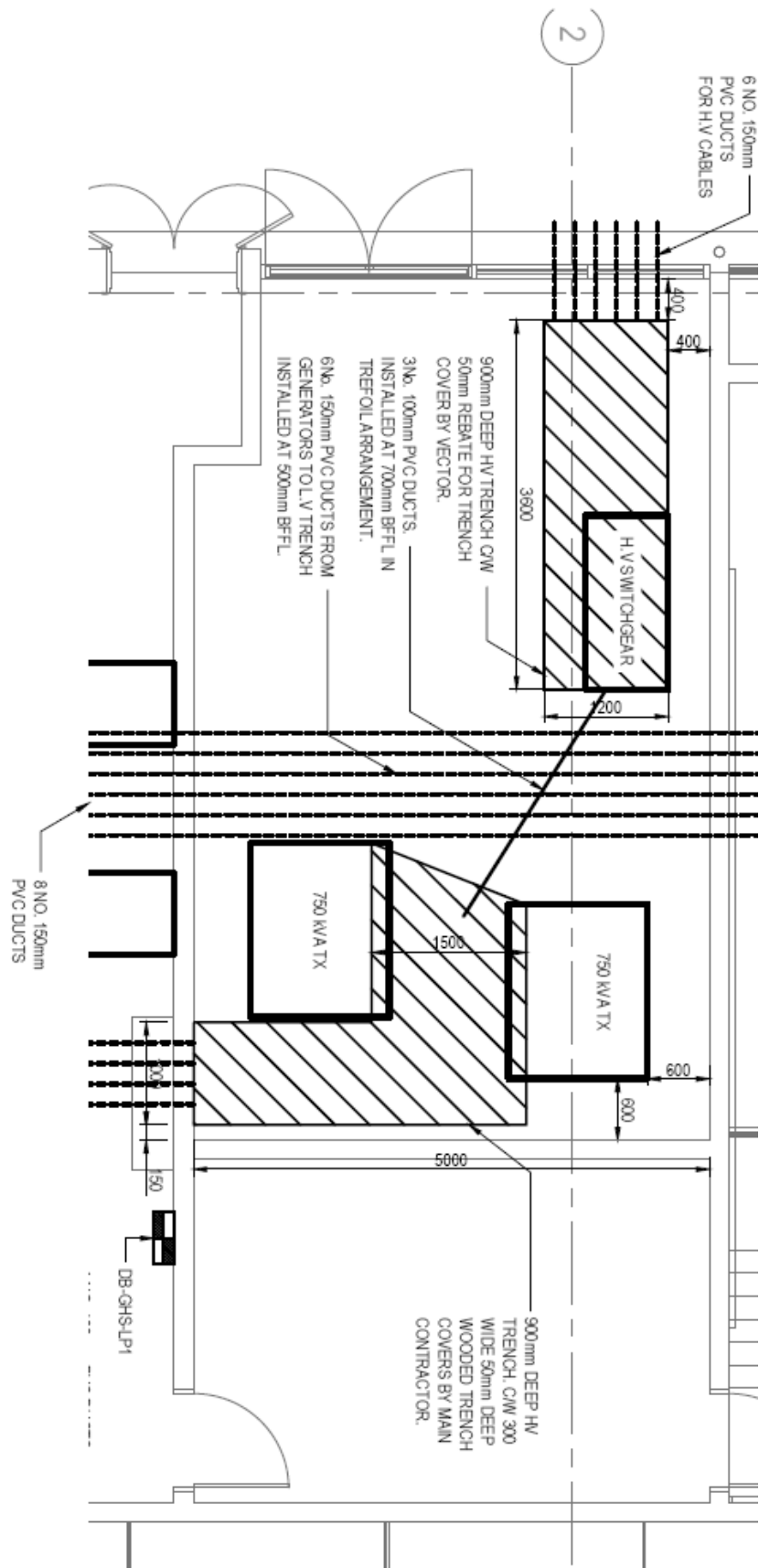
EXECUTION BY OWNER	
Signed by _____	Signed by _____
Name of Individual / Director: .....	Name of Individual / Director: .....
In the presence of	In the presence of
Name of witness:	Name of witness:
Signature of witness:	Signature of witness:
Occupation:	Occupation:
City/Town of residence:	City/Town of residence:
Dated:	Dated:

EXECUTION BY CUSTOMER	
Signed by _____	Signed by _____
Name of Individual / Company Director: .....	Name of Individual / Company Director: .....
In the presence of	In the presence of
Name of witness:	Name of witness:
Signature of witness:	Signature of witness:
Occupation:	Occupation:
City/Town of residence:	City/Town of residence:
Dated:	Dated:

EXECUTION BY VECTOR	
<b>Signed for and on behalf of Vector:</b>  _____	Jane Wellock Commercial Operations Manager Dated: _____

SCHEDULE A: DRAFT DRAWING





## SCHEDULE B: STANDARD CONDITIONS OF CONTRACT

### 1. DEFINITIONS

In these Conditions of Contract, unless the context otherwise requires:

**Confidential Information** includes all information, specifications, technical data, know-how, trade secrets, software, confidential material (including but not limited to drawings, blueprints, computer printouts, notebooks and reports) or other information from time to time disclosed by a party to the other in relation to the Agreement, either orally or in writing, except where already in the public domain otherwise than due to a breach of any confidentiality undertaking or obligation;

**Good Industry Practice** means the exercise of that degree of skill, diligence, prudence and foresight that would reasonably and ordinarily be expected from a skilled and experienced operator engaged in New Zealand in the same type of undertaking under the same or similar circumstances;

**GST** means goods and services tax in terms of the Goods and Services Tax Act 1985, at the rate prevailing from time to time;

**PPSA** means the Personal Property Securities Act 1999;

**Substation** means the substation (if any) that is part of the Equipment;

**Tax Invoice** means an invoice that complies with section 24 of the Goods and Services Tax Act 1985;

**Terms and Conditions of Supply** means applicable standard terms and conditions of supply as described in the section entitled "Terms and Conditions of Supply" in this Agreement;

**Vector Group** means Vector Limited and its related companies (as such term is defined in the Companies Act 1993); and

**Works** means the capital works to be undertaken by Vector or its subcontractors as described in the section entitled "Scope of Capital Works" and "Clarifications of Scope of Capital Works" in this Agreement.

Other capitalised terms used in these Conditions of Contract shall have the meaning given to such terms elsewhere in this Agreement.

The terms "perfected", "proceeds", "purchase money security interest" and "security interest" have the respective meanings given to them under, or in the context of, the PPSA.

### 2. WORKS

Vector agrees to undertake the Works for the Customer and, where applicable, the Owner, in accordance with these Conditions of Contract.

### 3. VECTOR'S WARRANTIES

- (a) Vector warrants and undertakes that it will:
  - (i) perform the Works in accordance with all applicable legislation, laws and Good Industry Practice;
  - (ii) supply, at its own cost, all materials, tools, machinery and plant necessary to perform the Works;
  - (iii) ensure that all materials, machinery and plant used in the performance of the Works comply with applicable statutory or industry, mandatory safety standards; and
  - (iv) subject to paragraph 10(f), at its own cost, make good any errors, defects or omissions in the Works.
- (b) Except as expressly provided in paragraph 3(a), all representations and warranties (statutory, express or implied), except any which may not lawfully be excluded, are expressly excluded.
- (c) The parties each acknowledge and agree that:
  - (i) where the Works are being undertaken for the purposes of a business, the Consumer Guarantees Act 1993 does not apply in relation to the Works; and
  - (ii) notwithstanding any other term or condition expressly or impliedly to the contrary, to the extent permitted by law, the warranty under paragraph 3(a)(iv) is the sole remedy of the Owner and/or Customer under this Agreement in relation to any errors, defects and omissions in the Works and is in lieu of, and



replaces, all remedies which the Owner and/or Customer may have by law, including under contract or tort (including negligence).

#### **4. OWNER AND CUSTOMER WARRANTIES**

- (a) The Customer and the Owner each warrant that they have the legal capacity to enter into this Agreement and to perform and comply with their obligations under this Agreement and have taken all necessary corporate and other actions to authorise the execution, delivery and performance of this Agreement in accordance with its terms.
- (b) The Owner warrants that the Owner has good title to the Property and that there are no third party rights or interests over the Property which will or might reasonably be expected to have a material adverse effect on the performance of the Works by Vector.
- (c) The Owner and the Customer each warrant and undertake that they shall, in good faith and in a timely manner, provide all reasonable assistance, facilities and information as Vector may require for the performance of the Works.

#### **5. ACCESS**

- (a) The Owner will provide Vector upon request (at no cost to Vector) with such access to, and space on, the Property as is reasonably required by Vector.
- (b) The Owner and/or Customer may require Vector (and any subcontractors) to comply with any reasonable health and safety and security requirements on the Property notified in writing by the Owner and/or Customer to Vector in advance.

#### **6. EASEMENT**

- (a) To the extent an Easement is to be granted in relation to the Works, the provisions of this paragraph 6 shall apply.
- (b) The Owner shall obtain all necessary consents of any lessee, mortgagee or caveator of the Property and do all other things to enable the registration of the Easement against the computer freehold register or computer leasehold register (as the case may be) for the Property.
- (c) The Owner shall not from the date of this Agreement to the date on which the Easement is registered against the Property assign, sell, transfer, alienate, charge, encumber or otherwise dispose of its interests in the Property (or any part of the Property) without first obtaining the written consent of Vector, which consent shall not be unreasonably or arbitrarily withheld where the Owner has obtained for the benefit of Vector a deed of covenant from such incoming assignee, purchaser, transferee or other party binding such other party to the provisions of this Agreement as if such other party were an original party to this Agreement. The Owner acknowledges that if it fails to obtain any such deed of covenant it shall reimburse Vector upon demand for any sum which Vector pays to such other party in order to secure the Easement.
- (d) The parties acknowledge that Vector may, at its discretion, register a caveat against the Property to protect its interest pursuant to the Agreement in the event that the Owner or Customer breaches any term of this Agreement or fails to register the Easement in a timely fashion. Vector may require the Owner to procure the consent of any mortgagee(s) to such caveat being lodged against the Property.

#### **7. RESERVATION OF RIGHTS**

- (a) Vector reserves the right to vary the scope of the Works, including, without limitation, any additional work relating to site obstruction or restriction of site access that results in disruption or interruption to its work, afterhours work or any excavation in rock. In such a case, Vector will notify the Customer (and, where relevant, the Owner) of the changes in the Works and any proposed additional charges payable by the Owner and/or Customer for such works. The Owner and/or Customer must consider such additional charges in good faith and acting reasonably, but such charges will only be payable by the Owner and/or Customer with the relevant party's agreement.
- (b) If this Agreement relates to a Substation, Vector reserves the right to feed out any spare capacity at any time from such Substation to other customers.

#### **8. PAYMENT**

- (a) As specified in clause 2 of the Agreement, the Customer will pay the Contribution for the Works on or before the date of the Agreement.
- (b) Vector will issue a Tax Invoice to the Customer upon receipt of the Contribution.

- (c) If Vector incurs any additional expense in accordance with paragraph 7 and the Owner and/or Customer agrees to pay such additional charges, or if Vector increases the Contribution payable by the Customer in accordance with paragraph 12, then Vector will issue monthly Tax Invoices for such expenses or such increase in the Contribution (as the case may be). The Customer (or, if applicable, the Owner) will pay the amount due as specified in each Tax Invoice on the 20<sup>th</sup> day of the month following the date of the Tax Invoice (the Due Date). Payment will be made by direct credit to a bank account nominated by Vector. Following payment, the Customer must promptly give notice to Vector of the Tax Invoice numbers and the respective amounts to which the payment relates. Vector may charge interest on Tax Invoices that remain unpaid at the Due Date, at a rate of 2% per annum above Vector's banker's overdraft rate from the Due Date for payment until actual payment is received.

## **9. INSURANCE**

Each party will maintain in full force and effect during the development period NZ\$10 million public liability insurance. Each party will, when reasonably requested, provide the other with written evidence of compliance by such party with this paragraph.

## **10. LIMITATION OF LIABILITY**

- (a) Vector will use all commercially reasonable endeavours to carry out its obligations under the Agreement but, to the extent permitted by law, except in the case of:
  - (i) the negligence of Vector; and/or
  - (ii) the wilful breach by Vector of any of its obligations under the Agreement,Vector will not be liable for any loss or damage sustained by any person in relation to the Agreement unless otherwise expressly provided in the Agreement.
- (b) Where Vector is liable, Vector's maximum liability for any single event or series of related events is \$50,000 and will not exceed \$250,000 in any consecutive period of 365 days.
- (c) Each party shall take all reasonable steps to mitigate any losses it may suffer or incur arising out of anything done, or not done, under or in connection with the Agreement.
- (d) Except in relation to any claims directly arising out of the negligence or wilful breach of this Agreement by Vector, the Owner and the Customer shall jointly and severally indemnify and keep Vector indemnified against every claim, demand, action or proceeding brought against Vector by any third party in connection with, or arising out of, this Agreement.
- (e) Notwithstanding any other provision of this Agreement, to the extent permitted by law Vector will not be liable to the Owner or the Customer under the Agreement:
  - (i) for any loss of profit, loss of revenue, loss of use, loss of contract or loss of goodwill of any person; and/or
  - (ii) for any indirect or consequential loss; and/or
  - (iii) for any loss, liability, cost or expense of any description following termination of this Agreement.
- (f) To the extent permitted by law, Vector's liability to make good any errors, defects or omissions in the Works under this Agreement shall be as follows:
  - (i) if an Easement and/or the Terms and Conditions of Supply apply as between Vector and the relevant party, Vector shall only have the obligations and liability set out in such Easement and/or such Terms and Conditions of Supply; or
  - (ii) if an Easement and/or the Terms and Conditions of Supply do not apply as between Vector and the relevant party, Vector shall only be liable to the extent any claims are made within a period of 12 months following completion of the Works.

## **11. CONFIDENTIAL INFORMATION**

- (a) The Owner and the Customer each acknowledge and agree that, while the Agreement is in force, the Owner and/or the Customer may acquire Confidential Information regarding a member of the Vector Group. Where the Owner or the Customer comes into possession of any Confidential Information, it will:
  - (i) only be permitted to use the Confidential Information to the extent necessary to enable the Owner to perform its obligations under the Agreement; and
  - (ii) not disclose the Confidential Information to any third party without the prior written consent of the relevant member of the Vector Group, unless required by law or the rules of any stock exchange.

- (b) The Owner and the Customer shall each treat the contents of the Agreement and the arrangements contemplated by the Agreement as confidential and shall not disclose such contents or arrangements to any person, without Vector's prior written consent or as required by law or the rules of any stock exchange.

## **12. FURTHER OBLIGATIONS**

The Owner and/or the Customer shall be responsible for obtaining all relevant statutory approvals and other licences, consent and permits for the purposes of the Works. Notwithstanding paragraph 7(a), should any statutory approvals require changes to Vector's design layout plan, Vector reserves the right to increase the Contribution payable by the Customer accordingly.

## **13. OWNERSHIP**

All equipment provided by Vector in relation to the Works shall remain Vector's property.

## **14. INTELLECTUAL PROPERTY**

Any patent, design, trademark, copyright or any other intellectual property right created by or on behalf of Vector in the course of undertaking the Works shall belong to Vector.

## **15. USE OF INFORMATION**

- (a) The Customer and the Owner each authorise Vector to contact any credit agency, referee or any other source in order to check, exchange or provide information in relation to themselves and they each authorise all such sources to provide Vector any information about themselves.
- (b) Vector acknowledges that if the Owner and/or Customer is a natural person, it has the right under the Privacy Act 1993 to have access to personal information held by Vector about them and to request correction of that personal information.
- (c) The Owner and the Customer each agree that:
  - (i) Vector may use any information it has about them relating to its credit worthiness and, give that information to any other person, including any credit or debt collection agency and any member of the Vector Group, for credit assessment and debt collection purposes;
  - (ii) any other information collected by Vector about the Owner or the Customer may be accessed or collected for the use of any member of the Vector Group in the course of its business, including direct marketing activities; and
  - (iii) to the extent it is reasonably able to do so, it will notify Vector of any change in circumstances that may affect the accuracy of the information provided to any member of the Vector Group.

## **16. TERMINATION**

- (a) Vector may terminate this Agreement with immediate effect by written notice to the Owner and the Customer, if an Event of Default occurs in respect of the Owner and/or Customer.
- (b) The Owner or the Customer may terminate this Agreement with immediate effect by written notice to Vector if an Event of Default occurs in respect of Vector.
- (c) For the purposes of this paragraph 16, an Event of Default is:
  - (i) any breach by the relevant party of any material obligations under the Agreement; where:
    - (A) the breach is not capable of being remedied; or
    - (B) the breach is capable of being remedied and the relevant party fails to remedy the breach to the terminating party's reasonable satisfaction within 14 days after notice in writing has been given to the defaulting party requiring the breach to be remedied; or
  - (ii) the relevant party has a receiver, receiver and manager, liquidator or statutory manager, appointed in respect of such party's property or any part of it, or such party passes a resolution for winding up, or assigns its estate or any substantial part of it for the benefit of its creditors; or
  - (iii) the relevant party is unable to pay its debts in the ordinary course of business or is insolvent or bankrupt.
- (d) The expiry or termination of the Agreement:
  - (i) is without prejudice to the rights and obligations of the parties accrued up to and including the date of expiry or termination;

- (ii) will not affect any provisions of the Agreement that are intended to continue after termination (including, without limitation, paragraphs 10(e)(iii), 11 and 14); and
- (iii) will require each party to immediately return to the other party all copies of any other party's Confidential Information.

## **17. DISPUTES**

- (a) The parties agree that any dispute of whatever nature arising between the parties is to be notified in writing by the disputing party to the other (**Dispute Notice**). On receipt of a Dispute Notice, each party is to use its best endeavours to resolve the dispute by discussion, meeting and/or other informal means.
- (b) If the dispute is not resolved in accordance with the above process within 10 business days of the date of the Dispute Notice, then the parties shall submit the dispute to arbitration pursuant to the Arbitration Act 1996 (excluding paragraphs 4 and 5 of the Second Schedule to such Act).
- (c) This paragraph 17 is without prejudice to the terms of the Construction Contracts Act 2002 and does not affect either party's right to seek urgent interlocutory relief.

## **18. NOTICES**

- (a) Each notice or other communication under the Agreement is to be made in writing and sent by facsimile, personal delivery or by post or electronically by email to the addressee at the facsimile number or address or email address, and marked for the attention of the person or office holder (if any), from time to time designated for the purpose by the addressee to the other parties.
- (b) No communication will be effective until received. A communication is, however, deemed to be received:
  - (i) in the case of a letter, on the third business day after posting within New Zealand and on the tenth business day after posting outside New Zealand; and
  - (ii) in the case of a facsimile, on the business day on which it is despatched or, if despatched after 5.00 p.m. (in the place of receipt) on a business day or on a non-business day, on the next business day after the date of despatch, in each case following receipt of a successful transmission report from the machine on which the facsimile was sent; and
  - (iii) in the case of an email, at the time the email enters the information system of the recipient party, provided that if receipt is disputed, the party giving notice produces a printed copy of the email which evidences that the email was sent to the correct email address of the party given notice.

## **19. FORCE MAJEURE**

- (a) Non-performance by any party of any of its obligations under the Agreement will be excused, without liability for non-performance, where that non-performance is a direct or indirect result of any force majeure event.
- (b) For the purposes of this paragraph 19, a force majeure event is any event beyond the reasonable control of the relevant party, including any act of God, government, war, terrorism, civil disturbance, labour disruption, fire, earthquake or flood.
- (c) If a party believes that it may fail to meet any of its obligations under the Agreement because of a force majeure event, it must:
  - (i) promptly give notice to the other party specifying the cause and extent of its inability to perform any of its obligations and the likely duration of that non-performance; and
  - (ii) take all reasonable steps to remedy or mitigate the effects of the force majeure event, provided that the notifying party is not required to change the way it would otherwise deal with any labour dispute.

## **20. PERSONAL PROPERTY SECURITIES ACT 1999**

- (a) The Owner grants a security interest to Vector in each and every part of the Equipment as security for payment of that part and of each other part or parts of the Equipment and for any other amounts owing of any nature by the Owner to Vector from time to time, and for the performance by the Owner of all of the Owner's obligations to Vector from time to time.

- (b) The Owner acknowledges a financing statement may be registered in respect of the security interest granted in the Equipment and the proceeds thereof referred to in paragraph 20(a).
- (c) The Owner shall do all other things that Vector requires to enable Vector to:
  - (i) have a perfected security interest in all the Equipment and a purchase money security interest in each part of the Equipment; and
  - (ii) exercise any of Vector's rights or powers under this Agreement, whether on enforcement of the security interest or otherwise.
- (d) The security created under, and by this Agreement, becomes enforceable if an Event of Default under paragraph 16(c) occurs.
- (e) The Owner waives the right to receive a copy of a verification statement under the PPSA.
- (f) The parties hereby agree that nothing in sections 114(1)(a), 120(1), 133 and 134 of the PPSA shall apply to this Agreement, or the security interest created under this Agreement.
- (g) The parties further agree that the Owner's rights as debtor in sections 116, 120(2), 121, 125, 127, 129, 131 of the PPSA shall not apply to this Agreement.
- (h) The Owner will immediately notify Vector of any change in the Owner's name or other material identifying characteristics of either the Owner or the Equipment.
- (i) Vector may allocate amounts received from the Owner in any manner it determines, including in any manner required to preserve any purchase money security interest it has in any part of the Equipment.
- (j) The Owner acknowledges that these terms constitute a security interest for the purposes of the PPSA.
- (k) These Conditions of Contract are paramount and, to the extent there is any conflict between any provision of them and any invoice or other document evidencing or describing any Equipment, the Conditions of Contract will prevail.

## **21. GENERAL**

- (a) Each party shall make all applications, execute all documents and do or procure all other acts and things reasonably required to implement and to carry out its obligations under, and the intention of, this Agreement.
- (b) No failure to exercise, and no delay in exercising, a right of a party under the Agreement will operate as a waiver of that right, nor will a single or partial exercise of a right preclude another or further exercise of that right or the exercise of another right. No waiver by a party of its rights under the Agreement is effective unless it is in writing signed by that party.
- (c) Subject to paragraph 7 and paragraph 12, no amendment to the Agreement is effective unless it is agreed in writing by all parties.
- (d) The illegality, invalidity or unenforceability of a provision of the Agreement under any law will not affect the legality, validity or enforceability of that provision under another law or the legality, validity or enforceability of another provision.
- (e) The Agreement constitutes the entire agreement of the parties in respect of the matters covered by it and supersedes all previous agreements in respect of those matters.
- (f) The Agreement may be executed in any number of counterparts (including facsimile or email copies) all of which, when taken together, will constitute one and the same instrument.
- (g) Neither party will, by virtue of the Agreement, be, or for any purpose deemed to be, an employee or agent of the other and no partnership will be deemed to arise between the parties as a consequence of the Agreement.
- (h) Neither the Owner nor the Customer may assign or transfer any of their rights or obligations under this Agreement without the prior written consent of Vector.
- (i) Vector may subcontract the performance of any obligation under the Agreement.
- (j) Each party shall be liable for the acts and omissions of its subcontractors, lessees, employees and agents as if they were such party's acts and omissions.
- (k) The Agreement is governed by, and is to be construed in accordance with, New Zealand law. The parties submit to the non-exclusive jurisdiction of the New Zealand courts.

## SCHEDULE C: GENERAL CONDITIONS FOR SUBSTATIONS

**Please note this Schedule is only relevant if a Substation is installed as part of the Equipment.**

### 1. Definitions

In these General Conditions, unless the context otherwise requires:

**Accommodation** includes a foundation, floor, walls or enclosure, ceiling, lighting, plug socket outlet, cable ducts, and access doors or other provision for entry and exit for personnel and equipment as required by Vector.

**FRR** means fire resistance rating as discussed in paragraph 11(b) of these General Conditions.

**Point of Supply** shall have the meaning given to such term elsewhere in this Agreement.

Other capitalised terms used in these General Conditions shall have the meaning given to such terms elsewhere in this Agreement.

### 2. Substation Location

- (a) Wherever possible, the Substation should be located at street level adjacent to the street. If located within a building on the Property, it should be on an outside wall at ground level.
- (b) The location of the Substation should take account of the following factors:
  - (i) Owner's Cables
    - (A) The Owner is responsible for all cables within the Property on the secondary side of the Point of Supply, including their installation. The type and size of cables and connections to the Point of Supply should be agreed before installation of the cables commences.
  - (ii) Access
    - (B) Access is required for Vector personnel, equipment and cables as detailed in paragraph 4.
  - (iii) Segregation
    - (C) Adjacent areas subject to fire risk are to be effectively segregated as detailed in paragraph 11.
  - (iv) Other Services
    - (D) Services such as drains, sewers, piping or wiring, (other than those associated with the Substation) are not permitted to pass through the Substation or its associated trench work.
  - (v) Vector's Cables
    - (E) Installation of the Point of Supply away from the street will increase the cost of Vector's installation and the cost to the Customer (or, if applicable, the Owner).
  - (vi) Prevention of Flooding
    - (F) Vector would prefer that the Substation is not situated in areas below ground level or in basements. Where Vector agrees to place the Substation below ground level, it will be constructed to prevent flooding, and enclosed Substations will have permanently dry internal surfaces. Flood control measures may also have to be incorporated in the Substation design, including sump pumps and oil containment devices to prevent a risk of floodwater contamination. Broken water mains, ingress of storm water, or water from fire fighting in the building are examples of flooding to be taken into account.
  - (vii) Ventilation
    - (G) Adequate ventilation for the Substation is required as detailed in paragraph 12 to remove the heat produced by the transformer.
  - (viii) Protection from Vehicles
    - (H) If the Substation is located in the vicinity of areas used by vehicles then the Substation is required to be protected from damage.
  - (ix) Future Site Development
    - (I) The location of the Substation may restrict future development of the Property. Outdoor type Substations are not generally suitable for enclosing or building over. The fire separation requirements outlined in paragraph 11



restrict the construction of buildings in close proximity. Relocation of the Substation is very expensive and all costs are passed on to the Owner (or, if applicable, the Customer).

### **3. Temporary Supplies**

Where the situation allows, Vector may give a temporary supply or agree to additional load being taken from an existing supply on a temporary basis, until the Substation is complete. Temporary supplies are made available at full cost to the Customer (or, if applicable, the Owner). Deposits may be required for recoverable equipment.

### **4. Access**

- (a) Security of supply is of vital interest to Vector and to all customers. Access to the Substation is particularly critical following a fault to enable switching or work to be carried out, so as to ensure the safety of installations and to maintain or restore electricity supplies. Immediate and direct access to Vector's equipment should therefore be available at all times.
- (b) Locks securing access to Vector's equipment will be supplied by Vector. Electronic locks, card systems and Owner's (or, if applicable, Customer's) keys are not acceptable.
- (c) Where the Substation is adjacent to or under an area that is publicly accessible at all times, direct access to Vector shall be available from that area. In all other cases, the access route shall be agreed with Vector and maintained to Vector's satisfaction.
- (d) Where there is a difference in the level between the Substation floor and the access, and steps are necessary, the steps should either:
  - (i) be constructed outside the Substation where an approved landing must be provided outside the Substation doors at the head of the stairs; or
  - (ii) be constructed within a Substation, where the space occupied by the stairs and any landing is additional to the normal area required for the Substation.Access by ladder, escalators, lifts or similar means is not acceptable.
- (e) Access must be available to the Substation for the initial installation and future changing or removal of the Substation and Equipment. Access space should generally have a minimum width of 3m and a minimum height of 2.2m (including the entry to the space). The surface of the access space should be sufficiently strong to withstand the weight of the Substation equipment and any vehicle or machinery required for its transportation. (The weight of each transformer should be assumed to be 4 tonnes, for all structural considerations).
- (f) Any reinstatement which may be necessary in the event of damage to the access surfaces is the responsibility of the Owner (or, if applicable, the Customer).
- (g) To ensure safety and security, access into the Substation will normally be available only to Vector's personnel or to Vector's authorised agents. Should the Owner (or, if applicable, the Customer) require access, this should be by prior arrangement with Vector. There may be a charge for this service.

### **5. Substation Noise**

- (a) Noise restrictions apply to Substations which have to be taken into account when planning the location of the Substation. Noise-reduction forms an integral part of substation design and if additional noise-reducing measures have to be applied due to the location or nature of the Substation building, this will increase the cost to the Customer (or, if applicable, the Owner).
- (b) If the construction of the Substation is integral with the building located on the Property, the Customer (or, if applicable, the Owner) should consider making the concrete base supporting the transformer structurally separate from the remainder of the concrete floor, in order to reduce the structural transmittal of noise.
- (c) Consideration should also be given to airborne transmission of noise from openings in the Substation to openings (e.g. windows) on the Property.

### **6. Types of Substation**

- (a) The Substation may be either:
  - (i) incorporated within the Owner's building located on the Property, generally at ground level; or

- (ii) on the Property but external to the buildings and as either a self contained package unit or a free standing "kiosk" substation.
- (b) It is permissible to accommodate switchgear separately from the transformers.
- (c) Using pole mounted transformers or switchgear is not considered suitable for urban areas and in general would only be considered for farms and quarries.

## **7. Decision on Substation Type**

- (a) Vector may provide a package Substation and/or switching station where appropriate. In these cases, the Customer (or, if applicable, the Owner) should provide a stable site to the dimensions specified by Vector, having a maximum slope in any direction of 1 in 50.
- (b) If Vector does not consider a package Substation suitable for any particular site, the Owner (or, if applicable, the Customer) is to provide a suitable room within a building or a free standing kiosk structure.
- (c) Vector has standard layout drawings to assist the Customer (or, if applicable, the Owner). Where these layouts are unsuitable, alternative layouts are to be agreed between the Customer (or, if applicable, the Owner) and Vector.

## **8. Drawings**

- (a) Vector's standard layout drawings show the minimum requirements if the Substation is enclosed. These drawings are for guidance only and are not suitable for use as construction drawings for individual projects.
- (b) The Customer (or, if applicable, the Owner) is required to supply to Vector (if required) prior to commencement of the Works, drawings showing the following information:
  - (i) A site plan showing the dimensioned location of the Substation, its orientation on the site, its relationship to the nearest public roadway, site levels, access for Vector vehicles and equipment, and the position of other buildings or site structures.
  - (ii) Drainage and other services in the vicinity of the Substation and the proposed cable routes.
  - (iii) If the Substation is within 4 metres of any proposed or existing building or structure, details of the construction of the adjoining building or structure are required so that the adequacy of the fire resistance rating may be examined.
  - (iv) Detailed builders' construction drawings for Vector's approval. Such construction drawings shall not be required where a package substation base or a package switching station base is required. In this case, site information details as described in paragraph 8(b)(i)-(iii) above are sufficient.

## **9. Approvals**

If builders' construction drawings are required in accordance with clause 8(b)(iv) above:

- (a) Three copies of the builder's construction drawings are to be submitted by the Customer (or, if applicable, the Owner) to Vector for approval prior to the Works commencing. Written comments will be provided by Vector, within two weeks, indicating any item requiring amendment or further attention.
- (b) Construction is not to proceed until written advice is given by Vector that the building drawings have been approved.
- (c) When the drawings have been approved, the Customer (or, if applicable, the Owner) will be notified in writing and a stamped approved set of drawings with any amendments will be returned to the Customer for use by the builder.
- (d) Immediately prior to commencing construction, the Customer (or, if applicable, the Owner) must procure that the builder contacts Vector and arranges for inspections of the Substation work as it proceeds.

## **10. Lifting Points and Pulling Eyes**

- (a) Where it is necessary to lift transformer/s or switchgear into the Substation space, and the space is inaccessible to Vector crane vehicles, the Customer (or, if applicable, the Owner) shall provide the means of lifting to the satisfaction of Vector.
- (b) When the Substation space is incorporated within the Owner's building located on the Property, lifting tackle will be provided by Vector but lifting points for the attachment of the lifting tackle shall be provided by the Customer (or, if applicable, the Owner). In some cases this requirement may involve provision of a monorail and travelling



- trolley. Headroom under the trolley or other lifting point shall be not less than 4 metres.
- (c) In both cases 10(a) and 10(b) above, the means of lifting is to be permanently available to Vector so that equipment failure at any time can be rectified without involvement of personnel outside Vector's staff. This paragraph 10 is applicable to pulling eyes.
  - (d) Lifting equipment and the supporting structure apart from the lifting tackle, shall be designed by a Registered Engineer. The engineer's design certificates for the lifting equipment and the structure including the structure along the route of access shall be made available to Vector.
  - (e) Pulling eyes capable of being used to pull a transformer into position in the Substation or along the route of access may be required to be installed in positions specified by Vector.

## **11. Fire Risk and Oil Damage**

- (a) Transformer and high voltage switchgear contain quantities of oil which are considered a fire risk. The following requirements relate to high voltage and extra high voltage installations containing oil:
  - (i) Where an oil-filled apparatus of capacity exceeding a total of 100 litres is used, the Owner (or, if applicable, the Customer) shall provide means to prevent the escape of oil into any other part of the building or surrounding land or waterways.
  - (ii) Where the spread of fire could endanger other parts of a building, the Owner (or, if applicable, the Customer) shall ensure any oil filled apparatus installed indoors are located in an enclosure of fire resisting construction.
- (b) While Vector will design the Substation equipment to minimise (as far as practical) the possible risk that could arise from fire or oil leaks, the Owner (or, if applicable, the Customer) should ensure that all requirements of the building code, with relation to fire protection of electrical installations, are adhered to. Appropriate building measures include (but may not be limited to):
  - (i) Where applicable, the component parts of the building containing transformers and/or high voltage switchgear will be constructed in materials having a FRR of not less than two hours, or such higher rating as may be required by the territorial authority concerned.
  - (ii) Materials with FRRs approved under the provisions of MP9:1989 Fire Properties of Building Materials and Elements of Structures will be acceptable.
  - (iii) Where the Substation is housed in an enclosure separated from or adjacent to the Owner's building located on the Property, the FRR of materials between the transformer/s and/or high voltage switchgear and the Owner's building will reduce from two hours with no separation to no FRR requirement at four metres separation, decreasing by half an hour FRR for each metre of separation. Portions of a building overhanging or spanning the Substation are excluded from this provision, and will have a FRR of two hours, as will the walls abutting such overhang or spanned portion.
  - (iv) Any openings in an FRR barrier will be fitted with automatic closing dampers, to seal the Substation from the rest of the building in case of fire.
  - (v) Where the Owner (or, if applicable, the Customer) wishes to install fire protection, this should be discussed and agreed with Vector. The installation of sprinklers may reduce the fire separation requirements to one hour FRR or 2m separation. Properly engineered high velocity "fog" water spray systems are preferred.
  - (vi) Fire separation may also be obtained by the external drenching of the Substation or building walls or the construction of intervening "screen" walls.

## **12. Ventilation**

- (a) The Owner (or, if applicable) the Customer shall be responsible for the installation and maintenance of any ventilation related to the Substation and associated alarm.
- (b) The heat produced by transformers should be removed by either natural or forced ventilation. The ventilation details are to be approved by Vector. Forced ventilation is generally required for indoor installations and larger transformers.
- (c) Natural ventilation requires both high and low level clear openings of one square metre net per transformer. These are to be located in positions that produce an air flow across the transformers. The openings can be provided in the form of louvers in walls

and/or doors. The high level opening should preferably be in the form of an overhead ventilator. Openings exposed to the weather should be weatherproof, and all openings should be backed with a vermin proof mesh or expanded metal. The mesh metal should be so installed as to minimise the obstruction to air flow. The Owner (or, if applicable, the Customer) should ensure that the ventilation openings remain unobstructed at all times.

- (d) Forced ventilation requires an air flow at a rate of 40 cubic metres per minute per transformer, to be directed across the transformer (preferably across the radiators). If a thermostat is used to activate fans, it should be set at not more than 25°C. An alarm bell should be installed in an agreed position, such that the bell will be operated by a thermostat set at 40°C, to indicate failure of the forced air system. This indication should be sufficient to advise the normal occupant of the premise, or the building manager for the premise, that the system has failed. A notice indicating the purpose of the bell should be installed adjacent to the bell.
- (e) For openings in FRR barriers, refer to paragraph 11(b)(iv).

### **13. Services**

- (a) Where the Substation is fully enclosed, the Owner (or, if applicable, the Customer) should provide internal lighting to a level of light suitable for general office work, and a single phase 10 amp three pin outlet for the Substation, in positions to be agreed with Vector. Light fittings should be of the fluorescent fixture type, with impact/explosion proof diffusers. The power supply for these services will generally be provided by Vector from within the Substation.
- (b) Where the transformer is remotely sited from a switching station, Vector may require the Owner (or, if applicable, the Customer) to provide a 230 volt single phase 10 amp supply to the switching station.

### **14. Painting**

- (a) Substation interiors should be painted as follows;
  - (i) Interior walls and ceiling should be painted with two coats of acrylic latex semi-gloss.
  - (ii) Where applicable the interior of the roof vent cover should be painted with gloss enamel paint in two coats over undercoat recommended by the manufacturer of the finish coats.
  - (iii) The colour of the interior should be white.
- (b) Substation exteriors may be painted to the requirement of the Owner (or, if applicable, the Customer), to a standard sufficient to prevent undue deterioration of the building or damage to the long-term integrity of the Substation equipment.

### **15. Ownership and Insurance**

- (a) In all types of installation other than installations where supply is to be taken at 6.6kV or greater from transformers not provided by Vector, the equipment installed inside the Substation (ie. switchgear, transformer, LV distribution panel, etc) is Vector's property.
- (b) The Accommodation, ventilation system, fire protection installation and similar items are the Owner's property and should be included in the Owner's normal building insurance policy.
- (c) For installations where supply is taken at 6.6kV or greater from transformers not provided by Vector, outgoing switchgear, cables and transformers also belong to the Owner and should be included in the Owner's (or, if applicable, the Customer's) insurance policy.

### **16. Maintenance**

- (a) The Owner (or, if applicable, the Customer) is required to maintain the Substation Accommodation in a condition acceptable to Vector.
- (b) For self-contained package type Substations, Vector will carry out repair, maintenance or renewal of the Accommodation. Any damage repairs will be chargeable to the Owner (or, if applicable, the Customer).

## SCHEDULE D: FORM OF EASEMENT (FOR INFORMATION ONLY)

### Form B

#### Easement instrument to grant easement or *profit à prendre*, or create land covenant

(Sections 90A and 90F Land Transfer Act 1952)

#### Grantor

#### Grantee

VECTOR LIMITED

#### Grant of Easement or *Profit à prendre* or Creation of Covenant

**The Grantor** being the registered proprietor of the servient tenement(s) set out in Schedule A **grants to the Grantee** (and, if so stated, in gross) the easement(s) or *profit(s) à prendre* set out in Schedule A, **or creates** the covenant(s) **set out** in Schedule A, with the rights and powers or provisions set out in the Annexure Schedule(s).

#### Schedule A

*Continue in additional Annexure Schedule, if required*

Purpose (Nature and extent) of easement; <i>profit</i> or covenant	Shown (plan reference)	Servient Tenement (Computer Register)	Dominant Tenement (Computer Register) or in gross
Right to Convey Electricity	Marked " * * " on DP * *	Lot ** DP ** (Identifier ** )	Vector Limited In Gross

**Form B - continued**

**Easements or *profits à prendre* rights and powers (including terms, covenants and conditions)**

*Delete phrases in [ ] and insert memorandum number as required; continue in additional Annexure Schedule, if required*

Unless otherwise provided below, the rights and powers implied in specified classes of easement are those prescribed by the Land Transfer Regulations 2002 ~~and/or Schedule Five of the Property Law Act 2007~~

The implied rights and powers are hereby ~~[varied]~~ ~~[negative]~~ ~~[added to]~~ **substituted** by:

~~[Memorandum number memorandum no (in figures) (if there is no number just leave a blank space)#, registered under section 155A of the Land Transfer Act 1952]~~

the provisions set out in the Annexure Schedule.

**Covenant provisions**

*Delete phrases in [ ] and insert Memorandum number as required; continue in additional Annexure Schedule, if required*

~~The provisions applying to the specified covenants are those set out in:~~

~~[Memorandum number memorandum no (in figures) (if there is no number just leave a blank space)#, registered under section 155A of the Land Transfer Act 1952]~~

~~[the Annexure Schedule]~~

**Form L**

**Annexure Schedule**

Page

of

Pages

*Insert instrument type*

**Easement Instrument to grant easement or profit a prendre, or create land covenant**

*Continue in additional Annexure Schedule, if required*

**1. DEFINITIONS AND INTERPRETATION**

In this instrument unless the context otherwise requires:

- (a) "Building" means the building or other improvements situated on the Land.
- (b) "Easement Land" means those parts of the Land specifically marked [ ] on the Plan and referred to in this instrument.
- (c) "Equipment" includes the Substation (if any) and all pipes, ducting, cables (including fibre optic cables), and conducting media, transformers and all other equipment which is situated on, over or under the Easement Land or which the Grantee requires to place on, over or under the Easement Land to carry out the Permitted Uses.
- (d) "Grantee's Accommodation" includes the foundation, floor, walls, enclosure, canopy, ceiling lighting, plus socket outlets, cable ducts, access doors or other provision for entry and exit of the Substation situated on those parts of the Easement Land.
- (e) "Grantor's Accommodation" includes the foundation, floor, walls or enclosure, canopy, ceiling lighting, plus socket outlets, cable ducts, access doors or other provision for entry and exist of the Substation situated on those parts of the Easement Land.
- (f) "Land" is the land comprised and described in the computer freehold register [ ] and referred to in this instrument.
- (g) "Permitted Uses" are for the transmission and conducting of electric current or for any other purpose reasonably required by the Grantee for the purposes of its business.
- (h) "Plan" is the deposited plan referred to in this instrument.
- (i) "Rights" are the full, free, uninterrupted and unrestricted ability and licence at all times to go on, over and under the Land to enter the Easement Land with or without vehicles, tools or machinery to:
  - (i) undertake Works; and
  - (ii) use the Equipment,
- (j) "Substation" means the distribution substation and/or switching equipment (if any) installed from time to time on the Easement Land marked [ ].
- (k) "Works" means constructing, laying, equipping, maintaining, inspecting, repairing, altering, renewing, replacing (with or without something substantially similar), upgrading, adding to, removing and operating the Equipment or any other works including but not limited to excavating trenches in which the Equipment will be placed, required to be undertaken by the Grantee in order that it may use the Easement Land for the Permitted Uses.
- (l) "General Manager" in respect of the servient land comprised and located within the Plan means the prison manager of the men's prison at Wiri and includes any person acting in that capacity and/or their delegate and in respect of the balance of the servient land means the prison manager for the time being of the women's prison at Wiri currently referred to as the Auckland Region Women's Correction Facility and includes any person acting in their capacity and/or their delegate.

- (m) Headings are included for convenience only and do not affect the interpretation of this instrument.
- (n) Words importing the singular shall include the plural, the masculine gender shall include the feminine and persons shall include companies and vice versa.
- (o) Reference to the Grantee and Grantor is deemed to be a reference also to the Grantee's and Grantor's employees, workmen, engineers and agents.
- (p) Reference to legislation includes reference to all legislation amending or replacing that legislation or to any legislation passed pursuant to that legislation.
- (q) References to the parties includes reference to the parties, successors in title and assigns.

## **2. GRANT**

The Grantor grants and the Grantee accepts the grant of this easement in gross to use the Easement Land for the Permitted Uses together with the right to exercise the Rights for all time on the basis that no power is implied for the Grantor to determine this easement in gross for any breach of its provisions (expressed or implied) or for any other cause, the intention being that this easement in gross shall subsist until surrendered.

## **3. GENERAL MANAGER'S CONSENT**

- 3.1 The Grantee whether by itself or its engineers, surveyors, workmen, agents, employees, servants, contractors or its invitees and whether with or without equipment shall not enter the Easement Land without the prior consent of the General Manager first had and obtained in respect of such entry.
- 3.2 The Grantee acknowledges that the Easement Area is included within the prison and that the General Manager shall have the discretion to impose such conditions on Grantee entry to the Easement Land as the General Manager thinks necessary or ancillary to the operational integrity of the prison.
- 3.3 The Grantee shall make representations to the General Manager as to:
  - (a) the times entry to the Land is required for investigative work and any subsequent construction or maintenance activity insofar as these works and activities can be planned for and schedule ahead of their taking place;
  - (b) the Grantee's notice proposals to enter the Land should any Grantee emergency concerning the Equipment arise or should entry other than that envisaged under clause 3.1 above prove necessary.
- 3.4 The Grantee acknowledges that the General Manager at his/her discretion may upon the giving of either oral or written notice vary any written consent to entry given, under the provisions of clause 3.1 should the General Manager deem this to be necessary or ancillary to the optional integrity of the prison.
- 3.5 That the Grantee shall comply with such conditions and procedures as the General Manager may from time to time prescribe in respect of representations made under clause 3.4.

## **4. GENERAL MANAGER'S POWERS**

- 4.1 If in the reasonable opinion of the General Manager the Grantee has either compromised the operational integrity of the prison by:
  - (a) breaching the conditions of any consent to entry given under clause 3; or
  - (b) failing to comply with any condition or procedure advised by the General Manager in relation to the conduct of work carried out on the Easement Land by the Grantee,

then the General Manager will immediately notify the Grantee of the nature of the breach (in the case of (a) above) or failure to comply (in the case of (b) above) and of the time (which must be reasonable) by which the Grantee must remedy the breach.

4.2 The Grantee acknowledges that in the event the prison ceases to have a General Manager the General Manager's powers under this easement may be exercised by the Grantor or such of its agents, employees or servants to whom a written delegation in this regard is made.

#### **5. GRANTEE'S OBLIGATIONS**

5.1 The Grantee shall:

- (a) in undertaking any Works cause as little damage as possible to the Land and as little inconvenience as possible to the Grantor; and
- (b) following it undertaking any Works, in a good and workmanlike manner fill in any opening in the surface of the Land as soon as possible after the Works have been completed.

#### **6. GRANTOR'S OBLIGATIONS**

6.1 The Grantor shall not:

- (a) Place or allow to be placed any buildings or other erections on the Easement Land or;
- (b) Allow any tree or shrub to grow on the Easement Land; or
- (c) Permit to be done any act on the Land that interferes with or affects the Permitted Uses or the exercise by the Grantee of the Rights; or
- (d) Interfere with or allow any interference with the Equipment or cause or allow any damage to be done to the Equipment; or
- (e) Grant any rights over the Easement Land to any party other than the Grantee; or
- (f) Enter those parts of the Easement Land marked [ ] (except those parts of the easement Land marked [ ] for the purposes of carrying out maintenance on the Grantor's Accommodation pursuant to clause 7.2.

6.2 The Grantor shall indemnify the Grantee against any loss, cost or damage caused or suffered as a result of any breach by the Grantor of its obligations described in clause 6.1.

6.3 Should the Grantor fail to observe or breach any of its obligations contained in this clause the Grantee may remedy any such failure to observe or breach and the Grantor shall reimburse the Grantee for the cost of any such remedy.

#### **7. MAINTENANCE**

7.1 The Grantee shall at its cost keep the Equipment and the Grantee's Accommodation in good and substantial repair although the Grantor acknowledges that the Grantee shall not be liable for any loss, cost or damage caused to or suffered by the Grantor as a result of any failure to repair the Equipment and the Grantee's Accommodation.

7.2 The Grantor shall at its cost keep the Grantor's Accommodation in good and substantial repair.

#### **8. OWNERSHIP**

The Grantee retains ownership of the Equipment and the Grantee's Accommodation which does not become a fixture of the Building or form part of the Land

#### **9. BREACH OF OBLIGATION**

Should one party fail to observe or breach any of its obligations contained in this Easement the other party (the "Aggrieved Party") may remedy any such failure to observe or breach and the other party shall reimburse the Aggrieved Party for the cost of any such remedy.

## Appendix B: Form of Vector Limited Gas Easement

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Date

Customer's Full Name

Address 1

Address 2

Address 3

Attention: Customer's Contact Person

**Vector Reference**

Project Number

**Enquiries To**

Name of Contractor Project Manager

DDI: Contractor PM's DDI

OR

Name of Vector Project Manager

DDI: Vector PM's DDI

Network Sales Co-ordinator

DDI: (09) 978 7833

**INSTALLATION OF GAS RETICULATION FOR ... (AND ASSOCIATED WORKS AND EASEMENT)**

Dear Customer Contact Person,

**Insert development name, Insert development address**

[Unlocked paragraph to personalise agreement – delete if not needed]

Please find **enclosed** an agreement, valid for 30 days, for the installation of reticulated natural gas (and all associated works) as part of the development of the above property ("**Agreement**").

The contribution required for these works is \$Insert Contribution Amount plus GST ("**Contribution**"). Any delays in accepting this Agreement could result in changes to the scope of works and the contribution amount.

If you wish to proceed with the installation of these works, please return the executed Agreement. You are welcome to return the executed Agreement via email to [customer.solutions@vector.co.nz](mailto:customer.solutions@vector.co.nz).

by either:

**Direct credit:** By depositing the full contribution amount at your nearest ASB branch or via online banking to our bank account:

Bank: ASB Institutional  
Account Name: Vector Corporate Account  
Account Number: 12-3113-0002030-000  
Reference: A012CIP4057

**Cheque:** By posting a cheque for the full contribution amount made payable to [Vector Limited / Vector Gas Limited], PO Box 99882, Newmarket, Auckland 1149.

We trust the terms and scope set out in the Agreement meet with your expectations. We look forward to receiving the executed Agreement in due course in order for a representative of Vector to contact you to discuss programming of the works. Normally, we require six weeks notice from acceptance before work can start on site to allow for the delivery of required equipment and the scheduling of work crews.

If you require any further information regarding the commercial terms of the Agreement please contact Name of Vector Project Manager on Vector PM's DDI. Alternatively, if you



have questions regarding the installation and construction programme, please contact  
Name of Contractor Project Manager on Contractor PM's DDI.

Yours faithfully  
**VECTOR LIMITED**

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**Name of Vector Project Manager**  
Title of Project Manager

## AGREEMENT FOR INSTALLATION OF WORKS FOR

<b>PROJECT #</b>	Project Number	<b>UPDATE</b>	
<b>PARTIES</b>			
Owner's Full Name (" <b>Owner</b> ")		Vector Limited (" <b>Vector</b> ")	
Developer's Full Name (" <b>Customer</b> ")			
<b>PROPERTY ADDRESS</b>	Insert Development Address		
<b>AGREEMENT</b>			
<b>Agreement:</b>	<p>1. The parties have agreed that gas reticulation (being the reticulation design shown on the attached plan at Schedule A) ("<b>Gas Infrastructure</b>") will be installed and provided as part of the proposed subdivision ("<b>Development</b>") at Insert Development Address (which is comprised in computer freehold register title Insert title reference being Insert legal description) ("<b>Land</b>"). Vector agrees to install the Gas Infrastructure on the Land at the location indicated on the indicative drawing appended as <b>Schedule A</b> in accordance with the terms of this Agreement (including the Schedules).</p> <p>2. A contribution of \$Insert Contribution Amount plus GST ("<b>Contribution</b>") is required for the Gas Infrastructure to be paid by the Customer on or before the date of this Agreement and will be used by Vector to contribute to the costs that Vector will incur in respect of the installation of the works.</p>		
<b>General Conditions:</b>	<p>3. Vector's Standard Conditions of Contract (appended as <b>Schedule B</b>) form part of this agreement and are binding on all parties. To the extent of any inconsistency or conflict between the terms set out in the main body of this Agreement and Schedule B, the terms set out in the main body of this Agreement shall prevail.</p>		
<b>SCOPE OF WORKS</b>			
<b>Scope of works:</b>	<ul style="list-style-type: none"> <li>• [Insert details as required].</li> <li>• This Agreement includes supply and laying of pipe in accordance with the plan attached as <b>Schedule A</b> in a service trench to be provided by the Customer / Owner.</li> <li>• Curbs, or boundary pegs must be installed prior to the pipe being laid in any trenches.</li> <li>• This Agreement does include service lines within the lot boundary. These will be coordinated with the appropriate party once construction of a lot has commenced.</li> <li>• Work will be supervised by a Vector appointed project manager and includes the connection of the new reticulation to the existing network, pipe jointing, testing, commissioning and issue of a completion certificate.</li> </ul>		

CLARIFICATIONS OF SCOPE OF WORKS	
<b>Additional Obligations:</b>	<ul style="list-style-type: none"> <li>The service trench for the Gas Infrastructure assets to be installed within will be provided by the Customer / Owner at their cost and does not form part of the Scope of Works to be undertaken by Vector. The Service Trench must have a depth between 700mm and 1000mm, maintain a separation of 150mm from other services, and have clean sand bedding.</li> <li>[Insert details as required.]</li> </ul>
POST COMPLETION OBLIGATIONS	
<b>Easement:</b>	<ol style="list-style-type: none"> <li>Where Gas Infrastructure is located within a part of the Land which is not to be vested in the Council and which does not form part of a dedicated supply to one lot, the Owner will, if requested by Vector, grant to Vector an easement over the Gas Infrastructure, so as to ensure that Vector has all rights reasonably required to ensure its right to use that part of the Land to provide Gas Infrastructure (including to convey and supply natural gas). If an easement is required, once the Gas Infrastructure has been installed on the Land, Select: will arrange for a survey to be completed over the easement area. The easement area will cover the Gas Infrastructure and access to the Gas Infrastructure within the Land. It will also provide Vector adequate access to the easement area over the Land to maintain and operate the Gas Infrastructure.</li> <li>If an easement is required, the Owner shall, following installation of the Gas Infrastructure on the Land, execute all necessary documentation to enable the registration of an easement in favour of Vector ("<b>Easement</b>"). The Easement will be prepared, by Vector, in the form appended as <b>Schedule C</b> at the Owner's cost. The parties acknowledge and accept that this is Vector's standard form of easement and Vector's contractors rely on these standard terms to access the Land and maintain Vector's assets. Accordingly, no proposed amendments will be accepted in relation to the terms of the Easement, except in relation to clause 4 of Schedule C, where Vector will consider any requests for changes required by the specific circumstances and location of the Easement.</li> <li>If Vector does not require any easement for the Gas Infrastructure then the provisions of this Agreement relating to the grant of an easement are not applicable.</li> </ol>
<b>Terms and Conditions of Supply:</b>	<ol style="list-style-type: none"> <li>Once the Select: point of connection is livened, this agreement shall no longer apply in respect of that point of connection, and the Customer will be bound by the standard terms and conditions of supply as described in the Customer's energy supply agreement between the Customer and its respective gas retailer. Notwithstanding the foregoing, the Rebate Amount shall continue to be payable in respect of that point of connection.</li> </ol>

<b>Line Charges:</b>	8. The Select: will be subject to the applicable standard prices as described in the Customer's energy supply agreement between the Customer and its respective gas retailer which includes Vector's standard prices for its line function services. Vector's standard prices for its line function services are available on Vector's website at <a href="http://www.vector.co.nz/gas/our-pricing">www.vector.co.nz/gas/our-pricing</a> .
<b>CUSTOMER CONTACT DETAILS (Customer Please Complete)</b>	
Please provide contact details for invoicing purposes:	
Full Name:	In the event that variations are required, please provide details of an on-site representative that has the authority to accept such variations on behalf of the Customer/Owner:
Address:	
	Full Name:
	Position:
	Contact #:
<b>SOLICITOR OWNER CONTACT DETAILS (Owner Please Complete)</b>	
Please provide <b>the owner's</b> solicitor contact details to progress registration of the Easement.	
If you have any questions regarding the easement and for registration of the easement please contact your solicitor prior to signing.	
Firm Name:	
Solicitor Name:	
Contact Number:	
Email Address:	

EXECUTION BY OWNER	
Signed by _____	Signed by _____
Name of Individual / Director: .....	Name of Individual / Director: .....
In the presence of	In the presence of
Name of witness:	Name of witness:
Signature of witness:	Signature of witness:
Occupation:	Occupation:
City/Town of residence:	City/Town of residence:
Dated:	Dated:

EXECUTION BY CUSTOMER	
Signed by _____	Signed by _____
Name of Individual / Company Director: .....	Name of Individual / Company Director: .....
In the presence of	In the presence of
Name of witness:	Name of witness:
Signature of witness:	Signature of witness:
Occupation:	Occupation:
City/Town of residence:	City/Town of residence:
Dated:	Dated:

**EXECUTION BY VECTOR**

**Signed for and on behalf of Vector:**

\_\_\_\_\_

Name

Title

Dated:

\_\_\_\_\_

**SCHEDULE A: INDICATIVE DRAWING**



## **SCHEDULE B: STANDARD CONDITIONS OF CONTRACT**

### **1. DEFINITIONS**

In these Conditions of Contract, unless the context otherwise requires:

**Confidential Information** includes all information, specifications, technical data, know-how, trade secrets, software, confidential material (including but not limited to drawings, blueprints, computer printouts, notebooks and reports) or other information from time to time disclosed by a party to the other in relation to the Agreement, either orally or in writing, except where already in the public domain otherwise than due to a breach of any confidentiality undertaking or obligation;

**Good Industry Practice** means the exercise of that degree of skill, diligence, prudence and foresight that would reasonably and ordinarily be expected from a skilled and experienced operator engaged in New Zealand in the same type of undertaking under the same or similar circumstances;

**GST** means goods and services tax in terms of the Goods and Services Tax Act 1985, at the rate prevailing from time to time;

**PPSA** means the Personal Property Securities Act 1999;

**Tax Invoice** means an invoice that complies with section 24 of the Goods and Services Tax Act 1985;

**Terms and Conditions of Supply** means applicable standard terms and conditions of supply as described in the section entitled "Terms and Conditions of Supply" in this Agreement;

**Vector Group** means Vector Limited and its related companies (as such term is defined in the Companies Act 1993); and

**Works** means the capital works to be undertaken by Vector or its subcontractors as described in the section entitled "Scope of Capital Works" and "Clarifications of Scope of Capital Works" in this Agreement.

Other capitalised terms used in these Conditions of Contract shall have the meaning given to such terms elsewhere in this Agreement.

The terms "perfected", "proceeds", "purchase money security interest" and "security interest" have the respective meanings given to them under, or in the context of, the PPSA.

### **2. WORKS**

Vector agrees to undertake the Works for the Customer and, where applicable, the Owner, in accordance with these Conditions of Contract.

### **3. VECTOR'S WARRANTIES**

- (a) Vector warrants and undertakes that it will:
  - (i) perform the Works in accordance with all applicable legislation, laws and Good Industry Practice;
  - (ii) supply, at its own cost, all materials, tools, machinery and plant necessary to perform the Works;
  - (iii) ensure that all materials, machinery and plant used in the performance of the Works comply with applicable statutory or industry, mandatory safety standards; and
  - (iv) subject to paragraph 10(f), at its own cost, make good any errors, defects or omissions in the Works.
- (b) Except as expressly provided in paragraph 3(a), all representations and warranties (statutory, express or implied), except any which may not lawfully be excluded, are expressly excluded.
- (c) The parties each acknowledge and agree that:
  - (i) where the Works are being undertaking for the purposes of a business, the Consumer Guarantees Act 1993 does not apply in relation to the Works; and
  - (ii) notwithstanding any other term or condition expressly or impliedly to the contrary, to the extent permitted by law, the warranty under paragraph 3(a)(iv) is the sole remedy of the Owner and/or Customer under this Agreement in relation to any errors, defects and omissions in the Works and is in lieu of, and replaces, all remedies which the Owner and/or Customer may have by law, including under contract or tort (including negligence).

**4. OWNER AND CUSTOMER WARRANTIES**

- (a) The Customer and the Owner each warrant that they have the legal capacity to enter into this Agreement and to perform and comply with their obligations under this Agreement and have taken all necessary corporate and other actions to authorise the execution, delivery and performance of this Agreement in accordance with its terms.
- (b) The Owner warrants that the Owner has good title to the Land and that there are no third party rights or interests over the Land which will or might reasonably be expected to have a material adverse effect on the performance of the Works by Vector.
- (c) The Owner and the Customer each warrant and undertake that they shall, in good faith and in a timely manner, provide all reasonable assistance, facilities and information as Vector may require for the performance of the Works.

**5. ACCESS**

- (a) The Owner will provide Vector upon request (at no cost to Vector) with such access to, and space on, the Land as is reasonably required by Vector.
- (b) The Owner and/or Customer may require Vector (and any subcontractors) to comply with any reasonable health and safety and security requirements on the Land notified in writing by the Owner and/or Customer to Vector in advance.

**6. EASEMENT**

- (a) To the extent an Easement is to be granted in relation to the Works, the provisions of this paragraph 6 shall apply.
- (b) The Owner shall obtain all necessary consents of any lessee, mortgagee or caveator of the Land and do all other things to enable the registration of the Easement against the computer freehold register or computer leasehold register (as the case may be) for the Land.
- (c) The Owner shall not from the date of this Agreement to the date on which the Easement is registered against the Land assign, sell, transfer, alienate, charge, encumber or otherwise dispose of its interests in the Land (or any part of the Land) without first obtaining the written consent of Vector, which consent shall not be unreasonably or arbitrarily withheld where the Owner has obtained for the benefit of Vector a deed of covenant from such incoming assignee, purchaser, transferee or other party binding such other party to the provisions of this Agreement as if such other party were an original party to this Agreement. The Owner acknowledges that if it fails to obtain any such deed of covenant it shall reimburse Vector upon demand for any sum which Vector pays to such other party in order to secure the Easement.
- (d) The parties acknowledge that Vector may, at its discretion, register a caveat against the Land to protect its interest pursuant to the Agreement in the event that the Owner or Customer breaches any term of this Agreement or fails to register the Easement in a timely fashion. Vector may require the Owner to procure the consent of any mortgagee(s) to such caveat being lodged against the Land.

**7. RESERVATION OF RIGHTS**

Vector reserves the right to vary the scope of the Works, including, without limitation, any additional work relating to site obstruction or restriction of site access that results in disruption or interruption to its work, afterhours work or any excavation in rock. In such a case, Vector will notify the Customer (and, where relevant, the Owner) of the changes in the Works and any proposed additional charges payable by the Owner and/or Customer for such works. The Owner and/or Customer must consider such additional charges in good faith and acting reasonably, but such charges will only be payable by the Owner and/or Customer with the relevant party's agreement.

**8. PAYMENT**

- (a) As specified in clause 2 of the Agreement, the Customer will pay the Contribution for the Works on or before the date of the Agreement.
- (b) Vector will issue a Tax Invoice to the Customer upon receipt of the Contribution.
- (c) If Vector incurs any additional expense in accordance with paragraph 7 and the Owner and/or Customer agrees to pay such additional charges, or if Vector increases the Contribution payable to the Customer in accordance with paragraph 12, then Vector will issue monthly Tax Invoices for such expenses or such increase in the Contribution

(as the case may be). The Customer (or, if applicable, the Owner) will pay the amount due as specified in each Tax Invoice on the 20<sup>th</sup> day of the month following the date of the Tax Invoice (the Due Date). Payment will be made by direct credit to a bank account nominated by Vector. Following payment, the Customer must promptly give notice to Vector of the Tax Invoice numbers and the respective amounts to which the payment relates. Vector may charge interest on Tax Invoices that remain unpaid at the Due Date, at a rate of 2% per annum above Vector's banker's overdraft rate from the Due Date for payment until actual payment is received.

## **9. INSURANCE**

Each party will maintain in full force and effect during the term of the Agreement NZ\$10 million public liability insurance. Each party will, when reasonably requested, provide the other with written evidence of compliance by such party with this paragraph.

## **10. LIMITATION OF LIABILITY**

- (a) Vector will use all commercially reasonable endeavours to carry out its obligations under the Agreement but, to the extent permitted by law, except in the case of:
  - (i) the negligence of Vector; and/or
  - (ii) the wilful breach by Vector of any of its obligations under the Agreement,Vector will not be liable for any loss or damage sustained by any person in relation to the Agreement unless otherwise expressly provided in the Agreement.
- (b) Where Vector is liable, Vector's maximum liability for any single event or series of related events is \$50,000 and will not exceed \$250,000 in any consecutive period of 365 days.
- (c) Each party shall take all reasonable steps to mitigate any losses it may suffer or incur arising out of anything done, or not done, under or in connection with the Agreement.
- (d) Except in relation to any claims directly arising out of the negligence or wilful breach of this Agreement by Vector, the Owner and the Customer shall jointly and severally indemnify and keep Vector indemnified against every claim, demand, action or proceeding brought against Vector by any third party in connection with, or arising out of, this Agreement.
- (e) Notwithstanding any other provision of this Agreement, to the extent permitted by law Vector will not be liable to the Owner or the Customer under the Agreement:
  - (i) for any loss of profit, loss of revenue, loss of use, loss of contract or loss of goodwill of any person; and/or
  - (ii) for any indirect or consequential loss; and/or
  - (iii) for any loss, liability, cost or expense of any description following termination of this Agreement.
- (f) To the extent permitted by law, Vector's liability to make good any errors, defects or omissions in the Works under this Agreement shall be as follows:
  - (i) if an Easement and/or the Terms and Conditions of Supply apply as between Vector and the relevant party, Vector shall only have the obligations and liability set out in such Easement and/or such Terms and Conditions of Supply; or
  - (ii) if an Easement and/or the Terms and Conditions of Supply do not apply as between Vector and the relevant party, Vector shall only be liable to the extent any claims are made within a period of 12 months following completion of the Works.

## **11. CONFIDENTIAL INFORMATION**

- (a) The Owner and the Customer each acknowledge and agree that, while the Agreement is in force, the Owner and/or the Customer may acquire Confidential Information regarding a member of the Vector Group. Where the Owner or the Customer comes into possession of any Confidential Information, it will:
  - (i) only be permitted to use the Confidential Information to the extent necessary to enable the Owner to perform its obligations under the Agreement; and
  - (ii) not disclose the Confidential Information to any third party without the prior written consent of the relevant member of the Vector Group, unless required by law or the rules of any stock exchange.
- (b) The Owner and the Customer shall each treat the contents of the Agreement and the arrangements contemplated by the Agreement as confidential and shall not disclose

such contents or arrangements to any person, without Vector's prior written consent or as required by law or the rules of any stock exchange.

## **12. FURTHER OBLIGATIONS**

The Owner and/or the Customer shall be responsible for obtaining all relevant statutory approvals and other licences, consent and permits for the purposes of the Works. Notwithstanding paragraph 7(a), should any statutory approvals require changes to Vector's design layout plan, Vector reserves the right to increase the Contribution payable by the Customer accordingly.

## **13. OWNERSHIP**

All equipment provided by Vector in relation to the Works shall remain Vector's property.

## **14. INTELLECTUAL PROPERTY**

Any patent, design, trademark, copyright or any other intellectual property right created by or on behalf of Vector in the course of undertaking the Works shall belong to Vector.

## **15. USE OF INFORMATION**

- (a) The Customer and the Owner each authorise Vector to contact any credit agency, referee or any other source in order to check, exchange or provide information in relation to themselves and they each authorise all such sources to provide Vector any information about themselves.
- (b) Vector acknowledges that if the Owner and/or Customer is a natural person, it has the right under the Privacy Act 1993 to have access to personal information held by Vector about them and to request correction of that personal information.
- (c) The Owner and the Customer each agree that:
  - (i) Vector may use any information it has about them relating to its credit worthiness and, give that information to any other person, including any credit or debt collection agency and any member of the Vector Group, for credit assessment and debt collection purposes;
  - (ii) any other information collected by Vector about the Owner or the Customer may be accessed or collected for the use of any member of the Vector Group in the course of its business, including direct marketing activities; and
  - (iii) to the extent it is reasonably able to do so, it will notify Vector of any change in circumstances that may affect the accuracy of the information provided to any member of the Vector Group.

## **16. TERMINATION**

- (a) Vector may terminate this Agreement with immediate effect by written notice to the Owner and the Customer, if an Event of Default occurs in respect of the Owner and/or Customer.
- (b) The Owner or the Customer may terminate this Agreement with immediate effect by written notice to Vector if an Event of Default occurs in respect of Vector.
- (c) For the purposes of this paragraph 16, an Event of Default is:
  - (i) any breach by the relevant party of any material obligations under the Agreement; where:
    - (A) the breach is not capable of being remedied; or
    - (B) the breach is capable of being remedied and the relevant party fails to remedy the breach to the terminating party's reasonable satisfaction within 14 days after notice in writing has been given to the defaulting party requiring the breach to be remedied; or
  - (ii) the relevant party has a receiver, receiver and manager, liquidator or statutory manager, appointed in respect of such party's property or any part of it, or such party passes a resolution for winding up, or assigns its estate or any substantial part of it for the benefit of its creditors; or
  - (iii) the relevant party is unable to pay its debts in the ordinary course of business or is insolvent or bankrupt.
- (d) The expiry or termination of the Agreement:
  - (i) is without prejudice to the rights and obligations of the parties accrued up to and including the date of expiry or termination;

- (ii) will not affect any provisions of the Agreement that are intended to continue after termination (including, without limitation, paragraphs 10(e)(iii), 11 and 14); and
- (iii) will require each party to immediately return to the other party all copies of any other party's Confidential Information.

#### **17. DISPUTES**

- (a) The parties agree that any dispute of whatever nature arising between the parties is to be notified in writing by the disputing party to the other (**Dispute Notice**). On receipt of a Dispute Notice, each party is to use its best endeavours to resolve the dispute by discussion, meeting and/or other informal means.
- (b) If the dispute is not resolved in accordance with the above process within 10 business days of the date of the Dispute Notice, then the parties shall submit the dispute to arbitration pursuant to the Arbitration Act 1996 (excluding paragraphs 4 and 5 of the Second Schedule to such Act).
- (c) This paragraph 17 is without prejudice to the terms of the Construction Contracts Act 2002 and does not affect either party's right to seek urgent interlocutory relief.

#### **18. NOTICES**

- (a) Each notice or other communication under the Agreement is to be made in writing and sent by facsimile, personal delivery or by post or electronically by email to the addressee at the facsimile number or address or email address, and marked for the attention of the person or office holder (if any), from time to time designated for the purpose by the addressee to the other parties.
- (b) No communication will be effective until received. A communication is, however, deemed to be received:
  - (i) in the case of a letter, on the third business day after posting within New Zealand and on the tenth business day after posting outside New Zealand; and
  - (ii) in the case of a facsimile, on the business day on which it is despatched or, if despatched after 5.00 p.m. (in the place of receipt) on a business day or on a non-business day, on the next business day after the date of despatch, in each case following receipt of a successful transmission report from the machine on which the facsimile was sent; and
  - (iii) in the case of an email, at the time the email enters the information system of the recipient party, provided that if receipt is disputed, the party giving notice produces a printed copy of the email which evidences that the email was sent to the correct email address of the party given notice.

#### **19. FORCE MAJEURE**

- (a) Non-performance by any party of any of its obligations under the Agreement will be excused, without liability for non-performance, where that non-performance is a direct or indirect result of any force majeure event.
- (b) For the purposes of this paragraph 19, a force majeure event is any event beyond the reasonable control of the relevant party, including any act of God, government, war, terrorism, civil disturbance, labour disruption, fire, earthquake or flood.
- (c) If a party believes that it may fail to meet any of its obligations under the Agreement because of a force majeure event, it must:
  - (i) promptly give notice to the other party specifying the cause and extent of its inability to perform any of its obligations and the likely duration of that non-performance; and
  - (ii) take all reasonable steps to remedy or mitigate the effects of the force majeure event, provided that the notifying party is not required to change the way it would otherwise deal with any labour dispute.

#### **20. PERSONAL PROPERTY SECURITIES ACT 1999**

- (a) The Owner grants a security interest to Vector in each and every part of the Equipment as security for payment of that part and of each other part or parts of the Equipment and for any other amounts owing of any nature by the Owner to Vector from time to time, and for the performance by the Owner of all of the Owner's obligations to Vector from time to time.

- (b) The Owner acknowledges a financing statement may be registered in respect of the security interest granted in the Equipment and the proceeds thereof referred to in paragraph 20(a).
- (c) The Owner shall do all other things that Vector requires to enable Vector to:
  - (i) have a perfected security interest in all the Equipment and a purchase money security interest in each part of the Equipment; and
  - (ii) exercise any of Vector's rights or powers under this Agreement, whether on enforcement of the security interest or otherwise.
- (d) The security created under, and by this Agreement, becomes enforceable if an Event of Default under paragraph 16(c) occurs.
- (e) The Owner waives the right to receive a copy of a verification statement under the PPSA.
- (f) The parties hereby agree that nothing in sections 114(1)(a), 120(1), 133 and 134 of the PPSA shall apply to this Agreement, or the security interest created under this Agreement.
- (g) The parties further agree that the Owner's rights as debtor in sections 116, 120(2), 121, 125, 127, 129, 131 of the PPSA shall not apply to this Agreement.
- (h) The Owner will immediately notify Vector of any change in the Owner's name or other material identifying characteristics of either the Owner or the Equipment.
- (i) Vector may allocate amounts received from the Owner in any manner it determines, including in any manner required to preserve any purchase money security interest it has in any part of the Equipment.
- (j) The Owner acknowledges that these terms constitute a security interest for the purposes of the PPSA.
- (k) These Conditions of Contract are paramount and, to the extent there is any conflict between any provision of them and any invoice or other document evidencing or describing any Equipment, the Conditions of Contract will prevail.

## 21. GENERAL

- (a) Each party shall make all applications, execute all documents and do or procure all other acts and things reasonably required to implement and to carry out its obligations under, and the intention of, this Agreement.
- (b) No failure to exercise, and no delay in exercising, a right of a party under the Agreement will operate as a waiver of that right, nor will a single or partial exercise of a right preclude another or further exercise of that right or the exercise of another right. No waiver by a party of its rights under the Agreement is effective unless it is in writing signed by that party.
- (c) Subject to paragraph 7 and paragraph 12, no amendment to the Agreement is effective unless it is agreed in writing by all parties.
- (d) The illegality, invalidity or unenforceability of a provision of the Agreement under any law will not affect the legality, validity or enforceability of that provision under another law or the legality, validity or enforceability of another provision.
- (e) The Agreement constitutes the entire agreement of the parties in respect of the matters covered by it and supersedes all previous agreements in respect of those matters.
- (f) The Agreement may be executed in any number of counterparts (including facsimile or email copies) all of which, when taken together, will constitute one and the same instrument.
- (g) Neither party will, by virtue of the Agreement, be, or for any purpose deemed to be, an employee or agent of the other and no partnership will be deemed to arise between the parties as a consequence of the Agreement.
- (h) Neither the Owner nor the Customer may assign or transfer any of their rights or obligations under this Agreement without the prior written consent of Vector.
- (i) Vector may subcontract the performance of any obligation under the Agreement.
- (j) Each party shall be liable for the acts and omissions of its subcontractors, lessees, employees and agents as if they were such party's acts and omissions.
- (k) The Agreement is governed by, and is to be construed in accordance with, New Zealand law. The parties submit to the non-exclusive jurisdiction of the New Zealand courts.

SCHEDULE C - GAS EASEMENT

Easement instrument to grant easement or *profit à prendre*, or create land covenant

(Sections 90A and 90F Land Transfer Act 1952)

Grantor

\*\*

Grantee

Vector Limited

Grant of Easement or *Profit à prendre* or Creation of Covenant

The Grantor being the registered proprietor of the servient tenement(s) set out in Schedule A grants to the Grantee (and, if so stated, in gross) the easement(s) or *profit(s) à prendre* set out in Schedule A, or creates the covenant(s) set out in Schedule A, with the rights and powers or provisions set out in the Annexure Schedule(s)

Schedule A

Continue in additional Annexure Schedule, if required

Purpose (Nature and extent) of easement; <i>profit</i> or covenant	Shown (plan reference)	Servient Tenement (Computer Register)	Dominant Tenement (Computer Register) or in gross
Right to Convey Gas	Marked "***" on DP **	Lot ** DP ** (Identifier ** )	(Vector Limited) In Gross

**Easements or *profits à prendre* rights and powers (including terms, covenants and conditions)**

*Delete phrases in [ ] and insert memorandum number as required;*

Unless otherwise provided below, the rights and powers implied in specified classes of easement are those prescribed by the Land Transfer Regulations 2002 and/or ~~Schedule Five of the Property Law Act 2007~~

The implied rights and powers are hereby ~~[varied]~~ ~~[negated]~~ ~~[added to]~~ or ~~[substituted]~~ by:

~~[Memorandum number \_\_\_\_\_, registered under section 155A of the Land Transfer Act 1952]~~

~~[the provisions set out in Annexure Schedule ]~~

**Covenant provisions**

*Delete phrases in [ ] and insert Memorandum number as require; continue in additional Annexure Schedule, if required*

~~The provisions applying to the specified covenants are those set out in:~~

~~[Memorandum number \_\_\_\_\_, registered under section 155A of the Land Transfer Act 1952]~~

~~[Annexure Schedule \_\_\_\_\_]~~

*Continued in additional Annexure Schedule, if required*



*Insert instrument type***Easement Instrument to grant easement or profit a prendre, or create land covenant***(Continue in additional Annexure Schedule, if required)***1. DEFINITIONS AND INTERPRETATION**

1.1 In this instrument unless the context otherwise requires:

- (a) "Easement Land" means those parts of the Land specifically marked on the Plan and referred to as "shown (plan reference)" in Schedule A of this instrument.
- (b) "Equipment" includes all pipes, ducting, cables Gas Measurement Systems, Distribution Systems and Fittings (as defined in the Gas Act 1992) and all other equipment which is situated under the Easement Land or which the Grantee requires to place under the Easement Land to carry out the Permitted Uses.
- (c) "General Manager" in respect of the servient land comprised and located within the Plan means the prison manager of the men's prison at Wiri and includes any person acting in that capacity and/or their delegate and in respect of the balance of the servient land means the prison manager for the time being of the women's prison at Wiri currently referred to as the Auckland Region Women's Correction Facility and includes any person acting in their capacity and/or their delegate.
- (d) "Land" is the land comprised and described in the computer freehold register referred to as "servient tenement" in Schedule A of this instrument.
- (e) "Permitted Uses" are for the conveyance and supply of Gas (as defined in the Gas Act 1992).
- (f) "Plan" is the deposited plan referred to as "shown (plan reference)" in Schedule A of this instrument.
- (g) "Rights" are the full, free, uninterrupted and unrestricted ability and licence at all times to go on, over and under the Easement Land, to enter the Easement Land with or without vehicles, tools or machinery of any kind to:
  - (i) undertake Works; and
  - (ii) use the Equipment.
- (h) "Works" means constructing, laying, equipping, maintaining, inspecting, repairing, altering, renewing, replacing (with or without something substantially similar), upgrading, adding to, removing and operating the Equipment including but not limited to excavating trenches in which the Equipment will be placed, required to be undertaken by the Grantee in order that it may use the Easement Land for the Permitted Uses.
- (i) Headings are included for convenience only and do not affect the interpretation of this instrument.
- (j) Words importing the singular shall include the plural, the masculine gender shall include the feminine and persons shall include companies and vice versa.
- (k) Reference to the Grantee and Grantor is deemed to be a reference also to the Grantee's and Grantor's employees, workmen, engineers and agents unless repugnant to the context.
- (l) Reference to legislation includes reference to all legislation amending or replacing that legislation or to any legislation passed pursuant to that legislation.
- (m) Reference to the parties includes reference to the parties, executors, administrators, successors in title and assigns.

**2. GRANT**

- 2.1 The Grantor grants and the Grantee accepts the grant of this easement in gross to use the Easement Land for the Permitted Uses together with the right to exercise the Rights for all time on the basis that no power is implied for the Grantor to determine this easement in gross for any breach of its provisions

*Insert instrument type***Easement Instrument to grant easement or profit a prendre, or create land covenant***(Continue in additional Annexure Schedule, if required)*

(expressed or implied) or for any other cause, the intention being that this easement in gross shall subsist until surrendered. The Grantee acknowledges that the grant of this easement in relation to the Easement Land and the right to exercise the Rights is (subject as provided in clause 4.1) granted in common with the rights of the Grantor to use the Easement Land and the rights to use of the Easement Land granted by the Grantor to others.

**3. GENERAL MANAGER'S CONSENT**

- 3.1 The Grantee whether by itself or its engineers, surveyors, workmen, agents, employees, servants, contractors or its invitees and whether with or without equipment shall not enter the Easement Land without the prior consent of the General Manager first had and obtained in respect of such entry.
- 3.2 The Grantee acknowledges that the Easement Area is included within the prison and that the General Manager shall have the discretion to impose such conditions on Grantee entry to the Easement Land as the General Manager thinks necessary or ancillary to the operational integrity of the prison.
- 3.3 The Grantee shall make representations to the General Manager as to:
- (a) the times entry to the Land is required for investigative work and any subsequent construction or maintenance activity insofar as these works and activities can be planned for and schedule ahead of their taking place;
  - (b) the Grantee's notice proposals to enter the Land should any Grantee emergency concerning the Equipment arise or should entry other than that envisaged under clause 3.1 above prove necessary.
- 3.4 The Grantee acknowledges that the General Manager at his/her discretion may upon the giving of either oral or written notice vary any written consent to entry given, under the provisions of clause 3.1 should the General Manager deem this to be necessary or ancillary to the operational integrity of the prison.
- 3.5 That the Grantee shall comply with such conditions and procedures as the General Manager may from time to time prescribe in respect of representations made under clause 3.4.

**4. GENERAL MANAGER'S POWERS**

- 4.1 If in the reasonable opinion of the General Manager the Grantee has either compromised the operational integrity of the prison by:
- (a) breaching the conditions of any consent to entry given under clause 3; or
  - (b) failing to comply with any condition or procedure advised by the General Manager in relation to the conduct of work carried out on the Easement Land by the Grantee,
- then the General Manager will immediately notify the Grantee of the nature of the breach (in the case of (a) above) or failure to comply (in the case of (b) above) and of the time (which must be reasonable) by which the Grantee must remedy the breach.
- 4.2 The Grantee acknowledges that in the event the prison ceases to have a General Manager the General Manager's powers under this easement may be exercised by the Grantor or such of its agents, employees or servants to whom a written delegation in this regard is made.

*Insert instrument type***Easement Instrument to grant easement or profit a prendre, or create land covenant***(Continue in additional Annexure Schedule, if required)***5. GRANTEE'S OBLIGATIONS****5.1 The Grantee shall:**

- (a) In undertaking any Works cause as little damage as possible to the Easement Land and as little inconvenience as possible to the Grantor and any other person having the right to use the Easement Land (subject as provided in clause 4.1); and
- (b) Following it undertaking any Works, in a good and workmanlike manner fill in any opening in the surface of the Easement Land as soon as possible after the Works have been completed and restore the surface of the Easement Land as nearly as possible to its former condition (unless otherwise agreed).

**6. GRANTOR'S OBLIGATIONS****6.1 The Grantor shall not without the prior written consent of the Grantee (such consent not to be unreasonably withheld or delayed):**

- (a) Place or allow to be placed any further building, fences or other erections on the Easement Land other than fences, driveways and erections in place as at the date of this instrument and replacements for those fences, driveways and erections; or
- (b) Allow any further tree or shrub to grow on the Easement Land other than trees and shrubs planted on the Easement Land at the date of this instrument and replacements for those trees and shrubs; or
- (c) Disturb or permit to be disturbed the soil below a depth of 400 millimetres from the surface of the Easement Land or remove any soil from the Easement Land except to the extent reasonably necessary to maintain, install, repair, replace or renew the driveway and other equipment and services sharing the Easement Land; or
- (d) Permit to be done any act on the Easement Land that unreasonably interferes with or affects the use of the Easement Land for the Permitted Uses or the exercise by the Grantee of the Rights; or
- (e) Interfere with or allow any interference with the Equipment or cause or allow any damage to be done to the Equipment; or
- (f) Grant any rights over the Easement Land to any party other than the Grantee except the easements referred to in the Memorandum and/or Schedule of Easements submitted to Land Information New Zealand with the Plan.

**6.2 Should the Grantor fail to observe or breach any of its obligations contained in this clause 4 the Grantee may remedy any such failure to observe or breach and the Grantor shall reimburse the Grantee for the cost of any such remedy.****7 MAINTENANCE****7.1 The Grantee shall at its cost keep the Equipment in good and substantial repair although the Grantor acknowledges that the Grantee shall not be liable for any loss, cost or damage caused to or suffered by the Grantor as a result of any failure to repair the Equipment.****8. OWNERSHIP****8.1 The Grantee retains ownership of the Equipment which does not form part of the Land.****9. IMPLIED RIGHTS AND POWERS****9.1 The rights and powers implied in certain easements pursuant to Section 90D of the Land Transfer Act 1952 (and currently set out in Schedule 4 of the Land Transfer Regulations 2002) are, as between the Grantor and Grantee, substituted and replaced by the terms set out in this instrument.**

*Insert instrument type*

**Easement Instrument to grant easement or profit a prendre, or create land covenant**

*(Continue in additional Annexure Schedule, if required)*

**10. GRANTOR TO NOTIFY OCCUPIER**

- 10.1 The Grantor shall notify every occupier of the Easement Land of the terms of this instrument and shall procure that any such occupier shall comply with the terms of this instrument as necessary for the Grantee to have the full use and benefit thereof.

**11. DISPUTES**

- 11.1 If any dispute arises between the Grantor and the Grantee concerning the rights created by this instrument and the parties are unable to resolve that dispute through good faith negotiations, and if the dispute is not resolved within one (1) month of the date on which the parties begin their negotiations:

- (i) The dispute shall be referred to a senior manager or executive of each of the Grantor and the Grantee who shall enter into negotiations in good faith to resolve the dispute; and
- (ii) If the parties agree (including as to the terms of reference), the matter may be referred to mediation.

For the avoidance of doubt, this clause 11 shall not prevent either party from seeking urgent or injunctive relief.

## Appendix C: MSD Sewerage Easement

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**HER MAJESTY THE QUEEN IN RIGHT OF NEW ZEALAND ACTING BY AND  
THROUGH THE CHIEF EXECUTIVE OF THE DEPARTMENT OF CORRECTIONS**

**HER MAJESTY THE QUEEN IN RIGHT OF NEW ZEALAND ACTING BY AND  
THROUGH THE CHIEF EXECUTIVE OF THE MINISTRY OF SOCIAL  
DEVELOPMENT**

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**DEED OF GRANT OF SEWAGE EASEMENT**

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**RUSSELL McVEAGH**

DEED dated

2012

## **PARTIES**

**HER MAJESTY THE QUEEN IN RIGHT OF NEW ZEALAND ACTING BY AND THROUGH THE CHIEF EXECUTIVE OF THE DEPARTMENT OF CORRECTIONS ("DoC")**

**HER MAJESTY THE QUEEN IN RIGHT OF NEW ZEALAND ACTING BY AND THROUGH THE CHIEF EXECUTIVE OF THE MINISTRY OF SOCIAL DEVELOPMENT ("MSD")**

## **INTRODUCTION**

- A. DoC is the owner of the land comprised in Certificate of Title 575590 on which is currently located the ARWCF.
- B. MSD is the owner of the land comprised in Certificate of Title 568162 on which is located the Korowai Manaaki Youth Justice Residence.
- C. DoC is having a new men's prison built, pursuant to a PPP on the DoC Land, with the men's prison to be located between the ARWCF and MSD's Land.
- D. To enable the operation of the new men's prison it will be necessary for a sewage pipe to cross under MSD's Land to enable DoC to connect into the main sewage network.
- E. MSD has agreed to grant the Sewage Easement to DoC over the Easement Area.
- F. The parties wish to enter into this Deed to record the terms and conditions upon which MSD will grant DoC the Sewage Easement over the Easement Area.

## **The Parties Agree as follows**

### **1. DEFINITIONS**

#### **1.1 Definitions:** In this Deed, unless the context otherwise requires:

**"Authorised Persons"** means SecureFuture Wiri Limited, The Fletcher Construction Company Limited and any of their subcontractors, or the employees, contractors, agents, invitees of any of the above entities.

**"ARWCF"** means the Auckland Region Women's Correctional Facility.

**"Deed"** means this deed together with schedules.

**"DoC Land"** means the land comprised within Certificate of Title 575590.

**"Easement Area"** means that part of MSD's Land where the Sewage Easement is to be located, as more particularly shown on the Plan and as highlighted in yellow.

**"Easement Facilities"** has the meaning given to that term in the Regulations provided all such facilities shall be underground.

**"MSD Land"** means the land comprised within Computer Freehold Register 568162.

**"Plan"** means the plan annexed to this Deed as Schedule 1.

**"Regulations"** means Schedule 4 of the Land Transfer Regulations 2002.

**"Sewage Easement"** means the easement to be granted by MSD to DoC located in the Easement Area to enable the discharge of sewage from the DoC Land into the sewage pipe located on the MSD Land, such easement to be on the terms and conditions contained in the Regulations and as modified by this Deed.

**"Vehicle"** means any bicycle and any car, motorbike, bus, van, truck or other like motorised vehicle.

**"Works"** means all necessary works to be undertaken in order to install and survey the underground Easement Facilities and restore the MSD Land in accordance with clause 3.2 and in a manner satisfactory to MSD (acting reasonably) and includes directional drilling to enable the Easement Facilities to be laid approximately 5.77 metres deep and/or digging a trench of sufficient width to enable the pipe to be installed and, if applicable and acceptable to MSD, covering the trench with fill.

**1.2 Interpretation:** In the interpretation of this Deed, unless the context otherwise requires:

- (a) reference to a statute includes all statutes amending, consolidating or replacing the statute referred to and any regulations, order, notice or bylaws made under or pursuant to that statute;
- (b) words importing one gender include the other gender;
- (c) words in the singular include the plural and vice versa;
- (d) headings have been inserted for the sake of convenience only and will not affect the construction of this Deed; and
- (e) except as modified below, the rights, powers, terms, covenants and restrictions created in this Deed are those set out in the Regulations. In the event of conflict between the Regulations and this Deed any variation contained in this Deed will prevail over the Regulations.

## **2. ACCESS**

**2.1 Grant:** MSD grants to DoC the Sewage Easement. For the purposes of section 176 of the Resource Management Act 1991, this Deed constitutes the prior written consent of MSD to the construction of the Easement Facilities on MSD Land, and the granting of the Sewage Easement.

**2.2 Parties to enter Easement:** As soon as reasonably practicable following the completion of Works, the parties shall finalise, execute and procure registration of the Sewage Easement. The parties will be bound by the terms of the Sewage Easement on and from the date of this Deed notwithstanding the fact that the Sewage Easement may not have been registered.

**2.3 Notice:** During the term of the Sewerage Easement and despite anything contrary in the Regulations, if the grantee (DoC) under the Sewerage Easement, requires access to the Easement Area to exercise its rights under the Sewerage Easement, it will:



- (a) Provide the grantor (MSD) with at least 20 days notice of access to the Easement Area (unless emergency access is required in which case notice will be as soon as reasonably practicable in the circumstances, and the grantee will maintain all necessary security of the perimeter of MSD's Land and the Easement Area while any works are performed); and
- (b) Will comply with the grantor's reasonable instructions in relation to such access.

For the avoidance of doubt, the Sewerage Easement will record these access arrangements.

### 3. WORKS

- 3.1 **Licence to Access for Works:** MSD agrees to grant DoC and its Authorised Persons the non-exclusive right to pass and repass over the Easement Area with or without Vehicles, machinery and equipment in accordance with the terms of this Deed for the purpose of undertaking the Works.
- 3.2 **Undertaking Works:** MSD acknowledges that DoC's Authorised Persons shall undertake the Works. As between DoC and MSD, DoC shall be liable for the cost of the Works. In completing the Works, DoC shall ensure its Authorised Persons:
  - (a) Use best endeavours to minimise any disruption to MSD as a result of the Works; and
  - (b) Restore the MSD Land, disturbed during the installation of the Easement Facilities to a condition as close as possible to its original condition before the surface of the MSD Land was broken to enable the Easement Facilities to be installed.
- 3.3 **Timing of Works:** MSD acknowledges that the Works are being undertaken as part of the overall construction of the men's prison. DoC anticipates the Works will be undertaken and completed in April 2013 to May 2013 (approximately) and, in any event, will take no longer than four (4) weeks to complete once Works have begun. DoC shall ensure that its Authorised Persons provide MSD with at least 20 days notice of when access to the Easement Area will be required in order to undertake the Works (the **Notice**), such notice to include a proposed programme for the Works. Following provision of the Notice, DoC shall ensure that its Authorised Persons consult with MSD prior to undertaking the Works in order to ensure the Authorised Persons can minimise any disruption to MSD as a result of the Works in accordance with clause 3.2 of this Deed. DoC will comply with all reasonable instructions given by MSD from time to time in relation to the access.
- 3.4 **Standard of Works:** DoC shall ensure that its Authorised Persons carry out the Works in a proper and professional manner and at all times in accordance with the terms and conditions of any relevant consents statutes, bylaws and regulations.

### 4. ASSIGNMENT

- 4.1 **Assignment by a party:** None of the parties to this Deed may assign, transfer or otherwise dispose of their rights or obligations under this Deed unless the party wishing to assign, transfer or dispose of its rights and obligations ("**Assignor**") first:
  - (a) procures the execution of a deed of covenant, in a form approved by the other parties to this Deed, whereby the proposed assignee, transferee or disposee

covenants with the other party to comply with all of the obligations of the Assignor under this Deed with effect from the date of the assignment, transfer or disposal ("**Deed of Covenant**"); and

- (b) the Assignor delivers copies of the fully executed Deed of Covenant to the other party.

## 5. GENERAL

- 5.1 **Entire agreement:** This Deed constitutes the entire agreement between the parties relating to the Sewage Easement and supersedes and cancels any previous agreement, understanding or arrangement whether written or oral.
- 5.2 **Governing Law:** The law governing this Deed shall be the law of New Zealand.
- 5.3 **Counterparts:** This Deed may be signed in any number of counterparts, including by way of exchange of PDF copies of the signature pages, all of which, when taken together, shall constitute one and the same instrument.

## SIGNATURES

**SIGNED** by Her Majesty the Queen, in right of New Zealand acting by and through the Chief Executive of the Department of Corrections by

in the presence of :

\_\_\_\_\_  
Witness name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Address

\_\_\_\_\_  
Occupation

\_\_\_\_\_  
Witness signature

**SIGNED** on behalf of Her Majesty the Queen, in right of New Zealand acting by and through the Associate Deputy Chief Executive (PCR) of the Ministry of Social Development by:

in the presence of :

\_\_\_\_\_  
Witness name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Address

\_\_\_\_\_  
Occupation

\_\_\_\_\_  
Witness signature

**SCHEDULE 1****Plan**



## **Appendix D: Form of Watercare Services Limited Storm Water Easement**

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# Agreement to Grant Easement

At the Men's Prison, Hautu Drive, Wiri, Manukau City

**Watercare Services Limited**

Watercare

**Her Majesty the Queen** (for justice purposes)

Owner

**The Fletcher Construction Company Limited**

Customer

**MEREDITH | CONNELL**  
BARRISTERS AND SOLICITORS

PO Box 2213, Auckland 1140, New Zealand  
DX CP24063

*Telephone* +64 9 336 7500

*Facsimile* +64 9 336 7629

[www.meredithconnell.co.nz](http://www.meredithconnell.co.nz)

## Parties

**Watercare Services Limited (Watercare)**

**Her Majesty the Queen** (for justice purposes) (**Owner**)

**Fletcher Construction Company Limited (Customer)**

## Introduction

- A The Owner is the registered proprietor of the Land.
- B The Customer, with the consent of the Owner, proposes to install the Watermain on the Land in the locations shown on the Plan.
- C Subject to the provisions of this agreement, the Owner has agreed to grant the Easement in respect of the Easement Area in favour of Watercare to provide for the protection of the Watermain and to grant Watercare access and maintain rights.

## Agreements

### 1 Definitions

---

- 1.1 In this agreement, unless the context otherwise requires:

**Easement** and **Easement Instrument** means an easement in gross for rights to convey water in, through and over the Easement Area, on the terms set out in the form of easement instrument attached as **Schedule 2**.

**Easement Area** means an area having a width of [three] metres for the Watermain generally as shown and marked red on the Plan.

**Land** means an estate in fee simple being Lot 1 Deposited Plan 391946 and Lot 1 Deposited Plan 448846 contained in computer freehold register 575590 (North Auckland).

**Lend Lease** means the infrastructure services business located at 8 Paul Matthews Road, Albany, Auckland.

**LINZ** means Land Information New Zealand.

**Owner** includes the Owner, the Owner's successors and/or the registered proprietor(s) for the time being of the Land.

**Plan** means the indicative plan attached as **Schedule 1**.



**Watercare** means Watercare Services Limited, its successors and permitted transferees, assigns, lessees, sublessees and licensees together with Watercare's servants, agents, employees, workers, invitees and contractors.

**Watermain** means the pipeline, fittings and associated apparatus running from the connection point at the public watermain located on Hautu Drive up to and including the proposed water meter to be located within the Easement Area;

**Working Day** means any day of the week other than:

- (a) Saturday, Sunday, Waitangi Day, Good Friday, Easter Monday, Anzac Day, the Sovereign's Birthday, Northland Anniversary Day and Labour Day; and
- (b) A day in the period commencing on the 24<sup>th</sup> day of December in any year and ending on the 5<sup>th</sup> day of January in the following year, both days inclusive.

**Works** means all works to be undertaken by the Owner, at its costs, to install the Watermain.

## **2 Approvals and Works**

---

### **2.1 Should the Customer:**

- (a) obtain all resource and other consents and approvals necessary to allow the Works to proceed (**Approvals**); and
- (b) resolve to proceed with the Works in accordance with the Approvals,

then the following provisions of this clause 2 shall apply.

### **2.2 Prior to undertaking the Works the Customer shall provide Watercare with all plans and specifications, the engineering design, and any other information that Watercare requires (**Specifications**), for approval by Watercare to ensure the Works are carried out and completed in accordance with Watercare's accepted procedures.**

### **2.3 Following obtaining Watercare's written approval of the Specifications the Customer may commence the construction of the Works, and will construct the Works:**

- (a) substantially and materially in accordance with the Specifications;
- (b) in accordance with any requirement set out in this agreement and the Approvals;
- (c) in a good and workmanlike manner and in sound and accepted engineering standards;
- (d) using a reputable and appropriately qualified contractor that has been approved by Watercare; and
- (e) in accordance with all reasonable requirements of Watercare (any requirement shall be deemed reasonable if it is generally in accordance with Watercare's usual procedure in respect of works that are similar to the Works).

- 2.4 The Watermain meter, to be installed as part of the Works, shall be installed by Lend Lease (at the Owner's cost).
- 2.5 Notwithstanding the Customer constructing the Works at the Customer's cost, in consideration of the sum of \$1 (plus GST), receipt of which is hereby acknowledged, all items forming the Works shall belong to and be owned by Watercare and no compensation whatsoever shall be payable by Watercare to the Owner or the Customer for the Works.
- 2.6 The Specifications may be varied by mutual agreement between the parties and in a spirit of goodwill and co-operation the parties shall from time to time meet with each other as necessary to discuss the Works or any differences or difficulties which may arise in relation to this agreement and each party shall use its best endeavours to resolve the matter.

### **3 Grant**

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- 3.1 In consideration of the sum of \$1 (plus GST), receipt of which is hereby acknowledged, the Owner grants, and Watercare accepts, the Easement subject to any subsequent variations agreed in writing between the parties.
- 3.2 Watercare and the Owner shall be bound by the Easement Instrument as if it had been executed by both parties and registered against the title to the Land, its terms being implied into this agreement.
- 3.3 The Owner acknowledges that the grant under clause 3.1 does not oblige Watercare to enter onto the Land or otherwise exercise all or any of its rights under the Easement.

### **4 Survey of Easement Area and registration of Easement**

---

- 4.1 The parties acknowledge that the Easement Area is subject to survey. Once the Customer has completed the Works, the Customer (at its cost) shall have the survey of the Easement Area completed and the survey plan deposited.
- 4.2 The Customer, with the Owner's assistance where necessary, shall attend to all necessary planning, resource consenting, legal and other matters, at its own cost, to enable the survey plan to be deposited and the Easement registered.
- 4.3 The parties shall co-operate fully with each other, and promptly sign any necessary documents and do such acts, matters and things as shall be required to enable the deposit of the survey plan defining the Easement Area and registration of the Easement Instrument at LINZ, including obtaining any consents required from any mortgagee, chargeholder, encumbrancee or grantee having an interest in the Land.

### **5 Costs**

---

- 5.1 The Customer shall meet Watercare's legal costs in connection with the drafting and execution of this agreement and registration of the Easement Instrument, together

with all other costs and expenses incurred by Watercare in respect of, or associated with, the Works and the Easement Instrument.

## **6 General**

---

- 6.1 Except to the extent that the provisions contained in this agreement are reproduced in, or substantially provided for in, the Easement Instrument, the provisions of this agreement shall not merge in or be extinguished by the registration of the Easement Instrument, but shall remain in full force and effect and operative and enforceable according to their tenor while the Owner remains the registered proprietor of the Land. Should the provisions of this agreement conflict with the provisions of the Easement Instrument, the provisions of this agreement shall prevail.
- 6.2 The parties shall always act in good faith and do all acts and things and execute all documents reasonably necessary to give full and proper effect to this agreement, Easement Instrument and the rights and interests granted herein and those subsequent documents, and each shall enter into such further documents and registrable instruments (including co-operating to permit such instruments to be registered and obtaining any mortgagee or chargeholder's consent) necessary to more fully give effect to the same and to preserve the integrity of the long term arrangements agreed upon.
- 6.3 This agreement shall be deemed to be signed by a party if that party has executed and delivered to the other party any of the following formats of the agreement:
- (a) an original;
  - (b) a copy in Portable Document Format (**PDF**) transmitted by email; or
  - (c) a facsimile copy,

and the delivery of any party to the other of a PDF or facsimile copy of this agreement duly executed shall be deemed delivery of the original thereof.

**Execution**

**Signed** for and on behalf of **Watercare Services Limited** by:

Witness to signature:	<hr/> K M Ford
-----------------------	----------------

<hr/> Signature:
------------------

<hr/> Name (in full):
-----------------------

<hr/> Occupation:
-------------------

<hr/> Address:
----------------

**Signed** for and on behalf of **Her Majesty the Queen** (for justice purposes)by:

Witness to signature(s):	<hr/> Signature
--------------------------	-----------------

<hr/> Signature:	<hr/> Name
------------------	------------

<hr/> Name (in full):	<hr/> Signature
-----------------------	-----------------

<hr/> Occupation:	<hr/> Name
-------------------	------------

<hr/> Address:
----------------

**Signed** for and on behalf of **The Fletcher Construction Company Limited** by:

Witness to signature(s):	<hr/> Signature
--------------------------	-----------------

<hr/> Signature:	<hr/> Name
------------------	------------

<hr/> Name (in full):	<hr/> Signature
-----------------------	-----------------

\_\_\_\_\_  
Occupation:

\_\_\_\_\_  
Name

\_\_\_\_\_  
Address:

**Schedule 1: Plan of Easement Area**

## Schedule 2: Easement

**Easement instrument to grant easement ~~or profit à prendre,~~  
or create land covenant**

(Sections 90A and 90F Land Transfer Act 1952)

Land Registration District  
North Auckland

### Grantor

**HER MAJESTY THE QUEEN** (for justice purposes)

### Grantee

**WATERCARE SERVICES LIMITED**

### Grant of Easement ~~or Profit à prendre or Creation of Covenant~~

**The Grantor** being the registered proprietor of the servient tenement(s) set out in Schedule A **grants to the Grantee** (and, if so stated, in gross) the easement(s) ~~or profit(s) à prendre~~ set out in Schedule A, ~~or creates the covenant(s) set out in Schedule A,~~ with the rights and powers or provisions set out in the Annexure Schedule(s)

### Schedule A

*Continue in additional Annexure Schedule, if required*

Purpose (Nature and extent) of easement; <i>profit</i> or covenant	Shown (plan reference)	Servient Tenement (Computer Register)	Dominant Tenement (Computer Register) or in gross
Right to convey water	Marked “ ” on Deposited Plan	Certificate of title 575590 (North Auckland)	In gross

*Insert instrument type*

**Easement Instrument**

**Easements or *profits à prendre* rights and powers (including terms, covenants and conditions)**

*Delete phrases in [ ] and insert memorandum number as required; continue in additional Annexure Schedule, if required*

Unless otherwise provided below, the rights and powers implied in specified classes of easement are those prescribed by the Land Transfer Regulations 2002 and/or Schedule Five of the Property Law Act 2007

The implied rights and powers are hereby ~~[varied] [negated] [added to] or [substituted]~~ by:

~~[Memorandum number \_\_\_\_\_, registered under section 155A of the Land Transfer Act 1952]~~

the provisions set out in the attached memorandum.

**Covenant provisions**

*Delete phrases in [ ] and insert Memorandum number as require; continue in additional Annexure Schedule, if required*

~~The provisions applying to the specified covenants are those set out in:~~

~~[Memorandum number \_\_\_\_\_, registered under section 155A of the Land Transfer Act 1952]~~

~~[Annexure Schedule \_\_\_\_\_]~~



**FORM OF REGISTRABLE MEMORANDUM  
SECTION 155A, LAND TRANSFER ACT 1952**

**Class of instrument in which provisions intended to be included**

Easement

**Easement rights and powers (including terms, covenants and conditions)**

The Grantor has agreed to grant by way of easement to the Grantee, the rights which are set out below in respect of the land comprised in Certificate of Title 575590 (North Auckland Registry) **(Land)**

**1. Grantee's Rights**

IN CONSIDERATION of the sum of \$1 (receipt of which is acknowledged) the Grantor transfers and grants to the Grantee an easement in gross for all time being a full, free, uninterrupted and unrestricted right, liberty and licence from time to time and at all times to:

- 1.1 Pump, move, convey and transport water in, under, on, through and along that portion of Land identified at Schedule A (**Easement Strip**) in a free and unimpeded flow (except when the flow is halted) and in any quantity by way of pipes or other conductors of water, and any other pipes, cables, equipment, plant and machinery, all appurtenances thereto and such other works or devices as the Grantee shall consider necessary, convenient or desirable (whether pertaining to the conveyance of water within the Easement Strip or the Grantee's water supply system generally) (**Pipeline**).
- 1.2 Subject to clauses 2 and 3 below, enter upon the Land by the Grantee's engineers, surveyors, employees, agents and contractors with or without vehicles, machinery, tools, equipment and materials by such route as is reasonable and practicable and to remain there for any reasonable time to do any of the following things:
  - 1.2.1 alter, maintain, repair, renew, relay, replace, substitute, add to, change, extend, enlarge and remove the Pipeline as the Grantee may consider necessary, convenient or desirable from time to time;
  - 1.2.2 operate, inspect, scour by discharge and otherwise clean the Pipeline as the Grantee may consider necessary, convenient or desirable for the operation of the Pipeline;
  - 1.2.3 lay, place or construct in, under or on or over the Easement Strip controlling, monitoring and metering devices or equipment and all appurtenances thereto;
  - 1.2.4 do and carry out in or under the Easement Strip, anything that the Grantee may consider necessary, convenient or desirable to do for the exercise by the Grantee of its rights and interests herein granted.

## **2. General Manager's Consent**

- 2.1 The Grantee whether by itself or its engineers, surveyors, workmen, agents, employees, servants, contractors or its invitees and whether with or without equipment shall not enter the Land without the prior consent of the general manager of the Wiri men's prison situated on the Land (**General Manager**) first had and obtained in respect of such entry.
- 2.2 The Grantee acknowledges that the Easement Strip is included within a prison and that the General Manager shall have the discretion to impose such reasonable conditions on the Grantee's entry to the Land as the General Manager thinks necessary or ancillary to the operational integrity of the prison.
- 2.3 The Grantee shall notify the General Manager as to the times access to the Land is required from time to time for any of the rights granted to the Grantee under this Easement.
- 2.4 The Grantee acknowledges that the General Manager at his/her discretion may upon the giving of either oral or written notice vary any written consent to access given under the provisions of clause 2.1 should the General Manager deem this to be necessary or ancillary to the operational integrity of this prison.
- 2.5 That the Grantee shall comply with any reasonable conditions and procedures as the General Manager may from time to time prescribe in respect of representations made under clause 2.2.
- 2.6 In relation to the right to access the Grantor's Land for the purposes of reading the water meter, the Grantor acknowledges that the Grantee shall, without further notice, have the right to enter onto those parts of the Grantor's Land which are open to the public, once per calendar month for the purpose of accessing and reading the water meter. Such access shall:
- 2.6.1 be subject to such reasonable conditions imposed by the General Manager on members of the public entering the Grantor's Land; and
- 2.6.2 only be denied where the public access to the Grantor's Land is being denied to all members of the public.

## **3. General Manager's Powers**

- 3.1 If in the reasonable opinion of the General Manager the Grantee has compromised the operational integrity of the prison by:
- 3.1.1 breaching the reasonable conditions of any consent to entry given under clause 2; or
- 3.1.2 falling to comply with any reasonable condition or procedure advised by the General Manager in relation to the conduct of work or activity carried out on the Easement Strip by the Grantee,

then the General Manager will immediately notify the Grantee of the nature of the breach (in the case of 3.1.1 above) or failure to comply (in the case of 3.1.2 above) and of

the time (which must be reasonable) by which the Grantee must remedy the breach.

- 3.2 The Grantee acknowledges that in the event the prison ceases to have a General Manager the General Manager's powers under this easement may be exercised by the Grantor or such of its agents, employees or servants to whom a written delegation in this regard is made.

#### **4. Grantee's obligations**

- 4.1 PROVIDED THAT in exercising such rights the Grantee shall:

- 4.1.1 Keep and maintain the Pipeline in a good and sufficient state of repair at the cost of the Grantee.
- 4.1.2 In undertaking any work, cause as little damage as practicable to the surface of the Land and at the conclusion of any work, so far as is reasonably practicable, restore the surface of the Land to the condition it was in immediately prior to the commencement of such work.
- 4.1.3 Cause as little inconvenience to the Grantor or occupier of the Land as is reasonably practicable when exercising all or any of the rights given to the Grantee pursuant to this Easement.
- 4.1.4 Carry out any work in a good and workmanlike manner.

#### **5. Grantor's obligations**

- 5.1 The Grantor will not, without the prior written consent of the Grantee (which will not be unreasonably withheld or delayed), do, procure, assist or allow the following to be done:
- 5.1.1 on the Easement Strip, or within the minimum distance from the Pipeline as advised by the Grantee (having regard to the relevant codes of practice and statutory or regulatory requirements applicable from time to time), construct or permit the construction of any further walls, or carry out any further earthworks or stockpiling, or place any further buildings or structures, or allow any further vegetation to become established, or remove or permit the removal of any soil, substance or material;
  - 5.1.2 subject to clause 2 and 3 impede the Grantee's access over the Land or the Easement Strip to the Pipeline;
  - 5.1.3 object to, advocate against, oppose or impede any consent, approval or right sought, or any action taken, by the Grantee pursuant to the Grantee's rights under this Easement; or
  - 5.1.4 do any other thing on the Land which may cause damage to the Pipeline or endanger the continuity or supply of the water or otherwise impede, interfere with or prejudice any right of the Grantee set out in this Easement.

#### **6. Breach of respective obligations**

- 6.1 If the Grantor wilfully or with wilful disregard causes or permits any breach of the obligations set out in this Easement Instrument, the Grantee shall be entitled to take all

reasonable steps to remedy the breach, with the direct costs of remedying the breach recoverable by the Grantee from the Grantor as a debt. Where the Grantee considers it reasonable in the circumstances, prior to remedying the breach, the Grantee will give notice of the breach to the Grantor and allow the Grantor a reasonable period to remedy the breach.

- 6.2 If the Grantee wilfully or with wilful disregard causes or permits any breach of the obligations set out in this Easement Instrument, the Grantor shall be entitled to take all reasonable steps to remedy the breach, with the direct costs of remedying the breach recoverable by the Grantor from the Grantee as a debt, provided that in no circumstances shall the Grantor interfere with the Pipeline in any way whatsoever. Where the Grantor considers it reasonable in the circumstances, prior to remedying the breach, the Grantor will give notice of the breach to the Grantee and allow the Grantee a reasonable period to remedy the breach.

## **7. Ownership**

- 7.1 The Pipeline or any other property of the Grantee will not, for any reason, become the property of the Grantor and will at all times remain the property of the Grantee and no person, company, or other party has an interest in the Pipeline by reason only of having an interest in the Land.
- 7.2 The Grantee may transfer, assign, sublet, lease or licence all of its rights created by this Easement Instrument.

## **8. No power to terminate**

- 8.1 There is no power in this Easement Instrument for the Grantor to terminate any of the Grantee's rights due to the Grantee breaching any term of this Easement Instrument or for any reason, it being the intention of the parties that the rights in this Easement instrument will continue forever unless surrendered.

## **9. Compliance with laws**

- 9.1 Both parties will at all times comply with all statutes, bylaws, regulations and legally binding codes of practice and other lawful requirements relating to this Easement Instrument, the Land and the Works which place an obligation on the relevant party and with all notices, orders, consents, conditions or requirements which may be validly given or required by any competent authority.

## **10. Dispute resolution**

- 10.1 If any dispute arises between the Grantor and the Grantee concerning the rights and obligations contained within this Easement Instrument, the parties will enter into negotiations in good faith to resolve the dispute themselves or through any informal dispute process they agree upon.
- 10.2 If the dispute is not resolved within 10 Working Days then any party may at any time serve a mediation notice on the other party requiring the dispute be referred to mediation. The mediation notice shall set out the nature of the dispute. The parties shall in good faith endeavour to agree upon a mediator within 5 Working Days of the date of service of the mediation notice. If the parties cannot agree on the mediator, the President for the time being of the New Zealand Law Society (or any successor

organisation) or the President's nominee will appoint an independent mediator. The mediator's costs are to be borne equally by the parties.

10.3 If the dispute is not resolved within 20 Working Days of the date on which the mediation notice is served, the parties will submit to the arbitration of an independent arbitrator appointed jointly by the parties. If the parties cannot agree on the arbitrator within a further 10 Working Days the President for the time being of the New Zealand Law Society (or any successor organisation) or the President's nominee will appoint an independent arbitrator.

10.4 Any arbitration proceedings will be conducted in accordance with the Arbitration Act 1996 and the substantive law of New Zealand.

## **11. Severability**

11.1 If any part of this Easement Instrument is held by any court or administrative body of competent jurisdiction to be illegal, void or unenforceable, such determination shall not impair the enforceability of the remaining parts of this Easement Instrument.

## **12. Governing law**

12.1 This Easement Instrument shall be construed in accordance with New Zealand law.

## **13. No waiver**

13.1 A waiver of any provision of this Easement Instrument shall not be effective unless given in writing and then it shall be effective only to the extent that it is expressly stated to be given.

13.2 A failure, delay or indulgence by any party in exercising any power or right shall not operate as a waiver of that power or right. A single exercise or partial exercise of any power or right shall not preclude further exercises of that power or right or the exercise of any other power or right.

## **14. Interpretation**

14.1 In this Easement Instrument, unless inconsistent with the context:

14.1.1 singular includes plural and vice versa;

14.1.2 references to "persons" includes references to companies, corporations, partnerships, joint ventures, associations, trusts, government departments or agencies and territorial local authorities;

14.1.3 references to the Grantor and Grantee include their subsidiary or related companies, their permitted assigns and, where appropriate, their employees, contractors, surveyors, invitees and inspectors;

14.1.4 references to any statute, regulation or other statutory instrument or bylaw shall be deemed to be references to the statute, regulation or instrument or bylaw as from time to time amended and includes substitution provisions that substantially correspond to those to which reference is made;

14.1.5 the headings and subheadings appear as a matter of convenience and shall not affect the interpretation of this Easement Instrument.

## Schedule 9: Resource Management Act Requirements

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### Part 1 – General

#### 1. Details of Designation

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The Final Report and Decision of the Board of Inquiry into the amendment to the Designation to enable the Proposed Men's Correctional Facility at Wiri to proceed was released on 26 September 2011.

#### 2. Outline Plan

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The Outline Plan relating to the Department Site was submitted in its final form to the Auckland Council on 3 May 2012 and confirmed on 13 June 2012. The Outline Plan is appended to Schedule 26 (Related Documents).

#### 3. Other resource consents

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##### 3.1 Contractor compliance requirements

In addition to compliance with the requirements of clause 17.3 (Consents) of the Base Agreement, the Contractor must comply with its obligations pursuant to Schedule 5 (Operative Documents), Schedule 10 (Works Requirements), Schedule 10B (Works (Retrofit) Requirements), Schedule 11 (Communication Protocols), Schedule 12 (Facility Management Requirements) and Schedule 14 (Corrections Services Requirements) to enable compliance with the conditions of Designation and must undertake all necessary monitoring and reporting in relation to all Contractor Consents and in relation to its obligations set out in those Schedules.

##### 3.2 Resource consents at Execution Date

At the Execution Date, the Department holds the following Auckland Council resource consents in relation to the Department Site, with which the Contractor must comply at all times:

- (a) 37740 – Discharge permit to divert and discharge stormwater from approximately 13ha of impervious coverage associated with the proposed Prison (granted 16 August 2010).
- (b) 38011 – Land Use Consent to reclaim 3123m<sup>2</sup> of wetland associated with the construction of the building platform of the proposed Prison (granted 15 August 2010).

#### 4. Historic Places Trust

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Historic Places Trust consent has been obtained for a general authority to modify archaeological site/s, HPT reference number 2011/216 dated 28 February 2011, as amended by the decision by the Historic Places Trust dated 13 October 2011 to modify conditions 3 and 6.

## 5. Wall with ARWCF

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If the Outline Plan is the subject of a judicial review on the basis of the Department's failure to consider surface treatment of the wall between the Prison and ARWCF (as referred to in the Integrated Design and Mitigation Strategy (IDMS) Stakeholder Report issued by the Auckland Council on 13 December 2011), the Department will issue a Change Notice for such work to be undertaken by the Contractor in accordance with Part 13 (Changes) of the Base Agreement to the extent that the changes required are on the Department Site.

## Part 2 - Designation conditions – responsibilities

### 6. Designation conditions

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#### 6.1 Designation Compliance Monitoring Table

The Contractor acknowledges and agrees that:

- (a) it will update the Designation Compliance Monitoring Table (as defined below), which monitors the Contractor's progress:
  - (i) in complying with any items that are noted in the table set out in paragraph 6.2 as being Contractor Responsibility; and
  - (ii) in assisting the Department to comply with any items that are noted in the table set out in paragraph 6.2 as being Department Responsibility but which require the Contractor to perform obligations set out elsewhere in this Agreement; and
- (b) it will provide a copy of the updated Designation Compliance Monitoring Table to the Department within 10 Business Days of a request by the Department and 20 Business Days following the end of the Contract Year.

#### 6.2 Designation conditions

The parties agree that they are each responsible for compliance with the conditions of the Designation as set out in the table below.

For the purposes of this Schedule 9:

**Condition Compliance** means, in relation to a condition of the Designation, that the relevant party is responsible for taking all steps necessary to achieve continual compliance with that condition and, where required by the relevant condition, for monitoring such compliance;

**Contractor Responsibility** means, in relation to a condition of the Designation, that the Contractor is solely responsible, at its own cost, for Condition Compliance;

**Department Responsibility** means, in relation to a condition of the Designation, that the Department is, vis-à-vis Auckland Council, responsible for Condition Compliance, but, as between the Department and the Contractor, where such Condition Compliance is based on the Contractor performing obligations set out elsewhere in this Agreement, the Department's Responsibility for Condition Compliance shall be subject to the Contractor first performing its obligations;

**Designation Compliance Monitoring Table** means the table of such name appended to Schedule 26 (Related Documents); and



**Split Responsibility (Own Sites)** means that:

- (a) the Contractor is responsible, at its own cost, for Condition Compliance to the extent that the relevant condition relates or applies to the Department Site, the Facility and/or the design or construction of the Facility and/or the Operational Services; and
- (b) the Department is responsible, at its own cost, for Condition Compliance to the extent that the relevant condition relates or applies to the ARWCF.

Designation Conditions	Responsibility
1. (a) The initial works for the ARWCF to give effect to the designation shall be generally in accordance with the Notice of Requirement for the ARWCF, dated 28 May 2002, and the indicative concept plan, Figure 2, 3 February 2004, DB0901, subject to any amendments required by the conditions that follow. However, nothing in this condition shall limit future activities on the site in so far as they are consistent with the designation and other conditions.	Department Responsibility
(b) All works and activities for the MCF shall be generally in accordance with the Notice of Requirement for Alteration to Designation 288 dated 1 November 2010, subject to any amendments required by the conditions that follow. However, nothing in this condition shall limit future activities on the site in so far as they are consistent with the designation and other conditions.	Contractor Responsibility (except as otherwise specified in this Schedule or the Project Agreement)
(c) The comprehensive corrections facilities on the site shall be limited to the ARWCF and a MCF.	Department Responsibility
(d) Any secure facilities associated with the ARWCF shall be generally located within the area identified as 'Indicative Extent of ARWCF Secure Facilities' on the Development Plan (Figure 1, Revision B, prepared by Boffa Miskell, dated 12 May 2011).	Department Responsibility
(e) Any secure facilities associated with the MCF shall be generally located within the area identified as 'Indicative Extent of prison Secure Facilities' on the Development Plan (Figure 1, Revision B, prepared by Boffa Miskell, dated 12 May 2011).	Contractor Responsibility
(f) Any non-secure facilities associated with the MCF shall be generally located within the area identified as 'Indicative Extent of prison Non Secure Facilities' on the Development Plan (Figure 1, Revision B, prepared by Boffa Miskell, dated 12 May 2011).	Contractor Responsibility
2. That for a distance of 45m from the northern boundary of the site, adjoining the land of Wiri Oil Services Ltd, no new buildings or activities shall be constructed or carried out. This condition shall not apply to horticultural activities or to maintenance of grounds, or to maintenance, alteration or use of the existing building.	Department Responsibility
3. No buildings (excluding security fencing and lighting, security and communication devices, including poles for lighting and surveillance equipment) shall be constructed within that part	Contractor Responsibility

Designation Conditions	Responsibility
of the Corrections' designation, identified as area "A" on the <i>Heritage Areas Plan (prepared by Boffa Miskell, Figure 2, Revision E, dated 25 March 2011)</i> .	
4. (a) The accommodation units of the ARWCF shall be located at least 134 metres from the Wiri Oil Services Limited boundary and the outside of the secure perimeter fence shall be located at least 100 metres from that boundary.	Department Responsibility
(b) All inmate accommodation, staff administration and kitchen buildings to be used by staff and inmates within 200m of the Wiri Oil Services boundary shall have mechanical ventilation. The ventilation system shall be capable of having suitable filtration systems installed to minimise odour and VOCs, to the satisfaction of the Manager – Resource Consents based on results of the monitoring required by condition 35.	Department Responsibility
5. An easement for an esplanade strip and/or access strip for a coastal recreational walkway for the benefit and use of the public shall be granted in the Council's favour at no cost to the Council by the Minister generally along the boundary of the subject land with the Manukau Harbour on the following basis:	Department Responsibility
(a) The easement in perpetuity shall adjoin the mark of mean high water springs of the Manukau Harbour, unless the topography requires that it be located away from the coast. The legal documents relating to the easement shall be prepared by the Council's solicitors at the Minister's expense, executed by or on behalf of the Minister and registered on the certificate of title of the land prior to commencement of the proposed activity.	Department Responsibility
(b) The esplanade strip and access strip shall be of sufficient width to allow cycle and pedestrian access through the area.	Department Responsibility
(c) The route of the formed walkway shall be determined jointly by the Minister and the Council and shall minimise the impact upon the part of the Corrections' designation identified as area "C" on plan '21095' dated 9 October 2003. The construction and maintenance of the walkway will be undertaken by the Council, at such time as it deems fit to do so.	Department Responsibility
(d) The Minister shall construct and maintain as a minimum a standard post and wire fence along the boundary of the esplanade strip and the access strip easement, within 6 months of the creation of the easement.	Department Responsibility

Designation Conditions	Responsibility
<p>(e) The Minister shall take all reasonable steps to place and maintain signs at the boundaries of the Minister's property along the walkway and at the public entrances to the walkway, prior to its use. The Minister shall consult with the Council, with regard to the wording of signage with a view to ensuring that, to the extent practicable, the signage does not discourage the public from using the walkway.</p>	Department Responsibility
<p>(f) The walkway shall be available to the public during hours of daylight every day of the year except in specified circumstances, to be agreed between the Minister and Council.</p>	Department Responsibility
<p>(g) During the event of the specific circumstances referred to in Condition 5(f), the Minister shall make available an alternative walkway to continue this public access.</p>	Department Responsibility
<p><b>Advice Note:</b></p> <p><i>Easements have been created further to this condition and are registered against Identifier 368904 (North Auckland).</i></p>	
<b>Traffic</b>	
<p>6. The principal access to the ARWCF shall be off Hautu Drive, while access for an "emergency situation" may be provided off other adjacent roads. For the purposes of this condition, an "emergency situation" is defined as a situation requiring alternative vehicular access by the Department of Corrections, New Zealand Police, New Zealand Fire Service and/or an Ambulance, New Zealand Defence Force, Civil Defence and includes situations relating to the escape of any inmate.</p>	Department Responsibility
<p>7. Adequate onsite parking, loading, access and manoeuvring areas be provided at all times for all types of vehicles anticipated to visit the facilities. All onsite parking, loading, access and manoeuvring shall be formed, drained, sealed and marked out in accordance with Council's Engineering Quality Standards and Figure 8.5 of Chapter 8 of the District Plan. Full engineering drawings in respect of these works shall be submitted to and approved by the Council, as part of the Outline Plan of Works.</p>	Split Responsibility (Own Sites)
<p>8. In the event that the McLaughlins Road frontage of the site requires upgrading due to the Minister's construction, establishment, operation and/or maintenance of the facility, and becomes a public road, this shall be constructed to Business Road standards for half a road frontage in accordance with Rule 9.9.2.11(a)(iv) of the Manukau Operative District Plan. A payment, which shall be agreed between the Minister and the Council, shall be paid to the Council prior to commencement of the road frontage upgrading (such payment to be applied to the upgrade and to take into account any payments made to the owners of the road for its upgrade).</p>	Department Responsibility (condition spent – related to ARWCF only)

Designation Conditions	Responsibility
<p>9. Cul de sacs in accordance with Council's Engineering Quality Standards shall be fully formed and vested in the Council and at no cost to the Council as continuations of Hautu Drive and Ha Crescent prior to the commencement of Construction Work (as defined in chapter 18 of the District Plan). These areas shall include any necessary service berms and footpaths in addition to a standard front berm. Full engineering drawings in respect of these works shall be submitted to and approved by the Council.</p>	<p>Department Responsibility (condition spent – related to ARWCF only)</p>
<p><b>Landscape and Urban Design</b></p>	
<p>10. An Integrated Design and Mitigation Strategy (IDMS) shall be prepared for the entire designated site (and submitted for the approval of the Manager – Resource Consents as part of the outline plan of works for the establishment of the MCF. The Manager – Resource Consents, the Department of Conservation, Ngati Te Ata, Te Akitai (and any other mana whenua group subsequently recognised), Vision Manukau and the Volcanic Cones Society shall be given an opportunity to review and comment on the draft IDMS (including for the avoidance of doubt, the visual mitigation strategy, ecological planting strategy, and comprehensive landscape plan) at least three (3) months prior to its submission with the outline plan of works. The IDMS shall include the matters set out below.</p> <p><b><i>IDMS Principles and Functions</i></b></p> <p>(a) The IDMS must set out the overarching principles that will shape a visual mitigation strategy, an ecological planting strategy and a comprehensive landscape plan.</p> <p>(b) The IDMS shall address building placement, scale and form in relation to the surrounding and proposed landscape context and, in particular, shall identify viewshafts to Maunga Matukutureia from the southern part of the ARWCF, the marae on the CYFS facility, and the Weymouth/Puhinui walkway that are to be protected to the fullest extent practicable. The IDMS shall specify building materials and colour, proposed screening and planting, proposed pest control measures, proposed site preparation and remediation, plant species selection, plant establishment and ongoing maintenance and monitoring requirements.</p> <p>(c) The IDMS should establish how it is proposed to integrate the development when viewed from the Clendon residential area, ARWCF and CYFS facility, and the means proposed to integrate the scale, form and bulk of the buildings and structures in the western and southern portion of the site in relation to the open space.</p>	<p>Split Responsibility (Own Sites).</p> <p>Contractor Responsibility, as set out in the Outline Plan, Works Provisioning Programme and Schedule 12 (Facility Management Requirements).</p>

Designation Conditions	Responsibility
<p>(d) All buildings and external structures shall be designed and finished in materials and colours that are generally visually recessive.</p> <p><b>IDMS Components</b></p> <p>(e) The IDMS shall include the following components, each of which shall give effect to the IDMS and its overarching principles:</p> <p>(i) A <b>Visual Mitigation Strategy</b> for the entire site. This shall include but not be limited to:</p> <ul style="list-style-type: none"> <li>• key visual objectives including the identification and management of views towards the site from surrounding residential, commercial and public open space areas (particularly from the Weymouth/Puhinui Walkway and adjacent DoC reserve) and the objective of maintaining views of Maunga Matukutūreia to the fullest extent practicable;</li> <li>• the use of mass planting where appropriate within a minimum 8 metre planting strip along all boundaries of the site to enable the screening and/or visual integration of built forms within the site and with the surrounding landscape character, including the maintenance of the existing landform within this 8 metre planting strip (except where mounding or additional soil depth is required to achieve the optimum growth of plants). The 8 metre planting strip shall not apply to the following locations: <ul style="list-style-type: none"> <li>- at the Hautu Drive, Ha Crescent, McLaughlins Road and Kiwi Tamaki Road vehicle and pedestrian entrances;</li> <li>- either side of the access strip to Kiwi Tamaki Road; and</li> <li>- parking areas, access drives and other hard surfaces associated with the ARWCF existing as at 1 May 2011.</li> </ul> </li> </ul> <p>(ii) an Ecological Planting Strategy, to enhance the ecological attributes of the site, and in particular the south-west corner of the site, providing a buffer between the facilities and the Puhinui Creek. The strategy shall promote the use of eco-sourced species where appropriate.</p> <p>(iii) a Comprehensive Landscape Plan for the entire site, including but not limited to:</p> <ul style="list-style-type: none"> <li>• planting proposals for the retained wetland area and any stormwater ponds;</li> </ul>	

Designation Conditions	Responsibility
<ul style="list-style-type: none"> <li>• planting proposals for the entry and parking areas;</li> <li>• planting proposals within the required minimum 8 metre planting strip along all boundaries of the site, except in the locations excluded above.</li> <li>• new parking areas designed with landscaped dividers or islands to provide separate parking bays each containing not more than 100 carparking spaces. The dividers or islands shall be planted with well developed specimen trees capable of growing to a height of approximately 6 metres within 10 years of planting. When determining tree and shrub species, safety aspects such as sight distances must not be compromised.</li> <li>• consideration of any planting and/or public amenities on adjoining public land to enable the co-ordinated management of the site's boundaries.</li> <li>• the name (including botanical), numbers, location, spacing and size of the plant species, details on the timing of planting, and details of existing planting to be retained (where practicable).</li> <li>• a landscape management programme, including implementation and maintenance, setting out the methods for pest control (including, if necessary, pest proof fencing along the boundary of the site and the Matukuturua Stonefields Historic reserve), use of sacrificial planting (where appropriate), fertilising, and if necessary irrigation, to ensure continued growth of the plants. The landscape management programme shall detail existing and proposed soil depths, sufficient to ensure the optimum growth of the plants. These minimum soil depths may either be achieved using existing ground conditions where appropriate, or through mounding and/or through the provision of additional soil.</li> </ul> <p>(iv) a report by a suitably qualified and experienced urban designer and landscape architect on how the design achieves the principles of the IDMS, including how the design achieves a good interface with surrounding areas.</p>	
<p>11. The Minister shall not be in breach of Condition 10 if any one or more of the named groups specified do not wish to provide comment.</p>	<p>Not applicable</p>
<p>12. The outcomes of the engagement on the IDMS as specified in condition 10, including the comments provided by the parties and any changes made as a consequence, shall be documented and provided to the Manager – Resource</p>	<p>Contractor Responsibility (as part of Outline Plan preparation)</p>

Designation Conditions	Responsibility
Consents with the outline plan of works for the establishment of the MCF.	
13. The Minister will cover the reasonable expenses of the parties named in condition 10 to commission any expert review of the IDMS, subject to the parties discussing the potential for joint engagement of an expert and subject to the Minister's approval of the scope of works and professional services fee proposals, prior to any expert advice or reports being commissioned by the parties.	Department Responsibility
14. (a) In the event that further outline plans are required and/or submitted for the site, the IDMS shall be updated in accordance with the conditions described above.  (b) Unless and until any outline plan is required and/or submitted for further development undertaken at the ARWCF, only the planting including screening, pest and predator control, site preparation, species selection, and ongoing maintenance and monitoring aspects of the initial IDMS shall apply to the existing ARWCF.	(Split Responsibility (Own Sites)  Department Responsibility
15. Except for the screen and mass planting within the minimum 8 metre planting strip along all boundaries of the site, the landscape plan may be altered at any time, provided the changes to the plan are in general accordance with the IDMS and landscape plan which was approved by the Manager – Resource Consents as submitted with the outline plan.	Split Responsibility (Own Sites)
16. The Minister shall implement the comprehensive landscape plan, the ecological planting strategy and the visual mitigation strategy within 12 months of completion of construction of the MCF and shall thereafter maintain all specified works and plantings to the satisfaction of the Manager – Resource Consents.	Split Responsibility (Own Sites)
<b>Existing Landscaping Plans</b>	
17. Until such time as the IDMS-required under condition 10 is approved by the Manager – Resource Consents, the following conditions (18 - 24) shall apply.	Department Responsibility
18. The visual mitigation and ecological planting plan for the ARWCF approved by the Council with the outline plan of works for the ARWCF on 10 September 2004 shall apply to the site.	Department Responsibility
19. The visual mitigation and ecological planting plan may be altered at any time with the approval of the Manager – Resource Consents. In that regard, the Manager Resource Consents shall not unreasonably withhold his or her approval, and in particular will not refuse approval to changes to the plan made necessary as a result of expansion of facilities within the site on the sole ground that such expansion is not consistent with the plan as originally	Department Responsibility



Designation Conditions	Responsibility
approved.	
20. The general landscaping plan for the ARWCF approved by the Council with the outline plan of works for the ARWCF on 10 September 2004 shall apply to the site.	Department Responsibility
21. The general landscaping plan required under condition 20 above may be altered at any time, provided the changes to the plan are in general accordance with the plan which was approved by the Council.	Department Responsibility
22. The Minister shall implement the visual mitigation screening strategy within 6 months of completion of initial building construction for the ARWCF and shall thereafter maintain the planting to the satisfaction of the Council.	Department Responsibility
23. The Minister shall implement the ecological planting within 6 months of completion of initial building construction for the ARWCF and shall thereafter maintain the planting to the satisfaction of the Council.	Department Responsibility
24. The Minister shall implement the remainder of the general landscaping plan within 15 years of the ARWCF being occupied.	Department Responsibility
<b>Lighting</b>	
25. All exterior lighting plans shall be submitted to the Manager – Resource Consents prior to the commencement of Construction Work. The lighting plans shall show and describe the location, type and intensity of lighting for facilities where external lighting is planned on the site and be approved to the satisfaction of the Manager – Resource Consents, taking into account the security requirements of the corrections facility.	Split Responsibility (Own Sites)
<b>Noise</b>	
26. All sleeping areas within the ARWCF shall be provided with acoustic insulation against noise from the adjacent Quarry and Business 5 and 6 zones so that internal noise within the ARWCF resultant from offsite activities does not exceed L10 35dBA 35dB L <sub>A10</sub> and Lmax 55 dBA with external doors and windows closed. These spaces shall also be provided with alternative ventilation in accordance with the requirements of the New Zealand Building Code, subject to the satisfaction of the Manager – Resource Consents.	Department Responsibility
27. Any noise from construction work (as defined in Chapter 18 of the Manukau Operative District Plan) emanating from the site shall comply with the relevant requirements of the Manukau Operative District Plan 2002.	Split Responsibility (Own Sites)
28. Sound levels shall be measured and monitored by the Minister in accordance with New Zealand Standard NZS 6802:1999, Assessment of Environmental Sound and the results of the monitoring shall be compiled in a report to be submitted to the Manager – Resource Consents within 6	Department Responsibility



Designation Conditions	Responsibility
months of the opening of the ARWCF.	
29. Should the results of the monitoring required by Condition 28 indicate that the facility does not comply with the noise limits specified, then discussions shall take place between the Minister and the Manager – Resource Consents to resolve this matter and remedy it as soon as is reasonably practicable.	Department Responsibility
<b>Air</b>	
30. The Minister shall undertake monitoring of VOCs, including benzene, in relation to the ARWCF to the satisfaction of the Manager – Resource Consents, the results of which shall be forwarded to the Manager – Resource Consents as and when required. Monitoring shall be conducted simultaneously at two locations:	Department Responsibility (this relates to ARWCF only)
(a) one at the northern façade of the closest building to the northern boundary of the site which is required to have mechanical ventilation pursuant to Condition 4(b); and	Department Responsibility
(b) the other at a location adjacent to the southern boundary of the site.	Department Responsibility
31. Monitoring required under condition 30 shall consist of passive sampling with 3M badges in accordance with NIOSH Method 1500 & 1501 or equivalent method approved by the Manager – Resource Consents, to produce monthly average concentrations, and shall be undertaken:	Department Responsibility
(a) for a period of 12 months commencing not more than one month from the date of confirmation of this designation; and	
(b) in any further 12 month period or periods following receipt of written notice from the Manager – Resource Consents that there has been a significant change in the operations at the WOSL site. Results shall be recorded and made available to the Manager – Resource Consents on request. A report on the monitoring programme shall be presented to the Manager – Resource Consents at the end of each 12 month monitoring period. For the purposes of this condition and condition 32 below, a "significant change in the operations at the WOSL site" includes:	
(i) the commissioning of new fuel tanks within 100 metres of the northern boundary of the ARWCF site; and/or	
(ii) increases in total storage tank capacity on the WOSL site of more than 40% above 116 million litres, being the capacity on the WOSL site that existed at the confirmation of this designation; and/or	

Designation Conditions	Responsibility
(iii) any other change that, in the opinion of the Manager – Resource Consents, could give rise to significant increases in the concentration of VOCs, including benzene, on the ARWCF site.	
<p>32. In addition to monitoring required under condition 31, the Minister shall, from the date that the ARWCF opens, commence a field odour monitoring programme for the succeeding 12 months and repeat this five years thereafter and/or in any 12 month period or periods following receipt of written notice from the Manager – Resource Consents that there has been a significant change in the operations at the WOSL site.</p> <p>(a) The monitoring shall be undertaken by an individual whose olfactory sensitivity complies with the requirements of an odour panellist used in dynamic olfactometry as stipulated in AS/NZS 4323.3:2001 (Stationary Source Emissions — Determination of Odour Concentration by Dynamic Olfactometry).</p> <p>(b) Odour shall be assessed at no less than five locations in the vicinity of the ARWCF. At least one location will be on the northern boundary fence, and another in a position near the accommodation unit that is closest to that fence.</p> <p>(c) The odour assessment method shall follow the "single measurement" procedures set out in the German Standard VDI 3940 (Determination of Odorants in Ambient Air by Field inspections).</p> <p>(d) The location, day, time and atmospheric conditions shall be recorded at the time the assessments are made.</p> <p>(e) Subject to (g) below, assessments at each location shall as far as practicable be undertaken once per week, with no less than 50 assessments undertaken of each site over the 12 month period. The assessment day and time shall be determined in conjunction with the Manager – Resource Consents and Wiri Oil Services Limited, and shall aim to ensure that:</p> <ul style="list-style-type: none"> <li>• "the assessments achieve a representative measure of odours at the ARWCF and account for activities at WOSL that may have the potential to cause odour; and</li> <li>• "information that is necessary for the Manager – Resource Consents to review the monitoring regime pursuant to (g) below to focus monitoring upon times when odour events are more likely is collected as efficiently as possible.</li> </ul>	Department Responsibility

Designation Conditions	Responsibility
<p>(f) Results shall be recorded and made available to the Manager – Resource Consents on request. A report on the monitoring programme shall be presented to the Manager – Resource Consents at the end of each 12 month monitoring period.</p> <p>(g) The Manager – Resource Consents may, if it considers it appropriate having regard to the monitoring results received pursuant to paragraph (e) above, require changes to be made to the monitoring regime so as to focus upon times and/or days of the week when odour events are more likely to occur. Such changes will be made by written notice provided to the Minister or his or her representatives. For the avoidance of doubt, no such alteration to the monitoring regime shall increase its duration beyond 12 months, require monitoring to be undertaken at more than five locations on the site, or require a total of more than 50 assessments of each site to be undertaken during the monitoring period.</p>	
<p>33. The Minister shall from the date the ARWCF opens log all air quality complaints received. The complaint details shall include:</p> <p>(a) the date, time, position and nature of the complaint;</p> <p>(b) location within the corrections facility of the complaint and, unless the complainant elects not to supply those details, their name, phone number and address; and</p> <p>(c) any remedial actions undertaken. Details of any complaints received shall be provided to the Manager – Licencing &amp; Compliance within seven days of receipt of the complaint(s).</p>	Department Responsibility
<p>34. If the Council reaches the view that an odour nuisance and/or health effects may be occurring within the site, based on:</p> <p>(a) the frequency or nature of odour complaints received by the Council (pursuant to condition 33 or otherwise); and/or</p> <p>(b) monitoring required under conditions 30, 31 and 32, the Manager – Resource Consents will appoint an independent air quality expert to undertake an investigation and make recommendations pursuant to condition 35 below. The independent air quality expert will be chosen by the Manager – Resource Consents, Wiri Oil Services Limited and Department representatives. The costs of such expert will be paid for by the Department.</p>	Department Responsibility
<p>35. In the event that an independent air quality expert is appointed under Condition 34, he or she shall be instructed to undertake an investigation of the site over a period of not less than two weeks and not more than six weeks to</p>	Department Responsibility

Designation Conditions	Responsibility
determine whether, in his or her professional view, the installation of the filtration equipment specified in condition 4(b) is justified so as to mitigate or avoid odour nuisance and/or health effects.	
36. In the event that the independent air quality expert recommends the installation of filtration equipment under condition 35 above, the Minister shall ensure that the specified filtration equipment is fully installed and operational within three months of the date the recommendation is received by the Minister.	Department Responsibility
<b>Archaeological or Cultural Artefacts</b>	
37. The small triangle of land in the south-western corner of the subject site, which includes remnants of a historic stone wall, stone structures, a midden and the spring, shall be excluded from any earthworks and building development (excluding fencing). This area of land is identified as area "C" on plan '21095', dated 9 October 2003 (as amended by the <i>Heritage Areas Plan prepared by Boffa Miskell, Figure 2, Revision E, dated 25 March 2011</i> ).	Split Responsibility (Own Sites)
<p>38. The Minister shall carry out consultation with Ngati Te Ata and Te Akitai (and any other mana whenua group subsequently recognised), for any works that are proposed by the Minister within an area identified as a "Remnant Cultural Landscape Feature" shown on the <i>Heritage Areas Plan, prepared by Boffa Miskell, Figure 2, Revision E, dated 25 March 2011</i>. In this regard, consultation should address the following:</p> <ul style="list-style-type: none"> <li>(a) whether any matters pertaining to tangata whenua protocols need to be addressed;</li> <li>(b) whether the works afford appropriate acknowledgement of the status of the Area of Significance to Tangata Whenua;</li> <li>(c) whether the works take into account the necessary tangata whenua protocols; and</li> <li>(d) whether there is a need for tangata whenua monitors to be appointed to monitor earthworks on any part of the site.</li> </ul> <p>The Minister shall not be in breach of this condition if any tangata whenua group declines to consult.</p>	Split Responsibility (Own Sites)
39. In the event of archaeological features being uncovered (e.g. shell midden, hangi, oven stones, pit depressions, defensive ditches, artefact material, gardening soils or koiwi tangata (human skeletal remains), work shall cease within a 10m radius of the discovery and the Manager – Resource Consents, the New Zealand Historic Places Trust Regional Archaeologist and the appropriate iwi authorities shall be contacted within 72 hours so that appropriate action can be taken.	Split Responsibility (Own Sites)

Designation Conditions	Responsibility
<p><b>Advice Note</b></p> <p><i>The requirement set out in Condition 39 above includes the appropriate iwi authorities and the New Zealand Historic Places Trust being given a reasonable time to record and recover archaeological features discovered before work may recommence there. Work should not recommence until the New Zealand Historic Places Trust has given approval for work to continue.</i></p>	
<p><b>Ecological Protection</b></p>	
<p>40. Any works that create the potential for inflows of sediment and nutrients into waterways (e.g. the Puhinui Creek mangrove area) and the Manukau Harbour shall comply with the Auckland Regional Council sediment control guidelines and Council requirements.</p>	Split Responsibility (Own Sites)
<p><b>Advice Note</b></p> <p><i>At the time the Notice of Requirement for the alteration for the designation for the MCF was lodged, the relevant sediment control guidelines are ARC Technical Publication 90 "Erosion &amp; Sediment Control Guidelines for Land Disturbing Activities in the Auckland Region".</i></p>	
<p><b>Community Impact Forum (CIF)</b></p>	
<p>41. (a) The Minister shall establish and coordinate a Community Impact Forum (CIF) and appoint an independent chairperson in consultation with the Minister of Maori Affairs and the Council on such terms and conditions as the Minister sees fit;</p> <p>(b) The CIF shall include the prison management from both the ARWCF and the MCF, the Community Liaison Officer (CLO) for the Comprehensive Corrections Facilities on the site, the Council, and one representative from those of the Manurewa, Papakura, Mangere-Otahuhu, and Otara-Papatoetoe Local Boards that wish to be involved. The Minister shall also invite, as a minimum, 1 representative from the following parties to join the membership of the CIF;</p> <p>(c) Mana whenua representatives, being Ngati Te Ata, Te Akitai (and other mana whenua group subsequently recognised) and 1 other tangata whenua representative appointed on the nomination of the Tangata Whenua Committee;</p> <p>(d) Local resident and community groups;</p> <p>(e) Local business community;</p> <p>(f) Department of Corrections including relevant service areas;</p> <p>(g) Department of Conservation;</p> <p>(h) Ministry of Social Development;</p>	<p>Department Responsibility</p> <p>The Department will have responsibility for establishing the CIF and preparation of the SIMP. This will include the provision of appropriate resources by the Department to ensure the CIF is able to function in a manner consistent with the Conditions.</p>

Designation Conditions	Responsibility
<ul style="list-style-type: none"> <li>(i) Child Youth and Family Services;</li> <li>(j) Management of the Korowai Manaaki Youth Justice Facility;</li> <li>(k) Management of the Weymouth Northern Residential Centre;</li> <li>(l) Housing New Zealand;</li> <li>(m) Counties Manukau District Health Board;</li> <li>(n) Maori service providers to the Comprehensive Corrections Facilities;</li> <li>(o) Pacific Island service providers to the Comprehensive Corrections Facilities;</li> <li>(p) Te Puni Kōkiri;</li> <li>(q) Other social infrastructure and service providers (both government and not for profit) that the CIF agrees as appropriate for example; local NGOs, youth representatives, local schools, and early childhood education centres/kindergartens;</li> <li>(r) New Zealand Police (including representatives from Counties Manukau Police District);</li> <li>(s) Wiri Oil Services Limited;</li> <li>(t) New Zealand Transport Agency.</li> </ul>	
<b>CIF Purpose</b>	
<p>42. The purpose of the CIF is as follows:</p> <ul style="list-style-type: none"> <li>(a) To provide a forum for community and stakeholder involvement through which any issues of community interest or concern can be raised and responded to in relation to the construction of the MCF and the presence and operation of the ARWCF and the MCF including any Outline Plans of Works prepared by Corrections.</li> <li>(b) To provide a forum for Corrections to inform the CIF and its members concerning actions taken through its relationships with service providers and government agencies to facilitate the effective provision of social infrastructure, social support and health services to the ARWCF and MCF and to seek the input of the CIF and its members on these matters.</li> <li>(c) To develop, review, implement and report on a Social Impact Monitoring Plan (SIMP) that will be used by Corrections in conjunction with other agencies with relevant responsibilities to address any adverse social and cultural effects and community based service delivery and rehabilitation needs attributable to the presence and operation of the ARWCF and the MCF.</li> </ul>	Department Responsibility

Designation Conditions	Responsibility
<p>(d) To receive and consider the findings of the SIMP to allow the relevant agencies on the CIF (including Corrections) to respond as appropriate in accordance with condition 52.</p> <p>(e) With reference to the SIMP, to identify and promote opportunities to provide mutual benefit for the Comprehensive Corrections Facility and the local community (for example the provision of local goods and services and employment opportunities) and to support where relevant the achievement of the community outcomes outlined in Tomorrow's Manukau – Manukau Apopo 2006-2016 or other succeeding documents, strategies or frameworks such as Local Board plans.</p> <p>(f) To provide a forum for the promotion of policy and programme integration and cross-sector collaboration at the local and regional levels, where the effects of the ARWCF and the MCF have relevance to other policy areas;</p> <p>(g) To consider issues relating to compliance with designation conditions;</p> <p>(h) To recommend project and scheduling priorities to the Social Impact Fund Allocation Committee established under condition 55 for consideration, scheduling and funding.</p>	
<b><i>CIF Operating Procedures</i></b>	
43. The CIF shall be formed prior to the commencement of the Construction Work on the MCF and no later than 1 February 2012. The CIF shall have its first meeting in February 2012 following appointment of the independent social impact assessment specialist pursuant to condition 48 and circulation of the draft brief for preparation of the SIMP pursuant to condition 51(a). Meetings shall be convened once every 3 months thereafter, unless otherwise sought by the majority of its members.	Department Responsibility
44. Meetings will be held at times and locations that maximise representation and attendance.	Department Responsibility
45. The Minister will offer an honorarium to CIF members (including the independent chair appointed pursuant to condition 41(a)) for participants not members of Government Agencies to cover the reasonable expenses in attending meetings. The amount of this honorarium will be at the sole discretion of the Minister. The Minister shall also be responsible for any direct costs of running the meetings.	Department Responsibility
46. The Minister shall not be in breach of Condition 41 if any one or more of the parties, specified in Condition 41, either do not wish to be members of the CIF or do not attend particular meetings.	Not applicable
47. The CIF shall formulate its Terms of Reference that will include:	Department Responsibility
(a) Defined roles and responsibilities of its members, to	



Designation Conditions	Responsibility
<p>achieve the purposes of the CIF;</p> <p>(b) A process for reviewing membership and roles of the Minister and other groups and agencies involved in the CIF.</p> <p>(c) Procedural matters for the running and recording of meetings, including decision making and quorums for meetings;</p> <p>(d) The establishment of a working group for the purpose of managing the preparation of the SIMP required by Condition 49 and subsequent annual reviews of the SIMP.</p>	
<b><i>Social Impact Monitoring Plan (SIMP)</i></b>	
48. A suitably qualified independent social impact assessment (SIA) specialist (whose appointment shall be agreed by the Council) shall be engaged by 1 January 2012 to prepare a Social Impact Monitoring Plan (SIMP).	Department Responsibility
49. The Purpose of the SIMP is to provide a framework to identify, assess, monitor, manage, and re-assess the social and cultural effects (positive and negative) of the ARWCF and MCF on the community, and also provide an annual report on compliance with designation conditions.	Department Responsibility
<b><i>SIMP Content and Procedure</i></b>	
<p>50. The SIMP will be based on best practice guidelines and procedures for social impact assessment and shall include:</p> <p>(a) A social impact assessment, which shall be undertaken by the independent SIA specialist, to provide a baseline of potential effects.</p> <p>(b) Alignment with the community outcomes sought in Tomorrow's Manukau – Manukau Apopo 2006-2016 or other succeeding documents, strategies or frameworks such as Local Board plans.</p> <p>(c) A set of indicators covering the drivers and outcomes of potential social and cultural effects attributable to the presence and operation of the ARWCF and/or the MCF. This may include:</p> <ul style="list-style-type: none"> <li>• Changes in demand associated with the ARWCF and MCF on social infrastructure and social services (such as health, housing, education, police);</li> <li>• Capacity of the social infrastructure and service providers to respond to increases in demand for social infrastructure and social services associated with the ARWCF and MCF;</li> <li>• Community views (positive and negative) associated with the ARWCF and the MCF (e.g. concerning matters such as community safety, the future of the community and its children, and community</li> </ul>	Department Responsibility



Designation Conditions	Responsibility
<p>aspirations);</p> <ul style="list-style-type: none"> <li>• Details of any formalised arrangements and agreements between the Minister and other government agencies in relation to providing supporting services or funding for prison-related activities;</li> <li>• Number of prison staff living in or moving into the local area, their transport requirements and accommodation needs;</li> <li>• Number of prisoner families living in or moving into the local area, their transport requirements and accommodation needs;</li> <li>• Number of released prisoners living in or moving into the local area, their transport requirements and accommodation needs;</li> <li>• Number of visitors, their transport requirements and accommodation needs;</li> <li>• Changes in local crime statistics, including gang activity;</li> <li>• Employment and training opportunities within the local community;</li> <li>• Employment and training opportunities for prisoner rehabilitation purposes;</li> <li>• Opportunities for training and employment at the Comprehensive Corrections Facility(s);</li> <li>• Other relevant indicators as identified and agreed to by the CIF from time to time.</li> </ul> <p>(d) An annual report on compliance with designation conditions.</p> <p>(e) An annual report on the identification, monitoring, evaluation and management of the effects outlined in the SIMP indicators, together with a summary of matters raised with the CIF and how they have been responded to by the CIF and its members.</p>	
<p>51. The following procedures shall apply to the preparation of the initial SIMP and to subsequent annual reviews:</p> <p>(a) A draft brief to the appointed SIA specialist detailing the scope of work for preparing the initial SIMP shall be prepared by the Minister and agreed with the Council prior to the first meeting of the CIF and shall be circulated to the CIF's members prior to the CIF's first meeting.</p> <p>(b) The contents of the final brief to the independent SIA specialist shall be considered and agreed by a majority of</p>	<p>Department Responsibility as per the intent of condition 41 (above)</p>

Designation Conditions	Responsibility
<p>CIF members at the first meeting of the CIF.</p> <p>(c) The initial SIMP shall be prepared by the independent SIA specialist with the participation and input of the Minister, the Tangata Whenua Committee, CIF and CLO.</p> <p>(d) The initial SIMP shall be prepared prior to the commencement of Construction Work on the MCF and within 6 months of the approval of the brief to the independent SIA specialist (whichever is the earlier).</p> <p>(e) The SIMP shall be reviewed by an independent SIA specialist annually thereafter with the participation and input of the Minister, the Tangata Whenua Committee, CIF and CLO.</p> <p>(f) Both the initial SIMP and subsequent annual reviews will be made publicly available through the Department of Corrections website and by any other suitable means, and shall be forwarded to the Manager – Resource Consents, the Manurewa Local Board and the CIF, and to the Manukau Library and Te Matariki Clendon Library.</p>	
<b>Matters Arising from the SIMP</b>	
<p>52. Any social and cultural effects attributable to the presence and operation of the ARWCF and/or the MCF (in whole or in part) and identified through the SIMP shall be dealt with by the Minister according to the following process:</p> <p>(a) The Minister in conjunction with the Tangata Whenua Committee, CIF and the independent social impact assessment specialist will determine where responsibility lies to address any social/cultural effect identified in the SIMP (specifically, whether it is the responsibility of the Minister, other parties or the Minister in combination with other parties to deal with the social/cultural effect identified).</p> <p>(b) Where there is disagreement between the Minister and the CIF as to:</p> <p>(i) whether the social and cultural effects are attributable to the ARWCF and/or the MCF (in whole or in part);</p> <p>(ii) the measures required to be undertaken to avoid, remedy or mitigate those effects; or</p> <p>(iii) whether it is the Minister's responsibility to address any issue (in whole or in part);</p> <p>an independent and appropriately qualified and experienced arbitrator, agreeable to the Council and the Minister, shall be promptly engaged at the Minister's cost to determine the cause of the social and cultural effects and the measures to be undertaken to avoid, remedy or mitigate the social/cultural effect identified. The independent arbitrator shall consider the findings of the SIMP, the views of the CIF members including the reasons for disagreement, and shall</p>	<p>Department Responsibility</p> <p>Department Responsibility</p> <p>Department Responsibility</p>

Designation Conditions	Responsibility
<p>determine whether the effects are attributable to the ARWCF and/or MCF, and if necessary, appropriate measures required to be undertaken to avoid, remedy or mitigate the effects. The independent arbitrator shall also determine whether any matter is within the Minister's responsibility to address, in the event of any disagreement in that regard. The independent arbitrator shall, as soon as possible, issue his or her decision on the matter. In making the decision, the independent arbitrator shall be entitled to seek such further information and hear from the parties as he or she thinks fit.</p> <p>(c) The Minister shall take all reasonable steps to ensure that social and cultural effects identified in the SIMP as attributable to the ARWCF and/or the MCF (in whole or in part), or any effects identified in a decision by an independent arbitrator appointed pursuant to condition 52(b) above, and which are within the Minister's responsibility to address (whether in whole or in part), are appropriately avoided, remedied or mitigated as soon as practicable. To the extent that any matter is outside the responsibility of the Minister to address, he or she will request appropriate Ministers, or any other relevant party, to take such measures as are necessary to avoid, remedy or mitigate the adverse effects of those matters.</p> <p>(d) The Minister shall have available at least \$250,000 budgeted each year ("the social impact fund") to ensure that those social and cultural effects identified in Condition 52(c) as being attributable to the ARWCF and/or the MCF within the Minister's responsibility are appropriately avoided, remedied or mitigated.</p> <p>(d) Any unused portion of the social impact fund made available in any given year pursuant to this condition shall accumulate from year to year to a maximum of \$500,000.</p> <p>(f) The fund and maximum shall be CPI adjusted at 1 July each year.</p>	<p>Department Responsibility</p> <p>Department Responsibility</p> <p>Department Responsibility</p> <p>Department Responsibility</p>
<b><i>Tangata Whenua Committee and Māori stakeholder consultation</i></b>	
<p>53. (a) The Minister shall establish a Tangata Whenua Committee for the purpose of consultation and advice regarding any matters of cultural concern that might arise with respect to the operation or programmes of either of the prisons on the site.</p> <p>(b) Unless otherwise agreed, the Committee shall meet at least 3 monthly and be co-chaired by those representatives acknowledged as being mana whenua. The first meeting of the Committee shall take place no later than 6 months following the confirmation of the alteration to Designation 288 and shall be facilitated by the manager of the ARWCF.</p> <p>(c) The membership of the Committee shall include 1 representative from each of the following:</p>	<p>Department Responsibility</p>

Designation Conditions	Responsibility
<ul style="list-style-type: none"> <li>(i) Ngati Te Ata;</li> <li>(ii) Te Akitai Waiohau;</li> <li>(iii) Te Kawerau Iwi Tribal Authority;</li> <li>(iv) Huakina Development Trust;</li> <li>(v) Ngāi Tai Umupuia Te Waka Tōtara Trust ;</li> <li>(vi) Ngāti Paoa Trust;</li> <li>(vii) Ngāti Tamaoho Trust;</li> <li>(viii) Ngāti Whātua o Ōrākei Māori Trust Board;</li> <li>(ix) Waikato-Tainui Te Kauhanganui Incorporated.</li> <li>(d) The Committee shall determine its own procedures and may, with the Minister's approval, invite other relevant tangata whenua to appoint representatives in addition to those named in this condition.</li> <li>(e) The Minister will offer an honorarium to committee members for participants not members of Government Agencies to cover the reasonable expenses in attending meetings. The amount of this honorarium will be at the sole discretion of the Minister. The Minister shall also be responsible for the direct costs of running the meetings.</li> <li>(f) The Minister shall not be in breach of this condition if any one or more of the parties specified either do not wish to be members or do not attend particular meetings.</li> </ul>	
<p>54. Prior to the submission of the Outline Plan of Works, the Minister shall ensure that comments are sought from Maori stakeholders groups, including but not limited to those set out below, on the operation of the proposed MCF. The comments will inform the operation of the proposed MCF, particularly as it relates to the rehabilitation and reintegration of Maori prisoners. A report recording these comments will be provided to the Manager – Resource Consents with the Outline Plan of Works. These Maori stakeholder groups may include but are not limited to the following:</p> <ul style="list-style-type: none"> <li>(a) Ngati Te Ata;</li> <li>(b) Te Akitai Waiohau;</li> <li>(c) Te Kawerau Iwi Tribal Authority;</li> <li>(d) Hoani Waititi Marae Trust;</li> <li>(e) Manukau Urban Māori Authority;</li> <li>(f) Huakina Development Trust;</li> <li>(g) Māori Women's Welfare League;</li> </ul>	Department Responsibility

Designation Conditions	Responsibility
<ul style="list-style-type: none"> <li>(h) National Māori PHO Coalition;</li> <li>(i) Ngāi Tai Umupuia Te Waka Tōtara Trust;</li> <li>(j) Ngāti Paoa Trust;</li> <li>(k) Ngāti Tamaoho Trust;</li> <li>(l) Ngāti Whātua o Kaipara ki te Tonga (Ltd);</li> <li>(m) Ngāti Whātua o Ōrākei Māori Trust Board;</li> <li>(n) Orakei Marae;</li> <li>(o) Ruapotaka Marae;</li> <li>(p) Manurewa Marae;</li> <li>(q) Te Wananga O Aotearoa;</li> <li>(r) Tumutumu Marae Trustees Committee;</li> <li>(s) Waikato Raupatu Lands Trust; and</li> <li>(t) Waipareira Trust.</li> </ul>	
<b><i>Social Impact Fund Allocation Committee (“SIFAC”)</i></b>	
<p>55. The Minister shall establish a Social Impact Fund Allocation Committee whose purpose is to allocate, review and oversee the funds made available by the Minister under condition 52(d) for the purposes recommended to it from the CIF and/or the Tangata Whenua Committee.</p> <ul style="list-style-type: none"> <li>(a) The SIFAC shall be chaired by the chairperson appointed to the CIF.</li> <li>(b) There shall be no more than 7 members of the SIFAC of whom at least 2 shall be appointed by the Minister (one of whom shall be appointed in consultation with the Minister of Maori Affairs), at least 2 shall be appointed by the Council, and up to 2 may be co-opted by the SIFAC following its establishment.</li> <li>(c) Other than the Chair, no member may also be a member of the CIF unless that is the unanimous resolution of the SIFAC.</li> <li>(d) The SIFAC shall determine its own proceedings but must report on its activities annually to the Minister and the Manager – Resource Consents. The SIFAC must determine a quorum for the purpose of any significant decision or recommendation.</li> <li>(e) The Minister shall provide a secretariat to the SIFAC – who may be the Community Liaison Officer.</li> <li>(f) A member shall be appointed for a term of 3 years and may</li> </ul>	Department Responsibility

Designation Conditions	Responsibility
<p>be reappointed at the end of any such term. A vacancy created by a member retiring or resigning for any reason may be filled in such manner as the SIFAC determines.</p> <p>(g) The Minister will offer an honorarium to SIFAC members for participants not members of Government agencies to cover the reasonable expenses in attending meetings. The amount of this honorarium will be at the sole discretion of the Minister.</p> <p>(h) The SIFAC shall cease to exist when the fund created under condition 52(d) ceases and all allocations and reviews have been finalised.</p>	
<b>Community Liaison Officer (CLO)</b>	
<p>56. The Minister shall appoint an appropriately qualified Community Liaison Officer (CLO) in accordance with the following provisions:</p> <p>(a) The CLO shall be appointed in consultation with the Council, and on terms and conditions agreed in consultation with the Council, by 1 December 2011;</p> <p>(b) The responsibilities of the CLO shall include:</p> <ul style="list-style-type: none"> <li>(i) providing advice to the CIF on appropriate Terms of Reference prior to its first meeting;</li> <li>(ii) ongoing liaison with the independent SIA specialist;</li> <li>(iii) proactively engaging with stakeholders and community, including the members of the CIF;</li> <li>(iv) assistance in the preparation of the SIMP;</li> <li>(v) attendance at community meetings and forums as required to engage on issues of relevance to the MCF (including during its construction) and ARWCF; and</li> <li>(vi) attendance at CIF, SIFAC and Tangata Whenua Committee meetings where invited.</li> </ul> <p>(c) The CLO shall be remunerated by Corrections.</p>	Department Responsibility
<b>Existing ARWCF Community Liaison Group</b>	
<p>57. Until such time as the CIF required under Condition 41 is established, the following conditions (58 - 62) relating to the existing community liaison group for the ARWCF shall apply.</p>	Department Responsibility
<p>58. The Minister shall establish and co-ordinate a community liaison group which shall comprise a minimum of one representative of each of the following parties:</p> <p>(a) the Council;</p>	Department Responsibility

Designation Conditions	Responsibility
<p>(b) Ngati Te Ata and Te Akitai (and any other mana whenua group subsequently recognised);</p> <p>(c) Local residential community landowners/ community;</p> <p>(d) Department of Corrections Management team;</p> <p>(e) New Zealand Police;</p> <p>(f) Wiri Oil Services Limited.</p> <p>The community liaison group will be an ongoing point of contact between Corrections and the community. The group shall be formed within four months of building construction commencing and shall have its first meeting at that time.</p>	
59. The Minister shall be responsible for convening the meetings of the community liaison group and shall cover the direct costs of running those meetings and the costs associated with any actions which are agreed to as a result of the meetings.	Department Responsibility
60. The Minister shall provide an opportunity for the Community Liaison Group to meet at least twice during any 12 month period and also when otherwise sought by the majority of its members.	Department Responsibility
61. The Minister shall not be in breach of Conditions 58 - 60 if any one or more of the named groups, specified in Condition 58, either do not wish to be members of the ARWCF Community Liaison Group or do not attend particular meetings.	Not Applicable
<p>62. At a minimum, matters to be considered, and recommendations made on, by the Community Liaison Group shall include the following:</p> <p>(a) Any strategy to be developed by the Minister to ensure that opportunities are provided to the local community for employment associated with the construction and operation of the ARWCF;</p> <p>(b) A notification network and community response guidelines in the event of an escape from the ARWCF facilities, as well as a point of contact of the facilities for members of the community to call if any issues arise.</p>	Department Responsibility
<b>Emergency Planning</b>	
63. An upgraded emergency management plan ("EMP") for the ARWCF and the proposed MCF, incorporating evacuation management, shall be developed in consultation with Wiri Oil Services Limited and New Zealand Transport Agency and be submitted to the Council, for the approval of the Council Civil Defence Controller, in conjunction with the Chief Fire Officer Manukau, and the District Commander Counties-Manukau Police. The EMP shall include 24 hour contact details for the	Department Responsibility

Designation Conditions	Responsibility
facilities in the event of an emergency.	
64. The upgraded EMP shall be prepared in two stages. The first stage shall be the upgraded EMP for the ARWCF and shall be submitted to the Council (Civil Defence Controller) within three (3) months of the alteration to the designation being confirmed. The plan shall be developed to particularly address the potential for a vapour cloud explosion from the Wiri Oil terminal. It will include identification of "safe areas" to which people can be evacuated in the event of such an emergency, which may include areas within or outside of the ARWCF secure perimeter (including if required within the non-secure perimeter area of the MCF).	Department Responsibility, as set out in the ARWCF Incident / Emergency Management Plan Addendum appended to Schedule 26 (Related Documents) and including identification of "safe areas" for evacuation.
65. Any safe areas identified in the EMP as being outside of the ARWCF and necessary for the emergency evacuation of women prisoners, shall be identified on the Outline Plan of Works for the MCF and be reserved during both construction and operation of the MCF (provided that during construction, such areas may be moved within the site, provided sufficient area and safe access from the ARWCF is maintained at all times).	Department Responsibility
66. The upgraded EMP for the ARWCF shall incorporate the findings of a structural assessment of all existing buildings at ARWCF in relation to the $0.5 \times 10^{-6}$ risk contour for a vapour cloud explosion for the future growth scenario as modeled in the Sherpa Report <sup>1</sup> from the Wiri Oil terminal. The structural assessment shall be undertaken by a suitably qualified engineer as soon as practicable and shall identify the safe buildings at ARWCF within or to which people can be evacuated in the event of an imminent risk of vapour cloud explosion from the Wiri Oil terminal.	Department Responsibility
67. The plan will also include procedures by which the total and overnight accommodated population numbers on site are managed, recorded and reported to ensure compliance with the thresholds stated in condition 112.	Department Responsibility
68. The second stage shall be the upgraded EMP for the MCF and shall be submitted to the Council (Civil Defence Controller) prior to the occupation of the MCF.	Contractor Responsibility
<b>Wastewater Drainage</b>	
69. Adequate provisions shall be made for the disposal of wastewater. This shall involve the extension of the existing public systems from an adequate system to and within the site to provide each building with individual connection points and provision for the upstream catchment(s) in accordance with the Engineering Performance Standards of the District Plan. Engineering plans shall be submitted to Watercare Services, and shall be certified as approved prior to the	Split Responsibility (Own Sites)

<sup>1</sup> Quantitative Risk Assessment Report (Stage 1) Wiri Oil Terminal Proposed Men's Prison Development, NZ Department of Corrections, Sherpa Consulting, October 2010



Designation Conditions	Responsibility
commencement of Construction Work on site.	
<b>Water Supply</b>	
70. Adequate provision shall be made for the supply of water. This shall include the extension of the existing public system to provide buildings with connection points and provision for surrounding district in accordance with Council's Engineering Performance Standards of the District Plan. Engineering plans shall be submitted to Watercare Services and shall be certified as approved prior to the commencement of Construction Work on site.	Split Responsibility (Own Sites)
<b>Water Quality Pond Management</b>	
71. The Minister shall provide Manager – Resource Consents with a copy of the Stormwater Quality Pond Management Operation and Maintenance Plan (that shall include but not be limited to the following): <ul style="list-style-type: none"> <li>(a) Outfall structure maintenance of Pond No's 3 and 5.</li> <li>(b) Post-storm event maintenance procedure.</li> <li>(c) The frequency of regular maintenance and inspections.</li> <li>(d) General inspection checklists for all aspects of the stormwater management systems.</li> </ul>	Split Responsibility (Own Sites)
72. The Minister shall provide Manager – Resource Consents with a copy of the as-built plans (that shall include but not be limited to the following): <ul style="list-style-type: none"> <li>(a) as-built plans of the stormwater management system shall be submitted to the Manager – Resource Consents within thirty days (30) after completion of the stormwater management system;</li> <li>(b) the surveyed locations and elevations of all stormwater structures, which shall be measured to the nearest 0.1 metre with co-ordinates expressed in terms of the New Zealand Mapping Grid and DOSLI datum;</li> <li>(c) stormwater management device details including locations, dimensions, volumes, flood levels, sections, treatment efficiencies, inlet, discharge rates and outlet structures;</li> <li>(d) elevations of all inflow and outflow structures;</li> <li>(e) all flowpath dimensions including emergency flowpaths and the relationship to the Annual Exceedence Probability; and</li> </ul>	Department Responsibility, except to the extent that the Contractor's design alters the existing as-built plans

Designation Conditions	Responsibility
(f) documentation of any discrepancies between the approved plans and the 'as-built' plans.	
<b>Land Modification</b>	
73. All land modification works shall be undertaken in such a manner as to ensure that beyond the boundary of the site there shall be no 'dust' or 'soil erosion/siltation', which in the opinion of the Manager – Resource Consents, is objectionable, offensive or has the potential to create an adverse effect on the receiving environment.	Split Responsibility (Own Sites)
74. If considered necessary by the Manager – Resource Consents, control measures consisting of an all-weather construction entrance will be installed. Such control measures will consist of a stabilised pad of aggregate on a filter cloth base at the construction site entrance/exit to ensure that any vehicles leaving the site do not deposit soil and other debris on public roads. Any such material deposited on any public road shall be cleaned up immediately at the Minister of Correction's expense. Any major movement of excavated material from the site may require the installation of a wheel wash for trucks at the construction site entrance.	Split Responsibility (Own Sites)
75. The Minister shall ensure that the land within the site and the land on adjoining properties shall remain stable at all times with respect to the approved on-site excavation works.	Split Responsibility (Own Sites)
76. Adequate provision shall be made during the earthworks construction for the protection and/or relocation of all existing public drains within the site. Any damage to public drains that may occur during the development shall be the Minister's responsibility.	Split Responsibility (Own Sites)
<b>Network Utility Services</b>	
77. Power and telephone services shall be installed underground to provide service connections to the correctional facility and shall be located entirely within the boundaries of the site.	Split Responsibility (Own Sites)
<b>Maximum Prisoner Accommodation</b>	
78. Prisoner accommodation within the MCF shall be limited to that required for the management of 1060 prisoners.	Department Responsibility
79. Prisoner accommodation within the ARWCF shall be limited to that required for the management of 480 prisoners. This condition is subject to conditions 112 and 113.	Department Responsibility

Designation Conditions	Responsibility
<p><b>In addition to the other conditions above, the following conditions (80-107 and 115-121 and 123-124) shall only apply to the MCF.</b></p> <p><b>Security Level at the MCF</b></p>	
80. There shall be no maximum security prisoner accommodation at the MCF.	Department Responsibility
<b>Development Controls</b>	
<p>81. Building heights shall not exceed the RL height limits in the separate areas shown on the Development Plan (Figure 1, Revision B, prepared by Boffa Miskell, dated 12 May 2011):</p> <p>(a) Area 1: RL 24.5 metres or four storeys, whichever is the lower.</p> <p>(b) Area 2: RL 19.5 metres.</p> <p>(RL above DOSLI datum 1946).</p> <p>Exemptions from this condition are as follows:</p> <p>(i) Area 1:</p> <ul style="list-style-type: none"> <li>Sloping roofs (limited to either gable or hip) and rooftop projections, including lift rooms and plant not exceeding 3 metres above the height limit in condition 81(a) above.</li> <li>Lighting, security and communication devices, including poles for lighting and surveillance equipment not exceeding 6 metres above the height limits in condition 81(a) above.</li> </ul> <p>(ii) Area 2:</p> <ul style="list-style-type: none"> <li>Sloping roofs (limited to either gable or hip) and rooftop projections, including lift rooms and plant not exceeding 2 metres above the height limits in condition 81(b) above.</li> </ul> <p>Lighting, security and communication devices, including poles for lighting and surveillance equipment not exceeding 2 metres above the height limits in condition 81(b) above.</p>	Contractor Responsibility
82. The external face of the secure perimeter wall or fence shall not exceed an overall height of 6 metres above finished ground level, provided that the maximum height of the wall or fence shall not exceed RL 27.5 metres in Area 1 and RL 21.5 metres in Area 2 as shown on the Development Plan (Figure 1, Revision B, prepared by Boffa Miskell, dated 12 May 2011). The exterior face of the secure perimeter shall be no closer than 13.5 metres to the external boundaries of the site.	Contractor Responsibility

Designation Conditions	Responsibility
<p>For the purposes of this condition 'finished ground level' shall be measured at the exterior side of the secure perimeter wall or fence.</p>	
<p>83. Site coverage shall be no greater than 32% of Area 1 and 20% of Area 2 as shown on the Development Plan (Figure 1, Revision B, prepared by Boffa Miskell, dated 12 May 2011).</p> <p>For the purposes of this condition the area used to calculate 'site coverage' means that portion of Areas 1 and 2 shown on the Development Plan (Figure 1, Revision B, prepared by Boffa Miskell, dated 12 May 2011) covered by buildings. Included in the term "buildings" for the purpose of this definition are accessory buildings, and those parts of the site covered by overhanging buildings, but not fences or walls, eaves, pergolas, slatted open decks, or similar structures of a substantially open nature.</p>	Contractor Responsibility
<p>84. The Gross Floor Area ("GFA") for all buildings within Areas 1 and 2, as shown on the development plan (Figure 1, Revision B, prepared by Boffa Miskell, dated 12 May 2011), shall not exceed a total of 75,000m<sup>2</sup>.</p> <p>For the purposes of this condition GFA means the following:</p> <p>GFA is the sum of the gross area of the several floors of all buildings on a site, measured from the exterior faces of the exterior walls, or from the centre lines of walls separating two buildings or, in the absence of walls, from the exterior edge of the floor.</p> <p>Except as otherwise provided, where floor to floor vertical distance exceeds 6m, the GFA of the building or part of the building so affected shall be taken as the volume of that space in cubic metres divided by 3.6.</p> <p>In particular, GFA includes:</p> <ul style="list-style-type: none"> <li>(a) basement space except as specifically excluded by this definition;</li> <li>(b) elevator shafts, stairwells and lobbies at each floor unless specifically excluded by this definition;</li> <li>(c) interior roof space providing headroom of 2.4m or more whether or not a floor has been laid;</li> <li>(d) floor spaces in interior balconies and mezzanines;</li> <li>(e) floor space in terraces (open or roofed), external balconies, breezeways, porches if more than 50% of the perimeter of these spaces is enclosed, except that a parapet not higher than 1.2m or a railing not less than 50% open and not higher than 1.4m shall not constitute an enclosure;</li> <li>(f) all other floor space not specifically excluded.</li> </ul>	Contractor Responsibility

Designation Conditions	Responsibility
<p>The GFA of a building shall not include:</p> <ul style="list-style-type: none"> <li>• uncovered steps;</li> <li>• interior roof space having less than 2.4m headroom;</li> <li>• floor space in terraces (open or roofed), external balconies, breezeways or porches. (A “breezeway” is a roofed outdoor area). Provided that not more than 50% of the perimeter of these spaces is enclosed and provided that a parapet not higher than 1.2m or a railing not less than 50% open and not higher than 1.4m, shall not constitute an enclosure;</li> <li>• Pedestrian circulation space;</li> <li>• space for stairs, escalators and elevators servicing a floor or that part of a floor used only for carparking or loading;</li> <li>• required off-street parking and/or loading spaces;</li> <li>• carparking in basement space (including manoeuvring areas, access aisles and access ramps); or</li> <li>• Non-habitable floor space in approved structures.</li> </ul>	
<p>85. The sum total of all buildings within the MCF secure facilities area identified on the Development Plan for the MCF (Figure 1, Revision A, prepared by Boffa Miskell, dated 12 May 2011) shall be designed to accommodate the requirement for the management of a maximum of 1060 prisoners.</p>	Contractor Responsibility
<b>Traffic</b>	
<p>86. (a) The principal operational access to the MCF (being the access for staff, service providers and visitors) shall be from either Hautu Drive or Kiwi Tamaki Road.</p> <p>(b) Except as provided for by Condition 87 below, should Hautu Drive be the road that services the principal operational access for the MCF, the following mitigation works shall be undertaken by the Minister or their nominee prior to the occupation of the MCF, and operational limits maintained during its operation:</p> <p>(i) Works on the Hautu Drive/Roscommon Road intersection as follows:</p> <ul style="list-style-type: none"> <li>• Increase the right-turn bay out of Hautu Drive to a minimum length of 50 metres; and</li> <li>• Increase the right-turn bay on Roscommon Road into Hautu Drive to a minimum length of 100 metres.</li> </ul>	Contractor Responsibility

Designation Conditions	Responsibility
<p>(ii) Other operational controls as follows:</p> <ul style="list-style-type: none"> <li>Public visiting hours shall not start or finish during the periods 6.30am - 9.30am or between 4.00pm and 6.30pm on weekdays.</li> <li>Custodial shift change-overs shall not occur within the period between 6.30am – 9.30am and 4.00pm – 6.30pm.</li> </ul>	
<p>(c) Except as provided for by Condition 87 below, should Kiwi Tamaki Road be the road that services the principal operational access for the MCF then the following mitigation works shall be undertaken by the Minister or their nominee prior to the occupation of the MCF and operational limits maintained during its operation:</p> <p>(i) Works on the Kiwi Tamaki Road /Roscommon Road/Bolderwood Place intersection as follows:</p> <ul style="list-style-type: none"> <li>signalisation of the Kiwi Tamaki Road /Roscommon Road/ Bolderwood Place intersection;</li> <li>increase the right turn bay on Roscommon Road into Kiwi Tamaki Road to a minimum length of 100 metres; and</li> <li>provide a right turn bay out of Kiwi Tamaki Road to a minimum length of 50 metres.</li> </ul> <p>(ii) Other operational controls as follows:</p> <ul style="list-style-type: none"> <li>Public visiting hours shall not start or finish during the periods 6.30am - 9.30am or between 4.00pm and 6.30pm on weekdays.</li> <li>Custodial shift change-overs shall not occur within the period between 6.30am – 9.30am and 4.00pm – 6.30pm.</li> </ul>	Contractor Responsibility
<p>87. A traffic impact assessment (“TIA”) of the potential traffic effects of the MCF operation on the Hautu Drive/Roscommon Road or Kiwi Tamaki Road/Roscommon Road intersection shall be undertaken by a qualified traffic engineer and submitted to the Council with the Outline Plan of Works. The TIA shall include consultation with the New Zealand Transport Agency and Auckland Transport. The assessment shall model the traffic effects of the MCF on the intersection, taking into account the operational characteristics of the prison, including staff numbers, shift patterns, and visitor hours to determine whether the mitigation works and/or operational controls imposed by Condition 86 are required. In the event that the TIA</p>	Contractor Responsibility

Designation Conditions	Responsibility
<p>determines the intersection performance can be maintained to a level of service acceptable to the Council and Auckland Transport, without some or all of the mitigation works or operational limits set out in Condition 86, then only such mitigation works or operational controls as are necessary to maintain a level of service acceptable to the Council and Auckland Transport are required.</p>	
<p>88. A TIA of the potential construction traffic effects of the MCF on the Hautu Drive/Roscommon Road, Kiwi Tamaki Road/Roscommon Road/ Bolderwood Place and/or McLaughlins Road (Vogler Drive)/Roscommon Road intersection shall be undertaken (whichever is used for construction traffic) by a qualified traffic engineer and submitted to the Council with the Outline Plan of Works. The TIA shall include consultation with the New Zealand Transport Agency and Auckland Transport, and shall determine the traffic effects of the construction of the MCF on the intersection(s), taking into account the construction duration, methodology, earthwork requirements and construction traffic access. In the event that the TIA determines the intersection performance cannot be maintained to a level of service acceptable to the Council and Auckland Transport, then such temporary works as are necessary shall be undertaken and maintained for the duration of construction to ensure an appropriate level of service.</p>	Contractor Responsibility
<b>Post operation monitoring condition</b>	
<p>89. (a) A traffic assessment survey of the actual traffic effects of the operation of the MCF on either Hautu Drive/Roscommon Road or the Kiwi Tamaki Road/Roscommon Road/Bolderwood Place intersection (depending on which one is used as the principal operational access) shall be undertaken by an independent and qualified traffic engineer on an annual basis commencing one year after the occupation of the MCF until such time as the MCF is fully occupied, or five years have elapsed since the initial occupation of the MCF, whichever occurs first.</p> <p>(b) The traffic assessment survey shall be submitted to Manager – Resource Consents and Auckland Transport for review within 2 months of a survey under the above condition.</p> <p>(c) The assessment should consider weekday and weekend peak trip generation, intersection Level of Service and queuing at the relevant intersection resulting from the operation of the MCF.</p> <p>(d) In the event that the traffic assessment survey determines either that:</p> <p>(i) the observed queuing into or out of the principal operational access exceeds the queue storage for these movements; or</p> <p>(ii) the traffic assessment survey determines that</p>	Contractor Responsibility

Designation Conditions	Responsibility
<p>the existing level of service for the Roscommon Road through movements at the relevant intersection is “C” (Ausroad standards) or better (excluding traffic attributable to the men’s prison) at the time of the survey, and as a result of traffic attributable to the men’s prison the level of service for Roscommon Road through movements at the intersection are below the accepted limit of level of service “C” (Ausroad standards), then additional mitigation works within the legal road will be required to produce a level of service “C” (Ausroads standards) on Roscommon Road through the intersection.</p> <p>(e) Where the traffic assessment survey determines that the existing Level of Service for the Roscommon Road through movements at the intersection (excluding traffic attributable to the MCF) is below Level of Service “C” at the time of survey (i.e. either Level of Service “D” or “E”), then additional mitigation works within the legal road will only be required to maintain the existing Level of Service on Roscommon Road through the intersection.</p> <p>(f) Any additional mitigation works required by this condition shall be detailed in a mitigation plan which accompanies the traffic assessment survey referred to in this condition. The mitigation plan shall be provided to Manager – Resource Consents and Auckland Transport for approval together with the traffic assessment survey. The approved additional mitigation works shall be undertaken by the Minister or their nominee within 12 months of the approval by Manager – Resource Consents and Auckland Transport of the mitigation plan.</p>	
<p>90. Any of the mitigation works required under Conditions 7 and 86-89 shall be undertaken by the Minister or their nominee at their cost.</p>	Contractor Responsibility
<p><b><i>Travel Demand Management</i></b></p>	
<p>91. The Minister or their nominee shall submit a framework Travel Demand Management Plan (“TDMP”) with the Outline Plan of Works for the MCF, for the purposes of encouraging increased use of public transport and active modes (such as walking and cycling) and ride share schemes as a means of travel to the site. The TDMP plan shall be prepared to the satisfaction of the authorised representative of Auckland Transport and shall address, but not be restricted to the following:</p> <p>(a) working with Auckland Transport to promote the aims outline above;</p> <p>(b) promotion of safe and sustainable travel for all users of the prison facility;</p> <p>(c) monitoring, review and amendment as appropriate of</p>	Contractor Responsibility



Designation Conditions	Responsibility
<p>the facilities for active modes, public transport and ride share schemes; and</p> <p>(d) how active modes, public transport and ride share will be encouraged and promoted.</p> <p>The effectiveness of the TDMP shall be reviewed annually by the Minister or their nominee. The results of the review, including any new measures to encourage increased use of public transport and active modes, shall be reported within 2 months of the review to Auckland Transport.</p>	
<b>Parking and Cycle Facilities</b>	
<p>92. The parking required for the MCF under condition 7 shall include the allocation of at least 20 parking spaces for multi-occupancy vehicles and be located as close as practicable to the staff entrance. The use of these parking spaces shall be monitored, reviewed and supply adjusted as part of the Travel Demand Management Plan. Provision shall also be made for at least 10 covered and secured cycle stands for staff and 5 cycles stands for visitors, and a minimum of 2 (if not already provided) showers/changing rooms within the staff facilities.</p>	Contractor Responsibility
<b>Kiwi Tamaki Road</b>	
<p>93. All reasonable steps shall be undertaken by the Minister to secure appropriate access arrangements to and from the MCF over the adjoining property to Kiwi Tamaki Road. In the event that such access is secured it shall serve as the principal access for the MCF and Hautu Drive shall only be used for emergency purposes, but Hautu Drive will continue to be the principal access to the ARWCF. In the event, however, that access from Kiwi Tamaki Road cannot be secured, Hautu Drive will be the principal access for the MCF.</p>	<p>Department Responsibility</p> <p>Department responsible for securing appropriate access arrangements.</p> <p>Contractor responsible for forming the access and using it as per the designation condition and related requirements of this Agreement.</p>
<b>Lighting</b>	
<p>94. All external lighting shall be designed by an appropriately qualified illumination engineer to comply with Australian Standard AS4282, and the final external lighting design plan shall be submitted to the Manager – Resource Consents for approval prior to the commencement of Construction Work in relation to the MCF.</p>	Contractor Responsibility

Designation Conditions					Responsibility
Noise					
95. The noise levels from activities within the MCF measured at the following receiving locations shall not exceed:					Contractor Responsibility
Receiving Location	Average Maximum Level dBL <sub>Aeq</sub>		Maximum dBL <sub>Amax</sub>		
	Mon–Sun 7am – 10pm	At all other times			
At the boundary of any residential zone, at the boundary of Child Youth and Family Services' Korowai Manaaki Youth Justice Residence and at the inner security area of the ARWCF	50	40	65		
96. External facades to all sleeping areas in the MCF shall be designed to achieve an indoor noise level of LAeq 35dB with external doors and windows closed. The design shall be based on a level of LAeq 70dB measured at any point on the boundary of the MCF site based on the source of noise being at 60m inside the neighbouring sites. The spectrum of the noise on the boundary shall be that prescribed in the table below. The design shall take into account the typical reverberation time of the receiving rooms.					Contractor Responsibility
63Hz 125Hz 250Hz 500Hz 1000Hz 2000Hz 4000Hz dBA 79dB 72dB 71dB 66dB 64dB 64dB 59dB 70dB					
These spaces shall also be provided with alternative ventilation in accordance with or better than the requirements of the New Zealand Building Code to the satisfaction of the Manager – Resource Consents.					
97. Noise levels shall be measured and assessed in accordance with the requirements of New Zealand Standard NZS 6801:2008 “Acoustics - Measurement of Environmental Sound” and New Zealand Standard NZS 6802:2008 “Acoustics - Environmental Noise”.					Contractor Responsibility
98. Construction noise shall not exceed the limits specified in and shall be measured in accordance with New Zealand Standard NZS 6803:1999 “Acoustics – Construction Noise”.					Contractor Responsibility

Designation Conditions	Responsibility
99. Construction vibration shall not exceed the limits specified in Table 3 of the German standard DIN 4150-3:1999 "Structural Vibration – Effects of Vibration on Structures" and shall be measured in accordance with these standards.	Contractor Responsibility
100. A Construction Noise and Vibration Management Plan showing how construction activities will comply with New Zealand Standard NZS 6803:1999 "Acoustics – Construction Noise" and German Standard DIN 4150-3:1999 "Structural Vibration – Effects of Vibration on Structures" shall be prepared and submitted for the approval of the Manager – Resource Consents prior to the commencement of Construction Work in relation to the MCF.	Contractor Responsibility
<b>Screening</b>	
101. Buildings shall be designed to ensure that there are no direct views between prisoner accommodation and the Children Youth and Family Korowai Manaaki Residential Facility at 24 Kiwi Tamaki Road (Pt Lot 1 DP 177225).	Contractor Responsibility
102. Buildings shall be designed and/or visual barriers used to ensure that prisoners within the ARWCF are not visible to prisoners within the MCF, and to ensure that prisoners within the MCF are not visible to prisoners within the ARWCF.	Contractor Responsibility
<b>Contamination</b>	
103. Prior to the commencement of Construction Work on the MCF site, a Contaminated Land Management Plan ("CLMP") shall be prepared by a suitably experienced person and submitted to the Manager – Resource Consents for approval. The CLMP shall make reference to the site investigations undertaken, and provide procedures and methods for the management (i.e. treatment and/or removal) of any contaminated soils or water on the site, during and post construction.	Contractor Responsibility
<b>Community Safety Management Plan (CSMP)</b>	
<p>104. Prior to occupation of the MCF, the Minister shall provide to the Council a Community Safety Management Plan ("CSMP") that includes the following matters:</p> <p>(a) Response to a prison escape</p> <p>The CSMP shall set out procedures to be followed in the event of an escape and a notification procedure for neighbours and the surrounding community.</p> <p>(b) Visitor management</p> <p>The CSMP shall set out procedures to be followed to manage visitors' behaviour on site. This shall specify practices such as visits by appointment only and subject to approval from the site manager, requirements for identification to be presented, police checks and spot checks of visitors' cars for drugs and</p>	Contractor Responsibility

Designation Conditions	Responsibility
other contraband.	
Visitor ablution facilities shall be provided on-site.	
<b>Name, signage and visibility</b>	
105. The name of the MCF must not draw any association with any local feature or place name.	Department Responsibility
106. All signage relating to the prison shall be located within the MCF site and kept to a practicable minimum size and number	Contractor Responsibility
107. Where practicable, marked prison vehicles shall not use residential streets.	Contractor Responsibility
<b>Quantitative Risk Assessment and Mitigation</b>	
108. The Minister shall meet, at least annually, with Wiri Oil Services Limited to discuss any relevant compliance issues arising, information exchange or revisions that may be required to the deed between the Department of Corrections and Wiri Oil Services Limited dated 7 March 2011. That deed addresses the management and mitigation of any effects arising from the potential risk of vapour cloud explosion on the prison site or reverse sensitivity effects on WOSL arising from ARWCF activities, including the requirement for further risk assessment should either party be contemplating any material change to the factors modelled in the Sherpa Report referred to in condition [66]. The results of this consultation shall be reported to the Manager – Resource Consents as soon as practicable.	Department Responsibility
109. The Minister shall facilitate the installation at the Wiri Oil Services Ltd Terminal of an early warning detection system as soon as practicable and no later than 31 December 2013, in accordance with the agreement set out in the deed between the Department of Corrections and Wiri Oil Services Limited (WOSL) dated 7 March 2011. The system will provide for the detection of overfill or other loss of containment events at the WOSL site and reduction in the amount of flammable vapour released. A report by a suitably qualified expert setting out the outcomes of an investigation into options for an early warning detection system and a recommendation as to the preferred option shall be provided by the Minister to the Manager – Resource Consents within 6 months of the confirmation of the alteration to the designation.	Department Responsibility
110. Within 3 months following installation of the early warning detection system or, in the event that no such system is completed or installed, by 31 December 2013, the Minister shall provide a Quantitative Risk Assessment (QRA) to WOSL and the Manager – Resource Consents. The Minister,	Department Responsibility

<sup>1</sup> Hazard Industry Planning Advisory Paper (HIPAP) No 4, Risk Criteria for Land Use Safety Planning, NSW Department of Planning, Consultation Draft, July 2008.

Designation Conditions	Responsibility
<p>Council and WOSL shall jointly engage a suitably qualified expert to prepare that QRA. The QRA shall confirm:</p> <ul style="list-style-type: none"> <li>(a) Whether the level of risk at the ARWCF is now within the “negligible” band as calculated by means of the Australian NSW Department of Planning (DoP) Hazard Industry Planning Advisory Paper (HIPAP) No 4 Risk Criteria for Land Use Safety Planning<sup>1</sup> (“HIPAP 4 criteria”) or such equivalent criteria as agreed between the Minister, WOSL and the Council;</li> <li>(b) In addition to the installation of an early warning detection system at the Wiri Oil terminal whether any other mitigation or management measures are required at the ARWCF (or otherwise on the Designation 288 site), to ensure the level of risk at the ARWCF site posed by the Wiri Oil terminal achieves the <i>lowest</i> reasonably practicable ALARP, or such equivalent risk assessment criteria as agreed between the Minister, WOSL and the Council. These mitigation or management measures shall include, but are not limited to: <ul style="list-style-type: none"> <li>(i) buffer areas where night time population is avoided;</li> <li>(ii) decommissioning of existing buildings at ARWCF whose purpose is to accommodate night time population where this is now considered inappropriate;</li> <li>(iii) structural works that may be required for buildings;</li> <li>(iv) additional detection or early warning systems; and</li> <li>(v) any other recommended measures.</li> </ul> </li> </ul>	
<p>111. The Minister shall implement on the Designation 288 site as soon as practicable on completion of the QRA, any other mitigation or management measures pertaining to that site that are recommended by the QRA conducted under condition 110(b), including structural upgrades, to ensure the lowest practicable risk is met, to the satisfaction of Council.</p>	Department Responsibility
<p>112. A further QRA shall be undertaken by a suitably qualified expert (engaged jointly between the Minister, Council and WOSL) and shall be provided to the Council and WOSL by the Minister where the population within the existing ARWCF (as at 1 May 2011) exceeds any of the following triggers:</p> <ul style="list-style-type: none"> <li>(a) A total daytime population (all buildings) of 580 (including prisoners, staff, service providers and visitors) within the Indicative Extent of ARWCF Secure Facilities on the Quantitative Risk Assessment and Mitigation Plan (Figure 3, Revision A, prepared by Boffa Miskell, dated 17 May 2011);</li> </ul>	Department Responsibility

Designation Conditions	Responsibility
<p>(b) Introduction of any overnight population (including prisoners and staff) within existing buildings 1-3 identified on the Quantitative Risk Assessment and Mitigation Plan (Figure 3, Revision A, prepared by Boffa Miskell, dated 17 May 2011);</p> <p>(c) An increase in any overnight population (including prisoners and staff) in existing buildings 4-13 or otherwise within the Indicative Extent of ARWCF Secure Facilities on the Quantitative Risk Assessment and Mitigation Plan (Figure 3, Revision A, prepared by Boffa Miskell, dated 17 May 2011) above 466; or</p> <p>(d) Any relocation within existing buildings of overnight population closer to the WOSL boundary above the overnight population shown on the Quantitative Risk Assessment and Mitigation Plan (Figure 3, Revision A, prepared by Boffa Miskell, dated 17 May 2011).</p>	
<p>113. A further QRA shall also be undertaken by a suitably qualified expert (engaged jointly between the Minister, Council and WOSL) and shall be provided to the Council and WOSL by the Minister prior to the lodgement of an Outline Plan of Works for any new building on the Designation 288 site within the Future WOSL Growth Scenario Risk Contour identified on the Quantitative Risk Assessment and Mitigation Plan (Figure 3, Revision A, prepared by Boffa Miskell, dated 17 May 2011).</p>	Department Responsibility
<p>114. The QRA required under conditions 112 and 113 shall assess the level of risk for development or activity that exceeds any of these triggers based on the HIPAP 4 criteria, or such equivalent risk assessment criteria as agreed between the Minister, WOSL and the Council. If the risk can be mitigated to meet the individual and societal risk assessment criteria, the appropriate mitigation measures must be put in place by the Minister prior to the occupation of the buildings in the manner set out in condition 110. If the level of risk cannot be adequately mitigated to meet the appropriate risk assessment criteria, the proposed development or activity shall not proceed.</p>	Department Responsibility
<p><b>Advice Note:</b></p> <p><i>For clarity, where a QRA is required under conditions [109]-[114], the assessment shall evaluate both the existing and future growth scenarios outlined in the Deed identified in condition [108]. A copy of the Deed is available for inspection at Council offices.</i></p>	
<b>Construction Management Plan</b>	
<p>115. A Construction Management Plan ("CMP") shall be submitted to the Manager – Resource Consents prior to the commencement of Construction Work on the MCF. The CMP shall include specific details relating to the construction and management of all works associated with the MCF, including</p>	Contractor Responsibility

Designation Conditions	Responsibility
<ul style="list-style-type: none"> <li>(a) A Construction Lighting Management Plan to control glare and spill light from temporary lighting during the construction period;</li> <li>(b) A Construction Noise and Vibration Management Plan to demonstrate how compliance will be achieved with conditions 98, 99 and 100;</li> <li>(c) The Construction Traffic Impact Assessment required to be submitted with the Outline Plan of Works in accordance with condition 88;</li> <li>(d) The methods to ensure compliance with Land Modification conditions 73-76; and</li> <li>(e) The following information: <ul style="list-style-type: none"> <li>(i) Details of the Community Liaison Officer appointed by Corrections under condition 56), including their contact details (phone, facsimile, postal address, email address);</li> <li>(ii) Details of the site or project manager, including their contact details (phone, facsimile, postal address, email address);</li> <li>(iii) The location of large notice boards that clearly identify the name, telephone number and address for service of the site or project manager;</li> <li>(iv) An outline construction programme of the works;</li> <li>(v) Any means to ensure that no damage occurs to street trees through the construction period;</li> <li>(vi) The means to ensure the protection of services such as pipes and water mains within the road reserve;</li> <li>(vii) Measures to be adopted to maintain the site in a tidy condition in terms of disposal/storage of rubbish, storage and unloading of building materials and similar construction activities;</li> <li>(viii) Location of workers offices and conveniences (e.g. portaloos);</li> <li>(ix) Procedures for ensuring that occupiers in the immediate vicinity of construction areas are given prior notice of the commencement of Construction Work and are informed about the expected duration of the works;</li> <li>(x) Means of ensuring the safety of the general public during construction;</li> <li>(xi) Means of ensuring compliance of construction activities with Civil Aviation Rules Part 77 Objects and Activities Affecting Navigable Airspace.</li> </ul> </li> </ul>	

Designation Conditions	Responsibility
<b>Prison Operations</b>	
116. For so long as the MCF on the site is used to accommodate sentenced prisoners, the Minister shall operate a rehabilitation and reintegration programme at the site that incorporates a fundamental aim of reducing reoffending by prisoners as a component of the MCF operation.	Contractor Responsibility
117. The Minister shall incorporate a prisoner education programme (which may be part of its rehabilitation programme) as a component of the MCF operation.	Contractor Responsibility
118. The Minister shall give due regard to providing employment or contracting opportunities to suitably qualified Counties-Manukau area individuals and businesses as part of the construction and operation of the MCF.	Contractor Responsibility
119. The Minister shall provide a standard of primary on-site healthcare to prisoners at the MCF that is reasonably equivalent to the standard of primary healthcare available to the public.	Contractor Responsibility
120. The Minister shall monitor the MCF visitor carpark security, and will take all reasonable steps to avoid any loitering by prisoner visitors or associates in and around the carpark.	Contractor Responsibility
121. The Minister shall ensure that any graffiti appearing within the MCF site will be removed in a timely manner.	Contractor Responsibility
122. The Minister will ensure that communication protocols are established between the operators of ARWCF and the MCF to ensure that any changes to operations at either prison that could potentially impact on the other prison must be considered by both parties to enable potential adverse impacts to be addressed.	Department Responsibility
123. The Kaitiaki plan with Ngati Te Ata dated 1 March 2011 must be attached to any operating contract for the MCF.	Department Responsibility
<b>Reserve Contribution</b>	
124. The Minister shall pay a reserve contribution in respect of the development of the MCF, which shall be calculated at a rate of 0.5% of the assessed value of the development and pro-rated for the FTE staffing complement as a fraction of the total expected maximum on-site population. For the avoidance of doubt, no reserve contribution shall be made that includes a calculation of the prisoner population. The reserve contribution shall be paid prior to release of any building consent for the MCF development.	Department Responsibility



Designation Conditions	Responsibility
<p><b>Advice Note:</b></p> <p><i>Indicatively only, and based on the projections given at the hearing, this would equate to a reserve contribution of \$736,000, from an estimated capital cost of \$368 million and total expected population of 1770 (1060 prisoners + 710 staff).</i></p>	

## Schedule 10: Works Requirements

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## Part 1 – General provisions

### 1. Interpretation

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#### 1.1 Compliance with Works Requirements and Delivery Proposals

- (a) The Contractor must comply with all Works Requirements and all Delivery Proposals set out in Parts 2 (Overall requirements) to 9 (Construction).
- (b) In the case of any inconsistency, the requirement to comply with the Works Requirements prevails over compliance with the Delivery Proposals.
- (c) For the avoidance of doubt, compliance with the Delivery Proposals but not with the Works Requirements constitutes a breach by the Contractor of the Works Requirements.
- (d) In relation to all Works Requirements set out in Parts 2 to 9, the Contractor must comply with the requirements of the following when satisfying the Works Requirements:
  - (i) the Corrections Act, the Corrections Regulations and all other Laws;
  - (ii) all applicable requirements of the Resource Management Act 1991 (including all associated designations, consents, plans and orders);
  - (iii) all applicable requirements of the New Zealand Building Code (**NZBC**);
  - (iv) the New Zealand Fire Service (**NZFS**) requirements; and
  - (v) all applicable AS/NZS standards.

#### 1.2 References to information systems, tools and programmes

References in this Schedule 10 to specific information systems, tools and programmes shall be read as if, in each case, the reference to the specific information system, tool, or programme is followed with the words “(or such equivalent or improved system, tool or programme as may be agreed with the Department from time to time)”.

## Part 2 – Overall requirements

### 2. Objectives of Facility

---

#### 2.1 Works Requirements

The Contractor must ensure:

- (a) that the Facility is designed and constructed to support the Corrections Services Requirements;
- (b) that the Facility is designed and constructed to provide safe and secure facilities for all Prisoners, Staff Members, external service providers, contractors and other Visitors who attend the Prison; and

- (c) it provides and implements a robust and reliable whole of life design solution for the construction of the Facility that supports the operation and maintenance of the Facility.

## **2.2 Delivery Proposal**

The Contractor will comply.

## **3. Site due diligence**

---

### **3.1 Works Requirement**

The Contractor must undertake all necessary due diligence of the existing Site Conditions, features and constraints, supporting infrastructure, legal restrictions, utility supplies, and all other aspects impacting on the Facility.

### **3.2 Delivery Proposal**

The Contractor will comply.

## **Part 3 – Design criteria**

## **4. Design life expectancy**

---

### **4.1 Works Requirements**

The Contractor must ensure that:

- (a) as a minimum, the Facility complies with the lifespan/durability requirements in the NZBC;
- (b) the functional design life of the Facility will be not less than 50 years;
- (c) the following primary structural elements have a design life of not less than 100 years:
  - (i) those utilised in the Primary Physical Barrier of the Facility (including the perimeter fence);
  - (ii) those utilised in any structures that penetrate the Primary Physical Barrier (including the Gatehouse);
  - (iii) those utilised in any structures that house Prison Cells (including House Blocks, the Management Unit and the Residences);
  - (iv) those utilised in the Health, Education and Programmes building and the FM and Bulk Store building;
  - (v) those utilised in in-ground drainage; and
  - (vi) those utilised in fire and potable water tanks and the Fire Pump Room;
- (d) the design of the Facility will ensure the continued achievement of a safe and secure environment throughout the functional lifespan; and
- (e) the Facility is durable, robust and able to sustain the demands of use as a prison.

## **4.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix D to this Schedule 10;
- (b) select materials for use in the construction of the Facility based on durability, robustness and ability to sustain the demands of use expected in a prison and that are consistent with Good Industry Practice;
- (c) ensure that materials are installed to manufacturers' recommendations; and
- (d) ensure that the design life expectancy of each building element is as stipulated in the Table of Design Life Expectancy set out in Appendix B to this Schedule 10.

## **5. Sustainability**

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### **5.1 Works Requirement**

The Contractor must ensure that the Facility is designed and constructed to ensure efficient and sustainable design principles, including in relation to:

- (a) energy;
- (b) water;
- (c) resources;
- (d) materials;
- (e) stormwater and wastewater; and
- (f) transportation.

### **5.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide well considered and highly functional buildings and systems that achieve appropriate internal conditions, while limiting energy consumption, carbon emissions, water use and non-renewable resource use over the life of the Facility;
- (b) provide that all buildings comply with the thermal insulation energy efficiency requirements of the NZBC;
- (c) reduce the requirement for energy input and resource by the selection of appropriate design solutions;
- (d) balance environmental performance with other sustainability factors to achieve sustainable outcomes;
- (e) maintain local ecological features and provide for sustainability in site planning and landscape design by retaining the existing wetland area to the south of the Facility;



- (f) reduce run-off by incorporating swale drains to collect and absorb water into the ground in lieu of discharging directly into the stormwater system;
- (g) provide the capability for rainwater harvesting to be used in horticulture by providing a 5,000 litre water collection/storage tank to the Horticulture building;
- (h) reduce water consumption, hot water heating energy and waste to sewer by providing water efficient tapware, WCs and showers. Time, use and flow controls shall also be included to control water use in general Prisoner accommodation;
- (i) design the entire thermal envelope of each conditioned building to exceed NZBC requirements;
- (j) provide heating, ventilation and/or air conditioning systems and lighting systems to promote energy efficient operation, and to allow efficiency during partial occupancy of the buildings;
- (k) promote natural lighting and roof lights where appropriate to enhance the availability of natural light in House Blocks (dayrooms), Industries, Kitchen & Laundry and Sports Hall buildings;
- (l) provide natural ventilation where appropriate;
- (m) utilise low energy light bulbs throughout, with appropriate zoning, switching and controls provided to allow lighting energy to be reduced when daylight is available, or when spaces are not occupied;
- (n) achieve a cut to fill balance wherever possible to achieve minimal earthworks design;
- (o) provide a separate Waste and Recycling building;
- (p) provide a bus drop-off; and
- (q) provide facilities for secure storage of bicycles in accordance with condition 92 of the Designation.

## **6. Design for robustness**

---

### **6.1 Works Requirements**

The Contractor must ensure:

- (a) that the Prisoner-accessible areas are designed and constructed to resist damage to the Facility motivated by escape, incursion, sabotage or vandalism; and
- (b) that the non-Prisoner-accessible areas are robust, relative to the function of the particular area.

### **6.2 Delivery Proposal**

The Contractor will comply and will:

- (a) design all Prisoner-accessible areas in accordance with the risk levels determined by the Major Subcontractors responsible for the delivery of the Operational Services, so that the design complies with the requirements of the Corrections Services Requirements;

- (b) provide the Facility in accordance with Appendix A, Appendix C, Appendix D and Appendix G to this Schedule 10;
- (c) ensure the robustness provided by the construction methods and materials used are sufficient to deliver the following functionalities:
  - (i) make escape as difficult as possible;
  - (ii) make Prisoner incursion into sensitive spaces as difficult as possible;
  - (iii) delay attempts to make penetrations through barriers long enough to ensure a timely Staff Member response and intervention; and
  - (iv) minimise damage (including deliberate damage);
- (d) [REDACTED]
- (e) [REDACTED]
- (f) [REDACTED]
- (g) [REDACTED]
- (h) ensure all floors (with the exception of the access walkways, the mezzanine floors of the plant rooms to House Blocks 1, 2 and 3 and the mezzanine floors to the Industries and the Kitchen & Laundry building) throughout the Facility are reinforced concrete;
- (i) ensure the plant room mezzanine floors in the House Blocks and the Industries are constructed of either concrete or timber (and where constructed with timber, ensure that any air-conditioning units that contain evaporator coils located in these areas have condensate drain trays to minimise water damage);
- (j) ensure mezzanine walkways in the Kitchen & Laundry building are constructed of galvanised steel mesh, with supporting steel frame and tubular steel galvanised balustrade;
- (k) [REDACTED]
- (l) ensure the main structural elements of the Staff Training Centre and the Visitors Centre are constructed of timber framed walls and roof members in accordance with NZS 3604-2011;
- (m) [REDACTED]

- [REDACTED]
- (n) [REDACTED]
- (o) [REDACTED]
- (i) [REDACTED]
- (ii) [REDACTED]
- (iii) [REDACTED]
- (iv) [REDACTED]
- (v) [REDACTED]
- (vi) [REDACTED]
- (vii) [REDACTED]
- (viii) [REDACTED]
- (ix) [REDACTED]
- (x) [REDACTED]
- (xi) [REDACTED]
- (xii) [REDACTED]
- (xiii) [REDACTED]
- (p) [REDACTED]
- (q) [REDACTED]
- (r) [REDACTED]
- (s) [REDACTED]

(t)

[REDACTED]

(u)

[REDACTED]

(v)

[REDACTED]

## **7. Design flexibility and adaptability**

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### **7.1 Works Requirement**

The Contractor must ensure that the design of the Facility makes reasonable provision for future flexibility and ease of adaptation in use.

### **7.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix C, Appendix D and Appendix G to this Schedule 10;
- (b) design the House Blocks with flexibility to harden or soften the environment by changing finishes and components to either increase or decrease security levels;
- (c) ensure that the Prison Cells can be refitted over time;
- (d) provide on the first floor of the central hub of the House Blocks a number of discrete spaces that offer flexible use without any requirement for structural changes;
- (e) ensure the future flexibility of buildings through the use of clear-span steel framing to Kitchen & Laundry and Industries;
- (f) ensure that 300 Prison Cells in the House Blocks (as indicated in the Room Data Sheets) contain fixed second beds to enable two Prisoners to occupy the relevant Prison Cell, providing a total of at least 1036 beds within the Facility; and
- (g) ensure that the Staff Training Centre, Visitors Centre, Visits & Administration building, Reception, Health, Education and Programmes building, Industries, FM and Bulk Store building and Residences utilise building structures and methods that permit a reasonable degree of refitting or converting to other functions without major structural alterations being required.

## 8. Secure Prison

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### 8.1 Works Requirements

The Contractor must ensure that:

- (a) the Facility incorporates building elements and forms of construction that provide adequate physical and operational security measures that support the Corrections Services Requirements; and
- (b) the Prison is constructed so that the containment delay times stipulated in the Table of Containment Delay Times set out in Appendix A to this Schedule 10 are met or exceeded.

### 8.2 Delivery Proposal

The Contractor will comply and will:

- (a) ensure the Prison is constructed so that the containment delay times stipulated in the Table of Containment Delay Times set out in Appendix A to this Schedule 10 are met or exceeded;
- (b) provide the Facility in accordance with Appendix D and Appendix G to this Schedule 10;
- (c) [REDACTED]
- (d) [REDACTED]
- (e) [REDACTED]
- (f) ensure that all required sight lines are achieved and that high risk activities receive the highest level of surveillance;
- (g) [REDACTED]
  - (i) [REDACTED]
    - (A) [REDACTED]
    - (B) [REDACTED]
    - (C) [REDACTED]
    - (D) [REDACTED]
  - (ii) [REDACTED]
    - (A) [REDACTED]
    - (B) [REDACTED]
    - (C) [REDACTED]

(D) [REDACTED]

(iii) [REDACTED]

(A) [REDACTED]

(B) [REDACTED]

(C) [REDACTED]

(D) [REDACTED]

(E) [REDACTED]

(F) [REDACTED]

(G) [REDACTED]

(H) [REDACTED]

(h) [REDACTED]

(i) [REDACTED]

(ii) [REDACTED]

(i) [REDACTED]

(j) [REDACTED]

(k) [REDACTED]

(l) [REDACTED]

(m) [REDACTED]

(n) [REDACTED]

(o) [REDACTED]

(p) [REDACTED]

## **9. Classification and segregation**

---

### **9.1 Works Requirements**

The Contractor must ensure:

- (a) the Facility provides for Prisoners who are required to be segregated according to their assessed needs, including voluntary and directed segregation;
- (b) the Facility caters for Prisoners of different security classifications; and
- (c) the physical segregation design and strategy of the Facility supports the Corrections Services Requirements.

### **9.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix D to this Schedule 10;
- (b) ensure the design of the Facility allows the Major Subcontractors responsible for the delivery of the Operational Services to manage the movement of segregated Prisoners around the Prison safely and appropriately. It shall also allow for Prisoners to be separately brought to any one of the central facilities and to be individually contained;
- (c) ensure the Prison makes adequate allowance for those circumstances where segregation is essential in order to protect the individual and those around them;
- (d) ensure the electronic security system provides adequate assistance in the management of the segregation process;
- (e) [REDACTED]
- (f) [REDACTED]
- (g) design the Health, Education and Programmes building to allow for various groups to be catered for at the same time with physical segregation provided by secure key locked doors located so that the internal of the building shall be capable of being sectioned off to suit management requirements; and
- (h) provide segregation in the Visits & Administration building via secure interlock groups, which shall be primarily designed to maintain separation between Visitors and Prisoners.

## **10. Design for disability**

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### **10.1 Works Requirements**

The Contractor must ensure:

- (a) the Facility as a whole suitably provides and caters for people with disabilities in support of the Corrections Services Requirements, whether they are Prisoners, Staff Members, external contractors or Visitors;
- (b) disabled or impaired mobility Prisoners, Staff Members or Visitors are not disadvantaged in terms of access to communal areas; and
- (c) it has provided for not less than 1 in 80 disabled Prisoner bed spaces, which must be distributed to allow for segregation.

### **10.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix D to this Schedule 10;
- (b) consider the layout and individual planning for each building and provide facilities for the disabled, including in relation to the paths and access to the buildings. Where access is required for the disabled, mobility impaired Prisoners or Visitors lift facilities shall be provided in the Gatehouse, House Blocks, Visits & Administration building, Health, Education and Programmes building and Reception;
- (c) ensure a minimum of one main access stair in each building (excluding Residences) is an “accessible stair” with contrasting nosing;
- (d) provide accessible paths to all buildings with it being possible for disabled persons to access all areas of the Prison with the appropriate security privileges;
- (e) ensure appropriate use of contrasting colours on stair nosings in all buildings (with the exception of any plant room access stairs) and appropriate use of contrasting surfaces where change in use or level is made to aid transition of sensory impaired users of the Facility;
- (f) provide facilities for the visually impaired in all public buildings (namely, Visits & Administration building, Gatehouse, Visitors Centre and Health, Education and Programmes building) in accordance with AS/NZ 1428.4;
- (g) ensure all signs throughout the development have the correct colour contrast to improve legibility;
- (h) provide “Dynamic FM” manufactured by Phonak AG (or equivalent) for those Prisoners with hearing disabilities as a teaching aid; and
- (i) ensure that all communal areas are provided with disabled access (either by lift or ramp).



## 11. Fire

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### 11.1 Works Requirements

The Contractor must ensure:

- (a) the Facility is designed to provide for protection of life and general fire safety;
- (b) the Facility is designed to support the Corrections Services Requirements with particular regard to safe evacuation;
- (c) the Facility is designed to protect property and fabric;
- (d) the Facility is designed to mitigate combustibility; and
- (e) the Facility is designed to facilitate fire fighting activities and fire service intervention as approved by the NZFS.

### 11.2 Delivery Proposal

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix D and Appendix F to this Schedule 10;
- (b) provide protection from fire such that fire systems are provided, and installed, to provide protection against, and minimise the effects of, damage from fire to the building, its content and its operation, by combining active and passive systems in accordance with Appendix F;
- (c) ensure the Facility allows the NZFS access to a fully equipped fire control centre and sprinkler pumping station;
- (d) 
- (e) ensure that the layout of the Prison, the provision of a vehicular access road around the internal perimeter, and the provision of fire mains access points are such that the NZFS shall be able to deploy tenders and staff without interference from Prisoners. These vehicles shall be able to access the full perimeter of the inside of the Primary Physical Barrier line;
- (f) provide sprinkler protection of all buildings within the Primary Physical Barrier with the exception of the Waste and Recycling building. The external wall of the FM and Bulk Store building that is adjacent to the Waste and Recycling building will be fire protected in accordance with NZS 4541;
- (g) provide the following site-wide systems:
  - (i) hydrant mains systems on potable water supply; and
  - (ii) sprinkler main,each of which shall be designed to meet the 2500 year seismic criteria;

- (h) ensure fire protection system pipework and equipment are seismically restrained to comply as a minimum with NZS 4219;
- (i) reticulate two fire fighting supply feeds throughout the Department Site, one to provide an external fire fighting ring main and another to provide fire fighting water to the specific buildings that are to be sprinkler protected;
- (j) provide for each sprinkler-protected building (or wing for House Blocks) monitored isolation valves for shutoff/maintenance purposes;
- (k) provide a hydrant fire fighting ring main with separate water supply from the sprinkler system supply and external hydrants located in such positions relative to each building that provides the fire fighting water capability required by the NZFS;
- (l) provide a fire fighting vehicle attendance point for each building, such that a 75 metre hose run distance from that vehicle to all points of the floor plate within each floor of the building is achieved, except in areas where permanently "charged riser" pillar and internal hydrant systems are provided;
- (m) for all NZFS vehicular attendance points, provide fire fighting water supplies from the town's main hydrants to meet the performance requirements (including flow, running pressure and distance) of SNZ PAS 4509:2008 and as approved by NZFS; and
- (n) provide a Fire Pump Room, which provides accommodation for both fire fighting pumps, valve sets and the NZFS attendance point, and is located outside the Primary Physical Barrier and is equipped with the fire brigade inlet points for the sprinkler systems and a boosted hydrant system.

## 12. Design for safe operation

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### 12.1 Works Requirement

The Contractor must ensure that the design of the Facility promotes a safe and healthy environment to support the Corrections Services Requirements, minimising or eliminating the possibility of Prisoner self-harm or harm to other Prisoners, Staff Members, contractors and Visitors.

### 12.2 Delivery Proposal

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix D to this Schedule 10;
- (b) ensure all buildings are designed in accordance with their usage to reduce the possibility of manufacture, concealment or improvisation of weapons;
- (c) [REDACTED]
- (d) provide a physical environment that enables all operational procedures associated with the elimination of drugs and contraband entering the Facility to be implemented;
- (e) [REDACTED]
- (f) [REDACTED]

- (g) [REDACTED]
- (h) [REDACTED]
- (i) [REDACTED]
- (j) [REDACTED]
- (k) [REDACTED]

## **13. Design for privacy and decency**

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### **13.1 Works Requirement**

The Contractor must ensure that the design of the Facility (including the Prison Cells) provides for Prisoners' privacy and decency needs in support of the Corrections Services Requirements, whilst maintaining essential surveillance/monitoring of Prisoners.

### **13.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix C and Appendix D to this Schedule 10;
- (b) [REDACTED]
- (c) [REDACTED]
- (d) mitigate the consequences of Prison Cell sharing in the House Blocks in relation to privacy and decency by providing appropriate screening to the ablutions area that ensures that a Prisoner using the ablutions cannot be seen by the other Prisoner from either of the bed positions or from sitting at the desk;
- (e) [REDACTED]
- (f) [REDACTED]

## 14. Design for refurbishment

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### 14.1 Works Requirement

The Contractor must ensure the Facility (including infrastructure) allows for periodic refurbishment and planned maintenance, while ensuring continued operation.

### 14.2 Delivery Proposal

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix D and Appendix H to this Schedule 10;
- (b) ensure buildings are designed so that they can be periodically refurbished and maintained with a minimum of disruption to operations; and
- (c) ensure building services include multiple modular plant, including heating and domestic hot water boilers [REDACTED] and standby generator and chillers [REDACTED] which shall allow continual operation while one is replaced or repaired.

## 15. Disaster recovery

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### 15.1 Works Requirement

The Contractor must ensure that the design of the Facility supports the management systems and contingency measures (including, but not limited to, the Emergency Procedures and Business Continuity Manual) in place to allow the Prison to be self-sufficient in times of emergency (including natural disaster).

### 15.2 Delivery Proposal

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix D and Appendix H to this Schedule 10;
- (b) [REDACTED]
- (c) [REDACTED]
- (d) ensure that there is ample weatherproof space within the Prison to store large quantities of supplies in the event of an emergency;
- (e) [REDACTED]

- (f) design the stormwater for a one in 100 year rainfall event, providing a low risk of impact on Prison operation due to flooding, by designing the Facility in accordance with NZS 4404; and
- (g) design the Facility, including the structure and building services, to resist earthquake in accordance with NZS 1170.5 and NZS 4219, with the following critical buildings and equipment designed for a minimum importance level 3 and for an ultimate limit state event of 1 in 2500 years:
  - (i) Primary Physical Barrier;
  - (ii) fire, diesel fuel and potable water tanks, including pumps and associated equipment;
  - (iii) Fire Pump Room;
  - (iv) FM and Bulk Store building;
  - (v) Gatehouse;
  - (vi) House Blocks;
  - (vii) Health, Education and Programmes building;
  - (viii) Management Unit; and
  - (ix) Residences.

## **16. Ethnic considerations**

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### **16.1 Works Requirement**

The Contractor must ensure the design of the Facility considers the cultural requirement of Prisoners, Staff Members and Visitors of all applicable ethnic groups.

### **16.2 Delivery Proposal**

The Contractor will comply and will:

- (a) create a Prison design that integrates Tikanga, Kaitiaki and Kaupapa Māori into the everyday lives of Prisoners and in the provision of spaces in the Facility;
- (b) provide a Wharekura, a Fale Pasifika and a separate multicultural spiritual space (including a prayer room facility) located within the Health, Education and Programmes building; and
- (c) provide a Cultural Centre outside the Primary Physical Barrier.

## Part 4 - Masterplan considerations

### 17. Circulation strategy – within the secure perimeter

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#### 17.1 Works Requirements

The Contractor must ensure that appropriate circulation is incorporated to permit all necessary movement and communication to take place with proper regard for security and safety and the Corrections Services Requirements. Without limitation, the Facility must be designed and constructed:

- (a) to ensure routes are of adequate design in terms of their capacity for the numbers envisaged and assessed to account for both normal circulation and emergency evacuation;
- (b) to cater appropriately for Prisoners with disabilities;
- (c) to ensure consistency with security requirements;
- (d) to allow and assist rapid intervention by Staff Members in the event of a disturbance, (e.g., access for control and restraint); and
- (e) to cater for deliveries and other servicing requirements.

#### 17.2 Delivery Proposal

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix D and Appendix I to this Schedule 10;
- (b) provide a major circulation spine that connects the Management Unit, the House Blocks and the Residences with the Visits & Administration building, Health, Education and Programmes building, Reception, Fale Pasifika and Wharekura. Secondary access routes shall be provided to all other buildings;
- (c) ensure pathways are sufficiently wide to accommodate the numbers of Prisoners and Staff Members moving at any one time. Building platforms have been prepared so that grades of connecting paths are in accordance with NZS 4121 Design for Access and Mobility;
- (d) provide appropriate routes for emergency vehicles through the Prisoner-free zone and via the internal access road around the perimeter;
- (e) ensure the minimum width of circulation paths within the Department Site is two metres;
- (f) ensure all delivery areas and pathways are designed to accommodate movements of trolleys, trailers, etc., including turn around;
- (g) [REDACTED]
  - (i) [REDACTED]
  - (ii) [REDACTED]

(h)

[REDACTED]

## **18. Circulation strategy – outside the secure perimeter**

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### **18.1 Works Requirements**

The Contractor must ensure:

- (a) that the Facility is designed to permit rational circulation;
- (b) that connectivity outside the main security line (e.g., between the perimeter fence, or similar, and the Department Site boundary) is rational, connects and integrates with access routes and facilities inside the main security line and beyond the Department Site boundary;
- (c) that an all weather access track off the existing ARWCF access road is provided to allow vehicle access for the Department and Department Personnel to the wetland area located, and immediately adjacent to, the south-western corner of the Department Site; and
- (d) that the Facility is designed to cater for emergency response and access to and around the Department Site.

### **18.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix D and Appendix I to this Schedule 10;
- (b) provide a roundabout, together with appropriate curvature of the driveway, to limit the ability of vehicles to get up the speed necessary to attack the Gatehouse via a large vehicle ram raid;
- (c) provide separate staff parking and visitor parking;
- (d) provide CCTV coverage for the car parks, vehicle entry roads and compounds for general surveillance purposes. In addition, pole mounted CCTV cameras shall be located external to the Primary Physical Barrier and shall provide the capability for full surveillance of all external approaches to the Prison;
- (e) [REDACTED]
- (f) provide access control to the Staff Training Centre;
- (g) [REDACTED]
- (i) [REDACTED]

(ii) [REDACTED]

(iii) [REDACTED]

(iv) [REDACTED]

(v) [REDACTED]

(vi) [REDACTED]

(h) [REDACTED]

(i) [REDACTED]

(j) [REDACTED]

(k) [REDACTED]

(l) [REDACTED]

(m) [REDACTED]

(i) [REDACTED]

(ii) [REDACTED]

(iii) [REDACTED]



[REDACTED]

(iv) [REDACTED]

(n) [REDACTED]

(o) [REDACTED]

(p) design the Facility to cater for emergency response and access to and around the Department Site whether by vehicular and/or pedestrian access; and

(q) provide connectivity off the existing ARWCF access road to the wetland areas by an all weather unsealed base coursed access track suitable for vehicles (with the exception of heavy motor vehicles).

## **19. Zoning strategy**

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### **19.1 Works Requirement**

The Contractor must ensure that the design and construction of the Facility provides for zoning that reflects segregation and classification requirements, and reflects the Corrections Services Requirements in relation to zones internal and external to the Facility and access between zones.

### **19.2 Delivery Proposal**

The Contractor will comply and will comply with the segregation scheme and zoning demonstrated in Appendix D and Appendix I to this Schedule 10.

## **20. Containment**

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### **20.1 Works Requirement**

The Contractor must ensure that all Prisoners are contained in a safe, secure, humane and effective way whilst protecting the surrounding community.

### **20.2 Delivery Proposal**

The Contractor will comply and will comply with the overall site layout plan, plans, elevations, sections and details attached at Appendix C and Appendix D to this Schedule 10.

## **21. Civil engineering**

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### **21.1 Works Requirement**

The Contractor must ensure that an integrated and workable site plan is developed and adhered to with due regard to all site services (for example, water reticulation, stormwater, sewer, etc.) and site utilities (for example, telecommunications, gas, trunk water supply, electricity, etc.).

### **21.2 Delivery Proposal**

The Contractor will comply and will comply with the overall site layout plan, plans, elevations, sections and details attached at Appendix D to this Schedule 10.

## **22. External surfaces**

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### **22.1 Works Requirement**

The Contractor must ensure that external surfaces are designed and constructed appropriately for their use as intended under this Agreement.

### **22.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide the Works (including the external surfaces) in accordance with Appendix B, Appendix D and Appendix G to this Schedule 10;
- (b) design the visitor and staff car parking areas with a minimum 25mm depth Mix 10 asphalt surfacing, to accommodate tight radius vehicle manoeuvring. The granular pavement design for car parking areas shall be based on a sub grade CBR of > 7;
- (c) design the sealed access road from Kiwi Tamaki Road with a minimum 35mm depth Mix 14 asphalt surfacing. The granular pavement design for the access road shall be based on a sub grade CBR of > 7. The access road to the Facility shall cater for heavy motor vehicles;
- (d) design the sealed internal ring road with a minimum 25mm depth Mix 10 asphalt surfacing. The granular pavement design for the internal ring road shall be based on a sub grade CBR of > 7. The internal ring road shall cater for 8 metre rigid trucks for service deliveries and maintenance. The internal ring road shall also cater for semi-trailer heavy motor vehicles from the Gatehouse to the FM and Bulk Store building;
- (e) design the unsealed external ring road to be GAP40 basecourse material. The thickness of basecourse for external ring road shall be based on a sub grade CBR of > 7;
- (f) ensure footpaths in the non-secure parts of the Facility, are constructed using 20MPa fibre reinforced concrete with a broomed finish. The thickness of concrete shall be not less than 110mm. All central asphalt footpath pavements within the secure parts of the Facility that are not the internal ring road will be a minimum 25mm depth Mix 10 asphalt surfacing. The granular pavement design for these pavements shall be based on a sub grade CBR of > 7. These pavements shall cater for a 3 tonne vehicle for building maintenance;

- (g) ensure the perimeter road is suitable to be used for vehicular access to the individual building's attendance points by fire appliances, including:
  - (i) it is able to withstand a laden weight of up to 25 tonnes with an axle load of 8.2 tonnes or have a load bearing capacity of no less than the public roadway serving the property, whichever is lower;
  - (ii) it is able to withstand a vehicle of multiple axles spaced at no less than 2.5 metre centres, and each carrying 8.2 tonnes;
  - (iii) it is trafficable in all weathers;
  - (iv) it is provided with widths no less than 3.6 metres and corners and turning areas shall accommodate a 99 percentile fire appliance; and
  - (v) it has a clear passage way of no less than 3.5 metres in width and 4.0 metres in height at the site entrance, internal entrances and between buildings; and
- (h) design and co-ordinate the external surfaces with the site-wide security requirements and operation of a safe Prison, including in relation to the access to and egress from, and movements of persons, items and equipment into, out of and within, the Prison.

## **23. Utilities engineering**

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### **23.1 Works Requirement**

The Contractor must ensure that the design of the infrastructure on the Department Site relates to and takes account of utilities services infrastructure with regard to current and reasonable future demand.

### **23.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide the Works (including the utilities services infrastructure) in accordance with Appendix D and Appendix H to this Schedule 10;
- (b) include a metered supply through high voltage switchgear and 2 x 750 kVA transformers; and
- (c) provide spare ways in the four main area switchboards to accommodate future expansion.

## **24. Site geotechnical engineering**

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### **24.1 Works Requirement**

The Contractor must ensure that the design acknowledges and makes allowance for all geotechnical constraints of the Department Site and immediately surrounding areas.

### **24.2 Delivery Proposal**

The Contractor will comply and will, as a minimum:

- (a) compact cohesive fill to achieve an average undrained shear strength of 130 kPa and air voids on average less than 8 per cent, and granular fill will be compacted to 95 per cent of maximum dry density;
- (b) not use soils with a plasticity index greater than 35 per cent or with a liquid limit greater than 50 per cent as fill;
- (c) design all embankments and cuttings to achieve the following factors of safety:

Scenario	Minimum factor of safety
<b>Case A</b>  Design operating conditions, moderately conservative drained parameters, hydrostatic pore pressures	1.5
<b>Case B</b>  As case a with groundwater at surface	1.0
<b>Case C</b>  Short term stability using undrained parameters	1.2
<b>Case D</b>  Ultimate limit state seismic design acceleration  (PGA = 0.31g for earthworks supporting T100 structures or 0.22g for earthworks supporting T50 structures)	1.1

- (d) construct all foundations on material tested to the same standards required of the proposed fill. The compacted fill shall provide an ultimate (unfactored) bearing capacity of not less than 600 kPa for a 1 metre wide strip footing at 0.5 metres below ground level;
- (e) provide for all building foundation sub grades on existing fill to be inspected and certified by the geotechnical engineer, prior to building foundation construction;
- (f) test any other sub grade materials encountered at foundation level. Granular or cohesive soils shall be tested in the manner prescribed for fill. If any of the material fails the testing, the material shall be reworked and retested to comply with the fill specification;
- (g) provide that all building foundation sub grades on basalt are to be inspected and certified by the geotechnical engineer prior to the building foundation construction; and
- (h) undertake additional ground investigation during detailed design to confirm the settlement and liquefaction potential at key foundation locations.

## **25. Relationship with ARWCF**

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### **25.1 Works Requirements**

The Contractor must ensure:

- (a) there is integration in the design to prevent communication and transfer of objects and:
  - (i) prevent lines of sight between the Facility and ARWCF from the secure area inside the Primary Physical Barrier; and
  - (ii) minimise lines of sight between the Facility and ARWCF from the non secure area outside the Primary Physical Barrier; and
- (b) that:
  - (i) the design prevents the operation of the Prison impacting; and
  - (ii) the construction methodologies prevent the construction of the Prison, to more than a minimal extent, impacting,
    - on ARWCF and its operation (including, but not limited to, in relation to sound disturbance, vehicular and other movements, and shared access routes).

### **25.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide the Works in accordance with Appendix D to this Schedule 10;
- (b) prior to the permanent Primary Physical Barrier being installed, install a 2.4 metre high plywood temporary fence adjacent to the ARWCF boundary; and
- (c) ensure the boundary of the ARWCF area adjacent to the staff car park is protected with a planted screen fence to a minimum height of 1.2 metres and a landscaped earth bund of a minimum height of 1.5 metres.

## **26. Site investigation, assessment, characterisation**

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### **26.1 Works Requirement**

The Contractor must obtain all necessary consents to discharge contaminants to land and/or water from the Department Site (and any laydown areas) during construction and during operation.

### **26.2 Delivery Proposal**

The Contractor will comply.

## **27. Contamination management**

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### **27.1 Works Requirements**

The Contractor must ensure that all issues of contamination are identified and managed effectively in the design, construction and operation of the Facility, including but not limited to:

- (a) in relation to human health and environmental risks derived from any contaminants that may reside in the land and/or water on or beneath the Department Site;
- (b) in relation to the handling of any unacceptable waste that occurs on and/or beneath the Department Site;
- (c) in relation to water discharges made from the Department Site; and
- (d) in all cases, in compliance with Ministry for the Environment “Clean Fill Guidelines”.

### **27.2 Delivery Proposal**

The Contractor will comply and will comply with the Auckland Council approved Contaminated Land Management Plan (as required by the Designation).

## **Part 5 – Development of building design**

## **28. Building design**

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### **28.1 Works Requirement**

The Contractor must ensure that individual building design supports the Corrections Services Requirements.

### **28.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide buildings and utilise a layout that promotes the operational outcomes required, including the provision of a therapeutic environment, spaces designed to fit the function, robustness, safety and security;
- (b) provide the following buildings within the Primary Physical Barrier:
  - (i) Visits & Administration building;
  - (ii) Fale Pasifika;
  - (iii) FM and Bulk Store building;
  - (iv) Gatehouse (including the Sally Port and the Utilities Area);
  - (v) House Block 1 and Management Unit;
  - (vi) House Block 2;

- (vii) House Block 3;
  - (viii) Health, Education and Programmes building;
  - (ix) Horticulture building;
  - (x) Industries;
  - (xi) Kitchen & Laundry;
  - (xii) Officer Post;
  - (xiii) Reception;
  - (xiv) Residences 1 through to 10 (with Residence 10 being accessible);
  - (xv) Sports Hall;
  - (xvi) Waste and Recycling building; and
  - (xvii) Wharekura;
- (c) provide the following buildings outside the Primary Physical Barrier:
- (i) Fire Pump Room;
  - (ii) Visitors Centre;
  - (iii) Staff Training Centre; and
  - (iv) Cultural Centre; and
- (d) ensure all building design, layout and construction complies with the information set out in Appendix B, Appendix C, Appendix D, Appendix F, Appendix G and the security lines drawings referred to as the “Appendix B Security Lines” included in Appendix I to this Schedule 10.

## **29. Internal circulation design**

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### **29.1 Works Requirement**

The Contractor must ensure the design of the individual buildings provides for appropriate internal circulation and ensures adequately managed access, egress and means of emergency escape for users without compromise to health and safety.

### **29.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide all building design, layout and construction that complies with the information set out in Appendix B, Appendix C, Appendix D, Appendix F, Appendix G and the security lines drawings referred to as the “Appendix B Security Lines” included in Appendix I to this Schedule 10; and
- (b) design buildings to:

- (i) utilise all reasonable measures to prevent climbability and Prisoner access to building roofs;
- (ii) provide stair and lift access to the first floor of the House Blocks;
- (iii) ensure each House Block dayroom has a secure fire/emergency access at the outer end of the dayroom;
- (iv) ensure the secure exercise yards to the House Blocks and the Management Unit each have a controlled secure access gate to open space; and
- (v) provide signage across the Department Site that will aid with movement around the Department Site.

## **30. Weathertightness**

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### **30.1 Works Requirement**

The Contractor must ensure that design, detailing and construction of the Facility results in a fully weathertight Facility that can be maintained over the lifetime of the Facility.

### **30.2 Delivery Proposal**

The Contractor will comply and will comply with Appendix D and Appendix G to this Schedule 10.

## **31. Physical characteristics**

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### **31.1 Works Requirement**

The Contractor must ensure that the design and construction of the external building envelope is appropriate for the use intended under this Agreement.

### **31.2 Delivery Proposal**

The Contractor will comply and will comply with Appendix D and Appendix G to this Schedule 10.

## **32. Site design considerations**

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### **32.1 Works Requirement**

The Contractor must ensure that the individual buildings are designed to respond to the local site conditions including but not limited to weather patterns, the adjacent marine environment, Wiri Oil Services Limited and airport flight paths.

### **32.2 Delivery Proposal**

The Contractor will comply and will:

- (a) design all external facades to all sleeping areas to achieve an indoor noise level of LAeq 35dB with external doors and windows closed. The design shall be based on a level of LAeq 70dB measured at any point on the boundary of the Department Site



based on the source of noise being at 60 metres inside the neighbouring sites. The spectrum of the noise on the boundary shall be that prescribed in the table below:

63Hz	125Hz	250Hz	500Hz	1000Hz	2000Hz	4000Hz	Overall Sound Level, dB(A)
79dB	72dB	71dB	66dB	64dB	64dB	59dB	70

The design shall take into account the typical reverberation time of the receiving rooms. These spaces shall also be provided with alternative ventilation in accordance with or better than the requirements of the NZBC to the satisfaction of the Auckland Council's Manager – Resource Consents (as required by the Designation);

- (b) provide the Facility in accordance with Appendix D and Appendix G to this Schedule 10;
- (c) ensure the external facilities have associated open-space and garden areas orientated to maximise summer and winter comfort;
- (d) choose building orientation and location to ensure all Prison Cells and dayrooms (with the exception of the At Risk Prison Cells in the Health, Education and Programmes building) obtain natural light during the day and solar access has been maximised where practical. Openable clerestory windows for ventilation shall be provided to the dayroom areas of all wings;
- (e) given the Department Site is subject to wind channelling from the estuarine areas to the south and south west, provide for a design that improves the conditions and shelters part of the open space in the centre of the Prison; and
- (f) ensure the design takes into account the fact that the Department Site is adjacent to the Manukau Harbour and, accordingly, has a marine environment.

### **33. Deliveries and refuse disposal**

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#### **33.1 Works Requirement**

The Contractor must ensure the design of individual buildings supports the Corrections Services Requirements for deliveries and refuse disposal.

#### **33.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix D to this Schedule 10;
- (b) design the Prison to address the following imperatives:
  - (i) safety – there must be adequate separation of vehicles and personnel and vehicles must have sufficient space to manoeuvre safely, especially if reversing;
  - (ii) security – Prisoner access to delivery vehicles must be closely controlled to minimise the risk of escape and smuggling contraband; and

- (iii) efficient operation – vehicles must have convenient access to unloading and loading areas within the Primary Physical Barrier and vehicle movements must not interfere with the normal operation of the Prison;
- (c) ensure the Prison is designed and managed to ensure the safe and secure handling of all types of deliveries and pickups. Adequate vehicle access, security procedures, loading zones, storage and distribution shall be provided;
- (d) ensure refuse is managed safely, without compromising security, and in a manner that is environmentally responsible; and
- (e) provide a Waste and Recycling building that consists of a large fenced compound with a minimum three metre high secure anti-climb mesh screen.

## **34. Storage/handling**


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### **34.1 Works Requirement**

The Contractor must ensure the design provides for appropriate storage space of adequate size and location, taking into account the security and Corrections Services Requirements of the Facility.

### **34.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix D to this Schedule 10;
- (b) ensure the Prison's storage requirements are met by the provision of a large main bulk store in the FM and Bulk Store building;
- (c) provide each independent building of the Prison with its own storage facilities, with the size, location, access arrangements and the degree of security protection afforded in each case to reflect and deliver the particular functional requirement (with the exception of the Officer Post, Wharekura, Fire Pump Room and Cultural Centre);
- (d) provide effective Prisoner Property storage with a capacity that shall give a total volume in excess of the requirement of 0.5m<sup>3</sup> useable storage volume for each Prisoner and that facilitates high levels of control around security and access;
- (e) provide a dehumidifier, including a plumbed in drain, to the Prisoner Property store located on the first floor of the Reception building;
- (f) provide appropriate secure storage for Prisoner valuables that facilitates high levels of control around security and access;
- (g) provide appropriate secure storage for evidence that facilitates high levels of control around security and access;
- (h) 
- (i) provide appropriate secure archive storage to cater for documentation retention requirements; and

- (j) ensure the kitchen area of the Kitchen & Laundry building has a level of storage space sized to facilitate the cook-chill catering strategy and to enable seven days' consumption of foodstuffs to be stored.

## **35. Maintenance access**

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### **35.1 Works Requirement**

The Contractor must ensure the design provides access for the maintenance of the Facility, taking into account safe and secure maintenance operations and periodic maintenance of building services installations or elements.

### **35.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix D to this Schedule 10;
- (b) provide cleaning and maintenance access to all areas;
- (c) ensure the building designs provide for maintenance access according to the nature of buildings. [REDACTED]
- (d) ensure distribution pipework, ductwork and cabling, along with small in-ceiling plant, such as fan coil units, shall be in services risers and ceiling spaces. [REDACTED]
- (e) [REDACTED]
- (f) [REDACTED]
- (g) [REDACTED]
- (h) [REDACTED]
- (i) [REDACTED]

- (j) install, within designated rooms, ICT and security equipment racks, with appropriate safe provision made for access space to the front and rear of the racks to enable safe access by maintenance staff for replacement and servicing activities. Such access will be provided to the front and/or rear of the racks; and
- (k) minimise the number of locations where maintenance access to security services equipment is within or via Prisoner-accessible areas.

## 36. Staff egress provisions

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### 36.1 Works Requirement

The Contractor must ensure the individual building designs support the Corrections Services Requirements in relation to the management of disturbance situations, including staff access and retreat and Prisoners gaining access to unauthorised spaces.

### 36.2 Delivery Proposal

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix D and Appendix I to this Schedule 10;
- (b) ensure Staff Members are able to retreat to a secure zone and to protect themselves;
- (c) ensure barriers throughout the Facility are to a secure standard to ensure that Prisoners are excluded from strategic spaces and to ensure their secure containment in others;
- (d) [REDACTED]
- (e) [REDACTED]
- (f) [REDACTED]
  - (i) [REDACTED]
  - (ii) [REDACTED]
  - (iii) [REDACTED]
  - (iv) [REDACTED]
  - (v) [REDACTED]
  - (vi) [REDACTED]
  - (vii) [REDACTED]
  - (viii) [REDACTED]

(ix)

[REDACTED]

(g)

[REDACTED]

## **37. Structural engineering**

---

### **37.1 Works Requirements**

The Contractor must ensure:

- (a) that the structural design of the Facility reflects the design life expectancy (as specified in Appendix B) and considers the nature of use of a prison; and
- (b) that the structure is integrated and co-ordinated with the building fabric and all building services.

### **37.2 Delivery Proposal**

The Contractor will comply and will:

- (a) meet the intended design life expectancy stated in the table provided in Appendix B to this Schedule 10;
- (b) provide the Facility in accordance with Appendix D and Appendix G to this Schedule 10;
- (c) [REDACTED]
- (d) [REDACTED]
- (e) ensure external steelwork is hot dip galvanised.

## **Part 6 – Individual space design**

### **38. Prison Cells**

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#### **38.1 Works Requirements**

The Contractor must ensure:

- (a) all Prison Cells are designed and constructed to a specification and a standard that allows the Contractor to comply with the Corrections Services Requirements; and

- (b) all Prison Cells are designed to a size appropriate for all activities in that space as required by the Corrections Services Requirements.

## 38.2 Delivery Proposal

The Contractor will comply and will:

- (a) ensure the Prison Cells constitute:

- (i) a safe living environment;
- (ii) a secure living environment;
- (iii) a decent living environment; and
- (iv) a living environment that affords appropriate amenity for Prisoner activities;

- (b) as a minimum, the following Prison Cells are provided:

House Block 1	76 single cells, 80 double cells and 4 accessible cells
House Block 2	36 single cells, 120 double cells and 4 accessible cells
House Block 3	48 single cells, 100 double cells, 4 accessible cells and 8 At Risk cells
Residences	236 single cells and 4 accessible cells
Management Unit	11 management cells, 1 management accessible cell, 2 dry cells
Health, Education and Programmes building	2 At Risk cells (observation cells)

- (c) ensure the layout of all House Block Prison Cells provides adequate personal space and levels of privacy when occupied by two Prisoners;
- (d) provide desk space ample for two occupants in all House Block Prison Cells;
- (e) provide appropriate storage in all House Block Prison Cells;
- (f) ensure all Prison Cell beds have a minimum 895mm width dimension and minimum length of 1990mm (as measured from the outside frame of the bed);
- (g) ensure Prison Cell design minimises opportunity for self-harm and ligature points. All plumbing fittings shall be designed specifically for prisons and shall be designed to minimise ligature and concealment points and be flat backed and fixed flush with the wall. All furniture and fittings shall be close fitted;
- (h) ensure the structure of each Prison Cell (excluding in the Residences) has smooth concrete internal surfaces, which minimises projections or ledges that could be used for ligature within the Prison Cells. The Prison Cells in the Residences shall also have smooth internal surfaces, which minimises projections and ledges that could be used for ligature within the Prison Cells.

- (i) construct Prison Cell doors so they are sufficiently robust and of a design that is appropriate for meeting operational procedures. The final design of Prison Cell doors shall be required to meet the Works Completion Test for Prison Cell door robustness;
- (j) [REDACTED]
- (k) [REDACTED]
- (l) make furniture fit-out elements with steel support frames where required. Use appropriate materials for wet areas;
- (m) [REDACTED]
- (n) [REDACTED]
- (o) [REDACTED]
- (p) [REDACTED]
- (q) [REDACTED]
- (r) [REDACTED]
- (i) [REDACTED]
- (ii) [REDACTED]
- (s) [REDACTED]
- (t) [REDACTED]
- (u) ensure that the Prison Cells, as a minimum, meet the requirements of the Room Data Sheets and the requirements of Appendix A, Appendix D, Appendix F, Appendix G, Appendix H and Appendix I to this Schedule 10.

## **39. Internal visual environment**

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### **39.1 Works Requirement**

The Contractor must ensure that the internal environment is suitable for the individual function of each individual space, including in relation to colour, material and spatial aspects of the space created.

### **39.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix D, Appendix E, Appendix G and Appendix H to this Schedule 10;
- (b) ensure spaces that are used for holding Prisoners are not oppressive but shall be light, airy and calming. This shall be achieved in part through the use of appropriate colour, window placement and room layout;
- (c) ensure Prisoner areas such as dayrooms and programme spaces are large, well lit, acoustically treated and appropriately coloured; and
- (d) provide Visitor and public spaces with larger more corporate spaces. The foyers shall have volume that suits the requirements of an entry and congregation space. They shall be light and transparent and provide a visual connection to the next space or external area. The colours and material shall be warm and inviting.

## **40. Light**

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### **40.1 Works Requirements**

The Contractor must ensure:

- (a) the quality, quantity and balance of natural and artificial lighting is appropriate to the specific use of that building and must reinforce the objectives of providing an appropriate quality for the rooms/spaces in the Facility; and
- (b) that where natural light is provided by roof lighting and other similar means, it shall be secure and provision made for health and safety issues.

### **40.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix D, Appendix H and Appendix I to this Schedule 10;
- (b) consider lighting in terms of sustainable design best practice, occupational health and safety and functionality;
- (c) ensure the use of natural light is a design imperative wherever possible to reduce energy;



- (d) provide natural light to Prison Cells through appropriately secure external windows (with the exception of the At Risk Prison Cells in the Health, Education and Programmes);
- (e) where appropriate, provide internal spaces of the House Blocks with areas of glazing to make the best use of natural light;
- (f) ensure that Prisoner-accessible areas other than Prison Cells have exterior windows wherever practical;
- (g) ensure staff and Visitor facilities have exterior windows where practical and are supplemented by skylights if not achievable due to operational constraints;
- (h) in the Industries and the Sports Hall, provide natural light by translucent panels or operable roller doors secured with galvanised mesh;
- (i) ensure supplementary artificial lighting is provided in all buildings to NZS 6703 or AS/NZS 1680 in all buildings during overcast conditions or at any time that the natural light is insufficient;
- (j) design and maintain lighting within buildings and across the Department Site to maximise safe and efficient access. The security systems shall be integrated with the lighting systems;
- (k) ensure that each room in the Facility is provided with artificial lighting that complies with AS/NZS1680 to allow for tasks to be achieved; and
- (l) use photoelectric lighting controllers to control external lighting and use timers to switch off lights after hours in all buildings (with the exception of the Gatehouse, the House Blocks, the Management Unit, the Kitchen & Laundry, the Officer Post and the Residences).

## **41. Ventilation**

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### **41.1 Works Requirement**

The Contractor must ensure that the ventilation of spaces is appropriate for the use intended under this Agreement, the prevailing environmental conditions, fire and safety requirements, security and pass through requirements, and is consistent with sustainability objectives.

### **41.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix C, Appendix D and Appendix H to this Schedule 10;
- (b) through natural ventilation, provide an appropriately secure opportunity for the Prisoner to control his environment in the House Block Prison Cells and the Residences through openable windows;
- (c) provide natural ventilation to the Industries training rooms through appropriately secured ventilation openings;
- (d) ensure the House Block and Management Unit Prison Cells (with the exception of the dry Prison Cells in the Management Unit) are mechanically extracted from the toilet and shower area, with a total capacity that meets or exceeds the NZBC requirement

for outdoor air. This capacity shall allow boost ventilation, controlled by variable speed drive, programmed to the peak morning shower period. The accessible Prison Cells in the Residences shall also be mechanically extracted from the toilet and shower area;

- (e) provide the thermal environment by supplying tempered ventilation air in winter in the House Block Prison Cells;

- (f) [REDACTED]

- (g) [REDACTED]

## 42. Internal room acoustics

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### 42.1 Works Requirement

The Contractor must ensure appropriate room acoustic performance,

### 42.2 Delivery Proposal

The Contractor will comply and will:

- (a) ensure the sound transmission class (STC) ratings, impact sound criteria and airborne sound criteria requirements and performance standards for the Facility set out in Appendix E to this Schedule 10 are achieved;
- (b) ensure the following internal criteria for mechanical plant shall be met:

Area	Recommended Preferred Noise Criteria (dB)
House Block Prison Cells	30-35 night time 40-45 day time
Dayrooms	40-50
General offices	40-45
Prisoner Waiting Areas, Holding Rooms and search rooms	40-45
Main visits room within the Visits & Administration building	45-55
Visiting rooms in the Visits & Administration building	35-40
Classrooms	35-40
Library	35-40

Area	Recommended Preferred Noise Criteria (dB)
Consulting rooms	35-40
Residences	30-35

- (c) provide the Facility in accordance with Appendix C, Appendix D and Appendix H to this Schedule 10;
- (d) ensure acoustic services are fixed and supported as part of the mechanical services installation with regard for their size and weight. Where likely to be affected by weather, the following provisions shall be made:
  - (i) treat weather proofing and attenuation separately, with the weather rating being achieved by wall louvres appropriately installed and flashed at the wall, separated from any downstream attenuation;
  - (ii) attenuation by proprietary silencers rather than internal duct lining, for long term integrity;
  - (iii) attenuators being fitted to the main kitchen extract ducts shall be melanex lined to prevent the acoustic lining being affected by grease and moisture;
  - (iv) flexible couplings being immediately adjacent to the fans shall be weather-proofed by upstream louvres, and be of impervious material; and
  - (v) vibration mounts shall be installed to the structure to avoid secondary vibration and in locations remote from weather influence;
- (e) locate large plant in plant rooms with high noise reduction walls;
- (f) fit the standby generators with muffled exhaust systems and house them inside an enclosed reinforced concrete structure. The combination of enclosure and exhaust muffling shall ensure the noise from the generators is kept below the maximum 65 dB at the boundary;
- (g) ensure standby generators are in a separate walled room within the concrete Utilities Area of the Gatehouse, positively anchored and seismically restrained on resilient mounts. Fan coil units shall be resiliently mounted from the structure, and selected to minimise noise and attenuation requirements. Domestic hot water boiler and pumping plant shall be distributed with limited noise generation; and
- (h) manage velocity generated noise in air ducts by selection of appropriate design duct velocities and the use of variable speed fans to allow reduced volumes with reducing occupancy and loads. Velocity generated noise in water pipes shall be managed by the selection of appropriate pipe velocities and pipe materials and variable speed pumps shall be used to allow reduced flow with reducing loads. Vertical pipes including waste and rainwater pipes shall be located in sound rated service risers.

## **43. Thermal requirements**

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### **43.1 Works Requirements**

The Contractor must ensure:

- (a) thermal insulation meets or exceeds the requirements of the NZBC;
- (b) the thermal performance of the building envelope is maximised, as well as recognising how thermal requirements can influence the Corrections Services Requirements; and
- (c) the thermal environment is suitable for the health of all occupants while consistent with sustainability objectives.

### **43.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix C and Appendix H to this Schedule 10;
- (b) design the thermal envelope of each building to meet or exceed NZBC requirements;
- (c) ensure the heating design provides a minimum winter temperature of 16 degrees Celsius in House Block Prison Cells (assuming the windows in the relevant Prison Cells are kept closed). The predicted maximum summer temperature in the House Block Prison Cells has been demonstrated by thermal modelling to be 27 degrees Celsius, which is no higher than the peak summer ambient temperature recorded in the 10 year National Institute of Water and Atmospheric Research (NIWA) weather data for Auckland;
- (d) ensure high levels of thermal insulation on the outer wall of the Prison Cells raise the wall internal surface temperature to minimise radiant cooling and to avoid dampness, thereby avoiding health risks associated with cold damp walls; and
- (e) ensure that, during summer, dayroom mechanical ventilation is enhanced or replaced by increased outdoor air ventilation from automatically opening high level windows.

## **44. Fabric**

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### **44.1 Works Requirement**

The Contractor must ensure that the internal fabric, external claddings, doors, windows, other penetrations of similar robustness to other surrounding surfaces and floor coverings (including all fixings) of the Facility are of a suitable and robust nature in relation to the expected use of the Facility.

### **44.2 Delivery Proposal**

The Contractor will comply and will ensure materials are, at a minimum, in accordance with Appendix B, Appendix D and Appendix G to this Schedule 10.

## **45. Internal space size**

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### **45.1 Works Requirement**

The Contractor must ensure that the internal design of the Facility (including Prison Cells, circulation routes and outdoor areas) is of sufficient size and provides sufficient space to accommodate the intended use of each part of the Facility as provided by the Corrections Services Requirements.

### **45.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide the rooms in accordance with, and as stipulated in, Appendix C and Appendix D to this Schedule 10;
- (b) consider all internal spaces in terms of their functional and physical requirements, and ensure relevant areas are risk assessed to ensure safe, efficient and secure operation of each space; and
- (c) size staff and Visitor corridors appropriately for their use and pedestrian volume.

## **46. Building services integration**

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### **46.1 Works Requirements**

The Contractor must:

- (a) co-ordinate the building services design and construction; and
- (b) provide at Financial Close thorough integration and coordination through the use of 3D CAD modelling or similar in complex areas (plant room and major services risers).

### **46.2 Delivery Proposal**

The Contractor will comply and will co-ordinate the design of the building services trades including mechanical, electrical, plumbing, ICT and electronic security for space requirements and trade interfaces. This shall include ceiling services such as grilles and lights, and above ceiling reticulation such as cable trays, pipes and ducts.

## **47. Fixed furniture and equipment**

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### **47.1 Works Requirement**

The Contractor must ensure that the fixed furniture and equipment (FFE) support the Corrections Services Requirements and intended functions of the different areas of the Facility.

### **47.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide the Works (including fixed furniture and equipment) in accordance with Appendix C and Appendix D;

- (b) select fixed furniture and equipment following careful consideration of the intended functions of each space, with fixed furniture and equipment (as opposed to provision of loose furniture and equipment) appropriately selected for the spaces they are in; and
- (c) ensure material selections are robust, consider lifecycle issues, and are of appropriate finish quality (having regard to the spaces in which the fixed furniture and equipment is being installed).

## Part 7 – Facility building services

### 48. Electrical – general and Department Site supply

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#### 48.1 Works Requirement

The Contractor must ensure the sufficient and consistent provision of power to the Facility to satisfy the Corrections Services Requirements.

#### 48.2 Delivery Proposal

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix D and Appendix H to this Schedule 10;
- (b) [REDACTED]
- (c) [REDACTED]
- (d) [REDACTED]
- (e) [REDACTED]
- (f) serve the Health, Education and Programmes building by centrally located distribution boards located in secure areas. Earth leakage protection devices shall be provided for rooms that have been designated "body protected" so as to comply with AS/NZS 3003;
- (g) provide normal commercial electrical socket outlets and luminaires in Staff Member only areas and in the Residences and Officer Post;
- (h) ensure plant rooms (classed as secure areas) have robust socket outlets and luminaires;
- (i) provide main area switchboards to Industries, Kitchen & Laundry, Gatehouse, Officer Post and the Sports Hall, which in turn serve adjacent buildings. For the avoidance of doubt, the main area switchboard in the Officer Post will serve the Residences, and the main area switchboard in the Sports Hall will serve the House Block area;

- (j) locate main load centres to make the Facility suitable for low voltage (LV) site reticulation;
- (k) provide appropriate spare space capacity in conduits;
- (l) provide LV earthing that is a multiple earthed neutral system to protect against indirect contact and overcurrents to AS/NZS 3000;
- (m) provide functional earthing to support specialist security/data/communications systems;
- (n) install automatic power factor correction to the main LV switchboard in the Gatehouse plant room; and
- (o) install surge protection to the main LV switchboard in the Gatehouse and the main area switchboards to limit transient voltages.

## 49. Back-up power supply

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### 49.1 Works Requirement

The Contractor must ensure the Works provide sufficient backup power supply to satisfy the Corrections Services Requirements in the event of power shut down.

### 49.2 Delivery Proposal

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix H and Appendix I to this Schedule 10;

- (b) 

- (c) 

- (i) 

- (ii) 

- (iii) 

- (iv) 

- (v) [REDACTED]
- (d) [REDACTED]
- (e) [REDACTED]
- (f) provide the UPS with an external bypass facility to enable replacement of UPS without interruption to Critical Systems; and
- (g) ensure the fire alarm system comprises its own independent battery power supply that relies only on the mains power for charging. [REDACTED]

## 50. Lighting

### 50.1 Works Requirement

The Contractor must ensure that the lighting is appropriate to meet the Corrections Services Requirements.

### 50.2 Delivery Proposal

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix H to this Schedule 10;
- (b) in the external areas of the Department Site, utilise the following three lighting standards:
  - (i) the level of illumination required to detect persons;
  - (ii) the level of illumination required to recognise persons; and
  - (iii) the level of illumination required to identify persons (e.g., for evidential purposes);
- (c) in the external areas of the Department Site, provide the following:

**Table – External area lighting levels required to meet operational requirements**

Prison area	Day time requirement	Night time requirement	Lux levels required
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]



Prison area	Day time requirement	Night time requirement	Lux levels required
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

- (d) exterior lighting passes the tests contained within AS4282;
- (e) emergency lighting is designed to comply with the NZBC, clause F6 (Visibility in Escape Routes);
- (f) provide emergency lighting fittings that are distributed battery type with central monitoring of all parameters as detailed to comply with AS 2293.3:2005 as modified by NZBC clause F6;
- (g) in Prisoner-accessible areas within the buildings, provide minimum average lighting levels of 10 lux when operating from both the essential supply or back-up generator;
- (h) ensure Prison Cell lighting is remotely controlled from outside the Prison Cell (excluding the Residences Prison Cells);
- (i) incorporate into the main luminaire mounted on the ceiling in Prison Cells (with the exception of Residences Prison Cells) a blue night light, switched from outside the Prison Cell only; and

(j) [REDACTED]

- (i) [REDACTED]
- (ii) [REDACTED]
- (iii) [REDACTED]
- (iv) [REDACTED]
- (v) [REDACTED]
- (vi) [REDACTED]

- (vii) [REDACTED]
- (viii) [REDACTED]
- (ix) [REDACTED]
- (x) [REDACTED]
- (xi) [REDACTED]

## 51. Hot and cold water

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### 51.1 Works Requirement

The Contractor must ensure that the hot and cold water available inside and outside the Facility is suitable and sufficient to meet the Corrections Services Requirements.

### 51.2 Delivery Proposal

The Contractor will comply and will:

- (a) meet the intended design life expectancy stated in the table provided in Appendix B to this Schedule 10;
- (b) provide the Facility in accordance with Appendix H to this Schedule 10;
- (c) ensure that within the buildings the cold and hot water services are reticulated within secure locations that provide for appropriate secure access for maintenance, with the exception of the Fire Pump Room and the Waste & Recycling building;
- (d) isolation valves for hot and cold water shall be located in such a manner so they can be maintained from a secure access point, and isolated within a rapid turn around time;
- (e) reticulate cold water in a ring main through the Department Site in buried pipe;
- (f) distribute cold water within buildings through isolatable piping;
- (g) generate hot water locally within each building (with the exception of the Fire Pump Room and the Waste & Recycling building), either by gas water heaters within plant rooms or by electric storage cylinders in a local cupboard for which secure access shall be provided for maintenance;
- (h) install assets that require regular maintenance, such as tempering valves, within the risers (which is a secure but accessible location) for maintenance without impacting on the use of the area; and
- (i) [REDACTED]

## 52. Sanitary services

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### 52.1 Works Requirement

The Contractor must ensure the sanitary services to buildings are provided to meet the Corrections Services Requirements.

### 52.2 Delivery Proposal

The Contractor will comply and will:

- (a) meet the intended design life expectancy stated in the table provided in Appendix B to this Schedule 10;
- (b) provide the Works (including sanitary services) in accordance with Appendix C, Appendix D and Appendix H to this Schedule 10;
- (c) design the sanitary waste system within the building in accordance with the NZBC G13/AS3 Part 8 (acceptable solutions);
- (d) ensure the Prison Cell water management system is at a minimum the Macdonald Industries "Warden 4" system that controls shower, basin and toilet flushing;
- (e) select fixtures for non-Prisoner-accessible areas that minimise flow rate when in use. Star rated taps, shower heads, WCs and urinals shall be specified with maximum flow rates and flushing volumes. Urinals shall have programmable flushing control;
- (f) ensure each fixture has an individual isolation valve (in the case of House Blocks, in the services duct) to allow isolation for maintenance and inspections for contraband;
- (g) install sanitary uPVC pipe work that is reticulated in services risers and voids. All waste pipe work shall be concealed from Prisoner-accessible areas. [REDACTED]
- (h) provide floor clean out points with secure access at the end of each horizontal branch and ensure they are installed flush with the floor. Each access point in Prisoner-accessible areas shall be securely fastened with a security cover;
- (i) install in the kitchens (excluding Residences kitchens) the greasy waste in copper up to the grease trap. The pipe work shall be insulated and the grease trap shall be provided with lockable lids;
- (j) provide drainage within the buildings with access at the base of each stack and at the end of each branch; and
- (k) [REDACTED]

## 53. Stormwater

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### 53.1 Works Requirements

The Contractor must ensure:

- (a) that the design of the stormwater for the Facility meets all requirements of the relevant local authorities; and
- (b) that all stormwater is drained in a manner that mitigates environmental effects and nuisance to the Department Site or adjoining neighbours.

## **53.2 Delivery Proposal**

The Contractor will comply and will:

- (a) meet the intended design life expectancy stated in the table provided in Appendix B to this Schedule 10;
- (b) design the stormwater for a 100 year ARI rainfall event;
- (c) provide the Facility in accordance with Appendix D to this Schedule 10;
- (d) collect and convey all stormwater runoff generated by impermeable surfaces within the Department Site in formal piped or open channel drain systems. Collection of runoff into piped systems shall be via secured grated catchpits;
- (e) ensure all primary conveyance stormwater pipes are a minimum diameter of 225mm to reduce the risk of blockage. Down pipe drains shall be a minimum 150mm diameter. A maximum pipe diameter of 750mm shall be used within the secure portion of the Department Site;
- (f) develop the overall site contour to ensure that, in rainfall events generating runoff in excess of the capacity of formal drainage systems, stormwater shall be conveyed through the Department Site towards the lower wetland area to ensure that buildings and other areas on the Department Site are not prone to flooding;
- (g) relocate the existing man-made open channel outlet from Pond 2 at Hautu Drive cul-de-sac adjacent to the South Eastern boundary, maintain discharge to the lower wetland and provide a new conveyance system for outflows from Pond 2 that includes a piped system for low flow, up to the five year ARI, and an open channel to cater for extreme storm events up to the 100 year ARI. A number of culverts shall be provided within the open channel to accommodate extreme flows beneath car parks and roads;
- (h) connect an existing 225mm diameter pipe that currently discharges into a man-made open channel on the Department Site into the stormwater system constructed as part of the Prison. The existing man-made open channel shall be removed;
- (i) ensure all overland flows from upstream properties, open channels and enclosed pipe systems are designed to cater for 100 year ARI flows; and
- (j) utilise robust features in the stormwater management system suitable to a corrections environment.

## **54. Site sanitary drainage**

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### **54.1 Works Requirement**

The Contractor must ensure the sanitary drainage services for the Facility fulfil the Corrections Services Requirements.

## 54.2 Delivery Proposal

The Contractor will comply and will:

- (a) meet the intended design life expectancy stated in the table provided in Appendix B to this Schedule 10;
- (b) provide the Facility in accordance with Appendix D to this Schedule 10;
- (c) design the site sanitary drainage system to avoid blockage, malicious or otherwise, and provide for means of maintaining the system should a blockage occur by providing maintenance inspection chambers at changes in direction in the reticulation system;
- (d) ensure the minimum pipe size used in the site sanitary drainage system shall be 150mm;
- (e) select site sanitary drainage materials with due consideration given to the required hydraulic requirements, as well as the environment that the infrastructure is physically located in, namely a corrections environment by the use of polyethylene reticulation lines of an appropriate classification and rating and polyethylene maintenance and inspection chambers;
- (f) install Hynds Pipe Systems Limited "Smartstream Poo Pit Inspection Chambers" for all site sanitary drainage applications (**Poo Pits**). Poo Pits shall be 225mm diameter access chamber risers;
- (g) ensure the minimum gradient of all site sanitary drainage pipes is 0.65 per cent, with cleansing velocity of 0.75 m/s to be able to be achieved in all pipes; and
- (h) securely locate all site sanitary drainage systems including conveyance pipes and access chambers below ground and ensure they remain accessible for maintenance and have lockable access lids.

## 55. Mechanical services

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### 55.1 Works Requirement

The Contractor must ensure appropriate mechanical services are provided to meet all Corrections Services Requirements and that the infrastructure will have a design life expectancy of not less than 50 years.

### 55.2 Delivery Proposal

The Contractor will comply and will:

- (a) meet the intended design life expectancy stated in the table provided in Appendix B to this Schedule 10;
- (b) provide the Facility in accordance with Appendix H to this Schedule 10;
- (c) design the mechanical services systems to achieve requirements for robustness, minimising self-harm, concealment of contraband, vandalism and means of escape by providing as a minimum:

(i) plant rooms are inaccessible to Prisoners and distribution ducting is concealed above ceilings, or at an inaccessible height;

(ii) [REDACTED]

(iii) [REDACTED]

(iv) [REDACTED]

(v) [REDACTED]

[REDACTED]

(d) design mechanical systems to be managed by the site wide BMS;

(e) [REDACTED]

(f) reticulate mechanical systems within each building, limiting system failure to that building alone with the exception of a centralised chiller installation in the Utilities Area of the Gatehouse. Two chillers each of 60 per cent capacity shall provide redundancy and shall enable chiller service and maintenance;

(g) [REDACTED]

(h) [REDACTED]

(i) [REDACTED]

(j) [REDACTED]

(k) [REDACTED]

(l) provide comfort heating in most occupied areas, except to the Sports Hall and the laundry area in the Kitchen & Laundry building;

(m) provide radiant heating panels in the Industries buildings; and

(n) achieve isolation of mechanical services to individual areas by isolation of plant at the individual area level. This shall include:

- (i) [REDACTED]
- (ii) [REDACTED]
- (iii) isolating fan coil units in air conditioned areas by local power isolators and local heating and chilled water isolating valves; and
- (iv) balancing and isolating dampers on outdoor air supplies in mechanically ventilated and air conditioned rooms, accessible from the adjacent ceiling space.

## 56. Building fire services

---

### 56.1 Works Requirement

The Contractor must ensure that the utilities and services supplying the Facility are sufficient to support all fire services requirements for the design life of the Facility, including when affected by outages. The design of all fire installations must ensure a design life of 50 years and certainty of availability at all times, including but not limited to natural and other disasters.

### 56.2 Delivery Proposal

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix C, Appendix D, Appendix F and Appendix H to this Schedule 10;
- (b) meet the intended design life expectancy stated in the table provided in Appendix B to this Schedule 10;
- (c) design the fire systems to achieve robustness and means of escape requirements, and to minimise risks of self-harm, concealment of contraband and vandalism;
- (d) ensure the scope of the building fire services includes the following fire protection systems:
  - (i) automatic sprinkler system;
  - (ii) external and charged riser fire hydrant system;
  - (iii) fire alarm system;
  - (iv) emergency warning and evacuation system (in non-Prisoner areas);
  - (v) gaseous fire suppression system; and
  - (vi) portable fire extinguishers (in non-Prisoner-accessible areas);
- (e) design the fire protection installations to achieve a 50-year design life, with major replacement and refurbishment of these components not required over the design life of the systems;
- (f) [REDACTED]

- (g) design the fire protection system infrastructure to provide the necessary redundancy and backup in order to maintain continuous system operation and function in the event of a mains water or power supply failure;
- (h) ensure the sprinkler system comprises dual water supplies (Class A) – "primary" supply from the main, and "secondary" supply from a dedicated separate on-site minimum 250m<sup>3</sup> fire water storage tank with a diesel booster pump in accordance with NZS 4541;
- (i) ensure the sprinkler pumps and fire brigade inlet connection (BIC) point at the fire control centre allows the sprinkler water to be provided remotely, either from the mains supply or from the fire water storage tank;
- (j) [REDACTED]
- (k) [REDACTED]
- (l) futureproof the system by making space allowance in the Fire Pump Room for the addition of a second diesel booster pump;
- (m) ensure the external pillar fire hydrants are supplied by the potable water main connection and that the potable water system is capable of delivering the hydrant water demand;
- (n) ensure the on-site fire water storage tank comprises an above ground cylindrical tank, co-located within the Fire Pump Room. The tank shall be inherently non-combustible and designed to achieve a 50-year service life;
- (o) design the fire protection installations including water tank and its foundations, fire pumps and pipework to withstand seismic actions for a return period of 2500 years;
- (p) design the water tank based on the methodology as recommended in the NZ Society of Earthquake Engineering's "NZSEE 2008 Red Book" on "Recommendations for the Seismic Design of Storage Tanks";
- (q) provide that all seismic design criteria are in accordance with AS/NZS 1170.5, using an importance level of IL4;
- (r) provide isolating valves in the system main pipework to allow isolation of a House Block wing without interrupting the operation in the other areas;
- (s) [REDACTED]
- (t) [REDACTED]
- (u) provide isolating valves in the sprinkler and hydrant piping reticulation to allow for individual isolation of a sprinklered building, or partial isolation of the external hydrant pipework;
- (v) [REDACTED]



- (w) [REDACTED]
- (x) [REDACTED]
- (y) [REDACTED]
- (z) install standard pendent or upright sprinklers in all other areas as appropriate;
- (aa) [REDACTED]
- (bb) classify the bulk store in the FM and Bulk Store building as “Extra high hazard - Storage risks”. The sprinkler water supply system shall be sized to catered for Category 5 goods stored on racks (without solid shelves) up to a maximum height of 4.8 metres, with one level of in-rack sprinklers;
- (cc) [REDACTED]
- (dd) [REDACTED]
- (ee) [REDACTED]
- (ff) install heat detectors in areas where smoke detectors are likely to cause false alarms due to environmental conditions, e.g., toilets and wash rooms;
- (gg) install manual call points in the non-Prisoner-accessible areas within the buildings and at the officer posts, receptions, security posts, officers stations and staff bases (sometimes referred to as offices);
- (hh) [REDACTED]
- (ii) [REDACTED]
- (jj) [REDACTED]
- (kk) provide portable fire extinguishers in non-Prisoner-accessible areas such as the staff bases, offices and plant rooms.

# 57. Building Management System

---

## 57.1 Works Requirements

The Contractor must ensure:

- (a) that a Building Management System (BMS) is provided and its design supports and meets the Corrections Services Requirements; and
- (b) that the BMS system is industry standard, open protocol with support available within New Zealand.

## 57.2 Delivery Proposal

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix H and Appendix I to this Schedule 10;
- (b) [REDACTED]
  - (i) [REDACTED]
  - (ii) [REDACTED]
- (c) [REDACTED]
- (d) [REDACTED]
- (e) [REDACTED]
- (f) [REDACTED]
- (g) [REDACTED]
- (h) [REDACTED]
- (i) ensure alarms can be set up to indicate equipment faults; and
- (j) [REDACTED]

## 58. Lifts

---

### 58.1 Works Requirement

The Contractor must ensure that design and installation of any lifts provides for vertical transportation of people and goods in a safe and efficient manner, including allowing access to all relevant communal areas by Staff Members, Prisoners and Visitors with disabilities.

### 58.2 Delivery Proposal

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix H to this Schedule 10;
- (b) provide lifts to provide access for people with disabilities and for transportation of goods as follows:

Building	No	Description
Gatehouse	1	13 person/1000 kg disabled access lift
Visits & Administration building	1	13 person/1000 kg disabled access lift
Reception	1	13 person/1000 kg disabled access lift
Health, Education and Programmes building	1	13 person/1000 kg disabled access lift
House Block 1	1	13 person/1000 kg disabled access lift
House Block 2	1	13 person/1000 kg disabled access lift
House Block 3	1	13 person/1000 kg disabled access lift

- (c) ensure that where lifts will be used by Prisoners or as goods lifts, robust vandal proof finishes are used, with a polycarbonate cover to the LCD screen.

## 59. ICT

---

### 59.1 Works Requirements

The Contractor must:

- (a) ensure that the ICT provided is sufficient to fulfil the Corrections Services Requirements;
- (b) ensure the Facility is designed to enable the use of the Department's ICT System to the extent required by this Agreement, with all the necessary associated security and encryption arrangements;
- (c) provide secure access to the Department's ICT System and ensure any associated systems do not compromise the Department's ICT System; and
- (d) ensure all technologies utilised are supported and are fully effective.

**59.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix H to this Schedule 10;
- (b) [REDACTED]
- (c) [REDACTED]
- (d) [REDACTED]
- (e) [REDACTED]
- (f) [REDACTED]
- (g) [REDACTED]
- (h) [REDACTED]
- (i) [REDACTED]
- (j) [REDACTED]
- (k) [REDACTED]
- (l) [REDACTED]
  - (i) [REDACTED]
  - (ii) [REDACTED]
  - (iii) [REDACTED]
- (m) [REDACTED]
  - (i) [REDACTED]

(ii) [REDACTED]

(iii) [REDACTED]

(n) [REDACTED]

(i) [REDACTED]

(ii) [REDACTED]

(iii) [REDACTED]

(o) [REDACTED]

(p) [REDACTED]

(i) [REDACTED]

(ii) [REDACTED]

(iii) [REDACTED]

(q) [REDACTED]

(r) [REDACTED]

(i) [REDACTED]

(ii) [REDACTED]

(iii) [REDACTED]

(iv) [REDACTED]

- (s) [REDACTED]
- (t) [REDACTED]
- (u) [REDACTED]
- (v) [REDACTED]
- (w) [REDACTED]
- (x) [REDACTED]
- (y) [REDACTED]
- (z) [REDACTED]

## 60. Plantroom space

---

### 60.1 Works Requirement

The Contractor must ensure buildings are provisioned with adequate plantroom space to meet the Corrections Services Requirements, particularly those relating to security, reliability, maintainability, systems availability, sustainability, amenity, fire and safety.

### 60.2 Delivery Proposal

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix D to this Schedule 10;
- (b) house major equipment such as air handling units, fans, heating plant, electrical boards, domestic hot water plant, communications and [REDACTED] rooms.  
[REDACTED]
- (c) size plant rooms to house the building services equipment necessary to provide for Prison operation. Space shall be allowed within the plant rooms to enable maintenance staff to work behind closed doors if necessary;

- (d) ensure plant room access is via readily accessible doors, corridors and stairs, enabling safe and ready access by maintenance staff;
- (e) provide access to plant rooms with the least interaction with Prisoners, consistent with the criticality of the service; and
- (f) ensure plant rooms are fire separated from Prison Cell accommodation and from areas occupied during day time activities.

## Part 8 - Security

### 61. Electronic security system

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#### 61.1 Works Requirements

The Contractor must:

- (a) ensure that the philosophy and detail of the electronic security system provides for safe and secure operation of the Facility and meets the Corrections Services Requirements; and
- (b) ensure all technologies utilised are supported and are fully effective.

#### 61.2 Delivery Proposal

The Contractor will comply and will:

- (a) provide the Facility in accordance with Appendix I to this Schedule 10;

- (b)

- (i)
- (ii)
- (iii)
- (iv)
- (v) 
  - (A)
  - (B)
  - (C)
  - (D)

(E) [REDACTED]

(c) [REDACTED]

(d) [REDACTED]

(e) [REDACTED]

(f) [REDACTED]

(g) [REDACTED]

(h) [REDACTED]

(i) [REDACTED]

(j) [REDACTED]

(k) [REDACTED]

(l) [REDACTED]

(m) [REDACTED]

(n) [REDACTED]

(o) [REDACTED]



- (p) [REDACTED]
- (q) [REDACTED]
- (r) [REDACTED]
- (s) [REDACTED]
- (t) [REDACTED]
- (u) [REDACTED]

## **62. Remote connectivity**

---

### **62.1 Works Requirements**

The Contractor must:

- (a) ensure that the electronic security system provides for remote monitoring of key aspects of the system by the Department's operational staff;
- (b) provide all remote equipment required to meet the Corrections Services Requirements; and
- (c) ensure all technologies utilised are supported and are fully effective.

### **62.2 Delivery Proposal**

The Contractor will comply and will:

- (a) [REDACTED]
- (b) [REDACTED]

(c)

[REDACTED]

## **63. Prevention of unauthorised electronic communications and contraband detection systems**

---

### **63.1 Works Requirements**

The Contractor must:

- (a) provide detection systems that allow for the prevention of unauthorised electronic communication by Prisoners in accordance with the Corrections Services Requirements; and
- (b) ensure all technologies utilised are supported and are fully effective.

### **63.2 Delivery Proposal**

The Contractor will comply and will:

(a)

[REDACTED]

(b)

[REDACTED]

(c)

[REDACTED]

(d)

[REDACTED]

(e)

[REDACTED]

(f)

[REDACTED]

(g)

[REDACTED]

(h)

[REDACTED]

(i)

[REDACTED]

(i)

[REDACTED]

- (ii) [REDACTED]
- (iii) [REDACTED]
- (j) [REDACTED]
- (k) [REDACTED]
- (l) [REDACTED]
- (m) [REDACTED]
- (n) [REDACTED]

## Part 9 - Construction

### 64. Facility delivery team – pre-occupation

---

#### 64.1 Works Requirements

The Contractor shall ensure the Facility is delivered by a competent and experienced team, which shall include, as a minimum, personnel with specific experience in the following areas:

- (a) design (including Resource Management Act 1991 specialists);
- (b) construction; and
- (c) commissioning.

#### 64.2 Delivery Proposal

The Contractor will comply and will utilise the following key staff in the delivery of the Facility:

Staff Member	Project role
Colin Shields	SecureFuture General Manager
John Cadman	SecureFuture Construction Manager
Nigel Varcoe	Senior Management Support
Richard Coupe	Senior Management Support
Allan Barclay	Senior Management Support – legal and contracts
Dave Hunter	Senior Management Support – design and construction
Ivan Vuksich	Senior Management Support – pricing and procurement
Donal Lynch	Project Manager

Staff Member	Project role
John Redahan	Site Commercial Manager,
Nick Stenson	Safety Manager
Chris Lane	Services Manager
Wayne Jackson	Mode Design Corporation Pty Ltd – Lead Architect
Brad Luke	Peddle Thorp Aitken Limited – Lead Architect
Tom Halpin	Resource Management Act and Outline Plan lead consultant

The Contractor may, subject to clause 21.5 (Probity Investigations) of the Base Agreement (where relevant), only replace the key staff in circumstances of death, serious injury, change of employment or otherwise as agreed with the Department (with the Department's consent not to be unreasonably withheld).

## 65. Design Development, Works Provisioning and Completion

---

### 65.1 Works Requirement

The Contractor must provide and employ a methodology for Design Development and Works Provisioning that ensures successful and on time delivery of the Facility during the design and construction phase.

### 65.2 Delivery Proposal

The Contractor will comply and will:

- (a) ensure safety is monitored on the Department Site by the Contractor's Construction Manager, the Construction Sub-contractor's Construction Manager, the Construction Sub-contractor's Site Superintendents, and Subcontractor safety supervisors. The Project shall also have a Site Safety Manager who will conduct regular inspections. The Construction Sub-contractor's senior representative for safety in the region shall make on the spot unscheduled site visits to monitor compliance. Inspection and monitoring forms must be kept up to date and regularly maintained;
- (b) take all practicable steps to avoid harm to any member of the public by employees or contractors while at work; and
- (c) ensure every employee and every subcontractor of all tiers (including all subcontractor employees) that is working on the Department Site has an obligation in its contract or agreement to be at all times the holder of a current Site Safe Passport.

## 66. Construction cost monitoring

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### 66.1 Works Requirements

The Contractor must provide, as part of its monthly reporting cycle, an actual versus forecast cash flow report, with detailed narrative to be provided in the case of any significant deviation (of 10 per cent or more) from forecast cash flow.

## **66.2 Delivery Proposal**

The Contractor will comply.

## Appendix A: Table of Containment Delay Times

[illegible]

[REDACTED]	[REDACTED]		[REDACTED]
	[REDACTED]	[REDACTED]	
			[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

## Appendix B: Table of Design Life Expectancy

[REDACTED]			
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]
		[REDACTED]	[REDACTED]





[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]		[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
		[REDACTED]	[REDACTED]
		[REDACTED]	[REDACTED]
		[REDACTED]	[REDACTED]
		[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]
		[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]
		[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]
		[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]
		[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]







[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]		
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]		[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]		[REDACTED]

[REDACTED]

Appendix C: Room Data Sheets

[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]		
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]



## Appendix D: Drawings






[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]		
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

## **Appendix E: Acoustics – Sound Isolation and Impact Isolation Requirement**

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## **Acoustics - Sound Isolation and Impact Isolation Requirements**

### **AIRBORNE NOISE CRITERIA, DEFINITIONS AND VERIFICATION METHODS**

#### **Definition of STC**

The airborne noise transmission properties of building elements and constructions, when tested in the laboratory situation, are often described by a single number rating called a Sound Transmission Class (STC) value. The higher the STC, the better.

*Sound Transmission Class is defined as:*

- *Sound transmission class, (STC): A single number rating derived from measured values of transmission loss in accordance with classification ASTM E 413. Determination of Sound Transmission Class. It provides an estimate of the performance of a partition in certain common sound insulation situations.*

#### **Difference between Laboratory and Insitu Performance**

It should also be noted that it is common for constructions to achieve on site, a lower acoustic performance than their laboratory rating. When sound transmission class values for constructions/building systems are established in the field via on site testing, the values are referred to as Field Sound transmission Class (FSTC) values.

The New Zealand Building Code makes an allowance of 5dB or 5STC points for the same construction when tested in the field situation, i.e. if STC 55 is nominated in the laboratory FSTC 50 is required insitu.

Where feasible field tests will be performed, e.g. walls between the residences and floors between cells. It should be noted that field tests do replace the requirement of the nominated constructions to achieve to meet the laboratory rating but are rather a means of establishing compliance.

#### **Airborne Verification Method**

*Where on-site verification is deemed necessary and is practicable it will be conducted in accordance with the following verification method as utilised in the New Zealand Building Code for multi-level residential construction:*

- *Airborne Sound Insulation Field Tests: The performance for airborne sound insulation may be verified using the procedures detailed in ASTM E 336, and the field sound transmission class may be verified using the method described in ASTM E 413. Field test results shall be within 5dB of the performance requirement.*

#### **Flanking Paths**

##### **Walls between enclosed spaces**

For the avoidance of doubt where the field or in situ performance of walls (FSTC rating) is to be established it should be noted that the FSTC rating includes the flanking paths associated with the wall being subject to test. For example if a wall which occurs between two enclosed spaces is subject to test all paths for sound transfer associated with the wall are to be included in the FSTC determination of the wall. This would include services penetrations in the wall, sound transfer via the ceiling void through and over the wall and similarly the sound transfer associated with the wall's perimeter junctions, i.e. at the wall ends and wall/floor junctions.

However, where the FSTC performance of the dividing wall is being reduced by ventilation paths and other security measures associated with corridor doors (under cuts, door vents or security flaps, locks, pass through hatches) these potentially limiting paths for sound transfer will be blanked off prior to conducting the test. This approach establishes the FSTC rating of the wall under consideration and establishes it has been appropriately constructed.

Similarly, operable windows will be closed when conducting FSTC determinations.

## Corridor walls

Note the sound field conditions in the typical corridor or circulation space situation are often not suitable for practical field tests due to the undefined nature of the circulation space or corridor (no definite room boundaries, e.g. open corridors ends). Similarly the often narrow corridor width results in an unsatisfactory testing environment, i.e. un-uniform sound fields and discrete reflections etc..

## **IMPACT NOISE CRITERIA, DEFINITIONS AND VERIFICATION METHODS**

### **Definition of IIC**

Note impact noise transmission properties of floor/ceiling constructions are often described by a single number rating, called an Impact Insulation Class (IIC) value. This is similar to the STC values used for airborne noise transmission. The higher the IIC, the better.

*Impact Insulation Class is defined as:*

- *Impact insulation class, (IIC): A single number rating derived from measured values of normalized impact sound pressure levels in accordance with Method ASTM E 492, Annex A1. Laboratory Measurement of Impact Sound Transmission Through Floor-Ceiling Assemblies Using the Tapping Machine. It provides an estimate of the impact sound insulating performance of a floor-ceiling assembly.*

### **Difference between Laboratory and Insitu Performance**

It should also be noted that it is common for constructions to achieve on site, a lower acoustic performance than their laboratory rating. When impact insulation class values for floor/ceiling systems are established in the field via on site testing, the values are referred to as Field Impact Insulation Class (FIIC) values.

The NZBC makes an allowance of 5dB or 5IIC points for the same construction when tested in the field situation, i.e. if IIC 55 is nominated in the laboratory FIIC 50 is required insitu.

Where feasible, field tests will be performed, e.g. between the toilet/utility areas on level 1 of the residences to the bedrooms and living areas on the ground floor below. It should be noted that field tests do not replace the requirement of the nominated constructions to achieve to meet the laboratory rating but are rather a means of establishing compliance.

### **Impact Verification Method**

*Where on-site verification is deemed necessary and is practicable it will be conducted in accordance with the following verification method as utilised in the NZBC for residential construction:*

- *Impact Sound Insulation Field Tests: The performance for impact sound insulation may be verified using the procedures detailed in ISO 140: Part VII, and the field impact insulation class may be verified using the method described in ASTM E 989. Field test results shall be within 5dB of the performance requirement.*

## **INTERNAL PARTITION PERFORMANCE**

### **Performance Matrix**

- The performance requirements in STC terms for the building elements and constructions which make up internal partitions in the form of wall construction types, doors and internal glazing systems have been summarised in the attached performance matrix - Appendix A.
- The matrix covers the majority of the sound isolation situations between the spaces in the buildings on the prison project.
- The STC ratings for walls, doors and glazing systems included in Appendix A correlate directly to the constructions tabulated below for walls, doors and glazing system types.

- With this approach there is clarity about the construction being provided and the laboratory performance of the elements with an implied field performance.

## Wall Types

The following wall types have been proposed previously in Section 42 of the bid phase report. STC ratings have been tabulated (see table immediately below) for these wall types. These ratings are then referred to in the Performance Matrix - see Appendix A.

Wall Types	STC Rating	Envisaged Standards of Construction
<b>Type 1</b>	35-38	Studs with 1 x 13mm standard gib board either side and blanket, such as 75mm thermal grade fibreglass, in cavity. The wall will extend nominally 100mm through ceiling and 600mm wide Autex Baffle Block, compressed by a nominal 30%, will be placed across the top of wall to underside of slab/roof above.
<b>Type 2</b>	40-41 (GST132)	Studs with 1 x 13mm standard gib board either side and either 75mm thermal grade fibreglass blanket or 95mm Autex GreenStuf in the cavity. Walls either full height to underside of floor/roof above or gib board ceiling.
<b>Type 3</b>	43-45 (GST133)	Studs with 1 x 13mm standard gib board side 1 and 2 x 13mm standard gib board on side 2. Either 75mm thermal grade fibreglass blanket or 95mm Autex GreenStuf in the cavity. Walls either full height to underside of floor/roof above or gib board ceiling.
<b>Type 4</b>	46-48 (GST134)	Studs with 2 x 13mm standard gib board either side and either 75mm thermal grade fibreglass blanket or 95mm Autex GreenStuf in the cavity. Walls full height to underside of floor/roof above.
<b>Type 5</b>	50-55	150mm Concrete or 200 series concrete block wall

*Note: - These ratings apply to sound transmission across walls not containing doors  
 - Given there are additional security implications on this project, plasterboard may generally be replaced as a wall lining by a material of equivalent surface weight without unduly compromising the performance.*



## Door Types

The door performance has been integrated into the matrix by establishing specific door types and performance ratings. STC ratings have been tabulated (see table immediately below) for these door types. These ratings are then referred to in the Performance Matrix - see Appendix A.

Door Types	STC Rating	Envisaged Standards of Construction
Type A	40	Proprietary Acoustic Door
Type B	35	50mm thick solid core door (28kg/m <sup>2</sup> ) with RP 47 & RP 38 seals
Type C	30	40-45mm thick solid core with Raven seals
Type D	25	Solid core door with well fitting simple gasket seals at top & sides and minimal floor clearance
Type D'	21-24	Solid core door with minimal floor to frame clearance
Type E	20*	Solid core door (also relevant to security door) with significant floor clearance for ventilation paths

*\*Note the STC 20 rating describes the performance of the doors, which are providing access to the sleeping areas and they include the ventilation openings and security hatches and hence the performance is limited. Laboratory information is not available for these doors and the STC rating is an estimate only.*

## Window Types

The internal glazing system performance has been integrated into the matrix by establishing glazing systems and performance ratings. These ratings are particularly relevant for rooms where windows are located in the partitions which isolate enclosed spaces from corridors and circulation space. STC ratings have been tabulated (see table immediately below) for these glazing systems which have in turn been nominated in the Performance Matrix - see Appendix A.

Window Types	STC Rating	Envisaged Standards of Construction
Type W3	34	12mm toughened glass
Type W2	33	10mm toughened glass
Type W1	32	6.38mm laminated glass

*Note: The 6.38mm laminated glass nominated for Type W1 glazing is acoustically suitable. Where Type W1 glazing needs to be toughened for security reasons, 6.38mm laminated toughened or an upgrade to 10mm toughened glass is an option.*

## FLOOR/CEILING PERFORMANCE

- Floor and Floor/Ceiling Sound Insulation and Impact Insulation Performance has been summarized in Appendix B.
- The minimum required laboratory ratings (airborne and impact insulation ratings) for floors and floor/ceiling construction are tabulated in Appendix B.
- The verification methods described for FSTC and FIIC determination also apply where practicable.

# APPENDIX A – MINIMUM PERFORMANCE MATRIX FOR INTERNAL PARTITIONS (WALLS, DOORS AND GLAZING)

		Residence		Cells of House Block & MU	Teaching Rooms	Interview Rooms	General Offices	Private Offices	Private Meeting Rooms	Consulting Rooms (Health & Education)	Family Visit Rooms	Video Court Rooms	Closed Visits	Parole boardroom, boardrooms	Plant Rooms							Circulation space - corridors
			Bedrooms within an individual residence		Programmes	Multi-purpose				Treatment		Adjudication		Command Suite incl Breakout		Public Meeting Rooms (Ground Level VIS)	Library	Spiritual Centre	Intelligence	Toilets (OPP: STC 40-41)	Evidence, Security Equipment, Key/Radio, Search, Staff	
Residence		Wall: STC 50-55 Doors: STC 40-41																				N/A
	Bedrooms within an individual residence		STC 40-41																			
Cells of House Block & management unit				STC 50-55																		Walls: STC 50-55; Doors: STC 20**; Glazing: N/A
Teaching Rooms	Programmes				STC 35-38																	Walls: STC 35-38 (critical walls STC 40-41); Doors: STC 25; Glazing: N/A
Interview Rooms	Multi-purpose			concrete STC 50 other STC 40-41	concrete STC 50 other STC 43-45																	Walls: STC 40-41; Doors: STC 30; Glazing: STC 33.
General Offices	Intelligence				concrete STC 50 other STC 40-41	no rating																no rating
Private Offices					concrete STC 50 other STC 40-41	STC 35-38	STC 35-38															Walls: STC 35-38; Doors: STC 30; Glazing: STC 32.
Private Meeting Rooms								STC 35-38														Walls: STC 35-38; Doors: STC 30; Glazing: STC 32.
Consulting Rooms (Health & Education)									concrete STC 50 other STC 43-45													Walls: STC 40-41; Doors: STC 30; Glazing: STC 33.
Family Visit Rooms									STC 40-41		STC 40-41											Walls: STC 40-41; Doors: STC 30; Glazing: STC 33.
Video Court Rooms	Adjudication, Master Control					STC 46-48						STC 46-48										Walls: STC 43-45; Doors: STC 35; Glazing: STC 34.
Closed visits												STC 46-48	Screening elements min STC 28									Walls: STC 45-48; Doors: STC 30; Glazing: 33
Parole Boardroom, Boardroom	Command Suite incl Breakout													STC 43-45								Walls: STC 43-45; Doors: STC 35; Glazing: STC 34.
Plant Rooms				150mm concrete or upgraded speedwall system*		150mm concrete or upgraded speedwall system*		150mm concrete or upgraded speedwall system*						150mm concrete or upgraded speedwall system*	150mm concrete or upgraded speedwall system*							Noise emissions controlled in accordance with AS/NZS 2107:2000.
	Public Meeting Rooms (Ground Level VIS)															STC 40-41						Walls: STC 35-38; Doors: STC 25; Glazing: STC 32.
	Library							STC 40-41									N/A					Walls: STC 40-41; Doors: STC 25; Glazing: N/A.
	Spiritual Centre																	STC 43-45				Walls: STC 43-45; Doors: STC 30; Glazing: N/A
	Intelligence																		concrete STC 50 other STC 43-45			
	Toilets (OPP: STC 40-41)				STC 43-45	STC 43-45	STC 43-45	STC 43-45	STC 43-45											no rating	STC 40-41	Walls: STC 40-41; Doors: no rating; Glazing: N/A
	Evidence, Security Equipment, Key/Radio, Search, Staff							STC 35-38	STC 35-38	concrete STC 50 other STC 43-45		STC 46-48								STC 40-41	no rating	N/A

\*despite the constructions nominated above noise emissions are to be controlled in accordance with AS/NZS 2107:2000

\*\*Note the STC 20 rating describes the performance of the doors including ventilation openings and security hatches. Laboratory information is not available for these doors and the STC rating is an estimate only.

Note: It is common practice to allow for 5dB difference between laboratory ratings (STC) and field measurements (FSTC), ie. STC 35 in Laboratory implies FSTC 30 in situ.

## APPENDIX B – MINIMUM LABORATORY OBJECTIVES FOR FLOORS/CEILINGS

Building	Location	Floor/Ceiling Situation		Minimum Laboratory Objectives for Project Compliance	
		Floor Surface System	Floor System	Impact Insulation Class IIC	Airborne Insulation Class STC
Residences		Carpeted Areas	Concrete	>55	55
	Utilities, Toilets, Kitchen	Tiled Areas with Impact Protection	Concrete	55	55
	Balconies/Decks	-	Concrete	30-40	N/A
House Blocks		Synthetic Carpet	Concrete	50	55
		Bare Concrete	Concrete	25-30	55
Other (includes Health, Education & Programmes Building and Visits & Administration Building)		-	Concrete	25-30	55
		Tiled Areas without impact protection	Concrete	30	55
		Vinyl	Concrete	35-40	55
		Carpeted Areas	Concrete	55	55
	- Toilets above/near video court rooms in the Visits & Admin Building	Tiled Areas with Impact Protection	Concrete	>50	55
	- Toilets on Level 1 in the Health, Education & Programmes Building				

Note: It is common practice to allow for 5dB difference between laboratory ratings (STC) and field measurements (FSTC), ie. STC 55 in Laboratory implies FSTC50 insitu.  
It is common practice to allow for 5dB difference between laboratory ratings (IIC) and field measurements (FIIC), ie. IIC 55 in Laboratory implies FIIC50 insitu.

**Appendix F: Fire Engineering Design Features Report**

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**Appendix G: Primary Finishes Schedule**

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**Appendix H: Building Services Report**

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## Appendix I: Security Design Report

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## **Schedule 10B: Works (Retrofit) Requirements**

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### **Part 1 – General provisions**

#### **1. Interpretation**

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##### **1.1 Compliance with Works Requirements and Delivery Proposals**

- (a) The Contractor must comply with all Works Requirements and all Delivery Proposals set out in Part 2 (Works (Retrofit)).
- (b) In the case of any inconsistency, the requirement to comply with the relevant Works Requirements prevails over compliance with the Delivery Proposals.
- (c) For the avoidance of doubt, compliance with the Delivery Proposals but not with the Works Requirements constitutes a breach by the Contractor of the Works Requirements.
- (d) In relation to all Works Requirements set out in Part 2, the Contractor must comply with the requirements of the following when satisfying the Works Requirements:
  - (i) the Corrections Act, the Corrections Regulations and all other Laws; and
  - (ii) all applicable AS/NZS standards.

##### **1.2 References to information systems, tools and programmes**

References in this Schedule 10B to specific information systems, tools and programmes shall be read as if, in each case, the reference to the specific information system, tool or programme is followed with the words "(or such equivalent or improved system, tool or programme as may be agreed with the Department from time to time)".

### **Part 2 – Works (Retrofit)**

#### **2. Continued compliance with Works Requirements**

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##### **2.1 Works Requirement**

The Contractor must ensure that the retrofitting undertaken in the Facility between Works Completion and Operational Completion does not undermine or compromise the Facility's compliance with the Works Requirements set out in Schedule 10 (Works Requirements) or with the standards and functionality tested in the Works Completion Tests.

##### **2.2 Delivery Proposal**

The Contractor will comply.

#### **3. Retrofit Items**

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##### **3.1 Works Requirements**

The Contractor must ensure that:



- (a) no items are installed into the Facility between Works Completion and Operational Completion that compromise the structural integrity of the Facility as at Works Completion; and
- (b) any items that are fixed into the Facility between Works Completion and Operational Completion must be affixed to the same standard and specification that would have been required if they had been fitted prior to Works Completion.

**3.2 Delivery Proposal**

The Contractor will comply and will:

- (a) [REDACTED]
  - (i) [REDACTED]
  - (ii) [REDACTED]
  - (iii) [REDACTED]
  - (iv) [REDACTED]
  - (v) [REDACTED]
  - (vi) [REDACTED]
  - (vii) [REDACTED]
  - (viii) [REDACTED]
  - (ix) [REDACTED]
  - (x) [REDACTED]
  - (xi) [REDACTED]
  - (xii) [REDACTED]
  - (xiii) [REDACTED]
- (b) [REDACTED]
- (c) [REDACTED]

- (d) ensure the installation of any retrofit items does not block any maintenance or access routes, create any safety hazard or increase any security risk; and
- (e) ensure all hardware installed in the Facility between Works Completion and Operational Completion is listed in, and complies with, the document entitled "Hardware for Prisoner Accessible Areas (Operational Completion)" once finalised in accordance with the Review Procedures, and no other hardware is installed.

## **4. Prisoner telephony**

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### **4.1 Works Requirement**

The Contractor must provide Prisoner telephony, which must be capable of being monitored and recorded in accordance with Schedule 14 (Corrections Services Requirements).

### **4.2 Delivery Proposal**

The Contractor will comply and will provide Prisoner telephony, which shall:

- (a) be a non-internet protocol (IP) based system;
- (b) include provision of in-cell telephones (analogue) connected to the Prisoner telephony system in each House Block Prison Cell (excluding the At Risk Prison Cells), each House Block dayroom and each Residence Prison Cell;
- (c) comprise one Personal Identify Number (PIN) telephone handset and infrastructure into all Prison Cells;
- (d) accept each Prisoner's six digit access code and only on a positive authentication of this code and during agreed time periods allow the Prisoner to make outgoing calls to a list of pre-security cleared (PAN) numbers;
- (e) control requested numbers, and enable the recording and live monitoring of calls, with any such recording being capable of easy secure archiving on to external media (DVD/CDR) and/or fixed hard disk storage;
- (f) provide the ability to provide exemptions for certain classifications of phone numbers;
- (g) [REDACTED]
- (h) [REDACTED]
- (i) include ability to confirm that solicitors' number are in fact solicitors;
- (j) include provision to globally ban numbers;
- (k) include capability to automatically cross reference with phone numbers used by other Prisoners and provide alerts as to commonalities;
- (l) be fully integrated with the CMS, allowing for the update of phone account balances;
- (m) include the ability to terminate all services quickly in the event of an emergency or security alert provided on a wing by wing basis by use of the PIN phone system application software;

- (n) with respect to the in-cell telephony, shall have no less functionality than that contained in the “Unify Call Control System” in-cell telephony technology from Unify Business Solutions Limited at the Execution Date; and
- (o) include provision and installation of Prisoner payphones, which shall be installed in every acoustic hood installed for that purpose as at Works Completion.

## **5. ICT**

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### **5.1 Works Requirements**

The Contractor must:

- (a) ensure that the ICT provided is sufficient to fulfil the Corrections Services Requirements and enables the secure use of the Department Applications to the extent required by this Agreement; and
- (b) ensure that all technologies utilised are supported and remain fully effective at Operational Completion.

### **5.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide an interface solution to the Department Applications based on utilisation of the Citrix Access Gateway hosted applications service, via an encrypted private network connection to the Department’s hosting environment;
- (b) provide an electronic custodial management system (CMS), comprising:
  - (i) [REDACTED]
  - (ii) [REDACTED]
  - (iii) providing timely access to relevant Prisoner specific information;
  - (iv) making Prisoners’ activity schedules visible to all relevant “need to know” internal parties; and
  - (v) kiosks, with individualised biometric and PIN logons for Prisoner access with automatic inactivity timeout, providing:
    - (A) access to policies, procedures, rules and regulations that affect the Prisoner while in custody, including frequently asked questions, at a minimum to permit compliance with the Corrections Services Requirements;
    - (B) up to date Prisoner trust account balances to Prisoners;
    - (C) PIN phone top up allowing Prisoners to add funds to their PIN phone accounts in near real time;

- (D) Prisoner purchasing, which shall prevent Prisoners from purchasing items which are included on the Department's prohibited items schedule and shall, at a minimum, permit compliance with the Corrections Services Requirements;
- (E) Prisoner menu selection;
- (F) a Prisoner activity timetable;
- (G) booking of visits, ensuring that Prisoners are not able to book visits for banned or inappropriate visitors, and the functionality to ensure that "keep separate" Prisoners are not able to book visits at the same time;
- (H) direct access for Prisoners to request medical services and obtain health related information, at a minimum in compliance with Schedule 14 (Corrections Services Requirements);
- (I) ability for Prisoners to report cell faults to be actioned by onsite facility services; and
- (J) means for Staff Members to internally message Prisoners directly and to provide key information to Prisoners (e.g., release dates, case manager, personal officer, etc.),

which system shall have no less functionality than that provided by the Unilink Software Limited "NForce Custodial Management System" at the Execution Date;

- (c) install the CMS to enable Prisoner access in two ways:
  - (i) from computers installed within a protective casing in Prison Cells. The computers shall be connected to Prison Cell television screens, and have keyboard and mouse. For safety, all cables shall be limited length to reduce risk of Prisoner self-harm; and
  - (ii) from kiosks in House Block dayrooms and in the Officer Post for the Prisoners housed in the Residences, in each case which shall be installed within all casings installed as at Works Completion;
- (d) [REDACTED]
- (e) [REDACTED]
- (f) [REDACTED]
- (g) provide two Prisoner computer labs, which
  - (i) shall have no internet access; and
  - (ii) shall have individual file storage area for saving personal documents;
- (h) provide Prisoner-in-cell systems (PICS) in each Prison Cell (excluding all At Risk Prison Cells), which shall:

- (i) be a thin client terminal for delivering educational content combined with in-room television;
  - (ii) have no local operating system or ability to connect to the internet;
  - (iii) enable continuity of sessions with the Prisoner computer lab and shall enable access to office automation applications and the Prisoner's personal document storage, as required;
  - (iv) include educational and cultural content specific to Māori and Pasifika; and
  - (v) enable access to CMS kiosk functionality as appropriate;
- (i) provide an integrated assessment and case management tool, which shall:
- (i) support the delivery of the assessments conducted on Prisoners during the Induction Programme, and the development, delivery, monitoring and review of the Prisoner's individual Prisoner Management Plan in accordance with the Corrections Services Requirements;
  - (ii) have a validated dynamic risk assessment tool embedded within the system, which will assess a Prisoner's criminogenic needs across a range of domains that align with the pathways set out in Schedule 14 (Corrections Services Requirements);
  - (iii) be a single, integrated system on which all assessments, Interventions and discussions are recorded (except where information is required to be recorded on IOMS), which shall be accessible to external service providers where appropriate;
  - (iv) enable data to be extracted from the system following Service Commencement in a timely manner and analysed for the purpose of reporting to the Department against the rehabilitation and reintegration KPIs (as set out in Band 4 - R&R Performance Report of Table 1 of the Appendix to Schedule 16 (Performance Regime));
  - (v) be configured to align with the business processes and detailed procedures to be developed as part of the Policy and Procedures Manual; and
  - (vi) shall have no less functionality and research support than that provided by, and in relation to, Meganexus Limited's "Meganexus NEO" system at the Execution Date;
- (j) [REDACTED]
- (i) [REDACTED]
  - (ii) [REDACTED]
  - (iii) [REDACTED]
- (k) [REDACTED]

## Schedule 11: Communication Protocols

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### 1. Communications between Contractor and Department

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The Communication Plan shall encompass the following communication protocols in relation to communications between the Contractor and the Department:

- (a) the Contractor shall nominate:
  - (i) an appropriate point of contact for the Department in relation to issues around the Works;
  - (ii) an appropriate point of contact for the Department in relation to issues around Facility Management; and
  - (iii) an appropriate point of contact for the Department in relation to issues around the Corrections Services,and will build effective and constructive relationships with all relevant Departmental representatives;
- (b) the Contractor shall engage and communicate proactively in an open and honest manner with the Department ensuring significant issues are dealt with in a pre-emptive manner so that there are no surprises (whether positive or negative);
- (c) both the Contractor and the Department shall actively and on an on-going basis monitor the partnership and effectively identify areas for improvement;
- (d) where requested by the Department, the Contractor shall attend and participate in meetings and forums from time to time;
- (e) where requested by the Department, the Contractor shall meet with the Department to discuss openly and in good faith, the information and other requirements the Department has, or is likely to have, as part of preparing its Statement of Intent and annual report as required under the Crown Entities Act 2004 and for Information Supporting the Estimates of Appropriation;
- (f) the Contractor shall keep the Department well informed of external service providers (some of whom may be current Department providers) the Contractor intends to engage with, the nature of the engagement and arrangements that may be put in place; and
- (g) where the Department, acting reasonably, requests the Contractor to provide information to the Department in relation to any aspect of the Services or the Project within a specified timeframe, the Contractor shall ensure that it responds to the Department:
  - (i) with all relevant information requested by the Department, ensuring, to the best of its knowledge, it is true, correct and complete; and
  - (ii) within the timeframe set by the Department (which the Contractor acknowledges may be very short),

and such information may include, but is not limited to, any information required:

- (iii) by the Chief Executive, a Minister or a select committee;

- (iv) to respond to an Official Information Act request, a Parliamentary question, or other information request; or
- (v) to fulfil the Department's information sharing obligations.

## **2. Communications between Contractor and local corrections and justice facilities**

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### **2.1 Generally**

- (a) It is a condition of the Designation that communication protocols must be established between the operators of ARWCF and the Prison to ensure that any changes to operations at either prison that could potentially impact on the other prison are considered by both parties to enable potential adverse impacts to be addressed.
- (b) The Contractor shall prepare the Wiri Prisons Communication Protocols and submit them to the Department through the Review Procedures. The Wiri Prisons Communication Protocols form part of the Communication Plan.
- (c) The Contractor shall ensure it complies with the then-current Wiri Prisons Communication Protocols at all times.

### **2.2 Wiri Prisons Communication Protocols**

The Wiri Prisons Communication Protocols must encompass the following protocols in relation to communications between the Contractor and ARWCF and other local corrections and justice facilities:

- (a) the Contractor shall establish and maintain effective relationships with neighbouring establishments and the local community, including by:
  - (i) co-operating with neighbouring establishments (including in relation to the use of shared access and car parking facilities);
  - (ii) effectively managing and mitigating the potential for adverse impacts on neighbouring parties; and
  - (iii) making early contact with the Manager of ARWCF and the Residence Manager at Korowai Manaaki;
- (b) the Contractor shall establish and maintain effective relationships with neighbouring prisons, the regional prison network and the national prison network;
- (c) the Contractor shall offer and facilitate regular meetings with representatives at the neighbouring establishments with open channels of communication the goal and norm, to encourage an exchange of views and practices at a strategic, management and day-to-day operational level;
- (d) the Contractor shall at all times have a nominated specific contact person to manage the relationship with neighbouring establishments, with particular emphasis on ARWCF and Korowai Manaaki; and
- (e) subject only to any confidentiality or disclosure restrictions, the Contractor shall inform counterparts at ARWCF and Korowai Manaaki of any matters that might affect or impact on their operations, including construction methodologies, disaster recovery or

emergency exercises, recruitment/training events, serious incidents at the Prison, shared information and intelligence, and any significant new works.

### **3. Communications between Contractor and stakeholders**

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The Communication Plan shall encompass the following communication protocols in relation to communications between the Contractor and stakeholders:

- (a) the Contractor shall establish and maintain effective relationships with stakeholders;
- (b) the Contractor shall ensure a pragmatic approach is taken with the Department to jointly managing communication – including engagement with joint stakeholders;
- (c) the Contractor shall ensure all communication:
  - (i) is clear, consistent, timely and builds support for the Prison;
  - (ii) is approved, appropriate and accurate;
  - (iii) establishes open and transparent lines of communication; and
  - (iv) builds a positive dialogue between the Prison and its stakeholders;
- (d) the Contractor shall ensure appropriate staff are responsible for liaison with the Auckland Council and that the necessary level of engagement occurs with the Auckland Council; and
- (e) the Contractor shall use all reasonable endeavours to communicate effectively and sensitively with key stakeholders to exchange knowledge and gain an understanding of aims. Where appropriate and where it will assist the Department's own relationship with these stakeholders, the Contractor will share information with the Department in relation to key stakeholders.

### **4. Communications between Contractor and the community**

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The Communication Plan shall encompass the following communication protocols in relation to communications between the Contractor and the community:

- (a) the Contractor shall use all reasonable endeavours to keep all individuals and agencies, including the neighbouring community, affected by the construction of the Prison fully informed and to encourage appropriate community engagement and involvement;
- (b) the Contractor shall adopt appropriate mechanisms and channels for engaging with the community and encouraging community involvement in the operations of the Prison, including through various community advisory groups;
- (c) the Contractor shall use all reasonable endeavours to reassure the community that the Prison's security measures are more than adequate for the containment of the Prisoners;
- (d) the Contractor shall provide an accessible complaints mechanism to the public;
- (e) the Contractor shall establish and maintain effective relationships with Mana Whenua iwi, which:



- (i) acknowledge and respect the historical association that Mana Whenua iwi have with the land;
  - (ii) enable Mana Whenua input into cultural mitigation measures; and
  - (iii) assists with ensuring that the Corrections Services do not offend Mana Whenua culture and values;
- (f) the Contractor shall use all reasonable endeavours to communicate to all visitors to the site the significance of the site to Mana Whenua iwi;
  - (g) the Contractor shall carry out consultation with Ngati Te Ata and Te Akitai (and any other Mana Whenua group subsequently recognised), for any works that are proposed within the area identified as a “Remnant Cultural Landscape Feature” shown on the *Heritage Areas Plan, prepared by Boffa Miskell, Figure 2, Revision E, dated 25 March 2011*, in accordance with the conditions of the Designation;
  - (h) the Contractor shall be represented on the Community Impact Forum (CIF) (established in accordance with the conditions of the Designation), at its own cost. Both management and community liaison group functions of the Contractor shall be represented and shall act in accordance with the conditions of the Designation with respect to the CIF. Without limitation, the Contractor shall provide such information and input, for the purposes of the CIF and the preparation of the Social Impact Monitoring Plan (SIMP), as may be reasonably requested by the CIF;
  - (i) the Contractor shall comply with the SIMP and comply with the conditions of the Designation in relation to the procedures and processes set out in, or relating to, the SIMP; and
  - (j) the Contractor shall be represented on the tangata whenua committee (established in accordance with the conditions of the Designation) at its own cost.

## 5. Communications with media

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The Communication Plan shall encompass the following communication protocols in relation to communications with media:

- (a) there shall at all times be close co-operation between the Contractor and the Department over each incident or issue of media interest;
- (b) both parties shall nominate appropriate primary and secondary points of contact for the other party in relation to communications with media;
- (c) the Contractor shall at all times be committed to working proactively with the Department to effectively manage media relations and positively promote the work being undertaken at the Prison and the Department in general;
- (d) the Contractor shall notify the Department as soon as reasonably possible, having regard to the nature and urgency of the query, of any media enquiries or requests for interviews received by the Contractor or any Sub-contractor in relation to or in connection with the Services (including Works Provisioning, Corrections Services and Facility Management Services) or the Prison, and such notification must include the following details:
  - (i) nature of the query and deadline;
  - (ii) name of journalist;

- (iii) associated news organisation; and
- (iv) contact details (email address and phone numbers);
- (e) to the extent permitted by Law and the listing rules of any relevant stock exchange, the Contractor shall endeavour to notify the Department as soon as reasonably possible after it becomes aware of the same, having regard to the nature and urgency of the issue, of any impending announcements to any stock exchange, or any commercial issues that are likely to be of interest to the media, relating to it or any Contractor Related Person, provided that any such notification does not cause any person to be in breach of any confidentiality or other contractual requirement (including under any insurance policy);
- (f) the Contractor shall notify the Department as soon as reasonably possible, having regard to the nature and urgency of the issue, of issues that arise that are related to the provision of the Services and are likely to attract media attention;
- (g) the Contractor shall obtain the consent of the Department before using the name of any Department Personnel, whether associated with this Agreement or the Project, in any publication (including internal publications such as newsletters), advertisement or media release;
- (h) the Contractor shall provide advance copies to the Department of any media releases that are related to this Agreement or mention the Department, and shall obtain the Department's consent, not to be unreasonably withheld, to the release before distribution to the media;
- (i) the Contractor shall provide early advice, and advance copies, of any responses to media enquiries made related to the Department or to the Services at the Prison and shall obtain the Department's consent to each response, not to be unreasonably withheld, before release to the media;
- (j) each party shall provide advice to the other party of any issue or event that may attract media interest in relation to this Agreement or that may call either party into disrepute (for any reason); and
- (k) no Prisoner may take part in any media interview, or any kind of direct communication with media, without the express written permission of the Chief Executive, or his or her delegate.

## Schedule 12: Facility Management Requirements

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### Part 1 – General Provisions

#### 1. Interpretation

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##### 1.1 Compliance with Facility Management Requirements and Delivery Proposals

- (a) The Contractor must comply with all Facility Management Requirements and all Delivery Proposals set out in Part 2 (Facility Management Requirements).
- (b) In the case of any inconsistency, the requirement to comply with the Facility Management Requirements prevails over compliance with the Delivery Proposals.
- (c) For the avoidance of doubt, compliance with the Delivery Proposals but not with the Facility Management Requirements constitutes a breach by the Contractor of the Facility Management Requirements.
- (d) In relation to all Facility Management Requirements set out in Part 2, the Contractor must comply with the requirements of the following when satisfying the Facility Management Requirements:
  - (i) the Corrections Act, the Corrections Regulations and all other Laws;
  - (ii) all applicable requirements of the Resource Management Act 1991 (including all associated designations, consents, plans and orders);
  - (iii) all applicable requirements of the New Zealand Building Code;
  - (iv) the New Zealand Fire Service requirements; and
  - (v) all applicable AS/NZS standards.

##### 1.2 Business continuity

The Contractor shall undertake all required activities to achieve business continuity objectives, including providing disaster recovery, business continuity planning and implementation.

##### 1.3 References to information systems, tools and programmes

References in this Schedule 12 to specific information systems, tools and programmes shall be read as if, in each case, the reference to the specific information system, tool or programme is followed with the words "(or such equivalent or improved system, tool or programme as may be agreed with the Department from time to time)".

## **Part 2 – Facility Management Requirements**

### **2. Whole of life**

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#### **2.1 Facility Management Requirement**

The Contractor must ensure it provides and implements a robust and reliable whole of life solution that supports the operation and maintenance of the Facility.

#### **2.2 Delivery Proposal**

The Contractor will comply and will:

- (a) ensure that the Asset Management Plan supports the design life of the Facility set out in Appendix B to Schedule 10 (Works Requirements);
- (b) during any asset replacement process, select the most appropriate plant and equipment for the operation of the Facility, that at a minimum accords with the Final Design Documentation and ensure all essential/critical plant and equipment is subject to a whole of life cost analysis;
- (c) focus its whole of life activities in accordance with the Asset Management Plan in order to achieve:
  - (i) a cost effective balance between:
    - (A) preventative maintenance;
    - (B) planned asset upgrades; and
    - (C) asset replacement;
  - (ii) minimised interruption to the efficient provision of the Corrections Services through:
    - (A) preventative maintenance;
    - (B) planned asset upgrades; and
    - (C) reduced reactive maintenance tasks;
  - (iii) optimised asset performance and availability through:
    - (A) planned preventative maintenance;
    - (B) condition-based maintenance;
    - (C) procurement of materials and assets; and
    - (D) planned asset overhauls where appropriate; and
  - (iv) security of Prison buildings and grounds by ensuring that the condition of every asset is of an acceptable standard;

- (d) maintain the access arrangements for all major plant, ensuring that replacement can be carried out with minimal or no interruption to the Corrections Services;
- (e) ensure assets are replaced with items that have no less than the stated design life set out in Appendix B to Schedule 10 (Works Requirements); and
- (f) utilise a computerised maintenance management system to track costs in use.

### **3. Asset management planning**

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#### **3.1 Facility Management Requirements**

The Contractor must provide asset management for the Facility that:

- (a) ensures the Facility's physical assets support the Corrections Services in the most cost effective manner at all times;
- (b) ensures that at all times the Facility's physical assets meet or exceed the quality and performance standards set out in the service delivery matrix;
- (c) ensures that at all times the Facility provides an effective balanced outcome between functionality, through life costs, compliance, health and safety, energy efficiency, aesthetics and sustainability;
- (d) delivers a planned approach for asset replacement and renewal throughout the Operating Term, taking into account the design life of the Facility, based on quantitative conditional assessment;
- (e) ensures that systems that enable optimal use of Facility assets are utilised throughout the Operating Term;
- (f) allows for flexibility and changes in the provision of the Corrections Services, the assets and the Facility;
- (g) ensures continuous improvement in asset management performance; and
- (h) provides the Department with access to asset information, systems and processes, performance results, as-builts, asset performance data, historical information, warranties, operations and maintenance manuals, energy usage data and details of monitoring compliance with Consents.

#### **3.2 Delivery Proposal**

The Contractor will comply and will:

- (a) as a minimum, comply with the requirements set out in Appendix A to this Schedule 12;
- (b) ensure all assets that form part of essential systems are allocated the highest level of criticality when ascertaining from time to time how the assets will be maintained;
- (c) ensure minimal interruption to day-to-day operations and the provision of the Corrections Services by scheduling asset maintenance, upgrades and replacements appropriately;

- (d) ensure system redundancy for all critical systems allows for major refurbishment whilst safely maintaining operations in accordance with the Asset Management Plan;
- (e) undertake condition monitoring and preventative measures as set out in the Asset Management Plan;
- (f) utilise a computerised maintenance management system to provide accurate tracking of costing and condition information;
- (g) utilise a computerised maintenance management system to plan, schedule and process all maintenance tasks;
- (h) utilise a computerised asset management system to record asset condition surveys and forecast long-term asset planning, as set out in the Asset Management Plan;
- (i) collect asset condition information to facilitate the management of accurate life-cycle plans and maintenance works;
- (j) on an annual basis, conduct condition surveys on the Prison's assets and enter the results into the computerised asset management system in order to plan maintenance schedules, refurbishments and replacements;
- (k) utilise an approach based on New Zealand Asset Management Support (NAMS) documents in relation to asset condition audits; and
- (l) ensure all Facility Management Services Documentation meets ISO9001 requirements and is audited by the AS/NZS ISO9001:2008 certification authority in order to confirm compliance.

## **4. Facility operations and maintenance**

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### **4.1 Facility Management Requirement**

The Contractor must provide facility management systems that enable effective and efficient operation of Facility assets, continuous improvement in the performance of the Facility Management Services, and have a structured, competent approach to maintenance and operation of the Facility assets in order to ensure the continued delivery of the Corrections Services Requirements. The Contractor must ensure that all technologies utilised are supported at all times and remain fully effective.

### **4.2 Delivery Proposal**

The Contractor will comply and will:

- (a) undertake planned, scheduled, unscheduled, proactive, reactive and vandalism maintenance, at a minimum in accordance with the Facility Management Procedures, but in any event to ensure the continued provision of the Corrections Services;
- (b) undertake capital works projects in a planned and co-ordinated manner, at a minimum in accordance with the Facility Management Procedures, but in any event in a manner that ensures the Facility allows the continued provision of the Corrections Services;
- (c) ensure that there is no systemic failure of the security or Contractor's ICT System and that these systems allow the continued provision of the Corrections Services at all times;

(d) ensure all faults are rectified in accordance with the Asset Management Plan, to a standard that returns functionality to the same standard prior to the fault;

(e) complete planned maintenance to a satisfactory standard in accordance with the Asset Management Plan and the Semi-Annual Work Plan;

(f) [REDACTED]

(g) [REDACTED]

(h) [REDACTED]

(i) [REDACTED]

(ii) [REDACTED]

(iii) [REDACTED]

(iv) [REDACTED]

(v) [REDACTED]

(vi) [REDACTED]

(vii) [REDACTED]

(viii) [REDACTED]

(ix) [REDACTED]

(x) [REDACTED]

(xi) [REDACTED]

(xii) [REDACTED]

(xiii) [REDACTED]

(i) ensure that the fire prevention/detection systems, as set out in Appendix F to Schedule 10 (Works Requirements), are available and achieve the performance requirements of the relevant AS/NZS standards at all times;

(j) [REDACTED]

(k) [REDACTED]

- (l) [REDACTED]
- (m) ensure that an adequate supply of all utilities is available 24 hours a day, 365(6) days per calendar year, including when providing standby provisions for continuous essential electrical power supplies;
- (n) ensure that all essential power supplies and all security and communication services are available without disruption 24 hours a day, 365(6) days per calendar year, including when required to operate on backup supplies;
- (o) ensure that an adequate and continuous potable water supply is available 24 hours a day, 365(6) days per calendar year;
- (p) [REDACTED]
- (q) ensure the perimeter fence/wall is kept clear of all debris including any debris between the double layer mesh fence;
- (r) ensure that the overland flow paths including any associated rainwater drainage and soakage components are maintained to support the provision of the Corrections Services;
- (s) ensure vehicular access ways that support the Corrections Services, including but not limited to the servicing of the buildings, deliveries of Prisoners, deliveries of supplies and equipment and removal of refuse, are maintained to be fully functional;
- (t) ensure the access road linking the ARWCF access track to the wetlands is maintained so as to allow vehicular access via this access road at all times;
- (u) ensure the redundancy provisions as provided at Works Completion are maintained;
- (v) ensure that fixed furniture and equipment is maintained to support the provision of the Corrections Services;
- (w) ensure that the corridors, walkways, lifts and stairwells to Prisoner accessible areas remain free of debris and obstacles to support the provision of the Corrections Services;
- (x) ensure that any graffiti appearing within the Department Site is removed in a timely manner;
- (y) ensure that any contrasting colours and surfaces as provided at Works Completion where a change in use or level is made to aid transition of sensory impaired users of the Facility is maintained;
- (z) provide comprehensive pest control services that support the provision of the Corrections Services;
- (aa) ensure compliance with the approved integrated design mitigation strategy (IDMS); and
- (bb) undertake quality audits as set out in the Asset Management Plan.



## 5. Records and data management

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### 5.1 Facility Management Requirements

The Contractor must:

- (a) manage and store in a secure central repository all of the master drawings for the Department Site, Facility and Prison plans, plant manuals and performance records, in a manner that conforms with the requirements of the Public Records Act 2005;
- (b) administer Facility plans to help capture physical changes occurring on the Department Site, including but not limited to new builds, refurbishments, additions, re-designs, asset commissions and decommissions;
- (c) maintain common standards of layering, symbols and measurement, including gross and net internal areas;
- (d) ensure suitable document management practices are in place, including maintaining operations and maintenance manuals, manufacturers' handbooks, warranty information and any other information relevant to asset management; and
- (e) maintain and make available on request to the Department all asset and property data relating to the Department Site.

### 5.2 Delivery Proposal

The Contractor will comply and will:

- (a) on or prior to the Service Commencement Date:
  - (i) develop a "Standard Facilities Document Specification" (SFDS), including a common code set;
  - (ii) [REDACTED]
  - (iii) [REDACTED]
- (b) enter warranty information into the computerised maintenance management system software solution against the relevant asset;
- (c) on an ongoing basis after the Service Commencement Date, and always in a timely manner:
  - (i) [REDACTED]
  - (ii) when any upgrade occurs, ensure all pertinent information relating to the asset is recorded in the computerised asset management system; and
  - (iii) update the online access portal to reflect the most recent Asset Register and facilities plans;

- (d) retain all asset management data relating to the Facility, including but not limited to:
  - (i) all planned versus actual maintenance; and
  - (ii) all data used in asset condition assessments and calculations;
- (e) ensure that, throughout the Operating Term, the building document register is updated in a timely manner to reflect any changes to equipment, due to either equipment disposal or the installation of new equipment;
- (f) inform the Department of any changes in assets that require as-built drawings to be amended or updated and provide copies of the updated as-built drawings to the Department within one month of such change occurring;
- (g) ensure that a common approach to labelling and storing asset data is utilised across all relevant systems with all asset data coded by:
  - (i) site name;
  - (ii) building name;
  - (iii) material or type/product information;
  - (iv) level reference;
  - (v) room numbering;
  - (vi) asset classification data;
  - (vii) condition assessment data;
  - (viii) code sets for metadata and file attributes;
  - (ix) the results of all benchmarking comparisons, inspections, tests and recorded observations; and
  - (x) CAD document structure, attributes and layer names;
- (h) [REDACTED]
- (i) record, in a timely manner, all details of scheduled, unscheduled and planned maintenance within the computerised maintenance management system and ensure that all data and information is accurate and kept up-to-date;
- (j) [REDACTED]
- (k) [REDACTED]
- (l) [REDACTED]

- (m) provide to the Department, in an accessible electronic form acceptable to the Department, a quarterly performance report that details its asset management and facility management performance and provides trend information in relation to the same. The report will summarise all failures and other service requests and events reported to the help desk within the relevant quarter, including but not limited to:
  - (i) the number of failures and requests;
  - (ii) the number of communications received by the help desk, broken down by structure within the Facility and service or other agreed categorisation;
  - (iii) complaints received by the help desk relating to any of the services;
  - (iv) the unique failure number;
  - (v) the nature of the failure;
  - (vi) the date and time of the failure;
  - (vii) the required date and time of response;
  - (viii) the actual date and time of response;
  - (ix) the required date and time of rectification;
  - (x) the actual date and time of rectification;
  - (xi) details of where a temporary fix was applied;
  - (xii) a short description of the failure;
  - (xiii) a short description of how the failure was rectified;
  - (xiv) any additional works required;
  - (xv) with respect to each failure:
    - (A) the specific location of the failure and whether the failure constitutes a failure, as set out in the Asset Management Plan; and
    - (B) any mitigating circumstances; and
  - (xvi) with respect to the security systems:
    - (A) confirmation that all tests, maintenance, inspections, calibrations and the like have been completed in accordance with the Asset Management Plan;
    - (B) the security systems are fully compliant with the design requirements; and
    - (C) the action plan in rectifying any deficiency identified in the security systems;
- (n) provide to the Department a copy of all audit findings along with confirmation of identified corrective actions that have been completed within three months of the audit being completed;

- (o) provide to the Department project, maintenance and operational cost information suitable to enable benchmarking to be undertaken across services and against other prisons in New Zealand;
- (p) store all information regarding failures, including frequency, duration, cause and rectification within the computerised maintenance management system against the relevant asset component and ensure reports can be generated from the computerised maintenance management system in relation to such categories;
- (q) capture historical data used in failure mode analysis, pareto analysis, major breakdown analysis and other techniques and ensure all such information is incorporated back into the Asset Management Plan; and
- (r) ensure logs and other documents relating to interventions and visits from authorities enforcing statutory compliance shall be accessible to the Department at all times through the online access portal.

**Appendix: Asset Condition Spreadsheet**

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Secure Future Condition Rating System – Table A						
SECURE FUTURE	A	B	C	D	E	F
RATING SCORE RANGE	0 – 48	49 – 144	145 – 192	193 - 288	289 – 384	385 up
NAMS EQUIVALENT	1	2	2	3	4	5
<b>Fabric &amp; Finishes</b>	all elements are intact, sound condition. Wear and tear less than 20% degradation to as new condition.	all elements are intact, average condition for age. Wear and tear less than 40% degradation to as new condition.	all elements are in average condition for age. Wear and tear less than 60% degradation to as new condition.	all elements are in fair condition for age. Wear and tear less than 80% degradation to as new condition. Some deterioration beginning to be reflected in minor restrictions on operational uses. Customer concerns.	all elements in poor condition for age. Wear and tear greater than 80% degradation to as new condition. Upgrade required within 12 months	all elements in poor condition for age. Wear and tear at limit. Requires immediate refurbishment
<b>Structure</b>	all elements are intact, sound condition. No repairs required in long term	all elements are intact, average condition for age. No major works required in medium term	all elements are in average condition for age. Minor repairs with possible major repairs required within 5 years	all elements are in fair condition for age. Major repairs may be required in next 24 months	all elements in poor condition for age. Major repairs or replacement required in next 12 months	all elements in poor condition for age. Major repairs required immediately
<b>Appearance</b>	all elements are intact, sound condition. Wear and tear less than 20% degradation to as new condition.	all elements are intact, average condition for age. Wear and tear less than 40% degradation to as new condition.	all elements are in average condition for age. Wear and tear less than 60% degradation to as new condition.	all elements are in fair condition for age. Wear and tear less than 80% degradation to as new condition. Refurbishment within 24 months	all elements in poor condition for age. Wear and tear greater than 80% degradation to as new condition. Asset to be listed for refurbishment next 12 months	all elements in poor condition for age. Asset considered to be in dilapidated condition.
<b>Functionality</b>	all asset elements are fully functional and operating to as commissioned. Up to 45% of expected design life has been consumed based on total run hours, or age expired since last overhaul. Faults < 1 per quarter. Unscheduled repairs < 1 quarter.	all asset elements are fully functional and operating to as commissioned. Up to 45% of expected design life has been consumed based on total run hours, or age expired since last overhaul. Faults < 2 per quarter. Unscheduled repairs < 2 quarter.	all asset elements are fully functional and operating to as commissioned. between 45% and 90% of expected design life has been consumed based on total run hours, or age expired since last overhaul. Faults < 3 per quarter. Unscheduled repairs < 3 quarter. maintenance above average > 10%	all asset elements are fully functional and operating to as commissioned. between 45% and 90% of expected design life has been consumed based on total run hours, or age expired since last overhaul. Faults < 4 per quarter. Unscheduled repairs < 4 quarter. maintenance level moderate	all asset elements are fully functional and operating to as commissioned. between 45% and 90% of expected design life has been consumed based on total run hours, or age expired since last overhaul. Faults < 5 per quarter. Unscheduled repairs < 5 quarter. Maintenance level high	all asset elements are not fully functional and cannot operate as commissioned. Between 95% and 100% of expected design life has been consumed based on total run hours, or age expired since last overhaul. Faults > 5 per quarter. Unscheduled repairs > 5 quarter. Classed as unserviceable or unreliable to meet operating requirements.
RATING SCORE RANGE	0 – 48	49 – 144	145 – 192	193 - 288	289 – 384	385 up

NAMS RATING					
ELEMENT	CONDITION GRADE				
	1	2	3	4	5
	Very Good Condition	Good Condition	Moderate Condition	Poor Condition	Very Poor Condition
Estimated Proportion of life consumed	Up to 45%	Between 45% to 90%			90% - 100%
Structure	Sound structure	Functionally sound structure	Adequate structure, some evidence of foundation movement, minor cracking	Structure functioning, but with problems due to foundation movement. Some significant cracking.	Structure has serious problems and concern is held for the integrity of the structure.
External	Fabric constructed with sound materials, true to line and level. No evidence of deterioration or discolouration.	Showing minor wear and tear and minor deterioration of surfaces.	Appearance affected by minor cracking, staining, or minor leakage. Indications of breaches of weatherproofing. Minor damage to coatings.	Fabric damaged, weakened or displaced. Appearance affected by cracking, staining, overflows or breakages. Breaches of weatherproofing evident. Coatings in need of heavy maintenance or renewal.	Fabric damaged or weakened. Appearance affected by cracking, staining, overflows, leakage or damage. Breaches of waterproofing. Coatings badly damaged or non-existent.
Internal			Appearance affected by minor cracking, staining, or minor leakage, some dampness or mildew. Minor damage to wall/ ceiling finishes.	Fabric damaged, weakened or displaced. Appearance affected by cracking, staining, dampness, leakage or breakages. Breaches of waterproofing evident. Finishes of poor quality and in need of replacement.	Fabric damaged or weakened. Appearance affected by cracking, staining, leakage or wilful damage. Breaches of waterproofing. Finishes badly damaged, marked and in need of replacement.
Services	All components operable and well maintained.	All components operable.	Occasional outages, breakdowns or blockages. Increased maintenance required.	Failures of plumbing, electrical and mechanical components common place.	Plumbing, electrical and mechanical components are unsafe or inoperable.
Fittings	Well secured and operational, sound of function and appearance.	Operational and functional, minor wear and tear.	Generally operational. Minor breakage.	Fittings of poor quality and appearance, often inoperable and damaged.	Most are inoperable or damaged
Maintenance	Well maintained and clean.	Increased maintenance inspection required.	Regular and programmed maintenance inspections essential.	Frequent maintenance inspections essential. Short term element replacement/ rehabilitation.	Minimum life expectancy, requiring urgent rehabilitation or replacement.
Customers	No customer concerns.	Deterioration causes minimal influence on occupational uses. Occasional customer concerns.	Some deterioration beginning to be reflected in minor restrictions on operational uses. Customer concerns.	Regular customer complaints.	Generally not suitable for use by customers.

SECUR FUTURE ASSET CONDITION ANALYSIS - TABLE B

BUILDING	YEAR	Year 1						Year 2						Year 3						Year 4						Year 5						Year 6						Year 7						Year 8						Year 9					
	SERCO RATING	A	B	C	D	E	F	A	B	C	D	E	F	A	B	C	D	E	F	A	B	C	D	E	F	A	B	C	D	E	F	A	B	C	D	E	F	A	B	C	D	E	F												
	NAMS RATING	1	2	2	3	4	5	1	2	2	3	4	5	1	2	2	3	4	5	1	2	2	3	4	5	1	2	2	3	4	5	1	2	2	3	4	5	1	2	2	3	4	5												
		Condition Rating Allocation %						Condition Rating Allocation %						Condition Rating Allocation %						Condition Rating Allocation %						Condition Rating Allocation %						Condition Rating Allocation %						Condition Rating Allocation %						Condition Rating Allocation %											
House Block 1	ASSET ELEMENT																																																						
MUT	Structural Elements	98%	2%					97%	3%					96%	4%					96%	4%					96%	4%						95%	5%				94%	6%				92%	5%	3%			90%	5%	5%					
	Roof sheeting & membrane	98%	2%					95%	5%					90%	10%					70%	30%					50%	40%	10%							25%	55%	20%			15%	60%	25%			5%	45%	35%	15%							
	Windows	98%	2%					90%	10%					88%	12%					85%	15%					83%	17%						75%	25%	10%			50%	35%	15%			45%	35%	20%										
	External Walls prisoner areas	74%	26%					60%	27%	3%				35%	35%	30%				45%	55%							65%	35%						15%	85%						100%													
	External walls non prisoner areas	95%	5%					92%	8%					60%	30%	10%				60%	40%							25%	75%						50%	50%				10%	90%														
	Ceiling finishes prisoner areas	74%	26%					60%	27%	3%				35%	35%	30%				45%	55%							65%	35%						15%	85%				100%															
	Ceiling finishes non prisoner areas	95%	5%					92%	8%					60%	30%	10%				60%	40%							25%	75%						50%	50%				35%	65%														
	Interior walls prisoner areas	74%	26%					60%	27%	3%				35%	35%	30%				45%	55%							65%	35%						15%	85%				100%															
	Interior walls non prisoner	95%	5%					92%	8%					60%	30%	10%				60%	40%							25%	75%						50%	50%				35%	65%														
	Interior doors prisoner areas	74%	26%					60%	27%	3%				35%	35%	30%				45%	55%							65%	35%						15%	85%				100%															
	Interior doors non prisoner areas	95%	5%					92%	8%					60%	30%	10%				60%	40%							25%	75%						50%	50%				35%	65%														
	Floor finishes prisoner areas	74%	26%					60%	27%	3%				35%	35%	30%				45%	55%							65%	35%						15%	85%				100%															
	Floor finishes non prisoner	95%	5%					92%	8%					60%	30%	10%				60%	40%							25%	75%						50%	50%				35%	65%														
	Cell Wall Finishes	74%	26%					50%	50%						45%	50%	5%				30%	40%	30%																	45%	50%	5%													
	Cell FF&E Items	74%	26%					50%	50%						45%	50%	5%				30%	40%	30%																	45%	50%	5%													
	Cell hydraulic services	88%	12%					55%	45%						35%	40%	25%				15%	30%	35%	20%																															
	Cell doors & locks	74%	26%					74%	26%						70%	30%					70%	30%																																	
	FF&E prisoner non cell areas	74%	26%					50%	50%						45%	50%	5%				30%	40%	30%																																
	FF&E non prisoner areas	95%	5%					80%	20%						40%	40%	20%				10%	40%	30%	20%																															
	Security Perimeter Fence areas																																																						
	Security and Sterile zones																																																						
	Security alarm & monitoring systems	74%	26%					74%	26%						70%	30%					70%	30%																																	
	Signage	74%	26%					74%	26%						70%	30%					70%	30%																																	
	Hydraulic Services Prisoner areas	74%	26%					50%	50%						45%	50%	5%				30%	40%	30%																																
	Hydraulic Services non prisoner areas	98%	2%					90%	10%					88%	12%					85%	15%																																		
	Electrical Services	98%	2%					90%	10%					88%	12%					85%	15%																																		
	Mechanical Services	98%	2%					90%	10%					88%	12%					85%	15%																																		
	Fire Services	98%	2%					90%	10%					88%	12%					85%	15%																																		
	Data/Communications	74%	26%					74%	26%					70%	30%					70%	30%																																		
	Vertical transportation systems	98%	2%					90%	10%					88%	12%					85%	15%																																		
	Grounds, paving, walkways																																																						
House Block 2	ASSET ELEMENT																																																						
	Structural Elements	98%	2%					97%	3%																																														



BUILDING	YEAR	Year 1						Year 2						Year 3						Year 4						Year 5						Year 6						Year 7						Year 8						Year 9																																															
	SERCO RATING	A	B	C	D	E	F	A	B	C	D	E	F	A	B	C	D	E	F	A	B	C	D	E	F	A	B	C	D	E	F	A	B	C	D	E	F	A	B	C	D	E	F																																																						
	NAMS RATING	1	2	3	4	5	1	2	3	4	5	1	2	3	4	5	1	2	3	4	5	1	2	3	4	5	1	2	3	4	5	1	2	3	4	5	1	2	3	4	5	1	2	3	4	5																																																			
		Condition Rating Allocation %						Condition Rating Allocation %						Condition Rating Allocation %						Condition Rating Allocation %						Condition Rating Allocation %						Condition Rating Allocation %						Condition Rating Allocation %						Condition Rating Allocation %						Condition Rating Allocation %																																															
FF&E prisoner non cell areas		74%	26%					50%	50%					45%	50%	5%				30%	40%	30%				100%				100%				50%	50%					30%	40%	30%																																																							
FF&E non prisoner areas		95%	5%					80%	20%					40%	40%	20%				10%	40%	30%	20%				10%	25%	65%				30%	70%				10%	90%				50%	50%					90%	5%	5%																																														
Security Perimeter Fence areas																																																																																																	
Security and Sterile zones																																																																																																	
Security alarm & monitoring systems		74%	26%					74%	26%					70%	30%				70%	30%				65%	30%	5%				50%	40%	10%				45%	30%	15%				25%	45%	30%				10%	50%	20%	20%																																														
Signage		74%	26%					74%	26%					70%	30%				70%	30%				65%	30%	5%				50%	40%	10%				45%	30%	15%				25%	45%	30%				10%	50%	20%	20%																																														
Hydraulic Services Prisoner areas		74%	26%					50%	50%					45%	50%	5%				30%	40%	30%				100%				100%				50%	50%					30%	40%	30%				30%	40%	30%																																																	
Hydraulic Services non prisoner areas		98%	2%					90%	10%					88%	12%				85%	15%				83%	17%				75%	25%				70%	20%	10%				50%	35%	15%				45%	35%	20%																																																	
Electrical Services		98%	2%					90%	10%					88%	12%				85%	15%				83%	17%				75%	25%				70%	20%	10%				50%	35%	15%				45%	35%	20%																																																	
Mechanical Services		98%	2%					90%	10%					88%	12%				85%	15%				83%	17%				75%	25%				70%	20%	10%				50%	35%	15%				45%	35%	20%																																																	
Fire Services		98%	2%					90%	10%					88%	12%				85%	15%				83%	17%				75%	25%				70%	20%	10%				50%	35%	15%				45%	35%	20%																																																	
Data/Communications		74%	26%					74%	26%					70%	30%				70%	30%				65%	30%	5%				50%	40%	10%				45%	30%	15%				25%	45%	30%				10%	50%	20%	20%																																														
Vertical transportation systems		98%	2%					90%	10%					88%	12%				85%	15%				83%	17%				75%	25%				70%	20%	10%				50%	35%	15%				45%	35%	20%																																																	
Grounds, paving, walkways																																																																																																	
Administration & Visits		ASSET ELEMENT																																																																																															
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Interior walls non prisoner		95%	5%					92%	8%					60%	30%	10%				60%	40%				25%	75%				50%	50%				35%	65%				10%	90%				100%																																																				
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[illegible]

Visitor Centre	ASSET ELEMENT																																	
	Structural Elements	98%	2%		97%	3%		96%	4%		96%	4%		95%	5%		94%	6%		92%	5%	3%		90%	5%	5%								
	Roof sheeting & membrane	98%	2%		95%	5%		90%	10%		70%	30%		50%	40%	10%		25%	55%	20%	15%	60%	25%	5%	45%	35%	15%							
	Windows	98%	2%		90%	10%		88%	12%		85%	15%		83%	17%		75%	25%		70%	20%	10%		45%	35%	20%								
	External Walls prisoner areas																																	
	External walls non prisoner areas	95%	5%		92%	8%		60%	30%	10%		60%	40%		25%	75%		50%	50%			35%	65%		10%	90%			100%					
	Ceiling finishes prisoner areas	74%	26%		60%	27%	3%		35%	35%	30%		45%	55%			65%	35%		15%	85%			100%		100%			100%					
	Ceiling finishes non prisoner areas	95%	5%		92%	8%			60%	30%	10%		60%	40%		25%	75%			50%	50%			35%	65%		10%	90%		100%				
	Interior walls prisoner areas																																	
	Interior walls non prisoner	95%	5%		92%	8%			60%	30%	10%		60%	40%		25%	75%			50%	50%			35%	65%		10%	90%		100%				
	Interior doors prisoner areas																																	
	Interior doors non prisoner areas	95%	5%		92%	8%			60%	30%	10%		60%	40%		25%	75%			50%	50%			35%	65%		10%	90%		100%				
	Floor finishes prisoner areas																																	
	Floor finishes non prisoner	95%	5%		92%	8%			60%	30%	10%		60%	40%		25%	75%			50%	50%			35%	65%		10%	90%		100%				
	Cell Wall Finishes																																	
	Cell FF&E items																																	
	Cell hydraulic services																																	
	Cell doors & locks																																	
	FF&E prisoner non cell areas																																	
	FF&E non prisoner areas	95%	5%		80%	20%			40%	40%	20%		10%	40%	30%	20%		10%	25%	65%			30%	70%		10%	90%		50%	50%	90%	5%	5%	
	Security Perimeter Fence areas																																	
	Security and Sterile zones																																	
	Security alarm & monitoring systems	74%	26%		74%	26%			70%	30%			70%	30%		65%	30%	5%		50%	40%	10%		45%	30%	15%		25%	45%	30%	10%	50%	20%	20%
	Signage	74%	26%		74%	26%			70%	30%			70%	30%		65%	30%	5%		50%	40%	10%		45%	30%	15%		25%	45%	30%	10%	50%	20%	20%
	Hydraulic Services Prisoner areas																																	
	Hydraulic Services non prisoner areas	98%	2%		90%	10%			88%	12%			85%	15%		83%	17%			75%	25%			70%	20%	10%		50%	35%	15%	45%	35%	20%	
	Electrical Services	98%	2%		90%	10%			88%	12%			85%	15%		83%	17%			75%	25%			70%	20%	10%		50%	35%	15%	45%	35%	20%	
	Mechanical Services	98%	2%		90%	10%			88%	12%			85%	15%		83%	17%			75%	25%			70%	20%	10%		50%	35%	15%	45%	35%	20%	
	Fire Services	98%	2%		90%	10%			88%	12%			85%	15%		83%	17%			75%	25%			70%	20%	10%		50%	35%	15%	45%	35%	20%	
	Data/Communications	74%	26%		74%	26%			70%	30%			70%	30%		65%	30%	5%		50%	40%	10%		45%	30%	15%		25%	45%	30%	10%	50%	20%	20%
	Vertical transportation systems																																	
	Grounds, paving, walkways																																	

Ft Building	ASSET ELEMENT																												
	Structural Elements	98%	2%		97%	3%		96%	4%		96%	4%		95%	5%		94%	6%		92%	5%	3%		90%	5%	5%			
	Roof sheeting & membrane	98%	2%		95%	5%		90%	10%		70%	30%		50%	40%	10%		25%	55%	20%	15%	60%	25%	5%	45%	35%	15%		
	Windows	98%	2%		90%	10%		88%	12%		85%	15%		83%	17%			70%	20%	10%	50%	35%	15%	45%	35%	20%			
	External Walls prisoner areas	74%	26%		60%	27%	3%		35%	35%	30%				65%	35%				15%	85%		100%				100%		
	External walls non prisoner areas	95%	5%		92%	8%			60%	30%	10%			25%	75%					35%	65%			10%	90%		100%		
	Ceiling finishes prisoner areas	74%	26%		60%	27%	3%		35%	35%	30%				65%	35%				15%	85%		100%				100%		
	Ceiling finishes non prisoner areas	95%	5%		92%	8%			60%	30%	10%			25%	75%					50%	50%		35%	65%	10%	90%		100%	
	Interior walls prisoner areas	74%	26%		60%	27%	3%		35%	35%	30%				65%	35%				15%	85%		100%				100%		
	Interior walls non prisoner	95%	5%		92%	8%			60%	30%	10%			25%	75%					50%	50%		35%	65%	10%	90%		100%	
	Interior doors prisoner areas	74%	26%		60%	27%	3%		35%	35%	30%				65%	35%				15%	85%		100%				100%		
	Interior doors non prisoner areas	95%	5%		92%	8%			60%	30%	10%			25%	75%					50%	50%		35%	65%	10%	90%		100%	
	Floor finishes prisoner areas	74%	26%		60%	27%	3%		35%	35%	30%				65%	35%				15%	85%		100%				100%		
	Floor finishes non prisoner	95%	5%		92%	8%			60%	30%	10%			25%	75%					50%	50%		35%	65%	10%	90%		100%	
	Cell Wall Finishes																												
	Cell FF&E items																												
	Cell hydraulic services																												
	Cell doors & locks																												
	FF&E prisoner non cell areas	74%	26%		50%	50%			45%	50%	5%				100%							100%		50%	50%		30%	40%	30%
	FF&E non prisoner areas	95%	5%		80%	20%			40%	40%	20%			10%	25%	65%				30%	70%		10%	90%		50%	50%		
	Security Perimeter Fence areas																												
	Security and Sterile zones																												
	Security alarm & monitoring systems	74%	26%		74%	26%			70%	30%				65%	30%	5%				45%	30%	15%		25%	45%	30%		10%	
	Signage	74%	26%		74%	26%			70%	30%				65%	30%	5%				45%	30%	15%		25%	45%	30%		10%	
	Hydraulic Services Prisoner areas	74%	26%		50%	50%			45%	50%	5%					100%						100%		50%	50%		30%	40%	30%
	Hydraulic Services non prisoner areas	98%	2%		90%	10%			88%	12%				83%	17%					70%	20%	10%		50%	35%	15%		45%	
	Electrical Services	98%	2%		90%	10%			88%	12%				83%	17%					70%	20%	10%		50%	35%	15%		45%	
	Mechanical Services	98%	2%		90%	10%			88%	12%				83%	17%					70%	20%	10%		50%	35%	15%		45%	
	Fire Services	98%	2%		90%	10%			88%	12%				83%	17%					70%	20%	10%		50%	35%	15%		45%	
	Data/Communications	74%	26%		74%	26%			70%	30%				65%	30%	5%				45%	30%	15%		25%	45%	30%		10%	
	Vertical transportation systems																												
	Grounds, paving, walkways																												

Staff Training Centre	ASSET ELEMENT																	
Structural Elements	98%	2%	97%	3%	96%	4%	96%	4%	95%	5%	94%	6%	92%	5%	3%	90%	5%	5%
	98%	2%	95%	5%	70%	30%	50%	40%	10%	45%	45%	10%	25%	55%	20%	15%	60%	25%
	98%	2%	90%	10%	88%	12%	85%	15%	83%	17%	75%	25%	70%	20%	10%	50%	35%	15%
	External Walls prisoner areas																	
	External walls non prisoner areas																	
	Ceiling finishes prisoner areas																	
	Ceiling finishes non prisoner areas																	
	Interior walls prisoner areas																	
	Interior walls non prisoner																	
	Interior doors prisoner areas																	
	Interior doors non prisoner areas																	
	Floor finishes prisoner areas																	
Floor finishes non prisoner																		

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	YEAR	Year 1						Year 2						Year 3						Year 4						Year 5						Year 6						Year 7						Year 8						Year 9																	
	SERCO RATING	A	B	C	D	E	F	A	B	C	D	E	F	A	B	C	D	E	F	A	B	C	D	E	F	A	B	C	D	E	F	A	B	C	D	E	F	A	B	C	D	E	F																								
	NAMS RATING	1	2	2	3	4	5	1	2	2	3	4	5	1	2	2	3	4	5	1	2	2	3	4	5	1	2	2	3	4	5	1	2	2	3	4	5	1	2	2	3	4	5	1	2	2	3	4	5																		
BUILDING		Condition Rating Allocation %						Condition Rating Allocation %						Condition Rating Allocation %						Condition Rating Allocation %						Condition Rating Allocation %						Condition Rating Allocation %						Condition Rating Allocation %						Condition Rating Allocation %						Condition Rating Allocation %																	
External Works	ASSET ELEMENT																																																																		
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	FF&E non prisoner areas	74%	26%					74%	26%					70%	30%					70%	30%					65%	30%	5%				50%	40%	10%				45%	30%	15%				25%	45%	30%				10%	50%	20%	20%														
	Security Perimeter Fence areas	74%	26%					74%	26%					70%	30%					70%	30%					65%	30%	5%				50%	40%	10%				45%	30%	15%				25%	45%	30%				10%	50%	20%	20%														
	Security and Sterile zones	74%	26%					74%	26%					70%	30%					70%	30%					65%	30%	5%				50%	40%	10%				45%	30%	15%				25%	45%	30%				10%	50%	20%	20%														
	Security alarm & monitoring systems	74%	26%					74%	26%					70%	30%					70%	30%					65%	30%	5%				50%	40%	10%				45%	30%	15%				25%	45%	30%				10%	50%	20%	20%														
	Signage	74%	26%					74%	26%					70%	30%					70%	30%					65%	30%	5%				50%	40%	10%				45%	30%	15%				25%	45%	30%				10%	50%	20%	20%														
	Hydraulic Services Prisoner areas	74%	26%					50%	50%					45%	50%	5%				30%	40%	30%				83%			100%																																						
	Hydraulic Services non prisoner areas	98%	2%					90%	10%					88%	12%					85%	15%					83%	17%																																								
	Site Drainage	98%	2%					90%	10%					88%	12%					85%	15%					83%	17%																																								
	Gas Infrastructure	98%	2%					90%	10%					88%	12%					85%	15%					83%	17%																																								
	Electrical Services	98%	2%					90%	10%					88%	12%					85%	15%					83%	17%																																								
	Mechanical Services	98%	2%					90%	10%					88%	12%					85%	15%					83%	17%																																								
	Fire Services	98%	2%					90%	10%					88%	12%					85%	15%					83%	17%																																								
	Data/Communications	74%	26%					74%	26%					70%	30%					70%	30%					65%	30%	5%																																							
	Vertical transportation systems	74%	26%					74%	26%					70%	30%					70%	30%					65%	30%	5%																																							
	Grounds, paving, walkways	74%	26%					74%	26%					70%	30%					70%	30%					65%	30%	5%																																							
Gatehouse / Sallyport	ASSET ELEMENT																																																																		
Utilities	Structural Elements	98%	2%					97%	3%					96%	4%					96%	4%					96%	4%																																								
	Roof sheeting & membrane	98%	2%					95%	5%					90%	10%					70%	30%					50%	40%	10%																																							
	Windows	98%	2%					90%	10%					88%	12%					85%	15%					83%	17%																																								
	External Walls prisoner areas																																																																		
	External walls non prisoner areas	95%	5%					92%	8%					60%	30%	10%					60%	40%					25%	75%																																							
	Ceiling finishes prisoner areas																																																																		
	Ceiling finishes non prisoner areas	95%	5%					92%	8%					60%	30%	10%					60%	40%					25%	75%																																							
	Interior walls prisoner areas																																																																		
	Interior walls non prisoner	95%	5%					92%	8%					60%	30%	10%					60%	40%					25%	75%																																							
	Interior doors prisoner areas																																																																		
	Interior doors non prisoner areas	95%	5%					92%	8%					60%	30%	10%					60%	40%					25%	75%																																							
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	Floor finishes non prisoner	95%	5%					92%	8%					60%	30%	10%					60%	40%					25%	75%																																							
	Cell Wall Finishes																																																																		
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## Schedule 13: ICT Requirements

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### Part 1 – General provisions

#### 1. Interpretation

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##### 1.1 Compliance with ICT Requirements and Delivery Proposals

- (a) The Contractor must comply with all ICT Requirements and all Delivery Proposals set out in Part 2 (ICT Requirements) and Part 3 (ICT Delivery Proposals).
- (b) In the case of any inconsistency, the requirement to comply with the ICT Requirements prevails over compliance with the Delivery Proposals.
- (c) For the avoidance of doubt, compliance with the Delivery Proposals but not with the ICT Requirements constitutes a breach by the Contractor of the ICT Requirements.
- (d) In relation to all ICT Requirements and Delivery Proposals set out in Part 2 and Part 3, the Contractor must comply with the requirements of the following when satisfying the ICT Requirements and the Delivery Proposals:
  - (i) the Corrections Act, the Corrections Regulations and all other Laws; and
  - (ii) all applicable AS/NZS standards.

##### 1.2 References to information systems, tools and programmes

References in this Schedule 13 to specific information systems, tools and programmes shall be read as if, in each case, the reference to the specific information system, tool or programme is followed with the words “(or such equivalent or improved system, tool or programme as may be agreed with the Department from time to time)”.

### Part 2 – ICT Requirements

#### 2. Use of Department Applications

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##### 2.1 General

- (a) The Department requires the Contractor to deliver the Corrections Services by using, interfacing and inputting all required data into the Department Applications in accordance with Schedule 14 (Corrections Services Requirements) and Schedule 15 (Reporting) and for that purpose will allow the Contractor to have an interface with, and view and input access limited to, those parts of the Department’s ICT System that directly relate to the Contractor’s performance of the Services.
- (b) The Contractor is solely responsible for, and must provide its own equipment and Software and maintain its own supporting infrastructure to support, the Contractor’s ICT System and its interface and interaction with the Department’s ICT System and to the extent required under the Corrections Services Requirements to support wider justice sector initiatives.
- (c) The Department’s ICT System will be accessed by the Contractor through the ICT Interface.

## **2.2 Contractor's relief**

The Contractor shall have no liability for any breach of the Contractor's obligations under any of the Project Documents and is entitled to relief under clause 53.4 (Relief from Deductions) of the Base Agreement, to the extent it is prevented from providing the Services in accordance with the terms of this Agreement as a direct result of:

- (a) the integrity and security of the Contractor's ICT System being materially compromised due to the interface with the Department's ICT System; or
- (b) a Department Application being unavailable to the extent required for the proper performance of the Operational Services,

provided that in each such circumstance the Contractor:

- (c) has complied with its relevant obligations hereunder and has not caused the relevant circumstances described in paragraph 2.2(a) or paragraph 2.2(b) (as applicable);
- (d) has used its best endeavours to continue to provide the Operational Services; and
- (e) where relevant, has used back-up recording systems and undertakes to input retrospectively any applicable information as soon as practicable after access to the relevant Department Application is restored.

## **3. Ownership and use of Department's ICT System**

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### **3.1 Ownership**

Notwithstanding any other provision of this Agreement, the Department's ICT System, and any and all information, data and images that are stored on or that are required as an input to or an output from the Department's ICT System, shall remain the property of the Department.

### **3.2 Restriction on use of Department's ICT System**

The Contractor shall only use the Department's ICT System in order to comply with its obligations under this Agreement and for no other purpose whatsoever.

### **3.3 Confidential Information**

All information, data and images stored on or accessed by the Contractor from the Department's ICT System shall be treated by the Contractor as Confidential Information.

## **4. Contractor's ICT obligations**

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### **4.1 Contractor to make available qualified personnel**

The Contractor shall, at the Department's reasonable request, make available appropriately qualified personnel to consult with the Department, its nominated agents or their authorised engineers about the installation, configuration, testing, commissioning, maintenance, operation, upgrading, modification or replacement of those parts of the Department's ICT System that are used by the Contractor.

## **4.2 Testing of Department's ICT System**

The Contractor shall ensure that the Department has a reasonable opportunity to test the Department's ICT System's ability to send and receive data before the ICT Interface is commissioned.

## **4.3 Access to Prison**

The Contractor shall permit the Department and any representative of the Department, at reasonable times and upon giving reasonable notice, to enter the Prison in order:

- (a) to undertake routine maintenance and fault resolution in relation to any part of the Department's ICT System; and
- (b) to upgrade or replace the Department's ICT System (or any part of the Department's ICT System).

## **5. Responsibility for security of Department's ICT System and accuracy of records**

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### **5.1 Integrity and security up to ICT Interface**

The Contractor shall ensure the integrity and security of the Contractor's ICT System (including all Software, services, hardware, data and images) up to the ICT Interface.

### **5.2 Integrity and security of Department's ICT System**

Notwithstanding paragraph 5.1, the Contractor shall take all reasonable steps in accordance with Good Industry Practice (including erecting firewalls, providing protection against viruses and ensuring security of access to the Department's ICT System) to minimise the possibility that the integrity and security of the Department's ICT System or any part of it is compromised or jeopardised due to the interface with the Contractor's ICT System.

### **5.3 Collect and record accurate information**

The Contractor will collect and record in the Department Applications, in accordance with Schedule 14 (Corrections Services Requirements), accurate and reliable information, data or images of the kind and using any categorisation, format and definitions required to be used by the relevant Department Applications or as specified by the Department from time to time (**Application Information**). The Contractor shall keep the Application Information up to date and will not electronically store any information, data or images in the Department Applications other than the Application Information.

## **6. Malicious Software**

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### **6.1 Anti-virus Software**

The Contractor shall use the current and supported versions of anti-virus definitions available from an industry accepted anti-virus Software vendor to check for and delete Malicious Software from the Contractor's ICT System and to minimise the possibility that it transmits to the Department's ICT System or receives any Malicious Software.

## 6.2 Co-operation with respect to Malicious Software

Notwithstanding paragraph 6.1, if Malicious Software is found in either the Contractor's ICT System and/or the Department's ICT System, the parties shall co-operate to reduce the effect of the Malicious Software and, particularly if Malicious Software causes loss of operational efficiency or loss or corruption of Prescribed Documentation, assist each other to mitigate any Losses.

## 6.3 Costs

Any cost arising out of the actions of the parties taken in accordance with paragraph 6.2 shall be borne by the parties as follows:

- (a) by the Contractor where the Malicious Software originates from the Contractor's ICT System or the Prescribed Documentation (whilst the Prescribed Documentation was under the control of the Contractor); and
- (b) by the Department where the Malicious Software originates from the Department's ICT System or the Prescribed Documentation (whilst the Prescribed Documentation was under the control of the Department).

# Part 3 – ICT Delivery Proposals

## 7. Contractor's ICT System Overview

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### 7.1 Contractor's ICT System, supporting infrastructure and Software

The Contractor will:

- (a) utilise the Contractor's ICT System and ensure users of the Contractor's ICT System only have access to the applications and data required to perform their duties;
- (b) utilise appropriate equipment, supporting infrastructure and Software:
  - (i) to support the Contractor's ICT System and its interface and interaction with the Department's ICT System in accordance with Good Industry Practice; and
  - (ii) to support wider justice sector initiatives to the extent required under the Corrections Services Requirements and in accordance with paragraph 2.1 (General);
- (c) utilise the Department's ICT System and ensure that users of the Department's ICT System are trained and only have access to the Department Applications and data to the extent required to perform their duties;
- (d) ensure accurate and reliable information is entered into the Department Applications and the Contractor's ICT System in a timely manner and as required under paragraph **Error! Reference source not found.** (Collect and record accurate information);
- (e) maintain the security of the interface between the Contractor's ICT System and the Department's ICT System in accordance with Good Industry Practice and as required under paragraphs **Error! Reference source not found.** (Integrity and security up to ICT Interface) and **Error! Reference source not found.** (Integrity and security of Department's ICT System);

- (f) maintain the physical and logical security of all security systems that do not incorporate logical interfaces to other ICT systems in accordance with Good Industry Practice;
- (g) utilise a prisoner telephone control and monitoring system, based on standard copper based analogue phones with call control, monitoring and recording functionality;
- (h) retain identifiable Prisoner data within New Zealand and not permit it to be transmitted or viewed offshore;
- (i) provide on and off site support for the Contractor's ICT System, which shall include proactive and reactive support in accordance with then-current information technology service management standards and Good Industry Practice;
- (j) implement appropriate techniques to manage and protect the integrity and security of data captured in the Contractor's ICT System in accordance with Good Industry Practice, including security audit logging, active directory management, antivirus protection, email filtering, website and content filtering, acceptable data use policies, network security, encryption and disaster recovery;
- (k) provide appropriate availability and redundancy for the Contractor's ICT System in accordance with Good Industry Practice; and
- (l) keep the Contractor's ICT System current through adopting supported technologies and maintaining their currency during the Contract Term in accordance with Good Industry Practice.

## 7.2 Contractor's applications

The Contractor will maintain and utilise in support of the provision of the Corrections Services and/or the Facility Management Services (in each case, as applicable):

- (a) the following Contractor's applications.
  - (i) a custodial management system that has no less functionality than:
    - (A) that provided by the Unilink Software Limited "NForce Custodial Management System" as at the Execution Date; and
    - (B) as set out in Schedule 10B (Works (Retrofit) Requirements) in relation to such system;
  - (ii) prisoner in-cell systems and telephony that has no less functionality than:
    - (A) in the case of telephony, that contained in the "Unify Call Control" system in-cell telephony technology from Unify Business Solutions Limited at the Execution Date; and
    - (B) as set out in Schedule 10B (Works (Retrofit) Requirements) in relation to such systems and telephony;
  - (iii) an integrated assessment and case management tool that shall have no less functionality and research support than:
    - (A) that provided by, and in relation to, Meganexus Limited's "Meganexus NEO" system at the Execution Date; and

- (B) as set out in Schedule 10B (Works (Retrofit) Requirements) in relation to such tool; and
- (iv) a security management system that has no less functionality than:
  - (A) that provided by, and in relation to, the Saab OneView™ system at the Execution Date; and
  - (B) as set out in Schedule 10 (Works Requirements) in relation to such system; and
- (b) the infrastructure required to support such Contractor applications in compliance with the requirements for such infrastructure in Schedule 10 (Works Requirements) and Schedule 10B (Works (Retrofit) Requirements).

## **8. Data management and security**

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### **8.1 Classification and storage of data**

The Contractor shall assess and classify all corporate information/documents according to their contents. Documents, email and records that are not required to be entered into any Department Application and which relate to the Services shall be stored in an electronic document control system supplied by the Contractor allowing easy location and retrieval of information.

### **8.2 Record keeping relating to Prisoners**

The Contractor shall enter record keeping relating to Prisoners into the Department Applications (including the Integrated Offender Management System and Medtech32) as the primary sources of Prisoner details.

### **8.3 No access to data on other Prisoners**

The Contractor shall ensure Prisoners will have no access to data on other Prisoners.

## **9. Interface with Department's ICT System**

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### **9.1 Access to, and interface with, Department's ICT System**

- (a) The Contractor shall maintain an interface solution to the Department Applications based on utilisation of the Citrix Access Gateway hosted applications service.
- (b) The Contractor shall control staff access to the Department's ICT System via the Department's dedicated WAN connection at the Prison connected to the Department's application hosting environment.
- (c) A network firewall shall be used to separate this connection from the other networks at the Prison and from the connection to the shared infrastructure. The firewall shall restrict access to the Department's ICT System and shall be able to be used to create a secure "tunnel" (VPN) over the Department's WAN connection, if required.

### **9.2 Access to, and interface with, Department Applications**

Where the Contractor is seeking interfaces with any Department Application in addition to the Department's proposed Citrix Access Gateway, it shall discuss such interfaces with the



Department. However, any failure to reach agreement in relation to such additional interfaces shall not reduce any of the Contractor's obligations under this Agreement. If the Department agrees to any such additional interfaces, the additional interface is solely at the Contractor's risk.

### **9.3 Interface between support teams**

The Contractor and the Department agree to co-operate to determine the appropriate arrangements in relation to support for the interface arrangements set out in this Schedule 13. The Contractor shall detail the proposed arrangements in the ICT Solution.

## **Part 4 - Department's ICT obligations**

### **10. Department's ICT obligations**

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#### **10.1 Access to, and updates of, Department's ICT System**

The Department shall:

- (a) use reasonable endeavours to provide the Contractor with such access to the Department's ICT System as is reasonably required for the Contractor to undertake testing, training and remedial work prior to Service Commencement as contemplated by this Agreement;
- (b) where the Department is unable to provide the Contractor with such access as reasonably required for the purposes of paragraph 10.1(a), the parties shall continue to work together to fulfil the intent of paragraph 10.1(a) as soon as reasonably practicable;
- (c) prior to implementing any upgrade, update, replacement or other change to the Department's ICT System or the ICT Interface that would, or is likely to, require an upgrade, update or other change to the Contractor's ICT System in excess of Good Industry Practice, notify the Contractor of the upgrade, update, replacement or other change and the potential ramifications of the same; and
- (d) where paragraph 10.1(c) applies, the Department shall issue a Change Notice in relation to such upgrade, update, replacement or other change and Part 13 (Changes) of the Base Agreement shall then apply.

#### **10.2 Training**

- (a) On or before the commissioning of the ICT Interface, the Department shall provide or procure the provision of training (using a train the trainer approach) for up to 12 Contractor Personnel about the operation and administration of the Department's ICT System. The training provided shall cover all functions required to be conducted by the Contractor, and be sufficiently comprehensive to permit a contractor of reasonable skill and knowledge to perform its obligations with respect to the Department's ICT System. The dates, times and location and the responsibility for the costs for such training shall be agreed between the parties. The Department shall be responsible for the costs of the venue, the equipment and the trainers, and the Contractor shall be responsible for the costs of its participants.
- (b) The Department shall provide to the Contractor electronic copies of relevant training manuals and user guides relating to the Department Applications that are already in existence at the Execution Date, and any updates prepared for those existing manuals and guides, as well as any training manuals and user guides relating to the Department Applications that are subsequently developed. However, this shall not

oblige the Department to develop any such manuals or user guides specifically for the purposes of this Agreement.

- (c) On or before the commissioning of any material upgrade and/or change to the Department's ICT System, the Department shall provide or procure the provision of training (using a train the trainer approach) for up to 12 Contractor Personnel about the upgrade or change. The dates, times and location for such training shall be agreed between the parties and:
  - (i) the trainers shall be provided at the Department's cost;
  - (ii) where the venue is the Prison or a venue of the Contractor's choosing other than Department premises, the Contractor shall be responsible for the costs involved in the provision of the venue and equipment required for such training; and
  - (iii) where the venue is Department premises, the Department shall be responsible for the costs involved in the provision of the venue and equipment required for such training,and each party shall be responsible for the other expenses of its attendees (including travel and accommodation).
- (d) The Contractor, at its own cost and expense, shall be solely responsible for arranging for any other training required of Contractor Personnel in relation to the operation of the Department's ICT System and the Contractor's ICT System that is not provided pursuant to paragraphs 10.2(a) and 10.2(c) (inclusive).

## Schedule 14: Corrections Services Requirements

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## **Part 1 – General Provisions**

### **1. Interpretation**

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#### **1.1 Compliance with Corrections Services Requirements and Delivery Proposals**

- (a) The Contractor must comply with all Corrections Services Requirements and all Delivery Proposals set out in Parts 1 (General Provisions) to 5 (Integration and relationships).
- (b) In the case of any inconsistency, the requirement to comply with the Corrections Services Requirements prevails over compliance with the Delivery Proposals.
- (c) For the avoidance of doubt, compliance with the Delivery Proposals but not with the Corrections Services Requirements constitutes a breach by the Contractor of the Corrections Services Requirements.
- (d) In relation to all Corrections Services Requirements set out in Parts 1 to 5, the Contractor must ensure that the Services are provided by it, its Major Sub-contractors and its Contractor Personnel in compliance with all Laws, including:
  - (i) the requirements of the Corrections Act and the Corrections Regulations, in so far as those requirements are applicable to Contract Prisons or the Services;
  - (ii) the requirements of the New Zealand Bill of Rights Act 1990, as if the Prison were a prison managed by the Department and the Contractor and Contractor Personnel were employees of the Chief Executive;
  - (iii) the requirements of the Public Records Act, as if the Contractor were part of the Department and the records relating to the Prison and to Prisoners in the Prison were records created or received by the Department;
  - (iv) all Mandatory International Prison Standards; and
  - (v) the requirements of sections 56(1) and (2) and 58(3) of the State Sector Act 1988 (which relate to personnel and equal opportunity policies), as if the Contractor was the chief executive of a department within the meaning of that Act and as if those requirements applied, not only in respect of employees of the Contractor, but in respect of all Staff Members of a Contract Prison.

#### **1.2 References to Department Applications**

For the avoidance of doubt, any reference to a current Department Application by name shall also mean any replacement Department Application.

### **2. Compliance with policies and procedures**

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#### **2.1 Corrections Services Requirements**

The Contractor must ensure that:

- (a) sufficiently skilled Staff Members are on duty to operate the Prison to the required level;

- (b) appropriate equipment, policies, and procedures are in place to operate the Prison to the required level; and
- (c) it complies with its policies and procedures.

## **2.2 Delivery Proposal**

The Contractor will comply and will:

- (a) ensure that it has sufficiently skilled Staff Members on duty by:
  - (i) developing and implementing a training and development programme for all Staff Members utilising suitable training modules;
  - (ii) training all Officers to NZQA National Certificate in Offender Management (Level Three); and
  - (iii) having in place continuous development programmes to grow Staff Members' skills and ensure that staff competency levels remain high;
- (b) establish, maintain and comply with the Policy and Procedures Manual;
- (c) establish, maintain and comply with policies and procedures for the use of Contractor's ICT System and the Department's ICT System and the management of Prisoner data;
- (d) maintain an inventory of security and safety equipment as set out in the Policy and Procedures Manual;
- (e) conduct annual audits to assess compliance with the Policy and Procedures Manual, in accordance with the Annual Audit Plan; and
- (f) undertake regular assessments of Prisoner perceptions of the quality of life within the Prison to identify any matters that may impact on the Contractor's ability to carry out the Corrections Services, and develop and implement an action plan to address any such matters.

## **3. Acceptance of Prisoners**

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### **3.1 Corrections Services Requirements**

- (a) The Contractor acknowledges and agrees that muster and muster management is the sole responsibility (and undertaken at the sole discretion) of the Department. Subject to paragraph 3.1(c), the Contractor must accept all Prisoners allocated to the Prison by the Department.
- (b) The Contractor must operate the Prison in a manner that enables 960 Prisoners (including up to 360 Prisoners with a high security classification) to be accommodated at any one time.
- (c) The Contractor cannot refuse to accept any Prisoner allocated to the Prison by the Department unless:
  - (i) the Prisoner has not been sentenced;
  - (ii) the Prisoner has a high security classification and the Prison currently holds not

- less than 360 high security Prisoners at that time;
  - (iii) the Prisoner is a maximum security Prisoner;
  - (iv) the Prisoner is a female Prisoner;
  - (v) the Prisoner requires a disabled Prisoner bed space and all disabled Prisoner bed spaces are occupied by disabled Prisoners; or
  - (vi) the Prison already holds 960 Prisoners.
- (d) The Contractor must provide accurate lock-up, muster and projected muster numbers to the Department.

### **3.2 Delivery Proposal**

The Contractor will comply and will:

- (a) ensure the Prison maintains at least 960 Available Prisoner Places;
- (b) enter relevant details on IOMS for the purpose of muster management upon processing the reception of a Prisoner and, in the event that IOMS is unavailable, adhere to its contingency plans to ensure that there is an accurate and up to date record of Prisoner occupancy;
- (c) provide accurate daily lock-up, muster and projected muster numbers to the Department's muster management team, in the form, and containing the information, required by the Department; and
- (d) work collaboratively with the Department in relation to muster management.

## **4. Escorting and transfer arrangements**

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### **4.1 Corrections Services Requirements**

The Contractor must:

- (a) be able to receive or release Prisoners between the hours of 7.00am and 8.00pm and, if necessary, outside of these hours (upon reasonable notice);
- (b) facilitate the safe, secure and timely escorting, transport and transfer of Prisoners by Officers:
  - (i) from the Prison to another prison and from another prison to the Prison as instructed from time to time by the Department;
  - (ii) from the Prison in connection with any temporary removal from custody under section 62 of the Corrections Act;
  - (iii) to and from the Prison for the purposes of the Mental Health (Compulsory Assessment and Treatment) Act 1992;
- (c) ensure that Prisoners are escorted, transported and transferred in accordance with their security classifications and the Department's guidelines in relation to the escorting, transport and transfer of prisoners;

- (d) ensure that if a Prisoner is being transferred to another prison, that his property and all files are in order and are transferred with the Prisoner;
- (e) adhere to the Department's protocols for any third party contracts for Escort Services; and
- (f) liaise with the Department's muster management team to co-ordinate Prisoner transfers and adhere to any instructions provided by the muster management team.

## **4.2 Delivery Proposal**

The Contractor will comply and will:

- (a) establish, maintain and comply with the procedure governing the acceptance and reception of Prisoners into the Prison (the Reception Procedure);
- (b) ensure that only Staff Members trained in escorting are deployed on an escort;
- (c) adhere to the Department's protocols for any third party contracts for Escort Services; and
- (d) liaise with the Department and contractors undertaking third party contracts for Escort Services to ensure that all relevant information about Prisoner movements is shared.

## **5. Lawful detention**

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### **5.1 Corrections Services Requirement**

The Contractor must ensure that Prisoners are held in custody for the correct length of time.

### **5.2 Delivery Proposal**

The Contractor will comply and will ensure that Prisoners are held in custody for the correct length of time by:

- (a) establishing, maintaining and complying with procedures to:
  - (i) check and log all documents authorising the imprisonment of a Prisoner on reception, including a full check of all warrants or orders that authorise the imprisonment of a Prisoner, in order to ascertain that the authority exists to hold the Prisoner;
  - (ii) utilise IOMS to validate each Prisoner's identity;
  - (iii) conduct a final check utilising IOMS against the Contractor's own processes to validate the release date and conditions of a Prisoner before the Prisoner is discharged; and
  - (iv) in the event that IOMS is unavailable, adhere to its contingency plans in order to comply with this paragraph 5.2(a) ; and
- (b) managing the release dates and release conditions of Prisoners and conducting all necessary checks to ensure that all releases are in accordance with the prescribed, eligible release date.



## Part 2 – A Safe and Secure Prison

### 6. Safety and security arrangements

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#### 6.1 Corrections Services Requirements

The Contractor must:

- (a) comply with the Department's security classification system in relation to assessing, assigning and reviewing Prisoner security classifications;
- (b) place and manage Prisoners in accommodation and within a regime that is consistent with the Prisoners' security classification;
- (c) control all access to and egress from, and movement of persons, items and equipment into, out of, and within the Prison;
- (d) have search arrangements to detect, remove and report any Unauthorised Items;
- (e) have appropriate security arrangements in place to prevent escapes, breaches of security, or loss of control Incidents from occurring;
- (f) maintain the integrity and operation of all security barriers, equipment and procedures;
- (g) have an operational intelligence function that contributes to the safety and security of the Prison, and the Department and the wider justice sector intelligence network;
- (h) undertake the monitoring of Prisoner telephone calls; and
- (i) use the Secure Intelligence Database System (or such other intelligence database as the Department may specify from time to time) for the storage of intelligence information.

#### 6.2 Delivery Proposal

The Contractor will comply and will:

##### *Security classification*

- (a) assess, assign and review a Prisoner's security classification in accordance with the Department's security classification system;
- (b) classify all accommodation within the Prison as either high or low security, based on accommodation design, fixtures and fittings, staff supervision levels, and regime, and place Prisoners in accommodation in accordance with the following principles:
  - (i) Prisoners assessed as high security will only be placed in accommodation that is classified as high security;
  - (ii) Prisoners assessed as low/medium, low or minimum security will only be placed in accommodation that is classified as low security, except where:
    - (A) the placement has been assessed as not presenting any risk to the safety of the Prisoner or others and/or security; and

- (B) the placement has been approved by the Prison Manager in accordance with the Policy and Procedures Manual; and
- (iii) where a Prisoner assessed as low/medium, low or minimum security is placed in accommodation classified as high security, the regime provided for that Prisoner will reflect his security classification, so far as is practicable;
- (c) manage Prisoner participation in Interventions and other activities within the Prison in accordance with their security classification, as set out in the Policy and Procedures Manual;
- (d) inform the Department when a Prisoner has been assigned a maximum security classification so that the Prisoner may be moved to a facility and regime consistent with that Prisoner's security classification;

#### *Control access and egress*

- (e) control access to and egress from, and movement of persons, items and equipment into, out of and within the Prison by:
  - (i) having a planned and organised approach to movement control of Prisoners that reflects the level of risk presented by the Prisoners undertaking the movement;
  - (ii) using biometric identification systems based on fingerprint scanning for registering the attendance and movements of Staff Members via the Security Management System;
  - (iii) having at least one Officer in the Master Control Room who will co-ordinate movements during periods of unlock;
  - (iv) deploying an appropriate number of Officers to accompany Prisoners undertaking movement as determined by an assessment of risk (i.e., reflecting the security classification of each Prisoner, particular characteristics of the Prisoner(s), and/or the size of the group of Prisoners);
  - (v) only having one entry and exit through the secure perimeter (being the Gatehouse);
  - (vi) searching all vehicles on entry to and exit of the Prison, as set out in the Policy and Procedures Manual; and
  - (vii) developing and implementing a procedure for the management of all tools and equipment entering and leaving the Prison in order to prevent unauthorised access to tools and equipment by Prisoners;

#### *Unauthorised Items*

- (f) establish and maintain a searching strategy and comply with associated procedures under the Policy and Procedures Manual to detect and remove Unauthorised Items;
- (g) report all Unauthorised Items;
- (h) collating all searches of areas, buildings and Prison Cells to ensure that the required frequency of searches (as set out in the Policy and Procedures Manual) occurs;
- (i) checking that all searches were carried out in accordance with the Policy and Procedures Manual and recording and reporting any defects or issues;

### *Security arrangements*

- (j) establish and maintain the following security arrangements to prevent escapes, breaches of security, or loss of control Incidents from occurring:
  - (i) static security: security hardware, such as barriers and surveillance equipment;
  - (ii) process security: detailed procedures documented in the Policy and Procedures Manual; and
  - (iii) dynamic security: an integrated and proactive approach to the management of the Prison that aims to prevent security related Incidents arising by fostering an atmosphere of open interaction and inclusion between Staff Members and Prisoners;
- (k) utilise the Security Management System to record and replay video footage, create audit log/ event history linked with recorded video and generate predefined or user specified reports for management purposes;
- (l) as described in paragraph 9.2(c), engage with the Prisoner population so that the Contractor is informed of issues, concerns and matters that could contribute to bouts of unrest and loss of control;

### *Security barriers, equipment and procedures*

- (m) maintain the integrity and operation of all security barriers, equipment and procedures;
- (n) maintain the integrity and operation of the Security Management System, including by undertaking regular backups, archiving of system data and storing disaster recovery data;
- (o) provide the Department with monitoring in virtual real-time to each sub-system within the SMS network, including recordings and 'live' feed, in accordance with an SMS usage plan to be agreed between the parties (each acting reasonably) no later than three months prior to the Planned Service Commencement Date;
- (p) utilise the detection systems provided in accordance with Schedule 10 (Works Requirements) for the purpose of stopping or preventing:
  - (i) unauthorised electronic communication (as defined in the Corrections Act) to or from Prisoners within the Prison; and
  - (ii) the delivery, possession, or use of electronic communication devices in contravention of section 141 of the Corrections Act,

and the Contractor is authorised for the purposes of section 189B of the Corrections Act to use such detection systems;

### *Operational intelligence*

- (q) have an operational intelligence function that contributes to the safety and security of the Prison, Department and wider justice sector intelligence network by:
  - (i) ensuring that Staff Members in the intelligence unit gather, collate and manage intelligence and provide this information in usable form to relevant Staff Members, the Department and appropriate external agencies;
  - (ii) establishing working relationships, information exchange mechanisms, and an

interface between the Prison's intelligence function and:

- (A) all internal areas and functions of the Prison;
  - (B) the national intelligence function within the Department;
  - (C) all other New Zealand prisons;
  - (D) the New Zealand Police; and
  - (E) intelligence functions and services within the wider justice sector;
- (iii) reviewing the Prison's intelligence function on an annual basis to ensure it is meeting the requirements of paragraph 6.1; and
  - (iv) ensuring that all investigations into Incidents test the availability of intelligence and the effective use of intelligence;

#### *Monitoring Prisoner telephone calls*

- (r) monitor Prisoner telephone calls in accordance with all Laws, including by:
  - (i) ensuring that each Prisoner is only able to make calls during an agreed time period to an approved list of numbers;
  - (ii) recording calls and maintaining recordings for the duration specified in the relevant procedure;
  - (iii) ensuring that any calls excluded from monitoring by Law or procedure are not monitored; and
  - (iv) ensuring that the number of permitted telephone numbers to each Prisoner and the connection methodology is in accordance with all Laws; and

#### *Secure Intelligence Database System*

- (s) use only the Secure Intelligence Database System for the storage of intelligence information and, where the Department specifies another database, change to that database.

## **7. Emergency and contingency planning**

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### **7.1 Corrections Services Requirements**

The Contractor must:

- (a) establish and maintain contingency plans to successfully resolve the full range of possible Incidents and emergencies that threaten the security, safety, control or ongoing operation of the Prison;
- (b) manage Incidents in accordance with its contingency plans;
- (c) align the Emergency Procedures and Business Continuity Manual with the Department's guidelines in relation to site-specific emergency response plans under the Department's emergency response framework;

- (d) establish and maintain the Risk Management Plan; and
- (e) develop, maintain and comply with Mutual Aid protocols with the Department.

## **7.2 Delivery Proposal**

The Contractor will comply and will:

### *Contingency plans*

- (a) establish, maintain and comply with the Emergency Procedures and Business Continuity Manual;
- (b) develop the Emergency Procedures and Business Continuity Manual based on the following key drivers:
  - (i) preservation of life and relief of suffering;
  - (ii) protection of property and the environment;
  - (iii) maintenance of business continuity;
  - (iv) minimisation of financial and reputational losses; and
  - (v) restoration of public and consumer confidence;
- (c) develop the Emergency Procedures and Business Continuity Manual in liaison with:
  - (i) the Department;
  - (ii) the New Zealand Police;
  - (iii) ambulance services;
  - (iv) the New Zealand Fire Service;
  - (v) neighbouring prisons;
  - (vi) the District Health Board; and
  - (vii) other relevant agencies;
- (d) ensure that the Emergency Procedures and Business Continuity Manual aligns with the Department's guidelines in relation to site-specific emergency response plans under the Department's emergency response framework;

### *Manage Incidents*

- (e) manage Incidents in accordance with the Emergency Procedures and Business Continuity Manual;

### *Risk Management Plan*

- (f) complete a prison and systems threats and risks assessment and establish a Risk Register prior to the Service Commencement Date, as part of the Risk Management Plan, and:

- (i) review and update the Risk Register in accordance with the Risk Management Plan;
- (ii) regularly review and update risk assessments as informed by received intelligence, staff briefings and debriefs and through regular testing of systems and evaluation of Incidents and events; and
- (iii) conduct annual risk assessments and remove, avoid or mitigate all identified risks as appropriate;

*Mutual Aid protocols*

- (g) develop, maintain and comply with Mutual Aid protocols with the Department; and
- (h) review the Mutual Aid protocols with the relevant representative of the Department on an annual basis.

## **8. Reception and induction**

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### **8.1 Corrections Services Requirements**

The Contractor must:

- (a) upon a Prisoner's arrival at the Prison, promptly identify and address the Prisoner's immediate physical or mental health, safety, or security needs;
- (b) undertake the Reception Procedure:
  - (i) for all Prisoners received after 7.00am and before 7.00pm, on the day of the Prisoner's arrival at the Prison; and
  - (ii) for all Prisoners received after 7.00pm and before 7.00am, as early as possible within the following 24 hour period;
- (c) advise the Department of the reception of any individual aged under 18 years;
- (d) ensure the Prisoner is placed in appropriate accommodation, including by undertaking assessments of a Prisoner's suitability to share accommodation where he will be held in multiple occupancy accommodation in accordance with any Section 196 Instructions; and
- (e) following the completion of the Reception Procedure, carry out the Induction Programme to provide the Prisoner with information about the rules, obligations and entitlements that affect him, information about the operation of the Prison, information on the services and support available to him and advice and guidance on coping with imprisonment.

### **8.2 Delivery Proposal**

The Contractor will comply and will:

*Reception Procedure*

- (a) for all Prisoners received after 7.00am and before 7.00pm:
  - (i) undertake the Reception Procedure upon a Prisoner's arrival at the Prison,

which will be focused on safely receiving each Prisoner into the Prison and will consist of the following:

- (A) checking that the Prisoner speaks English and is able to read, and where this is not the case, accommodating the necessary language or circumstances within the delivery of the Reception Procedure and Induction Programme;
  - (B) assessing the Prisoner to identify and address any immediate physical or mental health, safety, or security needs, including personal concerns, concerns for family members or matters, or concerns with any other person in the Prison;
  - (C) assessing any religious, spiritual and cultural needs of the Prisoner;
  - (D) briefing the Prisoner to provide him with immediate information until the Induction Programme commences in the following day(s), including an orientation briefing and handouts with information on the Prison and contact details;
  - (E) encouraging and facilitating telephone contact between the Prisoner and his family and whānau;
  - (F) conducting a health check by a qualified and competent medical professional; and
  - (G) ensuring the Prisoner is assessed to establish any At Risk concerns (which may lead to a referral to a specialist suicide and self-harm team);
- (b) for all Prisoners received after 7.00pm and before 7.00am:
- (i) assess the Prisoner promptly after reception to identify and address any immediate physical or mental health, safety, or security needs, including personal concerns, concerns for family members or matters, or concerns with any other person in the Prison; and
  - (ii) undertake the Reception Procedure as set out in paragraph 8.2(a)(i) as early as possible within the following 24 hour period;
- (c) use IOMS and the Custodial Management System biometric identification systems based on fingerprint scanning for the identification of Prisoners;
- (d) accommodate all Prisoners in appropriate first night accommodation with heightened staff and Prisoner interaction and supervision (unless this would present a risk to the safety of the Prisoner or the safety of others), in order to safely manage risk and vulnerability and provide a supportive environment to Prisoners;

#### *Prisoners under 18 years*

- (e) have a flagging mechanism as part of the Reception Procedure that will immediately notify nominated senior staff that a Prisoner is currently under 18 years of age;
- (f) advise the Department's muster management team of the details of any Prisoner under the age of 18, including his age;

#### *Appropriate accommodation*

- (g) ensure the Prisoner is placed in safe, secure, humane and effective accommodation,

by:

- (i) conducting and regularly reviewing at At Risk assessments in accordance with paragraph 11 (Self-harm and suicide prevention) to ensure Prisoners are placed in appropriate accommodation;
- (ii) acting in accordance with the Section 196 Instruction on shared cells; and
- (iii) regularly reviewing the dynamics of the accommodation of Prisoners within a unit or residence and adjusting accommodation arrangements to manage any identified issues;

#### *Induction Programme*

- (h) deliver the Induction Programme providing the Prisoner with general information about Prison life, including:
  - (i) services available within the Prison, such as health, chaplaincy, library;
  - (ii) Interventions and programmes available within the Prison, such as industry, education, vocation training, substance misuse services, offending behaviour programmes, and reintegration services;
  - (iii) entitlements, such as visits, mail and pay;
  - (iv) expectations for behaviour, obligations and prison rules; and
  - (v) processes for making complaints and accessing any relevant advocacy services;
- (i) assign a nominated individual Officer to the Prisoner who he can turn to as an initial point of contact for support or to resolve problems in the Prison;
- (j) ascertain, and respond to (where possible), any feelings of anxiety or concern that the Prisoner may have about custody during the Induction Programme;
- (k) encourage the Prisoner's family and whānau to be involved in the Induction Programme, wherever possible;
- (l) undertake assessments as detailed in paragraph 29.2(a)(ii) during the Induction Programme; and
- (m) deliver the Induction Programme to Prisoners within 10 Business Days of its commencement unless in exceptional circumstances or where this timing is counter to the needs of the Prisoner.



## **9. Staff Member and Prisoner relationships**

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### **9.1 Corrections Services Requirement**

The Contractor must ensure that there is a Prison-wide ethos of proactive staff engagement with Prisoners in order to model pro-social behaviours, positively reinforce behavioural expectations, and build relationships, in order to engage and motivate Prisoners to comply with their sentence and address their offending.

### **9.2 Delivery Proposal**

The Contractor will comply and will:

- (a) develop and maintain a Prison-wide ethos of proactive engagement with Prisoners to assist in:
  - (i) modelling pro-social behaviours;
  - (ii) positively reinforcing behavioural expectations; and
  - (iii) building relationships in order to engage and motivate Prisoners to comply with their sentence and address their offending; and
- (b) encourage the development of effective Staff Member/Prisoner relationships by:
  - (i) providing initial and refresher staff training in:
    - (A) maintaining positive interaction with Prisoners;
    - (B) encouraging and supporting Prisoners to take responsibility for their own actions and decisions;
    - (C) interacting appropriately with Prisoners from different social and cultural backgrounds;
    - (D) recognising signals in Prisoners' behaviours that may indicate Prisoners are in distress and responding appropriately to such signals; and
    - (E) diffusing conflict in a professional and sensitive manner;
  - (ii) assigning a nominated individual Officer to each Prisoner who will provide support to the Prisoner during his time at the Prison;
  - (iii) actively encouraging Prisoners to engage with Staff Members in the development, delivery, monitoring and review of an individual Prisoner Management Plan; and
  - (iv) providing cultural training modules and access to the development of Te Reo to appropriate Staff Members and, in particular, actively encouraging management Staff Members to become competent in Te Reo and comfortable in tikanga Māori; and
- (c) conduct regular meetings with Prisoner representatives, which will provide an open forum through which Prisoners can provide feedback on all aspects of Prison life, and suggestions and requests can be made.

## **10. Responsible Prisoner**

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### **10.1 Corrections Services Requirements**

The Contractor must ensure that:

- (a) all Prisoners are encouraged and actively supported to behave positively in an environment of mutual respect; and
- (b) Prisoners who display unacceptable behaviour are managed in an effective, objective, fair and consistent manner, which, where appropriate and possible, addresses the underlying reason(s) for their behaviour.

### **10.2 Delivery Proposal**

The Contractor will comply and will:

- (a) encourage and actively support Prisoners to behave positively in an environment of mutual respect by:
  - (i) providing resources, information and procedures (including via the Custodial Management System Prisoner kiosks and in-cell systems) that enable Prisoners to:
    - (A) contribute to the identification of their rehabilitation and reintegration needs;
    - (B) identify and participate in services and programs to be accessed in response to these needs, including health and education;
    - (C) manage their daily routines;
    - (D) manage and monitor their progress against their individual Prisoner Management Plans; and
    - (E) prepare for their release;
- (b) manage Prisoners who display unacceptable behaviour in an effective, objective, fair and consistent manner, which, where appropriate and possible, addresses the underlying reasons for their behaviour through:
  - (i) maintaining policies describing behavioural expectations, rules of the Prison and consequences that are communicated to each Prisoner during the Reception Procedure and Induction Programme in a variety of formats which meet varying communication needs;
  - (ii) Staff Members actively engaging with Prisoners to address unacceptable behaviour;
  - (iii) Staff Members debriefing the Prisoner where appropriate to seek information that may identify the underlying reason(s) for his behaviour, and then taking action where possible to address identified reasons, such as referral to an Intervention or service, facilitating mediation, or applying restorative justice principles; and
  - (iv) Staff Members rewarding and recognising desirable behaviour; and

- (c) train relevant Staff Members to encourage, support and manage Prisoners in compliance with paragraphs 10.2(a) and 10.2(b).

## **11. Self-harm and suicide prevention**

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### **11.1 Corrections Services Requirement**

The Contractor must ensure that At Risk Prisoners are identified at an early stage, and receive tailored care and support to address their individual needs.

### **11.2 Delivery Proposal**

The Contractor will comply and will:

- (a) ensure that all Prisoners undergo initial assessments as part of the Reception Procedure;
- (b) ensure that the risks or needs associated with possible self-harm and suicide identified in the initial assessment are addressed wherever practicable;
- (c) ensure that Prisoners undergo further assessments and are provided with further education and information as part of the Induction Programme;
- (d) ensure that a multi-disciplinary care plan is prepared for each Prisoner identified as being At Risk, with input from the Prisoner, which identifies actions to be taken to manage and support the Prisoner, including placement, observations, counselling, Interventions and peer support;
- (e) ensure that care plans are regularly reviewed and updated by relevant Staff Members, and include regular entries that evidence interaction and engagement with Prisoners;
- (f) train Officers (both in initial training and recurring training) in At Risk management including the signs, triggers and required responses and Interventions for when a Prisoner is considered At Risk;
- (g) train Staff Members to be aware of any change in risk level of a Prisoner due to his changes in circumstances, both internal (for example, bullying) and external (for example, a change in family situation); and
- (h) monitor and analyse all incidents of self harm and suicide at regular intervals to help identify trends, implement preventive measures, and inform the review process of policies and procedures.

## **12. Assaults, bullying and intimidation**

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### **12.1 Corrections Services Requirement**

The Contractor must ensure that the occurrence of Prisoner assaults, bullying and intimidation is minimised through policies and procedures that inform all aspects of the Corrections Services, and which are distributed to Staff Members, Prisoners and Visitors.

### **12.2 Delivery Proposal**

The Contractor will comply and will:

- (a) develop and implement an anti-bullying strategy, where there will be a range of Interventions to deal with the different types of allegations, respond to bullying and violence and support the victim;
- (b) provide information on anti-bullying and behaviour expectations as part of the Induction Programme;
- (c) ensure that all Prisoners have a nominated individual Officer that they can turn to as an initial point of contact for support or to resolve problems in the Prison;
- (d) adopt a zero-tolerance approach to intimidating and abusive behaviour in the Prison;
- (e) investigate all Incidents of assault and bullying to identify triggers and issues, and follow these investigations with remedial strategies; and
- (f) monitor and review all Incidents and indicators of violence in order to identify any patterns in relation to Incident type, location, frequency, and action in order to inform the effective implementation and ongoing review of the anti-bullying strategy.

## **13. Gang-neutral Prison**

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### **13.1 Corrections Services Requirement**

The Contractor must operate the Prison in a gang-neutral manner by ensuring that accommodation arrangements do not foster gang participation or membership, and by taking action to reduce gang recruitment activity within the Prison.

### **13.2 Delivery Proposal**

The Contractor will comply and will:

- (a) establish, maintain and comply with the anti-gang strategy, utilising a gang-neutral approach to Prison management;
- (b) train Staff Members (both in pre-service training and recurring training) with sessions that outline the anti-gang strategy and the gang-neutral approach to be utilised at the Prison;
- (c) inform Prisoners as part of the Induction Programme that gang-related activities will not be tolerated;
- (d) actively discourage gang recruitment activity;
- (e) manage the Prisoners as individuals and not as groups (i.e., only acknowledge the individual and not recognise or give credence to gangs or groupings of Prisoners);
- (f) not consider or condone accommodation arrangements that foster gang participation or membership;
- (g) closely monitor and respond to any gang related activity;
- (h) provide support to Prisoners seeking to exit gangs; and
- (i) conduct ongoing research into gang management (including engaging with all available external intelligence agencies and services, such as the national intelligence function within the Department) to ensure that the Contractor is equipped with current

information on gang related activities likely to impact the Prison.

## **14. Adjudications**

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### **14.1 Corrections Services Requirement**

The Contractor must ensure that it conducts fair and timely Prisoner adjudication hearings.

### **14.2 Delivery Proposal**

The Contractor will comply and will conduct fair and timely Prisoner adjudication hearings in accordance with all Laws.

## **15. Segregation**

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### **15.1 Corrections Services Requirements**

The Contractor must ensure that:

- (a) Prisoners whose behaviour requires them to be segregated are located in suitable accommodation and appropriate actions are taken to actively manage their return to the main Prison population;
- (b) Prisoners whose behaviour requires them to be segregated are encouraged and enabled to access a range of purposeful activities;
- (c) Prisoners who are segregated for the purpose of protective custody are located in suitable accommodation, their segregated status has minimal impact on the delivery of their Prisoner Management Plan, and appropriate actions are taken to enable their segregation direction to be lifted; and
- (d) the number of Prisoners segregated for the purpose of protective custody is minimised.

### **15.2 Delivery Proposal**

The Contractor will comply and will:

- (a) ensure segregated Prisoners are accommodated in suitable accommodation;
- (b) continue to provide Interventions and activities that meet the objectives of a Prisoner's individual Prisoner Management Plan during the period of segregation;
- (c) ensure that it manages the return of segregated Prisoners into the mainstream Prison population by:
  - (i) ensuring that all Prisoner Management Plans for Prisoners on segregation (including voluntary segregation) are reviewed regularly in order to assist the Prisoners' management back into normal accommodation;
  - (ii) utilise procedures and Interventions, where appropriate, for the purpose of minimising the period of time segregated Prisoners spend on segregation, and to help Prisoners return to normal activities at the earliest appropriate opportunity; and

- (iii) regular monitoring by a multi-disciplinary staff group and reporting to the Prison Manager on:
  - (A) the number of Prisoners segregated;
  - (B) their location within the Prison;
  - (C) the duration on segregation;
  - (D) the length of stay in accommodation that is not the Prisoners' normal location (where applicable); and
  - (E) demographics of segregated Prisoners,

in order to assess the effectiveness of staff culture, individual case management, and the operation of units that solely accommodate segregated Prisoners in returning Prisoners to normal accommodation; and
- (d) ensure the number of Prisoners segregated for the purpose of protective custody is minimised by:
  - (i) exploring the reason(s) for a Prisoner's request for protective custody with the Prisoner;
  - (ii) implementing measures intended to address a Prisoner's concerns before a request for protective custody is granted; and
  - (iii) tracking trends and developments to ascertain where there might be issues within the Prison that contribute to Prisoners requesting protective custody, and where such trends and developments are identified, developing strategies intended to reverse such trends and developments.

## **Part 3 – Prisoner Care and Entitlements**

### **16. Prisoner accommodation**

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#### **16.1 Corrections Services Requirements**

The Contractor must ensure that:

- (a) Prisoners are housed in safe, clean and decent accommodation;
- (b) Prisoners are provided with sufficient bedding for warmth, health and reasonable comfort that is regularly laundered, and are able to access personal hygiene items; and
- (c) where appropriate, Prisoners are given the opportunity to develop household management skills that will be beneficial on release.

#### **16.2 Delivery Proposal**

The Contractor will comply and will:

- (a) ensure that Prisoner accommodation and communal areas are clean and in good decorative order;

- (b) ensure that communal areas are adequately supervised by Staff Members to ensure that Prisoners feel safe;
- (c) provide each Prisoner with freshly laundered bedding and personal hygiene items on arrival at the Prison and launder the bedding regularly;
- (d) where appropriate, taking into account security classification, risk assessment and security, place Prisoners in self-care accommodation in order to encourage Prisoners to take personal responsibility for themselves and to develop household management skills that will be beneficial on release;
- (e) where Prisoners are placed in self-care accommodation, provide practical assistance in household management, for example budgeting and cooking; and
- (f) provide the ability for Prisoners to report Prison Cell faults via the Custodial Management System.

## **17. Equality and diversity**

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### **17.1 Corrections Services Requirements**

The Contractor must:

- (a) establish and maintain systems, processes and procedures to ensure that diverse needs of Prisoners are identified as early as possible and managed effectively to enable Prisoners to actively participate in Prison life; and
- (b) recognise and address the distinct needs of each protected characteristic, including race, nationality, religion, disability, gender identity, sexual orientation and age.

### **17.2 Delivery Proposal**

The Contractor will comply and will:

- (a) identify individual needs during the Reception Procedure and Induction Programme and ensure that these are addressed in the Prisoner's individual Prisoner Management Plan, including by taking a multi-disciplinary approach where necessary;
- (b) develop and implement procedures that support a zero tolerance approach to discrimination and for the purpose of ensuring that no Prisoner is unfairly disadvantaged due to his race, nationality, religion, disability, gender identity, sexual orientation or age;
- (c) implement procedures to identify and distinguish different forms of discrimination and to implement measures to address any identified discrimination;
- (d) investigate any allegations and incidents of discrimination, and take appropriate action to address or remedy the situation; and
- (e) train Staff Members in promoting and modelling awareness of equality to enable them to anticipate and address the needs of a diverse population.

## **18. Faith and religious activity**

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### **18.1 Corrections Services Requirement**

The Contractor must ensure that appropriate provision is made for the various religious and spiritual needs of Prisoners.

### **18.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide facilities within the Prison in which Prisoners can practice their faith; and
- (b) facilitate the access of religious and spiritual leaders to the Prison.

## **19. Health services**

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### **19.1 Corrections Services Requirements**

The Contractor must:

- (a) ensure that healthcare is available to Prisoners to a standard that is reasonably equivalent to the standard of healthcare available to the public, by:
  - (i) providing primary healthcare; and
  - (ii) facilitating access to secondary and tertiary healthcare;
- (b) provide urgent and routine functional dental care to Prisoners for the purposes of pain relief and/or the maintenance of a reasonable standard of dental care relative to the dental and oral health of the Prisoner concerned before the Prisoner was admitted to the Prison, to at least the same standard as available in the community;
- (c) provide safe secure storage and administration of pharmaceuticals;
- (d) adhere to the Department's razor blade policy; and
- (e) use the relevant Department Application.

### **19.2 Delivery Proposal**

The Contractor will comply and will:

#### *Primary healthcare*

- (a) provide primary healthcare (mental and physical wellbeing), including:
  - (i) thorough assessment and care planning of Prisoners, including mental health and substance abuse issues;
  - (ii) utilising qualified and competent medical professionals;
  - (iii) providing information to other prisons for the purpose of encouraging continuity of care as Prisoners move to or from the Prison within the wider prison network,



and assessing information received from other prisons for the same purpose;

- (iv) creating clinical pathways for specific illnesses, which consider the full complexity of the condition and encourage a multi-disciplinary approach, involving thorough assessment, treatment, planning, regular reviews and patient education for self-management of symptoms;
- (v) developing a clinical pathway or an individual care plan for all Prisoners with chronic care needs or with a number of conditions that require complex care;
- (vi) providing health checks to all Prisoners received into the Prison as part of the Reception Procedure;
- (vii) providing a suitably qualified mental health nurse as part of the reception team, who will be responsible for the screening and preliminary medical and mental health assessment of all Prisoners and the At Risk screening of Prisoners on first arrival and any subsequent assessments following a change in status;
- (viii) conducting regular analysis and profiling of the existing health needs of Prisoners, and using this health profile to establish appropriate clinical pathways for the Prison;
- (ix) implementing the Custodial Management System, under which Prisoners are able to request triage nurse and GP appointments;
- (x) delivering primary mental healthcare to Prisoners assessed as having mild to moderate mental health issues, such as anxiety and depression;
- (xi) developing an integrated approach to treating and managing mental health, addiction, and physical health issues;
- (xii) training custodial Staff Members and all other Staff Members who regularly interface with Prisoners in behaviours associated with mental health issues to enable them to recognise situations where they should seek input from health staff;
- (xiii) working with other agencies or organisations (such as the Mason Clinic, the Ministry of Health and the Department) to ensure that Prisoners with severe mental health problems are able to access treatment;
- (xiv) establishing formal arrangements with local providers for the provision of specialist services, such as physiotherapy;
- (xv) delivering health promotion activity across the Prison;
- (xvi) where appropriate, in accordance with paragraph 10 (Responsible Prisoner), encouraging Prisoners to take personal responsibility for the identification, treatment and management of their health and wellbeing;
- (xvii) ensuring that Staff Members notify a medical officer if a Prisoner's physical or mental health appears to require the attention of a medical officer, or if a Prisoner has been placed under a mechanical restraint, or is or has been restrained by means of a physical hold;
- (xviii) managing medical emergencies as they occur;
- (xix) providing an emergency and first aid service for all Prisoners and providing a first aid box in the healthcare centre and at locations around the Prison that can

be accessed easily by Staff Members;

- (xx) maintaining in the healthcare centre an area where immediate first aid or emergency treatment can be provided to the Prisoners, with first aid response equipment to enable Staff Members to provide an effective response to emergencies;
- (xxi) ensuring that all custodial Staff Members and all other Staff Members who regularly interface with Prisoners receive first aid training;
- (xxii) controlling and minimising the risk of illness and the spread of infection within the Prison by implementing procedures and staff training;
- (xxiii) offering, where appropriate, vaccination and immunisations in line with current community practice, along with counselling on lifestyle and treatment;
- (xxiv) sharing information regarding infectious diseases with other prisons to ensure continuity of care of Prisoners with infectious diseases, and reporting the incidences to the authorities in the Ministry of Health as required; and
- (xxv) facilitating Prisoners' access to healthcare post-release by providing referrals and transferring healthcare records where requested;

#### *Secondary and tertiary healthcare*

- (b) facilitate effective and reliable access to secondary and tertiary healthcare services, by:
  - (i) meeting and establishing working procedures with all emergency healthcare services, including the local ambulance;
  - (ii) establishing and maintaining arrangements with approved local public hospitals for the provision of secondary and tertiary healthcare to Prisoners;
  - (iii) identifying Prisoners whose healthcare needs require specialist, secondary or tertiary healthcare levels of interventions and referring those Prisoners to the health service for consultation and referral;
  - (iv) referring Prisoners requiring specialist care and treatment to secondary and tertiary healthcare services under the same eligibility criteria as any member of the public;
  - (v) undertaking a health assessment, by an appropriate medical professional, with all Prisoners received into the Prison, or who have returned from significant events, in accordance with the Policy and Procedures Manual;
  - (vi) undertaking hospital watches; and
  - (vii) where it is established that a Prisoner required secondary or tertiary healthcare and was not afforded access to this care, or the access was delayed or failed, investigating this event and reporting to the Prison Manager;

#### *Dental care*

- (c) provide urgent and routine functional dental care to Prisoners;

#### *Storage and administration of pharmaceuticals*

- (d) ensure that all pharmaceuticals are stored in accordance with all Laws;
- (e) develop and implement procedures for the safe and secure storage of pharmaceuticals;
- (f) ensure all pharmaceuticals are administered to Prisoners in an appropriate and timely manner;

#### *Razor blade policy*

- (g) comply with the Department's razor blade policy; and

#### *Department's health system*

- (h) use Medtech32 for the delivery of health services within the Prison, including recording all health assessments and any services and treatment delivered to ensure continuity of care.

## **20. Healthy living**

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### **20.1 Corrections Services Requirement**

The Contractor must provide opportunities for daily exercise, promote healthy lifestyles and operate a non-smoking Prison.

### **20.2 Delivery Proposal**

The Contractor will comply and will:

#### *Daily exercise*

- (a) ensure that all Prisoners are provided with the opportunity to take, on a daily basis, at least one hour of physical exercise, which may be taken in the open air if the weather permits;

#### *Healthy lifestyles*

- (b) promote health and healthy lifestyles, by:
  - (i) encouraging cessation or moderation of habits and lifestyles that contribute to poor health;
  - (ii) assessing a Prisoner's health needs during the Reception Procedure and Induction Programme, which may result in a care plan for a Prisoner;
  - (iii) using the initial assessments to identify areas where education regarding a healthier lifestyle could benefit the Prisoner;
  - (iv) providing education on relevant lifestyle changes to Prisoners where relevant;
  - (v) delivering a range of healthy lifestyles promotion activities;
  - (vi) establishing and regularly reviewing the Prisoner menu to ensure that a range

of healthy choices is offered to Prisoners;

- (vii) providing health promotion literature in a range of accessible formats and languages, which are sensitive to the overall educational abilities of the Prisoner population (including hidden disabilities such as dyslexia) and take into account cultural considerations;
- (viii) ensuring the Custodial Management System purchasing system supports health promotion initiatives by linking a Prisoner's health status to the selection of items available to be purchased; and
- (ix) requesting all Prisoners to complete a feedback form on discharge or transfer from the Prison to seek information in relation to healthcare and to assist in assessing the effectiveness of the healthcare services and healthcare education services;

#### *Non-smoking Prison*

- (c) operate a non-smoking Prison and provide all Prisoners who are current smokers support to cease smoking; and
- (d) assess the presence of cigarettes and smoking in the Prison via available intelligence.

## **21. Substance misuse**

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### **21.1 Corrections Services Requirements**

The Contractor must:

- (a) ensure that the rate of drug and alcohol misuse by Prisoners is minimised, as measured by the results of the random testing programmes established under the Corrections Regulations, with which the Contractor must comply;
- (b) conduct drug and alcohol testing, have the tests analysed, and report the results back to the Department; and
- (c) ensure that Prisoners with drug and alcohol problems are identified and receive effective treatment and support throughout their stay in custody, by ensuring that:
  - (i) Prisoners dependent on drugs and/or alcohol receive clinical treatment which is safe, effective and meets individual needs; and
  - (ii) Prisoners have access to a range of psychosocial interventions and services that reflect assessed need.

### **21.2 Delivery Proposal**

The Contractor will comply and will:

#### *Drug and alcohol testing*

- (a) establish, maintain and comply with an appropriate system to actively assist in detecting and deterring the introduction of drugs and alcohol into the Prison, including having a passive alert drug detection (PADD) dog and handler on duty;
- (b) ensure appropriate drug and alcohol tests are conducted by:

- (i) complying with and implementing the random testing programmes established under the Corrections Regulations;
- (ii) conducting drug and alcohol testing, having the tests analysed and reporting the results; and
- (iii) entering the results of the drug and alcohol testing regime onto the relevant part of IOMS and assessing the results to establish identified levels of drug and alcohol use within the Prison and the required Interventions;

#### *Treatment*

- (c) ensure Prisoners with drug and alcohol problems identified through the assessment processes undertaken during the Reception Procedure and Induction Programme have their needs and the corresponding actions intended to address those needs recorded on their individual Prisoner Management Plan;
- (d) provide a range of Interventions from brief interventions to intensive interventions utilising different modes of delivery, including group and one-to-one support, which reflect the needs of the Prisoner population;
- (e) ensure that Prisoners who are identified drug users are not mandatorily excluded from receiving services and Interventions;
- (f) ensure that Interventions are delivered by Staff Members with the appropriate competence, experience and qualifications to deliver the technique they are employing (e.g. motivational enhancement therapy, cognitive behavioural therapy, brief interventions and supportive work using counselling skills); and
- (g) provide information on substance misuse in a variety of formats to all Prisoners.

## **22. Catering**

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### **22.1 Corrections Services Requirement**

The Contractor must ensure that Prisoners have a healthy and varied diet, which meets their individual needs, including religious, cultural and other special dietary requirements and which is balanced (to the extent that those needs allow).

### **22.2 Delivery Proposal**

The Contractor will comply and will:

- (a) provide Prisoners with three meals a day, which includes a choice for their main meal from cyclical menus, that reflect their individual needs, including medical, religious, cultural and other dietary requirements;
- (b) enable Prisoners to select their menu choice via the Custodial Management System;
- (c) provide Prisoners with a varied diet, which comprises elements of protein, fruit and vegetables, and which is intended to encourage Prisoners to eat healthy foods;
- (d) consult with a dietician to ensure that menus provide appropriate nutritional content;
- (e) ensure meals are reviewed against the Australia New Zealand Food Standards Code; and

- (f) where Prisoners are accommodated in self-care accommodation, encourage them to prepare meals that are part of a healthy, balanced diet.

## **23. Access to information**

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### **23.1 Corrections Services Requirement**

The Contractor must ensure that Prisoners can easily access information about the Prison and/or relevant law.

### **23.2 Delivery Proposal**

The Contractor will comply and will:

- (a) ensure that Prisoners can easily access information about the Prison or relevant law, by:
  - (i) implementing the Custodial Management System, which will:
    - (A) contain a wide variety of information on the Prison and access to Services; and
    - (B) enable Staff Members to internally message Prisoners directly to communicate key information to Prisoners;
  - (ii) having a library in the Health, Education and Programmes building, which will:
    - (A) contain documents that provide information on the Prison and access to services, which will be available in a range of accessible formats and languages, which are sensitive to the overall educational abilities of the Prisoner population (including hidden disabilities such as dyslexia) and take into account cultural considerations; and
    - (B) contain or provide access to a broad range of acts and regulations, with the ability to provide, where requested, law that is not available and that is relevant to the Prisoner's case;
  - (iii) having notices throughout the Prison informing Prisoners how to access information within the Prison; and
  - (iv) briefing Prisoners on the range of information available to them and advising them how to access that information as part of the Induction Programme; and
- (b) take remedial action to address identified shortfalls from where trends in Prisoner complaints, or information gained from meetings with Prisoner representatives, indicate a breakdown in access to information or relevant law.

## **24. Complaints and staff misconduct**

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### **24.1 Corrections Services Requirements**

The Contractor must ensure that:

- (a) effective complaint procedures are in place for Prisoners;

- (b) all allegations of staff misconduct are investigated;
- (c) any allegation of staff misconduct that is likely to have an effect on the reputation or credibility of the Contractor, the Department or any Department Related Person is reported to the Department; and
- (d) all incidents of staff misconduct, the outcome of any disciplinary investigations, and any disciplinary actions taken are reported to the Department.

## **24.2 Delivery Proposal**

The Contractor will comply and will:

- (a) develop and implement a requests and complaints procedure that will:
  - (i) be actively promoted and explained to Prisoners during the Induction Programme;
  - (ii) ensure all Prisoners are able to lodge complaints, and to prepare or present their case irrespective of their individual needs, including giving Prisoners the opportunity to verify any information recorded in a complaint;
  - (iii) provide Prisoners with a timely response to their complaint; and
  - (iv) provide a monitoring mechanism to analyse trends in complaints received in order to improve the quality of the services provided; and
- (b) investigate all allegations of staff misconduct and report to the Department as required, in accordance with the Policy and Procedures Manual.

## **25. Prisoner communication**

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### **25.1 Corrections Services Requirements**

The Contractor must:

- (a) ensure Prisoners have access to approved communication channels to enable them to communicate effectively with legal advisers and Official Agencies and maintain meaningful relationships with family, whānau and friends;
- (b) advise Prisoners in writing of arrangements in respect of opening, reading and withholding mail and monitoring telephone calls;
- (c) ensure Prisoners have access to the Department's pre-approved freephone numbers; and
- (d) ensure that no Prisoner is interviewed by any member of the media, or has any kind of direct communication with media, except where the Chief Executive has pre-approved such an interview.

## 25.2 Delivery Proposal

The Contractor will comply and will:

### *Communication channels*

- (a) assist Prisoners to develop or maintain support networks, by:
  - (i) encouraging Prisoners, where appropriate, to maintain contact with their family and whānau;
  - (ii) assisting Prisoners to develop prosocial connections within the community that they will return to on release;
  - (iii) involving family and whānau, if appropriate, in the development of a Prisoner's individual Prisoner Management Plan;
  - (iv) facilitating visits during the week and on weekends, in recognition that some Visitors have fulltime employment and their children are at school;
  - (v) providing Prisoners with access to the in-cell telephone which will enable them to make calls in their own time, using their Prisoner funds as credit to make in-cell calls (except where the Prisoner is entitled, by Law, to access a telephone free of charge);
  - (vi) providing writing material to Prisoners (without charge to Prisoners without means);
  - (vii) assisting Prisoners who are unable to read or write in preparing and reading correspondence;
  - (viii) managing mail from a Prisoner to his legal adviser, or from a legal adviser to a Prisoner in accordance with all Laws;
  - (ix) distributing mail received at the Prison for Prisoners every Business Day; and
  - (x) not providing access to information contained in Prisoners' letters to law enforcement agencies without the approval of the Department;

### *Advising Prisoners*

- (b) advise Prisoners, as part of the Induction Programme, and in writing of arrangements in respect of opening, reading and withholding mail and monitoring telephone calls;
- (c) place written notices near Prisoner telephones warning Prisoners that their telephone calls may be monitored and the purposes for which information obtained from monitoring may be used;
- (d) advise Prisoners at the start of every outward monitored telephone call that the call may be monitored;

### *Freephone numbers*

- (e) ensure Prisoners have access to the Department's pre-approved freephone numbers, by:
  - (i) advising Prisoners of the pre-approved freephone numbers available to them



during the Reception Procedure and Induction Programme and providing Prisoners with a written document with details of these numbers;

- (ii) facilitating Prisoner calls to pre-approved freephone numbers in relative privacy through the provision of the in-cell telephone system, which will have pre-approved freephone numbers already enabled and accessible to Prisoners;
- (iii) if it becomes evident that a Prisoner is overusing a telephone (by duration and frequency of calls) and thus preventing equitable access by others, taking steps to address the overuse with the Prisoner or, where other steps have been unsuccessful, limiting that Prisoner's number of allowable calls;
- (iv) ensuring that Prisoners are not permitted to use non-Prisoner telephone call control system (PTCCS) telephones to call the pre-approved freephone numbers; and
- (v) ensuring that where an Inspector or an Ombudsman requests a Prisoner contact them, arrangements are made to facilitate that contact; and

#### *Media*

- (f) ensure that no Prisoner is interviewed by any member of the media, or has any kind of direct contact with media, except where the Chief Executive has pre-approved such interview, by:
  - (i) briefing all Prisoners on this requirement during the Induction Programme;
  - (ii) ensuring that the approved telephone numbers that Prisoners are able to access do not include media outlets;
  - (iii) ensure that Prisoners are not able to communicate with the media via the internet (including social networking sites and forums), including through any electronic communication device (as defined in the Corrections Act);
  - (iv) implementing effective complaints procedures and regular Prisoner consultation processes to reduce a Prisoner's desire to contact the media;
  - (v) implementing a visits registration and management system that will prevent media representatives from visiting Prisoners, unless they are visiting the Prisoner in a personal capacity as a family or whānau member or friend;
  - (vi) developing and implementing the Communication Plan to reduce the need for the media to seek out Prisoner contact and comments;
  - (vii) ensuring Prison operations and management is transparent (subject only to any confidentiality or disclosure restrictions), to reduce the need of the media to approach Prisoners; and
  - (viii) liaising with the Department on all media-related matters.

## **26. Contact with family, whānau and social networks**

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### **26.1 Corrections Services Requirements**

The Contractor must:

- (a) ensure that Prisoners are encouraged to re-establish or maintain relationships with

their children, families and whānau where appropriate;

- (b) ensure that Prisoners are able to maintain access to appropriate social networks through regular and easy access to visits;
- (c) ensure that families and whānau are provided with information about the Prison and with access to support if required; and
- (d) establish, maintain and comply with a policy and procedures to provide for the prohibition of individuals visiting the Prison in accordance with all Laws.

## **26.2 Delivery Proposal**

The Contractor will comply and will:

- (a) operate a visits area in the Visits and Administration building that will:
  - (i) be staffed, furnished and arranged to encourage easy and prosocial contact between Prisoners and their families and whānau; and
  - (ii) ensure that children are safe and can enjoy family visits in an environment that is sensitive to their needs;
- (b) operate a Visitors Centre that will:
  - (i) serve as a 'gateway' for family support by providing access to a range of information, advice and support for families and whānau;
  - (ii) be manned by Staff Members who are knowledgeable in Prisoner welfare and in the workings of the Prison, and are trained to respond to basic information and advice enquiries;
  - (iii) be equipped with material designed especially to provide children with information about the Prison in a simple, easy to understand manner; and
  - (iv) make available information about the Prison to all Visitors;
- (c) deal with complaints from Visitors regarding inadequate or incorrect information on the operation and management of the Prison as quickly as possible; and
- (d) establish, maintain and comply with a policy and procedures to provide for the prohibition of individuals visiting the Prison in accordance with all Laws.

## **27. Prisoner finances and purchases**

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### **27.1 Corrections Services Requirements**

The Contractor must:

- (a) establish a purchasing system and provide the opportunity for Prisoners to purchase items of a similar range, and for a similar price, to those items available for purchase at other prisons, in accordance with the Department's prohibited items schedule;
- (b) maintain the Prison Trust Account and Prisoner funds information on IOMS and the Custodial Management System in accordance with the Department's guidelines in relation to Prison Trust Accounts and Prisoner funds and the Department's prisoner

engagement framework; and

- (c) ensure that the Trust Accounting Bulk Upload is accurate and up to date on a Prisoner's release or transfer.

## **27.2 Delivery Proposal**

The Contractor will comply and will:

### *Prisoner purchases*

- (a) establish a purchasing system and provide the opportunity for Prisoners to purchase items by:
  - (i) enabling Prisoners to make regular purchases of basic goods for personal use or consumption and to have access to a range of items not provided by the Prison;
  - (ii) enabling Prisoners to purchase, within reason, goods of a religious, spiritual or cultural nature; and
  - (iii) installing the Custodial Management System in the Prison, which will:
    - (A) enable Prisoners to order goods;
    - (B) assign each Prisoner an individual log-in and link his individual account with relevant information relating to the Prisoner, such that only items appropriate to the Prisoner are available for ordering;
    - (C) prevent Prisoners from purchasing items which are included on the Department's prohibited items schedule, mail order goods, rentals or hire purchases;
    - (D) generate periodic ad-hoc reports and instant audit records; and
    - (E) be linked to IOMS trust account information for audit and reconciliation;

### *Prisoner finances*

- (b) maintain the Prison Trust Account and Prisoner funds information on IOMS and the Custodial Management System in accordance with the Department's guidelines in relation to Prison Trust Accounts and Prisoner funds and the Department's prisoner engagement framework, including:
  - (i) recording all transactions in relation to the Prison Trust Account;
  - (ii) recording any transactions in relation to Prisoner funds, including:
    - (A) recording any credits (for example, prisoner engagement payments, gifts or other incoming funds) or debits (for example, purchases made in accordance with paragraph 27.2(a)); and
    - (B) updating Prisoner account balances on IOMS and the Custodial Management System; and
  - (iii) ensuring that prisoner engagement payments are credited in accordance with paragraph 33.2(u)(ii); and

- (c) ensure that the Trust Accounting Bulk Upload is accurate and up to date on a Prisoner's release or transfer.

## **28. Prisoner Property**

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### **28.1 Corrections Services Requirements**

The Contractor must:

- (a) document and, where necessary, arrange for the storage or removal of Prisoner Property; and
- (b) ensure all Prisoner Property is accounted for on release and any issues are resolved.

### **28.2 Delivery Proposal**

The Contractor will comply and will:

- (a) document on IOMS and, where necessary, store or arrange for the removal of Prisoner Property to ensure that:
  - (i) only authorised property (as that term is defined in the Corrections Act) is issued for possession; and
  - (ii) all stored Prisoner Property is held safely and securely;
- (b) where a Prisoner is received from another prison and there is a discrepancy in property items, report such discrepancy to the person in charge of that prison;
- (c) ensure all Prisoner Property is accounted for on release and any issues are resolved, by:
  - (i) presenting the Prisoner, on his release, his:
    - (A) stored personal property;
    - (B) stored valuables;
    - (C) items retrieved from the Prison Cell; and
    - (D) trust account monies,for inspection and reconciliation against an IOMS generated property list;
  - (ii) subjecting all aspects of the above process to a check by a second and more senior Staff Member prior to the release occurring;
  - (iii) requiring the Prisoner to sign the property release form to indicate that he accepts that the items are correct and in alignment with all relevant property receipts;
  - (iv) recording the release of property to the Prisoner on IOMS, and producing a property transaction report;
  - (v) recording any discrepancies in Prisoner Property on a Prisoner complaints form

- and directing the complaint to the relevant Staff Member for investigation;
- (vi) where Prisoner complaints indicate issues with property management and reconciliation on release, checking the process and making any required changes; and
- (vii) ensuring that all Prisoners are released with sufficient clothing and transport fares (where the Prisoner is so entitled); and
- (d) manage all complaints regarding Prisoner Property.

## **Part 4 – Rehabilitation and Reintegration**

### **29. Assessment**

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#### **29.1 Corrections Services Requirement**

The Contractor must assess Prisoner risks and needs (which may include offence, health and safety (both physical and mental), cultural, religious, spiritual, diversity, educational, employment, disability, family and whānau and placement related needs) in order to develop an individualised Prisoner Management Plan.

#### **29.2 Delivery Proposal**

The Contractor will comply and will assess Prisoner risks and needs by:

- (a) employing an integrated hierarchy assessment model to assess the risks and needs of all Prisoners, through which the following will be undertaken:
  - (i) for all Prisoners, assessments to identify the risks (to himself and others), his immediate needs, and his health, religious, spiritual and cultural needs, as described in paragraph 8.2(a);
  - (ii) for each Prisoner who completes the Induction Programme and either has at least 13 weeks of his sentence remaining, or is identified as requiring further assessment in order to develop his individual Prisoner Management Plan, assessments to identify:
    - (A) his risk of reoffending, including by recording risk assessment scores across a range of domains that align with the pathways set out in paragraph 32.2(b), using a validated dynamic risk assessment tool;
    - (B) his needs associated with offending;
    - (C) his personal strengths; and
    - (D) his responsivity in order to tailor Interventions to his learning style, motivation, abilities, and strengths; and
  - (iii) for any Prisoner where the need is identified, specialist assessments (such as literacy and numeracy, learning disability, substance misuse and sexual offending) to determine which Interventions, including delivery modes, are appropriate for that Prisoner;
- (b) ensuring that appropriate assessment methods are utilised, and that these are undertaken by Staff Members with the necessary skills and expertise;

- (c) ensuring that assessors undertaking the cultural assessment are culturally competent from a tikanga perspective, and have a thorough understanding of the concepts of whakapapa, mythology, kawa, tikanga and Te Reo; and
- (d) supplementing the information gathered through assessments with other information such as:
  - (i) New Zealand Police reports and alerts;
  - (ii) pre-sentence reports;
  - (iii) sentencing remarks of the courts;
  - (iv) psychological reports tended to the courts;
  - (v) CPS case management details;
  - (vi) victims register details;
  - (vii) previous Prisoner Management Plans and discharge summaries;
  - (viii) interviews with the Prisoner;
  - (ix) advice from family and whānau (where appropriate); and
  - (x) other relevant material,

which will be brought together through the case management process to develop the Prisoner's individual Prisoner Management Plan.

## **30. Case management**

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### **30.1 Corrections Services Requirements**

The Contractor must:

- (a) develop, deliver, monitor and review an individual Prisoner Management Plan for each Prisoner that guides delivery of rehabilitation and reintegration Interventions;
- (b) establish Prisoner files where none exists;
- (c) ensure all Prisoner files are regularly updated;
- (d) archive Prisoner files in accordance with the Public Records Act in offsite accommodation provided by the Department;
- (e) request archived Prisoner file(s) should they be required;
- (f) work collaboratively with CPS to transition Prisoners from the Prison to the community;
- (g) complete a Transition Offender Plan Review for Prisoners who will be under the supervision of CPS on release;
- (h) adhere to the Department's requirements for communications between the

Department, the New Zealand Police, Child, Youth and Family (in relation to sexual, violent, or other serious offenders seeking family or whānau integration on release), and Immigration New Zealand, to support the effective transfer of information about Prisoners in preparation for release;

- (i) comply with the Department's guidelines in relation to the management of High Risk High Profile Prisoners and the HRHP Database; and
- (j) finalise all Prisoner Management Plans on the release of a Prisoner.

## **30.2 Delivery Proposal**

The Contractor will comply and will:

### *Case Management*

- (a) develop a multi-disciplinary and integrated approach to case management, by:
  - (i) establishing a formal partnership model with all relevant service providers, including Governmental Entities, hapū, iwi and other Māori community groups, volunteers and community organisations, to provide an integrated approach to assessment, sentence planning, service delivery, monitoring and review, and release planning;
  - (ii) implementing a case management ICT application system that will enable Staff Members to record and share information across the Prison and with all relevant service providers (subject to appropriate privacy controls) in relation to assessment, sentence planning, service delivery, monitoring and review, and release planning;
  - (iii) establishing policies and procedures to ensure regular, recorded communication between the case management team, relevant Staff Members based on accommodation units, and Staff Members with responsibility for delivering Interventions, for the purpose of monitoring and reviewing the delivery of a Prisoner's Prisoner Management Plan, including considering the Prisoner's motivation and engagement; and
  - (iv) ensuring that Staff Members in the case management team are trained to be responsive to the diversity needs of the Prisoner population, including being culturally responsive to Māori and confident in their dealings with families, whānau, hapū, iwi and other Māori community groups and volunteers;
- (b) develop an individual Prisoner Management Plan for each Prisoner who completes the Induction Programme that includes relevant components of:
  - (i) risks and needs identified during the Induction Programme;
  - (ii) goals and objectives to address the identified risks and needs;
  - (iii) actions to achieve the goals and objectives, with timeframes and responsibility for delivery identified;
  - (iv) risk management plans to manage any identified risks presented by the Prisoners to self and/or to others;
  - (v) care plans to manage any identified health or social care needs; and
  - (vi) the Prisoner's agreement with the content of the Prisoner Management Plan

and consent to undertake the agreed actions;

- (c) ensure that family and whānau members are encouraged to be involved in the development and delivery of the Prisoner Management Plan where appropriate, and that appropriate support and information is provided to family and whānau members as required to facilitate their active engagement;
- (d) deliver the Prisoner Management Plan for each Prisoner by:
  - (i) directly delivering Interventions to the Prisoner;
  - (ii) referring the Prisoner to services delivered by other providers; and
  - (iii) facilitating others, including the Prisoner, to undertake actions agreed in the Prisoner Management Plan;
- (e) monitor delivery of each Prisoner's Prisoner Management Plan through:
  - (i) regular communication with the Prisoner, including, where appropriate, his family, whānau and support networks to ascertain the Prisoner's level of engagement and motivation, and identify and address any potential barriers to the delivery of his Prisoner Management Plan; and
  - (ii) regular communication between the case management team, other relevant Staff Members, community service providers and volunteers, as appropriate, to ascertain the Prisoner's level of engagement and motivation, identify and address any potential barriers to the delivery of his Prisoner Management Plan, and to ensure that adequate progress is being made against the Prisoner Management Plan;
- (f) regularly review the delivery of each Prisoner's Prisoner Management Plan, through formal review meetings, to:
  - (i) review any new information and changes in circumstances that have come to light since the previous review meeting, and consider the implications for any risk assessments, including the risk of reoffending and the risk to the Prisoner and others;
  - (ii) ensure that the Prisoner Management Plan is being delivered as agreed, and review the Prisoner's progress against goals and objectives;
  - (iii) ensure that, in light of the review of the matters in paragraphs 30.2(f)(i) and (ii), the needs, goals and objectives, and actions identified in the Prisoner Management Plan remain relevant and are updated where necessary;
  - (iv) record, in light of the review of the matters in paragraphs 30.2(f)(i) and (ii), any changes to dynamic risk assessment scores; and
  - (v) identify and review arrangements in relation to release;

#### *Prisoner files*

- (g) on reception of a Prisoner, establish a Prisoner file (where none exists) and request any archived files by:
  - (i) ensuring that a check is made of all Prisoners on reception to the Prison to ensure that they have all of the required documentation, including a Prisoner file;



- (ii) where it is found that a Prisoner does not have a Prisoner file and investigations find that no current or past file existed, preparing a new file in accordance with Department requirements;
  - (iii) where it is found that a current Prisoner file does exist, arranging to have it brought to the Prison; and
  - (iv) where it is found that no current Prisoner file exists, but that an archived file exists, having the archived file retrieved and brought to the Prison;
- (h) ensure that Prisoner files are created, maintained and archived in accordance with all Laws;
- (i) ensure that, wherever possible, information relating to a Prisoner is recorded on IOMS, as well as in other electronic and paper-based filing and case management systems operated by the Contractor, and that the information recorded on IOMS is kept up to date;
- (j) archive Prisoner files in accordance with the Public Records Act, by:
  - (i) ensuring that all Prisoner files and relevant information are updated in IOMS as part of the release process;
  - (ii) having any/all Prisoner files (hard copy) gathered and packaged, with the Prisoner's name and file number clearly applied to the front of this packaging; and
  - (iii) archiving the file in accordance with the Public Records Act and all relevant Department policies and procedures;

#### *Release processes*

- (k) meet regularly with senior representatives of CPS to test the quality and extent of working relationships, including the extent of efforts to transition Prisoners back into the community, and take remedial action to address any issues identified at such meetings;
- (l) communicate with the Department, the New Zealand Police, Child, Youth and Family and Immigration New Zealand in accordance with the Department's requirements to support the effective transfer of information about Prisoners re-entering the community, including:
  - (i) completing all relevant notifications for the release of a Prisoner, as set out in the Policy and Procedures Manual; and
  - (ii) prior to the release of a Prisoner, performing a counter-check to ensure that all relevant notifications have been made;
- (m) develop a Transition Offender Plan for all Prisoners three months prior to eligible release dates (at a minimum) (or where the Prisoner arrived at the Prison with less than three months of his sentence remaining, as soon as practicable), which will consider the following:
  - (i) NZPB outcomes;
  - (ii) reviews;
  - (iii) the Prisoner's file notes; and

- (iv) the Prisoner's file;
- (n) provide a copy of the Transition Offender Plan to CPS for their information;
- (o) conduct the Transition Offender Plan Review at least 10 days prior to the Prisoner's release to ensure its applicability to the Prisoner's circumstances, including:
  - (i) referring the Transition Offender Plan Review worksheet to CPS for approval;
  - (ii) updating the Transition Offender Plan with the review information;
  - (iii) setting the next review type as 'transition' review, which the probation officer will conduct when they take over responsibility of the offender; and
  - (iv) setting the next review date 28 days from the Prisoner's release date;
- (p) assess each Transition Offender Plan to ensure it is completed and that it contains all relevant planning and information, that the contents are conclusive and workable, and that the Transition Offender Plan Review has occurred;
- (q) ensure all documentation used in providing the Transition Offender Plan service is kept current; and
- (r) ensure that all Prisoner Management Plans are finalised at the time Prisoners are released from the Prison.

## **31. Full and purposeful day**

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### **31.1 Corrections Services Requirement**

The Contractor must ensure that all Prisoners (excluding those Prisoners who have been confined to a Prison Cell under section 133 of the Corrections Act) are provided with regular and appropriate access to (having regard to the Prisoner's security classification and risk assessment), and actively encouraged to participate in, a range of out of cell activities.

### **31.2 Delivery Proposal**

The Contractor will comply and will:

- (a) establish a busy and structured Prisoner day that maximises programme sessions, access to education, training and employment opportunities, access to activities and personal visit sessions; and
- (b) ensure that all Prisoners (excluding those Prisoners who have been confined to a Prison Cell under section 133 of the Corrections Act) are encouraged to access the full range of out of cell activities, while also giving due regard to a Prisoner's security classification and risk assessment.

## **32. Rehabilitation and reintegration Interventions**

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### **32.1 Corrections Services Requirement**

The Contractor must provide rehabilitation and reintegration Interventions to Prisoners based on their Prisoner Management Plans, in order to minimise the risk they present to others and reduce their likelihood of reoffending.

## 32.2 Delivery Proposal

The Contractor will comply and will provide rehabilitation and reintegration Interventions in accordance with the Rehabilitation and Reintegration Programme by:

### *Service Need*

- (a) undertaking regular analysis to determine the rehabilitative and reintegrative needs of the Prisoner population, taking into account factors such as criminogenic needs, length of sentence, age, cultural background, communication needs and learning styles;
- (b) offering a full and varied range of Interventions that reflect the identified rehabilitative and reintegrative needs of the Prisoner population and align with one or more of the following eight pathways:
  - (i) accommodation;
  - (ii) education, training and employment;
  - (iii) mental and physical health;
  - (iv) drugs and alcohol;
  - (v) finance, benefits and debt;
  - (vi) children and families and whānau of offenders;
  - (vii) attitudes, thinking and behaviour; and
  - (viii) social support;

### *Rehabilitative Interventions*

- (c) addressing offending behaviour using the following principles:
  - (i) the risk principle – intensive treatment is most effective when directed at those at highest risk of re-offending;
  - (ii) the needs principle – there are certain treatment needs which are associated with further re-offending risk (criminogenic needs) which, when addressed, reduce the chances of future re-offending; and
  - (iii) the responsivity principle – the delivery of treatment should match the learning styles and cultural orientation of those receiving the treatment;
- (d) ensuring that Interventions are delivered in a style that is responsive to the needs of Prisoners, including communication needs and learning style;
- (e) ensuring that the range of Interventions delivered at the Prison are aligned with those offered elsewhere in the prison network to minimise any negative impact on a Prisoner's progress if that Prisoner is transferred to or from the Prison within the prison network;
- (f) structuring Interventions in modules, where appropriate, to enable continuity of delivery;

- (g) ensuring that Staff Members are suitably qualified and experienced to deliver Interventions, and that there are procedures in place to assess and ensure that staff deliver interventions as intended and the integrity of interventions is maintained;
- (h) monitoring start and completion rates of Prisoner participants in relevant Interventions as set out in the Rehabilitation and Reintegration Programme;
- (i) monitoring Intervention outcomes using valid and reliable measures to assess the efficacy of relevant Interventions as set out in the Rehabilitation and Reintegration Programme;
- (j) developing relationships with community-based service providers and volunteers to deliver rehabilitation Interventions in the Prison; and

*Reintegration services*

- (k) delivering services to assist the effective reintegration of Prisoners into the community by:
  - (i) commencing planning for Prisoners' reintegration from the point of reception and maintaining a focus of effective reintegration through the Prisoner's sentence;
  - (ii) providing a comprehensive, integrated and specialist reintegration service to actively support Prisoners' effective reintegration into the community, including:
    - (A) providing assistance and guidance in finding settled accommodation after release; and
    - (B) providing assistance and guidance in entering appropriate education, training or employment on release;
  - (iii) establishing formal partnerships with Governmental Entities, hapū, iwi and other Māori community groups, volunteers and community organisations in order to facilitate the provision of community, family and whānau-focused services and continuity of care and support from the Prison to the community;
  - (iv) providing support to the families and whānau of Prisoners so they are better placed to effectively support the Prisoner on his release;
  - (v) establishing a community office that provides a venue for advice and support for Prisoners' families and whānau, and offers access to post-release support for released Prisoners, in areas such as:
    - (A) family support;
    - (B) job search;
    - (C) accommodation search assistance;
    - (D) foundation skills; and
    - (E) substance misuse relapse prevention; and
  - (vi) establishing a volunteer-based mentoring scheme which released Prisoners can access through the community office, which will be supported by a hotline.

## **33. Educational and employment opportunities**

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### **33.1 Corrections Services Requirements**

The Contractor must:

- (a) facilitate eligible Prisoners' access to a range of educational, employment and training opportunities that will improve their ability to participate pro-socially in society after release from Prison;
- (b) ensure that educational programmes, where applicable, are linked to the New Zealand Qualifications Framework; and
- (c) ensure that Prisoner payment aligns with the Department's guidelines in relation to Prison Trust Accounts and Prisoner funds and the Department's prisoner engagement framework.

### **33.2 Delivery Proposal**

The Contractor will comply and will:

*Principles and philosophy*

- (a) facilitate Prisoners' access to a range of educational, employment and training opportunities for at least 48 weeks of the year by:
  - (i) committing to the following goals:
    - (A) improve Prisoner literacy and numeracy skills;
    - (B) encourage Prisoners to pursue other education or training;
    - (C) assist Prisoners to find employment;
    - (D) increase the number of Prisoners in lawful employment;
    - (E) prioritise those Prisoners with a greater need to gain skills and employment experience;
    - (F) maximise both the number of Prisoners gaining skills and the amount and level of skills achieved by each Prisoner; and
    - (G) ensure Māori participation in skill development and employment initiatives matches or exceeds the proportion of Māori in the Prison population;
  - (ii) basing learning at the Prison on the following six key dimensions:
    - (A) the 'learning mosaic' across the whole Prison, reflecting the importance of informal learning and the role of Staff Members in that process;
    - (B) the formal classroom setting;
    - (C) the adoption of recognised principles and approaches to adult learning and education;

- (D) the integration of literacy and numeracy into other activities, especially industries;
  - (E) the reciprocal relationships between the teacher and the learner, and the indivisibility of learner and family and whānau will guide the teaching and learning relationship; and
  - (F) providing the in-cell virtual learning environment for Prisoners to engage in education in their Prison Cells (including during periods of lockdown);
- (iii) operating a vibrant and busy environment at the Prison and creating, through management, a culture and environment conducive to personal development and learning;
  - (iv) ensuring the training products and delivery methods of instructors accommodate diverse learning styles and bi-cultural delivery requirements, reflecting research into Māori and Pasifika pedagogies;
  - (v) encouraging Māori Prisoners to engage with whānau and iwi to promote educational pursuits and to gain their support for a Prisoner's participation in education as a pathway to rehabilitation and reintegration;
  - (vi) employing Māori education and vocational training staff and developing the curriculum in liaison with community based education providers; and
  - (vii) encouraging Prisoners to pass on the importance of education to their children (where applicable) and providing them with avenues to do this;

#### *Service need*

- (b) undertaking regular analysis to determine the education, training and employment needs of the Prisoner population, taking into account factors such as literacy and numeracy function levels, learning disabilities, skills shortages in industry sectors and emerging industries;
- (c) developing an Educational and Training Plan at the commencement of each calendar year, in accordance with the goals identified in paragraph 33.2(a)(i) and in liaison with internal and external providers, that reflects the identified education, training and employment needs of the Prisoner population and the latest employment needs of the New Zealand economy, and covers the following areas:
  - (i) foundation skills in literacy and numeracy;
  - (ii) general education;
  - (iii) vocational education; and
  - (iv) employment;

#### *Foundation skills*

- (d) provide integrated literacy and numeracy tuition to take Prisoners with an identified need to a basic operational level of literacy and numeracy;
- (e) provide tuition in group sizes that reflect the intensive nature of these activities and the high degree of support needed and by Staff Members suitably skilled and experienced;

- (f) support formal learning through informal and incident learning by training Staff Members to act as basic skills tutors who are able, through their interactions with Prisoners, to integrate basic skills development in tangible and useful ways;

#### *General education*

- (g) provide a mixed curriculum, such as ICT, tertiary bridging courses, tertiary courses, life skills/independent living skills, social skills/parenting, preparation for employment, and small business development, to develop existing competencies in Prisoners and provide a program of studies that is designed to be balanced and engaging;
- (h) utilise a differentiated delivery within programmes to ensure educational objectives are met and Prisoners are challenged and operate at a level that delivers incremental improvement;

#### *Vocational education*

- (i) provide a wide range of vocational education opportunities that focus on fulfilling identified areas of skills shortages in various sectors as well as responding to emerging industry opportunities;
- (j) enable Prisoners to undertake independent additional study in their own time utilising the capabilities of the in-cell virtual learning environment;

#### *Employment*

- (k) provide a range of opportunities for employment within the Prison, linked to accredited vocational skills training where possible;
- (l) provide a minimum of 24 job placements per annum to selected Prisoners on a job placement programme, in accordance with which the Contractor will develop and facilitate training opportunities for Prisoners placed on the programme that will lead to post-release employment offers for those Prisoners who successfully complete the requisite training programme;
- (m) provide community-based work options, by establishing links with employers in industries that have a demand for the skills taught in Prison and by progressing community-based work options for selected and approved, suitably classified Prisoners;
- (n) establish linkages with employers in industries that have a demand for the skills taught in the Prison, to provide pathways to employment following release;

#### *Library and resources*

- (o) maintain a library within the Prison with a wide selection of recreational, legal instructional books, journals and library equipment and material, complete with library staff that are trained in providing and teaching the skill of information handling, and work with Prisoners to help them locate, retrieve, understand and communicate appropriate information when needed;
- (p) provide Prisoners with writing material and other educational resources to assist Prisoners complete their educational and other courses;
- (q) ensure that every student has a personal record of achievement, which will be portable and detail his assessments, activities, achievements and plans;

### *Monitoring*

- (r) monitor the following:
  - (i) the number of credits obtained per Prisoner;
  - (ii) literacy and numeracy gains as assessed by Staff Members and/or providers once a standard methodology is developed;
  - (iii) hours worked by Prisoners;
  - (iv) average cost per credit per Prisoner; and
  - (v) for Māori, Pasifika and youth, levels of participation to assess progress and identify barriers for these groups;
- (s) report on a regular basis on Prisoners' access to education, training and employment opportunities;

### *Linked to NZQA*

- (t) ensure that educational programmes, where applicable, are linked to the New Zealand Qualifications Framework by:
  - (i) ensuring that any training organisation providing educational or training programmes at the Prison is registered with NZQA or actively seeking registration;
  - (ii) ensuring that unit standards, achievement standards and courses have received appropriate national endorsements and meet the technical requirements of NZQA;
  - (iii) ensuring that wherever possible and appropriate educational or training programmes will be assessed against national standards;
  - (iv) ensuring that it complies with all national standards;
  - (v) conducting educational programmes in accordance with the NZQF;
  - (vi) ensuring that the Prison's educational and training department develops a quality assurance system that governs curriculum development, course delivery, accreditation routes and recording progression, which system will be mapped against Department and national standards and ensure that all relevant education programmes are linked to the NZQF; and
  - (vii) monitoring and reporting on a regular basis on compliance with the NZQF; and

### *Payment*

- (u) ensure that Prisoner payment aligns with the Department's guidelines in relation to Prison Trust Accounts and Prisoner funds and the Department's prisoner engagement framework, including by:
  - (i) recording on IOMS on a weekly basis the Prisoners who are entitled to receive the prisoner engagement payment, in order that the Department can credit the Prison Trust Account with the appropriate amount; and



- (ii) ensure that all Prisoners who are entitled to receive the prisoner engagement payment are credited with that amount (and no more) against their Prisoner funds on IOMS and the Custodial Management System.

## **34. Involvement of family, whānau and social networks**

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### **34.1 Corrections Services Requirement**

The Contractor must provide opportunities for Prisoners' whānau, family or appropriate social networks to participate in Prisoners' rehabilitation and reintegration.

### **34.2 Delivery Proposal**

The Contractor will comply and will:

- (a) seek the Prisoner's permission to engage with his whānau, family or appropriate social networks in developing the reintegration and rehabilitation aspects of his Prisoner Management Plan, and identifying the best means of achieving this participation;
- (b) where permission has been granted, encourage the Prisoner's whānau, family or appropriate social networks to participate in the Prisoner's rehabilitation and reintegration; and
- (c) provide Interventions, where appropriate, for the purpose of re-establishing, strengthening or maintaining family and whānau relationships.

## **35. Achieving effectiveness with Māori Prisoners**

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### **35.1 Corrections Services Requirement**

The Contractor must ensure its operation of the Prison achieves successful outcomes with Māori Prisoners.

### **35.2 Delivery Proposal**

The Contractor will comply and will:

- (a) ensure its operation of the Prison achieves successful outcomes with Māori Prisoners and reduces Māori re-offending by:
  - (i) addressing the causal factors underlying offending in a culturally appropriate manner which acknowledges agency, identity and culture;
  - (ii) integrating the Prison operations, accommodation, assessments, programme provision and staffing to contribute to achieving successful outcomes with Māori Prisoners;
  - (iii) supporting an identifiable Māori pedagogy and supporting responsiveness to Māori and Māori-based methods of delivery;
  - (iv) following a bi-cultural approach to assessments and its use of community service providers who are competent to ensure that Māori pedagogies are followed;
  - (v) applying the whānau ora concept by ensuring a holistic and integrated service

delivery through engagement with whānau, hapū and iwi and other culture-based service providers to ensure comprehensive and culturally appropriate assessments and service provision to Prisoners and their families and whānau;

- (vi) building a relationship with Mana Whenua iwi and the establishment of a ropu through which the Contractor can provide information and seek advice and support;
- (vii) engaging families and whānau in the care and case management of Prisoners;
- (viii) establishing whānau liaison officers to assist Prisoners maintain and improve relationships with family, whānau, hapū and iwi;
- (ix) operating the Visitors Centre as a gateway for families and whānau of Prisoners to obtain advice, support and care;
- (x) providing critical support for Māori by kaiwhakamana and Mana Whenua and community-based service delivery agencies;
- (xi) involving Māori and other community providers with the review of Prisoner progress against their Prisoner Management Plans allowing the opportunity to critique what is being done and the opportunity to improve and further develop progress;
- (xii) including kaupapa (to be developed with Mana Whenua iwi) as a system for the governance, management and operations at the Prison, and training all Staff Members, Prisoners and Visitors to acknowledge the kaupapa of the Prison;
- (xiii) reflecting the concept of Te Ao Māori in the design of its policies, operational systems, programmes and service to ensure that Māori who are motivated are exposed to the Māori world view supported by Staff Members, whānau, hapū, iwi, Māori service providers and other community members;
- (xiv) introducing programmes and services delivered by Māori service providers which are designed to reconnect Māori to their cultural heritage and that will address health, addiction, education, employment and social skills and teach the skills and knowledge required to be successful in Te Ao Hurihuri;
- (xv) integrating Māori measures of wellbeing in the Prison at three levels: the individual, whānau and the Māori Prison community as a whole (the healthcare staff will acknowledge that there are four dimensions to individual health: taha wairua (spiritual health), taha hinengao (mental health), taha tinana (physical health) and taha whānau (relationships with family));
- (xvi) establishing ongoing workshops, sharing research information and performance standards with other Governmental Entities, Māori service providers and community agencies and with wider justice sector network;
- (xvii) developing strategies with other justice and welfare agencies and service providers to reduce re-offending by Māori Prisoners with short sentences;
- (xviii) having a workforce that is fully equipped, through recruitment, training, mentoring and development and support, to be culturally responsive with Māori, by:
  - (A) establishing and maintaining strategies to attract and retain Māori Staff Members;

- (B) being cognisant in its training and recruitment, of the ethnicity of the Prisoner population, and seeking to obtain both ethnic and cultural balance; and
  - (C) setting up training and support structures and mentoring for Māori Staff Members, to build their confidence in core skills and encourage their development and capability enhancement; and
- (xix) evaluating the programmes delivered to Māori, by:
- (A) measuring activities which aid Māori rehabilitation and reintegration, such as contribution to reducing drug and alcohol use, obtaining housing and improving job skills, according to both qualitative and quantitative information;
  - (B) reporting information to the Department on performance, including key measures and targets and the results of programmes and activities aimed at the rehabilitation and reintegration of Prisoners;
  - (C) summarising and reporting on how well Māori Prisoners achieve their Prisoner Management Plan goals at the end of their time in Prison; and
  - (D) routinely monitoring and reporting on the proportion of sentenced Prisoners in the Prison for the first, second and third time; and
- (b) review and assess the effectiveness of this solution regularly and amend accordingly.

## **Part 5 – Integration and Relationships**

### **36. Seamless integration with Department and other Governmental Entities**

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#### **36.1 Corrections Services Requirements**

The Contractor must:

- (a) integrate with the Department, the wider prison network and the wider justice sector and other Governmental Entities;
- (b) adhere to the Department's guidelines and procedures for victim notification;
- (c) provide access, office space and equipment, and support for the NZPB, Visiting Justice, Inspector, Ombudsman, Monitor, CPS and other statutory Visitors;
- (d) provide information and reports to the NZPB (including responding to specific NZPB recommendations) and CPS within agreed timeframes;
- (e) liaise with courts in relation to warrants or hearings;
- (f) facilitate the use of audio-visual link within the Prison to enable a Prisoner to participate in a proceeding in a New Zealand court where required;
- (g) operate the Department's ICT Systems; and
- (h) provide timely and accurate responses to information requests such as Official Information Act requests and requests for information from the Department under the

Ombudsmen Act 1975, Parole Act 2002 and Public Finance Act 1989 in order to allow the Department to comply with its reporting obligations under those Acts.

## **36.2 Delivery Proposal**

The Contractor will comply and will:

### *Integration with the Department, the wider prison network and the wider justice sector*

- (a) develop and implement an Integration Plan detailing the strategy for effectively integrating the Prison with the Department, the wider prison network (including neighbouring prisons, the regional prison network and the national prison network), the wider justice sector and other Governmental Entities involved in the management of offenders, prisons and prisoners;
- (b) comply with the Department and Child, Youth and Family protocols for reporting allegations of child abuse;

### *Victim notification*

- (c) train relevant Staff Members to act as victim coordinators, in accordance with the Department's guidelines and procedures for victim notification;

### *Provide access and facilities*

- (d) provide access, office space and equipment, and support to the NZPB, Visiting Justice, Inspector, Ombudsman, Monitor, CPS and other statutory Visitors;

### *NZPB*

- (e) meet regularly with representatives of the NZPB to test that the required information and reports are being provided within the agreed timeframes;

### *Courts*

- (f) liaise with the courts in relation to warrants or hearings, including facilitating audio-visual hearings if required;

### *ICT systems*

- (g) utilise the Department Applications as required by the Department and comply with all security and privacy requirements; and

### *Information requests*

- (h) acknowledge the responsibilities and reporting obligations that the Department has under legislation, and recognise the responsibilities it has as a contractor to the Department to assist the Department by:
  - (i) responding to requests under clause 58.2 (Reporting under Ombudsmen Act 1975, Official Information Act, Public Finance Act 1989 and Parole Act 2002) of the Base Agreement, whether the requests are applicable to its operations or not;
  - (ii) responding to requests under paragraph 1(g) (Communications between Contractor and Department) of Schedule 11 (Communication Protocols); and

- (iii) providing information in accordance with Schedule 15 (Reporting).

## **37. Relationships with Māori stakeholders, external service providers and wider community**

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### **37.1 Corrections Services Requirements**

The Contractor must:

- (a) establish and maintain effective relationships with external service providers and the wider community;
- (b) align with the Department's volunteer policy; and
- (c) use its reasonable endeavours to ensure appropriate and relevant Māori stakeholders are engaged regarding the operation of the Prison (including the provision of meaningful support and advice to Prison management).

### **37.2 Delivery Proposal**

The Contractor will comply and will:

*External service providers and wider community*

- (a) establish and maintain effective relationships with external service providers and the wider community;
- (b) develop a range of relationships with community service and support providers who can work with the Contractor in a transparent manner to ensure that the outcomes of reduced reoffending and improved community safety are achieved;
- (c) develop relationships with the following entities to enable a co-ordinated and effective incident management response:
  - (i) the Department;
  - (ii) the New Zealand Police;
  - (iii) ambulance services;
  - (iv) the New Zealand Fire Service;
  - (v) the District Health Board;
  - (vi) neighbouring prisons and youth justice facilities; and
  - (vii) other delivery partners as required;
- (d) establish partnerships with a wide range of community based service providers for the provision of rehabilitation and reintegration programmes, activities and Interventions in the Prison, as described in Part 4 (Rehabilitation and Reintegration);
- (e) ensure the Department is kept informed of the external service providers that the Contractor has, or proposes to have, relationships with, in accordance with the Communication Plan;

- (f) review the effectiveness of its relationships with external service providers and the wider community on an annual basis and maintain regular contact to ensure they are achieving the desired objective of contributing positively to the Prison's outcomes;

#### *Volunteer policy*

- (g) work closely with the Department on the development of a detailed volunteer and community sector policy and the implementation of the policy at both policy level and at the regional level;

#### *Māori stakeholders*

- (h) use its reasonable endeavours to ensure appropriate and relevant Māori stakeholders are engaged regarding the operation of the Prison;
- (i) apply the whānau ora concept to the Prisoner by involving Māori in the planning, management, delivery and evaluation of services and in capacity building with Māori service providers;
- (j) meet regularly with relevant Māori stakeholders on site and in the community, to ensure that the Prison's operations are transparent and seeking meaningful input into the wellbeing, rehabilitation and reintegration of their whānau and broader iwi; and
- (k) review the effectiveness of its relationships with Māori stakeholders on an annual basis and maintain regular contact to ensure they are achieving the desired objective of contributing positively to the Prison's outcomes.

## **38. Manage Mana Whenua relationships**

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### **38.1 Corrections Services Requirements**

The Contractor must establish and maintain Mana Whenua relationships which:

- (a) acknowledge and respect the historical association that Mana Whenua iwi have with the land;
- (b) enable Mana Whenua input into cultural mitigation measures; and
- (c) assist with ensuring that the Corrections Services do not offend Mana Whenua culture and values.

### **38.2 Delivery Proposal**

The Contractor will comply and will:

#### *Mana Whenua historical association*

- (a) acknowledge and respect the historical association that Mana Whenua iwi have with the land, by:
  - (i) respecting the Mana Whenua status of both Ngati Te Ata and Pukaki Ki Te Akitai over the Department Site and acknowledging the special ancestral, cultural and spiritual associations which underpin this relationship;
  - (ii) acknowledging the kaitiaki role which these Mana Whenua iwi have over the land and the consequential obligations regarding kaitiakitanga and

manaakitanga;

- (iii) entering into relationships with Mana Whenua iwi;
- (iv) assisting Mana Whenua iwi in exercising their guardianship of the Department Site and its surrounds, including the joint development and teaching of kaitiaki programmes, in partnership with Mana Whenua iwi, which will be taught in formal classroom and field work settings and incorporate horticultural vocational training, Resource Management Act 1991 education and environmental rejuvenation projects across and adjacent to the Department Site;
- (v) inviting Mana Whenua iwi to nominate a representative to participate in the Prison's contract board; and
- (vi) developing and documenting formal agreements and commercial arrangements to ensure that all relevant parties, their service scope and requirements are included;

#### *Mana Whenua cultural values*

- (b) assist with ensuring that the Corrections Services do not offend Mana Whenua culture and values, by:
  - (i) considering Mana Whenua interests in all dealings with the operation of the Prison and the Department Site;
  - (ii) ensuring cultural education of management and Staff Members to ensure that the culture and values held by Mana Whenua iwi are respected and acknowledged in all dealings;
  - (iii) engaging with Mana Whenua iwi in the conduct of cultural education during both the initial mobilisation phase of the Project and throughout the Operating Term; and
  - (iv) ensuring that manaaki tangata is practiced at the Prison and involving family and whānau in the rehabilitation and reintegration of relevant Prisoners;

#### *General*

- (c) review the effectiveness of relationships with Mana Whenua iwi on an annual basis; and
- (d) maintain regular contact with Mana Whenua iwi to obtain feedback as to whether the relationship is contributing positively to the Prison's outcomes.

## Schedule 15: Reporting

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### 1. Reporting obligations

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#### 1.1 Contractor to provide reports

The Contractor must provide the Department with the reports specified in this Schedule 15, within the time periods required by this Schedule.

#### 1.2 Delivery of reports

The prescribed modes of delivery of reports required under this Schedule 15 may be varied from time to time by written notification from the Department to the Contractor.

#### 1.3 Truth and accuracy of reports

Each report provided by the Contractor under this Schedule 15 must be complete and correct, and not false or misleading in any material particular.

### 2. Available Prisoner Place Reports

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#### 2.1 Obligation to provide

The Contractor must, no later than 8.30am on each day from and including the Service Commencement Date, provide to the Department an Available Prisoner Place Report.

#### 2.2 Form of report

Unless otherwise agreed by the parties, each Available Prisoner Place Report must be in the form of, and contain the information required by, the template set out in Appendix A (Available Prisoner Place Report).

#### 2.3 Delivery requirements

Each Available Prisoner Place Report must be delivered by Secure Email, in a soft copy format readable by the Department, to the Department's Representative.

### 3. Monthly Performance Reports

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#### 3.1 Obligation to provide

The Contractor must, on the tenth Business Day of each Payment Period, provide to the Department a Monthly Performance Report.

#### 3.2 Form of report

Unless otherwise agreed by the parties, each Monthly Performance Report must be in the form of, and contain the information required by, the template set out in Appendix B (Monthly Performance Report) and clause 53.2(a)(i) (Report and invoice) of the Base Agreement.



### **3.3 Delivery requirements**

Each Monthly Performance Report must be delivered by Secure Email, in a soft copy format readable by the Department, to the Department's Representative.

## **4. Performance Trend Reports**

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### **4.1 Obligation to provide**

The Contractor must:

- (a) no later than five Business Days following the end of each Performance Quarter, provide to the Department the Quarterly Performance Trend Reports; and
- (b) no later than five Business Days following the end of each Contract Year, provide to the Department the Annual Performance Trend Reports.

### **4.2 Form of report**

- (a) Unless otherwise agreed by the parties, each Quarterly Performance Trend Report must be in the form of, and contain the information required by, the template set out in Appendix C (Quarterly Performance Trend Reports).
- (b) Unless otherwise agreed by the parties, each Annual Performance Trend Report must be in the form of, and contain the information required by, the template set out in Appendix D (Annual Performance Trend Report).

### **4.3 Delivery requirements**

Each Performance Trend Report must be delivered by Secure Email, in a soft copy format readable by the Department, to the Department's Representative.

## **5. Statutory Reports**

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### **5.1 Obligation to provide**

The Contractor must, within ten Business Days after the end of each Contract Month, provide a Statutory Report to the Department, the Security Monitor and the Primary Monitor.

### **5.2 Form of report**

Each Statutory Report must be in the form, and contain the information, required by the Department from time to time (acting reasonably). From the date of this Agreement until the Department advises the Contractor otherwise, the template set out in Appendix E (Statutory Report) is to be used by the Contractor for this purpose.

### **5.3 Delivery requirements**

Each Statutory Report must be delivered by Secure Email, in a soft copy format readable by the Department, to the Department's Representative.

## **6. Vote Corrections Reports**

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### **6.1 Obligation to provide**

The Contractor must, within 10 Business Days after the end of each Contract Month, provide a Vote Corrections Report to the Department against all relevant output classes as required by the Department as part of preparing its Statement of Intent and annual report as required under the Crown Entities Act 2004 and for Information Supporting the Estimates of Appropriation.

### **6.2 Form of report**

Each Vote Corrections Report must be in the form, and contain the information, required by the Department from time to time (acting reasonably). The Department may, in accordance with paragraph 1(e) (Communications between Contractor and Department) of Schedule 11 (Communication Protocols), meet with the Contractor to discuss the form of, and the information required by, the Vote Corrections Report.

### **6.3 Delivery requirements**

Each Vote Corrections Report must be delivered by Secure Email, in a soft copy format readable by the Department, to the Department's Representative.

## **7. Incident Reports**

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### **7.1 Obligation to provide**

(a) The Contractor must provide Incident Notifications to the Department.

(b) If an Incident is:

- (i) an escape or attempted escape from the Prison by a Prisoner; or
- (ii) the death of a Prisoner,

the Contractor must:

- (iii) provide the Department and the Primary Monitor with a Serious Incident Report within 24 hours of the Contractor becoming aware that the Incident has occurred; or
- (iv) if it is not reasonably practicable to comply with paragraph 7.1(b)(iii), provide an interim Serious Incident Report to the Department and the Primary Monitor within 24 hours of the Contractor becoming aware that the Incident has occurred, and provide the Serious Incident Report as soon as is reasonably practicable after the interim Serious Incident Report has been provided.

(c) If an Incident is:

- (i) an escape or attempted escape by a Prisoner while that Prisoner was in the custody of any Security Officer employed by the Contractor or any Contractor Related Person; or
- (ii) the death of a Prisoner while in the custody of any Security Officer employed by the Contractor or any Contractor Related Person,

the Contractor must:

- (iii) provide the Department and the Security Monitor with a Serious Incident Report within 24 hours of the Contractor becoming aware that the Incident has occurred; or
- (iv) if it is not reasonably practicable to comply with paragraph 7.1(c)(iii), provide an interim Serious Incident Report to the Department and the Security Monitor within 24 hours of the Contractor becoming aware that the Incident has occurred, and provide the Serious Incident Report as soon as is reasonably practicable after the interim Serious Incident Report has been provided.

## **7.2 Form of report**

- (a) Each Incident Notification must contain the information required by, and be communicated in accordance with, the most recent version of the Incident Table (as provided by the Department via Corernet). As at the Execution Date, the most recent version of the Incident Table is set out in Schedule 26 (Related Documents).
- (b) Each Serious Incident Report, and each interim Serious Incident Report (to the extent possible), must include:
  - (i) the full details of the relevant Incident (including who, when, where, with what, response, etc);
  - (ii) an analysis of how the Incident occurred;
  - (iii) a description of the steps that have been taken or will be taken to avoid another Incident occurring in the same way, together with the timing of those steps; and
  - (iv) any other information required by the Department in accordance with the Incident Reporting Framework (as provided by the Department via Corernet).

## **7.3 Delivery requirements**

- (a) Each Incident Notification is required to be delivered in accordance with the most recent version of the Incident Table and the Incident Reporting Framework, which, as at the Execution Date, requires:
  - (i) in relation to Incidents coded “Time Code 1”, immediate notification to the “Incident Line” anytime day or night, followed by an IOMS incident report within two hours of the Incident being advised;
  - (ii) in relation to Incidents coded “Time Code 2”, notification by an IOMS incident report within two hours of the Incident occurring; and
  - (iii) in relation to Incidents which have no time code, notification by an IOMS incident report within two hours of the Incident occurring or before the end of the applicable Staff Member’s shift.
- (b) Each Serious Incident Report and each Interim Serious Incident Report must be delivered by Secure Email, in a soft copy format readable by the Department, to the Department’s Representative.

## **7.4 Interaction with performance regime**

- (a) The Department acknowledges and agrees that for the purposes of Schedule 16 (Performance Regime) the giving of any Incident Notification shall not of itself give rise

to any Service Failure Points, Deductions or Charges, merely by virtue of it containing a reference to an Incident.

- (b) The Contractor acknowledges and agrees that, notwithstanding paragraph 7.4(a), where the event that gave rise to the Incident Notification or the reporting of that event also comprises a Charge Event or a KPI Breach, the Contractor shall incur Service Failure Points, Deductions or Charges in accordance with Schedule 16 (Performance Regime).

## **8. Third Party Profit Reports**

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### **8.1 Obligation to provide**

The Contractor must, within 30 Business Days after the end of each Contract Year, provide a Third Party Profit Report to the Department.

### **8.2 Form of report**

Unless otherwise agreed by the parties, each Third Party Profit Report must be in the form of, and contain the information required by, the template set out in Appendix F (Third Party Profit Report).

### **8.3 Delivery requirements**

Each Third Party Profit Report must be delivered by Secure Email, in a soft copy format readable by the Department, to the Department's Representative.

## **9. Annual Compliance Certificates**

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The Contractor must, within 10 days of each anniversary of the Execution Date, procure that two of its directors provide the Department with a written Compliance Certificate in substantially the form set out in Appendix G (Compliance Certificate), signed by each of them on behalf of the Contractor.

## **10. Other reporting obligations**

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### **10.1 Contractor's other reporting obligations not affected**

The Contractor acknowledges that it is required by other parts of this Agreement to provide certain reports and notifications and failure to refer to any report or notification within this Schedule 15 does not affect those obligations.

### **10.2 Other reporting obligations**

For ease of reference, those other reporting obligations include:

- (a) the following periodic reports:
  - (i) in relation to complaints received under the Protected Disclosures Act 2000, as set out in clause 21.12(d) (Protected Disclosures Act) of the Base Agreement;
  - (ii) in relation to monthly Works reports and any other reports required pursuant to Schedule 10 (Works Requirements) or Schedule 7 (Governance and Service Management) during Works Provisioning, as set out in clause 25.4 (Reporting)

of the Base Agreement;

(iii) in relation to an annual written report:

(A) detailing opportunities for Innovation, as set out in clause 37.3 (Regular reporting and consultation) of the Base Agreement; and

(B) detailing opportunities for Innovation outside the Project, as set out in paragraph 2 (Innovation outside Project) of Schedule 18 (Innovation Outside the Project);

(iv) in relation to certified Monthly Performance Reports, invoices and other reports, as set out in clause 53.2 (Report and invoice) of the Base Agreement;

(v) in relation to the certificate setting out certain information in relation to the Contractor's financing and Refinancing activities, as set out in clause 57.2(a) (Financial information) of the Base Agreement;

(vi) in relation to copies of the Contractor's monthly management accounts, its annual and half yearly accounts, and its annual report and annual business plan, as set out in clause 57.2(c) (Financial information) of the Base Agreement;

(vii) in relation to Public Finance Act 1989 and Parole Act 2002 requirements, as set out in clause 58.2 (Reporting under the Ombudsmen Act 1975, Official Information Act, Public Finance Act 1989 and Parole Act 2002) of the Base Agreement;

(viii) in relation to the Designation Compliance Monitoring Table as set out in paragraph 6.1 (Designation Compliance Monitoring Table) of Schedule 9 (Resource Management Act Requirements);

(ix) in relation to the actual versus forecast cash flow report, as set out in paragraph 66 (Construction cost monitoring) of Schedule 10 (Works Requirements); and

(x) in relation to the quarterly performance report that details the Contractor's asset management and facility management performance, as set out in paragraph 5.2(m) (Records and data management) of Schedule 12 (Facility Management Requirements);

(b) the following on request reports:

(i) in relation to the Records, as set out in clause 18.6(d) (Access to and inspection of Records) of the Base Agreement;

(ii) in relation to any additional reports reasonably requested by the Monitor, as set out in clause 20.3(d) (Prison Monitor) of the Base Agreement;

(iii) in relation to any additional reports as the Department may reasonably request during Works Provisioning, as set out in clause 25.4 (Reporting) of the Base Agreement;

(iv) in relation to any additional reporting required by the Department in relation to a delay, as set out in clause 25.8(b) (Delays) of the Base Agreement;

(v) in relation to such additional reports and information relating to the Project as the Department, the Chief Executive or the Primary Monitor may reasonably request, as set out in clause 58.1(a) (Periodic reporting) of the Base Agreement; and

- (vi) in relation to any additional reports as the Department may reasonably require in relation to the Contractor's performance of its obligations under the Agreement, as set out in paragraph 15.1 (Level 1 SFP) of Schedule 16 (Performance Regime);
- (c) the following reports:
- (i) in relation to giving the Department and the Independent Reviewer a written report where construction of the Works ceases for more than two consecutive Business Days or where the Contractor fails to achieve a Milestone by the relevant Milestone Date (or is aware of a circumstance under which it would reasonably expect to fail), as set out in clause 25.6(b) (Milestones) of the Base Agreement;
  - (ii) in relation to giving to the Department and the Independent Reviewer a completion report when the Contractor considers that it has done everything necessary for the Independent Reviewer to issue a Works Completion Certificate, as set out in clause 29.3(f) (Works Completion) of the Base Agreement;
  - (iii) in relation to the report required in connection with the Contractor's request for the Department to issue the Operational Completion Notice, as set out in clause 29.4(g) (Operational Completion) of the Base Agreement;
  - (iv) in relation to required reporting in relation to all Consents, as set out in paragraph 3.1 (Contractor compliance requirements) of Schedule 9 (Resource Management Act Requirements); and
  - (v) in relation to required reporting on delegations, as set out in paragraph 1.8 (Reports) of Schedule 19 (Delegations and Instructions); and
- (d) the following immediate notifications:
- (i) in relation to any breach or likely breach or non-compliance with clause 17 (Compliance obligations), as set out in clause 17.4 (Notification) of the Base Agreement;
  - (ii) in relation to any access to, or use of, the Records or any Confidential Information by an unauthorised person, as set out in clause 18.5(f)(i) (Retention of Records) of the Base Agreement;
  - (iii) in relation to the discovery of a Find or Contamination on or in respect of the Department Site, as set out in clause 24.1(a) (Discovery) of the Base Agreement;
  - (iv) in relation to a Māori Claim in respect of or in connection with the performance of the Contractor's obligations under the Agreement, as set out in clause 24.4 (Māori Claim) of the Base Agreement;
  - (v) in relation to the Contractor ceasing to be prevented from performing any of its obligations under the Agreement as a result of an Event, as set out in clause 42.7 (Cessation of Event) of the Base Agreement;
  - (vi) in relation to the Contractor becoming aware that any litigation, arbitration, administrative or adjudication or mediation proceedings before or of any court, arbitrator or Governmental Entity may be threatened against the Contractor or that is pending, as set out in clause 57.3(f) (Event information) of the Base Agreement; and

- (vii) in relation to any cancellation or proposed cancellation of the Insurance Policies by an insurer, as set out in clause 74.5(a)(v) (Evidence of policies and renewal certificates) of the Base Agreement.

## Appendix A: Available Prisoner Place Report

Available Prisoner Places are to be reported for the previous calendar day (midnight to midnight).

**Date:**

Requirement*	Total Prisoner Places available
Number of Prisoner Places where all Laws relating to that Prisoner Place and (if applicable) to any Prisoner occupying that Prisoner Place are complied with in full	x
Number of Prisoner Places where any Prisoner occupying that Prisoner Place would have available to him three meals daily served at appropriate times of the day, to the extent that such Prisoner is physically present at the Prison at such meal times	x
Number of Prisoner Places where any Prisoner occupying that Prisoner Place would have available to him clothes to wear which are of reasonable standard and cleanliness	x
Number of Prisoner Places where any Prisoner occupying that Prisoner Place would have access to potable water throughout the day	x
Number of Prisoner Places where any Prisoner occupying that Prisoner Place would have a bed with a clean mattress and clean and adequate bedding	x
Number of Prisoner Places where the Prison Cell in which that Prisoner Place is located complies with the minimum requirements for heat, light, ventilation and other cell requirements each as set out in the "internal environmental design conditions" box of the Room Data Sheet in respect of a Prison Cell of the relevant type	x
Number of Prisoner Places where the Prison Cell in which that Prisoner Place is located has an operable lock (except in respect of Residences, where there is an operable lock to the entry door of each group of six Prison Cells)	x
Number of Prisoner Places where any Prisoner occupying that Prisoner Place would have access to tepid or hot water for washing purposes and adequate sanitation facilities	x
Number of Prisoner Places where there is a cell alarm system per Prisoner Place (except in respect of Residences, where there is a cell alarm in the lounge of each group of six Prison Cells) which is in good working order and provides a means of alerting Staff Members	x
Number of Prisoner Places where there is an intercom system per Prison Cell that is in good working order and provides a means of communicating with Staff Members	x
Number of Prisoner Places where any Prisoner sharing the relevant Prison Cell with any other Prisoner, is accommodated in accordance with the cell sharing requirements of the Agreement	x
Number of Prisoner Places where the levels of safety and security in the Prison, the control of the Prisoners, and the Contractor's ability to make medical treatment available to Prisoners are as required under the Agreement, including the Corrections Services Requirements	x



Requirement*	Total Prisoner Places available
<b>Number of places that fall into all the above categories</b> (a Prisoner Place must meet ALL of the above requirements)	<b>x</b>
<b>Shortfall</b>	<b>x</b>

- \* In order for the Available Prisoner Place requirements to be met, there must be a valid certificate for public use and/or a code compliance certificate (each as described in the Building Act 2004) in respect of the Prison. The Contractor must separately notify the Department where there is no such valid certificate in respect of the Prison.

## Available Prisoner Places Month to Date:

Abatement = Unitary Charge / (960 x 365)    Applicable Unitary Charge = \$x

Abatement per Prisoner Place per day = \$x

Day	Date	Shortfall	No. rectified within 24 hours	Shortfall of reaching 960 Prisoner Places
1	01/06/20X7	x	x	x
2	02/06/20X7	x	x	x
3	03/06/20X7	x	x	x
4	04/06/20X7	x	x	x
5	05/06/20X7	x	x	x
6	06/06/20X7	x	x	x
7	07/06/20X7	x	x	x
8	08/06/20X7	x	x	x
9	09/06/20X7	x	x	x
10	10/06/20X7	x	x	x
11	11/06/20X7	x	x	x
12	12/06/20X7	x	x	x
13	13/06/20X7	x	x	x
14	14/06/20X7	x	x	x
15	15/06/20X7	x	x	x
16	16/06/20X7	x	x	x
17	17/06/20X7	x	x	x
18	18/06/20X7	x	x	x
19	19/06/20X7	x	x	x
20	20/06/20X7	x	x	x
21	21/06/20X7	x	x	x
22	22/06/20X7	x	x	x
23	23/06/20X7	x	x	x
24	24/06/20X7	x	x	x
25	25/06/20X7	x	x	x
26	26/06/20X7	x	x	x
27	27/06/20X7	x	x	x
28	28/06/20X7	x	x	x
29	29/06/20X7	x	x	x
30	30/06/20X7	x	x	x
31	NA this month			
Total number unavailable		x	x	x
Multiplying factor: (If Jan – June = 1; If July – Dec = 1.5)				x
Monthly abatement to date (abatement x total unavailable x multiplying factor)				\$x

*Note: Current date is coloured grey.*

## Appendix B: Monthly Performance Report

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*Month: June 20X7*

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*Note: For the first service year different abatement rates apply – consult the Project Agreement*

# 1. Introduction

---

This report summarises the monthly performance of the Prison. If the current month is also the end of a quarter, this report should be read in conjunction with the relevant Quarterly Performance Report.

Section 2 provides information on the abatement amount related to per Incident and daily KPIs (with supporting information in Section 4). Sections 3 and 5 provide summary information only. These sections are not relevant in determining the abatement amount related to per Incident and daily KPIs.

[Further description on this report]

Annexure 1: Report Map provides an overview of the various performance reports that are produced and how the reports feed into each other.

Annexure 2: Performance Regime Map provides an overview of how the performance regime works. For further detail consult the Project Agreement.

Annexure 3: Band 2 KPI's 12 month trend provides a more detailed 12 month view of the Band 2 KPIs that are measured per Incident.

The total abatements for the relevant monthly invoice are:

	Current Month	Year to Date
Monthly abatements (as detailed in Section 2)	\$x	\$x
Plus: quarterly abatements (if applicable, see the Quarterly Performance Report for more information)	\$x	\$x
Total amount to be deducted	\$x	\$x

There are currently x SFPs accrued and x Charge Events in the last nine months. Based on these, the Contractor is at SFP Level x.

[Operator commentary on report if required.]

Please note abatement values and SFP thresholds in this report are subject to indexation. The values currently displayed are not indexed.

## 2. Monthly Abatements

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### Reconciliation to invoice

Monthly amount to be deducted:

Total value of abatements for the month	\$x
Plus: total quarterly abatements (if applicable)	\$x
<b>Monthly amount to be deducted</b>	<b>\$x</b>

The Contractor will include within the Monthly Performance Report, to be submitted in accordance with clause 53.2(a)(i) (Report and invoice) of the Base Agreement, any adjustments or reconciliations to reflect any agreement or determination of any Disputed Amounts made in any preceding Payment Period and not yet accounted for.

*Note: charges are invoiced as incurred*

KPI #	Description	Measurement	Grade	Ratchet 1	Ratchet 2	Ratchet 3	Total Last 11 months	No. This month	No. in Ratchet 1 this month	No. in Ratchet 2 this month	No. in Ratchet 3 this month	Total abatements value this month
<b>Band 2 – Custodial</b>												
2.01	Assault of Prisoner by Staff Member	Per Incident	B	1	2	3+	x	x	x	x	x	\$x
2.02	Serious Assault – Prisoner on Prisoner	Per Incident	D	1 – 2	3 – 4	5+	x	x	x	x	x	\$x
2.03	Serious Assault – Prisoner on Staff Member, Visitor or others	Per Incident	D	1	2	3+	x	x	x	x	x	\$x
2.04	Self-harm – threat to life	Per Incident	C	1	2	3+	x	x	x	x	x	\$x
2.05	Custodial Performance Trend Report (Red) (13+ Points in Band 3)	Quarterly	C	1	2	3+	See Quarterly Performance Report					
2.06	Custodial Performance Trend Report (Amber) (7 - 12 points in Band 3)	Quarterly	E	1	2	3+	See Quarterly Performance Report					
2.07	Wrongful release of a Prisoner	Per Incident	E	1	2	3+	x	x	x	x	x	\$x
2.08	Wrongful detention of a Prisoner	Per Incident	E	1	2	3+	x	x	x	x	x	\$x
2.09	Substantiated Serious Complaint against Staff Member, Contractor	Per Incident	E	6 – 10	11 – 15	16+	x	x	x	x	x	\$x

KPI #	Description	Measurement	Grade	Ratchet 1	Ratchet 2	Ratchet 3	Total Last 11 months	No. This month	No. in Ratchet 1 this month	No. in Ratchet 2 this month	No. in Ratchet 3 this month	Total abatements value this month
2.10	Rate of drug misuse in the Prison	Quarterly	E	6.0% – 9.5%	9.6% – 12.0%	12.1%+	See Quarterly Performance Report					
2.11	Security breach	Per Incident	F	1 – 2	3 – 4	5+	x	x	x	x	x	\$x
2.12	Failure to comply with the terms of temporary release or temporary removal	Per Incident	F	1 – 2	3 – 4	5+	x	x	x	x	x	\$x
2.13	Arson	Per Incident	F	1 – 4	5	6+	x	x	x	x	x	\$x
<b>Band 2 - Availability</b>												
2.14	Availability (per Available Prisoner Place/day - 24hr grace period applies) - Standard = UC/(960 x 365)	Daily	UC/(960 x 365)				x	x	NA			\$x
2.15	Availability (per Available Prisoner Place/day - 24hr grace period applies) - Peak periods (1.5x standard charge)	Daily	{ UC/(960 x 365) }x1.5				x	x	NA			\$x

Band 2 - Other												
2.16	Breach of Corrections Services Requirements (SFP Only)	Per Incident	A	6 – 10	11 – 15	16+	x	x	x	x	x	NA
2.17	Mutual Aid arrangements	Per Incident	B	1	2	3+	x	x	x	x	x	\$x
2.18	Reporting – Incidents	Per Incident	E	1	2	3+	x	x	x	x	x	\$x
2.19	Conducting contingency planning exercises	Per Incident	E	1	2	3+	x	x	x	x	x	\$x
2.20	Recommendations from audit reports	Per Incident	G	1	2	3+	x	x	x	x	x	\$x
2.21	Monthly Performance Report	Per Incident	G	1	2	3+	x	x	x	x	x	\$x
2.22	Failure to investigate or self-report	Per Incident	H	1	2	3+	x	x	x	x	x	\$x
2.23	Reporting in accordance with Agreement	Per Incident	H	1	2 – 3	4+	x	x	x	x	x	\$x
2.24	Complaint by persons other than Prisoners	Per Incident	H	1 – 3	4 – 8	9+	x	x	x	x	x	\$x
2.25	Prisoners are ready for escort	Per Incident	H	1 – 10	11 – 30	31+	x	x	x	x	x	\$x
2.26	Prisoners attend planned appointments	Per Incident	H	1 – 20	21 – 40	41+	x	x	x	x	x	\$x
2.27	R&R Performance Trend Report (Red) (43+ Points in Band 3)	Quarterly	R-A	1	2	3+	See Quarterly Performance Report					
2.28	R&R Performance Trend Report (Amber) (29 – 42 points in Band 3)	Quarterly	R-B	1	2	3+	See Quarterly Performance Report					



2.29	R&R Performance Trend Report (Yellow) (16 – 28 Points in Band 3)	Quarterly	R-C	1	2	3+	See Quarterly Performance Report				
Total:							x	x	x	x	\$x

Grades	Ratchet 1	Ratchet 2	Ratchet 3
A	115,000	217,000	326,000
B	192,000	215,000	310,000
C	67,000	200,000	300,000
D	39,000	116,000	174,000
E	26,000	56,000	84,000
F	8,000	23,000	35,000
G	3,000	8,000	12,000
H	1,000	2,000	3,000
R-A	63,000	200,000	675,000
R-B	45,000	120,000	310,000
R-C	27,000	42,000	50,000

### 3. Summary of Charges

	Month	Escape (Breakout)	Absconding	Unnatural Death of a Prisoner	Death due to Prisoner Action	Disorder Event (Riot)	Disorder Event (Hostage)	Total instances	Total Charge
1	July 20X6	x	x	x	x	x	x	x	\$x
2	August 20X6	x	x	x	x	x	x	x	\$x
3	September 20X6	x	x	x	x	x	x	x	\$x
4	October 20X6	x	x	x	x	x	x	x	\$x
5	November 20X6	x	x	x	x	x	x	x	\$x
6	December 20X6	x	x	x	x	x	x	x	\$x
7	January 20X7	x	x	x	x	x	x	x	\$x
8	February 20X7	x	x	x	x	x	x	x	\$x
9	March 20X7	x	x	x	x	x	x	x	\$x
10	April 20X7	x	x	x	x	x	x	x	\$x
11	May 20X7	x	x	x	x	x	x	x	\$x
This month	June 20X7	x	x	x	x	x	x	x	\$x
<b>Total</b>		x	x	x	x	x	x	x	\$x

#### 4. Summary of Available Prisoner Places

---

Abatement = Unitary Charge / (960 x 365)

Applicable Unitary Charge = \$x

Abatement per Prisoner Place per day = \$x

	Month	Total number of Prisoner Place days unavailable	No. of days unavailable as a % of total places expected over month {no. days unavailable/ (960* days in month)}	Multiplying factor 1.0x for January- June; 1.5x for July- December	Unavailability Abatement
1	July 20X6	x	x%	x	\$x
2	August 20X6	x	x%	x	\$x
3	September 20X6	x	x%	x	\$x
4	October 20X6	x	x%	x	\$x
5	November 20X6	x	x%	x	\$x
6	December 20X6	x	x%	x	\$x
7	January 20X7	x	x%	x	\$x
8	February 20X7	x	x%	x	\$x
9	March 20X7	x	x%	x	\$x
10	April 20X7	x	x%	x	\$x
11	May 20X7	x	x%	x	\$x
This month	June 20X7	x	x%	x	\$x
<b>Total</b>		<b>x</b>	<b>x%</b>		<b>\$x</b>

## 5. Summary of SFPs

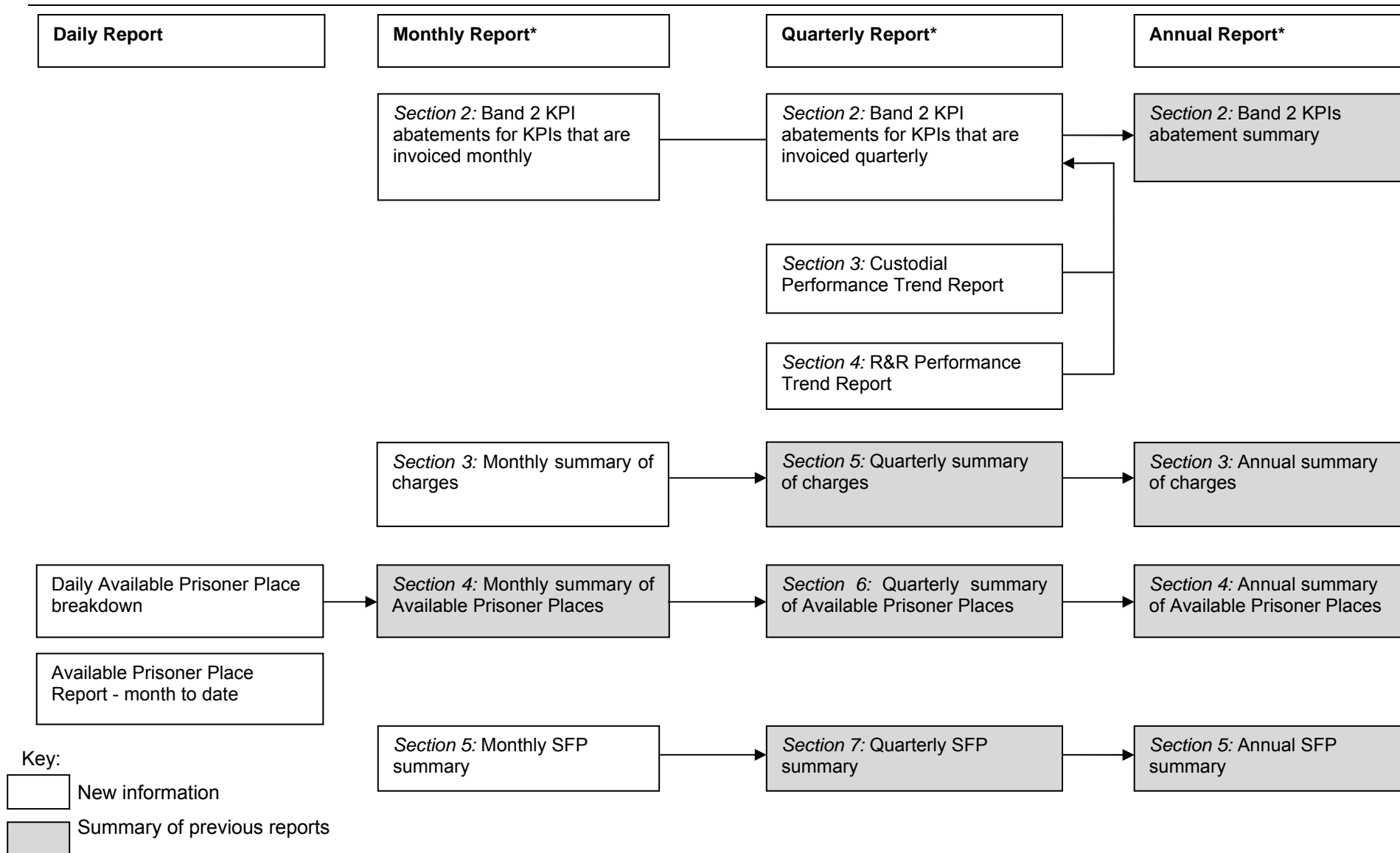
	Oct X6	Nov X6	Dec X6	Jan X7	Feb X7	Mar X7	Apr X7	May X7	June X7
Number of Charge Events <sup>1</sup>	x	x	x	x	x	x	x	x	x
Cumulative Charge Events	x	x	x	x	x	x	x	x	x
<b>Corresponding SFP level</b>	x	x	x	x	x	x	x	x	x
Total points incurred at 1 point per \$1,000	x	x	x	x	x	x	x	x	x
SFPs from KPI 2.16 (CSR KPI)	x	x	x	x	x	x	x	x	x
Cumulative points incurred	x	x	x	x	x	x	x	x	x
<b>Corresponding SFP level</b>	x	x	x	x	x	x	x	x	x
<b>SFP level (maximum of the above 2)</b>	x	x	x	x	x	x	x	x	x

Number of Charge Events	SFP level	Number of Points
1	1	2,000
3	2	6,000
4	3	8,000
5	4	10,000

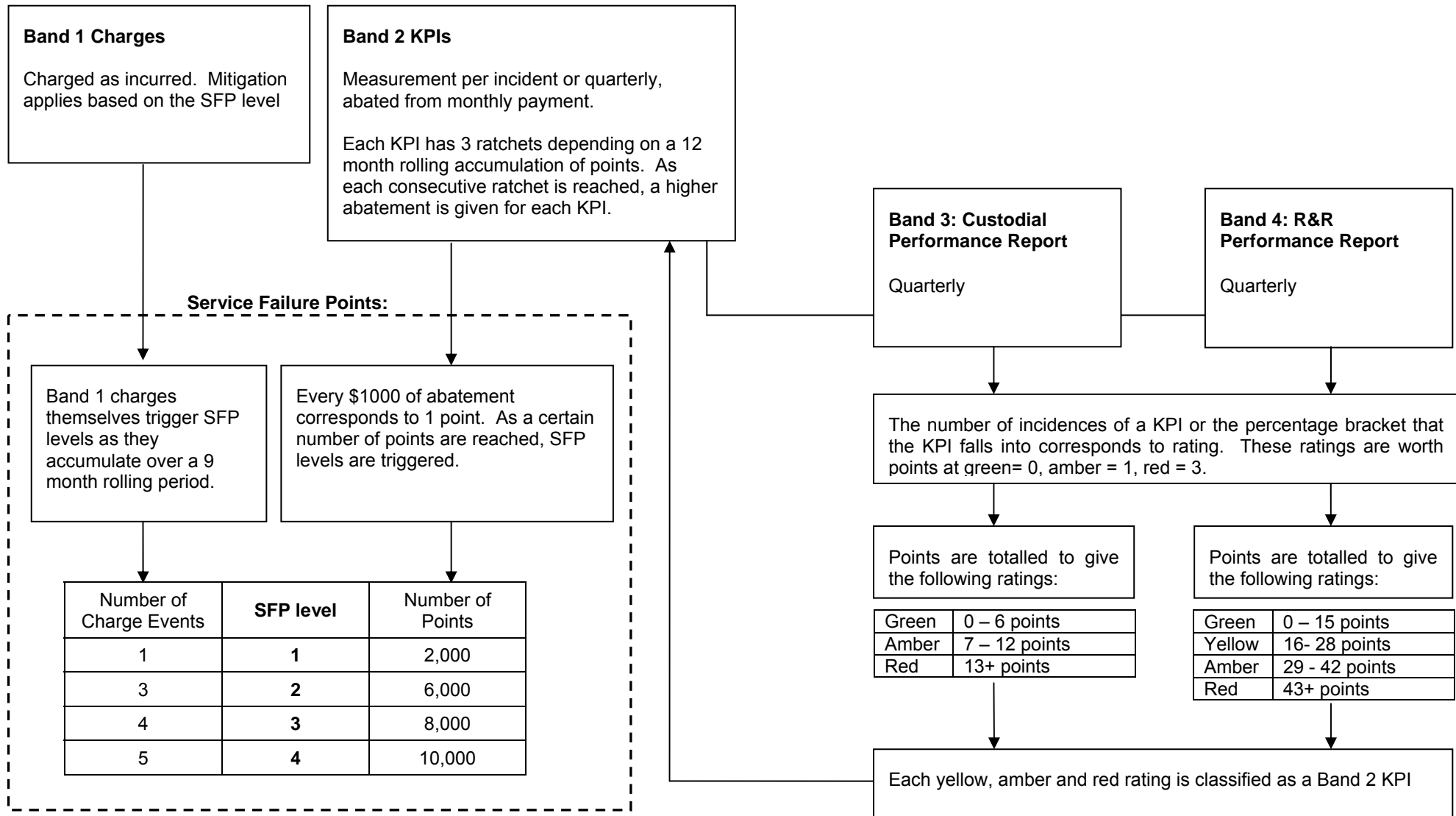
*Note: SFP levels are on a 9 month rolling basis*

<sup>1</sup> As 3 Absconding events are equal to 1 Charge Event for SFP Level purposes, record each Absconding as 1/3 in this table.

## Annexure 1: Report Map



## Annexure 2: Performance Regime Map



### Annexure 3: Band 2 KPI's 12 month trend

KPI #	Description	Measurement	Grade	Ratchet 1	Ratchet 2	Ratchet 3	Jul X6	Aug X6	Sep X6	Oct X6	Nov X6	Dec X6	Jan X7	Feb X7	Mar X7	Apr X7	May X7	Jun X7	Total Incidences
<b>Band 2 – Custodial</b>																			
2.01	Assault of Prisoner by Staff Member	Per Incident	B	1	2	3+	x	x	x	x	x	x	x	x	x	x	x	x	x
2.02	Serious Assault – Prisoner on Prisoner	Per Incident	D	1 – 2	3 – 4	5+	x	x	x	x	x	x	x	x	x	x	x	x	x
2.03	Serious Assault – Prisoner on Staff Member, Visitor or others	Per Incident	D	1	2	3+	x	x	x	x	x	x	x	x	x	x	x	x	x
2.04	Self-harm – threat to life	Per Incident	C	1	2	3+	x	x	x	x	x	x	x	x	x	x	x	x	x
2.05	Custodial Performance Trend Report (Red) (13+ Points in Band 3)	Quarterly	C	1	2	3+	See Quarterly Performance Report												
2.06	Custodial Performance Trend Report (Amber) (7 - 12 points in Band 3)	Quarterly	E	1	2	3+	See Quarterly Performance Report												
2.07	Wrongful release of a Prisoner	Per Incident	E	1	2	3+	x	x	x	x	x	x	x	x	x	x	x	x	x
2.08	Wrongful detention of a Prisoner	Per Incident	E	1	2	3+	x	x	x	x	x	x	x	x	x	x	x	x	x

KPI #	Description	Measurement	Grade	Ratchet 1	Ratchet 2	Ratchet 3	Jul X6	Aug X6	Sep X6	Oct X6	Nov X6	Dec X6	Jan X7	Feb X7	Mar X7	Apr X7	May X7	Jun X7	Total Incidences
2.09	Substantiated Serious Complaint against Staff Member, Contractor	Per Incident	E	6 – 10	11 – 15	16+	x	x	x	x	x	x	x	x	x	x	x	x	x
2.10	Rate of drug misuse in the Prison	Quarterly	E	6.0% – 9.5%	9.6% – 12.0%	12.1%+	See Quarterly Performance Report												
2.11	Security breach	Per Incident	F	1 – 2	3 – 4	5+	x	x	x	x	x	x	x	x	x	x	x	x	x
2.12	Failure to comply with the terms of temporary release or temporary removal	Per Incident	F	1 – 2	3 – 4	5+	x	x	x	x	x	x	x	x	x	x	x	x	x
2.13	Arson	Per Incident	F	1 – 4	5	6+	x	x	x	x	x	x	x	x	x	x	x	x	x
<b>Band 2 - Availability</b>																			
2.14	Availability (per Available Prisoner Place/day - 24hr grace period applies) - Standard = UC/(960 x 365)	Daily	UC/(960 x 365)				x	x	x	x	x	x	x	x	x	x	x	x	x
2.15	Availability (per Available Prisoner Place/day - 24hr grace period applies) - Peak periods (1.5x standard charge)	Daily	{ UC/(960 x 365) }x1.5				x	x	x	x	x	x	x	x	x	x	x	x	x



KPI #	Description	Measurement	Grade	Ratchet 1	Ratchet 2	Ratchet 3	Jul X6	Aug X6	Sep X6	Oct X6	Nov X6	Dec X6	Jan X7	Feb X7	Mar X7	Apr X7	May X7	Jun X7	Total Incidences
<b>Band 2 - Other</b>																			
2.16	Breach of Corrections Services Requirements (SFP Only)	Per Incident	A	6 – 10	11 – 15	16+	X	X	X	X	X	X	X	X	X	X	X	X	X
2.17	Mutual Aid arrangements	Per Incident	B	1	2	3+	X	X	X	X	X	X	X	X	X	X	X	X	X
2.18	Reporting – Incidents	Per Incident	E	1	2	3+	X	X	X	X	X	X	X	X	X	X	X	X	X
2.19	Conducting contingency planning exercises	Per Incident	E	1	2	3+	X	X	X	X	X	X	X	X	X	X	X	X	X
2.20	Recommendations from audit reports	Per Incident	G	1	2	3+	X	X	X	X	X	X	X	X	X	X	X	X	X
2.21	Monthly Performance Report	Per Incident	G	1	2	3+	X	X	X	X	X	X	X	X	X	X	X	X	X
2.22	Failure to investigate or self-report	Per Incident	H	1	2	3+	X	X	X	X	X	X	X	X	X	X	X	X	X
2.23	Reporting in accordance with Agreement	Per Incident	H	1	2 – 3	4+	X	X	X	X	X	X	X	X	X	X	X	X	X
2.24	Complaint by persons other than Prisoners	Per Incident	H	1 – 3	4 – 8	9+	X	X	X	X	X	X	X	X	X	X	X	X	X
2.25	Prisoners are ready for escort	Per Incident	H	1 – 10	11 – 30	31+	X	X	X	X	X	X	X	X	X	X	X	X	X

KPI #	Description	Measurement	Grade	Ratchet 1	Ratchet 2	Ratchet 3	Jul X6	Aug X6	Sep X6	Oct X6	Nov X6	Dec X6	Jan X7	Feb X7	Mar X7	Apr X7	May X7	Jun X7	Total Incidences
2.26	Prisoners attend planned appointments	Per Incident	H	1 – 20	21 – 40	41+	x	x	x	x	x	x	x	x	x	x	x	x	x
2.27	R&R Performance Trend Report (Red) (43+ Points in Band 3)	Quarterly	R-A	1	2	3+	See Quarterly Performance Report												
2.28	R&R Performance Trend Report (Amber) (29 – 42 points in Band 3)	Quarterly	R-B	1	2	3+	See Quarterly Performance Report												
2.29	R&R Performance Trend Report (Yellow) (16 – 28 Points in Band 3)	Quarterly	R-C	1	2	3+	See Quarterly Performance Report												
Total							x	x	x	x	x	x	x	x	x	x	x	x	x

# Appendix C: Quarterly Performance Trend Reports

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Quarter ended: June 20X7

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*Note: For the first service year different abatement rates apply – consult Project Agreement*

## 1. Introduction

---

This report summarises the quarterly performance of the Prison. This report should be read in conjunction with the relevant Monthly Performance Report.

Section 2 provides information on the abatement amount related to quarterly KPIs (with supporting information in Section 3 and Section 4). Sections 5 onward provide summary information only. These sections are not relevant in determining the abatement amount related to quarterly KPIs.

[Further description on this report]

Annexure 1: Report Map provides an overview of the various performance reports that are produced and how the reports feed into each other.

Annexure 2: Performance Regime Map provides an overview of how the performance regime works. For further detail consult the Project Agreement.

The total abatements for the relevant monthly invoice are:

	Current Quarter	Year to Date
Quarterly abatements (as detailed in Section 2)	\$x	\$x
Plus: relevant monthly abatements (see the relevant Monthly Performance Report for more information)	\$x	\$x
Total amount to be deducted	\$x	\$x

There are currently x SFPs accrued and x Charge Events in the last three quarters. Based on these, the Contractor is at SFP Level x.

[Operator commentary on report if required.]

Please note abatement values and SFP thresholds in this report are subject to indexation. The values currently displayed are not indexed.

## 2. Quarterly Abatements

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### Reconciliation to invoice

Quarterly amount to be deducted:

Total value of abatements for the quarter	\$x
Plus: monthly abatements	\$x
<b>Amount to be deducted</b> <i>(should be the same value as the monthly report)</i>	\$x

The Contractor will include within the Quarterly Performance Report any adjustments or reconciliations to reflect any agreement or determination of any Disputed Amounts made in any preceding Payment Period and not yet accounted for.

*Note: charges are invoiced as incurred.*

KPI #	Description	Measurement	Grade	Ratchet 1	Ratchet 2	Ratchet 3	Quarter 1	Quarter 2	Quarter 3	This quarter	Ratchet 1 incidence this quarter	Ratchet 2 incidence this quarter	Ratchet 3 incidence this quarter	Total abatements all ratchets this quarter
<b>Band 2 – Custodial</b>														
2.01	Assault of Prisoner by Staff Member	Per Incident	B	1	2	3+	x	x	x	x	See Monthly Performance Report			
2.02	Serious Assault – Prisoner on Prisoner	Per Incident	D	1 – 2	3 – 4	5+	x	x	x	x	See Monthly Performance Report			
2.03	Serious Assault – Prisoner on Staff Member, Visitor or others	Per Incident	D	1	2	3+	x	x	x	x	See Monthly Performance Report			
2.04	Self-harm – threat to life	Per Incident	C	1	2	3+	x	x	x	x	See Monthly Performance Report			
2.05	Custodial Performance Trend Report (Red) (13+ Points in Band 3) <sup>2</sup>	Quarterly	C	1	2	3+	x	x	x	x	x	x	x	\$x
2.06	Custodial Performance Trend Report (Amber) (7 - 12 points in Band 3) <sup>1</sup>	Quarterly	E	1	2	3+	x	x	x	x	x	x	x	\$x
2.07	Wrongful release of a Prisoner	Per Incident	E	1	2	3+	x	x	x	x	See Monthly Performance Report			
2.08	Wrongful detention of a Prisoner	Per Incident	E	1	2	3+	x	x	x	x	See Monthly Performance Report			

<sup>2</sup> Further details in section 5: Band 3 – Custodial performance report

KPI #	Description	Measurement	Grade	Ratchet 1	Ratchet 2	Ratchet 3	Quarter 1	Quarter 2	Quarter 3	This quarter	Ratchet 1 incidence this quarter	Ratchet 2 incidence this quarter	Ratchet 3 incidence this quarter	Total abatements all ratchets this quarter
2.09	Substantiated Serious Complaint against Staff Member, Contractor	Per Incident	E	6 – 10	11 – 15	16+	x	x	x	x	See Monthly Performance Report			
2.10	Rate of drug misuse in the Prison	Quarterly	E	6.0% – 9.5%	9.6% – 12.0%	12.1% +	x	x	x	x	x	x	x	\$x
2.11	Security breach	Per Incident	F	1 – 2	3 – 4	5+	x	x	x	x	See Monthly Performance Report			
2.12	Failure to comply with the terms of temporary release or temporary removal	Per Incident	F	1 – 2	3 – 4	5+	x	x	x	x	See Monthly Performance Report			
2.13	Arson	Per Incident	F	1 – 4	5	6+	x	x	x	x	See Monthly Performance Report			
Band 2 - Availability														
2.14	Availability (per Available Prisoner Place/day - 24hr grace period applies) - Standard = UC/(960 x 365)	Daily	UC/(960 x 365)				x	x	x	x	See Monthly Performance Report			
2.15	Availability (per Available Prisoner Place/day - 24hr grace period applies) - Peak periods (1.5x standard charge)	Daily	{ UC/(960 x 365) }x1.5				x	x	x	x	See Monthly Performance Report			

KPI #	Description	Measurement	Grade	Ratchet 1	Ratchet 2	Ratchet 3	Quarter 1	Quarter 2	Quarter 3	This quarter	Ratchet 1 incidence this quarter	Ratchet 2 incidence this quarter	Ratchet 3 incidence this quarter	Total abatements all ratchets this quarter
<b>Band 2 - Other</b>														
2.16	Breach of Corrections Services Requirements (SFP Only)	Per Incident	A	6 – 10	11 – 15	16+	x	x	x	x	See Monthly Performance Report			
2.17	Mutual Aid arrangements	Per Incident	B	1	2	3+	x	x	x	x	See Monthly Performance Report			
2.18	Reporting – Incidents	Per Incident	E	1	2	3+	x	x	x	x	See Monthly Performance Report			
2.19	Conducting contingency planning exercises	Per Incident	E	1	2	3+	x	x	x	x	See Monthly Performance Report			
2.20	Recommendations from audit reports	Per Incident	G	1	2	3+	x	x	x	x	See Monthly Performance Report			
2.21	Monthly Performance Report	Per Incident	G	1	2	3+	x	x	x	x	See Monthly Performance Report			
2.22	Failure to investigate or self-report	Per Incident	H	1	2	3+	x	x	x	x	See Monthly Performance Report			
2.23	Reporting in accordance with Agreement	Per Incident	H	1	2 – 3	4+	x	x	x	x	See Monthly Performance Report			
2.24	Complaint by persons other than Prisoners	Per Incident	H	1 – 3	4 – 8	9+	x	x	x	x	See Monthly Performance Report			
2.25	Prisoners are ready for escort	Per Incident	H	1 – 10	11 – 30	31+	x	x	x	x	See Monthly Performance Report			
2.26	Prisoners attend planned appointments	Per Incident	H	1 – 20	21 – 40	41+	x	x	x	x	See Monthly Performance Report			



KPI #	Description	Measurement	Grade	Ratchet 1	Ratchet 2	Ratchet 3	Quarter 1	Quarter 2	Quarter 3	This quarter	Ratchet 1 incidence this quarter	Ratchet 2 incidence this quarter	Ratchet 3 incidence this quarter	Total abatements all ratchets this quarter
2.27	R&R Performance Trend Report (Red) (43+ Points in Band 3) <sup>3</sup>	Quarterly	R-A	1	2	3+	x	x	x	x	x	x	x	\$x
2.28	R&R Performance Trend Report (Amber) (29 – 42 points in Band 3) <sup>2</sup>	Quarterly	R-B	1	2	3+	x	x	x	x	x	x	x	\$x
2.29	R&R Performance Trend Report (Yellow) (16 – 28 Points in Band 3) <sup>2</sup>	Quarterly	R-C	1	2	3+	x	x	x	x	x	x	x	\$x
<b>Total</b>											<b>x</b>	<b>x</b>	<b>x</b>	<b>\$x</b>

Grades	Ratchet 1	Ratchet 2	Ratchet 3
A	115,000	217,000	326,000
B	192,000	215,000	310,000
C	67,000	200,000	300,000
D	39,000	116,000	174,000
E	26,000	56,000	84,000
F	8,000	23,000	35,000
G	3,000	8,000	12,000
H	1,000	2,000	3,000
R-A	63,000	200,000	675,000
R-B	45,000	120,000	310,000

<sup>3</sup> Further details in section 6: Band 4 – Rehabilitation and Reintegration Performance Trend Report

<b>Grades</b>	<b>Ratchet 1</b>	<b>Ratchet 2</b>	<b>Ratchet 3</b>
R-C	27,000	42,000	50,000

### 3. Custodial Performance Trend Report (Band 3 KPIs)

Colour system for total points	
Green	0 – 6 points
Amber	7 – 12 points
Red	13 + points

The table below displays the number of incidents of the relevant percentage.  
The associated number of points is shown in brackets.

KPI #	Description	Green (0 points)	Amber (1 point)	Red (3 points)	Sept X6	Dec X6	Mar X7	Jun X7
3.01	Events while on escorted outing	0 – 1	2	3+	x (x)	x (x)	x (x)	x (x)
3.02	Non-Serious Assault – Prisoner on Staff Member	0 – 1	2	3+	x (x)	x (x)	x (x)	x (x)
3.03	Self harm – no threat to life	0 – 2	3 – 5	6+	x (x)	x (x)	x (x)	x (x)
3.04	Communication and security equipment failures	0 – 5	6 – 10	11+	x (x)	x (x)	x (x)	x (x)
3.05	Non-Serious Assault – Prisoner on Prisoner	0 – 5	6 – 12	13+	x (x)	x (x)	x (x)	x (x)
3.06	Percentage of Prisoners not provided with a health screening upon reception	0.0% – 4.9%	5.0% – 15.0%	15.1%+	x% (x)	x% (x)	x% (x)	x% (x)
3.07	Rate of drug misuse as measured by IDU, temporary release, reasonable cause or voluntary	0.0% – 12.9%	13.0% – 15.0%	15.1%+	x% (x)	x% (x)	x% (x)	x% (x)
Total points					x	x	x	x
Overall colour					x	x	x	x

## 4. Rehabilitation and Reintegration Performance Trend Report (Band 4 KPIs)

Colour system for total points	
Green	0 – 15 points
Yellow	16 – 28 points
Amber	29 – 42 points
Red	43 + points

The table below displays the relevant percentage with the associated number of points shown in brackets.

KPI #	Description	Green (0 points)	Amber (1 point)	Red (3 points)	Sept X6	Dec X6	Mar X7	Jun X7
4.01	Eligible Māori Prisoners' offending attitudes, thinking and behaviour	100% – 50%	49.9% – 15%	14.9% – 0%	x% (x)	x% (x)	x% (x)	x% (x)
4.02	Eligible Non-Māori Prisoners' offending attitudes, thinking and behaviour	100% – 50%	49.9% – 15%	14.9% – 0%	x% (x)	x% (x)	x% (x)	x% (x)
4.03	Eligible Māori Prisoners' employment	100% – 60%	59.9% – 40%	39.9% – 0%	x% (x)	x% (x)	x% (x)	x% (x)
4.04	Eligible Non-Māori Prisoners' employment	100% – 60%	59.9% – 40%	39.9% – 0%	x% (x)	x% (x)	x% (x)	x% (x)
4.05	Eligible Māori Prisoners' Settled Accommodation	100% – 80%	79.9% – 50%	49.9% – 0%	x% (x)	x% (x)	x% (x)	x% (x)
4.06	Eligible Non-Māori Prisoners' Settled Accommodation	100% – 80%	79.9% – 50%	49.9% – 0%	x% (x)	x% (x)	x% (x)	x% (x)
4.07	Eligible Māori Prisoners' alcohol and drugs	100% – 40%	39.9% – 20%	19.9% – 0%	x% (x)	x% (x)	x% (x)	x% (x)
4.08	Eligible Non-Māori Prisoners' alcohol and drugs	100% – 40%	39.9% – 20%	19.9% – 0%	x% (x)	x% (x)	x% (x)	x% (x)
4.09	Eligible Māori Prisoners' health and	100% – 80%	79.9% –	19.9% – 0%	x% (x)	x% (x)	x% (x)	x% (x)

KPI #	Description	Green (0 points)	Amber (1 point)	Red (3 points)	Sept X6	Dec X6	Mar X7	Jun X7
	wellbeing		20%					
4.10	Eligible Non-Māori Prisoners' health and wellbeing	100% – 80%	79.9% – 20%	19.9% – 0%	x% (x)	x% (x)	x% (x)	x% (x)
4.11	Eligible Māori Prisoners' families, children and whānau	100% – 70%	69.9% – 15%	14.9% – 0%	x% (x)	x% (x)	x% (x)	x% (x)
4.12	Eligible Non-Māori Prisoners' families, children and whānau	100% – 70%	69.9% – 15%	14.9% – 0%	x% (x)	x% (x)	x% (x)	x% (x)
4.13	Eligible Māori Prisoners' finances, benefits and debt	100% – 40%	39.9% – 20%	19.9% – 0%	x% (x)	x% (x)	x% (x)	x% (x)
4.14	Eligible Non-Māori Prisoners' finances, benefits and debt	100% – 40%	39.9% – 20%	19.9% – 0%	x% (x)	x% (x)	x% (x)	x% (x)
4.15	Eligible Māori Prisoners' social support	100% – 70%	69.9% – 15%	14.9% – 0%	x% (x)	x% (x)	x% (x)	x% (x)
4.16	Eligible Non-Māori Prisoners' social support	100% – 70%	69.9% – 15%	14.9% – 0%	x% (x)	x% (x)	x% (x)	x% (x)
<b>Total points</b>					<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>
<b>Overall colour</b>					<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>

## 5. Summary of Charges

---

	Quarter	Escape (Breakout)	Absconding	Unnatural Death of a Prisoner	Death due to Prisoner Action	Disorder Event (Riot)	Disorder Event (Hostage)	Total instances	Total Charge
1	September 20X6	x	x	x	x	x	x	x	\$x
2	December 20X6	x	x	x	x	x	x	x	\$x
3	March 20X7	x	x	x	x	x	x	x	\$x
This quarter	June 20X7	x	x	x	x	x	x	x	\$x
<b>Total</b>		x	x	x	x	x	x	x	\$x

## 6. Summary of Available Prisoner Places

---

Abatement = Unitary Charge / (960 x 365)

Applicable Unitary Charge = \$x

Abatement per Prisoner Place per day = \$x

	Quarter	Total number of Prisoner Place days unavailable	No. of days unavailable as a % of total places expected over quarter {no. days unavailable/ (960* days in month)}	Multiplying factor 1.0x for January- June; 1.5x for July- December	Unavailability Abatement
1	September 20X6	x	x%	x	\$x
2	December 20X6	x	x%	x	\$x
3	March 20X7	x	x%	x	\$x
This quarter	June 20X7	x	x%	x	\$x
<b>Total</b>		<b>x</b>	<b>x%</b>	<b>x</b>	<b>\$x</b>

## 7. Summary of SFPs

	December 20X6	March 20X7	June 20X7
Number of Charge Events <sup>4</sup>	x	x	x
Cumulative Charge Events	x	x	x
<b>Corresponding SFP level</b>	x	x	x
Total points incurred at 1 point per \$1,000	x	x	x
SFPs from KPI 2.16 (CSR KPI)	x	x	x
Cumulative points incurred	x	x	x
<b>Corresponding SFP level</b>	x	x	x
<b>SFP level (maximum of the above 2)</b>	x	x	x

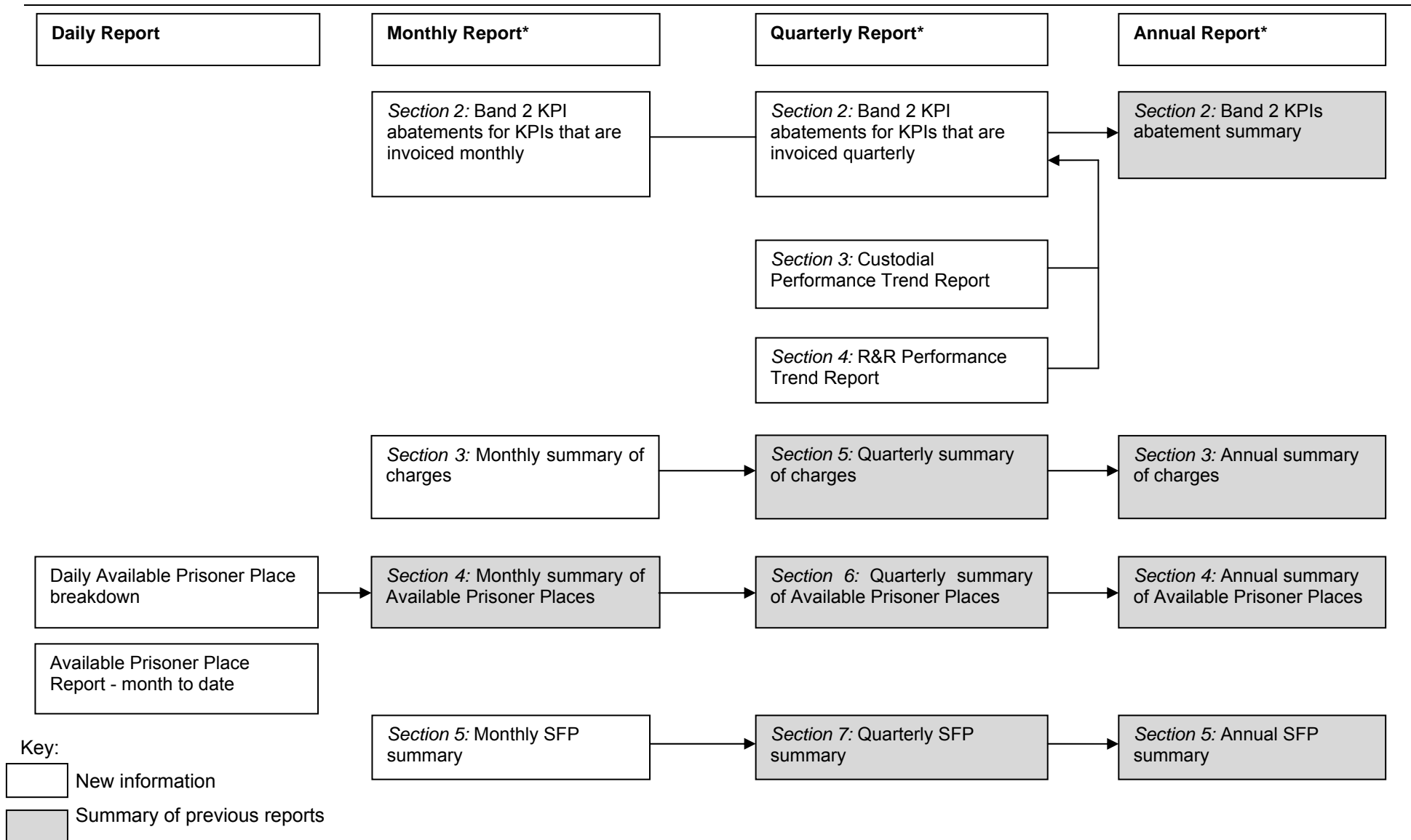
Number of Charge Events	SFP level	Number of Points
1	1	2,000
3	2	6,000
4	3	8,000
5	4	10,000

*Note: SFP levels are on a 9 month rolling basis*

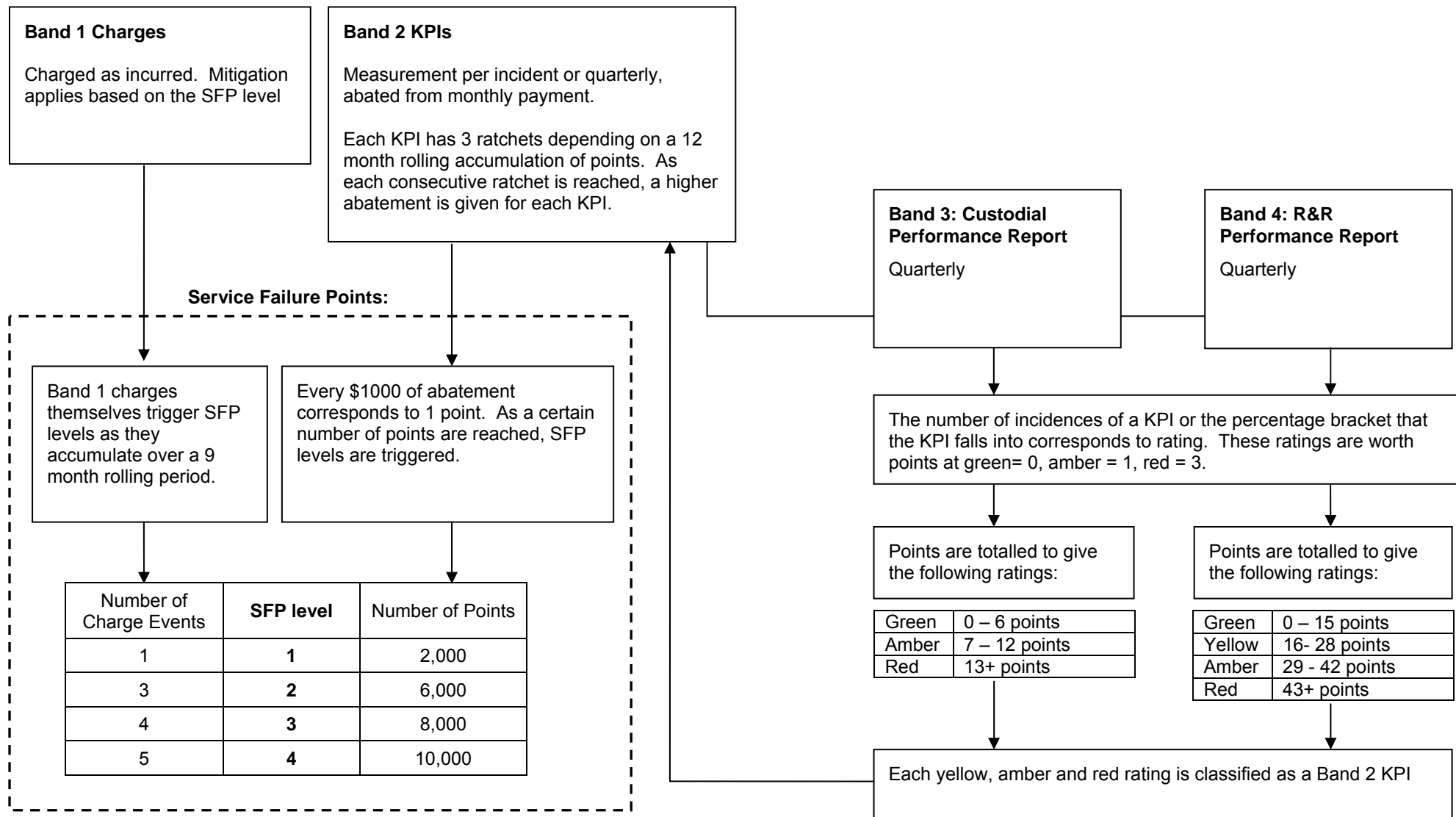
<sup>4</sup> As 3 Absconding events are equal to 1 Charge Event for SFP Level purposes, record each Absconding as 1/3 in this table.



## Annexure 1: Report Map



## Annexure 2: Performance Regime Map



## Appendix D: Annual Performance Trend Report

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*Year ended: June 20X7*

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*Note: For the first service year different abatement rates apply – consult Project Agreement*

## 1. Introduction

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This report summarises the annual performance of the Prison.

[Further description on this report]

Annexure 1: Report Map provides an overview of the various performance reports that are produced and how the reports feed into each other.

Annexure 2: Performance Regime Map provides an overview of how the performance regime works. For further detail consult the Project Agreement.

[Operator commentary on report if required.]

Please note abatement values and SFP thresholds in this report are subject to indexation. The values currently displayed are not indexed.

## 2. Summary of Abatements

---

	Year	Total abatement
1	20X3	\$x
2	20X4	\$x
3	20X5	\$x
4	20X6	\$x
<b>Current</b>	<b>20X7</b>	<b>\$x</b>

### 3. Summary of Charges

	Year	Escape (Breakout)	Absconding	Unnatural Death of a Prisoner	Death due to Prisoner Action	Disorder Event (Riot)	Disorder Event (Hostage)	Total instances	Total Charge
1	20X3	x	x	x	x	x	x	x	\$x
2	20X4	x	x	x	x	x	x	x	\$x
3	20X5	x	x	x	x	x	x	x	\$x
4	20X6	x	x	x	x	x	x	x	\$x
<b>This year</b>	<b>20X7</b>	x	x	x	x	x	x	x	\$x

#### 4. Summary of Available Prisoner Places

---

Abatement = Unitary Charge / (960 x 365)

Applicable Unitary Charge = \$x

Abatement per Prisoner Place per day = \$x

	Year	Total number of Prisoner Place days unavailable	No. of days unavailable as a % of total places expected over year {no. unavailable/ (365* 960)}	Unavailability Abatement
1	20X3	x	x%	\$x
2	20X4	x	x%	\$x
3	20X5	x	x%	\$x
4	20X6	x	x%	\$x
<b>Current</b>	<b>20X7</b>	x	x%	\$x

## 5. Summary of SFPs

---

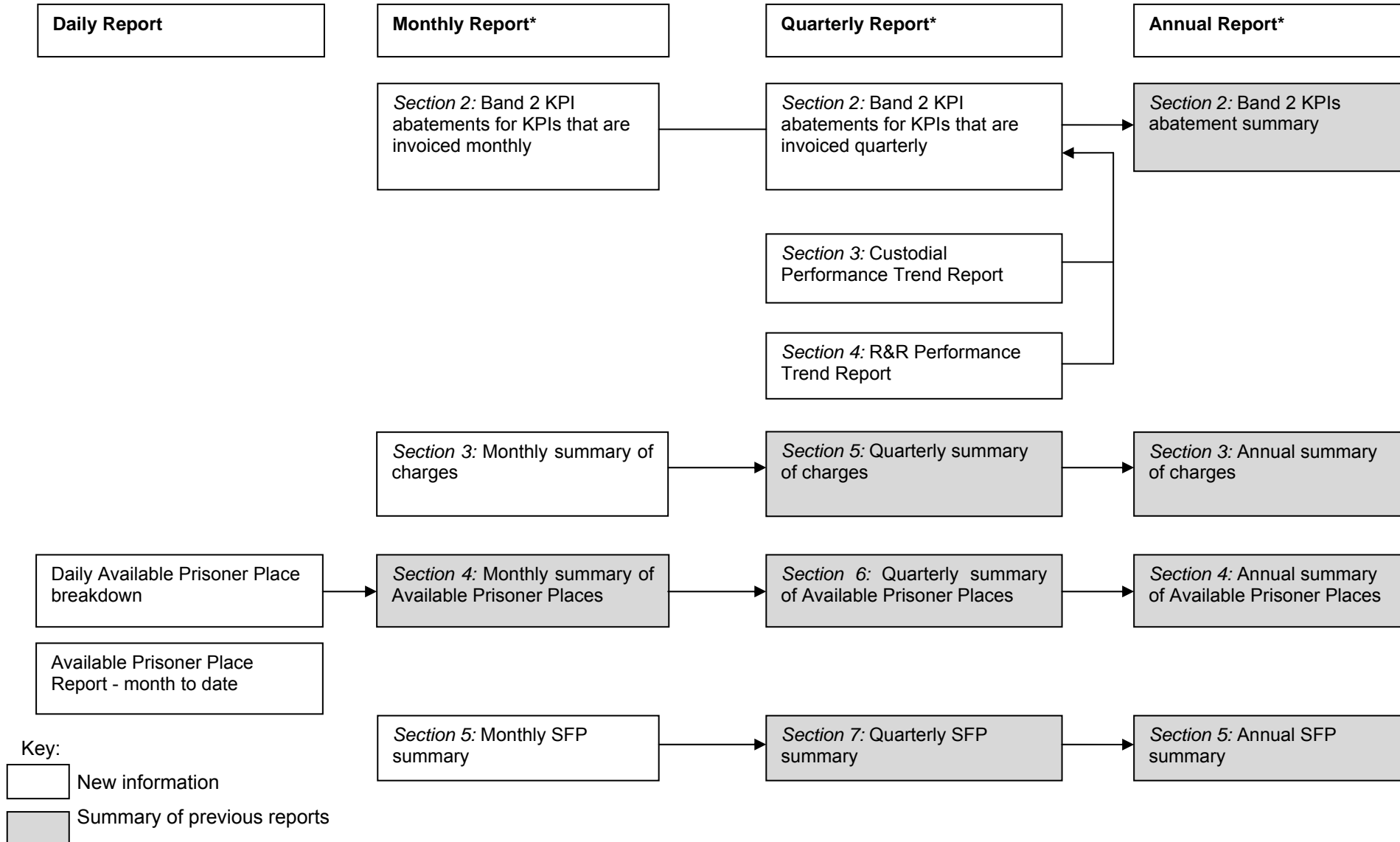
Current SFPs over rolling 9 months	x
Current number of Charge Events over rolling 9 months	x
Current SFP level	x

Number of Charge Events	SFP level	Number of Points
1	1	2,000
3	2	6,000
4	3	8,000
5	4	10,000

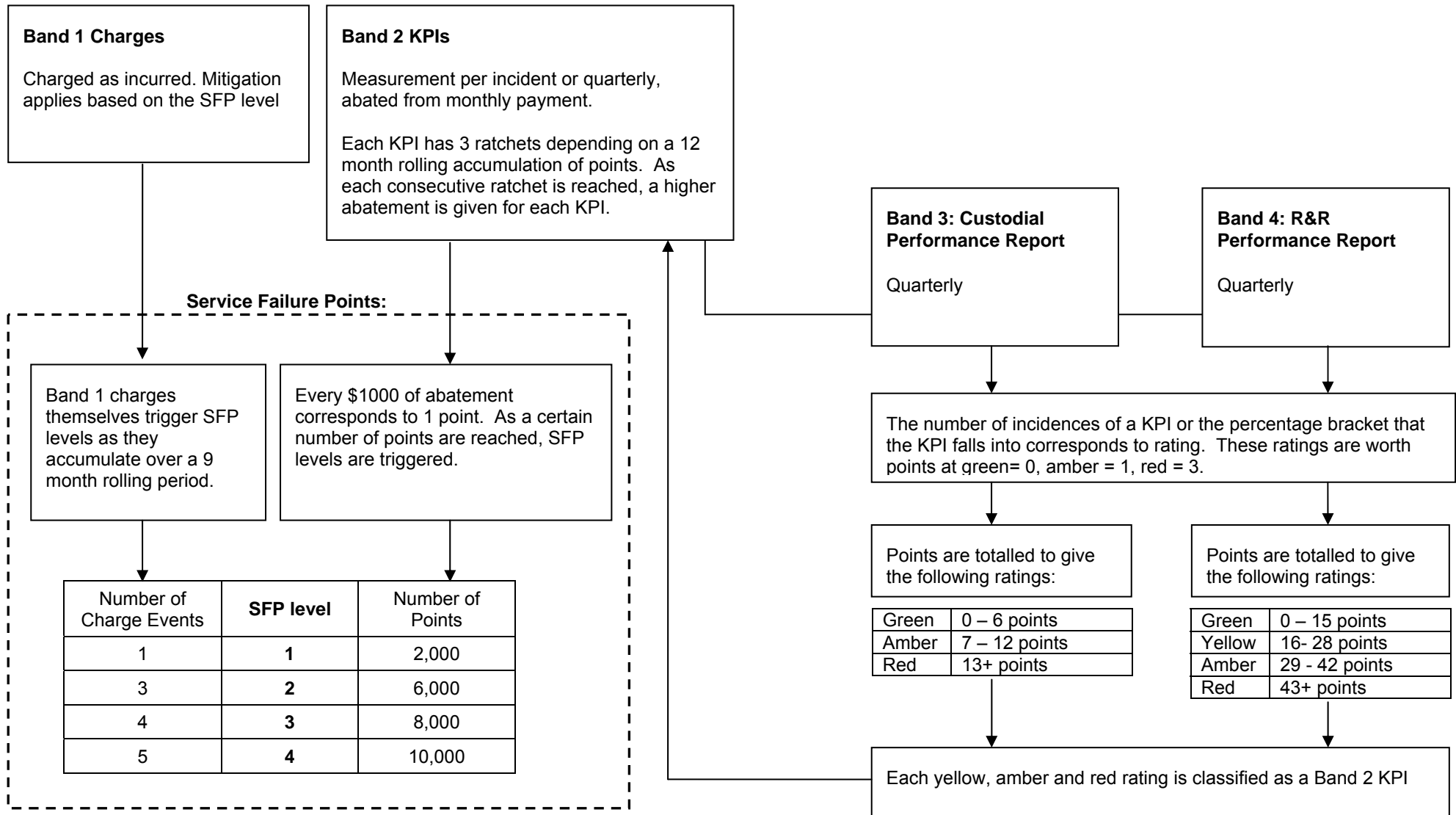
Note: SFP levels are on a 9 month rolling basis



## Annexure 1: Report Map



## Annexure 2: Performance Regime Map



## Appendix E: Statutory Report

### Report to the Department, Security Monitor and Primary Monitor

The following table includes the reporting required under the Corrections Act for [month]. All details relate to that month.

Statutory Reporting – Escort Services	
Training provided to Security Officers employed by the Contractor (including the amount and quality of that training), and the level of training achieved by those Security Officers.	[Provide details]
The number and nature of complaints made by persons in relation to the carrying out, by Security Officers employed by the Contractor, of escort duties in respect of those persons, and how those complaints were resolved.	[Provide details]
The number and nature of any Incidents involving violence by or against Prisoners while in the custody of Security Officers employed by the Contractor.	[Provide details]
The number and nature of any Incidents involving violence against Security Officers employed by the Contractor while carrying out escort duties or courtroom custodial duties.	[Provide details]
The number and nature of any Incidents involving self-inflicted injuries to Prisoners while in the custody of Security Officers employed by the Contractor.	[Provide details]
The compliance, by Security Officers employed by the Contractor, with the requirements of sections 83, 84, 85, 87, and 88 of the Corrections Act.	[Provide details]
The exercise, by Security Officers employed by the Contractor, of the powers conferred by sections 98 and 101 of the Corrections Act in order to perform the functions of Security Officers.	[Provide details]
The number and nature of any disciplinary actions taken against Security Officers employed by the Contractor, and the reasons for, and the outcomes of, those actions, including any penalties imposed.	[Provide details]
The information in relation to the operation of the security contract required by section 190 of the Corrections Act to be included in the Department's annual report. (The Department will advise the Contractor of the specific requirements).	[Provide details]
Any other matters in respect of which the Chief Executive reasonably considers that information is necessary to enable the Chief Executive to carry out his or her responsibilities under the Corrections Act or under any other enactment. (The Department will notify the Contractor of any such matters.)	[Provide details]

<b>Statutory Reporting - Prison Management</b>	
The training provided to Staff Members of the Prison (including the amount and quality of that training), and the level of training achieved by those Staff Members.	[Provide details]
The number and nature of complaints made by Prisoners, and how those complaints were resolved.	[Provide details]
The number and nature of any incidents in the Prison involving violence against any person.	[Provide details]
The number and nature of any incidents in the Prison involving self-inflicted injuries to Prisoners.	[Provide details]
The programmes provided for Prisoners, and the extent of attendance at, and completion of, those programmes by Prisoners.	[Provide details]
The employment provided for Prisoners by or at the Prison.	[Provide details]
The skills gained by Prisoners as a result of employment or education provided by or at the Prison.	[Provide details]
The compliance, by Staff Members of the Prison, with the requirements of sections 83, 84, 85, 87, and 88 of the Corrections Act.	[Provide details]
The exercise, by officers of the Prison, of the powers conferred by sections 98 to 101 of the Corrections Act.	[Provide details]
The number and nature of any disciplinary proceedings taken against Prisoners at the Prison.	[Provide details]
The number and nature of any disciplinary actions taken against Staff Members of the Prison.	[Provide details]
The reasons for, and outcomes of, disciplinary proceedings or disciplinary actions, including any penalties imposed.	[Provide details]
Details of the operation of random-testing programmes in the Prison.	[Provide details]
The information, in relation to the operation of the Prison, required by section 190 of the Corrections Act to be included in the Department's annual report. (The Department will advise the Contractor of the specific requirements).	[Provide details]
Details of any matters relating to the financial management of the Prison that the Chief Executive from time to time determines, which may include the provision of financial forecasts and audited accounts. (The Department will notify the Contractor of any such requirement).	[Provide details]
Details of any other matters in respect of which the Chief Executive reasonably considers that information is necessary to enable the Chief Executive to carry out his or her responsibilities	[Provide details]

under the Corrections Act or any other enactment. (The Department will notify the Contractor of any such requirement).	
---	--

**Note:** For the purposes of the Statutory Report, the Department acknowledges that the same personnel may have the powers and functions of both a Staff Member and a Security Officer.

The following table includes the reporting required under other Acts for [month]. All details relate to that month.

<b>Protected Disclosures Act</b>	
The number of complaints received under the Protected Disclosures Act.	[Provide details]
Aggregated information about the complaints received under the Protected Disclosures Act, prepared in a way which does not identify the complainants.	[Provide details]
<b>Public Finance Act</b>	
[The information requested by the Department from time to time in order to meet its obligations under that Act]	
<b>Parole Act</b>	
[The information requested by the Department from time to time in order to meet its obligations under that Act]	

## **DECLARATION**

I certify that the information contained in this report is complete and correct.

**Signature**

**Name**

**Position**

**Date**

## Appendix F: Third Party Profit Report

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*Year ended: June 20XX*

### **1. Narrative of activities**

---

[This section to contain a discussion on the activities undertaken by the Contractor that have generated Third Party Profit]

## 2. Third Party Profit calculation

For the [12] months to June 20XX

As per the Project Agreement, Third Party Profit means revenue earned by the Contractor other than the Unitary Charge or any Additional Payment made by the Department, less costs directly incurred by the Contractor in generating that revenue (excluding those already recovered by way of the Unitary Charge) but excludes any such third party profit to the extent incorporated in the Base Case.

	\$
Revenue Item 1	[x,xxx]
Revenue Item 2 [add/remove as required]	[x,xxx]
Revenue Item 3 [add/remove as required]	[x,xxx]
Total Revenue	[sum of revenue items]
Cost Item 1	[x,xxx]
Cost Item 2 [add/remove as required]	[x,xxx]
Cost Item 3 [add/remove as required]	[x,xxx]
Total Costs	[sum of cost items]
Total Third Party Profit	[total revenue less total costs]
Modelled Third Party Profit	[as per Base Case]
Department's share of Third Party Profit	[50% of (total TPP less modelled TPP), minimum of 0]

### Description of revenue and costs above

[For each of the individual revenue and costs items above, a description of the relevant activities to which it relates.]

# Appendix G: Compliance Certificate

(Clause 19.6 (Compliance Certificate))

**TO:** Her Majesty, The Queen in Right of New Zealand acting by and through the Chief Executive of [insert detail] **(the Crown)**

I refer to the Agreement relating to the PPP at Wiri Men’s Prison Project between the Department and the Company dated [ ] **(Project Agreement)**.

I am a [director] of [insert] **(Company)** and am authorised to execute this certificate in the name of the Company.

This certificate is given to you pursuant to clause 19.6 (Compliance Certificate) of the Project Agreement. Terms defined in the Project Agreement have the same meaning when used in this certificate.

**I CERTIFY** on behalf of the Company as follows:

- 1. I have read and understood the Company’s obligations under clauses 16 (Sub-contractors), 17 (Compliance Obligations), 18 (Record Keeping), 21 (Contractor Personnel and Employees), 56 (Contractor Warranties) and 57 (Contractor Undertakings) of the Project Agreement.
- 2. The Company has complied with and continues to comply with clause 16 of the Project Agreement.
- 3. The Company has complied with and continues to comply with clause 17 of the Project Agreement.
- 4. The Company has complied with and continues to comply with clause 18 of the Project Agreement.
- 5. The Company has complied with and continues to comply with clause 21 of the Project Agreement.
- 6. The representations and warranties given by the Company under the Project Agreement (including, in particular, clause 56 of the Agreement) [remain true and correct] / [remain true and correct, except to the following extent [insert exceptions]].
- 7. The undertakings made by the Company under clause 57 of the Project Agreement [have been complied with in all material respects] / [have been complied with in all material respects, except to the following extent [insert exceptions]].

This certificate is given on behalf of the Company and without personal liability on the part of the signatories.

Signed .....

.....

Date:

.....

(Print Full Name of Director)

.....

.....

Date:

.....

(Print Full Name of Director)



## Schedule 16: Performance Regime

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### Part 1 – Charge Events

#### 1. Charge Events

---

##### 1.1 Definition of Charge Event

Each of the events specified in paragraphs 1.1(a) to 1.1(f) comprises a **Charge Event**:

(a) **Escape (Breakout)**

An Escape (Breakout) occurs where a Prisoner Escapes by breaching or otherwise passing the outermost secure perimeter of the Prison (including the outside wall, fence or boundary of the Prison) or from a vehicle under the control of the Contractor or its Sub-contractors.

(b) **Absconding**

An Absconding occurs where:

- (i) a Prisoner who was lawfully outside the Facility fails to return to the Facility or to such other location as the Prisoner was directed to return by the Contractor, and does not return to the Facility or the other specified location (as applicable) within two hours after the deadline by which the Prisoner was directed to return (an **Absconding**); or
- (ii) a Prisoner Escapes other than where paragraph 1.1(a) or paragraph 1.1(b)(i) applies,

and **Absconds** and **Absconded** have a corresponding meaning.

(c) **Unnatural Death of a Prisoner**

An Unnatural Death of a Prisoner occurs where a Prisoner dies other than as a result of a naturally occurring medical condition or a condition that was pre-existing at the time at which he became a Prisoner. Where the parties do not agree on whether a Prisoner death comprises an Unnatural Death of a Prisoner, the coroner's determination will be final and binding on the parties. Without limitation, Unnatural Death of a Prisoner includes any death by way of homicide, suicide, accidental cause, or drug or medication overdose but excludes any Death due to Prisoner Action.

(d) **Death due to Prisoner Action**

A Death due to Prisoner Action occurs where a person (other than a Prisoner) dies as a result of the action of a Prisoner, including where that Prisoner has Escaped or Absconded.

(e) **Disorder Event (Riot)**

A Disorder Event (Riot) occurs where six or more Prisoners act in concerted defiance or disorder against the Contractor and either:

- (i) the Contractor ceases to have effective control over the Prisoners involved in the riot or effective control over the area (other than a Prison Cell) in which such Prisoners are located (including, without limitation, any situation where

Prisoners are able to prevent the Contractor's entry into any area or zone of the Prison, other than a Prison Cell); and/or

- (ii) the Department or any external agency intervenes or is requested to intervene to restore order in the Prison.

(f) **Disorder Event (Hostage)**

A Disorder Event (Hostage) occurs where a Prisoner holds any person (including other Prisoner(s)) against their will and makes material threats relating to that person's welfare, or refuses to release that person unless that Prisoner's demands are met or benefits provided.

## 1.2 Occurrence of Charge Event

If a Charge Event occurs:

- (a) without prejudice to its other obligations under this Agreement, the Contractor must give the Department notice of such Charge Event as soon as reasonably practicable during or following its occurrence and in any event:
  - (i) such notice must be given verbally to the Department's Representative within one hour of the Contractor becoming aware of a Charge Event occurring; and
  - (ii) such notice must be given in writing within 12 hours of the Contractor becoming aware of a Charge Event occurring.

For the avoidance of doubt, the notices referred to in this paragraph 1.2(a) are in addition to any reports or notices that the Contractor is required to deliver under paragraph 7 (Incident Reports) of Schedule 15 (Reporting); and

- (b) the Contractor shall pay to the Department the sum identified in the right hand column below which:
  - (i) in the case of the Unnatural Death of a Prisoner or Death due to Prisoner Action, will be payable for each and every death within those categories; and
  - (ii) in the case of each other Charge Event, will be payable in respect of that Charge Event as a whole (regardless of the number of Prisoners involved).

Charge Event	Charge
Escape (Breakout)	\$600,000 per Charge Event
Absconding	\$180,000 per Charge Event
Unnatural Death of a Prisoner	\$600,000 per death
Death due to Prisoner Action	\$600,000 per death
Disorder Event (Riot)	\$600,000 per Charge Event
Disorder Event (Hostage)	\$600,000 per Charge Event

## **2. Limitations on Charge Events**

---

### **2.1 Unnatural Death of a Prisoner**

Where a Prisoner Escapes and, prior to being re-captured, suffers an Unnatural Death of a Prisoner, the Department shall only be entitled to receive (in respect of that Prisoner and his death) payment for a single Charge Event. Where this paragraph 2.1 applies, the Department shall be entitled to payment for the Charge Event that attracts the highest Charge.

### **2.2 Disorder Event**

Where a Disorder Event occurs, and another Charge Event occurs during or as a consequence of that Disorder Event then, subject to paragraph 2.1, the Department will be entitled to impose Charges in respect of both the Disorder Event and the Charge Event that occurred during or as a consequence of that Disorder Event.

## **3. Mitigation of Charges**

---

Where any Charge Event occurs (for the purposes of this paragraph 3 only the **Relevant Event**), the Charge applicable to that Charge Event will be reduced, where applicable, as follows:

- (a) where the Contractor has not reached Level 1 SFP during the nine month period prior to the occurrence of the Relevant Event, the Charge applicable to the Relevant Event will be reduced by 85 per cent;
- (b) where the Contractor has reached Level 1 SFP (but no higher) during the nine month period prior to the occurrence of the Relevant Event, the Charge applicable to the Relevant Event will be reduced by 33 per cent; and
- (c) where the Contractor has reached Level 2 SFP or higher during the nine month period prior to the occurrence of the Relevant Event, the Charge applicable to the Relevant Event will not be reduced.

## **4. Payment of Charges**

---

### **4.1 General**

Subject to paragraph 4.2(a), the Contractor must make all payments due in respect of Charges within 10 Business Days after the Department provides an invoice specifying the amount to be paid by the Contractor in respect of any Charge Events.

### **4.2 Disputed Charge Event**

- (a) If the Contractor disputes:
  - (i) that a Charge Event has occurred; or
  - (ii) the Department's assessment of the Charge due as set out in the Department's invoice,

in either case within 10 Business Days after the Department provides an invoice under paragraph 4.1, payment of the relevant amount must be made by the Contractor within

10 Business Days after resolution of that dispute in favour of the Department under the Accelerated Dispute Resolution Procedures.

- (b) For the avoidance of doubt, for the purpose of determining when an amount is payable in respect of a Charge Event and when Service Failure Points are attributable to a Charge Event:
  - (i) if the Charge Event is not disputed, payments are due in accordance with paragraph 4.1 and Service Failure Points (if any) are attributable at the time of the Charge Event occurring; and
  - (ii) if the Charge Event is disputed in accordance with paragraph 4.2(a), payments are due in accordance with paragraph 4.2(a) and Service Failure Points (if any) will be attributed at the time the dispute is resolved under the Accelerated Dispute Resolution Procedures.

## **5. Indexation of Charges**

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The Charges referred to in paragraph 1.2 will be Indexed with effect from each fifth anniversary of the end of the first Contract Year.

## **6. Impact of Charge Events on Service Failure Points levels**

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### **6.1 Three Abscondings constitute one Charge Event**

For the purposes of this paragraph 6 only, three Abscondings constitute one Charge Event.

### **6.2 Service Failure Points levels**

Charge Events shall constitute a Level 1 SFP, Level 2 SFP, Level 3 SFP and Level 4 SFP as follows, as at the date that a Charge Event triggering any of the thresholds set out below occurs:

- (a) the occurrence of one or two Charge Events during the previous nine Contract Months shall be a Level 1 SFP;
- (b) the occurrence of three Charge Events during the previous nine Contract Months shall be a Level 2 SFP;
- (c) the occurrence of four Charge Events during the previous nine Contract Months shall be a Level 3 SFP; and
- (d) the occurrence of five or more Charge Events during the previous nine Contract Months shall be a Level 4 SFP.

## **Part 2 – Key Performance Indicators and Deductions**

### **7. Department's right to make deductions**

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The Department is entitled to make deductions from the Monthly Unitary Charge in accordance with Schedule 17 (Payment Mechanism) and this Part 2.

## **8. Key Performance Indicators**

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### **8.1 General**

- (a) The Key Performance Indicators are specified in the rows numbered 2.01 to 4.16 (inclusive) in Table 1 (KPI Table) set out in the Appendix to this Schedule 16.
- (b) The Contractor must, in providing the Operational Services, at all times comply with each of the Key Performance Indicators.

### **8.2 Measurement of Key Performance Indicators**

Each Key Performance Indicator will be measured on a daily, quarterly, or per incident basis, as specified in the column entitled 'Measurement' in Table 1 (KPI Table) set out in the Appendix to this Schedule 16 and on the basis specified in Table 2 (Measurement Types) set out in the Appendix to this Schedule 16.

### **8.3 Department's remedies**

The Department's sole remedies, where a KPI Breach occurs, are:

- (a) the imposition of Deductions in accordance with this Schedule 16 and Schedule 17 (Payment Mechanism);
- (b) the imposition of Service Failure Points in accordance with this Schedule 16, and the consequences of the imposition of Service Failure Points in accordance with this Agreement; and
- (c) where applicable, the remedies available to the Department under clause 53.1 (Obligation to pay and sole remedy) of the Base Agreement.

## **9. Deductions**

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### **9.1 General**

Where any KPI Breach occurs, the Department shall impose a Deduction from the Monthly Unitary Charge, at the level specified in the column for the applicable ratchet and the relevant grade of Key Performance Indicator, as set out in Table 3 (Ratchet Abatement Levels) in the Appendix to this Schedule 16 (subject to adjustment in accordance with paragraph 9.3).

### **9.2 KPI grade and ratchets**

The KPI grades and applicable ratchets for each Key Performance Indicator are specified in the columns entitled 'Grade' and 'Ratchet 1', 'Ratchet 2' and 'Ratchet 3' respectively, in the same row as the applicable Key Performance Indicator, in Table 1 (KPI Table) set out in the Appendix to this Schedule 16.

### **9.3 Performance during First Service Year**

In respect of performance during the first twelve months following the Service Commencement Date (**First Service Year**) Deductions for KPI Breaches under Band 2 – Custodial KPIs or Band 2 – Other (as set out in the Appendix to this Schedule 16), will be subject to the following adjustments:

- (a) for any such Deductions in respect of performance during the first four months of the First Service Year, the amount of any such Deductions shall be multiplied by 0.25;
- (b) for any such Deductions in respect of performance during the immediately following four months of the First Service Year, the amount of any such Deductions shall be multiplied by 0.5; and
- (c) for any such Deductions in respect of performance during the final four months of the First Service Year, the amount of any such Deductions shall be multiplied by 0.75.

## **10. Indexation of Deductions**

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The Deductions referred to in paragraph 9 (Deductions) (with the exception of those that relate to breaches of the Key Performance Indicators set out in rows 2.14 and 2.15 of Table 1 (KPI Table) set out in the Appendix to this Schedule 16) will be Indexed with effect from the end of each Contract Year.

## **11. Aggregation of KPI Breaches**

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Where an event occurs which could be classified as comprising more than one KPI Breach, that event will be deemed to comprise a single KPI Breach. Where this paragraph 11 applies, the relevant event will be deemed to comprise a KPI Breach of the relevant Key Performance Indicator to which the highest Deduction applies.

## **12. Reporting**

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The Contractor must report all KPI Breaches in a Contract Month in the Monthly Performance Report relating to that Contract Month, in accordance with paragraph 3 (Monthly Performance Reports) of Schedule 15 (Reporting).

## **Part 3 – Service Failure Points**

### **13. Allocation and Indexation of Service Failure Points**

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#### **13.1 General**

The Contractor will be allocated, in respect of each Contract Month, one Service Failure Point for each \$1,000 of Deductions incurred by the Contractor in that Contract Month (whether in respect of that Contract Month or, where a Key Performance Indicator is measured on a quarterly basis, in respect of the relevant quarter where that Contract Month is the last Contract Month in that quarter).

#### **13.2 Breach of Corrections Service Requirements Key Performance Indicator**

In addition to the allocation of Service Failure Points under paragraph 13.1, the Contractor will be allocated Service Failure Points for breaches of the Key Performance Indicator set out in row 2.16 of Table 1 (KPI Table) (**CSR KPI**) set out in the Appendix to this Schedule 16 as follows:

- (a) the first breach of the CSR KPI in any twelve consecutive Contract Month period will result in 115 Service Failure Points being allocated to the Contractor in respect of that breach;

- (b) the second breach of the CSR KPI in any twelve consecutive Contract Month period will result in 217 Service Failure Points being allocated to the Contractor in respect of that breach; and
- (c) the third and any subsequent breach of the CSR KPI in any twelve consecutive Contract Month period will result in 326 Service Failure Points being allocated to the Contractor for each such breach.

### **13.3 Indexation of SFP Levels**

With effect from the end of each Contract Year, the number of Service Failure Points required to be incurred by the Contractor to reach Level 1 SFP, Level 2 SFP, Level 3 SFP and Level 4 SFP shall be Indexed. The indexation calculations will be carried out by the Department within 20 Business Days following the end of the relevant Contract Year and (in the absence of manifest error) will be binding on the parties. The relevant Service Failure Point levels, adjusted in accordance with this paragraph 13.3, will prevail until they are subsequently Indexed in accordance with this paragraph 13.3.

## **14. Reporting of Service Failure Points**

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### **14.1 Monthly Performance Report**

The Contractor will, in the Monthly Performance Report relating to each Contract Month, in accordance with paragraph 3 (Monthly Performance Reports) of Schedule 15 (Reporting), record:

- (a) the number of Charge Events that occurred in that Contract Month;
- (b) the number of Service Failure Points incurred in respect of that Contract Month;
- (c) the number of Service Failure Points incurred in aggregate over that Contract Month and the previous two Contract Months;
- (d) the number of Service Failure Points incurred in aggregate over that Contract Month and the previous five Contract Months; and
- (e) the number of Service Failure Points incurred in aggregate over that Contract Month and the previous eight Contract Months.

## **15. Consequences of Service Failure Points and associated Levels**

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### **15.1 Level 1 SFP**

The Department may, at any time where Level 1 SFP applies, require the Contractor to provide the Department with such additional reporting in relation to the Contractor's performance of its obligations under this Agreement as the Department may, on written notice, request. Such additional reporting may include a requirement to provide reports with a greater level of detail, or more frequently, than the other periodic reports the Contractor is required to provide under this Agreement.

### **15.2 Level 2 SFP**

The Department may, at any time where Level 2 SFP applies:

- (a) take such actions as it would be entitled to where Level 1 SFP applies; and/or

- (b) require the Contractor to:
  - (i) put forward a rectification programme that is acceptable to the Department (in its sole discretion) within 15 Business Days after the date it is requested to do so, establishing a work plan for the remedying of any existing KPI Breaches, or the underlying causes of the KPI Breaches or any Charge Events, within a timeframe acceptable to the Department; and
  - (ii) implement such rectification programme, at the Contractor's cost, in accordance with its terms.

### 15.3 Level 3 SFP

- (a) The Department may, at any time where Level 3 SFP applies, take such actions as it would be entitled to where Level 1 SFP or Level 2 SFP applies.
- (b) In addition, for so long as Level 3 SFP applies, it will be deemed that there is serious risk to the health and safety of persons or property for the purposes of clause 67 (When step-in applies) of the Base Agreement, and the Department will be entitled (but not obliged) to exercise its rights under clause 68 (Step-in Rights) of the Base Agreement.

### 15.4 Level 4 SFP

- (a) The Department may, at any time where Level 4 SFP applies, take such actions as it would be entitled to where Level 1 SFP, Level 2 SFP or Level 3 SFP applies.
- (b) In addition, Level 4 SFP comprises a Remediable Contractor Default and the Department will be entitled to exercise its rights under Part 20 (Termination) of the Base Agreement.

## Part 4 – Reducing reimprisonment - Incentive Payments

### 16. Entitlement to Incentive Payments

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#### 16.1 Definitions

In this Part 4:

**CRi(Māori)** means, in respect of an IP Year, the Contractor's RiR for all Qualifying Māori Prisoners (Prison) whose Release Measurement Period ended in that IP Year (expressed as a percentage);

**CRi(Overall)** means, in respect of an IP Year, the Contractor's RiR for all Qualifying Prisoners (Prison) whose Release Measurement Period ended in that IP Year (expressed as a percentage);

**DRi(Māori)** means, in respect of an IP Year, the Department's RiR for all Qualifying Māori Prisoners (other prison) whose Release Measurement Period ended in that IP Year (expressed as a percentage);

**DRi(Overall)** means, in respect of an IP Year, the Department's RiR for all Qualifying Prisoners (other prison) whose Release Measurement Period ended in that IP Year (expressed as a percentage);

**Excluded Return Grounds** means that a Prisoner who has been Released is recalled to a New Zealand prison, or is imprisoned on the basis of any of the grounds set out in the



Incentive Payment Information Protocol;

**Initiating Sentence** means a custodial sentence served in a New Zealand prison by a Qualifying Prisoner (other prison) or a Qualifying Prisoner (Prison) which, on that person's Release, resulted in that person's categorisation as a Qualifying Prisoner (Prison) or a Qualifying Prisoner (other prison) for the purposes of this Agreement;

**Postliminary Sentence** means, in respect of a Qualifying Prisoner (other prison) or a Qualifying Prisoner (Prison), the custodial sentence served in a New Zealand prison (if any) immediately subsequent to that person's Initiating Sentence, but excludes the return to a prison of any person on Excluded Return Grounds;

**Qualifying Māori Prisoner (other prison)** means any male prisoner, who identified as Māori on commencement of his Initiating Sentence, who has been Released and who served no less than three months in custody as a sentenced prisoner, but excludes:

- (a) any Qualifying Māori Prisoner (Prison); and
- (b) any prisoner who was classified as a maximum security prisoner within the three month period immediately prior to his Release;

**Qualifying Māori Prisoner (Prison)** means a Qualifying Prisoner (Prison) recorded as a Māori Prisoner on commencement of his Initiating Sentence;

**Qualifying Prisoner (other prison)** means any male prisoner who has been Released and who served no less than three months in custody in a New Zealand prison as a sentenced prisoner, including for the avoidance of doubt any Qualifying Māori Prisoner (other prison), but excludes:

- (a) any Qualifying Prisoner (Prison);
- (b) any prisoner who was classified as maximum security within the three month period prior to his Release; and
- (c) any prisoner who has, at the time of his Release, been a prisoner in another prison operated by the Major Sub-contractor for the Corrections Services for:
  - (i) a minimum of three months immediately prior to Release;
  - (ii) the lesser of six months or 75 per cent of the actual time served under his then-current sentence;

**Qualifying Prisoner (Prison)** means a Prisoner who:

- (a) is Released from the Prison: and
- (b) has, at the time of his Release, been a Prisoner in the Prison for the lesser of six months or 75 per cent of the actual time served within a prison under his then-current sentence; and
- (c) served a minimum of three months within the Prison immediately prior to Release,

provided that a person will cease to be a Qualifying Prisoner (Prison) on the earlier of his death and the date 730 days (or part thereof) following the date on which he was Released from the Prison;

**Recidivism Index – Reimprisonment** or **RiR** means, in respect of an IP Year:

- (a) in respect of the Department, the percentage of all Qualifying Prisoners (other prison) or all Qualifying Māori Prisoners (other prison) (as applicable) who:
  - (i) have a Release Measurement Period that expires during that IP Year; and
  - (ii) commence a Postliminary Sentence within their Release Measurement Period; and
- (b) in respect of the Contractor, the percentage of all Qualifying Prisoners (Prison) or all Qualifying Māori Prisoners (Prison) (as applicable) who:
  - (i) have a Release Measurement Period that expires during that IP Year; and
  - (ii) commence a Postliminary Sentence within their Release Measurement Period during that IP Year,

in each case as notified by the Contractor to the Department under paragraph 18 (Provision of Information);

**Released** means that a prisoner is released from a custodial sentence to re-enter the community, whether on completion of his custodial sentence or on parole and **Release** shall have a corresponding meaning;

**Release Measurement Period** means:

- (a) in respect of each Qualifying Prisoner (other prison), 730 days (or part thereof) after the date on which that person is Released from a New Zealand prison; and
- (b) in respect of each Qualifying Prisoner (Prison), 730 days (or part thereof) after the date on which that person is Released from the Prison;

**RiChange(Māori)** has the meaning given to that term in paragraph 17.1(a);

**RiChange(Overall)** has the meaning given to that term in paragraph 17.1(b); and

**Washup Period** means the period commencing on the last day of each IP Year and concluding on the immediately following 30 September.

## **16.2 Incentive Payment structure**

- (a) Incentive Payments will be payable by the Department to the Contractor, where the applicable criteria are met, following the end of each IP Year in accordance with this Part 4.
- (b) No Incentive Payments shall be available until conclusion of the first IP Year.
- (c) Incentive Payments will be calculated in accordance with this Part 4, in respect of an IP Year, based on a comparison between:
  - (i) the RiR of Qualifying Prisoners (other prison) and the RiR of Qualifying Prisoners (Prison); and
  - (ii) the RiR of Qualifying Māori Prisoners (other prison) and the RiR of Qualifying Māori Prisoners (Prison),

who, in each case, have a Release Measurement Period expiring during that IP Year.

### 16.3 Gateway to entitlement to Māori Incentive Payments

Where, in respect of any IP Year:

- (a) the Contractor has not reached Level 2 SFP at any time during that IP Year; and
- (b) the  $RiChange(Māori)$  for that IP Year is greater than or equal to 10 per cent,

then the Contractor will be entitled to receive a Māori Incentive Payment in accordance with this Part 4.

### 16.4 Gateway to entitlement to Overall Incentive Payment

Where, in respect of any IP Year:

- (a) the Contractor has satisfied the requirements of paragraphs 16.3(a) and 16.3(b); and
- (b) the  $RiChange(Overall)$  for that IP Year is greater than or equal to 10 per cent,

then the Contractor will be entitled to receive an Overall Incentive Payment in accordance with this Part 4.

## 17. Incentive Targets

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### 17.1 Formulae for Incentive Payments

This paragraph 17 only applies if the Contractor has qualified, under paragraph 16, to receive a Māori Incentive Payment and/or an Overall Incentive Payment in respect of a Contract Year.

- (a) Where the Contractor is entitled, under paragraph 16.3 (Gateway to entitlement to Māori Incentive Payments) to receive a Māori Incentive Payment, the Māori Incentive Payment will be calculated in accordance with the following formula:

$$\$375,000 + \left[ \left( \frac{RiChange(Māori) - 10\%}{5\%} \right) \times \$750,000 \right]$$

where  $RiChange(Māori)$  means  $\frac{DRi(Māori) - CRi(Māori)}{DRi(Māori)}$

(expressed as a percentage). Where  $RiChange(Māori)$  for any IP Year would exceed 15 per cent,  $RiChange(Māori)$  will be capped at 15 per cent for that IP Year and for the purposes of the formula set out above.

- (b) Where the Contractor is entitled, under paragraph 16.4 (Gateway to entitlement to Overall Incentive Payment) to receive an Overall Incentive Payment, the Overall Incentive Payment will be calculated in accordance with the following formula:

$$\$125,000 + \left[ \left( \frac{RiChange(Overall) - 10\%}{2.5\%} \right) \times \$250,000 \right]$$

where **RiChange (Overall)** means  $\frac{DRi(Overall) - CRi(Overall)}{DRi(Overall)}$

(expressed as a percentage). Where RiChange(Overall) for any IP Year would exceed 12.5 per cent, RiChange(Overall) will be capped at 12.5 per cent for that IP Year and for the purposes of the formula set out above.

## 18. Provision of information

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### 18.1 Incentive Payment Information Protocol

The Department will provide information in relation to the calculation of the Incentive Payment, for each applicable IP Year, in accordance with the Incentive Payment Information Protocol.

### 18.2 Incentive Payment Report

- (a) The Department will, within 10 Business Days after the end of each Washup Period, provide the Contractor with the Incentive Payment Report in respect of the preceding IP Year.
- (b) The Incentive Payment Report will include, without limitation:
  - (i) confirmation as to whether or not the Contractor is entitled to an Incentive Payment in respect of the relevant IP Year; and
  - (ii) where the Contractor is entitled to an Incentive Payment in respect of the relevant IP Year, the level of such payment to which the Contractor is entitled.

## 19. Invoicing and Payment

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### 19.1 Invoice and payment

- (a) The Department shall pay the Contractor the amount of the Incentive Payment to which it is entitled in respect of an IP Year, following receipt of a Monthly Performance Report and invoice incorporating such amounts from the Contractor in accordance with clause 53.2 (Report and invoice) and clause 53.3 (Payment) of the Base Agreement.
- (b) For the avoidance of doubt, where this Agreement is terminated prior to the Expiry Date, any future Incentive Payments relating to any period after the Termination Date will be incorporated, to the extent relevant, within the valuation prepared in accordance with the methodology set out in Schedule 23 (Calculation of Compensation on Termination) and will not be payable separately.

### 19.2 Disputes

If the Contractor disputes the Department's calculation of the total Incentive Payment for an IP Year, and the parties are unable to resolve the dispute:

- (a) either party may submit the dispute for resolution under the Accelerated Dispute Resolution Procedures; and
- (b) the Contractor shall not be entitled to provide an invoice for, and the Department shall not be liable to pay, any such Incentive Payment (or, where the quantum of the Incentive Payment is disputed, the disputed portion) until resolution of that Dispute.

## Appendix – Key Performance Indicators

<b>Key to table:</b>	<b>Further explanations provided after KPI Table</b>
KPI #	The reference number of the KPI
Description	A short description of the KPI
Definition	The definition of the KPI
Measurement	The basis on which the KPI is measured, see Table 2 (Measurement Types) for definitions of the three possible measurement bases
Grade	The grade of the KPI which determines the abatement levels
Tolerance	The number of instances at, or percentage below, which no abatement occurs
Ratchet 1	The number of instances at, or percentages between, which a level 1 ratchet abatement applies
Ratchet 2	The number of instances at, or percentages between, which a level 2 ratchet abatement applies
Ratchet 3	The number of instances at, or percentages between, which a level 3 ratchet abatement applies
'substantiated'	means substantiated in a manner consistent with the Department's then-current process for the substantiation of assaults or other relevant events, being (as at the date of this Agreement) set out in the Department of Corrections – Statement of Intent.

**TABLE 1: KPI Table**

KPI #	Description	Definition	Measurement	Grade	Tolerance	Ratchet 1	Ratchet 2	Ratchet 3
<b>Band 2 - Custodial</b>								
2.01	Assault of Prisoner by Staff Member	A complaint against an identified Staff Member of assault on a Prisoner is substantiated, to the reasonable satisfaction of the Department.	Per Incident	B	0	1 - 1	2 - 2	3 +
2.02	Serious Assault – Prisoner on Prisoner	A Prisoner commits a substantiated Serious Assault (as that term is defined in the Base Agreement) on a Prisoner.	Per Incident	D	0	1 - 2	3 - 4	5 +
2.03	Serious Assault – Prisoner on Staff Member, Visitor or others	A Prisoner commits a substantiated Serious Assault (as that term is defined in the Base Agreement) on a Staff Member, Visitor or other person.	Per Incident	D	0	1 - 1	2 - 2	3 +
2.04	Self-harm – threat to life	A Prisoner inflicts harm on himself with the intention of causing death, or where the consequences of the inflicted harm would be reasonably likely to result in death, but where death does not occur.	Per Incident	C	0	1 - 1	2 - 2	3 +
2.05	Custodial Performance Trend Report (Red) (13+ Points in Band 3)	The Prison receives an overall red rating in the Quarterly Custodial Performance Trend Report.	Quarterly	C	0	1 - 1	2 - 2	3 +
2.06	Custodial Performance Trend Report (Amber) (7 - 12 points in Band 3)	The Prison receives an overall amber rating in the Quarterly Custodial Performance Trend Report.	Quarterly	E	0	1 - 1	2 - 2	3 +
2.07	Wrongful release of a Prisoner	A Prisoner is released before his correct date for release.	Per Incident	E	0	1 - 1	2 - 2	3 +
2.08	Wrongful detention of a Prisoner	A Prisoner is held in custody after his correct date for release.	Per Incident	E	0	1 - 1	2 - 2	3 +
2.09	Substantiated Serious Complaint against Staff Member, Contractor	A Serious Complaint (as that term is defined in the Base Agreement) against an identified Staff Member or the Contractor is substantiated.	Per Incident	E	5	6 - 10	11 - 15	16 +

KPI #	Description	Definition	Measurement	Grade	Tolerance	Ratchet 1			Ratchet 2			Ratchet 3	
2.10	Rate of drug misuse in the Prison	Failure to ensure that the rate of drug misuse by the Prisoners, as measured by the results of the random testing programmes established under the Corrections Regulations, is less than six per cent (6%). Note: This Key Performance Indicator shall not take into account any positive drug tests resulting from prescribed medication. Any results from spoiled samples, refusals and any Prisoner who has been a Prisoner in the Prison for less than 30 days will be excluded.	Quarterly	E	5.9%	6.0%	-	9.5%	9.6%	-	12.0%	12.1%	+
2.11	Security breach	A Prisoner is found in an unauthorised area of the Prison (but does not breach or otherwise pass the outermost secure perimeter of the Prison (including the outside wall, fence or boundary of the Prison)) or breaches a security barrier within the Prison. Security barriers consist of a physical structure designed to limit movement to and from a secure area. Unauthorised areas are detailed in the most recent Policy and Procedures Manual.	Per Incident	F	0	1	-	2	3	-	4	5	+
2.12	Failure to comply with the terms of temporary release or temporary removal	A Prisoner does not comply with the terms of his temporary release or temporary removal.	Per Incident	F	0	1	-	2	3	-	4	5	+
2.13	Arson	A Prisoner lights a fire within the Prison.	Per Incident	F	0	1	-	4	5	-	5	6	+

#### Band 2 - Availability

2.14	Availability (per Available Prisoner Place/day - 24hr grace period applies) - Standard = UC/(960 x 365)	This KPI applies to the months January to June inclusive.  Note: Available Prisoner Place has the meaning given to that term in the Base Agreement. During the Ramp-Up Period, the reference to 960 in the deduction calculation will be replaced with reference to the number of Available Prisoner Places required to be made available on the relevant day in accordance with the Ramp-Up Plan.	Daily	UC/(960 x 365)									
2.15	Availability (per Available Prisoner Place/day - 24hr grace period applies) - Peak periods (1.5x standard charge)	This KPI applies to the months July to December inclusive.  Note: Available Prisoner Place has the meaning given to that term in the Base Agreement. During the Ramp-Up Period, the reference to 960 in the deduction calculation will be replaced with reference to the number of Available Prisoner Places required to be made available on the relevant day in accordance with the Ramp-Up Plan.	Daily	{ UC/(960 x 365) }x1.5									

**Note – for the purposes of KPIs 2.14 and 2.15, the Available Prisoner Place is reported daily by no later than 8.30am (in accordance with paragraph 2.1 of Schedule 15 (Reporting)) for the midnight to midnight period of the previous calendar day (the Reporting Period). From the end of the Reporting Period, the Contractor has 24 hours to remedy any unavailability without deduction. If the Contractor fails to remedy the unavailability within this 24 hour period, it will be subject to a deduction for the period from the end of the Reporting Period.**

#### Band 2 - Other

2.16	Breach of Corrections Services Requirements (SFP Only)	Failure to comply with any Corrections Services Requirements or any Delivery Proposals in respect of the Corrections Services Requirements other than those to which other Key Performance Indicators apply.	Per Incident	A	5	6	-	10	11	-	15	16	+
2.17	Mutual Aid arrangements	Failure to provide the Mutual Aid support required under Schedule 14 (Correction Services Requirements). Note: A failure to provide Mutual Aid shall include a failure to provide such support within the timeframes provided.	Per Incident	B	0	1	-	1	2	-	2	3	+

KPI #	Description	Definition	Measurement	Grade	Tolerance	Ratchet 1			Ratchet 2			Ratchet 3	
2.18	Reporting – Incidents	Failure to provide an Incident Report to the required standards, or misreporting any Incident required to be reported under the reporting requirements as set out in the Incident Reporting Framework or the reporting requirements set out in Schedule 15 (Reporting).	Per Incident	E	0	1	-	1	2	-	2	3	+
2.19	Conducting contingency planning exercises	Failure to run a minimum of seven contingency planning exercises in a Contract Year, where at least two are full (as opposed to 'desk top') exercises, one of which must be a hostage exercise.	Per Incident	E	0	1	-	1	2	-	2	3	+
2.20	Recommendations from audit reports	Failure to implement: (a) the recommendation of an audit report made and agreed between the Department and the Contractor; or (b) the agreed recommendation of a Prison inspection, as set out in the relevant action plans contained within the report, on any issue regarding the operation of the Prison. Note: A failure to implement a recommendation shall include any failure to implement it within the agreed timescales.	Per Incident	G	0	1	-	1	2	-	2	3	+
2.21	Monthly Performance Report	Receiving an unacceptable rating on a Monthly Performance Report due to failure to implement the agreed local planned preventative maintenance programme for any part of the Prison. Note: The parties shall agree the local planned preventative maintenance programme to be carried out each Performance Quarter.	Per Incident	G	0	1	-	1	2	-	2	3	+
2.22	Failure to investigate or self-report	Failure to investigate any serious Incident, failure to self-report an Incident reportable under the Incident Reporting Framework and any failure to complete an investigation or self-report within the timeframes specified in the Incident Reporting Framework.	Per Incident	H	0	1	-	1	2	-	2	3	+
2.23	Reporting in accordance with Agreement	Failure to provide the reports specified in Schedule 15 (Reporting) (other than any report specified in paragraphs 9 and 10 of Schedule 15 (Reporting), or any report to which KPI 2.18 applies) to the Department to the required standards. Note: A failure to provide a report shall include any failure to provide a report within the timeframes specified.	Per Incident	H	0	1	-	1	2	-	3	4	+
2.24	Complaint by persons other than Prisoners	A written complaint is received by the Department or the Contractor from an individual (not being a Prisoner) or organisation regarding the operation of the Prison and demonstrating a failure to deliver the Corrections Services or to comply with the integration requirements in Schedule 11 (Communication Protocols).	Per Incident	H	0	1	-	3	4	-	8	9	+
2.25	Prisoners are ready for escort	Failure to ensure that Prisoners due for escort are ready for collection by the PECCS contractor by the specified loading commencement time agreed with the PECCS contractor and that PECCS contractor's vehicle has the opportunity to leave the Prison within five (5) minutes of the last Prisoner being loaded onto the vehicle.	Per Incident	H	0	1	-	10	11	-	30	31	+
2.26	Prisoners attend planned appointments	Failure to ensure that Prisoners are made available in time to appear at planned and scheduled appointments, including: (a) Court appearances; (b) pre-booked secondary and tertiary healthcare services; and (c) NZPB hearings.	Per Incident	H	0	1	-	20	21	-	40	41	+



KPI #	Description	Definition	Measurement	Grade	Tolerance	Ratchet 1	Ratchet 2	Ratchet 3
2.27	R&R Performance Trend Report (Red) (43+ Points in Band 3)	The Prison receives an overall red rating in the Quarterly R&R Performance Trend Report.	Quarterly	R-A	0	1 - 1	2 - 2	3 +
2.28	R&R Performance Trend Report (Amber) (29 – 42 points in Band 3)	The Prison receives an overall amber rating in the Quarterly R&R Performance Trend Report.	Quarterly	R-B	0	1 - 1	2 - 2	3 +
2.29	R&R Performance Trend Report (Yellow) (16 – 28 Points in Band 3)	The Prison receives an overall yellow rating in the Quarterly R&R Performance Trend Report.	Quarterly	R-C	0	1 - 1	2 - 2	3 +

#### Band 3 – Custodial Performance Report

KPI #	Description	Definition	Measurement	Green (0 points)	Amber (1 point)	Red (3 points)
3.01	Events while on escorted outing	Event is anything described on the Incident Reporting Framework.	Quarterly	0 - 1	2 - 2	3 +
3.02	Non-Serious Assault – Prisoner on Staff Member	Prisoner assaults a person other than a Prisoner that results in physical injuries that may or may not require medical treatment but which do not require overnight hospitalisation or ongoing medical treatment.	Quarterly	0 - 1	2 - 2	3 +
3.03	Self harm – no threat to life	Prisoner enacts an intentional act of harm to himself which would most probably not have lead to death if no immediate intervention had been made.	Quarterly	0 - 2	3 - 5	6 +
3.04	Communication and security equipment failures	Communications or Security Equipment is ineffective or unusable at any time. For the purposes of this KPI <b>Communications and Security Equipment</b> includes CCTV Systems, Perimeter Intruder Detection system (PIDs), radio and telephone communications network.	Quarterly	0 - 5	6 - 10	11 +
3.05	Non-Serious Assault – Prisoner on Prisoner	Prisoner assaults another Prisoner and this results in physical injuries that may or may not require medical treatment but which do not require overnight hospitalisation or ongoing medical treatment.	Quarterly	0 - 5	6 - 12	13 +
3.06	Percentage of Prisoners not provided with a health screening upon reception	Percentage of Prisoners seen by a health professional on the day of reception.	Quarterly	0.0% - 4.9%	5.0% - 15.0%	15.1% +
3.07	Rate of drug misuse as measured by IDU, temporary release, reasonable cause or voluntary	The percentage of positive tests (excluding general random) as a proportion of the total drug tests (excluding general random) resulted for the reporting period.	Quarterly	0.0% - 12.9%	13.0% - 15.0%	15.1% +

**Band 4 – R&R Performance Report**

KPI #	Description	Definition	Measurement	Green (0 points)			Amber (1 point)			Red (3 points)		
4.01	Eligible Māori Prisoners' offending attitudes, thinking and behaviour	The percentage of Eligible Māori Prisoners with an identified criminogenic need in the area of offending attitudes, thinking and behaviour, and who have sufficient time left to serve on their sentence to attend the recommended Intervention(s), who have an improvement in their level of pro-social (non-criminal) attitudes, thinking and behaviour.	Quarterly	100%	-	50%	49.9%	-	15%	14.9%	-	0%
4.02	Eligible Non-Māori Prisoners' offending attitudes, thinking and behaviour	The percentage of Eligible Non-Māori Prisoners with an identified criminogenic need in the area of offending attitudes, thinking and behaviour, and who have sufficient time left to serve on their sentence to attend the recommended Intervention(s), who have an improvement in their level of pro-social (non-criminal) attitudes, thinking and behaviour.	Quarterly	100%	-	50%	49.9%	-	15%	14.9%	-	0%
4.03	Eligible Māori Prisoners' employment	The percentage of Eligible Māori Prisoners with an identified criminogenic need in the area of employment, who have an improvement in their ability to gain and maintain employment on release.	Quarterly	100%	-	60%	59.9%	-	40%	39.9%	-	0%
4.04	Eligible Non-Māori Prisoners' employment	The percentage of Eligible Non-Māori Prisoners with an identified criminogenic need in the area of employment, who have an improvement in their ability to gain and maintain employment on release.	Quarterly	100%	-	60%	59.9%	-	40%	39.9%	-	0%
4.05	Eligible Māori Prisoners' Settled Accommodation	The percentage of Eligible Māori Prisoners who have arrangements in place to move to Settled Accommodation on release.	Quarterly	100%	-	80%	79.9%	-	50%	49.9%	-	0%
4.06	Eligible Non-Māori Prisoners' Settled Accommodation	The percentage of Eligible Non-Māori Prisoners who have arrangements in place to move to Settled Accommodation on release.	Quarterly	100%	-	80%	79.9%	-	50%	49.9%	-	0%
4.07	Eligible Māori Prisoners' alcohol and drugs	The percentage of Eligible Māori Prisoners with an identified criminogenic need in the area of alcohol and drugs, who have sufficient time left to serve on their sentence to attend the recommended Intervention(s), who have a reduction in substance misuse (dependency and harmful behaviour).	Quarterly	100%	-	40%	39.9%	-	20%	19.9%	-	0%
4.08	Eligible Non-Māori Prisoners' alcohol and drugs	The percentage of Eligible Non-Māori Prisoners with an identified criminogenic need in the area of alcohol and drugs, who have sufficient time left to serve on their sentence to attend the recommended Intervention(s), who have a reduction in substance misuse (dependency and harmful behaviour).	Quarterly	100%	-	40%	39.9%	-	20%	19.9%	-	0%
4.09	Eligible Māori Prisoners' health and wellbeing	The percentage of Eligible Māori Prisoners who have an improved level of health and wellbeing.	Quarterly	100%	-	80%	79.9%	-	20%	19.9%	-	0%
4.10	Eligible Non-Māori Prisoners' health and wellbeing	The percentage of Eligible Non-Māori Prisoners who have an improved level of health and wellbeing.	Quarterly	100%	-	80%	79.9%	-	20%	19.9%	-	0%
4.11	Eligible Māori Prisoners' families, children and whānau	The percentage of Eligible Māori Prisoners who maintain or strengthen their pro-social relationships with families, children and whānau.	Quarterly	100%	-	70%	69.9%	-	15%	14.9%	-	0%
4.12	Eligible Non-Māori Prisoners' families, children and whānau	The percentage of Eligible Non-Māori Prisoners who maintain or strengthen their pro-social relationships with families, children and whānau.	Quarterly	100%	-	70%	69.9%	-	15%	14.9%	-	0%
4.13	Eligible Māori Prisoners' finances, benefits and debt	The percentage of Eligible Māori Prisoners with an identified criminogenic need in the area of finances, benefits and debt, who have an improved ability to manage their finances, benefits and debt.	Quarterly	100%	-	40%	39.9%	-	20%	19.9%	-	0%

KPI #	Description	Definition	Measurement	Green (0 points)			Amber (1 point)			Red (3 points)		
4.14	Eligible Non-Māori Prisoners' finances, benefits and debt	The percentage of Eligible Non-Māori Prisoners with an identified criminogenic need in the area of finances, benefits and debt, who have an improved ability to manage their finances, benefits and debt.	Quarterly	100%	-	40%	39.9%	-	20%	19.9%	-	0%
4.15	Eligible Māori Prisoners' social support	The percentage of Eligible Māori Prisoners with a connection to pro-social support networks, tailored to their needs in the community.	Quarterly	100%	-	70%	69.9%	-	15%	14.9%	-	0%
4.16	Eligible Non-Māori Prisoners' social support	The percentage of Eligible Non-Māori Prisoners with a connection to pro-social support networks, tailored to their needs in the community.	Quarterly	100%	-	70%	69.9%	-	15%	14.9%	-	0%

#### KPI with SFPs Only

KPI 2.16 (Breach of Corrections Services Requirements) does not have an abatement attached. However, this KPI does attract SFPs on a similar basis as other 'Per Incident' KPIs. SFPs are applied such that first instance = 115 SFPs, second instance = 217 SFPs, third and subsequent instances = 326 SFPs each (12 month rolling period applies).

#### TABLE 2: Measurement Types

Per incident	Calculated per incident with the relevant ratchet level being determined on a 12 month rolling basis. Some KPIs charged per incident have a natural cap on number of annual instances e.g. Custodial Performance Trend Report (maximum of 4 per annum).
Daily	The only daily KPI is Availability. The abatement is calculated daily (subject to the 24 hour grace period).
Quarterly	Abatement calculated quarterly at the ratchet the measurement falls within.

#### TABLE 3: Ratchet Abatement Levels

Grades	Ratchet 1	Ratchet 2	Ratchet 3
A	115,000	217,000	326,000
B	192,000	215,000	310,000
C	67,000	200,000	300,000
D	39,000	116,000	174,000
E	26,000	56,000	84,000
F	8,000	23,000	35,000
G	3,000	8,000	12,000
H	1,000	2,000	3,000
R-A	63,000	200,000	675,000
R-B	45,000	120,000	310,000
R-C	27,000	42,000	50,000

#### Ratchet Mechanism:

There are four ways the ratchet mechanism is applied:

- When the abatement is applied on a per instance basis, the ratchet levels are the incremental abatement for each instance taking into account the number of instances within the last 12 months. For example, if the ratchet levels are 1-2, 3-4 and 5+ the first and second instances would each be abated at the Ratchet 1 level, the third and fourth instances would each be abated at the Ratchet 2 level and any subsequent abatements would each be abated at the Ratchet 3 level (assuming all instances within a rolling 12 month period).

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Incidents		1			1		1	1		1		1
Cumulative (rolling 12 months)	0	1	1	1	2	2	3	4	4	5	5	6
Incidents abated at ratchet level		1			1		2	2		3		3

2. When the abatement is applied on a quarterly basis (other than in respect of a Custodial Performance Trend Report as referred to in KPIs 2.05 and 2.06 or a R&R Performance Trend Report as referred to in KPIs 2.27, 2.28 and 2.29), the ratchet levels define the abatement for falling within a particular range of values. For example, if the ratchet levels at 6%-8%, 8.1%-9.9%, 10%+ then a result less than 6% would incur no abatement, a result within 6% to 8% would be abated at the ratchet 1 level, a result within 8.1%-9.9% would be abated at the ratchet 2 level and a result of 10% or higher would be abated at the ratchet 3 level.

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Incidents			9%			11%			9%			5%
Abated at ratchet level			2			3			2			No abatement

3. When the abatement is applied on a quarterly basis in respect of a Custodial Performance Trend Report (as referred to in KPIs 2.05 and 2.06), the ratchet levels are to be determined on a rolling last 12 month basis based on the number of overall red or amber Quarterly Custodial Performance Reports over that 12 month period. Subject to paragraph (c) below:
- a. for KPI 2.05, ratchet level 1 will apply where there has been one overall red rating in the last 12 months, ratchet level 2 will apply if there have been two overall red ratings in the last 12 months and ratchet level 3 will apply if there have been 3 or more overall red ratings in the last 12 months;
  - b. for KPI 2.06, ratchet level 1 will apply where there has been one overall amber rating in the last 12 months, ratchet level 2 will apply if there have been two overall amber ratings in the last 12 months and ratchet level 3 will apply if there have been 3 or more overall amber ratings in the last 12 months; and
  - c. if, as at any date on which the Contractor's performance against KPIs 2.05 and/or 2.06 is assessed, there has been a combination of overall red and overall amber ratings over the last 12 months, the following will apply:
    - i. if, as at any date on which the Contractor's performance against KPIs 2.05 and/or 2.06 is assessed, the Contractor's performance reflects an improvement in performance when measured against the assessed performance in the prior Quarter then the deduction will be by reference to the Contractor's performance against the particular KPI that has been breached at that date and the applicable ratchet level shall be determined by treating any previous red rating as either a red or an amber rating. For example if there have been two overall red and then an overall amber report is received, the deduction will be based on a third overall amber at \$84,000 (not two overall red at \$200,000).
    - ii. If, as at any date on which the Contractor's performance against KPIs 2.05 and/or 2.06 is assessed, the Contractor's performance reflects a deterioration in performance when measured against the assessed performance in the prior Quarter then the KPI and the ratchet level that would give rise to the highest level of deduction, based on any combination of those ratings and treating any red rating as either a red or an amber rating will apply. For example, if there has been two overall amber reports and then an overall red report is received, the deduction will be based on a third overall amber at \$84,000 (not a first overall red at \$67,000).

Each of these calculations are inclusive of the then most recent Performance Trend Report and is intended to include the 3 previous Performance Trend Reports, meaning at any time there will be 4 Performance Trend Reports applicable to the operation of the ratchet.

**Band 3 KPIs:**

Band 3 KPIs are either 'Green', 'Amber' or 'Red'. Each KPI will then be awarded 'Custodial Performance Trend Report Points' on the following basis: Green = 0, Amber = 1, Red = 3. These points are totalled each quarter with 7 - 12 points leading to an Amber Custodial Performance Trend Report (KPI 2.06) and 13+ points leading to a Red Custodial Performance Trend Report (KPI 2.05).

**TABLE 4: Custodial Performance Trend Report Points**

Green	0
Amber	1
Red	3

4. When the abatement is applied on a quarterly basis in respect of a R&R Performance Trend Report (as referred to in KPIs 2.27, 2.28 and 2.29), the ratchet levels are to be determined on a rolling last 12 month basis based on the number of overall red, amber or yellow Quarterly R&R Performance Reports over that 12 month period. Subject to paragraph (d) below:
- a. for KPI 2.27, ratchet level 1 will apply where there has been one overall red rating in the last 12 months, ratchet level 2 will apply if there have been two overall red ratings in the last 12 months and ratchet level 3 will apply if there have been 3 or more overall red ratings in the last 12 months;
  - b. for KPI 2.28, ratchet level 1 will apply where there has been one overall amber rating in the last 12 months, ratchet level 2 will apply if there have been two overall amber ratings in the last 12 months and ratchet level 3 will apply if there have been 3 or more overall amber ratings in the last 12 months;
  - c. for KPI 2.29, ratchet level 1 will apply where there has been one overall yellow rating in the last 12 months, ratchet level 2 will apply if there have been two overall yellow ratings in the last 12 months and ratchet level 3 will apply if there have been 3 or more overall yellow ratings in the last 12 months; and
  - d. if, as at any date on which the Contractor's performance against KPIs 2.27, 2.28 and/or 2.29 is assessed, there has been any combination of overall red, overall amber and overall yellow ratings over the last 12 months, the following will apply:
    - i. if, as at any date on which the Contractor's performance against KPIs 2.27, 2.28 and/or 2.29 is assessed, the Contractor's performance reflects an improvement in performance when measured against the assessed performance in the prior Quarter then the deduction will be by reference to the Contractor's performance against the particular KPI that has been breached at that date and the applicable ratchet level shall be determined by treating any previous red rating as either a red, amber rating or yellow rating, and any amber rating as either an amber or a yellow rating. For example if there have been two overall red and then an overall yellow report is received, the deduction will be based on a third overall yellow at \$50,000 (not two overall red at \$200,000).

- ii. if, as at any date on which the Contractor's performance against KPIs 2.27, 2.28 and/or 2.29 is assessed, the Contractor's performance reflects a deterioration in performance when measured against the assessed performance in the prior Quarter then the KPI and the ratchet level that would give rise to the highest level of deduction, based on any combination of those ratings and treating any red rating as either a red, amber rating or yellow rating, and any amber rating as either an amber or a yellow rating, will apply. For example, if there has been one overall amber and then an overall red report is received, the deduction will be based on a second overall amber at \$120,000 (not a first overall red at \$63,000).

Each of these calculations are inclusive of the then most recent Performance Trend Report and is intended to include the 3 previous Performance Trend Reports, meaning at any time there will be 4 Performance Trend Reports applicable to the operation of the ratchet. Where the Contractor's Quarterly R&R Performance Reports over any rolling 12 month period would, at any time, result in an abatement applying under more than one of KPIs 2.27, 2.28 and 2.29, or more than one ratchet level only one such abatement shall apply.

5. For the purpose of determining achievement or otherwise of the R&R KPIs, if any calculations result in numbers that are not whole numbers, such numbers will be rounded down to the nearest whole number.

**Band 4 KPIs:**

Band 4 KPIs are either 'Green', 'Amber' or 'Red'. Each KPI will then be awarded 'R&R Performance Trend Report Points' on the following basis: Green = 0, Amber = 1, Red = 3. These points are totalled each quarter with 16 – 28 points leading to a Yellow R&R Performance Trend Report (KPI 2.29), 29 – 42 points leading to an Amber R&R Performance Trend Report (KPI 2.28) and 43+ points leading to a R&R Red Performance Trend Report (KPI 2.27).

**TABLE 5: R&R Performance Trend Report Points**

Green	0
Amber	1
Red	3

## Schedule 17: Payment Mechanism

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### Part 1 – Unitary Charge

#### 1. The Monthly Unitary Payment

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##### 1.1 Monthly Unitary Payment

The **Monthly Unitary Payment** for Contract Month (n), shall be calculated in accordance with the following formula:

$$MUP_n = (MUC_n - TD_{n-1}) - RefiGain_n$$

where:

**MUP<sub>n</sub>** = the Monthly Unitary Payment for Contract Month (n);

**MUC<sub>n</sub>** = the Monthly Unitary Charge in respect of Contract Month (n) calculated in accordance with paragraph 2 of this Schedule 17;

**TD<sub>n-1</sub>** = the Total Deductions for Contract Month (n-1); and

**RefiGain<sub>n</sub>** = The Department's share of any Refinancing Gain calculated in accordance with clause 55.12 (Refinancing Gain) of the Base Agreement.

#### 2. Calculation of the Monthly Unitary Charge from Full Service Date

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**2.1** The Monthly Unitary Charge for any Contract Month (n) shall be calculated in accordance with the following formula:

$$MUC_n = UC_n - TPP_{m-1} + IP_n + ICC_n + EBRshare_n$$

where:

**MUC<sub>n</sub>** = the Monthly Unitary Charge for Contract Month (n);

**UC<sub>n</sub>** = the Unitary Charge for Contract Month (n), which is to be calculated as:

$$UC_n = UE_n + IE_n$$

where:

**UE<sub>n</sub>** = The Monthly Relevant Amount in respect of the unindexable element of the Unitary Charge as shown in cells AJ77:AJ416 of the Returnable Schedule;

**IE<sub>n</sub>** = Indexable Element of the Unitary Charge for Contract Month (n) as calculated in paragraph 3 of this Schedule 17; and

**TPP<sub>m-1</sub>** = The Department's Share of Third Party Profit for the Contract Year (m-1) as calculated in accordance with paragraph 4 of this Schedule 17.

- IP<sub>m</sub>** = the Insurance Payment for Contract Year (m) as calculated in accordance with paragraph 5 of this Schedule 17;
- LCC<sub>n</sub>** = the Lifecycle Payment for Contract Month (n) as calculated in accordance with paragraph 6 of this Schedule 17; and
- EBRshare<sub>n</sub>** = the Effective Base Rate for Contract Month (n) payment as calculated in accordance with paragraph 7 of this Schedule 17.

### 3. Indexation

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#### 3.1 Indexation of the Indexable Element

- (a) On each Indexation Review Date, the Indexable Element shall be adjusted by applying to it the Indexation Formula in paragraph 3.1(b) of this Schedule 17.
- (b) For the purposes of calculating indexation pursuant to this Schedule 17, the following definitions shall apply:

**“Indexation Formula”** means  $IE_n = (IEC_n \times CPI_n) + (IEL_n \times LCI_n) + (IEQ_n \times ECPI_n)$

where:

**IEC<sub>n</sub>** =  $RCC_n + NRCC_n$

where:

**RCC<sub>n</sub>** = The Monthly Relevant Amount in respect of the CPI indexed reviewable cost component of the Unitary Charge as shown in cells R77:R416 of the Returnable Schedule.

**NRCC<sub>n</sub>** = The Monthly Relevant Amount in respect of the CPI indexed non reviewable cost component of the Unitary Charge as shown in cells Q77:Q416 of the Returnable Schedule.

**CPI<sub>n</sub>** = (a) the most recently published June Quarter CPI at the last day of Contract Month (n);

divided by:

(b) the CPI for the June Quarter 2012 (being the Quarter most recently ended prior to Financial Close).

**IEL<sub>n</sub>** =  $RLC_n + NRLC_n$

where:

**RLC<sub>n</sub>** = The Monthly Relevant Amount in respect of the reviewable, indexable labour element cost component of the Unitary Charge as shown in cells S77 to S416 of the Returnable Schedule

**NRLC<sub>n</sub>** = The Monthly Relevant Amount in respect of the non reviewable, indexable labour element of the Unitary Charge as shown in cells T77:T416 of the Returnable Schedule.

**LCI<sub>n</sub>** = (a) the most recently published June Quarter Labour Costs Index (All Labour Costs) at the last day of Contract Month (n);

divided by:

(b) the Labour Costs Index (All Labour Costs) for the June Quarter 2012 (being the Quarter most recently ended prior to Financial Close).

**IEQ<sub>n</sub>** = The Monthly Relevant Amount in respect of the indexable equity element of the Unitary Charge as shown in cells U77:U416 of the Returnable Schedule.

**ECPI<sub>n</sub>** = the greater of:

(a) 1;

and

(b) the most recently published June Quarter CPI at the last day of Contract Month (n) divided by the CPI for the Indexed Equity Base Month.

### 3.2 De-escalation

Where a Relevant Event results in a change to the Indexable Element of the Unitary Charge at any time after Financial Close, any dollar amount added to or deducted from the then-current Indexable Element must, prior to its addition to or deduction from the Indexable Element, be expressed in Base Year Dollars, where **Base Year Dollars** means real dollars as at 30 June 2012.

## 4. Calculation of Department's Share of Third Party Profit

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The Department's Share of Third Party Profit for each Contract Year will be calculated as follows:

$$\mathbf{TPP_{m-1} = 0.5 \times (RTPP_{m-1} - PTPP_{m-1})}$$

where:

**TPP<sub>m-1</sub>** = The Department's Share of Third Party Profit for the Contract Year (m-1);

**RTPP<sub>m-1</sub>** = Third Party Profit reported by the Contractor in respect of the previous Contract Year (m-1) in the Third Party Profit Report for that Contract Year (m-1);

**PTPP<sub>m-1</sub>** = The amount specified for the previous Contract Year (m-1) in respect of proposed third party profit for that Contract Year as shown in cells AR425:AR456 of the Returnable Schedule;

provided that the Department's Share of Third Party Profit (**TPP<sub>m-1</sub>**) for a Contract Year shall never be less than zero.

The Department's share of Third Party Profit will be recovered annually in arrears as a component of the Monthly Unitary Charge invoiced each July.



## 5. Insurance Payment

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The Insurance Payment will be paid, in advance:

- (a) as part of the first Monthly Unitary Payment following the Service Commencement Date; and
- (b) subsequently, annually as a component of the Monthly Unitary Charge invoiced each January.

The Insurance Payment ( $IP_m$ ) for Contract Year (m) will be calculated as follows:

$$IP_m = (BIP + ISP_k) \times CPI_k$$

where:

**Insurance Year (k)** = the 12 month period applicable to the premium associated with the Shared Operating Insurances;

**Base Insurance Premium** or **BIP** = the premium associated with the Shared Operating Insurances (expressed in June 2012 dollars) as determined in accordance with Schedule 25 of the Base Agreement.

**CPI<sub>k</sub>** = (a) the most recently published June Quarter CPI at the last day of Contract Month (n);

divided by:

- (b) the CPI for the June Quarter 2012 (being the Quarter most recently ended prior to Financial Close).

**Insurance Sharing Payment (k)** or **ISP<sub>k</sub>** = the Insurance Sharing Payment as calculated below:

If in Insurance Year (k), **BIP < AIP<sub>k</sub>**, then **ISP<sub>k</sub> = Max{AIP<sub>k</sub> - (BIP × 122%), 0}**

If in Insurance Year (k), **BIP > AIP<sub>k</sub>**, then **ISP<sub>k</sub> = Min{AIP<sub>k</sub> - (BIP × 78%), 0}**

Where:

**Actual Insurance Premium (k)** or **AIP<sub>k</sub>** in respect of any Insurance Year (k), means the actual premium (expressed in June 2012 dollars) payable by the Contractor in respect of the Shared Operating Insurances in that Insurance Year.

## 6. Lifecycle Payment

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The Lifecycle Payment for each Contract Month (n) shall be calculated in accordance with the following formula:

$$LCC_n = (LCCC_n \times CPI_n)$$

where:

**LCCC<sub>n</sub>** = The Monthly Relevant Amount in respect of the lifecycle cost component of the Unitary Charge as shown in cells V77:V416 of the Returnable Schedule.

$CPI_n$  = (a) the most recently published June Quarter CPI at the last day of Contract Month (n);

divided by:

(b) the CPI for the June Quarter 2012 (being the Quarter most recently ended prior to Financial Close).

## 6.1 De-escalation

Where a Relevant Event results in a change to the Lifecycle Payment of the Unitary Charge at any time after Financial Close, any dollar amount added to or deducted from the then-current Lifecycle Payment must, prior to its addition to or deduction from the Lifecycle Payment, be expressed in Base Year Dollars, where **Base Year Dollars** means real dollars as at 30 June 2012.

## 7. EBR Payment

In respect of the first five EBR Re-sets, and in respect of any Exempt EBR Re-set,

$$EBRshare_n = EBRshare1_n$$

In respect of the sixth and any subsequent EBR Re-sets,  $EBRshare_n = EBRshare2_n$

$$EBRshare1_n$$

$$EBRshare1_n = \left[ OD_n \times EBR_n - (BD_n \times FCBR_n) - (JD_n \times DDBR_n) \right] \times \frac{N}{365}$$

Where:

$BD_n$  = the lesser of  $OD_n$  and  $MD_n$ .

$MD_n$  = the Monthly Relevant Amount in respect of model debt balance as shown in cells K465:K775 of the Returnable Schedule.

$JD_n$  =  $OD_n$  less  $BD_n$ . JD is the total amount of incremental debt incurred over and above the BD for which the FCBR (modelled base case) is applicable.  $JD_n$  is comprised of 'x' individual tranches of incremental debt,  $NJD_{x,n}$ .

$OD_n$  = the aggregate actual principal outstanding in respect of the Core Senior Debt on the first day of Debt Contract Month (n).

$EBR_n$  = the Effective Base Rate applicable in respect of  $OD_n$ . Where there are multiple Effective Base Rates (due to tranches within  $OD_n$  or the Effective Base Rate changes within the Debt Contract Month),  $EBR_n$  will be calculated as a weighted average based on the proportion of actual principal outstanding in respect of each tranche of Core Senior Debt on the first day of Debt Contract Month (n) and the proportion of days that each Effective Base Rate applies.

$FCBR_n$  = the base swap rate in respect of Debt Contract Month (n) as determined in accordance with the Financial Close Adjustment Protocol at Financial Close. Where there are multiple  $FCBR_n$  (due to  $FCBR_n$  changes within the Debt Contract Month),  $FCBR_n$  will be calculated as a weighted average based on the relevant amounts of  $MD_n$  which apply to each  $FCBR_n$  on the first day of each period in which each  $FCBR_n$  applies and the proportion of days that each  $FCBR_n$  applies.

**DDBR<sub>n</sub>** = the base swap rate applicable in respect of Debt Contract Month (n) as determined in accordance with the Swap Pricing Protocol. Where there are multiple DDBR<sub>n</sub> (due to tranches within JD<sub>n</sub> or DDBR<sub>n</sub> changes within the Debt Contract Month), DDBR<sub>n</sub> will be calculated as a weighted average based on the proportion of actual principal outstanding in respect of each NJD<sub>x,n</sub> on the first day of each period in which each DDBR<sub>n</sub> applies and the proportion of days that each DDBR<sub>n</sub> applies.

In determining DDBR<sub>n</sub>, each NJD<sub>x,n</sub> for that month (n) must be determined in the order as follows:

1. If any NJD<sub>x,n</sub> was in existence for Debt Contract Month (n-1) then each such NJD<sub>x,n</sub> for Debt Contract Month (n) shall equal:

$$NJD_{x,n} = NJD_{x,n-1} \times \frac{JD_n}{JD_{n-1}}$$

where JD<sub>n</sub>, in this formula, is calculated using a specification of OD<sub>n</sub> that excludes any new incremental debt raised in Debt Contract Month (n) such that JD<sub>n</sub> relates only to debt in place immediately prior to any new incremental debt raised in Debt Contract Month (n).

2. Any new NJD<sub>x,n</sub> incurred in that Debt Contract Month (n) is any new incremental debt that is drawn down. Any new NJD<sub>x,n</sub> is calculated such that for all closing amounts for OD<sub>n</sub>, BD<sub>n</sub>, and JD<sub>n</sub>:

$$OD_n - BD_n = \sum_{x=1}^7 NJD_{x,n} = JD_n$$

The DDBR<sub>n</sub> weighted average calculation applicable to that Debt Contract Month is then as follows:

$$DDBR_n = \sum_{x=1}^7 \frac{NJD_{x,n}}{JD_n} \times DDBR_{x,n}$$

Where:

DDBR<sub>n,x</sub> is the base swap rate in respect of the Debt Contract Month in which NJD<sub>x,n</sub> was first hedged as determined in accordance with the Swap Pricing Protocol.

N means the number of days in the *n*th Debt Contract Month.

### EBRshare2<sub>n</sub>

The definitions for the terms in EBRShare2<sub>n</sub> are the same as they are for EBRShare1<sub>n</sub>.

$$EBRshare2_n = \text{Min} \left\{ OD_n \times 0.5(EBR_n - FCBR_n) \times \frac{N}{365}, 0 \right\}$$

## 8. Additional Payments

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Each Additional Payment, including but not limited to Incentive Payments (where applicable) will be paid in accordance with clause 53.2 (Report and Invoice) of the Base Agreement.

## **9. Charges**

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Each Charge Event will be calculated and paid in accordance with Schedule 16 (Performance Regime) of the Base Agreement.

## **10. Cap on Total Deductions**

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- 10.1** The Department may not, in respect of any Contract Month, make Total Deductions which are greater than the Monthly Unitary Charge. Deductions which, but for this paragraph 10, could have been made by the Department will be permanently disregarded for the purposes of this Schedule 17.
- 10.2** For the avoidance of doubt, paragraph 10.1 applies to Total Deductions only and does not apply to Charges.

## Schedule 18: Innovation Outside the Project

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### 1. Introduction

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#### 1.1 Background and objectives

The Contractor acknowledges and agrees that:

- (a) the Department has, during the procurement process for the Project, advised the Contractor of the importance to the Department of Innovation, both within the Project and in connection with the Department's wider strategies and operations;
- (b) specific areas to be targeted for Innovation (inside and outside the Project) include, without limitation to the generality of the Contractor's obligations under this Agreement:
  - (i) the effectiveness of long-term rehabilitation and reintegration programmes;
  - (ii) the reduction of re-offending; and
  - (iii) effectiveness with Māori Prisoners; and
- (c) the identification, assessment, and (if agreed) transfer of Innovation by the Contractor and the performance by the Contractor of its obligations under this Schedule 18 are included within the Objectives.

#### 1.2 Meaning of Innovation

**Innovation** means the identification, assessment, introduction and/or implementation of:

- (a) new or improved ideas, processes, technology, methods or operational or organisational structures or practices; and/or
- (b) cost, safety or efficiency improvements in connection with existing ideas, processes, technology, methods or operational or organisational structures or practices,

any of which will actually or potentially improve efficiency, operational flexibility and/or outcomes in connection with the provision of the Operational Services under this Agreement or the Department's broader strategies or operations as they relate to the corrections sector in New Zealand (as referenced in paragraph (d) of the definition of "Specific Change in Law" in the Base Agreement).

#### 1.3 Innovation requirements

The Contractor must comply with its obligations under paragraph 2 (Innovation outside Project) of this Schedule 18.

#### 1.4 Other relevant provisions

This Schedule 18 is subject to, and does not prejudice, either party's rights under clause 60 (Intellectual Property) of the Base Agreement. The Department is entitled to exercise its rights under clause 60 of the Base Agreement to use or implement Developed IP at any time. For the avoidance of doubt, nothing in this Schedule 18 gives the Department any additional rights to the Contractor Background IP in addition to the rights specified in clause 60.6 (Licensing of Contractor Intellectual Property) of the Base Agreement.

## **1.5 Contracting**

Any contract entered into pursuant to this Schedule 18 is intended to be entered into between the Department and the Contractor's Nominee (as defined below). The Contractor is not intended to be a party to any such contract.

## **2. Innovation outside Project**

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### **2.1 Regular reporting and consultation**

By no later than each anniversary of Financial Close falling within each Contract Year, the Contractor will provide the Department with a written report, in accordance with clause 37.3 (Regular reporting and consultation) of the Base Agreement, detailing opportunities for Innovation outside the Project, which the Contractor considers in its reasonably held opinion will actually or potentially improve efficiency, operational flexibility and/or outcomes in connection with the provision of the Operational Services under this Agreement or the Department's broader strategies or operations as they relate to the corrections sector in New Zealand (as referenced in paragraph (d) of the definition of "Specific Change in Law" in the Base Agreement) including:

- (a) details of the Contractor's use and intended use of Innovation within the Project;
- (b) details of any opportunities for Innovation, other than Innovation used or intended to be used within the Project;
- (c) opportunities for any such Innovation to be applied in or provided to the Department's operations or strategies outside the Project;
- (d) opportunities for the Department to test any identified Innovation; and
- (e) appendices incorporating the detailed research findings of the Major Sub-contractor responsible for the delivery of the Corrections Services and its parent's innovation or research and development team (however described) that would reasonably be considered to be relevant to the corrections sector in New Zealand.

The Contractor shall not be obliged to comply with this paragraph 2.1 to the extent that such compliance would cause any person to be in breach of any confidentiality or other contractual requirement with any person other than an Affiliate or relevant legal or statutory restrictions in the relevant jurisdiction.

### **2.2 Department to assess Innovation opportunities**

The Department may consider any Innovation opportunities presented by the Contractor under paragraph 2.1, or of which it otherwise becomes aware through the Contractor's performance of its obligations in respect of the Project, for use in the Department's strategies or operations outside the Project.

### **2.3 Department may require business case**

Where the Department decides that it wishes to consider an Innovation opportunity in more detail, it may require the Contractor, on written notice, to prepare a business case setting out:

- (a) the Contractor's view on the practicality and suitability of incorporating the Innovation into the Department's strategies or operations;

- (b) the projected costs of and timeframes for implementation of the Innovation;
- (c) proposed criteria for measurement of the impact of the Innovation;
- (d) a high-level implementation and integration plan;
- (e) any known impediments to implementation;
- (f) the member of the Contractor's consortium, or its related party, that would contract to provide the Innovation to the Department (the **Contractor's Nominee**); and
- (g) such other matters as are notified by the Department to the Contractor, to the extent such matters are reasonably required by the Department to consider the Innovation opportunity in further detail.

## 2.4 Procurement principles

- (a) The parties acknowledge that:
  - (i) the process undertaken by the Department in connection with the procurement of the Facility also sought and evaluated the Contractor's (and the consortium members') ability to deliver Innovation to the Department outside the scope of the Project; and
  - (ii) the Department's selection of the Contractor to undertake the Project was, in part, a result of its responses to the Innovation-related aspects of the Tendering Information.
- (b) The Department intends, to the extent that it is not precluded from doing so under the Mandatory Procurement Rules, to seek to develop and enter into any contracts relating to the implementation of Innovation directly with the Contractor's Nominee and not through a competitive tender process.
- (c) The Department will investigate and, to the extent reasonably practicable, confirm to the Contractor in writing, at or before the time at which it requires the development of a business case under paragraph 2.3, whether:
  - (i) it would be able to develop and enter into any contract arising from the business case, with the Contractor's Nominee, on a bilateral basis; or
  - (ii) it would be required to offer any such contract for tender in accordance with the Mandatory Procurement Rules.
- (d) If the Department is unable to provide the confirmation under paragraph 2.4(c) to the Contractor prior to commencement of the relevant business case, it will provide such confirmation as soon as it is reasonably practicable to do so.
- (e) Where paragraph 2.4(c)(ii) or paragraph 2.4(d) applies:
  - (i) the relevant business case developed by the Contractor may identify information provided by the Contractor as being confidential or proprietary to the Contractor; and
  - (ii) the Department will not include any information so identified in any tender documentation issued in connection with the procurement of the Innovation, without the Contractor's prior written consent.

## **2.5 Information exchanges**

The Contractor will, during the preparation of any business case under paragraph 2.3, be entitled to request any such information or clarification required to enable preparation of the business case and the Department will, subject to any applicable security or confidentiality restrictions, provide such information or clarification within a reasonable time following request.

## **2.6 Costs of business case**

- (a) Following the Department's request for the preparation of a business case under this paragraph 2, the Contractor will provide the Department with an estimate of its direct costs (including internal management time charged at a reasonable rate) of preparing and competing the business case.
- (b) The Department will pay the Contractor's direct costs of preparation of any business case, as an Additional Payment, on receipt of a valid invoice following completion of the business case. The amount to be paid by the Department will be capped at the amount estimated by the Contractor under paragraph 2.6(a), or as otherwise agreed between the parties.

## **2.7 Time for preparation of business case**

Any business case to be prepared under this paragraph 2 must be prepared within the time agreed between the Department and the Contractor for its preparation or, failing agreement, within a reasonable time specified in writing by the Department.

## **2.8 Decision to implement**

Following delivery by the Contractor of any business case under this paragraph 2, the Department will assess the same and may seek (and shall be entitled to receive) any clarifications required from the Contractor. Following final assessment of any business case, the Department will notify the Contractor, in writing, whether it wishes to proceed with the Innovation as detailed in the business case (subject to any terms or conditions imposed by the Department, and subject to undertaking a competitive process if required under paragraph 2.4) or whether it does not wish to proceed.

## **2.9 Implementation and contract**

Where the Department notifies the Contractor that it wishes to proceed with an Innovation as set out in paragraph 2.8 (and is not required to undertake a competitive process under paragraph 2.4), the Department will prepare an implementation plan and a draft contract setting out the terms and conditions under which the Innovation will be implemented. The draft contract will include the following key terms:

- (a) details of the Contractor's Nominee;
- (b) services, materials and/or intellectual property to be provided;
- (c) timetable and structure for implementation;
- (d) any dependencies or interface issues required to be managed to allow implementation of the Innovation; and
- (e) payments to the Contractor's Nominee, which will be divided into:



- (i) implementation payments (which are to be made on an open book, time and materials cost-recovery basis along with a margin to be agreed between the Department and the Contractor's Nominee); and
- (ii) incentive payments (which are to be developed and calibrated based on the principles set out in paragraph 2.10).

## **2.10 Principles for incentive payments**

Where the Department and the Contractor's Nominee enter into a contract for the implementation of Innovation under this paragraph 2 (which for the avoidance of doubt, shall be subject to mutual agreement of those parties), the payment provisions will be developed in accordance with the following principles:

- (a) a methodology for assessing the impact or success (whether financial or non-financial) of the Innovation on the Department's strategies or operations will be established;
- (b) incentive payments will only be made in arrears, following the achievement and subsequent assessment of measureable benefits for the Department in accordance with the methodology referred to above; and
- (c) incentive payments will be calibrated so that any incentive payment to the Contractor's Nominee will be proportional to the benefits (whether financial or non-financial) derived by the Department from the implementation of the Innovation.

## Schedule 19: Delegations and Instructions

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### 1. General

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#### 1.1 Precedence

This Schedule 19 is subject to clause 8.1 (Statutory functions) of the Base Agreement.

#### 1.2 Definitions

In this Schedule, unless the context otherwise requires, the following terms have the following meanings:

**Approved Employee** has the meaning given to that term in regulation 4 of the Corrections Regulations;

**Delegations Protocol** means the protocol established by the Department and the Contractor, as at the Execution Date as appended to Schedule 26 (Related Documents), as may be modified from time to time in accordance with its terms;

**Delegated Matters** means a power or function that can be exercised by an Approved Employee, set out in Appendix B (Delegated Matters) of the Delegations and Instructions Table appended to Schedule 26 (Related Documents), as may be modified by the Department from time to time;

**Department Delegate** means a person appointed by the Department as the appropriate delegate for the specific power or function, as detailed in the protocol particulars referred to in the Delegations Protocol and as may be modified by the Department from time to time;

**Prison Manager** has the meaning given to that term in the Corrections Act; and

**Reserved Matters** means a power or function that can be exercised by the Chief Executive or a Department Delegate, set out in Appendix A (Reserved Matters) of the Delegations and Instructions Table appended to Schedule 26 (Related Documents), as may be modified by the Department from time to time.

#### 1.3 Acknowledgements

(a) Without limiting its obligations under this Agreement, the Contractor acknowledges:

- (i) sections 41 and 42 of the State Sector Act 1988;
- (ii) section 10 of the Corrections Act; and
- (iii) regulation 4 of the Corrections Regulations.

(b) The parties acknowledge and agree that:

- (i) the Chief Executive has the exclusive and unfettered discretion to delegate certain powers and functions to an Approved Employee;
- (ii) the appointment of the Prison Manager is subject to the approval of the Chief Executive to be undertaken in accordance with the Protocol for the Appointment of the Prison Manager; and

- (iii) the Prison Manager, once approved by the Chief Executive, shall be appointed by the Contractor but shall be an employee of the Major Sub-contractor responsible for the delivery of the Corrections Services.

## **1.4 Effect of delegations**

The Contractor:

- (a) shall be responsible in accordance with this Agreement for the exercise of any power or function of the Chief Executive delegated to an Approved Employee;
- (b) is not relieved of any of its obligations and liabilities under this Agreement as a result of the delegation of any power or function to an Approved Employee; and
- (c) remains fully responsible for the delivery of the Corrections Services.

## **1.5 Reference of Reserved Matters**

The Contractor shall refer any Reserved Matter to the Department:

- (a) promptly and otherwise within such time as shall reasonably enable the Department to comply with its legal obligations; and
- (b) together with such supporting information as the Department may specify from time to time,

in accordance with the Delegations Protocol.

## **1.6 Procedure for exercising Reserved Matters**

- (a) Where the Contractor wishes the Department to exercise a power or function that comprises a Reserved Matter:
  - (i) it must first, in accordance with the Delegations Protocol, make a request for the Department to exercise such Reserved Matter;
  - (ii) it may, only if the Department exercises such Reserved Matter, take actions to implement the terms of such Reserved Matter, subject to any conditions imposed by the Department;
  - (iii) if the Department refuses to exercise such Reserved Matter, it must refrain from taking actions to implement the terms of such Reserved Matter; and
  - (iv) if the Department fails to respond to the request for the Department to exercise a Reserved Matter (such request being in accordance with the Delegations Protocol), it must refrain from exercising such Reserved Matter.
- (b) If the Contractor decides to not take actions to implement the terms of a Reserved Matter (as contemplated by paragraph 1.6(a)(ii)), the Contractor shall notify the Department of its decision within a reasonable timeframe.
- (c) The Contractor:
  - (i) is not relieved of any of its obligations and liabilities under this Agreement as a result of the Department exercising or refusing to exercise a Reserved Matter (excluding where the Department is deemed to have refused to exercise a Reserved Matter through its failure to respond); and

- (ii) remains fully responsible for the delivery of the Corrections Services.
- (d) The parties shall comply with the procedure set out in the Delegations Protocol.
- (e) The Contractor shall not be liable to the Department under the Project Documents for any breach of its obligations under this Agreement to the extent the Department fails to respond to the Contractor's request for the Department to exercise a Reserved Matter in accordance with the Delegations Protocol.

## **1.7 Records**

The Contractor shall keep and maintain a full and accurate record of:

- (a) Delegated Matters determined by the Approved Employee;
- (b) Reserved Matters referred to the Department; and
- (c) matters determined by the Prison Manager,

such records to be made available to the Department and Monitor upon reasonable request.

## **1.8 Reports**

Without prejudice to its reporting obligations under Schedule 15 (Reporting), the Contractor shall be responsible for reporting on:

- (a) Delegated Matters determined by the Approved Employee;
- (b) Reserved Matters referred to the Department; and
- (c) matters determined by the Prison Manager,

as may be required by Law.

## **2. Reservations and delegations**

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### **2.1 Reserved Matters**

The powers and functions proposed to be reserved to the discretion of the Department are identified in Appendix A (Reserved Matters) of the Delegations and Instructions Table appended to Schedule 26 (Related Documents).

### **2.2 Proposed Approved Employee delegations**

The Department may at any time and from time to time (acting through the Chief Executive):

- (a) propose a list of matters to be delegated to an Approved Employee. These matters may include but are not limited to any power or function of the Chief Executive described in:
  - (i) regulations 59(2) and (3) regarding additional segregation facilities for certain segregated prisoners;
  - (ii) regulations 60(2) and (3) regarding cells for prisoners at risk of self harm;

- (iii) regulations 61(2) and (3) regarding cells for the assessment of prisoners' mental health;
  - (iv) regulations 157(2) and (3) regarding cells used for cell confinement;
  - (v) regulations 180(1) and (2) regarding the mixing of young and adult prisoners;
  - (vi) regulation 186(3) regarding the separation of accused prisoners; and
  - (vii) otherwise described in the Corrections Act, the Corrections Regulations or the State Sector Act 1988; and
- (b) withdraw, amend or extend any power or function delegated to an Approved Employee.

## **2.3 Delegations**

The powers and functions proposed to be delegated to an Approved Employee are identified in Appendix B (Delegated Matters) of the Delegations and Instructions Table appended to Schedule 26 (Related Documents).

## **3. Approved Employee**

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### **3.1 Recommendation of Approved Employee**

At the request of the Department, the Contractor shall recommend and nominate suitably qualified person or persons to undertake the role of Approved Employee for the consideration and approval of the Chief Executive.

### **3.2 Unavailability of Approved Employee**

In the absence or unavailability of an Approved Employee, the Contractor shall refer the relevant Delegated Matter (if any) to the Department for determination.

### **3.3 Internal protocol for Approved Employee**

For all powers and functions that can be exercised by an Approved Employee, the Contractor agrees to develop, maintain and comply with an internal protocol setting out how such discretions, powers and functions delegated to an Approved Employee will be taken. This protocol will also cover any sub-delegations (where appropriate) and any other general matters that it would be prudent to include.

## **4. Prison Manager**

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The Department and the Contractor acknowledge and agree that as at the Execution Date the Prison Manager has certain powers and functions in relation to the Prison as set out in the Corrections Act, the Corrections Regulations or otherwise provided by Law. A summary of these powers and functions are set out in the Prison Manager Table appended to Schedule 26 (Related Documents), as may be modified from time to time.

## Schedule 20: Change Notice

<b>Contract</b> <i>[insert details]</i>	<b>Change Proposal No.</b> <i>[insert details]</i>
<b>To:</b> (Change recipient)  <b>From:</b> (Change proposer)	
<b>Section 1 – Details of proposed Change or Consequential Change (to be completed by the Change proposer)</b>	
<div style="margin-left: 20px;"> <input type="checkbox"/> Material Change  <input type="checkbox"/> Non-Material Change  <input type="checkbox"/> Consequential Change         </div> <p><b>Details of the Change</b></p> <p>All Changes and all Consequential Changes - insert details, including in the case of:</p> <ul style="list-style-type: none"> <li>• Change to Works Provisioning - details of the nature of the Change or Consequential Change;</li> <li>• where applicable, which of the provisions of the Works Requirements, Works Provisioning Programme, the Completion Plan and/or the Works Project Management Plan are required to be amended to accommodate the relevant Change or Consequential Change;</li> <li>• Change that requires additional works as part of the Works Provisioning - details of:             <ul style="list-style-type: none"> <li>• the nature and scope of the relevant additional works to the same level of detail as set out in Works Requirements; and</li> <li>• the times at or by which the work to implement the relevant Works is proposed to be commenced and completed;</li> </ul> </li> <li>• Change to the Corrections Services - details of the nature of the Change or Consequential Change and which of the provisions of the Corrections Services Requirements and/or the Corrections Services Documentation are required to be amended to accommodate the relevant Change or Consequential Change; and/or</li> <li>• Change to the Facility Management Services - details of the nature of the Change or Consequential Change and which of the provisions of the Facility Management Requirements and/or the Facility Management Services Documentation are required to be amended to accommodate the relevant Change or Consequential Change.</li> <li>• Consequential Changes – details of the nature of the Consequential Change, including (in addition to the details set out above):             <ul style="list-style-type: none"> <li>○ the nature of any Corrections Services to be removed from the Operational Services;</li> </ul> </li> </ul>	

- where a Third Party Contractor is to be engaged, the nature and scope of work to be undertaken by that Third Party Contractor;
- the form of contract with a Third Party Contractor (if any/if applicable) and/or the proposed form of the Corrections Services Requirements;
- the identity of the Third Party Contractor or invited tenderers (if applicable);
- the timing of entry into a contract with the Third Party Contractor (if applicable); and
- where the Consequential Change relates to works undertaken during any period of Step-in, details of such works and the consequences that subsist (if applicable).

#### **Material Change proposed by the Department**

If the Department is the party sending the Change Notice or Consequential Change Notice, whether the Department intends to require the Contractor to use its best endeavours to seek funding for Capital Expenditure – Yes/No

#### **Change proposed by the Contractor**

If the Contractor is the party sending the Change Notice:

- (a) insert details of Contractor's reasons for proposing the Change; and
- (b) any additional information concerning the Change as may be requested by the Department.

#### **Consequential Change**

Is the Consequential Change a Significant Consequential Change? – Yes/No

Signed for and on behalf of the  
Change proposer by

.....

Name  
Position  
Date

### **Section 2 – Change Proposal (to be completed by the Contractor)**

#### **Section 2.1 – Statement of Work, Relief, Cost Estimates, Consent, Timing and Consequences**

##### **Statement of Work**

*All Changes* [insert details of the steps the Contractor proposes to take to implement the Change and the consequences of the Change]

##### **Relief from Contractor's obligations required**

*Any Change where the Department is the Change proposer, including a Consequential Change*

[insert details of any extension of time required for Works Provisioning, any proposed revised

Relevant Service Commencement Date, or any proposed variations to the Corrections Services Requirements, Facility Management Requirements or Key Performance Indicators required to put the parties in a no better and no worse position in relation to the project than they would have been if such Change had not been implemented]

[enclose a revised Works Provisioning Programme and/or Preliminary Operational Completion Plan or Operational Completion Plan if relevant and indicate whether the extension of time and/or relief claimed is subject to receiving any Consent and the time by which it must be received for the extension of the time claimed in this section to remain valid]

**Cost of the Change (to be determined in accordance with Schedule 21 (Change Compensation Principles) and to be disclosed on an Open Book Basis)**

*Material Changes and Consequential Changes only*

[insert full details of estimated Change in Costs and/or Capital Expenditure for the account of the Department and/or the Contractor, taking into account for these purposes:

- how any expenditure that has been avoided or that is anticipated to be incurred as a result of the Material Change has been taken into account in determining the estimated Change in Costs and/or any Capital Expenditure that is or may be for the account of the Department;
- any impact upon the Unitary Charge from any Capital Expenditure required or no longer required as a result of the Material Change and, if appropriate, such increase or decrease in Capital Expenditure broken down into:
  - in respect of any Material Change made or to be made during Works Provisioning:
    - the likely valuation of the proposed Change and/or the capital costs likely to be incurred; and
    - any capitalised interest, expenses, third party financing costs or other costs to be incurred by the Contractor as a result of any delay in achieving the Planned Service Commencement Date or any other consequence of the Change; and/or
  - in respect of any Material Change made or to be made following Operational Completion:
    - direct labour (person rates and wage rates);
    - materials (including specialist tools);
    - travel and subsistence;
    - overheads;
    - finance charges (including arrangement fees); and
    - any sub-contracted work where the value of such work is in excess of \$5,000,000 (indexed) identifying:
      - each sub system, package of work, service or purchase of components and raw materials;



- a detailed breakdown of prices/rates quoted for each tender requirement and the means by which prices are determined to be fair and reasonable;
- the identity of the proposed Sub-contractor; and
- any other relevant factors,

(in each case and to the extent applicable, as per the schedule of rates referred to in Schedule 21 (Change Compensation principles)) and, if the Contractor does not propose to invite competitive tenders for such sub-contracted work and the value of such work exceeds \$13,000,000 (indexed), the Contractor shall provide full details of its reasons for not doing so; and

- any impact upon the Unitary Charge from any operating costs required or no longer required as a result of the Change and, if appropriate, the Unitary Charge that would result from such increase or decrease in operating costs broken down into:
  - any increase or decrease in the costs for the Works;
  - any increase or decrease in the utility costs; and
  - any increase or decrease in the costs of staff, consumables and sub-contracted or bought in services].

[insert details of any estimated overhead recoveries that are anticipated after the Material Change is implemented]

[insert details of any:

- additional insurance costs;
- pricing assumptions made; and/or
- costs of repair or replacement as a consequence of the Material Change]

[insert proposed payment schedule – including the timing of Capital Expenditure payments where the Department is paying the Capital Expenditure. Where payment for any part of the Change reflects the carrying out of, or specific progress towards, an element of the Change, the payment schedule is to include an objective means of providing evidence confirming that the part of the Change corresponding to each occasion when payment falls due under the payment schedule, has been carried out.]

[describe steps taken to mitigate the adverse effects of the Material Change, to take advantage of any positive or beneficial effects of any Change and to maximise any reduction in costs arising from the Material Change]

**Consents required or required to be amended (including Consents from financiers and authorisations from insurers)**

*All Changes/Consequential Changes* [insert details]

*All Changes/Consequential Changes other than to Operative Documents* [Financier consent has been obtained and a copy is attached] or [Financier consent has been sought and a copy of the consent will be provided to the Department once obtained and prior to implementation of the Change.]

### **Timing of implementation of the Change**

*All Changes/Consequential Changes* [insert details] [Note: except in relation to changes to Operative Documents, the timing of the implementation must be after the Department has received a copy of the consent of the financiers or due confirmation as to their deemed consent]

### **Certification of successful implementation of the Change**

*Non-Material Changes prior to Operational Completion and all Material Changes* [insert details of certification procedures if required]

### **Other consequences of Change to be specified**

*All Changes and Consequential Changes*

[to include (to the extent known or predicted) the effects of the proposed Change on:

- workmanship, quality or appearance or durability of any part of the Works;
- the design, construction or commissioning of the Works;
- the management and maintenance of the Works;
- the residual value of the Works;
- the Works continuing being Fit for the Intended Purposes;
- the provision of the Operational Services;
- the capability of the Contractor to meet the Corrections Services Requirements, Facility Management Requirements and the Key Performance Indicators and maintain the Performance Standards;
- the Department's relationships with third parties;
- any rectification programme referred to in clause 79.4(b)(i);
- any Prevention Plan referred to in clause 79.4(c)
- any warranty given by the Contractor under the Project Documents;
- the performance of any other of the Contractor's obligations under the Project Documents;
- the Project, including its risk profile (to the extent not covered above); and
- where the Consequential Change is a Significant Consequential Change:
  - changes in the subcontracting structure;
  - changes to any Project Documents or Ancillary Documents.

## **Section 3 – Contractor's Certifications (to be completed by a director of the Contractor)**

The Contractor certifies that:

1. in respect of any Non-Material Change prior to Operational Completion, the Change the subject of this Change Notice, where requested by the Contractor, will not negatively affect the safety, security or robustness of the Prison;
2. the Change the subject of this Change Notice cannot be accommodated within the next planned refurbishment of the relevant part of the Works;
3. it is not aware of any material omission or inaccuracy in the facts and pricing assumptions provided by it, on which the cost of the Change in Section 2 of this Change Notice is based;
4. in estimating the costs on which the cost of the Change recorded in Section 2 of this Change Notice is based, it has observed the requirements of Part 13 (Changes) of the Base Agreement and the Change Compensation Principles;
5. in costing the Change, full account has been taken of all insurance moneys on which the Contractor has made or may be able to make a claim under any Insurance Policies or which it

might have been able to make a claim on if it had complied with its insurance obligations under this Agreement;

6. the proposed Change will not cause any of the Works not to be Fit for the Intended Purposes, nor prevent, impede or increase the cost of the Works Provisioning, nor adversely affect performance of the Contractor's other obligations under this Agreement, except to the extent that it is expressly stated or referenced in Section 2 of this Change Notice; and
7. the proposed Change will not prevent, impede or increase the cost of the Operational Services or adversely affect the Corrections Services Requirements, Facility Management Requirements, the Key Performance Indicators, the Performance Standards or the performance of the Contractor's other obligations under this Agreement except to the extent that it is expressly stated or referenced in Section 2 of this Change Notice.

**Signed for and on behalf of the**

**Contractor**

.....

**Name**

**Position**

**Date**

**Section 4.1(a) (to be completed by Department)**

*Material Change*

*Initiated by Department*

Change Proposal Variations: No/Yes [if yes set out particulars]

**Section 4.1(b) (to be completed by Department)**

*Changes  
proposed by  
Contractor*

Change Proposal Variations: No/Yes [if yes set out particulars]

**Section 4.2: Technical and finance approval (to be completed by the appropriate Department officers and to signify approval of the Change Proposal subject to any permitted specified change proposal variations, subject to Department approval)**

*All Changes* [when read subject to the change proposal variations noted above]

(Project Manager)

(Finance Manager)

.....

.....

Name

Name

Branch	Branch
Date	Date
<p><b>Section 4.3: Overall approval of Change (to be completed by the Department and to signify approval of the Change Proposal subject to any permitted specified change proposal variations and any formal variations to the Agreement set out in section 7 below)</b></p> <p><i>All Changes</i> [when read subject to the change proposal variations noted above, and the variations to the Agreement set out in section 7 below]</p> <p>Overall Approval (Department)</p> <p>.....</p> <p>Name</p> <p>Branch</p> <p>Date</p>	
<p><b>Section 5 – Confirmation that implementation of the Change completed (to be completed by the Contractor)</b></p>	
<p><i>All Changes</i></p>	
<p><b>Section 6 – Certification of Work covered by the Change (to be completed by or on behalf of the Department)</b></p> <p><i>Non-Material Changes prior to Operational Completion and all Material Changes</i></p>	
<p><b>Section 7 – Formal variations to the Agreement (to be completed by the Department)</b></p> <p>[insert details of all amendments needed to the Agreement to implement the agreed Change]</p>	

## Schedule 21: Change Compensation Principles

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### 1. General Principles

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#### 1.1 Open Book

Any Change, Consequential Change or Change in Costs in respect of which the Department has agreed or is obliged to pay the Contractor compensation will only be approved and will only be payable by the Department if the calculation of charges proposed by the Contractor are disclosed to the Department on an Open Book Basis (including in relation to components of the price submitted by any Major Sub-contractor).

#### 1.2 Other Considerations

In determining any Change in Costs or the amount of compensation payable in respect of a Change or Consequential Change:

- (a) appropriate regard must be given to the timing of cash flow and all cash flows should be discounted or inflated to reflect when they occur (if appropriate);
- (b) the Contractor:
  - (i) must take and require all Contractor Related Persons to take all proper and reasonable steps to mitigate the effect and consequences of the Change, Consequential Change or event giving rise to the Change in Costs; and
  - (ii) will not be entitled to compensation under these Change Compensation Principles for any Costs or Losses to the extent it, or any relevant Contractor Related Person, has failed to comply with paragraph 1.2(b)(i) of these Change Compensation Principles;
- (c) the compensation will be assessed in a manner which avoids double counting, particularly in relation to profits and margins and delay and prolongation costs; and
- (d) the compensation calculation will take full account of any insurance proceeds or damages or other compensation or amount paid or payable to the Contractor or any relevant Contractor Personnel or which would have been payable to the Contractor or any relevant Contractor Personnel had the Contractor or the relevant Contractor Personnel complied with the Contractor's insurance obligations under the Base Agreement and made a proper claim under the relevant Insurance Policies as a result of the occurrence of the relevant event.

#### 1.3 Omission of Services

Where the Department omits Works or a Service by way of a Consequential Change, the provisions in paragraph 3 (Consequential Changes) (and not paragraph 2 (Material Changes)) shall apply.

## 1.4 Margin Allowances

The Margin Allowances are as follows:

Change Component	Margin Allowance		
Contractor Margin	\$0 to \$100,000 (inclusive)  (Base Cost either by way of one off Capital Expenditure or annual Operating Expenditure)	>\$100,000 to \$500,000 (exclusive)  (Base Cost either by way of one off Capital Expenditure or annual Operating Expenditure)	>\$500,000  (Base Cost either by way of one off Capital Expenditure or annual Operating Expenditure)
	0%	2.5%	5%

Change Component	Margin Allowance
Builder Margin	7.5%
Services Provider Margin	9%

## 2. Material Changes

### 2.1 Generally

The entire compensation payable by the Department for the implementation of a Material Change that has not been, and will not be tendered out pursuant to paragraph 2.9 of these Change Compensation Principles is to comprise only:

- (a) the Base Costs and (subject to paragraph 2.3) a Margin and not any separate fee, profit, element or uplift; and
- (b) any third party costs that the Department has agreed to pay for, subject and in accordance with clause 48 (Confirmation or withdrawal of Change Notice) of the Base Agreement.

### 2.2 Sub-contractor's Margins

The Margin that a Sub-contractor may apply to its Base Costs for the implementation of any Material Change is not to exceed the Margin Allowance.

### 2.3 Contractor's Margin Allowance

The Contractor may not charge any Margin in connection with the management or implementation of any Material Change except as provided in this paragraph 2.3. The Contractor may charge a Margin, in the case of sub-paragraphs (a), (b) and (c), up to (but not exceeding) the applicable Margin Allowance, in connection with the implementation of any Material Change, but only where the Contractor can demonstrate to the Department that:

- (a) due to the complexity of the Material Change, it is necessary for the Contractor to deploy more significant additional or specialised resources into the processing or

management of the Material Change when compared to the level or type of resource contemplated for the standard Change management service as set out in the Base Case that is then current as at the date of the submission of the relevant Change Notice;

- (b) due to the high value nature of the Material Change, the Contractor is being required to assume extraordinary risks in connection with the performance of the Sub-contractors in implementing the Change; and/or
- (c) the Contractor needs to charge a Margin in order to be left in a no better and no worse position.

## **2.4 Base and lifecycle costs**

- (a) The labour cost and professional fee cost components of the Base Costs for a Material Change are to be calculated on the basis of a schedule of rates for labour costs and professional fees reflecting current market rates on a fair and reasonable basis.
- (b) Any lifecycle replacement and maintenance associated with additional works (or changes to the Works) shall be consistent with the lifecycle and maintenance profile of the Works envisaged in the Base Case and/or the Asset Management Plan provided that the Contractor, in submitting any Change Notice or Change Proposal, shall reflect improvements in technology that can optimise whole life costs for the Department within such Change Notice or Change Proposal. If any such additional works are specified to a higher quality as compared to the Works, then the unit lifecycle replacement and maintenance costs shall be (in real terms) lower.

## **2.5 Costs or savings**

- (a) The costs or savings applicable to any Material Change to be paid for or received by the Department and that has not or that will not be tendered out pursuant to paragraph 2.9 of these Change Compensation Principles are to be calculated as follows:

$$P = A - B$$

where:

**P** = the amount payable to or by the Contractor;

**A** = the amount payable to the Contractor or any Sub-contractor for implementing the Material Change calculated in accordance with these Change Compensation Principles; and

**B** = the amount avoided or saved by the Contractor.

- (b) The calculation of A and B in the foregoing formula must take into account the Base Costs and any Margin payable in accordance with these Change Compensation Principles to the extent required to leave the Contractor in a no better and no worse position following implementation of the Material Change.
- (c) In determining Base Costs, the Contractor will only be entitled to compensation for those costs:
  - (i) including any design, construction, commissioning, operation, maintenance, repair, deferment, delay and financing costs (if any) properly and reasonably to be incurred and directly attributable to the implementation of the Material Change in question; and
  - (ii) excluding any Margin.

- (d) For the purposes of calculating any Margin Allowance, all Base Costs will exclude any financing, delay or prolongation costs that may otherwise be payable in accordance with these Change Compensation Principles.
- (e) In calculating B in the foregoing formula, the calculation of Base Costs must include all costs avoided by the Contractor or any Sub-contractor and Margins saved as a result of the implementation of the Material Change.
- (f) The Contractor must use its best endeavours to ensure that its Sub-contractors minimise any increase in costs and maximise any reductions in costs.

## **2.6 Form of Compensation**

Subject to the terms of the Base Agreement, the amounts calculated in accordance with this Schedule 21 will be paid in a manner determined by the Department, by one or more lump sum payments, by increasing or decreasing the Unitary Charge or by a combination of these.

## **2.7 Payment of Compensation**

Any compensation payable by the Department in respect of a Material Change:

- (a) by means of adjustment to or reduction in the Unitary Charge, is to be calculated in accordance with clause 5 (Base Case and Base Case Adjustments) of the Base Agreement; or
- (b) other than by means of adjustment to or reduction in the Unitary Charge, are to be made in accordance with and subject to clause 53.2 (Report and invoice) of the Base Agreement.

## **2.8 External funding of Material Changes**

- (a) If the Department has not elected to fund the Capital Expenditure element in accordance with clause 44.3(b) (Sufficient details of Change) of the Base Agreement, and if the Change Proposal proposes Capital Expenditure due to a Material Change, then the Contractor is to use its best endeavours to obtain funding for:
  - (i) the whole of the additional Capital Expenditure; or
  - (ii) if that Change relates to a General Change of Law that is proposed after the Service Commencement Date, funding for such part of the additional Capital Expenditure remaining after the Contractor's Share has been deducted,

on terms reasonably satisfactory to it and the Senior Lenders and the Department.
- (b) Such external funding may be sourced from savings resulting from earlier Changes which have resulted in funding being available under the Financing Agreements, from additional funding under the Financing Agreements, funding from the Contractor itself and funding from other third party sources approved by the Department. The financing costs directly attributable to the funding of the Material Change in question shall form part of the compensation payable by the Department, but only then subject to the terms of these Change Compensation Principles.
- (c) The Contractor is to:
  - (i) advise the Department in writing as soon as practicable after being directed by the Department to use its best endeavours to obtain funding for additional Capital Expenditure:



- (A) of the Contractor's proposed method of funding the additional Capital Expenditure;
  - (B) of the adjustment proposed in the monthly Unitary Charge in the event that the Contractor is able to obtain funding for the additional Capital Expenditure; and
  - (C) of any upfront costs, payments or reimbursements required as costs arise or savings are realised; and
- (ii) keep the Department informed throughout the period of its receipt of the Change Notice until it is required to return the Change Notice to the Department pursuant to clause 45.1(b) (Response and response period) of the Base Agreement of the progress of its endeavours to obtain funding for the Capital Expenditure.
- (d) The Department may, at any time up to the end of the period the Contractor is required to return the Change Notice to the Department, notify the Contractor that the Department agrees to meet all or, to the extent that the Contractor has obtained funding for part of the Capital Expenditure, the remaining part of the Capital Expenditure.

## **2.9 Process to follow if Department requires tendering of a Significant Material Change**

- (a) If a Change is a Significant Material Change, the Department may, in its absolute discretion, require the Contractor to obtain competitive quotations for the work or for elements of the work entailed in implementing the Change in accordance with this paragraph 2.9 of these Change Compensation Principles.
- (b) The Contractor must obtain three separate quotations (or such other number of quotations as directed by the Department, acting reasonably) from experienced, independent and capable contractors that are acceptable to the Department, two of which may not be Contractor Related Persons, unless otherwise agreed by the Department (in its sole discretion).
- (c) The Contractor will be responsible for selecting a sub-contractor from this process in full consultation with (and subject to the prior agreement of) the Department (acting reasonably).
- (d) The Contractor must permit the Department to review all materials that are submitted in the tender process and provide any other information that the Department reasonably requires.
- (e) The Contractor must provide the Department with information that demonstrates to the reasonable satisfaction of the Department that the sub-contractor it intends to select and engage is the best choice having regard to:
  - (i) the price quoted in the prevailing market conditions;
  - (ii) the relevant experience and capability of that sub-contractor in the context of the Change;
  - (iii) the ability of the sub-contractor to carry out the work in the manner required by the Base Agreement;
  - (iv) the requirements of clause 16 (Sub-contractors) of the Base Agreement; and
  - (v) the financial standing and credit worthiness of that sub-contractor.

- (f) The Department may (acting reasonably) within 10 Business Days from receipt of the material provided by the Contractor under paragraph 2.9(d), and the information provided by the Contractor under paragraph 2.9(e), advise the Contractor that it:
  - (i) does accept the tender and the terms of engagement, in which case the Contractor will appoint the sub-contractor to implement the Material Change on those terms; or
  - (ii) does not accept the sub-contractor because that sub-contractor:
    - (A) does not have the legal capacity, power and agency to become a party to and perform the obligations of the relevant sub-contractor under the relevant sub-contract; or
    - (B) does not employ persons having the appropriate qualifications, experience and technical competence and having the resources available to it (including committed financial resources and sub-contracts) sufficient to enable it to perform the obligations of the relevant sub-contractor under the relevant sub-contract; or
    - (C) is a person whose activities are, in the reasonable opinion of the Department, incompatible with the provision of the Corrections Services; or
    - (D) is a person whose activities, in the reasonable opinion of the Department, pose or could pose a threat to the reputation of the Department, if appointed as a sub-contractor by the Contractor; and/or
  - (iii) does not accept the terms of engagement.
- (g) In the event that the Department does not accept the sub-contractor and/or the terms of that tenderer's engagement, the Department may:
  - (i) direct the Contractor not to accept any tender offer;
  - (ii) in the case of a Significant Material Change that has been initiated by the Department sending a Change Notice, withdraw or not issue that Change Notice; or
  - (iii) proceed to implement the work that would otherwise have been performed in respect of the relevant Change itself through sub-contractors chosen by the Department in its sole discretion.
- (h) If the Department implements work in respect of the relevant Significant Material Change itself in accordance with paragraph 2.9(g), the Department may require that the Contractor provide the Operational Services in respect of any modification to the Works for all or part of the remainder of the Contract Term pursuant to a Consequential Change.

## 2.10 Contamination

For the avoidance of doubt, the Contractor and/or the relevant Major Sub-contractor shall be entitled to include within the Change Notice or Change Proposal the cost of remediating and cleaning up any Contamination that is reasonably foreseeable as at the date of the Change Notice or Change Proposal (as the case may be) based on surveys and/or tests undertaken prior to the issue of the Change Notice or as part of the preparation of the Change Proposal.

### **3. Consequential Changes**

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#### **3.1 Generally**

The compensation payable by the Department in respect of Consequential Changes shall reflect the requirements set out in clause 50.2(f) (Department's rights and obligations) of the Base Agreement and shall comprise:

- (a) costs and savings calculated in accordance with paragraph 2.5 (Costs or savings);
- (b) any Margins that would be payable under paragraphs 2.2 (Sub-contractor's Margins) and 2.3 (Contractor's Margin Allowance) in respect of any such additional costs; and
- (c) the following additional components chargeable in respect of Significant Consequential Changes (to the extent applicable) under the relevant Major Sub-contract:
  - (i) the one-off breakage, redundancy and other associated costs expressly payable as a result of the Significant Consequential Change;
  - (ii) an on-going management fee (incorporating overheads, contingencies and reasonable profit) in respect of any Retained Services (to the extent such items are not already incorporated within the Unitary Charge or payable under paragraphs 3.1(a) and/or (b), and without double counting); and
  - (iii) such other reasonable amounts so as to compensate the relevant Major Sub-contractor for a Significant Consequential Change as may be expressly set out in the relevant Major Sub-contract.

#### **3.2 Form and Payment of Compensation**

- (a) Subject to the terms of the Base Agreement, the amounts calculated in accordance with this Schedule 21 will be paid in a manner determined by the Department, by one or more lump sum payments, by increasing or decreasing the Unitary Charge or by a combination of these.
- (b) Any compensation payable by the Department in respect of a Consequential Change:
  - (i) by means of adjustment to or reduction in the Unitary Charge, is to be calculated in accordance with clause 5 (Base Case and Base Case Adjustments) of the Base Agreement; or
  - (ii) other than by means of adjustment to or reduction in the Unitary Charge, are to be made as an Additional Payment in accordance with and subject to clause 53.2 (Report and invoice) of the Base Agreement.

## Schedule 22: Required Insurances

### Part 1 – Design and Construction Phase

The policies to be taken out by the Contractor and maintained from Financial Close to Works Completion are as follows.

#### 1. Contract Works Insurance (Material Damage)

INSURANCE ELEMENT	MINIMUM REQUIREMENT
<b>Insured</b>	<ol style="list-style-type: none"> <li>1. Department;</li> <li>2. Contractor;</li> <li>3. Construction Sub-contractor and its sub-contractors of any tier;</li> <li>4. Major Sub-contractor responsible for the delivery of the Corrections Services;</li> <li>5. Sub-contractor responsible for the delivery of the Facility Management Services;</li> <li>6. corporate support and asset management Sub-contractor;</li> <li>7. Senior Lenders;</li> <li>8. Subordinated Lenders; and</li> <li>9. consultants - for their Department Site activities only,</li> </ol> <p>each for their respective rights and interests in the Project.</p>
<b>Insured property</b>	<p>The permanent and temporary works, materials, goods, plant and equipment for incorporation in the Works (other than constructional plant, tools, accommodation and equipment belonging to or the responsibility of the Construction Sub-contractor or the Construction Sub-contractor's sub-contractors) and all other property used or for use in connection with Works associated with the Project.</p> <p>Insurance to include the following coverage subject to sublimits:</p> <ul style="list-style-type: none"> <li>• materials, plant and equipment (including off-site pre-fabrications);</li> <li>• professional fees;</li> <li>• demolition and removal of debris;</li> <li>• expediting expenses;</li> <li>• contract price escalation, including due to variations and/or increased costs following damage;</li> <li>• inland transit, off-site storage; and</li> <li>• temporary works, scaffolding and formwork.</li> </ul>

INSURANCE ELEMENT	MINIMUM REQUIREMENT
<b>Coverage</b>	“All risks” of physical loss or damage to the insured property unless otherwise excluded.
<b>Sum insured</b>	At all times an amount not less than the full reinstatement or replacement value of the insured property based on the capital cost as nominated by the Contractor in its proposal for the Project in response to the request for proposal, but not less than the value specified in the Construction sub-contract (excluding design costs) plus provision to include extensions as appropriate.
<b>Maximum deductible</b>	Twenty five thousand Dollars (\$25,000) each and every loss increasing to 3% of the value at risk at the time of loss for natural disasters, with a minimum of \$50,000 for each and every loss.
<b>Territorial limits</b>	New Zealand, including off-site storage and during inland transit.
<b>Period of Insurance</b>	From the date of Financial Close to Works Completion, plus a 15 month defects liability/maintenance period.
<b>Cover features and extensions subject to sublimits</b>	<ol style="list-style-type: none"> <li>1. Additional costs of completion clause.</li> <li>2. Professional fees clause.</li> <li>3. Demolition and debris removal clause.</li> <li>4. 72 hour clause.</li> <li>5. Free issue materials clause.</li> <li>6. 10% escalation clause.</li> <li>7. Automatic reinstatement of sum insured clause.</li> <li>8. Loss minimisation.</li> <li>9. Testing and commissioning</li> <li>10. Defects liability/maintenance period of 15 months.</li> </ol>
<b>Principal exclusions</b>	<ol style="list-style-type: none"> <li>1. War and related perils (market agreed wording).</li> <li>2. Nuclear/radioactive risks (market agreed wording).</li> <li>3. Pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.</li> <li>4. Wear, tear and gradual deterioration.</li> <li>5. Consequential financial losses.</li> <li>6. Cyber risks.</li> <li>7. Design exclusion with write back for resultant damage.</li> <li>8. Terrorism.</li> <li>9. Wet building exclusion.</li> </ol>

## 2. Contract Works Insurance (Advance Loss of Profits)

INSURANCE ELEMENT	MINIMUM REQUIREMENT
<b>Insured</b>	<ol style="list-style-type: none"> <li>1. Contractor;</li> <li>2. Senior Lenders; and</li> <li>3. Subordinated Lenders,</li> </ol> <p>each for their respective rights and interests in the Project.</p>
<b>Indemnity</b>	<p>In respect of:</p> <ol style="list-style-type: none"> <li>1. loss of anticipated revenue during the indemnity period arising from a delay in the First Service Commencement Date as a result of loss or damage covered under the Contractor's Contract Works Insurance (Material Damage) effected in accordance with Item 1 of this Part 1 of this Schedule 22, including physical loss or damage which would be indemnifiable but for the application of any deductible;</li> <li>2. the economic additional expenditure necessarily and reasonably incurred for the purpose of avoiding or reducing the loss of revenue of the Contractor which without such expenditure would have taken place, during the indemnity period; and</li> <li>3. the costs associated with collating and quantifying a contract works insurance (advance loss of profits) claim of any kind, being "claims preparation costs".</li> </ol>
<b>Sum insured</b>	An amount sufficient to cover the sums the subject of the indemnity for the indemnity period.
<b>Maximum excess</b>	One month.
<b>Indemnity period</b>	36 months commencing from the First Service Commencement Date.
<b>Period of Insurance</b>	As per the Contractor's Contract Works Insurance (Material Damage) (excluding the DLP).
<b>Cover features and extensions subject to sublimits</b>	<ol style="list-style-type: none"> <li>1. Denial of access.</li> <li>2. Utilities.</li> <li>3. Subrogation waiver and non-vitiating clause.</li> <li>4. Automatic reinstatement of sum insured.</li> <li>5. Claims preparation costs.</li> </ol>
<b>Principal exclusions</b>	The exclusions under the Contractor's Contract Works Insurance (Material Damage), other than for consequential financial losses.

### 3. Terrorism Insurance (Material Damage & Advance Loss of Profits)

INSURANCE ELEMENT	MINIMUM REQUIREMENT
<b>Insured</b>	<ol style="list-style-type: none"> <li>1. Department;</li> <li>2. Contractor;</li> <li>3. Construction Sub-contractor and its sub-contractors of any tier;</li> <li>4. Major Sub-contractor responsible for the delivery of the Corrections Services;</li> <li>5. Sub-contractor responsible for the delivery of the Facility Management Services;</li> <li>6. corporate support and asset management Sub-contractor</li> <li>7. Senior Lenders;</li> <li>8. Subordinated Lenders; and</li> <li>9. consultants - for their Department Site activities only,</li> </ol> <p>each for their respective rights and interests in the Project.</p> <p>Insured in respect of Advance Loss of Profits is limited to:</p> <ol style="list-style-type: none"> <li>1. Contractor;</li> <li>2. Senior Lenders; and</li> <li>3. Subordinated Lenders,</li> </ol> <p>each for their respective rights and interests in the Project.</p>
<b>Insured Property</b>	<p>The permanent and temporary works, materials, goods, plant and equipment for incorporation in the Works (other than constructional plant, tools, accommodation and equipment belonging to or the responsibility of the Construction Sub-contractor or the Construction Sub-contractor's sub-contractors) and all other property used or for use in connection with Works associated with the Project.</p>
<b>Coverage/Indemnity</b>	<p>Material Damage:</p> <p>Physical loss or damage to the insured property caused by an act of terrorism or sabotage.</p> <p>Advance loss of Profits :</p> <ol style="list-style-type: none"> <li>1. loss of anticipated revenue during the indemnity period arising from a delay in the First Service Commencement Date as a result of loss or damage covered under the Material Damage section of this policy.</li> <li>2. the economic additional expenditure necessarily and reasonably incurred for the purpose of avoiding or reducing the loss of revenue of the Contractor which without such expenditure would have taken place,</li> </ol>

INSURANCE ELEMENT	MINIMUM REQUIREMENT
	<p>during the indemnity period.</p> <p>3. Claims preparation costs.</p> <p>Terrorism is defined as:</p> <p>An act or series of acts, including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) committed for political, religious or ideological purpose including the intention to influence any government and/or to put the public in fear for such purposes.</p> <p>Sabotage is defined as:</p> <p>A subversive act or series of such acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.</p>
<b>Limit of Indemnity</b>	Combined in respect of Contract Works Material Damage and Advance Loss of Profits limit of one hundred million Dollars (\$100,000,000) in respect of any one occurrence and in the aggregate for the policy period.
<b>Maximum Excess</b>	Five hundred thousand Dollars (\$500,000) any one claim in respect of Contract Works Material Damage. One month in respect of Advance Loss of Profits.
<b>Indemnity period</b>	36 months commencing from the First Service Commencement Date in respect of Advance Loss of Profits.
<b>Period of Insurance</b>	From the date of Financial Close to Works Completion.
<b>Principal exclusions</b>	<ol style="list-style-type: none"> <li>1. Loss or damage from nuclear - detonation, reaction, radiation or radioactive contamination.</li> <li>2. Loss or damage directly; or indirectly by war or warlike operations, hostile acts of sovereign or local government entities, civil war, rebellion, revolution, insurrection, martial law, usurpation of power or civil commotion assuming the proportion of or amounting to an uprising.</li> <li>3. Loss or damage caused by any order of public or government authority which deprives the insured of the use or value of its property.</li> <li>4. Loss or damage arising from or consequence of the seepage and or discharge or pollutants or contaminants.</li> <li>5. Loss or damage caused by measure taken to prevent, suppress or control actual or potential terrorism or sabotage.</li> </ol>

#### 4. Contract Works Insurance (Public and Products Liability)

INSURANCE ELEMENT	MINIMUM REQUIREMENT
<b>Insured</b>	1. Contractor;



INSURANCE ELEMENT	MINIMUM REQUIREMENT
	<ol style="list-style-type: none"> <li>2. Construction Sub-contractor and its sub-contractors of any tier;</li> <li>3. Major Sub-contractor responsible for the delivery of the Corrections Services;</li> <li>4. Sub-contractor responsible for the delivery of the Facility Management Services;</li> <li>5. Senior Lenders;</li> <li>6. Subordinated Lenders; and</li> <li>7. consultants - for their Department Site activities only,</li> </ol> <p>each for their respective rights and interests in the Project.</p>
<b>Additional insured</b>	Department as principal to the Project Agreement.
<b>Interest</b>	<p>To indemnify the insured and additional insured in respect of all sums that they may become legally liable to pay to third parties (including claimant's costs and expenses) as damages in respect of accidental:</p> <ol style="list-style-type: none"> <li>(a) death, bodily injury or illness;</li> <li>(b) loss or damage to tangible property; or</li> <li>(c) false arrest, wrongful detention, false imprisonment, wrongful eviction, malicious prosecution, malicious humiliation, libel, slander, invasion of privacy, wrongful entry, wrongful prevention of access, assault or battery not committed by or at the direction of the insured unless committed for the purpose of preventing or eliminating danger to any person or property, or any of them,</li> </ol> <p>happening during the period of insurance and arising out of or in connection with the Project.</p>
<b>Limit of indemnity</b>	Not less than one hundred million Dollars (\$100,000,000) in respect of any one occurrence, the number of occurrences being unlimited, but in the aggregate in respect of products liability.
<b>Maximum deductible</b>	One hundred thousand Dollars (\$100,000) for each and every occurrence of property damage.
<b>Territorial limits</b>	New Zealand and Australia.
<b>Jurisdiction</b>	New Zealand and Australia.
<b>Period of Insurance</b>	As per the Contractor's Contract Works Insurance (Material Damage) including the defects liability/maintenance period.
<b>Cover features and extensions subject to sublimits</b>	<ol style="list-style-type: none"> <li>1. Cross liability clause.</li> <li>2. Legal defence costs.</li> <li>3. Pollution liability but only if caused by a sudden, accidental, unexpected and unintended occurrence.</li> <li>4. Expenses incurred by an insured for first aid to others for bodily injury</li> </ol>

INSURANCE ELEMENT	MINIMUM REQUIREMENT
	<p>at the time of an occurrence.</p> <ol style="list-style-type: none"> <li>Mobile plant and equipment.</li> <li>Care, custody and control.</li> <li>Vibration and removal of support.</li> <li>Punitive and exemplary damages.</li> <li>Crane operators/goods on hook liability.</li> <li>Subrogation waiver and non-vitiating clause.</li> <li>Defects Liability/Maintenance Period of 15 months.</li> </ol>
<b>Principal exclusions</b>	<ol style="list-style-type: none"> <li>Liability for death, illness, disease or bodily injury sustained by employees of the insured.</li> <li>Liability arising out of the use of any vehicle required to be registered under the Land Transport Act 1998.</li> <li>Liability in respect of predetermined penalties or liquidated damages imposed under any contract entered into by the insured.</li> <li>Events more properly covered under a professional indemnity policy.</li> <li>Liability arising from the ownership, possession or use of any aircraft or marine vessel, or from any product that is incorporated into the structure or control of any aircraft.</li> <li>Liability arising from seepage and pollution unless caused by a sudden, unintended and unexpected occurrence.</li> <li>Losses indemnified under the Contractor's Contract Works Insurance (Material Damage) policy or the Contractor's Contract Works Insurance (Advance Loss of Profits) policy.</li> <li>Asbestos.</li> <li>Wet building exclusion.</li> </ol>

## 5. D&C Professional Indemnity Insurance

INSURANCE ELEMENT	MINIMUM REQUIREMENT
<b>Insured</b>	<ol style="list-style-type: none"> <li>Contractor</li> <li>Construction Sub-contractor</li> </ol>
<b>Coverage</b>	Coverage against any civil liability arising from breach of professional duty arising under or in connection with the Project and this Agreement (in relation to the design and construct phase).

INSURANCE ELEMENT	MINIMUM REQUIREMENT
<b>Limit of Indemnity</b>	Twenty million Dollars (\$20,000,000) for any one claim and Forty million Dollars (\$40,000,000) in the aggregate for the policy period. Plus Five million Dollars (\$5,000,000) costs and expenses in addition.
<b>Maximum deductible</b>	One Hundred thousand Dollars (\$100,000) for each and every claim.
<b>Territorial limits and Jurisdictional limits</b>	New Zealand and Australia.
<b>Retroactive Date</b>	Unlimited.
<b>Period of insurance</b>	To be maintained from Financial Close until the date that is seven years after Works Completion.
<b>Cover extensions</b>	<ol style="list-style-type: none"> <li>1. Loss of documents.</li> <li>2. Intellectual Property infringement.</li> <li>3. Representations and warranties (limited to Professional Duty and Common Law).</li> <li>4. Cross liability extension.</li> <li>5. The Insurer will indemnify the Insured in respect of liability arising out of any act, error or omission by designers, consultants, sub-contractors, agents or peer reviewers of the Insured in connection with their professional activities and duties provided that this policy will not extend to indemnify any such designers, consultants, sub-contractors, agents or peer reviewers.</li> </ol>
<b>Exclusions</b>	As per normal market expectations.
<b>Additional requirements</b>	<ol style="list-style-type: none"> <li>1. The Contractor will ensure that the Construction Sub-contractor's sub-contractors and consultants with design responsibility will maintain their customary professional indemnity insurance, or procure professional indemnity insurance, with minimum limits as follows: \$10,000,000 (ten million dollars) for architects and major consultants and \$1,000,000 (one million dollars) for all sub-contractors and other consultants with design responsibility.</li> <li>2. Contractual clauses between the Contractor, Construction Sub-contractor, consultants and sub-contractors (as applicable) must not contain provisions which preclude recovery for breach of professional duty up to the limit of the insurance.</li> </ol>

## 6. Motor Vehicle Insurance

INSURANCE ELEMENT	MINIMUM REQUIREMENT
<b>Insured</b>	Contractor.
<b>Coverage</b>	Third party property damage in respect of all vehicles used in connection with the Works or Services.

INSURANCE ELEMENT	MINIMUM REQUIREMENT
<b>Sum insured</b>	Five million Dollars (\$5,000,000).
<b>Maximum deductible</b>	Twenty thousand Dollars (\$20,000).
<b>Territorial limits</b>	Anywhere in New Zealand.
<b>Period of insurance</b>	From Financial Close until Works Completion in each and every period that the Contractor is using any Motor Vehicles in connection with the Works or Services.

## Part 2 – Services Phase

The policies to be taken out by the Contractor and maintained from Works Completion for the remainder of the Contract Term are as follows:

### 1. Industrial Special Risks (Material Damage) Insurance

INSURANCE ELEMENT	MINIMUM REQUIREMENT
<b>Insured</b>	<ol style="list-style-type: none"> <li>1. Department;</li> <li>2. Contractor;</li> <li>3. Major Sub-contractor responsible for the delivery of the Corrections Services;</li> <li>4. Major Sub-contractor responsible for the delivery of the Corrections Services' sub-contractors of any tier;</li> <li>5. Sub-contractor responsible for the delivery of the Facility Management Services;</li> <li>6. Sub-contractor responsible for the delivery of the Facility Management Services' sub-contractors of any tier;</li> <li>7. corporate support and asset management Sub-contractor;</li> <li>8. Senior Lenders; and</li> <li>9. Subordinated Lenders,</li> </ol> <p>each for their respective rights and interests in the Project.</p>
<b>Insured property</b>	The Project assets which are the property of the Contractor or for which the Contractor may be responsible including, but not limited to, the Facility.
<b>Coverage</b>	<p>"All risks" of physical loss, destruction of or damage to the insured property from any cause not excluded, including machinery breakdown and computer breakdown in respect of appropriate equipment.</p> <p>This includes property:</p>

INSURANCE ELEMENT	MINIMUM REQUIREMENT
	<ul style="list-style-type: none"> <li>• belonging to the insured;</li> <li>• for which the insured is responsible or has assumed responsibility to insure prior to damage occurring; and</li> <li>• in which the insured acquires an insurable interest during the period of insurance.</li> </ul>
<b>Sum insured</b>	At all times an amount not less than the total reinstatement or replacement value of the insured property plus provision to include other principal extensions as appropriate (escalated periodically in accordance with the Base Agreement).
<b>Maximum deductible</b>	Fifty thousand Dollars (\$50,000 for each and every claim. 2.5% of the declared Material Damage value in respect of Natural Disasters.
<b>Territorial limits</b>	Anywhere in New Zealand.
<b>Period of Insurance</b>	From Works Completion or as otherwise specified in the Agreement for the Contract Term and renewable on an annual basis unless agreed otherwise by the parties.
<b>Cover features and extensions subject to sublimits</b>	<ol style="list-style-type: none"> <li>1. Automatic reinstatement of sum insured.</li> <li>2. Capital additions clause.</li> <li>3. 72 hour clause.</li> <li>4. Professional fees.</li> <li>5. Demolition and debris removal.</li> <li>6. Pollution and Contamination to the insured property arising from an event which itself is not otherwise excluded.</li> <li>7. Repair/reinstatement basis of claims settlement with cash option for non reinstatement.</li> <li>8. Replacement of computer records.</li> <li>9. Money.</li> <li>10. Refrigerated goods.</li> <li>11. Stolen keys.</li> <li>12. Hazardous substances emergencies.</li> <li>13. Landslip and/or subsidence.</li> <li>14. Employees tools and effects.</li> <li>15. Undamaged property.</li> <li>16. Property in transit within New Zealand.</li> <li>17. Vandalism/Malicious Damage/ and Riot.</li> </ol>

INSURANCE ELEMENT	MINIMUM REQUIREMENT
	18. Volcanic Eruption. 19. Contract Works.
<b>Principal exclusions</b>	1. War and related perils. 2. Nuclear/radioactive risks. 3. Pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds. 4. Wear, tear and gradual deterioration. 5. Consequential financial losses. 6. Cyber risks. 7. Losses recovered under the Contractor's Contract Works Insurance (Material Damage) policy. 8. Normal settlement, shrinkage or expansion of building structures. 9. Theft by employees, unless discovered within 72hrs. 10. Terrorism.

## 2. Consequential Loss (Business Interruption) Insurance

INSURANCE ELEMENT	MINIMUM REQUIREMENT
<b>Insured</b>	1. Contractor; 2. Senior Lenders; and 3. Subordinated Lenders, each for their respective rights and interests in the Project.
<b>Indemnity</b>	In respect of: <ol style="list-style-type: none"> <li>loss of anticipated revenue during the indemnity period arising from an interruption or interference in the operation of the Project as a result of loss or damage covered under Industrial Special Risks (Material Damage) Insurance effected in accordance with this Part 2 including physical loss or damage which would be indemnifiable but for the application of any deductible;</li> <li>the economic additional expenditure necessarily and reasonably incurred for the purpose of avoiding or reducing the loss of revenue which without such expenditure would have taken place, during the indemnity period; and</li> <li>the costs associated with collating and quantifying an Industrial Special Risks (Material Damage) and Business Interruption claim of</li> </ol>

INSURANCE ELEMENT	MINIMUM REQUIREMENT
	any kind, being "claims preparation costs".
<b>Sum insured</b>	An amount sufficient to cover the sums the subject of the indemnity for the indemnity period.
<b>Maximum excess</b>	Not more than one month.
<b>Indemnity Period</b>	36 months commencing no earlier than the First Service Commencement Date.
<b>Period of Insurance</b>	From Works Completion or as otherwise specified in the Agreement for the Contract Term and renewable on an annual basis unless agreed otherwise.
<b>Territorial limits</b>	Anywhere in New Zealand.
<b>Cover features and extensions subject to sublimits</b>	<ol style="list-style-type: none"> <li>1. Denial of access.</li> <li>2. Utilities.</li> <li>3. Automatic reinstatement of sum insured.</li> <li>4. Subrogation waiver and non-vitiating clause.</li> <li>5. Dependency(ies).</li> <li>6. Acts of civil authorities.</li> <li>7. Fumes, gases and toxic chemicals only in respect of Acts of Civil Authorities.</li> <li>8. Claim preparation costs.</li> <li>9. Progress payments.</li> </ol>
<b>Principal exclusion</b>	The exclusions under the Contractor's Industrial Special Risks (Material Damage) insurance, other than for consequential financial losses.

### 3. Terrorism Insurance (Material Damage & Consequential Loss (Business Interruption))

INSURANCE ELEMENT	MINIMUM REQUIREMENT
<b>Insured</b>	<ol style="list-style-type: none"> <li>1. Department;</li> <li>2. Contractor;</li> <li>3. Major Sub-contractor responsible for the delivery of the Corrections Services;</li> <li>4. Major Sub-contractor responsible for the delivery of the Corrections Services' sub-contractor of any tier;</li> <li>5. Sub-contractor responsible for the delivery of the Facility Management</li> </ol>

INSURANCE ELEMENT	MINIMUM REQUIREMENT
	<p>Services;</p> <ol style="list-style-type: none"> <li>6. Sub-contractor responsible for the delivery of the Facility Management Services' sub-contractor of any tier;</li> <li>7. corporate support and asset management Sub-contractor;</li> <li>8. Senior Lenders;</li> <li>9. Subordinated Lenders;</li> </ol> <p>each for their respective rights and interests in the Project.</p> <p>Insured in respect of Business Interruption is limited to:</p> <ol style="list-style-type: none"> <li>1. Contractor;</li> <li>2. Senior Lenders; and</li> <li>3. Subordinated Lenders,</li> </ol> <p>each for their respective rights and interests in the Project.</p>
<b>Insured Property</b>	<p>The Project assets which are the property of the Contractor or for which the Contractor may be responsible including, but not limited to, the Facility.</p>
<b>Coverage/Indemnity</b>	<p>Material Damage:</p> <p>Physical loss or damage to the insured property caused by an act of terrorism or sabotage.</p> <p>Consequential Loss:</p> <ol style="list-style-type: none"> <li>1. loss of anticipated revenue during the indemnity period arising from an interruption or interference in the operation of the Project as a result of loss or damage to property insured under Material damage section of this policy;</li> <li>2. the economic additional expenditure necessarily and reasonably incurred for the purpose of avoiding or reducing the loss of revenue which without such expenditure would have taken place, during the indemnity period.</li> <li>3. Claims preparation costs.</li> </ol> <p>Terrorism is defined as:</p> <p>An act or series of acts, including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) committed for political, religious or ideological purpose including the intention to influence any government and/or to put the public in fear for such purposes.</p> <p>Sabotage is defined as:</p> <p>A subversive act or series of such acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.</p>



INSURANCE ELEMENT	MINIMUM REQUIREMENT
<b>Limit of Indemnity</b>	Combined in respect of Material Damage and Consequential Loss - limit of one hundred million Dollars (\$100,000,000) in respect of any one occurrence and in the aggregate for the policy period.
<b>Maximum Excess</b>	Five hundred thousand Dollars (\$500,000) any one claim in respect of Material Damage. One month in respect of Consequential Loss
<b>Indemnity period</b>	36 months commencing no earlier than the First Service Commencement Date in respect of Consequential Loss.
<b>Period of Insurance</b>	From Works Completion or as otherwise specified in the Agreement for the Contract Term and renewable on an annual basis unless agreed otherwise by the parties.
<b>Principal exclusions</b>	<ol style="list-style-type: none"> <li>1. Loss or damage from nuclear - detonation, reaction, radiation or radioactive contamination.</li> <li>2. Loss or damage directly; or indirectly by war or warlike operations, hostile acts of sovereign or local government entities, civil war, rebellion, revolution, insurrection, martial law, usurpation of power or civil commotion assuming the proportion of or amounting to an uprising.</li> <li>3. Loss or damage caused by any order of public or government authority which deprives the insured of the use or value of its property.</li> <li>4. Loss or damage arising from or consequence of the seepage and or discharge or pollutants or contaminants.</li> <li>5. Loss or damage caused by measure taken to prevent, suppress of control actual or potential terrorism or sabotage.</li> </ol>

#### 4. Public and Products Liability Insurance

INSURANCE ELEMENT	MINIMUM REQUIREMENT
<b>Insured</b>	<ol style="list-style-type: none"> <li>1. Contractor</li> </ol>
<b>Additional insured</b>	<ol style="list-style-type: none"> <li>1. Department (as principal under the Project Agreement);</li> <li>2. Senior Lenders; and</li> <li>3. Subordinated Lenders,</li> </ol> each for their vicarious liability caused by the negligence of the Contractor
<b>Interest</b>	<p>To indemnify the insured and additional insured in respect of all sums that they may become legally liable to pay to third parties (including the claimant's costs and expenses) as damages in respect of accidental:</p> <ol style="list-style-type: none"> <li>1. death, bodily injury or illness, including resultant economic loss;</li> <li>2. loss, destruction or damage to real or personal property including resultant economic loss; or</li> </ol>

INSURANCE ELEMENT	MINIMUM REQUIREMENT
	<p>3. false arrest, wrongful detention, false imprisonment, wrongful eviction, malicious prosecution, malicious humiliation, libel, slander, invasion of privacy, wrongful entry, wrongful prevention of access, assault or battery not committed by or at the direction of the insured unless committed for the purpose of preventing or eliminating danger to any person or property, or any of them,</p> <p>happening during the period of insurance and arising out of or in connection with the Project and the provision of the Services.</p>
<b>Limit of indemnity</b>	Not less than twenty million Dollars (\$20,000,000) (escalated periodically in accordance with the Base Agreement) in respect of any one occurrence, the number of occurrences being unlimited, but in the aggregate in respect of pollution and products liability.
<b>Maximum deductible</b>	Not more than ten thousand Dollars (\$10,000) for each and every occurrence of property damage (escalated periodically in accordance with the Base Agreement).
<b>Territorial limits</b>	New Zealand
<b>Jurisdiction</b>	New Zealand
<b>Period of Insurance</b>	From Works Completion or as otherwise specified in the Agreement for the Contract Term and renewable on an annual basis unless agreed otherwise.
<b>Cover features and extensions subject to sublimits</b>	<ol style="list-style-type: none"> <li>1. Munitions of war.</li> <li>2. Cross liability clause.</li> <li>3. Legal defence costs.</li> <li>4. Subrogation waiver and non-vitiation clause.</li> <li>5. Mobile plant and equipment.</li> <li>6. Care, custody and control.</li> <li>7. Vibration and removal of support.</li> <li>8. Punitive and exemplary damages.</li> </ol>
<b>Principal exclusions</b>	<ol style="list-style-type: none"> <li>1. Liability for death, illness, disease or bodily injury sustained by employees of the insured.</li> <li>2. Liability arising from use of any vehicle required to be registered by Law.</li> <li>3. Liability in respect of predetermined penalties or liquidated damages imposed under any contract entered into by the insured.</li> <li>4. Liability arising out of technical or professional advice (given for a fee) other than in respect of death or bodily injury to persons or damage to third party property.</li> <li>5. Liability arising from the ownership, possession or use of any aircraft</li> </ol>

INSURANCE ELEMENT	MINIMUM REQUIREMENT
	<p>or marine vessel.</p> <p>6. Liability arising from seepage and pollution unless caused by a sudden, unintended and unexpected occurrence.</p> <p>7. Liability assumed by agreement except to the extent that the liability would have applied notwithstanding that agreement.</p> <p>8. Liability arising from professional advice unless accidental physical loss or damage to property arising from professional advice for which no fee had been charged.</p> <p>9. Liability consequent upon damage to that part of any property which is being worked upon provided the damage is caused directly by that work.</p>

## 5. Motor Vehicle Insurance

INSURANCE ELEMENT	MINIMUM REQUIREMENT
<b>Insured</b>	Contractor.
<b>Coverage</b>	Third party property damage in respect of all vehicles used by the Contractor in connection with the Works or Services.
<b>Sum insured</b>	Five million Dollars (\$5,000,000).
<b>Maximum deductible</b>	Twenty thousand Dollars (\$20,000).
<b>Territorial limits</b>	Anywhere in New Zealand.
<b>Period of insurance</b>	From Works Completion for the Contract Term in each and every period that the Contractor is using any Motor Vehicles in connection with the Works or Services.

## Part 3 – Services Phase

The Contractor will procure or cause to be procured by the Major Sub-contractor responsible for the delivery of the Operational Services at the relevant time that the following policies will be maintained from Works Completion for the remainder of the Contract Term:

### 1. Public and Products Liability Insurance

INSURANCE ELEMENT	MINIMUM REQUIREMENT
<b>Insured</b>	<p>1. the Major Sub-contractor responsible for the delivery of the Operational Services; and</p> <p>2. the Major Sub-contractor responsible for the delivery of the</p>

INSURANCE ELEMENT	MINIMUM REQUIREMENT
	<p>Operational Services' sub-contractors;</p> <p>each for their respective rights and interests in the Project.</p>
<b>Additional insured</b>	<ol style="list-style-type: none"> <li>1. Department (as principal under the Project Agreement);</li> <li>2. Contractor;</li> <li>3. Senior Lenders; and</li> <li>4. Subordinated Lenders,</li> </ol> <p>each for their vicarious liability caused by the negligence of the Major Sub-contractor responsible for the delivery of the Operational Services or the Major Sub-contractor responsible for the delivery of the Operational Services' sub-contractors.</p>
<b>Interest</b>	<p>To indemnify the insured and additional insured in respect of all sums that they may become legally liable to pay to third parties (including the claimant's costs and expenses) as damages in respect of accidental:</p> <ol style="list-style-type: none"> <li>1. death, bodily injury or illness resultant economic loss;</li> <li>2. loss, destruction or damage to real or personal property including resultant economic loss; or</li> <li>3. false arrest, wrongful detention, false imprisonment, wrongful eviction, malicious prosecution, malicious humiliation, libel, slander, invasion of privacy, wrongful entry, wrongful prevention of access, assault or battery not committed by or at the direction of the insured unless committed for the purpose of preventing or eliminating danger to any person or property, or any of them,</li> </ol> <p>happening during the period of insurance and arising out of or in connection with the Project and the provision of the Services.</p>
<b>Limit of indemnity</b>	<p>Not less than twenty million Dollars (\$20,000,000) (escalated periodically in accordance with the Base Agreement) in respect of any one occurrence, the number of occurrences being unlimited, but in the aggregate in respect of pollution and products liability.</p>
<b>Deductible</b>	<p>Not less than ten thousand Dollars (\$10,000) for each and every occurrence of property damage (escalated periodically in accordance with the Base Agreement).</p>
<b>Territorial limits</b>	<p>Worldwide</p>
<b>Jurisdiction</b>	<p>New Zealand</p>
<b>Period of Insurance</b>	<p>From the date of Works Completion or as otherwise specified in the Agreement for the term of the relevant Major Sub-contract (as may be replaced over the balance of the Contract Term) and renewable on an annual basis unless agreed otherwise.</p>
<b>Cover features and extensions</b>	<ol style="list-style-type: none"> <li>1. Munitions of war.</li> <li>2. Cross liability clause.</li> </ol>

INSURANCE ELEMENT	MINIMUM REQUIREMENT
	<ol style="list-style-type: none"> <li>3. Legal defence costs.</li> <li>4. Subrogation waiver and non-vitiating clause.</li> <li>5. Mobile plant and equipment.</li> <li>6. Care, custody and control.</li> <li>7. Vibration and removal of support.</li> <li>8. Punitive and exemplary damages.</li> </ol>
<b>Principal exclusions</b>	<ol style="list-style-type: none"> <li>1. Liability for death, illness, disease or bodily injury sustained by employees of the insured.</li> <li>2. Liability arising from use of any vehicle required to be registered by Law.</li> <li>3. Liability in respect of predetermined penalties or liquidated damages imposed under any contract entered into by the insured.</li> <li>4. Liability arising out of technical or professional advice (given for a fee) other than in respect of death or bodily injury to persons or damage to third party property.</li> <li>5. Liability arising from the ownership, possession or use of any aircraft or marine vessel.</li> <li>6. Liability arising from seepage and pollution unless caused by a sudden, unintended and unexpected occurrence.</li> <li>7. Liability arising from terrorism, war and related perils</li> <li>8. Liability arising from cyber risks</li> </ol>

## 2. Statutory Fines and Penalties Liability

INSURANCE ELEMENT	MINIMUM REQUIREMENT
<b>Insured</b>	<ol style="list-style-type: none"> <li>1. the Major Sub-contractor responsible for the delivery of the Operational Services; and</li> <li>2. the Major Sub-contractor responsible for the delivery of the Operational Services' sub-contractors,</li> </ol> <p>each for their respective rights and interests in the Project.</p>
<b>Additional insured</b>	Contractor for its vicarious liability caused by the act or omission of the Major Sub-contractor responsible for the delivery of the Operational Services or the Major Sub-contractor responsible for the delivery of the Operational Services' sub-contractors.
<b>Interest</b>	To indemnify the insured and additional insured under any Act of Parliament other than an excluded Act, where any liability arises in

INSURANCE ELEMENT	MINIMUM REQUIREMENT
	<p>relation to:</p> <ol style="list-style-type: none"> <li>any fine payable by the insured upon the insured's conviction for an offence (excluding fines under the Health and Safety in Employment Amendment Act 2002, but including reparations orders in connection with this Act);</li> <li>defence legal costs incurred in the defence of prosecutions or threatened prosecutions for any offence;</li> <li>defence legal costs incurred in the defence of a prosecution of the insured for any offence where it is alleged that the insured has knowingly, wilfully or intentionally taken an action or failed to take an action where the insured is subsequently acquitted by a Court; and</li> <li>civil defence legal costs incurred by the insured in being represented at or in relation to: <ol style="list-style-type: none"> <li>an inquiry into the cause; and/or</li> <li>an inquiry or settlement conference proceedings before a complaints review tribunal.</li> </ol> </li> </ol>
<b>Limit of indemnity</b>	Not less than two million Dollars (\$2,000,000) in respect of any one occurrence and in the annual aggregate.
<b>Deductible</b>	Not less than two thousand Dollars (\$2,000) for each and every claim.
<b>Retroactive Date</b>	Execution Date of the Major Sub-contract for the delivery of the Operational Services.
<b>Period of Insurance</b>	From the date of Works Completion for the term of the relevant Major Sub-contract (as may be replaced over the balance of the Contract Term).
<b>Principal exclusions</b>	<ol style="list-style-type: none"> <li>Arms Act 1983.</li> <li>Aviation Crimes Act 1972.</li> <li>Crimes Act 1961.</li> <li>Criminal Proceeds (Recovery) Act 2009.</li> <li>Summary of Offences 1981.</li> <li>Transport Act 1962.</li> <li>Transport (Vehicle &amp; Driver Registration &amp; Licensing) Act 1986.</li> </ol>

### 3. Professional Indemnity Insurance

INSURANCE ELEMENT	MINIMUM REQUIREMENT
<b>Insured</b>	A policy covering the Major Sub-contractor responsible for the delivery of the Operational Services and its consultants for their respective rights and

INSURANCE ELEMENT	MINIMUM REQUIREMENT
	interests.
<b>Coverage</b>	Coverage against any civil liability arising from breach of professional duty arising under or in connection with the Project and this Agreement in relation to the Operational Services phase.
<b>Limit of Indemnity</b>	Twenty million Dollars (\$20,000,000), in the annual aggregate.
<b>Deductible</b>	Not less than twenty thousand Dollars (\$20,000) for each and every claim.
<b>Territorial limits</b>	Worldwide
<b>Jurisdiction</b>	New Zealand
<b>Retroactive Date</b>	Execution Date of the Major Sub-contract for the delivery of the Operational Services.
<b>Period of insurance</b>	To be maintained from Works Completion to six years after the end of the term of the relevant Major Sub-contract (as may be replaced over the balance of the Contract Term).
<b>Cover extensions</b>	<ol style="list-style-type: none"> <li>1. Extended reporting period.</li> <li>2. Loss of documents.</li> <li>3. Intellectual Property infringement subject to a GBP500,000 sub limit for patent infringement</li> <li>4. Continuous cover.</li> <li>5. Representations and warranties (limited to Professional Duty and Common Law)</li> <li>6. Vicarious liability attaching to the Major Sub-contractor responsible for the delivery of the Operational Services and its consultants arising out of acts or omission of the Major Sub-contractor's sub-contractors.</li> </ol>
<b>Exclusions</b>	Usual to class of insurance

## Part 4 - Endorsements

Parties should endeavour to obtain cover in accordance with the principles below where relevant to the specific insurance policy but excluding motor vehicle. If wordings consistent with the following principles are not in practice available, the parties should obtain the best terms reasonably available in the market at the time. The principles expressed below may be met by multiple endorsements.

### Endorsement 1

#### Cancellation

- (a) The policy is not cancellable unless from non-payment of premium; and

- (b) 30 days prior written notice is to be provided to the Department and the Security Trustee by the insurer for such cancellations where the Department and the Security Trustee (as applicable) is an insured or an additional insured on the policy.

## **Endorsement 2**

### **Multiple Insured/Non-Vitiation Clause**

- (a) Each Insured is treated as if each has a separate policy. However, the total policy sum insured or limit will not be exceeded;
- (b) Innocent breach of non disclosure will not affect the policy;
- (c) Breach by one insured party will not affect another insured party; and
- (d) Insurers will not recover from the insured breaching the policy unless from fraud, misrepresentation, nondisclosure, breach of warranty or condition.

## **Endorsement 3**

### **Communications**

- (a) 30 days prior written notice to be provided to the Department and the Security Trustee by the insurer for proposed adverse change in the insurance terms (except at renewal), where the Department and the Security Trustee (as applicable) is an insured or an additional insured on the policy; and
- (b) Notification of loss by one insured party is understood to be from all insured parties.

## **Endorsement 4**

### **Loss Payee (applicable only to the Physical Damage Policies)**

All claims are to be paid into the Joint Insurance Account or as directed by the Contractor, the Department or the Security Trustee (as applicable).

## **Endorsement 5**

### **Primary and Non-contributory Insurance**

These policies are to be in priority to other insurance policies held by the insured parties.



## Schedule 23: Calculation of Compensation on Termination

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### Part 1 – Definitions, interpretation and general provisions

#### 1. Definitions

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##### 1.1 Definitions

In addition to the definitions set out in clause 1 (Definitions) of the Base Agreement:

**Additional Capped Rescue Refinancing Amount** means, on the first Drawdown Date for each Rescue Refinancing, the amount by which aggregate Senior Debt (including amounts drawn by or available to the Contractor which are attributable to that Rescue Refinancing) immediately after the implementation of the Rescue Refinancing exceeds 110% of the Core Senior Debt immediately prior to the implementation of that Rescue Refinancing;

**Adjusted Estimated Value of the Contract** means the aggregate of:

- (a) the Estimated Value of the Contract plus the Department Due Amount, minus:
  - (i) in the case of termination under clause 79 (Termination on Contractor Default), the Compensation Adjustment;
  - (ii) in the case of termination under clause 80 (Termination on Uninsurable Event) or clause 81 (Termination on Uninsurability), 50 per cent of the amount of the item specified in paragraph (b) of Tender Costs, and 100 per cent of the amount of each of the items specified in paragraphs (d), (e), (f), and (g) of Compensation Adjustment; and
- (b) where the Base Agreement has been terminated under:
  - (i) clause 79 (Termination on Contractor Default), an amount equivalent to interest, at the Senior Debt Rate, from the Final Termination Date to the date of actual payment, on that part of the amount determined pursuant to paragraph (a) attributable to Senior Debt;
  - (ii) clause 80 (Termination on Uninsurable Event) or clause 81 (Termination on Uninsurability):
    - (A) an amount equivalent to interest, at the Government Bond Rate, from the day ten Business Days after the Termination Date to the Compensation Date, on the amount determined pursuant to paragraph (a) of this definition to the extent it exceeds the Base Senior Debt Termination Amount;
    - (B) where the Compensation Sum is not paid on or prior to the Compensation Date, an amount equivalent to interest, at the Senior Debt Rate, from the Compensation Date until the date of actual payment, on the amount determined pursuant to paragraph (a) of this definition to the extent it exceeds the Base Senior Debt Termination Amount; and
    - (C) all amounts accrued or paid in respect of interest and Default Interest from the Contractor to the Senior Lenders in respect of Permitted Borrowing from the Termination Date until the date on which the Compensation Sum is actually paid;

**Adjusted Estimated Value of the equity** means the aggregate of:

- (a) the Estimated Value of the equity, plus the Department Due Amount, minus the items specified in paragraphs (d), (e), (g) and (h) of Compensation Adjustment; and
- (b) an amount equivalent to interest, at the Senior Debt Rate, from the day ten Business Days after the Termination Date to the date of actual payment, on the amount determined pursuant to paragraph (a) of this definition;

**Adjusted Fully Paid Equity** means the aggregate of:

- (a) all equity and Subordinated Debt committed as at Financial Close to be contributed to HoldCo, minus the items specified in paragraphs (d), (e), (f), (g) and (h) of Compensation Adjustment, provided that such amount shall not in any circumstances be less than zero;
- (b) an amount equivalent to interest, at the Government Bond Rate, from the day ten Business Days after the Termination Date to the Compensation Date, on the amount determined pursuant to paragraph (a) of this definition; and
- (c) where the Compensation Sum is not paid on or prior to the Compensation Date, an amount equivalent to interest, at the Senior Debt Rate, from the Compensation Date until the date of actual payment, on the amount determined pursuant to paragraph (a) of this definition;

**Adjusted Highest Compliant Tender Price** means the aggregate of:

- (a) the Highest Compliant Tender Price, plus the Department Due Amount, minus the Compensation Adjustment; and
- (b) an amount equivalent to interest, at the Senior Debt Rate, from the Compensation Date to the date of actual payment, on that part of the amount determined pursuant to paragraph (a) of this definition attributable to Senior Debt;

**Amortised Aggregate Additional Rescue Refinancing Amounts** or **AAARRA** means, on the Termination Date, the aggregate of:

- (a) all Additional Capped Rescue Refinancing Amounts (if any); less
- (b) all principal payments of Senior Debt made to Senior Lenders following the date of the first Rescue Refinancing,

with any negative number deemed to be zero;

**Base Senior Debt Termination Amount** means:

- (a) all amounts outstanding at the date on which the Base Senior Debt Termination Amount is actually paid, including interest and Default Interest accrued as at that date, from the Contractor to the Senior Lenders in respect of Permitted Borrowing; and
- (b) all amounts including costs of early termination of Swaps and other breakage costs, payable by the Contractor to the Senior Lenders as a result of prepayment of amounts outstanding in respect of Permitted Borrowing as a result of termination of the Base Agreement, subject to the Contractor and the Senior Lenders mitigating all such costs to the extent reasonably possible, but excluding any amounts payable in respect of Swaps to the extent that the same are not entered into in respect of Permitted Borrowing;

**less**, to the extent it is a positive amount, the aggregate of (without double counting in relation to the calculation of the Base Senior Debt Termination Amount or the amounts below):

- (c) all credit balances on any bank accounts in respect of which the Senior Lenders have the benefit of a security interest (but excluding the Joint Insurance Account and excluding any other account to the extent that the credit balance of the account is not available for the repayment of Senior Debt) held by or on behalf of the Contractor on the date of actual payment of the Base Senior Debt Termination Amount;
- (d) all amounts, including costs of early termination of Swaps and other breakage costs, payable by the Senior Lenders to the Contractor as a result of prepayment of amounts outstanding in respect of Permitted Borrowing as a result of termination of the Base Agreement; and
- (e) all other amounts received by the Senior Lenders on or after the Termination Date and before the date of actual payment of the Base Senior Debt Termination Amount as a result of enforcing any other rights they may have under the Senior Financing Agreements;

**Compensation Adjustment** means, as at the Compensation Date, an amount equal to the aggregate of:

- (a) the Tender Costs;
- (b) additional costs reasonably and properly incurred by the Department as a direct result of termination of the Base Agreement or any other Project Documents;
- (c) any Rectification Costs, less (to the extent that such sums are received or receivable in relation to Rectification Costs) any insurance proceeds paid, payable or which will be payable pursuant to policies maintained in accordance with clause 71 (Insurance) of the Base Agreement;
- (d) amounts which the Department is entitled to set off or deduct against Moneys Owed by the Contractor under the Base Agreement;
- (e) to the extent (if any) not deducted under paragraph (d) of the definition of Base Senior Debt Termination Amount, gains which have accrued or will accrue to the Contractor as a result of the termination of the Base Agreement, any other Project Documents or any Senior Financing Agreement;
- (f) insurance proceeds payable to the Contractor but not paid (or that would have been payable if the Contractor had complied with its obligations under the Base Agreement) in respect of any event to the extent that it gave rise or contributed to the termination of the Base Agreement and which in either case the Contractor is or would be entitled to retain under the Project Documents other than:
  - (i) insurance proceeds representing insurance indemnification of the Contractor against its liabilities to third parties; and
  - (ii) insurance proceeds that would be payable to the Joint Insurance Account;
- (g) to the extent (if any) not deducted under paragraph (c) of the definition of Base Senior Debt Termination Amount, credit balances in accounts held by or for the benefit of the Contractor (but excluding the Joint Insurance Account and excluding any other account to the extent that the credit balance of the account is not available for the repayment of Senior Debt); and
- (h) where the Actual Termination Date occurs prior to the Service Commencement Date, amounts representing the undrawn commitments of Shareholders in HoldCo to

contribute equity and/or Subordinated Debt to HoldCo which have been released provided that any associated security or collateral has been unconditionally and irrevocably released by HoldCo and the Security Trustee,

in each case subject to paragraph 2;

**Compensation Date** means either:

- (a) if paragraph 9 of Part 3 applies, a date notified by the Department to the Contractor which must be no later than the earlier of 18 months after the Termination Date and:
  - (i) the date which is 30 Business Days after the date on which the Compensation Sum is calculated in accordance with paragraph 9.6;
  - (ii) if the Department makes an election under paragraph 9.8, a date specified by the Department which must be no later than 60 Business Days after the date of such determination;
  - (iii) if it is determined in accordance with clause 93 (Accelerated Dispute Resolution Procedures) of the Base Agreement that there is no Liquid Market, a date specified by the Department which must be no later than 60 Business Days after the date of such determination; or
- (b) in any other case, subject to clause 83.1(a) of the Base Agreement, a date notified by the Department to the Contractor which must be no later than 60 Business Days after the Termination Date;

**Compensation Sum** means:

- (a) where the Base Agreement is terminated under clause 78 (Termination for Convenience) of the Base Agreement, the amount calculated in accordance with Part 2; or
- (b) where the Base Agreement is terminated under clause 79 (Termination for Contractor Default) of the Base Agreement, the amount calculated in accordance with Part 3; or
- (c) where the Base Agreement is terminated under clause 80 (Termination on Uninsurable Event) or clause 78 (Termination on Uninsurability) of the Base Agreement, the amount calculated in accordance with Part 4;

**Compliant Tender** means any tender submitted by a Compliant Tenderer that meets the Qualification Criteria;

**Compliant Tenderer** means a tenderer who is a Suitable Substitute Contractor;

**Department Due Amount** means any amount due and payable by the Department to the Contractor in accordance with the terms of the Project Documents as at the Termination Date and which is not discharged prior to the Compensation Date;

**Default Interest** means any increased margin that is payable to the Senior Lenders or which accrues as a result of any payment due to the Senior Lenders not being made on the date on which it is due;

**EOI Invitation** means an invitation for expressions of interest, issued by the Department, for parties to enter into a New Contract;

**Estimated Value of the Contract** means the Estimated Value of the Contract calculated in accordance with paragraph 10.2;

**Estimated Value of the equity** means the Estimated Value of the equity calculated in accordance with paragraph 5.4;

**Final Termination Date** means the final Termination Date referred to in clause 77.5(c)(ii) of the Base Agreement;

**Government Bond Rate** means, in respect of the period between the Termination Date and the Compensation Date, the published yield to maturity applicable to New Zealand Government Bonds with a remaining maturity closest to that period;

**Highest Compliant Tender Price** means the price offered by the Compliant Tenderer (if any) with the highest tender price;

**Liquid Market** means:

(a) there are at least three parties, each of whom in the Department's reasonable opinion is capable of meeting the Qualification Criteria and being a Suitable Substitute Contractor who indicate, in response to the EOI Invitation, that they intend to participate in the Tender Process; and

(b) the Department receives at least two Compliant Tenders through the Tender Process,

provided always that any vehicle controlled and established by the Senior Lenders specifically for the purposes of this Project and to which the Base Agreement may be novated shall be disregarded in assessing whether the tests set out in paragraphs (a) and (b) above are met, without limiting any such vehicle's ability to participate in the Tender Process;

**New Contract** means an agreement on the same terms and conditions as the Base Agreement (including the same Unitary Charge derived from the then-current Base Case) and the other Project Documents existing as at the Final Termination Date, but with the following amendments:

(a) if the Base Agreement is terminated prior to the Service Commencement Date, then the Service Commencement Date shall be extended by a period to allow a New Contractor to achieve the Service Commencement Date;

(b) the term of such agreement shall be equal to the term from the Compensation Date until the Expiry Date, with Services to commence under the New Contract on the Compensation Date; and

(c) any other amendments which do not adversely affect the Contractor (including any adverse effect on the compensation payable to the Contractor under this Schedule 23),

provided that any accrued Service Failure Points and/or warning notices shall be deemed to be cancelled for all purposes on entry into the New Contract, and no liability for any breach by the Contractor prior to the date of the New Contract shall be imposed on the new party;

**Permitted Borrowing** means, without double counting, any:

(a) advances to the Contractor under the Senior Financing Agreements;

(b) interest under the Senior Financing Agreements; and

(c) other amounts accrued or payable under the Senior Financing Agreements,

in each case disregarding:

- (d) the aggregate of the AAARRA and Liabilities arising from any Swaps to the extent attributable to such AAARRA (if any) as at the Termination Date; and
- (e) any increased advances, interest or amounts resulting from amendments to or replacements of any Senior Financing Agreements that have not, in either case, obtained the prior written approval (or the deemed approval) of the Department under the Base Agreement;

**Post-Tax Project WACC** is the percentage amount specified in cell U57 on sheet "Summary" of the Base Case as at Financial Close;

**Post Termination Date Service Amount** or **PTDSA** means, for the whole or any part of a month, for the period from the Final Termination Date to the Compensation Date, the amount calculated as follows:

$$PTDSA_n = SDPI_n + EBRshare_n - RefiGain_n + ED_n + SPV_n$$

Where:

**PTDSA<sub>n</sub>** means the Post Termination Date Service Amount in respect of month (n);

**SDPI<sub>n</sub>** means the elements of the Unitary Charge specified in the Base Case as attributable to the payment of Senior Debt principal, interest and costs in respect of month (n);

**EBRshare<sub>n</sub>** has the meaning given to that term in Schedule 17 (Payment Mechanism) in respect of month (n);

**RefiGain<sub>n</sub>** has the meaning given to that term in Schedule 17 (Payment Mechanism) in respect of month (n);

**ED<sub>n</sub>** means the elements of the Unitary Charge specified in the Base Case as attributable to Distributions in respect of month (n); and

**SPV<sub>n</sub>** means any overhead costs actually incurred by the Contractor in respect of month (n),

provided that for any partial month the PTDSA<sub>n</sub> will be adjusted on a proportionate basis to reflect the number of days in that partial month;

**Qualification Criteria** means the criteria each tenderer will be required by the Department to meet as part of the Tender Process, which shall be:

- (a) each tenderer must provide a commitment to enter into the New Contract;
- (b) each tenderer must have the financial ability to pay the capital sum tendered for the New Contract, as evidenced by:
  - (i) commitment letters or underwriting agreements covering 100 per cent of the capital sum tendered, including (in the case of debt providers) executed term sheets and evidence of credit approvals, or (in the case of equity providers) investment committee approvals or corporate authorisations (as applicable); and
  - (ii) written confirmation from the tenderer, each equity provider and each debt provider in respect of the tender that it has reviewed the New Contract, and that the New Contract is in a form acceptable to it;

- (c) each tenderer must bid on the basis of a single capital payment to be made by the tenderer to the Department on the date of the New Contract, representing an amount bid by the tenderer in consideration of it assuming all rights and accepting all obligations set out in the New Contract and including within that sum an amount equivalent to the applicable Rectification Costs (if any) under paragraphs (a) and (b) of that definition;
- (d) each tenderer must either:
  - (i) have the experience, technical expertise (including asset management capability) and financial capability to provide the Services; or
  - (ii) have commitments from sub-contractors (documented to at least detailed and executed term sheet level) with the experience, technical expertise and financial capability to provide the Services, and which have provided their commitments on an exclusive basis with the tenderer;
- (e) each equity provider has provided its commitment to the tenderer on an exclusive basis;
- (f) the tenderer, and each equity or debt provider in respect of the tender, is not a Governmental Entity in New Zealand and is not owned or controlled by such a Governmental Entity, unless the relevant Governmental Entity is a State Enterprise or subsidiary thereof (as defined in the State-Owned Enterprises Act 1986) or a Crown Entity (as defined in the Crown Entities Act 2004) and, in the case of a Crown Entity;
  - (i) it is acting in accordance with its statutory powers and functions; and
  - (ii) it is not subject to any direction under sections 103 to 107 of the Crown Entities Act 2004 that may affect the independence of the Crown Entity in relation to the tender;
- (g) the technical solution proposed by the tenderer is in sufficient detail and is capable of delivery;
- (h) the Department has not, at any time prior to the tender, made a determination that the tenderer or any of its equity providers is an Unsuitable Third Party or is not, where that equity provider is a person that Controls the tenderer, Reputable; and
- (i) any other criteria and processes that the Department may determine at its reasonable discretion, provided that any other criteria and processes do not limit or reduce in any way the other Qualification Criteria specified in this definition,

provided that where any commitment referred to in the definition of Qualification Criteria is made on a conditional basis, it must be made on the following basis:

- (j) it is subject only to customary conditions for a commitment of that nature, including (where applicable) final documentation consistent with the tender commitment documentation and any required consents under the Overseas Investment Act; and
- (k) the entity providing the commitment provides a statement that it has undertaken all necessary due diligence required in order to provide its commitment, and that the commitment is not subject to any conditions other than those contemplated by the commitment documentation provided as part of the tenderer's response to the tender;

**Rectification Costs** means an amount equal to the reasonable and proper costs incurred by the Department (or, in the case of a retender under paragraph 8, to be incurred by the successful tenderer for the New Contract) in respect of:

- (a) any capital expenditure required to enable the Facility to achieve Works Completion, and any capital expenditure required to remedy any Snagging Defects occurring prior to the Termination Date or the Final Termination Date (as applicable); and
- (b) any expenditure required to enable the Facility to achieve Operational Completion;

**Tender Costs** means

- (a) the reasonable and proper costs of the Department incurred in carrying out the Tender Process; and/or
- (b) the reasonable and proper third party costs of the Department incurred in connection with any calculation of the Estimated Value of the Contract;

**Tender Process** means the process by which the Department requests tenders from any parties interested in entering into a New Contract, evaluates the responses from those interested parties and enters into a New Contract with a new contractor, in accordance with paragraph 9 of Part 3;

**Tender Process Monitor** means a third party appointed by the Contractor under paragraph 9.4 of Part 3; and

**Valuation Methodology** means the valuation methodology set out in the Appendix to this Schedule 23.

## 1.2 Interpretation

Any reference in this Schedule to a **Part** or a **paragraph** is, unless the context otherwise requires, to a Part or a paragraph of this Schedule.

## 2. General principles

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### 2.1 No double counting

Notwithstanding any other provisions in the Base Agreement or this Schedule 23, neither party shall be entitled to recover compensation or make a claim under the Base Agreement or this Schedule 23 in respect of any Losses that it has incurred or costs that it will incur to the extent that it has already been compensated in respect of those Losses or those costs pursuant to the Base Agreement, this Schedule 23 or otherwise.

### 2.2 Compensation Adjustment

To the extent that any amount, cost, gain, proceed or balance that falls within any of the limbs of the definition of Compensation Adjustment (**Relevant Amount**) has been taken into account when determining the Highest Compliant Tender Price or the Estimated Value of the Contract (as the case may be), those amounts will not be added or deducted when determining the Adjusted Estimated Value of the Contract or the Adjusted Highest Compliant Tender Price (as the case may be). The Department will ensure that the retendering procedure in paragraph 9 of Part 3 or the valuation procedure in paragraph 10 of Part 3 is conducted in such a way that it can be determined whether any Relevant Amount is included in the Highest Compliant Tender Price or the Estimated Value of the Contract (as the case may be).



## **2.3 Compensation Adjustment methodology**

- (a) In determining the Compensation Adjustment, the Department will determine the amounts comprised in that definition on a consistent basis and ensuring that no amounts are double counted; and
- (b) to the extent that Rectification Costs will be paid or due for payment after the Compensation Date, then those costs are to be discounted at the discount rate specified in paragraph 10.2(b) having regard to when those costs are projected to be paid (provided that costs which are paid on or before the Compensation Date are not to be discounted).

## **3. Post Termination Date Service Amount**

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- (a) If the Department terminates the Base Agreement pursuant to clause 79 (Termination on Contractor Default) of the Base Agreement, and elects to retender the provision of the Project in accordance with paragraph 8 of Part 3, for all or any part of a month falling within the period from the Final Termination Date to (but excluding) the Compensation Date, the Department shall pay to the Contractor the PTDSA for that month (or relevant part of that month), on or before the date falling 20 Business Days after the end of that month.
- (b) The Department may, prior to making the payment, require the Contractor and/or the Senior Lenders to establish a mechanism acceptable to the Department under which the Department pays the Senior Lenders, on behalf of the Contractor, that element of the PTDSA (if any) attributable to principal, interest or fees payable to the Senior Lenders under the Senior Financing Agreements during the relevant period.
- (c) No PTDSA will be payable in any circumstance other than that specified in paragraph 3(a).

## **4. Payment of Compensation Sum**

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- (a) The Department shall pay to the Contractor the element of the Compensation Sum that is not disputed on the Compensation Date and the remainder on or before the date falling 20 Business Days after it has been determined under the Accelerated Dispute Resolution Procedures.
- (b) The Department shall pay interest to the Contractor at the Senior Debt Rate on any amount of the Compensation Sum which the Department has been held liable to pay under the Accelerated Dispute Resolution Procedures and which has been withheld from the Compensation Date until the date specified in paragraph 4(a).
- (c) Without limiting the Department's obligation to pay any PTDSA pursuant to paragraph 3, the discharge by the Department of its payment obligation in paragraphs 4(a) and 4(b) shall be in full and final settlement of all of the Contractor's claims and rights against the Department for breaches and/or termination of the Base Agreement and the Project Documents whether under contract, tort, restitution or otherwise, save (but only) to the extent provided in clause 82 (Consequences of Termination) of the Base Agreement.

## **Part 2 - Compensation on termination for convenience**

### **5. Compensation payable**

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#### **5.1 Obligation to pay**

If the Department terminates the Base Agreement pursuant to clause 78 (Termination for Convenience) of the Base Agreement, the Department shall calculate the relevant Compensation Sum in accordance with paragraph 5.2 of this Part 2.

#### **5.2 Compensation Sum**

The Compensation Sum for termination for convenience under clause 78 (Termination for Convenience) of the Base Agreement is an amount equal to the net aggregate of the following:

- (a) the Base Senior Debt Termination Amount;
- (b) an amount which reflects the Adjusted Estimated Value of the equity, provided that such amount shall not in any circumstances be less than zero;
- (c) redundancy payments for employees of the Contractor that have been or will be reasonably incurred by the Contractor as a direct result of termination of the Base Agreement, that the Contractor is legally liable to pay under the terms of the relevant employment contracts or at law and that would not have been otherwise incurred if the Base Agreement was not terminated for convenience; and
- (d) amounts reasonably and properly incurred by the Contractor and payable as Sub-contractor Breakage Costs, as a direct result of termination of the Base Agreement, such amounts only to be paid to the extent that:
  - (i) the Contractor is liable to pay such amounts to the Sub-contractor under the express terms of the relevant sub-contract; and
  - (ii) as at the Termination Date there is no event of default (however described) subsisting under the relevant sub-contract that would entitle the Contractor to terminate such sub-contract.

#### **5.3 Required Procedure**

If the Department terminates the Base Agreement pursuant to clause 78 (Termination for Convenience) of the Base Agreement, then the following procedure shall apply:

- (a) the parties will appoint an Independent Expert in accordance with clause 93 (Accelerated Dispute Resolution Procedures) of the Base Agreement to determine the Estimated Value of the equity; and
- (b) the terms of this paragraph 5 and the terms of clause 93 (Accelerated Dispute Resolution Procedures) of the Base Agreement will apply as if the Independent Expert was determining a Dispute.

#### **5.4 Valuation methodology**

Where an Independent Expert is required to determine the Estimated Value of the equity in the Contractor under this Part 2, the Independent Expert:

- (a) will be required to determine the Estimated Value of the equity in the Contractor based on a discounted cash flow valuation methodology, in respect of the equity cash flows for the period from the Termination Date to the Expiry Date, on a nominal basis;
- (b) will be required to determine an appropriate post-Tax discount rate having regard to prevailing market rates of return on equity for projects with a similar risk profile to the Project, on a nominal basis;
- (c) will be required to derive the cash flows on a post-Tax basis consistent with the discount rate referred to above;
- (d) will be required to determine:
  - (i) the projected revenue of the Contractor for the Project; and
  - (ii) the projected operating and financing costs and lifecycle capital expenditure of the Contractor for the Project,
 in accordance with the Valuation Methodology;
- (e) will be entitled to consider any relevant comparable data available from or submissions made by the Department or the Contractor; and
- (f) will be entitled to consider any other evidence, matters or market information that the Independent Expert considers to be relevant (acting reasonably) on a basis consistent with the requirements of this paragraph 5.4 and the Valuation Methodology. In exercising their rights under this paragraph the Independent Expert must exercise proper professional judgement, including where the Independent Expert is presented with any contradictory or conflicting data points, evidence, matters or market information (including expert advice).

## **Part 3 - Compensation for Contractor Default**

### **6. Obligation to pay**

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#### **6.1 Obligation to pay**

If the Department terminates the Base Agreement pursuant to clause 79 (Termination for Contractor Default) of the Base Agreement, the Department shall calculate the relevant Compensation Sum in accordance with paragraph 7 of this Part 3.

### **7. Compensation Sum**

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Where the Base Agreement is terminated under clause 79 (Termination for Contractor Default) of the Base Agreement, the Compensation Sum will be equal to either:

- (a) the Adjusted Estimated Value of the Contract; or
- (b) the Adjusted Highest Compliant Tender Price.

## **8. Retendering**

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### **8.1 Election**

In determining the Compensation Sum for termination for contractor default under clause 79 (Termination for Contractor Default) of the Base Agreement the Department, subject to paragraph 8.2 of this Part 3, is entitled to either:

- (a) retender the provision of the Project in accordance with paragraph 9; or
- (b) require an expert determination in accordance with paragraph 10.

### **8.2 Limitations on election**

Subject to paragraph 9.9, the Department shall only be entitled to elect to retender the provision of the Project in accordance with paragraph 9 of this Part 3 if:

- (a) the Department notifies the Contractor on or before the date falling 20 Business Days after the Final Termination Date that it intends to retender; and
- (b) the Department (acting reasonably) determines that there is likely to be a Liquid Market, provided that the Department shall not be entitled to retender if:
  - (i) the Contractor or the Senior Lenders have demonstrated to the reasonable satisfaction of the Department that they have used reasonable efforts, (by way of a bona fide tender request issued to market participants and incorporating a bidder pre-qualification stage and a bidder short-listing stage), to procure the transfer of the rights and obligations of the Contractor under the Base Agreement, the equity in the Contractor, or under clause 7 of the Financier Direct Deed, but have not done so (provided that failure to transfer was not a result of the Contractor or the Senior Lenders deciding not to transfer to a Suitable Substitute Contractor solely on the grounds of price);
  - (ii) the Contractor or the Senior Lenders have demonstrated to the reasonable satisfaction of the Department that they have used reasonable efforts to seek a replacement Major Sub-contractor in respect of the Corrections Services and no such replacement sub-contractor has been put in place (provided that failure to transfer to a replacement Major Sub-contractor in respect of the Corrections Services was not a result of the Contractor or the Senior Lenders deciding not to agree to any such replacement sub-contractor solely on the grounds of price);
  - (iii) the Contractor or the Senior Lenders have notified the Department of a Dispute under paragraph 8.3, and that Dispute has not been resolved in accordance with clause 93 (Accelerated Dispute Resolution Procedures) of the Base Agreement; or
  - (iv) it is determined in accordance with clause 93 (Accelerated Dispute Resolution Procedures) of the Base Agreement that there is not likely to be a Liquid Market.

### **8.3 Disputes**

The Contractor may, no later than 10 Business Days after the Department notifies the Contractor in writing that there is likely to be a Liquid Market, notify the Department in writing that it wishes to dispute this determination, and clause 93 (Accelerated Dispute Resolution Procedures) of the Base Agreement will apply.

## 9. Retendering procedure

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If the Department elects to retender the provision of the Project under paragraph 8.1 of this Part 3, then the following provisions shall apply.

### 9.1 Objective

- (a) The objectives of the Tender Process are:
  - (i) to enable the Department to enter into a New Contract with a Compliant Tenderer; and
  - (ii) to establish the Highest Compliant Tender Price.
- (b) The Department shall (subject to any legal requirements preventing it from doing so) use reasonable endeavours to complete the Tender Process as soon as practicable.
- (c) The Department shall, in undertaking the Tender Process and establishing the Highest Compliant Tender Price, owe a duty of reasonable care to the Contractor to obtain the best price reasonably obtainable at the time the Tender Process is undertaken.

### 9.2 Qualification Criteria

The Department shall notify the Contractor of the Qualification Criteria and the other requirements and terms of the Tender Process, including the timing of the Tender Process, but shall act reasonably in setting such requirements and terms.

### 9.3 Information to be available

The Contractor authorises the release of any information by the Department under the Tender Process which would otherwise be prevented under clause 59 (Confidential Information) of the Base Agreement that is reasonably required as part of the Tender Process.

### 9.4 Tender Process Monitor

The Contractor may, at its own cost, appoint a person (the **Tender Process Monitor**) to monitor the Tender Process for the purpose of monitoring and reporting to the Contractor and the Senior Lenders on the Department's compliance with the Tender Process and the Qualification Criteria and making representations to the Department. The Tender Process Monitor will not disclose any Confidential Information to the Contractor or any other person (and shall provide an undertaking to the Department to such effect as a condition of its appointment) but shall be entitled to advise the Contractor and the Senior Lenders as to whether it considers that the Department has acted in accordance with the Tender Process and the Qualification Criteria, and correctly determined the Highest Compliant Tender Price.

### 9.5 Role of Tender Process Monitor

The Tender Process Monitor shall enter into a confidentiality agreement with the Department in a form acceptable to the Department and shall (subject to execution of such confidentiality agreement) be entitled to attend all meetings relating to the Tender Process, inspect copies of the tender documentation and bids and shall be required to make written representations to the Department, the Contractor and the Senior Lenders regarding compliance with the Tender Process and the Qualification Criteria. All representations shall be made by the Tender Process Monitor in a timely manner as the Tender Process proceeds. The Department shall not be bound to consider or act upon such representations but acknowledges that such representations may be referred to by the Contractor in the event that the Contractor refers a

dispute relating to the Adjusted Highest Compliant Tender Price to dispute resolution in accordance with the Accelerated Dispute Resolution Procedures.

## **9.6 Adjusted Highest Compliant Tender Price**

- (a) As soon as practicable after tenders have been received, the Department shall (acting reasonably) determine the Compliant Tenders and shall (acting reasonably) determine the Highest Compliant Tender Price and calculate and pay the Contractor the Adjusted Highest Compliant Tender Price.
- (b) If, following the conclusion of the tender response period, the Department has received at least two Compliant Tenders, but decides not to enter into a New Contract with a Compliant Tenderer, it shall notify the Contractor of this decision and pay to the Contractor an amount equal to the Adjusted Highest Compliant Tender Price.

## **9.7 Completion of Retendering procedure**

If the Department elects to retender the provision of the Project under paragraph 8.1 of this Part 3, and the Highest Compliant Tender Price has not been established within 18 months after the Final Termination Date, then the Compensation Sum will be ascertained in accordance with paragraph 10 of this Part 3.

## **9.8 Department may elect to discontinue**

The Department may elect at any time prior to the receipt of a Compliant Tender to follow the no retendering procedure under paragraph 10 of this Part 3 by notifying the Contractor that this election has been made.

## **9.9 No Liquid Market**

- (a) If the Department does not receive:
  - (i) by the closing date specified in the EOI Invitation, responses that meet the test set out in paragraph (a) of the definition of Liquid Market; or
  - (ii) by the closing date specified in respect of the Tender Process, responses that meet the test set out in paragraph (b) of the definition of Liquid Market,

the no retendering procedure under paragraph 10 of this Part 3 will automatically apply.

- (b) If it is determined in accordance with clause 93 (Accelerated Dispute Resolution Procedures) of the Base Agreement that there is no Liquid Market, the no retendering procedure under paragraph 10 of this Part 3 will automatically apply.

# **10. No retendering**

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## **10.1 Required procedure**

If:

- (a) the Department is not entitled to retender the provision of the Project under paragraph 8.2 of this Part 3;
- (b) Part 4 applies;
- (c) paragraph 9.9 applies; and/or

- (d) the Department elects pursuant to paragraph 8.1 to require determination of the Estimated Value of the Contract,

then the following procedure shall apply:

- (e) the parties will appoint an Independent Expert in accordance with clause 93 (Accelerated Dispute Resolution Procedures) of the Base Agreement to determine the Estimated Value of the Contract; and
- (f) the terms of this paragraph 10 and the terms of clause 93 (Accelerated Dispute Resolution Procedures) of the Base Agreement will apply as if the Independent Expert was determining a Dispute.

## **10.2 Valuation Methodology**

Where an Independent Expert is required to determine the Estimated Value of the Contract under this Part 3, the Independent Expert:

- (a) will be required to determine the Estimated Value of the Contract based on a discounted cash flow valuation methodology, in respect of the Project cash flows for the period from the Final Termination Date to the Expiry Date, on a nominal basis;
- (b) will be required to apply the Post-Tax Project WACC as the applicable discount rate, on a nominal basis;
- (c) will be required to derive the cash flows on a post-Tax basis consistent with the discount rate referred to above;
- (d) will be required to determine:
  - (i) the projected revenue of the Contractor for the Project; and
  - (ii) the projected operating costs and lifecycle capital expenditure of the Contractor for the Project,in accordance with the Valuation Methodology;
- (e) will be required, when establishing the Estimated Value of the Contract where the Project Agreement has been terminated under clause 80 (Termination on Uninsurable Event) or clause 81 (Termination on Uninsurability), to exclude the effect of the relevant Uninsurable Event or the impact of the relevant risks that have become Uninsurable, as the case may be;
- (f) will be entitled to consider any relevant comparable data available from or submissions made by the Department or the Contractor; and
- (g) will be entitled to consider any other evidence, matters or market information that the Independent Expert considers to be relevant (acting reasonably) on a basis consistent with the requirements of this paragraph 10.2 and the Valuation Methodology. In exercising their rights under this paragraph the Independent Expert must exercise proper professional judgement, including where the Independent Expert is presented with any contradictory or conflicting data points, evidence, matters or market information (including expert advice).

## **Part 4 - Compensation on Uninsurable Event or Uninsurability**

### **11. Obligation to pay**

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If the Department terminates the Base Agreement pursuant to clause 80 (Termination on Uninsurable Event) or clause 81 (Termination on Uninsurability) of the Base Agreement, the Department shall calculate the relevant Compensation Sum in accordance with paragraph 12 of this Part 4.

### **12. Compensation Sum**

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The Compensation Sum for termination on Uninsurable Event or Uninsurability under clause 80 (Termination on Uninsurable Event) or clause 81 (Termination on Uninsurability) shall be:

- (a) where termination occurs before the Service Commencement Date, an amount equal to the aggregate of:
  - (i) Adjusted Fully Paid Equity; and
  - (ii) the Base Senior Debt Termination Amount.
- (b) where termination occurs on or after the Service Commencement Date, an amount equal to the greater of:
  - (i) the Adjusted Estimated Value of the Contract; or
  - (ii) the Base Senior Debt Termination Amount.



## Appendix – Valuation Methodology

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### Methodology Overview

1. The Independent Expert must assume that the Project Documents and Major Sub-contracts in force immediately prior to the Termination Date continue for the Contract Term.
2. The Independent Expert must assume that the Services are delivered in accordance with this Agreement and Deductions, Charges and Claims will be zero for every period during the unexpired Contract Term.
3. All assumptions made in determining costs and revenues must be adopted and applied consistently, and must not result in double counting of Deductions, Charges, Claims and other costs.
4. The Independent Expert must assume that, as at the Termination Date, no breach of this Agreement, Remediable Contractor Default or Immediate Termination Event subsists and there are no Deductions, Charges or Claims outstanding.
5. The Independent Expert will have a duty to obtain specialist advice, including independent technical advice in relation to the provision of the Services (including costs and performance standards), specialist commercial and legal advice to the extent reasonably required.
6. To the extent it is necessary for the Independent Expert to exercise professional judgement in applying any aspect or component of the methodology set out in Schedule 23 and/or this Valuation Methodology, the Independent Expert must, in a manner consistent with the other requirements of Schedule 23 and this Valuation Methodology:
  - (a) in determining any component of revenue or costs, determine that component of revenue or costs on a basis consistent with that incorporated into a price for the Project if the Project were to be sold in a liquid market of knowledgeable, willing but not anxious buyers and sellers acting at arms' length; and
  - (b) in applying a methodology or principle, apply that methodology or principle using proper professional judgement on a basis consistent with Schedule 23 and this Valuation Methodology,and (without limiting the requirement to consider an appropriate risk contingency under paragraph 2(d) of 'Projected costs') in each case will exclude from the value determination any judgements that reflect a distressed, forced or liquidation sale.
7. Where the Actual Termination Date occurs prior to the Service Commencement Date, the projected cash flows for the purpose of this valuation will be those occurring from the First Service Commencement Date.

### Projected costs

The projected costs of the Contractor for the Project will be calculated by the Independent Expert on the basis that:

1. There are subcontracting arrangements in place for the Contract Term, the effect of which being that the Service requirements and associated costs (including all Charges, Deductions, Claims, Incentive Payments and the Contractor's Share of Third Party Profits) are passed through to subcontractors in their entirety on a fixed price basis.

2. Costs required to be incurred to provide the Services in accordance with this Agreement (including lifecycle capital expenditure) and otherwise to perform the Contractor's obligations under this Agreement. These costs will comprise:
  - (a) where Major Sub-contracts are in force immediately prior to the Termination Date, the costs payable by the Contractor under those subcontracting arrangements;
  - (b) where no Major Sub-contracts are in force immediately prior to the Termination Date, the full costs that would be payable by the Contractor under replacement subcontracting arrangements (on the basis that there is a full pass-through of the Service requirements (including all Charges, Deductions and Claims);
  - (c) any other costs incurred by the Contractor (to the extent not sub-contracted under paragraph 2(a) or 2(b)) (as applicable) in respect of the performance of the Services over the remaining Contract Term; and
  - (d) an appropriate risk contingency if and to the extent the Independent Expert forms the view the Services cannot be performed to the level required to achieve zero Charges, Deductions and Claims,

provided that there should be no double counting of costs between the sub-paragraphs above.
3. The determination of costs will take into account historical costs incurred by the Contractor (excluding amounts incurred or relating to action taken by the Contractor or any subcontractor prior to termination in order to prevent, cure or mitigate the effects of any Deductions, Charges, Claims or default under the relevant sub-contract or this Agreement other than where such costs have resulted in a permanent increase in the historical cost base).
4. Where there is no operating history, the projected costs will be as set out in the then-current Base Case (on the basis that Operational Completion will be achieved and the Services delivered in accordance with this Agreement).
5. In assessing the level of costs needed to deliver the Services, the Independent Expert must consider the relationship between incremental costs and performance levels. If an increase in costs to achieve a level of performance improvement results in a decrease in net cash flow (because the financial benefit of the performance improvement is less than the increase in costs needed to achieve the performance improvement) then the Independent Expert must assume the incremental costs are not incurred but must take this into account in calculating an appropriate risk contingency under paragraph 2(b).
6. The financing and economic assumptions set out in the then-current Base Case (as most recently updated in accordance with the Base Agreement) as at the Termination Date will apply.

### **Projected revenue**

The projected revenue of the Contractor for the Project will be calculated by the Independent Expert on the basis of Schedule 17 (Payment Mechanism) and applying the other relevant provisions of this Agreement. In determining projected revenue and otherwise applying the formulae in Schedule 17, the Independent Expert will assume that:

- (a) the Monthly Unitary Payment continues to be paid in accordance with Schedule 17; and
- (b) Deductions, Charges and Claims will be zero for every period during the unexpired Contract Term.

The financing and economic assumptions set out in the then-current Base Case (as most recently updated in accordance with the Base Agreement) as at the Termination Date will apply.

## Schedule 24: Disengagement

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### 1. Purpose

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This Schedule 24 describes the obligations of the Contractor to ensure that there is, following service by the Department of a Disengagement Services Notice on the Contractor (pursuant to clause 88.1 (Disengagement Services Notice) of the Base Agreement), an orderly and timely migration of responsibility for providing the Services from the Contractor to any New Contractor or to the Department with no, or minimal, disruption to the Department's business.

### 2. Disengagement and Core Disengagement Services

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#### 2.1 General

The scope, nature and extent of Disengagement Period and the Core Disengagement Services provided or to be provided by the Contractor, are or will be as specified in this Schedule 24 and in the Disengagement Plan.

#### 2.2 Disengagement Plan

- (a) The Contractor must:
  - (i) not less than 18 months prior to the Expiry Date; or
  - (ii) within 10 Business Days of the Department requesting it to do so if a Termination Notice has been given,prepare and submit to the Department a draft Disengagement Plan which complies with the requirements for such plan as set out in this Schedule 24.
- (b) The Department will review the draft Disengagement Plan, suggest changes to the same and a new draft of the Disengagement Plan will then be prepared by the Contractor for submission to the Department.
- (c) The revised draft Disengagement Plan once submitted to the Department is to be reviewed and approved by the Department in accordance with and subject to the Review Procedures.
- (d) If a Disengagement Services Notice is issued before a Disengagement Plan is agreed, the provisions of this Schedule 24 will provide the basis for the Core Disengagement Services and the obligations the Contractor is required to perform for the purposes of the Core Disengagement Services, to bring about the seamless migration referred to in this Schedule 24.
- (e) Following approval of the initial Disengagement Plan, the Disengagement Plan will be maintained and updated by the Contractor so as to continue to comply with the requirements of this Schedule 24.
- (f) The Disengagement Plan will specify the tasks, the resources and the personnel to be used to provide the Core Disengagement Services in accordance with this Schedule 24. The Disengagement Plan must not contain anything that is inconsistent with the provisions of this Schedule 24. More specifically, the Disengagement Plan will:

- (i) specify the processes and procedures to give effect to the seamless migration of responsibility for the provision of the Services in accordance with the terms of this Schedule 24;
- (ii) where the Actual Termination Date occurs prior to the Service Commencement Date, be prepared on the basis that the Contractor is handing over a physical site rather than transitioning the performance of Operational Services and include a detailed description of:
  - (A) demobilisation and handover of the Department Site;
  - (B) interim safety and access measures and restrictions pending completion of the Core Disengagement Services;
  - (C) the process and approach for handover of all draft and completed documentation in its then-current state; and
  - (D) the roles and contractual arrangements relating to all sub-contractors of any tier then-involved in performing Works; and
- (iii) where the Actual Termination Date occurs on or after the Service Commencement Date, include a detailed description of the following, where applicable:
  - (A) the items that make up the Handover Package;
  - (B) the tasks to be performed to effect the Core Disengagement Services;
  - (C) the Disengagement Deliverables to be delivered to the Department at the end of the Contract Term;
  - (D) the timing and methodology for undertaking a final survey of the Facility to ensure compliance with the Hand Back Requirements;
  - (E) a timetable (based on the likely scenarios) incorporating staged handovers of different parts of the Services;
  - (F) key dependencies and risks;
  - (G) risk mitigation planning including provision of the Services during the Disengagement Period; and
  - (H) the rights of access to, and use of, any premises owned or leased by the Contractor and used in the provision of the Services by the Department or a New Contractor (together with the charges payable (if any)).

## 2.3 Tender or other succession process

The Contractor acknowledges that the Department may, without prejudice to the terms of the Project Documents and the Financier Direct Deed, on or following the commencement of the Disengagement Period:

- (a) invite any person to tender for the provision of all or any part of the Services (each a **Tenderer**); or
- (b) adopt another process for the appointment of a New Contractor.

## **2.4 Assistance with the re-tendering or handover process**

The Contractor will, following an invitation from the Department to a Tenderer or other potential New Contractor:

- (a) provide reasonable assistance in the tendering process or other handover process for the relevant Services;
- (b) provide a Tenderer, or other potential New Contractor within 10 Business Days of a request by the Department, with copies of the Handover Package;
- (c) provide all Design Documentation in its then-current status and such additional reasonable information in respect of the design and construction of the Works as the Department or any Tenderer or other potential New Contractor may reasonably require;
- (d) provide the Department and all Tenderers or any potential New Contractor nominated by the Department with reasonable access to Contractor Personnel, the Disengagement Deliverables and other assets and information relevant to the provision of the Operational Services;
- (e) provide such additional information about the Operational Services as the Department or any Tenderer or other potential New Contractor may reasonably require;
- (f) provide reasonable assistance with the verification of any information relating to the provision of the Operational Services including the provision of answers to verification questions; and
- (g) use all reasonable endeavours to ensure that:
  - (i) all information, as at the date provided by it, constitutes true, correct and complete copies and is not misleading, whether by omission or otherwise; and
  - (ii) there are not in existence any other agreements or documents replacing or relating to any of the information that would materially affect the interpretation or application of the information,

and, to the extent the Contractor has not provided true, correct and complete information, it expressly clarifies with reasons that failure,

provided that the Department has first procured a confidentiality undertaking from the Tenderer or potential New Contractor in a form acceptable to the Contractor (acting reasonably).

## **2.5 Assistance to facilitate seamless migration**

- (a) The Contractor will do all things reasonably necessary to facilitate a seamless migration of responsibility for the provision of the Operational Services from the Contractor to the New Contractor or to the Department during the Disengagement Period, including:
  - (i) providing such training and consultancy services required by the Department to fully understand the architecture and configuration of the Operational Services and the processes, techniques and methodologies employed by the Contractor in its delivery of the Services generally; and
  - (ii) otherwise complying with the provisions of the Disengagement Plan and this Schedule 24,

provided that the Contractor shall not be required to provide the Operational Services as part of the Core Disengagement Services.

- (b) Provided that the Department has first procured a confidentiality undertaking from the New Contractor in a form acceptable to the Contractor (acting reasonably), the Contractor will or will procure that the Department and any New Contractor is, for a period of 12 months following the end of the Contract Term, given access to:
  - (i) such information relating to the Services as remains in the possession or control of the Contractor or a Contractor Related Person; and
  - (ii) such Contractor Personnel as have been involved in the design, development, implementation and provision of the Services and who are still employed or retained by the Contractor, with such access to be reasonable in the context of that person's current role and geographic location,

and the Contractor will not do anything which prejudices or frustrates the seamless migration of the responsibility for the provision of the Services from the Contractor to the New Contractor or the Department.

### **3. Disengagement Period**

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#### **3.1 Conduct of business**

The Contractor will, during the Disengagement Period:

- (a) maintain all Disengagement Deliverables that the Department may elect to be transferred to it in good operating condition and repair in accordance with the terms of this Agreement and otherwise in accordance with Good Industry Practice;
- (b) not dispose of, lease or allow any Security Interest to subsist over, any Disengagement Deliverable that the Department may elect to have transferred to it, without the prior written consent of the Department; and
- (c) in accordance with section 199(1)(l) of the Corrections Act, co-operate with the Chief Executive and comply with any instructions issued by the Chief Executive to ensure the orderly and efficient transfer of the management of the Prison.

#### **3.2 Disengagement completion**

- (a) All Core Disengagement Services and the completion of the transfer of all Disengagement Deliverables are to be effected on or prior to the last day of the Disengagement Period.
- (b) Possession of, and (where appropriate), risk in and title to or responsibility for, the Disengagement Deliverables will be given on or prior to the last day of the Disengagement Period with, to the extent that the Contractor is able (having used reasonable endeavours) to procure the assignment of the same, the benefit of all warranties and guarantees provided by third parties in respect of those Disengagement Deliverables.
- (c) If the Contractor fails to deliver or make available to the Department a Disengagement Deliverable by the last day of the Disengagement Period, the Department will have the right to enter the Contractor's premises to remove such Disengagement Deliverable, at the Contractor's risk, cost and expense.

- (d) The Contractor warrants that as at the relevant completion date for a Disengagement Deliverable it has full right and entitlement to sell, transfer or novate that Disengagement Deliverable to the Department (or its nominee) as required by the terms of this Schedule 24.
- (e) Where a Disengagement Deliverable comprises equipment, fittings, furniture, hardware, physical electronic components or other assets of a tangible nature, the Contractor must deliver to the Department at the end of the Contract Term any documents of title or other documentary evidence of ownership held by the Contractor in respect of those Disengagement Deliverables, together with signed change of ownership forms for the same where applicable.
- (f) As at the completion date for a Disengagement Deliverable, the Contractor must deliver to the Department releases of all Security Interests over that Disengagement Deliverable.
- (g) The Department acknowledges that nothing in this Schedule 24 imposes any obligation on the Contractor to deliver or transfer to the Department:
  - (i) its licence in, or otherwise provide the Department with any right to use any commercially available third party software used by the Contractor to provide the Operational Services, including any shrink-wrapped Intellectual Property; or
  - (ii) any facilities, plant and/or equipment required on the Development Site for the execution of the Works, but not forming part of the Works.

### **3.3 Additional obligations of Contractor on Disengagement**

The Contractor will, in accordance with the Disengagement Plan or as otherwise directed by the Department:

- (a) deliver all Department Materials to the Department or as directed by the Department and shall ensure that all copies of the Department Materials that are retained by it or by any of its Contractor Personnel are securely stored or destroyed (at the direction of the Department);
- (b) deliver all Materials that have been developed in relation to the Project during the Contract Term (including any Intellectual Property rights, to the extent that the Department has such Intellectual Property rights, whether owned or licensed, in accordance with clause 60 (Intellectual Property) of the Base Agreement) to the Department or as directed by the Department, including, in the case of Materials that are software:
  - (i) and are Developed IP, an up to date copy of the source code and object code of the software; and
  - (ii) such software tools, other tools, object libraries, data configuration management tools, detailed designs and other documentation in order to enable the Department to access, use, reproduce, adopt, modify, create new versions or derivative works of that software and to otherwise use and deal with that software as owner of the same, whether as owner of Developed IP under clause 60.4 (Developed IP) of the Base Agreement or as owner of a licence of Contractor Background IP under clause 60.6 (Licensing of Contractor Intellectual Property) of the Base Agreement;
- (c) deliver the originals of all reports and records that the Contractor is required to maintain pursuant to this Agreement; and

- (d) effect transfer to the Department (or its nominee) of all of the data in accordance with the Disengagement Plan, by way of a data migration process that ensures that none of that data is lost or corrupted and that none of the data so transferred remains available or accessible by the Contractor.

## **4. Employment Offers**

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### **4.1 Offers**

The Department (or its nominee) may, at any time during the Disengagement Period by giving the Contractor at least 20 Business Days' notice in writing, make an offer of employment with respect to the Prison (an **Employment Offer**) to such of the Contractor Personnel employed in undertaking the Operational Services as it elects in its discretion, on the Department's (or its nominee's) terms and conditions. Each Employment Offer must be capable of acceptance by the Contractor Personnel to whom it is made at any time with effect from the later of 10 Business Days after it is made and the end of the Disengagement Period.

### **4.2 Consultation and co-operation**

The Contractor and the Department must each:

- (a) consult and co-operate with the other during the course of negotiations with Contractor Personnel employed or engaged in undertaking the Operational Services then retained by the Contractor or a Contractor Related Person with respect to whom an Employment Offer has been made; and
- (b) use all reasonable endeavours to persuade each of those Contractor Personnel to accept such Employment Offer (provided that, in the case of the Contractor, such terms are no less favourable than the Contractor Personnel's then-current terms), but without any obligation to incur any financial cost or expense or to require any Contractor Related Person to act in a way that may repudiate any employment agreement with its employees or otherwise prejudice the employer/employee relationship.

The Contractor must release or obtain the release from his or her employment of each of the Contractor Personnel who accepts an Employment Offer, such release to be effective on or prior to the end of the Disengagement Period.

### **4.3 Other accrued entitlements**

Where any Contractor Personnel employed or engaged in undertaking the Operational Services accepts an Employment Offer, his or her entitlements to accrued annual leave, days in lieu not taken, long service leave accrued and other accrued entitlements not taken (based on the then current rates) will be assumed by the Department (or its nominee). Where any Contractor Personnel does not accept or receive an Employment Offer, his or her entitlements to accrued annual leave, days in lieu not taken, long service leave accrued and other accrued entitlements then become payable by the Contractor.

## **5. Further assurances**

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Each party must, whenever requested by the other party, execute, sign and deliver all documents and do all things reasonably necessary or appropriate to complete the transfer to the Department of the Disengagement Deliverables or otherwise to give effect to the provisions of this Schedule 24, whether before, during or after the Disengagement Period.



## Schedule 25: Insurance Premium Sharing

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### 1. Establishment of base insurance premium

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#### 1.1 Setting of Base insurance premium

No later than two months (nor earlier than four months) before Works Completion, the Contractor shall:

- (a) obtain and provide copies to the Department of three independent quotes (or two such quotes if the Contractor is unable to obtain three such quotes by reason of capacity constraints in such markets at the relevant time, which quotes shall be inclusive of any brokerage and other fees payable and GST) from Reputable Insurers with respect to the premium cost for the Shared Operating Insurances for the first Insurance Year, under insurance policies with terms and conditions that comply with the requirements of this Agreement;
- (b) provide such documentation or information as the Department reasonably requires to confirm the Contractor's compliance with paragraph 1.1(a) in obtaining those quotations; and
- (c) notify the Department in writing of the Contractor's preferred quotation and insurance broker, and the reasons why.

#### 1.2 Agreement on insurances

- (a) Within 10 Business Days after receiving the information given under paragraph 1.1, the Department shall advise the Contractor whether it agrees with the Contractor's preferred insurer and, if not, the reasons why.
- (b) If the Department and the Contractor, each acting reasonably, do not reach agreement on the matters referred to in paragraph 1.2(a), either party may refer the matter to be determined under the Accelerated Dispute Resolution Procedures, and the insurance policies will be taken out with the insurer either agreed by the parties or determined under the Accelerated Dispute Resolution Procedures to be the most suitable.

#### 1.3 Outcome

The premium cost for the Shared Operating Insurances agreed between the parties under paragraph 1.2(a) or determined under paragraph 1.2(b):

- (a) will establish the Base Insurance Premium, as defined in and for the purposes of Schedule 17 (Payment Mechanism); and
- (b) will establish the premium for the Shared Operating Insurances for the first Insurance Year.

### 2. Procurement of Shared Operating Insurances

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#### 2.1 Procurement of insurances

No later than two months (nor earlier than four months) before the start of each Insurance Year (excluding the first Insurance Year), the Contractor shall:

- (a) obtain and provide copies to the Department of three independent quotes (or two such quotes if the Contractor is unable to obtain three such quotes by reason of capacity constraints in such markets at the relevant time, which quotes shall be inclusive of any brokerage and other fees payable and GST) from Reputable Insurers with respect to the premium cost for the Shared Operating Insurances for the relevant Insurance Year, under insurance policies with terms and conditions that comply with the requirements of this Agreement;
- (b) provide a detailed written report, prepared in consultation with its insurance brokers, on the reasons for any substantial increases in insurance premiums (if applicable); and
- (c) notify the Department in writing of the Contractor's preferred quotation and insurance broker, and the reasons why.

## **2.2 Agreement on insurances**

- (a) Within 10 Business Days after receiving the information given under paragraph 2.1, the Department shall advise the Contractor whether it agrees with the Contractor's preferred insurer and, if not, the reasons why.
- (b) If the Department and the Contractor, each acting reasonably, do not reach agreement on the matters referred to in paragraph 2.2(a), either party may refer the matter to be determined under the Accelerated Dispute Resolution Procedures, and the insurance policies will be taken out with the insurer either agreed by the parties or determined under the Accelerated Dispute Resolution Procedures to be the most suitable.

## **2.3 Outcome**

The premium cost for the Shared Operating Insurances agreed between the parties under paragraph 2.2(a) or determined under paragraph 2.2(b) will establish the premium for the Shared Operating Insurances for the relevant Insurance Year.

## **3. Insurance rebate payment**

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If:

- (a) the Expiry Date does not coincide with an anniversary of the Service Commencement Date; or
- (b) the Actual Termination Date does not coincide with an anniversary of the Service Commencement Date,

the Contractor shall use its best endeavours to procure receipt of a rebate from the relevant insurance provider as a result of the early termination of the Shared Operating Insurances and shall, within five Business Days of receipt of any such rebate, refund the amount of that rebate to the Department.