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

OPEN ATTACHMENTS

ADDITIONAL ATTACHMENTS UNDER SEPARATE COVER

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Note: The attachments contained within this document are for consideration and should not be construed as Council policy unless and until adopted. Should Councillors require further information relating to any reports, please contact the relevant manager, Chairperson or Deputy Chairperson.
10 December 2018

Dr Lester Levy
Chair
Auckland Transport

By email

Tēnā koe Lester

Letter of expectations for 2019-2022

This letter of expectations sets out the council’s priorities and expectations to inform the development of Auckland Transport’s (AT) draft Statement of Intent (SOI) for 2019-2022.

This letter has been informed by discussions with my fellow councillors. It sets out general expectations across the group, and key strategic expectations for AT.

Over the coming year, the council will undertake a review of the SOI process, which will include a review of the performance measures contained within the statements of intent. Council will seek your input and support during this process.

I would also like to remind you that the council adopted a new board performance review process this year, and we are expecting AT to undertake its review in line with this process during 2019.

General messages and priorities

Programme delivery

The adoption of the Long-term Plan 2018-2028 sets a significant agenda for the council group to deliver. Council expects the CCOs to continue to demonstrate value for money across all expenditure. This includes greater transparency on operating expenditure and a strong focus managing sensitive expenditure lines. In addition, the council should be kept informed on any significant operational challenges and work closely with council in this area.

Building trust and confidence

The new funding tools being used by the council group, along with the focus on delivery, mean that is important that our CCOs develop strong community engagement programmes. We will expect CCOs to work with the council group to lift trust levels amongst our community and stakeholders, by putting our customers and ratepayers at the centre of your business and by providing evidence-based analysis for any decisions made.

I would like to remind AT of the agreed no surprises approach. This approach is intended to facilitate the timely and appropriate two-way flow of information between the council, CCOs and elected members. AT should also remember that ward councillors play an important role and should be kept apprised of matters at the local board level.

Auckland Plan 2050 implementation

AT will play an important role in responding to Auckland’s key challenges outlined in the Auckland Plan. This year, I will expect AT to outline in its SOI how it will align its programme with the directions and focus areas to contribute to delivering the Auckland Plan outcomes.
We expect AT to support the development and activity envisaged in the nodes, development areas, future urban areas and rural settlement expansion identified in the first decade of the Auckland Plan Development Strategy (including development of structure plans and plan change processes).

We expect all CCOs to report annually on activities that have contributed to delivering the Auckland Plan 2050.

Climate change

Addressing the challenges that climate change presents for Auckland is a priority for the council group. We made these ambitions clear in the recently approved Auckland Plan 2050 and the Auckland Climate Action Plan, currently being developed, will provide further guidance. We expect AT's SOI will outline how it will respond to these plans and address climate change through the application of new ideas and approaches, including the development of any measures where appropriate.

Promote Māori outcomes:

The council expects the CCOs to contribute to Te Toa TakaTini and the council group Tiriti o Waitangi Audit response as an integral part of their work programme. We expect CCOs to provide detail on their performance in delivering their Māori responsiveness in their quarterly reporting.

Auckland Transport's strategic priorities

The three strategic priorities which AT should reflect in its SOI are outlined below.

1. AT's work programme should focus on already agreed strategic priorities

The SOI should focus on outcomes which we have already agreed in documents such as the Auckland Plan 2050 and the Regional Land Transport Plan. In particular, it should outline how AT will:

- ensure that AT's capital programme gives effect to all relevant parts of the Auckland Plan (i.e. not just the Transport and Access chapter) and delivers urban design outcomes as part of the transform and unlock programme.

- deliver value for money in the approved Regional Land Transport Plan capital programme, including the Regional Fuel Tax initiatives.

- continue to increase the uptake of public transport and walking and cycling.

- deliver the safety strategy to reduce death and serious injuries on the Auckland transport network, including safety education for rangatahi in Tāmaki Makaurau.

- work collaboratively with ward councillors and local boards to identify safety projects to deliver outcomes for our community.

- investigate and invest in transport technology that improves the efficiency of Auckland’s transport system.

- improve transparency on asset management programming including the timing, delivery and standard of asset renewals.
2. Improve communication with the council group and the community

Over the 2019 year, I expect AT to outline how it will ensure that community engagement assists decision making and the benefits of the improvements to communities and Auckland are fully realised. A more sophisticated approach to engagement will help communities understand the need for change. In this regard, ward councillors should be kept well informed of activity in their areas so that they can also support implementation of regional strategies, while ensuring that local concerns and issues are taken account of.

It is important that the recommendations of the Governance Framework Review in respect of engagement with local boards, in addition to the general expectations contained in the Governance Manual for Substantive CCOs, are given effect to.

3. City Rail Link

As a potential owner and an operator of aspects of the City Rail Link, the council expects AT to prepare for the operationalisation of the City Rail Link and to support and respond to any related emerging issues that may arise.

I expect AT to be an active participant in supporting CRL in project delivery, including being engaged with sponsors representatives on the matters of scope and delivery. AT will need to consider how the CRL project interfaces with other network initiatives and the rail network plan into the future.

I look forward to receiving a draft of AT’s Statement of Intent by 1 March 2019.

I note that council staff have been directed to work closely with you to ensure that the messages in this letter are clear. Staff are available to attend your next board meeting to expand or explain aspects of this letter if required. Please contact Alastair Cameron, Manager CCO Governance (Alastair.Cameron@aucklandcouncil) to arrange. Please do not hesitate to take opportunities to seek face-to-face conversations as the SOI develops, so that the draft SOI is as fully developed as possible.

Yours sincerely

Phil Goff
MAYOR OF AUCKLAND
10 December 2018

Mark Franklin
Chair
Auckland Torism, Events and Economic Development Limited

By email

Tēnā koe Mark

Letter of expectations for 2019-2022

This letter of expectations sets out the council’s priorities and expectations to inform the development of Auckland Tourism, Events and Economic Development Limited’s (ATEED) draft Statement of Intent (SOI) for 2019-2022.

This letter has been informed by discussions with my fellow councillors. It sets out general expectations across the group, and key strategic expectations for ATEED.

Over the coming year, the council will undertake a review of the SOI process, which will include a review of the performance measures contained within the statements of intent. Council will seek your input and support during this process.

I would also like to remind you that the council adopted a new board performance review process this year, and we are expecting ATEED to undertake its review in line with this process during 2019.

General messages and priorities

Programme delivery

The adoption of the Long-term Plan 2018-2028 sets a significant agenda for the council group to deliver. Council expects the CCOs to continue to demonstrate value for money across all expenditure. This includes greater transparency on operating expenditure and a strong focus managing sensitive expenditure lines. In addition, the council should be kept informed on any significant operational challenges and work closely with council in this area.

Building trust and confidence

The new funding tools being used by the council group, along with the focus on delivery, mean that it is important that our CCOs develop strong community engagement programmes. We will expect CCOs to work with the council group to lift trust levels amongst our community and stakeholders, by putting our customers and ratepayers at the centre of your business and by providing evidence-based analysis for any decisions made.

I would like to remind ATEED of the agreed no surprises approach. This approach is intended to facilitate the timely and appropriate two-way flow of information between the council, CCOs and elected members.

Auckland Plan 2050 implementation

ATEED will play an important role in responding to Auckland’s key challenges outlined in the Auckland Plan. This year, I will expect ATEED to outline in its SOI how it will align its programme with the directions and focus areas to contribute to delivering the Auckland Plan outcomes.
We expect ATEED to work with Panuku and the council group to support economic development in the nodes and development areas identified in the first decade of the Auckland Plan Development Strategy.

We expect all CCOs to report annually on activities that have contributed to delivering the Auckland Plan 2050.

Climate change

Addressing the challenges that climate change presents for Auckland is a priority for the council group. We made these ambitions clear in the recently approved Auckland Plan 2050 and the Auckland Climate Action Plan, currently being developed, will provide further guidance. We expect ATEED’s SOI will outline how it will respond to these plans and address climate change through the application of new ideas and approaches, including the development of any measures where appropriate.

Promote Māori outcomes:

The council expects the CCOs to contribute to Te Toa Takatini and the council group Tiriti o Waitangi Audit response as an integral part of their work programme. We expect CCOs to provide detail on their performance in delivering their Māori responsiveness in their quarterly reporting.

ATEED’s strategic priorities

The four strategic priorities which ATEED should reflect in its SOI are outlined below.

1. Supporting sustainable growth of Auckland’s regional visitor economy

ATEED should implement the Destination AKL 2025 to create a more sustainable future for Auckland by uniting industry in helping to create a long-term approach to Auckland’s regional visitor economy. ATEED is expected to focus on demonstrating value for money for the activity partly funded by the Accommodation Providers Targeted Rate.

2. Attract regional investment Auckland

Over the 2019 year, I expect ATEED to develop a coordinated Auckland investment story that clearly articulates Auckland’s investment proposition, focuses on unlocking maximum potential value from planned investments in transport and housing infrastructure, and sets out tangible investment opportunities of interest and relevance to international investors.

I expect that this work will also include establishing an ongoing governance and reporting framework to track progress and support collective delivery.

3. Continued focus on economic development outcomes in Auckland’s south and west

ATEED should continue to focus on its new purpose of supporting the growth of "quality jobs for all Aucklanders", providing a renewed focus for the economic development in the south and west. This includes working with central government agencies around addressing Auckland’s needs and with the Southern Initiative.
4. Develop robust performance measures

ATEED's new performance framework should provide evidence of ATEED's performance in generating new economic activity for Auckland.

I look forward to receiving a draft of ATEED's Statement of Intent by 1 March 2019.

I note that council staff have been directed to work closely with you to ensure that the messages in this letter are clear. Staff are available to attend your next board meeting to expand or explain aspects of this letter if required. Please contact Alastair Cameron, Manager CCO Governance (Alastair.Cameron@aucklandcouncil) to arrange. Please do not hesitate to take opportunities to seek face-to-face conversations as the Statement of Intent develops, so that the draft SOI is as fully developed as possible.

Yours sincerely

Phil Goff
MAYOR OF AUCKLAND
10 December 2018

Adrienne Young-Cooper
Chair
Panuku Development Auckland Limited

By email

Tēnā koe Adrienne

Letter of expectations for 2019-2022

This letter of expectations sets out the council’s priorities and expectations to inform the development of Panuku Development Auckland Limited’s (Panuku) draft Statement of Intent (SOI) for 2019-2022.

This letter has been informed by discussions with my fellow councillors. It sets out general expectations across the group, and key strategic expectations for Panuku.

Over the coming year, the council will undertake a review of the SOI process, which will include a review of the performance measures contained within the statements of intent. Council will seek your input and support during this process.

I would also like to remind you that the council adopted a new board performance review process this year, and we are expecting Panuku to undertake its review in line with this process during 2019.

General messages and priorities

Programme delivery

The adoption of the Long-term Plan 2018-2028 sets a significant agenda for the council group to deliver. Council expects the CCOs to continue to demonstrate value for money across all expenditure. This includes greater transparency on operating expenditure and a strong focus managing sensitive expenditure lines. In addition, the council should be kept informed on any significant operational challenges and work closely with council in this area.

Building trust and confidence

The new funding tools being used by the council group, along with the focus on delivery, mean that it is important that our CCOs develop strong community engagement programmes. We will expect CCOs to work with the council group to lift trust levels amongst our community and stakeholders, by putting our customers and ratepayers at the centre of your business and by providing evidence-based analysis for any decisions made.

I would like to remind Panuku of the agreed no surprises approach. This approach is intended to facilitate the timely and appropriate two-way flow of information between the council, CCOs and elected members.

Panuku should also remember that ward councilors play an important role and should be kept apprised of matters at the local board level.
Auckland Plan 2050 implementation

Panuku will play an important role in responding to Auckland’s key challenges outlined in the Auckland Plan. This year, I will expect Panuku to outline in its SOI how it will align its programme with the directions and focus areas to contribute to delivering the Auckland Plan outcomes.

We expect Panuku to support the development and activity envisaged in the nodes, development areas and future urban areas identified in the first decade of the Auckland Plan Development Strategy (including development of structure plans and plan change processes).

We expect all CCOs to report annually on activities that have contributed to delivering the Auckland Plan 2050.

Climate change

Addressing the challenges that climate change presents for Auckland is a priority for the council group. We made these ambitions clear in the recently approved Auckland Plan 2050 and the Auckland Climate Action Plan, currently being developed, will provide further guidance. We expect Panuku’s SOI will outline how it will respond to these plans and address climate change through the application of new ideas and approaches, including the development of any measures where appropriate.

Promote Māori outcomes:

The council expects the CCOs to contribute to Te Toa Takatini and the council group Tiriti o Waitangi Audit response as an integral part of their work programme. We expect CCOs to provide detail on their performance in delivering their Māori responsiveness in their quarterly reporting.

Panuku’s strategic priorities

The five strategic priorities which Panuku should reflect in its SOI are outlined below.

1. Deliver Panuku’s transform and unlock programme

Panuku’s SOI should outline how Panuku will focus on delivering the transform and unlock programme. The council expects Panuku’s work programme to help create our major centres as examples of and catalysts for good design.

2. Improve delivery of capital expenditure programme

Over the 2019 year, I expect Panuku to improve its delivery of its capital expenditure programme and business planning. Any delays to the programme should be clearly explained in a timely manner to council.

3. Prepare for the timely delivery of America’s Cup and APEC

I expect Panuku to work with the council group, government and stakeholders on preparing for the delivery of infrastructure to support the America’s Cup and APEC. Every effort should be made to work constructively to ensure that deadlines are met and the anticipated outcomes can be realised.

4. Improve community engagement

The council expects Panuku’s SOI to outline how it will ensure that community engagement assists decision-making, and the benefits of redevelopment to communities and Auckland are fully explained and realised.
5. Work closely with the council on Marina Strategy

The council is currently developing a marina strategy for Auckland. We expect that Panuku will work with us as we develop this strategy and not undertake any activities that may predetermine the outcome of this strategy. Upon adoption of the final strategy, we expect that Panuku will assist in the delivery of the desired outcomes.

I look forward to receiving a draft of Panuku’s Statement of Intent by 1 March 2019.

I note that council staff have been directed to work closely with you to ensure that the messages in this letter are clear. Staff are available to attend your next board meeting to expand or explain aspects of this letter if required. Please contact Alastair Cameron, Manager CCO Governance (Alastair.Cameron@aucklandcouncil) to arrange. Please do not hesitate to take opportunities to seek face-to-face conversations as the Statement of Intent develops, so that the draft SOI is as fully developed as possible.

Yours sincerely

Phil Goff
MAYOR OF AUCKLAND
10 December 2018

Andrew Barnes
Chair
Regional Facilities Auckland

By email

Tēnā koe Andrew

**Letter of expectations for 2019-2022**

This letter of expectations sets out the council’s priorities and expectations to inform the development of Regional Facilities Auckland (RFA) draft Statement of Intent (SOI) for 2019-2022.

This letter has been informed by discussions with my fellow councillors. It sets out general expectations across the group, and key strategic expectations for RFA.

Over the coming year, the council will undertake a review of the SOI process, which will include a review of the performance measures contained within the statements of intent. Council will seek your input and support during this process.

I would also like to remind you that the council adopted a new board performance review process this year, and we are expecting RFA to undertake its review in line with this process during 2019.

We also expect RFA to improve its performance in engaging with the council on governance matters. This includes supporting the councillor/board workshops, reporting to the appropriate council committees and adhering to council's strategies and plans. In particular, RFA should adhere to the commons expectations for the CCOs contribution to the council’s objectives and priorities, as outlined in the CCO Accountability Policy.

**General messages and priorities**

*Programme delivery*

The adoption of the Long-term Plan 2018-2028 sets a significant agenda for the council group to deliver. Council expects the CCOs to continue to demonstrate value for money across all expenditure. This includes greater transparency on operating expenditure and a strong focus managing sensitive expenditure lines. In addition, the council should be kept informed on any significant operational challenges and work closely with council in this area.

*Building trust and confidence*

The new funding tools being used by the council group, along with the focus on delivery, mean that is important that our CCOs develop strong community engagement programmes. We will expect CCOs to work with the council group to lift trust levels amongst our community and stakeholders, by putting our customers and ratepayers at the centre of your business and by providing evidence-based analysis for any decisions made.

I would like to remind RFA of the agreed no surprises approach. This approach is intended to facilitate the timely and appropriate two-way flow of information between the council, CCOs and elected members.
This is particularly important for RFA, given the number of council group strategic assets within its portfolio. This means there is a particular sensitivity about many decisions that will come before the RFA Board. It is crucial that council and RFA work more closely than in the past to ensure that such decisions are reached as openly as possible, while respecting RFA’s ability to conduct and conclude commercial negotiations.

**Auckland Plan 2050 Implementation**

RFA will play an important role in responding to Auckland’s key challenges outlined in the Auckland Plan. This year, I will expect RFA to outline in its SOI how it will align its programme with the directions and focus areas to contribute to delivering the Auckland Plan outcomes.

In particular, RFA’s role supports the focus areas under the Belonging and Participation outcome. This is especially around creating opportunities for participation, providing accessible social and cultural infrastructure and recognizing the value of arts, culture and sport.

We expect all CCOs to report annually on activities that have contributed to delivering the Auckland Plan 2050.

**Climate change**

Addressing the challenges that climate change presents for Auckland is a priority for the council group. We made these ambitions clear in the recently approved Auckland Plan 2050 and the Auckland Climate Action Plan, currently being developed, will provide further guidance. We expect RFA’s SOI will outline how it will respond to these plans and address climate change through the application of new ideas and approaches, including the development of any measures where appropriate.

**Promote Māori outcomes:**

The council expects the CCOs to contribute to Te Toa Takatini and the council group Tiriti o Waitangi Audit response as an integral part of their work programme. We expect CCOs to provide detail on their performance in delivering their Māori responsiveness in their quarterly reporting.

**RFA’s strategic priorities**

The three strategic priorities which RFA should reflect in its SOI are outlined below.

1. **Work with council on redevelopment of assets**

Council is very aware of the long-term challenges faced by the portfolio of assets held on behalf of Auckland by RFA. These issues are best solved by a mix of approaches which attends both to the immediate needs of the assets, but also by working closely with council on the future needs of Auckland for regional venues and facilities. As a group, we need to look strategically at the long term needs of the region, including being able to have conversations about national needs and how national bodies will contribute to investments in Auckland.

This makes it crucial that RFA keeps council informed and works closely with council on proposals for redevelopment of its assets, given the strategic impact such investments may have.

2. **Engage with the council and arts and cultural institutions in the co-design of a strategy for the sector**

Over the 2019 year, I expect RFA to work constructively with the council parent and with arts and cultural institutions in the co-design of a strategy for the sector. This work has a focus on the medium and long-term opportunities for genuinely delivering a strong and unique identity for Auckland through our cultural heritage institutions. RFA is expected to show leadership in the way
it contributes to the review, by putting the needs of the region at the forefront of its thinking. The outcomes of the review may entail changes for RFA’s business, and we expect RFA to maintain an open mind about where the process may lead. At the same time, RFA’s expertise in operating some of Auckland’s existing facilities will be an essential input to this mahi.

3. Deliver on capital redevelopment programme

RFA should deliver on its capital redevelopment programme and manage the business through these works to improve financial performance. It is well understood that the capital needs of the business are likely to have an impact on revenue, and we expect RFA to keep council well-informed about these impacts. At the same time, it is important that RFA does all it can to minimise these impacts and deliver strong revenue performance.

I look forward to receiving a draft of RFA’s Statement of Intent by 1 March 2019.

I note that council staff have been directed to work closely with you to ensure that the messages in this letter are clear. Staff are available to attend your next board meeting to expand or explain aspects of this letter if required. Please contact Alastair Cameron, Manager CCO Governance (Alastair.Cameron@aucklandcouncil) to arrange. Please do not hesitate to take opportunities to seek face-to-face conversations as the Statement of Intent develops, so that the draft SOI is as fully developed as possible.

Yours sincerely

Phil Goff
MAYOR OF AUCKLAND
10 December 2018

Margaret Devlin
Chair
Watercare Services Limited

By email

Tēnā koe Margaret

Letter of expectations for 2019-2022

This letter of expectations sets out the council’s priorities and expectations to inform the development of Watercare Services Limited (Watercare) draft Statement of Intent (SOI) for 2019-2022.

This letter has been informed by discussions with my fellow councillors. It sets out general expectations across the group, and key strategic expectations for Watercare.

Over the coming year, the council will undertake a review of the SOI process, which will include a review of the performance measures contained within the statements of intent. Council will seek your input and support during this process.

I would also like to remind you that the council adopted a new board performance review process this year, and we are expecting Watercare to undertake its review in line with this process during 2019.

General messages and priorities

Programme delivery

The adoption of the Long-term Plan 2018-2028 sets a significant agenda for the council group to deliver. Council expects the CCOs to continue to demonstrate value for money across all expenditure. This includes greater transparency on operating expenditure and a strong focus on managing sensitive expenditure lines. In addition, the council should be kept informed on any significant operational challenges and work closely with council in this area.

Building trust and confidence

The new funding tools being used by the council group, along with the focus on delivery, mean that it is important that our CCOs develop strong community engagement programmes. We will expect CCOs to work with the council group to lift trust levels amongst our community and stakeholders, by putting our customers and ratepayers at the centre of your business and by providing evidence-based analysis for any decisions made.

I would like to remind Watercare of the agreed no surprises approach. This approach is intended to facilitate the timely and appropriate two-way flow of information between the council, CCOs and elected members.

Auckland Plan 2050 implementation

Watercare will play an important role in responding to Auckland’s key challenges outlined in the Auckland Plan. This year, I will expect Watercare to outline in its SOI how it will align its...
programme with the directions and focus areas to contribute to delivering the Auckland Plan outcomes.

We expect Watercare to support the development and activity envisaged in the nodes, development areas, future urban areas and rural settlement expansion identified in the first decade of the Auckland Plan Development Strategy (including development of structure plans and plan change processes).

We expect all CCOs to report annually on activities that have contributed to delivering the Auckland Plan 2050.

Climate change

Addressing the challenges that climate change presents for Auckland is a priority for the council group. We made these ambitions clear in the recently approved Auckland Plan 2050 and the Auckland Climate Action Plan, currently being developed, will provide further guidance. We expect Watercare’s SOI will outline how it will respond to these plans and address climate change through the application of new ideas and approaches, including the development of any measures where appropriate.

I note also that Watercare will finalise a climate change mitigation and adaptation strategy in December 2018. This should align with and complement the Auckland Climate Action Plan.

Promote Māori outcomes:

The council expects the CCOs to contribute to Te Toa Takatini and the council group Tiriti o Waitangi Audit response as an integral part of their work programme. We expect CCOs to provide detail on their performance in delivering their Māori responsiveness in their quarterly reporting.

Watercare’s strategic priorities

The four strategic priorities which Watercare should reflect in its SOI are outlined below.

1. Work with council on responses to the government’s water review

Watercare should continue to work collaboratively with the council, which will lead the development of the council group’s position and response to any proposals from central government’s three waters review.

2. Investigate commercial and funding arrangements that are in the best interests of the council group

Over the 2019 year, I expect Watercare to investigate commercial arrangements and other funding sources which are in the best interests of the council group. I would like to emphasise that this must not compromise service delivery for Aucklanders or the delivery of Auckland priorities.

Council expects to be kept informed of any proposals and any significant changes will need to be supported by a business case, approved by the council and included in Watercare’s SOI.

3. Continue to progress the Central Interceptor project

The council expects Watercare to stay on schedule and on budget for the delivery of the Central Interceptor project. Watercare’s full participation in the ongoing work with the Crown and council on the funding of this project is required, and we also expect Watercare to engage appropriately with the community on the significant change this programme involves.
4. Western Isthmus Water Quality Programme
The Western Isthmus Water Quality Improvement Programme is an important initiative for the council group. We expect Watercare Services Limited to continue to work with the Healthy Waters department to progress the programme, including community engagement.

I look forward to receiving a draft of Watercare’s Statement of Intent by 1 March 2019.

I note that council staff have been directed to work closely with you to ensure that the messages in this letter are clear. Staff are available to attend your next board meeting to expand or explain aspects of this letter if required. Please contact Alastair Cameron, Manager CCO Governance (Alastair.Cameron@aucklandcouncil) to arrange. Please do not hesitate to take opportunities to seek face-to-face conversations as the Statement of Intent develops, so that the draft SOI is as fully developed as possible.

Yours sincerely

Phil Goff
MAYOR OF AUCKLAND
Finance and Performance Committee
19 February 2019

Date: Thursday, 31 January 2019
Time: 9.30am
Meeting Room: Room 1, Level 26
Venue: 135 Albert St, Auckland

Komiti ā Pūtea, ā Mahi Hoki / Finance and Performance Committee Workshop: MINUTES

Minutes of a workshop held in Room 1, Level 26, 135 Albert St on Thursday, 31 January 2019, at 9.35am.

PRESENT
Chairperson
Deputy Mayor Bill Cashmore, Presiding
Cr Josephine Bartley
Cr Dr Cathy Casey
Cr Linda Cooper, JP
Cr Chris Darby
Cr Alf Filipaina
Mayor Hon Phil Goff, JP
Cr Richard Hills
Cr Penny Hulse
Cr Daniel Newman, JP
Cr Greg Sayers
Cr Sharon Stewart, QSM
Cr Wayne Walker
Cr John Watson
Cr Paul Young

Members

APOLOGIES

Chairperson
Cr Ross Clow
Cr Desley Simpson, JP
Cr Fa’anana Efeso Collins
Cr Hon Christine Fletcher, QSO
Cr Mike Lee
IMSB Member Terrence Hohneck
IMSB Chair David Taipari
Cr Sir John Walker, KNZM, CBE

For absence
For absence
For absence, on council business
For absence
For absence

Note: No decisions or resolutions may be made by a Workshop or Working Party, unless the Governing Body or Committee resolution establishing the working party, specifically instructs such action.

Purpose of workshop:
To discuss the options relating to the potential land transfer (LTP amendment)

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| 1    | Apologies  
Apologies from Chairperson, Cr Ross Clow; Deputy Chairperson Cr Desley Simpson, Cr Efeso Collins, IMSB Chair David Taipari and IMSB Member Terence Hohnneck for absence; and from Cr Alf Filipaina and Cr Paul Young for lateness were noted. |
| 2    | Declaration of interest  
There were no declarations of interest. |
| 3    | Potential land transfer (LTP amendment)  
Also present at the workshop from Panuku Developments Limited were Adrienne Young-Cooper - Chairperson; Richard Leggat - Board Member; Roger MacDonald - Chief Executive, Carol Gosbee – Director, Corporate Services; and Brenna Waghorn – Director Strategy.  
Matthew Walker, Group Chief Financial Officer; Alastair Cameron – Manager CCO/External Partnerships and the representatives from Panuku Developments Limited gave a PowerPoint presentation. A copy of the PowerPoint presentation is attached to these minutes.  

Cr R Hills entered the meeting at 9.37am.  
Cr P Hulse entered the meeting at 9.40am.  
Cr L Cooper entered the meeting at 9.49am.  
Cr A Filipaina entered the meeting at 9.58am.  
Cr P Young entered the meeting 9.58am.  
Cr D Newman entered the meeting at 10.11am.  
Cr S Stewart left the meeting at 10.49am.  
Cr P Hulse left the meeting at 10.50am.  
Cr S Stewart returned to the meeting at 10.56am.  
Cr P Hulse returned to the meeting at 10.59.  
Cr C Darby retired from the meeting at 11.02am.  
Cr D Newman left the meeting at 11.07am.  
Cr D Newman returned to the meeting at 11.27am. |

The workshop ended at 11.30am.
Discussion

1. Background to assets and ownership
2. Progress
3. Options
4. Public engagement
Background - Area of ownership and area of influence (2010)
Options

1. Status quo – no transfer
2. Partial transfer of assets - everything excluding the working waterfront assets
3. Full transfer of all assets
Status Quo

1. Panuku retains ownership of property
   • No transaction costs in immediate future
   • Enables implementation momentum
   • Retains properties intact to optimize value
   • Consistent with international UDAs with property ownership transferred at end of precinct development – 10-20 years away.
   • Reduces potential role confusion
   • Placemaking and property management are core Panuku functions
   • Effective and efficient
Partial Transfer – everything except working waterfront

2. Transferring **completed development assets, future development sites, completed public realm** –
   - makes sense to transfer completed assets that have no further development opportunity
   - Opportunity to retain intact the working waterfront assets – marinas - land, waterspace, wharves
Working waterfront
3. Ownership of all waterfront property assets, current commercial and future development sites and public realm transferred
   • To deliver waterfront transformation in line with purpose and objectives, Panuku would require package of rights equivalent to today to act as landlord to manage, govern, operate, transact in accordance with approved Waterfront Plan
   • The mandate and delegations are required at time of transfer
   • Potential Risks – loss of leadership and momentum; duplication, lack of role clarity, impact on day to day operations, impact on reputation in the marketplace
Public engagement

- Expect the consultation material to be more balanced
- Set out the ongoing role of Panuku as the entity leading the planning and delivery at the waterfront and the clear mandate and delegations.

Panuku is to continue to lead the development of the Auckland waterfront in a way that is consistent with the Waterfront Plan 2012, and which balances commercial and public good objectives, including high quality urban design.
SUBMISSION ON THE
AUCKLAND REGIONAL AMENITIES FUNDING BOARD’S
DRAFT 2019-2020 FUNDING PLAN

Do you wish to be heard in support of your submission? ☐ Yes / ☐ No

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11 February 2019

Public Submissions: Advisory Officer
Auckland Regional Amenities Funding Board
PO Box 6969, Wellesley Street
Auckland 1141

Auckland Regional Amenities Funding Board Drafting Funding Plan 2019/2020 – Submission

To the Chair, Auckland Regional Amenities Funding Board

Auckland Council would like to make this submission on the 2019/2020 draft funding plan. Council is conscious of its role in the Auckland Regional Amenities Funding Act (the Act) funding process, which in terms of decision making is limited to approving or rejecting the proposed levy. When making this decision, council must have regard to the funding principles contained within the Act. As a result of this limited role, council’s submission is focused on the draft funding plan as a whole, rather than focusing on the proposed grants to individual amenities.

Council acknowledges the contribution the Funding Board and the regional amenities make to Auckland. The activities of the amenities help make Auckland a better place to live and visit. Council is also cognisant of the ongoing funding pressures each amenity faces, and especially those within the arts arena.

Council is pleased to note that the amenities have enjoyed substantial increases in funding since the Auckland Regional Amenities Funding Act 2008 (the Act) came into force. The total funding under the Act increased from $8,700,000 in 2009 to $16,154,500 in 2017/2018 year. The ratepayer support to the amenities has effectively doubled since the Act came into force. In addition to the operational funding provided to the amenities provided via the Funding Board, council has also made significant contributions to capital projects undertaken by a number of the amenities.

The increase in funding provided demonstrates the significant support that ratepayers provide to the amenities, and that council has increased its contribution to meet the increased demands on the amenities over time, and as the region has grown.

The Auckland Regional Amenities Funding Act 2008 states that funding is only available if the amenity has made all reasonable endeavours to maximise its funding from other available funding sources. In other words, council is meant to be the funding of last resort. Whilst we acknowledge that the funding environment that the amenities operate in is challenging, we would ask that the Funding Board continue to work with the amenities to ensure that they are actively seeking to increase their non-rates sources of revenue.

The funding levy request for the 2019/2020 year is 6.18% higher than the 2018/2019 year, at $15,504,500. Council is again concerned that the future projections for 2020/2021 and 2021/2022 are significantly higher at 18.64% (17,374,160) and 24.18% at $18,133,629. There appears to be a pattern of behaviour from the amenities to signal large increases in future years. Council would ask that the Funding Board continue to work with the amenities to ensure that their financial forecasting is realistic. This would greatly assist council with its own financial planning.

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Finally, we would appreciate it if council staff from the CCO Governance/External Partnerships department could speak to this submission at the appropriate Funding Board meeting.

Yours sincerely

Councillor Ross Clow
Chair, Finance & Performance Committee
Councillor, representing Whau Ward

Councillor Desley Simpson, JP
Deputy Chair, Finance & Performance Committee
Councillor, representing Orakei Ward