I hereby give notice that an ordinary meeting of the Finance and Performance Committee will be held on:

**Date:** Tuesday, 15 May 2018  
**Time:** 9.30am  
**Meeting Room:** Reception Lounge  
**Venue:** Auckland Town Hall  
301-305 Queen Street  
Auckland

### Komiti ā Pūtea, ā Mahi Hoki  
*Finance and Performance Committee*

**OPEN AGENDA**

**MEMBERSHIP**

<table>
<thead>
<tr>
<th>Chairperson</th>
<th>Cr Ross Clow</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deputy Chairperson</td>
<td>Cr Desley Simpson, JP</td>
</tr>
</tbody>
</table>
| Members | Cr Josephine Bartley  
| | Cr Dr Cathy Casey |
| | Deputy Mayor Bill Cashmore |
| | Cr Fa’anana Efeso Collins |
| | Cr Linda Cooper, JP |
| | Cr Chris Darby |
| | Cr Alf Filipaina |
| | Cr Hon Christine Fletcher, QSO |
| | Mayor Hon Phil Goff, CNZM, JP |
| | Cr Richard Hills |
| | IMSB Member Terrence Hohneck |

(Quorum 11 members)

Sandra Gordon  
Senior Governance Advisor

10 May 2018

Contact Telephone: (09) 890 8150  
Email: sandra.gordon@aucklandcouncil.govt.nz  
Website: www.aucklandcouncil.govt.nz

**Note:** The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted. Should Members require further information relating to any reports, please contact the relevant manager, Chairperson or Deputy Chairperson.
Terms of Reference

Responsibilities

The purpose of the Committee is to:
(a) control and review expenditure across the Auckland Council Group to improve value for money
(b) monitor the overall financial management and performance of the council parent organisation and Auckland Council Group
(c) make financial decisions required outside of the annual budgeting processes

Key responsibilities include:

- Advising and supporting the mayor on the development of the Long Term Plan (LTP) and Annual Plan (AP) for consideration by the Governing Body including:
  o Local Board agreements
  o Financial policy related to the LTP and AP
  o Setting of rates
  o Preparation of the consultation documentation and supporting information, and the consultation process, for the LTP and AP
- Monitoring the operational and capital expenditure of the council parent organisation and Auckland Council Group, and inquiring into any material discrepancies from planned expenditure
- Monitoring the financial and non-financial performance targets, key performance indicators, and other measures of the council parent organisation and each Council Controlled Organisation (CCO) to inform the Committee’s judgement about the performance of each organisation
- Advising the mayor on the content of the annual Letters of Expectations (LoE) to CCOs
- Exercising relevant powers under Schedule 8 of the Local Government Act 2002, which relate to the Statements of Intent of CCOs
- Exercising Auckland Council’s powers as a shareholder or given under a trust deed, including but not limited to modification of constitutions and/or trust deeds, granting shareholder approval of major transactions where required, exempting CCOs, and approving policies relating to CCO and CO governance
- Approving the financial policy of the Council parent organisation
- Establishing and managing a structured approach to the approval of non-budgeted expenditure (including grants, loans or guarantees) that reinforces value for money and an expectation of tight expenditure control
- Write-offs
- Acquisition and disposal of property, in accordance with the long term plan
- Recommending the Annual Report to the Governing Body
- Te Toa Takatini
Powers

(a) All powers necessary to perform the committee’s responsibilities, including:
   a. approval of a submission to an external body
   b. establishment of working parties or steering groups.

(b) The committee has the powers to perform the responsibilities of another committee, where it is necessary to make a decision prior to the next meeting of that other committee.

(c) The committee does not have:
   a. the power to establish subcommittees
   b. powers that the Governing Body cannot delegate or has retained to itself (section 2).
Exclusion of the public – who needs to leave the meeting

Members of the public

All members of the public must leave the meeting when the public are excluded unless a resolution is passed permitting a person to remain because their knowledge will assist the meeting.

Those who are not members of the public

General principles

- Access to confidential information is managed on a “need to know” basis where access to the information is required in order for a person to perform their role.
- Those who are not members of the meeting (see list below) must leave unless it is necessary for them to remain and hear the debate in order to perform their role.
- Those who need to be present for one confidential item can remain only for that item and must leave the room for any other confidential items.
- In any case of doubt, the ruling of the chairperson is final.

Members of the meeting

- The members of the meeting remain (all Governing Body members if the meeting is a Governing Body meeting; all members of the committee if the meeting is a committee meeting).
- However, standing orders require that a councillor who has a pecuniary conflict of interest leave the room.
- All councillors have the right to attend any meeting of a committee and councillors who are not members of a committee may remain, subject to any limitations in standing orders.

Independent Māori Statutory Board

- Members of the Independent Māori Statutory Board who are appointed members of the committee remain.
- Independent Māori Statutory Board members and staff remain if this is necessary in order for them to perform their role.

Staff

- All staff supporting the meeting (administrative, senior management) remain.
- Other staff who need to because of their role may remain.

Local Board members

- Local Board members who need to hear the matter being discussed in order to perform their role may remain. This will usually be if the matter affects, or is relevant to, a particular Local Board area.

Council Controlled Organisations

- Representatives of a Council Controlled Organisation can remain only if required to for discussion of a matter relevant to the Council Controlled Organisation.
<table>
<thead>
<tr>
<th>ITEM</th>
<th>TABLE OF CONTENTS</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Apologies</td>
<td>9</td>
</tr>
<tr>
<td>2</td>
<td>Declaration of Interest</td>
<td>9</td>
</tr>
<tr>
<td>3</td>
<td>Confirmation of Minutes</td>
<td>9</td>
</tr>
<tr>
<td>4</td>
<td>Petitions</td>
<td>9</td>
</tr>
<tr>
<td>5</td>
<td>Public Input</td>
<td>9</td>
</tr>
<tr>
<td>6</td>
<td>Local Board Input</td>
<td>9</td>
</tr>
<tr>
<td>6.1</td>
<td>Local Board Input - Franklin Local Board regarding the Corporate Property Portfolio Strategy</td>
<td>10</td>
</tr>
<tr>
<td>6.2</td>
<td>Local Board Input - Papakura Local Board regarding the Corporate Property Portfolio Strategy</td>
<td>10</td>
</tr>
<tr>
<td>6.3</td>
<td>Local Board Input - Hibiscus and Bays Local Board regarding the Corporate Property Portfolio Strategy</td>
<td>10</td>
</tr>
<tr>
<td>7</td>
<td>Extraordinary Business</td>
<td>11</td>
</tr>
<tr>
<td>8</td>
<td>Notices of Motion</td>
<td>11</td>
</tr>
<tr>
<td>9</td>
<td>Corporate Accommodation Disposal Recommendation, Corporate Property Portfolio Strategy</td>
<td>13</td>
</tr>
<tr>
<td>10</td>
<td>Finance and Performance Committee - Information Report - 15 May 2018</td>
<td>97</td>
</tr>
<tr>
<td>11</td>
<td>Consideration of Extraordinary Items</td>
<td></td>
</tr>
</tbody>
</table>

**PUBLIC EXCLUDED**

| 12   | Procedural Motion to Exclude the Public                                           | 113  |
| C1   | Matters relating to Council’s guarantee of ASB Loan to Eden Park Trust Board (Covering report) | 113  |
1 **Apologies**

At the close of the agenda no apologies had been received.

2 **Declaration of Interest**

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

3 **Confirmation of Minutes**

That the Finance and Performance Committee:

a) confirm the ordinary minutes of its meeting, held on Tuesday, 17 April 2018 as a true and correct record.

4 **Petitions**

At the close of the agenda no requests to present petitions had been received.

5 **Public Input**

Standing Order 7.7 provides for Public Input. Applications to speak must be made to the Governance Advisor, in writing, no later than **one (1) clear working day** prior to the meeting and must include the subject matter. The meeting Chairperson has the discretion to decline any application that does not meet the requirements of Standing Orders. A maximum of **thirty (30) minutes** is allocated to the period for public input with **five (5) minutes** speaking time for each speaker.

At the close of the agenda no requests for public input had been received.

6 **Local Board Input**

Standing Order 6.2 provides for Local Board Input. The Chairperson (or nominee of that Chairperson) is entitled to speak for up to **five (5) minutes** during this time. The Chairperson of the Local Board (or nominee of that Chairperson) shall wherever practical, give **one (1) day’s notice** of their wish to speak. The meeting Chairperson has the discretion to decline any application that does not meet the requirements of Standing Orders.

This right is in addition to the right under Standing Order 6.1 to speak to matters on the agenda.
6.1 Local Board Input - Franklin Local Board regarding the Corporate Property Portfolio Strategy

Te take mō te pūrongo / Purpose of the report
1. To make a presentation to the Finance and Performance Committee regarding the Corporate Property Portfolio Strategy.

Whakarāpopototanga matua / Executive summary
2. Mr Andy Baker, Chairperson of the Franklin Local Board wishes to address the committee regarding the Corporate Portfolio Strategy and in particular, the possible disposal of 82 Manukau Road, Pukekohe.

Ngā tūtohunga / Recommendation/s
That the Finance and Performance Committee:
  a) receive and thank Franklin Local Board Chair, Andy Baker for his presentation regarding the Corporate Property Portfolio Strategy.

6.2 Local Board Input - Papakura Local Board regarding the Corporate Property Portfolio Strategy

Te take mō te pūrongo / Purpose of the report
1. To make a presentation to the Finance and Performance Committee regarding the Corporate Property Portfolio Strategy.

Whakarāpopototanga matua / Executive summary
2. Mr Brent Catchpole, Chairperson of the Papakura Local Board wishes to address the committee regarding the Corporate Portfolio Strategy and in particular, the possible disposal of 35 Coles Crescent, Papakura.

Ngā tūtohunga / Recommendation/s
That the Finance and Performance Committee:
  a) receive and thank Papakura Local Board Chair, Brent Catchpole for his presentation regarding the Corporate Property Portfolio Strategy.

6.3 Local Board Input - Hibiscus and Bays Local Board regarding the Corporate Property Portfolio Strategy

Te take mō te pūrongo / Purpose of the report
1. To make a presentation to the Finance and Performance Committee regarding the Corporate Property Portfolio Strategy.

Whakarāpopototanga matua / Executive summary
2. Mrs Julie Parfitt, Chairperson of the Hibiscus and Bays Local Board wishes to address the committee.

Ngā tūtohunga / Recommendation/s
That the Finance and Performance Committee:
  a) receive and thank Hibiscus and Bays Local Board Chair, Julia Parfitt for her presentation regarding the Corporate Property Portfolio Strategy.
7 Extraordinary Business

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“An item that is not on the agenda for a meeting may be dealt with at that meeting if-

(a) The local authority by resolution so decides; and

(b) The presiding member explains at the meeting, at a time when it is open to the public,-

(i) The reason why the item is not on the agenda; and

(ii) The reason why the discussion of the item cannot be delayed until a subsequent meeting.”

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“Where an item is not on the agenda for a meeting,-

(a) That item may be discussed at that meeting if-

(i) That item is a minor matter relating to the general business of the local authority; and

(ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but

(b) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.”

8 Notices of Motion

There were no notices of motion.
Te take mō te pūrongo / Purpose of the report
1. To obtain approval to dispose of seven council-owned sites that Corporate Property considers suitable for sale as part of the Corporate Property Portfolio Strategy and ring-fence the capital receipts from the divestment of properties to reinvest in a programme of works to create a fit-for-purpose and future-proofed corporate property network aligned to the structure of the organisation.

Whakarāpopototanga matua / Executive summary
2. Auckland Council’s Corporate Property team has developed a Corporate Property Portfolio Strategy, which was approved by Auckland Council’s executive leadership team in February 2018. This seeks to contribute to a more efficient and operationally effective corporate property network. It is a self-funding programme of works, which utilises the capital receipts from the divestment of seven properties that are no longer required for the corporate property office network and reinvests the sale proceeds to undertake a programme of works that delivers:
   - 1 headquarters at Auckland House (135 Albert Street)
   - 3 hubs in the North/West (Albany or Westgate), Central (Bledisloe House) and the South (Manukau Civic)
   - 4 new local board spaces where displaced by building closures
   - 17 refreshed local board spaces
   - 7 new customer service centre spaces where displaced by building closures
   - 13 refreshed customer service centres
   - 25 spokes (drop in spaces created in existing council locations)
   - 78 leisure centre and library back office areas refreshed
   - Records and archives storage optimisation works.
3. Consultation with impacted council departments, impacted local boards, Panuku Development Auckland and iwi authorities has now taken place.

Ngā tūtohunga / Recommendation/s
That the Finance and Performance Committee:
a) approve the disposal of the following sites identified in Option 2 – Optimise (as referenced later in this report and the info- graphic attached) that forms the Corporate Property Portfolio Strategy, subject to the satisfactory conclusion of any required statutory processes:
   i) approximately 4,238m2 (subject to survey) of land at 4-10 Mayoral Drive, Auckland comprised of an estate in fee simple more or less being the following:
      - 4-8 Mayoral Drive: Lot 15, Lot 18 and Lots 23-25 DP 21520 and Part Lot 21 DP 212520, contained in computer freehold register NA1589/36.
      - 10 Mayoral Drive: Section 1 Survey Office Plan 54203, contained in computer freehold register NA75B/323.
      - 10A Mayoral Drive: Allotment 26-27 Section 31 City of Auckland, contained in computer freehold register NA1193/78.
ii) approximately 4,841m² (subject to survey) of land and associated buildings at 35 Graham Street, Auckland, comprised of an estate in fee simple more or less being Lot 1 DP 47079 and Lot 1 DP 68194 and Part Allotment 9-10 Section 20 Suburbs of Auckland, contained in computer freehold register NA97B/101; and

iii) an approximate 7,200m² (subject to survey) portion of the overall 16,164m² (subject to survey) of land and the associated “Admin” building at 6 Henderson Valley Road, Henderson, comprised of an estate in fee simple more or less being Lot 2 DP 370255, contained in computer freehold register 284768. Note that the residual land area is intended to be sub-divided for the purposes of CRL (approximately 2,100m²), retained ownership of the “Civic” building by council (approximately 1,100m²), roading and Japanese Gardens to be vested (approximately 5,764m²); and

iv) approximately 910m² (subject to survey) of land and associated buildings at 4 Osterley Way, Manukau, comprised of an estate in fee simple more or less being Part Lot 47 DP 69242, contained in computer freehold register NA67C/986; and

v) approximately 19,305m² (subject to survey) of land and associated buildings at 50 Centreway Road, Orewa, comprised of an estate in fee simple more or less being Lot 1 DP 147350, contained in computer freehold register NA87D/294; and

vi) an approximate 2,550m² (subject to survey) portion of the overall approximately 5,059m² (subject to survey) of land and associated buildings at 35 Coles Crescent, Papakura, comprised of an estate in fee simple more or less being Allotment 3-4 and Allotment 4A Section 2 Village of Papakura, contained in computer freehold register NA521/186. Note that the residual land area is intended to be sub-divided for the purposes of a reserve containing the historic Centennial House, the time capsule and the playground; and

vii) approximately 13,090m² (subject to survey) of land and associated buildings at 82 Manukau Road, Pukekohe, comprised of an estate in fee simple more or less being Lot 1 DP 99706, contained in computer freehold register NA54B/1241; and

b) agree that final terms and conditions be approved under the appropriate delegations.

c) approve the ring-fencing of the capital receipts from the divestment of properties to reinvest in a programme of works to create a fit for purpose corporate property network.

Horopaki / Context

The Corporate Property Portfolio


5. Outside of a 2013/2014 CBD office consolidation to Auckland House (135 Albert Street) and Bledisloe House, the organisation across the region largely operates from a pre-amalgamation portfolio of regional council office buildings and storage facilities.

6. The core focus for Corporate Property is our people; we are mindful that there is a strong link between workplace quality, staff engagement and productivity. The Corporate Property team strives to provide safe, healthy, fit-for-purpose and productive working environments that are consistently and equitably applied across the portfolio to support our people to thrive and create great outcomes for our customers.
7. **Current building conditions:** We are facing a ‘maintenance mountain’ of deferred maintenance activities that is impacting the operational resilience and working conditions for our people. This ‘maintenance mountain’ appears to have been caused by a historic and continued under-investment in our corporate buildings. The existing portfolio requires significant investment to ensure our spaces are operationally effective and remain healthy and safe in line with our obligations under the Health and Safety in Work Act 2015 and relevant sections of the Building Act 2004.

8. **Current interior fitout conditions:** In many of our buildings we are forcing our staff to work in old, unproductive legacy working environments that owe their design origins to last century work-practices. These facilities are characterised by dated cellular spaces and often with poor quality furniture solutions, inconsistent end-user computing solutions and an over-reliance on paper-based processes. The organisation is transitioning to increasingly collaborative, flexible workstyles supported by digital processes that will allow our customers to interact with us more easily. We need to support this transition by upgrading our workplace to provide appropriate fitout and digital computer solutions and therefore empower our people to deliver best outcomes for our customers and the community.

**The Corporate Property Portfolio is a regional asset**

9. Corporate Property Portfolio spaces are regional assets, which are funded centrally by general rates. Decision-making responsibility with respect to these regional assets sits with the governing body.

10. This re-organisation of the Corporate Property Portfolio should not be confused with Service Property Optimisation. Service Property Optimisation is where the Governing Body has allocated its decision-making power to local boards when considering candidates for potential optimisation where all the criteria are met. The intent of the Service Property Optimisation policy is to release latent value from assets such as community facilities and parks, which are sub-optimal or not fit-for-purpose. To meet the criteria, the property must be a local asset, not a regional asset; there must be an ongoing need for the provision of that service in the local area and there must be a commercial opportunity that pays for the provision of that service in a fit for purpose form. As such, the corporate buildings are a regional asset.

11. Ordinarily, the sales proceeds from non–strategic regional assets, such as the corporate property portfolio spaces are absorbed into the consolidated fund to contribute to general debt reduction or into the Long-term Plan (LTP) capital program, as directed by the governing body. However, in this instance, council executive have endorsed that the Corporate Property team ring-fence the sales proceeds for reinvestment back into the corporate property portfolio across the region to provide appropriate quality spaces for all our people and enable us to better serve rate payers.

**Operational Environment**

12. **Our Hubs:** On 6 August 2017 Regulatory Services announced that it would create a more effective and efficient organisational environment by introducing an operating model that rationalises its locations to work from three major locations in the North/West (Albany or Westgate), City Centre (Bledisloe House) and the South (Manukau). This decision impacts how Corporate Property plan for our operations teams’ office accommodation.

13. **Our Spokes:** Alongside this, Regulatory Services confirmed an approach for delivering service with greater reach more locally with our customers by creating a number of drop-in spaces embedded into our communities across the region. This decision impacts how Corporate Property plans to leverage, revitalise and open-up our back offices spaces across the region.

14. This operating model was subsequently endorsed by other operational departments, such as the Infrastructure & Environmental Services teams.
Wider Context

15. Continuity of customer service:

- As Stephen Town noted to all council staff in his recent update (9 March 2018): “In a few years some of our customer service centres may be in different buildings, but these will be in the same areas and supporting the same communities. I want there to be no confusion: we are committed to a strong regional presence to whakarato (serve) our customers.”
- The Corporate Property Portfolio Strategy does not impact the functioning of local boards and customer service centres. Where displaced by building closure, local boards and customer service centres will operate from new promises in those local board areas, selected in consultation with the local boards.
- To ensure continuity of service for local customers, new premises for impacted local boards and customer service centres will be delivered before the closure of current sites.

16. Protecting our Heritage and Taonga:

- Preserving legacy connections within the community: With each of the locations where we are proposing to sell buildings, we will work closely with the local board, mana whenua and staff to ensure we are preserving the links to the past and representing this appropriately in the new locations we occupy.
- Preserving art, artefacts and taonga: We will continue to work closely with the local board, mana whenua and staff to relocate any artefacts and taonga where impacted by building closure. Where we cannot relocate these artefacts and taonga, we will look to protect those items where appropriate with the tools available to us, such as easement, new title, heritage orders etc.

17. Significance and engagement:

- In line with the Significance and Engagement Policy, advice was sought from Auckland Council Finance and Legal teams to ascertain if the proposed sale of these sites trigger the Significance and Engagement Policy. The advice is summarised in item 32 that follows.

18. Funding constraints:

- Council has pressures for capital, which impacts the ability to fund capital projects generally. As the corporate property network does not in most cases provide front line services to ratepayers, this funding challenge is keenly felt. This relates to both spend for new projects and spend on our existing buildings renewals projects.
- The Corporate Property team must work to remain within these capital constraints where possible. We recognise that requests for additional LTP budget provision are unlikely as it will require funding from debt, which is capped and would therefore impact spend on other operational areas delivering direct community services to our ratepayers and will require Finance and Performance Committee approval.

Tātaritanga me ngā tohutohu / Analysis and advice

19. Inconsistent working experience and poor-quality space:

- Our Buildings: Poorly maintained / under-investment in our legacy office buildings in areas such as heating and ventilation systems, lifts, weather-tightness, asbestos, earthquake strengthening, cladding, roofing etc. can make our work spaces challenging for staff habitation and use. There is a risk we will not be able to provide safe and healthy environments for our staff in some locations without significant investment.
- Our Office Fitout: More than 50% off our office furniture fitout dates back well before amalgamation and is poorly maintained, impacting the wellbeing and productivity of our people. Most of this space is outside the CBD and has contributed to a sense of inequity between office locations. Our staff are not provided with the appropriate tools to support a flexible and digital way of working.
It’s not only our council office space, many of our local board spaces, our document and archives storage facilities and our customer service centres have similar issues.

20. Fragmented pre-amalgamation locations, inconsistent customer service delivery:
   - Outside of a 2013/2014 CBD office consolidation to Auckland House (135 Albert Street) and Bledisloe House, the portfolio across the region largely operates from pre-amalgamation regional council office buildings and storage facilities.
   - Our operations teams have advised there is siloed workforce behaviour differences in operational service delivery from our pre-amalgamation locations. They also noted those locations are not optimised to deliver quality customer service in a consistent way.

21. Inefficient buildings:
   - We currently operate from circa 104,000 m² of office space. Industry benchmarks indicate we have more than 40,000 m² of office space we no longer require to support our staff numbers.
   - This additional surplus 40,000 m² of office space spreads our efforts and spend too widely. We are perpetuating old space we no longer require (equates to more space than Auckland House (135 Albert Street).
   - By releasing unnecessary space, we focus our efforts only on what we need, our spend on what we can afford and our resource only on what is required.

22. Capex constraints:
   - The Corporate Property team forecasts the need to spend $210m over the next 10-year LTP period to perpetuate our office, storage and local board buildings in a serviceable condition in their current locations.
   - However, interim budget provisions are $93m resulting in a $117m 10-year LTP funding shortfall. The Corporate Property team will need to apply for further funding to maintain our current portfolio to acceptable levels if the recommendation is not approved.
   - If we perpetuate our existing portfolio, there is currently insufficient funding over the next LTP cycle for the following items:
     - Some building maintenance will be deferred compromising building resilience, health and safety.
     - We will be limited in our ability to upgrade office fitout and end-user technology to support our organisational shift to increasingly flexible and digital ways of working.
     - We will not be able to undertake any changes to office or local board building locations to support our evolving organisation.
     - We will not be able to create any new local board spaces or refresh existing.
     - We will not be able to create any new customer service centres or refresh existing.
     - We will not be able to refresh any leisure centre or library back office staff areas.
     - We will not be able to undertake records and archives storage optimisation works.

Our Solution

23. Creating funding headroom in a Capex constrained environment: By releasing under-performing office accommodation and storage facilities, we not only avoid significant cost but also release capital locked into those locations, creating funding headroom to solve many of the corporate portfolio challenges described above. Auckland Council’s Executive Leadership Team is committed to resolving the challenges our people face with our Corporate Portfolio. They have endorsed that the Corporate Property team ring-fence the sales proceeds for reinvestment back into the corporate property portfolio across the region.

24. Impacts for our large corporate office buildings: A number of corporate buildings have been deemed surplus to requirements and will be disposed of due to a combination of factors, including poor condition (too costly to refurbish and remediate), location no longer suits our operation teams, poor space utilisation etc. These buildings include:
• Orewa Pacific and Tasman buildings
• Takapuna (lease expiry 2021)
• Henderson Admin building (Henderson Civic will be retained as this location is suitable in its location, size and quality to support local board, Customer Service and Spoke functions in the Henderson area)
• 35 Graham Street
• Kotuku House, Manukau
• 35 Coles Crescent, Papakura
• 82 Manukau Road, Pukekohe

25. **Appropriate locations for our office and storage space:** The new locations for our office space is aligned with our organisational requirements and with consideration to Auckland’s transport networks, future urban growth area and importantly in locations where office space is provided by commercial operators (this ensures any new office and storage spaces can be delivered by competitively tendered process for best overall value for ratepayers).

26. **Fit for purpose for our organisational requirements:** By releasing value and avoiding unnecessary renewals costs locked into the locations we are vacating, the Corporate Property Portfolio Strategy will plan for a ‘right sized’ and ‘future-proofed’ office portfolio of consistent quality space to support the following functions:

<table>
<thead>
<tr>
<th>Building type</th>
<th>Functionality</th>
<th>Proposed numbers</th>
<th>Locations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Headquarters</td>
<td>Corporate head office and centre of Governance</td>
<td>1</td>
<td>Auckland House (135 Albert Street) retained</td>
</tr>
<tr>
<td>Hubs</td>
<td>Main home base locations to support our operational staff</td>
<td>3</td>
<td>Central – Bledisloe House retained South – Manukau Civic retained and extended North/West. TBC, Partner with developer to lease new space in Albany or Westgate area TBC</td>
</tr>
</tbody>
</table>
| Spokes        | Agile drop-in workplaces with bookable workstations and meeting rooms:  
• Provide our operations staff locations to meet customers deeper into our communities  
• Provide workspace for inspectors and engineers across the region rather than limited to legacy building locations  
• Provide sensible additional local drop-in spaces for council staff to mitigate the pressures of an increasingly grid-locked transport system. | 25 | We create spokes throughout the region. We leverage the many back office areas that already exist in our leisure centres and libraries where ever possible. |
<p>| Local board offices | Local boards operate in the same way as they do now | 21 | Same local board locations but, in consultation with local board staff, local board spaces will change where buildings are disposed of |</p>
<table>
<thead>
<tr>
<th>Building type</th>
<th>Functionality</th>
<th>Proposed numbers</th>
<th>Locations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer service centres</td>
<td>Customer service centres operate in the same way as</td>
<td>20</td>
<td>Same customer service centre locations but, in consultation with local</td>
</tr>
<tr>
<td></td>
<td>they do now</td>
<td></td>
<td>board staff, customer service centre spaces will change where buildings</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>are disposed of</td>
</tr>
<tr>
<td>Library and Leisure Centres</td>
<td>Back office area refresh works</td>
<td>78</td>
<td>Existing locations across the region</td>
</tr>
<tr>
<td>Document and records archives</td>
<td>Optimisation of our storage</td>
<td>TBC</td>
<td>Creating a centralised efficient storage solution</td>
</tr>
</tbody>
</table>

27. Notes:
- Refer to the Corporate Property Portfolio Strategy Infographic report (Attachment H) for a diagrammatic view of the corporate property portfolio solution, the locations we will occupy and the indicative six-year timeline.

The Benefits
28. *Increases our reach into our communities:* By leveraging the reach that our strategy provides through new Spoke locations, Auckland's population will have improved access to council operations people as indicated by:
- The percentage of Auckland’s population living within 10kms of our council office spaces increases from 86% to 96%.
- The percentage of Auckland’s 13 Ward areas with face-to-face access to operations teams’ services increases from 46% to 100%.
- Because new spokes are relatively small office sites, this strategy offers council a more agile, responsive and scalable solution to meet the demands of a growing Auckland and a fast-evolving internal operating environment.

29. Commitment to a fit for purpose operating environment for our people:
- It is widely recognised that there is a strong correlation between workspace quality and increased engagement and productivity.
- This strategy demonstrates the commitment from our Executive Leadership Team to invest in our people by ring-fencing the proceeds from building disposal to ‘self-fund’ the refresh of our corporate spaces in a planned way over the next 10-year LTP cycle.
- We will transition to modern space with upgraded fitout and end-user technology, providing appropriate tools to support our organisational shift to flexible and digital working.
30. Efficient buildings = value for money:

- Our key performance indicators are as follows:

<table>
<thead>
<tr>
<th>Item</th>
<th>Option 1 Status Quo</th>
<th>Option 2 Optimise Portfolio Strategy</th>
<th>Benefit</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office floor area</td>
<td>104,000 m²</td>
<td>58,000 m²</td>
<td>46,000 m²</td>
<td>Indicative, TBC as based on current headcount</td>
</tr>
<tr>
<td>Space per person</td>
<td>19.0 m²/pp</td>
<td>10.0 m²/pp</td>
<td>9.0 m²/pp</td>
<td>Benchmark target</td>
</tr>
<tr>
<td>Renewal funding</td>
<td>$210m ($117m short)</td>
<td>$110m ($100m avoidance)</td>
<td>$100m</td>
<td>Cost avoidance is significant</td>
</tr>
<tr>
<td>Capital released</td>
<td>$0</td>
<td>Commercially sensitive</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual operating costs</td>
<td>$12.6m</td>
<td>$10.9m</td>
<td>$1.7m</td>
<td>Savings per annum</td>
</tr>
<tr>
<td>20-year NPV</td>
<td>-$241m</td>
<td>-$176m</td>
<td>$+65m</td>
<td>@ 5.60 'discount rate'</td>
</tr>
</tbody>
</table>

Wider Considerations / Benefits

31. *Communicating the benefits*: Should the Corporate Property Portfolio Strategy be approved, there is funding included for both external and internal communications support, as well as internal change management.

32. *Significance and engagement*: In line with the Significance and Engagement Policy, advice was sought from Auckland Council Finance and Legal teams to ascertain if the proposed sale of these sites triggers the Significance and Engagement Policy. The advice received is that:

- Council’s corporate property assets are non-strategic assets, as they are not included in the list of council’s strategic assets set out in the Significance and Engagement Policy;
- There is no specific legal requirement to consult on a proposal to dispose of a non-strategic asset such as council’s corporate property assets;
- None of the “thresholds for significance” are met, which means that none of the proposed property disposals are “significant” under the Significance and Engagement Policy and the need to consult is not automatically triggered.
- However, the council may still choose to consult on sites where there is an intrinsic link to the land.

33. *Alignment with other council initiatives*: The Corporate Property Portfolio Strategy enables council to proactively ‘stitch in’ several wider initiatives across council including:

- Acting as a catalyst for activity in support and alignment with Unlock Henderson and Transform Manukau programmes, and further Unlock/Transform programmes should they eventuate.
- Development of a suitable framework to incorporate all of council’s inputs for the Bledisloe Carpark site.
- Integrate with ‘One Local Initiatives’ where appropriate for greater overall outcomes.
- Integration with the Customer Channel strategy for impacted customer service centres.
- Incorporating council frameworks and principles including Māori responsiveness, sustainability, inclusiveness and social procurement where appropriate.
- Achieve outcomes consistent with the Local Government Commission review in Rodney.
- Integrate and support initiatives consistent with council’s organisational Culture Plan.
34. *Reducing our risk profile*: In an increasingly risk conscious environment, we must manage our risks to acceptable levels in accordance with the Health and Safety at Work Act 2015 and relevant provisions of the Building Act 2004. The Corporate Property Portfolio Strategy significantly lowers the council and ratepayers’ exposure to risks including:

- **Operational risk due to building resilience**: We will transition to new spaces and refreshed spaces across the portfolio.
- **Funding risk/LTP shortfall**: Funding risk is significantly reduced by cost avoidance and value released from asset sales. Timing is of importance – we need to act now to secure maximum value.
- **Building quality risks**: We plan to exit some of our poor-quality buildings reducing exposure for our people and customers to health and safety risks relating to seismic, weather-tightness, asbestos, roofing and cladding issues.
- **Document and archive storage facilities risks**: We will consolidate to new secure and efficient spaces.
- **Staff engagement**: The portfolio strategy addresses quality issues and inequality across the portfolio at all our spaces over time.
- **Customer and community**: This strategy generates sufficient funding headroom to refresh our customer service centres.

35. Our biggest risk is delaying the decision that needs to be made:

- **Financial considerations**: The time to act is now, delay will cost significantly more:
  - There is a $117m funding shortfall over the next 10-year LTP cycle.
  - Cost avoidance on average equates to circa $12m per year, or $1m per month in round terms.
  - By selling early in the programme, we can sell with short-term leases in place, which is not only more attractive to potential buyers, but also generates significantly more return, estimated at more than $10m in value to the programme.
  - The Portfolio Programme workstreams are required to be ‘self-funding’ so this dictates that disposals must be early in our programme to initiate works to avoid funding from debt.

- **Programme considerations**:
  - We have a hard lease expiry deadline at Takapuna in 2021 where we currently pay circa $6m per annum in rent and OPEX.
  - We need time to engage in a meaningful way (mana whenua and staff) and time to secure new development opportunities in the North/West and Manukau, as well as new local board spaces impacted by building closure.
  - The property market conditions are currently very strong and are considered favourable for disposals now.

- **Operational considerations**:
  - Keeping the current portfolio will mean increased risk, potential Health and Safety risks and operating problems.
  - Failure to invest in our fitout and end-user computing will hold back the organisation and restrict staff flexibility and productivity.
  - By acting now, we can also resolve pressing unfunded refurbishments.
Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe / Local impacts and local board views

36. Corporate Property has attended 26 local board workshops and decision meetings with impacted local boards, presented to the local board Chairs Forum, attended two Finance and Performance Committee workshops, undertaken 10 one-on-one meetings with Councillors and attended two meetings with staff from the Independent Māori statutory Board.

37. Local boards have been informed of the Corporate Property Portfolio Strategy challenges, our recommended solution and the benefits. All feedback received from local boards has been reflected in our strategy considerations.

38. Reports have subsequently been prepared for the impacted local board business meetings so that their views can be formalised.

39. Property specific feedback received is included in the “Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe / Local impacts and local board views” section of the property attachments to this report.

Tauākī whakaaweawe Māori / Māori impact statement

40. The importance of effective communication and engagement with Māori on the subject of land is understood. Corporate Property has worked with Panuku as the conduit for this communication. Panuku has a robust engagement process established with mana whenua groups across the region. Each relevant mana whenua group was contacted independently regarding the council owned land being considered for divestment as part of the Corporate Property Portfolio Strategy and requested to give feedback.

41. Panuku’s engagement directed mana whenua to respond with any issues of cultural significance the group would like to formally express in relation to the subject properties. Panuku also request notes regarding any preferred outcomes that the group would like Corporate Property to consider in the formal reporting to council.

42. Mana whenua groups were also invited to express potential commercial interest in the subject properties. Should the properties recommended for divestment as part of the Corporate Property Portfolio Strategy be approved for sale, all groups will be alerted of the decision and provided with early advice about properties going to the market.

43. Council has engaged with Te Kawerau ā Maki and the Parks & Recreation Policy team are preparing a report for the Finance and Performance Committee meeting on 19 June 2018 that identifies an approach to resolve the matter at Te Henga. This matter is discussed further in the Henderson property report.

44. In discussions with IMSB and Te Waka Angamua, the Corporate Property acknowledge that it is essential to partner early with mana whenua in the delivery of the Corporate Property Portfolio Strategy rather than simply consult with them as a stakeholder later in the process, using the experience from successful partnerships such as the City Centre and Waterfront projects.

45. Relating to Māori responsiveness – Whira Te Muka Tangata: The Corporate Property team recognise that a partnership approach with mana whenua involves:
   - Meaningful engagement that starts early.
   - Integration of and valuing Te Ao Māori – the Māori world view (Whanaungatanga, Rangatiratanga, Manaakitanga).
   - Joined up multi-faceted thinking including cultural, economic, environmental and social outcomes for Māori.
• The Corporate Property Portfolio Strategy will be guided by Te Aranga Design Principles framework including:
  o Mana Rangatiratanga: Authority
  o Whakapapa: Names & naming
  o Taiao: The natural environment
  o Mauri Tu: Environmental health
  o Mahi Toi: Creative expression
  o Tohu: The wider cultural landscape
  o Ahi Kā: The living presence design

46. Property specific feedback received is included in the “Tauākī whakaaweawe Māori / Māori impact statement” section of the property attachments to this report.

Ngā ritenga ā-pūtea / Financial implications
47. Option 1 – Status Quo: The Corporate Property team has undertaken budget estimates over the existing portfolio and determined there will be a $117m funding shortfall over the next 10-year LTP cycle to maintain our existing office portfolio.

48. Option 2 – Optimise: On 8 February 2018, the Auckland Council Executive Leadership Team approved the Corporate Property Portfolio Strategy. This decision included support for the capital receipts from the sale of surplus corporate property network properties to be reinvested in the Corporate Property Portfolio Strategy so that the proposed new network supporting all councils people could be implemented and ‘self-funded’.

Ngā raru tūpono / Risks
49. Option 1 – Status Quo
  • Poor quality: We remain in poor quality buildings and workspaces that will impact our people’s health, safety, wellbeing and productivity.
  • Funding: Insufficient funds to maintain the corporate property network.

50. Option 2 – Optimise
  • Continuity of service: The Corporate Property Team need to ensure there is continuity of service when delivering new locations for local boards and customer service centres that are impacted by potential building closures. In mitigation of this risk, we will ensure all new sites are delivered and operational prior to closure of existing buildings, and in consultation with compacted local boards.
  • Cost management: We require good governance to manage the delivery of our programme within budget estimates.
  • Delay: The biggest risk we face is delaying the decision that now needs to be made.

Ngā koringa ā-muri / Next steps
51. If these sites are approved for sale, Corporate Property will work with Panuku to dispose of the properties as part of the recommended solution. The final terms and conditions would be approved under the appropriate delegations.

52. The programme team will immediately start the implementation phase of the strategy and re-engage with stakeholders, including council teams, local board staff and mana whenua to ensure a successful completion of the strategy.
Ngā tāpirihanga / Attachments

<table>
<thead>
<tr>
<th>No.</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>4 Osterley Way, Manukau - Property Report</td>
<td>25</td>
</tr>
<tr>
<td>B</td>
<td>4-10 Mayoral Drive, Auckland - Property Report</td>
<td>29</td>
</tr>
<tr>
<td>C</td>
<td>35 Coles Crescent, Papakura - Property Report</td>
<td>33</td>
</tr>
<tr>
<td>D</td>
<td>35 Graham Street, Auckland - Property Report</td>
<td>41</td>
</tr>
<tr>
<td>E</td>
<td>50 Centreway Road, Orewa - Property Report</td>
<td>45</td>
</tr>
<tr>
<td>F</td>
<td>6 Henderson Valley Road, Henderson - Property Report</td>
<td>51</td>
</tr>
<tr>
<td>G</td>
<td>82 Manukau Road, Pukekohe - Property Report</td>
<td>59</td>
</tr>
<tr>
<td>H</td>
<td>Corporate Property Portfolio Strategy Infographic report</td>
<td>63</td>
</tr>
</tbody>
</table>

Ngā kaihaina / Signatories

<table>
<thead>
<tr>
<th>Authors</th>
<th>Rod Aitken – Head of Corporate Property&lt;br&gt;Sharon Coombes - Manager Workplace Strategy and Partnering</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorisers</td>
<td>Kevin Ramsay - General Manager Corporate Finance and Property&lt;br&gt;Matthew Walker - Acting Group Chief Financial Officer</td>
</tr>
</tbody>
</table>
Property Report, 4 Osterley Way, Manukau

Whakarāpopotanga o ngā kōrero ā-raw / Property Summary

1. Auckland Council’s Corporate Property team has developed a Corporate Property Portfolio Strategy which seeks to contribute to a more efficient and operationally effective corporate property network. This is a self-funding programme of works, which utilises the capital receipts from the divestment of properties that are no longer required for the corporate property network which includes the council-owned property at 4 Osterley Way, Manukau (Kotuku House).

2. Consultation with impacted council departments, Ōtara-Papatoetoe Local Board, Panuku Development Auckland and iwi authorities has now taken place. The Ōtara-Papatoetoe Local Board endorse the proposed disposal.

Pārongo mō ngā rawa / Property Information

3. 4 Osterley Way, Manukau comprises a five story building and provides 5,080m2 of office accommodation and customer service centre on a 910m2 site.

4. The legal description of 4 Osterley Way, Manukau comprises an estate in fee simple more or less being Part Lot 47 DP 69242, contained in computer freehold register NA67C/986.

5. The property was purchased by Auckland Council’s predecessors in 1941 (part site) and 1963 (part site).

6. The Auckland Unitary Plan zoning is Metropolitan Centre Zone. It has a 2017 capital valuation of $12,300,000.

7. The council-owned site at 4 Osterley Way, Manukau is not subject to offer back obligations under section 40 of the Public Works Act 1981.
Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe /
Local impacts and local board views

8. The Ōtara-Papatoetoe Local Board have been consulted regarding the Corporate Property Portfolio Strategy and the proposed sale of 4 Osterley Way, Manukau at two workshops and a formal report was subsequently prepared for the local board business meeting so that their views could be formalised.

9. The Ōtara-Papatoetoe Local Board endorsed the proposed disposal of 4 Osterley Way, Manukau at its 20 March 2018 business meeting and noted the following points. The Corporate Property team’s response to these points and any proposed actions are noted alongside:

<table>
<thead>
<tr>
<th>Local Board Feedback</th>
<th>Corporate Property and Panuku Response / Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Requested that all funds from this disposal are invested back into the proposed</td>
<td>The Corporate Property Portfolio Strategy includes the South Hub at Manukau Civic including funding for the</td>
</tr>
<tr>
<td>extension of Manukau Civic Building, 31-33 Manukau Station Road, Manukau, and any</td>
<td>Manukau Civic extension building fitout. In addition, the Ōtara-Papatoetoe Local Board office is to be re-</td>
</tr>
<tr>
<td>surplus applied to other projects in the area. The local board requested further</td>
<td>freshed and the Kotuku House Service Centre will be relocated to the new South Hub. These projects will ensure</td>
</tr>
<tr>
<td>information on the full financial implications of the strategy</td>
<td>that all funds raised from this disposal are reinvested in the local area.</td>
</tr>
</tbody>
</table>
Tauākī whakaaweawe Māori / Māori impact statement

10. 11 mana whenua iwī authorities were contacted regarding the potential sale of 4 Osterley Way, Manukau on 4 December 2017. The following feedback was received.

a) Te Kawerau a Maki
   No feedback received for this site.

b) Ngāi Tai ki Tāmaki
   No feedback received for this site.

c) Ngāti Tamaoho
   No feedback received for this site.

d) Te Ākitai - Waiohua

e) Te Ākitai has expressed potential commercial interest in this property. If this property is approved for sale, Panuku will contact Te Ākitai – Waiohua regarding any potential commercial opportunities

g) Ngāti Te Ata - Waiohua

f) Ngāti Te Ata has expressed a potential commercial interest and a desire to develop the property noting its close proximity to AUT and the train station. If this property is approved for sale, Panuku will contact Ngāti Te Ata – Waiohua regarding any potential commercial opportunities

h) Te Ahiwaru
   No feedback received for this site.

i) Ngāti Paoa
   No feedback received for this site.

j) Ngaati Whanaunga
   No feedback received for this site.

k) Ngāti Maru
   No feedback received for this site.

l) Ngāti Tamatera
   No feedback received for this site.

m) Waikato-Tainui
   No feedback received for this site.

Ngā raru tūpono / Risks

11. The property has been assessed against council’s Significance and Engagement policy and it was determined that a decision on the proposed disposal is not “significant” as referenced in the policy. The operational impacts are below the quantitative thresholds for significance. The disposal enables the council to continue to deliver on the well-being of the local area and region and does not negatively impact service levels.

Ngā koringa ā-muri / Next steps

12. If this site is approved for sale, Panuku will negotiate the disposal of the property on behalf of the Corporate Property team ensuring that the Corporate Strategy and Transform Manukau objectives are achieved respectively. The final terms and conditions would be approved under the appropriate delegations.
Property Report, 4-10 Mayoral Drive, Auckland

Whakarāpopototanga o ngā kōrero ā-rawa / Property Summary

1. Auckland Council’s Corporate Property team have developed a Corporate Property Portfolio Strategy which seeks to contribute to a more efficient and operationally effective corporate property network. This is a self-funding programme of works, which utilises the capital receipts from the divestment of properties that are no longer required for the corporate property network which includes 4-10 Mayoral Drive (Bledisloe Carpark), Auckland.

2. Consultation with impacted council departments, Waitamata Local board, Panuku Development Auckland and iwi authorities has now taken place. The Waitamata Local Board acknowledged the proposed disposal of the site and have raised some points that are noted in the “Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe / Local Impacts and local board views” section of this report along with Corporate Property’s consideration of these points.

Pārongo mō ngā rawa / Property Information

3. 4-10 Mayoral Drive (Bledisloe Car Park) comprises 4,238m2 of on grade car parking.

4. The legal description of 4-10 Mayoral Drive, Auckland, comprises an estate in fee simple more or less being the following:
   - 4-8 Mayoral Drive: Lot 15, Lot 18 and Lots 23-25 DP 21520 and Part Lot 21 DP 212520, contained in computer freehold register NA1589/36
   - 10 Mayoral Drive: Section 1 Survey Office Plan 54203, contained in computer freehold register NA75B/323.
   - 10A Mayoral Drive: Allotment 26-27 Section 31 City of Auckland, contained in computer freehold register NA1193/78.


6. The land is subject to Section 27B of the State-Owned Enterprises Act 1986 (the Act) as it was originally vested in G.P.S Investment Limited and G.P.S Mayoral Drive Limited by the Crown. Section 27B of the Act provides the Crown with the option to reclaim the land for the purpose of settling a Treaty of Waitangi claim should it need to. Legal advice received considers it unlikely for the Crown to proceed with this option.

7. The Auckland Unitary Plan zoning is Business – City Centre Zone. It has a 2017 capital valuation of $28,000,000.

8. 4-10 Mayoral Drive, Auckland (Bledisloe Car Park) is not subject to offer back obligations under section 40 of the Public Works Act 1981.
Local impacts and local board views

9. The Waitamata Local Board have been consulted regarding the Corporate Property Portfolio Strategy and the proposed sale of 4-10 Mayoral Drive, Auckland at two workshops and a formal report was subsequently prepared for the Waitamata Local Board business meeting so that their views could be formalised.

10. The Waitamata Local Board acknowledged the proposed disposal of 4-10 Mayoral Drive, Auckland at its 20 March 2018 business meeting and noted the following points. The Corporate Property team’s response to these points and any proposed actions are noted alongside:

<table>
<thead>
<tr>
<th>Local Board Feedback</th>
<th>Corporate Property and Panuku Response / Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 The Corporate Property team should develop an appropriate development framework for the site</td>
<td>The Corporate Property team will work with Panuku to develop an appropriate development strategy for the site. The development strategy will ensure council and public requirements are integrated to achieve best outcomes for the public realm, the Aotea Precinct framework, and CRLL requirements for the Aotea station.</td>
</tr>
<tr>
<td>2 The development framework should ensure the laneway beside Bledisloe House (between Wellesley Street and Aotea Square) is of sufficient width and is retained</td>
<td>Auckland Transport has obtained a resource consent to future proof the foundations of Aotea station for future development. This resource consent includes public thoroughfares that align with the Aotea Quarter Framework recommendations. The Corporate Property team and Panuku will work with the Waitamata Local Board and the Auckland Design Office to ensure that the development strategy has appropriate consideration for the laneway beside Bledisloe House (between Wellesley Street and Aotea Square) so that it is of sufficient width and retains public access.</td>
</tr>
<tr>
<td>3 The Corporate Property team should confirm that no part of the site is needed for the City Rail Link or high quality public realm outcomes and amenities</td>
<td>We understand that there is a process agreed with CRLL for the stratum title required for Aotea station which in part covers the site. There is also a license agreement for CRLL to use the whole site for the duration of the construction project as a construction yard. We are not aware of any other requirements of the site for CRLL.</td>
</tr>
<tr>
<td>4 The Corporate Property team should investigate the long-term benefits and costs of leasing land and the net present value of selling the land now or after the City Rail Link is completed.</td>
<td>The Corporate Property team will investigate as part of the development strategy the long-term benefits and costs of leasing land and the net present value of selling the land now or after the City Rail Link is completed.</td>
</tr>
</tbody>
</table>
Tauākī whakaaweawe Māori / Māori impact statement

11. 15 mana whenua iwi authorities were contacted regarding the potential sale of the Bledisloe site, Auckland Central on 5 April 2018. The following feedback was received.

a) Te Runanga o Ngāti Whatua
   No feedback received for this site.

b) Ngāti Whatua o Kaipara
   No feedback received for this site.

c) Ngāti Whatua Ōrākei

d) Ngāti Whatua Ōrākei has expressed potential commercial interest in this property. If this property is approved for sale, Panuku will contact Ngāti Whatua Ōrākei regarding potential development opportunities

e) Te Kawerau a Maki
   No feedback received for this site.

f) Ngāi Tai ki Tāmaki
   No feedback received for this site.

g) Ngāti Tamaoho
   No feedback received for this site.

h) Te Ākitai - Waiohua
   No feedback received for this site.

i) Ngāti Te Ata - Waiohua

j) Ngāti Te Ata has expressed a potential commercial interest and a desire to develop the property noting its close proximity to the city centre and future Aotea train station. Panuku will contact Ngāti Te Ata - Waiohua regarding potential development opportunities

k) Te Ahiwaru
   No feedback received for this site.

l) Ngāti Paoa
   No feedback received for this site.

m) Ngaati Whanaunga
   No feedback received for this site.

n) Ngāti Maru
   No feedback received for this site.

o) Ngāti Tamatera
   No feedback received for this site.

p) Patukirikiri
   No feedback received for this site.

q) Waikato-Tainui
   No feedback received for this site.
Ngā raru tūpono / Risks

12. The property has been assessed against council’s Significance and Engagement policy and it was determined that a decision on the proposed disposal is not “significant” as referenced in the policy. The operational impacts are below the quantitative thresholds for significance. The disposal enables the council to continue to deliver on the well-being of the local area and region and does not negatively impact service levels.

Ngā koringa ā-muri / Next steps

13. If this site is approved for sale, Panuku will negotiate the disposal of the property on behalf of the Corporate Property team. The final terms and conditions would be approved under the appropriate delegations.
Property Report, 35 Coles Crescent, Papakura

Whakarāpopototanga o ngā kōrero ā-rawa / Property Summary

1. Auckland Council’s Corporate Property team has developed a Corporate Property Portfolio Strategy which seeks to contribute to a more efficient and operationally effective corporate property network. This is a self-funding programme of works, which utilises the capital receipts from the divestment of properties that are no longer required for the corporate property network which includes the council-owned property at 35 Coles Crescent, Papakura.

2. Consultation with impacted council departments, Papakura Local Board, Panuku Development Auckland and iwi authorities has now taken place. The Papakura Local Board did not endorse the proposed disposal of the site and have raised some points that are noted in the “Ngā whakaaweawe ā-roe me ngā tirohanga a te poari ā-roe / Local Impacts and Local Board views” section of this report along with Corporate Property’s consideration of these points.

Pārongo mō ngā rawa / Property Information

3. 35 Coles Crescent, Papakura comprises a two storey building that provides 1,663m² of office accommodation, local board offices and a customer service centre on a 5,059m² site.

4. The legal description of 35 Coles Crescent, Papakura, comprises an estate in fee simple more or less being Allotment 3-4 and Allotment 4A Section 2 Village of Papakura, contained in computer freehold register NA521/186.

5. The property was vested in trust in the members of the Town Board of Papakura on 25 January 1922 and was to be held on trust to erect and maintain public building or buildings and library to be called the Town Hall Buildings for public and charitable and recreative purposes. The trust deed requires the property to remain in council’s ownership for this purpose for a period of 99 years from 1922. In 2021, on expiry of the covenant, council can dispose of the property should it wish to do so.

6. The Auckland Unitary Plan zoning for the site is part Metropolitan Centre Zone and part Public Open Space - Informal Recreation Zone. It has a 2017 capital valuation of $3,850,000.
Ngā whakaaweawae ā-rohe me ngā tirohanga a te poari ā-rohe / Local impacts and local board views

7. The Papakura Local Board have been consulted regarding the Corporate Property Portfolio Strategy and the proposed sale of 35 Coles Crescent, Papakura at two workshops and a formal report was subsequently prepared for the local board business meeting so that their views could be formalised. Further discussions at a meeting with the local board on 24 April 2018 were had to identify any conditions under which the local board could support the proposed disposal of 35 Coles crescent, Papakura. The Papakura Local Board issued a memo on 30 April 2018 to clarify their position.

8. In the memo dated 30 April 2018, the Papakura Local Board noted that they cannot endorse the proposed disposal of 35 Coles Crescent, Papakura and noted the following points. The Corporate Property team’s response to these points and any proposed actions are noted alongside:

<table>
<thead>
<tr>
<th>Local Board Feedback</th>
<th>Corporate Property and Panuku Response / Action</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BACKGROUND</strong></td>
<td></td>
</tr>
<tr>
<td>1 On 28 March 2018 the Papakura Local Board resolved (PPK/2018/11) that it does not endorse the Corporate Property team’s recommendation to the Finance and performance Committee to dispose of 35 Coles Crescent. The board’s key concerns were:</td>
<td></td>
</tr>
<tr>
<td>• the property was gifted to the council and has a significant historic connection with the community</td>
<td></td>
</tr>
<tr>
<td>• the board’s plan to optimise the property and create a civic heart in the location</td>
<td></td>
</tr>
<tr>
<td>• any prejudice a depleted property portfolio will have to a future “unlock” designation by Panuku</td>
<td></td>
</tr>
<tr>
<td>• the significant importance the playground, green space and the 100-year time capsule has to the Board and the community.</td>
<td>Noted</td>
</tr>
<tr>
<td>2 The site cannot be sold until 2021 when the condition of the deed of gift that the property be retained in public ownership for 99 years expires.</td>
<td>Noted</td>
</tr>
<tr>
<td>3 The board and key community stakeholders are part of the Papakura Commercial Project Group which is tasked with supporting the development of the Papakura Town Centre into a metropolitan centre.</td>
<td>Noted</td>
</tr>
</tbody>
</table>
The Commercial Project Group has a keen interest in the future of the site.

4 The board met with the Corporate Property team and Panuku on 24 April to discuss the proposed disposal further and identify any conditions under which the board could support the proposed disposal, prior to the proposal being considered by the Finance and Performance Committee in May 2018. Noted

5 The purpose of this memo is to outline the board’s position further. Noted

6 The board understands and agrees with the desire to make the corporate property portfolio efficient, fit for purpose and future proofed. The board also acknowledges the need for certainty on the future of Coles Crescent, so staff can begin the process of rationalisation and plan for future accommodation requirements. It was also discussed and agreed that the existing council buildings on the site (excluding Centennial House) were in relative disrepair and were not part of the board’s consideration.

POSITION OF THE PAPAKURA LOCAL BOARD

7 The board remains concerned about the proposed disposal of the 35 Coles Crescent site and cannot endorse the disposal at this stage. The Board asks that staff and councillors postpone the decision on the future of the site until August 2018.

- Whilst the programme has a six-year time frame, it is imperative that council progresses the strategy due to the financial, programme and operational factors set out in the Corporate Accommodation Disposal Recommendation report.
- The Corporate Property team believe that the local board’s remaining concerns can be addressed during the disposal process as noted in response to item numbers 8 & 9.

8 We believe this short delay will not have a material impact on planning for future corporate accommodation needs and will have the following additional benefits:

I. The future of the site can be considered alongside any consideration of Papakura being included in Panuku’s development strategy as a potential ‘unlock’ location.

Panuku have advised that the sale of 35 Coles Crescent as part of the Corporate Property Portfolio Strategy will not impact the evaluation of Papakura as an “unlock” location.
II. The postponement will allow the board, the Papakura Commercial Project group and staff to identify all options for the site that meets multiple needs rather than the single focus on disposal to release capital.

III. The disposal of the site is likely to cause significant community concern as a loss of Papakura’s civic history and identity. The board and the governing body need to be confident that all options for the site have been considered prior to any decision to dispose of the site.

The Corporate Property team propose working with Panuku to establish a development framework in support of a future use for the portion of the site currently used as council offices and proposed to be sold. This development framework will be communicated to the local board for their feedback and input.

As part of the disposal process, Panuku work through their normal considerations for the site to ensure the optimal outcome is achieved.

9 The board’s current position is to retain the land in public ownership in recognition of the gift, the historical and current identity of the site as Papakura’s civic heart, to use the site to optimise council services in the future, and to use the site to leverage the future development of the Papakura Town Centre.

The Corporate Property team are recommending that:
- the site be sub-divided to separate the park, playground, time capsule and historic rest rooms from the remainder of the site and vested with council (refer attached marked up map);
- a commemoration of the historic gifting of the location be made on the portion of the site vested with council to reflect its historic and continued status as the “civic heart” of Papakura
- Panuku will develop a development framework for the site with the Corporate Property team that facilitates future development on the site as part of the disposal process including local board feedback and input.

10 The current site also has significant advantages such as its central location and ample parking for the public.

Noted

11 The August timeframe is subject to staff from Corporate Property and Panuku being available to work with the board and the Papakura Commercial Project Steering Group to identify options for the future development of the site.

Noted
35 Coles Crescent

Historic rest rooms included in sub-divided reserve

Area to be sub-divided as a reserve including playground

Time Capsule preserved

Attachment C

Item 9
<table>
<thead>
<tr>
<th>Photo</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1.jpg" alt="Time capsule" /></td>
<td>Time capsule</td>
</tr>
<tr>
<td><img src="image2.jpg" alt="Historic rest rooms – Centennial House" /></td>
<td>Historic rest rooms – Centennial House</td>
</tr>
</tbody>
</table>
Tauākī whakaaweawe Māori / Māori impact statement

9. Staff contacted Ngāi Tai ki Tāmaki, Ngāti Tamaoho, Te Ākitai – Waiohua, Ngāti Te Ata – Waiohua, Te Ahiwaru, Ngāti Paoa, Ngaati Whanaunga, Ngāti Maru, Ngāti Tamatera and Waikato-Tainui regarding the potential sale of 35 Coles Crescent on 4 December 2017. None of the iwi authorities provided feedback specifically in relation to the sale of 35 Coles Crescent.

Ngā raru tūpono / Risks

10. The property has been assessed against council’s Significance and Engagement policy and it was determined that a decision on the proposed disposal is not “significant” as referenced in the policy. The operational impacts are below the quantitative thresholds for significance. The disposal enables the council to continue to deliver on the well-being of the local area and region and does not negatively impact service levels. However, the council may still choose to consult on sites where there is an intrinsic link to the land.

Ngā koringa ā-muri / Next steps

11. If this site is approved for sale, Panuku will negotiate the disposal of the property on behalf of the Corporate Property team. The final terms and conditions would be approved under the appropriate delegations.
Property Report, 35 Graham Street, Auckland

Whakarāpopototanga o ngā kōrero ā-rawa / Property Summary

1. Auckland Council’s Corporate Property team has developed a Corporate Property Portfolio Strategy which seeks to contribute to a more efficient and operationally effective corporate property network. This is a self-funding programme of works, which utilises the capital receipts from the divestment of properties that are no longer required for the corporate property network which includes the council-owned property at 35 Graham Street, Auckland.

2. Consultation with impacted council departments, Waiomatā Local Board, Panuku and iwi authorities and the has now taken place. The Waiomatā Local Board acknowledged the proposed disposal of the site and have raised some points that are noted in the “Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe / Local Impacts and Local Board views” section of this report along with Corporate Property’s consideration of these points.

Pārongo mō ngā rawa / Property Information

3. 35 Graham Street, Auckland comprises a four storey office building including one level of basement parking. The property provides 10,292m2 of office accommodation and basement storage on a 4,841m2 site.

4. The legal description of 35 Graham Street, Auckland, comprises an estate in fee simple more or less being Lot 1 DP 47079 and Lot 1 DP 68194 and Part Allotment 9-10 Section 20 Suburbs of Auckland, contained in computer freehold register NA97B/101.

5. The property was purchased by Auckland City Council in 1996 where it operated until amalgamation. After amalgamation the site has been operated as an Auckland Council regulatory space and customer service centre. Both of these operations are proposed to be relocated to Bledisloe House.

6. The Auckland Unitary Plan zoning is Business – City Centre Zone. It has a 2017 capital valuation of $52,000,000.

7. The council-owned site at 35 Graham Street, Auckland is not subject to offer back obligations under section 40 of the Public Works Act 1981.
Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe /
Local impacts and local board views

8. The Waitāmatā Local Board have been consulted regarding the Corporate Property Portfolio Strategy and the proposed sale of 35 Graham Street, Auckland at two workshops and a formal report was subsequently prepared for the local board business meeting so that their views could be formalised.

9. The Waitāmatā Local Board acknowledged the proposed disposal of 35 Graham Street, Auckland at its 20 March 2018 business meeting but noted the following points. The Corporate Property team’s response to these points and any proposed actions are noted alongside:

<table>
<thead>
<tr>
<th>Local Board Feedback</th>
<th>Corporate Property and Panuku Response / Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 The Corporate Property team should investigate if the Ministry of Education is interested in the site for a new city centre public school and establishing a disposal process that facilitates the government’s purchase of 35 Graham Street for that purpose.</td>
<td>The Corporate Property team will work with Panuku to investigate if the Ministry of Education is interested in the site for a new city centre public school.</td>
</tr>
<tr>
<td>2 The Corporate Property team should take steps to ensure the continued protection of the heritage mural and seawall before any disposal.</td>
<td>The Corporate Property team will work with Panuku to understand how we can take steps to ensure the continued protection of the heritage mural and seawall before any disposal.</td>
</tr>
</tbody>
</table>
Tauākī whakaaweawe Māori / Māori impact statement

10. 15 mana whenua iwi authorities were contacted regarding the potential sale of 35 Graham Street, Auckland Central on 4 December 2017. The following feedback was received.

a) Te Runanga o Ngāti Whatua
   No feedback received for this site.

b) Ngāti Whatua o Kaipara
   No feedback received for this site.

c) Ngāti Whatua Īrākei
   No feedback received for this site.

d) Ngāti Whatua Īrākei has expressed potential commercial interest in this property. If this property is approved for sale, Panuku will contact Ngāti Whatua Īrākei regarding any potential development opportunities

e) Te Kawerau a Maki
   No feedback received for this site.

f) Ngāi Tai ki Tāmaki
   No feedback received for this site.

g) Ngāti Tamaoho
   No feedback received for this site.

h) Te Ākitai - Waiohua
   No feedback received for this site.

i) Ngāti Te Ata - Waiohua
   No feedback received for this site.

j) Te Ahiwaru
   No feedback received for this site.

k) Ngāti Paoa
   No feedback received for this site.

l) Ngaati Whanaunga
   No feedback received for this site.

m) Ngāti Maru
   No feedback received for this site.

n) Ngāti Tamatera
   No feedback received for this site.

o) Te Patukiriki
   No feedback received for this site.

p) Waikato-Tainui
   No feedback received for this site.

Ngā raru tūpono / Risks

11. The property has been assessed against council’s Significance and Engagement policy and it was determined that a decision on the proposed disposal is not “significant” as referenced in the policy. The operational impacts are below the quantitative thresholds for significance.
The disposal enables the council to continue to deliver on the well-being of the local area and region and does not negatively impact service levels.

**Ngā koringa ā-muri / Next steps**

12. If this site is approved for sale, Panuku will negotiate the disposal of the property on behalf of the Corporate Property team. The final terms and conditions would be approved under the appropriate delegations.
Property Report, 50 Centreway Road, Orewa

Whakarāpopototanga o ngā kōrero ā-rawa / Property Summary

1. Auckland Council’s Corporate Property team has developed a Corporate Property Portfolio Strategy which seeks to contribute to a more efficient and operationally effective corporate property network. This is a self-funding programme of works, which utilises the capital receipts from the divestment of properties that are no longer required for the corporate property network which includes the council-owned property at 50 Centreway Road, Orewa (known as Orewa Pacific and Tasman buildings).

2. Consultation with impacted council departments, Hibiscus and Bays Local Board, Panuku Development Auckland and iwi authorities has now taken place. The Hibiscus and Bays Local Board oppose the proposed disposal of the site and have raised some points that are noted in the “Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe / Local Impacts and Local Board views” section of this report along with the Corporate Property team’s consideration of these points.

Pārongo mō ngā rawa / Property Information

3. 50 Centreway Road, Orewa comprises two buildings known as Pacific and Tasman buildings. The property provides 7,876m² of office accommodation, local board offices and customer service centre on a 19,305m² site.

4. The legal description of 50 Centreway Road, Orewa, comprises an estate in fee simple more or less being Lot 1 DP 147350, contained in computer freehold register NA87D/294.

5. The property was purchased by Rodney County Council in 1974 from the Crown.

6. A portion of the property is subject to section 27B of the State-Owned Enterprises Act 1986 which provides for the resumption of land on the recommendation of the Waitangi Tribunal. Legal advice received is that the risk of the land being acquired and transferred to Maori is likely to be low.

7. The council-owned site at 50 Centreway Road, Orewa is not subject to offer back obligations under section 40 of the Public Works Act 1981.

8. The Auckland Unitary Plan zoning is Mixed Use Zone. It has a 2017 capital valuation of $28,800,000.
<table>
<thead>
<tr>
<th>Item 9</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Attachment E</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Ngā whakaaweawe ā-rohe me ngā tirohanga ā te poari ā-rohe / Local impacts and local board views</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>9. The Hibiscus and Bays Local Board has been consulted regarding the Corporate Property Portfolio Strategy and the proposed sale of 50 Centrey Avenue Road, Orewa. Following a formal meeting, the local board agreed to the proposed changes, as requested by the local board meeting dated 26 April 2018 to provide further detail on the preparation of the overall Corporate Property Portfolio Strategy as requested by the local board meeting dated 26 April 2018.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Corporate Property and Panuku Response / Action</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The full financial implications contained in the Business Case are commercially sensitive and confidential, including financial information on net disposal proceeds. Further detail on the challenges we are facing across the portfolio in regards to building quality, locations, and funding, in particular with the new office, local boards, and future projects. Further detail on the benefits and outcomes across the region including financial benefit and NPV analysis.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Local Board Feedback</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>2. The Hibiscus and Bays Local Board requested further information on the full financial implications of the strategy.</td>
</tr>
</tbody>
</table>

| **The Corporate Property team has been discussing location opportunities with the Community Facilities team, for the inclusion of the service centre in the Hibiscus and Bays Local Board area.** |

<p>| <strong>A new service centre will be operational prior to any sale and is intended to be close to the centre of Orewa town.</strong> |</p>
<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
</table>
| 3 | Any location options will be fully discussed with the local board and will meet the local board’s operational requirements and needs of servicing the local community prior to any final decision                                                                                       | All location options will be fully discussed with the Hibiscus and Bays Local Board and we will consulting further with the local board on the following matters:  
  - The refresh of the current local board office space at Browns Bay  
  - An appropriate location for the new customer service centre in Orewa closer to the town centre  
  - An appropriate location for the new spoke so that operational staff can engage with customers locally and enable meeting space for localboard & council use. |
| 4 | Contact should be made with the Waitemata District Health Board regarding the sale                                                                                                                                                                                                                  | Panuku will make contact with the Waitemata District Health Board should the property be approved for sale to ascertain if it is interested in purchasing the property.                                                 |
| 5 | Funds received from this disposal will be spent in the local board area                                                                                                                                                                                                                                           | The Corporate Property Portfolio is a regional asset. Sales proceeds from the disposal of 50 Centreway Road, Orewa will be used to implement the wider Corporate Property Portfolio Strategy. However, there will be significant investment locally in the Hibiscus and Bays Local Board and former Rodney Council areas including the following:  
  - re-fresh of the Hibiscus and Bays Local Board office space,  
  - new customer service centre in Orewa  
  - new Rodney Local Board office space,  
  - several new Spoke drop in spaces including one in Orewa with public meeting capability  
  - re-fresh of the many currently neglected library and leisure centre back of house staff office spaces. |
| 6 | Disposal timing is for a five to six year time period and the disposal strategy is being unduly rushed without all the information being available                                                                                                 | Whilst the programme has a six-year time frame, it is imperative that council progresses the strategy due to the financial, programme and operational factors set out in the Corporate Accommodation Disposal Recommendation report. |
| 7 | The Hibiscus & Bays Local Board wanted confirmation of the access provisions and car parking facilities to be provided for the Centrestage facility at 60 Centreway Road, Orewa.                                                                                   | The Corporate Property team has provided the attached mark up indicating how the access and parking to Centrestage can be provided for. However, engagement with Centrestage and the Hibiscus & Bays Local Board will be required before confirming the final access and car parking locations |
New easement to be established providing residual car parking in line with the Unitary Plan requirements.

Existing theatre remains.

Existing car parking remains providing circa 30 car parks.
11. Fourteen mana whenua iwi authorities were contacted regarding the potential sale of 50 Centreway Road, Orewa on 4 December 2017. The following feedback was received.

a) Ngāti Wai
   No feedback received for this site.

b) Ngāti Manuhiri
   No feedback received for this site.

c) Te Runanga o Ngāti Whatu
   No feedback received for this site.

d) Ngāti Whatu o Kaipara
   No feedback received for this site.

e) Ngāti Whatua Ōrākei

f) Ngāti Whatua Ōrākei has expressed potential commercial interest in this property. Should the property be approved for sale. Panuku will contact Ngāti Whatua Ōrākei regarding any commercial development opportunities.

g) Te Kawerau a Maki
   No feedback received for this site.

h) Ngāi Tai ki Tāmaki
   No feedback received for this site.

i) Te Ākitai - Waiohua
   No feedback received for this site.

j) Ngāti Te Ata - Waiohua
   Ngāti Te Ata has expressed a potential commercial interest and a desire to develop the property noting its close proximity to the beach, park, supermarkets and other amenities. Should the property be approved for sale. Panuku will contact Ngāti Te Ata - Waiohua regarding any commercial development opportunities.

k) Ngāti Paoa
   No feedback received for this site.

l) Ngaati Whanaunga
   No feedback received for this site.

m) Ngāti Maru
   No feedback received for this site.

n) Ngāti Tamatera
   No feedback received for this site.

o) Te Patukirikiri
   No feedback received for this site.

12. The property has been assessed against council’s Significance and Engagement policy and it was determined that a decision on the proposed disposal is not “significant” as referenced.
in the policy. The operational impacts are below the quantitative thresholds for significance. The disposal enables the council to continue to deliver on the well-being of the local area and region and does not negatively impact service levels.

Ngā koringa ā-muri / Next steps

13. If this site is approved for sale, Panuku will negotiate the disposal of the property on behalf of the Corporate Property team. The final terms and conditions would be approved under the appropriate delegations.
Property Report, 6 Henderson Valley Road, Henderson

Whakarāpopototanga o ngā kōrero ā-rawa / Property Summary

1. Auckland Council's Corporate Property team has developed a Corporate Property Portfolio Strategy which seeks to contribute to a more efficient and operationally effective Corporate Property network. This is a self-funding programme of works, which utilises the capital receipts from the divestment of properties that are no longer required for the corporate property network which includes the council-owned property at 6 Henderson Valley Road, Henderson referred to as the 'Admin' building. For clarity, the Civic building at 6 Henderson Valley Road is proposed to be retained in council ownership for use as a local board, customer service centre and spoke.

2. Consultation with impacted council departments, Henderson-Massey Local Board, Panuku Development Auckland and iwi authorities has now taken place. The Henderson-Massey Local Board have endorsed the proposed disposal of the site which includes retaining the Civic building in council ownership for the purposes of a local, customer service centre and spoke.

Pārongo mō ngā rawa / Property Information

3. 6 Henderson Valley Road, Henderson comprises two low rise multi storey buildings that provides 12,535m2 of office accommodation, local board offices and customer service centre on a 16,164m2 site.

4. The property was the former Waitākere City Council offices and comprises parts of the building referred to as the 'Civic' building and the 'Admin' building.

5. The legal description of 6 Henderson Valley Road, Henderson, comprises an estate in fee simple more or less being Lot 2 DP 370255, contained in computer freehold register 284768.

6. Parts of the site including the council chamber, the public lobby, the external artworks and the Japanese garden are scheduled as having heritage value in the Unitary Plan and will be retained in council ownership.

7. Waitākere City's sister city Kakogawa, Japan gifted a Japanese garden to Waitākere in 1997. The Japanese garden is located on part of the property and is not protected by a registered easement. The Corporate Property team has agreed with Panuku that this area will be vested as it is intended that these gardens remain in place in council's ownership.

8. CRLL and Auckland Transport (AT) have provided preliminary advice to the Corporate Property team that it is likely to designate a portion of the site for City Rail Link related works and a potential future platform extension. The Corporate Property team are currently agreeing the details of this proposal with AT and CRLL to ensure that any sale is coordinated with the likely designation.

9. The attached subdivision plan indicates the proposed subdivided areas of the site which are summarised as follows:
   - Lot 1, 2 & 3 (including Admin Building) – Sold as part of the Unlock Henderson scheme in conjunction with Panuku
Finance & Performance Committee
15 May 2018

- Lot 4 – Civic building is to be sub-divided onto its own title and retained in ownership by council for the purposes of a local board office, customer service centre and Spoke
- Area A, B, D1 & D2 – roads, access ways and Japanese gardens vested with council
- Area C – Likely CRLL designation area to be confirmed and sub-divided

10. The Auckland Unitary Plan zoning is Metropolitan Centre Zone. The entire site has a 2017 capital valuation of $57,700,000.

11. 6 Henderson Valley Road, Henderson is not subject to offer back obligations under section 40 of the Public Works Act 1981.
Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe /
Local impacts and local board views

12. The Henderson-Massey Local Board has been consulted regarding the Corporate Property Portfolio Strategy and the proposed sale of 6 Henderson Valley Road, Henderson at two workshops and a formal report was subsequently prepared for the local board business meeting so that their views could be formalised. Further discussions at a meeting with the local board on 1 May 2018 were had to update the local board on the details of splitting the civic and admin buildings and to understand whether the local board would support the proposed disposal of 6 Henderson Valley Road, Henderson. The Henderson-Massey Local Board issued a memo on 4 May 2018 to clarify their position as noted below.

<table>
<thead>
<tr>
<th>Local Board Feedback</th>
<th>Corporate Property and Panuku Response / Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Henderson-Massey Local Board have really appreciated the opportunity to discuss and help shape the approach to the Henderson Civic centre buildings as part of the Corporate Accommodation strategy.</td>
<td>Noted</td>
</tr>
<tr>
<td>2 This is to confirm that the Henderson-Massey Local Board supports a full refresh of the Henderson Civic building at 6 Henderson Valley Road which will be retained by council for the Henderson-Massey Local Board function, the customer service centre function and the new spoke function.</td>
<td>Noted</td>
</tr>
</tbody>
</table>
13. 11 mana whenua authorities were contacted regarding the potential sale of 6 Henderson Valley Road, Henderson on 4 December 2017. The following feedback was received.

a) Te Runanga o Ngāti Whatua
   No feedback received for this site.

b) Ngāti Whatua o Kaipara
   No feedback received for this site.

c) Ngāti Whatua Ōrākei
   Ngāti Whatua Ōrākei has expressed potential commercial interest in this property.
   Should the property be approved for sale, Panuku will contact Ngāti Whatua Ōrākei regarding any potential development opportunities.

d) Te Kawerau ā Maki
   Te Kawerau ā Maki has expressed significant cultural and commercial interests in the site and provided feedback that it opposes the proposed disposal as:
   - It previously relinquished its Treaty claim interest in a portion of the site to allow the entire site to be developed by Waitakere City Council (WCC).
   - Te Kawerau ā Maki wished to help the WCC realise its desire to develop the site into a civic centre and so withdrew their claim on the land to enable Council to proceed.
   - As part of the development of this site, Te Kawerau ā Maki blessed the building, carved sacred pou and incorporated cultural designs into the structure and fabric of the building which is still there today, and even worked alongside WCC inside the buildings.
   - Waitakere City Council advised Te Kawerau ā Maki it would not sell the land, and if it did Te Kawerau ā Maki pou would be returned.
   - In return for Te Kawerau ā Maki relinquishing its interests over the Henderson site, Waitakere City Council made assurances to the iwi that it would transfer or vest the land at Te Henga for a marae and papakainga.
   - Te Kawerau ā Maki see the development of this site as directly tied to the outcome of Te Henga marae and requested that the Council completes the land swap required to enable the development of the marae.

Te Kawerau ā Maki expressed a great deal of frustration with the lack of progress on the land transfer which will enable Te Henga marae to be developed and want Council to act in good faith by honouring the deal and the upholding the spirit of the relationship.

Te Kawerau ā Maki seek the return of its pou and designs should the site be sold and requested some of the proceeds of the sale be used to assist with the development of the Marae.

Te Henga
The importance of effective communication and engagement with Māori on the subject of land is understood. Mana whenua engagement was undertaken by Panuku on behalf of the Corporate Property team. A number of the Panuku executives have met with Te Kawerau ā Maki representatives over the last six months as part of the Unlock Henderson programme to discuss the future of Henderson and the process for progressing the transfer of the marae land in Te Henga as requested.
On 3 May 2018, council officers met with Te Kawerau ā Maki about the land at Te Henga. Discussions with Te Kawerau ā Maki were positive and an approach to resolve the matter at Te Henga was agreed in principle, subject to council approval. The Council’s Parks and Recreation Policy team intend to seek council approval to this approach through reports to the Waitākere Ranges Local Board at its 24 May business meeting, the Environment and Community Committee at its 12 June meeting, and Finance and Performance Committee at its 19 June 2018 meeting.

Henderson
The Corporate Property team have confirmed that Civic building will be retained within the corporate property network. It will continue to house the carved sacred pou and cultural designs.

Panuku will continue to work closely with Te Kawerau ā Maki on how its cultural values can be acknowledged through the Unlock Henderson programme. Additionally, Panuku will continue to work with Te Kawerau ā Maki on any commercial development opportunities in Henderson where they arise.

e) Ngāi Tai ki Tāmaki
   No feedback received for this site.

f) Te ĀKITai - Waiohua
   No feedback received for this site.

g) Ngāti Te Ata - Waiohua
   Ngāti Te Ata has expressed a potential commercial interest and a desire to develop the property noting its close proximity to the train station and city centre.
   Should the property be approved for sale, Panuku will contact Ngāti Te Ata - Waiohua regarding any potential development opportunities.

h) Ngāti Paoa
   No feedback received for this site.

i) Ngāti Maru
   No feedback received for this site.

j) Ngāti Tamatera
   No feedback received for this site.

k) Waikato-Tainui
   No feedback received for this site.

Ngā raru tūpono / Risks

14. The property has been assessed against council’s significance and engagement policy and it was determined that a decision on the proposed disposal is not “significant” as referenced in the policy. The operational impacts are below the quantitative thresholds for significance. The disposal enables the council to continue to deliver on the well-being of the local areas and region and does not negatively impact service levels.

Ngā koringa ā-muri / Next steps

15. If this site is approved for sale, Panuku will negotiate the disposal of the property on behalf of the Corporate Property team. The final terms and conditions would be approved under the appropriate delegations.
Attachment F

Item 9

Attachment 1: 2-6 Henderson Valley Road Subdivision Plan
2-6 HENDERSON VALLEY ROAD – SUBDIVISION PLAN

Lot 1 – 8,300sqm – casual staff car park - land and floor areas are approximate and subject to survey
Lot 2 – 7,380sqm including 2400sqm office building - land and floor areas are approximate and subject to survey
Lot 3 – 3,780sqm including 900sqm office building - land and floor areas are approximate and subject to survey
Lot 4 – 1,000sqm including 200sqm Civic building - land and floor areas are approximate and subject to survey

A – 2,400sqm – proposed public road, greenway and Japanese garden - land and floor areas are approximate and subject to survey
B – 3,560sqm - Stanmore Place - note this property could be part of a Lot 2 divestment, subject to rationalisation - land and floor areas are approximate and subject to survey
C – 2,550sqm – the area required for the future City Rail Link platforms, a designation will be applied for and an exact area determined - land and floor areas are approximate and subject to survey
D1 – 3,380sqm – this internal road is proposed to be vested as a public road, note the Lot 2 building in part, encroaches on the road corridor - land and floor areas are approximate and subject to survey
D2 – 530sqm – public access to main concourse at level 1 (note Lot 3 and 4 connect at ground and level 2 as well as across area D2)
Property Report, 82 Manukau Road, Pukekohe

Whakarāpopototanga o ngā kōrero ā-rawa / Property Summary

1. Auckland Council’s Corporate Property team has developed a Corporate Property Portfolio Strategy which seeks to contribute to a more efficient and operationally effective corporate property network. This is a self-funding programme of works, which utilises the capital receipts from the divestment of properties that are no longer required for the corporate property network which includes the council-owned property at 82 Manukau Road, Pukekohe.

2. Consultation with impacted council departments, Franklin Local Board, Panuku Development Auckland and iwi authorities has now taken place. The Franklin Local Board acknowledged the proposed disposal of the site and have raised some points that are noted in the “Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe / Local Impacts and local board views” section of this report along with the Corporate Property teams consideration of these points.

Pārongo mō ngā rawa / Property Information

3. 82 Manukau Road, Pukekohe comprises a single/double storey office building. The Property provides 2,157m² of office accommodation, local board office and customer service centre on a 13,090m² site.

4. The legal description of 82 Manukau Road, Pukekohe comprises an estate in fee simple more or less being Lot 1 DP 99706, contained in computer freehold register NA54B/1241.

5. The property was purchased by Franklin County Council in 1978 from private entities.

6. The Auckland Unitary Plan zoning is Business - Mixed Use Zone. It has a 2017 capital valuation of $7,200,000.

7. The council-owned site at 82 Manukau Road, Pukekohe is not subject to offer back obligations under section 40 of the Public Works Act 1981.
Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe /  
Local impacts and local board views

8. The Franklin Local Board have been consulted regarding the Corporate Property Portfolio Strategy and the proposed sale of 82 Manukau Road, Pukekohe at two workshops and a formal report was subsequently prepared for the local board business meeting so that their views could be formalised.

9. The Franklin Local Board acknowledged the proposed disposal of 82 Manukau Road, Pukekohe at its 27 March 2018 business meeting and noted the following points. The Corporate Property team’s response to these points and any proposed actions are noted alongside:

<table>
<thead>
<tr>
<th>Local Board Feedback</th>
<th>Corporate Property and Panuku Response / Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 The Franklin Local Board request that the disposal of 82 Manukau Road Pukekohe only be undertaken upon agreement of a site for viable alternative accommodation for council services within Pukekohe, which can cater for the town’s growth and future needs</td>
<td>The Corporate Property Portfolio Strategy includes for a new service centre, a new Franklin Local Board office and a Pukekohe Spoke.</td>
</tr>
<tr>
<td>2 The Franklin Local Board request that negotiation and preferably agreement for the disposal of 82 Manukau Road Pukekohe include a caveat that any future development incorporates a multi-storey car park with the ability to provide capacity for a park and ride facility</td>
<td>The Corporate Property team will consult with the Franklin Local Board regarding the new location for the customer service centre and local board office to ensure the new location meets the needs of the community and the local board.</td>
</tr>
<tr>
<td>3 The Franklin Local Board request that the Finance and Performance Committee seek the optimum development use for the land at 82 Manukau Road Pukekohe, recognising its strategic location between the town centre and the train station and the Franklin Local Board Plan’s two strategic outcomes of a thriving local economy and growth is dealt with effectively</td>
<td>The Corporate Property team and Panuku will proactively engage with Auckland Transport to review the Franklin Local Board’s proposal for a park and ride facility on part of site.</td>
</tr>
<tr>
<td>4 The Franklin Local Board note that the corporate policy requires the proceeds from sale of 82 Manukau Road Pukekohe to be re-invested in the corporate accommodation portfolio and therefore requests that the local board is engaged in any future policy review to ensure that the proceeds of council asset sales are retained in the local area</td>
<td>Pukekohe has been identified as a priority development location in the “support” category. Accordingly, Panuku and the Corporate Property team will develop an appropriate disposal strategy that contemplates strategic development outcomes.</td>
</tr>
</tbody>
</table>
Tauākī whakaaweawe Māori / Māori impact statement

10. Staff contacted Ngāi Tai ki Tāmaki, Ngāti Tamaoho, Te Ākitai-Waiohua, Ngāti Te Ata – Waiohua, Te Ahiwaru, Ngāti Paoa, Ngāati Whanaunga, Ngāti Maru, Ngati Tamatera and Waikato-Tainui regarding the potential sale of 82 Manukau Road, Pukekohe on 4 December 2017. None of the iwi authorities provided feedback specifically in relation to the potential sale of 82 Manukau Road, Pukekohe.

Ngā raru tūpono / Risks

11. The property has been assessed against council’s Significance and Engagement policy and it was determined that a decision on the proposed disposal is not “significant” as referenced in the policy. The operational impacts are below the quantitative thresholds for significance. The disposal enables the council to continue to deliver on the wellbeing of the local area and region and does not negatively impact service levels.

Ngā koringa ā-muri / Next steps

12. If this site is approved for sale, Panuku will negotiate the disposal of the property on behalf of the Corporate Property team. The final terms and conditions would be approved under the appropriate delegations.
Corporate Property Portfolio Strategy

Finance & Performance Committee Meeting
Infographic report
15 May 2018
Decisions required from Finance & Performance Committee

Background

1. In August 2017 Regulatory Services announced a more efficient operating model focused on working out of three major hubs in the North/West (Albany/Westgate), Central (Bledisloe House) and the South (Manukau). Local services would be delivered by 25 spokes (drop-in spaces) across the region.

2. In February 2018, council’s Executive Leadership Team approved the Corporate Property Portfolio Strategy Option 2 - Optimise solution in line with the organisation’s goal to move to a three hub model.

3. This presentation to Finance and Performance Committee provides a further overview of the problems relating to the Corporate Property Portfolio (Option 1 - Current Status), our recommended solution (Option 2 – Optimise) and the benefits that the recommended solution provides for council, our customers and the community.

Decision:

4. Today we are seeking approval from the Finance and Performance Committee meeting for the disposal of seven corporate property sites, subject to the satisfactory conclusion of any required statutory processes, and ring-fencing the proceeds of sales for reinvestment into the corporate property network, as follows:
   - 35 Graham Street, Auckland*
   - Bledisloe Carpark, 4-10 Mayoral Drive, Auckland
   - Kotuku House, 4 Osterley Way, Manukau*
   - Pacific and Tasman Buildings, 52 Centreway Road, Orewa*
   - 35 Coles Crescent, Papakura*
   - Part of the site at 82 Manukau Road, Pukekohe*
   - Waitakere Admin Centre, part of the site at 6 Henderson Valley Road, Henderson*

   * Council maintains all customer service centre and local board spaces in the local Board areas
The corporate property portfolio strategy focus areas

Core to our strategy is creating quality space for our people

Working closely with operational and local board staff:

- This strategy enables us to provide fit for purposes future proofed spaces for all our people at all locations including:
  - Our large corporate office buildings including refreshed or new workspace fitout
  - Refreshed space for our local board and customer service centre spaces, and new space for those impacted by building closure.
  - Refreshed space for our back office areas in our libraries and leisure centres
  - New space for our records and archives storage
- This programme is self funded from disposal of old under-utilised buildings it no longer requires, avoiding significant unnecessary cost and releasing value for better use.
- Customer service centres and local board functions are not compromised – they remain operating in their current locations or in new locations in the local board area.

Council’s property portfolio

- CCO Properties
- Corporate Property Portfolio
- Community facilities
- Local Board offices
- Corporate Office buildings
- Customer Service Centres and Storage facilities
- Workplace Strategy Making our buildings work better

Example of a corporate office building (Graham Street)

Example of local board space (Howick Local Board)
Context

The corporate property portfolio spaces are regional assets

- Corporate property portfolio spaces are determined non-strategic, regional assets, which are funded centrally by general rates. Decision-making responsibility for these regional assets sits with the governing body.

- Ordinarily, the sales proceeds from non–strategic regional assets such as these corporate property portfolio spaces are absorbed into the consolidated fund to contribute to general debt reduction or into the Long Term Plan capital program, as directed by the governing body.

- However, in this instance and for this programme of work, Council Executive Team has shown their commitment to our people by endorsing that the Corporate Property team ring-fence the sales proceeds for reinvestment back into the corporate property portfolio across the region to provide appropriate quality spaces for all our people and our customers.

Note: The Corporate Property Portfolio Strategy should not to be confused with Service Property optimisation. Service Property Optimisation is where the governing body has allocated its decision-making power to local boards when considering candidates for potential optimization for community facilities and parks where all of the criteria are met.
Strategic case for change (investment logic)

Benefits
- (#3) Smart and easy for customers
- (#4) Value and empower our people
- (#5) Better value for ratepayers and residents
- (#6) Make the most of our size and scale

Problems
1. Inconsistent working experience
2. Inconsistent customer service delivery
3. Fragmented pre-amalgamation locations
4. Inefficient buildings / Capex constrained

Option 1 – Status quo

Solutions
- Right locations (Hub + Spoke)
- Modern buildings
- Upgrade workspace fitout
- Improved portfolio efficiency

These problems manifest as:

1) Poor workspace = Reduced staff engagement and productivity. Staff wellbeing, productivity and H&S will increasing be compromised.

2 & 3) Our fragmented locations are not optimised for delivering quality customer service and our customers receive varying levels of service quality from our siloed workforce.

4) We have too much under utilised space and focus is too wide. We do not have sufficient funds to maintain all our underutilised and poorly maintained space.
Problems: Inconsistent working experience

51% of our office workspace has not been updated since well before amalgamation

- Floor area enabled with Workplace Strategy and operating per strategy
- Floor area enabled with Workplace Strategy but NOT operating per strategy
- Floor area NOT enabled with Workplace Strategy

Much of our fitout is very dated – our staff are no longer provided with the tools to support our organisational shift to flexible and digital ways of working.

Workspace Survey Comments – November 2017:

- Orewa Pacific employee: “I understand that we have to be careful with ratepayer money but the office environment is just so embarrassing. Its hard to imagine any other companies this size have got it this badly wrong.”
- Graham Street employee: Please improve the environment – the building we are in is old and tired and maintenance seems almost non-existent."
- Henderson Admin employee: “Internal temperature of the building is crap, it will be cold in the winter and hot in summer. I believe the HVAC is not working properly.”
Problems: Fragmented pre-amalgamation locations

Some staff are still sitting in the same seat that they sat in before amalgamation – this leads to legacy ways of working

- We have been working on developing systems, policies and processes for one Auckland council, but in some functional areas we still have nine ways of doing things
- An increasing population means we need to be prepared to deliver service more locally, while retaining the benefits of working as one team
- If we set-up Auckland Council tomorrow, without a legacy property network, are these 10 locations where we would base our staff?
**Problems: Inefficient buildings**

There is now a considerable amount of pre-amalgamation work area we no longer need.

<table>
<thead>
<tr>
<th>Major Corporate building</th>
<th>Total Floor Area - NLA (A)</th>
<th>People (B)</th>
<th>Floor area per person (A / B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pacific and Tasman Buildings, Cxwa</td>
<td>7,482</td>
<td>331</td>
<td>22.6</td>
</tr>
<tr>
<td>1-7 The Strand, Takapuna</td>
<td>12,900</td>
<td>253</td>
<td>51.0</td>
</tr>
<tr>
<td>Waitakere Civic and Admin Centre, Henderson</td>
<td>10,102</td>
<td>384</td>
<td>26.3</td>
</tr>
<tr>
<td><strong>Total (North/West corporate buildings)</strong></td>
<td><strong>30,484</strong></td>
<td><strong>968</strong></td>
<td><strong>31.5</strong></td>
</tr>
<tr>
<td>Te Whatau o Tamaki/Auckland House, CBD</td>
<td>33,151</td>
<td>1,686</td>
<td>17.8</td>
</tr>
<tr>
<td>Bledisloe House and carpark, CBD</td>
<td>13,009</td>
<td>1,031</td>
<td>12.6</td>
</tr>
<tr>
<td>Graham Street, CBD</td>
<td>11,893</td>
<td>787</td>
<td>15.1</td>
</tr>
<tr>
<td><strong>Total (Central corporate buildings)</strong></td>
<td><strong>58,053</strong></td>
<td><strong>3,684</strong></td>
<td><strong>15.8</strong></td>
</tr>
<tr>
<td>Manukau Civic Building, Manukau</td>
<td>7,188</td>
<td>489</td>
<td>14.4</td>
</tr>
<tr>
<td>Kotuku House, Manukau</td>
<td>3,969</td>
<td>262</td>
<td>15.1</td>
</tr>
<tr>
<td>35 Coles Crescent, Papakura</td>
<td>1,634</td>
<td>18</td>
<td>90.8</td>
</tr>
<tr>
<td>82 Manukau Road, Pukekohe</td>
<td>2,406</td>
<td>15</td>
<td>160.4</td>
</tr>
<tr>
<td><strong>Total (South corporate buildings)</strong></td>
<td><strong>15,197</strong></td>
<td><strong>794</strong></td>
<td><strong>19.1</strong></td>
</tr>
<tr>
<td><strong>Total (all major corporate buildings)</strong></td>
<td><strong>103,734 m²</strong></td>
<td><strong>5,446</strong></td>
<td><strong>19.0 m² per person</strong></td>
</tr>
</tbody>
</table>

Current = 19.0 m² per person

Required = 10.0 m² per person
Problems: Inefficient buildings

- Our effort is spread too wide - we can avoid a large amount of capital and operational expense currently 'wasted' by perpetuating old under-performing buildings we no longer require.
- Ratepayer value is being eroded by our underperforming portfolio
- By releasing unnecessary space we focus our efforts only on what we need, our spend on what we can afford and our resource only on what is required.
Problems: Inefficient buildings, LTP view

LTP funding required

$210M

- Estimated funding required for building renewals over the next 10 years to remain ‘serviceable’.
- This does not allow for any new buildings or relocations

LTP funding shortfall

$117M

- Estimated funding shortfall for the Corporate Property portfolio over the next 10 years under the status quo option

Issue: Funding shortfall = Insufficient funding in the next 10 year LTP cycle for:

- New or refreshed and remediated local board accommodation
- New or refreshed and remediated customer service centres
- Leisure centre and library staff back office area upgrade works
- Records and archives
- Some building maintenance works that may compromise operations
- Cyclical fitout upgrades to council office space
- Insufficient funding forces us increasingly into reactive maintenance
# Solution: Fit for purpose for our organisation

Our future location model of building types supports our organisational strategy.

<table>
<thead>
<tr>
<th>Icon</th>
<th>Accommodation Type</th>
<th>Nos.</th>
<th>Function</th>
<th>Where</th>
</tr>
</thead>
<tbody>
<tr>
<td>🏢</td>
<td>Headquarters</td>
<td>1</td>
<td>Corporate head office and centre of Governance</td>
<td>Auckland House</td>
</tr>
<tr>
<td>🏢</td>
<td>Hub</td>
<td>3</td>
<td>Main home locations for operational staff</td>
<td>Central South North/West</td>
</tr>
<tr>
<td>🏢</td>
<td>Spoke</td>
<td>25</td>
<td>Agile drop-in workplaces that enables:</td>
<td>Throughout the region</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Operations staff to meet customers locally</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Provide workspace across the region for inspectors and engineers</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>rather than just legacy locations</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Provide sensible additional local drop-in spaces to support staff</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>flexibility</td>
<td></td>
</tr>
<tr>
<td>🏢</td>
<td>Local Boards</td>
<td>21</td>
<td>Local Boards operate in the same way</td>
<td>Same locations (buildings</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>may change)</td>
</tr>
<tr>
<td>🏢</td>
<td>Service Centres</td>
<td>20</td>
<td>Service Centres operate in the same way</td>
<td>Same locations (buildings</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>may change)</td>
</tr>
</tbody>
</table>

---

Attachment H  
Item 9
Solution: Fit for purpose for our people

As highlighted by our survey below, it is widely recognised that there is a strong relationship between workspace quality and increased engagement, which leads to improved productivity and customer service.

Workplace Survey - November 2017: Indicating respondents perceived impact of the workplace on their productivity

Graham Street has a 20 year old fitout

- 48.28% Negative Perceived Productivity
- 20.11% Neutral
- 31.51% Positive Perceived Productivity

Manukau Civic was recently partially refurbished

- 17.66% Negative Perceived Productivity
- 19.12% Neutral
- 63.22% Positive Perceived Productivity

- For our staff, better spaces = improved engagement and therefore productivity and customer service uplift
- It’s not only our office space, in many of our other spaces staff productivity is compromised by poor quality space:
  - Local board spaces
  - Customer service centres
  - Library and leisure centre staff back office areas
  - Storage facilities
Solution: Appropriate locations for our large office space

Our location model is aligned with our operations teams requirements and consideration to:
- Auckland’s transport networks
- Future growth areas and
- Areas where we can source large office buildings from the ‘the market’.

Auckland’s metro and growth areas  Future transport network (2040)  Main office markets locations
Solution: Impacts for our large office buildings

Option 1 – Status quo

Option 2 – Optimise; Recommended

Our location model is aligned with:
- Our organisational strategy and Operations Teams’ requirements
- Auckland’s transport networks,
- Future growth areas
- Locations where we can source large office buildings.

Options quick reference table

<table>
<thead>
<tr>
<th>Map</th>
<th>Option</th>
<th>1</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Orewa</td>
<td>●</td>
<td>○</td>
</tr>
<tr>
<td>2</td>
<td>Takapuna</td>
<td>●</td>
<td>○</td>
</tr>
<tr>
<td>3</td>
<td>Henderson</td>
<td>●</td>
<td>○</td>
</tr>
<tr>
<td></td>
<td>North-West Hub</td>
<td>-</td>
<td>●</td>
</tr>
<tr>
<td>4</td>
<td>Te Wharau o Tamaki/Auckland House</td>
<td>●</td>
<td>●</td>
</tr>
<tr>
<td>5</td>
<td>Bledisloe House</td>
<td>●</td>
<td>●</td>
</tr>
<tr>
<td></td>
<td>Bledisloe carpark</td>
<td>●</td>
<td>○</td>
</tr>
<tr>
<td>6</td>
<td>Graham St</td>
<td>●</td>
<td>○</td>
</tr>
<tr>
<td>7</td>
<td>Manukau Civic</td>
<td>●</td>
<td>+</td>
</tr>
<tr>
<td>8</td>
<td>Kotuku House</td>
<td>●</td>
<td>○</td>
</tr>
<tr>
<td>9</td>
<td>Papakura</td>
<td>●</td>
<td>○</td>
</tr>
<tr>
<td>10</td>
<td>Pukekohe</td>
<td>●</td>
<td>○</td>
</tr>
</tbody>
</table>

● Retain / new
+
Retain & extend
○ Vacate
Solution: Optimise the North/West

Option 1 – Status quo
Option 2 – Optimise; Recommended

Office: 31.5m² per person → 10.0m² per person

N/W Spokes
1. Browns Bay
2. Glen Eden
3. Henderson
4. Huapai
5. Massey
6. Orewa
7. Takapuna
8. Workworth
9. Wellsford
10. Westgate
11. Whangaparaoa

* New customer service centres: Orewa, Takapuna and Henderson-Massey

** New local board offices: Rodney and Devonport-Takapuna

Option 2 - Optimise Headlines

-3 Corporate buildings vacated
   (1. Orewa, 2. Takapuna and 3. Henderson)

+1 Modern Hub in North/West
   (Westgate/Albany TBC)

+11 Spokes (drop-in workspaces)
   established over time in
   community buildings or other
   council asset

3* / 9
   3 new customer service centres* and 9 refreshed

2** / 6
   2 new local board locations**
   and 6 refreshed

29
   Library & leisure centre
   back of house refreshed

Auckland Council

Attachment H Item 9
Solution: Optimise the Central area

Option 1 – Status quo

- Office: 15.8m² per person

Central Spokes:
1. Glen Innes
2. Great Barrier
3. Mount Eden
4. Orakei
5. Point Chevalier
6. Puke tepapa
7. Waiheke Island

Option 2 – Optimise; Recommended

- Office: 10.0m² per person

Central Spokes:
1. Bledisloe House
2. Waiheke Island
3. Great Barrier
4. Mount Eden
5. Orakei
6. Glen Innes
7. Point Chevalier

Option 2 - Optimise Headlines

-2
Corporate buildings/sites vacated (4. Graham Street, 5. Bledisloe Car Park)

+7
Re-use
Auckland House as HQ and Bledisloe House as Hub
Spokes (drop in workspaces) established over time in community buildings or other council asset
1* / 3
1 new customer service centres* refreshed
6**
6 local board locations refreshed
14
Library & leisure centre back of house refreshed

* New customer service centres: Bledisloe House
Solution: Optimise the South

Option 1 – Status quo

- Office: 19.1m² per person

South Spokes
1. Howick
2. Mangere
3. Manurewa
4. Papakura
5. Pukekohe
6. Watukun
7. Location tbc

Option 2 – Optimise; Recommended

- Office: 10.0m² per person

South Spokes
4. Papakura
5. Pukekohe
6. Watukun
7. Location tbc

* New customer service centres: Manukau, Papakura and Pukekohe

** New local board offices: Franklin, Papakura

Option 2 - Optimise Headlines

- 3

- 7
  - Extend
    - Manukau Civic extended to enable its use as a Hub

- 7
  - Spokes (drop in workspaces) established over time in community buildings or other council asset

- 3
  - 3 new customer service centres* and 1 refreshed

- 5
  - 2 new local board locations** and 5 refreshed

- 35
  - Library & leisure centres back of house refreshed
Solution: Timing – indicative end dates

Note: CSC = Customer Service Centre

- New Rodney Local Board opens
- New Bledisloe CSC opens
- New Manukau CSC opens
- New Papakura CSC & Local Board opens
- New Pukekohe CSC & Local Board opens
- Finance & Performance Committee
- New Henderson CSC & Local Board opens
- Storage facility complete
- New Orewa CSC opens

- 2018
- 2019
- 2020
- 2021
- 2022
- 2023
- 2024

Initiate Site Disposal early

- CBD Consolidation
- South Hub opens
- North/West Hub opens

- Sale and short term lease back → generates significantly more value than selling vacant space (> $10m opportunity)
- Funding is required to commence the programme activity. Enables programme workstreams to be largely ‘self-funded’.
- Hard lease expiry deadline pressure (Takapuna 2021 @ $6m pa)
- Market buoyancy is now
- Enables the time required to secure new developments
The Benefits

Corporate Property Portfolio Strategy
**Benefit: Council operations staff engagement with our customers and the community**

**Option 1 – Status quo**

- % Auckland’s population living within 10km of our offices: 86% → 96%

**Option 2 – Optimise; Recommended**

- % of council’s 13 wards with face to face access to regulatory services: 46% → 100%

**$117m LTP Shortfall**

The Spoke programme:

- Provides customers with more options and easier access to Regulatory Services
- Provides Auckland Council staff greater opportunities to reach into the wards

**Largely Self Funded**
Benefit: Quality spaces for all council staff

Option 1 – Status quo

Option 2 – Optimise; Recommended

$117m LTP Shortfall
No new spaces
Compromised H&S and wellbeing

Largely Self Funded
Refurbishment across portfolio
### Benefit: Efficient buildings (value for money – KPIs)

<table>
<thead>
<tr>
<th></th>
<th>Option 1 – Status quo</th>
<th>Option 2 – Optimise: Recommended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio floor area (council occupied)</td>
<td>103,734 m²</td>
<td>58,000 m²</td>
</tr>
<tr>
<td>Space per person</td>
<td>19.0 m²</td>
<td>10.0 m²</td>
</tr>
<tr>
<td>Renewal Funding Required</td>
<td>$210M ($117M funding shortfall)</td>
<td>$110M ($100M cost avoided)</td>
</tr>
<tr>
<td>Renewal Funding Shortfall</td>
<td>$117M</td>
<td>Self Funded</td>
</tr>
<tr>
<td>Capital Released</td>
<td>$0M</td>
<td>Commercially Sensitive</td>
</tr>
<tr>
<td>Net saving in annual operating costs (rent and opex)</td>
<td>$0M</td>
<td>$1.7M pa</td>
</tr>
</tbody>
</table>
**Benefit: Cost avoidance and LTP funding view**

<table>
<thead>
<tr>
<th>Funding</th>
<th>Option 1</th>
<th>Option 2 Optimise</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renewal funding required</td>
<td>$210M</td>
<td>$110M</td>
</tr>
<tr>
<td>Costs to undertake the strategy</td>
<td>$0M</td>
<td>Commercially sensitive</td>
</tr>
<tr>
<td>Value released from surplus assets</td>
<td>$0</td>
<td>Commercially sensitive</td>
</tr>
</tbody>
</table>

Portfolio Strategy self funded by value released.

<table>
<thead>
<tr>
<th>Opex costs</th>
<th>Option 1</th>
<th>Option 2 Optimise</th>
<th>Option 2 Optimise: Net $$$ Impact Estimated to be Zero</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating costs (pa, incl rent)</td>
<td>$12.6M</td>
<td>$10.9M</td>
<td>$1.7M saving pa</td>
</tr>
</tbody>
</table>

20 Year NPV @ 5.60% discount rate

- Option 2 – Optimise: **Net $$$ Impact Estimated to be Zero**
  - Option 2 - Optimise: **Cost avoidance**
    - Avoids $100M unnecessary capital works on properties we no longer require
  - Option 2 – Optimise: Provides **funding headroom** in the next 10 year LTP cycle for
    - New and refreshed local board accommodation (where displaced by building closure)
    - Refreshed local board accommodation to remainder of local board spaces
    - New customer service centres (where displaced by building closure)
    - Leisure centre and library staff back office area refresh works
    - Storage optimisation works across the region.
    - Cyclical fitout upgrades to council office space – workspace upgrades for all staff

+ $65M positive
Item 9

Attachment H

Wider Considerations

Corporate Property Portfolio Strategy
Communicating the benefits

External
- We recognize the need to support ward councilors and local board members in communications with their community and ratepayers in order to address any concerns
- Should the sale of these assets be approved, there is funding included to provide communications and change support for:
  - pro-active communications that covers the strategy at a high level
  - local communications relating to each area and outlining opportunities that the strategy presents in each area

Internal
- Internal staff have been communicated with on the overall implications of the strategy, and what it will mean at their individual sites.
- In time we will be engaging with our people encouraging them to be become change champions, actively representing their colleagues in how we implement this strategy
Reducing our risk profile

<table>
<thead>
<tr>
<th>Risk</th>
<th>Option 1 – Status quo</th>
<th>Option 2 – Optimise</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operational</td>
<td>Building failures through deferred maintenance</td>
<td>Modern buildings = lower risk of failures</td>
</tr>
<tr>
<td>Funding</td>
<td>Significant LTP funding shortfall</td>
<td>Programme largely self funded</td>
</tr>
<tr>
<td>Leasing</td>
<td>Legacy poor rental terms e.g. Takapuna</td>
<td>Appropriate negotiated leases</td>
</tr>
<tr>
<td>Building quality</td>
<td>Some seismic, weathertightness, asbestos issues to resolve</td>
<td>Exit these sites</td>
</tr>
<tr>
<td>Storage</td>
<td>Poor storage facilities</td>
<td>Consolidated efficient council storage solution</td>
</tr>
<tr>
<td>Staff engagement</td>
<td>Local board &amp; council staff in poor space affecting productivity</td>
<td>Quality space, engaged staff that are more productive</td>
</tr>
<tr>
<td>Customer and</td>
<td>Inconsistent customer service and low investment in CS spaces</td>
<td>Increased customer service locations in the community</td>
</tr>
<tr>
<td>Community</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Benefits: Alignment with wider council initiatives

<table>
<thead>
<tr>
<th>Wider initiatives</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transform Manukau</td>
<td>Acting as a catalyst for activity in support and alignment with Panuku’s Transform Manukau programme, including potential co-location library opportunity</td>
</tr>
<tr>
<td>Unlock Henderson</td>
<td>Acting as a catalyst for activity in support and alignment with Panuku’s Unlock Henderson programme and the sale of residential super lots</td>
</tr>
<tr>
<td>Bledisloe Carpark Development</td>
<td>Develop suitable development framework for best outcome. Incorporating and integrating council and public requirements to achieve best outcomes including the public realm, the Aotea precinct framework, and CRL requirements.</td>
</tr>
<tr>
<td>One Local Initiative</td>
<td>Where appropriate integrate OLI initiatives with the Corporate Portfolio Strategy for greater overall outcomes (eg Waitākere / Glen Eden)</td>
</tr>
<tr>
<td>Customer Channel strategy</td>
<td>Co-located customer service centres with community facilities in ‘community hub’s where practicable</td>
</tr>
<tr>
<td>Council Frameworks and design principles</td>
<td>Incorporating māori responsiveness, sustainability, social procurement, accessible and inclusive design principles.</td>
</tr>
<tr>
<td>Auckland Plan</td>
<td>Engagement with IWI and Kiwibuild, Providing opportunities in the wider context, for example, quality housing and neighbourhoods.</td>
</tr>
<tr>
<td>Local Government Commission</td>
<td>New local board office situated in the Rodney Local Board area</td>
</tr>
<tr>
<td>Engagement, retention, recruitment</td>
<td>Alignment with council’s organizational Culture Plan</td>
</tr>
</tbody>
</table>
Māori responsiveness – Whiria Te Muka Tangata

The Corporate Property team recognise that a partnership approach with Mana Whenua involves:

- Meaningful engagement that starts early.
- Integration of and valuing Te Ao Māori – the Māori world view (Whanaungatanga, Rangatiratanga, Manaakitanga)
- Joined up multi-faceted thinking including cultural, economic, environmental and social outcomes for Māori.

The Corporate Property strategy will be guided by Te Aranga Design Principles framework including:

- Mana rangatiratanga: Authority
- Whakapapa: Names & naming
- Taiao: The natural environment
- Mauri tu: Environmental health
- Mahi toi: Creative expression
- Tohu: The wider cultural landscape
- Ahi kā: The living presence design
Looking after our heritage connections and taonga

Legacy connections

- Each of the buildings we’re proposing to sell has a connection to pre-amalgamation legacy councils
- Selling these buildings should not break that connection with the past and the history of the legacy councils and the relationships and people they served

Our solution: with each of the locations we are selling buildings, we will work closely with the local board, mana whenua and staff to ensure we’re preserving the links to the past in any new buildings

Preserving our artworks and taonga for the future

- Some of the buildings we’re proposing to sell have artworks, heritage artefacts and other taonga
- Selling the buildings should not mean we lose these artefacts for the community and future generations

Our solution: utilize the tools available to us:
- Relocating these artefacts and taonga where we can
- Unitary Plan change to include clause on Māori values
- Easement on title, new subdivision.
- Where appropriate, ensuring the public continues to be the stewards of gifted art work heritage artefacts and taonga that cannot be removed
In line with the Significance and Engagement Policy, advice was sought from Auckland Council Finance and Legal teams to ascertain if the proposed sale of these sites trigger the Significance and Engagement Policy.

The advice received is that:

- Council’s Corporate Property assets are non-strategic assets, as they are not included in the list of council’s strategic assets set out in the Significance and Engagement Policy.
- There is no specific legal requirement to consult on a proposal to dispose of a non-strategic asset such as council’s corporate property assets.
- None of the “thresholds for significance” are met which means that none of the proposed property disposals are “significant” under the Significance and Engagement Policy and the need to consult is not automatically triggered.

However, the council may still choose to consult on sites where there is an intrinsic link to the land.

Item 9

Attachment H
Reasons why we need to act now

Financial

- Capex constraints – We have identified a $117M LTP funding shortfall under ‘status quo’
- Value released: Sell now with short term lease back → generates significantly more value than vacant sale (> $10m)
- Self funding = Capex constrained → programme requires ‘self-funding’
- Asset sale = cost avoidance → selling early avoids re-investment spend and waist

Programme

- Property market conditions are currently strong → good for disposals now
- Hard lease expiry deadline (Takapuna 2021 @ $6M pa)
- Significant time taken for meaningful engagement (mana whenua and staff) and to secure new developments → we needs to start now

Operational

- Status quo will mean increased operational risk → deferred maintenance
- Status quo will stifle our organizational shift to flexible and digital ways of working impacting productivity
- By acting now we can also resolve a number of inter-related dependent issues that are currently not funded

Our biggest risk is delaying a decision that now needs to be made
ATTACHMENT H

Item 9

CORPORATE OFFICE ACCOMMODATION

CURRENT PORTFOLIO → COMMERCIAL PLAN → FUTURE PORTFOLIO

10 BUILDINGS

103,734.4m²

-5,446

STAFF

19.0m²

NEW REGIONAL SERVICE CENTRE

OREWA

-351 STAFF

TAKEPUNA

-253 STAFF

HENDERSON

-264 STAFF

AUCKLAND HOUSE

-2,866 STAFF

BLEDISLOE HOUSE

-1,031 STAFF

GRAHAM STREET

-180 STAFF

MANUKAU CIVIC

-499 STAFF

KOTUKU HOUSE

-262 STAFF

PAPAKOURA

-18 STAFF

PUKEKOHE

-75 STAFF

PROBLEM

INCONSISTENT WORKING EXPERIENCE

INCONSISTENT SERVICE DELIVERY

FRAGMENTED PRE-AMALGAMATION WAY OF WORKING

INEFFICIENT BUILDINGS

SOLUTION

RIGHT LOCATIONS (HUB + SPokes)

MODERN BUILDINGS

AGILE WORKSPACE STRATEGY

IMPROVED PORTFOLIO EFFICIENCY

BENEFITS

Value and empower our people

Smart and easy for customers

Better value for taxpayers and residents

Make the most of our size and scale

NORTHWEST HUB

2020+

AKARA/TAHAROA

1,800 STAFF

HQ HUB

2020+

AUCKLAND HOUSE

1,800 STAFF

SOUTH HUB

2020+

MANGAURA CIVIC + EXTENSION

900 STAFF

CENTRAL HUB

2020+

BLEDISLOE HOUSE

1,200 STAFF

FUTURE PORTFOLIO

4 BUILDINGS

58,000m²

-5,446

STAFF
Te take mō te pūrongo / Purpose of the report
1. To receive a summary and provide a public record of memos or briefing papers for the Committee’s information and any other information that may have been distributed to committee members since 17 April 2018.

Whakarāpopototanga matua / Executive summary
2. This is a regular information-only report which aims to provide greater visibility of information circulated to committee members via memo or other means, where no decisions are required.
3. The following information-only report is attached:
   - Finance and Performance Committee Forward Work Programme to 30 June 2018 (Attachment A)
4. The following presentations/memos/reports were presented/circulated as follows:
   - Shareholder comments on draft Statement of Intent 2018-2021 for Council-controlled organisations (Attachment B)
   - Confidential Memorandum – 1 May 2018 from Senior Advisor, CCO Governance and External Partnerships related to the Memorandum of Understanding – Auckland Council and Ports of Auckland Limited (no attachment)
5. The workshop papers and any previous documents can be found on the Auckland Council website at the following link: [http://infocouncil.aucklandcouncil.govt.nz/](http://infocouncil.aucklandcouncil.govt.nz/)
   - at the top of the page, select meeting “Finance and Performance Committee” from the drop-down tab and click ‘View’;
   - under ‘Attachments’, select either HTML or PDF version of the document entitled ‘Extra Attachments’.
6. Note that, unlike an agenda decision report, staff will not be present to answer questions about these items referred to in this summary. Committee members should direct any questions to the authors.

Ngā tūtohunga / Recommendation/s
That the Finance and Performance Committee:

Ngā tāpirihanga / Attachments

<table>
<thead>
<tr>
<th>No.</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Finance and Performance Committee Forward Work Programme to 30 June 2018, dated 8 May 2018</td>
<td>99</td>
</tr>
<tr>
<td>B</td>
<td>Shareholder comments on draft Statement of Intent 2018-2021 for Council-controlled organisations (Under Separate Cover)</td>
<td></td>
</tr>
</tbody>
</table>

Ngā kaihaina / Signatories

<table>
<thead>
<tr>
<th>Author</th>
<th>Sandra Gordon - Senior Governance Advisor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authoriser</td>
<td>Matthew Walker - Acting Group Chief Financial Officer</td>
</tr>
</tbody>
</table>
The purpose of the Committee is to control and review expenditure across the Group to improve value for money; to monitor the overall financial management and performance of Auckland Council parent and Auckland Council Group; to make financial decisions required outside the annual budgeting processes and to perform the responsibilities of another committee, where it is necessary.

Priorities for 2017/18 will be on initiatives which:
1. Strategic Reviews: Long-term Plan 2018-2028 Development
2. Monitoring
3. Acquisitions and disposals
4. Other financial decisions

The work of the committee will:
1. approve the Long-term Plan 2018-2028 including financial policy, the consultation document and supporting information for recommendation to the Governing Body
2. monitor achievement of financial and other measures of performance and services levels and recommend the Annual Report to the Governing Body
3. approve acquisition and disposal of property related to the Committee’s responsibilities.
4. review and approve financial policy and non-budgeted expenditure.

<table>
<thead>
<tr>
<th>Lead</th>
<th>Area of work</th>
<th>Reason for work</th>
<th>Finance and Performance Committee role - decision or direction</th>
<th>F&amp;P Delegations</th>
<th>Expected timeframes Highlight financial year quarter and state month if known</th>
</tr>
</thead>
</table>
| Chief Financial Office | Rating and funding policy | • General Rates  
• Interim transport levy (Remain as a funding source or alternative option if implemented)  
• New targeted rates (water quality and natural environment)  
• Regional Fuel Tax  
• Business rates differentials  
• Local targeted rate (for specific local activities)  
• Local Board targeted rates (for specific local projects)  
• Revenue and financing policy  
• Rates remission and postponement policy  
• Panuku disposals and reinvestment in unlock locations | Recommend changes for Mayoral Proposal  
Decide on Mayoral Proposal for inclusion in consultation document  
Consider submissions  
Decide on final LTP | FY17/18 | Jul-Sep:  
26 Jul  
15 Aug  
19 Sept  
Oct-Dec:  
24 Oct  
21 Nov  
12 Dec  
Jan-Mar:  
27 Feb  
20 Mar  
15 May  
Apr-Jun:  
17 Apr  
19 May |

**Strategic Reviews: Long-term Plan 2018-2028 Development**

| Chief Financial Office | Rating and funding policy | • General Rates  
• Interim transport levy (Remain as a funding source or alternative option if implemented)  
• New targeted rates (water quality and natural environment)  
• Regional Fuel Tax  
• Business rates differentials  
• Local targeted rate (for specific local activities)  
• Local Board targeted rates (for specific local projects)  
• Revenue and financing policy  
• Rates remission and postponement policy  
• Panuku disposals and reinvestment in unlock locations | Recommend changes for Mayoral Proposal  
Decide on Mayoral Proposal for inclusion in consultation document  
Consider submissions  
Decide on final LTP | FY17/18 | Jul-Sep:  
26 Jul  
15 Aug  
19 Sept  
Oct-Dec:  
24 Oct  
21 Nov  
12 Dec  
Jan-Mar:  
27 Feb  
20 Mar  
15 May  
Apr-Jun:  
17 Apr  
19 May |

**Delegations** include development of the Long-term Plan 2018-2028 including financial policy. Preparation of the consultation document and supporting information for recommendation to the Governing Body.

**Progress to date**

<table>
<thead>
<tr>
<th>Long-Term Plan:</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
</table>
| 21/11/17 – 10-Year Budget 2018-2028 and Auckland Plan Refresh  
How Aucklanders will provide feedback during the public consultation FIN/2017/164 and FIN/2017/165 | Oct | Nov | Dec |
| Adopted by Governing Body: 12/12/17 FIN/2017/159 | | | |
| Various workshops and Have Your Say Events held during March 2018 Panuku Developments Auckland: 23/5/17 – Unlock Henderson FIN/2017/60 | | | |
| Chief Financial Office | Expenditure Review | • Key focus areas for net cost reduction
• Identifying programmes for Maori outcomes
• Local board ‘one local initiative’
• Governance funding review
• Capex review | Recommend changes for Mayoral Proposal
Decide on Mayoral Proposal for inclusion in consultation document | Q1 | Q2 | Q3 | Q4 |
|-----------------------|-------------------|-------------------------------------------------|---------------------------|-----------------|---------|---------|---------|
| Chief Financial Office | Long-term Plan process | Statutory process
• Consultation process – including hearings for community to be heard and local board engagement meetings (Have Your Say events). Approach to communication of investments in LB areas to be considered
• Elected members consideration of feedback
• Decision-making for Long-term Plan | Agree consultation items
Adopt consultation documents and supporting material and recommend to Governing Body
Adopt local board agreements
Adopt Long-term Plan and set rates and recommend to Governing Body | Q1 | Q2 | Q3 | Q4 |

**Expected timeframes**

<table>
<thead>
<tr>
<th>FY17/18</th>
<th>Jul-Sep</th>
<th>Oct-Dec</th>
<th>Jan-Mar</th>
<th>Apr-Jun</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>26 Jul 24 Oct 27 Feb 17 Apr</td>
<td>15 Aug 12 Dec 15 May</td>
<td>19 Sept 19 Jun</td>
<td></td>
</tr>
</tbody>
</table>

*Highlight financial year quarter and state month if known*

*See end table for programme*
### Finance and Performance Committee - Information Report - 15 May 2018

#### Attachment A

<table>
<thead>
<tr>
<th>Lead</th>
<th>Area of work</th>
<th>Reason for work</th>
<th>Finance and Performance Committee role - decision or direction</th>
<th>F&amp;P Delegations</th>
</tr>
</thead>
</table>
| Chief Financial Office                    | Growth Infrastructure Targeted Rates, Development Contributions, Local Targeted Rate for specific projects | • Growth Infrastructure Targeted Rates – if required to be implemented to a specific growth area  
• Development Contributions – amendment to the Contributions policy  
• Local targeted rate for local activities – this may be considered dependant on the Governance Review project decisions  
• Local Board targeted rate for specific projects – if the Local Board would like to consult on implementing a targeted rate for specific project in their area | Update  
Recommend changes for Mayoral Proposal  
Decide on Mayoral Proposal for inclusion in consultation document  
Consider submissions  
Decide on final LTP  
Progress to date  
Reporting dates:  
Workshop held 7/2/18 regarding the development contribution policy  
**Targeted rates:**  
27/2/17 – Accommodation Provider Targeted Rate Remission FIN/2018/22  
27/2/18 – Rates remission and postponement policy review FIN/2018/23 | Delegations include development of the Long-term Plan 2018-2028 including financial policy. Preparation of the consultation document and supporting information for recommendation to the Governing Body |

#### Expected timeframes

<table>
<thead>
<tr>
<th>Highlight financial year quarter and state month if known</th>
<th>FY17/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jul-Sep</td>
<td>26 Jul</td>
</tr>
<tr>
<td></td>
<td>15 Aug</td>
</tr>
<tr>
<td></td>
<td>19 Sept</td>
</tr>
<tr>
<td>Oct-Dec</td>
<td>24 Oct</td>
</tr>
<tr>
<td></td>
<td>21 Nov</td>
</tr>
<tr>
<td></td>
<td>12 Dec</td>
</tr>
<tr>
<td>Jan-Mar</td>
<td>27 Feb</td>
</tr>
<tr>
<td></td>
<td>20 Mar</td>
</tr>
<tr>
<td>Apr-Jun</td>
<td>17 Apr</td>
</tr>
<tr>
<td></td>
<td>15 May</td>
</tr>
<tr>
<td></td>
<td>19 Jun</td>
</tr>
</tbody>
</table>
### Proposed 2018 Long-term Plan Schedule

**Aug – Nov 2017**
Process for early discussions on direction, priorities and prioritisation (within this time period) is currently being prepared and will require Mayoral advice and approval. Discussions include:
- Infrastructure funding; Infrastructure investment; Service delivery and cost review; Local Boards projects, funding and advocacy; Other budget and non-financial policy issues; Revaluations and rating policy
- 21/11/17 – 10-Year Budget 2018-2028 and Auckland Plan Refresh – How Aucklanders will provide feedback during the public consultation [FIN/2017/165]

**Sep - Dec 2017**
- Audit of consultation material
- 11 Dec 2017 – Mayoral Proposal /Consultation items, including local content agreed [FIN/2017/181]
- 12/12/17 – Adopted by Governing Body [FIN/2017/159]

**21 March 2018**
- 21/3/18 - Consultation Document and Supporting Information, adopted, including local content [21/3/18]

**28 Feb – 28 Mar 2018**
- Public Consultation

**Apr – May 2018**
- Processing of consultation feedback and briefing of elected members

**May 2018**
- Budget discussions and decision-making (both locally and regionally)

**May - June 2018**
- Audit of Long-term Plan

**27 June 2018**
- Adoption of Long-term Plan, including Local Board Agreements

### Attachment A

<table>
<thead>
<tr>
<th>Item 10</th>
<th>Lead</th>
<th>Area of work</th>
<th>Reason for work</th>
<th>Finance and Performance Committee role - decision or direction</th>
<th>F&amp;P Delegations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Corporate Finance and Property</strong></td>
<td>Quarterly business improvements and performance report</td>
<td>To monitor council parent financial and non-financial performance results</td>
<td>Receive generally no decisions</td>
<td>The committee is responsible for monitoring achievement of financial and other measures of performance and service levels</td>
<td></td>
</tr>
<tr>
<td><strong>Progress to date</strong></td>
<td></td>
<td></td>
<td>Reporting dates: 13/12/16 - Auckland Council organisation report for the period 1 July 2016 to 30 September 2016 [FIN/2016/160]</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>21/2/17 - Auckland Council organisation performance report for the period 1 July 2016 to 31 December 2016 [FIN/2017/192]</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>26/5/17 - Auckland Council organisation performance report for the period 1 July 2016 to 31 March 2017 [FIN/2017/133]</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>21/09/17 - Organisation Performance 1 July 2016 – 30 June 2017 [FIN/2017/133]</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>24/11/17 - 1 July 2017 – 30 September 2017 [FIN/2017/177]</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>12/03/18 - 1 July 2017 – 31 December 2017 [FIN/2018/34]</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Expected timeframes

Highlight financial year quarter and state month if known

<table>
<thead>
<tr>
<th>Lead</th>
<th>Area of work</th>
<th>Reason for work</th>
<th>Finance and Performance Committee role - decision or direction</th>
<th>F&amp;P Delegations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Corporate Finance and Property</strong></td>
<td>Quarterly business improvements and performance report</td>
<td>To monitor council parent financial and non-financial performance results</td>
<td>Receive generally no decisions</td>
<td>The committee is responsible for monitoring achievement of financial and other measures of performance and service levels</td>
</tr>
<tr>
<td><strong>Progress to date</strong></td>
<td></td>
<td></td>
<td>Reporting dates: 13/12/16 - Auckland Council organisation report for the period 1 July 2016 to 30 September 2016 [FIN/2016/160]</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>21/2/17 - Auckland Council organisation performance report for the period 1 July 2016 to 31 December 2016 [FIN/2017/192]</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>26/5/17 - Auckland Council organisation performance report for the period 1 July 2016 to 31 March 2017 [FIN/2017/133]</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>21/09/17 - Organisation Performance 1 July 2016 – 30 June 2017 [FIN/2017/133]</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>24/11/17 - 1 July 2017 – 30 September 2017 [FIN/2017/177]</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>12/03/18 - 1 July 2017 – 31 December 2017 [FIN/2018/34]</td>
<td></td>
</tr>
</tbody>
</table>

### Monitoring

<table>
<thead>
<tr>
<th>Expected timeframes</th>
<th>Highlight financial year quarter and state month if known</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 21 Sep</td>
<td>Q2 24 Nov</td>
</tr>
<tr>
<td>Area of work</td>
<td>Reason for work</td>
</tr>
<tr>
<td>-------------</td>
<td>----------------</td>
</tr>
<tr>
<td>Lead</td>
<td>Finance and Performance Committee</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Lead</td>
<td>Area of work</td>
</tr>
<tr>
<td>------</td>
<td>--------------</td>
</tr>
<tr>
<td>Te Waka Anga Mua ki Uta</td>
<td>Māori Transformational Activity and Expenditure Report</td>
</tr>
</tbody>
</table>
|      |              |                 | **Progress to date** | FY17/18  
|      |              |                 | 12/12/17 Report FIN/2017/291 | Q1  
|      |              |                 | 12/3/18 Response Report FIN/2018/45 | Q2  
| Te Waka Anga Mua ki Uta | Te Tiriti O Waitangi Audit Response Work Programme | To monitor progress in responding to 3 yearly Te Tiriti O Waitangi audit | Receive generally no decisions | 
|      |              |                 | **Progress to date** | 
|      |              |                 | Reporting dates: | 
| Corporate Finance and Property | Annual Report | Statutory requirement | **Recommend** to Governing Body | The committee delegations include recommending the Annual Report to the Governing Body |
|      |              |                 | **Progress to date** | 
|      |              |                 | Reporting dates: | Q1  
|      |              |                 | 13/12/16 - Approval of the Audit New Zealand audit engagement and review engagement letters FIN/2016/165 | Sep  
|      |              |                 | 21/9/17 – Approved and Recommendation for adoption of the 2016/2017 Annual Report and Summary Annual Report for Auckland Council and group FIN/2017/132 | Q3  
|      |              |                 | 28/9/17 – Adopted by Governing Body: GB/2017/112 | Q4  
|      |              |                 | Note: there is a delegation from the Committee to Chair and Deputy Chair to recommend to the Mayor and CE to release the preliminary results to the NZ Stock Exchange so that Council can meet NZX reporting deadlines. | |
| Corporate Finance and Property | Half Year Report | NZ Stock Exchange requirement (for listed companies) | **Decision** to release the half year report to the NZ Stock Exchange | 
|      |              |                 | **Progress to date** | 
|      |              |                 | Reporting dates: | Q1  
|      |              |                 | 13/12/16 - Approval of the 31 December 2016 half year pro forma financial statements and accounting policies FIN/2016/168 | Sep  
|      |              |                 | Note: there is a delegation from the Committee to Chair and Deputy Chair to recommend to the Mayor and CE to release the announcement and interim report to the NZ Stock Exchange so that Council can meet NZX reporting deadlines. | Q2  
|      |              |                 | 13/12/16 - Approval of the 31 December 2016 half year pro forma financial statements and accounting policies FIN/2016/168 | Q3  
|      |              |                 | 13/12/16 - Approval of the 31 December 2016 half year pro forma financial statements and accounting policies FIN/2016/168 | Q4  

**Expected timeframes** Highlight financial year quarter and state month if known

<table>
<thead>
<tr>
<th>FY17/18</th>
<th>Jul-Sep</th>
<th>Oct-Dec</th>
<th>Jan-Mar</th>
<th>Apr-Jun</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>26 Jul</td>
<td>15 Aug</td>
<td>19 Sept</td>
<td></td>
</tr>
<tr>
<td></td>
<td>24 Oct</td>
<td>21 Nov</td>
<td>12 Dec</td>
<td></td>
</tr>
<tr>
<td></td>
<td>27 Feb</td>
<td>20 Mar</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>17 Apr</td>
<td>15 May</td>
<td>19 Jun</td>
<td></td>
</tr>
</tbody>
</table>

**Te Waka Anga Mua ki Uta**

**Māori Transformational Activity and Expenditure Report**

To monitor progress on expenditure and delivery on projects to deliver Māori outcomes

**Finance and Performance Committee role - decision or direction**

Receive generally no decisions

**Progress to date**

12/12/17 Report FIN/2017/291


**Te Waka Anga Mua ki Uta**

Te Tiriti O Waitangi Audit Response Work Programme

To monitor progress in responding to 3 yearly Te Tiriti O Waitangi audit

**Finance and Performance Committee role - decision or direction**

Receive generally no decisions

**Progress to date**

**Reporting dates:**

Q1: 12/12/17 Report FIN/2017/291


Q3: 21/9/17 – Approved and Recommendation for adoption of the 2016/2017 Annual Report and Summary Annual Report for Auckland Council and group FIN/2017/132

Q4: 28/9/17 – Adopted by Governing Body: GB/2017/112

Note: there is a delegation from the Committee to Chair and Deputy Chair to recommend to the Mayor and CE to release the preliminary results to the NZ Stock Exchange so that Council can meet NZX reporting deadlines.

**Corporate Finance and Property**

**Annual Report**

Statutory requirement

**Finance and Performance Committee role - decision or direction**

Recommend to Governing Body

**Progress to date**

**Reporting dates:**

Q1: 13/12/16 - Approval of the Audit New Zealand audit engagement and review engagement letters FIN/2016/165


Q3: 21/9/17 - Auckland Council Organisation Performance 1 July 2016 – 30 June 2017 FIN/2017/133


Note: there is a delegation from the Committee to Chair and Deputy Chair to recommend to the Mayor and CE to release the preliminary results to the NZ Stock Exchange so that Council can meet NZX reporting deadlines.

**Decision** to release the half year report to the NZ Stock Exchange

**Progress to date**

**Reporting dates:**

Q1: 13/12/16 - Approval of the 31 December 2016 half year pro forma financial statements and accounting policies FIN/2016/168

Q2: 13/12/16 - Approval of the 31 December 2016 half year pro forma financial statements and accounting policies FIN/2016/168

Q3: 28/9/17 – Adopted by Governing Body: GB/2017/112

Note: there is a delegation from the Committee to Chair and Deputy Chair to recommend to the Mayor and CE to release the preliminary results to the NZ Stock Exchange so that Council can meet NZX reporting deadlines.

**Corporate Finance and Property**

**Half Year Report**

NZ Stock Exchange requirement (for listed companies)

**Finance and Performance Committee role - decision or direction**

Decision to release the half year report to the NZ Stock Exchange

**Progress to date**

**Reporting dates:**

Q1: 13/12/16 - Approval of the 31 December 2016 half year pro forma financial statements and accounting policies FIN/2016/168

Q2: 13/12/16 - Approval of the 31 December 2016 half year pro forma financial statements and accounting policies FIN/2016/168

Q3: 28/9/17 – Adopted by Governing Body: GB/2017/112

Note: there is a delegation from the Committee to Chair and Deputy Chair to recommend to the Mayor and CE to release the preliminary results to the NZ Stock Exchange so that Council can meet NZX reporting deadlines.

**Corporate Finance and Property**

**Half Year Report**

NZ Stock Exchange requirement (for listed companies)
<table>
<thead>
<tr>
<th>Lead</th>
<th>Area of work</th>
<th>Reason for work</th>
<th>Finance and Performance Committee role - decision or direction</th>
<th>F&amp;P Delegations</th>
<th>Expected timeframes Highlight financial year quarter and state month if known</th>
</tr>
</thead>
<tbody>
<tr>
<td>Panuku</td>
<td>Recommended disposals or acquisitions. These reports are as required, but generally monthly.</td>
<td>Panuku Development Auckland is tasked with identifying council owned land that is surplus to requirements. These disposals may also include Service Property Optimisation.</td>
<td>Decision to proceed with recommended disposals or acquisitions. Progress to date Note: A full list of properties to be disposed or acquired is included at the end of this document.</td>
<td>Delegations include “Acquisition and disposal of property related to the Committee’s responsibilities. Note – this includes parks acquisitions in excess of delegations of Environment and Community Committee</td>
<td>Q1</td>
</tr>
</tbody>
</table>

**Acquisitions and disposals**

**Other Financial Decisions**

<p>| CCO/External Partnerships | Auckland Regional Amenities Levy | Statutory process | Decision to approve submission on draft Funding Plan | Decision to approve levies | Progress to date Reporting dates: 21/2/17 – Presentations from amenities - New Zealand Opera, Auckland Theatre Company, Coastguard Northern Region, Watersafe Auckland and Surf Life Saving Northern Region FIN/2017/4 21/2/17 - Auckland Regional Amenities draft funding plan 2017-2018, proposed Auckland Council submission FIN/2017/5 21/3/17 – Presentations from amenities – Stardome Observatory and Planetarium: New Zealand Maritime Museum; Auckland Philharmonia Orchestra; Auckland Rescue Helicopter Trust; and Auckland Arts Festival FIN/2017/18 21/3/17 - Approval of Auckland Regional Amenities Funding Act levy 2017/2018 FIN/2017/19 27/2/18 - Presentations from amenities – Auckland Festival Trust; Surf Life Saving Northern Region; Auckland Theatre Company; and Stardome Observatory and Coastguard Northern Region FIN/2018/5 27/2/18 - Auckland Regional Amenities Draft Funding Plan 2018/2019 - proposed Auckland Council submission FIN/2018/6 20/3/18 - Integration of NZ Maritime Museum to Regional Facilities Auckland FIN/2018/37 20/3/18 - Presentations from amenities – NZ Opera: Auckland Philharmonia Orchestra; Auckland Rescue Helicopter; and Drowning Prevention Auckland/Watersafe Auckland Inc FIN/2018/38 | The committee is responsible for establishing and managing a structured approach to the approval of non-budgeted expenditure (including grants, loans or guarantees) that reinforces value for money and an expectation of tight expenditure control | Q1 | Q2 | Q3 | Q4 |</p>
<table>
<thead>
<tr>
<th>Item 10</th>
<th>Area of work</th>
<th>Reason for work</th>
<th>Finance and Performance Committee role - decision or direction</th>
<th>F&amp;P Delegations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lead</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CCO/External Partnerships</td>
<td>MOTAT and Auckland War Memorial Museum Levy</td>
<td>Statutory process</td>
<td>Decision to approve levies</td>
<td>Q1 Q2 Q3 Q4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Progress to date</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Reporting dates:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>17/4/18 – approval of Auckland Regional Amenities Funding Act levy FIN/2018/63</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>17/4/18 – approval of Auckland Regional Amenities Funding Act levy FIN/2018/62</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>19 Sept 17/4/18 – approval of Auckland Regional Amenities Funding Act levy FIN/2018/61</td>
<td></td>
</tr>
<tr>
<td>Parks, Sports and Recreation</td>
<td>Loan write-offs and restructuring (as required)</td>
<td>Responding to proposals and recommendations</td>
<td>Decision to approve proposed write-offs and restructuring</td>
<td>Q1 Q2 Q3 Q4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Progress to date</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Reporting dates:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Q1/Q2/Q3/Q4</td>
<td></td>
</tr>
<tr>
<td>Parks, Sports and Recreation</td>
<td>Review of existing community loans and guarantees, consideration of new applications and development of a policy framework</td>
<td>Existing arrangements have been entered into without clear policy direction</td>
<td>Decision on whether Council should continue, change or exit from existing arrangements</td>
<td>Q1 Q2 Q3 Q4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Progress to date</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Reporting dates:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Q1/Q2/Q3/Q4</td>
<td></td>
</tr>
<tr>
<td>Chief Financial Office</td>
<td>Budget Update (as required). This includes significant unbudgeted one-off expenditure.</td>
<td>Financial management</td>
<td>Decision to agree recommended budget changes outside of AP/LTP budgeting cycle.</td>
<td>Q1 Q2 Q3 Q4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Progress to date</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Reporting dates:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Note: A full list of properties recommended for disposal is included at the end of this document.</td>
<td></td>
</tr>
<tr>
<td>Chief Financial Office</td>
<td>Development contributions policy review</td>
<td>Work request by committee</td>
<td>Decision on whether to amend current DC policy</td>
<td>Q1 Q2 Q3 Q4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Progress to date</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Reporting dates:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>7/2/18 – workshop held</td>
<td></td>
</tr>
<tr>
<td>Lead Area of work</td>
<td>Reason for work</td>
<td>Finance and Performance Committee role - decision or direction</td>
<td>F&amp;P Delegations</td>
<td>Expected timeframes Highlight financial year quarter and state month if known</td>
</tr>
<tr>
<td>-------------------</td>
<td>----------------</td>
<td>---------------------------------------------------------------</td>
<td>-----------------</td>
<td>-----------------------------------------------------</td>
</tr>
<tr>
<td>Procurement/</td>
<td>Consideration and adoption of Group policies for Treasury, Insurance and Procurement (includes formal Treasury Management Policy)</td>
<td>Mayoral Office request</td>
<td><strong>Decision</strong> on whether to amend current policy</td>
<td>26 Jul</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Progress to date</strong> Reporting dates:</td>
<td>15 Aug</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>13/12/2016 - Delegation for approval of releasing interim and full year group results to New Zealand Stock Exchange FIN/2016/168</td>
<td>19 Sept</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>19/9/17 – Approval of Group Policies FIN/2017/121</td>
<td>21 Nov</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>11/12/17 – Approval of Treasury Management Policy FIN/2017/161</td>
<td>27 Feb</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>27/2/17 – Council's debt funding strategy FIN/2018/10</td>
<td>12 Jun</td>
</tr>
<tr>
<td>Chief Financial Officer</td>
<td>Consideration and adoption of Group policy relating to Business Cases</td>
<td>Mayoral Office request</td>
<td><strong>Decision</strong> on whether to adopt a new policy</td>
<td>26 Jul</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Progress to date</strong> Reporting dates:</td>
<td>15 Aug</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>19/9/17 – Approval of Group Policies FIN/2017/121</td>
<td>19 Sept</td>
</tr>
<tr>
<td>Treasury &amp; Financial Transactions / Legal and Risk</td>
<td>Decision on placement of insurance programme</td>
<td>Financial Management</td>
<td><strong>Decision</strong> on whether to adopt a new policy</td>
<td>26 Jul</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Progress to date</strong> Reporting dates:</td>
<td>15 Aug</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>19/9/17 – Approval of Group Policies FIN/2017/121</td>
<td>19 Sept</td>
</tr>
<tr>
<td>Engineering &amp; Technical Services / Treasury &amp; Financial Transactions / Procurement</td>
<td>Consideration and adoption of Group policies for Performance Bonds</td>
<td>Mayoral Office request</td>
<td><strong>Decide whether to amend current policy</strong> <strong>Progress to date</strong> Reporting dates:</td>
<td>26 Jul</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>20/06/17 - Review of the Diversified Financial Assets Portfolio FIN/2017/88</td>
<td>27 Feb</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>19/9/17 – Approval of Group Policies FIN/2017/121</td>
<td>12 Jun</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>11/12/17 – Approval of Treasury Management Policy FIN/2017/161</td>
<td>20 Mar</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>27/2/17 – Council's debt funding strategy FIN/2018/10</td>
<td>15 May</td>
</tr>
</tbody>
</table>

The committee is responsible for approving the financial policy of the Council parent organisation.
<table>
<thead>
<tr>
<th>Lead</th>
<th>Area of work</th>
<th>Reason for work</th>
<th>Finance and Performance Committee role - decision or direction</th>
<th>F&amp;P Delegations</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCO/External Partnerships</td>
<td>Statements of Intent</td>
<td>Shareholder feedback on draft SOIs</td>
<td>Decide on shareholder comment on SOIs</td>
<td>Exercising relevant powers under Schedule 8 of the Local Government Act 2002, which relate to the Statements of Intent of CCOs</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Progress to date</td>
<td>FY17/18</td>
</tr>
<tr>
<td>CCO/External Partnerships</td>
<td></td>
<td></td>
<td>Reporting dates:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>15/8/17 – Approval of 2017/2020 Statements of Intent FIN/2017/111</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>19/9/17 – Approval of Watercare Services Limited Statement of Intent 2017-20 FIN/2017/122</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>20/3/18 – Letters of Expectation for 2018-2021</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>17/4/18 – proposed shareholder comments on Draft Council-controlled organisation statements of intent FIN/2018/64</td>
<td></td>
</tr>
<tr>
<td>CCO/External Partnerships</td>
<td>Statements of Intent</td>
<td>Shareholder feedback on draft SOIs</td>
<td>Decide on shareholder comment on SOIs</td>
<td>Exercising relevant powers under Schedule 8 of the Local Government Act 2002, which relate to the Statements of Intent of CCOs</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Progress to date</td>
<td>FY17/18</td>
</tr>
<tr>
<td>CCO/External Partnerships</td>
<td></td>
<td></td>
<td>Reporting dates:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>15/8/17 – Approval of 2017/2020 Statements of Intent FIN/2017/111</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>19/9/17 – Approval of Watercare Services Limited Statement of Intent 2017-20 FIN/2017/122</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>20/3/18 – Letters of Expectation for 2018-2021</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>17/4/18 – proposed shareholder comments on Draft Council-controlled organisation statements of intent FIN/2018/64</td>
<td></td>
</tr>
<tr>
<td>CCO/External Partnerships</td>
<td>Statements of Intent</td>
<td>Shareholder feedback on draft SOIs</td>
<td>Decide on shareholder comment on SOIs</td>
<td>Exercising relevant powers under Schedule 8 of the Local Government Act 2002, which relate to the Statements of Intent of CCOs</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Progress to date</td>
<td>FY17/18</td>
</tr>
<tr>
<td>CCO/External Partnerships</td>
<td></td>
<td></td>
<td>Reporting dates:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>15/8/17 – Approval of 2017/2020 Statements of Intent FIN/2017/111</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>19/9/17 – Approval of Watercare Services Limited Statement of Intent 2017-20 FIN/2017/122</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>20/3/18 – Letters of Expectation for 2018-2021</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>17/4/18 – proposed shareholder comments on Draft Council-controlled organisation statements of intent FIN/2018/64</td>
<td></td>
</tr>
</tbody>
</table>

**Completed**

<table>
<thead>
<tr>
<th>Lead</th>
<th>Area of work</th>
<th>Reason for work</th>
<th>Finance and Performance Committee role - decision or direction</th>
<th>F&amp;P Delegations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treasury &amp; Financial Transactions</td>
<td>Review of non-rateable land</td>
<td>Programme required to ensure Council’s policies are being implemented consistently</td>
<td>Decision on whether or not land should be rated</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Reporting dates:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>13/12/16 - Third Quarterly Report on Non-Rateable Property Rating Treatment FIN/2016/162</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>13/12/16 - Auckland Council’s submission on the Rates Rebate (Retirement Village Residents) Amendment Bill FIN/2016/163</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>21/3/17 – Memo Fourth Quarterly Report</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>20/8/17 – Memo Fifth Quarterly Report</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>19/9/17 – Memo Sixth Quarterly Report</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>30/11/17 – Memo</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>20/3/18 - Memo</td>
<td></td>
</tr>
</tbody>
</table>
Finance and Performance Committee  
15 May 2018

Previous annual plan process

<table>
<thead>
<tr>
<th>Date</th>
<th>Previous annual plan process</th>
</tr>
</thead>
<tbody>
<tr>
<td>13/12/16</td>
<td>Annual Budget 2017/18 – Mayoral Proposal on items for Public Consultation FIN/2016/173</td>
</tr>
<tr>
<td>1/6/17</td>
<td>Annual Budget 2017/2018 - Overview to decision-making FIN/2017/73</td>
</tr>
<tr>
<td></td>
<td>Annual Budget 2017/2018 - Local Board budget update FIN/2017/74</td>
</tr>
<tr>
<td></td>
<td>Annual Budget 2017/2018 – Local Board Feedback FIN/2017/75</td>
</tr>
<tr>
<td>27 June 2018</td>
<td>Adoption of Long-term Plan, including Local Board Agreements</td>
</tr>
</tbody>
</table>

Panuku disposals/service property optimisation/land exchanges and acquisitions resolutions:

<table>
<thead>
<tr>
<th>Date</th>
<th>Property address(es)</th>
<th>Resolution</th>
<th>Date</th>
<th>Property address(es)</th>
<th>Resolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>13/12/16</td>
<td>Report Units 1-28/150 Mt Wellington Highway, Mt Wellington; and 1/16 Sarona Avenue, Glen Eden</td>
<td>FIN/2016/157</td>
<td>15/8/17</td>
<td>Report 187 Flat Bush School Road, Flat Bush;</td>
<td></td>
</tr>
<tr>
<td>21/2/17</td>
<td>Report 523a Ellerslie-Panmure Highway, Mt Wellington; and 525-529 Ellerslie-Panmure Highway, Mt Wellington</td>
<td>FIN/2017/3</td>
<td></td>
<td>Report Unlock Old Papatoetoe - 17 St George Street, Papatoetoe; part 27 St George Street, Papatoetoe; 104 St George Street, Papatoetoe; and 109 St George Street, Papatoetoe</td>
<td>FIN/2017/109</td>
</tr>
<tr>
<td>21/2/17</td>
<td>Report Land up to 9ha to NZTA for the Northern Corridor Improvements Project</td>
<td>FIN/2017/7</td>
<td></td>
<td>Report 31-35 Mill Road, Helensville</td>
<td>FIN/2017/110</td>
</tr>
<tr>
<td>21/2/17</td>
<td>Report Statutory land exchange process – Rosedale Park</td>
<td>FIN/2017/8</td>
<td>24/10/17</td>
<td>Report 19 Anzac Avenue, Browns Bay; 10 Felton Matthew Avenue, St Johns; and part Bombay Road, Bombay</td>
<td>Resolutions FIN/2017/144, FIN/2017/145</td>
</tr>
<tr>
<td>11/4/17</td>
<td>Report 19 Anzac Road, Browns Bay (deferred); 6 Butler Avenue, Papatoetoe; part of 129R Baards Road, Otara; 315A Glengarry Road, Glen Eden; Section 1 East Coast Road, Redvale; 78a Great South Road, Papakura; Section 1 493 State Highway 16, Kumeu; Allotment 137 Ahuroa Parish, Woodcocks Road, Woodcocks; Allotment 138 Ahuroa Parish, Woodcocks Road, Woodcocks; Allotment 139 Ahuroa Parish, Woodcocks Road, Woodcocks; Allotment 140 Ahuroa Parish, Woodcocks Road, Woodcocks; Allotment 141 Ahuroa Parish, Woodcocks Road, Woodcocks; Allotment 142 Ahuroa Parish, Woodcocks Road, Woodcocks; and Allotment 147 Ahuroa Parish, Woodcocks Road, Woodcocks</td>
<td>Resolutions FIN/2017/49, FIN/2017/50</td>
<td>12/12/17</td>
<td>Report 80 Vincent Street, Howick (motion lost); 41 Cheshire Street, Parnell; 108 Hepburn Street, Freemans Bay; 9 Matama Street, Glen Eden; and 58/7 Rowlands Road, Mt Wellington</td>
<td>FIN/2017/204</td>
</tr>
<tr>
<td>26/7/17</td>
<td>Report 55a Alnwick Street, Warkworth; 45 Oraha Road, Huapai; 32 Harbourview Road, ‘Te Atatu’ 145a West Tamaki Road, Glen Innes; 343 Swanson Road, Ranui; 24 Waipuna Road, Mt Wellington; 26 Waipuna Road, Mt Wellington; 27b Waipuna Road, Mt Wellington; 1/77 Waipuna Road, Mt Wellington; 93 Waipuna Road, Mt Wellington; 134A Waipuna Road, Mt Wellington; and 3/136b Waipuna Road, Mt Wellington</td>
<td>FIN/2017/97</td>
<td>27/2/18</td>
<td>Report 61-117 Clark Road, Hobsonville; and Report 37 New Windsor Road, Avondale (SPO)</td>
<td>FIN/2018/8, FIN/2018/11</td>
</tr>
<tr>
<td>Date</td>
<td>Property address(es)</td>
<td>Resolution</td>
<td>Date</td>
<td>Property address(es)</td>
<td>Resolution</td>
</tr>
<tr>
<td>------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>--------------</td>
<td>------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>--------------</td>
</tr>
<tr>
<td>20/3/18</td>
<td>Report 3.8ha of reserve land in Upper Harbour Local Board for New Zealand Transport Agency Northern Corridor Improvements</td>
<td>FIN/2018/18</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17/4/18</td>
<td>Report – Unlock Panmure - 59 Mountain Road, Mount Wellington; 59a Mountain Road, Mount Wellington; 3 Mountwell Crescent, Mount Wellington; 7 Mountwell Crescent, Mount Wellington; 3 Kings Road, Panmure; 15 Forge Way, Mount Wellington; 7 and 9 Jellicoe Road, Mount Wellington; 30-34 Potaka Lane, Panmure; 486-492 Ellerslie-Panmure Highway, Mt Wellington; 516 Ellerslie-Panmure Highway, Mount Wellington; Former 528 Ellerslie-Panmure Highway, Mount Wellington; 530 Ellerslie-Panmure Highway, Mount Wellington; 532-534 Ellerslie-Panmure Highway, Mount Wellington; 535 Ellerslie-Panmure Highway, Mount Wellington; 536 Ellerslie-Panmure Highway, Mount Wellington; 7-11 Queens Road, Panmure; 39-41 Queens Road, Panmure; 11-13 Lagoon Drive, Panmure; 16 Lagoon Drive, Panmure; 20 Lagoon Drive, Panmure; 22 Lagoon Drive, Panmure; 26 Lagoon Drive, Panmure; 28 Lagoon Drive, Panmure; 30 Lagoon Drive, Panmure; 32-34 Lagoon Drive, Panmure; 1-19/10 Basin View Lane, Panmure; 23 Domain Road, Panmure; and 28-30 Pilkington Road, Mount Wellington.</td>
<td>FIN/2018/59</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17/4/18</td>
<td>Report – 156 Blockhouse Bay, Avondale; 2a Stokes Road, Mt Eden; 570 Great South Road, Papatoetoe; 159 Kolmar Road, Papatoetoe; and 86R Hallberry Road, Mangere East</td>
<td>FIN/2018/60</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Budget Update:

<table>
<thead>
<tr>
<th>Date</th>
<th>Property address(es)</th>
<th>Resolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>13/12/16</td>
<td>Report Additional OPEX budget of up to $104,000 to conduct a by-election for a Howick Local Board Member; and release of $2.7m from existing budget for Putney Way streetscape upgrade, ahead of the Transform Manukau business case</td>
<td>FIN/2016/164</td>
</tr>
<tr>
<td>21/3/17</td>
<td>Report Additional CAPEX budget of $960,000 to complete Freyberg Place upgrade; new OPEX budget of $80,000 for Karangahape Road destination marketing; contribution of $300 to the city feature lighting project (led by Heart of the City) – both funded from the City Centre Targeted Rate reserve.</td>
<td>FIN/2017/29</td>
</tr>
<tr>
<td>20/6/17</td>
<td>Report Conversion of $3.1m CAPEX budget for multi-purpose community facility in Takanini</td>
<td>FIN/2017/90</td>
</tr>
<tr>
<td>26/7/17</td>
<td>Report Purchase of additional trains (rescinded 24/10/17 FIN/2017/189)</td>
<td>FIN/2017/98</td>
</tr>
<tr>
<td>19/9/2017</td>
<td>Report Release and allocate Takapuna off-street car park reserve fund $4,269,611 to the Gasometer public car park project; release $6.1m form existing Transform Manukau $2.6 CAPEX and $2m OPEX and Transform Onehunga $1.5 OPEX.</td>
<td>FIN/2017/123</td>
</tr>
<tr>
<td>24/10/17</td>
<td>Report Approve procurement of 15 3-car electric multiple units of $133m; release of Franklin Parking Reserve Fund ($128,214) for upgrade of carpark at Kitchener Road, Waiuku; OPEX of $28,000,000 for two by-elections; OPEX budget of $115,400 for by-election for Waitemata Local Board.</td>
<td>FIN/2017/141</td>
</tr>
<tr>
<td>12/12/17</td>
<td>Report Update on the purchase of additional trains for Metro Rail</td>
<td>FIN/2017/205</td>
</tr>
<tr>
<td>27/2/18</td>
<td>Report Up to $3.2m CAPEX for fit-out for ATEED office and up to $0.8m OPEX for make good of current head office; $3.85m CAPEX for Rawene remedial works; updated city centre targeted rate-funded work programme; and property acquisitions at 155-167 Fanshawe Street and 100 Halsey Street, Auckland</td>
<td>Resolutions - FIN/2018/17, FIN/2018/18</td>
</tr>
<tr>
<td>17/4/18</td>
<td>Report Up to $740,000 of additional expenditure ($655,000 OPEX and $85,000 CAPEX) to manage kauri dieback; two additional FTE employees and out-sourced contractors to manage the closures and noting additional expenditure to be prioritised for kauri dieback work such as track improvements, upgrades, landowner support, hygiene station upgrades and washdown facilities.</td>
<td>FIN/2018/65</td>
</tr>
</tbody>
</table>
Exclusion of the Public: Local Government Official Information and Meetings Act 1987

That the Finance and Performance Committee:

a) exclude the public from the following part(s) of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

C1 Matters relating to Council’s guarantee of ASB Loan to Eden Park Trust Board (Covering report)

<table>
<thead>
<tr>
<th>Reason for passing this resolution in relation to each matter</th>
<th>Particular interest(s) protected (where applicable)</th>
<th>Ground(s) under section 48(1) for the passing of this resolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</td>
<td>s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). In particular, the report contains sensitive information, the disclosure of which may disadvantage Auckland Council's position in future negotiations.</td>
<td>s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</td>
</tr>
</tbody>
</table>