

I hereby give notice that an ordinary meeting of the Council Controlled Organisations Governance and Monitoring Committee will be held on:

Date: Thursday, 9 July 2015
Time: 10.00am
Meeting Room: Rooms 1 and 2, Level 26
Venue: 135 Albert Street
Auckland

Council Controlled Organisations Governance and Monitoring Committee

OPEN ADDENDUM AGENDA

MEMBERSHIP

Chairperson	Deputy Mayor Penny Hulse
Deputy Chairperson	Cr Calum Penrose
Members	Cr Anae Arthur Anae
	Cr Cameron Brewer
	Cr Dr Cathy Casey
	Member Precious Clark
	Cr Ross Clow
	Cr Linda Cooper, JP
	Cr Chris Darby
	Cr Denise Krum
	Cr Dick Quax
	Cr Penny Webster
	Member Glenn Wilcox
	Cr George Wood, CNZM
Ex-officio	Mayor Len Brown, JP

(Quorum 7 members)

Jaimee Maha
Democracy Advisor

6 July 2015

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Extension of Trust Deed : Highbrook Park Trust

File No.: CP2015/08169

Purpose

1. To enable the Highbrook Park Trust deed to carry on for a further fifteen year term.

Executive Summary

2. The Highbrook Park Trust (HPT) is a legacy council controlled organisation (CCO) that was established in August 2000 to acquire, establish, and maintain a park on the Waiouru Peninsula, adjacent to the Highbrook Business Park.
3. A park of approximately 40 hectares has been established. Auckland Council provides an annual grant to the trust to maintain the park.
4. The trust deed provides for the trust to be wound up 15 years from the creation of the trust deed (which is approaching in August 2015) or anytime thereafter.
5. At the Council Controlled Organisations Governance and Monitoring Committee meeting on 3 March 2015, staff, in accordance with the HPT Deed, requested approval to wind-up the HPT.
6. However, the trustees, while preparing to wind up the trust, have recognised that there is a benefit in retaining the current structure for another 15 years. The reasons for recommending that the trust deed not be wound up now are as follows:
 - the trust would like to ensure that the seamless provision of services is maintained while the business park is completed
 - trustees have noted that the current mechanism for delivery is viewed as successful by council's Parks, Sports and Recreation business partners because:
 - the Trust is delivering an enhanced level of maintenance through an onsite team
 - the current delivery provides a streamlined process and economies of scale
 - the current trustees are able to successfully interface with the council's Parks, Sports and Recreation department
 - public access to the park has been an additional advantage for council (i.e. Goodman NZ provided funding for resource consent for water sports and running/cycling events).
7. Staff have discussed the extension with the Manager Local and Sports Parks South and council's legal team, and both support the recommendation to not wind up the HPT Deed.
8. Given the park sits within two local boards, staff have met with both the Howick and Otara-Papatoetoe Local Board. Both boards support the recommendation to not wind up the trust deed for a further fifteen years.
9. Financial implications for council are neutral who currently provides an annual grant (management fee) to the trust to maintain the park. The alternative would be financially no change but level of service may decrease.
10. This report seeks approval to amend the trust deed and renew certain ancillary agreements to enable the Trust to continue for an additional fifteen years, being an initial five year term with review and right of renewal for any additional five year terms (two by five years), if required.

Recommendation/s

That the Council Controlled Organisations Governance and Monitoring Committee:

- a) approve any amendments to Highbrook Park Trust Deed, the Funding and Management Agreements, and any other ancillary documentation to give effect to the decision not to wind up the trust so that it may continue to operate for another fifteen years, with the intention that:
 - i) there be a review at year five with a right of renewal for an additional five year terms (two by five years), if required; and
 - ii) at each review will include feedback from Auckland Council's Parks, Recreation and Sport department, and the Howick and Otara-Papatoetoe Local Boards.
- b) delegate to Auckland Council's Director Legal and Risk the authority to execute, renew and amend all necessary documentation to give effect to clause a) above, including:
 - i) Highbrook Park Trust Deed between Auckland Council and Highbrook Park Trust; and
 - ii) Funding and Management Agreements and any other ancillary documentation between Auckland Council and Highbrook Developments Limited.

Comments

11. The HPT was established in August 2000 by Manukau City Council and Highbrook Development Limited. It is a legacy council-controlled organisation of Auckland Council. The purpose of the trust was to acquire, establish and maintain a park on the Waiouru Peninsula (adjacent to the Highbrook Business Park in East Tamaki) for the benefit of the public of the region. The business park is managed by Goodman NZ.
12. The other objectives of the trust are to:
 - ensure the effective, efficient and safe use of the park
 - protect environmentally sensitive and geologically important areas within the park
 - ensure that uses and activities within the park are compatible with the adjoining communities
 - maintain references within the park to the historic uses of the land.
13. Approximately 30 hectares of land were initially transferred to the trust, and subsequently an additional 10 hectares were acquired and transferred. The business park has been developed in stages and the park areas associated with each stage have been transferred to the trust.
14. The trust is responsible for development of the park, and has undertaken extensive landscaping and planting. It is also responsible for the ongoing management, maintenance and administration of the park. Council currently pays an annual grant (management fee) to the trust to meet the trust's annual budgeted expenses, including park maintenance.
15. The trust deed provides that the trust can be wound up, on a date to be nominated by the trust and agreed with council some 15 years after the establishment of the trust, or anytime thereafter.
16. The trustees, when considering whether to wind up the trust, have recognised there is a benefit in retaining the current structure in order to complete the business park.
17. This report seeks approval for the recommendation that the trust continues for another fifteen years, being an initial five year term with review and right of renewal for an additional five year terms (two by five years), if required.

25. There are references within the park to the historic uses of the land, and these, together with the park brochure and website, highlight the significance of the area, particularly the Pukekiwiriki crater.

Implementation

26. Auckland Council's legal department and HPT will develop the appropriate amendments to the trust and management agreements and the Director Legal and Risk is delegated to approve all final amendments.

Attachments

There are no attachments for this report.

Signatories

Authors	Josie Meuli - Senior Advisor
Authorisers	John Bishop - Treasurer and Manager CCO Governance & External Partnerships Sue Tindal - Chief Financial Officer, Acting Chief Executive