

I hereby give notice that an ordinary meeting of the CCO Direction and Oversight Committee will be held on:

Date: Tuesday, 12 March 2024
Time: 2.00pm
Meeting Room: Room 1, Level 26
Venue: 135 Albert Street
Auckland

**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 AGENDA

MEMBERSHIP

Chairperson	Cr Shane Henderson	
Deputy Chairperson	Cr Kerrin Leoni	
Members	Cr Josephine Bartley	Cr Daniel Newman, JP
	IMSB Member Ngarimu Blair	Cr Ken Turner
	Cr Angela Dalton	Cr Wayne Walker
	Cr Chris Darby	Cr John Watson
	IMSB Member Hon Tau Henare	Cr Maurice Williamson
	Cr Richard Hills	
Ex-officio	Mayor Wayne Brown	
	Deputy Mayor Desley Simpson, JP	

(Quorum 6 members)

Duncan Glasgow
Kaitohutohu Mana Whakahaere Matua /
Senior Governance Advisor

7 March 2024

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1 Ngā Tamōtanga | Apologies

2 Te Whakapuaki i te Whai Pānga | Declaration of Interest

3 Te Whakaū i ngā Āmiki | Confirmation of Minutes

Click the meeting date below to access the minutes.

That the Council Controlled Organisation Direction and Oversight Committee:

- a) whakaū / confirm the ordinary minutes of its meeting, held on [Thursday, 9 November 2023](#), as a true and correct record.

4 Ngā Petihana | Petitions

5 Ngā Kōrero a te Marea | Public Input

6 Ngā Kōrero a te Poari ā-Rohe Pātata | Local Board Input

7 Ngā Pakihi Autaia | Extraordinary Business

Eke Panuku performance update

File No.: CP2024/01786

Item 8

Te take mō te pūrongo Purpose of the report

1. To whiwhi / receive an update from Eke Panuku on their performance for the 2023/2024 financial year and future outlook.

Whakarāpopototanga matua Executive summary

2. CCOs and POAL attendance at CCO Direction and Oversight committee meetings is being rotated, with attendance by each entity on a rolling basis. This allows more time for in-depth and up to date performance discussion.
3. Eke Panuku representatives will be in attendance to present on their performance for the 2023/2024 financial year and future outlook and answer any questions. This will include an overview of the property portfolio, where Eke Panuku manage \$2.36 billion of council's non-service properties and provide property-related services to the council group. In addition, the presentation will cover how Eke Panuku work with local communities on urban regeneration programmes.
4. The Eke Panuku presentation will be attached to the meeting minutes, following the meeting.

Ngā tūtohunga Recommendation

That the Council Controlled Organisation Direction and Oversight Committee:

- a) whiwhi / receive the update from Eke Panuku on year-to-date performance for 2023/2024 and future outlook.

Ngā tāpirihanga Attachments

There are no attachments for this report.

Ngā kaihaina Signatories

Author	Rachel Wilson - Principal Advisor
Authoriser	Alastair Cameron - Manager - CCO Governance & External Partnerships

Quarter two performance reports 2023/2024 for substantive council controlled organisations and Port of Auckland Limited

File No.: CP2024/00844

Item 9

Te take mō te pūrongo

Purpose of the report

- To receive Council-Controlled Organisation (CCO) and Port of Auckland Limited (POAL) second quarter performance reports, for the period ending 31 December 2023 and consider key issues and risks.

Whakarāpopototanga matua

Executive summary

- The CCO and POAL performance reports for the second quarter of 2023/2024 are contained in Attachments A to D.
- Staff have reviewed the performance reports. Key issues and risks are summarised in the table below.

Council-controlled Organisation	Summary of key issues and risks
Eke Panuku	<ul style="list-style-type: none"> Eke Panuku is tracking well at the end of quarter two. They have 12 statement of intent performance measures, eight are on track to meet their targets, one is not on track and three are not reported this quarter. The operating financial results for both the Eke Panuku company and the property portfolio they manage on behalf of the group were better than the budget. Capital programme delivery and progress towards the asset sales target are on track to meet the full year plan.
Tātaki Auckland Unlimited	<ul style="list-style-type: none"> At the end of quarter two, ten performance measures were met or on track to be met and the remaining three are not reported this quarter. Two measures have already met and exceeded their annual targets. The future of North Harbour Stadium (NHS) is a considerable ongoing challenge. Decisions will be made by the Governing Body in May/June 2024. Major Events still faces a significant shortfall in investment funding for events. Beyond 2024, there are very few major events confirmed and no funding is confirmed to facilitate bidding for future events. The operating financial results were better than budgeted. While the delivery of the capital programme is currently behind schedule, it is anticipated to catch up in the second half of the year.
Watercare	<ul style="list-style-type: none"> Of the 29 statement of intent measures, targets were met for 20 measures and two annual measures were on track. Targets were not met for seven measures on financial,

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Council-controlled Organisation	Summary of key issues and risks
	<p>capital programme, health and safety and urgent sewage overflows attendance targets.</p> <ul style="list-style-type: none"> • Council is working with government on the shape of the Local Water Done Well plan in Auckland and future provisions for Watercare. • Summer water efficiency campaign ‘make every drop count’ is underway. • Watercare's net direct financial result was on budget, with higher revenues, predominantly from Infrastructure Growth Charges, offsetting higher expenditures. Direct expenditure exceeded the budget mainly due to unanticipated costs from flood recovery and the Ōrākei Main sewer collapse. Capital expenditure was 4.6 per cent below the year-to-date plan.
<p>Port of Auckland Limited</p>	<ul style="list-style-type: none"> • Lost Time Injuries were reduced by 85% in first half of the year compared to half year 2023. • Volume and revenue have been impacted by various factors largely out of the control of POAL including a drop in consumer consumption, reduction in demurrage, disruption from Australia from industrial action and increased biosecurity checks. • Percentage of container moves by rail is well below target. • POAL are at or slightly below key financial targets for the half year and are on track to meet full year expectations. • Financial results are good considering loss of \$15 million demurrage revenue and when compared to the performance of other major New Zealand Ports. • The Board declared a first half dividend of \$20 million (Compared to FY 2023 - \$15 million).

4. Issues and risks for each CCO and POAL are noted in this report. Committee members may identify any additional matters that they want staff to follow up.

Ngā tūtohunga Recommendation

That the Council Controlled Organisation Direction and Oversight Committee:

- a) whiwhi / receive the 2023/2024 second quarter reports of the substantive council-controlled organisations and Port of Auckland, provided as attachments A to D of the agenda report.

Horopaki Context

5. Each substantive CCO must provide a quarterly report to the CCO Direction and Oversight Committee. They are required to:

- summarise the CCO's performance against the approved budget and agreed targets in the 10-year Budget and SOI;
 - provide a forecast of the CCO's performance;
 - identify the cause of major variances;
 - highlight major achievements for the quarter; and
 - signal any potential or developing issues.
6. The CCO reports for the second quarter of 2023/2024 are in Attachments A to C of the agenda report. The reports are the six-monthly reports as required by the Local Government Act 2002, s 66(2).
7. Under the Memorandum of Understanding (MOU) between POAL and the council, POAL is required to provide quarterly reports to the council as shareholder. The report for the second quarter of 2023/2024 is contained in Attachment D.

Tātaritanga me ngā tohutohu Analysis and advice

Eke Panuku

Half-year performance

8. Eke Panuku have performed well in the first half of 2023/2024, highlights are identified in the attached Eke Panuku quarterly report. Key aspects are summarised below.
9. Eke Panuku operating financial results, including activities managed on behalf of the council, were favourable for the second quarter. Revenue exceeded budget, benefiting from extended tenancies due to postponed property sales. Expenditures were lower than expected, driven by staff vacancies and the timing of spending compared to the budget. Year-to-date capital expenditure is closely aligned with the budget, totalling \$34.1 million against a planned \$35.2 million.
10. Of their 12 performance measures, eight measures are on track, one measure is not on track and three have not yet been measured. Note that:
- The measure that is not on track is the percentage of complaints received by Eke Panuku resolved within 10 working days. This is due to the complexity of issues raised in the complaints, meaning three of the eight complaints received took longer to resolve (target is 80%).
 - 8,176 sqm of public realm projects have been completed, exceeding the yearly target of 7,000 sqm. This includes projects in Manukau, Pukekohe, Takapuna and the Waterfront.
11. Eke Panuku have 13 urban regeneration programmes with deliverables for 2023/2024. 11 programmes are on track and two are at risk. For the programmes at risk (Takapuna and Maungawhau) it would be useful for Eke Panuku to outline whether the risks are likely to materially impact medium-long term programme delivery. Note that there is an update report on the Maungawhau development going to the Transport and Infrastructure Committee on 7 March 2024.

Key Issues and Risks

12. Eke Panuku continue to highlight that it is taking a longer time to attract development partners with capacity to meet outcomes set by Eke Panuku, especially for town centre developments. This is caused by economic factors such as higher inflation and tighter lending requirements. This risk could affect the delivery of asset sale targets, regeneration outcomes and new dwelling units.
13. Other risks include:
 - level of organisational change across the council group could potentially impact programme momentum and delivery, for example as a result of Eke Panuku service reviews (property and marinas).
 - disruption of development, property and marina activities and assets from extreme weather events, structural failure, age or wear and tear.

Tātaki Auckland Unlimited

Half-year performance

14. Highlights are identified in the attached TAU quarterly report. Key aspects are summarised below.
15. TAU's operating financial result was \$3.7 million better than budget, due to strong visitation at Auckland Zoo and the New Zealand Maritime Museum (NZMM), and higher event revenues. Capital spending stood at \$27.1 million, below the \$31.9 million budget, attributed to flood remediation delays. An uptick in delivery is expected in the latter half of the year.
16. At the end of quarter two, ten of TAU's performance measures were met or on track to be met and the remaining three are not reported this quarter.
17. TAU has already met the annual target for two performance measures; 'contribution to regional GDP from major events and business events attracted or supported' and 'number of Māori businesses that have been through a TAU programme or benefitted from a TAU intervention'.
18. The FIFA Women's World Cup (FWWC) 2023 Impact Evaluation for Auckland report was released on 15 December, revealing that FWWC 2023 generated a net economic benefit of \$48.9 million to Auckland.

Key Issues and Risks

19. The future of North Harbour Stadium (NHS) is a considerable ongoing challenge. Three options for the stadium's future are part of council's LTP public consultation process: maintaining the status quo; redeveloping the NHS precinct to better deliver for the needs of the North Shore community and the greater Auckland region; and changing the operational management. Decisions will be made by the Governing Body in May/June 2024.
20. There are ongoing delays to the SOSA work due to the process undertaken by the council political working group on investigating options for a "main stadium" for Auckland. The timeframe for this process to conclude is yet to be confirmed.
21. Major Events still faces a significant shortfall in investment funding for events. Beyond 2024, there are very few major events confirmed and no funding is confirmed to facilitate bidding for future events. TAU continues to pursue various initiatives to partially address the shortfall, (such as the Destination Partnership Programme) and advocacy with council to central government for other funding tools.

22. The implementation of Group Shared Services across the council family has raised issues over the first half of the year for TAU – including digital user experience (IT workstream) and progressing programme scoping (HR workstream). However, it is anticipated that recent changes in programme governance to include the CCO Chief Executives' Group more heavily in decision-making, and upcoming decisions on technology investment will improve progress and delivery over the coming months.

Watercare

Half-year performance

23. Highlights are identified in the attached Watercare quarterly report. Key aspects are summarised below.
24. Watercare's net direct financial result for the first half of the year was on budget, with higher revenues largely balancing out the increased expenditures.
25. Direct revenue was \$19.8 million above expectations, driven by strong Infrastructure Growth Charges revenue and higher revenue from the Waikato contract's capital works. However, this was offset by lower Water and Wastewater revenue due to delay in the recognition of 1 July price increases and reduced consumption in December. Direct expenditure exceeded the budget by around \$20 million, mainly due to unexpected flood recovery costs (\$10.5 million) and the Ōrākei Main sewer collapse (\$6.8 million). Capital expenditure was \$26.5 million or 4.6 per cent below the year-to-date plan.
26. Watercare has a total of 29 SOI measures. Targets were met in the quarter for 20 measures and two annual measures were on track. Targets were not met for the following seven measures:
- Response time for attendance at sewerage overflows – 95 minutes median compared with a target of less than 60 minutes. This target has consistently not been met in recent years, although the target for resolving overflows in under five hours has been met. This also means that the target to meet all DIA measures has been missed.
 - Capital programme delivery – Four of eight projects were completed as scheduled in the quarter and all of these were delivered within the approved budget, under the 80 per cent target.
 - Debt to revenue – At 3.67, Watercare's debt to revenue ratio was above the 3.35 target, with the Ōrākei Main Sewer incident, delay in flood insurance recoveries and Central Interceptor cost escalation impacting on the cash position. The Governing Body approved temporary additional headroom for Watercare of \$130 million on 8 February 2024.
 - Controllable costs – Costs were \$216.2 million against the target of \$196.6 million due to factors including reform work, flood management, the Ōrākei Main Sewer failure, and Waikato District Council contract. Reform and Waikato District costs have been offset by increased revenue.
 - Procurement sourced through Māori owned business – The result was 1.73 per cent against the target of three per cent. Watercare reports that actual spend through Māori businesses has increased, although the percentage of total spend has reduced. Watercare expects the recent establishment of a Māori supplier network within its renewals programme to help support achievement of this target.
 - Total recordable injury frequency rate (TRIFR) per million hours worked – At 26.32 was above the maximum target of ten and is trending upward. Watercare has commissioned an independent review of its Health and Safety approach and performance.

Key Issues and Risks

27. The government has repealed the legislation establishing the new water services entity for Auckland and Northland under the previous government's water reforms, returning ownership to councils. The government intends to introduce legislation by the middle of the year to implement its Local Water Done Well plan. Council is working with the government on provisions for Watercare that balance the water investment that Auckland needs, appropriate levels of Watercare debt, and acceptable pricing levels to customers.
28. Inflationary impacts have increased the Central Interceptor cost by \$204 million bringing the total budget to \$1.52 billion.
29. There is a \$86 million shortfall in council's Healthy Waters funding contribution to the extension of the Central Interceptor to Point Erin and Branch 5 sewer through Herne Bay. Options for addressing this shortfall will be explored during the finalisation of the Long-term plan 2024-2034.
30. Watercare report good momentum for the Water Pipe Renewal programme over the six months but also note they may need to make changes to the programme in the second half of the year to cater for capital spend reprioritisation. This is an area of high interest for the council as CCOs have been directed to focus more on renewals.
31. Watercare was the subject of a query from the Environmental Protection Agency (EPA) into its management of Persistent Organic Pollutants. Watercare did not hold a current contaminant permit. The EPA has subsequently granted a new five-year permit to Watercare.
32. The summer water efficiency campaign 'make every drop count' is underway.
33. Findings from the independent review into the failure of the Ōrākei Main Sewer will be made public when available and reported to this committee.

Port of Auckland Limited

Half- year performance

34. Highlights are identified in the attached POAL quarterly report. Key aspects are summarised below.
35. POAL are at or slightly below key financial targets for the half year and are on track to meet full year expectations. POAL's annual pricing review is 1 January. Therefore, the second half of the year is expected to be more profitable than the year to date.
36. POAL's half year results are good considering the loss of \$15m demurrage (cargo holding fees) revenue and when compared with the performance of other New Zealand Ports. Port of Tauranga reported a 25 per cent fall in its first-half profit and acknowledged that POAL had taken business from them after resolving performance, safety and management problems.
37. The Board declared a first half dividend of \$20m (Compared to FY 2023 - \$15m). POAL on track to meet the expected dividend of at least \$35m at full year.
38. Safety targets are on track. Notably Lost Time Injuries (LTI) were reduced by 85% in first half of the year compared to half year 2023.

Key Issues and Risks

39. POAL are on track for record cruise season including the arrival of two new cruise lines – Disney and Virgin. However, cruise traffic has led significant ferry disruptions in the Downtown ferry basin.

40. Lead Councillor Darby has led engagement with Auckland Transport, and the Fullers and POAL CEOs on this matter, proposing a one-hour extension to the departure cruise exclusion black out and a 40-minute extension to the arrival cruise exclusion black out. POAL has actively responded to the proposal and quickly engaged with cruise company representatives and agreed to extend the departure black out by an extra hour, to 7.05pm from the current 6.05pm. Discussions are ongoing with the cruise industry on extending the morning exclusion black out from 6.35am to 5.55am.
41. However, this new schedule will not be implemented until next season, as the cruise lines build their schedules months ahead around very tight arrivals and departure times. POAL advise that a long-term solution is needed around certainty of tenure and footprint, investment, new wharves, a fit for purpose cruise terminal and all the appropriate traffic management needed to manage buses, taxis and Ubers.
42. There are a combination of issues causing a reduction in volume and revenue including:
- Demurrage revenue decreased by \$15m compared to the same period last year. This is due to the easing of the supply chain congestion issues.
 - A significant drop in consumer consumption during the first half of the year. This drop in volume occurred across the port sector in New Zealand.
 - Vessels arriving off-window due to Australian industrial action between DP World / Australian Maritime Union causing a key hindrance over recent months.
 - Significant disruptions to the roll-on/roll-off trade as Australian ports remain clogged due to increased biosecurity checks being undertaken.
- These issues are largely out of POAL's control. POAL have indicated that they will address the impacts on revenue through increase in charges which have been introduced in January.
43. Percentage of containers moved by rail is well below target as cargo owners are electing to use trucks, due to lower costs. This matter has been addressed at the Transport and Infrastructure Committee.

Tauākī whakaaweawe āhuarangi Climate impact statement

44. The CCOs and POAL quarterly reports contain commentary on activities relating to climate change. Important points to highlight are:
- The TAU Board approved the [Climate Change and Environment Strategic Plan](#), which was published on 14 December.
 - Watercare greenhouse gas emissions are tracking well against the 2023-2024 target. The use of low carbon concrete in seven recent projects has saved an estimated 549 tCO₂e.
 - POAL have started converting the automated straddles into manual straddles. It will take two years to convert the whole fleet but expect the first converted straddle to be in operation at the end of April. These lower emissions straddles are an important step towards reaching emissions reduction goals and give container terminal capacity well into the 2030's.
 - Average carbon emission per TEU (kg CO₂) (includes scope 1 and 2) is on track, but POAL note that there is a large risk they will not achieve the target if the forecast container volumes for the second half are not achieved.

Ngā whakaaweawe me ngā tirohanga a te rōpū Kaunihera Council group impacts and views

45. Each CCO and POAL quarterly report contains information on how they are contributing to the council's outcomes and objectives.

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

46. The governance of substantive CCOs and POAL is a responsibility delegated to the CCO Direction and Oversight Committee. We have not sought the views of local boards. CCOs provide six-monthly progress and performance reports to local boards. The quarterly reports also provide a summary of the engagement that CCOs have carried out with local boards during the quarter.

Tauākī whakaaweawe Māori Māori impact statement

47. Each CCO and POAL report on their contribution towards achieving Māori Outcomes in their quarterly report. Important points to highlight are:
- The vision for Te Puna Creative Quarter was launched to the creative industry and community on 16 November. Te Puna is a collaboration between TAU and west Auckland-based iwi Te Kawerau ā Maki. Te Puna aims to be a world-class hub for screen, video gaming, creative tech, music, arts and performing arts – the first of its kind for New Zealand.
 - The proportion of Watercare procurement through Māori businesses sits at 1.73 per cent, below the target of three per cent.
 - POAL provide a progress report on Taura Herenga Waka outcomes (Māori Outcomes Framework) at page 11 of the attached quarterly report.

Ngā ritenga ā-pūtea Financial implications

48. Each of the CCOs and POAL's quarterly reports contain information regarding their financial performance. These are summarised at a high-level in the sections above.

Ngā raru tūpono me ngā whakamaurutanga Risks and mitigations

49. Each of the CCOs and POAL's quarterly reports contain information regarding their risks and mitigations, key points are summarised above.

Ngā koringa ā-muri Next steps

50. The next CCO and POAL quarterly performance reports (quarter three, January to March 2024) will be provided to the CCO Direction and Oversight Committee in May 2024.

Ngā tāpirihanga Attachments

No.	Title	Page
A⇒	Eke Panuku Quarter Two performance report 2023-2024	
B⇒	Watercare Quarter Two performance report 2023-2024	
C⇒	Tātaki Auckland Unlimited Quarter Two performance report 2023-2024	
D⇒	Port of Auckland Limited Quarter Two performance report 2023-2024	

Ngā kaihaina Signatories

Authors	Tracy Xu - Principal Advisor CCO Financial Planning Trudi Fava - Principal Advisor Sarah Johnstone-Smith - Principal Advisor Chris Levet - Principal Advisor Rachel Wilson - Principal Advisor
Authoriser	Alastair Cameron - Manager - CCO Governance & External Partnerships

Input into the Tāmaki Regeneration Company letter of expectations for 2024-2028

File No.: CP2023/19992

Item 10

Te take mō te pūrongo

Purpose of the report

1. To approve content for inclusion in the letter of expectations to Tāmaki Regeneration Company (TRC) for 2024-2028.

Whakarāpopototanga matua

Executive summary

2. Providing TRC with a letter of expectations annually, gives them direction when developing their key plans – their statement of intent (four-year strategic plan) and statement of expectations (annual plan). This process is led by the Crown (as majority shareholder), with council (as minority shareholder) able to provide input.
3. It is recommended that council's direction to TRC includes: increasing the pace of housing delivery, continuing their wider urban regeneration mandate, working with the council group and maintaining sound governance process. TRC are requested to review their relationship with the Maungakiekie-Tāmaki Local Board, to ensure they are working together at a strategic level.

Ngā tūtohunga

Recommendation/s

That the Council Controlled Organisation Direction and Oversight Committee:

- a) whakaae / approve the direction from council to Tāmaki Regeneration Company as set out in this report, for inclusion in a letter of expectations for 2024-2028
- b) tautapa / delegate authority to the Mayor, Chair and Deputy Chair of the CCO Direction and Oversight Committee and the Maungakiekie-Tāmaki Ward Councillor to provide feedback to Tāmaki Regeneration Company on whether their draft statement of intent 2024-2028 and draft statement of performance expectations 2024-2025 adequately responds to the direction from council
- c) tuhi ā-taipitopito / note the draft documents will be received by 1 May 2024.

Horopaki

Context

4. TRC is a joint venture designed to achieve large-scale urban regeneration in Tāmaki, which includes Glen Innes, Panmure and Point England. The Crown has a 59 per cent shareholding and council a 41 per cent shareholding. The objectives of TRC are fourfold, to achieve – housing development and management, social transformation, economic development and placemaking.
5. TRC is a Crown entity and is governed under the Crown Entities Act 2004 and Public Finance Act 1989. Under this legislation, TRC are required to produce:
 - a statement of intent – a four-year strategic plan, reviewed every three years.
 - a statement of performance expectations – an annual delivery plan.
6. As majority shareholder, the Crown typically sends a letter of expectations to TRC annually. Council can input into this letter or send a separate letter of expectations (but is not required to do either).

Recent performance and issues

7. The TRC Annual Report 2022/2023 showed that it has delivered well against its targets for tenancy management, social regeneration, economic regeneration and placemaking. However, its housing build programme continues to progress slower than anticipated ([CDOCC/2023/52](#)).
8. TRC have stated that their focus over the next four years will be on increasing the pace of housing delivery, both of public homes and shared equity homes. TRC was allocated \$870m in equity funding as part of the Crown budget 2023, which included an agreed delivery plan for 2023-2027. This is development of 427 social houses, 247 houses for TRC's Shared Home Ownership programme, and 75 houses for TRC's Affordable Rental programme.
9. One of the factors that has constrained the scale and pace of the housing redevelopment in Tāmaki has been the infrastructure needed to support growth. Council will continue to work with the Crown (and TRC) to identify and implement network upgrades and extensions. Council supports co-ordinating infrastructure work where possible, particularly given the disruption experienced by this community. Considerable infrastructure funding and work is still required to support the full development of Tāmaki over the longer-term.

Tātaritanga me ngā tohutohu Analysis and advice

10. TRC's role delivering large-scale urban regeneration in Tāmaki continues to contribute to both Auckland Plan and Maungakiekie-Tāmaki Local Board Plan outcomes. At times there are overlapping functions between TRC and the local board, including in local leadership, social and economic development. Council has designated Tāmaki as an investment priority area in the Future Development Strategy and Long-term Plan 2021-2031.
11. Proposed direction from Council to TRC for 2024-2028:
 - Focus on increasing the pace of housing delivery towards the overall target of 10,500 new homes in Tāmaki, in line with the expectations of the Crown.
 - Continue with the wider regeneration mandate (across the Tāmaki area), with key projects / areas of work to be clearly articulated in the statement of intent / statement of expectations.
 - Be guided by the direction in Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan and Kia Ora Tāmaki Makaurau.
 - Review the relationship with the Maungakiekie-Tāmaki Local Board, particularly where there are synergies in functions (for example around placemaking, local planning and events). The aim should be to work together at the strategic level.
 - Continue to work with the council group (which includes Auckland Transport and Watercare), examples are:
 - Clearly articulating the pace of housing delivery planned. Ensuring that this development is in line with a well-functioning urban environment in accordance with the Future Development Strategy.
 - Working collaboratively where council group, assets or functions are involved.
 - Proactively engaging with council to ensure community engagement on housing and infrastructure projects is co-ordinated.
 - Maintain sound governance capabilities and processes.

Tauākī whakaaweawe āhuarangi **Climate impact statement**

12. TRC have an environment strategy to restore and revitalise the taiao of Tāmaki. The strategy supports TRC to respond to climate change and restore the whenua (land), hau (air), wai (water) and koiora (biodiversity) of Tāmaki.

Ngā whakaaweawe me ngā tirohanga a te rōpū Kaunihera **Council group impacts and views**

13. TRC work across the council group, including the Development Programme Office, Auckland Transport and Watercare.

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

14. The proposed direction to TRC has been informed by a workshop with the Maungakiekie-Tāmaki Local Board (13 February 2024). The board's formal feedback is appended to the agenda report as Attachment A.

Tauākī whakaaweawe Māori **Māori impact statement**

15. Te Tiriti of Waitangi is one of TRCs two strategic commitments. TRC report they have a close working relationship with mana whenua and look to achieve Māori outcomes across all four of their strategic priorities.

Ngā ritenga ā-pūtea **Financial implications**

16. Council does not fund TRC's operational or capital programme. TRC's 2022/2023 annual report, including their financial performance, was reported to this committee in November 2023 ([CDOCC/2023/52](#)).

Ngā raru tūpono me ngā whakamaurutanga **Risks and mitigations**

17. There are no specific risks associated with council providing this direction to TRC.

Ngā koringa ā-muri **Next steps**

18. The direction from council to TRC will be provided to the Crown for inclusion in the letter of expectations for 2024-2028.
19. TRC is required to submit their draft statement of intent and statement of performance expectations by 1 May 2024. Council can provide feedback on the draft documents.
20. A review of the benefits and risks of council shareholding in TRC will be provided to this committee later in the year ([CDOCC/2023/52](#)).

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Ngā tāpirihanga Attachments

No.	Title	Page
A⇒	Maungakiekie-Tāmaki Local Board feedback - Tāmaki Regeneration Company 2024 letter of expectation	

Ngā kaihaina Signatories

Author	Rachel Wilson - Principal Advisor
Authoriser	Alastair Cameron - Manager - CCO Governance & External Partnerships

Lead Councillor CCO updates

File No.: CP2023/18334

Item 11

Te take mō te pūrongo

Purpose of the report

1. To whakaae / accept update reports from Lead Councillors about their activity in maintaining liaison with their assigned Council Controlled Organisations (CCOs) and the Port of Auckland Limited.

Whakarāpopototanga matua

Executive summary

2. On 17 November 2022, the Governing Body approved the purpose and responsibilities of the Lead Councillor CCO role, as included in the Terms of Reference.
3. The purpose of the Lead Councillor CCO role is to assist the Governing Body to exercise effective direction and oversight of the substantive CCOs and the Port of Auckland Limited.
4. Lead Councillors do not have a formal board role, and do not get involved in management decisions.
5. Key responsibilities of the Lead Councillor CCO includes:
 - attending open sessions of each CCO Board meeting and, at the discretion of the CCO Board Chair, closed sessions and committees. Confidential material is at the discretion of the CCO Board Chair, but CCO will be expected to provide sufficient information to enable Lead Councillors to exercise their functions
 - supporting the mayor and governing body by leading policy discussions that concern each CCO, including discussion in relation to the exercise of the council's direction and accountability powers
 - reporting on their activity with the CCO quarterly to the appropriate committee
 - attending mayoral meetings with CCO Board chairs
 - meeting with the mayor to discuss how the roles are operating and can be improved
 - creating and supporting good working relationships with CCOs, improving the exchange of information and perspectives
 - improving understanding of the expectations and perspectives of the council and community by CCOs
 - supporting greater understanding of the activities and expertise of CCOs by councillors and the council.
6. At the 27 July 2023 meeting of the Governing Body, the committee structure was reviewed and alterations made ([GB/2023/131](#)). Following that review, the Lead Councillor roles have been allocated as follows:
 - Tātaki Auckland Unlimited: Deputy Mayor Desley Simpson
 - Eke Panuku Development Auckland: Councillor Angela Dalton
 - Watercare: Councillor Ken Turner
 - Ports of Auckland Limited: Councillor Chris Darby.

Ngā tūtohunga Recommendation/s

That the Council Controlled Organisation Direction and Oversight Committee:

- a) whiwhi / receive the verbal updates from the Lead Councillors.

Ngā tāpirihanga Attachments

There are no attachments for this report.

Ngā kaihaina Signatories

Author	Duncan Glasgow - Kaitohutohu Mana Whakahaere / Governance Advisor
Authoriser	Alastair Cameron - Manager - CCO Governance & External Partnerships

Review of the Forward Work Programme - Council Controlled Organisation Direction and Oversight Committee

File No.: CP2024/00876

Item 12

Te take mō te pūrongo Purpose of the report

1. To arotake / review and tuhi / note progress on the 2024 Council Controlled Organisation Direction and Oversight Committee forward work programme appended as Attachment A of the agenda report.

Whakarāpopototanga matua Executive summary

2. The forward work programme for the Council Controlled Organisation Direction and Oversight Committee adopted by the committee at its meeting held on 9 March 2023 (Resolution number [CDOCC/2023/9](#)) and reviewed on 14 September 2023 (Resolution number [CDOCC/2023/41](#)). It was agreed that the forward work programme would be reported for information and reviewed on a six-monthly basis.
3. All committees have been requested to review their forward work programme, by the end of March 2024.
4. Following approval, all committee forward work programmes will be reported to the Governing Body in April and October each year, for oversight as per the Terms of Reference.
5. The current forward work programme for the Council Controlled Organisation Direction and Oversight Committee is appended as Attachment A.
6. Following the approval of the forward work programme, it will be reported to the Governing Body, for oversight as per the Terms of Reference.

Ngā tūtohunga Recommendation/s

That the Council Controlled Organisation Direction and Oversight Committee:

- a) riro / receive and arotake / review the progress on the 2024 forward work programme as appended in Attachment A of the agenda report.
- b) whakaae / approve the updated forward work programme.

Ngā tāpirihanga Attachments

No.	Title	Page
A⇒	Council Controlled Organisation Direction and Oversight Committee - 2024 Forward Work Programme	

Ngā kaihaina Signatories

Author	Duncan Glasgow - Kaitohutohu Mana Whakahaere / Governance Advisor
Authoriser	Alastair Cameron - Manager - CCO Governance & External Partnerships

Summary of Council Controlled Organisation Direction and Oversight Committee information memoranda and briefings (including the forward work programme) – 12 March 2024

File No.: CP2023/18284

Item 13

Te take mō te pūrongo

Purpose of the report

1. To tuhi ā-taipitopito / note the progress on the Council Controlled Organisation Direction and Oversight Committee forward work programme appended as Attachment A.
2. To whiwhi / receive a summary and provide a public record of memoranda or briefing papers that have been distributed to the Council Controlled Organisation Direction and Oversight Committee.

Whakarāpopototanga matua

Executive summary

3. This is a regular information-only report which aims to provide greater visibility of information circulated to Council Controlled Organisation Direction and Oversight Committee members via memoranda/briefings or other means, where no decisions are required.
4. The following information items have been distributed:

Date	Subject
20/12/2023	Lead Councillor written reports: <ul style="list-style-type: none"> • Cr Angela Dalton – Eke Panuku • Deputy Mayor Simpson – Tātaki Auckland Unlimited • Cr Ken Turner – Watercare • Cr C Darby – Port of Auckland

5. The following workshops have taken place:

Date	Subject
12/12/2023	Council Controlled Organisation Direction and Oversight Committee / Transport and Infrastructure Committee – Joint Workshop Notes: Letters of Expectation

6. Note that, unlike an agenda report, **staff will not be present to answer questions about the items referred to in this summary.** Committee members should direct any questions to the relevant staff.

Ngā tūtohunga

Recommendation/s

That the Council Controlled Organisation Direction and Oversight Committee:

- a) tuhi ā-taipitopito / note the progress on the forward work programme appended as Attachment A of the agenda report
- b) whiwhi / receive the Summary of Council Controlled Organisation Direction and Oversight Committee information memoranda and briefings – 12 March 2024.

Ngā tāpirihanga Attachments

No.	Title	Page
A	Council Controlled Organisation Direction and Oversight Committee - Forward Work Programme	
B	Lead Councillor written report: Cr Angela Dalton – Eke Panuku	
C	Lead Councillor written report: Deputy Mayor Simpson – Tātaki Auckland Unlimited	
D	Lead Councillor written report: Cr Ken Turner – Watercare	
E	Lead Councillor written report: Cr C Darby – Port of Auckland	
F	Council Controlled Organisation Direction and Oversight Committee / Transport and Infrastructure Committee – Joint Workshop Notes: Letters of Expectation	

Ngā kaihaina Signatories

Author	Duncan Glasgow - Kaitohutohu Mana Whakahaere / Governance Advisor
Authoriser	Alastair Cameron - Manager - CCO Governance & External Partnerships