

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 ATTACHMENTS

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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.

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Quarterly Performance Report

Eke Panuku Development Auckland

2023/2024 Quarter 2
For the 6 months ended 31 December 2023



Q2 – At a glance

Executive Summary

It has been a strong quarter. We have successfully progressed a number of projects that contribute to our SOI targets and development outcomes. Significant development activities include reaching conditional development agreements for the **Downtown car park** in the city centre, a mixed-use site on **Dominion and Valley Roads**, a site on Kings Road Panmure to build apartments and a residential development site in **Hobsonville**. Unconditional sales have also been completed for two properties at Takapuna for \$5.2m. Total property sales to date are \$10.1m and we forecast reaching our sales target at year end. A development partner has been selected for North Wharf in Wynyard Quarter after the market process. **Northcote Central** redevelopment is moving to the next stage of selecting a development partner following the expressions of interest process.

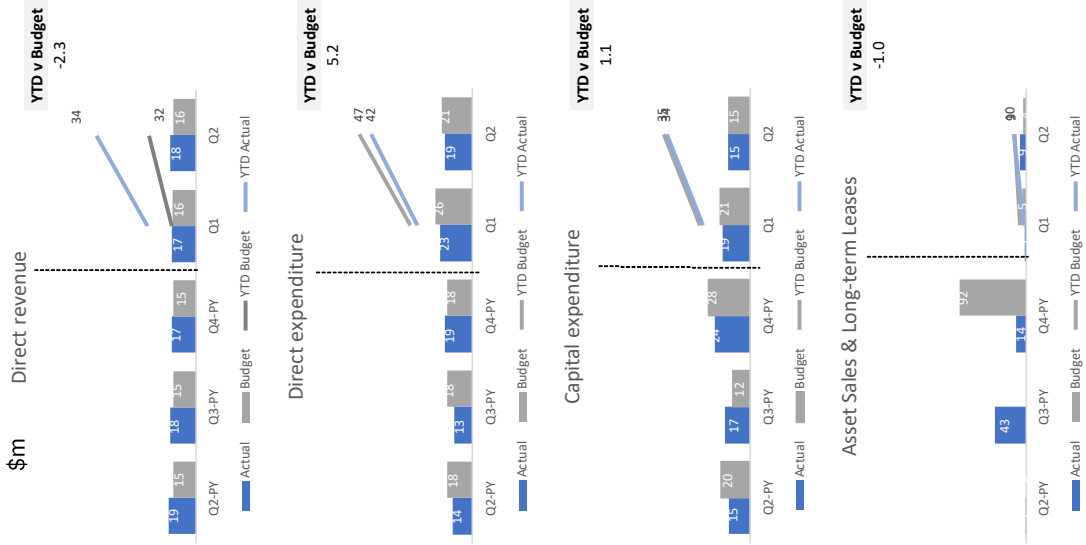
Three projects were completed in the quarter: The Pile Berth redevelopment of 89 new floating berths at Westhaven Marina along with a new car park, headland and waterfront promenade. Renewal of a skatepark in Panmure to benefit the local community. Completion of balustrades along the water's edge to improve health and safety in the Wynyard Quarter, as part of a waterfront-wide project.

Progress on SOI targets this quarter include completion of over 8,000 sqm of public realm works and completion of 32 of the 40 initiatives to support Māori outcomes. We maintain high occupancy rates across the residential and commercial properties and delivered a net surplus that is \$5.2m ahead of the \$10m Property Portfolio budget surplus to date.

Financial Performance

Direct revenue is favorable to budget as a small number of properties expected to be sold or vacant remained tenanted. Direct expenditure is tracking behind phased budget. Rates and people cost make up \$2m of this, due in part to the time taken to fill some positions. Capital projects spend is on track and is expected to be on budget.

Note: for more details on financials, please refer to Financials section – Pages 11 - 16



**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 2024**

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 2024											
			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Strategic direction														
Draft and final SOIs 2024-2027 CCO Governance and External Partnerships	Statements of intent set out the objectives and activities of each CCO for the next three years. They serve as a basis for accountability to the council, as the shareholder, and provide an opportunity for the council to influence each organisation's direction. Under legislation CCOs must deliver annually a draft statement of intent to its shareholders on or before 1 April 2024. Under legislation CCOs must deliver annually a final statement of intent to its shareholders on or before 31 July 2024. Covers: Watercare, Tātaki Auckland Unlimited, Eke Panuku, Manukau Beautification Charitable Trust, and Contemporary Art Foundation.	Note that, due to timing issues, shareholder comments on the draft statements of intent will be approved at the Governing Body meeting on 30 May 2024. Progress to date:												
Letters of Expectation 2025-2028 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 2025-2028 letters of expectation. Progress to date:												
Model for internal local project oversight groups for Eke Panuku urban regeneration programmes Eke Panuku	Reporting on the model for internal local project oversight groups for projects in priority locations (as per letter of expectation)	This topic will be covered in the Eke Panuku strategic performance oversight presentation on 12 March 2024. Progress to date:												
Input into the Tāmaki Regeneration Company letter of expectations 2024	Council can provide input into the annual letter of expectations sent by the crown to Tāmaki Regeneration Company. This provides direction when developing their statement of intent and statement of expectations.	Seeking committee approval of the content of draft 2025-2028 letters of expectation.												

Item 12

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 2024												
			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Review of non-substantive Council controlled organisations 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. Progress to date:													
Performance monitoring and reporting															
Quarterly, Half-Year and Annual Reports 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. Progress to date: 2023/2024 Quarter one reports received in November 2023 link to decision													
CCO and POAL strategic performance oversight	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.	Performance oversight focus: <ul style="list-style-type: none"> Watercare – April / July Eke Panuku – March / September Tātaki Auckland Unlimited – April / August Port of Auckland – June / October Progress to date:													
Lead Councillor Updates 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 verbal updates from the CCO Lead Councillors Progress to date:													
The State of the City report 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 Economic Development scheduled for April and June 2024. Progress to date: Report received at September 2023 committee meeting. Link to decision													

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Haumaru Housing – end of year results 2023/2024	<p>Haumaru Housing is a joint venture established by Auckland Council and The Selwyn Foundation.</p> <p>This will ensure the long-term provision of affordable housing services for older people in Auckland.</p>	<p>Haumaru Housing will report to the CCO Direction and Oversight Committee once a year to discuss performance and end of year results.</p> <p>Results will be presented in November 2024.</p> <p>Progress to date:</p>												
Tamaki Regeneration Company (TRC) - end of year results 2023/2024	<p>TRC is a Crown entity that is jointly owned by the government and Auckland Council.</p> <p>TRC is leading urban regeneration activity in Tāmaki to achieve four strategic objectives: social transformation, economic development, placemaking and housing resource.</p>	<p>TRC will report to the CCO Direction and Oversight Committee once a year to discuss performance and end of year results.</p> <p>Results will be presented in November 2024.</p> <p>Progress to date:</p>												

Item 12
Attachment A

**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.

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			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Strategic direction														
Letters of Expectation 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. Progress to date: Report to Governing Body December 2023 link to decision												
Council strategies and policies guiding each CCO and consideration of potential gaps 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. Progress to date: 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.												
Model for internal local project oversight groups for Eke Panuku urban regeneration programmes 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. Progress to date:												
Review of non-substantive Council controlled organisations 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. Progress to date:												
Performance monitoring and reporting														
Quarterly, Half-Year and Annual Reports 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. Progress to date: Quarter one reports received in November 2023 link to decision												

Item 13

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	
CCO and POAL strategic performance oversight and site visits	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: Progress to date: Watercare performance oversight – June 2023 Eke Panuku performance oversight – August 2023 Tātaki Auckland Unlimited performance oversight – September 2023 POAL performance oversight – October 2023													
Lead Councillor Updates 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 Councilors Progress to date: Written updates received March 2023 link to decision Written updates received June 2023 Link to decision Written updates received September 2023 Link to decision Written updates distributed December 2023.													
The State of the City report 2023 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. Progress to date: Report received at September 2023 committee meeting. Link to decision													

Completed

Area of work and Lead Department	Committee role	Whakatau / Decision
Draft and final SOIs	<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>Link to decision</p>
Ports of Auckland – Statement of Corporate Intent	<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>Link to decision</p>
Status of Eke Panuku current urban regeneration programme	<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>Link to decision</p>
Quarterly, Half-Year and Annual Reports (2022-2023)	<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 link to decision</p> <p>Quarter Two reports received March 2023 link to decision</p> <p>Quarter Three reports received June 2023 link to decision</p> <p>Quarter Four reports received September 2023 link to decision</p>
Haumaru Housing – End of year results	<p>Haumaru 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 link to decision</p>
Tamaki Regeneration Company (TRC) - End of year results	<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 link to decision</p>

