

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

**Date:** Tuesday, 11 March 2025  
**Time:** 10.00am  
**Meeting Room:** Room 1, Level 26  
**Venue:** Te Wharau o Tāmaki - Auckland House  
135 Albert Street, Auckland

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**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**

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**MEMBERSHIP**

<b>Chairperson</b>	Cr Shane Henderson	
<b>Deputy Chairperson</b>	Cr Kerrin Leoni	
<b>Members</b>	Cr Josephine Bartley	Cr Richard Hills
	Houkura Member Ngarimu Blair	Cr Daniel Newman, JP
	Cr Angela Dalton	Cr Ken Turner
	Cr Chris Darby	Cr Wayne Walker
	Houkura Member Hon Tau Henare	Cr John Watson
	Mayor Wayne Brown	
	Deputy Mayor Desley Simpson, JP	

(Quorum 6 members)

**Madeline Holland**  
**Kaitohutohu Mana Whakahaere Matua /**  
**Governance Advisor**

**5 March 2025**

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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 [Tuesday, 11 February 2025](#), 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**



## Watercare Performance Update

File No.: CP2025/03336

### Te take mō te pūrongo Purpose of the report

1. To receive an update from Watercare on their performance for the 2024/2025 financial year and future outlook.

### Whakarāpopototanga matua Executive summary

2. Council-controlled organisation (CCO) and Port of Auckland Limited 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. Watercare representatives will be in attendance to present on their performance for the 2024/2025 financial year and future outlook and answer any questions. This will include:
  - an overview of year to date 2024/2025 performance
  - update on financial separation
  - network capacity constraints
  - update on Group Shared Services implementation
4. The Watercare presentation will be attached to the meeting minutes.

### Ngā tūtohunga Recommendation

That the Council Controlled Organisation Direction and Oversight Committee:

- a) whiwhi / receive the update from Watercare on year-to-date performance for 2024/2025 and future outlook.

### Ngā tāpirihanga Attachments

There are no attachments for this report.

### Ngā kaihaina Signatories

Author	Trudi Fava - Principal Advisor
Authoriser	Alastair Cameron - Manager CCO/External Partnerships team





## Quarter two performance reports 2024/2025 for substantive council controlled organisations and Port of Auckland Limited

File No.: CP2025/01297

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### Te take mō te pūrongo Purpose of the report

1. To receive a summary of, and comments on, Eke Panuku, Tātaki Auckland Unlimited, Watercare and Port of Auckland Limited (POAL) quarter two reports, for the period ending 31 December 2024.

### Whakarāpopototanga matua Executive summary

2. The CCO and POAL performance reports for the second quarter of 2024/2025 are contained in Attachments A to D.
3. 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
<b>Eke Panuku</b>	<ul style="list-style-type: none"><li>• Operating financial results for Eke Panuku and its activities managed on behalf of the council, were favourable for the half-year. Capital expenditure totalled \$40 million, broadly in line with the phased budget of \$41.9 million.</li><li>• The full-year asset sales combined target of \$76 million will not be met due to subdued market conditions. \$4.5 million of asset sales were completed by the end of quarter two, with approximately \$50.5m of further conditional sales under negotiation. 38 housing units were completed, against a target of 157. This target is also unlikely to be met.</li></ul>
<b>Tātaki Auckland Unlimited (TAU)</b>	<ul style="list-style-type: none"><li>• Of the twelve TAU Statement of Intent performance measures, at the end of quarter two, ten performance measures were met or on track to be met, and two are not reported this quarter.</li><li>• TAU's operating financial result was slightly favourable to budget, driven by higher event revenue and strong film studio margins, while expenditure remained largely on budget.</li><li>• Capital expenditure was \$39.1 million for the half-year, tracking at 46 per cent of the year-to-date budget, with spending accelerating in quarter two as some projects were brought forward.</li></ul>
<b>Watercare</b>	<ul style="list-style-type: none"><li>• Watercare's net direct financial result for the half-year was favourable to budget, with lower spending offsetting revenue shortfalls. Watercare's capital delivery is behind schedule, with \$479 million spent, tracking at 78 per cent of the year-to-date budget.</li></ul>

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Council-controlled Organisation	Summary of key issues and risks
	<ul style="list-style-type: none"> <li>• Targets were achieved for twenty-three of Watercare’s 30 performance measures. An additional six measures have yearly targets.</li> <li>• Watercare’s credit raise remains on track to be achieved by 1 July 2025.</li> </ul>
<p><b>Port of Auckland Limited</b></p>	<ul style="list-style-type: none"> <li>• POAL has delivered a strong first half-year performance, with container volumes up 7.7 per cent on the previous year. Weakness in vehicle imports and construction materials continues to affect trade volumes. Despite this, coal imports and breakbulk trade have remained strong, partially offsetting the decline.</li> <li>• Revenue reached \$196.0 million for quarter two, \$17.7 million above budget, while net profit after tax (NPAT) hit \$42.0 million, surpassing the budgeted \$26.8 million. Despite weaker vehicle trade and construction material volumes, overall profitability remains robust, and the full-year NPAT target of \$65 million is on track.</li> </ul>

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 2024/2025 second quarter reports of the substantive council-controlled organisations and Port of Auckland Limited, 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 Statement of Intent (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 2024/2025 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 2024/2025 is contained in Attachment D.

## Tātaritanga me ngā tohutohu Analysis and advice

### Eke Panuku Half-year performance

#### Financial performance overview

8. Eke Panuku finished quarter two with direct revenue \$5.7 million above budget, primarily due to \$3.2 million in property lease revenue being recognised upfront and \$1.6 million from tenanted properties that were initially planned for sale or vacancy. Direct expenditure was \$0.8 million below budget, driven by lower spend in staff cost and lower spend on the Central Wharves master planning project. The forecast underspend of \$0.8 million will be deferred into the next year, through CCO transition.
9. Capital delivery progressed well with \$40 million spent, tracking closely against budget. Additional information has been included on capital projects greater than \$5 million, to allow greater oversight of delivery.

#### Performance measures and programme deliverables

10. The below table sets out a summary of performance against Statement of Intent 2024-2027 performance measures at the end of quarter two:

Eke Panuku	Target met or on track	Target not met or not on track	Not reported in the period	Total
Measures	7	3	2*	12

\*Two are annual surveys.

11. Three performance measures are not on track by the end of quarter two, primarily due to subdued market conditions:
  - Asset recycling target – \$4.5m sales were achieved, with Eke Panuku advising they will not meet the annual target of \$60m. Note that this figure has been updated from the \$3.9m reported in the group quarterly report to the Governing Body on 27 February.
  - Transform and unlock (urban regeneration) property sales – no properties were sold and the annual target of \$16m is unlikely to be met. There are risks to the completion of unconditional agreements for sales in Takapuna, North Wharf and Papatoetoe.
  - Net new dwellings (housing units) – 38 units were completed, against a target of 157 units. This target is also unlikely to be met due to project construction delays or restaging from a challenging property market.
12. Eke Panuku have 13 programmes with deliverables for 2024/2025. 10 programmes are on track and three are at risk (Takapuna, Avondale and Panmure).
13. Eke Panuku have revised the development strategy for Northcote (against that detailed in their Statement of Intent 2024-2027). This is because a market process for a development partner for the whole town centre was unsuccessful. They are now taking on a master developer role and creating smaller development opportunities, staged to match market demand and property market conditions.
14. Quarter two delivery highlights include:
  - Karanga Plaza Harbour pool opening in the waterfront in December 2024.
  - Completion of the Westhaven Seawall upgrade to protect the area from extreme weather events and create wider walkways for recreational purposes.
  - Reopening of the Te Wero Wynyard Crossing Bridge in December 2024 following the completion of an extensive maintenance programme.

## Key Issues and Risks

15. Market conditions and uncertainty around the development contributions policy update mean that there could be a significant shortfall of asset sales against targets, although approximately \$50.5m of conditional sales are under negotiation. The property market is challenging from a wider economic perspective with a significant number of listings and developers holding unsold stock. This risk was also highlighted in the group quarterly report.
16. Property sales and completion of housing units are still expected once the property market improves, but the timing may need to be rephased to subsequent years.
17. The review of property management and functions is expected to improve governance, processes and improved efficiency across the group. This includes improving the development of the asset sales pipeline, with the process strengthened to improve delivery.

## Tātaki Auckland Unlimited

### Half-year performance

18. TAU's operating net financial result was slightly favourable to budget, with higher revenue from events, film studio operations, and insurance recoveries offsetting timing variances in grant revenue, while expenditure remained largely on track. Capital expenditure totalled \$39.1 million for the half-year, with 46 per cent of the annual budget spent. After a slower start, spending accelerated in the second quarter, with some projects brought forward to maintain delivery momentum.
19. The below table sets out a summary of performance against SOI 2024-2027 performance measures at the end of quarter two:

Tātaki Auckland Unlimited	Target met or on track	Target not met or not on track	Not reported in the period	Total
Measures	10	0	2	12

20. TAU has 12 SOI measures, of which five are Long-term Plan (LTP) measures. Nine of the 12 measures are tracked quarterly; one is a six-monthly measure; and two are annual measures. At the end of quarter two, ten performance were met or on track to be met, and two are not reported this quarter.
21. Quarter two delivery highlights include:
  - At the end of quarter two, ticketed attendance across TAU venues and events was more than 1.03 million – 49 per cent of the year-end target of 2.12 million.
  - The BNZ Auckland Diwali Festival was delivered on behalf of Auckland Council on 19-20 October, featuring more than 1800 performers across 250 performances – the highest number ever.
  - Go Media Stadium was crowned New Zealand's Large Venue of the Year at the 2024 Events and Venues Association of New Zealand Awards in December 2024. Go Media Stadium also hosted Auckland FC's inaugural A-league match against Brisbane Roar in front of a capacity crowd of 24,000 in October 2024.
  - After decades of collaboration on numerous species recovery and conservation programmes and after several years of planning and negotiation, Auckland Zoo signed a National Strategic Partnership Agreement with the Department of Conservation in October 2024.
  - Auckland Live concluded a successful quarter with *Matilda the Musical* at the Bruce Mason Centre (18,000 paid tickets sold), and *Lord of the Rings a Musical Tale* at The Civic Theatre (16,000 tickets sold across its season).

- Major events supported by TAU across FY25 to the end of quarter two are estimated to have contributed more than \$41 million to regional GDP including Coldplay who performed three sold-out shows at Eden Park in November, drawing 170,000 attendees.
- The Ministry of Business, Investment and Employment (MBIE) agreed to extend its funding for Project Ikuna through to the end of FY25 for a total value of about \$2.2m.

### Key Issues and Risks

22. TAU highlight that over quarter two, the CCO reform process created challenges from an operational perspective, particularly engaging in external markets and driving long-term commercial and philanthropic partnerships – as per TAU’s strategy to harness external revenue sources. The Economic Development transition will require significant support to ensure continued progress is made on economic development initiatives and programmes.
23. TAU also note that without the introduction of a bed night visitor levy, there will be a budget gap of \$7m for 2025/2026 for funding major events. Pending outcomes of the consultation process and decisions on the final Annual Budget 2025/2026, TAU may need to reduce its 2025/2026 major events portfolio significantly to accommodate this reduced funding.

## Watercare

### Half-year performance

24. Watercare’s net direct financial result for the half-year was favourable to budget, with lower spending offsetting revenue shortfalls. Direct revenue was \$9 million below budget, primarily due to lower water and wastewater volumes, higher leakage allowances, and reduced Infrastructure Growth Charges and Waikato District Council (WDC) contract revenue. Correspondingly, lower WDC costs contributed to the \$17 million underspend, along with reduced professional services in programme delivery and timing differences in tankering and technical costs.
25. Watercare’s capital delivery is behind schedule, with \$479 million spent, tracking at 78 per cent of the year-to-date budget. Initial uncertainty around financial separation and FY25 funding led to a slower-than-expected project ramp-up. To maintain momentum, Watercare has brought forward other projects, including property purchases, and revised its full-year capital programme forecast down to \$1.17 billion from the original \$1.21 billion.
26. Watercare supported the council in the group submission on the Local Government (Water Services) Bill which establishes arrangements for the new water services delivery system and a new economic regulation and consumer protection regime for water services.
27. Watercare also worked with council staff to provide submissions to the Commerce Commission and Taumata Arowai on their plans to levy water service providers to cover the costs of economic and quality regulation of water services respectively. The total costs of the proposed levies added to the costs recovery for interim economic regulation will be in the range of \$10 -11 million per annum for Watercare.
28. Watercare is subject to interim economic regulation under the Local Government (Water Services Preliminary Arrangements) Act 2024. Policy settings for the Watercare Charter were approved by Cabinet in December 2024. The Charter is expected to be enacted as secondary legislation in March 2025 to commence 1 April 2025. To meet the requirements of the Act, Watercare has developed a 10-year business plan that covers priorities and challenges, asset management approach, infrastructure investment, revenue and funding plans for the next 10 years.
29. Thirty of Watercare’s 36 SOI measures are reported in the quarter two report.

Watercare	Target met or on track	Target not met or not on track	Not reported in the period	Total
Measures	23	7	6	36

30. The seven measures where targets were not met in the quarter are:
- Response time for attendance at sewerage overflows – 79 minutes median compared with a target of less than 75 minutes. Along with the water quality assurance targets not met, this also means that the target to meet all 15 DIA measures has been missed.
  - Leakage performance – 110.94 litre/connection/day (l/c/d) against a target of 98.29 l/c/d. Watercare’s proactive leak detection (and pressure reduction) programme surveys pipes to reduce water loss.
  - Compliance with Taumata Arowai Quality Assurance Rules – Microbiological compliance in the distribution network was not achieved in one of the 40 zones. E.coli of 5 cfu/100mL was detected in the Maungawhau zone on 13 November 2024. This was notified to Taumata Arowai with resamples, network flushing and detailed investigations undertaken that indicated sample contamination as the likely cause of the result. Watercare advise that there was no risk to public health.
  - Compliance with Taumata Arowai Quality Assurance Rules – Residual disinfection (chlorine) compliance was not achieved in three of the 40 zones: North shore (2 samples), Te Henga (1 sample) and Wellsford (1 sample). Wellsford also did not meet the target 85 per cent compliance rate for chlorine residual (77 per cent). Reactive flushing or rechlorination was completed for all instances. Proactive network flushing has been implemented in Wellsford.
  - Provision of specialist advice into resource consents – Input was provided within 10 working days for 87.9 per cent of resource consents, below the 90 per cent target.
  - Health and safety – Permit audits were conducted at only 26 of the 36 sites, (15 major operational sites, and 21 major construction project sites). This result was impacted by the holiday close down.
31. Of those measures with a yearly target, planned network pipe renewal, at 6km completed, sits well below the yearly target of 26 km, and the proportion of procurement sourced through Māori-owned business currently sits at 3.1 per cent against a target of 5 per cent.
32. Central Interceptor (including Pt Erin Tunnel Works) budget was behind plan due to resequencing of activities. Steady progress across all sites continues and the southern section including the Māngere Pump Station has been commissioned. A formal event was held on 14 February 2025 to mark this milestone.

### Key Issues and Risks

33. The complex programme of balance sheet separation and Watercare’s credit raise remains on track to be achieved by 1 July 2025.
34. The ‘Waikato 50’ treatment plant has been brought into service due to lack of rainfall that was previously forecasted. This has resulted in approximately \$20,000 unbudgeted costs per day. If there is more rain, then the Waikato 50 plant can be turned off in a few days.
35. On 23 January 2025, the Waitākere No. 1 Transmission watermain failed in Mountain View Road. This led to up to 1,000 people being without water for 12 hours and another approximately 8,000 people having lower pressure.
36. A Level 3 incident was declared to manage arsenic exceeding the maximum accepted value of 0.01mgL with a result of 0.011mgL in a sample collected on 25 November 2024. Similar elevated results occurred at Hamilton City Council, Waikato District Council and Waipa District Council water treatment plants. Taumata Arowai were notified, production reduced at the Waikato water treatment plant, and extensive sampling was undertaken. All subsequent samples have complied with the maximum acceptable value for arsenic. There was no immediate risk to public health.

## Port of Auckland Limited

### Half-year performance

#### Performance Overview

37. POAL has delivered a strong first half-year performance, with container volumes up 7.7 per cent on the previous year. The company continues to focus on efficiency improvements, customer engagement, and long-term infrastructure planning.
38. Financially, revenue reached \$196 million for quarter two, \$17.7 million above budget, while net profit after tax hit \$42 million, surpassing the budgeted \$26.8 million. Despite a weaker vehicle trade and construction material volumes, overall profitability remains robust, and the full-year NPAT target of \$65 million is on track.
39. POAL also maintained cost discipline, with operating expenses slightly below budget. An interim dividend of \$45 million is expected, continuing the positive trend from last year's \$40 million.
40. Operational and safety highlights include:
  - Berth window performance improved to 63 per cent, despite continued global supply chain disruptions.
  - Container handling productivity increased, reaching an average berth rate of 37.9 moves per hour, meeting internal targets.
  - 77.2 per cent of trucks turned around within 30 minutes, though higher container demand has slightly impacted efficiency.
  - Zero serious injuries or fatalities, with safety performance (HSPI) tracking at 84 per cent, exceeding the 80 per cent target.

#### Key Issues and Risks

41. **Cruise season impact:** The cruise season is in full swing, with downtown Auckland experiencing a surge in tourists. Although cruise calls are slightly down year-on-year, the impact is not as severe as initially expected. However, looking ahead to FY26, cruise traffic may decline further due to advance scheduling constraints.
42. **Economic challenges:** Weakness in vehicle imports and construction materials continues to affect trade volumes. Despite this, coal imports and breakbulk trade have remained strong, partially offsetting the decline.
43. **Rail usage below target:** A continued preference for trucking over rail due to cost advantages has kept the percentage of containers moved by rail below expectations.

#### Strategic Developments

44. **Bledisloe North and Ferguson North Wharf projects:** POAL is set to submit resource consent applications as soon as the government's fast-track process opens.
45. **New cruise terminal:** Plans for a cruise terminal integrated into the Bledisloe North Wharf vehicle handling facility are progressing, positioning POAL to expand its cruise business in the coming years.
46. **Decarbonisation efforts:** The solar array installation on the car handling facility is nearing completion, expected to supply 7-8 per cent of the port's electricity needs.

#### Outlook for FY25

47. With a strong first half of the year completed, the focus remains on sustaining operational efficiency, managing costs, and addressing economic headwinds. The full-year NPAT target of \$65 million remains achievable.

## Tauākī whakaaweawe āhuarangi Climate impact statement

48. The CCOs and POAL quarterly reports contain commentary on activities relating to climate change. Important points to highlight are:
49. Eke Panuku progress on their climate goals in quarter two includes:
  - Deconstruction projects to enable redevelopment in Papatoetoe and Avondale, to salvage materials for reuse.
  - Further embedding climate considerations in business case processes and the risk management framework.
  - Ongoing work in Te Whakaorangao te Puhinui to engage and empower the community through this stream regeneration project.
50. For TAU, Auckland Stadiums hosted a successful e-waste day at Go Media Stadium. The day was delivered in partnership with Echo and One NZ and diverted 12,700kg of e-waste from landfill. Go Media Stadium now has more than 30 food bins during games. Solar installation is also progressing at Go Media Stadium, with physical works starting in December 2024 and will be completed by April 2025.
51. Water audits are taking place at the same time as energy audits to inform a water efficiency plan for TAU. The BTune Building Management System optimisation project at Aotea Centre is ongoing, with an estimated nine per cent energy savings for November against the baseline.
52. Watercare performance against the greenhouse gas SOI measure is tracking well, with 54,116 tCO<sub>2</sub>e against the SOI target of a maximum of 139,170 tCO<sub>2</sub>e. This result is largely based on positive performance in electricity emissions.
53. Watercare has published its [Greenhouse Gas and Climate Change Summary](#) for 2024. Nitrous oxide and methane generated from wastewater treatment processes and biosolids disposal are their most challenging emission sources. To start to address this, direct monitoring of nitrous oxide emissions is underway at the Māngere Wastewater Treatment Plant to provide better information and develop options to reduce emissions.
54. POAL's report outlines several climate impact initiatives under its Kaitiakitanga (Sustainability) Framework, focusing on emissions reduction, harbour health and waste management. The Decarbonisation Roadmap is progressing, with discussions underway on low-emission fuel options for the diesel fleet and infrastructure development for electric equipment. The Car Handling Facility rooftop solar project is set for completion in March 2025, expected to supply 7–8 per cent of the port's annual electricity needs.
55. Harbour health efforts include a long-term environmental plan released at the Moana Auckland Sustainability Expo. POAL is also working with Eke Panuku and the council on using dredged material for the Te Ara Tukutuku (Headland Park) project.
56. Waste reduction remains a challenge, with total waste disposal exceeding targets. The port is implementing new waste minimisation initiatives across departments to improve diversion rates and drive a circular economy.

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

57. 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

58. The governance of substantive CCOs (with the exception of Auckland Transport) 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

59. Each CCO and POAL report on their contribution towards achieving Māori Outcomes in their quarterly report.
60. Highlights for Eke Panuku in quarter two, include:
- Engagement with iwi rangatira and delegates to support delivery of iwi aspirations and outcomes in relation to Eke Panuku programmes and project.
  - Use of Amotai, our supplier diversity advisor to identify potential iwi and Pasifika providers for Roulston Park and Onehunga Wharf to contribute to supplier diversity targets.
  - Engagement with iwi with interests in key projects, including the central wharves master planning and stormwater plans in Onehunga.
61. Highlights for TAU in quarter two include:
- Participating in a 12-week intern programme aimed at increasing the number of Māori and Pacific leaders in the workplace and corporate sector.
  - Publishing in December 2024 the second edition of [Ākina](#), TAU's Māori Outcomes highlights and successes publication, which was shared with key partners and collaborators.
  - TAU, alongside the Ministry for Pacific Peoples, piloted a two-week Oyster & Moon Collective pop-up store at Britomart, showcasing indigenous enterprise. This initiative was timed to link into the cruise ship season and generated income, new products and retail experiences for visitors to town and valuable experience for the entrepreneurs involved.
62. Watercare are currently redrafting their Achieving Māori Outcomes Plan. During the quarter, there were discussions about the sites of significance to mana whenua and the implications for Watercare assets, and factors impacting marae, including the commissioning of sprinkler systems for Makaurau Marae, Manurewa Marae, and Te Piringatahi Marae.
63. POAL's report outlines progress on its Tauru Herenga Waka/Māori Outcomes Framework, including plans for a refresh in January 2025 and further collaboration with Auckland Council and Maritime Union of New Zealand. The report also details multiple iwi engagements such as marae openings and a hura kohatu event.
64. POAL cultural and leadership initiatives are emphasised through programmes like the upcoming Te Ara Rangatira Emerging Leaders course and Te Ara Ahurea Wananga Tiriti training. In addition, staff engagements include monthly whakatau sessions and comprehensive te reo Māori training—from beginner courses and NZQA Level 2 sessions to ongoing online learning.
65. POAL also note two annual iwi internships and the TIPENE scholarship fund for 19 iwi that underscore POAL's commitment to deepening Māori participation and embedding cultural values across the organisation.

## Ngā ritenga ā-pūtea Financial implications

66. 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

67. 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

68. The next CCO and POAL quarterly performance reports (quarter three, January to March 2025) will be provided to the CCO Direction and Oversight Committee in May 2025.

## Ngā tāpirihanga Attachments

No.	Title	Page
<a href="#">A⇒</a>	Eke Panuku Quarter Two Report 2024/2025	
<a href="#">B⇒</a>	Tataki Auckland Unlimited Quarter Two Report 2024/2025	
<a href="#">C⇒</a>	Watercare Quarter Two Report 2024/2025	
<a href="#">D⇒</a>	Port of Auckland Quarter Two Report 2024/2025	

## Ngā kaihaina Signatories

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

## Lead Councillor CCO updates

File No.: CP2024/13625

### Te take mō te pūrongo Purpose of the report

1. To 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	Sonja Tomovska - Kaitohutohu Mana Whakahaere Matua / Senior Governance Advisor
Authoriser	Alastair Cameron - Manager CCO/External Partnerships team

## Summary of Council Controlled Organisation Direction and Oversight Committee information memoranda and briefings (including the forward work programme) – 11 March 2025

File No.: CP2025/02407

Item 11

### Te take mō te pūrongo Purpose of the report

1. To note the progress on the Council Controlled Organisation Direction and Oversight Committee forward work programme appended as Attachment A.
2. To 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. There were no workshops held.
5. There were no memos or information circulated.
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 – 11 March 2025.

### Ngā tāpirihanga Attachments

No.	Title	Page
A⇒	Forward Work Programme	

### Ngā kaihaina Signatories

Author	Sonja Tomovska - Kaitohutohu Mana Whakahaere Matua / Senior Governance Advisor
Authoriser	Alastair Cameron - Manager CCO/External Partnerships team



## Exclusion of the Public: Local Government Official Information and Meetings Act 1987

That the **Council Controlled Organisation Direction and Oversight Committee:**

- a) whakaae / agree to exclude the public from the following part(s) of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

### C1 **CONFIDENTIAL: Referred from the Audit and Risk Committee - Council-Controlled Organisations' Quarterly Risk Update - December 2024**

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(c)(i) - The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information or information from the same source and it is in the public interest that such information should continue to be supplied.  In particular, the report contains risk reporting and detailed top risks confidential to the substantive council-controlled organisations' boards or Audit and Risk Committees. The substantive council-controlled organisations have provided their risk reports for council's Audit and Risk Committee subject to confidentiality.	s48(1)(a)  The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

### C2 **CONFIDENTIAL: Lead Councillor CCO updates**

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.  In particular, the report contains information that could prejudice Watercare's position with potential stakeholders.	s48(1)(a)  The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

