

I hereby give notice that an ordinary meeting of the Revenue, Expenditure and Value Committee will be held on:

**Date:** Tuesday, 15 April 2025  
**Time:** 10.00am  
**Meeting Room:** Room 1, Level 26  
**Venue:** Te Wharau o Tāmaki - Auckland House  
135 Albert Street  
Auckland

---

## Komiti mō te Moni Whiwhi, mō te Whakapaunga me te Uara / Revenue, Expenditure and Value Committee

### OPEN AGENDA

---

#### MEMBERSHIP

<b>Chairperson</b>	Cr Desley Simpson, JP	
<b>Deputy Chairperson</b>	Cr Greg Sayers	
<b>Members</b>	Cr Chris Darby	Cr Sharon Stewart, QSM
	Cr Julie Fairey	Houkura Chair David Taipari
	Houkura Member Tony Kake, MNZM	Cr Ken Turner
	Cr Kerrin Leoni	Cr Maurice Williamson
	Cr Daniel Newman, JP	
<b>Ex-officio</b>	Mayor Wayne Brown	

(Quorum 6 members)

**Phoebe Chiquet-Kaan**  
**Governance Advisor**

**10 April 2025**

Contact Telephone: +64274069656  
Email: [phoebe.chiquet-kaan@aucklandcouncil.govt.nz](mailto:phoebe.chiquet-kaan@aucklandcouncil.govt.nz)  
Website: [www.aucklandcouncil.govt.nz](http://www.aucklandcouncil.govt.nz)



<b>ITEM</b>	<b>TABLE OF CONTENTS</b>	<b>PAGE</b>
1	Ngā Tamōtanga   Apologies	5
2	Te Whakapuaki i te Whai Pānga   Declaration of Interest	5
3	Te Whakaū i ngā Āmiki   Confirmation of Minutes	5
4	Ngā Petihana   Petitions	5
5	Ngā Kōrero a te Marea   Public Input	5
6	Ngā Kōrero a te Poari ā-Rohe Pātata   Local Board Input	5
7	Ngā Pakihi Autaia   Extraordinary Business	5
8	Section 17A Review of Marinas	7
9	Better Value Projects update	15
10	Status Update on Action Decisions from Revenue, Expenditure and Value Committee – 18 March 2025	21
11	Summary of Revenue, Expenditure and Value Committee information memoranda and briefings (including the forward work programme) - 15 April 2025	23
12	Te Whakaaro ki ngā Take Pūtea e Autaia ana   Consideration of Extraordinary Items	
<b>PUBLIC EXCLUDED</b>		
13	Te Mōtini ā-Tukanga hei Kaupare i te Marea   Procedural Motion to Exclude the Public	25
C1	Confidential: Variation for the central, northern and southern operations and maintenance contracts	25
C2	Confidential: Parks and Community Facilities Full Facilities Contracts Performance update	25
C3	Confidential: Environmental Services Department service and financial performance review	26
C4	Confidential: Waste Solutions Service and Financial Performance review	26



**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 Revenue, Expenditure and Value Committee:

- a) whakaū / confirm the ordinary minutes of its meeting, held on [Tuesday, 18 March 2025](#), including the confidential section, 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**



## Section 17A Review of Marinas

File No.: CP2025/05256

### Te take mō te pūrongo

#### Purpose of the report

1. To note the findings of the marina services review, including the marina investment and control objectives. No significant changes are proposed to the ownership and management of council-owned marinas.

### Whakarāpopototanga matua

#### Executive summary

2. Council has completed a review of its arrangements for delivering marina services and infrastructure, as required under section 17A of the Local Government Act 2002 and in accordance with terms of reference adopted by this committee in November 2024.
3. The review covered six marinas where the adjoining land is owned by council:<sup>1</sup>
  - *Council-operated marinas located in central Auckland:* Westhaven, Viaduct and Silo.
  - *Marinas operated by a third-party under a ground lease:* Hobsonville, Gulf Harbour and Half Moon Bay.(Collectively referred to as the “council-owned marinas”)
4. The council-owned marinas are regional assets, so governance and decision-making responsibilities rest with the Governing Body. Eke Panuku Development Auckland currently manages council’s interests in these marinas. As part of council-controlled organisation (CCO) reforms, this marina management function will transition into the council.

#### Council’s role and objectives relating to marinas

5. The marina environment involvement is complex, with each site subject to multiple layers of considerations including legislation, planning rules, leases, policies, agreements and ongoing initiatives. The review has documented these key factors to support future decision-making and governance.
6. Council is not required to provide marina services or infrastructure under legislation, and such services could feasibly be delivered by the private sector. However, there are barriers to entry for any new marina development. Council’s current involvement reflects historical decisions and broader public interest objectives noted below.
7. Although there is no adopted marina position, the review recorded a set of “marina investment and control objectives” based on these considerations and informed by current direction and practice.

#### Marina Investment & Control Objectives

**Maintain** the provision of well-run **marina services\*** to the public on **reasonable commercial terms**.

*\*Berthage/mooring and related boating services such as fueling, cleaning and maintenance.*

<sup>1</sup> While land can be owned, the foreshore and seabed areas cannot, and so occupancy consents must be held to enable access.

Item 8

Marina Investment & Control Objectives
<b>Maintain public access</b> to significant sections of waterfront, including access for <b>public ferry services</b> and boat ramps.
<b>Provide for broader public amenity*</b> at the waterfront. <i>*Includes commercial and recreational amenities for the general and boating public, such as shops, restaurants, car parks, club premises, events, and water-based services.</i>
<b>Honour</b> relevant <b>Te Tiriti obligations</b> , including treaty settlements.
<b>Receive a reasonable commercial return</b> from operation of <b>marina services</b> and <b>other commercial activities</b> .

8. Council also seeks to manage the environmental effects of marina and boating operations. This is principally delivered through council’s regulatory role under the Resource Management Act 1991.
9. The objectives record the current position that council seeks to support public access and amenity, while optimising commercial return to sustain marina operations and deliver value to Aucklanders. This suggests that marinas should be managed in a commercial and business-like manner in line with the broader market, while factoring broader community values and expectations. The objectives are generic and provide a baseline framework. They do not preclude council from adopting specific, place-based objectives.
10. The objectives provide a framework for council staff involved with marina operation, and can guide future decisions regarding management structure, investment, and unsolicited proposals. Council will also need to ensure that important decisions are made transparently and in accordance with its statutory obligations.

**Options for providing marina services**

11. The review considered a range of options for the future of marina services, including different models of ownership (such as retaining full ownership, partial divestment, or full sale), leasing arrangements (long-term ground leases to third parties), and operational management (continuing council operation, transferring to another council-controlled entity, or outsourcing to a third party).
12. No major concerns were identified with the current arrangements. The marinas appear to be well-managed and are currently providing a reasonable return to council given constraints (a net surplus of around \$12 million to \$13 million per year). However, existing arrangements may limit the level of investment in marina infrastructure and associated public amenities. While investment may yield commercial returns, council must assess any capital commitments against other priorities and has a relatively low appetite for commercial risk. Additionally, ground lease tenants may be less incentivised to invest in assets they do not own. Despite these constraints, investment has occurred in the past by both council and the ground lease tenants (noting the tenants have significant tenure).
13. Other options were assessed in light of existing legal and contractual complexities and council’s broader objectives. These constraints limit viable alternatives at this time. Some technically feasible options may require political direction to progress further.
14. Overall there are significant restrictions to changing the status quo options, and the existing options provide value for money which results in no compelling case for change. The review therefore recommends maintaining the current ownership and operational arrangements for all six marinas, subject to any future political direction.
15. The review report is included at Attachment A.



## Ngā tūtohunga Recommendation/s

That the Revenue, Expenditure and Value Committee:

- a) **tuhi ā-taipitopito / note** the findings of the section 17A review of marina services, including the recommendation to maintain the status quo for the six marinas subject to further political direction;
- b) **tuhi ā-taipitopito / note** the marina investment and control objectives identified within the report

## Horopaki Context

16. Under section 17A of the Local Government Act 2002, council is required to review the cost-effectiveness of current service delivery arrangements at least every six years, unless a specific exemption applies. This committee approved the terms of reference for this review in November 2024.

### Marinas in scope

17. The review covered six marinas where the adjoining land is owned by council:<sup>2</sup>
  - *Council-operated marinas located in central Auckland:* Westhaven, Viaduct and Silo.
  - *Marinas operated by a third-party under a ground lease:* Hobsonville, Gulf Harbour and Half Moon Bay.

(Collectively referred to as the “council-owned marinas”)
18. The council-owned marinas have over 4,000 berths collectively (around 70% of the market). These range in scale and function, from superyacht berths at Silo Marina to regional ferry access at Half Moon Bay. The review does not cover privately owned marinas (there are currently 15 marinas in the Auckland region, including 2 dedicated dry stack facilities).
19. The marinas were initially developed and vested in council to provide safe berths and moorings, but over time have evolved into broader waterfront assets incorporating commercial, recreational, and transport functions.
20. Marina operations involve both land-based infrastructure (which council can own and can lease) and foreshore and seabed areas (which cannot be owned and are accessed through occupancy consents under the Marine and Coastal Area (Takutai Moana) Act 2011 and the Resource Management Act 1991).
21. Each marina is subject to overlapping layers of control — including legislative provisions, lease arrangements, unitary plan rules, consent conditions, operational agreements, and council policies. These layers limit flexibility and introduce complexity in managing and reviewing marina arrangements.

<sup>2</sup> While land can be owned, the foreshore and seabed areas cannot, and so occupancy consents must be held to enable access.

**Council’s role and objectives relating to marinas**

- 22. The provision of marina infrastructure and services is not a requirement under legislation, nor is it necessarily a response to market failure. Marinas can be, and often are, developed and operated by the private sector. However, high barriers to entry — including cost, regulatory complexity, and coastal occupation rights — make new marina development difficult. Council’s ongoing involvement is based on historic decisions and broader public interest considerations. Marinas do support and align with some strategic outcomes in the council’s Auckland Plan 2050, including relating to the “transport and access” outcome.
- 23. There is currently no adopted marina position that sets out council’s desired outcomes or strategy. However, the review has identified a baseline framework of objectives that reflects current practice, statutory requirements, and strategic direction.

Marina Investment & Control Objectives
<p><b>Maintain</b> the provision of well-run <b>marina services*</b> to the public on <b>reasonable commercial terms</b>.</p> <p><i>*Berthage/mooring and related boating services such as fueling, cleaning and maintenance.</i></p>
<p><b>Maintain public access</b> to significant sections of waterfront, including access for <b>public ferry services</b> and boat ramps.</p>
<p><b>Provide for broader public amenity*</b> at the waterfront.</p> <p><i>*Includes commercial and recreational amenities for the general and boating public, such as shops, restaurants, car parks, club premises, events, and water-based services.</i></p>
<p><b>Honour</b> relevant <b>Te Tiriti obligations</b>, including treaty settlements.</p>
<p><b>Receive a reasonable commercial return</b> from operation of <b>marina services</b> and <b>other commercial activities</b>.</p>

- 24. Council also seeks to manage the environmental effects of marina and boating operations. This responsibility primarily sits with its regulatory role under the Resource Management Act 1991, including through consent conditions, the Auckland Unitary Plan, and other compliance mechanisms.
- 25. Council is committed to transparent decision-making and will continue to ensure public and stakeholder input is considered where required, particularly for significant decisions. The objectives are generic and do not preclude the development of specific place-based goals.
- 26. These objectives provide a framework for council staff involved in marina operations, and can guide future decisions regarding management structure, investment, and responses to unsolicited proposals.

**Tātaritanga me ngā tohutohu**  
**Analysis and advice**

- 27. The review report is included at Attachment A.

**Current arrangements and considerations**

- 28. Financial arrangements vary by site due to legacy agreements, long-term leases, and historical investments. In some cases, lease prepayments or perpetual rights affect the ability to adjust returns or renegotiate terms.
- 29. The net surplus (revenues less direct expenses) from operations is around \$12 million to \$13 million per year, depending on maintenance programmes and other costs.
- 30. Marina management is affected by a wide range of factors:
  - Treaty obligations including mana whenua engagement
  - Legislation including specific empowering acts

- Consents / permits including seabed / foreshore occupancy rights
- Unitary plan including marina zones and specific precincts
- Council policies including the coastal management framework
- Lease and agreements including specific deeds and lease terms
- Management policies including specific management plans
- Operations including use of boat ramps, ferry services, and carparks

### Options considered

31. Options considered in the review related to:

- *Ownership*: Retain full council ownership, partial divestment, or sale
- *Leasing*: Continue or revise long-term ground leases with third parties
- *Management*: Council-operated, CCO-operated (e.g. transfer to Auckland Future Fund), or outsourced to private operators

### Assessment of options

32. The assessment included considering:

- *Specific circumstances* for each marina are assessed and this results in narrowing the list of options that are viable.
- Assess the remaining options against the investment and control objectives to test whether there is now a case of change, noting that circumstances may have changed since the marinas were initially developed.

33. The complexity of existing arrangements limited the feasibility of major changes in most cases. Many options — particularly those involving sale or change of use — would require political direction and, in some cases, legislative or consenting change.

34. The current arrangements generally reflect appropriate alignment with council's objectives. Marinas are well-managed and generating a reasonable return. However, constraints on capital reinvestment, lease flexibility, and infrastructure upgrades remain a challenge.

35. Council has not undertaken an assessment of current demand and is not aware of evidence of unmet demand for marina berths.

#### ***Westhaven Marina***

36. Originally developed in the 1950s, Westhaven is the largest of the six marinas offering over 1,800 berths for vessels up to 30m in length.

37. The adjoining land is owned by council, which also has the current consent to occupy. Most berths were placed into two separate trusts, reverting to the council in 2026 and 2029. An agreement with the Crown for the purchase of the land by council has strict covenants around perpetual public ownership and public access.

38. With the significant covenants and wider public good currently being achieved, retention of ownership and operation is recommended

#### ***Viaduct Marina (separate from the Viaduct Harbour Marina managed by VHHL)***

39. The initial development of the Viaduct Marina was started in the 1980s, and it now offers around 60 berths for vessels up to 55m in length.

40. The adjoining land is owned by council, which also has the current consent to occupy.

41. The Viaduct Marina is next to the Viaduct Harbour Marina. In the 1990s Ports of Auckland sold land interests in Viaduct Harbour to Viaduct Harbour Holdings Ltd (VHHL), including management rights for the water space under the existing coastal permit. This marina was excluded from the review as it is privately owned and operated. A Harbour Waterspace Management Deed (between the council and VHHL) which gives VHHL certain rights relating to the Viaduct Marina.
42. Given the conditions attached within the management deed and high-profile nature of this area for events, retention of ownership and operation is recommended.  
**Silo Marina**
43. Officially opening in 2010, Silo is the smallest of the six marinas with 10 berths for superyachts up to 116m in length.
44. Council has a consent to occupy the marina area, as does the Port of Auckland through legacy rights.
45. With its limited size and no real land-based component, options are assessed as not feasible or limited. It would be viable to consider sale of the marina rights to the adjoining leaseholders who currently use the marina. However, this opportunity is considered limited, so retention of ownership and operation is recommended.  
**Hobsonville Marina**
46. Westpark Marina, as it was called at the time, was established in 1979, and offers around 600 berths for vessels up to 32m in length.
47. The land is owned by the council, which also has the current consent to occupy. Of the 12 lots, 10 are ground leased to West Harbour Marine Limited, with two being perpetually renewable and the other eight terminating in 2084.
48. With the long term and perpetual nature of the leases, the continuing ownership by the council and leasing to West Harbour Marine Ltd is recommended, with the only other viable option really being to explore a possible sale to the existing leasee.  
**Gulf Harbour Marina**
49. Gulf Harbour Marina's construction was completed in 1988 and offers around 1,000 berths for vessels up to 55m in length.
50. The land is owned by the council, which also has the current consent to occupy. The land is ground leased to Gulf Harbour Investments Ltd and Gulf Harbour Management Ltd, terminating in 2088. Issues with development rights led to the leases, to ensure public access was maintained to parts of the area.
51. With the long-term nature of the leases, the continuing ownership by council and leasing to Gulf Harbour Investments Ltd and Gulf Harbour Management Ltd is recommended.  
**Half Moon Bay Marina**
52. Half Moon Bay Marina was officially opened in 1972 and offers around 600 berths for vessels up to 30m in length.
53. The land is owned by the council, which also has the current consent to occupy. The land is ground leased to Auckland Maritime Foundation on a perpetual basis.
54. With the perpetual nature of the lease, the continuing ownership by council and leasing to Auckland Maritime Foundation is recommended.  
**CCO governance, including Auckland Future Fund**
55. Given the commercial nature of marina management, the review considered whether marinas should continue to be managed by a council-controlled organisation (CCO). With recent decisions to transfer functions from Eke Panuku, the primary candidate CCO for marina governance is the Auckland Future Fund (AFF).

56. The AFF was established in 2024 to protect the real, long-term value of intergenerational assets and to provide enhanced returns to council to help fund infrastructure and services. Initially capitalised through council's shareholding in Auckland International Airport Limited, the fund is expected to grow through further capital contributions over time.
57. One option is to transfer council's marina interests to the AFF. This could be done on the basis that the AFF retains ownership on behalf of council and manages the assets in line with council's objectives. Alternatively, the AFF could be empowered to sell the assets to maximise value, as was the case with its mandate for the airport shares.
58. Assigning the AFF a broader role in managing commercial activities such as marinas would alter its current focus and may necessitate changes to its governance, including its board composition. However, marina assets could benefit from the commercial expertise and focus of the AFF board.
59. The AFF is currently supported by council staff and will also engage an independent investment manager, rather than establishing its own chief executive and management structure. This approach could be retained if its role were expanded.
60. As the AFF is still in its establishment phase, now may not be the right time to broaden its responsibilities. Further decisions have just been made to bring these functions into council. Therefore this option was not progressed in detail and could be explored further in the future.

## **Tauākī whakaaweawe āhuarangi** **Climate impact statement**

61. There are not expected to be climate impacts from decisions relating to the review.
62. Marinas must comply with relevant environmental regulations in managing the environmental impacts of the overall operation of the marina.
63. The international Blue Flag programme recognises marinas that take an active role in keeping the marine environment clean, and Westhaven Marina has been awarded multiple times for its efforts.
64. There are several industry awards for marinas including specific recognition for environmental practices, and recently Westhaven Marina was the winner of the New Zealand Marina Operators Association (NZMOA) Best Environmental Performer award.

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

65. The six marinas forming part of this review are currently owned by the council and managed by Eke Panuku. At the Governing Body meeting of 12 December 2024, it was resolved that marina management would be transferred from Eke Panuku to Council.
66. Many of the six marinas have ferry services in close proximity and so if any options might have an implication for access to or hinder the provision of ferry services, Auckland Transport would be engaged to ensure transport services are not adversely impacted.
67. As it is not recommended that any change to ownership or operation are made, there are no changes proposed that may impact on the council group.

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

68. Marinas are not deemed to be a local service and so decision making is the responsibility of the Governing Body.
69. Should any changes to ownership or operational control be proposed then input will need to be sought from the respective local boards.

## Tauākī whakaaweawe Māori Māori impact statement

70. How marinas are managed can support the delivery of council's strategic framework, Kia Ora Tāmaki Makaurau, which prioritises ten key mana outcomes vital to Māori in Auckland. In particular the outcomes of Kia ora te Ahurea (Māori Identity and Culture) and Kia ora te Taiao (Kaitiakitanga) are closely aligned with marina operations.
71. On an ongoing basis any changes to ownership, occupation rights or developments will most likely involve engagement with iwi. In addition, there are some more specific engagement requirements in certain cases such as the need for a Kaitiaki Plan as part of the consent conditions for the reclaimed land at Westhaven.

## Ngā ritenga ā-pūtea Financial implications

72. There are no direct financial implications arising for this review as there are no changes being proposed that would require funding or result in changes to levels of revenue or expenditure. Clarifying commercial objectives of marinas may assist with making decisions that will optimise commercial return.
73. The financial implications of other options not proposed such as selling or entering into new lease arrangements have not been assessed.

## Ngā raru tūpono me ngā whakamaurutanga Risks and mitigations

74. Risks with the recommendations being proposed primarily relate to changing circumstances in the provision of marina services, such as costs of operating, levels of demand and environmental requirements. These are mitigated with the status quo recommendations as these risks are being well managed under the current service provision arrangements.

## Ngā koringa ā-muri Next steps

75. Council will document the results of the review to inform future decisions, including any future decisions relating to new political direction or unsolicited proposals.
76. Council will progress with bringing marina management services into council. Several marina-related activities are also underway and will continue, such as occupancy consenting reapplications and new berth licensing arrangements.
77. As there are no changes proposed as a result of this review, there are no additional steps.

## Ngā tāpirihanga Attachments

No.	Title	Page
A⇒	Section 17A Review of Marinas	

## Ngā kaihaina Signatories

Author	Chantelle Subritzky - Head of Value For Money
Authorisers	Anna Bray - General Manager Group Strategy, Transformation and Partnerships Max Hardy - Director Group Strategy and Chief Executive Office Ross Tucker - Group Chief Financial Officer

## Better Value Projects update

File No.: CP2025/05686

### Te take mō te pūrongo

#### Purpose of the report

1. To update the Revenue, Expenditure and Value Committee on:
  - ensuring that the full council group including council-controlled organisations and local boards benefit from Better Value Projects and
  - the template and structure for the preparation of case studies and proposed guidelines for the selection of future case studies.

### Whakarāpopototanga matua

#### Executive summary

2. The Better Value Projects programme responds to a call for change in how the council group procures, delivers and effectively spends ratepayers' money on projects. It is structured around ten principles that that will make the biggest difference to improving the value the council group obtains from its projects.
3. Culture change at all levels of the council organisation and group is key to the programme's success.
4. A business lead and programme manager for the Better Value Projects programme have been appointed and a cross-council team established with both a steering group and operational workstreams. Short, medium and long-term initiatives have been identified and the next update to the committee in May will provide an overview of the programme plan.
5. This report recommends steps are taken through the council's shareholder comments on the CCO draft Statements of Intent to ensure that the full council group including council-controlled organisations (CCOs) benefit from Better Value Projects.
6. It also updates the committee on engagement with local boards and the template and structure for the preparation of case studies and proposed guidelines for the selection of future case studies.

### Ngā tūtohunga

#### Recommendation/s

That the Revenue, Expenditure and Value Committee:

- a) tuhi tīpoka / note the update on the steps taken to ensure that the full council group benefits from the Better Value Projects programme and the ten principles
- b) tono / request that staff prepare content to provide further direction on the Better Value Projects programme for the shareholder comments on CCOs draft Statements of Intent which will be adopted by the relevant committees in May
- c) ohia / endorse the guidelines for selecting case studies for presentation to the Revenue, Expenditure and Value Committee
- d) tuhi tīpoka / note the update on the structure that will be used to develop case studies and record lessons and changes that result from them.

## Horopaki Context

7. On 18 February 2025, staff presented the scope of activity underway as part of the programme established by the Auckland Council Chief Executive to drive improvements in procurement, delivery and effective spending on projects. This is the Better Value Projects programme and is structured around ten key principles.
8. On 18 March 2025, staff updated the committee on progress in implementing the programme and the ten principles. Three initial case studies were presented to the committee from across the council group. After considering how those case studies proceeded, staff have prepared a proposed structure for the preparation of future case studies and a template to ensure that they are succinct and provide lessons that can have a wider impact across the group.
9. Since the March meeting, the Better Value Projects programme has moved out of its establishment phase with a Business Lead (Mark Townshend) and Programme Manager (Hannah Thipthorpe) appointed. As the programme is concerned with implementing change across the lifecycle of projects from inception, design, procurement through to delivery and operation and impacts many areas of the council group, this dedicated resource provides a single point of ownership. A cross-council steering group made up of senior leaders has had an inaugural meeting and operational workstreams have commenced work.
10. The project team will report to the May committee meeting with an overview of the programme, noting that the council group has a significant and complicated spend on projects. Programme success is dependent on council's ability to make meaningful change in our culture and behaviours to embed the ten principles as business as usual.

## Tātaritanga me ngā tohutohu Analysis and advice

### Ensuring the full council group benefits from Better Value Projects

11. The initial focus of the Better Value Projects programme has been as a council management response to the direction provided by the mayor and councillors to achieve better value for our capital and project spend which has been reported to the Revenue, Expenditure and Value Committee.
12. CCOs and local boards have significant capital and project spend and it is important that the Better Value Projects programme achieve benefits across the full council group.

### Council-controlled organisations (CCOs)

13. The need to focus on value for money and efficiency has been highlighted to CCOs in the mayoral proposal and letters of expectation.
14. CCO boards have an important leadership role to achieve this goal, directing their organisation and measuring progress.
15. CCOs have been engaged in the development of the Better Value Projects programme and other key reviews, for example:
16. Auckland Transport presented the Meola Road upgrade case study to this committee in March 2025.
  - Eke Panuku and Tātaki are currently preparing case studies that will be presented to the May committee meeting (on Te Wero Wynyard Crossing bridge and the Find Your Happy Auckland (Eerik from Finland) campaign).
  - Eke Panuku have participated in the value for money (s17A) reviews of property and marina management.



17. Each CCO produces a statement of intent annually outlining their activities and how they will contribute to council's strategic direction. The draft Auckland Transport, Tātaki Auckland Unlimited and Watercare statements of Intent 2025-2028 refer to their commitment to delivering value for money.
18. Further direction on the Better Value Projects programme will be provided in council's shareholder comments on CCOs' draft Statements of Intent. These shareholder comments will be agreed by the relevant committees in May 2025. Shareholder comments will include expectations that all CCOs will:
  - reference the Better Value Projects programme and how they will apply the ten principles in their Statement of Intent
  - provide case studies of projects and how the ten principles have been applied to the Revenue, Expenditure and Value Committee (when requested)
  - report to council on their progress with reviews, learnings and improvements of their capital spend. For example, Watercare will be reporting annually to council and the Commerce Commission on how they will be improving their infrastructure delivery under the Watercare charter.
19. We will be working together with CCO staff on the Better Value Projects operational workstreams over the next months, including exploring opportunities to share key learnings across the group. Council will also continue to work with CCOs on improvements to performance reporting, including on the benefits from capital expenditure.

### Local boards

20. Staff will be applying the ten principles to all council projects, including those where the allocation of decision-making sits with local boards under Auckland Council's shared governance model.
21. The application of the ten principles to ensure that value for project spend is achieved is one tool available to assist local boards with increased budget and decision-making responsibility that results from the commencement of the fairer funding model in July 2025. It is important that local boards are aware of the Better Value Projects programme and understand the rigour that will be applied to advice on projects that will come to them for decision making.
22. The mayor has already sent a letter to all councillors, local board elected members and CCO board members advising them of the Better Value Projects programme. Engagement with local boards and local board advisors has begun. An information memo to local boards has been prepared which will be discussed at the April local board chairs forum and the project team will present to the local boards chair's forum in May 2025.
23. The Better Value Projects programme will make a concerted effort to ensure that there is structure and guidance available so that the delivery principles are applied by staff that support local board decision-making.

### Structure for further case studies

24. Real life case studies are an important part of the Better Value Projects programme.
25. Following the initial case studies to the March committee meeting, staff have prepared a refined case study template which will provide a shorter and more concise case study and direct staff to identify the application of relevant delivery principles and key lessons.
26. A closure report is prepared as a matter of course at the conclusion of projects. These will provide a pipeline of case studies to present to the committee and to establish a lessons learned library so successes are carried forward and repeated mistakes are avoided.
27. It is important that case studies of projects that have attracted elected member and/or public scrutiny continue. This enables transparency and ensures that the Better Value Projects programme is responsive. Providing case studies where the principles have been applied and enabled positive outcomes will reinforce the application of the ten principles and ensure that best practice becomes embedded and widespread.

28. Staff recommend the following guidelines are considered when selecting case studies for presentation to the Revenue, Expenditure and Value Committee. These guidelines are not intended to be exhaustive or that all need apply to every case study. Case studies will be selected:
- from across the group, including a diverse range of project types and spend
  - from across the project lifecycle (initiate, design, planning, procurement, delivery and review)
  - where they shine a light on the application of specific principles
  - where they contain clear lessons which can be applied more widely
  - where there is elected member and/or public interest
  - where projects are in-train and will allow lessons to be learned and improvements made as the projects progress
  - which cover a range of smaller projects grouped into a combined programme of work, where that is a more helpful way to present the relevant issues and opportunities.
29. To enable the Better Value Projects programme team to work closely with the business areas preparing case studies and ensure that they are appropriately focussed, staff intend to bring case studies to the committee on a bi-monthly cycle. Longer committee meeting times have been arranged to enable sufficient time for case studies to be examined along with the committee's usual work program.
30. A register has been created and will be maintained of lessons learned from case studies and specific actions taken in response (e.g. the shift from Tier 1 to Tier 2 contractors following the Milford steps case study) to ensure the lessons learned from case studies are not lost and are measurable and tangible.

## **Tauākī whakaaweawe āhuarangi** **Climate impact statement**

31. Improvements progressed as part of the Better Value Projects programme will need to ensure that emission reductions and climate impacts are considered.

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

32. All council group entities (excluding the Auckland Future Fund) currently deliver capital projects. While the initial focus of the Better Value Projects programme has been on the council organisation, this report identifies further mechanisms to ensure that projects deliver better value across the council group.
33. In addition, we will use group mechanisms such as a Group Procurement Strategy and policies and projects where both Auckland Council and CCOs contribute to the overall project deliverable.

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

34. Local boards commission and oversee a significant capex programme. Spending and delivery to support local board programmes are included in the Better Value Projects initiative as we need to ensure that all our expenditure is sensible and justifiable.
35. Engagement with local boards is a key part of the Better Value Projects programme and advice to local boards that addresses the ten principles will enable local boards to make well informed decisions and manage their budgets.

## Tauākī whakaaweawe Māori Māori impact statement

36. Council continues to work with mana whenua to ensure efficient and meaningful engagement that leads to projects that have benefits for both mana whenua and the wider community including value for money.
37. For the council to improve both value for money outcomes and outcomes for Māori, high-quality engagement with mana whenua early in the project scoping and problem definition phase will be critical.

## Ngā ritenga ā-pūtea Financial implications

38. Improvement of our procurement and capital delivery processes is expected to result in improved value for money for Auckland ratepayers. Reducing the number and size of project cost overruns will reduce financial risk and help improve the council's financial resilience.

## Ngā raru tūpono me ngā whakamaurutanga Risks and mitigations

39. Key risks and mitigations for the Better Value Projects programme have been set out in the February and March 2025 reports to this committee.

## Ngā koringa ā-muri Next steps

40. Next steps for the programme include progressing quick win initiatives and reporting a project plan to the May committee meeting outlining the key tasks and initiatives to systematically embed improvements to the council's processes for procuring and delivering projects. Further engagement with CCOs and local boards will also be progressed.
41. Case studies that will be presented to the May committee meeting are:
  - Ōrewa seawall
  - Te Wero Wynyard Crossing bridge
  - Find Your Happy Auckland (Eerik from Finland) campaign
42. If the recommended guidelines for selecting case studies are agreed, these guidelines will be used to inform the selection of future case studies after the May meeting. At this stage, suitable candidate projects could include the Te Hono Avondale Library and Community Centre and the Warkworth bridge and walkway at the northern end of Kowhai Park.

## Ngā tāpirihanga Attachments

There are no attachments for this report.

## Ngā kaihaina Signatories

Authors	Mike Lichtwark - Executive Officer, Group Finance Mark Townshend – Better Value Projects business lead Hannah Thipthorpe – Better Value Projects programme manager
Authoriser	Ross Tucker - Group Chief Financial Officer



## Status Update on Action Decisions from Revenue, Expenditure and Value Committee – 18 March 2025

File No.: CP2025/05609

Item 10

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

- To update the committee on action decisions made at the last meeting.

### Whakarāpopototanga matua Executive summary

- The information provided below is a status update on action decisions only that were made at the Revenue, Expenditure and Value Committee meeting on 18 March 2025:

Resolution Number	Item	Status
<a href="#">ECPCC/2025/18</a>	CONFIDENTIAL: Supply, maintenance and distribution of refuse and recycling bins contracts: Further options analysis pre-procurement	The procurement process to identify potential suppliers is underway. Once the tender process is complete, shortlisted procurement options will be reviewed. Supplier recommendations are scheduled to be presented to the Revenue, Expenditure, and Value Committee for approval in September 2025.
<a href="#">ECPCC/2025/19</a>	CONFIDENTIAL: Procurement plan for supply, maintenance and distribution of refuse and recycling bins	This procurement was released to market via Request for Expression of Interest on Wednesday 19 March 2025 and closed Wednesday, 9 April at midday. Request for Proposal is planned for release to shortlisted tenderers on Monday 14 April 2025.
<a href="#">ECPCC/2025/20</a>	CONFIDENTIAL: Supplier recommendation for regional small waters and waste water systems	Implementation work is underway with all the successful contractors. The incumbents have also been advised of the outcome of the small waters and wastewater systems procurement.
<a href="#">ECPCC/2025/21</a>	CONFIDENTIAL: Insurance Renewal Update 2025-2026	Staff are progressing the insurance programme for the Auckland Council Group for 2025/2026. This will be completed by 30 June 2025.

## Ngā tūtohunga Recommendation/s

That the Revenue, Expenditure and Value Committee:

- a) tuhi tīpoka / note the status of decisions made at the 18 March 2025 meeting.

## Ngā tāpirihanga Attachments

There are no attachments for this report.

## Ngā kaihaina Signatories

Author	Phoebe Chiquet-Kaan - Governance Advisor
Authoriser	Ross Tucker - Group Chief Financial Officer

## Summary of Revenue, Expenditure and Value Committee information memoranda and briefings (including the forward work programme) - 15 April 2025

File No.: CP2025/05611

Item 11

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

1. To note the progress on the Revenue, Expenditure and Value 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 Revenue, Expenditure and Value Committee.

### Whakarāpopototanga matua Executive summary

3. This is a regular information-only report which aims to provide greater visibility of information circulated to Revenue, Expenditure and Value Committee members via memoranda / briefings or other means, where no decisions are required.
4. There were no workshops held and no memos or information items have been distributed.
5. This document can be found on the Auckland Council website, at the following link:  
<http://infocouncil.aucklandcouncil.govt.nz/>
  - at the top left of the page, select meeting / Te hui “Revenue, Expenditure and Value Committee” from the drop-down tab and click “View”;
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 Revenue, Expenditure and Value Committee:

- a) whiwhi / receive the Summary of Revenue, Expenditure and Value Committee information memoranda and briefings (including the forward work programme) – 15 April 2025 report.
- b) tuhi tīpkoa / note the progress on the 2025 forward work programme appended as Attachment A of the agenda report.

### Ngā tāpirihanga Attachments

No.	Title	Page
A⇒	Revenue, Expenditure and Value Committee Forward Work Programme	

### Ngā kaihaina Signatories

Author	Phoebe Chiquet-Kaan - Governance Advisor
Authoriser	Ross Tucker - Group Chief Financial Officer





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

That the **Revenue, Expenditure and Value 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: Variation for the central, northern and southern operations and maintenance contracts

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.  s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).  In particular, the report contains information that could disadvantage commercial activities.	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: Parks and Community Facilities Full Facilities Contracts Performance update

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 the council's financial and negotiation position with suppliers.	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.

**C3 Confidential: Environmental Services Department service and financial performance review**

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 a presentation of the service and financial performance of the Environmental Services department including trends, costs, opportunities and pressures. The service and performance reviews programme has been conducted in confidential to allow a free and frank discussion of the risks and opportunities in relation to service and financial performance.	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.

**C4 Confidential: Waste Solutions Service and Financial Performance review**

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 a presentation of the service and financial performance of Waste Solutions including trends, costs, opportunities and pressures. The service and performance reviews have been conducted in confidential to allow a free and frank discussion of the risks and opportunities in relation to service and financial performance.	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.