**Date:** Thursday 24 September 2020  
**Time:** 10.00am  
**Meeting Room:** Reception Lounge  
**Venue:** Auckland Town Hall  
301-305 Queen Street  
Auckland

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**Tira Kāwana / Governing Body**

**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.
Memo

6 September 2018

To: Local Board Chairs
From: Claire Gomas, Principal Advisor CCO Governance and External Partnerships

Subject: Local Government Auckland Council Act: Section 92(2) application to Local Board Plans

Purpose
This memo responds to a Governing Body resolution (GB/2017/117) that requests:

that the review of the accountability mechanisms for substantive controlled organisations, when considering direction under section 92(2) of the Local Government (Auckland Council) Act 2009, should include consideration of whether to direct substantive council-controlled organisations to act consistently with local board plans

Background
The Accountability Review programme for CCOs, approved by the Governing Body in February 2017, aims to improve the strategic alignment, accountability and responsiveness of CCOs using existing accountability mechanisms. Two of the programme’s workstreams are interlinked:

1. review of strategic direction – objective is to improve how the council specifies the outcomes it wants from CCOs and determines whether CCOs are delivering to this
2. assess applicability of section 92(2) of Local Government Auckland Council Act (LGACA) – review council’s plans, strategies and policies and provide direction to CCOs via s92(2) to act consistently with the relevant section.

As part of the Accountability Review, Section 1.1.7 of the revised Accountability Policy in the Long-term Plan 2018-28, directs CCOs to understand local board’s role as local decision-makers and governors, and to work with and consult with local boards in a way that allows them to influence decisions that may affect their roles.

LGACA Legislation
Section 92(2) of the Local Government (Auckland Council) Act (LGACA) states:

s92 Substantive council-controlled organisations must give effect to the Long-term Plan (LTP) and act consistently with other specified plans and strategies of Council

1. Each substantive council-controlled organisation must give effect to the relevant aspects of the LTP
2. Each substantive council-controlled organisation must act consistently with the relevant aspects of any other plan (including a local board plan) or strategy of the Council to the extent specified in writing by the governing body of the Council.

Section 92 is one of several sections of LGACA that set up a hierarchy to deal with accountability provisions for council-controlled organisations. Section 92 should be therefore read in the context of related sections of LGACA, specifically sections 90 and 91. These are discussed below.

Section 90 specifies that Council must have an accountability policy for its council-controlled organisations included in the long-term plan. This identifies the contributions of CCOs to Council’s objectives and priorities, the reporting and planning requirements for CCOs, and identifies the strategic assets for each CCO.
Section 91 provides that Council can require additional accountability requirements of CCOs, including ten-year planning which among other things describes how a CCO will give effect to Council’s strategy, plans and priorities.

Section 92(1) requires that aspects of Council’s objectives and priorities included in the long-term plan must be given effect to (emphasis added). Activities within the LTP have been consulted and agreed with the community, are funded and have performance measures attributed to them.

By contrast, the expression of section 92(2) implies a lower level in the hierarchy. The direction has the following key aspects:
- The force of such directions are that CCOs must only act consistently with (not comply) them,
- The CCO must act consistently with the relevant aspects, and
- It is an optional accountability tool ("to the extent specified in writing by the governing body").

Discussion

Council’s strategic framework and direction
The council’s substantive strategic documents are the Auckland Plan, the LTP and Local Board Plans. Alongside the substantive plans, there are a suite of ‘second-tier’ strategies, policies and plans.

In reviewing the directives to CCOs in our strategic framework, several issues have emerged, including:
- it is not always clear what is expected of CCOs; with some plans being outcome focused with no actions and others including specific actions for CCOs to implement
- they are not always aligned to the LTP, and do not always have budget or resourcing provided to implement them. CCOs are therefore not required to ‘give effect’ to them.
- there are no measures or targets to assess CCO performance in their delivery, though there are a range of monitoring frameworks in place
- there is a lack of governance oversight of the strategy programme at Committee level, i.e. different committees provide governance to different strategies and plans
- the status is no longer clear, e.g. Auckland Economic Development Strategy
- CCO input in the strategy/policy development was not always sought and consequently the ability of CCOs to deliver was not considered.

With the adoption of Auckland Plan 2050, there is now work underway to clarify the status of the second-tier strategies and the updates required, if any, to reflect the new Auckland Plan. This work is also reviewing whether there is a role for CCOs in implementing these strategies, or if there are gaps in the direction given to CCO, along with whether these gaps need to be addressed.

Following the completion of this work, staff will be recommending to the Governing Body:
- that CCOs are made aware of the relevant strategies and that the aspects of these strategies and their role is reflected in the Governance Manual for Substantive CCOs
- that s92(2) is applied on a case by case basis, where a CCO is viewed to be acting inconsistently with a Council strategy/plan or where the review of strategies/plans highlights greater accountability is required.

Local Board Plans
Local Board Plans are strategic, three-year plans, developed in consultation with the community. They reflect the priorities of their community and are used to set the direction for local boards, inform the development of the next LTP and local board agreements. The provision of s92(1)
therefore indirectly requires CCO’s to give effect to those local board priorities that are identified and funded in the LTP.

**Issue**
The issue is should CCOs be required in writing to act consistently with (aspects of) local board plans?

The pros and cons of applying s92(2) to local board plans (LBPs) are provided below in the table below.

<table>
<thead>
<tr>
<th>Option</th>
<th>Pros</th>
<th>Cons</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Direct CCOs to consider all LBPs via a s92(2) letter from the Governing Body</td>
<td>LBPs represent the preferences and priorities of local communities. It is reasonable to expect CCOs to deliver on aspects of them</td>
<td>LBPs are aspirational documents. LBPs are not funded. It is unreasonable to require CCOs to deliver activity that is not funded. Performance measures are not included, hence there is limited ability to monitor or assess performance.</td>
</tr>
<tr>
<td>2. Do not direct CCOs under s92(2) to consider local board plans</td>
<td>Already sufficient directives under LTP - s92(1) and revised Accountability Policy, and potentially through Letters of Expectation to CCOs</td>
<td>CCOs may not consider Local Board outcomes in their planning.</td>
</tr>
<tr>
<td>3. Use s92(2) provision as a direction on a case by case basis</td>
<td>More clearly states the relevant aspect of the plan that the CCO is being asked to consider. Easier to monitor and assess performance. Aligns with approach being recommended for council’s other strategic documents</td>
<td>Some local boards may not be satisfied that their activity is not included. LBPs are aspirational documents - funding and performance measures are not included, hence there is limited ability to monitor or assess performance.</td>
</tr>
<tr>
<td>4. Use the Letter</td>
<td>Provides for a reasonable</td>
<td>Some local boards may not be</td>
</tr>
</tbody>
</table>
of Expectation
to direct CCOs
to consider
the relevant
outcomes and
themes from
LBPs

expectation of the CCOs
Would create a consistent
process for including local
board priorities, where
appropriate, into the LoE/SOI
process

satisfied that their activity is not
included

Recommendation
LBPs are not currently written in a format that provides clear strategic direction, with principles, that
could be reasonably be asked of a CCO to act consistently with. In addition, there may not be
funding attached to the LBP, making it impossible for a CCO to deliver this activity. However, there
is an opportunity to give CCOs greater direction to act consistently with local board plans through
the annual Letter of Expectations. For these reasons: Option 4 is recommended.
Memorandum

To:               Governing Body
Subject:          Kia Ora Tāmaki Makaurau – Māori outcomes performance measurement framework

From:             Chelsea Natana – Senior Advisor Māori Outcomes, Ngā Mātārae
Simone Andersen – Head of Māori Strategic Outcomes, Ngā Mātārae

Contact information:  chelsea.natana@aucklandcouncil.govt.nz
                              simone.andersen@aucklandcouncil.govt.nz

Purpose
1. To provide the Governing Body the final draft of Kia Ora Tāmaki Makaurau, the Māori Outcomes Performance Measurement Framework for the council group (the Framework).

Summary
2. The final draft of the Framework is provided as Attachment A.
3. The Framework will apply across the council group. Ngā Mātārae and the Māori Outcomes Steering Group sets the direction and leads the Māori outcomes strategic priorities.
4. Delivery of the Framework occurs through the leads work programmes and directorate Māori Responsiveness Plans (MRPs) which will be integrated into business planning cycles. Work to reshape MRPs to align to the Framework is currently underway.
5. The Framework will be adopted into the Long-Term 2021-2031 and will be subject to further refinements necessary through the LTP process.
6. Reporting will be aligned to the Auckland Plan three-year and annual report cycles. Financials will be reported quarterly to the Finance and Performance Committee. Progress to deliver outcomes will be reported six-monthly to the Parks, Arts, Community, and Events Committee.

Context
8. It brings together Māori aspirations, the council group’s contribution towards achieving those aspirations, and measurement of the council group’s performance.
9. The Framework was developed in response to an outstanding recommendation of the Treaty of Waitangi Audit commissioned by the Independent Māori Statutory Board (IMSB).
10. The Long-Term Plan 2018-2028 cites 10 strategic priorities to accelerate the council group’s role in advancing Māori identity and wellbeing. Progress against these priorities will be guided, monitored, and measured through the Framework.
11. In August 2020, the Framework was approved by the Parks, Arts Community, and Events Committee.

Resolution Number PAC/2020/37
That the Parks, Arts, Community, and Events Committee:
a. Approve the Māori Outcomes Performance Measurement Framework, including its performance measures, subject to any refinements necessary through the Long-Term Plan 2021-2031 process.

**CARRIED**

12. The Framework was also approved by the council’s Executive Leadership Team, securing sign-off at both governance and operational levels.

**Discussion**

**Delivery and implementation of Kia Ora Tāmaki Makaurau**

13. It is intended that the Framework be integrated into the Long-Term Plan 2021-2031. The Framework will be subject to further refinements through the LTP process and ensure associated funding through the LTP, with implementation to occur across the council group.

14. Māori outcomes is woven through the council’s new organisational strategy, Kia Manawaroa Tātou, solidifying the Framework as a key component of delivering the Auckland Plan, and aligned to the Framework.

15. Ngā Mātārae is working with the substantive CCOs to include a commitment to the Framework in their Statements of Intent.

16. At an operational level, the council group will continue to deliver Māori outcomes through their directorate Māori Responsiveness Plans (MRPs).

17. Directorate MRPS will be integrated into the business planning cycle and work programmes and will capture medium-term direction including specific actions.

**Reporting cycles**

18. Reporting on the Framework will be aligned to the Auckland Plan three-year and annual report cycles.

19. Financials will be reported quarterly to the Finance and Performance Committee and the Executive Lead Team.

20. Progress against outcomes will be reporting six-monthly to the Audit and Risk Committee.

**Next steps**


22. A group consisting of members of the Māori Outcomes Steering Group will be established to support the implementation of the Framework (a member from Ngā Mātārae, Finance, Strategy and Independent Māori Statutory Board).

23. Māori outcomes budget and proposed changes to performance measures will be discussed at a Finance and Performance workshop on 28 October 2020.


25. Work on the LTP Māori Outcomes lens is already underway. The outcome of this work is scheduled to be workshoped with the Finance and Performance Committee on 11 November 2020.

**Attachments**

Attachment A: Kia Ora Tāmaki Makaurau – Māori Outcomes Performance Measurement Framework
Kia Ora Tāmaki Makaurau
Māori Outcomes Performance Measurement Framework
1 Introduction

Māori identity and culture are Auckland’s unique point of difference in the world. Whānau, hapū, iwi and Māori communities aspire to have healthy and prosperous lives and have defined mana outcomes – the areas that matter most to whānau, marae, iwi, and communities – that will support and progress towards these aspirations.

Auckland Council Group’s previous framework, The Māori Responsiveness Framework, focused on strengthening the organisation’s capacity to engage with Māori entities to serve the needs of the Māori community.

2 Purpose of the Framework

The Māori Outcomes Performance Measurement Framework - Kia Ora Tamaki Makaurau is an evolution of the Māori Responsiveness Framework. It is a performance measurement framework and named for its overall outcome: holistic wellbeing for Tāmaki Makaurau. The Framework supplements the responsiveness approach to be relevant to the expectations and aspirations of Māori under the Treaty of Waitangi.

The Framework aligns the mana outcomes that Māori have identified as mattering most for them, with the 10 strategic priorities agreed to as part of the 2018-2028 Long Term Plan. It then outlines the practical steps to deliver on priority-aligned Māori outcomes, by identifying focus areas where the council can best influence and direct resources for consistent delivery.

This outcomes-based approach shifts the council’s focus from internal responsiveness to the delivery of priorities to benefit Māori. However, a focus on responsiveness will continue through the development of Māori Responsiveness Plans in each of the council’s directorates, under the leadership and support of their Māori Outcome Leads.

The 10 priorities of the Framework will be delivered through the development of work programmes to become business as usual under the Long-Term Plan. Ultimately, the
council by addressing the needs of Māori, in particular, will benefit the community of Tāmaki Makaurau as a whole.

3 Developing the Framework

To respond effectively to the needs and aspirations of Mana Whenua and Māori communities, the Framework needs to reflect te ao Māori, be informed by mātauranga Māori and be Māori-centric. To enable this, it was developed, first, by consulting Māori evaluation experts and completing desktop reviews of mātauranga Māori approaches to outcomes measurement (including other Mana Whenua and Māori community outcomes and wellbeing frameworks).

Its development also involved hui, wānanga and kōrero with Mana Whenua and Māori communities. These kōrero remain ongoing.

The implementation of the Framework requires:

- Integrated collaboration within the council organisation
- Evaluation of the council’s Māori responsiveness approach to date
- Kōrero with the council’s subject matter experts and staff
- Working relationship with the Independent Māori Statutory Board.

This work has informed the Framework’s conceptual foundation and Mana Outcomes. The council’s objectives were then developed to align with these outcomes.

4 Conceptual Foundation

The research informed the Framework’s conceptual foundation, which reflects both the relationship between Māori and Council, and the outcomes and objectives that provide the basis for that relationship. The Framework is based on four key principles.

Principle 1: Ora I Te Tuatahi

The connection of all things in Tāmaki Makaurau

- Wellbeing needs to be the ultimate outcome of the Māori-Council relationship.
- Wellbeing is considered in relation to Te Tātai, the interconnectedness of Te Ira Atua (primal ancestors), Te Ao Tūroa (the natural world) and Te Ira Tangata (humanity)

Principle 2: Mana Māori Motuhake

Māori identity and Māori wellbeing

- Mana Whenua and Māori communities have the mana to determine the outcomes – what matters most – for Māori in Tāmaki Makaurau.
- Māori outcomes need to be informed by the direct, lived experiences of mana whenua and Māori communities.
It is useful if they align with the council’s existing long-term priorities for Māori.

The outcomes need to reflect the broad domains of Te Ao Māori in Tāmaki Makaurau.

The Framework needs meaningful indicators that support Mana Whenua and Māori community aspirations and development.

The council needs to maintain ongoing working relationships with Mana Whenua and Māori communities to maintain their relevance, in order to keep this a living document.

**Principle 3: Me Mahi Tahi Tātou**

We work together towards wellbeing outcomes

- The council group needs to work closely with Mana Whenua and Māori communities to do the mahi (the work) to drive and deliver on outcomes.
- Auckland Council divisions, departments and Council Controlled Organisations (CCOs) take ownership of specific Mana Outcomes and develop objectives, with work programmes, to deliver against the Mahi Objectives.

We will measure the performance of the council group, department and CCO to deliver against their Mahi Objectives and contribute towards Mana Outcomes.

**Principle 4: Kia Ora Tāmaki Makaurau**

Wellbeing for Māori is wellbeing for all Tāmaki Makaurau

- Driving positive outcomes for Māori will contribute to the positive social, cultural, economic, and environmental outcomes for Tāmaki Makaurau and Aotearoa.
- Positive Māori outcomes are can be achieved with Mana Whenua and Māori, community leadership and the council support.

To drive positive Māori outcomes effectively and efficiently, we can collaborate with broader participants in the Tāmaki Makaurau ecosystem, including central government, Non-Government Organisations, private sector organisations, tertiary institutions, and communities.
5 Integrated Wellbeing

Kia Ora Tāmaki Makaurau focuses on holistic wellbeing. Kia Ora Te Tātai refers to the way wellbeing is dependent on being in balance and connected to the Tāmaki Makaurau ecosystem. The interconnectedness and interdependencies of the spiritual, natural, and human aspects of Tāmaki Makaurau need to be considered as Mana Whenua, Māori communities, the council and others drive Māori outcomes.

Aspirational Outcome: Kia Ora Te Tātai

The interconnections of all things – spiritual and physical - within the Tāmaki Makaurau ecosystem is acknowledged, maintained, and enhanced.

Māori view the world as a dynamic and complex ecosystem of interconnections and interdependencies. Experts recite the whakapapa (genealogy) of people, birds, fish, trees and the weather to explain the relationships between all things and to place themselves within the world. Humans not only depend on ecosystems, but they also influence them.

Kia Ora Te Tātai emphasises the wellbeing of the ‘connections’ within the ecosystem as much, if not more than that ecosystem’s components.

<table>
<thead>
<tr>
<th>Kia Ora Te Ira Atua (Primal Ancestors)</th>
<th>Kia Ora Te Ao Tūroa (Natural World)</th>
<th>Kia Ora Te Ira Tangata (Humanity)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ira Atua refers to spirituality, wellbeing, and sacredness of Atua Māori (Māori deities). As with all parts of the ecosystem, Māori and other humans are a living connection to primal ancestors, the gods, and the universe. We are born with Ira Atua.</td>
<td>Te Ao Tūroa refers to the environment – natural and built. It maintains that the interconnection between humans and the environment is fundamental for wellbeing and is the basis for human survival. It also promotes intergenerational equity; one generation ensures natural resources remain in as good a condition or better for the next.</td>
<td>Te Ira Tangata is one of three essences with which we’re born. Every living thing is part spirit and part animate. For humans, te Ira tangata is the animate part. It links all humans with each other, and it links one generation to the next.</td>
</tr>
<tr>
<td>Kia Ora Te Ira Atua signals the acknowledgement and nurturing of this spiritual connection in all we do.</td>
<td>Kia Ora Te Ao Tūroa emphasizes the human connection to our environments and the need to provide for this connection.</td>
<td>Kia Ora Te Ira Tangata requires us to ‘keep well’ our connections within us, with each other, and with generations before and after.</td>
</tr>
</tbody>
</table>
6 Structure of the Māori Outcomes Performance Measurement Framework

The 10 Priorities of the Māori Outcomes Performance Measurement Framework have titles in te reo Māori, provided by the Mana Whenua Kaitiaki Forum. Each priority is stated as a Mana Outcome and includes an outcome statement. Each Mana Outcome is connected to a Mahi Objective to define what the council will do to contribute to delivering the outcomes. The Mahi Objectives include performance measures.
Mana outcomes and mahi objectives

What is it?                          What does it include?

Mana Outcomes

Outcomes set by Māori

• Outcome statement

Mahi Objectives

The council group’s contribution to the mana outcomes

• Objectives
• Measures
## Māori Outcomes Performance Measurement Framework

<table>
<thead>
<tr>
<th>Kia ora te Kāinga</th>
<th>Mana outcomes statement:</th>
<th>Mahi objective:</th>
<th>Measures:</th>
</tr>
</thead>
</table>
| Papakāinga and Māori Housing | Whānau Māori live in warm, healthy and safe homes. Housing options meet the individual and communal needs of whānau in Tāmaki Makaurau | The council group supports Māori housing and papakāinga aspirations through providing expert advice, appropriate investment and improved associated infrastructure. | • Number of Māori organisations and trusts supported to progress Māori housing and papakāinga development.¹  
• Number of consents issued that support Māori housing, papakāinga and marae infrastructure.²  
• Number of cultural values assessment (CVA) requests.³ |

<table>
<thead>
<tr>
<th>Kia ora te Umanga</th>
<th>Mana outcomes statement:</th>
<th>Mahi objective:</th>
<th>Measures:</th>
</tr>
</thead>
</table>
| Māori Business, Tourism and Employment | Intergenerational wealth is created through a thriving Māori economy | The council group supports a resilient and regenerative Māori economy by supporting economic opportunities for Māori businesses and iwi organisations. | • Number of Māori businesses involved in social procurement opportunities of the council group.⁴  
• Number of businesses that have been through an ATEED programme or benefited from an ATEED intervention.⁵  
• Number of initiatives supported by LTP Māori Outcomes fund that contributes to Māori economic development.⁶ |

¹ Existing Long-Term Plan (LTP) and Independent Māori Statutory Board (IMSB) Values Report – kaitakitanga fig 14
² Proposed
³ Proposed
⁴ Proposed
⁵ Existing LTP and IMSB Values Report – Kaitakitanga fig 18
⁶ Proposed
**Kia Ora Tāmaki Makaurau**

**Māori outcomes performance measurement framework**

<table>
<thead>
<tr>
<th>Mana outcomes statement:</th>
<th>Mahi objective:</th>
<th>Measures:</th>
</tr>
</thead>
</table>
| **Marae are centres of excellence for whānau Māori and have an abundant presence in communities** | Invest in marae to be self-sustaining and thriving hubs for Māori and the wider community. | - Number of mana whenua and mataawaka marae that receive support to renew or upgrade marae infrastructure.\(^7\)  
- Māori Outcomes funded investment in marae.\(^8\)  
- Number of consents issued that support marae infrastructure.\(^9\) |

Marae in Tāmaki Makaurau aspire to be self-sustaining and thriving. They provide a cultural connection and space to practice kaitiakitanga for Mana Whenua and Māori communities. Mana Whenua marae carry the responsibility of ahi kia; mataawaka marae manaaki whānau and the community.

Marae offer services that contribute to and support whānau and community wellbeing, such as civil defence centres, kōhanga reo and early childhood education. Marae often deliver a range of health, education and social services. Marae have a leadership role to manaaki and foster whanaungatanga for Māori and the wider community, this requires appropriate resource and support.

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\(^7\) Existing LTP and IMSB Values Report – Kaitiakitanga fig.4

\(^8\) Proposed

\(^9\) Proposed
### Attachment C: Kia Ora Tāmaki Makaurau - Māori outcomes performance measurement framework

<table>
<thead>
<tr>
<th>Mana outcomes statement:</th>
<th>Mahi objective:</th>
<th>Measures:</th>
</tr>
</thead>
</table>
| **Ko te reo Māori te mauri o te mana Māori**  
Te reo Māori is an official language in Aotearoa New Zealand and fundamental to a thriving Māori identity for Tāmaki Makaurau. Investment and support are needed to create opportunities to see, hear, speak and learn te reo Māori.  
A bilingual Tāmaki Makaurau can be demonstrated through signage, heard on modes of transport and reflected on media platforms. Widespread commitment to increase fluency in day to day usage of te reo will ensure this taonga tuku iho (legacy) flourishes for generations to come. | The council group supports te reo Māori to be seen, heard, spoken and learned throughout Tāmaki Makaurau | - Number of reo Māori or bilingual signs, e.g. Parks, facilities and Local Board offices.  
- Number of translation requests.  
- Reo Māori public announcements e.g. transport routes/stations, public facilities, service centres.  
- Percentage of actions in Te Reo Action Plan that are implemented.  
- Ratio of reo Māori to English content on Council’s internal and external web. (Note: see Empowered Organisation for a measure on learning te reo Māori) |

<table>
<thead>
<tr>
<th>Mana outcome statement:</th>
<th>Mahi objective:</th>
<th>Measures:</th>
</tr>
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</table>
| **Tāmaki Makaurau is rich with Māori identity and culture.**  
Māna whenua identity and Māori culture are Auckland's point of difference in the world - they advance wellbeing and prosperity for Māori and benefit all Aucklanders. Their uniqueness is underpinned by the many iwi and hapū whose mana extends over Tāmaki Makaurau and who are valued for the kaitiakitanga and manaakitanga roles they hold toward all who live and visit here. | The council group reflects and promotes Māori culture and identity within the environment, and values mātauranga Māori | - Number of sites of significance included in notified plan changes.  
- Number of events and programmes supported by the council group that showcases Māori identity and culture in Tāmaki Makaurau.  
- Council group investment in tohu tangata whenua in Tāmaki Makaurau. |
<table>
<thead>
<tr>
<th>Item 16</th>
<th>Attachment C</th>
<th>Kia ora tāmaki makaurau</th>
<th>Māori outcomes performance measurement framework</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mana outcome statement:</strong></td>
<td><strong>Mahi objective:</strong></td>
<td><strong>Measures:</strong></td>
<td></td>
</tr>
</tbody>
</table>
| **Empowered whānau Māori across Tāmaki Makaurau** | The council group will enable whānau Māori to experience relevant and welcoming public facilities and services. It will support Māori-led services where appropriate. | • Percentage of tamariki Māori using the council group’s services is greater than or equal to the Māori population average. 18  
• Number of grants that support whānau and tamariki wellbeing. 19 |
| Whānau are resilient, confident and successful. Investment is needed to support the aspirations of whānau Māori. Investing in the future of whānau is vital to advancing Māori wellbeing. | | |
| Nearly a third of Auckland Māori are under the age of 15, and their wellbeing is intricately interwoven with that of their whānau. | | |
| **Mana outcome statement:** | **Mahi objective:** | **Measures:** |
| **Rangatahi Māori realise their potential** | Rangatahi Māori of Tāmaki Makaurau are supported in career development and participate meaningfully and effectively in decision-making processes. | • Number of Māori youth employed in Auckland Council Group. 20  
• Number of Māori youth on Auckland Council Group’s decision-making forums. 21  
• Percentage of rangatahi Māori accessing Auckland Council Group’s youth career and development programmes. 22 |
| Māori youth have opportunities to become leaders. They have an important role in contributing to Auckland’s present and future. To enable their participation in leadership roles and political decision-making, they need access to relevant education and support to pursue meaningful careers that contribute positively to Auckland now and in the future. | | |

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18 Proposed  
19 Proposed  
20 Existing IMSB Values Report – Rangatiratanga fig 4  
21 Existing IMSB Values Report – Rangatiratanga fig 4  
22 Proposed
<table>
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<tr>
<th>Attachment C</th>
<th>Item 16</th>
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### Ki a ora te Taiaro

#### Kaiporohanga

**Mana outcome statement:**

Manewartu exercise kaitiakitanga of te taiaro in Tāmaki Makaurau

Manewartu actively exercise kaitiakitanga in Tāmaki Makaurau. Katiaki provide an aligned approach to remediate, protect and enhance the mauri of these treasured environments for present and future generations. Embedding these concepts into our thinking and design supports a focus on the interrelationship between the natural environment and people.

### Ki a ora te Honoonga

#### Kaiporohanga Effective Māori Participation Led by Governance

**Mana outcome statement:**

Manewartu and Māori are active partners, decision-makers and participants alongside Auckland Council Group

Manewartu are partners under Te Tiriti o Waitangi and exercise rangatiratanga in Tāmaki Makaurau. Establishing partnerships with Mana Whenua and Māori in Tāmaki Makaurau allows the council to meet its commitments under Te Tiriti o Waitangi.

### Mahi objective:

**Maori exercise into rangatiratanga and kaitiakitanga through Te Tiriti based relationships with the council group, to enhance the mauri of te taiaro.**

### Measures:

- Auckland Council Group investment into transformational activities that contribute to Māori environmental outcomes.  
- Number of initiatives with Māori which protect and improve the environment, improve water quality, and reduce pollution.

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23 Existing IMSB Values Report – Kaitiakitanga fig.25
24 Proposed
25 Existing LTP
26 Existing IMSB Values Report – Rangatiratanga fig.6
27 Existing LTP and IMSB Values Report – Rangatiratanga fig.8
**Kia Hāngai te Kaunhēra – An Empowered Organisation Led by People and Performance**

**Mana outcome statement:** The council group achieves outcomes and benefits for and with Māori

The council group has legal and treaty obligations to deliver on Māori outcomes. It needs policies that support effective Māori participation and enables the council to meet its legislative and Te Tiriti derived obligations. An empowered organisation also needs processes that enable Māori to participate meaningfully in council matters, particularly those that support the development of strong, thriving and flourishing Māori communities.

**Mahi objective:** The council group fulfils its commitments and legal obligations to Māori derived from Te Tiriti o Waitangi and has the capability to deliver Māori outcomes.

**Measures:**

- Māori Outcomes LTP fund is fully allocated each financial year.\(^{28}\)
- Percentage of council employees in permanent roles who identify as Māori.\(^{29}\)
- Percentage of council staff in senior leadership positions who identify as Māori.\(^{30}\)
- Number of staff and elected members that participate in council supported Māori and Te Tiriti learning programmes.\(^{31}\)
- Percentage of IMSB treaty audit recommendations closed.\(^{32}\)

\(^{28}\) Proposed
\(^{29}\) Existing IMSB Values Report – Rangatiratanga fig 7
\(^{30}\) Proposed
\(^{31}\) Proposed
\(^{32}\) Proposed
Tira Kāwana / Governing Body
Workshop: Auckland International Airport Limited

NOTES

Notes of a workshop of the Governing Body held remotely on Wednesday, 26 August 2020 at 9.00am.

PRESENT

Hon Phil Goff, CNZM, JP
Cr Josephine Bartley
Cr Bill Cashmore
Cr Cathy Casey
Cr Fa’anana Efeo Collins
Cr Pippa Coom
Cr Linda Cooper, JP
Cr Angela Dalton
Cr Chris Darby
Cr Alf Filipaina
Cr C Fletcher
Cr Shane Henderson
Cr Richard Hills
Cr Tracy Mulholland
Cr Daniel Newman, JP
Cr Greg Sayers
Cr Desley Simpson, JP
Cr Sharon Stewart
Cr Wayne Walker

From 9.24am, Item 5
Cr John Watson

ABSENT

Cr Paul Young

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:**
The purpose of the meeting is to for:
- the Governing Body to receive a current update on AIAL’s financial position and COVID-19 response planning and provide an opportunity for Governing Body engagement with senior AIAL leadership.

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Apologies</td>
</tr>
<tr>
<td></td>
<td>A subsequent apology was received from Cr P Young for absence.</td>
</tr>
<tr>
<td>2</td>
<td>Declarations of Interest</td>
</tr>
<tr>
<td></td>
<td>Members were reminded of the need to declare any conflict that may arise between their role as a member and any private or other external interest they might have.</td>
</tr>
<tr>
<td></td>
<td>There were no declarations of interest.</td>
</tr>
<tr>
<td>3</td>
<td>Introduction and welcome</td>
</tr>
<tr>
<td></td>
<td>Mayor Phil Goff</td>
</tr>
<tr>
<td>4</td>
<td>Presentation from Auckland International Airport Limited</td>
</tr>
<tr>
<td></td>
<td>Dr Patrick Strange (Chair of the board)</td>
</tr>
<tr>
<td></td>
<td>Adrian Littlewood (Chief Executive Officer)</td>
</tr>
<tr>
<td></td>
<td>Philip Neutze (Chief Financial Officer)</td>
</tr>
<tr>
<td></td>
<td>A presentation was given.</td>
</tr>
<tr>
<td>5</td>
<td>Discussion and questions</td>
</tr>
<tr>
<td></td>
<td><em>Cr W Walker entered the meeting at 9.24am.</em></td>
</tr>
<tr>
<td></td>
<td>Members asked and received answers to their questions.</td>
</tr>
<tr>
<td>6</td>
<td>Wrap up</td>
</tr>
<tr>
<td></td>
<td>Mayor Phil Goff</td>
</tr>
</tbody>
</table>

The workshop closed at 9.55am.
Important notice

Disclaimer

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- is provided for general information purposes only, and is not an offer or invitation for subscription, purchase, or recommendation of securities in Auckland International Airport Limited (Auckland Airport);
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- includes forward-looking statements about Auckland Airport and the environment in which Auckland Airport operates which are subject to uncertainties and contingencies outside of Auckland Airport’s control. Auckland Airport’s actual results or performance may differ materially from these statements;
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All currency amounts are expressed in New Zealand dollars unless otherwise stated and figures, including percentage movements, are subject to rounding.

Refer page 33 for a glossary of the key terms used in this presentation.
Auckland Airport in context

Major economic engine for Auckland and NZ

- Annual GDP contribution to NZ & AKL: ~$1bn direct
- ~$2.5bn wider precinct
- ~20,000+ precinct workers pre COVID

Heart of NZ’s people and freight connections to the world

- 73% of total pax to NZ
- 86% of NZ air cargo / $20bn value
- 30 airlines/ 40+ destinations

Infrastructure plan generating pipeline of jobs and economic value

- >$1bn per year capex was planned for coming years
- 3x investment multiplier

Strong connection with South Auckland community

- 1000s of new skilled jobs
- >$1m in AKL direct investment in last 2 yrs

The year pre-COVID-19

The eight-month period to the end of February was one of continued delivery

Aeronautilcal | Operations | Infrastructure

SEUL | VANCOUVER | NEW YORK | DALLAS

Retail | Transport | Property
The impact of COVID-19 is unprecedented

But the impact COVID-19 has been unprecedented in recent history with passenger numbers substantially down on the prior year.

Major infrastructure programme suspended pending reset

Note: Represents project status as at Dec 20.
## FY20 financial results at a glance

<table>
<thead>
<tr>
<th>Category</th>
<th>FY20</th>
<th>Change</th>
<th>Percentage Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$567.0m</td>
<td>(23.7)%</td>
<td></td>
</tr>
<tr>
<td>Reported profit after tax</td>
<td>$193.9m</td>
<td>(63.0)%</td>
<td></td>
</tr>
<tr>
<td>Earnings per share</td>
<td>15.2 cps</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITDAFI</td>
<td>$260.4m</td>
<td>(53.1)%</td>
<td></td>
</tr>
<tr>
<td>Underlying profit</td>
<td>$188.5m</td>
<td>(31.4)%</td>
<td></td>
</tr>
<tr>
<td>Earnings per share</td>
<td>14.7 cps</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating cashflow</td>
<td>$175.8m</td>
<td>(53.2)%</td>
<td></td>
</tr>
<tr>
<td>Passenger movements</td>
<td>15.5m</td>
<td>(26.5)%</td>
<td></td>
</tr>
<tr>
<td>Aircraft movements</td>
<td>139,137</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital investment</td>
<td>$370.8m</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Refer appendix for reconciliation of reported profit after tax to underlying profit after tax.
2. Net capital expenditures after $182.2m of capital write-offs and impairments.
Liquidity

Secured liquidity to support the business

- Extended bank debt maturing in the period to 31 December 2021 until calendar 2022 and 2023
- Obtained waivers from bank lenders and USPP noteholders for any interest coverage and gearing covenant breaches until 31 December 2021 (inclusive)
- $1.2 billion equity raise
- Dividends suspended while covenant waivers in place
- Committed undrawn facility headroom at 30 June of c.$936.3m and $765.3m in available cash
- A- credit rating maintained

Credit metrics and key leading covenants

<table>
<thead>
<tr>
<th>Covenant</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating profit margin</td>
<td>≥ 6%</td>
<td>23.5%</td>
</tr>
<tr>
<td>Interest coverage</td>
<td>≥ 1.5x</td>
<td>2.62x</td>
</tr>
<tr>
<td>Debt to enterprise value</td>
<td>19.4%</td>
<td>15.5%</td>
</tr>
<tr>
<td>Net debt to enterprise value</td>
<td>12.5%</td>
<td>15.3%</td>
</tr>
<tr>
<td>Funds from operations to interest cover</td>
<td>2.5x</td>
<td>3.4x</td>
</tr>
<tr>
<td>Funds from operations to net debt</td>
<td>11.0%</td>
<td>18.6%</td>
</tr>
<tr>
<td>Weighted average interest cost</td>
<td>3.89%</td>
<td>4.28%</td>
</tr>
<tr>
<td>Average debt maturity profile (years)</td>
<td>4.66</td>
<td>4.12</td>
</tr>
<tr>
<td>Percentage of fixed borrowings</td>
<td>65.4%</td>
<td>60.1%</td>
</tr>
</tbody>
</table>

Outlook

Guidance

- As we look to the 2021 financial year, we continue to face significant uncertainty relating to the timing of Auckland Airport’s recovery. We think the recovery could take longer than IATA’s and S&P’s current forecasts of a full recovery of international travel in approximately three years. We are hopeful that domestic travel will return to normal comfortably within two years and that short-haul Tasman and Pacific Island travel will resume sometime in 2021, with a full recovery before long-haul international travel returns to normal
- Because of this uncertainty, Auckland Airport has suspended underlying earnings guidance for the 2021 financial year, but will reassess this at the October Annual Meeting and again when the interim results for the 2021 financial year are announced in February next year
- Auckland Airport expects capital expenditure in FY21 of between $250m and $300m including completing existing roading, runway, baggage system and investment property projects
- This guidance is subject to any material adverse events, significant one-off expenses, non-cash fair value changes to property and any deterioration due to global market conditions or other unforeseeable circumstances
Wider airport district

Governance

Dr Patrick Strange (Chair)  Mark Binns  Dean Hamilton  Julia Hoare

Liz Savage  Justine Smyth  Tania Simpson  Christine Spring