

**Date:** Tuesday 7 May 2024  
**Time:** 10.00am  
**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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# Quarterly Performance Report

# Eke Panuku Development Auckland

2023/2024 Quarter 3  
For the 9 months ended 31 March 2024





## Q3 – At a glance

### Executive Summary

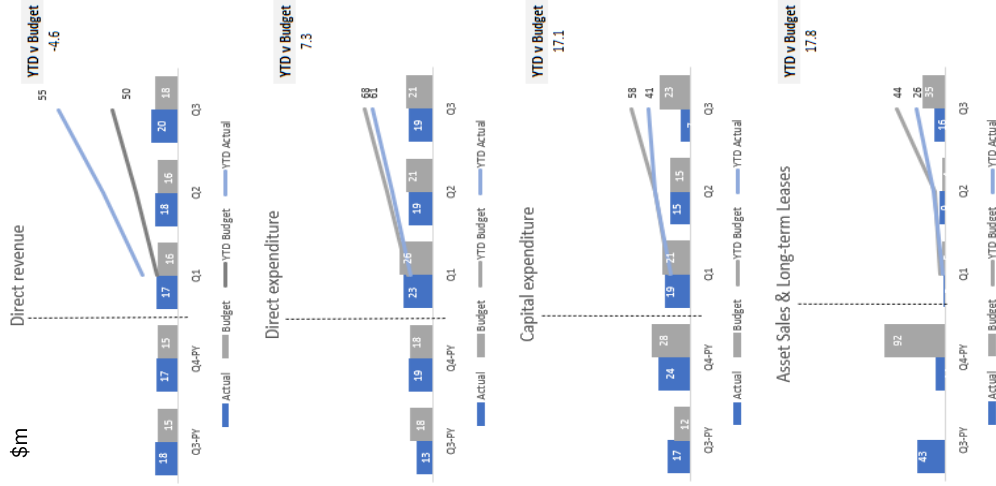
Eke Panuku has had a positive quarter and made good progress on a number of capital and development projects. These are detailed in the quarter 3 highlights and Urban Regeneration programme sections of this report.

To date we have met the annual net new dwellings and public realm square metres SOI performance targets. At the end of quarter 3, we have achieved **\$26.3m** of asset sales, maintained high occupancy rates across the residential and commercial properties and delivered a net operating surplus of \$18.5m, \$7.4m ahead of year-to-date budget.

## Financial Performance

Revenue has continued to track ahead of budget, due to a number of properties being held for longer than anticipated and positive lease reviews. This budget variance is expected to be sustained to year end. Expenditure has continued to track behind phased budget. Rates and people cost of around \$3m make up most of the variance which will remain at year end. Other expenditure is expected to trend back to annual budget level by year end. Capital expenditure this quarter has been impacted by two projects. One relates to a longer process to achieve an affordable construction contract for a new wastewater pump station in Hobsonville and the second relates to rescheduling the purchase of a site until it is needed and saving on cost. We will be requesting a budget deferral of \$18.8m for these projects. There are a number of conditional sales agreements that are currently in place that will go unconditional prior to year-end and annual total asset sales will be around \$150m.

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





## Highlights

- The development agreement for a residential development site in **Hobsonville** for around 58 new homes has become unconditional.
- A conditional development agreement was reached for a mixed-use development site at **535 Ellerslie Panmure Highway** in Panmure. This proposed development will be predominantly commercial space with a gross floor area (GFA) of approximately 3,000m<sup>2</sup>.
- Northcote's **Jessie Tonar Scout Reserve** upgrade was completed in March 2024 with a blessing to mark the opening of the space to the public. The reserve upgrade has transformed what was scrubby grass and overrun bush into an attractive and interesting green space for the rapidly growing Northcote community to use and enjoy.
- The resource consent and design for staged delivery of the **Westhaven seawall** are now complete, and construction started in March 2024. This project will increase resilience to sea level rise and reduce flooding impacts.
- The double traffic light upgrade at East, King, Manukau and Massey roads is progressing well and construction started in March 2024. This is a joint project with Auckland Transport leading its delivery. The project creates an accessible route to Roulston Park and safety improvements to the intersections.
- The popular Wynyard Quarter basketball courts have been resurfaced as part of the **Te Ara Tukutuku project** to open up spaces to the public and regenerate Wynyard Quarter.
- **Placemaking events** - the Waterfront has been a hub of activity over the quarter including a Valentines dog adoption day held in collaboration with Auckland Council Animal Services, a family friendly summer jam basketball event and the Moana Festival Manu competition.

## Issues/Risks

- Delivery of development outcomes is affected by the slow property market. This affects the delivery of SOI asset sale targets and regeneration outcomes including new dwelling units. It is taking longer to attract partners with capacity to meet Eke Panuku outcomes. We continue to monitor arrangements with existing development partners and carry out due diligence as part of development partner selection process. Where appropriate, we extend settlement and terms to reflect slower market conditions for the developer to achieve presales, funding and resource consent.
- **Wynyard Crossing Bridge** : Following a series of recent technical faults, the Wynyard Crossing Bridge has begun a programme of extensive maintenance work so it can return to reliable operations as soon as possible and address potential safety risks. The works are expected to be completed in time for next summer (late 2024). The planned preventative maintenance programme includes a full overhaul of old parts, scaffolding the bridge in order to sandblast it and apply anti-rust coating, as well as thorough trials and assessments to pre-empt and prevent future technical faults. While the works are carried out, as a legal obligation under the bridge's resource consent, it will need to remain upright to allow free access to marine traffic. In order to

2 Group Performance Reporting



















































































































































































































**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
<b>Strategic direction</b>														
<p><b>Draft and final SOIs 2024-2027</b></p> <p>CCO Governance and External Partnerships</p>	<p>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.</p> <p>Under legislation CCOs must deliver annually a draft statement of intent to its shareholders on or before 1 April 2024.</p> <p>Under legislation CCOs must deliver annually a final statement of intent to its shareholders on or before 31 July 2024.</p> <p>Covers: Watercare, Tātaki Auckland Unlimited, Eke Panuku, Manukau Beautification Charitable Trust and Contemporary Art Foundation.</p>	<p>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.</p> <p><b>Progress to date:</b></p>												
<p><b>Letters of Expectation 2025-2028</b></p> <p>CCO Governance and External Partnerships</p>	<p>Council issues an annual letter of expectations to each of its substantive CCOs to inform the development of the CCOs' Statements of Intent.</p>	<p>Seeking committee approval of the content of draft 2025-2028 letters of expectation.</p> <p><b>Progress to date:</b></p>												
<p><b>Review of non-substantive Council controlled organisations</b></p> <p>CCO Governance and External Partnerships</p>	<p>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.</p>	<p>Committee to make decisions about the future governance of non-substantive CCOs.</p> <ul style="list-style-type: none"> <li>Te Puru Community Centre – May 2024</li> <li>Manukau Beautification – May 2024</li> </ul> <p>Dates to be confirmed.</p> <p><b>Progress to date:</b></p>												

Item 11

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
<b>Performance monitoring and reporting</b>														
<b>Quarterly, Half-Year and Annual Reports 2023/2024</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> Quarter two reports received in March 2024 <a href="#">link to decision</a>												
<b>CCO and POAL strategic performance oversight</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.	Performance oversight focus: <ul style="list-style-type: none"> <li>Watercare – April / July</li> <li>Eke Panuku – March / September</li> <li>Tātaki Auckland Unlimited – April / August</li> <li>Port of Auckland – June / October</li> </ul> <b>Progress to date:</b> Eke Panuku update received March 2024 <a href="#">link to decision</a> Tātaki update received April 2024 <a href="#">link to decision</a> Watercare update received April 2024 <a href="#">link to decision</a>												
<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 verbal updates from the CCO Lead Councillors <b>Progress to date:</b> Verbal updates received March 2024 <a href="#">link to decision</a>												
<b>The State of the City reporting 2024</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 Economic Development scheduled for July 2024. <b>Progress to date:</b> Report received at September 2023 committee meeting. <a href="#">Link to decision</a>												
<b>Haumarū Housing – end of year results 2023/2024</b>	Haumarū Housing is a joint venture established by Auckland Council and The Selwyn Foundation.  This will ensure the long-term provision of affordable housing services for older people in Auckland.	Haumarū Housing will report to the CCO Direction and Oversight Committee once a year to discuss performance and end of year results.  Results will be presented in November 2024. <b>Progress to date:</b>												

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											
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<b>Tamaki Regeneration Company (TRC) - end of year results 2023/2024</b>	<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><b>Progress to date:</b></p>												

Item 11

**Completed**

Area of work and Lead Department	Committee role	Whakatau / Decision
<b>Model for internal local project oversight groups for Eke Panuku urban regeneration programmes</b>	Reporting on the model for internal local project oversight groups for projects in priority locations (as per letter of expectation)	This topic was covered in the Eke Panuku strategic performance oversight presentation on 12 March 2024. <a href="#">Link to decision</a>
<b>Input into the Tāmaki Regeneration Company letter of expectations 2024</b>	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.	Shareholder comments approved content of draft 2025-2028 letters of expectation. <a href="#">Link to decision</a>

Attachment A