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

**Date:** Tuesday, 23 October 2018  
**Time:** 9.30am  
**Meeting Room:** Reception Lounge  
**Venue:** Auckland Town Hall  
301-305 Queen Street  
Auckland

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

**OPEN AGENDA**

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**MEMBERSHIP**

**Chairperson**  
Cr Ross Clow  
Cr Desley Simpson, JP

**Deputy Chairperson**  
Cr Josephine Bartley  
Cr Dr Cathy Casey

**Members**  
Deputy Mayor Cr 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  
Cr Penny Hulse  
Cr Mike Lee  
Cr Daniel Newman, JP  
Cr Greg Sayers  
Cr Sharon Stewart, QSM  
IMSB Chair David Taipari  
Cr Sir John Walker, KNZM, CBE  
Cr Wayne Walker  
Cr John Watson  
Cr Paul Young

(Quorum 11 members)

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**Sandra Gordon**  
Senior Governance Advisor

16 October 2018

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

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**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:
  - Local Board agreements
  - Financial policy related to the LTP and AP
  - Setting of rates
  - 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.
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1 Apologies

An apology from Cr E Collins has 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 Wednesday, 17 October 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.

At the close of the agenda no requests for local board input had been received.
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.”
Finance and Performance Committee
23 October 2018

Shareholder approval of Ports of Auckland Limited's final Statement of Corporate Intent 2018-2021

File No.: CP2018/19073

Te take mō te pūrongo / Purpose of the report
1. To approve the Ports of Auckland Limited’s Statement of Corporate Intent 2018-2021.

Whakarāpopototanga matua / Executive summary
2. On 21 August 2018, the Finance and Performance Committee approved shareholder comments on Ports of Auckland Limited’s (POAL’s) draft Statement of Corporate Intent 2018-2021 (SCI).
3. The comments related to POAL’s objectives, how it intended to collaborate with the council group, engagement with mana whenua and sustainability.

Ngā tūtohunga / Recommendation
That the Finance and Performance Committee:

a) approve the final Statement of Corporate Intent 2018-2021 for Ports of Auckland Limited.

Horopaki / Context
5. On 21 August 2018, the Finance and Performance Committee approved council’s shareholder comments on Ports of Auckland Limited’s (POAL’s) draft Statement of Corporate Intent 2018-2021 (SCI) (resolution FIN/2018/119). On 30 August 2018, the mayor wrote to the chair of POAL setting out the shareholder comments (Attachment A to this report).
6. POAL provided its final SCI to Auckland Council on 26 September 2018 (Attachment B to this report).
7. POAL is not a council-controlled organisation and is governed by the Port Companies Act 1988. Under that Act, the principle objective of a port company is to operate as a successful business.
8. The purpose of the SCI is to:
   • state publicly the activities and intentions of POAL and the objectives to which those activities will contribute
   • provide a basis for the accountability of the Board of Directors of POAL to the shareholder for the performance of the company and its subsidiaries.
9. The Port Companies Act allows the shareholder of a port company to modify its SCI, similar to the ability that the council has for council-controlled organisations under the Local Government Act 2002.
10. This is the first SCI since the control of POAL was transferred to the council from Auckland Council Investments Limited in July 2018. Because of this transfer of responsibilities, there were no shareholder expectations set by the council before POAL prepared its draft SCI. There will be an opportunity to set expectations before POAL prepares its draft SCI for 2019-2022.
11. POAL will present to the Finance and Performance Committee at its 14 November 2018 meeting on its performance, its progress on key issues affecting or likely to affect the business, and any significant events that have arisen.

Tātaritanga me ngā tohutohu / Analysis and advice

12. Staff consider that POAL has addressed the comments adequately, and recommend that the Finance and Performance Committee approves the final SCI. Table A sets out an analysis of how POAL has addressed the shareholder comments.

Table A: Analysis of how POAL has addressed shareholder comments

<table>
<thead>
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<th>Shareholder comment</th>
<th>How POAL has addressed this comment</th>
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| **Objectives:** The final SCI should clearly set out how POAL’s objectives align with council’s strategic priorities (e.g. Auckland Plan 2050, Waterfront Plan, City Centre Masterplan, Regional Land Transport Plan, Central Wharves Strategy), and should also show how POAL’s objectives are connected to its own strategic framework (e.g. Port Masterplan, section 5 Port Companies Act 1988). | Auckland Council’s priorities  
POAL has included a statement in section 5.2 on page 4 that where practicable it will align its strategic priorities with the council’s strategic priorities. As a port company, it needs to balance its other objectives against the imperative to operate as a successful business.  
In general, staff consider that this appropriately addresses the shareholder comment. POAL should report annually on how it is aligning with the council’s priorities.  
Port Master Plan  
POAL has included a statement in section 5.3 on page 5: “POAL developed a 30-year Master Plan that balances Auckland’s economic, social and environmental needs. The plan provides certainty about what we need to do to continue delivering for Aucklanders. It creates space for freight and gives Auckland the time it needs to make a sound decision on where, when and how to move the port.”  
In May, the Planning Committee considered POAL’s Port Master Plan based on a joint technical review. It noted that the Port’s proposals are aligned with the City Centre Master Plan, Waterfront Plan and Central Wharves Strategy. The committee supported the general direction of the Port Master Plan, and future collaboration with POAL on detailed design and implementation. |
| **Cooperation with the council group:** The final SCI should more clearly articulate POAL’s intent to cooperate with the council group with specific reference to key council-controlled organisations (e.g. Auckland Transport and Panuku Development Auckland Ltd), and workstreams (e.g. the Port Future Study). | POAL has included references to working cooperatively with the council, Panuku Development Auckland Limited and Auckland Transport in section 5.2 on page 4.  
Staff consider that this is appropriate in the context of POAL’s operations.  
The council will provide input to the Government’s Upper North Island Supply Chain Strategy and wait for its outcome before progressing further work on the Port Future Study. To date, the council has not been asked to input to the Government’s work. |
Shareholder comment | How POAL has addressed this comment
--- | ---
3. **Mana whenua engagement:** The final SCI should underpin POAL’s intention to strengthen relationships with mana whenua with an appropriate Key Performance Target (KPT) that addresses mana whenua engagement independently of other community engagement. The benchmark for this KPT can be measured over the next financial year, and if necessary the KPTs on iwi and community engagement may be reassessed to ensure that they are measurable. Staff are aware that POAL is working collaboratively with Te Waka Anga Mua ki Uta at council on mana whenua engagement and Māori responsiveness. | POAL has committed to strengthening relationships with mana whenua and the preparation of a Māori responsiveness plan in section 6, Key Performance Targets. Staff consider that the preparation of a Māori responsiveness plan is a necessary first step to developing a meaningful, measurable measure for mana whenua engagement.

4. **Central government:** The final SCI should include POAL’s relationship with central government as a key relationship, particularly given that central government has signalled work on the Upper North Island Supply Chain Strategy. POAL is expected to engage effectively with council as its shareholder on its collaboration and work with central government. | POAL has included a commitment to maintain “a good relationship with central government, including contributing to its Upper North Island Supply Chain Strategy” in section 5.2 on page 4. Staff consider that this has addressed the shareholder comment.

5. **Sustainability:** POAL aspires to lead sustainability initiatives in the international port sector and note that sustainability is a key priority for council. The final SCI should allow POAL to demonstrate sustainable outcomes by developing one or more KPTs to measure these outcomes. If necessary, the measures for these KPTs can be benchmarked over the next financial year. | POAL has included a reference in the Key Performance Targets to its long-term environmental sustainability goals of “being carbon neutral by 2025 and emission free by 2040”. Staff consider that this demonstrates a good commitment towards transitioning to a low-carbon economy. POAL should report on its progress to achieving these long-term goals in its annual report.

**Changes to the dividend policy**

13. Since providing its draft SCI to the council, POAL has also amended the wording of its Dividend Policy (section 7, page 7). Staff consider that this amendment is reasonable and reflects the need to consider the dividend in light of other factors which might affect POAL’s future performance.

**Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe / Local impacts and local board views**

14. The governance of council organisations (including POAL) is the responsibility of the Finance and Performance Committee, and therefore staff have not sought feedback from local boards.

15. However, POAL has stated that it intends to strengthen relationships with the Ōrākei, Waitematā and Devonport-Takapuna Local Boards.

**Tauākī whakaaweawe Māori / Māori impact statement**

16. POAL’s activities have the potential to impact Māori given that there are several expressed mana whenua interests in the waterfront land that POAL occupies. POAL has committed to developing a Māori responsiveness plan in the 2018/2019 financial year.
Ngā ritenga ā-pūtea / Financial implications

17. The decision to approve the final SCI has no direct financial implications.

Ngā raru tūpono / Risks

18. The decision to approve the final SCI has no risks attached to it. Providing feedback to POAL on its SCI, which forms a basis for accountability to the shareholder, mitigates the risk that its objectives and activities are not aligned with the council’s strategic and financial priorities.

Ngā koringa ā-muri / Next steps

19. If the Finance and Performance Committee approves the final SCI, staff recommend that the mayor write to POAL to inform it of the committee’s decision.

Ngā tāpirihanga / Attachments

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Ngā kaihaina / Signatories

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<td>Author</td>
<td>Authorisers</td>
</tr>
<tr>
<td>Sarah Holdem - Principal Advisor</td>
<td>Alastair Cameron - Manager - CCO Governance &amp; External Partnerships</td>
</tr>
<tr>
<td></td>
<td>Phil Wilson - Governance Director</td>
</tr>
<tr>
<td></td>
<td>Matthew Walker - Group Chief Financial Officer</td>
</tr>
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</table>
30 August 2018

Elizabeth Coutts
Chair
Ports of Auckland Limited

By email: liz@cme.net.nz

Dear Liz

RE: Shareholder comments on Ports of Auckland Limited’s draft Statement of Corporate Intent 2018 - 21

The Finance and Performance Committee considered Ports of Auckland Limited’s (POAL) draft Statement of Corporate Intent 2018 - 2021 (SCI) at its 21 August meeting.

The Committee resolved to provide feedback to POAL on its draft SCI. Staff from POAL should work with council staff to ensure that the final SCI demonstrates these comments.

I acknowledge that this is the first SCI process that council has undertaken as the sole shareholder of POAL. The feedback resolved reflects the new nature of the shareholder relationship, and should indicate components of council’s strategic framework and legislative environment.

Specific Shareholder feedback

1. **Objectives:** The final SCI should clearly set out how POAL’s objectives align with council’s strategic priorities (e.g. Auckland Plan 2050, Waterfront Plan, City Centre Masterplan, Regional Land Transport Plan, Central Wharves Strategy), and should also show how POAL’s objectives are connected to its own strategic framework (e.g. Port Masterplan, section 5 Port Companies Act 1988).

2. **Cooperation with the council group:** The final SCI should more clearly articulate POAL’s intent to cooperate with the council group with specific reference to key council-controlled organisations (e.g. Auckland Transport and Panuku Development Auckland Ltd), and workstreams (e.g. the Port Future Study).

3. **Mana whenua engagement:** The final SCI should underpin POAL’s intention to strengthen relationships with mana whenua with an appropriate Key Performance Target (KPT) that addresses mana whenua engagement independently of other community engagement. The benchmark for this KPT can be measured over the next financial year, and if necessary the KPTs on iwi and community engagement may be reassessed to ensure that they are measurable. I am aware that POAL is working collaboratively with Te Waka Anga Mua ki Uta at council on mana whenua engagement and Māori responsiveness and I commend this.

4. **Central government:** The final SCI should include POAL’s relationship with central government as a key relationship, particularly given that central government has signalled work on the Upper North Island Supply Chain Strategy. POAL is expected to engage effectively with council as its shareholder on its collaboration and work with central government.
5. **Sustainability:** I am aware that POAL aspires to lead sustainability initiatives in the international port sector and note that sustainability is a key priority for council. The final SCI should allow POAL to demonstrate sustainable outcomes by developing one or more KPTs to measure these outcomes. If necessary, the measures for these KPTs can be benchmarked over the next financial year.

**Other Shareholder Feedback**

In addition to the specific feedback noted above, POAL’s KPTs project a lower net profit after tax for the 2018 – 21 period, compared to what was set out in last year’s SCI for the 2017 – 20 period. While the final SCI should not provide specific detail about these projections, the final SCI should provide a clearer explanation for the shift in projections, as appropriate. It is important that council can rely on projections to inform long term planning.

I am pleased to have the opportunity to develop an effective and collaborative relationship with POAL going forward. I look forward to receiving the final SCI by 30 September 2018.

Kind regards

Phil Goff  
MAYOR OF AUCKLAND

Copy to: Deputy Mayor Bill Cashmore  
Councillor Ross Clow  
Councillor Penny Hulse  
Councillor Chris Darby  
Stephen Town  
Tony Gibson  
Chair, Finance and Performance Committee  
Chair, Environment and Community Committee  
Chair, Planning Committee  
Chief Executive, Auckland Council  
Chief Executive, Ports of Auckland Limited
PORTS OF AUCKLAND LIMITED

STATEMENT OF CORPORATE INTENT

For the period from 1 July 2018 to 30 June 2021
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STATEMENT OF CORPORATE INTENT

For the Period from 1 July 2018 to 30 June 2021

1. Introduction

This Statement of Corporate Intent (SCI) is for Ports of Auckland Limited and its subsidiaries (referred to singularly or collectively as “POAL” or “the Company”). POAL’s ownership changed from Auckland Council Investments Limited to Auckland Council effective 2 July 2018. POAL’s owner is referred to as “the Shareholder”.

This SCI covers the period from 1 July 2018 to 30 June 2021, and has been prepared in accordance with the terms under Section 9 of the Port Companies Act 1988.

2. Purpose

The purpose of this Statement of Corporate Intent (SCI) is to:

- State publicly the activities and intentions of POAL and the objectives to which those activities will contribute; and
- Provide a basis for the accountability of the Board of Directors of POAL to the Shareholder for the performance of the Company and its subsidiaries.

3. Nature and Scope of Activities

POAL provides the following services:

(a) container terminal handling services which includes receipt, delivery, transit storage and shipment of a wide range of import and export cargos;
(b) breakbulk and bulk cargo handling services;
(c) marine services which include pilotage, towage, hydrography and bunkering services – both directly and through its ownership of SeaFuels Ltd and Bunker Shipz Ltd and its half ownership of North Tugz Ltd;
(d) intermodal freight hubs in South Auckland, Waikato, Bay of Plenty and Manukau – both directly and through its ownership of Waikato Freight Hub Ltd and its one third ownership of Longburn Intermodal Freight Hub Ltd;
(e) supply chain management services – both directly and through its ownership of Nexus Logistics Ltd and CONLINXX Ltd;
(f) other port-related activities required to manage and operate an efficient and competitive port – both directly and through its half ownership of PortConnect Ltd; and
(g) services and facilities to support the cruise ship industry.

4. Vision

Working for Auckland and serving New Zealand, today and tomorrow. Kaitiakitanga.

Ports of Auckland works hard bringing in goods that support Auckland’s lifestyle and city’s growth. We also serve New Zealand’s national freight needs by working in collaboration with other regional ports and using our inland hubs to deliver and export goods efficiently and sustainably.
Our aspiration is to be a world-class port company known for our innovation and sustainable practices, and the way we operate openly and responsibly with our skilled people and stakeholders. These underpin our ability to work for Auckland and serve New Zealand, today and tomorrow.

5. Objectives

5.1 Principal Objective

The principal objective of POAL is to operate as a successful business\(^1\); i.e. to be as profitable and efficient as comparable businesses that are privately owned, and sustainable over the long term.

5.2 Working for Auckland and serving New Zealand

POAL recognise the important impact the achievement of our goals to facilitate trade for the region’s and nation’s exporters and importers and the cruise ship industry has on the economic wellbeing of Auckland City, the Auckland region and New Zealand.

POAL recognise the place POAL plays in the Auckland community and are committed to ongoing consultation with Auckland Council and its related entities, our community and local iwi.

POAL will maintain a stakeholder engagement plan and act as a good neighbour and as a good corporate citizen and will report progress against the plan to the shareholder on a quarterly basis.

POAL will strive to achieve the targets it has set to improve profitability and provide a sustainable level of financial returns to its shareholder.

POAL will act in an environmentally and socially responsible manner.

POAL will act as a good employer.

POAL will work co-operatively with Auckland Council and CCOs, including Auckland Transport and Panuku Development Auckland, to assist in the delivery of the Council’s strategic priorities. Where practicable POAL will align its strategic priorities with the Council’s strategic priorities; including those in the Auckland Plan 2050, The Waterfront Plan 2012, City Centre Masterplan 2012, Regional Land Transport Plan 2018-2028, and the Central Wharves Strategy.

POAL will contribute to Auckland Council’s targets for reducing greenhouse gas emissions through POAL’s Emissions Management and Reduction Plan.

POAL will strengthen its relationships with Mana Whenua to enable it to contribute to Auckland Council’s targets of increasing Maori economic and social wellbeing.

POAL will ensure that the Shareholder is kept fully and promptly informed of any issues that may generate public and/or media interest or comment.

POAL will maintain a good relationship with central government, including contributing to its Upper North Island Supply Chain Strategy.

5.3 Outcomes and Strategic Objectives

POAL will provide value to our stakeholders by:

- Delivering Aucklanders with goods to support our growth and way of life

\(^1\) Port Companies Act 1988, section 5
- Serving New Zealand’s national freight needs in the most efficient and sustainable way
- To be a world-class port company known for our skilled people, innovation and sustainable practices.

POAL developed a 30-year Master Plan that balances Auckland’s economic, social and environmental needs. The plan provides certainty about what we need to do to continue delivering for Aucklanders. It creates space for freight and gives Auckland the time it needs to make a sound decision on where, when and how to move the port. Auckland Council’s Planning Committee considered the plan and noted its support.

POAL has 9 outcomes and related strategic objectives as follows:

**Safe and empowered people**
- Safety and wellbeing embedded into our culture
- Structures and systems for an engaged and well-skilled workforce
- Diversity and inclusion leveraged for competitive advantage

**Innovation leader**
- Foresight and innovation in our culture and operations

**Delighted customers**
- Productive and efficient operations.
- Effective engagement with customers.

**Future-fit NZ port structure**
- Strong relationships partnerships with aligned New Zealand ports
- Actively engage in port sector structure change
- Ensure we have the optimal structure to take advantage of port sector structure changes

**Supportive community and iwi**
- Constructive relationships with community and iwi
- Increased public engagement with open and transparent communications, as far as practical with respect to commercial objectives

**Improved environment**
- Protection of our natural environment
- Responsible use of natural resources
- Leader in Auckland’s transition to a low carbon economy

**Volume growth through sustainable supply chain solutions**
- Integrated supply chain network – hubs and transport with a focus on rail
- Gain high volume cargo owners with supply chain solutions
- Supply chain successfully contributes to volume growth

**Keeping ahead of trade needs**
- Step-change in container terminal capacity through straddle automation
- Step-change in car handling capability
- Appropriate capacity to meet growing volumes and larger ships
- Improved performance and productivity through innovation
- Optimising our resources

**Commercially successful**
- Sustainable shareholder returns
- Maintain sufficient financial capacity to respond to market change risks
- Rapidly adapt and respond to internal / external change and continue operations with limited impact
- New sustainable revenue streams through innovation and partnerships

6. **Key Performance Targets**

<table>
<thead>
<tr>
<th>Outcomes</th>
<th>Key Performance Measures</th>
<th>Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Safe and empowered people</strong></td>
<td>Number of lost time injuries</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Achieve the target of becoming a zero harm workplace</td>
<td></td>
</tr>
<tr>
<td><strong>Delighted customers</strong></td>
<td>Crane rate (as measured by MOT)</td>
<td>35.75</td>
</tr>
<tr>
<td></td>
<td>Ship rate (as measured by MOT)</td>
<td>83</td>
</tr>
<tr>
<td></td>
<td>Truck turnaround time</td>
<td>90% at &lt; 30 min</td>
</tr>
<tr>
<td></td>
<td>Truck average turn time</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>Customer Survey Score</td>
<td>At least 8/10</td>
</tr>
<tr>
<td><strong>Supportive community and iwi</strong></td>
<td>Hold quarterly community reference group meetings to provide a forum for community feedback and dialogue re POAL’s operations and development plans.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Attend all relevant Auckland local Board meetings where invited and strengthen relationships with the Orakei, Waiatea and Devonport-Takapuna local boards.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Strengthen relationships with mana whenua, including the creation of a Māori Responsiveness Plan in 2019.</td>
<td></td>
</tr>
<tr>
<td><strong>Improved environment</strong></td>
<td>Number of harbour spills caused by POAL</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>All public environmental complaints acknowledged within 24 hours</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Target detailed response timeframe for complaints (where required): 90% within 7 working days and 100% within 10 working days</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Container volume % on rail v road</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td>Work towards POAL’s long term environmental sustainability goals of being carbon neutral by 2025 and emission free by 2040.</td>
<td></td>
</tr>
<tr>
<td><strong>Commerically successful</strong></td>
<td>Increase in revenue</td>
<td>6.6%</td>
</tr>
<tr>
<td></td>
<td>Interest coverage ratio</td>
<td>4.1x</td>
</tr>
<tr>
<td></td>
<td>Net Profit after Tax (NPAT)</td>
<td>$54.2m</td>
</tr>
<tr>
<td></td>
<td>Dividend declared (includes group tax offset)</td>
<td>$47.8m</td>
</tr>
<tr>
<td></td>
<td>Return on Equity (NPAT / average Equity)</td>
<td>7.6%</td>
</tr>
</tbody>
</table>
The near-term objectives and associated targets represent POAL’s concerted efforts to develop and implement its long-term strategy to improve the profitability and sustainability of its operations.

7. Dividend Policy

POAL has a target to pay out 80% of after-tax profits to the Shareholder (excluding the tax-adjusted effect of investment property revaluations, unrealised capital gains and losses, unrealised treasury gains and losses) providing this policy allows POAL to sustain an optimal capital structure. Each year the Board will review its ability to pay dividends at this level after giving consideration to; the ongoing needs of the business, the riskiness of the market environment, the requirements of the Companies Act and the statutory obligations imposed on Directors. Dividends will be paid in two instalments in February and August.

8. Accounting Policies

POAL has adopted accounting policies that are consistent with the New Zealand International Financial Reporting Standards (NZ IFRS) and other standards issued in accordance with the Companies Act 1993 and the Financial Reporting Act 1993 and any amendments thereto.

A full statement of the Company’s accounting policies is set out in the audited annual Financial Statements.

A register of accounting policies will be provided to the Shareholder’s Financial Planning Team in accordance with the Shareholder’s timetable.

9. Information to be provided to the Shareholder

Statutory Information Requirements

Annual Statement of Corporate Intent (SCI)

POAL will provide the Shareholder with a draft SCI for discussion and a final SCI as required by the Port Companies Act, working with the shareholder to meet its timetable.

Half Yearly Report

Within seven weeks after the end of the first half of each financial year, the Company will deliver to the Shareholder and the Minister of Transport its Half Yearly Report prepared in accordance with the NZ IFRS and the Financial Reporting Act 1993, including the unaudited group consolidated financial statements and performance commentary, together with such other information as the Board consider appropriate.

The report will include:

- Performance Commentary,
- Income Statement,
- Balance Sheet,

<table>
<thead>
<tr>
<th>Outcomes</th>
<th>Key Performance Measures</th>
<th>Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2019</td>
</tr>
<tr>
<td>Return on Equity (excluding asset revaluations)</td>
<td>10.4%</td>
<td>10.0%</td>
</tr>
<tr>
<td>Ratio of consolidated shareholders’ funds to total assets</td>
<td>52.3%</td>
<td>50.8%</td>
</tr>
</tbody>
</table>
Item 8

- Cash Flow Statement,
- Statement of Changes in Equity,
- Notes to the Financial Statements,
- Performance against the SCI Key Performance Targets and other measures.

Annual Report

Within three months after the end of each financial year POAL will deliver to the Shareholder and the Minister of Transport its Annual Report prepared in accordance with the reporting requirements of the NZ IFRS and the Financial Reporting Act 1993 and will include the audited annual group consolidated financial statements and performance commentary, together with such other information as the Board consider appropriate.

The report will include:
- Performance Commentary,
- Income Statement,
- Balance Sheet,
- Cash Flow Statement,
- Statement of Changes in Equity,
- Notes to the Financial Statements,
- Performance against the SCI Key Performance Targets and other measures, and
- Auditor’s Report.

Other Information Requirements

Quarterly Reports

Within five weeks after the end of each quarter, the Company will deliver to the Shareholder a report on the preceding quarter, consisting of the following:
- Financial update as at the end of the quarter showing progress against budget, including the return on equity (ROE);
- Progress against the SCI Key Performance Targets;
- Commentary on progress on key issues affecting or likely to affect the business; and
- Any significant events that have arisen in the quarter.

Annual Shareholder Meeting

At a time to be agreed with the Shareholder, POAL officers will present to the Shareholder on the performance of the Company as well as progress on key issues affecting or likely to affect the business, and any significant events that have arisen.

One-off public and ‘no surprises’ issues, including media releases

The Company will endeavour to:

- inform the Shareholder prior to any significant decisions being made public or the occurrence of any event that could reasonably be anticipated to have a high level of public interest
- provide the Shareholder with copy of any media releases prior to publication.
The information is to be provided to the Mayoral Office and Shareholder’s Communications Team.

Material financial changes

The Company will confer with the Shareholder on any material acquisitions, disposals or other changes which affect the Shareholder’s accounting or financial reporting treatment or obligations before contractual commitments are entered into. The information is to be provided to the Shareholder’s Financial Planning Team.

Primary line of communication

The Company’s primary line of communication, for all formal reports and ad hoc business matters, is direct to the CCO Governance team of the Shareholder.

Financial reporting requirements

POAL will provide all public benefit entity reporting requirements to the Shareholder as required by the Shareholder’s timetable. The information will be provided to the Shareholder’s Financial Planning Team.

10. Investments

The Company’s ability to subscribe for, purchase or otherwise acquire shares in any company or other organisation is governed by the provisions in the POAL Constitution and the Companies Act 1993.

11. Capital Expenditure

The Company will confer with the Shareholder in respect of any significant proposed capital expenditure which is not included within, or is inconsistent with, the 5 year strategic plan, or which impacts the Port’s footprint and its connection to Auckland before contractual commitments are entered into.

12. Asset or investment disposals

The company will confer with the Shareholder in respect of any significant asset or investment disposal before contractual commitments are entered into.

13. Compensatory Activities

The Company will seek compensation for all non-commercial activities performed by it on behalf of local authorities.

14. Value of Shareholder’s Investment

The assessed market equity value of Ports of Auckland Limited based on an external review undertaken at 31 December 2013 was $1.1b.
Te take mō te pūrongo / Purpose of the report

1. To seek a delegation to approve the council’s submission on the Tax Working Group’s interim report and to highlight in that report topics of most relevance to council’s role.

Whakarāpopototanga matua / Executive summary

2. The Tax Working Group (the Group) has released its interim report, seeking public submissions by 1 November 2018. The report covers a broad spectrum of topics. Initial analysis suggests, and it is therefore recommended, that the topics of most relevance to council and the focus for its submission should be:
   • environmental and ecological outcomes
   • housing affordability.

3. This report sets out key issues highlighted by the Group in these areas, their recommendations and other important discussion from the body of the interim report.

Ngā tūtōhunga / Recommendation/s

That the Finance and Performance Committee:

a) note the release of the Tax Working Group’s interim report seeking public submissions which close 1 November 2018; and

b) approve a delegation to finalise and approve council’s submission on the Tax Working Group interim report, consisting of the chair and deputy chair of the Finance and Performance Committee and the chief financial officer.

Horopaki / Context

5. In November 2017, the Government established the Group (chaired by Sir Michael Cullen) and set out its terms of reference, refer Attachment A. The Group has been asked to consider changes to the tax system to improve its structure, fairness and balance.

6. The Group released ‘The Future of Tax’ background paper on 14 March 2018. Council did not make a submission. The Group has now developed its preliminary recommendations / proposals, set out in the Group’s interim report released on 20 September 2018. The interim report can be accessed via the following link:

7. Also released on 20 September 2018 was a letter from the Ministers of Finance and Revenue to the Group. This sets out Government’s response to the Group’s interim findings and its requests for further work / consideration for the Group’s final report.

8. The Government confirmed it is comfortable with the Group not carrying out further work in the areas of wealth tax, land tax, changes to New Zealand’s petroleum and minerals royalty regimes, GST coverage and a financial transactions tax. The Government has requested the Group considers and recommends an overall package of measures, and that this should include measures that could result in a revenue-neutral package.

9. The Group is seeking public submissions on the interim report which close 1 November 2018. The final report is due to the Ministers of Finance and Revenue in February 2019.
10. Any legislative change arising from the final report will not come into force until 1 April 2021.

Tātaritanga me ngā tohutohu / Analysis and advice

11. The timeframe for council’s consideration of a submission on the interim report is challenging. An extension to the 1 November 2018 submission deadline was declined. As such, staff are seeking a delegation consisting of the chair and deputy chair of the committee and the chief financial officer to finalise and approve the council’s submission.

12. The interim report is 192 pages and covers a broad spectrum of topics. Staff have undertaken initial analysis of the recommendations and content of the interim report, and in the timeframe, focused on those topics of most relevance to council’s role. At the time of writing, this analysis is not yet complete. Further analysis may identify other topics or issues or remove the need for comment on others.

13. The topics of most relevance to council’s role relate primarily to environmental and ecological outcomes and housing affordability. A summary of the Group’s recommendations and proposals on these topics is set out below and it is suggested these topics be the focus of council’s submission response.

Environmental and ecological outcomes

14. In its terms of reference, the Group is specifically directed to consider what role the taxation system can play in delivering positive environmental and ecological outcomes, especially over the longer term.

15. A key issue highlighted by the Group is the treatment of natural capital. New Zealand makes relatively little use of environmental taxation. The Group states there are clear opportunities to increase environmental taxation, both to broaden the revenue base, and to help address the significant environmental challenges we face as a nation.

16. The Group’s summary of recommendations states:

- There is significant scope for the tax instruments\(^1\) to play a greater role in delivering positive environmental and ecological outcomes in New Zealand. Environmental tax instruments can be a powerful tool for ensuring people and companies better understand and account for the impact of their actions on the ecosystems on which they depend.

- Taxes are not well suited to all environmental problems and regulation will still be a better approach for dealing with some issues. The Group has prepared a draft framework that identifies a range of criteria and design principles for environmental taxes to be effective. Environmental taxation and regulation should be considered together for positive outcomes.

- In the short term, there may be benefits in expanding the coverage of the Waste Disposal Levy and for reassessing waste and landfill disposal externalities to see if higher rates are warranted. There could also be benefits from strengthening the Emissions Trading Scheme and advancing congestion charging.

- Over the medium term, there could be benefits from greater use of tax instruments to address challenges in both water pollution and water abstraction. Addressing Māori rights and interests in fresh water should be central to any changes.

- In the longer term, new tools could allow for an expanded role for environmental taxes to address other challenges such as biodiversity loss and impacts on ecosystem services.

17. While not in the summary of recommendations, in the body of the interim report the Group discusses tax concessions in an environmental context. In particular council may have some interest in:

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\(^1\) Note the Group’s working definition of taxation in this context is economic instruments that can be potentially revenue raising for central or local government and improve environmental outcomes.
• The group’s suggestion that the Government examine the possibility of allowing employers to subsidise public transport use by employees without incurring fringe benefit tax. At the moment, the provision of free car parking to employees is not subject to fringe benefit tax. Yet any contributions made to an employee’s public transport costs are taxed.

**Housing affordability**

18. The Group’s summary of recommendations states that its work on housing affordability is closely linked with its work on the taxation of capital income. The Group will have particular regard to housing market impacts as it finalises its recommendations regarding capital income.

19. Taxation of capital income is discussed briefly below.

20. While not a formal recommendation, in the body of the report the Group identifies three options that could release some additional supply which may be of interest to council:

- Restoration of depreciation on multi-unit residential buildings. (New Zealand abolished depreciation deductions for buildings in 2010, with effect from 2012). The Group is considering whether there is a case to reinstate depreciation deductions for certain types of buildings and will provide recommendations on this in its final report.
- Introduction of a tax on vacant residential land or on empty homes in residential areas
- Removal of the ‘ten year rule’ (rule would need to be reconsidered if capital income taxation is extended further).

**Taxation of capital income**

21. A key issue highlighted by the Group in its interim report is the inconsistent taxation of capital income. A significant element of capital income – gains from the sale of capital assets – is not taxed on a consistent basis.

22. The Group is still forming its views on the best approach towards extending the taxation of capital income and will work toward its ultimate recommendations in the final report. Appendix B of the interim report sets out the Group’s initial thinking on further design features of broad-based taxation of capital income.

23. The Group is considering two main options:

- an extension of the existing tax net (through the taxation of gains on assets that are not already taxed);
- the taxation of deemed returns from certain assets (known as the risk-free rate of return method of taxation).

24. The Group notes it will need to form the following overall judgement: “In broad terms, will the fairness, integrity, revenue and efficiency benefits from reform outweigh the administrative complexity, compliance costs and efficiency costs that arise from the proposed additional capital income taxation?”

25. The Group is not recommending a wealth tax or a land tax.

26. The Group also states it is aware that any recommendations it ultimately makes in respect of extending the taxation of capital income could have significant impacts for assets held by Māori in collective ownership - such as Māori freehold land and assets held by post settlement governance entities. However, the Group intends to use the period between the

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2 Land affected by changes in zoning, consents or other specified changes may be taxed on sale, if the sale is within 10 years of acquisition. If at least 20% of the gain on disposal can be attributed to the change, the whole gain is taxable; however, the taxable amount is effectively reduced by a deduction equal to 10% of the gain multiplied by each year the taxpayer has owned the land.
interim and final reports to better understand this asset base and explore potential implications with Māori stakeholders.

Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe / Local impacts and local board views

27. Staff have worked with the Local Board Services Department to facilitate a process for local board input to council’s submission on the interim report. Any local board comments or views received prior to the Committee meeting will be considered for potential inclusion in council’s submission. Alternatively, any formal local board feedback on the interim report received prior to 26 October 2018 will be appended to council’s final submission.

Tauākī whakaaweawe Māori / Māori impact statement

28. Staff have advised mana whenua of the Group’s interim report and highlighted key topics that may be of particular interest to them. Any mana whenua feedback received prior to the Committee meeting will be considered for potential inclusion in council’s submission. In addition, mana whenua may wish to make their own submissions directly to the Group.

29. In addition to the areas highlighted above, there are recommendations specific to Māori contained in the Group's interim report which include:
   - Retain the 17.5 per cent tax rate for Māori authorities.
   - Extend the 17.5 per cent rate to the subsidiaries of Māori authorities.
   - Consider technical refinements to the Māori authority rules, as suggested by submitters, in the Tax Policy Work Programme.

30. Additionally, the interim report’s executive summary notes that the Group is currently working with stakeholders to develop a framework to support the future evolution of the tax system that reflects principles from Te Ao Māori, alongside the four capitals of the Living Standards Framework and the principles of tax policy design. This includes exploring concepts of waiora (wellbeing), manaakitanga (care and respect), kaitiakitanga (stewardship), whanaunga tanga (relationships and connectedness), and ōhanga (prosperity).

Ngā ritenga ā-pūtea / Financial implications

31. At this stage there are no direct effects from a tax perspective for Auckland Council Group arising from the interim report.

32. The Group proposes a retention of the current GST regime (no further exemptions would be introduced). The Group proposes the current framework for taxing businesses will be largely maintained.

Ngā raru tūpono / Risks

33. As outlined earlier, any legislative change arising from the Group’s final report (due February 2019) will not come into force until 1 April 2021. Once the final report is released and the Government’s response to this is known, council will be better placed to identify any key risks and appropriate mitigation strategies for these.
Ngā koringa ā-muri / Next steps

34. The next steps are for a workshop to be held on 23 October 2018 to discuss council’s approach, with the delegated councillors to finalise and approve council’s submission. A copy of the final submission will be circulated to local boards, the Independent Māori Statutory Board, mana whenua and Advisory Panels and reported for information to the next Finance and Performance Committee meeting.

Ngā tāpirihanga / Attachments

<table>
<thead>
<tr>
<th>No.</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Tax Working Group interim report submission</td>
<td>33</td>
</tr>
</tbody>
</table>

Ngā kaihaina / Signatories

<table>
<thead>
<tr>
<th>Author</th>
<th>Sarah Johnstone-Smith - Lead Strategic Advisor Strategic Scanning</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorisers</td>
<td>Jacques Victor - GM Auckland Plan Strategy and Research</td>
</tr>
<tr>
<td></td>
<td>Matthew Walker - Group Chief Financial Officer</td>
</tr>
</tbody>
</table>
Tax Working Group terms of reference (November 2017)

The Tax Working Group has been established by the Government in order to examine further improvements in the structure, fairness and balance of the tax system.

The New Zealand tax system has been justifiably commended internationally for being a simple and efficient system. The Government’s starting position is that the guiding principle for the New Zealand tax system – namely, that tax should operate neutrally and as much in the background as possible – is sound.

The Working Group will consider what improvements to this framework could improve the structure, fairness and balance of the tax system. In particular, the Working Group will consider the impact on the tax system of the likely economic environment over the next decade.

The Government has the following objectives for the tax system:

- A tax system that is efficient, fair, simple and collected
- A system that promotes the long-term sustainability and productivity of the economy
- A system that supports a sustainable revenue base to fund government operating expenditure around its historical level of 30 per cent of GDP
- A system that treats all income and assets in a fair, balanced and efficient manner, having special regard to housing affordability
- A progressive tax and transfer system for individuals and families, and
- An overall tax system that operates in a simple and coherent manner.

The Working Group should report to the Government on:

- Whether the tax system operates fairly in relation to taxpayers, income, assets and wealth
- Whether the tax system promotes the right balance between supporting the productive economy and the speculative economy
- Whether there are changes to the tax system which would make it more fair, balanced and efficient, and
- Whether there are other changes which would support the integrity of the income tax system, having regard to the interaction of the systems for taxing companies, trusts, and individuals.

In examining the points above, the Working Group should consider in particular the following:

- The economic environment that will apply over the next 5-10 years, taking into account demographic change, and the impact of changes in technology and employment practices, and how these are driving different business models,
- Whether a system of taxing capital gains or land (not applying to the family home or the land under it), or other housing tax measures, would improve the tax system.
- Whether a progressive company tax (with a lower rate for small companies) would improve the tax system and the business environment, and
- What role the taxation system can play in delivering positive environmental and ecological outcomes, especially over the longer term.
In considering the matters above, the Working Group should have due regard to the overall structure of the tax system to ensure it is fair, balanced and efficient, as well as simple for taxpayers to understand and comply with their tax obligations.

The following are outside the scope of the Working Group’s review:

- Increasing any income tax rate or the rate of GST
- Inheritance tax
- Any other changes that would apply to the taxation of the family home or the land under it, and
- The adequacy of the personal tax system and its interaction with the transfer system (this will be considered as part of a separate review of Working for Families).

In addition, the focus of the Working Group should not be on more technical matters already under review as part of the Tax Policy Work Programme, including:

- International tax reform under the Base Erosion and Profit Shifting agenda, and
- Policy changes as part of Inland Revenue’s Business Transformation programme.

The Working Group will be able to recommend further reviews be undertaken on specific issues which the group considers it has not been able to explore sufficiently, or that were excluded from its terms of reference but which could benefit from being considered in the context of its recommendations.

The Working Group’s membership will include individual(s) with expertise in Maori community and business environments.

The Working Group will be supported by a secretariat of officials from Treasury and Inland Revenue, and it will be able to seek independent advice and analysis on any matter within the scope of its Terms of Reference. The Working Group will have an independent advisor to analyse the various sources of advice received by the Working Group and help to analyse and distil the information to assist the Working Group’s deliberations. The Working Group will be expected to engage with the public in developing its recommendations.

The Working Group should have its first meeting no later than February 2018, issue an interim report to the Minister of Finance and Minister of Revenue no later than September 2018, and issue a final report to the Minister of Finance and Minister of Revenue no later than February 2019. These dates may be varied with the consent of the Minister of Finance.
Te take mō te pūrongo / Purpose of the report

Whakarāpopototanga matua / Executive summary
2. The following information-only report is attached:
   - Finance and Performance Committee Forward Work Programme to 30 June 2019 (Attachment A).
3. The Forward Work programme contains standard items that are presented to the Committee as a matter of course including:
   a) the Annual Report
   b) Quarterly and half year performance reporting (parent, CCO and group)
   c) the Annual Plan
   d) CCO Letters of Expectations following the Statements of Intent
   e) an update on progress of the Corporate Property Portfolio
   f) Non-service property disposals presented by Panuku Development Auckland.
4. In addition to these standard items, staff will be submitting the following items of note within the work programme over the next three months:

<table>
<thead>
<tr>
<th>Item</th>
<th>Format</th>
<th>Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weathertightness issues and provisions</td>
<td>Workshop</td>
<td>To be confirmed</td>
</tr>
<tr>
<td>Colin Dale Park</td>
<td>Committee</td>
<td>20 November</td>
</tr>
<tr>
<td>Treasury and Debt management</td>
<td>Workshop</td>
<td>21 November</td>
</tr>
<tr>
<td>Rating religious premises</td>
<td>Committee</td>
<td>20 November</td>
</tr>
</tbody>
</table>

5. Relevant staff will be available at the meeting to answer questions.

Ngā tūtohunga / Recommendation/s
That the Finance and Performance Committee:
   a) receive the 2018/2019 Work Programme .

Ngā tāpirihanga / Attachments

<table>
<thead>
<tr>
<th>No.</th>
<th>Title</th>
<th>Page</th>
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<tbody>
<tr>
<td>A8</td>
<td>Finance and Performance Committee Forward Work Programme to 30 June 2019</td>
<td>37</td>
</tr>
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</table>
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Ngā kaihaina / Signatories

<table>
<thead>
<tr>
<th>Role</th>
<th>Name and Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Author</td>
<td>Sara Hay - Head of Financial Transformation</td>
</tr>
<tr>
<td>Authoriser</td>
<td>Matthew Walker - Group Chief Financial Officer</td>
</tr>
</tbody>
</table>
### Komiti ā Pūtea, ā Mahi Hoki

#### Finance and Performance Committee

**FORWARD WORK PROGRAMME TO 30 JUNE 2019**

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.

Detailed decisions are reported at the end of this document.

#### Priorities for 2018/19

<table>
<thead>
<tr>
<th>Priorities for 2018/19</th>
<th>Initiatives</th>
</tr>
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<tbody>
<tr>
<td>1. Planning and Funding</td>
<td>1. Planning and Funding</td>
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<tr>
<td>2. Reporting and Performance</td>
<td>2. Reporting and Performance</td>
</tr>
<tr>
<td>3. Value for money</td>
<td>3. Value for money</td>
</tr>
<tr>
<td>4. Operational</td>
<td>4. Operational</td>
</tr>
</tbody>
</table>

#### The work of the committee will:

1. approve the Annual Plan 2019/2020 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.

#### Planning and Funding

<table>
<thead>
<tr>
<th>Area of work</th>
<th>Reason for work</th>
<th>Finance and Performance Committee role - decision or direction</th>
<th>Expected timeframes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Budget</td>
<td>Statutory process</td>
<td>Decision to agree to the Consultation items</td>
<td>Q1 Q2 Q3 Q4</td>
</tr>
<tr>
<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>2018 2019</td>
</tr>
<tr>
<td>Development contributions policy</td>
<td>Statutory requirement to have a DC policy</td>
<td>Agreement to consult on the proposed DC policy</td>
<td>Sep 23 Oct 20 Nov 19 Dec</td>
</tr>
<tr>
<td>Rating Policy and process</td>
<td>Rating</td>
<td>Workshop on approach to rating religious properties (Potentially move into Annual Plan process)</td>
<td>Sep 23 Oct 20 Nov</td>
</tr>
<tr>
<td>Lead</td>
<td>Area of work</td>
<td>Reason for work</td>
<td>Finance and Performance Committee role - decision or direction</td>
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</tr>
<tr>
<td>GM Financial Strategy &amp; Planning</td>
<td>Infrastructure funding and financing work with Treasury</td>
<td>Financial Management</td>
<td>Discuss ongoing work with central government on Crown Infrastructure Partners and Special Purpose Vehicles for major infrastructure projects – timing for committee as required</td>
</tr>
<tr>
<td>GM Corporate Finance and Property</td>
<td>Treasury and debt management</td>
<td></td>
<td>Briefing on council debt</td>
</tr>
<tr>
<td>Auckland Investment Office</td>
<td>Dividend reinvestment plan</td>
<td>Auckland International Airport Limited Dividend Reinvestment Plan</td>
<td>Decision to agree required to approve Dividend Reinvestment Plan</td>
</tr>
<tr>
<td>GM Corporate Finance and Property</td>
<td>Weathertightness issues and provision</td>
<td>To provide an update on changes implemented to reduce the future risk of weathertightness claims as well as a summary of how the liability is calculated for accounting purposes</td>
<td>Review information</td>
</tr>
<tr>
<td>Executive Director, Auckland Investment Office</td>
<td>Colin Dale Park</td>
<td>Report on progress of the investigation and negotiations for Speedway (run by Springs Promotions Ltd) to move from Western Springs to Colin Dale Park,</td>
<td>Endorse the Heads of Agreement and Approve to development costs.</td>
</tr>
<tr>
<td>Te Waka Anga Mua ki Uta</td>
<td>Māori Transformational Activity and Expenditure Report</td>
<td>To monitor progress on expenditure and delivery of Māori transformational activity (includes Te Toa Takitini) and on projects to deliver Māori outcomes. This reporting will be carried out bi-annually</td>
<td>Receive generally no decisions</td>
</tr>
<tr>
<td>Te Tiriti O Waitangi Audit Response Work Programme</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

**Notes:**
- **GM Financial Strategy & Planning:** Discuss ongoing work with central government on Crown Infrastructure Partners and Special Purpose Vehicles for major infrastructure projects – timing for committee as required.
- **GM Corporate Finance and Property:** Briefing on council debt.
- **Auckland Investment Office:** Decision to agree required to approve Dividend Reinvestment Plan.
- **GM Corporate Finance and Property:** Review information.
- **Executive Director, Auckland Investment Office:** Endorse the Heads of Agreement and Approve to development costs.
- **Te Waka Anga Mua ki Uta:** Receive generally no decisions.
<table>
<thead>
<tr>
<th>Lead Area</th>
<th>Area of work</th>
<th>Reason for work</th>
<th>Finance and Performance Committee role - decision or direction</th>
<th>Expected timeframes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>2019</td>
<td>2020</td>
</tr>
</tbody>
</table>
| GM Corporate Finance and Property | Annual Report | • Statutory requirement  
• NZX Announcement and release  
• Draft annual report and Summary on Performance - Sept  
• Interim audit report – Feb | Receive Annual report  
Recommend to Governing Body for adoption  
Note:  
• NZX announcements are presented to the Audit and Risk Committee  
• There is a delegation from the Committee to Chair and Deputy Chair of Finance and Performance 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.  
• Formal adoption of annual report is by the Governing Body | Aug | Sept |
| GM Corporate Finance and Property | Half-yearly report | • NZX listing requirement | Receive Half-yearly report  
Approve for release  
Note:  
• NZX announcements are presented to the Audit and Risk Committee  
• There is a delegation from the Committee to Chair and Deputy Chair of Finance and Performance 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. | Feb |
| CCO/External Partnerships | Statements of Intent | • Shareholder feedback on draft SOIs – Aug  
• Letters of Expectation for 2019/2020 SOIs – Nov  
<p>| Manager Corporate &amp; Local Board Performance | Performance Reporting quarterly - parent | To monitor council parent financial and non-financial performance results | Receive generally no decisions | 17 Oct | 14 Nov | 20 Mar | 19 Jun |</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>Expected timeframes</th>
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<tr>
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<td>2019</td>
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<tr>
<td>Lead</td>
<td>Area of work</td>
<td>Reason for work</td>
<td>Finance and Performance Committee role - decision or direction</td>
<td>Expected timeframes</td>
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<td>2019</td>
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<td></td>
<td>Jul-Sep</td>
</tr>
<tr>
<td>GM Financial Strategy &amp; Planning</td>
<td>Consideration and adoption of Group policy relating to Business Cases</td>
<td>Decision on whether to adopt a new policy</td>
<td></td>
<td>11 Dec</td>
</tr>
<tr>
<td>Panuku Development Auckland</td>
<td>Recommended disposals or acquisitions. These reports are as required, but generally monthly.</td>
<td>• Panuku is required through its SOI to identify and recommend to council properties that are surplus to requirements and can be considered for disposal. These include general disposals to fund LTP projects. • Panuku recommends properties for acquisition and disposal to the committee for approval where they are located within a priority development location.</td>
<td>Decision to proceed with recommended disposals or acquisitions.</td>
<td>July</td>
</tr>
<tr>
<td>Panuku Development Auckland</td>
<td></td>
<td></td>
<td></td>
<td>Sept</td>
</tr>
<tr>
<td>GM Corporate Finance and Property</td>
<td>Property portfolio</td>
<td>To provide an update on progress of the Corporate Property Portfolio roll out and where required seek approval for any property transactions</td>
<td>Regular reporting</td>
<td></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>Decide whether to amend current policy</td>
<td></td>
</tr>
<tr>
<td>Lead</td>
<td>Area of work</td>
<td>Reason for work</td>
<td>Finance and Performance Committee role - decision or direction</td>
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</tbody>
</table>
| CCO/External Partnerships | Auckland Regional Amenities Levy MOTAT and Auckland War Memorial Museum Levy | Statutory process  
• RFA respond to draft levy for MOTAT and AWMM (on behalf of council)  
• Feb and March 2019 - nine amenities present to F&P committee  
• February F&P - approve council submission to draft ARAFB Funding Plan  
• March F&P (G Body) – approve ARAFB draft  
• Funding levy F&P approve the annual levy for MOTAT and AWMM | Decision to approve submission on draft Funding Plan  
Decision to approve levies |
<p>| Parks, Sports and Recreation | Loan restructuring (committee dates as required) | Responding to proposals and recommendations | Decision to approve proposed restructuring |</p>
<table>
<thead>
<tr>
<th>Lead</th>
<th>Area of work</th>
<th>Finance and Performance Committee role - decision or direction</th>
<th>Detailed decisions</th>
</tr>
</thead>
<tbody>
<tr>
<td>GM Financial Strategy &amp; Planning</td>
<td>Annual Budget</td>
<td><strong>Decision to agree to the Consultation items</strong>&lt;br&gt;Adopt Consultation Document to consult with Public Consultation runs&lt;br&gt;Hear feedback and deliberate budget scenarios&lt;br&gt;Decisions made for Annual Budget&lt;br&gt;Adopt final Annual Budget</td>
<td>For information on the previous long-term/annual plan processes, please refer to the table at the end of this document.</td>
</tr>
<tr>
<td>GM Financial Strategy &amp; Planning</td>
<td>Budget Update (as required).&lt;br&gt;This includes significant unbudgeted one-off expenditure.</td>
<td><strong>Decision to agree recommended budget changes outside of AP/LTP budgeting cycle</strong></td>
<td>For information on previous decisions, please refer to the table at the end of this document.</td>
</tr>
<tr>
<td>GM Financial Strategy &amp; Planning</td>
<td>Development contributions policy</td>
<td><strong>Agree to consult on the proposed DC policy</strong>&lt;br&gt;Consultation on draft Development Contribution policy&lt;br&gt;Adoption of Development Contribution policy</td>
<td>Reporting dates:&lt;br&gt;31/5/18 – Contributions Policy FIN/2018/90&lt;br&gt;Adopted by the Governing Body: 31/5/18 GB/2018/91&lt;br&gt;10/9/18 – Workshop on Development Contributions</td>
</tr>
<tr>
<td>GM Financial Strategy &amp; Planning</td>
<td>Rating Policy and process</td>
<td>Workshop on approach to rating religious properties&lt;br&gt;(Potentially move into Annual Plan process)</td>
<td></td>
</tr>
<tr>
<td>GM Corporate Finance and Property</td>
<td>Treasury and debt management</td>
<td><strong>Briefing</strong> on council debt</td>
<td></td>
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<tr>
<td>Auckland Investment Office</td>
<td>Dividend reinvestment plan</td>
<td><strong>Decision to agree required to approve Dividend Reinvestment Plan</strong></td>
<td></td>
</tr>
<tr>
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<td>Area of work</td>
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<td>Detailed decisions</td>
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</tr>
<tr>
<td>GM Corporate Finance and Property</td>
<td>Weather tightness issues and provision</td>
<td>Review information</td>
<td></td>
</tr>
<tr>
<td>Executive Director, Auckland Investment Office</td>
<td>Colin Dale Park</td>
<td>Endorse the Heads of Agreement and Approve to development costs.</td>
<td></td>
</tr>
</tbody>
</table>

**Reporting and Performance**

| GM Corporate Finance and Property | Annual Report | Receive Annual report Recommend to Governing Body for adoption Note:  
- NZX announcements are presented to the Audit and Risk Committee  
- There is a delegation from the Committee to Chair and Deputy Chair of Finance and Performance 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.  
- Formal adoption of annual report is by the Governing Body | 13/12/2016 - Delegation for approval of releasing interim and full year group results to New Zealand Stock Exchange FIN/2016/168 18/9/18 – Approval of and recommendation for adoption of the 2017/2018 Annual Report for Auckland Council and Group (confidential) |
<table>
<thead>
<tr>
<th>Item 10</th>
<th>Lead</th>
<th>Area of work</th>
<th>Finance and Performance Committee role - decision or direction</th>
<th>Detailed decisions</th>
</tr>
</thead>
</table>
|        | GM Corporate Finance and Property | Half-yearly report | **Receive** Half-yearly report  
**Approve** for release  
Note:  
- NZX announcements are presented to the Audit and Risk Committee  
- There is a delegation from the Committee to Chair and Deputy Chair of Finance and Performance 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. |  
15/8/17 – Approval of 2017/2020 Statements of Intent FIN/2017/111  
19/9/17 – Approval of Watercare Services Limited Statement of Intent 2017-20 FIN/2017/122  
20/3/18 – Letters of Expectation for 2018-2021  
17/4/18 – proposed shareholder comments on Draft Council-controlled organisation statements of intent FIN/2018/64  
21/8/18 – Council-controlled Organisations – Approval of 2018-2021 Statements of Intent FIN/2018/118  
218/8/18 – Ports of Auckland Limited – proposed shareholder feedback on the draft Statement of Corporate Intent FIN/2018/119 |
|        | CCO/External Partnerships | Statements of Intent | **Agree** 2019/2010 Letters of Expectation |  
13/12/16 – Auckland Council organisation report for the period 1 July 2016 to 30 September 2016 FIN/2016/160  
21/2/17 – Auckland Council organisation performance report for the period 1 July 2016 to 31 December 2016 FIN/2017/9  
26/5/17 – Auckland Council organisation performance report for the period 1 July 2016 to 31 March 2017 FIN/2017/68  
21/09/17 – Organisation Performance 1 July 2016 – 30 June 2017 FIN/2017/133  
24/11/17 – 1 July 2017 – 30 September 2017 FIN/2017/177  
12/03/18 – 1 July 2017 – 31 December 2017 FIN/2018/34  
17/10/18 – Auckland Council parent performance report for the period 1 July 2017 to 30 June 2018 |
|        | Manager Corporate & Local Board Performance | Performance Reporting quarterly - parent | **Receive** generally no decisions |  
13/12/16 – Council-controlled organisations first quarter report for 30 September 2016 FIN/2016/158  
11/4/17 – CCOs second quarter report for 31 December 2017 FIN/2017/69  
21/09/17 – Fourth quarter report for 30 June 2017 (public excluded) FIN/2017/130  
24/11/17 – First quarter report for 30 September 2017 FIN/2017/178  
12/03/18 – Second quarter report ending 31 December 2017 FIN/2018/18 |
|        | GM Financial Strategy & Planning | Performance Reporting quarterly – CCOs | **Receive** validate/challenge |  
13/12/16 – Council-controlled organisations first quarter report for 30 September 2016 FIN/2016/158  
11/4/17 – CCOs second quarter report for 31 December 2017 FIN/2017/69  
21/09/17 – Fourth quarter report for 30 June 2017 (public excluded) FIN/2017/130  
24/11/17 – First quarter report for 30 September 2017 FIN/2017/178  
12/03/18 – Second quarter report ending 31 December 2017 FIN/2018/18 |
<table>
<thead>
<tr>
<th>Lead</th>
<th>Area of work</th>
<th>Finance and Performance Committee role - decision or direction</th>
<th>Detailed decisions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>31/5/18 – Approval of council-controlled organisations accountability policy FIN/2018/91</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>17/10/18 – Council-controlled organisation fourth quarter report ending 30 June 2018</td>
</tr>
<tr>
<td>GM Financial Strategy &amp; Planning</td>
<td>Performance Reporting quarterly - group</td>
<td>Receive generally no decisions</td>
<td>13/12/16 – Auckland Council Group first quarter financial results to 30 September 2016 FIN/2016/161</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>21/3/17 – Auckland Council Group quarterly financial report and financial results to 31 December 2016 FIN/2017/28</td>
</tr>
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<td></td>
<td>26/5/17 – Auckland Council Group quarterly financial report and financial results to 31 March 2017 FIN/2017/70</td>
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<td>24/11/17 – Quarterly financial report and financial results to 30 September 2017 FIN/2017/176</td>
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<td></td>
<td>12/03/2018 – Six monthly financial results to 31 December 2017 FIN/2018/32</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>6/6/18 – Auckland Council Group quarterly financial report and financial reports to 31 March 2018 FIN/2018/95</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>17/10/18 – Auckland Council and group financial performance for the year ended 30 June 2018</td>
</tr>
<tr>
<td>GM Financial Strategy &amp; Planning</td>
<td>Consideration and adoption of Group policy relating to Business Cases</td>
<td>Decision on whether to adopt a new policy</td>
<td>19/9/17 – Approval of Group Policies FIN/2017/121</td>
</tr>
<tr>
<td>Panuku Development Auckland</td>
<td>Recommended disposals or acquisitions. These reports are as required, but generally monthly.</td>
<td>Decision to proceed with recommended disposals or acquisitions.</td>
<td>Note: A full list of properties to be disposed or acquired is included at the end of this document.</td>
</tr>
<tr>
<td>GM Corporate Finance and Property</td>
<td>Property portfolio</td>
<td>Regular reporting</td>
<td>29/3/18 – Workshop on corporate property strategy FIN/2018/58</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>17/4/18 – Corporate Accommodation Disposal Recommendation, Corporate Property Portfolio Strategy FIN/2018/58</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>15/5/18 – Corporate Accommodation Disposal Recommendation, Corporate Property Portfolio Strategy FIN/2018/73</td>
</tr>
<tr>
<td>Item 10</td>
<td>Lead</td>
<td>Area of work</td>
<td>Finance and Performance Committee role - decision or direction</td>
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<tr>
<td></td>
<td>Parks, Sports and Recreation</td>
<td>Loan restructuring (committee dates as required)</td>
<td><strong>Decision</strong> to approve proposed restructuring</td>
</tr>
</tbody>
</table>
## Previous annual/long-term plan processes

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>13/12/16</td>
<td>Annual Budget 2017/18 – Mayoral Proposal on items for Public Consultation</td>
<td>FIN/2016/173</td>
</tr>
<tr>
<td>1/6/17</td>
<td>Annual Budget 2017/2018 – Overview to decision-making</td>
<td>FIN/2017/73</td>
</tr>
<tr>
<td></td>
<td>Annual Budget 2017/2018 - Local Board budget update</td>
<td>FIN/2017/74</td>
</tr>
</tbody>
</table>

### 10-year Budget

- 31/5/18 – 10-year Budget – 2018-2018 Mayor's final proposal
- FIN/2018/77-84
- 31/5/18 – Proposal for One Local Initiatives
- FIN/2018/85
- 31/5/18 – Rodney Local Board Targeted Rate; Rodney Local Board Decision
- FIN/2018/87
- 31/5/18 – Fees, charges and other rating matters
- FIN/2018/89
- 31/5/18 – Adoption of the Rates Remission and Postponement Policy
- FIN/2018/92
- 31/5/18 – Contributions Policy
- FIN/2018/90
- Adopted by the Governing Body: 31/5/18
- GB/2018/91
- Regional Fuel Tax
- GB/2018/90

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

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
<th>Reference</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>
</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>
</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>
</tr>
<tr>
<td>21/2/17</td>
<td>Report Statutory land exchange process – Rosedale Park</td>
<td>FIN/2017/8</td>
</tr>
<tr>
<td>21/3/17</td>
<td>Report Part of 770R Great South Road, Manukau</td>
<td>FIN/2017/25</td>
</tr>
<tr>
<td>11/4/17</td>
<td>Report 19 Anzac Road, Browns Bay (deferred); 6 Butler Avenue, Papatoetoe; part of 129R Bairds Road, Otara; 315A Glengarry Road, Glen Eden; Section 1 East Coast Road, Redvale; 78a Great South Road, Papakura; Section 1493 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 147 Ahuroa Parish, Woodcocks Road, Woodcocks</td>
<td>FIN/2017/25, FIN/2017/49, FIN/2017/50</td>
</tr>
<tr>
<td>23/5/17</td>
<td>Report 3 Memorial Drive, New Lynn</td>
<td>FIN/2017/57</td>
</tr>
<tr>
<td>26/7/17</td>
<td>Report 55a Alnwick Street, Warkworth; 45 Orahia 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>
</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</td>
<td>FIN/2018/59</td>
</tr>
<tr>
<td>Date</td>
<td>Report</td>
<td>Location</td>
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</tr>
<tr>
<td>15/8/17</td>
<td><strong>Report</strong> 187 Flat Bush School Road, Flat Bush;</td>
<td>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>
</tr>
<tr>
<td></td>
<td><strong>Report</strong> 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>
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<td><strong>Report</strong> 31-35 Mill Road, Helensville</td>
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<tr>
<td>24/10/17</td>
<td><strong>Report</strong> 19 Anzac Avenue, Browns Bay; 10 Felton Matthew Avenue, St Johns; and part Bombay Road, Bombay</td>
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<tr>
<td>21/11/17</td>
<td><strong>Report</strong> Unlock Avondale - 93-99 Rosebank Road, Avondale</td>
<td></td>
</tr>
<tr>
<td>12/12/17</td>
<td><strong>Report</strong> 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></td>
</tr>
<tr>
<td></td>
<td><strong>Report</strong> Land exchange at Hillary Crescent, Belmont and Northboro Reserve – Recommendation from the Environment and Community Committee</td>
<td></td>
</tr>
<tr>
<td>27/2/18</td>
<td><strong>Report</strong> 61-117 Clark Road, Hobsonville; and</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Report</strong> 37 New Windsor Road, Avondale (SPO)</td>
<td></td>
</tr>
<tr>
<td>20/3/18</td>
<td><strong>Report</strong> 3.8ha of reserve land in Upper Harbour Local Board for New Zealand Transport Agency Northern Corridor Improvements</td>
<td></td>
</tr>
<tr>
<td>17/4/18</td>
<td><strong>Report</strong> – 156 Blockhouse Bay, Avondale; 2a Stokes Road, Mt Eden; 570 Great South Road, Papatoetoe; 139 Kolmar Road, Papatoetoe; and 66R Hallberry Road, Mangere East</td>
<td></td>
</tr>
<tr>
<td>24/7/18</td>
<td><strong>Report</strong> – 132 Green Lane East, Greenlane; 28 Lockwood Road, Papakura; Adjacent to 1/18 Edwin Freeman Place Ranui; and Adjacent 18 Parrs Cross Road, Henderson.</td>
<td></td>
</tr>
<tr>
<td>18/9/18</td>
<td><strong>Report</strong> – 30R Birmingham Road, Otara; and 8 Hiwi Crescent, Stanmore Bay</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><strong>Report</strong> 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><strong>Report</strong> 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><strong>Report</strong> 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><strong>Report</strong> 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><strong>Report</strong> Release and allocate Takapuna off-street car park reserve fund $4,269,611 to the Gasometer public car park project; release $6.1m from 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><strong>Report</strong> 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 $228,000 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><strong>Report</strong> Update on the purchase of additional trains for Metro Rail</td>
<td>FIN/2017/205</td>
</tr>
<tr>
<td>27/2/18</td>
<td><strong>Report</strong> 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><strong>Report</strong> Up to $740,000 of additional expenditure ($655,000 OPEX and $85,000 CAPEX) to manage kauri dieback; two additional FTE employees and outsourced 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>
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 18 September 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 presentations/memos/reports were presented/circulated as follows:
   - 11 September 2018 – Memo from Group Financial Controller regarding the draft 2017/2018 Annual Report and Summary Annual Report for the Auckland Council and group (Attachment A)
   - 18 September 2018 – Workshop – Current Rating Issues (Attachment B)

4. 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’.

5. 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

That the Finance and Performance Committee:

a) receive the information report – 18 September 2018.

Ngā tāpirihanga / Attachments

<table>
<thead>
<tr>
<th>No.</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>B</td>
<td>18 September 2018 – Workshop – Current Rating Issues <em>(Under Separate Cover)</em></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 - Group Chief Financial Officer</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:

<table>
<thead>
<tr>
<th>C1</th>
<th>Section 1 (SO 434028) and Section 6 (SO 434026) Manukau Station Road, Manukau (Covering report)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reason for passing this resolution in relation to each matter</td>
<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>
</tr>
<tr>
<td>Particular interest(s) protected (where applicable)</td>
<td>s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). In particular, the report discusses negotiations with proposed development parties</td>
</tr>
<tr>
<td>Ground(s) under section 48(1) for the passing of this resolution</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>