

# panuku

## *Statement* of Intent

2024-27





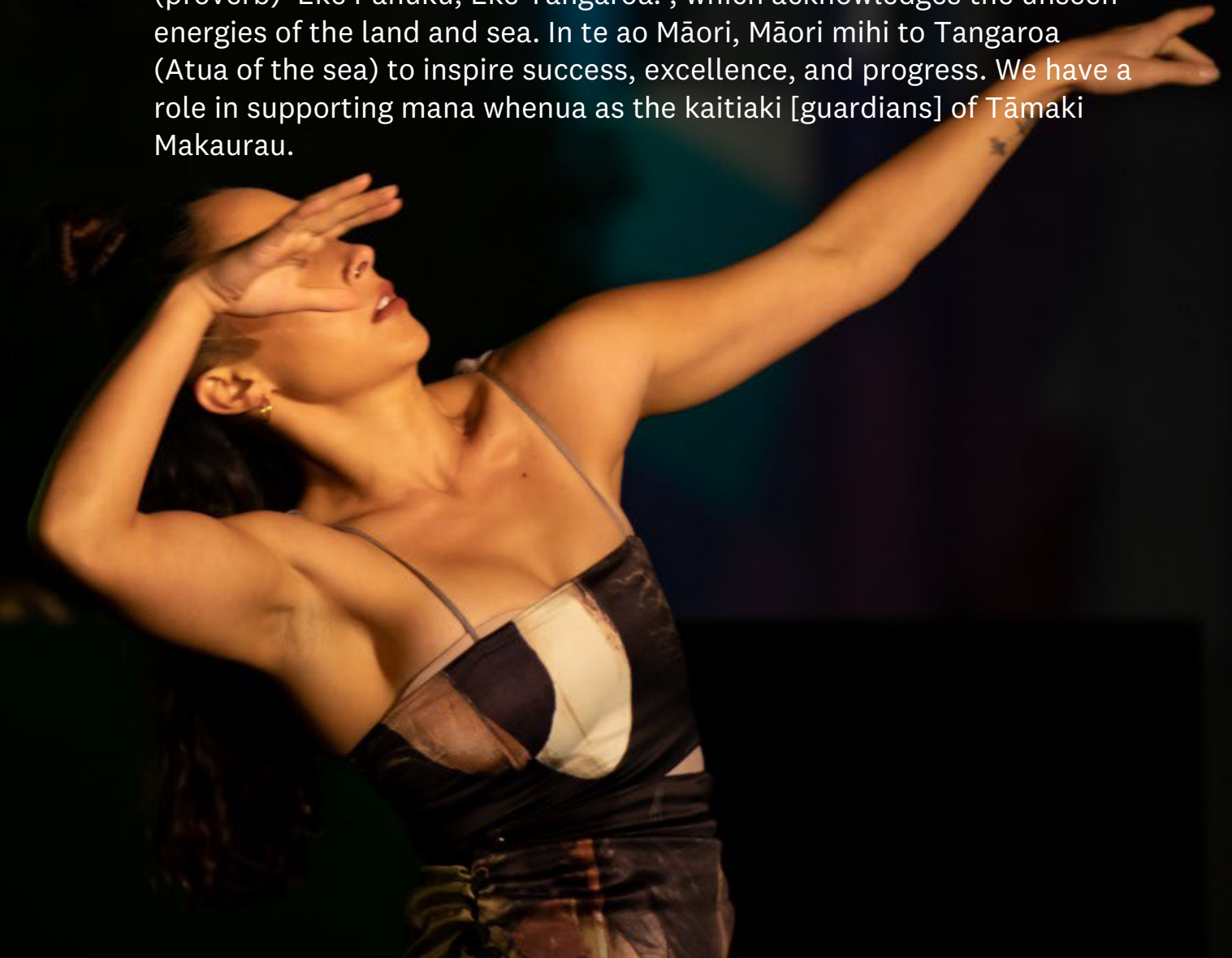
## Me Mihi

E ngā mana whenua, e ngā iwi e noho haumarua ana ki raro i ngā maunga whakahii o Tāmaki Makaurau, tēnā koutou kātoa. Mo te oranga o ngā iwi kātoa, me kaha tātou ki te mahi tahi hei tūtuki i ngā wawata ō tēnei wāhi whānui.

To the people of the land and those residing under the sacred Tūpuna Maunga of Auckland, greetings to you all. Let us all work together to fulfil our dreams so that we may all prosper in this beautiful city.

## Our name

Tame Te Rangi, a representative of Te Rūnanga o Ngāti Whātua, gifted us the name Eke Panuku. 'Eke Panuku' is derived from the whakataukī (proverb) 'Eke Panuku, Eke Tangaroa!', which acknowledges the unseen energies of the land and sea. In te ao Māori, Māori mihi to Tangaroa (Atua of the sea) to inspire success, excellence, and progress. We have a role in supporting mana whenua as the kaitiaki [guardians] of Tāmaki Makaurau.



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## Message from the Chair and Chief Executive

### He Kupu nā te Kaihautū me te Tumu Whakarae

Helping make Tāmaki Makaurau / Auckland a beautiful, bustling, and safe place to live is a key focus of Eke Panuku.

Urban regeneration is the process of revitalising and improving urban areas to enhance their economic, social, cultural, and environmental conditions.

Our urban regeneration programmes incorporate new sustainable homes, greenspaces and support public and active transport. Through the sale of council land, we attract investment by others, create employment opportunities and boost local businesses. By creating vibrant public spaces, community facilities and recreational areas, we foster social interactions, a sense of community and improved health and wellbeing. And by working with mana whenua and through our wider community placemaking, we support local arts and culture and integrate cultural elements to strengthen the local sense of place and identity.

We will continue to deliver the urban regeneration programmes for the city centre, Manukau, and the suburban town centres. We will maintain capital investment levels advancing amenity and infrastructure improvements that support growth and the development activity that we facilitate through our commercial strategy. We will ensure that our development partners build high quality homes on the sites we sell on behalf of council.

Key developments that will be advanced this year include the process to select a development partner for the Northcote town centre and for a major site, the Edinburgh Superblock, in Pukekohe. Commercial projects that are in, or will commence construction are new housing units in Papatoetoe and commercial development in the Wynyard Quarter. We will progress the development of other key sites in Avondale, the Waiapu Precinct in Onehunga, and the city centre, including Downtown carpark and the Symphony Centre adjoining the Te Wai Horotiu station.

As lead agency for the council family in the city centre, we will collaborate with our partners to coordinate the efforts and champion the needs of the city centre and its people, including preparing an integrated safety action plan.

Our work in midtown, Karanga-a-Hape and Maungawhau to increase homes and businesses around the new stations will help ensure that the benefits of the city rail link will be optimised.

Eke Panuku will continue to support the council's recovery work and Making Space for water plans by leading the buy-out of storm-damaged homes from the flooding and cyclone events of early 2023.

Delivering value for Aucklanders and providing a return to Auckland Council through its property portfolio is a key part of what we do. We will endeavour to deliver an improved commercial return on the portion of the portfolio that can be leased commercially. We will maintain high occupancy of properties and deliver the financial return targets. Eke Panuku uses a wide range of council group shared services and will continue to support efforts to achieve cost savings and value for money.

We are committed to providing high quality advice to elected members and we look forward to engaging with the Mayor and elected members on major activities and programmes and at key project milestones.

**Paul Majurey, Chair**

**David Rankin, Chief Executive**

# Part 1 – Strategic overview

## Te tirohanga whānui ā-rautaki

### Role and mandate

#### Te Tūranga me te mana whakahaere

Eke Panuku Development Auckland is the urban regeneration agency for Auckland Council. It leads the redevelopment of town centres and manages a significant property portfolio.

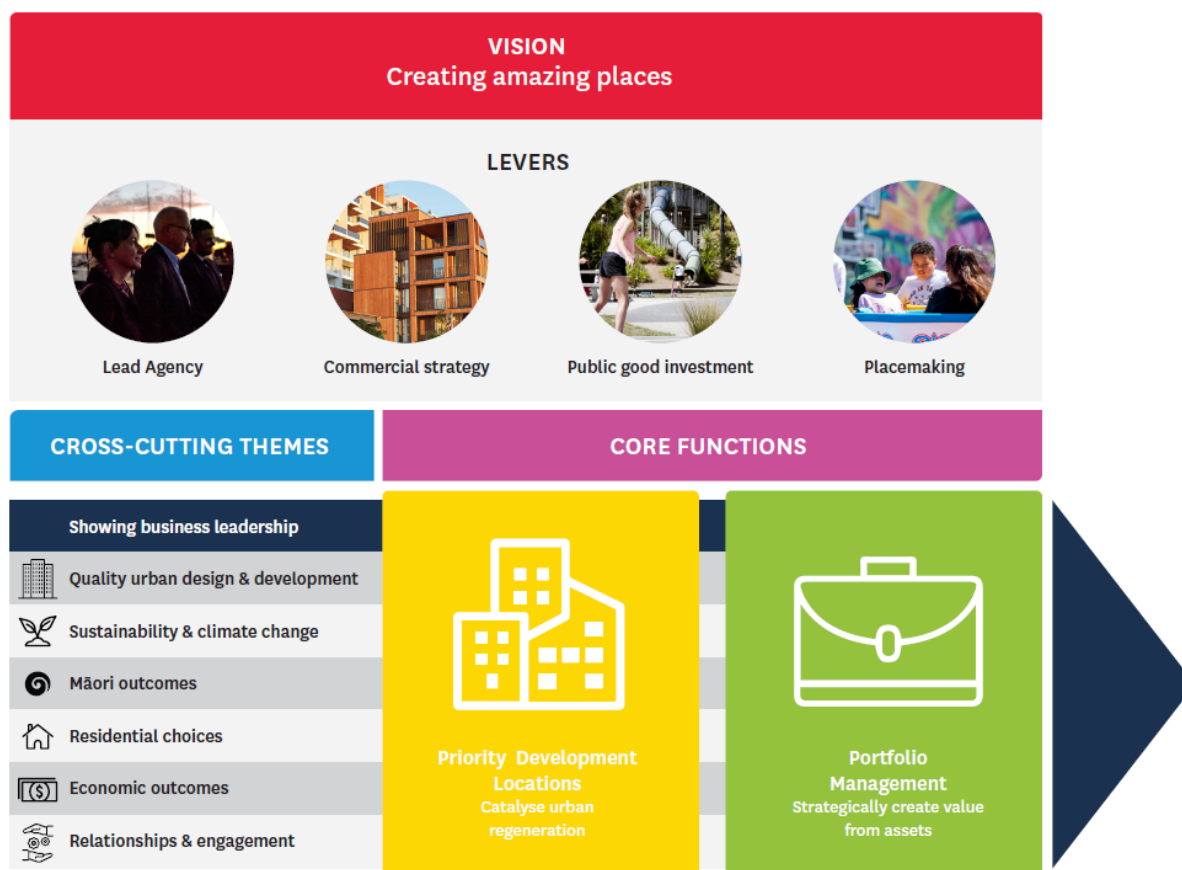
This Statement of Intent (SOI) was adopted by the Eke Panuku Board in July 2024.

#### Eke Panuku has two core functions:

1. Our urban regeneration programmes across Tāmaki Makaurau / Auckland, with a focus on town centres and locations agreed with Auckland Council.
2. Our property portfolio, where we manage \$2.6 billion of council’s non-service properties and provide property-related services to the council group, not all of this is income producing.

Our activities help support sustainable and well-functioning urban environments and thriving, resilient communities. We seek to achieve an overall balance of commercial and public interest outcomes in carrying out our functions.

#### Our vision is creating amazing places.



Our four levers and approach to urban regeneration and portfolio management including our key activities, are presented throughout this document.

# Responses to council's objectives and outcomes

## Te Urupare ki ngā Whāinga Rautaki a te Kaunihera

### The Statement of Intent (SOI)

The annual SOI is required by the Local Government Act 2002 and publicly states our activities and intentions for the next three years, and how they will contribute to the council's objectives. Our SOI provides an opportunity for the council to influence the direction of Eke Panuku and provides a basis for the accountability of performance.

### Response to Letter of Expectation (LOE)

The Mayor's Letter of Expectation (20 December 2023) sets out the council's priorities and expectations to inform the preparation of this SOI. It sets out common expectations across all council-controlled organisations (CCOs), and expectations specific to Eke Panuku.

A **copy of the LOE is published** on our website [www.ekepanuku.co.nz](http://www.ekepanuku.co.nz).

The **general expectations** of all CCOs including Eke Panuku cover the following themes:

- Financial strategy and budget levers – group budget responsibility and transparency; quality and contestable advice, including weighing up costs and benefits of spending decisions, capital expenditure and operational savings.
- Better, faster, cheaper: cost savings and value for money.
- Compliance with the Statement of Expectations of substantive CCOs.
- Engagement with government.
- Climate change (mitigation and resilience).
- Quality advice to local boards.
- Supporting Māori outcomes.

We will work with the council group, council staff, and Eke Panuku Lead Councillor to implement these requirements. This SOI is aligned with the 2024-2034 Long-term Plan.

**Key expectations** were included in the LOE relating to our company and our response to these are:

- Continuing the urban regeneration programme – we will continue to deliver the current regeneration programmes across the priority locations and maintain capital investment levels in line with LTP funding. Eke Panuku will continue to report quarterly on progress, delays, and risks.
- Eke Panuku will commence a process with the council to select new urban regeneration locations now that funding is confirmed.
- Eke Panuku has agreed with the council the need to refresh the current urban regeneration programmes, roughly every five years, to reconfirm the outcomes and to support the council's investment decisions. We will put in place a programme to commence a rolling review. The aim is to bring all the current locations to the Planning Environment and Parks Committee over the three years of this SOI.
- As lead agency in the city centre, Eke Panuku will continue to work across the council group and in partnership with the Crown, social services, and community groups to lift central city safety and safety perceptions. We will prepare an integrated city centre safety action plan, setting out a clear governance structure and clarifying responsibilities and resources.
- We will progress the master planning for the central wharves, following the ports precinct framework plan, and progress low-cost initiatives for enabling people to access the water.

- **Asset sales** – Eke Panuku will contribute to the council’s asset sales target of \$300m over 10 years of the LTP, with the timeline and pipeline of asset sales to be decided by council.
- **Property management** – Eke Panuku will 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.
  - A review of the group property model to remove unnecessary duplication.
  - A Section S17A review of the ongoing management of marinas.
  - Establishment of a taskforce on service property optimisation.
- **Storm damaged properties** – Eke Panuku is providing a property acquisition service to the Auckland Council Storm Recovery programme. We will continue to work through the pipeline of more than 400 properties in the buyout programme and report on progress.
- **Group Shared Services** – Eke Panuku will participate in this programme being managed collaboratively by the Chief Executives of the group to deliver operational efficiencies.



## Our contribution to the Auckland Plan and council strategies

### Te āpitihanga ki te Mahere a Tāmaki Makaurau me ngā rautaki a te kaunihera





The *Auckland Plan 2050*, is Auckland Council’s vision for a world class city. It is the long-term spatial plan for Tāmaki Makaurau, that promotes quality compact urban form.

Facilitating brownfield redevelopment is critical to achieving this. Vibrant, low carbon town centres with frequent transport services and great walking and cycling access, that offer housing choices and amenities, is at the heart of the Auckland Plan.

Eke Panuku plays a critical part in delivering on plan outcomes, actions and targets as outlined below.

Auckland Plan Outcomes	Our outcomes	How Eke Panuku contributes
 Belonging and Participation	Supportive community	<ul style="list-style-type: none"> <li>• Placemaking ensures local people play a vital, collaborative role in the building of their public places and have a strong relationship and commitment to their communities.</li> <li>• Improving town centres to be vibrant, attractive, and accessible to all (via design, planning and project delivery).</li> <li>• Partnering with Community Facilities to deliver accessible, multi-functional community facilities for the future.</li> <li>• Engaging local communities on local projects and urban change, increasing participation and sense of pride.</li> </ul>
 Homes and Places	Urban living – residential choices & high-quality urban development	<ul style="list-style-type: none"> <li>• Leading urban regeneration and facilitating quality urban development in town centres to support a compact urban form and more sustainable transport.</li> <li>• Implementing the Thriving Town Centres Guidance, endorsed by council.</li> <li>• Creating quality public spaces that are inclusive, accessible and contribute to urban living and civic life.</li> <li>• Facilitating new, well designed, sustainable homes that meet changing needs and preferences, through selling sites and working with private developers, Kāinga Ora, iwi groups, and community housing providers (CHPs).</li> </ul>



 Māori Identity and Wellbeing	Partnership with mana whenua and Māori outcomes	<ul style="list-style-type: none"> <li>• Enabling commercial opportunities and capacity building for iwi.</li> <li>• Reflecting mana whenua mātauranga and Māori design principles in public realm projects to showcase Māori identity.</li> <li>• Providing placemaking opportunities to celebrate and showcase vibrant Māori culture.</li> <li>• Enabling environmental outcomes to restore and enhance the mauri of Tāmaki Makaurau through our projects.</li> <li>• Supporting te reo Māori to flourish.</li> </ul>
 Transport and Access	Integrated transport	<ul style="list-style-type: none"> <li>• Facilitating low carbon, transit-oriented development by bringing people and housing closer to transport networks, to leverage existing investment and provide increased transport choices.</li> <li>• Partnering with Auckland Transport, Waka Kotahi (NZTA) and others (e.g. CRLL, local boards) to improve connectivity and transport choices.</li> </ul>
 Environment and Cultural Heritage	Healthy natural environment and unique identity	<ul style="list-style-type: none"> <li>• Facilitating energy and water efficient homes, and waste minimisation in developments and events.</li> <li>• Partnering with others to restore environments, to facilitate stream and open space enhancements and the objectives of the Urban Ngahere Strategy.</li> <li>• Ensuring new development reflects the character and indigenous stories of an area, through place-led design.</li> </ul>
 Opportunity and Prosperity	Prosperous & robust local economy & revenue for council's LTP	<ul style="list-style-type: none"> <li>• Partnering with Tātaki Auckland Unlimited to integrate economic outcomes and provide opportunities for business and employment growth in the regeneration of town centres.</li> <li>• Providing opportunities for Māori and Pasifika businesses and social enterprises through sustainable procurement.</li> <li>• Creating commercial and strategic value from the council surplus sites.</li> <li>• Providing funding for the LTP through the operating surplus from the property portfolio and marinas.</li> </ul>

## Māori Outcomes

Te Tiriti o Waitangi/the Treaty of Waitangi ('te Tiriti') is our country's founding document. It is the basis for an ongoing partnership between Māori and the Crown and recognises the unique and special place of Māori as tangata whenua (indigenous people of this land). Although the Crown is the primary te Tiriti partner responsible for the Treaty relationship, Auckland Council has a range of Treaty-based obligations to Māori, found in over 30 statutes, and in council's own policy documents. Our approach at the council is to act in 'the spirit of te Tiriti'.

Eke Panuku will implement the **Achieving Māori Outcomes (AMWO) plan**, developed with mana whenua, and report on progress quarterly. This plan responds to the council group **Kia Ora Tāmaki Makaurau**, the Māori outcomes performance measurement framework and mana whenua aspirations. Kia Ora Tāmaki Makaurau identifies ten strategic priorities to create positive outcomes for Māori collectively known as mana outcomes.

Eke Panuku will specifically contribute to five of the 10 mana outcomes:



1. **Kia ora te Hononga** – our regular engagement enables mana whenua to influence project outcomes and supports mana whenua to give names and cultural narratives to our projects.
2. **Kia Hāngai te Kaunihera** – we provide development and support for our staff to lift their collective cultural capability. This work enables us to support our te Tiriti-based obligations to Māori and become a culturally confident organisation.
3. **Kia ora te Ahurea** – we facilitate engagement between mana whenua and private sector development companies to ensure that the spaces we are building reflect mana whenua culture and identity. We also invite mana whenua to partner with us on the delivery of public spaces.
4. **Kia ora te Umanga** – we provide mana whenua with advance notice of properties we are intending to sell. If it is a development site, we have adopted a weighted criteria that supports Māori outcomes. If it is a disposal site to be sold with no required outcomes, we engage directly with mana whenua to determine interest in purchasing the sites before selling sites on the market. We also work with mana whenua to achieve social procurement outcomes within our commercial developments.
5. **Kia ora te Taiao** – we partner with mana whenua on our public realm sites to ensure that our work enhances the natural environment. Often, mana whenua applies Take Mauri Take Hono (a cultural health monitoring tool) to our projects to measure the cultural and environmental outcomes of our work.

The three-year Achieving Mana Whenua Outcomes (AMWO) plan is strategically aligned with Houkura - Independent Māori Statutory Board (Houkura) Issues of Significance. This means that as we deliver our programme to achieve positive outcomes for Māori, we will also be assisting Houkura to realise its aspirations.

Eke Panuku recognises the role of Houkura to assist Auckland Council to promote the cultural, economic, environmental, and social outcomes significant to mana whenua and mataawaka. Eke Panuku engages with Houkura at the board, management and operational levels. Eke Panuku values Houkura input on significant decisions within our work programmes.

Eke Panuku prioritises the relationships it holds with iwi mana whenua due to the level of resourcing available for this kaupapa. As the Council's urban regeneration agency, Eke Panuku recognises the important role iwi have as kaitiaki to protect the natural environment.

Eke Panuku also engages with mātāwaka entities in their role as developers, suppliers, businesses, and community advocates. Eke Panuku will consider opportunities to strengthen engagement with mātāwaka overtime with support from Ngā Mātārae, Auckland Council Māori Outcome Unit and Houkura. We will deliver on our agreed sustainable procurement targets (Māori) – this includes using third party procurement specialists to connect us with appropriate Māori suppliers.

## Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan

Eke Panuku is committed to taking action to mitigate against climate change and improve our resilience. We incorporate climate change considerations into our decision-making. We have a Climate Change Strategy which responds to the direction and targets of Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan.

Our developments must meet minimum design standards (Homestar 6 or 7 and Greenstar 5 ratings by the New Zealand Green Building Council) and we use low-impact design and regenerative approaches to better manage the effects of storm events and increase resilience.

In our master planning we consider future climate impacts, risks, vulnerabilities, and responses for our locations.

Delivering well designed, intensive mixed-use developments, integrating land use and transport, and incorporating sustainable building approaches is a critical contribution to reducing emissions and the transition to a low carbon city.

We also seek to provide leadership by:

- adopting and implementing deconstruction methods to facilitate the reuse or recycling of materials, reducing landfill waste and carbon emissions.
- measuring and reducing our corporate emissions.
- working with the council group to improve understanding, visibility and management of climate risks across the group to reduce the long-term cost to council and the community.
- undertaking carbon assessment of capital projects to understand and reduce embodied emissions. While responsible for only around 2% of the council group capex spend, measuring the whole of life greenhouse gas emissions and resilience potential for major Eke Panuku projects will contribute to council group performance measurement and knowledge.

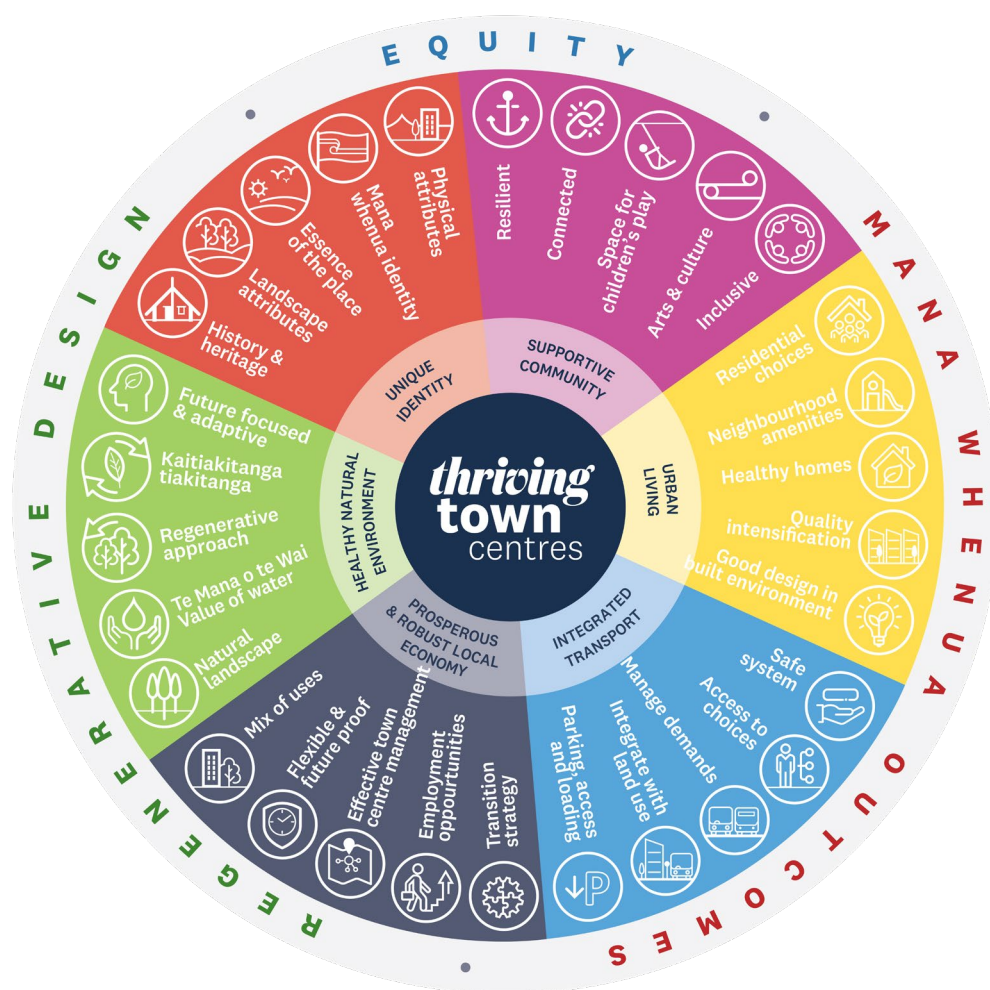
Eke Panuku will contribute to the preparation of a compliant group climate statement to ensure Auckland Council meets its reporting and record-keeping obligations as a climate reporting entity under the Financial Markets Conduct Act 2013. This includes preparing and maintaining proper climate-related disclosure records as required by Auckland Council. It will also include engaging with Auckland Council's appointed auditor to prepare for assurance over group emissions disclosures from 2024/2025 onwards.

## Contribution to other council strategies and plans

The table below shows how we support implementation of council plans and strategies. We are committed to working with the council to translate these and other council-led strategies into meaningful action, including to identify, align and prioritise actions that can be resourced.

Council Plan or Strategy	How we give effect and align to council plans and strategies
<b>City Centre Masterplan</b>	Leading the council group to implement the City Centre Action Plan, which guides the council group's investment and programme of activity. Leading key development projects in the city centre and waterfront.
<b>Economic Development Action Plan</b>	Contributing to the "Local Tāmaki Makaurau" focus area, through implementing our <i>Thriving town centres: Guidance for urban regeneration in Tāmaki Makaurau / Auckland</i> . Strong, thriving and resilient local economies will provide the foundations to ensure that Auckland's sub-regional economies and regional economy become more resilient, enabling greater economic prosperity.
<b>Waste Management and Minimisation Plan 2018</b>	Working towards zero waste events, reducing construction and demolition waste, and supporting sustainable procurement.
<b>Auckland's Urban Ngahere (Forest) Strategy 2019</b>	Exploring opportunities to increase access for residents to open space, enhance or create ecological corridors and connections, protect mature, healthy trees and manage urban forest on council land.
<b>Auckland Water Strategy 2022-2050</b>	Supporting regenerative water infrastructure, access to water for recreation and amenity, and the protection, restoration, and enhancement of green and blue spaces. We promote water efficient homes, buildings, and places.

<b>Future Development Strategy and Infrastructure Strategy</b>	Working collaboratively with the council group to efficiently plan for and prioritise growth and intensification. Undertake asset management planning, repairs, maintenance, and renewals for continuation of levels of service delivery for existing assets.
<b>Thriving Communities Strategy</b>	Growing access and participation, community and intercultural connection and community resilience through our placemaking and projects.



*Thriving Town Centres: Guidance* for urban regeneration in Tamaki Makaurau Auckland, was adopted by Eke Panuku in early 2022.

## Nature and scope of activities

### Te āhua me te whānui o ngā mahi

We deliver urban regeneration across the city. We also manage and maintain approximately \$2.6 billion of the council's non-service properties and provide property disposal and acquisition services.

### Urban Regeneration in the Priority Locations

The map below illustrates the locations where Eke Panuku is leading urban regeneration.



**Map of Eke Panuku town centres – Te Mahere o ngā Pokapū Tāone o Eke Panuku**

### How do we undertake urban regeneration?

Our aspirations for thriving town centres are set out in our Thriving Town Centres Guidance, endorsed by the council in 2021. We use the four levers, illustrated on page 5, to implement the urban regeneration plans for each location.

**Lead agency lever** - Eke Panuku facilitates support for a shared vision and urban regeneration plan for each location, leading an integrated council group response, coordinating stakeholder and community input, and driving implementation.



**Commercial lever** – Working with a range of development partners, Eke Panuku uses poorly performing and underutilised council-owned property assets to deliver residential and commercial development that supports regeneration plans. This involves site sales, acquisitions, land consolidation and other activities to unlock opportunities for the market. We undertake plan changes, create new infrastructure, and remove contamination. This enables higher quality development and increases yields and revenue for council. We pride ourselves on the quality of our design and development, led by ourselves or our development partners. We ensure that our projects are functional, beautiful and in many cases, award winning.

**Public realm lever – Improving amenity** - Eke Panuku identifies opportunities to improve the attractiveness, connectivity, and resilience of town centres as places to live and work, visit, and do business, building confidence for others to invest. Working with council partners, we deliver capital projects such as new town squares and laneways, parks and playgrounds and improvements to the streets, walkaways, and cycle networks. Often with multiple benefits, these projects assist in managing stormwater and reducing flood risk, increasing shade and shelter, reducing trips and carbon emissions, enabling recreation and healthy lifestyles, and improving safety.

**Placemaking lever** - Each community is unique. Through our placemaking programme we support communities undergoing significant change and build trust and knowledge through relationships to ensure that our regeneration supports the local identity and sense of place. We test design options and gather community feedback, and build community capacity, supporting social and economic outcomes.

## Partnerships and relationships

Collaboration is critical to successful urban regeneration. We value partnerships and relationships with the people in our neighbourhoods, stakeholders and within the council group.

We proactively communicate and engage with communities and stakeholders on our urban regeneration work, finding opportunities for residents, businesses, and other stakeholders to get involved and help shape the future of their neighbourhoods. Our place-based engagement approach involves actively engaging local communities and stakeholders in decision-making processes that will directly affect their lives and environment. Through this engagement, we aim to foster ongoing dialogue to ensure that the needs and perspectives of the community are taken into consideration when making decisions about local initiatives or projects. This approach helps to build trust, transparency, and collaboration between all parties involved, leading to more effective and sustainable outcomes.

We do not take a ‘one-size fits all’ approach but recognise there are many ways to engage with our diverse communities. We consider appropriate channels and tools for each opportunity, from community surveys to more interactive tools such as Social Pin-Point, to face-to-face opportunities. Engagement provides us with meaningful insights and information to support sustainable decision-making.

We continue to focus on strengthening our relationship within the council group, ensuring we are efficient, aligned and working towards shared objectives.

## Urban regeneration: Regional Programmes

Outside of the suburban town centres and city centre, Eke Panuku leads a number of other programmes that support urban regeneration across Auckland and bring in revenue for the council.

Once approved for sale by the council, Eke Panuku takes the sites that are no longer needed for council use to the market setting out essential design outcomes to be achieved. This programme provides revenue to the council as well as quality developments such as new homes and commercial spaces.

Eke Panuku is working with Auckland Council's Customer and Community Services team and local boards to identify opportunities to optimise the council service properties through reconfiguring the use of the properties and introducing, where suitable, new uses. This is under the "Service Property Optimisation Framework." Proposals to sell service properties, to reconfigure how services are delivered and to upgrade some properties, and the decision to proceed is made by the local board. Eke Panuku will contribute to the council-led taskforce on service property optimisation.

Eke Panuku has partnered with Auckland Transport and the Eastern Busway Alliance to ensure that property acquired in neighbourhoods along the busway route in Pakuranga, that is not needed for the infrastructure is developed successfully. Enabling residential and commercial development of the remaining sites will maximise the benefits of the Eastern Busway investment, both in terms of revenue and growing the catchment for passenger transport usage.

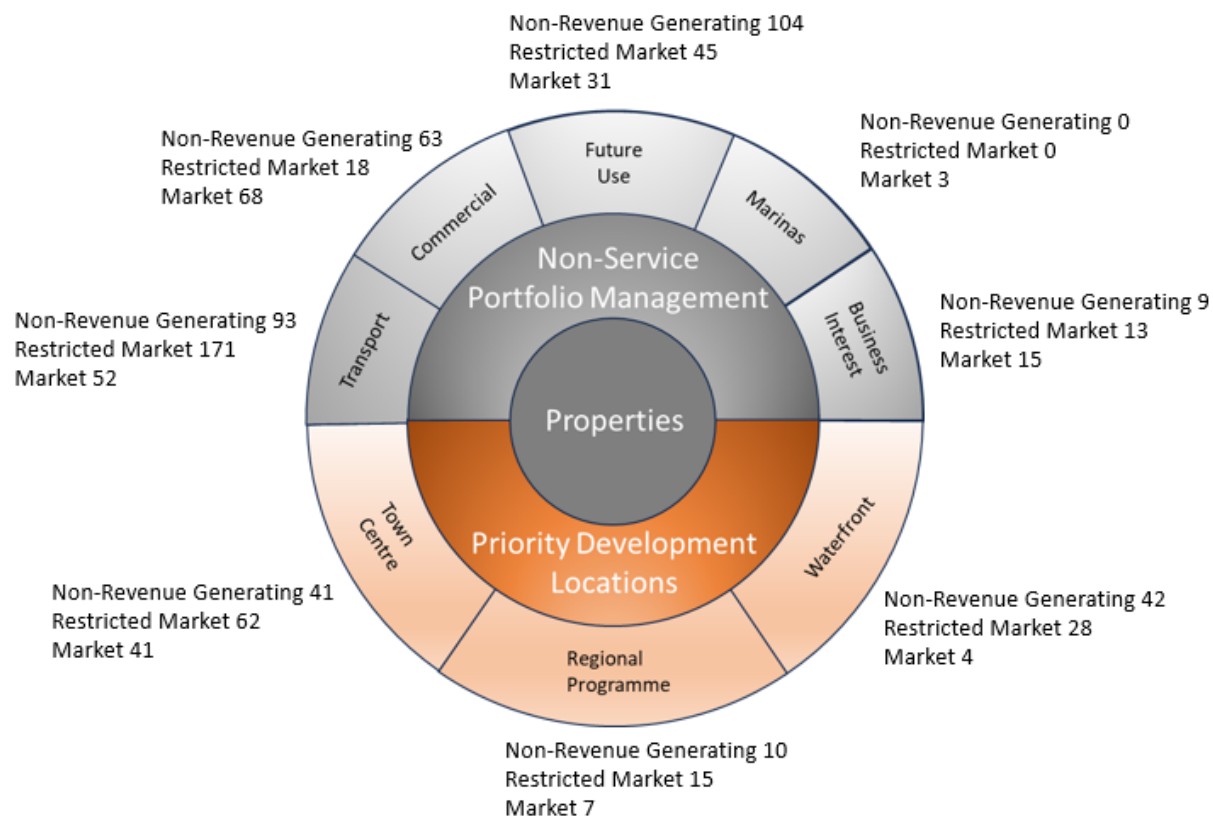
## Property and Marina Management

Our portfolio management role includes the management of over 930 properties with a value of around \$2.6 billion that are not currently being used to deliver services to the community.

The properties are located across the region. The types of properties include commercial, retail, and residential properties, including hospitality, homes, landfills, quarries and forestry. The objectives for sites vary. Some are within Eke Panuku priority development locations and will be developed in the medium term to support urban regeneration, such as the Northcote town centre. Some properties are held for future transport projects or other intended uses. Some are business interests held for commercial returns, and some are surplus to council requirements and are awaiting sale. Within this portfolio some properties serve different purposes and may be non-revenue producing or are otherwise restricted in use. We also manage and operate the three council-owned marinas in the city centre.

The following diagram illustrates the number of properties associated with each of the sub-classifications falling under Eke Panuku's main roles of Non-Service Portfolio Management and Priority Development Locations. It shows the current categorisation into revenue generating capacities, highlights the sub classifications where market revenues are more likely (e.g. Commercial and Marinas) and others where other outcomes drive revenue earning abilities (e.g. Waterfront and Future use).

**Property Portfolio Profile – properties earning market return, properties with some form of restriction earning a return and non - revenue generating properties.**



Our role is to drive strategic and optimal value from council group property assets in order to provide revenue for council and deliver on other outcomes. We optimise the returns from the property portfolio and maintain the properties to be fit-for-purpose in alignment with council group’s wider objectives. This can mean anything from leasing out at market rates to reducing expected returns to ensure public access, meet short term requirements or reflect current market conditions. We provide tenancy management, assets and facility management, property maintenance and renewals, and marina management.

We will endeavour to deliver an improved commercial return on the portion of the portfolio that can be leased commercially. In FY25 we will maintain high occupancy of properties and deliver the SOI financial return targets.

The city centre marinas provide world-class facilities for recreational boating, fishing, tourism, and the marine industry. The marinas also enable the public to enjoy access and views along the water’s edge. Our activities include leasing of berths, repair and renewal of assets and new developments. We also co-host national and international marine events.

Our goal is to optimise the returns from the marinas, provide quality infrastructure and continue to improve marina customer experience.

Westhaven has 1,800 berths. Fifty three percent (53%) of the berths are on a full rental model. The remaining 47% of the berths were prepaid to Ports of Auckland circa 35 years ago. Berth owners pay operating expenses, but no annual rental income is received. We will work with council to develop an appropriate strategy for the berth licences which expire in 2026 and 2029.

## Our operating environment – risks, challenges and opportunities

Ngā tūraru, ngā wero me ngā huarahi wātea

There are many factors that impact on the delivery of Eke Panuku programmes and achievement of performance targets. We will update the shareholder on the status of the issues, risks, and opportunities in our quarterly shareholder reporting.

- **Property market** – the economic outlook for New Zealand is uncertain. With increased interest rates, high construction costs, and tighter lending requirements, the property market is subdued. This increases the time to find development partners and complete site sales, increases conditional agreement periods, and impacts strategic outcomes and sales revenue. *We will continue to monitor changes in the property market and construction sector. We will seek to maintain momentum in site sales where it is prudent and there is partner interest.*
- **Construction sector** – our ability to deliver capital projects including public realm improvements and renewals is affected by price escalation in the wider construction sector. This also impacts the ability of our partners to meet development milestones. *We will consider the use of alternative materials for capital works, and we will carry out due diligence as part of contractor or development partner selection. We will optimise existing assets before embarking on new capital projects.*
- **Dependencies** – our programme delivery is impacted by development partner, existing tenant, and council group dependencies, often out of our control. Examples include the timing of development staging by a private partner linked to market pre-sales, the preparation of a community needs assessments by council, meeting regulatory requirements and the release and vacating of a council property for renewal or development. *We will continue to align our planning with the council group, be more conservative in our project planning, and communicate risks to projects associated with dependencies that are out of our control.*
- **Failure or prolonged unavailability of infrastructure assets** – we manage infrastructure assets such as wharves, bridges and seawalls that support services to the public. Some of the assets are old and have exceeded design life. *We will ensure the asset management plans are up to date to inform our asset repairs, maintenance and renewals, and work with council on future funding requirements.*
- **Climate change** – climate change has the potential to impact the property portfolio and is a key consideration in regenerating town centres. *The potential impacts will be considered as part of our property and asset management activities. In leading urban regeneration, we ensure that climate change impacts and risks are considered in our planning and projects, and opportunities for lower cost climate positive solutions are investigated/explored.*



## About us

### Ngā kōrero mō mātou

#### Working in partnership with the council group

Auckland Council works in partnership with its CCOs. The agreed approach to governance is outlined in the CCO Accountability Policy and the *Auckland Council: Statement of Expectations of substantive council-controlled organisations*, July 2021.

Key engagement and reporting include:

- CCO Direction and Oversight Committee – Statement of Intent, performance, opportunities, and risks through the quarterly reporting.
- Planning, Environment and Parks Committee – direction on urban regeneration planning and strategic outcomes.
- Governing Body – decisions on asset recycling and mandate.
- Transport and Infrastructure Committee – projects and programmes that have a significant impact on the region's transport strategies or infrastructure.
- Local boards – direction and input on projects and programmes that have impact on their local areas and communities, through regular engagement and joint CCO quarterly reporting.

#### Eke Panuku Board

Eke Panuku Board has six directors who bring a broad range of experience, for example, in property development, urban regeneration, design, and health and safety.

The Board Charter sets out the principles of corporate governance that assist the board in performing its duties. It outlines the various roles, responsibilities, and authorities of the board of directors, both individually and collectively, in setting the direction, the management and control of the business.

The board's core responsibilities are to:

- negotiate the Statements of Intent with the council.
- act consistently with the guidelines provided in the Statement of Expectations.
- actively review and direct the overall strategy, policies, and delegations.
- obtain full and timely information to discharge its obligations.
- identify, evaluate, and mitigate identifiable risk factors.
- manage and monitor the Chief Executive's Performance.
- provide leadership in relation to key stakeholders.

The Eke Panuku Board is supported by an Audit and Risk Committee.

The Eke Panuku Board has a regular programme of meeting with local boards in the locations where we work to discuss their aspirations and how we work together. The board visits the locations to see the projects first hand and discuss the local urban regeneration challenges and opportunities.

Regular engagement with mana whenua is supported by a bi-annual Rangatira hui.

Board directors have a keen interest in the Eke Panuku team – supporting the executive's focus on leadership, engagement, development, wellbeing, and culture. The board undertakes health and safety audits, visiting construction activity and business interests, and supports the overall health and safety culture.

The Eke Panuku Board approves all projects and site sales through application of a project management framework that is directly linked to board delegations; including programme business cases, development outcomes and “go to market” strategies.

## Board meetings

### Ngā hui a te poari

Eke Panuku is required to **hold two public meetings** a year under the Local Government, Auckland Council Act 2009.

Meeting purpose	Date	Form of Public Notification
Consider shareholder comments on draft SOI	July 2024	Advertisement in NZ Herald at least two weeks prior to meeting and on Eke Panuku website five working days prior.
Consider performance against SOI targets	October 2025	

All Eke Panuku board meetings are open to the public. Members of the public wishing to be heard on issues relevant to Eke Panuku, can email their request in advance of each meeting via the Eke Panuku website. A public-excluded session will be held at each meeting to discuss confidential matters.

Agendas and board papers (with confidential information redacted) are posted on the Eke Panuku website ([ekepanuku.co.nz](http://ekepanuku.co.nz)) three working days prior to each meeting.

Mana whenua iwi are individually invited to present to the Board about any matters of interest. From time-to-time board meetings are held at various locations around Auckland to enable the Eke Panuku Board to meet with local boards.

## Making more information available

Eke Panuku is committed to being an accountable and transparent organisation. To this end, we readily make information available to our shareholder, our stakeholders, and the public.

Eke Panuku publishes corporate information on its website to ensure the public understands our organisation and the work we do.

Publicly available information includes Eke Panuku board reports, quarterly reports, engagement strategies, stakeholder and community insights, corporate costs, and up-to-date project information.

## Part 2 – Statement of performance expectation 2024/25

He tauākī mō ngā whāinga e pā ana ki te whakatutuki i ngā mahi

### How we deliver – three-year programmes 2024-27

Tā mātou e whakatutuki ai – Ngā tau e toru e tū mai nei

This Statement of Performance Expectation section sets out the key initiatives and projects that will be delivered across the programmes during the period 2024-2027.

The projects within our programmes are prioritised within the capital expenditure budgets included in the Council LTP 2024-34. We have ensured that we continue to maintain a level of activity across all the current priority locations and that we continue to plan and build a pipeline of projects for the future.

We will continue work on advancing the sale of major development sites to achieve revenue for council and development outcomes. These will progress to market, or meeting conditions of existing agreements, subject to the prevailing market conditions. We will also continue public space and amenity capital work that support these major developments.

Indicative environmental benefits of the projects listed include new lower carbon sustainable homes and commercial spaces; increased resilience to sea level rise and flooding; stormwater treatment; support for increased use of sustainable transport such as public transport and active modes; enhanced green spaces; planting and wetlands, and contamination remediation.

#### Urban Regeneration Programmes by location

Te Hōtaka Whakarauora I ngā Wāhi o te Tāone

Detailed below are some of the significant projects in our programmes over the first three years of the LTP. There are a number of risks associated with the timely delivery of these projects and programmes, outlined in Part 1.

NORTH		
<b>NORTHCOTE</b> Staged redevelopment of town centre delivering shops, eateries, new homes, and an extended community hub and improved roading connections. Link: <a href="https://www.ekepanuku.co.nz/neighbourhoods/northcote/">https://www.ekepanuku.co.nz/neighbourhoods/northcote/</a>		
2024/2025 project delivery		Indicative programme benefits
<b>Northcote town centre development</b> – creating new homes, upgrading retail offering and public space.	Progress the process to select a preferred developer.	Approx. 570 new homes and 10,000 sqm of new commercial floor area
<b>Northcote town centre streets</b> – extending Ernie Mays Street, a key part of the road network.	Final business case, developed design and resource consent lodged.	2800 sqm of new and upgraded streetscape.
<b>Northcote community hub and Puāwai / Cadness Reserve upgrade</b> – refurbishing and extending the Northcote Library building to a multi-purpose community hub and upgrading Puāwai / Cadness Reserve to make a better outdoor space that integrates with the community hub.	Final business case, developed design and resource consent lodged.	1500 sqm of new and refurbished community hub space and 6800 sqm of upgraded open space.

<b>2025-2027 project delivery (following 2 years)</b> <ul style="list-style-type: none"> <li>Northcote Central – agree development agreement and progress development sites with selected development partner/s.</li> <li>Northcote community hub – commence construction.</li> <li>Northcote town centre streets – commence construction of Ernie Mays Street.</li> </ul>		
<b>TAKAPUNA</b> Sale of development sites to enable high-density residential developments, retail and commercial space supported by new public spaces and amenity improvements already delivered. Link: <a href="https://www.ekepanuku.co.nz/neighbourhoods/takapuna/">https://www.ekepanuku.co.nz/neighbourhoods/takapuna/</a>		
<b>2024/2025 project delivery</b>		<b>Indicative programme benefits</b>
<b>Auburn Street development site</b> – high-rise build-to-rent residential and commercial outcomes.	Progress site sale to unconditional stage.	Approx. 300 new homes and 1500 sqm of new commercial floor area.
<b>2025-2027 project delivery (following 2 years)</b> <ul style="list-style-type: none"> <li>Anzac Street/ Hurstmere Road development site – progress development of the first of five development blocks surrounding the completed Waiwharariki Anzac Square with developer. Progress the staged sale and development of remaining sites, closely monitoring achievement of development outcomes.</li> <li>Auburn Street development site – progress development with developer.</li> </ul>		

<b>CENTRAL</b>		
<b>CITY CENTRE</b> Our role is to lead the council group to implement the City Centre Masterplan, focussing on the agreed priorities set out in the City Centre Action Plan. Link: <a href="https://www.ekepanuku.co.nz/neighbourhoods/city-centre/">https://www.ekepanuku.co.nz/neighbourhoods/city-centre/</a>		
<b>2024/2025 project delivery</b>		<b>Indicative programme benefits</b>
<b>Continue to foster city centre development partnerships</b> – facilitate and deliver on current development opportunities including: <ul style="list-style-type: none"> <li>Downtown Carpark redevelopment.</li> <li>Symphony Centre.</li> <li>Bledisloe House.</li> </ul>	<ul style="list-style-type: none"> <li>Downtown Carpark – work with developer to achieve project outcomes, delivering a high-quality, sustainable, and mixed-use development that contributes positively to Auckland’s cityscape. Work with Auckland Transport to operate the carpark until required for development.</li> <li>Symphony Centre progress development agreement to unconditional stage.</li> <li>Bledisloe House progress development agreement.</li> </ul>	Downtown Carpark: 80,000 sqm of new commercial and retail floor area. Approx. 200 new homes.
<b>City Centre Action Plan</b> – integrated planning and investment.	<ul style="list-style-type: none"> <li>Update action plan in response to Long-term Plan decisions. Continue to work across the group and key stakeholders, including city centre advisory panel, to provide an integrated view of key investment priorities.</li> <li>Develop precinct regeneration plans to support cross agency development sequencing and investment.</li> <li>Implement initiatives to support existing residents and encourage future</li> </ul>	Aligned investment priorities and best for city centre decisions. Maintaining and growing the city centre population.



	residential growth to ensure the city centre is an attractive place to live.	
<b>Improving the experience of the city centre</b> – working across the council group, the Crown, social services, and community groups to continue to improve the experience of the city centre for the people that choose to live, work, play and study here.	<ul style="list-style-type: none"> <li>An integrated city centre safety and wellbeing action plan, setting out a clear governance structure and clarifying roles, responsibilities, and resources.</li> <li>Implement the recommendations developed in response to the Te Komititanga Place Pilot, to help ensure this area is vibrant and well-functioning.</li> </ul>	Alignment across council group agencies and our partners on key actions to address safety, perceptions of safety and wellbeing outcomes for the city centre.
<b>Maximise benefits of CRL</b> – continue to work across the council group to ensure the city centre is in a position to take full advantage of the project's enormous benefits.	Continue to support the delivery of Karanga-a-Hape, Te Waihorotiu (midtown) and Te Waitemata Station Neighbourhood programmes and key initiatives to maximise benefits.	Clarity and alignment on the key initiatives being delivered by the council group to maximise the regeneration benefits of the investment in CRL.
<b>2025-2027 project delivery (following 2 years)</b> <ul style="list-style-type: none"> <li>Work with our development partner Malaysian Resources Corporation Berhad (MRCB) to build the mixed-use Symphony Centre upon the completion of the City Light Rail, Te Waihorotiu station.</li> <li>Continue to work with our development partner on the redevelopment of the Downtown Carpark to deliver a high-quality, sustainable, and mixed-use development that contributes positively to Auckland's cityscape.</li> <li>Develop integrated regeneration programmes for each of the city centre precincts that will input into the 2028-2038 Long-term Plan process.</li> </ul>		
<b>MAUNGAWHAU</b> Commence a market process to seek private sector partners and investment. Work with Kāinga Ora to deliver new homes surrounding the emerging rapid transport network (City Rail Link). Link: <a href="https://www.ekepanuku.co.nz/neighbourhoods/maungawhau-and-karanga-a-hape/">https://www.ekepanuku.co.nz/neighbourhoods/maungawhau-and-karanga-a-hape/</a>		
<b>2024/2025 project delivery</b> <ul style="list-style-type: none"> <li>Commence statutory process with Whenua Haumi Limited Partnership for three mixed-use development sites adjacent to the new Maungawhau Station subject to rights of first refusal.</li> <li>Collaborate with AT and CRL to agree plan for transitional use of development sites post CRL project completion.</li> </ul>		
<b>2025-2027 project delivery (following 2 years)</b> Reach conditional agreements for mixed-use developments across Maungawhau precinct.		

<b>WATERFRONT</b> Continue to progress the delivery of public realm projects, monitor the delivery of development outcomes by our development partners and take a new development site to the market. In Wynyard Quarter, progress the delivery of - Te Ara Tukutuku Plan. Link: <a href="https://www.ekepanuku.co.nz/neighbourhoods/wynyard-quarter/">https://www.ekepanuku.co.nz/neighbourhoods/wynyard-quarter/</a> Link: <a href="https://www.ekepanuku.co.nz/neighbourhoods/westhaven/">https://www.ekepanuku.co.nz/neighbourhoods/westhaven/</a>		
<b>2024/2025 project delivery</b>		<b>Indicative programme benefits</b>
<b>Precinct Stage 3 development</b> – this includes three commercial buildings with a 5 Greenstar rating, basement car parks, public open space, and public laneway.	Construction completion by 31 March 2026. This is built by our development partner.	22,000 sqm of new commercial floor area and 750 sqm of new or upgraded public space.

<b>North Wharf development site</b> – mixed-use development on the waterfront.	Achieve a conditional long-term lease agreement.	6,600 sqm commercial floor area.
<b>Te Ara Tukutuku (Wynyard Point) planning and design</b> – this covers five hectares of open space, laneways, stormwater, utilities, landscaping, lighting, and seawall raising that supports mixed-use development.	Complete Public Engagement on Concept Plan by December 2024.	50,000 sqm of new public space and new and upgraded infrastructure to support residential and commercial development.
<b>Westhaven Seawall Upgrade</b> – providing protection from wave overtopping during storm events and prevention of damage to property.	Complete construction by June 2025.	1500 sqm of upgraded infrastructure and public space.
<b>Central wharves masterplan</b>	Initiate the masterplanning process for the central wharves, working with the council group and engaging with key stakeholders, interest groups and mana whenua.	Agreed plan and investment priorities to enable ferries, cruise and public access.
<b>Swimming facility at Karanga Tidal Steps</b>	Completing design, health and safety and operational planning for a new pontoon structure, ready to be opened to the public in summer 2024.	New swimming facility in the city centre.
<b>2025-2027 project delivery (following 2 years)</b> <ul style="list-style-type: none"> <li>Progress Te Ara Tukutuku project design phase and early works.</li> <li>Deliver public art project along Daldy Street.</li> <li>Progress North Wharf site. Continue to monitor development outcomes delivered by other development partners in the Wynyard Quarter.</li> <li>Progress central wharves masterplan process.</li> </ul>		
<b>WEST</b>		
<b>AVONDALE</b> Working with partners, stakeholders, Kāinga Ora and the council family to create new, high quality residential neighbourhoods, public spaces and a purpose-built community facility. Link: <a href="https://www.ekepanuku.co.nz/neighbourhoods/avondale/">https://www.ekepanuku.co.nz/neighbourhoods/avondale/</a>		
<b>2024/2025 project delivery</b>		<b>Indicative programme benefits</b>
<b>Avondale Central development</b> – is a significant, sustainable, mixed-use residential development staged over six years.	Progress the implementation of the Development Agreement with Marutūāhu Ockham Group.	Approx. 600 new homes and 400 sqm of new and upgraded public space.
<b>Te Hono - Avondale community hub and town square</b> – integrating the town square with the Auckland Council-led Avondale community hub.	Complete detailed design for the town square.	5300 sqm of new public space.
<b>2025-2027 project delivery (following 2 years)</b> <ul style="list-style-type: none"> <li>Continue supporting and monitoring outcomes for Avondale Central delivered by development partners alongside progressing <b>Te Hono</b> community hub and the <b>Avondale town square</b>.</li> </ul>		



Avondale town centre



Te Hono

## HENDERSON

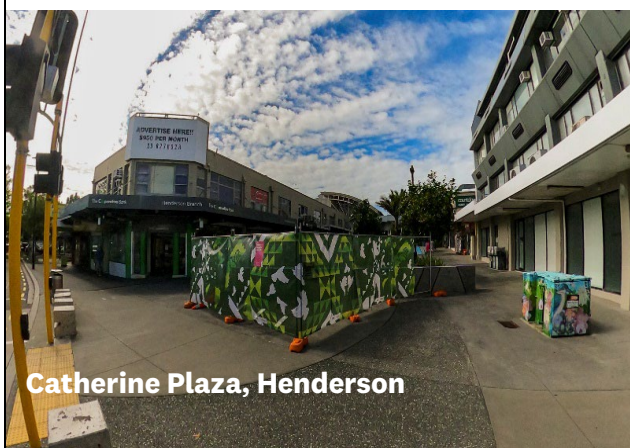
Investment of public realm projects will improve connectivity within the town centre to enable walking, cycling and more amenities. We will work with development partners undertaking residential development in Henderson Valley Road and Laidlaw College which acquired parts of the former Waitakere City council site.

Link: <https://www.ekepanuku.co.nz/neighbourhoods/henderson/>

2024/2025 project delivery		Indicative programme benefits
<b>Wai Horotiu Henderson connection (formerly Oratia Link cycleway)</b> – including a bridge over Oratia Stream and elevated connection in Newey’s Reserve.	Complete developed design and final business case for stage one of the project.	6,500 sqm of new shared pedestrian/ cycle path and public space.
<b>Catherine Plaza</b> – to enhance connections, activation, outdoor dining space, and landscaping.	Commence construction.	900 sqm of upgraded public space.

### 2025-2027 project delivery (following 2 years)

- Edmonton Road site – advance plans with owner to enable development of site.



Catherine Plaza, Henderson



Wai Horotiu Henderson





## ISTHMUS

### ONEHUNGA

Facilitating new retail and housing choices supported by new public spaces and enhancing connectivity in the town centre.

Link: <https://www.ekepanuku.co.nz/neighbourhoods/onehunga/>

2024/2025 project delivery		Indicative programme benefits
<b>Waiapu precinct</b> – mixed-use residential, commercial developments and new public space, including a playground and connections across the town centre.	Commence construction of enabling works.	10,300 sqm of upgraded public space, 3500 sqm of new commercial floor area. Approx. 120 new homes.
<b>Waiapu Lane and Selwyn Street development sites</b> – new supermarket development.	Progress the sale.	4000 sqm of new commercial floor area (Supermarket).
<b>Waiapu Precinct site acquisitions</b> – properties are in a strategic location adjacent to land that the council owns.	Conditional sale and purchase agreement achieved.	Acquisition of sites to enable two urban renewal development sites and better connections in the town centre.
<b>Onehunga wharf public space</b> – create public space to be used by the community in the medium term.	Final business case approved.	12,000 sqm of new public space.

### 2025-2027 project delivery (following 2 years)

- Church Street – agree bus network changes with Auckland Transport, complete developed design and lodge consent.
- Te Pumanawa Precinct acquisitions – initiate acquisition process for properties in Te Pumanawa Precinct required for urban renewal.
- Paynes Lane streetscape enhancement – enabling a key east-west pedestrian friendly corridor. Commence construction.

### PANMURE

Development sites will be taken to the market to enable mixed-use development, increasing the vibrancy of the town centre and economic activity. Public realm investment will create a well-connected network of urban spaces in the centre that enhances visitor experience and supports future residential growth.

Link: <https://www.ekepanuku.co.nz/neighbourhoods/panmure/>



2024/2025 project delivery		Indicative programme benefits
<b>Basin View Lane development site</b> – to enable a residential or commercial development.	Conditional development agreement reached.	Approx. 10 new homes or 600 sqm of new commercial floor area.
<b>Lagoon Drive development site</b> – to enable a residential or commercial development.	Conditional development agreement reached.	Approx. 10 new homes or 1000 sqm of new commercial floor area.
<b>Kings Road development site</b> – to deliver new homes.	Unconditional development agreement reached and consenting progressed.	Approx. 36 new homes.
<b>Lagoon Edge Reserve Enhancement</b> – creating an urban waterfront park adjacent to the existing Lagoon Pools.	Commence construction.	4800 sqm of new and upgraded public space.

#### 2025-2027 project delivery (following 2 years)

- Basin View Precinct – complete concept and developed design for enabling works including subdivision, infrastructure, and public space connections through precinct to enable a town square and mixed-use development sites.
- Maungarei Connection – complete upgrade of Mountain Road connecting Panmure train station to Maungarei.
- Jellicoe Street development site – reach a conditional agreement for a residential development.
- Kings Road development site – reach an unconditional agreement for 36 new homes.
- Ellerslie-Panmure Highway development site – reach an unconditional development agreement for residential and/or 300 sqm commercial.



Lagoon Drive connection



Maungarei Connection

## SOUTH

### MANUKAU

Implementing projects that support the transformation of Manukau City centre and its surrounds, including the Te Whakaoranga o Te Puhinui – The Puhinui Regeneration Strategy that aims to regenerate the Puhinui stream. We will continue to invest in public realm improvements increasing access, connectivity, safety and amenity, and prioritise property development projects that enliven Manukau's vibrant heart.

Link: <https://www.ekepanuku.co.nz/neighbourhoods/manukau/>

2024/2025 project delivery		Indicative programme benefits
<b>Progressing the development sites in Manukau</b> - subject to market conditions.	Progress necessary statutory/legal processes and approvals.	Commercial, mixed-use, and residential developments.
<b>Puhinui Regeneration – Te Aka Raataa Stage 1 Raataa Vine</b> – Construction of new walkway, shared path, stormwater and green	Procurement initiated, with external parties invited. Project documents completed and published, inviting external parties to close the tender.	Stage 1 - 13,300 sqm of upgraded open space.

infrastructure along stream corridor to support development.		
<b>Osterley Way Civic Streetscape Works</b> – a 120m streetscape upgrade including two intersections with landscaping, new surfacing, lighting, wayfinding and separated cycleway.	<ul style="list-style-type: none"> <li>Obtain Resource Consent,</li> <li>Obtain asset owner approval via Design Review Panel approval.</li> <li>Completion of tender documents.</li> </ul>	2200 sqm of upgraded streetscape.
<b>Hayman Park wetlands</b> – capital works to improve water quality treatment and extended detention for stream protection. A new shared pathway and open space amenity.	Resource consent granted.	15,600 sqm of upgraded open space.

#### 2025-2027 project delivery (following 2 years)

- Progress site sales and monitor development partner progress with development sites.
- Progress design and construction of public realm upgrades including walking and cycling connections and streetscape upgrades in collaboration with Auckland Transport and Auckland Council.



Hayman Park



Puhinui Regeneration – Te Aka Raataa

#### PAPATOETOE

Develop new housing choices around the completed commercial developments of a shopping mall, supermarket and carpark to enable the centre to flourish and the community to thrive.

Link: <https://www.ekepanuku.co.nz/neighbourhoods/old-papatoetoe/>

2024/2025 project delivery		Indicative programme benefits
<b>St George Street residential development (Piko Toetoe)</b> – new homes built over the next 18 months.	Continue to support and facilitate construction progress and staged completion of units.	Approx. 82 new homes
<b>Cambridge Terrace extension and car park</b> – includes upgraded streetscape, laneways, and shared path / cycleway.	Construction commenced.	780 sqm of new and upgraded streetscape and 950 sqm of new shared path / cycleway.
<b>Stadium Reserve Capital Works</b> – provides high-quality open space and civic amenity to revitalise the town centre and support the use of the Allan Brewster Leisure Centre and developments.	Construction contract awarded for the Reserve.	5380 sqm of upgraded open space. 460sqm of new shared pedestrian/cycle path.
<b>Chambers Laneway Capital Works</b> – provides a high quality upgraded accessway to new developments and open space amenities.	Practical completion achieved.	1180 sqm of new public space.

#### 2025-2027 project delivery (following 2 years)

- Complete the Cambridge Terrace extension and carpark, Stadium Reserve Capital Works and Chambers Laneway enabling and catalysing further private redevelopment to occur.

<b>PUKEKOHE</b> Support Pukekohe's vibrancy, growth potential and unique character and identity by progressing site sales, new project investigations, design and completing a public realm upgrade. Link: <a href="https://www.ekepanuku.co.nz/neighbourhoods/pukekohe/">https://www.ekepanuku.co.nz/neighbourhoods/pukekohe/</a>		
<b>2024/2025 project delivery</b>		<b>Indicative programme benefits</b>
<b>Edinburgh superblock</b> – Flagship town centre development site for redevelopment.	Conditional Agreement achieved.	20,000 sqm of Gross Floor Area mixed use, including 27 Homestar 6 rated new homes.
<b>Roulston Park Upgrade</b> – an upgraded all-age-friendly playground in the park.	Construction commenced.	4600 sqm upgraded open space.
<b>Market Precinct Capital Works</b> – an upgraded Roulston St, Devon Lane and enhancements to the town square to support markets and events.	Resource Consent lodged.	3,500 sqm of upgraded streetscape and 500 sqm of upgraded public space.
<b>2025-2027 project delivery (following 2 years)</b> <ul style="list-style-type: none"> <li>Roulston Park upgrade construction completed.</li> <li>Market Precinct construction completed.</li> <li>Edinburgh superblock development partner secured.</li> <li>Site sales programme continues.</li> </ul>		
<b>URBAN REGENERATION - REGIONAL PROGRAMMES</b>		
<b>Over the next three years:</b> <ul style="list-style-type: none"> <li>Continue work on the <b>Eastern Busway Urban Regeneration programme</b> in neighbourhoods along the route of the Busway in Pakuranga.</li> <li>Continue to progress the sale of various single sites that make up the <b>‘support’ development category and the general asset portfolio</b> approved for sale and development by the council.</li> <li>Continue to work with <b>local boards to deliver service property optimisation</b> which is a development approach targeting sub-optimal council service assets.</li> <li>Continue to review the portfolio to develop a proposed pipeline of properties that feed into future development sites and contribute to the next LTP funding.</li> </ul>		
<b>2024/2025 project delivery</b>		<b>Indicative programme benefits</b>
<b>Wasp Hangar and YDL development sites, Launch Road, Hobsonville</b> – Sale of the site via development agreement to enable residential and commercial development.	Conditional development agreement achieved.	Approx. 1,750 sqm of new commercial floor space and 150 new dwellings
<b>PS6 Wastewater upgrade works, Launch Road, Hobsonville</b> – the installation of a new pump station to provide additional wastewater capacity for the remaining undeveloped vacant land in Hobsonville. This will allow the vacant land to be developed for housing purposes and supplement the existing wastewater system so an undercapacity situation does not arise.	Complete construction.	New pump station and associated upstream pipe connections.
<b>Dominion and Valley Roads, Mount Eden site</b> – this is a mixed-use development of sustainable dwellings and commercial space.	Work with developer to progress design and approvals as required in the development agreement.	Approx. 146 new homes and 600 sqm of new commercial floor area.
<b>Haddington Drive, Ormiston</b> – a residential development site.	Go to market to find a development partner.	Approx. 30 new homes.
<b>2025-2027 project delivery (following 2 years)</b> Continue progressing sales in the programme.		



## PROPERTY & ASSET RENEWAL PROGRAMME

### PROPERTY AND MARINA MANAGEMENT

We manage council's non-service properties that include commercial, residential, waterfront public assets and Auckland City Centre marinas. We optimise return to the council. The focus is **on asset management planning, asset renewals and planned maintenance**, that involves maintaining levels of service for property, facilities and marina management. We will accommodate further marina growth where appropriate.

2024/2025 project delivery		Indicative programme benefits
<b>Wynyard Crossing Bridge</b> – undertake a major mechanical, electrical, and structural refurbishment of the bridge to extend its operational use by 20 years.	Renewal completed.	A fully operational crossing bridge.
<b>Manukau Harbour/ Wairopa Channel Works</b> – renewal of channel navigational markers to meet NZ Maritime and international standards, Onehunga Wharf.	Complete construction.	Beacon, Channel Marker, and Buoy.
<b>Shed E, Onehunga</b> – situated on Onehunga wharf hard stand, land side of the wharf is a lightweight steel portal frame building in need of repair to extend its life span.	Commence construction.	Upgrade asset to maximise rental revenue.

### 2025-2027 project delivery (following 2 years)

- Continue the work to agree a berth occupancy model at Westhaven marina post the berth the reversion dates in 2026 and 2029, when current leases expire.
- We will also continue to maintain the condition of assets and properties with our asset renewal and maintenance programmes.



## Performance measures and targets

### Ngā ine me ngā pae whāinga

Eke Panuku has an agreed set of performance measures and targets which form the basis of accountability for delivering on the council's strategic direction and priorities. Eke Panuku has significant and material performance measures relating to the value it creates through its two core business activities, urban regeneration and property portfolio management. These are reported to the shareholder on a quarterly basis.

The performance measures and targets are as follows:

Key Performance Indicator		Actual 22/23	Annual Plan	Targets		
			23/24	24/25	25/26	26/27
Urban regeneration programmes and projects						
1	Net new dwellings (housing units) <sup>1</sup> – LTP performance measure	Achieved 364	60	157	179	360
2	Public realm – square meters <sup>2</sup>	Achieved 14,952 sqm	7,000 sqm	7000 sqm	10,000 sqm	10,000 sqm
3	Capital project milestones approved by the board achieved – LTP performance measure <sup>3</sup>	Not Achieved 67%	80%	80%	80%	80%
4	Achieve board approved Transform and Unlock (T&U) sales for the financial year through unconditional agreements <sup>4</sup>	Not Achieved \$13.7m	\$40m	Target approved by Board \$16m	Target to be approved by Board annually	Target to be approved by Board annually
5	The asset recycling target agreed with the Auckland Council <sup>5</sup>	Achieved \$87.7m	\$115m	Target agreed annually with Auckland Council \$60m	Target agreed annually with Auckland Council	Target agreed annually with Auckland Council
Property Portfolio and Marina Management						
6	Annual property portfolio net operating budget result agreed with the council achieved <sup>6</sup> – LTP performance measure	Achieved \$25.4m	\$19.4m	\$18m	\$16m	\$17m
7	The monthly average occupancy rate for tenantable properties <sup>7</sup> – LTP performance measure	Achieved Commercial 94.0% Residential 97.1%	Commercial 90% Residential 95%	Commercial 90% Residential 95%	Commercial 90% Residential 95%	Commercial 90% Residential 95%
8	The percentage of marina customers surveyed who are satisfied with marina facilities and services <sup>8</sup>	Achieved 90%	88%	88%	88%	88%
Sector Leadership						
9	Climate change mitigation - Significant capital project decisions consider and reduce carbon impacts.	New performance measure	New performance measure	A methodology is adopted to quantify the carbon impact of capital projects to	Performance target met	Performance target met



Key Performance Indicator		Actual 22/23	Annual Plan	Targets		
			23/24	24/25	25/26	26/27
				inform decision making. Application and testing of methodology and development of performance measure and targets for FY26.		
10	Creating positive outcomes for Māori Deliver a number of ongoing or new initiatives that support Māori Outcomes <sup>9</sup>	Achieved 51	40	40	40	40
11	Enhancing the relationship between Eke Panuku and mana whenua. Increasing the percentage of satisfaction with the support they receive from Eke Panuku <sup>10</sup>	Achieved 56%	5% increase on previous year	Maintain or improve on previous year	Maintain or improve on previous year	Maintain or improve on previous year
12	The percentage of complaints received by Eke Panuku are resolved within 10 working days.	Achieved 100%	80%	80%	80%	80%

<sup>1</sup> Eke Panuku enters into development agreements with partners on the sale or long-term lease of council land and monitors the outcome of dwelling units built after the sale. Dwelling units are recognised when construction is completed by development partners. To manage risk, a certain level of presales needs to be achieved before development goes ahead and development partners have adjusted the timing of their construction starting.

<sup>2</sup> The public realm measure represents the areas in town centres that have been improved, renewed, or enhanced through capital projects. Improving the quality of the place also helps attract new investment. Types of projects include town squares, cycleways, footpaths, roads/laneways, playgrounds and other.

<sup>3</sup> This measure demonstrates the different types of capital delivery projects within our pipeline of work. The projects reflect tangible milestones in project lifecycles and are included to illustrate projects at different phases such as construction start/finish, design, consent, and approval by key stakeholders.

<sup>4</sup> This measure relates to total value of properties sold unconditionally or leased long term in T&U locations during the financial year. The property sales help fund reinvestment in the T&U locations and town centres.

<sup>5</sup> This measures the total value of properties sold unconditionally or leased long term (excluding sales in T&U locations). The asset recycle target is agreed with Auckland Council during the annual plan or LTP planning process and contributes to council funding. The asset recycle target is calculated like the T&U sale target.

<sup>6</sup> This measure demonstrates that Eke Panuku optimises return on properties it manages for the council group. The properties are sometimes held for projects in the short to medium term, so we cannot maximise the rental income. The property portfolio budgeted net direct income (direct revenue less direct expense) is agreed with the council as part of the annual plan, the 12-month actual result is compared to budget.

<sup>7</sup> This measures a rolling 12-month average occupancy of tenable properties over the 12 months of the financial year.

<sup>8</sup> The marina satisfaction survey is carried out by independent service provider.

<sup>9</sup> Eke Panuku supports Māori outcomes through implementation of the Achieving Māori Outcomes (AMO) plan. Initiatives may relate to culture and identity, governance, economic, wellbeing or te taiao (the natural environment) outcomes. Initiatives include commercial development opportunities, major events and cultural elements.

<sup>10</sup> The Mana Whenua satisfaction survey is carried out by independent service provider.

## FY25 – Capital Project Milestones

### Ngā Pae i Taea mō ngā Kaupapa ā-Haupū Rawa

This list of capital project milestones relates to **performance measure 3** of the SOI.

More details on the projects are contained in the regeneration programmes in Part 2 of the SOI.

Location and Programme		Project	Deliverable milestone	Indicative Development results	Indicative project cost	
					FY25	Life
Isthmus	Onehunga	1. Waiapu Precinct public realm and enabling works	Commence construction	10,325 sqm of upgraded public space	\$5.0m	\$27.5m
	Panmure	2. Lagoon Edge Reserve upgrade	Commence construction	4800 sqm of new and upgraded public space	\$6.4m	\$9.3m
North	Northcote	3. Northcote Community Hub and Puāwai / Cadness Reserve upgrade	Lodge resource consent	1500 sqm of new and refurbished community hub space, 6800 sqm of upgraded open space	\$1.1m	\$24.7m
		4. Ernie Mays Street streetscape	Lodge resource consent	2800sqm streetscape	\$0.7m	\$12.0m
Renewals		5. Bascule Bridge upper structure	Complete construction	Maintain structural integrity of heritage asset.	\$1.0m	\$1.1m
		6. Shed 10 structural upgrade - Waterfront	Complete construction	Upgrade structure to building code standard	\$1.8m	\$4.5m
		7. Westhaven maintenance yard relocation	Complete construction	New marina maintenance yard	\$0.5m	\$0.5m
South	Manukau	8. Hayman Park wetlands	Resource consent granted	15,600 sqm of upgraded open space	\$1.0m	\$7.1m
		9. Puhinui Regeneration – Te Aka Raataa – Stage 1 Raataa Vine	Procurement initiated, with external parties invited. Project documents completed and published, inviting external parties to close the tender.	13,300 sqm upgraded open space	\$0.9m	\$4.6m
	Papatoetoe	10. Cambridge Terrace extension and car park	Commence construction	780 sqm of new and upgraded streetscape 950 sqm of new shared path/cycleway	\$6.0m	\$8.8m
		11. Chambers Laneway	Complete construction	1180 sqm new public space	\$2.7m	\$3.0m
	Pukekohe	12. Roulston Park upgrade of public amenities	Commence construction	4600 sqm upgraded open space	\$2.3m	\$2.7m
		13. Market precinct: Devon Lane, Roulston St & town square enhancements.	Lodge resource consent	3,500 sqm of upgraded streetscape 500 sqm of upgraded public space	\$0.5m	\$9.9m
Waterfront		14. Westhaven Seawall Upgrade	Complete construction	1500 sqm of upgraded public space	\$5m	\$8.8m
West	Henderson	15. Catherine Plaza	Commence construction	900 sqm of upgraded public space	\$1.9m	\$3.1m

## Financial statements

### Nga tauaka a-putea

Eke Panuku financial information is presented as follows:

- Summary of capital and operating revenue and expenditure – this is a summary of inflows and outflows which demonstrates the contribution Eke Panuku makes to the Council Group.
- Summary budgets of Eke Panuku as a company, and the budgets within Auckland Council for the properties that Eke Panuku manage on behalf of the council group.
- Significant business activities – a summary of activity-level budgets for property management and urban regeneration.
- Other financial information including the forecast financial statements and accounting policies of Eke Panuku.

### Summary of capital and operational revenue and expenditure – inflows and outflows

The table below depicts the operational income and expenditure flows from Eke Panuku operations in a consolidated format, joining assets managed on behalf of Auckland Council, Auckland Transport and Eke Panuku. We have eliminated inter-entity transactions between Eke Panuku and Auckland Council. Capital inflows are based on when projected unconditional sales agreements are reached.

(\$million)	2024/25 LTP	2025/26 LTP	2026/27 LTP
<b>Capital Inflows</b>			
Selling council's surplus property	60.0	to be agreed	to be agreed
Selling or long leasing property to reinvest in urban regeneration locations	16.0	to be agreed	to be agreed
Third part capital contributions	3.8	-	-
<b>Capital Outflows</b>			
Investing in council group assets to support regeneration and asset renewals	98.9	86.0	82.3
<b>Operational Inflows</b>			
Revenue from property interests for council group assets	66.7	62.8	67.2
<b>Operational Outflows</b>			
Managing council group properties	19.5	18.7	19.3
Utilities and leases for council group owned assets	6.7	5.6	3.7
Rates on council group owned assets	7.7	6.9	6.3
Maintenance of council group owned assets	12.3	10.5	12.1
Consultation, negotiation and sales processes to sell council property	4.3	4.5	4.6
Leading regeneration of town centres, city centre and waterfront	23.8	24.6	24.9

## Eke Panuku company budgets

This section outlines the budgets for the next three years, as contained in Council's Long-term Plan 2024-2034. This excludes the activities that Eke Panuku manages on behalf of the council, which are outlined separately in the next section.

(\$million)	2022/23 Actual	2023/24 Annual Plan	2024/25 LTP	2025/26 LTP	2026/27 LTP
<b>Net Direct Expenditure / (Income)</b>	<b>19.4</b>	<b>24.2</b>	<b>24.1</b>	<b>23.9</b>	<b>25.0</b>
<b>Direct Revenue</b>	<b>18.3</b>	<b>17.6</b>	<b>19.6</b>	<b>20.0</b>	<b>20.0</b>
Other direct revenue	18.3	17.6	19.6	20.0	20.0
<b>Direct Expenditure</b>	<b>37.7</b>	<b>41.8</b>	<b>43.7</b>	<b>43.9</b>	<b>45.0</b>
Employee benefits	31.0	33.3	36.3	37.2	38.1
Grants, contributions and sponsorship	-	0.1	0.1	0.1	0.1
Other direct expenditure	6.7	8.4	7.3	6.6	6.8
<b>Other Key Expenditure / (Income)</b>	<b>(19.4)</b>	<b>(24.2)</b>	<b>(23.8)</b>	<b>(23.6)</b>	<b>(24.7)</b>
Depreciation and amortisation	0.3	-	0.3	0.3	0.3
AC operating funding	(19.7)	(24.2)	(24.1)	(23.9)	(25.0)

Other direct revenue comprises recharges to the council for consultancy costs related to acquisition as well as staff time recharged to the council for marina activities and priority location operating and capital expenditure projects. Other expenditure includes director's fees, audit fees, consultancy, corporate communication, office and administration costs.

## Property managed on behalf of Auckland Council

He rawa wāhi e whakahaerehia ana mā Te Kaunihera o Tāmaki Makaurau

This section outlines the budgets for the next three years in Auckland Council which are managed by Eke Panuku, as contained in the council's Long-term Plan 2024-2034. The commercial property portfolio includes non-service properties owned by the council throughout the Auckland region and Westhaven, Silo and Viaduct marinas.

(\$million)	2022/23 Actual	2023/24 Annual Plan	2024/25 LTP	2025/26 LTP	2026/27 LTP
<b>Net Direct Expenditure / (Income)</b>	<b>(7.3)</b>	<b>(1.1)</b>	<b>(0.9)</b>	<b>0.8</b>	<b>(4.1)</b>
<b>Direct Revenue</b>	<b>49.5</b>	<b>45.3</b>	<b>48.3</b>	<b>42.6</b>	<b>46.8</b>
Fees & user charges	1.8	1.9	1.7	0.8	0.8
Other direct revenue	47.7	43.4	46.6	41.8	46.0
<b>Direct Expenditure</b>	<b>42.2</b>	<b>44.2</b>	<b>47.4</b>	<b>43.4</b>	<b>42.7</b>
Employee benefits	0.1	-	0.1	-	-
Other direct expenditure	42.1	44.2	47.3	43.4	42.7
<b>Other Key Expenditure / (Income)</b>	<b>13.5</b>	<b>10.8</b>	<b>14.0</b>	<b>19.2</b>	<b>20.2</b>
Non-direct revenue	(0.7)	(3.8)	(3.8)	-	-
Depreciation and amortisation	22.0	23.0	25.5	27.2	28.4
Net finance (revenue) / expense	-	(0.1)	(0.3)	-	-
Share of (surplus)/deficit from Joint Venture	(7.8)	(8.3)	(7.4)	(8.0)	(8.2)

Other direct revenue includes rental and berthage income. Other direct expenditure includes repairs and maintenance, rates and utilities plus staff costs recharged by Eke Panuku to the council for marina and urban regeneration activities.

## Financial information for significant business activities

Eke Panuku has two significant workstreams included in the Property Managed on behalf of Auckland Council, property management and urban regeneration.

### Property Management - Operating Budgets

The numbers in the tables below do not reconcile with the Eke Panuku Managed Activities net surplus in the operating budget tables above, as the numbers below do not include consolidation entries between Council entities.

(\$million)	2024/25 LTP	2025/26 LTP	2026/27 LTP
<b>Direct Revenue</b>	<b>57.9</b>	<b>54.1</b>	<b>56.0</b>
Auckland Council Properties	32.7	28.9	28.0
Business Interests	0.3	0.4	0.4
Waterfront Public Space	0.5	0.6	0.6
Marina Operations	17.1	17.4	23.1
Marina Trusts	7.3	6.8	3.9
<b>Direct Expenditure</b>	<b>36.7</b>	<b>32.9</b>	<b>29.9</b>
Auckland Council Properties	15.1	13.0	11.2
Business Interests	0.8	0.6	0.6
Waterfront Public Space	6.1	5.5	5.6
Marina Operations	7.1	7.0	8.6
Marina Trusts	7.6	6.8	3.9
<b>Net Direct Expenditure/(Income)</b>	<b>(21.2)</b>	<b>(21.2)</b>	<b>(26.1)</b>
Auckland Council Properties (1)	(17.6)	(15.9)	(16.8)
Business Interests (2)	0.5	0.2	0.2
Waterfront Public Space (3)	5.6	4.9	5.0
Marina Operations (4)	(10.0)	(10.4)	(14.5)
Marina Trusts (5)	0.3	-	-

1. Eke Panuku manages council property assets which are not used to provide a council service. This includes commercial, residential properties, third party leases and many assets which do not generate revenue.
2. Business interests include the Joint Venture with Waste Disposal Systems, at Whitford and East Tamaki Transfer Stations, forestry interests and three quarries managed by third party operators. In addition to the direct revenue shown above there is a \$8.2m share of profit from the Waste Disposal Services joint venture, which is not shown as direct revenue, due to accounting treatment.
3. Eke Panuku manages the public space in the Wynyard Quarter that was previously managed by Waterfront Auckland. This includes costs for rates, security, maintenance, rubbish, lighting, and water.
4. Marina Operations includes three marinas – Westhaven, Silo and Viaduct and is the management and rental of berths owned by Auckland Council.
5. Marina Trusts - Eke Panuku manages two trusts in Westhaven which include berth entitlements owned by members of the public and Auckland Council.



Auckland Transport properties include residential and commercial properties that were acquired and are held for future roading projects. These are managed on its behalf by Eke Panuku. The net revenue generated from the optimisation of the sites, before they are demolished, or subdivided and sold, is transferred to Auckland Transport monthly. We have separated this activity out from the ones above as the net surplus is included in Auckland Transport's operating budgets.

(\$million)	2024/25 LTP	2025/26 LTP	2026/27 LTP
<b>Direct Revenue</b>	<b>3.9</b>	<b>3.5</b>	<b>3.4</b>
Auckland Transport Properties	3.9	3.5	3.4
<b>Direct Expenditure</b>	<b>3.4</b>	<b>2.7</b>	<b>2.3</b>
Auckland Transport Properties	3.4	2.7	2.3
<b>Net Direct Expenditure/(Income)</b>	<b>(0.5)</b>	<b>(0.8)</b>	<b>(1.1)</b>
Auckland Transport Properties	(0.5)	(0.8)	(1.1)

### Property Management - Capital Budgets

(\$million)	2024/25 LTP	2025/26 LTP	2026/27 LTP
Asset renewals	8.5	7.7	7.4

### Asset Sales on behalf of the Council Group

(\$million)	2024/25 LTP	2025/26 LTP	2026/27 LTP
General asset sales	60.0	to be agreed	to be agreed

Auckland Council has sites in a wide range of locations that in many cases are no longer needed or are underutilised. Once approved for sale by council, Eke Panuku takes these sites to the market with essential design outcomes to be achieved. This provides revenue to council as well as quality developments, often providing new homes and commercial spaces.

### Urban Regeneration - Operating Budgets

(\$million)	2024/25 LTP	2025/26 LTP	2026/27 LTP
<b>Direct Revenue</b>	<b>1.8</b>	<b>0.6</b>	<b>0.6</b>
Urban Regeneration	1.8	0.6	0.6
<b>Direct Expenditure</b>	<b>14.7</b>	<b>14.6</b>	<b>14.6</b>
Urban Regeneration	14.7	14.6	14.6
<b>Net Direct Expenditure/(Income)</b>	<b>12.9</b>	<b>14.0</b>	<b>14.0</b>
Urban Regeneration	12.9	14.0	14.0

This includes the cost of Eke Panuku staff working on these programmes, such as leading integrated master planning, place making, community and stakeholder communications and engagement and the predesign and due diligence work to get a capital project to a business case.

## Urban Regeneration – Capital Budgets

(\$million)	2024/25 LTP	2025/26 LTP	2026/27 LTP
Isthmus	16.3	14.2	20.9
North	15.2	11.0	12.4
South	24.6	22.8	15.9
West	8.1	15.2	12.9
Waterfront	16.2	6.9	8.3
<b>Transform and Unlock Locations</b>	<b>80.4</b>	<b>70.1</b>	<b>70.4</b>
Regional (1)	10.0	2.2	2.2
Strategic development fund	-	6.0	2.3
<b>Total</b>	<b>90.4</b>	<b>78.3</b>	<b>74.9</b>

Improving amenity and infrastructure in town centres to attract investors, residents and visitors. Includes street or open space upgrades, town square, cycling and walking connections.

1. Regional programmes include the Eastern Busway, Haumaru, property optimisation, Ormiston, Hobsonville and sales in other locations with development outcomes attached that are not in Transform and Unlock locations.

## Asset Sales and Long Leases

(\$million)	2024/25 LTP	2025/26 LTP	2026/27 LTP
Reinvestment - Transform and Unlock (1)	8.8	to be agreed	to be agreed
Waterfront long leases (2)	7.2	to be agreed	to be agreed
Strategic development fund (3)	-	to be agreed	to be agreed
<b>Total</b>	<b>16.0</b>	<b>to be agreed</b>	<b>to be agreed</b>

1. Unconditional Sales made in our Transform and Unlock locations of surplus council land, the proceeds of which are reinvested in the urban regeneration of our Transform and Unlock locations.
2. Pre-paid long leases in the Waterfront location are typically for 120 years and provide a cash inflow to council.
3. The strategic development fund is a \$100m revolving fund which enables the purchase of property which through agglomeration adds to the strategic outcomes or values of existing council owned sites with transform and unlock locations. When properties purchased are sold, the sales receipts are recycled back into the fund.

## Other financial information

### Ētahi atu pārongo ā-pūtea

The "other financial information" around shareholder equity is unchanged from previous years.

<b>Current value of assets</b>	The projected value of Eke Panuku total assets as at 30 June 2024 is \$16.9m
<b>Shareholder equity ratio</b>	The projected shareholder equity ratio for Eke Panuku as at 30 June 2024 is 65%
<b>Accounting policies</b>	Eke Panuku Development Auckland's accounting policies are consistent with those of Auckland Council group policies. The accounting policies are set out later in this section.
<b>Financial reporting</b>	Eke Panuku Development Auckland's financial reporting will be in accordance with requirements of the CCO Accountability Policy and Statement of Expectations.

## Forecast Financial Statements

These forecast financial statements have been prepared for inclusion in the Statement of Intent 2024-2027 for Eke Panuku Development Auckland Limited. The information may not be appropriate for any other purposes. Actual financial results achieved for the periods covered are likely to vary from the information presented, and the variations may be material. It is not anticipated that there will be any factors that may lead to a material difference between information in the forecast financial statements and the actual financial results prepared in future reporting periods.

The forecast financial statements will be authorised for issue by the Board of Directors on 24 July 2024. The Board of Directors is responsible for the forecast financial statements presented, including the appropriateness of the assumptions underlying the forecast financial statements and all other required disclosures. The forecast financial statements have been prepared using the actual financial position as at 31 May 2024 as a starting point. It is not intended that these forecast financial statements will be updated after they have been authorised for issue.

### Significant Assumptions

The forecast financial statements for 2024/25 have been prepared using the operating revenue and expenditure budgets for Eke Panuku approved by the shareholder, Auckland Council. The forecast financial statements for 2025/26 and 2026/27 have been prepared using the expected operating revenue and expenditure budgets for those years, however those budgets are subject to approval by the shareholder, Auckland Council, prior to the start of the respective financial years.

### Forecast statement of comprehensive revenue and expense

(\$million)	2024/25 LTP	2025/26 LTP	2026/27 LTP
<b>Revenue</b>			
Revenue	43.7	43.9	45.0
<b>Total Revenue</b>	<b>43.7</b>	<b>43.9</b>	<b>45.0</b>
<b>Expenditure</b>			
Personnel costs	36.2	37.2	38.1
Depreciation	0.3	0.3	0.3
Other operating expenses	7.5	6.7	6.9
<b>Total Expenditure</b>	<b>44.0</b>	<b>44.2</b>	<b>45.3</b>
<b>Surplus/(deficit) before income tax</b>	(0.3)	(0.3)	(0.3)
Income tax expense/(benefit)	(0.1)	(0.1)	(0.1)
<b>Surplus/(deficit) after income tax</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>
<b>Other comprehensive revenue and expense</b>			
Gains/(losses) on revaluation of property, plant and equipment	-	-	-
Tax on revaluation (gains)/losses	-	-	-
<b>Total other comprehensive revenue and expense</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive revenue and expense</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>
<u>Surplus/(deficit) is attributable to:</u>			
Auckland Council	(0.2)	(0.2)	(0.2)
<u>Total comprehensive revenue and expense is attributable to:</u>			
Auckland Council	(0.2)	(0.2)	(0.2)

### Forecast statement of changes in equity

(\$million)	2024/25 LTP	2025/26 LTP	2026/27 LTP
Equity at the beginning of the year	11.0	10.8	10.6
<b>Total comprehensive revenue and expense</b>			
Surplus/(deficit) for the year	(0.2)	(0.2)	(0.2)
Other comprehensive revenue and expense	-	-	-
<b>Total comprehensive revenue and expense</b>	(0.2)	(0.2)	(0.2)
<b>Equity at the end of the year</b>	<b>10.8</b>	<b>10.6</b>	<b>10.4</b>

### Forecast statement of financial position

(\$million)	2024/25 LTP	2025/26 LTP	2026/27 LTP
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	-	-	-
Debtors and other receivables	8.1	8.1	8.4
<b>Total current assets</b>	<b>8.1</b>	<b>8.1</b>	<b>8.4</b>
<b>Non current assets</b>			
Property, plant and equipment	8.8	8.5	8.2
<b>Total non current assets</b>	<b>8.8</b>	<b>8.5</b>	<b>8.2</b>
<b>Total assets</b>	<b>16.9</b>	<b>16.6</b>	<b>16.6</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Creditors and other payables	1.5	1.3	1.4
Employee entitlements	2.7	2.9	3.1
Provisions	0.1	0.1	0.1
<b>Total current liabilities</b>	<b>4.3</b>	<b>4.3</b>	<b>4.6</b>
<b>Non current liabilities</b>			
Deferred tax liabilities	1.8	1.7	1.6
<b>Total non current liabilities</b>	<b>1.8</b>	<b>1.7</b>	<b>1.6</b>
<b>Total liabilities</b>	<b>6.1</b>	<b>6.0</b>	<b>6.2</b>
<b>Net assets</b>	<b>10.8</b>	<b>10.6</b>	<b>10.4</b>
<b>EQUITY</b>			
Contributed equity	1.8	1.8	1.8
Accumulated funds	1.5	1.3	1.1
Asset revaluation reserve	7.5	7.5	7.5
<b>Total equity</b>	<b>10.8</b>	<b>10.6</b>	<b>10.4</b>

### Forecast statement of cash flows

(\$million)	2024/25 LTP	2025/26 LTP	2026/27 LTP
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)	19.6	20.0	20.0
Operating expenditure funding from Auckland Council	23.5	23.9	24.8
Payments to suppliers and employees (inclusive of GST)	(44.5)	(44.9)	(45.7)
GST received from / (paid to) IRD	1.1	1.0	1.0
<b>Net cash from operating activities</b>	<b>(0.3)</b>	<b>-</b>	<b>0.1</b>
<b>Cash flows from financing activities</b>			
Advances from Auckland Council (net movement)	0.3	-	(0.1)
<b>Net cash from financing activities</b>	<b>0.3</b>	<b>-</b>	<b>(0.1)</b>
Net increase / (decrease) in cash and cash equivalents	-	-	-
Cash and cash equivalents at the beginning of the year	-	-	-
<b>Cash and cash equivalents at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Note to the Forecast Financial Statements

#### Significant Accounting Policies

The forecast financial statements have been prepared in accordance with the accounting policies expected to be used in the future for reporting historical general purpose financial statements.

#### a) Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities are recognised in the Statement of Comprehensive Revenue and Expense.

#### b) Property, plant and equipment

Property, plant and equipment consists of marinas.

##### i) Measurement

Marinas are measured at fair value. Property, plant, and equipment is shown at valuation, less accumulated depreciation and impairment losses, if any.

##### ii) Revaluation

Marinas are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every 3 years. Each year, Eke Panuku considers whether the carrying value reflects fair value. If there is a material difference, then the asset classes are revalued off-cycle.

Revaluations of property, plant and equipment are accounted for on a class of asset basis.

Net revaluation results are credited or debited to other comprehensive income and are accumulated to an asset revaluation reserve in equity for that class of assets. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive income but is recognised in the surplus or deficit in the Statement of Comprehensive Revenue and Expense. If a revaluation increase reverses a decrease previously recognised in the surplus or deficit in the Statement of Comprehensive Revenue and Expense, the increase is recognised first in the surplus or deficit in the Statement of Comprehensive Revenue and Expense to reverse previous decreases. Any residual increase is then recognised in other comprehensive income.



iii) *Additions*

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to Eke Panuku and the cost of the item can be measured reliably.

Property, plant and equipment is initially recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

iv) *Disposals*

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit in the Statement of Comprehensive Revenue and Expense. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

v) *Depreciation*

Depreciation on all property, plant and equipment is provided on a straight-line basis at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The residual value and remaining useful life of an asset is reviewed, and adjusted if applicable, at each financial period end. The useful lives of major classes of assets have been estimated as follows.

<b>Asset class</b>	<b>Estimated useful life</b>
Marina	35 years

**c) Impairment of non-financial assets**

Intangible assets that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for indicators of impairment at each balance date. When there is an indicator of impairment, the asset's recoverable amount is estimated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the service potential of the asset is not primarily dependent on the asset's ability to generate net cash inflows and where Eke Panuku would, if deprived of the asset, replace its remaining service potential. The value in use for cash-generating assets is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit in the Statement of Comprehensive Revenue and Expense.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit in the Statement of Comprehensive Revenue and Expense, a reversal of the impairment loss is also recognised in the surplus or deficit in the Statement of Comprehensive Revenue and Expense.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit in the Statement of Comprehensive Revenue and Expense. For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the surplus or deficit in the Statement of Comprehensive Revenue and Expense.

#### **d) Financial assets**

Financial assets are initially measured at fair value plus transaction costs.

Purchases and sales of financial assets are recognised at trade date, this being the date on which Eke Panuku commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Eke Panuku has transferred substantially all the risks and rewards of ownership.

The financial assets of Eke Panuku are classified as financial assets at amortised cost. After initial recognition, these are carried at amortised cost less provision for impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit in the Statement of Comprehensive Revenue and Expense.

#### **e) Impairment of financial assets**

The provision for impairment of receivables is determined based on the expected loss credit model. In assessing credit losses for receivables, Eke Panuku applies the simplified approach and records lifetime expected credit losses on receivables. Eke Panuku uses the provision matrix based on historical credit loss experience upon initial recognition of the receivable, based on reasonable and available information on the debtor. Expected loss is established by taking into account factors affecting the ability of the debtors to settle their debt.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the surplus or deficit in the Statement of Comprehensive Revenue and Expense.

#### **f) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held on call with financial institutions, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value, and bank overdrafts.

#### **g) Debtors and other receivables**

Debtors are amounts due from customers. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Debtors and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

When a receivable for which the provision for impairment has been recognised becomes uncollectable in a subsequent period, it is written off against the provision for impairment of receivables. Subsequent recoveries of amounts previously written off are credited to 'other income' in the surplus or deficit in the Statement of Comprehensive Revenue and Expense.

#### **h) Creditors and other payables**

Creditors and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost, using the effective interest method.

#### **i) Current and deferred income tax**

Income tax expense comprises both current tax and deferred tax and is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by balance date. Income tax expense is charged or credited to the surplus or deficit in the Statement of Comprehensive Revenue and Expense, except when it relates to items charged or credited directly to equity or other comprehensive income.

Current tax is the amount of income tax payable based on the taxable surplus for the current period, plus any adjustments to income tax payable in respect of prior periods.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable surplus.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which Eke Panuku expect to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable surplus will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination and at the time of the transaction affects neither accounting surplus nor taxable surplus.

#### **j) Goods and Services Tax (GST)**

All items in the financial statements are stated exclusive of GST, except for debtors and other receivables and creditors and other payables, which are presented on a GST inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related expense or asset.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

#### **k) Personnel costs and Employee entitlements**

##### *i) Short-term employee entitlements*

Employee benefits that Eke Panuku expects to be settled wholly before 12 months after the end of the reporting period in which the employees render the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken, at balance date, and sick leave.

##### *ii) Long-term employee entitlements*

Employee benefits that are not expected to be settled wholly before 12 months after the end of the reporting period in which the employees render the related service, such as long service leave, have been calculated on an actuarial basis. These calculations are based on:

- likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood the employees will reach the point of entitlement, and contractual entitlement information; and
- the present value of estimated future cash flows.

##### *iii) Presentation of employee entitlements*

Sick leave, annual leave, and vested long service leave are classified as current liabilities. Non-vested long service leave expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

## l) Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. The specific accounting policies for significant revenue items are explained below:

### i) Other income

Income from provision of services is recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

### ii) Service income

Income from the rendering of services to Auckland Council group entities is recognised when the service is provided. These services include Eke Panuku staff time on urban regeneration projects and marina operations, as well as council group property acquisitions and disposals. The income from services provided is calculated based on direct costs and staff time incurred or allocated to specific projects.

### iii) Funding from Auckland Council

Funding is recognised as revenue upon entitlement based on the eligibility of expenditure in accordance with the Statement of Intent between Eke Panuku and Auckland Council.

## m) Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the surplus or deficit in the Statement of Comprehensive Revenue and Expense on a straight-line basis over the period of the lease.

### Breakdown of forecast revenue

(\$million)	2024/25 LTP	2025/26 LTP	2026/27 LTP
Other income	1.2	1.2	1.3
Service income from Auckland Council group	18.4	18.8	18.6
Funding from Auckland Council	24.1	23.9	25.1
<b>Total Revenue</b>	<b>43.7</b>	<b>43.9</b>	<b>45.0</b>

### Breakdown of forecast other operating expenses

(\$million)	2024/25 LTP	2025/26 LTP	2026/27 LTP
Directors' fees and expenses	0.6	0.6	0.6
Lease payments under operating leases	-	0.3	0.4
Grants, contributions & sponsorship	0.1	0.1	0.1
Professional services	2.8	2.5	2.6
Repairs and maintenance	0.2	0.2	0.2
Utilities and occupancy	0.4	0.3	0.3
Other operating expenses	3.4	2.7	2.7
<b>Total operating expenses</b>	<b>7.5</b>	<b>6.7</b>	<b>6.9</b>