

Board Report

Date

Wednesday
28 February 2024

Time

10.00am

Venue

Eke Panuku Development Auckland
Te Wharau o Tāmaki - Auckland House
Level 28
135 Albert Street
Auckland



Board Agenda

Where: Level 28, Auckland House, 135 Albert Street, Auckland 1010

When: Wednesday 28 February 2024 | 10.00am - 12.35pm

Board members: Paul Majurey, Chair; David Kennedy, Deputy Chair; Kenina Court; Steve Evans; Jennifer Kerr

Apologies: John Coop

		Time
	Public meeting open	10.00am
1.	Welcome / Acknowledgements 1.1 Apologies	
2.	Chief Executive's report (open items)	
3.	Health and Safety report	
4.	Information papers 4.1 Property market update – Six monthly review 4.2 Draft LTP budget submissions 4.3 Quarterly Risk Report	
5.	Decision papers (open items) 5.1 Audit and Risk Committee – Composition of the Committee	
6.	Governance matters (open items) 6.1 Director interests 6.2 Director meeting attendance 6.3 Minutes meeting held – 13 December 2023	
	Public meeting close and confidential meeting open	
7.	Chief Executive's report (confidential items)	
8.	Decision papers (confidential items) 8.1 Service Property Optimisation – Kohimarama 8.2 Westhaven Marina Limited – Director appointments	
9.	Governance matters (confidential items) 9.1 Out of Cycle Decisions 9.2 Director interests' projects 9.3 Board action list 9.4 Board work forward programme 2024 9.5 Minutes meeting held – 13 December 2023	
10.	General business	
	Meeting close	12.35pm

Apologies - John Coop

Information paper: Chief Executive's Report

Author: David Rankin, Chief Executive

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Whakarāpopototanga matua | Executive summary

1. This is a public report which incorporates a range of material on current and emerging issues. Some information contained in this report should be treated as confidential. In terms of Section 7 of the Local Government Official Information and Meetings Act 1987, Eke Panuku is entitled to the withholding of information as necessary to:
 - protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of a third party (s7(2)(b)(ii))
 - enable any local authority holding the information to carry on, without prejudice or disadvantage commercial negotiations (s7(2)(i))
 - maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to members or officers or employees of any local authority in the course of their duty (s7(2)(f)(i))
 - maintain legal professional privilege (s7(2)(g)).

Matapaki | Discussion

Council Long-Term Plan 2024-2034 update

2. The Letter of Expectation (LoE) for SOI 2024-2027 for Eke Panuku is at Attachment A and sets out expectations of all CCOs (Part 1) as well as key expectations of Eke Panuku (Part 2). In light of dialogue with the budget committee on the long-term plan, options for urban regeneration and future funding, the Board will note that the LoE supports:
 - A continuation of the urban regeneration programmes, including maintaining capital investment levels
 - The intention of council to fully restore the \$100m strategic development fund to enable faster regeneration of run-down parts of Auckland. This fund enables us to continually recycle money to buy and sell sites to catalyse redevelopment.
3. We anticipate this will be included in public consultation on the draft Long-term Plan (LTP) commencing in late February. Council will adopt a final LTP in June 2024.
4. Also included in the LoE are several areas of work relating to our property management role. We are exploring the resources required to contribute to the work led by council on group property ownership and management, including:
 - Establishing principles for asset ownership and a framework to support decision-making
 - A review of the group property model to remove unnecessary duplication and waste
 - Section S17A review of the ongoing management of marina

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- A taskforce on service property optimisation.
5. The Mayor released a *Manifesto for Auckland: the deal Auckland needs from the next government*, in September 2023. It puts on the table a number of issues and proposals that could be included in a future “City Deal” between Auckland Council and the Crown. A framework for city deals is anticipated to be released by government in the coming months. “A joint agreement on investment and funding for large-scale projects and urban regeneration initiatives as part of a reinvigorated Auckland Housing and Urban Regeneration Programme”, is proposed in the Manifesto.

City deals

6. Board members will be aware that an important and relevant component of the new Government’s policy approach is the negotiation of city and/or regional deals as a different basis to Central Local Government partnerships that has been the case in the past.
7. Both the Council group and the Crown are obviously giving thought to the structure, scope, format etc of the city deals. Early discussions are taking place within the Council group.
8. It will be important to ensure that urban regeneration, leveraged off the big investment in passenger transport, is a component of the city deals. We are engaging as appropriate with Council officials and the Mayoral office on how this may be best shaped up.

Future waterfront development

9. In line with our Statement of Intent, we submitted the Port Precinct Framework Plan to the Council on the 14th of December. As the workload allows, we will in due course workshop this Framework Plan with the Governing Body. This will lead to submission of the Plan to a formal meeting.
10. A component of the Framework Plan was options for open air swimming, and the Mayor’s Letter of Expectation to Eke Panuku singles out a potential swimming location on the central waterfront as a priority by December 2024.
11. We are progressing a discussion with the Mayoral Office on options for how this might best be progressed.

Avondale racecourse

12. Avondale Jockey Club has lodged a submission to Plan Change 78 (Intensification Plan Change) which was notified by Auckland Council on 18 August 2022.
13. The submission seeks to either delete the existing Avondale Racecourse Precinct and Avondale 1 Precinct or remove any constraints on the Racecourse site from development.
14. It also seeks to rezone the entirety of the site from Special Purpose Zone/or Mixed-Use Zone to Terrace Housing and Apartments Building (THAB) zone and apply a special height control of 32.5m to the site. The hearing dates for these requests have been scheduled between October and November 2024.
15. We will continue to monitor plans and activity in relation to this significant site adjacent to Unlock Avondale.

Te Ara Tukutuku

16. Following approval by the Board late last year of the Te Ara Tukutuku Vision and support Framework Plan, it has been agreed that an appropriate step is to provide the Council Planning Committee with an information paper on progress to date and the way forward.
17. We will also take the opportunity to brief the Mayor and Mayoral Office given that there has not been much substantive reporting on this project since the last Local Government elections. It is likely that our paper will go to the Committee in March.

Wynyard Crossing Bridge – ongoing maintenance

18. The Wynyard Crossing Bridge in Viaduct Harbour is a vital connection for pedestrians accessing Wynyard Quarter or downtown Auckland. With the good weather over summer so far, there has been significant foot traffic in the area as people visit the waterfront for the events and hospitality offerings available.
19. Since 12 January 2024, the bridge has been experiencing a range of technical issues, mainly in the control and motor brake system which manages the raising and lowering of the bridge's two spans.
20. The previously used hydraulic brake system was reinstated as an interim solution. This allows the bridge to continue operating, albeit with periods of unplanned downtime and maintenance as technicians respond to issues.
21. As the faults tend to occur in one of the two spans, the preference during this period has been to keep one span lowered, with the other span raising and lowering as needed to allow boats through. Both spans are also raised as needed to allow larger boats access. This reduces strain on the bridge, while also making it easier to maintain the pedestrian connection.
22. Eke Panuku ordered replacement parts from overseas on an expedited basis. The first replacement part, a new brake lining, has been delivered and was installed over Monday and Tuesday, 19-20 February 2024.
23. Following the installation of the new brake line, the bridge has been able to return to normal operation. This means both spans raising and lowering automatically as needed. The team working on the bridge has a high degree of confidence that the bridge can operate normally until the remaining replacement part, a new brake motor, arrives. It is expected mid-April 2024.
24. However, technicians will continue to closely monitor the bridge during this period.
25. There is an existing resource consent in place which requires the bridge to be upright, that is both spans up and not accessible by pedestrians, when not fully operational, to allow unrestricted access for boats entering or exiting the marina. This creates problems for pedestrians, especially those with mobility needs, if the bridge is upright for extended periods. The only viable alternative route is a substantially longer walk around Viaduct Harbour to the south.
26. We are working with Viaduct Harbour Holdings Limited (VHHL) to balance access to the marina for boats with access for foot traffic over the bridge, given its importance as a local connection.

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- 27. Direct communications with Eke Panuku's key waterfront stakeholders is ongoing, with the most up to date information provided at regular intervals. This includes elected members, neighbouring businesses, venues and North Wharf Eke Panuku tenants.
- 28. A comprehensive communications campaign is also in place to help inform the wider public and visitors to the area that they need to plan ahead when visiting Wynyard Quarter and providing information on alternative access options.
- 29. Unrelated to the ongoing maintenance work, another incident on the evening of 9 February 2024 has contributed to downtime on the bridge.
- 30. A boat returning to its berth entered the marina around or just before 21:30 on Friday 9 February 2024. At some point on its journey, the boat collided with a navigational buoy. The boat then dragged the buoy and its anchor into the marina, damaging an underwater communications cable that services the bridge and the surrounding area.
- 31. This caused the bridge to stop working, along with the CCTV cameras we manage in the area. The access gate for the berth at Park Hyatt also stopped working, with boats unable to exit.
- 32. A technician was able to reinstate the services via a wireless connection on Saturday 10 February 2024, allowing bridge operations to continue.
- 33. Investigations into the incident are ongoing. We will work with the Auckland Transport Harbourmaster on determining who has responsibility for the cable and to investigate the damage and the needed repairs.

Development Sales

Dominion and Valley Roads, Mt Eden – Development site

- 34. A conditional development agreement for the sale of this property was entered into [REDACTED] on 22 December 2023, [REDACTED]
- 35. The key terms of the agreement include development being completed in alignment with the essential outcomes. [REDACTED]
- 36. [REDACTED]
- 37. [REDACTED]

3 Kings Road, Panmure - Development Site

- 38. A conditional development agreement for the sale of this property was entered into [REDACTED]

39. The initial development plan includes 36 new walk-up apartments in alignment with the approved essential outcomes.

40. [REDACTED]

Lot 5b, Launch Road, Hobsonville - Development Site

41. [REDACTED]

42. The current development scheme includes 58 two level houses to be developed in accordance with the board approved essential outcomes.

4 Blomfield Spa, Takapuna – Site Sale

43. This is a vacant site in Takapuna that [REDACTED] was taken to the market in December 2023 and sold. The sale price was \$1,955,000, [REDACTED] and settlement was completed on 26 January 2024. [REDACTED]

The Strand, Takapuna – Site Sale

44. This is the former Takapuna Library site that was [REDACTED] was taken to market in Nov / Dec 2023 and sold. The sale price was \$3,207,500, [REDACTED] and settlement was completed on 25 January 2024. [REDACTED]

Ormiston update

45. [REDACTED]

- [Redacted]
46. [Redacted]
47. [Redacted]
48. [Redacted]
49. [Redacted]

City Centre action plan

50. Further to the update to the Board in December 2023, a minor update to the plan has been made following the feedback from the governance process across CCOs and council completed during the latter half of last year. Given the board's approval in July 2023 and that the changes are minor it is not considered necessary to seek board approval for the updated version. A copy of the plan is available here on the Eke Panuku Development Auckland website <https://www.ekepanuku.co.nz/projects/the-city-centre-action-plan/>
51. Implementation of the approved City Centre action plan programmes are now underway under the umbrella of the City Centre lead agency with involvement from across the council group. As a living plan there is a commitment to an annual refresh. This first refresh will be informed by quarterly action tracking and LTP and RLTP funding decisions that will be confirmed in June 2024. The annual refresh of the action plan will follow this decision-making and be completed by November 2024. The board will be updated at this time.

Waiapu Precinct – Onehunga: a multi-channel, hyper-local public information and community engagement campaign

52. Eke Panuku is leading the transformation of the Onehunga town centre. Waiapu Precinct and Paynes Lane are located centrally in the town centre and are part of the wider Onehunga masterplan, designed to attract more investment, support the growing population, facilitating new homes, creating new public spaces and improving walking connections. Waiapu Precinct is a block between Selwyn Street, Arthur Street, Church Street and Onehunga Mall. Our project focuses on rearranging the current surface council car parking land and creating new walking connections between green spaces, public plazas, a family playspace and safer laneways, supporting Onehunga's main street. Paynes Lane, on the opposite side of Onehunga Mall from Waiapu Precinct will be upgraded to provide a safe, wider and improved walking link to the future expanded Dress Smart retail precinct, strengthening the east-west walking connection.
53. The Waiapu masterplan also creates blocks of land to be sold for mixed use development such as a combination of homes, shops, eateries, supermarket, office space and possibly hotel facilities.
54. A mix of apartment style homes are proposed to meet the market demand for families, couples, and individuals while boosting the economic strength and vibrancy of the town centre.
55. I outline below our approach to the consultation process for the Waiapu Precinct with the purpose of informing on the precinct masterplan and seeking community feedback on the concept for the public spaces, after testing concepts with the community in 2020.
56. Our public information campaign in Onehunga has been kept hyper-local to ensure we communicate to local businesses and residents who will ultimately benefit from the changes.
57. **Local elected reps:** The local board, local councillor and local MP have been a key part of our engagement to date and are supportive of the masterplan. We will be calling on their communications channels to help support the public information campaign. Their support is important to the success of this regeneration project.
58. **Media (paid and earned):** Rather than issue a press release to local media we have been fostering relationships with local journalists who we keep informed via images, interviews and background information. Kate Cumberpatch (Onehunga PLD) has done a walk around the town centre with the journalist from the Onehunga Community News which has resulted in an excellent story (attached). We are also placing paid advertising in local publications for the duration of the feedback period. The investment in advertising is to tell the wider story of the Onehunga vision and the precinct masterplan to target audiences that may not get their news online. It is a more cost effective channel than creating a local e-newsletter which would require regular content creation. Advertising of the consultation through signage will be displayed around the Onehunga area and a flyer drop to local residents and businesses has also been undertaken.
59. **Digital:** The website continues to be our main source of information and all our 'hard copy' collateral (and press ads) have a QR code directing people back to the relevant page on our website. <https://www.ekepanuku.co.nz/projects/waiapu-precinct/>. Eke Panuku will also place designed comms on across our social media channels: Instagram, LinkedIn, Facebook and TikTok. We encourage board members to seek out these posts

and give them a like and a share to their networks. You will see that the look and feel and messaging will be consistent across all channels. As well as our website, we are also hosting information and an opportunity to provide feedback via the council Have Your Say page [Waiapu Precinct and Paynes Lane | AK Have Your Say \(aucklandcouncil.govt.nz\)](https://www.aucklandcouncil.govt.nz)

- 60. **Video:** Given the complexity of the precinct regeneration including development sites, public spaces, the removal of car parks and reconnection of laneways, the team has created a 'fly-through' digital video with voice over to tell the geographic story of the wider Onehunga masterplan and how this precinct fits into the bigger picture. A shorter version has been created for the website, Youtube and Tiktok.
- 61. **Community engagement:** Our team will host two community-based information sessions, one at the Onehunga library and one inside Dress Smart. Large A0-size information boards will help our team engage the people who walk by. These two locations are likely to get quite different audiences (locals and visitors) which is what we are after. Aside from this we have undertaken a significant amount of earlier local stakeholder engagement including with the Business Association, the local church and school.

Whau Local Board – Notice of Motion

- 62. The Whau Local Board passed a Notice of Motion at its December 2023 Board meeting. It relates to a request to Auckland Council to review its policies relating to way it treats the revenue generated from the divestment of non-service properties. The treatment of the proceeds of sale has been a long-standing concern for many Local Boards. The Notice of Motion is at Attachment B for your information.

Avondale Central

- 63. [Redacted]
- 64. [Redacted]
- 65. [Redacted]
- 66. [Redacted]
- 67. [Redacted]
- 68. [Redacted]



69. [Redacted]

Office Accommodation – Auckland House

70. As planned, Eke Panuku moved into floor 22 of Auckland House on 19 December 2023. We were welcomed with a Mihi Whakataua, with many senior Auckland Council staff welcoming more than 100 Eke Panuku whanau to the building. We have received many comments giving positive feedback from both our staff and visitors.

The majority of the building works for this floor were complete on time and on budget, with minor adjustments to ceiling tiles, pictorials and decals being completed over the past month. The only outstanding item of note is the bathroom renovations, which have been delayed for consenting and design discussions with Auckland Council.

The revised design and discovery of plumbing and construction issues behind the bathroom panelling have contributed to a cost estimate increase for the bathrooms from \$90,000 to \$270,000 per floor. Our initial budget estimates appear conservative compared to the Council estimate of \$220,000 for bathroom upgrades per floor, however the increase further reflects the changes requested by Council to future proof the bathroom layout. Under the CE's delegation we are planning to continue progressing floor 22.

71. We are currently reviewing the cost estimates and budgets for floor 21, with a focus on value engineering the overall costs to within the current approved budget. The Board will recall, floor 21 has been designed to facilitate our cultural collaborative working style. With a couple of dedicated meeting rooms and large flexible collaboration areas for cross directorate / matrix project teams, including staff from outside of Eke Panuku to work side by side. This contrasts with level 22 which is focused on workstations and has very limited collaboration and meeting spaces – indeed the floor has only 3 small meeting rooms and is at capacity for workstations, which caters for only 69% of our staff.

Media Report – Quarter 4, 2023

72. Coverage, tone and reach of covering discussing Eke Panuku rose this quarter, representing the highest volume (175 reports) and Media Impact Score (MIS 2.3) for the calendar year. Refer Attachment C for the Media Analysis summary for Quarter 4, 2023.

73. This positive shift included recognition of our good development outcomes and relationships, especially with mana whenua. There was positive and very positive discussion focusing on our waterfront project Te Ara Tukutuku and the agreement for the sale of the Downton Carpark building to Precinct properties and Ngāti Whātua Ōrakei. Coverage in both cases quoted mana whenua representatives in support of these projects. In the case of Te Ara Tukutuku, this work was applauded by US-based

landscape architect Kate Orff, who cited this collaborative work as a model for global placemaking with indigenous partners.

- 74. The Downtown Carpark redevelopment was the only theme of sustained criticism during the quarter. However, more than half of the reporting about the sale was positive or very positive with coverage positive overall resulting in an average MIS of 1.2.
- 75. Neighbourhood reporting volumes doubled this quarter and focused on our work across the motu with coverage of the Northcote Town Centre go to market activity, upcoming consultation on the Waiapu Precinct and Paynes Lane connections in Onehunga, Hayman Park, waste & recycling initiatives at Westhaven Marina, and reports that discussed the Puhinui stream regeneration as an example of community-led climate adaptation.

Ngā tāpirihanga | Attachments

Attachment A Letter of Expectation from Mayor Brown

Attachment B Whau Local Board – Notice of Motion



20 December 2023

Via email: [REDACTED]

Paul Majurey
Chair
Eke Panuku Development Auckland

Tēnā koe Paul

Letter of Expectation for Statement of Intent 2024 – 2027

This letter of expectation sets out the council's priorities and expectations to inform the development of the draft Statement of Intent (SOI) 2024-2027 of Eke Panuku Development Auckland (Eke Panuku).

It sets out common expectations across all council-controlled organisations (CCOs), and expectations specific to Eke Panuku. These expectations build on the joint workshop of Transport and Infrastructure and CCO Direction and Oversight Committees, held on 12 December 2023.

The content of this letter was approved by the Governing Body on 14 December 2023, with delegation to myself, the Deputy Mayor, Chair of the CCO Direction and Oversight Committee and relevant Lead Councillor to finalise and issue this letter of expectation.

The Governing Body also approved extensions of the statutory deadlines for the SOI process, as is allowed in the Local Government Act 2002, Schedule 8, section 4. This means the due dates for the process are:

- date of submission of the draft SOIs is on or before 1 April 2024
- date for final submission of SOIs is on or before 31 July 2024.

Please liaise with CCO Governance staff about ensuring these dates can be met. Council will likely consider its shareholder feedback on draft SOIs at the CCO Direction and Oversight Committee meeting of 7 May 2024.

Part 1. Expectations of all CCOs

i) Alignment to final 2024-2034 Long-term Plan (LTP)

Council will commence public consultation on the draft 2024-2034 LTP in late February 2024. Following consultation and deliberations, a final LTP will be adopted in June 2024. Once this occurs, final SOIs (including financial information and performance measures) should be aligned with the final LTP and the strategic priorities contained within.

ii) Financial strategy and budget levers

Group budget responsibility and transparency rules

- CCOs are expected to provide better advice to elected members, including:
 - use of cost/benefit analysis for spending decisions. CCOs are expected to work with council to determine a consistent methodology / approach for estimating benefits, which must outweigh costs.
 - some contestable advice (i.e. we are seeking advice provided to elected members which is separate from the council department or CCO asking to spend the money). This need not require external advice in every instance but can leverage expertise within the council group.
 - a thorough assessment of options against Long-term Plan strategic priorities.

Capital expenditure

- Fix, finish, optimise – CCOs are expected to consolidate, finish what we have started, fix what is broken and get the best out of what we already have. CCOs should slow down growth in capital programmes, look after what we already have, before embarking on big new capital projects
- Any new CCO capital projects to support growth should be in accordance with the direction of the Future Development Strategy.

Operating savings

- Council group will need to deliver additional cost savings that have not been identified, of at least \$20m in year one, rising to \$50m in year three of the LTP (based on the core scenario).

iii) Better, faster, cheaper: cost savings and value for money

- Fit for purpose technology: CCOs should not set up any separate technology functions and share generic technology functions
- CCOs are expected to deliver group shared services and consolidation of service functions (council will set the mandate for this)
- CCOs should work with council to optimise the performance of our significant property portfolio and implement the findings of the Group Property model review
- CCOs are expected to support and actively engage in any S17A, value for money and other reviews council may commission.

iv) Compliance with Statement of Expectations of substantive CCOs

- CCOs should adhere to the Statement of Expectations of substantive CCOs, which explains how CCOs should conduct their business and manage their relationships with council and other interested groups (including matters such as the 'no surprises' principle)
- Visible CCO chair and board leadership should be provided to elected members on CCO major activities and programmes, and at key project milestones
- Communication on significant public facing issues should be led as a partnership between the CCO Chair and elected members

v) Engagement with government

- Work with the new government, only where interests are aligned and messages are consistent with those of Auckland Council
- CCOs should inform council of any conversation with the government on any new proposal
- CCOs are expected to ensure any relevant data and work undertaken on the previous government's proposals are retained and utilised where relevant.

vi) Climate change (mitigation and resilience)

- CCOs should continue to be guided by *Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan* by incorporating climate change considerations (whole of life greenhouse gas emissions and resilience) into work programmes and decisions
- CCOs are expected to continue reducing climate emissions and improving climate resilience, with a focus on cost-effective delivery of climate projects
- CCOs should demonstrate leadership and accountability through measurement and reporting on the climate performance of their decisions
- CCOs are expected to work towards reducing exposure and vulnerability to climate-related risks (Auckland Council Group and Regional risks)
- If there are risks to a CCO's achievement of their carbon emissions targets, these should be highlighted through the CCO's regular quarterly reporting to the relevant committee, and as appropriate, to the council's Audit and Risk Committee.

vii) Local Boards

- CCOs are expected to provide timely, delivery focused, quality, concise advice to local boards.

viii) Māori Outcomes

- CCOs should continue to be guided by *Kia Ora Tāmaki Makaurau* and deliver, monitor and report on each Achieving Māori Outcomes plan
- CCOs are expected to actively work as a partner with Māori, along with central government and external partners
- CCOs should actively seek to maximise opportunities for Māori businesses to participate in procurement processes.

Part 2. Key expectations of Eke Panuku

i) Urban regeneration

- Continue to progress urban regeneration programmes, including maintaining capital investment levels. Provide a clear view of projects to be delivered in the next three financial years and any programme delays.
- Progress a rolling five-yearly review / refresh of current programmes (as previously agreed).
- Note the intention of council to restore the \$100m Strategic Development Fund to enable faster regeneration of run-down parts of Auckland.
- As lead agency in the city centre, continuing to recognise the council group role in central city safety and the need to work in partnership with the Crown, social services and community groups.
- Present the Port Precinct Framework Plan to the Governing Body in February 2024, in accordance with Eke Panuku's current Statement of Intent. Progress the next stage of port precinct development work, including master planning of the central wharves, based on future decisions of the Governing Body. This includes looking at simple low-cost initiatives to activate the central wharves, enabling people to access the water.

ii) Property management

- Contribute to the asset sales target of \$300m over 10 years of the LTP, with the timeline and pipeline of asset sales to be decided by council.
- Contribute to work led by council on group property ownership and management, including:
 - Establishing principles for asset ownership and a framework to support decision-making.
 - Co-operate with a review of the group property model to remove unnecessary duplication and waste.
 - Section S17A review of the ongoing management of marinas
 - Establishment of a taskforce on service property optimisation.

Council looks forward to receiving a draft of the Eke Panuku SOI no later than 1 April 2024.

Staff are available to expand aspects of this letter if required. Please contact Alastair Cameron, Manager CCO Governance and External Partnerships to discuss.

Ngā mihi



Wayne Brown
MAYOR OF AUCKLAND

cc:

Desley Simpson, Deputy Mayor

Cr Shane Henderson, Chair CCO Direction and Oversight Committee

Cr Angela Dalton, Eke Panuku Lead Councillor

David Rankin, Chief Executive, Eke Panuku

Alastair Cameron, Manager CCO Governance and External Partnerships

Notice of Motion – Member Warren Piper – Ring-fencing sale proceeds

In accordance with Standing Orders 2.5.1, please place the following Notice of Motion on the agenda for the Whau Local Board meeting to be held on 13 December 2023, received from Member Warren Piper, and seconded by Chair K Thomas.

Notice of Motion requesting that Auckland Council review its policies relating to the divestment of non-service properties where investment in community assets and infrastructure is needed to meet the needs of population growth. A desired outcome from such a policy change includes ring-fencing of sale proceeds of 41 McCrae Way, New Lynn and responds to long-term Whau Local Board advocacy around the implementation of the New Lynn Urban Plan 2010/2030.

Background

Over the last few years, there has been considerable discussion about empowering local boards to do what is needed in and for their communities. In the Mayor's Proposal on Auckland Council's Draft Long-term Plan 2024-2034, he notes "more decisions should be made at a local level...so that local boards can better respond to local priorities". However, certain existing council policies do not provide local boards the necessary ability or resources to action what is required.

To support local board empowerment, this motion requests that Auckland Council consider:

- reviewing its policies relating to the divestment of non-service properties and provide local boards the ability to retain funds (or partial funds) from the divestment of high-value properties in town centres so that local boards can meet the needs of population growth and place adequate investment in community assets and infrastructure.
- adopting the New Lynn Urban Plan (adopted by the former Waitakere City Council) to reinforce strategic growth plans, foster community confidence and support, and yield substantial long-term benefits, including economic growth, job creation, improved living standards, and enhanced public amenities.
- approving the ring-fencing of the sale proceeds from 41 McCrae Way, New Lynn (Merchant Quarter site D) for reinvestment within the New Lynn area to support the ongoing growth and intensification in the area.

The motion urges Auckland Council to take decisive action in securing the future development of New Lynn by ring-fencing the sale proceeds. This step is crucial for realising the full potential of New Lynn as a vibrant, sustainable, and connected metropolitan centre within the Auckland region.

Recommendations

That the Whau Local Board:

- a) tono / request a review of and change in policies by Governing Body relating to the divestment of non-service properties so that local boards can retain funds from high-value property divestments to meet the needs of population growth and intensification.
- b) tuhi ā-taipitopito / note the strategic importance of the New Lynn Urban Plan in fulfilling growth strategies and enhancing the vibrancy and connectivity of the New Lynn area, as outlined in the plan's vision for 2030 and request the adoption and/or further implementation of this plan by Auckland Council.
- c) tuhi ā-taipitopito / Note Whau Local Board Resolution (WH/2022/62) passed on 22 June 2022, Notice of motion around the New Lynn Urban Plan.

- d) tuhi ā-taipitopito / note the sale of 10-22 Totara Ave, New Lynn (Merchant Quarter site C) to Kainga Ora in 2021, where the sale proceeds were not reinvested locally, instead placed in the consolidated fund.
- e) tuhi ā-taipitopito / note the community benefits realised by the ring fencing of sale proceeds of the Avondale Community Centre & Library at 99 Rosebank Road, Avondale.
- f) tono / request that the Governing Body:
 - i) tuhi ā-taipitopito / note the geographical and strategic significance of New Lynn as a metropolitan centre, acting as a vital link in Auckland's urban planning and growth.
 - ii) whakaae / approve ring-fencing the sale proceeds of 41 McCrae Way, New Lynn (Merchant Quarter site D) exclusively for the continuation of the New Lynn Urban Plan precinct redevelopment.
- g) tono / request that this Notice of Motion be forward to the Mayor, all Councillors, and the Board of Eke Panuku and Auckland Transport for their information.

Additional context regarding New Lynn town centre



Map of New Lynn Town Centre - Yellow: Site C , Red: Site D (currently for sale)

In 2021 Eke Panuku on behalf of Auckland Council sold 10 – 22 Totara Ave, New Lynn (Merchant Quarter site C) to Kainga Ora for the price of \$2,082,000. The proceeds from this sale went into the general consolidate fund and has not been reinvested locally. This site is approximately 2082m² in the heart of New Lynn, near to the Transit Oriented Development (TOD). Since the sale, Kainga Ora has put any development on this site on hold. Prior to the site being sold, it was held dormant and delapidated under a development agreement with Infratil which lapsed via a sunset clause. Despite requesting further information from Eke Panuku regarding the agreement with Kāinga Ora for this site, the local board has not received an update and the site continues to go unused with no progress seeming to be made in a vital part of the town centre.

Currently 41 McCrae Way, New Lynn (site D) which is approximately 2384m² is for sale on the open market with sale proceeds set to enter the consolidated fund.

In the days of the legacy Waitakere and Auckland City Councils, New Lynn and Avondale sat on the boundaries largely forgotten and left barren of any investment. Though some work has happened to date, more is needed to realise the vision of these two centres.

Local reinvestment of the proceeds from site D is crucial for the successful implementation of the New Lynn Urban Plan. This proposal respectfully urges the Auckland Council to take a decisive step by ring-fencing the sale proceeds and will demonstrate the Council's commitment to the regeneration of New Lynn.

Information paper: Health and Safety Board report December & January 2024

Author: Paul Brown, Head of Health, Safety and Wellbeing

February 2024

Whakarāpopototanga matua | Executive summary

1. This month's report combines December and January data.
2. A total of eight workplace health and safety events were reported into Noggin, Eke Panuku's health and safety reporting system, during December and January. The events involved an employee, contractors, or members of the public where Eke Panuku has influence and control.
3. The eight workplace events reported into Noggin included two near misses, three incidents where a contractor and tenant contractors damaged a pedestrian bridge and access platforms by accessing them with a vehicles or mobile plant. A security guard was involved in an altercation with members of the public, a Westhaven vehicle scraped a bollard and a Westhaven Marina employee suffered cramping in the arm after using power tools.
4. There were no high-risk or medium-risk events and eight low-risk events reported in December and January.
5. During December and January, contractor monitoring and contractor reports were reviewed to provide an overview of contractor performance. Contractor monitoring occurred on two sites and reports from contractors identified six observations, all of which were low risk and actioned within the month. No critical risk issues or notifiable events were reported on the two sites during December or January.
6. One event involving a member of the public, outside the influence and control of Eke Panuku was reported during in January. Security contractors and Māori Wardens raised 254 safety observations during December and January, all of which involved members of the public outside Eke Panuku's influence or control.

Matapaki | Discussion

Head of Health, Safety and Wellbeing Manager actions

7. Risk assessment on workplace stressors and psychological harm

We are progressing risk assessment workshops with staff which focus on stressors, psychological harm and wellbeing within the workplace. The workshops are designed to identify the common and high impact psychological hazards associated within the workplace in line with Australian and New Zealand codes of practice and guidance. The output from the workshops, alongside health and wellbeing data and feedback from the February engagement survey, will help to reinforce some of the existing controls or mitigations that we have in place and assist with identifying additional controls to help prevent psychological harm that may arise from the work that we do.

We are also progressing the mid-year staff engagement survey to check how we are tracking with the key engagement measures across our teams.

8. Senior Health, Safety and Wellbeing Advisor

Recruitment is underway for a Senior Health, Safety and Wellbeing advisor, following the departure of the previous senior advisor, who left to pursue an opportunity in Brisbane, Australia.

Health and safety key performance indicators

9. Health and safety key performance indicators (KPIs), featuring both Lead and Lag measures, are represented in table (Figure 1) and chart (Figure 2) format.

	Measure	Performance December	Performance January	Critical or high risks	Previous month (November)
	Safety concerns	0	0	0	2
	Near misses	1	1	0	1
	Near Misses from Contractor reports	0	0	N/A	7
	Lost time injuries	0	0	0	0
	Medical treatment injuries	0	0	0	0
	Other incidents	4	2	0	4
	Total recordable injury frequency rate	0.5	0.5	N/A	0.5
	Total incidents	4	2	0	4
	Total events	5	3	0	14

Figure 1 – Health and Safety Key Performance Indicator Table

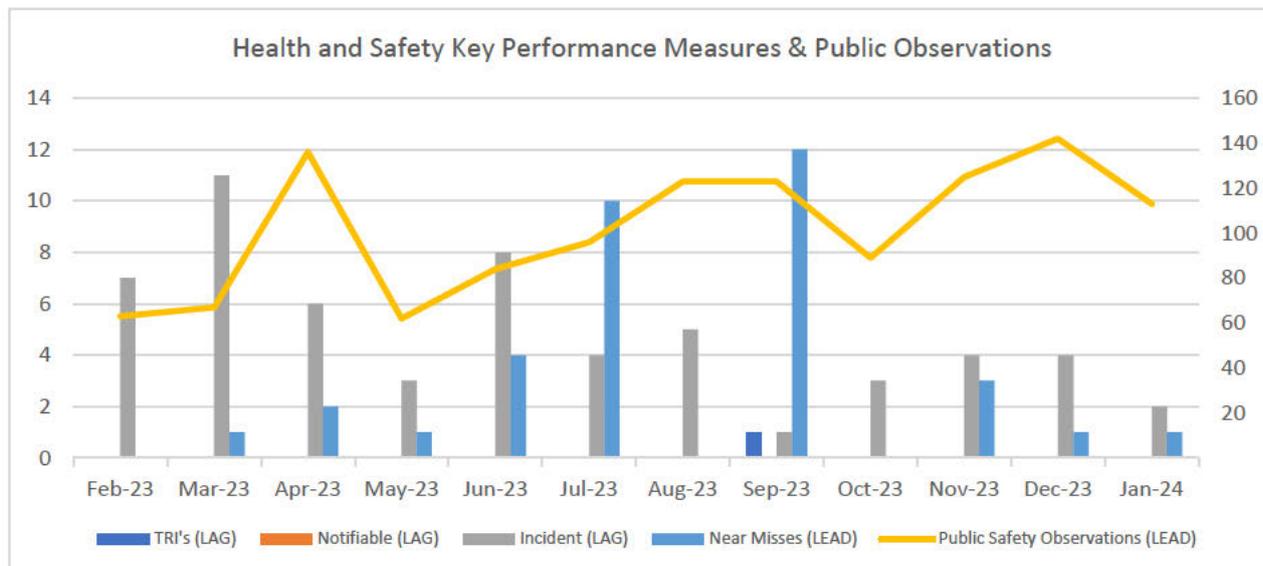


Figure 2 – 12 Month rolling H&S performance measures
 TRI – Total Recordable Injuries includes lost time injuries and medical treatment injuries. Notifiable refers to incidents and injuries reportable to the health and safety regulator.

10. Workplace incident themes and trends

There were eight safety events reported into Eke Panuku’s Health, Safety and Wellbeing system, Noggin, in December and January. Five events were reported in December and three reported in January. Three incidents occurred involving a contractor and tenant contractors’, whose vehicles damaged foot bridges or access ramps. One event involved a security contractor who was involved in a fight, resulting in injury to the security contractor and a near miss was reported when the tram was blocked by a parked vehicle. A minor scrape to a bollard resulted in damage to a utility vehicle and a near miss identified a potential slip hazard.

During December a Westhaven employee suffered cramping in the hand and forearm after using a power tool during a routine maintenance task. The injury was aggravated from a pre-existing condition.

In addition to the eight incidents reported into Noggin, contractors reported six minor near misses and observations. The six events raised were all actioned within the two months and were too minor to report into Noggin.

There were no high or medium risk safety events in December or January, and eight low-risk events reported.

Notable low risk events

06 December, Wynyard Warf – Water Blasting Contractor Damaged Foot Bridge

Damage occurred to a footbridge on Wynyard Wharf after a contractor attempted to drive over it. A bollard was already fitted in front of the bridge, however the vehicle fit through the gap.

An additional bollard has been fitted to prevent a reoccurrence and the incident is under investigation by the contractor.

08 December – Silo Marina – Vessel owner’s contractor forklift damaged gangway

A gangway on Silo Marina was slightly damaged after a vessel owners contractor attempted to deliver a pallet with a forklift truck, using the gangway as access.

The vessel owner was contacted by Senior Commercial & Marina Ops Coordinator and instructed that vehicle & plant movements on the gangway are not permitted. A condition assessment of the gangway was also conducted by the gangway manufacturer.

10 December – Westhaven, Curren Street – Security guard involved in altercation.

A contractor security guard was involved in a fight on Curren Street with members of the public. Whilst the circumstances are not clear as to the extent of the involvement, the fight resulted in the security guard being injured.

The security company are investigating the incident, and the security guard has since been dismissed.

13 January – Silo 6 ramp access for scissor lift

The hirer at Silo 6 attempted to gain scissor lift access to the building by driving a scissor lift up the accessibility ramp at the front of the building.

The hirers have been informed that the ramp is not to be used for access or egress of the scissor lift.

Other low-risk events

- A vehicle was parked in a way that blocked access to the tram on Jellicoe Street. The blockage resulted in a 45-minute delay.
- A Westhaven Marina maintenance crew member suffered cramping in the hand and forearm after using a small impact driver. The crew member rested from the activity and visited their GP. A pre-existing injury is thought to have contributed to the injury.

The equipment was assessed and vibration exposure was minimal for the time period of use.

- A slip hazard potential was identified on Westhaven Promenade due to a combination of a build-up of Pohutukawa pollen and a leaking tap.

The area has been cleared of the shedding pollen and the tap has been repaired.

- A Westhaven vehicle suffered minor damage after a dockmaster scraped against a low bollard when exiting Z pier. There was no risk of injury during the incident.

11. Public health, safety and wellbeing events

		Performance December	Performance January	Previous Month (November)
Public Realm	Security and Māori Warden observations	142	112	125
	Public injuries	0	0	0
	Public incidents or observations	0	1	0

Figure 3 - Public realm incident and observation table. Data provided for information purposes and are not key performance indicators as Eke Panuku has very little influence or control over the outcome of these events.

One public incident was reported into Noggin, Eke Panuku’s reporting system, in December and January.

The incident occurred when a boat owner was allegedly harassed by members of the public on a gangway as the boat owner was attempting to gain access to her boat. This was reported five days later and the complainant did not wish to contact the police

During December and January, 254 observations were raised by security guards and Māori Wardens. All the observations occurred in the public realm and were outside the direct influence or control of Eke Panuku. All issues were also reported through to other agents, responsible for dealing with the identified issues, such as NZ Police and emergency services, Auckland Transport and parking enforcement.

The security guards patrolled the waterfront seven days per week. The Māori wardens patrolled the waterfronts on Friday and Saturday nights.

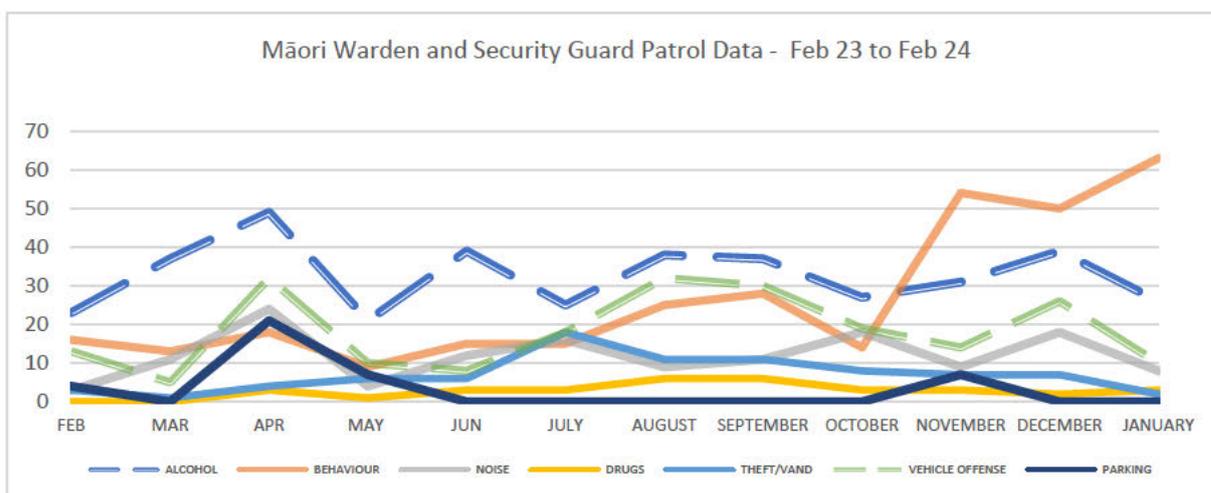


Figure 4 - Combined public observation data by category.

The top three most common observations are highlighted below in Figure 5.

Rank	Issue	No. of observations
1	Behaviour	113
2	Alcohol	65
3	Vehicle	36

Figure 5 - Top three issues raised through Waterfront Patrols in October and November 2023

Ngā tāpirihanga | Attachments

No Attachments

Information paper: Housing market overview Quarter 1, 2024

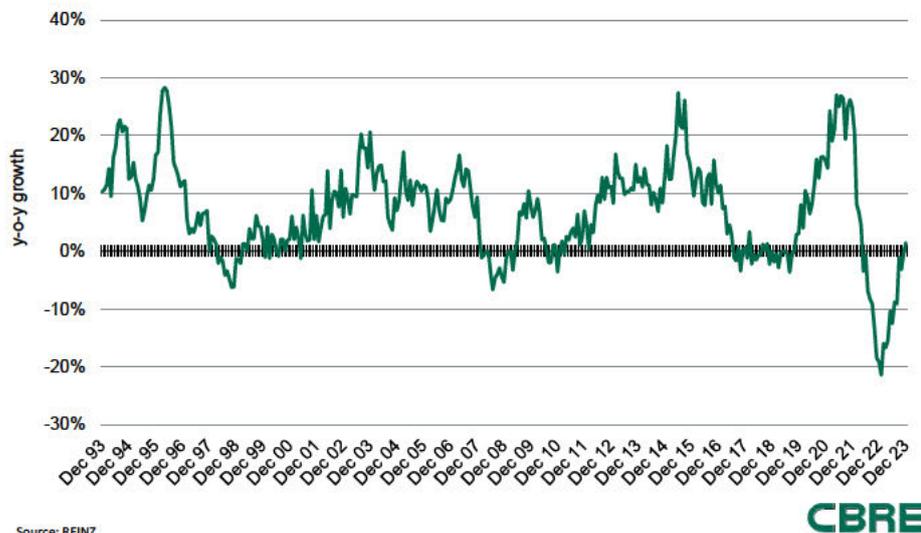
Document author: Allan Young, General Manager Development

February 2024

General Overview

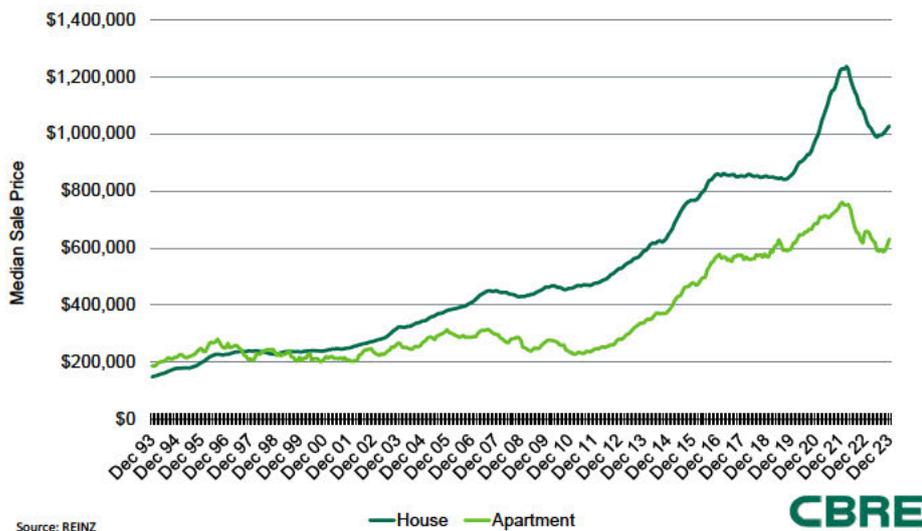
1. Auckland median sale prices peaked in November 2021 at \$1,300,000 and troughed in January 2023 at \$943,000 (down by 27%). The most recent data of \$1,050,000 for December 2023 is 19% below peak, but up 11% on the trough.
2. The December median is very similar to the medians recorded between August 2023 and November 2023, which range from \$1,000,000 to \$1,055,000. It is also very similar to the December 2022 median of \$1,035,000, reflected in the below chart showing near zero year on year growth. If January 2024 data is at a similar level to December, the next data point would be well into positive territory at the circa 10% level.

Auckland Residential Median Dwelling Price Growth - Annual Change



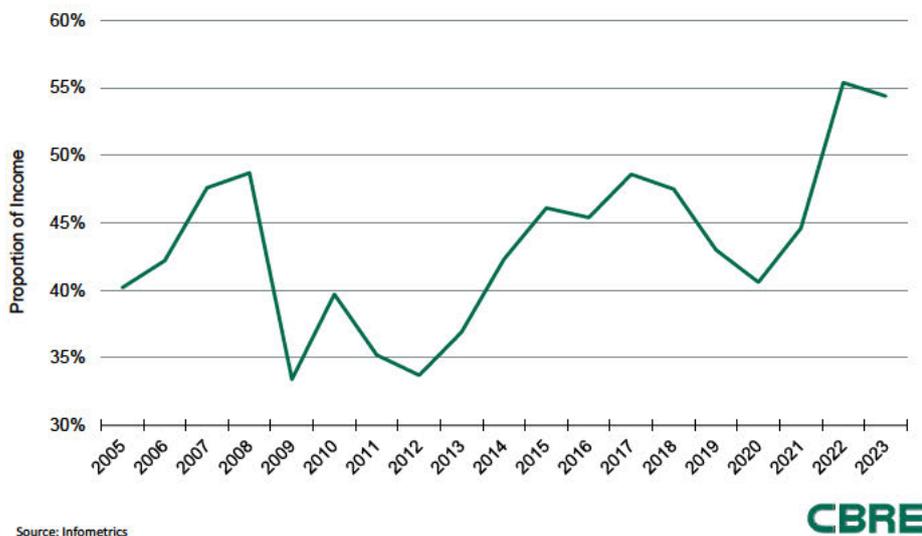
3. Smoothing these monthly median sale price figures with a six-month moving average shows a slight but clear upward trend in recent months as consumer confidence recovers and interest rate hikes appear to be largely complete for this cycle.

Auckland All Dwelling vs Apartment Medians - (6 month moving average)



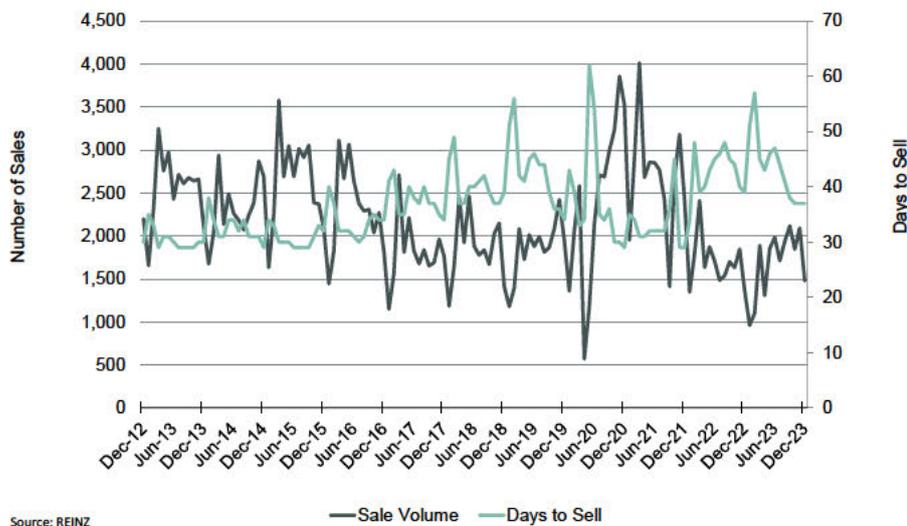
4. While the upward trend could continue, we do not foresee any rapid acceleration in growth in the short term. Info metrics data for the year to March 2023 shows housing unaffordability at near record levels, improving slightly from March 2022 due to declining house prices but worse than historic averages given the higher interest rate component.

Auckland Mortgage Payments as a Proportion of Income



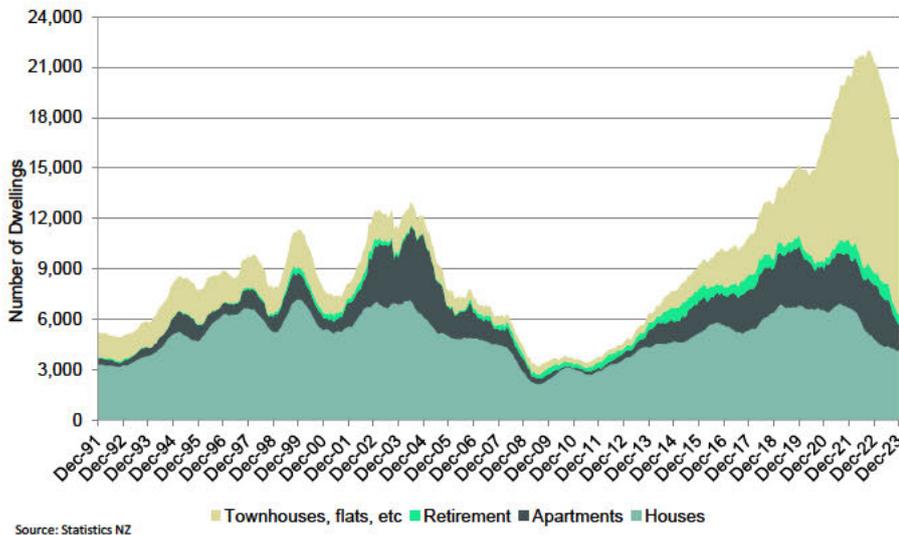
5. The recovering housing market conditions are also evident in days to sell data. After averaging 33 days in 2021, days to sell increased to 43 in 2022 and 48 in the first half of 2023. They have been at 37 for the last three months of 2023.
6. Sale volumes are similarly improving. During the January 2023 trough they were below 1,000 for the first time since April 2020. Sale volumes in the first half of 2023 average 1,516 per month, lower than the average for the second half of 2023 at 1,862 per month. Inventory of stock on the market also points to positive momentum with the February 2023 to January 2024 monthly figures all being in the 9,000s, slightly below the 10,000+ recorded for the May 2022 to January 2023 period.

Auckland Dwelling Sales and Days to Sell



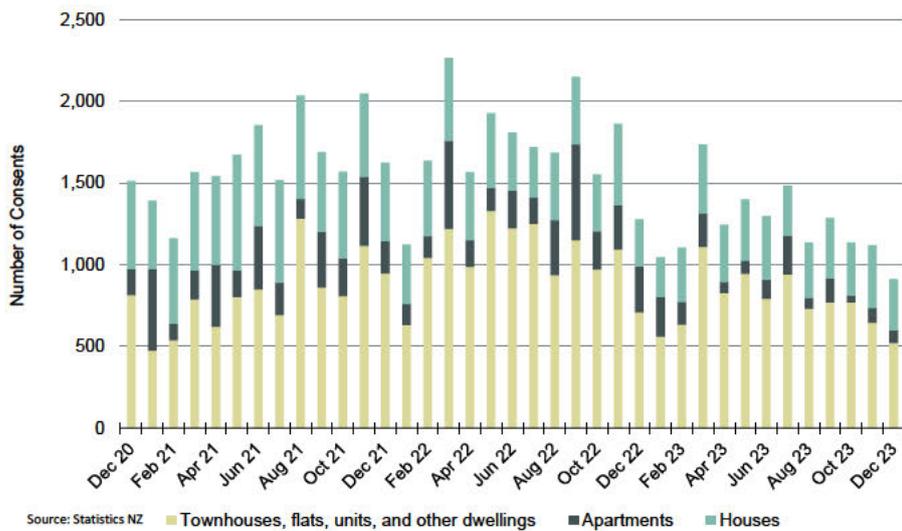
- Auckland residential dwelling consented peaked in September 2022 at 21,985, an all-time high for Auckland. On a per capita basis there were 13 new dwellings consented per 1,000 people in the city, up from 10.6 per 1,000 in 2021 and 8.6 in 2020. Difficult market conditions over the past couple of years have reversed this momentum and have negatively impacted consent volumes for all typologies. The annual total to December 2023 was 15,488, 30% below peak.

Auckland Residential Dwelling Consents - Rolling Annual



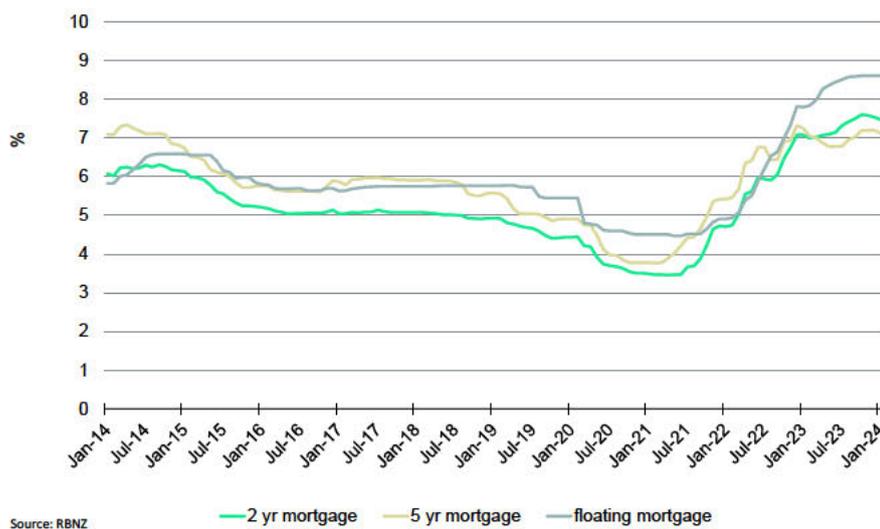
- Despite their low consent volumes townhouses remain the dominant dwelling typology consented. This is a trend that intensified between 2021 and 2023. The December 2023 data shows the proportion of dwellings consented that are townhouses to be at a record 60%. The proportion that is apartments has declined to 2013 levels of circa 10% and the proportion that is standalone houses has increased slightly from 22% in early 2023 to be 27% in December 2023.

Auckland Residential Dwelling Consents - monthly



- The rapid OCR hiking cycle of mid-2021 to late 2022 is over. Inflation is heading in the direction of the target band but still has some way to go and has been proceeding slower than the RBNZ would like. The market had been expecting rate cuts this year however the RBNZ has been striking a hawkish tone given the stickiness of domestically generated inflation. Q4 unemployment data released on 7 February was 4.0%, barely up from the 3.9% in Q3 and below the 4.2% that the RBNZ expected (similar to market consensus of between 4.2% and 4.3%). This latest data means that while the market is still expecting rate cuts in 2024 the (low) chance of a hike has increased, and any rate cuts have been pushed or had their extent lessened by most economists' forecasts.

Mortgage Interest Rates



- The apartment development pipeline is shrinking as project completions exceed new commencements. In the six months to November 2023 there have been 21 launches, 38 completions, and 11 projects abandoned.

11. The current pipeline comprises 5,556 units in 107 buildings planned for completion by 2026.

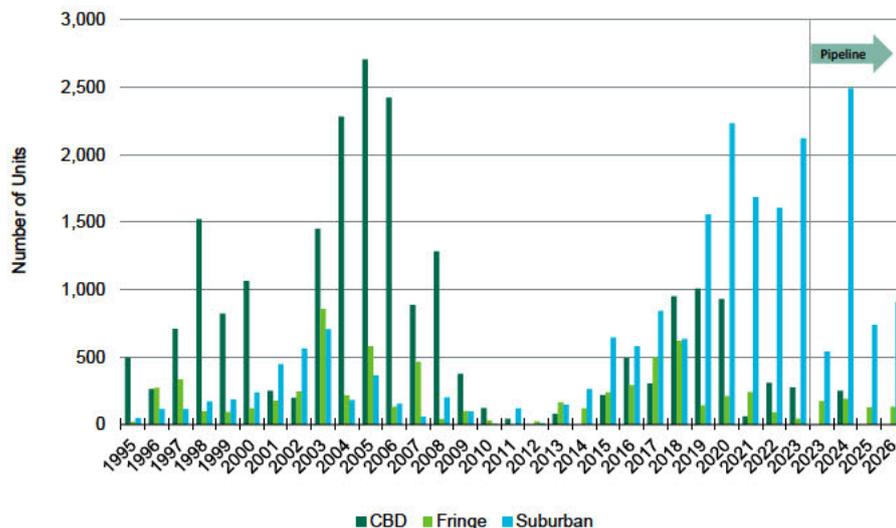
- CBD Pipeline 2 projects, 251 units
- Fringe Pipeline 16 projects, 623 units
- Suburban Pipeline 89 projects, 4,682 units

12. Breakdown of the pipeline by development stage:

- Under construction 78 projects, 3,768 units
- Building consent 18 projects, 1,334 units
- Marketing 11 projects, 454 units

13. Although new launches are down from an activity perspective the construction market remains busy for now with a significant pipeline of product being completed in 2024 in the suburban market.

Auckland Apartment Supply by Location

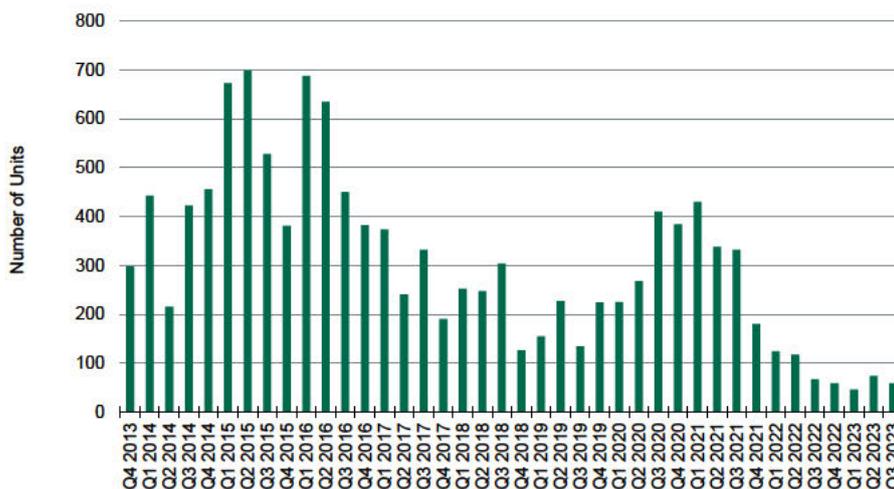


14. The limited number of recent launches still shows diverse product and locations. Warkworth has had its first apartment project launch. Two new BTR projects, Koanga and Reiputa have been added to the pipeline. High end owner occupier projects such as York House and Elysian in Parnell and Exhibit Apartments in Ponsonby have been launched to varying degrees of success. Social housing and investment housing in the south and west is continuing at a lesser scale, and Beachcroft Residences is the revival of a previously abandoned project that has been picked up by a new developer to see it through to completion.



15. While new apartment launches are slowing, they are exceeding presales. In the first two quarters of 2022, apartment off the plan presales were 124 and 117 units respectively. This sale volume was about 70% down from the 400+ average quarterly sales in Q3 2020 and Q1 2021.
16. In the second half of 2022 sale activity slowed further, moderating to 67 in Q3 2022 and 59 in Q4 2022. They hit a low of 46 in Q1 2023 before increasing to 74 in Q2 2023. This momentum was not sustained, and presales were 59 in Q3 2023. Draft numbers for Q4 2023 indicate a further decline from this figure.

Auckland Quarterly Presales - Whole Cycle



Commercial Market

17. CBRE's engagement in sale campaigns continues to indicate elongated due diligence periods, buyers heavily scrutinising assets, and adverse findings tending to lead to material adjustments to price offers, with uncertainty about whether sellers are willing to let assets go at final offer prices. This process reflects the opportunistic approach of many buyers, buyers' greater focus on asset-specific issues around capex compared to more normal market conditions, and the relative pressures faced by sellers to divest.
18. While the market remains illiquid, in our Q4 2023 Auckland commercial market yield assessment, half of the 18 markets we monitor showed no change, indicating, in our view, a narrowing of the divide between vendor and purchaser price expectations. This result entrenched the slowing cap rate expansion trend that started in Q3 when we made the most minor changes since the easing cycle commenced in early 2022. This indicates that we are close to the top of the current yield cycle, although we expect selling pressure on some vendors to intensify over the next six months.
19. Rental trends show slowing growth. In retail, leasing inquiries were down on Q3, although market sentiment remains positive and decisions are still being made, including a tranche of transactions completed before the Christmas break. CBD office rents also remained largely stable, with a slight uplift in Premium through to Grade B rents, showing the enduring flight to quality trend. OPEX increased in the second half of 2023 as insurance and rates bills rose.

Summary

20. The residential market appears to have reached a position where it is now at a floor. Noting there has been a 11% increase in the Auckland median house price from \$943,000 in January 2023 to \$1,050,000 in December 2023.
21. Market commentators seem to be falling into two camps of either subdued house price growth over the next year, or those suggesting that house prices will increase at a higher level due to immigration and lower mortgage rates.
22. Presales are still difficult to obtain and without this dramatically changing the development market will remain constrained by funding. Anecdotally construction cost pressures appear to have abated and sub-contractors are now seeing a reduced forward work book which will start to help development feasibility.

Information paper: Draft LTP budget submissions

Author: Kirsty Teesdale, Financial Planning and Reporting Manager and Kingsha Changwai, Manager Corporate Risk and Reporting

February 2024

Whakarāpopototanga matua | Executive summary

1. Auckland Council has asked that the Board is across the financial numbers and non financial LTP performance measures submitted by Eke Panuku. These are to be included as part of the Mayors public consultation document on the LTP.
2. The 2024/25 and 2025/26 years are consistent with the 2024-2026 Statement of Intent approved by the Board and enable Eke Panuku to continue to deliver a credible programme.
3. The submissions are a draft only and final budgets etc will not be confirmed by Council until the end of June. Council officers will be working through the consolidation of all of Council and CCO's budget submissions over the next few months. There is a risk that we will be called upon to make additional savings.

Matapaki | Discussion

4. Auckland Council publishes a new 10 year budget, Long-Term Plan (LTP), every three years. In the intervening years the Council publishes the Statement of Intent (SOI) which sets out the budget envelope for the next 3 years including the next Annual Budget. The SOI contains more detail on Eke Panuku annual income and expenditure.
5. Each year Council runs a Budget Refresh process where Eke Panuku updates the Councillors, through the Governing Body, on expected direct revenue and expenditure, and capital spend expectations for the coming year. As part of the process the remaining years in the SOI and LTP are also updated with the consequential flow on effect of any significant financial changes. The expectation is that these changes will be minimal, however changes can and do occur.
6. The starting point for the LTP process this year was the ten years of financial budget data that has been refreshed over the past 2 cycles as part of the annual budget refresh. Council advised all departments and CCO's leading into the LTP process that due to cost pressures any inflationary adjustments were expected to be absorbed through savings. Budgets were expected to stay within the current envelopes.
7. The focus of the LTP is predominantly years one to three as years four to ten will be reviewed and updated in the next LTP process and can be updated for significant changes in the annual budget refresh.
8. Eke Panuku manages two sets of financial information for shareholder purposes:

- a. The Eke Panuku budget which includes all the people costs of the organisation and corporate good costs and costs of running the office. Eke Panuku is fully funded by Council. The company is managed to a net zero profit/loss position, with the net revenues and expenditures being offset by Council funding.
- b. The budgets within Council which Eke Panuku manage, which includes Capex and Opex. This is the revenues and expenditure in relation to the assets we manage on behalf of Auckland Council both property and marina, and the regeneration activities that we carry out in priority locations. The financials outlined in the tables below do not include the Auckland Transport properties we manage, or the Waste Services landfill derived dividends we also manage as these budgets are held elsewhere in Council on a group basis.

9. The table below shows the Eke Panuku company budget and there was no change to the starting budget envelope.

Eke Panuku \$million	Draft Submission for Consultation Budget												Current Year SOI	
	FY23 Actual	FY24 Budget	FY25 LTP	FY26 LTP	FY27 LTP	FY28 LTP	FY29 LTP	FY30 LTP	FY31 LTP	FY32 LTP	FY33 LTP	FY34 LTP	FY25 SOI	FY26 SOI
Direct Revenue	18.3	17.6	18.0	18.4	18.3	18.6	18.9	19.2	19.6	19.9	20.2	20.6	18.0	18.4
Direct Expense	37.8	41.8	43.0	44.0	45.2	46.4	47.3	48.4	49.6	50.6	51.6	52.6	43.0	44.0
Net direct (expenditure) income before funding	(19.5)	(24.2)	(25.0)	(25.6)	(26.9)	(27.9)	(28.4)	(29.2)	(30.0)	(30.7)	(31.4)	(32.1)	(25.0)	(25.6)
Funding from Council	19.5	24.2	25.0	25.6	26.9	27.9	28.4	29.2	30.0	30.7	31.4	32.1	25.0	25.6
Net direct (expenditure) income	0	0	0	0	0	0	0	0	0	0	0	0	0	0

10. The table below shows the managed on behalf of Council budget.

Eke Panuku \$million	Draft Submission for Consultation Budget												Current Year SOI	
	FY23 Actual	FY24 Budget	FY25 LTP	FY26 LTP	FY27 LTP	FY28 LTP	FY29 LTP	FY30 LTP	FY31 LTP	FY32 LTP	FY33 LTP	FY34 LTP	FY25 SOI	FY26 SOI
Direct Revenue	49.5	45.3	45.3	41.5	45.7	44.7	45.1	47.0	47.8	48.2	48.8	49.7	41.3	41.2
Direct Expense	42.2	44.2	44.2	41.4	40.5	40.9	40.8	40.5	40.8	41.1	41.3	41.9	40.3	41.0
Net direct (expenditure) income	7.3	1.1	1.1	0.2	5.2	3.7	4.3	6.5	7.0	7.1	7.5	7.8	1.0	0.2

11. An update of the commercial property portfolio budgets identified some increases in revenue due to rental negotiations or properties being retained for longer than originally expected. This also led to an increase in expenditure but the overall net effect for the first three years was an immaterial change in net direct income.

12. In the outer years of the LTP from FY28 there was an update to the both the revenue and expenditure for Westhaven marina with the reversion of each of the Marina Trusts. The working assumption made is that there will be a full rental model at Westhaven which will increase both the revenue and expenditure.

13. The overall capital budget was rephased over the ten year period to \$80m annually. This reflects a level of spend that enables delivery to continue in all locations. It also includes the assumption that in outer years we would continue the same level of activity as new locations are added.

14. As part of the consultation document and the Mayor's Letter of Expectation the intention to restore the Strategic Development Fund (SDF) was noted. Currently the ability to spend this fund has been phased on the advice of Council Finance to reflect the year that we have budgeted SDF sales receipts. This creates some 'lumpy' years for expenditure. We are in discussions with the finance team now to smooth these out more.

Capital \$million	Draft Submission for Consultation Budget											Current Year SOI		
	FY23 Actual	FY24 Budget	FY25 LTP	FY26 LTP	FY27 LTP	FY28 LTP	FY29 LTP	FY30 LTP	FY31 LTP	FY32 LTP	FY33 LTP	FY34 LTP	FY25 SOI	FY26 SOI
Regeneration	59	68.4	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	69.9	85.8
Renewals	10	8	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Strategic Development Fund	0	0	19.6	10.3	6.9	0.0	0.0	60.6	0.0	0.0	0.0	0.0	0.0	0.0
	69	76.4	99.6	90.3	86.9	80	80	140.6	80	80	80	80	79.9	95.8

15. The non financial performance measures and targets have also been submitted in draft to be included in the consultation document.
16. KPMG carried out a review of our performance measures in 2023 for the council and concluded that our current performance measures are relevant when compared with other regeneration entities and property management companies in New Zealand and overseas.
17. We have agreed four performance measures to be included in the LTP including targets approved by the ELT. Targets were set taking into account latest economic forecasts that can impact the development and rental property markets. It also took into account past performance and business plans. The targets are set on a conservative basis, to accommodate for any uncertainties.
18. The annual budgets for FY25 to FY27 will be brought back to the Board for confirmation as part of the Statement of Intent process and more detailed information on FY25 as part of the Corporate Business Plan.

Ngā tāpirihanga | Attachments

Attachment A - draft performance measures and targets.

Information: Board Risk Report

Document author: Kingsha Changwai, Manager Corporate Risk and Reporting

February 2024

Whakarāpopototanga matua | Executive summary

1. The Corporate Risk Register was updated by the ELT at its risk workshop 13 February 2024.
2. The Corporate Risk Register is presented to the Board for information.
3. The risk report will be presented to the Eke Panuku Audit Risk Committee (ARC) 26 Feb 2024. Significant ARC comments on the review of the Corporate Risk Register 26 Feb will be reported to the Board verbally at the 28 February meeting.
4. A copy of the Corporate Risk Register is included as attachment A of this report.

Matapaki | Discussion

5. The Corporate Risk Register was updated by the ELT at their risk workshop 13 February 2024.
6. The risk discussion considered the latest operating context including:
 - LTP progress - Eke Panuku presenting to council it's urban regeneration programme as part of the LTP. Council approving the inclusion of the Strategic Development Fund (SDF) funding in the LTP information going out for consultation in February.
 - the content of the council's LOE, most of the items we are aware of, and some being progressed.
 - the change in central government and the impact of cancellation of the Light Rail project and key areas of uncertainty such as three waters legislation.
 - the latest update on the property market and employment market and associated factors such as high interest rates and construction costs and increasing net migration and unemployment rate.
 - The ELT also considered the risk of Eke Panuku being allocated new council group projects or initiatives without additional funding as requested by the ARC at its 27 November 2023 meeting.

Eke Panuku taking up new council group projects or initiatives, affecting its ability to deliver urban regeneration programmes and property management goals and targets.

7. ELT discussed the risk of Eke Panuku taking up new council group projects or initiatives, affecting its ability to deliver urban regeneration programmes and property management goals and targets as requested by the ARC.
8. Overall, it was noted that:
 - Eke Panuku leads urban regeneration for the council group. As part of its leadership role, it manages opportunities and threats. Through planning and delivery, it realises opportunities for the council group such as the opportunity to develop the port land to realise council's overall strategy. It contributes to the management of council group risks such as work on acquiring flood damaged properties as part of managed retreat to reduce future risk.
 - Eke Panuku also, as part of its leadership roles, contributes to resolving complex issues for the council group using its staff expertise and knowledge. This provides opportunities to add value to the group overall.
 - It is a threat if new initiatives/ projects are not properly scoped, staged, planned and resourced. Eke Panuku has processes and experience with past projects that ensure mandate, budgets and resourcing are in place before its formally committed to a new initiative or project.
 - Eke Panuku new projects/ initiatives align with its core functions and expertise such as the Port Framework Plan, acquiring storm damaged properties or commitment to future locations for regeneration.
 - Additional work on initiatives in the LOE for the Assets and Delivery team, such as section 17a review of the Marinas and the case for consolidating the property functions, is going through resource planning that will be presented to the ELT.
 - We will continue to work with the Council in responding to changes to central government projects and policies and reallocate our resources to new areas of work or opportunities such as Rapid Transit initiatives.
 - Overall, the ELT members think this risk is reflected in the existing risk of "Pressure of unbudgeted work" in the Corporate Risk register. Current scoping, resourcing and budget controls are adequate to manage this risk.

Two new risks

9. The ELT discussed two new risks identified, including mitigations and residual rating:

Low number of projects in the pipeline

- a. The first new risk relates to low number of sites in the pipeline potentially being prepared for sale. This significant area relates to the reducing number properties available for future redevelopment and sale or meeting asset sales SOI targets. Key mitigations include working with the council on the property model review, including our role on property clearance for sale. Other controls include working with the council on our share of the council group LTP asset sales target of \$300m and identifying and progressing property opportunities within the group;

and our long-term story of staged sales in significant development areas such as Port Land, CRL developments, Eastern Busway and Northcote.

Long term funding for infrastructure assets

- b. The second new risk relates to long-term funding for Infrastructure asset renewal / replacement. Eke Panuku delivers services, plans and manages assets on behalf of the council. Infrastructure assets include bridges, wharves and seawalls and other assets. Some of the infrastructure assets have exceeded their design life (functional life may be longer than design life) and will require replacement or significant renewal in the future. Some are more urgent or critical than others. Most of them are in the Waterfront location and have a service critical or safety role. Challenges exist in both funding and resourcing the required renewals to current like-for-like replacement.

Council as part of the current LTP has initiated discussions on its long-term Infrastructure Strategy, covering the next 30 years, beyond the 10-year LTP. We will continue to work with the Council Infrastructure team and Coastal Assets team on future long term infrastructure strategy, planning and funding of infrastructure assets we manage.

While planning long term we will continue our work in asset condition reviews, maintenance and renewal to manage the risk of infrastructure asset failure.

Change to existing risks wording, controls and rating.

10. The existing corporate risk changes are marked with red text. Red text cover changes to risk wording, new controls and comments on risks, including progress of controls. Blue text marks confidential text for internal reporting.

11. Some of the significant changes in the corporate risk register are:

- a. Inadequate change preparedness risk: This risk remains high. The LOE indicates continuation of change work that can impact Eke Panuku. This includes shared services, property model and Marina value for money review.
- b. Structural failure of infrastructure asset risk: we have added outage of critical assets impacting services and Eke Panuku reputation to the risk cause and impacts. New mitigations of identifying critical assets with wider user/ stakeholder impacts, condition surveys and preventative/ planned maintenance reduces the risk of outage or failure.
- c. Programme of acquiring storm damaged properties risk: Good progress has been made on controls. Since the last risk workshop in November 2023, roles have been clarified with Auckland Recovery Office (ARO) and resources are in place. We have instructed 90 out of currently around 700 properties. The entire process is taking an average of 3 months, covering acquisition instructions, valuation, negotiation and settlement.
- d. Ability to attract and retain talent risk: a new mitigation on talent identification and succession planning has been identified and is being led by the People and Capability team.
- e. Delivery of programme risk: we have added a new cause and impact to the risk, "legal challenge to our PWA process slows down acquisitions". The challenge

relates to the 20-day notice issued to the owner of 208 Onehunga Mall to progress acquisition to enable redevelopment of a significant Onehunga block. The mitigations include Eke Panuku support by Council legal and any improvements/ learnings to be incorporated into future PWA process improvement.

- f. Preparing and managing climate change risks to the business: Mitigations progress include the ELT approving a plan to fulfil our obligations around climate reporting and audit under the Task Force on Climate-related Financial Disclosures. An external resource is being procured. We are working with the council on climate disclosures, what council discloses at the group level and any disclosure relating to Eke Panuku.

Good progress has also been made on mapping leased properties on council's Hazard Viewer (GIS) recently updated by Auckland Emergency Management (AEM). Key mapping includes properties on flood prone areas and flood plains, strong wind areas, properties subject to inundation and coastal erosion and properties in Tsunami evacuation areas. This provides a high-level profile of property risks that need further investigation / validation via site visits.

- g. Extreme weather events risk: good progress has been made on controls. The BCP and CMT plans were reviewed by the ARC. The plans have been approved by the ELT and have been communicated to the organisation and can be accessed via info hub. The core CMT & CE contact details have also been communicated to Auckland Emergency Management (AEM).

Updating NZTA Tram Safety review

12. The Board is informed of the Tram safety review by NZTA starting 19 Feb 2024 for information. The Tram assets are part of infrastructure that is not critical but requires periodic safety and risk review to meet licence requirements of NZTA. MOTAT is responsible for operations and Eke Panuku is responsible for the assets. We insure the Tram assets. We will update the ELT on any significant findings from the NZTA audit.

Next steps

13. Any significant ARC comments on the review of the Corporate Risk Register 26 Feb will be reported to the Board verbally at the 28 February meeting.

Ngā tāpirihanga | Attachments

Attachment A - Eke Panuku Corporate risk register February 2024

Ref ID #	Risk Description and Cause	Impact	Risk Category	Current Assessment (Controlled)				Risk Owner	
				Existing Mitigations					
				Likelihood	Consequence	Risk Score	Risk rating		
1	<p>Lack of funding for credible urban regeneration programme</p> <p>While support for an ongoing urban regeneration programme is included in the strategic direction for the LTP, the council group financial situation is challenging and this will require prioritisation and savings across the group. New budget requirements may mean that current programmes cannot be continued or new programmes developed.</p>	<ul style="list-style-type: none"> • Council does not support its growth strategy or leverage its investment in transport and other services • Opportunities in town centres are not unlocked for the private sector to deliver housing and commercial development • Current urban regeneration programmes are further delayed • Revenue from the sale of council property is not optimised • Greater intensification is not supported by local planning and investment • Amenity and prosperity of town centres continues to decline. • Council and Eke Panuku reputation are impacted. 	Delivery of Commitments	<ul style="list-style-type: none"> • Submissions we make to the LTP and engagement with the budget committee and council teams is well prepared, comprehensive and articulates the benefits of urban regeneration. • Clearly articulate the budget required to maintain a credible urban regeneration programme and how the benefits could be spread overtime, with new locations added as budget becomes available. • Take opportunities to showcase completed projects and the work that is underway. • Build awareness and understanding of why urban regeneration is a typical role of government and why, where and when intervention is required. • Funding increased / re-initiated - such as the Strategic Development Fund <p>(Comments: This risk will be reassessed after the LTP programmes and budgets consultation)</p>	3	4	12		Brenna
2	<p>Level of change or amount of change in the council group impacts Eke Panuku's future service delivery and programme momentum.</p> <p>Effectiveness of future delivery models - the work on shared services and property case does not achieve intended outcomes and efficiencies if rushed and not properly communicated to teams consistently and accurately. Factors that can have an impact include trade off between time, savings, cost and effectiveness of solutions. There could be conflicting views. This leaves an adverse impact on related staff, teams and effectiveness of future service delivery. (Shared services and Property case are led by Council).</p> <p>Impact on programme delivery momentum - Changes to other CCOs and Council department's key personnel can affect agreements or arrangements in place to progress regeneration in town centres.</p> <p>(If the level of change is significant within the allowed timeframe, momentum could be affected, AT changes completed. Council and group changes have yet to be completed. Property Management, Marina and Shared Services can impact Eke Panuku)</p>	<ul style="list-style-type: none"> • Ineffective service model and future work, post change to make improvements • Loss of productivity • Inefficiencies/wastage • Staff morale and wellbeing • Time required to re-establish agreements or approaches and build relationships cause delays to projects and programmes 	Business Process	<p>Effectiveness of future delivery models:</p> <ul style="list-style-type: none"> • ELT and Board updates and awareness of options, including Board approval of future models (Shared services review and Group property model review are still progressing and have been identified in the LOE for completion). <p>Workstream communications of issues:</p> <ul style="list-style-type: none"> • Clarity on decision points • Cases for change are reviewed at CE Forum and CFO Group Forum ensuring change proposal deliver outcomes and ensuring communication and change management. • Group Service Programme Lead • Staff timely communication and formal change management process. • Staged change implementation • Staff wellbeing mitigations. <p>Changes to other CCOs and council departments:</p> <ul style="list-style-type: none"> • Re-establish contacts and maintain existing agreements and arrangements with CCOs and council departments going through change to minimise impact on delivery momentum. (Changes such as Three Waters, affecting Watercare and Council's Healthy Water are going through review). 	3	4	12		Carl and Marian (Change support mitigation - Alaina)

Ref ID #	Risk Description and Cause	Impact	Risk Category	Current Assessment (Controlled)		Residual Rating				Risk Owner
				Existing Mitigations		Likelihood	Consequence	Risk Score	Risk rating	
3	<p>Longer time to attract development partners with capacity to meet Eke Panuku's outcomes, especially for town centre developments.</p> <p>Property market demand and supply is affected by economic factors such as higher inflation, cost of debt and tighter lending requirements. This impacts the delivery of future regeneration outcomes (new dwelling units) and asset sales targets.</p> <p>Developments going through Marketing stage or conditional contract negotiation, unconditional contract taking longer to achieve. e.g. Downtown carpark.</p> <p>(North Wharf/ Downtown Car park / Dominion Rd - all conditional. Need to be unconditional to meet sales target).</p>	<ul style="list-style-type: none"> Current market condition demand has impact on the delivery of the Asset Sales target. (Note: one transaction at conditional stage affects significant portion of the FY24 SOI target). Lack of properties in the pipeline to replace above sale. (This compounds the effect if Downtown carpark takes longer to achieve unconditional sale. There are no replacement sales). Increase cost of development making it less viable. Lower SOI and LTP asset sales targets for the council group. More difficult to meet investment requirements including outcomes. 	Delivery of Commitments	<ul style="list-style-type: none"> Extended settlement and terms to reflect slower market conditions for developer to achieve presales, funding and resource consent. Active engagement with potential and current development partners Ongoing feedback and relationship building - selection of development partners, annual research to understand partners' perceptions of Eke Panuku to address any issues Regular updating and review of divestment strategy - carefully chosen to suit market Monitoring and reviewing market conditions in respect of partnership opportunities with developers for mutually beneficial outcomes - anticipated 12-18 months rebalancing of the market Good developers will have greater choice of partner and available opportunities <p>(Comment: Inflation is reducing but continues to be high, affecting cost of materials and interest rates).</p>	3	4	12		Allan Young	
4	<p>Development partners with existing development agreements delaying development until financial viability improves due to current market conditions.</p> <p>Eke Panuku has existing development agreements with partners that can be affected by the property market slow down.</p> <p>Causes:</p> <p>>Market conditions affect viability of the development. > Disagreement on outcome after unconditional sale/ mitigation is arbitration e.g. Avondale Central > Development partners do not follow through on quality outcomes such as Homestar/ Green star impacting our reputation.</p>	<ul style="list-style-type: none"> Slow property market affects development presales by developers. Increase borrowing and increase cost of debt affects viability of developments Development partner default on debt payments Not meeting the current SOI Asset sales target for June 2024. Delay in delivering outcomes or delivering reduced outcomes. We promote quality outcomes early in the projects but this may not match delivery. Post project review or publicity can impact our reputation. 	Financial	<ul style="list-style-type: none"> Development monitoring and enforcement of development agreement terms and conditions, and extending settlement period. Development monitoring to include quality outcomes such as Homestar and Green star, including reporting. Policy and process for selecting development partners including due diligence Development negotiation process (including arbitration) Development partner due diligence at partner selection process and Eke Panuku working with certain development partners with track record. DA terms - Eke Panuku taking land back after partner breach of agreement and loss of partner deposit. For multistage developments, there are rights of cancellation if milestones or sunset dates are not met, settling the land in stages on separate titles as development progresses. Eke Panuku keeping performance bond for delay in delivery, and the development partner still has to complete the development. Tripartite agreement terms and conditions. Lender screening process, some reliance is placed on lender's tighter screening of development partners under the current environment when seeking finance and the property title does not pass until funding is approved. Development monitoring meetings, we can view publicly available information, for example with listed entities and request information. Monthly PSG monitoring, covering when developments commencement and monitoring development programme. 	3	4	12		Allan Young	

Ref ID #	Risk Description and Cause	Impact	Risk Category	Current Assessment (Controlled)				Residual Rating	Risk Owner
				Existing Mitigations					
5	<p>New Risk:</p> <p>Low number of projects in the pipelines ready for delivery impact our programme (sales, renewals and capital works).</p> <p>Sales: less properties cleared by council for sale/ development, properties in the pipeline or identified by the council group have issues that take time to clear including. <i>Council has included a group target of \$300m assets sales target in the draft LTP which Eke Panuku will contribute to.</i> Capital project stakeholder inputs, design, consent and other issues taking longer to resolve for projects to reach delivery stage.</p>	<ul style="list-style-type: none"> Quantum of projects affect the momentum of the programmes. Future performance targets may not be met. Underutilisation of existing resources. 	Delivery of Commitments	<ul style="list-style-type: none"> Working with the Council and the group on the \$300m target identified in the draft LTP including Eke Panuku's share of the target and timing of unconditional sales. Working with the Council on property review including our role, and clearing of assets for sale Opportunities with other CCOs and Council group for sales e.g. North shore stadium Long term story of significant development areas such as Port Land, CRL developments, Eastern Busway and Northcote. Property renewal pipeline - property information validation and project briefing. Detail planning and managing risks relating to capital project delivery phases. 	3	4	12		Marian Webb/lan
6	<p>Failure of infrastructure/ public assets such as bridges, wharves and seawalls due to the age, asset wear and tear; impact of weather or hazard events and poor asset information to inform decisions.</p> <p>(Excludes residential and commercial properties.)</p>	<ul style="list-style-type: none"> Serious injury Poor reputation Legal consequences Financial, increase cost of maintenance Outage of critical assets impact services and Eke Panuku reputation due to wider user and stakeholder impacts 	Assets	<ul style="list-style-type: none"> Identification of critical assets that have wider user/ stakeholder impacts. Condition work on critical assets including preventative/planned maintenance reducing risk of outage. Spare parts for critical components reducing outage time. Programme of condition surveys will be undertaken on a cyclical basis to ensure currency of data/information for example Onehunga Wharf survey by specialists. Ongoing, structural and engineering reviews/ assessments are undertaken as needed. Queens Wharf facilities close to end of design life. Functional life extended via condition surveys and asset maintenance and renewal programme. Queens Wharf structure - Further work to reinspect critical areas (bus & vehicle use and parking areas with high loading) graded D and E (based on % of steel loss & concrete delamination). The Queens Wharf Load Rating Assessment to be updated. (TAU has isolated the areas used by buses and vehicles while awaiting further condition survey work). Asset management plans, funded maintenance and renewals programme. Register of Earthquake Prone buildings and programme being developed. Working with Auckland Council Earthquake Prone Building team. <p>(Comment: This is a significant area and a number of controls progressing or starting. AMP and information improvement are key to generating planned renewal & maintenance work. Work on the initial list of critical assets is being prioritised).</p>	3	4	12		Marian Webb
7	<p>New Risk</p> <p>Lack of long term funding for Infrastructure asset replacement or renewals (Wharves, seawalls, bridges etc). Significant budgets will be required for future capital works. Levels of services decrease as asset age.</p> <p>(Assets exceed design life will need significant renewal or potential replacement beyond the 10 year LTP period. This was an issue covered by the Council Infrastructure strategy team for Councillors to consider).</p>	<ul style="list-style-type: none"> Asset failure and outages increase or service disruptions Public complaints/ reputation impact 	Assets	<ul style="list-style-type: none"> Work with Council Infrastructure Strategy team on long term decisions on infrastructure assets including funding discussion in the next LTP. Working with the new Council Coastal assets team who is leading Shoreline Adaptation Plans for the Auckland region and interventions for the council group over the following 30+ years. This includes Seawalls, Wharves and other assets. Work on asset condition surveys and renewal/ maintenance programme to continue services while awaiting long term decisions. <p>(Note: Aging infrastructure assets failure risk is covered by the above risk).</p> <p>Comment: It is acknowledge this is a longer term risk the council and Eke Panuku will cover as part of discussions on funding asset replacement or renewals to deliver future levels of service.</p>	3	4	12		Marian

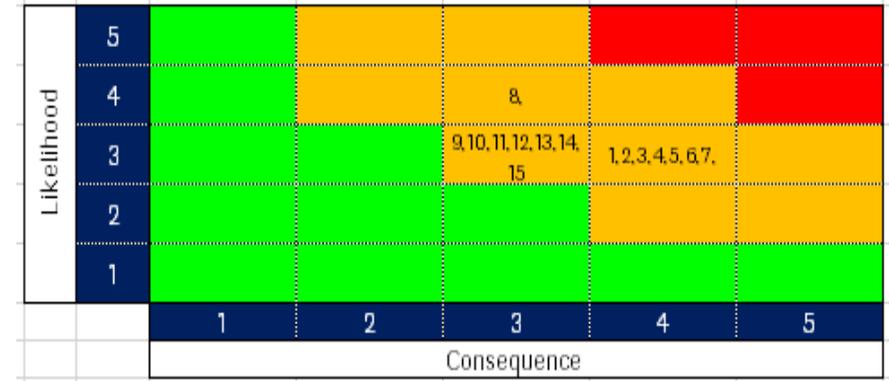
Ref ID #	Risk Description and Cause	Impact	Risk Category	Current Assessment (Controlled)				Risk Owner	
				Existing Mitigations			Residual Rating		
				Likelihood	Consequence	Risk Score	Risk rating		
8	<p>Pressure of unbudgeted new work</p> <p>Unbudgeted work arising from our external environment, such as changes in political direction, priorities and partnerships, Council or government- led projects/ activities, policy or legislative changes. New projects / initiatives from the shareholder are captured in the Letter of Expectation. This impacts Eke Panuku resources, priorities and ability to deliver agreed programmes.</p> <p>Anticipated new work to be included in the Corporate Business Plan and increases in scope due to external influences.</p> <p>In many cases the new work is positive opportunity due to skill sets, mandate and our reputation on delivery.</p> <p>Areas of uncertainty to the new government policies creates uncertainty that will have impacts on the Council group and Eke Panuku.</p> <p>Eke Panuku is aware of the risk and will take direction from Council and will align with Council Transport and Infrastructure priorities.</p>	<ul style="list-style-type: none"> Impact on reputation with stakeholders or communities. If unable to manage new work or delays to other work; or if the new work is perceived to be outside current role/mandate Stakeholder pressures do not reduce even though budgets are reduced Work delays and rephasing. Future programme and funding model may not be satisfactorily resolved, due to other council priorities and workload pressures Staff wellbeing and higher stress levels including loss of focus 	Delivery of Commitments	<ul style="list-style-type: none"> Corporate Business Plan Environmental scan as part of business planning - visibility, as far as possible of what is coming. Watching brief of key changes. LTP work with the council on future regeneration programme and funding model. Ensure consistent and aligned responses to requests via Mayoral office and council Full review of Eke Panuku programme ahead as part of the LTP process. Review list of potential legislative / policy changes. Staying in touch on Central government changes and working through council on legislative, policy and key project changes. Respond as part of the council family, redeploying resources to focus on new projects or policy areas in response to central government changes. (Light rail project cancellation with new focus on Rapid Transport such as West and North bus way. East and West link project may come back as a priority). New work identified in the Letter of Expectation to go via project planning process including resource and budget assessment, prioritisation and Corporate Business Plan and programme approval. (A&D) Resource plan for initiatives or expectations in the LOE is approved by the ELT (Feb/ March 24. This includes use of external resources limiting impact on internal staff to focus on Business as usual). Staff wellbeing measures and actions (see mitigations under Staff Wellbeing Risk) 	4	3	12		Brenna Waghorn/ Marian
9	<p>New programme of acquiring storm damaged properties puts pressure on existing resources and programmes. This is a new programme of work funded by council as part of the Auckland Recovery Plan.</p> <p>>Council dependencies e.g. decisions., information we rely on.</p> <p>>Contractor capacity and performance</p> <p>>Lack of structured process and programme coordination.</p>	<ul style="list-style-type: none"> Significant work required to complete acquisitions Sensitive issue with affected communities and high reputation risk Timing is critical due to frustrated property owners Clarity on our role and nature of activity needed Potential impact on external resources Impact on reputation due to time taken to reach agreement. 	Delivery of Commitments	<ul style="list-style-type: none"> Council plan and key decisions. Working closely with the Auckland Recovery Office (ARO) to clarify roles, activities/ programme, resourcing and budgets. All communications is via the ARO. Communication with affected parties to be led by the ARO. Legal and delegations to Eke Panuku. Budget and resources - budgeted for external and additional internal resource. (Resourced via external consultants with internal oversight, who will respond to the ARO) Optional/ Voluntary process - it must be noted that this is an "optional process", voluntary from the homeowner's perspective. <p>(Comments - since the last risk workshop in November 2023, good progress has been made to date. Roles have been clarified and resources in place. There are approximately 700 properties to acquire. We have instructed 90 properties to date. The entire process is taking an average of 3 months, covering acquisition instructions, valuation, negotiation and settlement).</p>	3	3	9		Allan Young

Ref ID #	Risk Description and Cause	Impact	Risk Category	Current Assessment (Controlled)		Residual Rating		Risk Owner	
				Existing Mitigations		Likelihood	Consequence		Risk Score
10	<p>Staff wellbeing</p> <p>Increasing pressure on staff wellbeing due to stretched resources, change proposals, health issues and personal circumstances resulting from higher cost of living (e.g. mortgage interest rates) and storm events. Also scrutiny by public on staff e.g. public meetings</p>	<ul style="list-style-type: none"> Individual stress caused by higher cost of living Staff burn out Personal impacts of financial stress on mental and physical health Potentially higher sick leave Loss of productivity Loss of staff Higher underlying stress levels Winter may bring a higher number of infections Threat to staff engagement results from ongoing changes Uncertain future - lack of council direction/ communications. 	Operational Capability	<ul style="list-style-type: none"> Wellbeing actions in the Health Safety & Wellbeing Plan Year 2 Staff feedback from Engagement surveys and resultant action planning started Staff one on one meetings and leave monitoring. Increased use of 'Instep' and other support services Promotion of mental health awareness More training on stress management for line managers Management support for staff at public meetings Conflict management training Promoting Council's total benefits scheme Promoting resilience training Proactive focus on staff wellbeing by ELT and Hautu People Leaders Better overall programme planning and prioritisation decisions Hybrid working arrangement to ease travelling and transition concerns Wellness working group established and strategy being developed Financial wellbeing Webinar <p>Comments - This risk will be subject to any shared service and property model work that will be progressed in the next year as per the LOE. The period for council changes has extended. Lots going on including broader environment of changes. In some areas, there is tight resources & staff are working hard.</p>	3	3	9	Yellow	Carl Gosbee
11	<p>The ability to attract and retain talent</p> <p>The competitive labour market makes it challenging to attract and retain talent.</p> <p>Negative media coverage of changes at the council group and budget challenges impacts the council group employment brand. Also there is limited budget availability to meet market salaries and its hard to stay competitive.</p>	<ul style="list-style-type: none"> Disruption to programme delivery Employment brand is impacted by publicised changes to CCOs, Boards, management and budgets. Difficulty recruiting staff with required skills Time and cost of employing new staff Expectation around salary increases at review time Internal inequality of salaries Staff leaving for stability, better opportunities and benefits Loss of intellectual knowledge Downtime/ lost momentum due to replacement of key staff that depart. 	Skills and Knowledge	<ul style="list-style-type: none"> Initiatives to improve retention include staff engagement survey and feedback Initiatives to improve employee experience; total rewards and continued focus on organisational culture. Continue to promote Eke Panuku unique identity and EVP through updated job adverts, social media posts, videos, internal and external comms etc. Ongoing focus on leadership development and other learning and development opportunities - ensuring development plans in place Regular all-of-staff communications such as CE Updates and all staff newsletter. Continued review of induction process Active social club - New activities being introduced Talent and succession planning, led by people and culture team. Wellbeing support for staff including financial wellbeing webinar <p>(Comment: Employment market is changing. Unemployment has increased from 3.4% to 4% end of December 2024 (12 month change), Net migration is high. There has been an increase in interest in jobs advertised, enquiries by consultants for work has increased. However finding staff with right skills and experience is still a challenge in some areas.</p> <p>A key post event controls identified is "Talent identification and succession planning". Not all staff can be retained due to different factors affecting retention. Good succession planning reduces the impact on the organisation. Recent staff departure of some key staff before Christmas highlights the importance of succession planning for critical roles.</p>	3	3	9	Yellow	Alaina Cutfield

Ref ID #	Risk Description and Cause	Impact	Risk Category	Current Assessment (Controlled)		Residual Rating		Risk Owner	
				Existing Mitigations	Likelihood	Consequence	Risk Score		Risk rating
12	<p>Delivery of programmes, including infrastructure, on time, cost, quality and to expectations</p> <p>The effective conversion of strategic outcomes into well-defined packages of work that can be reliably delivered to achieve programme outcomes in line with scope, time and budget parameters in a rapidly changing economic environment affecting council group funding and finances. Also delays to projects in the programmes due to health issues.</p>	<ul style="list-style-type: none"> • Not achieving Priority location outcomes. • Not meeting scheduled / expected delivery dates. • Negative impact on Eke Panuku's reputation and loss of trust with stakeholders. • Reduced scope or components of projects. • Legal challenge to our PWA process slows down acquisitions. 	Delivery of Commitments	<ul style="list-style-type: none"> • Due diligence and monitoring. • Building a culture of achieving delivery outcomes. • Improved quality of overall planning, reliable project pipeline and enhanced programme and project management monitoring. • Consolidated Centre of Excellence in procurement and project management. • Developing people capability through Community of Practice, training, and sharing of lessons learnt. • Prioritisation resulting from more careful planning • Focus on programme and projects external dependency management (heightened because of financial constraints in the LTP and change). • Issues like the Three water change (or change cancellation) affecting Healthy Waters and Watercare needs monitoring. • Improved governance reporting through PSG including quarterly review. • Improved standards, documentation and processes to ensure fit for purpose enabling work process. • Smart procurement • Better utilisation of internal resources and contractors and new Sentient Resources Module roll-out • Enhancing requirement for project scheduling to support project planning and training. • Inflight project reviews to enhance efficiencies • Support by Council legal for the challenge of our PWA process. Any improvements/ learnings to be incorporated into future process improvement. <p>(Comment: Priority location programmes will be agreed with the council as part of LTP budget approval. We will continue to manage risks to projects that make up the programmes as part of business as usual. The new risk above on lack of projects in the pipeline can impact future momentum of the programmes).</p>	3	3	9		Ian Wheeler
13	<p>Cyber attack on computer systems</p> <p>Cyber attack on council's servers from external agencies, increase in phishing emails and texts especially at senior management level.</p>	<ul style="list-style-type: none"> • Restriction of access to information on servers • Loss of data • Inconvenience and downtime • Cost of recovery • Temporary loss of productivity • Breach of proprietary information. 	Information Management	<ul style="list-style-type: none"> • Cyber security under the control of Auckland Council • (We are planning tests on areas we control such as staff practices e.g. response to suspicious text messages/ emails for control improvements. Reminder that key controls sit with council ICT as part of Shared Services arrangements). • Very high levels of security and firewalls • Back up server sites/ data centres (cloud) • Cyber - Self Insurance Fund • Cyber security training during induction • Phishing awareness exercises run through Council IT team • Continued work by Council ICT team on security measures • Business continuity plan <p>(Comment: Council is updating its ICT BCP and DRP and will provide Eke Panuku business continuity assurance once this work is done. This will cover the key risks of data and software outage including backups and recovery at data centres.</p> <p>The only key risk to Eke Panuku is the Tally Bee software for collecting power usage at the Marinas' that is backed up in an office server. There is a project progressing to replace this software with Teleware and improve hardware and for the system to be backed up in the cloud with the rest of Council. Should there be an outage, there a minimal impact on Eke Panuku as a whole due to manual processes in place. The project should be targeted for completion by 2026 around time of potential Trust change.</p>	3	3	9		Carl Gosbee

Ref ID #	Risk Description and Cause	Impact	Risk Category	Current Assessment (Controlled)				Risk Owner	
				Existing Mitigations					Likelihood
Sustainability / Climate Change									
14	<p>Eke Panuku does not adequately prepare for and manage the risks of climate change on its business.</p> <p>Climate change means Auckland will face increasing extreme weather events, drought, sea level rise, more hotter days and more days of heavy rainfall.</p> <p>Auckland Council is committed to</p> <ul style="list-style-type: none"> reducing our greenhouse gas emissions by 50 per cent by 2030 and achieve net zero emissions by 2050. adapting to the impacts of climate change by ensuring we plan for the changes we face under our current emissions pathway. <p>Auckland Council is increasing its expectations of CCOs in relation to setting climate change targets, governance, risk assessment and reporting. The council group has to comply to Climate Standard 1 (CS1) issued by the External Standards Board or XRB by 30 June 2024. In relation to the managed portfolio, we have delegated authority to manage and plan for these assets on behalf of council. We are responsible for assessing climate risks and mitigations and undertaking appropriate actions, advising council where necessary.</p>	<ul style="list-style-type: none"> Property and assets are damaged. Increased costs, but inadequate funding for asset renewal, maintenance and repair Potential for stranded assets – we need to retain and operate but they have climate risks. Services are disrupted, e.g. marinas, business tenants. Development projects are delayed Capital delivery projects are delayed Capital delivery projects cost more in terms of resilient design. Events and placemaking are disrupted making it harder to test ideas and build community engagement and support. Eke Panuku fails to meet shareholder, community and government expectations, to play a leadership role in demonstrating low carbon and climate resilient development Carbon reductions targets missed and toitu status downgraded from carbon reduce to measurement only. Membership of Climate Leaders Coalition may be forfeited. Fail to implement or sufficiently address the climate reporting requirements. 	Environment (Natural and Built)	<ul style="list-style-type: none"> We have adopted a climate change strategy, performance standards for residential, commercial and mixed-use development and sustainable design guidance for our capital projects, and sustainable procurement targets (supporting waste minimisation and supplier diversity) consistent with our role in leading urban regeneration on behalf of council. Our key impact is enabling intensification of housing around transport nodes. Policy setting will be kept under review. <p>Understanding risk:</p> <ul style="list-style-type: none"> Working with council to understand impacts from recent flooding and cyclones to incorporate into our planning. Working with the new Council Coastal assets team that is taking the lead on Shoreline Adaptation Plans for the Auckland region and interventions for the council group. Specifically identifying climate risks in our asset management planning and undertaking preliminary climate risk assessments Site-specific climate change mitigations to be considered in asset management plans and improvements. Participating in council-led work on climate risk, reporting including on Climate standard 1 (CS1) issues and compliance by standard application date June 2024. Developing an Eke Panuku action plan to comply with External Standards Board (XRB) requirements within the Auckland Council Group context. Continuing to build awareness through staff engagement in climate-related programmes e.g. Future Fit, Auckland Bike Challenge. Measuring and reducing our corporate emissions, through the delivery of initiatives around staff travel, waste minimisation and energy use. Input into the Council led Auckland Council Group Climate change strategy and performance measures and targets. Meeting our climate change targets or share of climate change targets. <p>(Comment: The ELT has approve a plan to fulfill our obligations around climate reporting and audit under the Task Force on Climate-related Financial Disclosures. External resource is being procured. We are working with the council on climate disclosures, what council discloses at the group level and any disclosure relating to Eke Panuku.</p> <p>Good progress has been made on mapping leased properties on council's Hazard Viewer (GIS) recently updated by Auckland Emergency Management (AEM). Key mapping include properties on flood prone areas and flood plains, land slips, strong wind areas, properties subject to inundation and coastal erosion and properties in Tsunami evacuation areas. This provides a high level profile of property risks that need further investigation / validation via site visits.)</p>	3	3	9		Brenna Waghorn / Carl

Ref ID #	Risk Description and Cause	Impact	Risk Category	Current Assessment (Controlled)		Residual Rating				Risk Owner
				Existing Mitigations	Likelihood	Consequence	Risk Score	Risk rating		
15	<p>Extreme weather events disrupting development, property and marina management activities.</p> <p>The greater frequency of extreme weather events leads to increased risk of serious damage to property and land, and a revised use of land for development / regeneration.</p>	<ul style="list-style-type: none"> • Damage to property and land • Repair costs and lost income • Significant value loss to land due to change of use from vulnerability or inability to insure, and associated reputational risks 	Environment (Natural and Built)	<ul style="list-style-type: none"> • Business continuity plans and CMT Plan • Stormwater assessment, a mandatory requirement for projects. • Further work progressing with the Council Group on risk assessment relating to more frequent and severe weather events that will affect assets (sites) and activities such as properties in flood prone areas. • Partnering with developers to achieve beneficial outcomes to mitigate impacts from flooding and inundation. • Response maintenance contracts and renewal contracts for damaged properties. • Insurance cover for properties. • BCPs and alignment with CDEM. • Learnings/ experience from sites affected by inundation and flooding, including diligent research of developmental areas. <p>(Comment: BCP and CMT plans were reviewed by the ARC, updated and approved by the ELT and have been communicated to the organisation via info hub. The core CMT & CE contact details have been communicated to Auckland Emergency Management (AEM). The process of improving incident Management for the Property and Marina areas is progressing, A meeting with the Auckland Emergency Management (AEM) and an internal meeting on incident management has been booked).</p>	3	3	9		Marian Webb/ Allan Young	



Decision paper: Audit and Risk Committee – Composition of the Committee

Author: Alice Newcomb, Governance Manager

February 2024

Ngā tūtohunga | Recommendations

That the Eke Panuku Board:

- a. confirm, that following the resignation of Susan Huria, effective 31 December 2023, the composition of Audit and Risk Committee remains as four members.
- b. confirm the composition of the Audit and Risk Committee will be reviewed following the end of the Board Chair's current term on 31 August 2024.

Whakarāpopototanga matua | Executive summary

1. Susan Huria resigned as director of Eke Panuku Development Auckland, effective 31 December 2023. Susan was a member of the Audit and Risk Committee (the Committee).
2. The recently updated Committee Terms of Reference stipulate that the composition of the Committee will be reviewed when the composition of the Board changes. The Committee Terms of Reference are attached as Attachment A.
3. The Committee is required to have at least four members, one of whom may be the Board Chair. The Board Chair will be an ex-officio member of the committee and may not be the Committee Chair.
4. Current Committee members are Kenina Court (Committee Chair), David Kennedy, Jennifer Kerr, and Paul Majurey (Board Chair, ex-Officio).
5. At least half of the total number of Committee members shall form a quorum; in this instance, two members forms a quorum.
6. The Board Chair's current term ends on 31 August 2024.
7. The Chief Executive has discussed the current Committee composition with the Board Chair and recommends the Committee has the appropriate mix of skills, experience, and expertise to carry out its functions as required by the Terms of Reference.

Horopaki | Context

Previous Board / Council engagement and decisions		
Date and meeting	Document	Decision / Outcome
September 2023	Decision Paper: Audit and Risk Committee recommendations	The Eke Panuku Board: approved the revised terms of reference for the Audit and Risk Committee.

Hīraunga | Implications

Ngā ritenga ā-pūtea | Financial and resourcing impacts

8. There are no financial implications relating to the current composition of the Committee. Committee members do not receive compensation, over and above, their directors' fees.

Ngā raru tūpono me ngā whakamaurutanga | Risks and mitigations

9. There is minimal risk related to keeping the current composition of the Committee.

Tauākī whakaaweawe Māori | Māori impacts

10. There are no Māori impacts relating to the current composition of the Committee.

Ngā whakaaweawe mō te hunga whaipānga | Stakeholder impacts

11. There are no stakeholder impacts related to the current composition of the Committee.

Tauākī whakaaweawe āhuarangi | Environment and Climate change impacts

12. There are no environmental or climate change related impacts to the current composition of the Committee.

Ngā koringa ā-muri | Next steps

13. It is intended that following board approval, the composition of the Committee remains as four members and will be reviewed when the Board Chair's current term ends on 31 August 2024.

Ngā tāpirihanga | Attachments

Attachment A – Audit and Risk Committee Terms of Reference

Ngā kaihaina | Signatories

Carl Gosbee, Chief Financial Officer

David Rankin, Chief Executive

Audit and Risk Committee Terms of Reference

1. Policy purpose and objectives

- 1.1. The Audit and Risk Committee (the Committee) has been established by the Board of Directors (the Board) of Eke Panuku Development Auckland Limited to assist the Board in fulfilling its oversight responsibilities relating to financial reporting, internal controls, risk management, and compliance with applicable laws and regulations.
- 1.2. The objectives of the Committee are:
 - Integrity of financial reporting and accounting policies and compliance with best practice;
 - The risk management and assurance framework and monitoring compliance with the framework;
 - Internal and external audit.; and
 - Compliance with applicable laws, regulations, and standards.
- 1.3. The Committee will have responsibility for other matters not listed above as delegated from the Board from time to time.
- 1.4. The Committee acts in this capacity by monitoring, reviewing, endorsing, and advising on the above matters as set out in these Terms of Reference.
- 1.5. The Committee has the ability to make recommendations on the above matters to the Board for subsequent approval.

2. Authority

- 2.1. The Committee has delegated authority from the Board in respect of the functions and powers set out in these Terms of Reference.
- 2.2. The Committee has the authority to:
 - Investigate any matter relevant to its purpose;
 - Seek any information it requires from the Chief Executive (CE), executive and senior management, any other Eke Panuku staff, or external parties; and
 - Obtain, at Eke Panuku's expense, external legal or other professional advice, as considered necessary to fulfil its responsibilities.

3. Membership and Terms of Appointment

- 3.1. The Board shall only appoint Board directors to the Committee.
- 3.2. The Committee will have at least four members, one of whom may be the Board Chair, unless the number of Board members is less than four, in which case the Committee will consist of all Board members.
- 3.3. The Board Chair will be an ex-officio member of the committee and may not be the Committee Chair.
- 3.4. The Board will appoint and remove the Chair of the Committee.

- 3.5. The composition of the Committee will be reviewed at such a time as, and when the composition of the Board changes. The Board may appoint and remove members of the Committee at any time.
- 3.6. If the Committee Chair is unable to attend a meeting, the members present will elect one of themselves to chair the meeting.

4. Meetings

- 4.1. It is intended that the Committee will meet at least three times a year, with authority to convene additional meetings as circumstances require.
- 4.2. At least half of the total number of Committee members shall form a quorum.
- 4.3. Directors who are not members of this Committee are entitled to receive copies of the papers and minutes of this Committee and attend any meeting without further invitations (unless they are precluded due to conflicts of interest).
- 4.4. The Eke Panuku Chief Financial Officer, Manager Corporate Risk and Reporting and Finance Manager (or their nominees) are expected to attend all meetings.
- 4.5. The Governance Manager or their nominee will act as Secretary to the Committee and will attend all meetings.
- 4.6. The Secretary will record the proceedings and decisions of the Committee meetings and the minutes will be circulated to all members and attendees, as appropriate, considering any conflicts of interest that may exist.

5. Responsibilities

The Committee will carry out the following responsibilities:

5.1. Financial Reporting

- Review the Annual Report, including the Statement of Service Performance and Financial Statements, and consider whether it is complete, consistent with information known to Committee members, reflects appropriate accounting treatments and adequately discloses Eke Panuku's financial performance and position;
- Recommend the adoption of the Annual Report to the Board;
- Review, and approve on behalf of the Board, the half and full year financial information, prior to submission to Auckland Council for its consolidation purposes, along with any letter of representation required by Auckland Council; in the case of the half year financial information and representation letter, the Committee may sub delegate approval of these to the Chief Executive and Chief Financial Officer; and
- Understand strategies, assumptions, and estimates that management has made in preparing financial statements.

5.2. Risk Management

- Monitor Eke Panuku's risk management framework, including the controls for prevention and detection of fraud and the internal controls instituted to reduce risk;

- Monitor Eke Panuku’s risk profile – its on-going and potential exposure to risks of various types;
- Receive reports on management’s implementation and maintenance of the risk management framework to ensure that appropriate policies and practices are in place to manage the risks considered to be the most material for Eke Panuku, and that regular risk reviews are undertaken by management;
- Review at least annually all insurance cover and make recommendations to the Board having regard to the business needs; and review of supporting documentation for insurance renewals; and
- Review the approach to business continuity planning arrangements, including whether business continuity and disaster recovery plans have been regularly updated and tested.

5.3. Internal Controls including Fraud Prevention

- Review the adequacy and effectiveness of key policies, systems, and controls for providing a sound internal control environment;
- Review of the delegated authority policies of the company;
- Oversight of the company’s legislative compliance framework;
- Review Eke Panuku’s fraud prevention policies and controls, and awareness programmes; and
- Receive reports from management about actual or suspected instances of fraud or corruption including analysis of the underlying control failures and action taken to address each event.

5.4. Internal Audit

- Approve the internal audit programme;
- Review reports on internal audit reviews and monitor management’s actions to implement recommendations for improvement;
- Review the effectiveness of the internal audit function and ensure that it has appropriate authority within Eke Panuku and has no unjustified limitations on its work;
- Review of the independence of the internal auditors including by meeting with the internal auditors without management present at least annually; and
- Review the appointment and performance of the internal auditor.

5.5. External Audit

- Review the proposal and engagement letters of the external auditor and their fees;
- Review the annual audit and reports over the Annual Report, assessing the findings and recommendations, and seeking confirmation that management has responded appropriately to the findings and recommendations;
- Discuss with the external auditor any audit issues encountered in the normal course of audit work, including any restriction on scope of work or access to information; and

- Ensure that significant findings and recommendations made by the external auditor, and management’s responses to them, are appropriate and are acted upon in a timely manner.

6. Conflicts of Interest

6.1. The Chair shall ascertain, at the beginning of each meeting, any potential, perceived or actual Conflicts of Interest and the Secretary shall minute them accordingly.

7. Report to the Board

7.1. Minutes of each Committee meeting recording recommendations and proposals approved will be provided to the following Board meeting.

7.2. Annually, the Committee shall conduct a self-assessment of its performance and effectiveness. The Committee will prepare a report to the Board indicating how the Committee has discharged its responsibilities as set out in these Terms of Reference for the previous year; and include a description of significant issues dealt with by the Committee and any recommendations for areas of improvement.

8. Review of Terms of Reference

8.1. The Committee will review and assess the adequacy of the Terms of Reference every two years and recommend revisions and improvements to the Board.

Business Owner	Chief Financial Officer	
Document date	27 September 2023	
Date for review	September 2025	
Version	Date	Approver
1.0	25 August 2021	Eke Panuku Board
2.0	27 September 2023	Eke Panuku Board

Service Property Optimisation - Kohimarama

This paper has been redacted as releasing it would prejudice the commercial position of Eke Panuku or Auckland Council. In terms of Section 7 of the Local Government Official Information and Meetings Act 1987, Eke Panuku is entitled to withhold information where making available the information where:

- 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); and
- would affect the commercial interest of a third party (s7(2)(b)(ii)); and
- would be likely to prejudice or disadvantage the commercial position of Council (s7(2)(h)).

Westhaven Marina Limited - Director appointments

This paper has been redacted as releasing it would prejudice the commercial position of Eke Panuku or Auckland Council. In terms of Section 7 of the Local Government Official Information and Meetings Act 1987, Eke Panuku is entitled to withhold information where making available the information where:

- maintain the effective conduct of public affairs through free and frank expression of opinions by or between or to members or officers or employees of any local authority in the course of their duty (s7(2)(f)(i)).

Director interests at 13 February 2024

Member	Interest	Company / Entity	Conflicts pre-identified?
Paul F. MAJUREY	Chair	Eke Panuku Development Auckland Limited	
	Member	Auckland Light Rail Mana Whenua Sponsors Group	
	Director	Hāpai Commercial General Partner Limited	
	Chair	Hāpai Housing General Partner Limited	
	Chair	Hauraki Collective (12 iwi collective)	
	Tangata Whenua Representative	Hauraki Gulf Forum	
	Director	Holm Majurey Limited	
	Director	Homai General Partner Limited	
	Chair	Impact Enterprise Partnership GP Limited	
	Director	Manawa GP Limited	
	Chair	Marutūāhu Collective (5 iwi collective)	Possible
	Chair	Marutūāhu Rōpū General Partner Limited	
	Director	MO5 Properties Limited	
	Director	MRLP Group Limited	
	Chair	Ngāti Maru Limited	Possible
	Director	Pare Hauraki Asset Holdings Limited	
	Chair	Puhinui Park GP Limited	
	Chair	Te Pūia Tāpapa GP Limited	
	Chair	Tūpuna Taonga o Tāmaki Makaurau Trust Limited (Tūpuna Maunga Authority)	
	Director	Westhaven Marina Limited	
Director	Whenua Haumi Roroa o Tamaki Makaurau General Partner Limited		
Chair	Whenuapai Housing GP Limited		

Member	Interest	Company / Entity	Conflicts pre-Identified?
David I. KENNEDY	Director, Deputy Chair	Eke Panuku Development Auckland Limited	
	Chair	Beachlands South GP Ltd (JV between NZ Super Fund and Russell Property Group)	
	Member	Business Reference Group Te Arotake Future for Local Government	
	Director	Cathedral Property Limited	
	Board Advisor	Civix Limited	
	Director	Grantley Holdings Limited	
	Chair	Kaha Ake GP Ltd (JV between NZ Super Fund and Classic Developments)	
	Director	Naylor Love	
	Trustee	New Zealand Housing Foundation	Possible
	Chief Executive	Te Kaha Project Delivery Limited	
	Director	Westhaven Marina Limited	
	John COOP	Director	Eke Panuku Development Auckland Limited
Trustee		JE and CS Coop Family Trust	
Managing Director and Principal		Warren and Mahoney	Yes
Kenina COURT	Director	Eke Panuku Development Auckland Limited	
	Shareholder	Arrakis Limited	
	Director	Banking Ombudsman Scheme Limited	
	Director	BDE Bonus Limited	
	Director	Business in the Community (2013) Limited	
	Director	Business Mentors New Zealand Limited	
	Director	CP Resettlement Trustees Limited	
	Director	Eight Peaks Holdings Limited	
	Director	Fale Developments Limited	
	Director	Fortitudine Trustees Limited	
	Director	Greer Family Trustees Limited	
	Director	Holly Corp Trustees Limited	
	Director	Huma Holdings Limited	
	Director	IBS	

Member	Interest	Company / Entity	Conflicts pre-identified?
Kenina COURT continued	Shareholder	IBS Corporation Limited	
	Director	It's Happened Trustees Limited	
	Director	KW Westgate Limited	
	Director	Lovelock Trustees Limited	
	Director	Lujato Trustees Limited	
	Director	M&G Trustees Limited	
	Director	Nathan Whanau Trustees Limited	
	Director	New Gipsy Limited	
	Director	NTA Holdings Limited	
	Director	Oceania Career Academy Limited	
	Director	Pathfinder Management Partner Limited	
	Director	Pathfinder Trustees Limited	
	Director	Pathsol Limited	
	Director	PGFT Trustees Limited	
	Director	Platinum Securities Limited	
	Director	PSL Freedom Limited	
	Director	Rice Family Trustees Limited	
	Director	Silvereye Investments Limited	
	Director	Slice Limited	
	Director	Stak Trustees Limited	
Director	Twinlion Trustees Limited		
Director	Up Skill Teams Limited		
Steven EVANS	Director	Eke Panuku Development Auckland Limited	
	Member	Construction Industry Accord Residential Sector Reference Group	
	Chief Executive	Fletcher Building Limited	Yes
	Director	Homai General Partner Limited	
	Director	Okahukura GP Limited	
	Member	Steering Group Construction Industry Accord	
	Director	Tauoma FRL Limited Partnership	
	Board Member	Urban Development Institute of New Zealand	Yes

Member	Interest	Company / Entity	Conflicts pre-identified?
Jennifer KERR	Director	Eke Panuku Development Auckland Limited	
	Committee member	Audit and Risk – Police	
	Deputy Chair	Callaghan Innovation	
	Trustee	J.R. Kerr Portfolio of Shares and Bonds managed by Craig Investment Ltd	
	Trustee	J.R. Kerr Portfolio of Shares and Bonds managed by Forsyth Barr	
	Settlor, Trustee, Beneficiary	J.R. Kerr Trust	
	Chair	NZTE	
	Member	Port Nicholson Trust	
	Trustee	Te Manawaroa Trust	
	Member, Advisory Board	University of Waikato Management School	
	Board member	Waipa Networks Ltd	
	Chair	WorkSafe New Zealand	

Changes made to Directors' interests register since December 2023 Board meeting:

Additions:

Director	Conflict/interest added	Date notified
	N/A	

Amendments:

Director	Conflict/interest amended	Date notified
	N/A	

Deletions:

Director	Conflict/interest deleted	Date notified
Susan Huria	Resigned as Director	Effective as at 31 December 2023

Out of cycle decision: Site 14, North Wharf, Wynyard Quarter – Request For Development Proposals

John Coop and Paul Majurey were not included in this decision due to a declared conflict of interest.

The Eke Panuku Board made an out-of-cycle decision between the December 2023 and February 2024 board meetings. The resolution is recorded here for completeness.

On 20 December 2023 the Eke Panuku Board resolved, by circular resolution, to:

a. [Redacted]

b. [Redacted]

Minutes of the meeting of directors of Eke Panuku Development Auckland Limited, held in partly confidential session, in person at 82 Wyndham Street, Auckland and online via Teams, on Wednesday 13 December 2023

<p>Attending</p>	<p>Board: Paul Majurey (Chair), David Kennedy (Deputy Chair), John Coop, Kenina Court, Steve Evans, Susan Huria</p> <p>Executive: David Rankin, Chief Executive; Gyles Bendall, GM Design & Place; Alaina Cutfield, Head of People & Culture; Angelika Cutler, GM Community & Stakeholder Relations; Carl Gosbee, Chief Financial Officer; Brenna Waghorn, GM Strategy & Planning; Marian Webb, GM Assets & Delivery; Ian Wheeler, Chief Operating Officer; Allan Young, GM Development</p> <p>In Attendance: Councillor Angela Dalton; Rachel Wilson, Principal Advisor, Auckland Council; Alice Newcomb, Governance Manager; Rosemary Geard, Governance Coordinator (Minute Taker)</p>
<p>Opening remarks</p>	<p>The Chair welcomed everyone to the Board meeting.</p>
<p>1.0 Meeting opening</p>	<p>The Board meeting opened with a karakia at 9.03am.</p>
<p>1.1 Apologies</p>	<p>Apologies were received from Jennifer Kerr.</p> <p>Apologies for lateness were received from David Kennedy who arrived at 9.51am.</p> <p>It was noted Steve Evans left the meeting at 10.10am.</p>
<p>1.2 Procedural motion to exclude the public</p>	<p>Pursuant to clause 12.3 of the Development Auckland Limited Constitution, the public be excluded from confidential papers or parts thereof, so that commercially sensitive issues can be discussed.</p>
<p>2.0 Chief Executive's Report</p>	<p>David Rankin, Chief Executive, spoke to the report. Items of note included:</p> <ul style="list-style-type: none"> It was Eke Panuku's last day at 82 Wyndham Street. The official welcome to Auckland House is on Tuesday 19 December. Downtown Car park John Coop left the meeting for this topic due to a disclosed conflict of interest. <p>██ ██ ██ ██ ██ ██</p> <p>The Chair acknowledged the work of the Eke Panuku and council legal teams.</p>

	<ul style="list-style-type: none"> Avondale Central Paul Majurey left the meeting for this topic due to a disclosed conflict of interest, and David Kennedy took the Chair. An update of Avondale Central and the issues with the development partner was provided. [REDACTED] North Wharf RFDP Paul Majurey & John Coop left the meeting for this topic due to a disclosed conflict of interest, and David Kennedy took the Chair. [REDACTED] TAG Review update Gyles Bendall, GM Design & Place, spoke to the item. Following the excellent response to the independent TAG review survey of opinion, a working group has been set up as a discussion forum to review the responses and act consider areas of change that might be needed. ACTION: Executive to report on TAG review working group recommendations to the Board at 27 March 2024 meeting. The Eke Panuku Board received the report.
3.0 Health and Safety	Carl Gosbee, CFO, spoke to the report. [REDACTED] <p>The Eke Panuku Board received the Health and Safety report October / November 2023.</p>
4.0 Quarterly Risk Report	Kingsha Changwai, Manager Corporate Risk and Reporting, joined the meeting for this item. Following the conclusion of discussions, the Eke Panuku Board received the report.

5.0 Decision papers	
5.1 Te Ara Tukutuku – Vision & Framework	<p>John Coop left the meeting for this topic due to a disclosed conflict of interest.</p> <p>Fiona Knox, Priority Location Director - Major Projects, Julie Crabb, Senior Project Manager, Bridget Law, Principal Landscape Architect Public Realm, and Ngā Iwi Mana Whenua o Tāmaki Makaurau representative Martin Te Moni (Ngaati Whanaunga), joined the meeting.</p> <p>The Chair congratulated the project partnership on a stunning piece of work.</p> <p>As a new Long-term plan cycle is launched, the existing funding will remain but will need to secure future funding.</p> <p>ACTION: In 2024, to discuss/review targeted rates for Wynyard Quarter / Waterfront.</p> <p>Following the conclusion of discussions, the Eke Panuku board resolved to:</p> <ul style="list-style-type: none"> a. approve the Te Ara Tukutuku Vision b. note the Te Ara Tukutuku Framework Plan
5.2 Northcote Central – Expression of Interest	<p>Nicky Harrison, Development Manager and Kate Cumberpatch, Priority Location Director joined for this item.</p> <p>David Rankin spoke to the report.</p> <p>Following the conclusion of discussions, the Eke Panuku board resolved to:</p> <ul style="list-style-type: none"> a. [REDACTED] b. [REDACTED] c. [REDACTED] d. [REDACTED]

	<p>e. [REDACTED] [REDACTED] [REDACTED]</p>
<p>5.3 Revised scope of Edinburgh Superblock - Go to Market Strategy</p>	<p>Tom Belgrave, Development Manager and Richard Davison, Priority Location Director joined for this item.</p> <p>David Rankin spoke to the report.</p> <p>Following the conclusion of discussions, the Eke Panuku board resolved to:</p> <ol style="list-style-type: none"> a. approve the sale of 1 Roulston Street (Lot 1 DP 70196) through a contestable process to achieve identified urban renewal outcomes. b. note that the property will be included and sold as part of the Edinburgh Superblock project. c. delegate authority to the Chief Executive to execute the required documentation to sell the property based in the following terms. <ol style="list-style-type: none"> i. Price at or above the current market valuation based on independent valuation advice. ii. In accordance with the essential outcomes for the development being in general alignment with the following: <ul style="list-style-type: none"> • Appropriate use, density, and scale, • High quality design, • Provide new pedestrian laneway between Massey Avenue and Devon Lane, • Minimise car parking impact, • Environmentally sustainable development. • Highly activated interface with the Town Square iii. Māori outcomes to be achieved as part of section 6.2 of the Eke Panuku Selecting Development Partners Policy will form a minimum 15% of the criteria for assessing developer proposals.
<p>5.4 4 Melview Place, New Lynn - Go to Market Strategy</p>	<p>The report was taken as read.</p> <p>Following the conclusion of discussions, the Eke Panuku board resolved to:</p> <ol style="list-style-type: none"> a. Approve the sale of 4 Melview Place (previously known as 10 Ambrico Place), New Lynn, being Lot 2 DP 511801 containing 1,366m² of vacant land, by way of an open market sale process. b. Rescind its decision from the July 2017 board meeting requiring the sale of this site to be a closed tender to mana whenua. c. Delegate authority to the Chief Executive to execute the required documentation to sell the property based on the following key terms: <ol style="list-style-type: none"> i. price at or above a current market valuation. ii. the essential outcomes for the development of the property being: <ul style="list-style-type: none"> • achieve a 6 Homestar Built rating certificate for residential components.

	<ul style="list-style-type: none"> • be built to the existing resource consent or an alternate development that incorporates quality architecture and is of a similar scale to the consented development. <p>iii. Māori outcomes to be achieved as described in section 6.2 of the Eke Panuku Selecting Development Partners Policy which will form a minimum 15% of the criteria for assessing developer proposals.</p> <p>ACTION: Executive to review Homestar Rating Policy.</p>
5.5 Land acquisition - Avondale	<p>Richard Davison, Priority Location Director and Louise Toohill, Senior Project Manager joined for this item.</p> <p>Following the conclusion of discussions, the Eke Panuku board resolved to:</p> <p>a. [REDACTED]</p> <p>b. [REDACTED]</p> <p>c. [REDACTED]</p>
5.6 Amended Statement of Intent 2023-2026	<p>Carl Gosbee, Chief Financial Officer, spoke to the report.</p> <p>Following the conclusion of discussions, the Eke Panuku board resolved to:</p> <p>a. approve the amended Statement of Intent 2023 – 2026 for submission to Auckland Council.</p> <p>b. delegate the approval of any further minor changes required to the forecast financial disclosures in the Statement of Intent 2023-2026 to the Chief Executive.</p>
6.0 Governance matters	
6.1 Out-of-cycle decisions	The Eke Panuku Board noted there were no out-of-cycle decisions made between the November and December 2023 board meetings.
6.2 Director interests and Director's interests projects	The Eke Panuku Board reviewed and received the Register of Directors' Interests reports.

6.3 Director meeting attendance	The Eke Panuku Board noted the Directors' meeting attendance.
6.4 Minutes of previous meeting held 22 November 2023	The Eke Panuku Board reviewed and confirmed the Minutes of the Board Meeting 22 November 2023, with confidential information included, as a true and accurate record of the meeting.
6.5 Board action list	The Eke Panuku Board noted the Board action list.
6.6 Board forward work programme	The Eke Panuku Board noted the Board forward work programme.
6.7 Audit & Risk Committee minutes	The Eke Panuku Board noted the Audit & Risk Committee minutes, 18 September 2023.
8.0 General Business	The Eke Panuku board discussed and noted as follows: <ul style="list-style-type: none"> • The Chair acknowledged Susan Huria's outstanding contribution as a director, wishing her and her whanau well.
Meeting close	The Chair thanked all present for their contributions in 2023 and wished everyone a restful break. The meeting closed with a karakia at 10.19am.

Confirmed as a true and accurate record:

..... **Chair**

..... **Date**

At the time of publishing there were no items of general business.