

**Date:** Thursday 22 February 2024  
**Time:** 10.00am  
**Meeting Room:** Room 1, Level 26  
**Venue:** 135 Albert Street  
 Auckland

**Updated 21.02.2024**

This meeting has been cancelled. The reports will be considered at the next scheduled meeting of the committee on 12 March 2024.

**Komiti mō te Whakahaere Tikanga me te Aro ki  
 te Pae Tawhiti mō ngā Whakahaere ka  
 Whakahaerehia e te Kaunihera /  
 Council Controlled Organisation Direction and  
 Oversight Committee  
 OPEN ATTACHMENTS**

<b>ITEM</b>	<b>TABLE OF CONTENTS</b>	<b>PAGE</b>
<b>10</b>	<b>Summary of Council Controlled Organisation Direction and Oversight Committee information memoranda and briefings (including the forward work programme) – 22 February 2024</b>	
A.	Council Controlled Organisation Direction and Oversight Committee - Forward Work Programme	3
B.	Lead Councillor written report: Cr Angela Dalton – Eke Panuku	7
C.	Lead Councillor written report: Deputy Mayor Simpson – Tātaki Auckland Unlimited	11
D.	Lead Councillor written report: Cr Ken Turner – Watercare	15
E.	Lead Councillor written report: Cr C Darby – Port of Auckland	19
F.	Council Controlled Organisation Direction and Oversight Committee / Transport and Infrastructure Committee – Joint Workshop Notes: Letters of Expectation	21



**Komiti mō te Whakahaere Tikanga me te Aro ki te Pae Tawhiti mō ngā Whakahaere ka Whakahaerehia e te Kaunihera / Council Controlled Organisation Direction and Oversight Committee  
Forward Work Programme 2023**

This committee deals with having a general overview and insight into the strategy, direction and priorities of all Council Controlled Organisations (CCO) and Ports of Auckland Limited, except Auckland Transport.

The full terms of reference can be found here: [Auckland Council Governing Body Terms of Reference](#)

Area of work and Lead Department	Pūnga / Reason for work	Committee role (whakatau / decision and/or tika / direction)	Expected timeframes Highlight the month(s) this is expected to come to committee in 2023											
			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>Strategic direction</b>														
<b>Letters of Expectation</b> CCO Governance and External Partnerships	Council issues an annual letter of expectations to each of its substantive CCOs to inform the development of the CCOs' Statements of Intent.	Seeking committee approval of the content of draft 2024-2025 letters of expectation. A report will be provided in December 2023. <b>Progress to date:</b> Report to Governing Body December 2023 <a href="#">link to decision</a>												
<b>Council strategies and policies guiding each CCO and consideration of potential gaps</b> CCO Governance and External Partnerships	Analysis of the current council strategies and policies guiding each CCO and any gaps in direction. Committee to recommend any priorities for addressing these gaps to the relevant committee of the whole to consider and progress.	Committee to consider draft report in July 2023. <b>Progress to date:</b> Draft presentation provided to Committee Chair in late June. Recommended that discussion on potential gaps be considered as part of the 10-year Budget process, with councillors to identify and guide the group on the issues it wants considered. Committee report not required.												
<b>Model for internal local project oversight groups for Eke Panuku urban regeneration programmes</b> Eke Panuku	Reporting on the model for internal local project oversight groups for projects in priority locations (as per letter of expectation)	Committee to receive report in early 2024. <b>Progress to date:</b>												
<b>Review of non-substantive Council controlled organisations</b> CCO Governance and External Partnerships	To ensure that the governance model for Council's non-substantive CCOs is appropriate. CCO/2020/21 approved the council undertaking a review of the status of non-substantive council-controlled organisations and the framework for undertaking the review.	Committee to make decisions about the future governance of non-substantive CCOs. Dates to be confirmed. <b>Progress to date:</b>												

Item 10

Attachment A

Area of work and Lead Department	Pūnga / Reason for work	Committee role (whakatau / decision and/or tika / direction)	Expected timeframes Highlight the month(s) this is expected to come to committee in 2023												
			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
<b>Performance monitoring and reporting</b>															
<b>Quarterly, Half-Year and Annual Reports</b> CCO Governance and External Partnerships	Under the LGA and LGACA the council must regularly undertake performance monitoring of the CCO to evaluate its contribution to meeting its objectives, and the desired results identified in the SOI.	Committee to receive quarterly reports, receive, and adopt half yearly and annual reports. <b>Progress to date:</b> Quarter one reports received in November 2023 <a href="#">link to decision</a>													
<b>CCO and POAL strategic performance oversight and site visits</b>	CCO Board members are requested to attend committee meetings to discuss strategic performance twice yearly. This is to ensure CCO board engagement and relationship building.	Site visits: Postponed to 2024. Performance oversight focus: <b>Progress to date:</b> Watercare performance oversight – June 2023 Eke Panuku performance oversight – August 2023 Tātaki Auckland Unlimited performance oversight – September 2023 POAL performance oversight – October 2023													
<b>Lead Councillor Updates</b> CCO Governance and External Partnerships	Mayor Wayne Brown has appointed four lead councillors to attend the board meetings of CCOs allocated to them and report back to this committee quarterly.	Committee to receive updates from the CCO Lead Councillors <b>Progress to date:</b> Written updates received March 2023 <a href="#">link to decision</a> Written updates received June 2023 <a href="#">Link to decision</a> Written updates received September 2023 <a href="#">Link to decision</a> Written updates distributed December 2023.													
<b>The State of the City report 2023</b> Tātaki Auckland Unlimited	The committee wishes to be kept informed on work progressing the areas of focus from the State of the City report: Benchmarking Tāmaki Makaurau Auckland’s international performance (2023).	Receive verbal progress reports from the Director Investment and Industry scheduled for December 2023, March and June 2024. <b>Progress to date:</b> Report received at September 2023 committee meeting. <a href="#">Link to decision</a>													

Completed

Area of work and Lead Department	Committee role	Whakatau / Decision
<b>Draft and final SOIs</b>	<p>Under legislation CCOs must deliver annually a draft statement of intent to its shareholders by 1 March 2023.</p> <p>Under legislation CCOs must deliver annually a final statement of intent to its shareholders by 30 June 2023.</p> <p>Covers: Watercare, Tātaki Auckland Unlimited, Eke Panuku, Manukau Beautification Charitable Trust, COMET Auckland, and Contemporary Art Foundation.</p>	<p>Final statements of intent approved at August 2023 committee meeting.</p> <p><a href="#">Link to decision</a></p>
<b>Ports of Auckland – Statement of Corporate Intent</b>	<p>Provide shareholder comments on the 2023/26 Ports of Auckland Limited Statement of Corporate intent.</p>	<p>Shareholder comments approved at June 2023 committee meeting.</p> <p><a href="#">Link to decision</a></p>
<b>Status of Eke Panuku current urban regeneration programme</b>	<p>Outlining progress, timing and budgets for urban regeneration programmes, including each priority location and regional programmes.</p>	<p>Report received at August 2023 committee meeting.</p> <p><a href="#">Link to decision</a></p>
<b>Quarterly, Half-Year and Annual Reports (2022-2023)</b>	<p>Under the LGA and LGACA the council must regularly undertake performance monitoring of the CCO to evaluate its contribution to meeting its objectives, and the desired results identified in the SOI.</p>	<p>Quarter One reports received December 2022 <a href="#">link to decision</a></p> <p>Quarter Two reports received March 2023 <a href="#">link to decision</a></p> <p>Quarter Three reports received June 2023 <a href="#">link to decision</a></p> <p>Quarter Four reports received September 2023 <a href="#">link to decision</a></p>
<b>Haumarū Housing – End of year results</b>	<p>Haumarū Housing will report to the CCO Direction and Oversight Committee once a year to discuss performance and end of year results.</p>	<p>Annual results presented and received in November 2023 <a href="#">link to decision</a></p>
<b>Tamaki Regeneration Company (TRC) - End of year results</b>	<p>TRC will report to the CCO Direction and Oversight Committee once a year to discuss performance and end of year results.</p>	<p>Annual results presented and received in November 2023 <a href="#">link to decision</a></p>



## Eke Panuku

### Lead Councillor report to CCO Direction and Oversight Committee

Councillor Angela Dalton: October – December 2023

#### 1. Council meetings involving Eke Panuku

The following committee meetings, workshops and memos involved Eke Panuku.

Meeting	Date	Eke Panuku items
<b>Audit and Risk Committee meeting</b>	15 September	CCO Audit and Risk update, including Eke Panuku (item C1: confidential)
<b>Governing Body workshop</b>	27 September	Future development of the ports land – Eke Panuku work on the Port Precinct Future Development Framework Plan (confidential)
<b>Planning Environment and Parks Committee workshop</b>	11 October	City Centre Masterplan
<b>Governing Body workshop</b>	24 October	Downtown carpark redevelopment (confidential)
<b>Budget Committee workshop</b>	1 November	Eke Panuku urban regeneration options for the long-term plan 2024-2034.
<b>CCO Direction and Oversight Committee meeting</b>	9 November	Eke Panuku quarter one performance report (item 11)
<b>CCO Direction and Oversight Committee memo</b>	20 November	Eke Panuku annual report (sent via memo).
<b>Governing Body meeting</b>	23 November	Downtown Carpark strategic transport outcomes and funding (item 13)
<b>Planning Environment and Parks Committee meeting</b>	30 November	City centre action plan – implementing the city centre masterplan (item 10)
<b>Audit and Risk Committee meeting</b>	5 December	CCO Audit and Risk update December 2023, including Eke Panuku (item C1: confidential)

#### 1. Key issues and insights for council as shareholder

##### *Long-term plan 2024-2034 and letter of expectation*

##### Urban regeneration

In workshops to develop the long-term plan 2024-2034 (LTP), Eke Panuku presented options for their medium-long term urban regeneration programmes. I am pleased to see that the Mayoral Proposal and LTP consultation material anticipate urban regeneration programmes continuing at current levels.

Urban regeneration programmes to create thriving town centres are vital to the economic and social improvement of our city. They are complex and long-term and will strengthen and grow communities. It is particularly important that we finish the urban regeneration programmes we have started.

The Mayoral Proposal also recommends restoration of the \$100m Strategic Development Fund, which I also support. Similar to a revolving credit facility, the Strategic Development Fund allows Eke Panuku to acquire key pieces of land for development purposes, for example to aggregate sites in and near centres. Once this has been achieved the sites are sold (to achieve agreed outcomes), with the receipts then used to acquire new sites. This is an important regeneration tool.

Property function

The Mayoral proposal anticipates that Eke Panuku contribute to the asset sale target of \$300m over 10 years of the LTP, with the timeline and pipeline of asset sales to be decided by council.

I note that there is a significant amount of work to be led by council around group property ownership and management. This includes establishing principles for asset ownership, review of the group property model, a section S17A review of marina management and the establishment of a taskforce on service property optimisation. Each of these pieces of work have the potential to impact Eke Panuku and council will need to be cognisant of the overall impacts on them.

Letters of expectation 2024/2025

Council (as shareholder) has agreed direction for Eke Panuku at the Governing Body meeting on 14 December 2023. This direction will be provided to them in the letter of expectation 2024/2025. This direction is in line with the Mayoral proposal and consultation document for the LTP as noted above.

***Auckland City Centre Action Plan***

The City Centre Action Plan (an implementation plan for the City Centre Masterplan) was endorsed by the Planning Environment and Parks Committee on 30 November. This will guide council group activity and investment, with safety, transport and accessibility being some of the key focus areas.

Eke Panuku led the development of the plan as agreed lead agency for the city centre. It has been satisfying to be able to provide connections and insights on this work through both my roles as deputy chair of the Planning, Environment and Parks Committee and Eke Panuku lead councillor.

**2. Implementing the letter of expectation 2023 - 2026 for Eke Panuku**

Areas of focus	Performance
Deliver priority urban regeneration projects to ensure tangible public benefits and local ownership of the projects	<b>In progress:</b> Eke Panuku continue to deliver urban regeneration in agreed locations, with a comprehensive progress update provided to the CCO Direction and Oversight Committee in August. Options for the future medium-long term urban regeneration programme were presented to a Budget Committee workshop on 1 November.
Plans for port land	<b>In progress:</b> work with council and POAL on conceptual plans for the ports precinct has progressed, including workshops on 19 July, 2 August and 27 September. A framework plan will be sent to council by December 2023.



Areas of focus	Performance
Management of non-service properties – improve commercial return, support council to develop principles governing its property ownership and assess the case for consolidating management of non-service properties / group property functions	<b>In progress:</b> in quarter one the property portfolio had a net surplus that was tracking \$1.8m ahead of budget. Eke Panuku continues to support work by council to develop principles governing its property ownership and assess the case for consolidating management of group property functions.
Reducing corporate costs - become a smaller, more focused agency	<b>In progress:</b> relocation from the Eke Panuku office in Wyndham to Albert Street. Staffing numbers have also reduced (from 2022/2023), to meet budget reductions.

**3. Upcoming dates for Eke Panuku**

- 12 March 2024 – Eke Panuku Quarter Two report to the CCO Direction and Oversight Committee
- 1 April 2024 – council receives draft SOIs (anticipating a one-month extension)



## Tātaki Auckland Unlimited (TAU)

### Lead Councillor reporting to CCO Direction and Oversight Committee

#### Deputy Mayor Simpson – December 2023

#### 1. Engagements

From the period 1 September – 15 December 2023 as Lead Councillor I:

- Attended three TAU board meetings – 10 October, 25 October and 29 November 2023.
- Met with the TAU board chair on three other occasions.

#### 2. Key issues and insights for council as shareholder

Key topics discussed in the open section of the **TAU 10 October** board meeting included:

##### Chief Executive's Report

Key points of interest:

- August was the first full month after the new ticketing strategy was implemented at the Auckland Zoo. To date, the changes have exceeded ticket revenue expectations and have not shown any significant negative impacts on other discretionary spend at the at Zoo (retail, catering, etc).
- Sponsorship recruitment is complete – new people starting in September and October to implement the sponsorship framework and strategy. Philanthropic grant funding recruitment is partially complete with a new person starting in September to drive implementation of the grant funding strategy.
- Te Mahere Aronga: Achieving Māori Outcomes Plan. Following two years of implementation, a highlights and successes publication [Ākina](#) has been produced.
- TAU is coming off a period of enormous change for the organisation, delivering \$34.5m in savings to meet the FY24 target, 200 FTE reduction and moving to 135 Albert Street offices. This is off the back of the 2020 merger, COVID-19 disruption and associated recovery

##### Tech Tāmaki Makaurau Year 1 review

Key points of interest:

- The board received a presentation on this three-year programme of action, which has been developed with industry to grow Auckland's \$13.5 billion technology industry, create more high skilled jobs and attract more tech talent and investment into the region.
- Highlights from the past 12 months are captured in this [video](#).

Key topics discussed in the open section of the **TAU 25 October** board meeting included:

##### Statement of Intent Performance for year ended 30 June 2023

Key points of interest

- The board received an excellent presentation on the year in review, with many highlights identified. Video available here: <https://youtu.be/D516U6u3uMw?si=iczvzVE79FVm3NZ>

#### Chief Executive's Report

Key points of interest:

- A highlight for September was the One NZ Warriors semi-final at Go Media Stadium played in front of a sell-out crowd. As the summer concert season takes shape, the shortage of stadium content in the New Zealand market is obvious. That can be attributed to a wide range of factors, including the economy, high freight costs, and the level of event attraction resource being applied in Australia.
- Participation in the Asia Pacific Cities Summit and Mayors' Forum in Brisbane, Australia in September. The programme of meetings included visiting aspects of Brisbane's innovation ecosystem, city-shaping and best practice elements. There was a bilateral meeting between Lord Mayor Schinnerer of Brisbane and Mayor Brown.

#### Climate Response Strategic Plan

Key points of interest:

- The board has approved a Climate Change and Environment Strategic Plan. The focus is to establish goals and targets with prioritised actions that effectively tackle climate change and environmental impacts throughout TAU's internal operations.

#### Auckland Art Gallery Toi o Tāmaki End of Year Review 2023

Key points of interest:

- The board received Auckland Art Gallery's [Annual Review](#) (1 July 2022-30 June 2023). This sets out key annual numbers for the Art Gallery, with details on exhibitions and artist commissions, public programmes, heritage restoration project and more.

Key topics discussed in the open section of the **TAU 29 November** board meeting included:

#### Chief Executive's Report

Key points of interest:

- Sail GP decided not to proceed with the event in Auckland in March 2024. This decision does free up \$1m of the Regional Events Fund to invest in events before the end of 2024.
- The BNZ Diwali Festival was delivered successfully 4-5 November. BNZ was extremely complimentary of the team delivering the event and expressed excitement about planning for the BNZ Lantern Festival in February.
- Climate Connect Aotearoa and Tātaki published [Tāmaki Makaurau Auckland's turning point: the cost of climate inaction vs decisive action](#) and an economic insights paper [Mitigating climate change in New Zealand: impacts on Auckland's economy](#)

### **3. Implementing the 2023/24 letter of expectation for Tātaki Auckland Unlimited**

#### *Concise Statements of Intent with Meaningful Performance Measures*

This has been acknowledged and implemented through the finalisation of the 2023/24 Statement of Intent, which was adopted by Council at the CCO Direction and Oversight meeting in August 2023.

#### *Be More Transparent and Accountable*

TAU conducted their Board meeting with both an open/public agenda and a closed/confidential agenda. Public board packs are available on the TAU website.

*Implement Shared Services*

This is progressing well, and TAU are positive about the opportunities that are inherent with the sharing of ICT services with Council.

*Deliver a Plan for a Single Operator of Auckland's Stadiums*

A SOSA Plan update has been delivered to council by TAU.

*Identify a Timeline for Integration of Cultural Institutions*

Council is leading work to consider potential changes to the legislation for Auckland War Memorial Museum (AWMM) and MOTAT and the Auckland Regional Amenities Funding Board (ARAFB). This being progressed by a political working group, led by me, which has been convened as part of the 2024-2034 Long-term Plan process. A copy of the recommendations to the Governing Body from the political working group is available [here](#).

*Focus on Key Events and Facilities rather than Branding and Economic Development*

This has been reflected in the final 2023/24 Statement of Intent and organisational changes to achieve the FY 24 \$34.5m savings target set through the Annual Budget process. TAU reduced total FTE numbers by 200 and reduced or stopped some branding and economic development activity.

*Reduce Reliance on Council Rates Funding*

in addition to the \$34.5m savings achieved in FY24 and 200 FTE reduction, TAU continue to pursue a range of initiatives to reduce its reliance on council rates-based funding.



## Lead Councillor report to CCO Direction and Oversight Committee December 2023

### Watercare Councillor Ken Turner

#### 1. Engagements

From September to December as Lead Councillor I had the following engagements on Watercare matters:

- Attended Watercare Board meetings on 6 September, 10 October and 12 December. Apology for 7 November Watercare Board meeting due to attendance at the day long Regulatory and Community Safety Committee meeting.
- Had several phone conversations with the Chair of the Watercare Board, Margaret Devlin.
- Briefing with Watercare Chief Executive Dave Chambers and Chief Corporate Services Officer Jamie Sinclair regarding Watercare input to the Long-term Plan.
- Briefing with Watercare Head of Strategy and Planning Priyan Perera regarding the Southwest Wastewater Treatment Scheme.
- Briefing with Watercare Chief Executive Dave Chambers and Senior Project Team regarding the Watercare Western Water Supply Programme.
- Site visit with Mayor Brown to the Central Interceptor project.
- Regular discussions and engagement with Watercare Elected Member Relationship Advisor Elizabeth Stewart.

#### 2. Key issues and insights for council as shareholder:

**The past twelve months have been tumultuous times for Watercare. Shortly after my appointment as Lead Councillor for Watercare, central government's Three Waters legislation forced the Watercare Board and staff to start a transition of the organisation into Water Entity A. The then Watercare CEO resigned and immediately took up the CEO role in Water Entity A. Shortly thereafter a number of critical Watercare staff were seconded to the new entity and these people collaborated to make the transition as smooth as possible and without interrupting business as usual and Capital Projects.**

**Auckland Council's Healthy Waters department also contributed staff and expertise to help make water reform changes as seamless as possible.**

**Amongst these people, I observed a camaraderie and a shared purpose to deliver the very best outcomes despite political uncertainty.**

**As everyone knows, the recent elections brought significant political change and Watercare is now faced with reversing their transition work along with facing new uncertainties.**

**Ensuring stability in Watercare leadership is vital after the tumultuous past twelve months, moreover retaining those familiar with recent intricacies is critical for consistent water services and the successful continuation of Capital programmes.**















