

Board Report

P u b l i c

Date
Friday,
29 March 2019

Time
3:30 pm

Venue
Panuku
Development
Auckland
82 Wyndham St



Board Agenda

Where: 82 Wyndham Street, Auckland

When: Friday, 29 March 2019 | 9.30 am – 4.00 pm

Board Members: Adrienne Young-Cooper – Chair
David Kennedy – Director
Richard Leggat – Director
Dr Susan Macken – Director
Paul Majurey – Director
Mike Pohio – Director
Martin Udale – Director
Paul Brown - Intern

In attendance: Roger MacDonald – Chief Executive
Monica Ayers – Director People and Culture
Jenni Carden – Executive Officer / Company Secretary
Angelika Cutler – Director Corporate Affairs
Carl Gosbee – Director Corporate Services
Rod Marler – Director Design and Place
David Rankin – Chief Operating Officer
Brenna Waghorn – Director Strategy
Ian Wheeler – Director Portfolio Management
Allan Young – Director Development

Confidential meeting		Page #	Timing
1.	<p>Procedural Motion to Exclude the Public</p> <p>Put the motion that, pursuant to clause 12.3 of the Panuku Constitution, the public be excluded from the following proceedings of this meeting, so that commercially sensitive issues can be discussed in confidential session.</p>		9.30 am
2.	<p>Confidential Governance Matters</p> <p>2.1 Apologies</p> <p>2.2 Directors' Interests <i>Withheld from the public under S7(2)(h) of the LGOIMA</i></p> <p>2.3 Minutes of 28 February 2019 Board meeting <i>Withheld from the public under S7(2)(h) of the LGOIMA</i></p> <p>2.4 Board Action List <i>Withheld from the public under S7(2)(h) of the LGOIMA</i></p> <p>2.5 Board Forward Work Programme <i>Withheld from the public under S7(2)(h) of the LGOIMA</i></p> <p>2.6 Verbal update Governing Body workshop 26 March 2019 <i>Withheld from the public under S7(2)(h) of the LGOIMA</i></p> <p>2.7 Board delegations to Chief Executive <i>Withheld from the public under S7(2)(h) of the LGOIMA</i></p> <p>2.8 Committee structure, membership and terms of reference <i>Withheld from the public under S7(2)(h) of the LGOIMA</i></p>		

	Morning Tea		10.30 am
3.	Confidential Strategic Discussion 3.1 Maori outcomes <i>Withheld from the public under S7(2)(h) and S7(2)(f)(i) of the LGOIMA</i>		
4.	Confidential Chief Executive's Report (fully confidential) <i>Withheld from the public under S7(2)(h) and S7(2)(b)(ii) of the LGOIMA</i>		
5.	Health and Safety Report <i>Withheld from the public under S7(2)(h) of the LGOIMA</i>		
	Lunch		12.30 pm
6.	Confidential Strategic Papers (papers which are fully confidential) 6.1 Information: Transfer of Assets owned by Panuku to Auckland Council <i>Withheld from the public under S7(2)(h), S7(2)(b)(ii) and S7(2)(g) of the LGOIMA</i> 6.2 Information: Waterfront planning update <i>Withheld from the public under S7(2)(h) of the LGOIMA</i> 6.3 Information: FY20 annual budget <i>Withheld from the public under S7(2)(h) of the LGOIMA</i> 6.4 Information: Unlock Northcote <i>Withheld from the public under S7(2)(h) and S7(2)(i) of the LGOIMA</i>		
7.	Confidential Decision Papers (papers which are fully confidential) 7.1 Wynyard Crossing business case <i>Withheld from the public under S7(2)(h) of the LGOIMA</i> 7.2 Queens Wharf legal delegation <i>Withheld from the public under S7(2)(h) of the LGOIMA</i> 7.3 Tavern Lane development <i>Withheld from the public under S7(2)(h), S7(2)(i) and S7(2)(b)(ii) of the LGOIMA</i> 7.4 Unlock Henderson – C40 Reinventing Cities <i>Withheld from the public under S7(2)(h) of the LGOIMA</i> 7.5 132 Greenlane East, Greenlane <i>Withheld from the public under S7(2)(h), S7(2)(i) and S7(2)(b)(ii) of the LGOIMA</i> 7.6 Takapuna Holiday Park <i>Withheld from the public under S7(2)(h), S7(2)(i) and S7(2)(b)(ii) of the LGOIMA</i>		

8.	Confidential Information Papers (papers which are fully confidential)		
8.1	Board strategy day outcomes <i>Withheld from the public under S7(2)(h) of the LGOIMA</i>		
8.2	Proposed development of Auckland Transport managed Park and Ride sites <i>Withheld from the public under S7(2)(h) and S7(2)(b)(ii) of the LGOIMA</i>		
8.3	Property market update <i>Withheld from the public under S7(2)(h) of the LGOIMA</i>		
9.	General Business		

Public meeting		Page	Timing
10.	Opening of Public Meeting		3.30 pm
10.1	Apologies		
10.2	Health and Safety Moment		
10.3	Directors' Interests		
10.4	Directors' Board Meeting Attendance Register		
10.5	Minutes of the 28 February 2019 Board meeting (public)		
11.	Health and Safety Report		
12.	Chief Executive's Report		
13.	Strategy Papers		
13.1	Information: Unlock Pukekohe		
14.	Decision Papers		
14.1	Downtown Marinas closure		
14.2	Westhaven Marina Limited appointment		
14.3	Auckland Council Entity Disclosure		
15.	Information Papers		
15.1	Mt Wellington go-kart		
15.2	Panuku report to Auckland Council – Q2		

Local Government Official Information and Meetings Act 1987.

7 Other reasons for withholding official information

(1) Where this section applies, good reason for withholding official information exists, for the purpose of [section 5](#), unless, in the circumstances of the particular case, the withholding of that information is outweighed by other considerations which render it desirable, in the public interest, to make that information available.

(2) Subject to [sections 6, 8, and 17](#), this section applies if, and only if, the withholding of the information is necessary to—

(a) protect the privacy of natural persons, including that of deceased natural persons; or

(b) protect information where the making available of the information—

(i) would disclose a trade secret; or

(ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information; or

(ba) in the case only of an application for a resource consent, or water conservation order, or a requirement for a designation or heritage order, under the [Resource Management Act 1991](#), to avoid serious offence to tikanga Maori, or to avoid the disclosure of the location of waahi tapu; or

(c) protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information—

(i) would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied; or

(ii) would be likely otherwise to damage the public interest; or

(d) avoid prejudice to measures protecting the health or safety of members of the public; or

(e) avoid prejudice to measures that prevent or mitigate material loss to members of the public; or

(f) maintain the effective conduct of public affairs through—

(i) the free and frank expression of opinions by or between or to members or officers or employees of any local authority, or any persons to whom [section 2\(5\)](#) applies, in the course of their duty; or

(ii) the protection of such members, officers, employees, and persons from improper pressure or harassment; or

(g) maintain legal professional privilege; or

(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities; or

(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or

(j) prevent the disclosure or use of official information for improper gain or improper advantage.

Directors' Interests as at 28 February 2019

Member	Interest	Company / Entity	Conflicts pre-identified?
Adrienne YOUNG-COOPER	Chair	Panuku Development Auckland Limited	
	Director	Cornwall Park Trust Board Incorporated	
	Chair	Housing New Zealand Corporation	
	Chair	Housing New Zealand Limited	
	Chair	Housing New Zealand Build Limited	
	Director	HLC Limited	
	Director	Queenstown Airport Corporation Limited	
	Director	SeaLink New Zealand Limited and related companies	Yes
	Director	Sir John Logan Campbell Residury Trust	
	Director	Sir John Logan Campbell Medical Trust Incorporated	
Dr Susan C. MACKEN	Deputy Chair	Panuku Development Auckland Limited	
	Chair	Kiwibank	
	Chair	Spa Electrics Ltd (Aust.)	
	Deputy Chair	Tāmaki Redevelopment Company Ltd	Possible
	Director	Blossom Bear Ltd	
	Director	STG Ltd	

Member	Interest	Company / Entity	Conflicts pre-identified?
David I. KENNEDY	Director	Panuku Development Auckland Limited	
	Director	525 Blenheim Road Limited	
	Director	Cathedral Property Limited	
	Director	Good General Practice Limited	
	Director	Grantley Holdings Limited	
	Director	Hobsonville Development GP Limited	
	Director	New Ground Living (Hobsonville Point) Limited	
	Director	Ngāi Tahu Justice Holdings Limited	
	Director	Ngāi Tahu Property (CCC-JV) Limited	
	Director	Ngāi Tahu Property Joint Ventures Limited	Possible, Unlock Northcote
	Director	Ngāi Tahu Property Joint Ventures (No.2) Limited	
	Director	Ngāi Tahu Real Estate Limited	
	Director	NTP Development Holdings Limited	
	Director	NTP Investment Holdings Limited	
	Director	NTP Investment Property Group Limited	
Director	Prestons Road Limited		
Richard I. LEGGAT	Director	Panuku Development Auckland Limited	
	Chairman	NZ Cycle Trail Incorporated	
	Director	Cycling NZ	
	Director	Hamilton Waikato Tourism	
	Director	Mortleg Ltd	
	Director	Snowsports NZ	
	Director	Trophy Metropolitan Ltd	
	Director	Warren and Mahoney	
	Director	Winter Games New Zealand	
	Panel Member	NZ Markets Disciplinary Tribunal	
	Member	Union Cycliste Internationale Ethics Commission	

Member	Interest	Company / Entity	Conflicts pre-identified?
Paul F. MAJUREY	Director	Panuku Development Auckland Limited	
	Chair	Hauraki Collective (12 iwi collective)	
	Chair	Mana Whenua & Crown Working Group (proposed Hauraki Gulf / Tikapa Moana Recreational Fishing Park)	
	Chair	Marutūāhu Rōpū General Partner Ltd	
	Chair	Marutūāhu Collective (5 iwi collective)	
	Chair	Puhinui Park Limited	
	Chair	Tāmaki Makaurau Community Housing Ltd	
	Chair	Te Pūia Tāpapa	
	Chair	Tūpuna Maunga o Tāmaki Makaurau Authority	
	Chair	Whenuapai Housing General Partner Ltd	
	Co-Chair	Sea Change Marine Spatial Plan Project	
	Director	Arcus Property Limited	
	Director	Atkins Holm Majurey Ltd	
	Director	Ngāti Maru Ltd	
	Director	Pare Hauraki Asset Holdings Ltd	
	Director	Pouarua Farm General Partner Ltd	
	Director	Tikapa Moana Enterprises Ltd	
	Trustee	Crown Forestry Rental Trust	
	Trustee	Hauraki Fishing Group	
	Mana Whenua Representative	Hauraki Gulf Forum	

Member	Interest	Company / Entity	Conflicts pre-identified?
Michael E. POHIO	Director	Panuku Development Auckland Limited	
	Chairman	BNZ Partners Waikato	
	Director	Argosy	
	Director	KiwiRail Ltd	
	Director	National Institute of Water & Atmospheric Research Ltd	
	Director	NIWA Vessel Management Ltd	
	Director	Ospri New Zealand Ltd	
	Director	<ul style="list-style-type: none"> National Animal Identification and Tracing Ltd 	
	Director	TBFree	
	Director	Te Atiawa Iwi Holdings	
	Director	Te Atiawa (Taranaki) Holdings Ltd	
	Director	The Rees Management Limited	
	C. Martin UDALE	Director	Panuku Development Auckland Limited
Director		Accessible Properties New Zealand Limited	
Director		Cardinal Trustees Ltd	
Director		Essentia Consulting Group Ltd	Possible, with Transform Manukau (MIT)
Director		Fleming Urban Ltd	
Director		Forest Group Ltd	
Director		Hobsonville Development GP Ltd	
Director		New Ground Living (Hobsonville Point) Ltd	
Director		Tall Wood Ltd	
Director		Tallwood Assembly Limited	
Director		Tallwood Design Limited	
Director		Tallwood Holdings Limited	
Director		Tallwood Projects Limited	
Director		Tāmaki Redevelopment Company Ltd	Possible
Director		Tāmaki Regeneration Ltd	
Director		THA GP Limited	
Director		TW Twenty Twenty Ltd	
Member		Kiwi Rail Property Committee	

MINUTES OF THE MEETING OF DIRECTORS OF PANUKU DEVELOPMENT AUCKLAND LIMITED, HELD IN **CONFIDENTIAL** SESSION AT 82 WYNDHAM ST, AUCKLAND ON THURSDAY 28 FEBRUARY 2019 COMMENCING AT 9.00 AM.

ATTENDING		<p>Board: Adrienne Young-Cooper (Chair), David Kennedy, Richard Leggat, Dr Susan Macken, Paul Majurey and Martin Udale.</p> <p>Board Intern: Paul Brown</p> <p>Executive: Roger MacDonald – Chief Executive, David Rankin – Chief Operating Officer, Monica Ayers – Director People and Culture, Angelika Cutler – Director Corporate Affairs, Carl Gosbee – Director Corporate Services, Rod Marler – Director Design and Place, Brenna Waghorn – Director Strategy, Ian Wheeler – Director Portfolio Management, Allan Young – Director Development, Jenni Carden – Company Secretary.</p>								
1 PROCEDURAL MOTION TO EXCLUDE THE PUBLIC	1 02/19	<p>The Panuku Board agreed that, pursuant to clause 12.3 of the Panuku Constitution and the provisions of Section 48(1)(a) of the Local Government Official Information & Meetings Act 1987, the public be excluded from the meeting for the following proceeding, the subject matter, the reasons and specific grounds for exclusions being set out below:</p> <table border="1" data-bbox="683 925 1390 1182"> <thead> <tr> <th data-bbox="683 925 1034 1003">General subject of matters to be considered</th> <th data-bbox="1034 925 1390 1003">Grounds under Section 48(1) for considering in private</th> </tr> </thead> <tbody> <tr> <td data-bbox="683 1003 1034 1059">Governance; Committee report</td> <td data-bbox="1034 1003 1390 1059">Commercially sensitive issues</td> </tr> <tr> <td data-bbox="683 1059 1034 1115">Finance and Risk</td> <td data-bbox="1034 1059 1390 1115">Commercially sensitive issues</td> </tr> <tr> <td data-bbox="683 1115 1034 1182">Management and operations</td> <td data-bbox="1034 1115 1390 1182">Commercially sensitive issues</td> </tr> </tbody> </table>	General subject of matters to be considered	Grounds under Section 48(1) for considering in private	Governance; Committee report	Commercially sensitive issues	Finance and Risk	Commercially sensitive issues	Management and operations	Commercially sensitive issues
General subject of matters to be considered	Grounds under Section 48(1) for considering in private									
Governance; Committee report	Commercially sensitive issues									
Finance and Risk	Commercially sensitive issues									
Management and operations	Commercially sensitive issues									
2.0 APOLOGIES	2 02/19	<i>Withheld from the public under S7(2)(h) of the LGOIMA</i>								
2.1 OPENING REMARKS	3 02/19	<i>Withheld from the public under S7(2)(h) of the LGOIMA</i>								
2.2 DIRECTORS' INTERESTS	4 02/19	<i>Withheld from the public under S7(2)(h) of the LGOIMA</i>								
2.3 MINUTES OF 29 JANUARY 2019 BOARD MEETING CONFIDENTIAL GOVERNANCE MATTER	5 02/19	<i>Withheld from the public under S7(2)(h) of the LGOIMA</i>								
2.4 BOARD ACTION LIST CONFIDENTIAL GOVERNANCE MATTER	6 02/19	<i>Withheld from the public under S7(2)(h) of the LGOIMA</i>								
2.5 BOARD FORWARD WORK PROGRAMME CONFIDENTIAL GOVERNANCE MATTER	7 02/19	<i>Withheld from the public under S7(2)(h) of the LGOIMA</i>								
2.6 VERBAL UPDATE FROM TRANSFORMATION COMMITTEE 12 FEBRUARY 2019	8 02/19	<i>Withheld from the public under S7(2)(h) of the LGOIMA</i>								

3.1 HEALTH AND SAFETY DEEP DIVE: PANUKU CONTRACT MANAGEMENT FRAMEWORK CONFIDENTIAL STRATEGY DISCUSSION	9 02/19	<i>Withheld from the public under S7(2)(h) of the LGOIMA</i>
4.1 DECISION: DRAFT PANUKU DEVELOPMENT AUCKLAND STATEMENT OF INTENT 2019-22 CONFIDENTIAL STRATEGY PAPER	10 02/19	<i>Withheld from the public under S7(2)(h) of the LGOIMA</i>
4.2 INFORMATION: UNLOCK NORTHCOTE MASTERPLAN CONFIDENTIAL STRATEGY PAPER	11 02/19	<i>Withheld from the public under S7(2)(h) and S7(2)(b)(ii) of the LGOIMA</i>
4.3 DECISION: UNLOCK NORTHCOTE – ACQUISITION OF PROPERTY AND LEASEHOLD INTERESTS IN THE TOWN CENTRE CONFIDENTIAL STRATEGY PAPER	12 02/19	<i>Withheld from the public under S7(2)(h) and S7(2)(i) of the LGOIMA</i>
4.4 INFORMATION: UNLOCK NORTHCOTE – GO-TO-MARKET STRATEGY GUIDANCE CONFIDENTIAL STRATEGY PAPER	13 02/19	<i>Withheld from the public under S7(2)(h) and S7(2)(i) of the LGOIMA</i>
5.1 TRANSFORM MANUKAU – JOINT CROWN/COUNCIL PROGRAMME BUSINESS CASE CONFIDENTIAL DECISION PAPER	14 02/19	<i>Withheld from the public under S7(2)(h) and S7(2)(b)(ii) of the LGOIMA</i>
5.2 TRANSFORM WATERFRONT – WEST ONE STAGE 2B REVISED LV1 VALUE CONFIDENTIAL DECISION PAPER	15 02/19	<i>Withheld from the public under S7(2)(h), S7(2)(i) and S7(2)(b)(ii) of the LGOIMA</i>
5.3 TRANSFORM WATERFRONT – WESTHAVEN PROMENADE STAGE 2	16 02/19	<i>Withheld from the public under S7(2)(h) of the LGOIMA</i>

CONFIDENTIAL DECISION PAPER		
5.4 TRANSFORM WATERFRONT – SEALINK RELOCATION CONFIDENTIAL DECISION PAPER	17 02/19	<i>Withheld from the public under S7(2)(h), S7(2)(i) and S7(2)(b)(ii) of the LGOIMA</i>
BOARD ONLY TIME	18 02/19	<i>Withheld from the public under S7(2)(h) of the LGOIMA</i>
6 CONFIDENTIAL CHIEF EXECUTIVE’S REPORT	19 02/19	<i>Withheld from the public under S7(2)(h), S7(2)(i) and S7(2)(b)(ii) of the LGOIMA</i>
7.1 TRANSFORM WATERFRONT – WYNYARD CROSSING OPTIONS UPDATE CONFIDENTIAL INFORMATION PAPER	20 02/19	<i>Withheld from the public under S7(2)(h), S7(2)(i) and S7(2)(b)(ii) of the LGOIMA</i>
7.2 PROJECTED HOUSING SUPPLY CONFIDENTIAL INFORMATION PAPER	21 02/19	<i>Withheld from the public under S7(2)(h) and S7(2)(b)(ii) of the LGOIMA</i>
8 GENERAL BUSINESS	22 02/19	<i>Withheld from the public under S7(2)(h) of the LGOIMA</i>

MINUTES OF THE MEETING OF DIRECTORS OF PANUKU DEVELOPMENT AUCKLAND LIMITED, HELD IN **PUBLIC** SESSION AT 82 WYNDHAM ST, AUCKLAND ON THURSDAY 28 FEBRUARY 2019 COMMENCING AT 3.00 PM.

9.1 APOLOGIES	23 02/19	Mike Pohio, Richard Leggat, Allan Young, Monica Ayers, Rod Marler, Ian Wheeler.
9.2 HEALTH AND SAFETY MOMENT	24 02/19	David Kennedy led the health and safety moment advising the WorkSafe website provides details of investigations and findings.
9.3 DIRECTORS' INTERESTS	25 02/19	The Panuku Board reviewed and received the Register of Directors' Interests and the identified interests for specific projects.
9.4 DIRECTORS' BOARD MEETING ATTENDANCE REGISTER	26 02/19	The Panuku Board noted the Board Attendance Register.
9.5 MINUTES OF THE 29 JANUARY 2019 BOARD MEETING	27 02/19	The Panuku Board reviewed and approved the Minutes of the Board Meeting of 29 January 2019, with confidential information redacted, as a true and accurate record of the meeting.
10 HEALTH AND SAFETY REPORT PUBLIC INFORMATION PAPER	28 02/19	<p>David Rankin, Chief Operating Officer, introduced the report.</p> <p>The board discussed the following take-aways from the Health & Safety deep-dive:</p> <ul style="list-style-type: none"> • Health and Safety is the responsibility of the whole board; • board needs to take ownership of reporting. Some directors are used to seeing dashboards: <ul style="list-style-type: none"> – TRIFR rate – Trends – Actual incidents – Close out • Directors due diligence responsibilities: It was helpful to be reminded of these and the material in the resource centre; • Near miss reporting <p>Ratio of reporting of near misses to actual incidents/serious harm, tells you a lot about the culture. The value of near misses is they are free learnings.</p> <p>Executive to provide the board with a proposal for more substantive, in-depth health and safety reporting that is high on insight, rather than just retrospective facts.</p> <p>The Panuku Board received the report.</p>
11 CHIEF EXECUTIVE'S REPORT PUBLIC INFORMATION PAPER	29 02/19	<p>The Chief Executive spoke to the public matters in the report. The following items were discussed:</p> <ul style="list-style-type: none"> • 2.3.12 Pukekohe <p>outline of the opportunity, early oversight in advance of the High Level Project Plan (HLPP)</p> <p>The Panuku Board received the public report, with confidential information redacted.</p>

<p>12.1 HOUSING MIX POLICY</p> <p>PUBLIC STRATEGY PAPER</p>	<p>30 02/19</p>	<p>Brenna Waghorn, Director – Strategy, introduced the report.</p> <p>The board received the report and discussed a range of matters related to this paper including:</p> <ul style="list-style-type: none"> • Guidance is consistent with Panuku’s current mandate, our purpose statement and Statement of Intent (SOI); • Engagement with Auckland Council Planning Committee Chair, Chris Darby; • Workshop with Auckland Council Planning Committee; • Meeting with IMSB; • Working with Māori, Mana Whenua, Mataawaka; • implications of the local government elections and this guidance. <p>Following the conclusion of discussions, the Panuku Board:</p> <ol style="list-style-type: none"> 1. Approved the Guidance on Housing Mix on Precincts and Panuku sites. 2. Notes that the Executive will bring back a report to the Board and recommendations on any changes to the housing mix policy arising from any new direction/s provided by Auckland Council.
<p>13.1 DISPOSALS PROGRAMME</p> <p>PUBLIC INFORMATION PAPER</p>	<p>31 02/19</p>	<p>David Rankin, Chief Operating Officer, introduced the report.</p> <p>The Panuku Board received the report.</p> <p>The board requested a paper to the March meeting on the Auckland Transport Park and Ride sites.</p>
<p>CLOSE OF BOARD MEETING</p>	<p>32 02/19</p>	<p>The meeting closed at 4.14pm.</p>

READ AND CONFIRMED

_____ **Chair**

_____ **Date**

Chief Executive's Report

Document Author	Roger MacDonald – Chief Executive
Contributors	David Rankin – Chief Operating Officer Monica Ayers – Director People and Culture Jenni Carden – Executive Officer/Company Secretary Angelika Cutler – Director Corporate Affairs Carl Gosbee – Director Corporate Services Rod Marler – Director Place and Design Brenna Waghorn – Director Strategy Ian Wheeler – Director Portfolio Management Allan Young – Director Development
Date	22 March 2019

1. Overview

This report provides the board with a summarised overview of the opportunities and the issues facing the organisation.

This report is a public report, however confidential information is redacted. Information that has been redacted is indicated in **blue font**. Where redacted information exists, a reference to the section of the Local Government Official Information and Meetings Act 1987 (LGOIMA) will be cited in the publicly available version of the report.

1.1 Support for staff following the events in Christchurch

Following the heart-breaking events in Christchurch on Friday 15 March, Employee Assistance Programme (EAP) services have been offered to staff, and in the following week the company got together on two occasions to acknowledge the tragedy and pay our respects.

We affirmed that along with all of New Zealand, our hearts go out to the Muslim community and all those touched by this tragic event. It is truly horrifying to think something like this could happen close to home and we join in unity with our fellow Kiwis of the Muslim faith in their anger, loss and grief.

Panuku celebrates being a multi-cultural, multi-ethnic workplace and we stand against all forms of racism, discrimination or xenophobia. We share core values of welcome and inclusion, and our vision – Shaping Space for Aucklanders to Love – encapsulates exactly these values, as we create a city where people feel safe and included, and experience Aroha.

The Auckland Emergency Management Emergency Coordination Centre (ECC) remains activated, supporting the Auckland Council group's response to the attack. We continue to work with ECC where necessary and have altered operational and event planning in line with their guidance.

2. Key issues

This section outlines issues that are not otherwise covered by a Decision or Information Paper elsewhere in the agenda and are either:

- Strategically significant issues;
- Emerging and/or developing issues; or
- Project updates.

2.1 Strategically significant issues

2.1.1 Umbrella agreement

Withheld from the public under S7(2)(b)(ii) of the LGOIMA

2.1.2 America's Cup 36

Withheld from the public under S7(2)(b)(ii) of the LGOIMA

2.1.3 Mana Whenua engagement update

A milestone was reached this month as we reached agreement with Mana Whenua regarding the Pile Mooring Redevelopment consent issued in December 18. The work resulted in the withdrawal of the broad substantive appeals that some iwi has submitted. A remaining appeal, filed by Ngāti Whātua Orākei (in support of the consent) seeking a determination from the Environment Court to recognise that it has primary Mana Whenua interests in that part of the Waitemata / CBD, remains to be heard by the Environment Court. Other iwi have now joined this appeal.

The Environment Court has placed the appeal on the "priority" track which means it will case manage the appeals closely. The first step is mediation which is scheduled for the 26 and 27 March. This will be followed by an exchange of evidence in mid-April with a likely hearing set down for early July.

Work continues to explore what partnership looks like with Mana Whenua at both a governance and an operational level. We have catalyst projects that we are using as the platform to test the principles and values that arise from our partnership korero. Strong imagery of a waka hourua (essentially a double hulled waka) is emerging through these early hui to represent important concepts to underpin our journey including:

- The wake of the waka is where the projects lie and can cut through process/red tape.
- The lashing of the hulls is where the strength in the relationship lies – keeping the waka running in parallel.
- The stars are future projects / opportunity. These allow us to navigate projects on the horizon and beyond.

2.2 Emerging and/or developing issues/initiatives

2.2.1 Local Government Election impacts

Political challenges are emerging with mayoral candidates investing time/money into their campaigns. Candidates John Tamihere and Christine Fletcher have requested a meeting with the Chair and Chief Executive before the end of April. Panuku is complying with the

Auckland Council policy and processes (circulated to board via email) regarding the provision of information to candidates.

2.2.2 Targeted Rates viable in location case study

Withheld from the public under S7(2)(b)(ii) of the LGOIMA

2.2.3 Government Priorities, Panuku engagement, advocacy and planning

Panuku partnership with the future HUDA and involvement in LRT will be clarified over the next 6 months. *Withheld from the public under S7(2)(b)(ii) of the LGOIMA*. Panuku is also attending the Auckland Council Growth Agenda workstream to coordinate input into crown projects.

2.2.4 Panuku Climate Change Adaptation and Mitigation Strategy

Withheld from the public under S7(2)(b)(ii) of the LGOIMA

2.3 Priority location project updates

Transform

2.3.1 Manukau

Withheld from the public under S7(2)(b)(ii) and S7(2)(i) of the LGOIMA

2.3.2 Waterfront

Vos Shed Restoration

Construction is progressing well with Legacy Construction but due to the extent of asbestos remediation and their methodology this will impact on the programme. *Withheld from the public under S7(2)(b)(ii) and S7(2)(i) of the LGOIMA*. The project team met with the Percy Vos Charitable Trust members at the end of February, to discuss and agree how they and Panuku can work together moving forward.

Queens Wharf – Cruise Berth Upgrade (Mooring Dolphins)

The hearings for Queens Wharf resource consent are complete. A decision from the commissioners is expected within 20 working days following the close of the hearing. We anticipate a decision at the beginning of April.

Wynyard Bridge Crossing

A separate report is on the agenda in relation to this project. Refer agenda item 6.1.

Westhaven Pile Mooring Redevelopment

Withheld from the public under S7(2)(b)(ii), S7(2)(h) and S7(2)(i) of the LGOIMA

30 Madden Street (West 1 Site)

Withheld from the public under S7(2)(b)(ii) of the LGOIMA

Westhaven Marine Village

Withheld from the public under S7(2)(b)(ii), S7(2)(h) and S7(2)(i) of the LGOIMA

Unlock

2.3.3 City Centre

Civic Administration Building

Withheld from the public under S7(2)(h), S7(2)(i) and S7(2)(b)(ii) of the LGOIMA

Corporate Property Rationalisation - Bledisloe Car Park Site

The EOI process to identify a development party for the Bledisloe car park site commenced on 16 March 2019. This process is intended to find a development party to purchase and develop this significant site adjacent to the Aotea CRL station.

Withheld from the public under S7(2)(h), S7(2)(i) and S7(2)(b)(ii) of the LGOIMA

2.3.4 Henderson

Unlock Henderson is the focus of the Panuku Transformation Committee on Friday 29 March. Programme details will be discussed at this time.

2.3.5 Hobsonville

Airfields Stage 2 Avanda

Withheld from the public under S7(2)(h) and S7(2)(b)(ii) of the LGOIMA

Airfields Stage 3 Employment Precinct

Withheld from the public under S7(2)(h) and S7(2)(b)(ii) of the LGOIMA

2.3.6 Northcote

A separate report is on the agenda in relation to this location. Refer agenda item 5.4.

2.3.7 Ormiston & Flat Bush

Ormiston Town Centre

Todd are progressing the construction of the town centre on programme *Withheld from the public under S7(2)(h) and S7(2)(b)(ii) of the LGOIMA*

187 Flat Bush School Road

Withheld from the public under S7(2)(h) and S7(2)(b)(ii) of the LGOIMA

2.3.8 Panmure

Withheld from the public under S7(2)(h), S7(2)(i) and S7(2)(b)(ii) of the LGOIMA

2.3.9 Papatoetoe

A separate report is on the agenda in relation to this location. Refer agenda item 6.3.

2.3.10 Pukekohe

A separate report is on the agenda in relation to this location. Refer agenda item 13.1.

2.3.11 Takapuna

Anzac Street and Hurstmere Road

The process to seek Expressions of Interest for the development sites of 40 Anzac Street and 30-38 Hurstmere Road commenced on 2 March. *Withheld from the public under S7(2)(h), S7(2)(i) and S7(2)(b)(ii) of the LGOIMA*

Gasometer development site

Withheld from the public under S7(2)(h), S7(2)(i) and S7(2)(b)(ii) of the LGOIMA

2.3.12 Haumaru

33 Henderson Valley Road

Alaska Construction is making good progress on site and achieved critical milestone of completing roof framing in March 2019. Internal timber wall framing and services has commenced in advance of programme in lower three levels, and the window installation has been completed for ground floor. There has been no health and safety incident recorded in the last month. The overall programme is on schedule to achieve practical completion by 30 June with tenants move-in from August.



2.3.13 Supports

198 Dominion Valley Road, Mt Eden

Withheld from the public under S7(2)(h) and S7(2)(b)(ii) of the LGOIMA

3. Performance reporting

3.1 Monthly performance dashboard

The monthly performance dashboard is attached as Attachment A which is withheld from the public under S7(2)(b)(ii) of the LGOIMA. The Board receives comprehensive reporting each quarter.

Programme status and financials

Withheld from the public under S7(2)(b)(ii) of the LGOIMA

People

Withheld from the public under S7(2)(b)(ii) of the LGOIMA

3.2 Risk Management Update

Withheld from the public under S7(2)(b)(ii) of the LGOIMA

3.3 Placemaking Update

February, sitting within the summer season, is a very busy period for the Waterfront, with regular projects like Silo Cinema in full swing, and a large quantity of external hirers and groups being enabled utilise our public spaces.

Work across the project areas remains deliberately consistent, with our key focus being on building successful, trusting relationships with local activators and community leaders. The most successful and heartening of these remains Kaipatiki Community Facilities Trust in Northcote, who are hugely supportive of the Panuku place-led approach in their area. Takapuna is providing excellent opportunities to properly dovetail our placemaking processes with the design journey, via the site at 38 Hurstmere Rd, and our work in the Mana Whenua/Mātauranga Māori space remains a core inspiration for the team.

One particular highlight from February is the progress made on the Awataha Greenway Project in terms of project planning, relationship building and regenerative practice, the first stage of which was marked on Saturday March 2 at the Awataha Greenway Project Blessing and Jessie Tonar Scout Reserve Community-led Restoration Project commencement.

The Awataha Project began with a heart-felt and well attended blessing at Jessie Tonar Scout Reserve (the source of the Awataha). The blessing was followed by the inaugural community restoration day in the reserve. Both were well attended by a mix of project partners, Mana Whenua, political representatives (Local Board and Councillor Hills) and local community. This was an important milestone for a project that has its inception in the community, and will ultimately form a key part of the suburban regeneration of Northcote.

This project also represents key partnerships with local environmental group Kaipātiki Project and Mana Whenua. Both have been actively involved in shaping up the proposed restoration and community partnership approach.

4. Portfolio Management

4.1 Earthquake-prone Buildings – Update

Panuku has obligations under the Earth Quake Prone (EQP) 2016 Building Act amendments and the Health and Safety at Work Act (HSWA) to manage seismic-related risks along with other more general risks *Withheld from the public under S7(2)(b)(ii) of the LGOIMA*

To date, Panuku continues to take a risk-based management approach for existing buildings and buildings that are added to the portfolio. This includes:

- Segregating buildings by pre- or post-1976 Construction Year, whether they are of single or multi-level construction, and whether they consist of predominantly Un-reinforced Masonry or other construction material types.

- Undertaking Initial Seismic Assessments, followed by Detailed Seismic Assessments (on an as required basis). This is an ongoing exercise to assist with prioritising how this risk is best managed, planning investment in upgrading buildings including seismic strengthening and as new properties are added to the portfolio.
- Assessing the overall portfolio risk profile and prioritise the building remediation program.
- Undertaking renewal projects including seismic strengthening across relevant parts of the portfolio.
- Ongoing engagement with existing and prospective building occupants and other stakeholders to ensure clear communication and cooperation on relevant matters.

Withheld from the public under S7(2)(b)(ii) of the LGOIMA

4.2 Whitford Quarry and landfill

Withheld from the public under S7(2)(h) and S7(2)(b)(ii) of the LGOIMA

4.3 Approval of Debt Write Off – approved under delegation – Board Notification – 3 Victoria Road Devonport

In accordance with the Panuku Development Auckland delegations all requests to write off debt over \$25k are required to be reported to the board *Withheld from the public under S7(2)(h) and S7(2)(b)(ii) of the LGOIMA*

In accordance with Panuku's delegations policy, a write off over \$25K requires:

- sign off by the Chief Executive
- that the Board be notified (but not required to approve) this matter.

Withheld from the public under S7(2)(h) and S7(2)(b)(ii) of the LGOIMA

4.4 Corporate Property Programme – Graham St Marketing

Withheld from the public under S7(2)(h) and S7(2)(b)(ii) of the LGOIMA

4.5 Acquisitions and Disposals Summary

The Acquisitions Summary is attached as Attachment B and the Disposals Summary is attached as Attachment C. Both of these reports are withheld from the public under S7(2)(b)(ii) of the LGOIMA.

5. Organisational Summary

5.1 Large Scale Development Partners

Our larger town centre projects carry a high degree of uncertainty and complexity around delivery issues. These issues include determining a commercially viable and desirable masterplan, carrying out development across multiple property cycles, infrastructure

enablement and the cost of private property acquired including compulsorily acquisition, in order to deliver the required urban renewal (the public work).

Withheld from the public under S7(2)(b)(ii) of the LGOIMA

5.2 Chief Executive's Networks

Since the board met on 28 February, the Chief Executive has continued to build relationships with stakeholders, Mana Whenua and the local community, within both the political and community arenas.

He has also attended various Auckland Council meetings, including the City Centre and Waterfront Executive's Steering Group, CCO CEO's regular catch-up with Stephen Town and regular AC36 JCEG (Joint Chief Executive Group) meetings.

Withheld from the public under S7(2)(b)(ii) of the LGOIMA

5.3 Media and digital summary

As the curtain fell on Wynyard Quarter's summer programme, independent property advisors Twenty Two shared a luminous blog about the regeneration of Wynyard Quarter, in which Panuku is acknowledged. The blog has been shared on Panuku's Twitter and LinkedIn profiles.

A brand new website, www.yourwaterfront.co.nz, was launched to showcase all things waterfront from events to activities to the many people who live, work and play there. In celebration of International Women's Day, a social media campaign 'Women of the waterfront' ran on Your Waterfront's Facebook and Instagram profiles. The campaign featured nine recognisable women from the waterfront, including many of Panuku's own people such as Place Making Manager Frith Walker, who shared their stories and experiences with the public. A total of 30 posts were shared, attracting more than 1000 engagements across the platforms.

The announcement of a location for Avondale's new community centre, which forms part of our Unlock project, was reported positively by Radio New Zealand (RNZ). The article included a supportive comment from Whau Local Board chair Tracy Mulholland who referred to the milestone as a 'significant move for the suburb'.

Since no media had attended the hearing for the proposed Queens Wharf mooring dolphin by its penultimate week, Panuku and ATEED approached Newshub to cover the story, offering an interview with Panuku/ATEED Project Manager John Smith. The purpose of this was to tackle the slew of misinformation being shared by groups opposed to the dolphin, namely Stop Stealing Our Harbour (SSOH) by providing the facts of the project to the public. In particular, the accusation that the economic benefits stated in the application for the dolphin have been inflated. The Newshub segment aired on the 6pm bulletin and sparked the interest of RNZ who invited John to appear on Nine to Noon with Kathryn Ryan alongside SSOH's Michael Goldwater the following week. The interview provided another opportunity for Panuku to clarify inaccurate information being shared by Mr Goldwater and inform listeners that the economic value estimated for the dolphin has been provided by several independent economists using methods that are consistent with Treasury guidelines and have been reviewed and agreed with by Council's Chief Economist Unit.

Continuing these efforts, an information page on the mooring dolphin was published on the Panuku website with images, a video and, extending our 'A City of Neighbourhoods' series, a podcast featuring an interview with John Smith. A rally in protest of the proposal was then held by SSOP, attracting about 200 people and coverage from all major broadcast and print media outlets including the Herald, RNZ and Three, but with the mayoral race underway, opposers' focus shifted away from Panuku and onto Auckland Mayor Phil Goff who came under fire for supporting the project.

A package of information about the sale of residential properties was provided to RNZ reporter Kymberlee Davies for a story about alternatives ways for first time buyers to get on the housing ladder. RNZ also published a story on Panuku's legal costs for mediation underway between Auckland Council and Panuku over the Dominion and Valley roads development. The story was the result of a LGOIMA. Panuku was asked to comment on the costs and the process but since the matter is before the Environment Court, we are unable to do so.

A story about upgrades being made to Hurstmere Road in Takapuna was shared on the OurAuckland website and through Panuku's social channels.

The Sunday Star Times spoke to Ian Wheeler, Director Portfolio Management, about a motor racing club that says its future is under threat since being evicted from Mt Wellington Racetrack as a result of Panuku having been tasked with securing a commercial return on the lease for the site. The story has been running for several years, during which time Council's Parks, Sports and Recreation team has continued to support the club in relocating to a new racetrack, Colin Dale, the completion of which has been delayed.

Panuku's new podcast, A City Of Neighbourhoods, has continued with three more episodes recorded in as many weeks, including interviews with Wynyard Quarter-based entrepreneur Dale Clareburt, Commercial Place Operations Manager Connie Clarkson and, as previously mentioned, John Smith.

Interest.co.nz reported on a decision by council's planning committee to endorse the development of a region wide marina strategy prioritising the marinas it owns including Gulf Harbour, Hobsonville (Westpark), Half Moon Bay and Westhaven. The article reflects on community engagement led by Panuku in Hobsonville and Gulf Harbour marinas in mid-2018.

Stuff Auckland reporter Todd Niall asked Panuku about a crop of pohutukawa trees on Queens Wharf that appear to be in poor condition. Regional Facilities Auckland (RFA) is responsible for the management of Queens Wharf facilities including the trees and so will respond to questions on the matter.

Hibiscus Matters followed up a story about an Auckland Transport-owned Whangaparaoa property for which funding has been allocated for refurbishments so Panuku, as the property manager, can seek a commercial return for the lease. The article focused on the future of a community group that currently leases the ground floor of the two-level property and who say they may not be able to afford an increase in rent.

Health and Safety Monthly Reporting – February 2019

Document Author(s)	Blair McMichael – Health and Safety Manager
Approver	David Rankin – Chief Operating Officer
Date	11 March 2019

1. Purpose

This paper informs the board on progress against key health and safety objectives from our Health and Safety Plan 2018/19, recent incidents, the monitoring and management of risks, and staff wellbeing and training.

2. Executive summary

The report summarises last months' health and safety deep dive by the board on the contract management framework, clarifying the levels of influence and control our business has across its various supplier relationships. The deep dive was also an opportunity to test this approach through lawyers, Kensington Swan.

The executive has concerns that our health and safety software, after two years, no longer aligns to our business requirements and reporting analytics. This conclusion has led us to consider alternatives within the market.

Our top four health and safety risks are discussed, including both the existing controls and safety improvement workstreams.

There were three first aid injuries (minor) reported this month. A Medical Treatment Injury (MTI) was also reported when a staff member bruised their thumb.

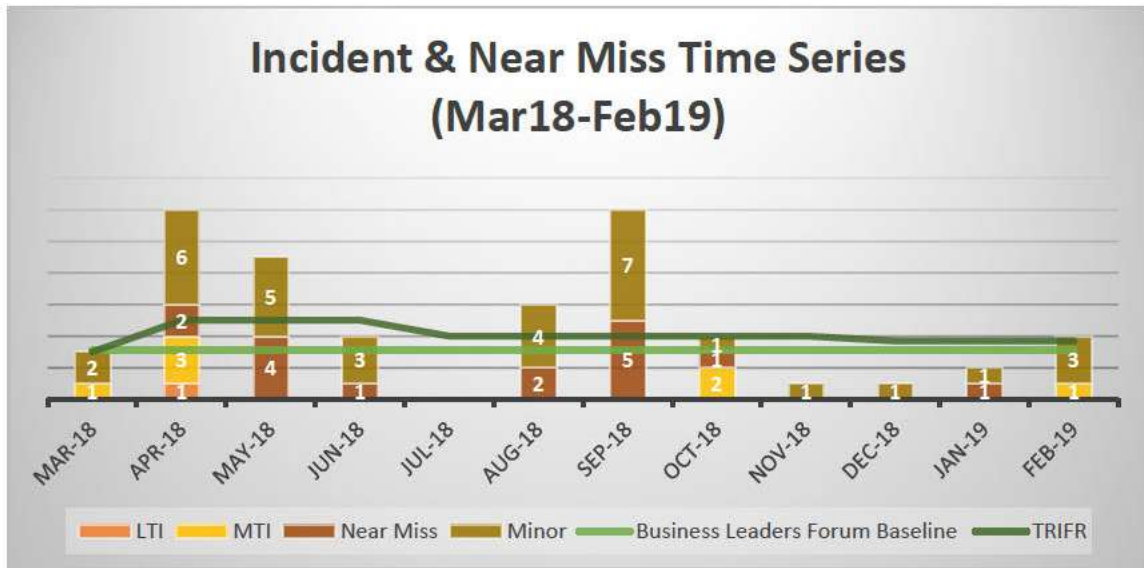
On the health and wellbeing front, we had staff member report a suspected case of mumps.

Asbestos remediation work continues as part of the Vos shed refurbishment. A summary of health and safety training, year to date, is included.

Progress against our health and safety plan 2018/19 is largely on-track. Exceptions include a delay implementing our contract management framework within our place-making team, communication of our hierarchy of risk registers, and a revised approach to implementing a contractor module of our health and safety software.

A summary is provided to the board on officer due diligence and how we are currently meeting or plan to meet these responsibilities in accordance with the Health and Safety at Work Act.

3. Incidents, accidents and hazards – Panuku employee and contractors

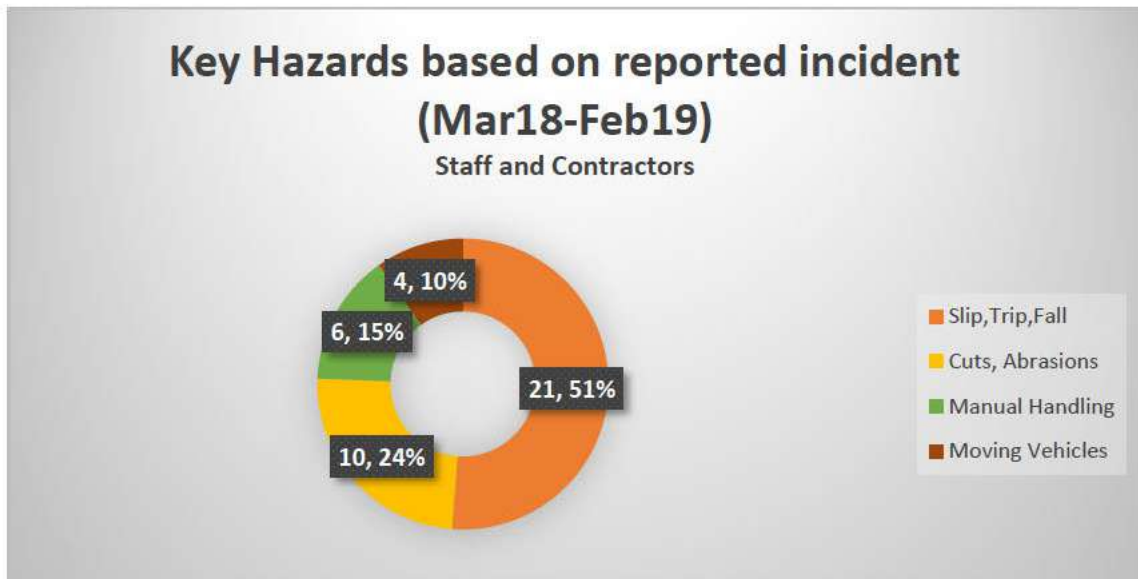


3.1 Highlights – February

Panuku's Total Recordable Incident Frequency Rate (TRIFR) at 3.78 is tracked and compared against the NZ Business Leaders Health and Safety Forum TRIFR at 3.1. Panuku has used the Business Leaders Forum TRIFR as a benchmark, aligning to Housing New Zealand with property management and development similarities. The TRIFR is a lag indicator and a frequency rate which is dependent on good reporting and accurate working hours. To make this figure more meaningful, and based on our low number of actual incidents, we have grouped employee and contractor incidents together. As our health and safety software does not capture contractor hours worked, we believe this is skewing our TRIFR, higher than it should otherwise be. We will be reviewing these results during April.

There have been three minor incidents this month. All three affecting our marinas team resulting in first aid treatment. A Medical Treatment Injury (MTI) was reported when a marina staff member bruised their thumb while retrieving a damaged mooring. An MRI was completed confirming no permanent damage to the thumb. Alternative controls for retrieving moorings are under review.

3.2 Incident Trends







The above pie chart highlights Panuku recorded incidents by hazard type. These hazard types, or categories, are listed by both the actual number of occurrences and the total % frequency of occurrence. Where practical we will use this data to influence safety going forward. For example, slips, trips, and falls are frequently recorded as low risk occurrences. None of the 21 incidents reported in this category has resulted in serious harm. However, analysis of manual handling hazards such as back strains are less frequent but have been associated with medical treatment impacting productivity and wellbeing. As both increase operational costs, we will be evaluating ways to reduce the frequency and severity of these occurrences.

3.3 Focus Areas

Earlier this year (Oct 2018) we provided safety analytics for the board with assistance from Deloitte, and using data from our health and safety software, Risk Manager (RM). This work, together with a scoping of work to implement a contractor management module, prompted a review of the health and safety software rolled out two years earlier with Auckland Council. That review indicated that the software required continual 'upkeep' and did not meet our current and pending business needs. The Executive Leadership Team has agreed to go to the market in a request for information around a software solution which is likely to better align to our business requirements and executive and board reporting expectations.

4. Health and Safety Top Risks and Existing Controls

Top Risks by Type	
	Exposure to Anti-Social Behaviour
	Lone Worker
	Vehicles & Driving
	Stress & Fatigue

The above represents risks known in our industry/business which may affect our staff but have not necessarily resulted in an incident. Each risk has direct controls applied to the risk and is part of a work stream to manage the risk. These workstreams are summarised as:

- **Anti-Social Behaviour:** Work is underway on increasing the safety of our staff involved in public meetings and will include support through mentoring and training, de-escalation techniques, resilience training, meeting protocols, emergency response and phone applications.
- **Lone worker:** This work refers to our staff managing properties, marinas, or onsite project management. Risk controls in use include an 'out-of-office' policy, lone worker mobile application, and training on situational confrontation for frontline staff. This work varies slightly with marina staff operating direct radio communications and a buddying system. The policy and mobile application are intended to be applied to project managers in 2019/20.
- **Vehicles and Driving:** We currently use Auckland Council vehicles. All vehicles are safety rated, GPS tracked (including speeds), and the council license tracking is linked to the NZTA licence system notifying expired or suspended licenses. Driving process and safety requirements are agreed to by all vehicle users.
- **Stress and Fatigue:** This is a risk category which will gain greater prominence and is in its initial stages of inclusion as part of our health and wellbeing programme. Work in progress includes a review of 'safety sensitive roles', emphasis on time management, health work spaces, and ongoing support through Employee Assistance Programme (EAP) counselling support services.

5. Emerging Issues and Trends

5.1 Summary of the Contract Management Framework (CMF) Deep Dive

Last month we conducted a deep dive with the board on the Contract Management Framework (CMF). A summary of that discussion identified the following points:

- The CMF is intended to improve the clarity about who is responsible for managing risk, who has control and influence onsite, and the level of reporting to the board and executive (see Appendix A: Site Works in February vs Panuku's Involvement - Influence and Control).
- The approach will lead to improved conversations with suppliers that clarify expectations and allows a greater sense of ownership for risk management. By applying the CMF there is less risk of Panuku *over-reaching* into work best left to our suppliers, or *under-reaching*.
- Decisions about how to deploy resources, and what capability is needed, are now firmly based on a framework rather than an individual's judgement or interests.
- Clarity about roles and responsibilities makes it easier for Panuku to manage its 'overlapping' Person Conducting a Business or Undertaking (PCBU) duties. The business has a clearer idea of what 'reasonably practicable' means in each situation. The approach helps support the board to meet its 'due diligence' duties around assurance and reporting.
- The CMF is a key part of the Panuku Health and Safety Plan 2018/19 and is being extended across the whole business. This work is subject to a compliance review in April, ongoing training for new and existing staff, and forms part of our staff performance management system, Te Waka.

Arising from the board discussion, we agreed to review the health and safety board reporting. In doing so we have considered information provided to Housing New Zealand (HNZ), Homes Land Community (HLC), and Ngāi Tahu Property. Information from each business, together with an evolving board reporting format including recent dashboard inclusions by us, has resulted in the format for this report. This information will continue to evolve based on feedback from the board and executive.

5.2 Due Diligence Compliance Review

We have now reviewed our director's due diligence "reasonable steps" in accordance with the Health and Safety at Work Act 2015 (HSWA), specifically where Panuku is a PCBU. The actions undertaken or planned to discharge their duties under the legislation are summarised in Appendix B: Due Diligence Compliance Review.

This work is directly linked to the Panuku Health and Safety Plan 2018/19 specifically around health and safety leadership and will be tracked and reviewed periodically.

6. Health and Wellbeing

6.1 Notifiable Illness

New Zealand has had a series of mumps outbreaks. Unfortunately, Panuku had a recent suspected case in the office. A false alarm as it turned out. However, until we had certainty, and given the initial symptoms, the staff member concerned was sent home with a request for confirmation from their doctor. This prompted a reminder sent to our staff that immunisations are free for those born after 1 January 1969 and if you think you might be at risk, to seek medical advice. Although mumps is considered a serious illness it is not uncommon. Staff were also directed to the Healthline for quick medical advice over the phone, and information or immunisation help through the Ministry of Health. Beyond this staff were to refer to their people manager. No other incidents have been identified.

6.2 Vos Shed – Asbestos Risk

The project management team is working through a revised risk programme for site asbestos remediation on the Vos Shed site largely driven by a detailed asbestos assessment completed by the contractor. The Vos Shed represents significant heritage value to the Auckland community.

6.3 Return to Work and Rehabilitation plans

The organisation continues to support the return to work and rehabilitation plans of two staff with non-work-related injuries. These plans include alternative duties, workstation layout and travel requirements allowing each person to return-to-work without aggravating their existing injury.

6.4 Health and Safety Representatives

This month our Health and Safety Representatives provided feedback on the staff health and safety committee Terms of Reference. This work will be finalised in April.

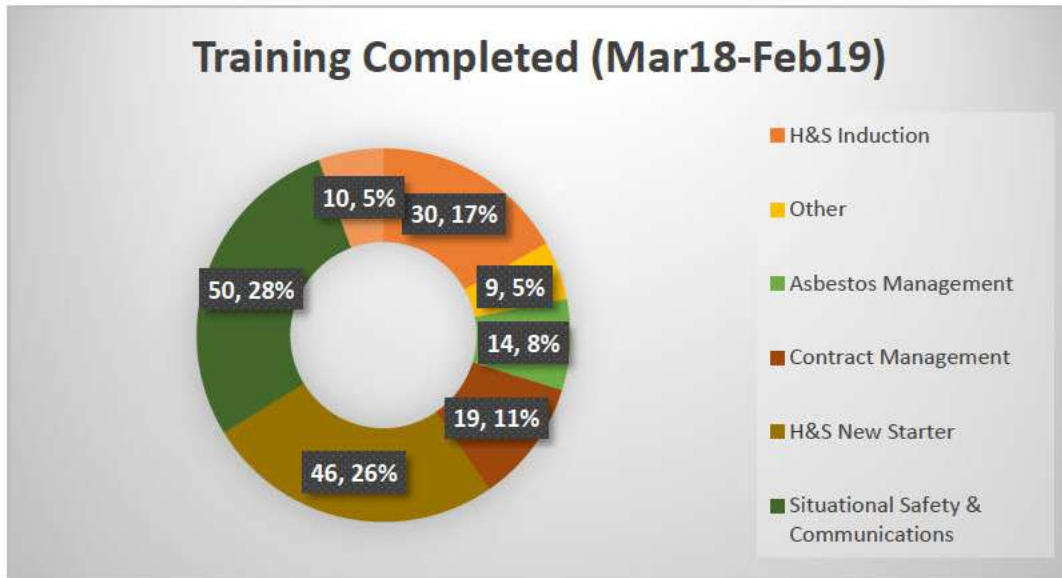
6.5 Korero – Health and Safety inclusions

This month the health and safety section of our internal newsletter, Korero, included information relating to new starters and the Panuku workstation self-assessment tool, Habit-at-Work. With the threat of mumps, information was provided to ensure all staff had access to both information and support.

Internal communications form an important part of our health and wellbeing program. This program is currently under review following an Auckland Council H & S team restructure. Planned deliverables will include: 5 Ways to Wellbeing, Influenza Vaccinations, train the trainer workstation assessments, and a request for trending data from the Employee Assistance Program (EAP).

6.6 Training and Development – Health and Safety

The following pie-chart highlights training completed as proactive health and safety risk management. Each training program aligns to our most significant health and safety risks with workstreams including anti-social behaviour, asbestos management, and contractor health and safety management. 'Other' training includes advanced driver training, health and safety representatives, and first aid training/fire wardens.



7. Progress Against the Health and Safety Work Plan

PROGRAMME OF WORK	ON TRACK	KEY DELIVERABLES
Corporate Priority - Complete review of Panuku's alignment with Auckland Council H&S Management Framework including the manual (March 2019)		Alignment to Council's overarching policy has been agreed and completed. However, Panuku will continue to engage in other interrelated work programs.
Develop H&S Communications Plan for direction & alignment with key H&S initiatives (November 2018)		Further work on the Communications plan is intended in March through the P & C internal communications advisor. This work will align to an update from Council on Health and Wellbeing.
Corporate Priority - Review training. Inductions planned for December 2018. Complete report to ELT (June 19)		People Leadership H & S Training - April/May. ConstructSafe training for Project Managers - March/April. Organisational H & S induction planned in April. Update to ELT in June.
Draft H&S Annual Plan 2019/2020 with staff involvement and ELT approval (BAU) (June 2019)		April to June timeframe.
Manage delivery of People Leader H&S training using the Council training 'Managing Safely' (March 2019)		Training to be deferred to April and May with conflicting delivery times for leadership training impacting on staff availability
Corporate Priority - Complete Programme of Board and ELT legislative update / training (May 2019)		An update around the legislation has been provided to both the Board and ELT with the February Deep Dive. This included the Health and Safety at Work Act.
Agree with Panuku Risk Manager - clear communication of hierarchy of risk registers & links by March 2019		The Panuku Risk Manager will circulate a draft framework.
Implement Contracts Management Framework in Facilities management, Marinas and Design and Place by December 2018		All parts of the business are now informed and trained except for the place-making team. The team will review event related risks and training will be completed in March.
Corporate Priority - Undertake review of Contracts Management Framework compliance with ELT report (April)		Scheduled for April
Review implementation of H&S within the PMF & apply gateways (May)		Planned for May
Agree with Panuku H&S Representatives & COO the terms of reference for Panuku H&S Committee (June)		Agreed and complete
Agree Focus topics for ELT led discussions in H&S (November 2018)		Agreed and delivered to plan with deep dive completed across the ELT and Board for the CMF

<p>Agree drug and alcohol and safety sensitive role improvements. ELT sign-off and Board communications (April)</p>		<p>ELT decision paper drafted and awaiting feedback from P & C and engagement teams. Scheduled for ELT late March.</p>
<p>Corporate Priority - Implement Phase 2: Risk Manager software which incorporates Contractor Management module by June 2019</p>		<p>ELT decision paper approved with the recommendation of going to market with a Request for Information (RFI) around a software solution which aligns to the business requirements of Panuku</p>
<p>Review Risk Manager privacy settings & business rules and communicating to People Leaders by January 2019.</p>		<p>Completed. No further action required by Panuku as privacy recommendations sit with the software contract owners, Auckland Council for implementation.</p>

Appendix A: CMF On-Site Works - Panuku's Involvement (Influence and Control)

Project	Panuku's Contractual Relationship	Contractor	Consultant / Developer / Principal	Monthly H & S Report Required	Notifiable Incidents
Madden Plaza	Participating	Hawkins Infrast. (Downers)	Developer: Fu Wah	No	0
Daldy Street linear park	Participating	Downers	Principal: Auckland Transport	No	0
AC 36 (various)	Providing	Wynyard Edge Alliance	Principal: Auckland Council	No	0
Park Hyatt Hotel	Managing	China Hawkins Construction	Developer: Fu Wah	No – Development Agreements	0
132 Halsey Street	Managing	Haydn & Rollett	Developer: Willis Bond	No – Development Agreements	0
30 Madden Street	Managing	Lt McGuinness	Developer: Willis Bond	No – Development Agreements	0
VOS shed	Managing	Legacy Construction	Consultancy Services: Coffey	Yes	0
Henderson HfOP	Managing	Alaska	Consultancy Services: RCP	Yes	0
Takapuna Gasometer	Managing	Argon	Consultancy Services: Bluewater	Yes	0
Vector upgrades	Doing	Hawkins	Panuku	Yes	0
Shed 11 - Shrink wrap	Doing	TBC	Panuku	Yes	0

Glossary

Doing – represents projects in which Panuku contracts the work directly with another party;

Managing – represents either an instance where Panuku contracts a professional consultancy to manage the work on our behalf, or where we have entered into a development agreement;

Participating – indicates projects where Panuku isn't completing the work, rather we may influence the final product. An example of this may include a road project completed by Auckland Transport within the Wynyard Quarter where we require modifications to align with the design of the area;

Providing- refers to instances where Panuku is providing access to land or buildings such as a tenancy agreement or where another Party such as ATEED wishes to hold a public event.

Appendix B: Due Diligence Compliance Review

Due diligence includes taking the following reasonable steps...	How Officers* meet this	Status / Comments
<p>a. To acquire, and keep up to date, knowledge of work health and safety matters</p>	<ul style="list-style-type: none"> • Updates are provided to the Board and our executive monthly. Recent inclusions covered the H & S legislation and were captured within the CMF Deep Dive • Briefing by H&S lawyer • Involvement by our executive in various training and development forums. 	<ul style="list-style-type: none"> • The February meeting of the Board were provided with advice from lawyers, Kensington Swan as to Panuku's duty as PCBU in various situations; referred to as the Contract Management Framework, CMF. Reference was made to the levels of influence and control exerted. • Chief Executive attends EMA briefings, and 'Auckland Conversations' on H & S. Chief Operating Officer is attending the 'Leaders Work Following – H & S' forum (April). • Our executive and board will be invited to either 'Managing Safety' (H & S overview) or the 'ConstructSafe' competency assessment as these are roll-out across Panuku.
<p>b. Gain an understanding of the nature of the operations of Panuku and generally of the hazards and risks associated with those operations</p>	<ul style="list-style-type: none"> • Our board, project sponsors (our executive) and project staff will be scheduled to complete the ConstructSafe competency assessment (Tier 1 and Tier 5). • Directors visiting active sites and seeing work in progress • Panuku ELT are scheduled to attend the Panuku H & S Committee meetings 	<ul style="list-style-type: none"> • A review of the ConstructSafe competency (Tier 5) is planned in March. Depending on the readiness of the tool, this will be rolled-out to affected persons shortly after. • The project sponsors (our executive) and line managers attend sites. • Dates of future meetings are fixed in advance and scheduled with our ELT.
<p>c. Ensure Panuku has available for use, and uses, appropriate resources and processes to eliminate or minimize risks to health and safety</p>	<ul style="list-style-type: none"> • Review occurrences and discuss at the ELT and H&S Committee meeting and Board meetings 	<ul style="list-style-type: none"> • Reports on incidents and near misses continue to be required from all professional services providers and contractors engaged by Panuku to either manage or deliver, doing, a project. • Critical risk activities (quarries, landfills, and forestry), significant incidents and top risks are available for review and discussion at monthly H&S Committee, ELT, and Board meetings.
<p>d. Ensure that Panuku has appropriate processes for receiving and considering information regarding incidents, hazards and risks, and for responding in a timely way to that information</p>	<ul style="list-style-type: none"> • Panuku operate to the Health and Safety Plan 2018/19 and H & S Strategic Plan 2017-2020 • Reports submitted on each month's occurrences 	<ul style="list-style-type: none"> • ELT track progress against the plan monthly using the reporting tool, Opal 3. Incidents and near misses are reported through our H & S software tool and included in ELT and board reporting. • ELT and the Board need to confirm that this present degree of reporting and consideration is considered enough; and /or instruct management regarding any other matters they wish to be included.
<p>e. Ensure that Panuku has, and implements, processes for complying with any other duty or obligation of Panuku under the Act</p>	<ul style="list-style-type: none"> • Require periodical reports from Auckland Council legal on compliance 	<ul style="list-style-type: none"> • Panuku achieved the ACC Workplace Safety Management Practices accreditation (NZS/AS 4801 equivalent) from 2016. Panuku, and has been Internally reviewed by EY to ensure compliance and continual improvement. • Panuku will consider an internal software compliance tool Safe365 for 2019/20. The tool is aligned to the H & S assessment tool used by WorkSafe and ISO 45001.
<p>f. Verify the provision and use of the resources</p>	<ul style="list-style-type: none"> • Verification process to be around resourcing remains under review 	<ul style="list-style-type: none"> • ELT will continue to review and agree as to what they consider appropriate resourcing given business commitments reflected in our H & S Plan and H & S Strategy.

*An officer holds a specific role in an organisation that allows them to exercise significant influence over the management of the business or undertaking.

Information Paper: Unlock Pukekohe

Document Author(s)	Richard Davison, Project Lead for Unlock Pukekohe High Level Project Plan and Programme Business Case
Approver	David Rankin, Unlock Pukekohe Sponsor and Chief Operating Officer
Date	13 March 2019

1. Purpose

The paper updates the board on the progress of the new Unlock Pukekohe priority location.

2. Executive summary

Pukekohe is a satellite town in the Auckland Plan Development Strategy and is identified to accommodate significant growth. Pukekohe was identified and approved by the Planning Committee as the addition to the Panuku priority locations in November 2018. It is within an area of focus of central government and there is strong market interest. Council owns many sites in Pukekohe including eight carparks as the core high value sites within the town centre. A strategic approach is required for all the properties proposed in the programme to ensure that the outcomes are optimised for this rural service town.

The High-Level Project Plan (HLPP) is now being prepared. It will set out the scope of the programme, the vision, outcomes and key moves to support the further redevelopment of the centre. It will also set out the broad development strategy and proposed investment in public realm and placemaking. The HLPP will set out the key stakeholders and partnership opportunities.

We are working closely with the Franklin Local Board to develop the HLPP with fortnightly meetings. These meetings will agree a range of matters including the project boundary, the property list for disposal, the indicative scope of discretionary reinvestment and some phasing and prioritisation.

As an organisation we are always looking to grow and improve the way we work with Mana Whenua. Kia Puawai a Pukekohe (Unlock Pukekohe) provides us a live opportunity to explore how we can establish enduring and successful partnerships in a project location. To this end we are meeting with Mana Whenua governance to discuss what partnership looks like for us as we start our Kia Puawai a Pukekohe journey, applying lessons learnt from other locations. As always with our mahi, we are working to tight timelines but equally important as we explore what partnership looks like that we also don't compromise an authentic approach with Mana Whenua. To this end we will be carefully managing expectations both for Panuku and Mana Whenua as we work towards critical mid-year timelines. An important highlight is that we will not have had the opportunity for extensive mana whenua input into the HLPP document before the Franklin Local Board agenda close on 5 April. One mitigation approach for this is to seek Mana Whenua sign off on the overall approach and development of the partnership model to allay what, if any, concerns the Local board have about Mana Whenua involvement in the process.

The HLPP creation phase has completed a range of required tasks and steps and will aim to have completed all the critical tasks within the target timeframe. Engagement is progressing with the identified key stakeholders.

A draft set of goals, principles and key moves have been co-created with the Franklin Local Board. A vision, which is yet to be settled upon, is targeted to be agreed by May. The Unlock Pukekohe goals relate primarily to addressing growth, urban form, jobs and identity. The proposed key moves include two flagship development opportunities and a range of public realm enhancements within the town centre. Some key principles include testing ideas before Panuku invests in capital projects and a series of parking trials to explore possible town centre changes to the parking provision prior to disposal.

The programme has a range of risks during the HLPP phase including tight resourcing and timeframes. The subject matter of parking with the Franklin Local Board and Auckland Transport will be the major topic of discussion throughout the whole Unlock programme lifecycle. Engagement with Mana Whenua and the business association present a risk given the pace and deadlines of the HLPP phase.

We will be seeking local board endorsement of the HLPP on 16 April, approval by the Panuku Board on 28 May prior to approval by the Planning Committee on 4 June. The last step is the approval of the Finance and Performance Committee of the disposal of the sites on 18 June. Finally, a programme business case will document and expand on the HLPP, creating a programme of work for the financial year 19/20 for consideration by the Panuku Board in late June.

3. Strategic context

In November 2018 the Planning Committee approved the addition of Unlock Pukekohe to the Panuku programme. Pukekohe is included in the Auckland Plan development strategy for future growth over the next ten years. It has sufficient potential property, market interest, transport infrastructure and planned investment. Panuku can make a significant contribution to this centre through the development of underutilised and surplus property.

4. What is the purpose of the Unlock Pukekohe High Level Project Plan?

The High Level Project Plan (HLPP) is the externally facing document that sets out the scope of the programme including vision, outcomes and key moves. It builds on the Franklin Local Board vision and existing plans developed with the community. It sets out the broad development strategy and other opportunities, through integrating placemaking, public realm investment and partnering, to deliver the vision and outcomes for the centre. The HLPP provides the mandate for Panuku to lead the urban redevelopment of Pukekohe on behalf of the council family. It also provides the mandate to transact the sites, subject to the Franklin Local Board endorsement of the HLPP which will be sought before Panuku Board and Planning Committee approval of the HLPP.

The HLPP will also indicate how Panuku will approach working with others and how stakeholders can get involved and contribute. The HLPP includes a range of specific matters such as:

- Agreeing with stakeholders what the objectives of the programme as well as setting out the principles by which Panuku will operate throughout the life of the programme. Effectively this will result in a town centre vision, principles, goals and key moves for the Unlock Pukekohe location.

- Agreeing the list of properties that Panuku can progress to rationalisation and disposal, over time, in order to generate funds for future discretionary reinvestment.
- Agreeing the Unlock boundary which sets the area within which discretionary reinvestment and capital spending can take place. The boundary also delineates where Panuku's leadership and wider cross organisational partnering and co-ordination role focuses and ends.
- Indicating an initial programme scope of potential future reinvestment capital projects.
- Indicating the approach to placemaking and temporary activations.
- Indicative prioritisation and timing of property and public good projects.
- Analysis and summation of local demographics, previous planning and policy, market dynamics, constraints and potential risks that may influence the property and public good programme.

5. Unlock Pukekohe High Level Project Plan process update

Since November 2018, the Unlock Pukekohe team have been conducting information gathering, site visits, property due diligence, research and analysis of previous planning. To engage closely with the local board, a bus tour of sites of interest was undertaken in November and there have been a range of workshops with the local board. We have initiated and progressed working relationships with Auckland Transport, ATEED, Parks Policy and key stakeholders such as the Pukekohe Business Association to name a few.

To date the following tasks have been completed towards achieving the draft HLPP:

- An investment logic map which is the first step in the business case process.
- A Comprehensive Parking Management Plan led by Auckland Transport which describes the parking situation and potential future recommended solutions.
- An effective demand and sector-based property market study prepared by CBRE.
- Approvals mapping to identify the approvals process and booking of committee workshops.
- A first draft indicative programme business case and associated financial and resourcing forecasts for FY19/20 and beyond.
- A first cut of the vision, principles, goals and key moves for the programme.
- An agreed 'Unlock' boundary.
- Rationalisation and legal investigations reporting for 20 properties.
- Initial discussions with iwi representatives and preparation of meetings
- Infrastructure assessments commissioned by the Development Programme Office of Auckland Council.
- Initial contact with the Independent Māori Statutory Board (IMSB).

- Internal engagement session with the wider Panuku staff who identify with Pukekohe in their personal capacity.

6. Unlock Pukekohe High Level Project Plan content direction

Through the above research, analysis and information gathering the following indicative direction is forming as it relates to the content of the Unlock Pukekohe programme:

The Franklin Local Board is seeking a town-wide vision that is compelling to the wider community. The themes of importance to the community that have been discussed include agriculture, food, market gardening, rural identity, past histories relating to Māori, Chinese and Indian communities, rural-service character and supporting growth. A vision will be agreed with the Franklin Local Board by May.

6.1. Property summary

The overall potential portfolio in Unlock Pukekohe is across a range of asset classes and is distributed from Paerata in the north to Buckland in the south, Belmont in the west and along East St. The majority of the high value sites are within or near the town centre and around the ring road. The Unlock Pukekohe HLPP will acknowledge 82 Manukau Road, the Franklin council buildings which are part of the Corporate Property programme however this site will not form part of the properties within the Pukekohe programme.

The properties include two warehouses and associated retail comprising several tenants, eight car parks managed by Auckland Transport, nine small open spaces parcels that could be surplus to requirements, a rural land block and a cluster of light industrial land which is currently vacant. There is also four Haumarū Housing sites totalling approximately 75 units within the Pukekohe urban area that are also being actively considered in collaboration with the Haumarū team. The map below shows council owned property is yellow with those properties proposed to be part of the Unlock programme outlined in red. Blue indicates crown land.



In considering the above properties and how they might form part of a wider Unlock Pukekohe revitalisation and regeneration programme the below HLPP content creation is underway.

The goals, principles and key moves described below are formative and continue to evolve. The work has been in direct partnership with the Franklin Local Board and will be subject to iteration as the HLPP process continues.

6.2. Primary location problems identified

Land use planning

- Rapid growth and planning policies have enabled extensive urban sprawl, out of centre retail and competition from new and emerging centres and housing areas. This is potentially threatening the future vibrancy, liveability and investment attractiveness of Pukekohe as a successful service centre.

A fragmented urban structure and form

- Historically deep urban blocks, a town layout that has emphasised arterial roading, has eroded the original town's grid layout including a ring road and numerous roundabouts supported by planning that has prioritised vehicle movement and parking is impacting on connectivity by other modes such as walking, cycling, and the level of local activity and vibrancy.

A lack of local work and learning opportunities

- There is a perception that narrow employment and education options has led to people working, training and spending outside the local area.

Retaining Identity

- There is a tension on how to accommodate new growth while revealing, reinforcing and celebrating Pukekohe's service hub identity and character.

6.3. Preliminary goals identified

Seek to benefit from rapid growth

- Grow up, not out – Attract higher density development within the Pukekohe Town Centre.
- Promote Pukekohe's identity and distinct offering and lifestyle choices – visitors and investment.

Improve the town centre's urban experience

- Achieve a highly walkable, pedestrian focused town centre that is easy to access.
- Optimise and consolidate parking.

Support Local Economic Prosperity and self-sufficiency

- Leverage flagship council sites to facilitate the attraction of new businesses to support further work and learning choices.
- Facilitate investor forums and a business incubator – led by ATEED.

- Encourage higher education opportunities.
- Support Franklin Local Board’s circular economy themes. These themes are primarily about encouraging local people to spend more of their money within the town, rather than in other competing or new centres.

Contribute to and celebrate the Pukekohe Identity

- Motorsport, equestrian, market gardening, food, character mainstreet.
- Support vibrancy initiatives and explore a new event such as a harvest and winter festival to attract more visitors to experience the Pukekohe flavour.
- Support ATEED to develop Pukekohe as a food destination.
- Support Pukekohe’s business association to champion the town.

6.4. Emerging Guiding Principles for the programme

Property Principles

- **Enable strategic outcomes on selected flagship sites** by leveraging the majority of the property programme.
- **Evidence based and practical decision making** – balance strategic aspirations on flagship sites with commercial realities of what the market can deliver by weighing up the costs and benefits associated with strategic outcomes.
- **Use council sites as catalysts for others** – work with neighbouring properties to enable wider benefits.

Public Good Principles

- **Implement high-quality place-led design** – taking inspiration and guidance from local people and themes.
- **Reflect Pukekohe’s cultural diversity in projects and initiatives** – Work with local communities to help celebrate and weave Pukekohe’s communities together.
- **Focus on enhancing walkability and accessible design** – designing for a wide variety of people and abilities.

Partnerships and Leadership Principles

- **Pilot best practice approach with Māori** and Mana Whenua to support and strengthen their role in the programme.
- **Leverage opportunities by partnering with the Franklin Local Board and Mana Whenua**, while collaborating with adjacent landowners and key community groups and our wider council organisations.

Placemaking Principles

- **Test before we invest** – Apply our “do, learn, do” philosophy to inform future design direction.

- **Build relationships** with key community stakeholders to foster ongoing capacity, pride and resilience to empower local people beyond Panuku’s presence through the Unlock programme.
- **Apply tactical urbanism techniques** – this enables quick wins.

6.5. Potential long list key moves emerging

A programme of reinvestment to achieve the goals around attracting growth, supporting vibrancy, generating new jobs and celebrating identity will be achieved through the key moves through both operational expenditure and by undertaking capital projects. Public investment into key laneways, street enhancements including landscaping, art, walking and cycling facilities will improve connectivity and enable active modes to overcome the urban form challenges. Critical investment towards transforming parking and addressing the ring road will generate new urban development opportunities and behaviour change around parking.

The key moves generated to date are:

Property Key Moves

- **Edinburgh St Superblock, Flagship Development site** – The objective is to ensure strategic development outcomes and options are undertaken for this block and that the development integrates with the immediately adjacent lanes and intersections to facilitate a transformational outcome in this part of town.
- **The Eastern Gateway and Flagship Development Site** – This is currently the weaker end of King St’s retail offering. There is an opportunity to explore a one-way street in this area supported by an intersection upgrade, the development of the 7 Massey Ave site and exploring a new pedestrian connection to Roulston Park via a bridge over the rail line. The objective is to provide a strong anchor outcome to the east end of King St and provide an area where festivals or events could be held, such as a harvest food festival.

Public Realm Key Moves

- **Activate the Laneways** – Opportunities for parking, pedestrians, lighting, landscaping and the arts. These will be explore and development of these will be prioritised.
- **Better access across the ring road** – enable better access to the town centre and enhance walkability within it by improving three intersections and deliver minor pedestrian-oriented improvements to King St West and Edinburgh St to support north-south movement between key amenities, services and the high school. This could include an urban tree programme to enhance the green feel of the ring road.
- **Deliver two play opportunities in agreed open spaces.** – This move is to be explored further around playground projects in Belmont, Buckland and Paerata.

Placemaking Key Moves

- **Relocate, grow and enhance the farmers market** – achieve a true “Market Street” by extending the town square southward into Roulston St as a shared space to enable more and better weekly markets and signature events.

- **Parking Trials and activations** – this move is around progressing testing of time limits, paid parking or even selected off-street carpark closures on the flagship sites to inform parking strategies going forward. This is aimed at reducing community opposition to the redevelopment of carparks and demonstrating the positive outcomes that are possible.
- **Celebrating our History and Diverse Communities** – This initiative is still being explored in more detail, but we will be looking to deep, indigenous knowledge (mātauranga Māori) and understanding, combining the physical and psychological elements of place and protection of the environment, to help us ensure that the places we are responsible for, and all the people that use them, continue to thrive.

Partnering Key Moves

- **Support Business Initiatives** – Working with ATEED to enable this organisation to lead local economic development initiatives.
- **Kia Puāwai a Pukekohe** – Further engagement is required in this area, however through partnering with Waiohua iwi and potentially Ngāi Tai ki Tāmaki there is a suggestion to develop a Māori “unlock plan” for Pukekohe to explore and define commercial, contractual and cultural opportunities through the programme. Supporting the establishment of Waiohua design principles will also be beneficial in guiding public realm projects.

7. Unlock Pukekohe risks and constraints

The key risks and constraints are:

- **Programme resourcing** – Unlock Pukekohe is a new location and requires support from a wide range of subject matter experts. Some services will be outsourced in order to keep to schedule.
- **Tight timeframes** – The HLPP must be presented to the Finance and Performance committee prior to the end of June in order for Panuku to achieve its “recommended for sale” Statement of Intent (SOI) target of \$30m for this financial year. Pukekohe has the potential to contribute towards this goal. This is driving the timeline and programme of this the HLPP.
- **Parking** – Many of the potential development sites identified in the HLPP are carparks. Eight carparks, representing up to 800 off-street parking spaces are in the proposed disposal list. A key focus will be agreeing the parking strategy with Auckland Transport and developing a community engagement strategy and building local board support.
- **Mana Whenua engagement** – Given the tight timeframes in meeting governance reporting deadlines, the HLPP will be substantially drafted by the time of the Mana Whenua Forum on 1 April. However, it is planned that Mana Whenua engagement is to be progressed during April and May to scope, gather and document mana whenua input and the scoping of the partnership prior to the Panuku Board reporting in May.
- **Open space property** – Some of the smaller open space properties in the list are subject to Parks Policy review and assessment, however their inclusion or exclusion in the disposal list is not critical to the success of the programme.

8. Unlock Pukekohe next steps

As with each HLPP a range of reporting is required to formally establish the programme and gain an approved funding envelope. The below key milestones are planned prior to formally starting the programme from 1 July 2019.

Reporting Body	Target approval dates to meet SOI
1. Mana Whenua Governance Forum – to initiate the programme	1 April
2. Programme Sponsors Group – endorsement of HLPP	8 April
3. Franklin Local Board – endorsement of HLPP	16 April
4. Mana Whenua Governance Forum – endorsement of HLPP	20 May
5. Independent Māori Statutory Board – involvement	During April/May
6. Planning Committee – workshop on HLPP content	23 May
7. Panuku Board – approves HLPP progressing to council	28 May
8. Planning Committee – approves the HLPP	4 June
9. Finance and Performance – approves the property disposals	18 June
10. Panuku Board – approves the programme business case	26 June

Decision Paper: Amalgamation of Panuku and Downtown Marinas Limited

Document Author(s)	Michele Harpham, Finance Manager
Approver	Carl Gosbee, Director – Corporate Services
Date	14 March 2019

1. Purpose

To approve the amalgamation of Downtown Marinas Limited with and into Panuku, with Panuku to continue as the amalgamated company.

2. Executive summary

Downtown Marinas Limited (DML) owns and operates the Hobson West Marina in the Viaduct. Panuku is the sole shareholder of DML. In addition to the ordinary shares owned by Panuku, DML issued Berth Shares in the early 2000's which gave holders a number of rights in return for the original purchase price of the Berth Share and an annual fee. The principal purpose is to give the Berth Shareholder occupancy of a designated berth in the Hobson West Marina. The Berth Shares are to be redeemed on 29 September 2026 by payment, from DML to the holder, of \$1.

There are 23 Berth Shares currently on issue. Over time all but two of these had been purchased by Panuku and its predecessors. At its meeting on 30 May 2018, the Panuku Board approved:

- the exchange of two Berth Shares in DML for licences in the Viaduct area; and
- the preparation of documents for a short-form amalgamation of DML into Panuku, noting that these documents will come to the Boards of Panuku and DML for formal approval of the short-form amalgamation under section 22 of Companies Act 1993 (the Act).

The remaining two berth shares were exchanged so they are now all held by Panuku. It is now appropriate for the short-form amalgamation to be completed.

3. Recommendations

It is recommended that:

- a) The Amalgamation be approved, to take effect on and from 30 April 2019.
- b) The shares in Downtown Marinas Limited will be cancelled without payment or other consideration.
- c) The constitution of the Amalgamated Company will be the same as the constitution of Panuku Development Auckland Limited before the Amalgamation.

- d) The board of directors of Panuku Development Auckland Limited is satisfied on reasonable grounds that the Amalgamated Company will, immediately after the Amalgamation becomes effective, satisfy the solvency test as defined in section 4 of the Act.
- e) Adrienne Young-Cooper, Susan Macken, David Kennedy, Richard Leggat, Paul Majurey, Michael Pohio and Christopher Udale will be the directors of the Amalgamated Company.
- f) Each Director will sign documents required to give effect to this amalgamation.

4. Prior Board and Council engagement and decisions

Previous Board / Council engagement and decisions		
Date and meeting	Document	Decision / Outcome
30 May 2018 Panuku Board meeting	Closure of DML Confidential Decision Paper	It was RESOLVED THAT the Board: <ol style="list-style-type: none"> 1. Approves the exchange of two Berth Shares in Downtown Marinas Limited for licences in the Viaduct area; and 2. Approves the preparation of documents for a short-form amalgamation of Downtown Marinas Limited into Panuku Development Auckland Limited noting that these documents will come to the Boards of Panuku and DML for formal approval of the amalgamation under the Companies Act in June.

5. Discussion and Implementation

In order to implement this decision, the attached documents need to be signed by all Directors of Panuku:

- **Attachment A** – Director resolution in terms of section 222(1) of the Act
- **Attachment B** – Director certificate in terms of sections 222(5) and 223(c) of the Act
- **Attachment C** – Director certificate in terms of section 223(e) of the Act
- **Attachment D** – Director Companies Office consent form – one per director

Richard Leggat, as the sole director of DML, will also have to sign a director resolution and director certificate as per Attachment A and B (but relating to DML).

One of the requirements of the Act in relation to short-form amalgamations is for the board of directors of each amalgamating company to be satisfied that the amalgamated company will, immediately after the amalgamation becomes effective, satisfy the solvency test.

The solvency test requires that:

- the company is able to pay its debts as they become due in the normal course of business; and
- the value of the company's assets is greater than the value of its liabilities, including contingent liabilities.

The impact of the amalgamation on the financial position and performance of Panuku will be minimal. At 28 February 2019, DML has net assets totalling \$1.3m and annual expenditure of \$398k (which includes \$220k of depreciation). For this reason, the information provided below focuses on the existing business of Panuku.

Auckland Council manage the treasury function for Panuku through their group treasury department. They utilise the debt and capital markets through bond issues and loan arrangements to ensure the group has adequate cash on hand to meet the demands of the group business, and sufficient short notice call accounts to ensure cash flow fluctuations can be met.

Panuku and council run a set of intercompany accounts and bank transfers between the entities are undertaken to ensure a sufficient level of cash is retained in Panuku's bank account, but all material funds are used to offset group cash flow peaks and troughs.

The following table summarises the value of assets and liabilities in the Panuku Statement of Financial Position excluding those that are not considered liquid such as investment property, property, plant & equipment, investments in Westhaven Marina Limited and Downtown Marinas Limited, and revenue in advance related to the prepayment of long-term leases for investment property.

	30 Jun 16	30 Jun 17	30 Jun 18	28 Feb 19
	\$m	\$m	\$m	\$m
Assets	43	15	45	47
Liabilities	52	14	13	10
Net assets	(9)	1	32	37

This table shows that Panuku has sufficient liquidity to pay debts as they become due in the normal course of business. Council agree funding requirements annually in the annual plan and Statement of Intent (SOI). As long as Panuku continues to operate within the budget agreed in the SOI, funds can be drawn from council facilities on short notice. Panuku executive confirm their view that the first part of the solvency test continues to be met and nothing material is expected to occur to prevent the board signing the solvency certificate.

The following table demonstrates the financial position of Panuku and illustrates total assets trending significantly higher than liabilities therefore the second part of the solvency test is satisfied.

	30 Jun 16 \$m	30 Jun 17 \$m	30 Jun 18 \$m	28 Feb 19 \$m
Total assets	718	731	786	790
Total liabilities	77	38	62	61
Net assets	641	693	724	729

Document Sign-off

Role	Name	Sign-off Date	Signature
Director Corporate Services	Carl Gosbee	18 March 2019	
Chief Executive	Roger MacDonald	18 March 2019	

PANUKU DEVELOPMENT AUCKLAND LIMITED

(company number 3089645)

DIRECTORS' RESOLUTIONS

In terms of section 222(1) of the Companies Act 1993 (the "Act")

NOTED that:

- A. It is proposed that Downtown Marinas Limited amalgamate with and into Panuku Development Auckland Limited (the "**Amalgamation**") in accordance with section 222(1) of the Act. Panuku Development Auckland Limited will continue as the amalgamated company (the "**Amalgamated Company**").

RESOLVED that:

1. The Amalgamation be approved, to take effect on and from 30 April 2019.
2. The shares in Downtown Marinas Limited will be cancelled without payment or other consideration.
3. The constitution of the Amalgamated Company will be the same as the constitution of Panuku Development Auckland Limited before the Amalgamation.
4. The board of directors of Panuku Development Auckland Limited is satisfied on reasonable grounds that the Amalgamated Company will, immediately after the Amalgamation becomes effective, satisfy the solvency test as defined in section 4 of the Act.
5. Adrienne Young-Cooper, Susan Macken, David Ian Kennedy, Richard Ian Leggat, Paul Francis Majurey, Michael Eric Pohio and Christopher Martin Udale will be the directors of the Amalgamated Company.
6. These resolutions may be signed and delivered in any number of counterparts (including by way of electronic transmission), each of which when so signed will be deemed to be an original, and such counterparts together will constitute one and the same instrument and, notwithstanding the date of execution, will be deemed to bear the date of this resolution.

DATED: 29 March 2019

SIGNED by all the directors of Panuku Development Auckland Limited:

Adrienne Young-Cooper

Susan Macken

Richard Ian Leggat

Paul Francis Majurey

Michael Eric Pohio

Christopher Martin Udale

David Ian Kennedy

PANUKU DEVELOPMENT AUCKLAND LIMITED

(company number 3089645)

DIRECTORS' CERTIFICATE

In terms of sections 222(5) and 223(c) of the Companies Act 1993 (the "**Act**")

We, being the directors who approved a resolution dated on or about the date of this certificate in terms of section 222(1) of the Act that Downtown Marinas Limited amalgamate with and into Panuku Development Auckland Limited (the "**Amalgamation**") with Panuku Development Auckland Limited continuing as the amalgamated company (the "**Amalgamated Company**") with effect on and from 30 April 2019, certify that in our opinion, under section 222(1)(b)(iii) of the Act, the Amalgamated Company will, immediately after the Amalgamation becomes effective, satisfy the solvency test as defined in section 4 of the Act.

The grounds for our opinion are:

1. we have reviewed the most recent financial statements of each amalgamating company that were prepared under the Act or any other enactment (if any) and the accounting records of Panuku Development Auckland Limited; and
2. we have considered all other circumstances that we know, or ought to know, would affect, or may affect, the value of the Amalgamated Company's assets and the value of its liabilities, including contingent liabilities.

It is therefore reasonable to conclude that:

1. the Amalgamated Company will be able to pay its debts as they become due in the normal course of business; and
2. the value of the Amalgamated Company's assets will be greater than the value of its liabilities, including contingent liabilities.

We further certify, for the purposes of section 223(c) of the Act, that the Amalgamation has been approved in accordance with the Act and the constitution of Panuku Development Auckland Limited.

DATED: 29 March 2019

SIGNED by all the directors of Panuku Development Auckland Limited:

Adrienne Young-Cooper

Susan Macken

Richard Ian Leggat

Paul Francis Majurey

Michael Eric Pohio

Christopher Martin Udale

David Ian Kennedy

PANUKU DEVELOPMENT AUCKLAND LIMITED

(company number 3089645)

DIRECTORS' CERTIFICATE

In terms of section 223(e) of the Companies Act 1993

We, being the proposed directors of the amalgamated company after the amalgamation of Downtown Marinas Limited and Panuku Development Auckland Limited (each an "**Amalgamating Company**") whereby Panuku Development Auckland Limited will continue as the amalgamated company, certify that where the proportion of the claims of creditors of the amalgamated company in relation to the value of the assets of the amalgamated company is greater than the proportion of the claims of creditors of an Amalgamating Company in relation to the value of the assets of that Amalgamating Company, no creditor will be prejudiced by that fact.

DATED: 29 March 2019

SIGNED by all the directors of Panuku Development Auckland Limited:

Adrienne Young-Cooper

Susan Macken

Richard Ian Leggat

Paul Francis Majurey

Michael Eric Pohio

Christopher Martin Udale

David Ian Kennedy

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Consent and certificate of directors of amalgamated or proposed company

Section 223(f) Companies Act 1993

Name of * amalgamated / * proposed company

Company number

PANUKU DEVELOPMENT AUCKLAND LIMITED

3089645

* Delete the option that does not apply

IMPORTANT

Please ensure that you are not disqualified from being a director of this company before signing this consent form.
Please read the disqualification details below.

Director's details (Provide your full legal name – initials are not allowed)

First name(s)

Surname

Full residential address

Director's consent

I consent to be a director of the above * amalgamated / * proposed company and certify that I am not disqualified from being appointed or holding office as a director of a company. * Delete the option that does not apply.

Signature

Name of signatory

Date

DISQUALIFICATION DETAILS

1. A person who is not a natural person cannot be a director of a company.
2. A person cannot be a director of a company if he or she is any of the following:
 - > under 18 years of age
 - > an undischarged bankrupt
 - > prohibited from being a director or promoter of, or being concerned or taking part in the management of, a company under any statutory provisions
 - > subject to a property order under section 30 or 31 of the Protection of Personal and Property Rights Act 1988
 - > not eligible because of requirements contained in the company's constitution (if any).

Prohibited persons

3. Persons prohibited from being a director or promoter of, or being concerned or taking part in the management of, a company include, but are not limited to,—
 - > people who have been convicted of a crime involving dishonesty in the last 5 years
 - > people prohibited by the Registrar of Companies or the Financial Markets Authority from managing a company
 - > people prohibited under the laws of a prescribed country, State, or territory (outside New Zealand) from being a director or promoter of, or being concerned or taking part in the management of, an overseas company
 - > people prohibited under section 103A, 103B, 103D, or 103E of the Limited Partnerships Act 2008 from being a general partner or promoter of, or being concerned or taking part in the management of, a limited partnership
 - > people prohibited under the laws of a prescribed country, State, or territory (outside New Zealand) from being a general partner or promoter of, or being concerned or taking part in the management of, an overseas limited partnership.

For more information refer to sections 151 and 382 to 385 of the Companies Act 1993. View a copy of the Act online for free at www.legislation.govt.nz.

Completed by

Name: William Wallace-Blakely

Postal address:

c/- Buddle Findlay
Level 18, 188 Quay Street
PO Box 1433
Auckland 1140

Decision Paper: Director appointment Westhaven Marina Limited

Document Author(s)	Ian Wheeler, Director – Portfolio Management
Approver	Roger MacDonald, Chief Executive
Date	15 March 2019

1. Purpose

This paper seeks approval from the Panuku Board to appoint Adrienne Young-Cooper as a Director of Westhaven Marina Limited (WML) from 1 April 2019 for a period of approximately two and half years and to extend the appointment of Stephen Mills QC for one additional year.

2. Executive summary

Terry Kayes term as a director of WML expired on 31 August 2018. The Panuku Board need to appoint a replacement. This paper recommends the appointment of Chair, Adrienne Young-Cooper to this subsidiary.

Further, with the pending decision of Auckland Council regarding the transfer of waterfront assets from Panuku to council, management determined it prudent to extend the term of current independent director and chair, Stephen Mills QC for an additional one year to ensure continuity, should the asset transfer take place.

3. Recommendations

It is recommended that the Panuku Board...

1. approves the appointment of Adrienne Young-Cooper as a Director of Westhaven Marina Limited from 1 April 2019 until 31 October 2021.
2. approves Stephen Mills QC being reappointed as a Director of Westhaven Marina Limited until 31 August 2020.

4. Prior Board and Council engagement and decisions

Previous Board / Council engagement and decisions		
Date and meeting	Document	Decision / Outcome
15 August 2017	Decision Paper: Westhaven Marina Limited and Downtown Marinas Limited Director Appointment	It was RESOLVED THAT the Panuku Board approves Terry Kayes being reappointed as a Director of Westhaven Marina Limited and Downtown Marinas Limited from 31 August 2017 until 31 August 2018.

5. Discussion

WML has three directors, being Stephen Mills QC (independent Director and Chair), Richard Leggat and Terry Kayes.

Terry was appointed to the board of WML on 1 November 2010 and his term expired on 31 August 2018. His term was extended in August 2017 for an additional year to enable a suitable replacement director and avoid multiple director's terms expiring in August 2019 or August 2020.

Stephen Mills QC was appointed to the board of WML on 27 August 2014 and his term expires on 31 August 2019. Panuku executive have determined it prudent to extend Stephen's term for a further one year, taking his tenure to a total of six years. This extension will ensure continuity should the transfer of waterfront assets from Panuku to Auckland Council take effect in June 2019. Stephen has indicated his availability and willingness to act.

Richard Leggat was appointed to WML on 1 July 2015 and his term expires on 31 August 2020. Richard is the representative of the board of Panuku Development Auckland Limited.

Panuku executive proposed the appointment of Adrienne Young-Cooper to WML in November 2018. At that time, the Panuku Board deferred the decision on the appointment of a director to WML. Subsequently, Adrienne has indicated her availability and willingness to act.

6. Financial implications

There is minimal financial implication relating to this appointment.

Director Terry Kayes remuneration was \$10,000 per annum. There is no additional payment for Adrienne Young-Cooper.

7. Implementation

It is intended that following board approval, Adrienne will commence as a director of WML with immediate effect and Stephen's term will continue.

Document sign-off

Role	Name	Sign-off Date	Signature
Director Portfolio Management	Ian Wheeler		
Chief Executive	Roger MacDonald		

Decision Paper: Auckland Council Entity Disclosure

Document Author(s)	Carl Gosbee, Director – Corporate Services
Approver	Roger MacDonald, Chief Executive
Date	11 March 2019

1. Purpose

To obtain board approval to confirm Panuku Development Auckland (Panuku) compliance with Auckland Council’s Disclosure Policy, and delegate sign-off to the Chair of Audit and Risk Committee.

2. Executive summary

As a council entity, Panuku is required to confirm its compliance with the processes set out in the Auckland Council Disclosure Policy on a six-monthly basis.

Auckland Council currently has a number of bonds quoted on the NZX Debt Market maintained by NZX Limited (NZX). As a result, the council is subject to continuous disclosure obligations which we must comply with under the NZX Listing Rules and the Financial Markets Conduct Act 2013. The Auckland Council Disclosure Policy sets out processes to be followed by council entities, including substantive council-controlled organisations such as Panuku.

Refer **Attachment A** for the Auckland Council Disclosure Policy.

Disclosure processes per the policy are as follows:

- Each meeting of ELT must have a standing agenda item to consider:
 - Material¹ information which may require disclosure by the council to comply with its continuous disclosure obligations; or
 - Information of any exceptional or extraordinary nature.
- Any information as described above must be reported immediately to the Disclosure Committee at council
- The Chair of Audit and Risk Committee is required to provide written confirmation to the Disclosure Committee that Panuku is complying with these processes on a six-monthly basis no later than 31 March and 30 September each year.

The Director Corporate Services and Chief Executive confirm that these processes have been complied with and provide the commitment that the disclosure can be signed off before 31 March 2019. Refer **Appendix B** for their letter of confirmation to the Panuku Board.

Refer **Appendix C** for the confirmation letter to be signed by the Chair of the Panuku Audit and Risk Committee.

¹ Materiality guidelines are \$50 million; and of legislative non-compliance, legislative changes, strategic importance, and/or fraud in nature.

3. Recommendations

It is recommended that the Panuku Board...

1. Approves the six-monthly confirmation of Panuku compliance with the Auckland Council Disclosure Policy
2. Delegates to the Chair of Risk and Audit Committee to provide written confirmation to the Disclosure Committee that Panuku is complying with these processes before 31 March 2019.

4. Attachments

Attachment A – Auckland Council Disclosure Policy

Withheld from the public under S7(2)(b)(ii) of the LGOIMA

Attachment B – Confirmation letter from the Chief Executive and Director Corporate Services

Attachment C – Council Entity Confirmation letter to the Council Disclosure Committee

Document Sign-off

Role	Name	Sign-off Date	Signature
Director Corporate Services	Carl Gosbee		
Chief Executive	Roger MacDonald		

The Board of Directors
Panuku Development Auckland

Auckland Council Disclosure Policy - Confirmation


This confirmation letter is provided pursuant to paragraph 3.7 of Council's Disclosure Policy dated September 2018 (Disclosure Policy).

We, Roger MacDonald, Chief Executive, and Carl Gosbee, Director Corporate Services, hereby confirm that Panuku Development Auckland is complying with the processes set out in the Disclosure Policy.

[Describe any events or circumstances giving rise to non-compliance]

Signed: 
Carl Gosbee, Director Corporate Services

Dated: 14 March 2019

Signed: 
Roger MacDonald, Chief Executive

Dated: 14 MARCH. 2019

Auckland Council
Members of Disclosure Committee
Attention: James Colvin

Auckland Council Disclosure Policy - Confirmation

This confirmation letter is provided pursuant to paragraph 3.7 of Council's Disclosure Policy dated September 2018 (Disclosure Policy).

I, Mike Pohio, Chair of Audit and Risk Committee, hereby confirm that Panuku Development Auckland is complying with the processes set out in the Disclosure Policy.

[Describe any events or circumstances giving rise to non-compliance]

Dated: 2019

Signed: _____

Chair of Audit and Risk Committee

Information Paper: Mt Wellington site – 39B Tainui Road – Kart track

Document Author(s)	Ian Wheeler, Director Portfolio Management
Reviewer(s)	Roger MacDonald
Date	22 March 2019

1. Purpose

The purpose of this paper is to give the board an overview of the termination of the lease with KartSport and the current status of this site.

2. Background

The site has been a race track for go karts and motorcycles for many years.

Auckland City Council acquired the site in 1998 for Transport purposes. The site, now under Auckland Transport's (AT) responsibility, remains held for transport purposes linked to Auckland Manukau Eastern Transport Initiative (AMETI), Eastern Busway.

KartSport Mt Wellington has entered into various tenancy arrangements over the years with varying short lease terms and rents well below market. Since 2005 there have been ongoing discussions about their relocation to a more permanent home. In more recent times Auckland Council (AC) has been in conversations with KartSport about their relocation to Colin Dale Park, a park designed for motor sport.

AC/Panuku has continued to work with the group to confirm a relocation date, agreeing to a number of extensions over the last six years.

Following the various and lengthy extensions to enable alternative premises to be found, AT were no longer in a position to continue to effectively subsidise this activity on a site that had the potential to deliver a commercial return. Agreement was reached at a senior management level between AT and AC on this approach.

A termination date of 12 October 2018 was finally agreed with KartSport and they exited the site.

3. Current Status

KartSport has been offered a community lease at Colin Dale Park and is in discussions with AC to progress this. In the interim, before they move to Colin Dale Park, they have an alternative track for their race meetings.

The Auckland Motorcycle Club (bucket racers) were not a tenant at the site and they did not have a lease with Panuku/AC. KartSport (lease holder) had been sharing the track with the Motorcycle Club under an informal arrangement. AC and Panuku were not formally aware of this nor had it approved this arrangement. The issue for the bucket racers has arisen as a result

of KartSport serving notice to the Motorcycle Club to vacate in line with the Panuku notice date, agreed with KartSport.

The Parks, Sport and Recreation team at AC is looking at temporary alternative arrangements for this user group, however, this is a challenge with limited tracks available in Auckland, which are further constrained by consent conditions.

Following the lease ending in October 2018 a conditional agreement was signed with a reputable tenant in November 2018. This conditional agreement has run into due diligence issues. They submitted a counter proposal on the 21 March 2019 which is being assessed.

We have two other interested parties for this site. One of these party's has submitted an attractive proposal on the 22 March 2019 which we will evaluate over the next 2 weeks.

Given the delay in leasing the property the site has not been occupied by a new tenant as quickly as we had hoped, and this has raised concerns from previous user groups. We are positive that a commercial agreement will be reached for this property in the short term.

Information Paper: Panuku quarter two report to Auckland Council

Document Author(s)	Kingsha Changwai, Planning and Reporting Manager
Reviewer(s)	Brenna Waghorn – Strategy Director David Rankin - Chief Operating Officer
Date	8 March 2018

1. Purpose

The Panuku quarter two report to Auckland Council is provided to the board for information.

2. Executive summary

The quarter two report aligns with the Chief Executive report and six-month programme presentation to the Panuku Board in January 2019. A quarter two presentation is being prepared for the Finance and Performance Committee in March, complimenting the quarter two report.

3. Discussion

The quarter two report was approved by the Executive Leadership Team (ELT) in February and was submitted to Auckland Council on 1 March. The report will be presented at the Finance and Performance Committee meeting on 20 March.

Panuku has used the new quarterly reporting template by council for the first time which has limited space for including an appropriate level of information.

A quarter two presentation is being prepared for the Finance and Performance Committee in March, complimenting the quarter two report.

Some of the key points in the report are:

- Our key Statement of Intent (SOI) performance measures are on track to be met by year-end, and the general asset sales target has been exceeded by \$16m.
- Key project highlights this quarter include the signing of the Site 18 development agreement with Orams and progress in the construction of the 40-unit Haumaru housing development in Henderson and the Gasometer car park in Takapuna.
- Capital spending has been slower than planned on some of the projects in the Waterfront due, primarily, to consenting and other delays. However, activities relating to America’s Cup 36 enabling works are on track.

A copy of the detail quarter two report to Council is included as **Attachment 1** to this report.

Panuku Development Auckland

Quarterly Report

Quarter ended 31 December 2018

*This outlines the key performance of Panuku
which includes urban redevelopment related
activities and investments*

Panuku Q2 summary

Highlights & risks for the quarter

Highlights

- A development agreement between Panuku and Orams was signed in February 2019 for a marine haul out and refit facility, commercial buildings and a residential tower in the Wynyard Quarter on Site 18. This is expected to create around 500 jobs and up to 200 apprenticeships and built in time for the 36th America's Cup races. The work to achieve the development agreement with Orams was performed during the quarter.
- The General Asset sales target of \$24m has been met. Total asset sales to date is \$40m.
- Haumaru, 33 Henderson Valley Road - Alaska Construction has achieved the critical milestone of completing first floor structures of what will be a 4 level, 40-unit Haumaru housing development. The construction programme is tracking well to reach practical completion by 30 June 2019.
- Takapuna - the construction of the Gasometer car park is progressing to programme. Half of the piling was completed around January 2019. The project will consolidate parking from the Anzac Street car park site, allowing for a mixed-use development, town square and other public amenities.

Risks

- Evolving Crown relationships and partnerships provides opportunities for Panuku to accelerate and expand developments. Changes can also impact on timing of projects e.g. the proposed formation of the Housing and Urban Development Authority (HUDA).
- Market changes pose challenges to Panuku delivering its work programme, such as the change in house prices, increase in material and labour costs and difficulty in securing development partners.

Financial (\$million)	YTD actual	YTD budget	Actual vs Budget
Capital delivery	38,003	55,306	17,303
Direct revenue	17,665	17,163	502
Direct expenditure	22,549	23,356	807
Net direct expenditure	4,884	6,193	1,309

Financial commentary

Capital delivery: Total capex YTD is \$17m behind budget. The total annual capex (excluding SDF - a facility for funding acquisitions) is forecast to be \$74m against the total budget of \$120m, a variance of \$46m. This is a significant increase in capital project delivery compared to last year. Of the total, \$23m underspend relates to the Waterfront programme primarily due to consenting and other delays, and the remaining \$23m is spread over other Transform and Unlock locations. *(More details in Appendix 1).*

Direct revenue: Slightly ahead of budget. Year end forecast is similar.

Direct expenditure: Underspend to date is due to timing differences. Year end budget is forecast to be met.

Key performance indicators

Key performance indicators	Previous Quarter	FY 19 Quarter 2		Status	Commentary
		Actual	Target		
Net Surplus achieves budget for 2018/19. (Properties managed on behalf of Council)	\$6.9m	\$13.8m	\$12.6m	Progressing	Year to date surplus targets met in the first 6 months.
Meet or exceed forecast property disposal annual target of \$24 million. (Asset sales)	\$24.5m	\$40.3m	\$24m	Met	General asset sales target met
List of properties recommended for disposal submitted to Council valued at \$30 million	\$4.8m	\$4.8m	\$30m	Progressing	This is a total target for year-end that is progressing.
The average of monthly % occupancy for the year is 95% or more.	97%	98%	95%	Met	Met the occupancy percentage target for the first 6 months.

Note: refer to page 8 for other performance measures

Strategic focus area – Waterfront development

Key highlights and risks

Highlights

- Site 18 - A development agreement has been signed with Orams to build a marine haul out and refit facility, commercial buildings and a residential tower in the Wynyard Quarter.
- Cruise ship mooring dolphin - resource consent notification period closed with over 300 submissions. A consent hearing is scheduled for February 2019.
- Resource consent for the Marina Pile Moorings has been issued; this decision is subject to appeal.
- Resource consent is imminent for Waterfront Promenade stage 2.

Risks

- AC36 scope changes and dependencies affecting the delivery of activities
- Dependencies / Resource consent delays affecting timing of other projects
- Changing market conditions impacting potential developments

Strategic context

Panuku is leading the realisation of the Waterfront Plan's five goals, being:

1. A blue-green Waterfront
2. A public Waterfront
3. A smart working Waterfront
4. A connected Waterfront
5. A liveable Waterfront

The work within Transform Waterfront sees Panuku continue to build on the work completed by its predecessor, Waterfront Auckland, and to progress and enable the desired Transform outcomes within the Wynyard Quarter and across the surrounding Waterfront precincts.

Key programme of	Status	Description	Commentary
		Overall Waterfront programme is on track with the delivery of physical projects but financial phasing is behind on a number of projects due to external dependencies, resource consents or commercial issues.	
AC36 Enabling Works	On track	The key role of Panuku is to conclude commercial agreements with waterfront tenants enabling AC36 construction; facilitate resource consents and progress the subsequent project works including tenant relocations in line with agreed AC36 programme.	Activities relating to America's Cup (AC36) project are on track. The amendments to Wynyard Hobson Resource consent were lodged with Council on 22 December 2018. Commercial agreements completed include BST relocation, ASB relocation and Sealink temporary move of offices. Commercial Agreement underway includes fishing fleet relocation. A number of works relating to tenant relocation are completed or underway.
Wynyard Quarter	On track	The Wynyard Quarter provides 37ha of prime land for redevelopment. Panuku has a significant role to play in helping achieve the outcomes for Auckland in terms of developments, visitor and resident satisfaction, economic impact, public amenity, community engagement, support and to achieve the strategic outcomes in the Waterfront Plan.	The Park Hyatt Hotel remains on schedule to be complete by June/July 2019. The civil construction work is underway on the Madden Plaza and Hotel Promenade with anticipated completion by the end of May 2019. Vos Shed Restoration - Legacy Construction commenced site establishment on 21 November. The Vos refurbishment scope includes the demolition of the building at 44-56 Hamer Street and works are now progressing at pace. Westhaven Promenade Stage 2 – Close to receiving consent which will lead to initiating procurement. Marine Village – the agreement is subject to a pre-lease threshold being met. Other projects are progressing as per the programme.
Other e.g. Marina	On track	Redevelop the pile mooring area at Westhaven to improve the profitability, quality, and public amenity of the marina.	Resource consent was granted for the Marina Pile Moorings project in December 2018 but is now subject to appeal. The capital budget is forecast to be deferred to the new year when the resource consent is finalised.

Strategic focus area – Other Transforms and Unlocks

Key highlights and risks

Highlights

- **Transform Manukau** – Strategic joint business case with the crown initiated and underway. This may lead to a bigger programme, more joined up with the Government.
- **Transform Onehunga** – Panuku has advanced plans to improve local connections with the first laneways project commencing onsite works. This laneway is scheduled for completion in March 2019. Waiapu Lane Precinct public realm scoping works underway.
- **Unlock Takapuna** – Initiated input into the design of 40 Anzac Street and 30-38 Hurstmere Road for a mixed use development with a public square and other public amenities. A political working group has been established with representatives from the local board and the local ward councillors to get input into the objectives and requirements for the design. The market process will start in early 2019.
- **Unlock Henderson** – the Henderson-Massey Local Board approved the concept and development plans for the Opanuku Link comprising the Opanuku Reserve, Henderson Valley Road (300m) and the cyclist bridge to Corban's Estate.
- **Unlock Papatoetoe** – Papatoetoe Shopping Mall physical works led by Panuku is completed, this includes a supermarket and public square.

Risks

- Evolving crown relationships and partnerships
- Challenging market conditions impact physical works delivery or asset sales.
- Supplier scarcity resulting in price escalations and or programme delays.

Strategic context

Panuku plays a significant role in achieving the Homes and Places and Belonging and Participation outcomes in the Auckland Plan.

Panuku will lead the redevelopment of town centres, the creation of public spaces for the future and facilitate housing development which are fundamental elements of comprehensive redevelopment.

The priority location HLPPs, Precinct Plans and the LTP funded Priority Location Programme provides a redevelopment roadmap for priority locations.

Key programme of	Status	Description	Commentary
Transform Manukau	On track	In the Transform Manukau area - facilitate housing development including affordable. Lead employment and educational opportunities. Manukau central as a cultural and social hub. Improve transport access. Improve public places and spaces to enhance liveability.	Construction was ahead of programme for the subdivision works for the 340 home Barrowcliffe Place residential development. This scheme involves two separate consortia and will provide shared ownership, affordable rental units and KiwiBuild homes. The development agreement to enable MIT to relocate its Technical Hub to Manukau for 1,200 students was nearing completion and a tender process to select a hotel development for central Manukau was completed. Panuku continues to work with the Crown on a collaborative approach to the overall Transform Manukau programme.
Transform Onehunga	On track	The vision is to create a flourishing Onehunga that is well connected to its past, its communities and the environment, including the Manukau Harbour.	Mana whenua has signalled interest in exploring potential partnership opportunities in Onehunga Wharf. This long-term project that is located in an area of high cultural and historical significance, offers a variety of opportunities to potentially realise mutual benefits.
Unlock Takapuna	On track	The vision is to make the most of Takapuna's lake and seaside setting to create a safe, accessible and vibrant town centre orientated around pedestrians and cyclists.	The Gasometer car park and ANZAC Street Public Realm projects are underway. Over half of the piles for the Gasometer project have been drilled. The balance of the Gasometer site is going through development partner negotiations for a multistory development.
Unlock Avondale	On track	Lead the rejuvenation of Avondale through facilitating development of strategic sites and associated infrastructure. Facilitate quality housing in proximity to the Auckland CBD and opportunity to improve transport connections.	The Crown has expressed interest in partnering with Panuku on the Avondale Central mixed-use site. Council has determined the location for its community facility which is a significant milestone.
Unlock Haumaru	On track	The purpose is to identify underutilised council owned sites within the existing portfolio suitable for development for new Housing for Older People units to meet social housing needs.	Housing for older people units, 33 Henderson Valley Road - achieved a critical milestone of completing first floor structures of what will be a 4 level, 40 unit Haumaru housing development. The construction programme is on track.

Key programme of	Status	Description	Commentary
Unlock Henderson	On track	Henderson is a town centre location with good infrastructure and access to transport. It has strategic Council and Crown landholdings that can act as catalysts for private sector redevelopment. The vision for Henderson is for it to become an urban eco-centre.	C40 Falls and Alderman carparks – Last year these two sites were nominated for Reinventing Cities, an international contest to inspire world-leading sustainable design. Reinventing Cities is run by C40, a group of cities around the world working together on climate change. The Request for Development Proposals (RFDP) closes on 29 March 2019. Panuku is finalising the Detailed Business Case and responding to bidder queries during this period. Placemaking activations are ongoing on the sites during this phase.
Unlock Panmure	On track	The vision for Panmure of creating a vibrant town centre that is a great place to live, visit and do business. The goals are to restore town centre vitality, improve connections to and within the town centre, make a step change in housing and demonstrate leadership in sustainable development.	The programme is tracking well with eight projects initiated, and two projects to be initiated upon confirming the AMETI construction programme by March 2019. Examples of projects include the Commercial Precinct with a mix of retail and residential, and working on an agreement for the development at 3 Mountwell Crescent.
Unlock Papatoetoe	Delayed	The programme seeks to enable redevelopment by enhancing the existing characteristics of the town centre and attracting people and enterprise to Old Papatoetoe. To achieve this vision Panuku creates and delivers development opportunities such as the shopping mall, supermarket, public square and	A site has been acquired utilising the SDF and will be combined with the Tavern Lane development site to improve overall quality of town centre redevelopment. Risk to the Tavern Lane development. A legal challenge to this project could impact the overall programme. Two sites are to be released by AT to be added to Unlock Papatoetoe. They adjoin each other and are located in a high profile location.
Unlock Hobsonville	On track	The vision for the location is a 14ha residential area with a 6ha mixed use employment precinct to support the wider Hobsonville Point master plan.	The official launch of stage one of the Avanda development took place on 18 November 2018. The sales of Stage 1 are progressing. The infrastructure works are complete. Continuing to work with HLC on the mixed use employment precinct.
Unlock Northcote	On track	The objectives for renewal of the Northcote town centre are for a better retail destination with a new supermarket and long-term retail viability; significant residential development; new town square for community gatherings; a multipurpose community facility and a greenway to the north edge and reserve	The Business Case to seek a development partner is progressing with a go to market strategy. The Panuku Board will consider the Master Plan for a redeveloped town centre in February 2019.
Unlock Pukehohe	On track	Pukekohe is a new priority location for Panuku. The goal is to achieve urban redevelopment of the council's underutilised property portfolio within the Pukekohe Town Centre.	The Governing Body approved Pukekohe as an "Unlock" location in November 2018. The process to create a High-Level Project Plan (HLPP) and Programme Business Case has been initiated. The target is for these to be adopted and endorsed by the Governing Body and Panuku board by 30 June 2019.
Unlock City Centre	On track	Managing city centre projects on behalf of Council. They include the Civic Administration Building, CPO Station Plaza and others.	Civic Administration Building (CAB) development is on final stage of evaluation by project funders to enable it to proceed.

Other letter of expectation focus areas

Working with Central Government

Panuku is continuing to engage with Central Government in a number of the priority development locations including Manukau, Henderson, Northcote, Panmure and Avondale.

This includes working with Housing New Zealand, KiwiBuild and HLC, which will all be part of the future proposed Housing and Urban Development Authority (HUDA).

The intention is to align development programmes, leverage the skills, experience and investment and enhance delivery.

The approved High Level Project Plans form the basis of this engagement. Discussions with KiwiBuild are progressing in relation to a number of sites.

Climate change

Panuku continues to progress its response to climate impact, in alignment with the Council group. This response includes implementing tools to reduce the carbon impact of development; steps to minimise our operational footprint; and addressing adaptation and resilience in our project areas.

- Panuku has signed the Climate Leaders Coalition pledge in alignment with Council and other CCOs and is working on an approach to carbon accounting within the council group. We have started measuring our operational footprint and obtained a NABERSNZ energy rating.
- As part of our Green Star Communities projects, we have engaged consultants to model the climate impact of developments in two priority locations to pilot an approach that can be rolled out across other areas.
- We are continuing to work with residential developers to extend Homestar, our low carbon residential tool; and we have progressed development of sustainability standards for commercial building projects. We are working with the Council group to investigate tools for carbon measurement in infrastructure.
- We are feeding into the update of the Auckland Climate Action Plan and will use risk analyses developed for the plan as the basis of adaptation and resilience planning in our project areas.

Contribution towards Māori outcomes

Panuku is a secondary contributor to the Auckland Plan - Māori Identity and Wellbeing Outcome. This then cascades down to our three express Statement of Intent commitments to:

A) Work towards shared strategic outcomes - we have co-designed a Mana Whenua Outcomes Framework that provides key understanding as to where Mana Whenua see the potential to leverage Panuku opportunities. The Framework provides for measures to enable monitoring and reporting against progress and outcomes achieved. The Framework is well supported by Mana Whenua and was endorsed by the Mana Whenua Kaitiaki Forum in Q2

B) Enable commercial opportunities - Panuku is currently improving processes for identifying commercial opportunities for Māori.

C) Celebrate Māori Culture and Identity - we will continue to work with Mana Whenua to develop an implementation plan. We continue to facilitate Māori identity innovations and opportunities through initiatives such as naming new streets, laneways, buildings, signage, communications, art and landscaping. We are also continuing our placemaking kaupapa Māori foundation to deliver positive outcomes for Māori across the region.

Local board engagement

Panuku continues to engage with local boards on optimisation opportunities, asset sales and overall programme.

- Panuku was asked to consider additional town centres for inclusion in the development programme. Work on the Pukekohe High-Level Project Plan has commenced, including close engagement with the Franklin Local Board.
- A joint political reference group was established to explore issues on divestment of council assets. On 10 December they discussed the transfer of assets across the council group and service property optimisation. A report in March 2019 will set out recommendations for improvements to the divestment processes, policies and will inform a programme going forward. This is a Council led initiative which Panuku supports.
- Working with local boards on projects that will be funded from the reinvestment budget.

Panuku Q2 financials

\$(million)	FY 18	FY 19 Quarter 2			FY 19
	Actual	Actual	Budget	Variance	Budget
Net direct expenditure	7,759	4,884	6,193	1,309	11,859
Direct revenue	37,315	17,665	17,163	502	34,774
Fees & user charges	3,023	979	836	143	2,295
Operating grants and subsidies	0	0	0	0	0
Other direct revenue	34,292	16,686	16,327	359	32,479
Direct expenditure	45,074	22,549	23,356	807	46,633
Employee benefits	22,096	11,803	11,652	(151)	23,684
Grants, contributions & sponsorship	24	8	8	0	15
Other direct expenditure	22,954	10,738	11,696	958	22,934
Other key operating lines					
AC operating funding (<i>CCO only</i>)	17,880	8,437	8,437	0	17,962
Vested assets	0	0	0	0	0
Depreciation	7,939	4,381	4,276	(105)	8,534
Net interest expense	(697)	(347)	(30)	317	(618)

Financial Commentary

Overall the operating performance of Panuku is projected to meet the budget at year end. There are no significant year to date variances on revenue and expenditure.

Comment 1: Year to date direct expenditure variance is a result of minor timing differences compared to phased budget. We anticipate that these will be corrected as the year continues, direct expenditure is forecast to be on budget at year end.

Comment 2: The year to date variance in net interest expense is due to phasing. Interest received from a development partner monthly was all allocated to June in the budget. The year-end revenue is forecast to meet the budget.

Panuku Q2 performance measures

Key performance indicators	Previous Quarter	FY 19 Quarter 2		Status	Commentary
		Actual	Target		
1. Transform and Unlock location initiatives completed.	-	N/A	90%	Progressing	Annual target measured at end of year.
2. Percentage of attendees surveyed satisfied with key Transform and Unlock place programmes and activities	-	N/A	Set baseline	Progressing	Annual target measured at end of year.
3. Percentage of visitors surveyed satisfied with their experience of the public spaces on the city or town centres (LTP)	-	N/A	80%	Progressing	Annual target measured at end of year.
4. Percentage of Aucklanders surveyed who have visited the city or town centres in the past year (LTP)	-	N/A	73%	Progressing	Annual target measured at end of year.
5. Percentage of customers surveyed satisfied overall with marina facilities and services (LTP)	-	N/A	88%	Progressing	Annual target measured at end of year.
6. Number of significant Māori initiatives implemented or active per annum (LTP)	-	N/A	50	Progressing	Annual target measured at end of year.
7. % Mana whenua groups satisfied with quality of engagement	-	N/A	Set baseline	Progressing	Annual target measured at end of year.
8. Written evidence that opportunities have been identified and assessed, to be progressed or not.	24	46	100	Progressing	Target is on track.
9. Net Surplus achieves budget for 2018/19. (Properties managed on behalf of Council)	\$6.9m	\$13.8m	\$12.6m	Progressing	Year to date surplus target met in the first 6 months.
10. The average of monthly % occupancy for the year is 95% or more	97%	98%	95%	Met	Met the occupancy percentage target for the first 6 months.
11. ROI on properties on a like for like basis (LTP).	-	N/A	2.25%	Progressing	Annual target measured at end of year.

Panuku Q2 performance measures

Key performance indicators	Previous Quarter	FY 19 Quarter 2		Status	Commentary
		Actual	Target		
12. Return on Equity on commercial assets and services (LTP) at Waterfront.	-	N/A	8.25%	Progressing	Annual target measured at end of year.
13. List of properties recommended for disposal submitted to Council valued at \$30 million	\$4.8m	\$4.8m	\$30m	Progressing	This is a total target for year-end that is progressing.
14. Meet or exceed forecast property disposal annual target of \$24 million. (Asset sales)	\$24.5m	\$40.3m	\$24m	Met	General asset sales target met
15. Acquisitions are delivered within the timeline agreed with Auckland Council.	100%	100%	80%	Met	Met acquisitions delivery timeline in the first 6 months.

Detail Explanations

	Total CAPEX Revised Budget \$m	Total CAPEX Forecast \$m	Explanation
<i>Waterfront</i>	\$51m	\$28m	<p>Forecast capex \$23m of Waterfront programme will not be delivered this year. The material balances that make this up include:</p> <ul style="list-style-type: none"> • Marina pile mooring \$5m – Panuku achieved consent. However it is being appealed, with the hearing due in July 2019. The capex for this project will not be spent in the current financial year as the result of the appeal. • Marina Village \$6.6m – subject to pre-leasing. The threshold may not be met and the capex spend is forecast to defer to the new year. • Westhaven promenade stage 2 \$4.6m – this project is forecast to be deferred to the new year due to engagement around the resource consent taking longer than anticipated. • Marina attenuation & reconfiguration \$3.9m – AC36 deferral of project
<i>Other Transform & Unlock</i>	\$69m	\$46m	<p>Haumarū and Takapuna Gasometer Carpark projects are well into construction and are forecast to complete within budget. We have been working with Council family in a number of locations and work that we have planned to do this year is now going to be delivered either by Council family or in line with their schedule, such as Puhinui Stream in Manukau (Healthy Waters). Forecast capex \$23m of Transform and Unlock will not be delivered this year. The material balances that make this up include:</p> <ul style="list-style-type: none"> • Takapuna \$7m, the project needed more time to complete the community consultation resulting in a timing delay. • Avondale \$2m, the car park is no longer required. • Northcote \$3m, the Greenway project is delayed due to the timing of acquisition of land from the Ministry of Education. • Hobsonville \$2m, Employment Precinct timing delay, Panuku is working closely with HLC to finalise the shared design vision and ‘go to market’ strategy for the precinct over the next few months. • Manukau \$2m, the Ronwood car park redevelopment is still being negotiated with the development party.
Total	\$120m	\$74m	