



STATEMENT OF INTENT

2017 - 2021

Tāmaki is an awesome place
to live



TABLE OF CONTENTS

Purpose of Statement of Intent	2
Statement of Responsibility	2
About Tāmaki Redevelopment Company	3
Our Strategic Framework	4
Long Term Objective - Social Transformation	6
Long Term Objective - Economic Development	8
Long Term Objective - Placemaking	9
Long Term Objective - Housing Resources	10
Work Programme to deliver on Strategic Objectives	12
Development Projects	14
Financial Summary	15
Functions and Operations	16
Risk Management	19

PURPOSE OF STATEMENT OF INTENT

In accordance with the Public Finance Act 1989 and the Crown Entities Act 2004, this annual Statement of Intent (SOI) publicly states the activities and intentions of Tāmaki Redevelopment Company and its subsidiaries for the next four years, and the objectives that those activities will contribute to. This draft SOI has had shareholder input and includes performance measures and targets as the basis of organisational accountability.

STATEMENT OF RESPONSIBILITY

The Board is responsible for the statements contained in TRC's Statement of Intent and for the appropriateness of the assumptions as well as the relevant disclosures made in them.

The Board of TRC has the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and non-financial reporting.

Signed on behalf of the Board:



John Robertson
Chair

30 June 2017
Date



Dr. Susan Macken
Deputy Chair

30 June 2017
Date

ABOUT TĀMAKI REDEVELOPMENT COMPANY

Auckland is a city on the move. Fuelled by rapid growth, the city is pushing out and up making Auckland one of the strongest, long-term performing, property markets in the world.

Tāmaki, in Auckland's eastern suburbs, is surrounded by world-class amenities and easy access to the city's major shopping, beach and recreation attractions. With efficient transport connections already in place, and just minutes to the CBD, Tāmaki stands out as one of the city's most attractive urban regeneration opportunities.

Tāmaki Redevelopment Company (TRC) has been mandated by its shareholders, New Zealand Government and Auckland Council, to lead on urban regeneration activity in Tāmaki to achieve four equally important objectives - social transformation, economic development, placemaking and housing resources.

Historically, the area has been home to a significant number of social houses, totalling 2,800 of the 5,000 existing homes in the area. TRC is responsible for both managing the approximately 2,800 existing social housing properties and for leading on housing redevelopment in Tāmaki. The Tāmaki regeneration programme will see around 2,500 of the 2,800 social houses redeveloped into approximately 7,500 homes.

The regeneration programme is committed to delivering its housing programme over the coming 10 to 15 years, subject to market conditions and its ability to achieve the broader strategic outcomes set for Tāmaki. TRC seeks to achieve this by:

- Endeavouring to partner with a consortium comprising of a large scale development partner and a long term owner of the redeveloped social housing. If successful, we plan to transfer the ownership of newly developed social houses in Tāmaki to this partner by 31 March 2018; and
- Maintaining momentum of Catalyst projects over the next three to five years. These developments will be an opportunity to test, refine and benchmark the outcomes expected of large scale development.

Our contribution to Auckland's housing challenges is unique. Our commitment to a diverse housing stock, mixed-tenure, affordable housing and developing the community housing sector presents the opportunity to ensure development partners bring to the table innovative approaches, unlock new supply chains, to deliver at pace and reduce construction costs. It also provides opportunities for the private sector to get involved in long-term investment and ownership of social homes and an opportunity for Tāmaki's residents to progress from the need for social housing to more independent living.

The housing redevelopment presents a unique regeneration opportunity to achieve positive social and economic outcomes for Tāmaki residents. The creation of new communities of mixed tenure housing, featuring the best of local and international urban, neighbourhood and housing design, will create a platform to transform the lives of the existing residents for now and generations to come.

We have collaborated with the Tāmaki community, Crown and Council to produce a single set of outcomes for Tāmaki. Collectively these outcomes provide a clear vision for Tāmaki, a vision that we will realise through partnership by agreeing priorities, working together and aligning the delivery of social services in order to best meet the needs of Tāmaki families. Over the next year TRC will develop the capability to lead the design of those services and measure the impact they are having on the Tāmaki community.

In addition to new, warm dry homes, and the provisions of excellent social infrastructure, transport connections, and quality neighbourhoods, TRC will directly contribute to the social and economic transformation of Tāmaki by:

- continuing to meet the government commitment that those who are impacted by the redevelopment and are still in need of social housing will have the opportunity to remain within the community;
- addressing housing affordability so that residents can pathway from the need for social housing to more independent living;
- continuing to partner with the Ministry of Social Development to support Tāmaki residents into education and employment.

Regeneration is about backing and developing local talent and ensuring the right conditions and opportunities are in place to create an attractive environment for businesses and families to thrive.

By strengthening current partnerships and attracting new ones while leveraging Tāmaki's natural advantages and community spirit, Tāmaki's regeneration will create an awesome place to live.

OUR STRATEGIC FRAMEWORK

Our Strategic Objectives

TRC's Company Purpose is to pursue the following four regeneration objects, which are outlined in the company's Constitution:

SOCIAL TRANSFORMATION: Supporting Tāmaki residents and families to gain the skills, knowledge and employment opportunities to progress their lives;

ECONOMIC DEVELOPMENT: Strengthening the local economy and unlocking the potential of the Tāmaki area to enable a prosperous community and deliver better value for money to the Crown (with a focus on increasing the return on investment and realising the potential value from state and council-owned housing);

PLACEMAKING: Creating safe and connected neighbourhoods that support the social and economic development of Tāmaki and its community; and

HOUSING RESOURCES: Optimising the use of land and existing housing stock to effectively support and deliver social and economic results, including progressing private housing development and better public housing options for Tāmaki.

These four equally important objectives contribute to Crown and Council's wider strategic goals and the wider social and economic objectives for the region, all described below.

Contribution to the social housing reform programme

- Ensure that people who need housing support can access it and receive social services that meet their needs.
- Ensure that social housing is of the right size and configuration, and in the right areas, for those households that need it.
- Help social housing tenants to independence, as appropriate.
- Encourage and develop a more diverse ownership of social housing, with more innovation and responsiveness to tenants and communities.
- Help increase the supply of affordable housing, especially in Auckland.

Contribution to Auckland Council's vision of "The World's most liveable city" and in particular the following transformational shifts

- Strongly commit to environmental action and green growth.
- Move to outstanding public transport within one network.
- Radically improve the quality of urban living.
- Substantially raise the living standards and focus on those most in need.

Contribution to wider regeneration objectives

The Tāmaki Redevelopment Company has worked alongside community, Council and social sector agencies to develop the Tāmaki Outcomes Framework and to align services to better meet the wider social and economic objectives in the Tāmaki region. The Framework has drawn on, and measures regeneration against goals found in the following strategic documents:

- Better Public Services
- The Auckland Plan
- Maungakiekie-Tāmaki Local Board Plan
- Orakei Local Board Plan
- Auckland Māori Plan
- Government's Māori Economic Development Strategy
- Auckland Economic Development Strategy
- Social Housing Reform Programme
- Housing Affordability Programme
- Housing Strategic Action Plan
- Agenda for Children

Tāmaki Outcomes Framework

The Tāmaki Outcomes Framework comprises two equally important key outcome areas, representing people and place. All Tāmaki Regeneration Programme activities – whether conducted by TRC, government agencies, or NGOs – contribute to the below outcomes:

- **Tāmaki whānau have good lives**
 - Tāmaki whānau live in quality homes
 - Tāmaki whānau are economically independent
 - Tāmaki whānau have health and wellbeing
 - Tāmaki whānau are connected in their community
- **Tāmaki is a vibrant neighbourhood with quality housing**
 - Tāmaki has quality housing
 - Tāmaki has great neighbourhoods.
 - Tāmaki has a thriving economy

LONG TERM OBJECTIVE – SOCIAL TRANSFORMATION

Tāmaki residents and families have the skills, knowledge and employment opportunities to progress their lives

Our vision is that Tāmaki prides itself as being a place of wellbeing and nurture. All health and social services in Tāmaki are marked on their doors with the logo of open arms. This is a visible commitment to the Tāmaki values of being welcoming, inclusive and supportive. There is an acceptance within the community that people come from all walks of life, and people take pleasure in reaching out to support others in small, practical ways whenever they can.

With their everyday needs met, those living in Tāmaki have the ability to invest in themselves. Tāmaki is a place of growth, where people can meet their potential. Skills training and education, along with active job placement and mentoring, has generated numerous success stories of people finding work, providing for their families, and regaining their pride.

Children thrive in Tāmaki. Playgrounds, swimming centres, libraries and community halls are buzzing with parents singing, dancing, playing and reading with their children, and making new friendships with other families. Students at the local college see a future of unlimited opportunity. A focus on excellence and a rich cultural life equip students to succeed, whatever their pursuits. With strong ties and pride in their community, former students regularly return to encourage, inspire and mentor the next generation.

Strategic Framework	Link															
Contributes to Tāmaki Outcomes Framework	<ul style="list-style-type: none"> Tāmaki whānau have health and wellbeing Tāmaki whānau are economically independent Tāmaki whānau are connected in their community 															
Our objectives What we are aiming to deliver	<ul style="list-style-type: none"> Tāmaki residents are supported into education and employment opportunities through clever contracting and the development of social enterprise Tāmaki residents have the chance to shape Tāmaki and take advantage of its opportunities Families are supported by an integrated social services system which enables them to achieve their aspirations 															
Desired trends How will we know we're making progress	<table border="1"> <thead> <tr> <th>Measure</th> <th>2017/18</th> <th>2018/19</th> <th>2019/20</th> <th>2020/21</th> </tr> </thead> <tbody> <tr> <td>Percentage of Tāmaki residents who understand and support the regeneration programme as it affects them</td> <td>65%</td> <td>70%</td> <td>75%</td> <td>80%</td> </tr> <tr> <td>Number of Tāmaki residents employed through TRC employment initiatives (cumulative target)</td> <td>125</td> <td>375</td> <td>450</td> <td>650</td> </tr> </tbody> </table>	Measure	2017/18	2018/19	2019/20	2020/21	Percentage of Tāmaki residents who understand and support the regeneration programme as it affects them	65%	70%	75%	80%	Number of Tāmaki residents employed through TRC employment initiatives (cumulative target)	125	375	450	650
	Measure	2017/18	2018/19	2019/20	2020/21											
Percentage of Tāmaki residents who understand and support the regeneration programme as it affects them	65%	70%	75%	80%												
Number of Tāmaki residents employed through TRC employment initiatives (cumulative target)	125	375	450	650												

Enabling projects

(more information on enabling projects is available at page 12)

- Intensive Support Services
- Tāmaki Evaluation Plan
- Tāmaki Response
- Contribute to the Tāmaki Education Strategy
- Contribute to the Early Childhood Education Collective Impact Project
- Tāmaki-wide Strategic Framework update

LONG TERM OBJECTIVE – ECONOMIC DEVELOPMENT

Strengthening the local economy and unlocking the potential of the Tāmaki area to enable a prosperous community and deliver better value for money to the Crown

In our vision Tāmaki is a thriving hub of enterprise, with two bustling town centres. A strong “shop local” culture, coupled with a pool of talented local entrepreneurs and food artisans, has resulted in a colourful collection of shops that draw people from all over Auckland. A regular market has been running near the Glen Innes town centre since early into the redevelopment.

With a focus on creativity and sustainability, the market has acted as an incubator allowing locals to explore their potential and share skills, like carpentry, lathe work, weaving and sewing, to upcycle resources salvaged from houses.

Alongside the market, there are bustling food trucks serving delicious fusion cuisine reflecting the melting pot of cultures across Tāmaki. Tāmaki’s hospitality school is recognised as one of the best in country, with a number of its graduates coming back to their community to start up award winning cafes and restaurants after stints overseas.

There are numerous employment opportunities in Tāmaki, beyond those in the thriving retail and hospitality sectors. The redevelopment has grown an army of skilled tradespeople, with many setting up their own businesses and passing their skills onto the next generation. With this growth, there is also a healthy local industry of support services in accountancy, IT, and project management.

Strategic Framework	Link				
Contributes to Tāmaki Outcomes Framework	<ul style="list-style-type: none"> Tāmaki whānau are economically independent Tāmaki has a thriving economy 				
Our objectives What we are aiming to deliver	<ul style="list-style-type: none"> The people of Tāmaki can look forward to affordable housing options, providing stepping stones for families out of social housing and, ultimately, into home ownership Vibrant town centres that meet the needs of our future population while maintaining the Tāmaki culture 				
Desired trends How will we know we’re making progress	Measure	2017/18	2018/19	2019/20	2020/21
	Number of Tāmaki residents who progress along the housing continuum (cumulative target)	15	35	60	90
Enabling projects (more information on enabling projects is available at page 12)	<ul style="list-style-type: none"> Affordable Housing Glen Innes Town Centre Development plan Industrial Area Development Strategy Panmure Transit Oriented Development master plan 				

LONG TERM OBJECTIVE - PLACEMAKING

Creating safe and connected neighbourhoods that support the social and economic development of Tāmaki and its community

Our vision is that Omaru Stream courses through Tāmaki with health and vitality before flowing out to the Tāmaki River at Pt England reserve. Its banks are crowded with people every weekend, walking, cycling and enjoying one of Auckland’s best inner city nature reserves.

With playgrounds, communal gardens, and beautiful parks dotted throughout its well-laid out collection of streets, Tāmaki is a place of people, not cars. It’s affectionately known as the ‘suburb of smiles’ by locals, who wave and acknowledge both those who have lived here for generations and those who have moved in recently.

Energy and well-being is evident throughout the community, and regularly showcased by the large number of young people living here. Tāmaki is the cultural hub for young, upcoming talent in dance and music, with Te Oro’s festival programme one of the highlights of the Auckland arts calendar.

Strategic Framework	Link				
Contributes to Tāmaki Outcomes Framework	<ul style="list-style-type: none"> Tāmaki has great neighbourhoods Tāmaki whānau are connected in their community 				
Our objectives What we are aiming to deliver	<ul style="list-style-type: none"> Tāmaki is Auckland’s greenest community, and is an exemplar for environmentally conscious urban development. Parks, reserves, and community spaces are activated, reflect Tāmaki’s strong culture, and bring the community together. Tāmaki is the most walking and cycling friendly community in Auckland. 				
Desired trends How will we know we’re making progress	Measure	2017/18	2018/19	2019/20	2020/21
	Percentage of newly developed neighbourhoods that meet agreed minimum standards within the Quality Neighbourhood Framework	100%	100%	100%	100%
Enabling projects (more information on enabling projects is available at page 12)	<ul style="list-style-type: none"> Transport Blueprint for Tāmaki Residents’ Association Framework Early Years Hub Delivery 				

LONG TERM OBJECTIVE – HOUSING RESOURCES

Optimising the use of land and existing housing stock to effectively support and deliver social and economic results, including progressing private housing development and better public housing options for Tāmaki.

Our vision is that Tāmaki provides a vision for the future of Auckland. Each year, the new houses built test and stretch thinking for how to deliver well-designed, affordable, sustainable homes that people love to live in. International study groups frequently walk the streets, identifying best practice examples of medium to high density housing, neighbourhood creation and urban design to adapt for their own countries.

Tāmaki attracts people from all different worlds from professional and young families to empty nesters and retirees, but most describe being drawn to the appeal of living in Auckland’s greenest community, with “eco” homes, fantastic public transport, cycle ways, and garden streets.

Tāmaki’s focus on creating affordable homes means that, despite its massive growth in popularity, renting or owning a home here is not out of reach. People reach out, seeking strong ties with their neighbours, community and schools, knowing that this is a place you can lay roots.

Strategic Framework	Link				
Contributes to Tāmaki Outcomes Framework	<ul style="list-style-type: none"> Tāmaki has quality housing Tāmaki has great neighbourhoods 				
Our objectives What we are aiming to deliver	<ul style="list-style-type: none"> A continued supply of quality houses across the housing continuum, to an agreed typology and mix in a way that secures community buy-in, innovation, successful urban design, efficiencies and price competitiveness Our social housing tenants are living in houses that are warm and dry, and that are suited to their diverse needs. Tenant landlord relationships are managed professionally, with tenants being treated respectfully through rehousing 				
Desired trends How will we know we’re making progress	Measure	2017/18	2018/19	2019/20	2020/21
	Percentage of social housing tenants who are satisfied with our service	80%	80%	80%	80%
	Percentage of Tāmaki social housing residents affected by the redevelopment within 6 months that have a rehousing plan	100%	100%	100%	100%
	Occupancy Rate for available properties	98%	98%	98%	98%

Annual provision of new houses to agreed topography and mix <i>(Note: See Development Projects)</i>	320 - 400	460 - 570	440 - 550	520 - 650
--	-----------	-----------	-----------	-----------

Enabling projects

(more information on enabling projects is available at page 12)

- Engagement of Tenancy Management Provider
- Procurement for Large Scale Development
- Implement TRC's Urban Development Authority functions

WORK PROGRAMME TO DELIVER ON STRATEGIC OBJECTIVES

The following key enabling projects will support the delivery of our strategic objectives:

Project/Initiative	Description	Delivered By
Intensive Support Services	Engage with partners to deliver support services for hard to reach families identified through the re-housing process.	February 2018
Tāmaki Evaluation Plan	Support the work of Treasury and Superu to implement the evaluation framework and plan to assess the success of the Regeneration Programme over time.	On-going
Tāmaki Response	Work with relevant agencies and community to implement the Tāmaki Response operating model to align service delivery to meet the need of Tāmaki residents, while ensuring the learning about collective impact, social investment, and urban regeneration programmes is transferrable to other areas. This includes building TRC's capability as a backbone organisation for the Tāmaki Response.	On-going
Tāmaki Education Strategy	Support the Ministry of Education to develop an Education Strategy for Tāmaki.	September 2017
Tāmaki-wide Strategic Framework Update	Update the Strategic Framework for Tāmaki that sits across Crown agencies, Council, Non-Government Organisations and Community.	October 2017
Affordable Housing	Develop and supply affordable housing options in Tāmaki in line with the approved Business Case.	Affordable Rental product delivered June 2018 Affordable Ownership product delivered June 2020
Industrial Area Development Strategy	Work with Panuku Development Auckland to plan private investment and redevelopment of the industrial area west of the railway line.	June 2018
Glen Innes Town Centre Development Plan	Working closely with Auckland Council we will catalyse revitalisation and private sector investment in the Glen Innes Town Centre.	Phase 1 (Town Centre Core) completed by June 2018
Transport Blueprint for Tāmaki	A master plan to define the gaps in transport provision between the existing transport environment and the aspirational environment, and the specific interventions necessary to address those gaps.	February 2018

Project/Initiative	Description	Delivered By
Residents' Association Framework	Develop a framework for establishing Residents' Associations in newly developed neighbourhoods.	February 2018
Early Years Hub Delivery	Work with the Ministry of Education, Tāmaki Primary School, Community and an investment partner to deliver an Early Childhood Education centre with additional space for use by community and a range of social service providers.	July 2019
Engagement of Tenancy management provider	Exploring opportunities to engage third-party partners for the future delivery of Tenancy Management services through THA.	Selection completed by March 2018
Procurement for Large Scale Development	Procurement of one or two consortia each comprising of a large scale development partner and investors.	Phase 1 completed by March 2018 Phase 2 commences June 2019 and completed by Dec 2020
Panmure Transit Oriented Development master plan	Catalyse revitalisation and private sector investment in the Panmure Transit Oriented Development area.	November 2018
Understand TRC's role as an Urban Development Authority	Understand our role as a UDA, then grow capability and capacity, and implement processes.	June 2018

DEVELOPMENT PROJECTS

The following development projects will support the delivery of our Housing objective:

Development project will support:	17/18	18/19	19/20	20/21
Total social housing	103	156	154	175
Total private housing	256	362	343	410
Total	359	518	497	585
Total social housing by precinct				
Northern Glen Innes	18	0	0	0
Fenchurch	54	49	7	0
Overlea	20	27	0	0
Derna Tobruk	0	5	19	6
Armein	0	0	13	6
Hinaki	0	0	26	46
Quickstart	11	51	6	0
Large scale development	0	24	83	117
Total	103	156	154	175
Total private housing by precinct				
Northern Glen Innes	74	81	4	0
Fenchurch	141	107	6	0
Overlea	41	49	0	0
Derna Tobruk	0	11	28	31
Armein	0	0	35	36
Hinaki	0	0	64	80
Quickstart	0	53	9	0
Large scale development	0	61	197	263
Total	256	362	343	410
Total Housing by precinct				
Northern Glen Innes	92	81	4	0
Fenchurch	195	156	13	0
Overlea	61	76	0	0
Derna Tobruk	0	16	47	37
Armein	0	0	48	42
Hinaki	0	0	90	126
Quickstart	11	104	15	0
Large scale development	0	85	280	380
Total	359	518	497	585

FINANCIAL SUMMARY

The following summary of financials supports delivery of the strategic objectives and performance targets.

Tāmaki Redevelopment Company Limited Legal Group				
Forecast Profit and Loss for the year ending 30 June				
	2018	2019	2020	2021
Rental revenue	62,502	62,929	60,477	59,818
Development sales	63,173	31,722	28,283	21,982
Other revenue	26	27	28	29
Total Revenue	125,701	94,678	88,788	81,829
Personnel costs, consultants and legal expenses	18,519	11,710	12,774	11,991
COGS and inventory writedown expenses	137,433	110,985	57,685	64,439
Repairs and maintenance expenses	15,713	15,452	15,253	15,003
Other expenses	32,483	39,380	50,171	57,603
Total Expenses	204,149	177,527	135,883	149,036
EBITDA	(78,448)	(82,849)	(47,095)	(67,207)
Depreciation & Amortisation	31,609	26,557	23,420	20,307
Surplus / (Deficit) for the year	(110,057)	(109,406)	(70,514)	(87,514)
Forecast Balance Sheets as at 30 June				
	2018	2019	2020	2021
Cash	11,620	5,684	5,684	51,288
Receivables	51,489	46,207	39,774	35,822
Inventory	73,646	38,319	42,371	43,822
Property, plant and equipment and intangible assets	1,666,565	1,699,917	1,747,030	1,710,917
Total assets	1,803,320	1,790,126	1,834,860	1,841,849
Payables and provisions	27,298	36,721	59,210	68,945
Tax liabilities	40,243	40,243	40,243	40,243
Crown loan	30,500	45,500	65,500	75,500
Total Liabilities	98,042	122,465	164,954	184,689
Net assets	1,705,279	1,667,662	1,669,906	1,657,160
Ordinary shares	8,500	8,500	8,500	8,500
Preference shares	1,631,161	1,631,161	1,631,161	1,631,161
Revaluation reserve	332,309	404,098	476,857	551,625
Retained earnings	(266,692)	(376,098)	(446,612)	(534,126)
Total equity	1,705,279	1,667,662	1,669,906	1,657,160
Forecast Cash flows for the year ending 30 June				
	2018	2019	2020	2021
Rent revenue	57,148	61,781	58,096	55,859
Development sales receipt	50,244	38,162	37,108	29,905
Crown funding income	-	-	-	-
Other revenue	12,025	4,437	4,567	4,701
Personnel costs	(7,970)	(5,194)	(5,350)	(5,510)
Supplier payments	(89,867)	(71,273)	(60,246)	(81,251)
Total operating cash flows	21,580	27,913	34,175	3,704
Net purchase / sale of property, plant and equipment	(50,073)	(48,849)	(54,175)	31,900
Total investing cash flows	(50,073)	(48,849)	(54,175)	31,900
Crown loan funding	19,000	15,000	20,000	10,000
Total financial cash flows	19,000	15,000	20,000	10,000
Net cash flows	(9,493)	(5,936)	(0)	45,604
Opening cash balance	21,113	11,620	5,684	5,684
Closing cash balance	11,620	5,684	5,684	51,288

FUNCTIONS AND OPERATIONS

Operating Principles

In delivering against our strategic objectives TRC will follow the following principles:

- **Tāmaki Commitment:** Social tenants affected by redevelopment will be provided with the opportunity to remain in Tāmaki
- **Economic returns focus:** The programme will be configured to provide the greatest economic returns to shareholders (vs. short term financial returns)
- **Neighbourhood-by-neighbourhood approach:** Housing-led regeneration will be undertaken in a phased manner across neighbourhoods within the three suburbs of Tāmaki
- **Tāmaki community engaged:** The Tāmaki community is informed and engaged
- **Transfer of control to the community:** TRC will exist for a finite time; the Tāmaki community will be here forever. TRC will transfer control of the programme to the community over time (approx. 15 years)
- **Catalysing the growth of Community Housing Providers and the private sector:** CHPs and the private sector will be willing participants in the delivery of the regeneration programme
- **Tāmaki is an affordable place to live in Auckland:** We will address housing affordability so that residents can pathway from the need for social housing to more independent living; and
- **Collective delivery:** Delivery is via a collective set of participants who buy into the programme in order to achieve the targeted set of regeneration outcomes
- **Procurement of physical redevelopment at scale:** The transformation of the physical environment via the regeneration programme will be delivered by a small set of developers delivering at scale
- **Authentic development:** Development will demonstrate authenticity by referencing stories, history and natural assets of the Tāmaki area, in particular local Māori history, the importance of the Tāmaki Estuary, and the historical role of Tāmaki as the “food bowl” of Auckland.

TRC has a broad range of responsibilities and functions including but not limited to the following:

1.1 Finance

The finance functions maintain the commercial and financial risk management functions of the business ensuring integrity and control. The finance function also supports commercial decision making and long term financial planning.

1.2 Procurement

Tāmaki Redevelopment Company Ltd (TRC) is subject to and adheres to the government rules of sourcing for all its procurements, as per TRC procurement policy. TRC follows a fit for purpose procurement framework that underpins planning for great results, being fair to all suppliers, getting the right supplier, achieving the best deal for everyone, best value for money, fairness and transparency of process.

Procurement at Scale

TRC will conclude a large-scale, international and local procurement process to identify and attract appropriate investors and development partners. A Procurement Plan was developed to clearly outline the outcomes sought, the built form required and the go-to-market process. TRC is running a two 3 stage procurement process for the large

scale development procurement. Responses to the RFP for Phase 1 (Northern Tāmaki) will be received May 2017 and subsequently evaluated with the Preferred Bidder announced September 2017.

TRC signalled its intention to seek a tenancy management partner in February 2016. The selection process to locate the most suitable partner will commence with publicly advertising this opportunity in March 2017. This process will be based on locating the best possible strategic partner that can take over the existing THA operation, contract with TRC and MSD and with other commercial partners, and deliver improved tenancy services.

1.3 Human Resources

The Company operates a human resources framework that adopts the Good Employer requirements of the Crown Entities Act and aspires further to best practice.

1.4 Governance

TRC is governed pursuant to the terms of its constitution and the Shareholder's Agreement entered into between the shareholders, and Strategic Framework (August 2013).

Tāmaki Redevelopment Company Limited's (TRC) shares are owned as to 41% by Auckland Council and 29.50% each by the Minister of Finance (currently Hon Steven Joyce) and the Minister of Social Housing (currently Hon Amy Adams). As a majority-Crown-owned entity, TRC is listed under Schedule 4A of the Public Finance Act 1989 (PFA), and Part 2 of Schedule 1 of the Ombudsmen Act 1975 (OA). TRC has obligations under all Acts and regulations that apply to TRC:

- by explicit reference to TRC; or
- by reference to companies listed under Schedule 4A of the PFA; or
- by reference to organisations listed under Part 2 of Schedule 1 of the OA.

TRC is not a Council-Controlled Organisation (as defined in section 6 of the Local Government Act 2002).

The business and affairs of the Company are managed by, or under the direction or supervision of, the Board. The role of a Director is to assist the Company to meet its Company Purpose and any other requirements in the Statement of Intent. The Board may exercise all the powers of the Company which are not required, either the Companies Act 1993 or its Constitution, to be exercised by the Shareholders. The Board may delegate to a committee of Directors, a Director, an employee of the Company, or to any other person, any one or more of its powers, other than a power set out in the second schedule to the Companies Act 1993. The Board remains responsible at all times for any delegated powers

1.5 Engagement

Community engagement will be fit for purpose.

Urban regeneration is more than bricks and mortar. It is taking an integrated whole of community and resource approach by delivering long-lasting improvements in the economic, physical, social and environmental conditions.

TRC's delivery of its projects (housing, social, economic development and placemaking) is based on collaboration and partnership. There are projects in which the company will lead, however with most initiatives TRC will act as an enabler, facilitator, connector and implementer. TRC is physically located in the community, staffed by members connected to the community and the private sector, and will be measured by its success in delivering on the

regeneration promise as outlined in the Tāmaki Strategic Framework and the 5 year Business Implementation Plan (BIP).

To leverage the current goodwill and commitment of the community for change, it is critical that significant progress is made on all regeneration objectives within the next four years. The SOI has identified priority neighbourhood redevelopment projects; important supporting social, placemaking and economic projects; and a planned and phased approach is taken.

Clear spatial, public infrastructure and amenity plans will be shared and discussed with the community at the appropriate time, linked to place-based strategy which articulates the uniqueness of the place.

TRC is leveraging its role with other key stakeholder groups such as the private sector, Crown departments, Council entities, iwi, local board and local community groups. Shareholders require an entity that can provide simple and yet long lasting solutions and ensure that all relevant stakeholders are committed to delivering on one action plan for the area.

There are a number of ways and mechanisms with which TRC engages with various groups from surveys, meetings, newsletters, information sessions, social media, and face to face. TRC is a member of most community groups in Tāmaki so engages with the community via those avenues. Where appropriate TRC will work collaboratively with the Local Board to engage with the community.

With the establishment of TRC, the Government and Auckland Council have recognised that whilst collaboration will be important, having a single entity to drive the vision and regeneration outcomes is critical. The people of Tāmaki have endorsed the need for an enabling and place shaping entity to ensure that resources in the area are targeted to the most in need and actually make a real difference on the ground.

1.6 Iwi Engagement

In respect of engagement with mana whenua iwi, TRC will:

- Engage with the 19 iwi (settled and yet to settle) so that they are kept up to date on your public plans and are aware of any opportunities to formally participate in any procurement process,
- Have regard to the customary interests of iwi in land during processes involving sale or disposal, including giving iwi with strong customary interest appropriate opportunities to participate in that process; and
- Alert responsible shareholding Ministers and relevant oversight agencies to any issues regarding iwi or Māori interests in land arising from proposed sales or disposal of land.

Broadly, TRC recognises that mana whenua and iwi organisations do not represent all Maori in the Tāmaki area. It is important therefore that TRC engages with the whole Maori community including with Ruapotaka Marae through the successful implementation of its Maori Engagement Strategy.

1.7 Social Responsibility

The Tāmaki Way of Working will continue to underpin the way that the Company operates. In support of this, TRC will conduct business through sound operating principles that include:

- Exhibiting a sense of social and environmental responsibility;
- Exhibiting sound business practice, including responsible and transparent financial management, procurement integrity, sound regeneration principles and practice, and a “no surprises” communication policy.

RISK MANAGEMENT

2.1 Overview

Effective risk management supports TRC in achieving its strategic and business objectives. It creates a robust control environment and supports informed risk-taking that promotes business growth. It does this by maximising opportunities, reducing the likelihood of business loss and reputation and effectively managing exposure to risks.

TRC has implemented a robust Risk Management framework that is overseen by the Chief Financial Officer and the Board's Audit and Risk Committee. The Risk Management Framework is comprised of a Risk Policy, a Risk Organisational Structure, the Risk Management Lifecycle and Risk Assurance.