



Corporate Responsibility Framework

September 2016

**Panuku
Development
Auckland** 
An Auckland Council Organisation



Contents

About us	02
Purpose of this Document	04
Our Approach to Balancing Outcomes	06
Corporate Responsibility Framework	08
What We Do	10
How We Do It	14
Who We Are	18

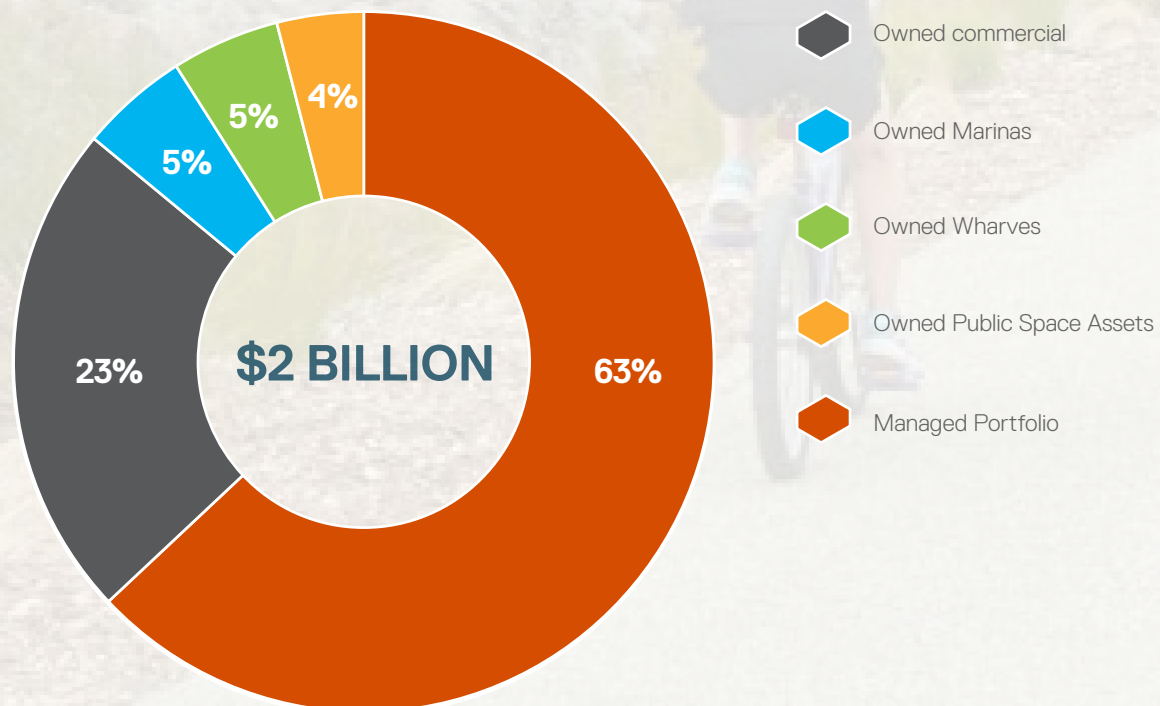
About us

Panuku Development Auckland – Auckland Council’s urban regeneration agency - helps to rejuvenate parts of our city – from small projects that refresh a site or building, to major transformations of town centres or neighbourhoods.

Understanding the communities in which we work, we manage land and buildings that Auckland Council owns, we plan and prepare the ground to attract private investment and make it easier for others to take on the development of houses and commercial buildings. Together with partners we unlock the full potential of this land to create spaces for Aucklanders to love.

Panuku manages around \$2 billion of council's diverse asset portfolio, which we continuously review to find smart ways to generate income for the region, grow the portfolio or release land or properties that can be better used by others.

Visit panuku.co.nz for further information.







Purpose of this Document

The responsibility Panuku has to rejuvenate the city through development projects, and optimise Council's property portfolio is significant and we are up for the challenge. As an organisation we are committed to balancing commercial outcomes with strategic public good outcomes.

The purpose of this Corporate Responsibility Framework, a first for us, is to clearly define our strategic outcomes and be clear on the mechanisms by which these will be integrated into the operation of the business and the delivery of urban regeneration across the range of development types.

We are a new and dynamic organisation and we anticipate that over the next year we will refine and expand our understanding of corporate responsibility and the commitments we are prepared to make. One aspect of our business where we know we need to do more work is around our portfolio, so we have kick-started a project to better understand what the issues and opportunities might be for us. In light of all this, it is important that we review this document annually.

Our Approach to Balancing Outcomes

Given the diversity of our development projects, we do not adopt a one-size-fits-all approach to the balancing of commercial and strategic outcomes:

Transform

Transform locations where Panuku will lead the transformation of select parts of our region; working alongside others and using our custodianship of land and planning expertise. The catalytic work at Wynyard Quarter is a great example of the transformation of urban locations. Our Transform projects are Manukau, Onehunga and Wynyard Quarter, and we also work with the Tamaki Regeneration Company on the transformation of Tamaki.



For Transform projects Panuku is a place-led regeneration agency, where we are seeking to achieve longer term social, economic, cultural and environmental outcomes as well as built form and financial outcomes. This is a holistic and integrated approach, which requires a high level of community and stakeholder engagement. This means that the plans for these areas include objectives or goals around social and cultural wellbeing, economic prosperity and environmental enhancement.

Unlock

Unlock locations where Panuku acts as a facilitator; using relationships to break down barriers and influence others, including our council family, to create development opportunities. Our current Unlock projects are Northcote, Takapuna, Hobsonville, City Centre, Old Papatoetoe, Ormiston and Flat Bush and Henderson.



For Unlock and Support projects Panuku applies a narrower property-led redevelopment approach where the focus is on accommodating growth (residential, commercial, mixed use). The achievement of these outcomes will be through development projects by private partners. A relatively simple transactional and co-ordinating function over a shorter period of time is envisaged. These projects are likely to include a lower level of master planning and community engagement.

Support

Support projects where our role is to ensure council is making the most of what it already has. Intensification is a key driver in the Auckland Plan. Panuku will support housing demands by enabling development of council-owned land. Our current Support projects are located in Whangaparaoa, Avondale, New Lynn, Mt Eden, Stonefields, Otahuhu, Howick and Pukekohe.



We acknowledge that we need to make decisions based on robust evidence as to the costs and benefits associated with delivering the range of possible strategic outcomes across the full spectrum of development projects – from transform to unlock to support.

To this end, we are developing a structured and systematic evaluation system which will enable us to consistently measure the broader community benefits likely to be generated from our investments. Adopting this total value analysis approach will provide us with rigorous decision guidance on the best social dividend which can be derived from development whilst delivering commercial outcomes.

The system comprises three tests:

- **Strategic Fit** – the extent to which the investment will advance policy objectives. This will be done through a combination of quantitative and qualitative appraisal, drawing on multi-criteria analysis.
- **Net Community Benefit** – this is a quantitative assessment of the overall impact of the investment taking into account environmental, social, cultural and economic effects which might lie outside the normal commercial costs and revenues. This would be done through standard cost benefit analysis and will report a project's worth via a range of measures including benefit cost ratio, net present value and social return on investment.

- **Financial Performance** – this is measurement of the project's anticipated financial performance, using standard commercial investment appraisal techniques based on discounted cash flow analysis.

Whilst all projects will be subjected to the three part test, the evaluation process for more straightforward investments will be less extensive and may rely on rules of thumb or standard reference rates. More complex and capital hungry projects are likely to require more exhaustive and customised analysis across all three parts of the test.



Corporate Responsibility Framework



01

What **we do**

We lead the development of well-designed, diverse, resilient, exciting places where people want to work, learn and play.

02

How **we do it**

We work with others to create residential and commercial spaces and high quality public places.

03

Who **we are**

Shaping spaces for Aucklanders to love needs a team of dedicated and passionate people and we have a team that encompasses these traits and shares a vision for Auckland's future.

What we do



We lead the development of well-designed, diverse, resilient, exciting places where people want to work, learn and play and deliver this through:

01

A focus on quality place-led design

Panuku is committed to high quality design outcomes and we deliver this through a place-led design approach based on the principles articulated in the Auckland Design Manual of:

Identity

Landscape and ecology, heritage, built form, people and communities together establish the context for Auckland's unique sense of place. Good design must recognise and respond to this context, with development enriching the character, quality, legibility and sense of place.

Diversity

Places should accommodate a rich mix of uses, activities, urban form and architecture, which support variety, vibrancy, chance exchange, safety and choice. Good design must encourage and embed flexibility and adaptability, to ensure continues support for our changing communities, culture, built form and environments.

Efficiency

The benefits and efficiencies of urban system need to be maximised, delivering quality places where transactions and exchange are encouraged and resources optimised. Good design must ensure that development focuses on benefits and positive effects, and optimises the full potential of a site's intrinsic qualities. This includes site shape, relationship to the street landform, outlook and proximity to services, amenities and infrastructure.

Integration

Developments should support uses, activity centres, energy systems and movement networks which are well connected, and provide convenient and universal access to a range of services and amenities. Good design must ensure that development supports existing and/or creates integrated urban form (including streets and spaces), to facilitate well-being, movement and access.

02

Place-led engagement

Panuku is committed to place-led engagement where we tailor our approach in each community to best harness the local identity, attributes and aspirations. A place is an assembly of elements, characteristics and experiences that together define the identity of a particular location.

Built places are born of communities, culture, economics and technology, and over time and in turn, built environments shape culture and particular events that take place here gradually form a history of each and every place. It with an appreciation of the importance of this, that Panuku has established a place-led approach to engagement.

We recognise that valuable engagement uses several disciplines including:

- Place making
- Communications
- Marketing
- Stakeholder engagement

For Panuku, the place making approach seeks to ensure that the creativity, energy and enthusiasm of the local community within the project area is tapped. The aim in the first instance is to develop deeper networks of people who can contribute to place-based planning and to identifying and delivering early activation. This early activation is aimed at testing ideas and assumptions, as well as creating and enhancing vibrancy which in turn grows community support and involvement. This will, in turn, assist in attracting private sector interest and investment. Identifying and supporting cheerleaders and champions within the community and key stakeholder organisations will assist Panuku in driving transformational change.

Another way in which Panuku is creating vibrant communities is to work with community groups and not-for-profit organisations to see how we can use our assets in our portfolio to support them and their work.

03

Integrating sustainability

In order to actively respond to the predicted impacts of climate change, improve environmental quality, and design and deliver infrastructure to support long-lasting behaviour change we will consider the following range of sustainability outcomes in our projects:

Low Carbon

Taking action to reduce greenhouse gas emissions and energy use through design and delivery of urban developments

Green Infrastructure

Integrating green infrastructure into design and delivery of urban development in order to mitigate climate change affects, create a healthier environment and encouraging a greater respect and value for biodiversity

Sustainable Movement

Creating movement systems to make it simple for people to make sustainable transport choices

Built Form Quality and Performance

Integration of sustainable design into buildings and infrastructure in order to conserve natural resources, reduce operating costs, improve workplace productivity and improve energy security

Conserving Resources

Urban development will take account of environmental quality and minimise the impact on, and where possible enhance the natural systems of which it is a part

Sustainable Lifestyles

Spaces and places will be designed to actively encourage people to make sustainable lifestyle decisions, from how people move around to the ways in which the community organises itself.

These sustainability outcomes not only apply to our development projects, but are also relevant to our property portfolio. In recognition of this we have started a process to review our property portfolio to identify opportunities so that we can be clear on our commitments when we refresh this Corporate Responsibility Framework.

04

A commitment to accessible design

Accessible design has wide benefits for the elderly, disabled, households with young children, large-bodied people and people faced with temporary injuries.

Panuku is committed to working with persons with disabilities and seniors and their organizations to further identify the opportunities and mechanisms to deliver on their accessibility aspirations and to establishing a baseline requirement for all development projects – public and private – that Panuku is involved in.

Panuku recognises that this is an area where leadership is required in the development market as only 1% of homes are defined as “accessible” and we need appropriate housing for the diverse population. Universal design elements are far more cost effective to incorporate in the design of new homes than in the retrofit of existing homes. This is about future-proofing the housing stock and is a focus internationally as a response to population aging.

Panuku will ensure that all public realm projects are designed to be inclusive and accessible and will refer developers to the Auckland Design Manual Universal Design hub.

05

Contributing to housing affordability

Panuku will require some diversity of housing sizes and therefore prices in projects and will ensure the delivery of residential choices across the portfolio.

Panuku is committed to identifying some sites in the portfolio for Community Housing Providers to deliver affordable housing products, including shared equity and affordable rentals. The rules of engagement will be made clear for the sector. An approach which is based on agreed valuation, a non-contested process and deferred payment, has enabled Community Housing Provider participation to date, but there may be other approaches to enable their involvement.

Panuku will identify some exemplar opportunities and invite innovation in regard to delivering liveable homes that are cheaper to design and construct (for example, prefab and modular options), and in terms of affordable housing products.

06

Working with others to support local economic development

Panuku is committed to working with other agencies including Auckland Tourism, Events and Economic Development (ATEED) to ensure that redevelopment of areas incorporate the elements necessary to support local economic development.

Panuku will look for opportunities to support training and employment through development projects, and will seek to prioritise local procurement for Transform project.

Panuku will use a range of tools to support implementation including:

- Set design, sustainability and housing outcomes in sales terms and development agreements with the private sector and other development partners
- Establish geographically specific targets in Framework plans
- Collaborate with Crown and Community Housing Providers and other stakeholders to deliver retained affordable and accessible homes and housing opportunities for key workers and first home buyers
- Incorporate design review requirements through the various stage of design

How we do it

We work with others to create residential and commercial spaces and high quality public places and deliver this through:

01

Facilitating partnerships with the Crown, Iwi and the private sector

Panuku is aware that in order to substantially increase the momentum of urban development in Auckland we will need to work in partnership with the Crown, Iwi and the private sector.

To work successfully together we need to:

- Place the community as the centre of focus as regeneration is best implemented at a neighbourhood and district level.
- Provide the opportunity for partnership with various Crown entities, including those which are mandated in the social, economic and regional transport aspects of regeneration.
- Have delegations driven off an aligned vision, set of objectives and outcomes which achieve a holistic and integrated approach.
- Have a division of responsibility that focuses the Governing Body and Government Ministers on the strategic imperatives with a high level Executive team responsible for completing the necessary planning to enable and expedite delivery.

And have:

- A clear mandate for action, based on clear, stated outcomes on what is to be achieved
- Clarity of roles
- Clear delegation to make decisions about planning, implementation and resource allocation
- Clear escalation processes for issues which cannot be resolved

Panuku currently has joint working arrangements with the Crown in Manukau, Onehunga and Northcote.

Panuku will not generally take the lead in building developments so private investment will be critical and we need to work in partnership with the development community to deliver projects. We take a number of sites to the markets, which vary considerably in terms of size and value, complexity, strategic importance and level of community interest. It is important for us that we have in place agreed processes to choose development partners in a transparent manner and in order to enhance development sector interest and participation in Panuku sites.

02

A collaborative partnership approach to relationships with mana whenua, mataawaka and urban Māori of Tāmaki Makaurau

Whatungarongaro te tangata, toitū te whenua. Panuku is a steward and developer of land on behalf of the Auckland Council and the population of Tāmaki Makaurau. Tāmaki Makaurau mana whenua are the indigenous Māori population and acknowledged kaitiaki of the land. Panuku acknowledges through the principles of Te Tiriti o Waitangi and the importance of land to Māori, that our particular relationship with these 19 iwi is therefore one of partnership in management and development of this essential element.

Panuku is committed to a collaborative partnership approach to relationships with the mana whenua, mataawaka and urban Māori of Tāmaki Makaurau. Through deepening these relationships Panuku has the potential to materially uplift our contribution to Māori outcomes across social, cultural and economic wellbeing.

At a local project level, Panuku works in collaboration with mana whenua across the following key areas:

Kaitiakitanga

Working in partnership with mana whenua kaitiaki officers towards best care for land and people in our development planning and implementation across all levels of the Panuku work programme. This work is understood to enable protection of waahi tapu and the optimum health of the mauri (life force) of the natural environment.

Visible presence

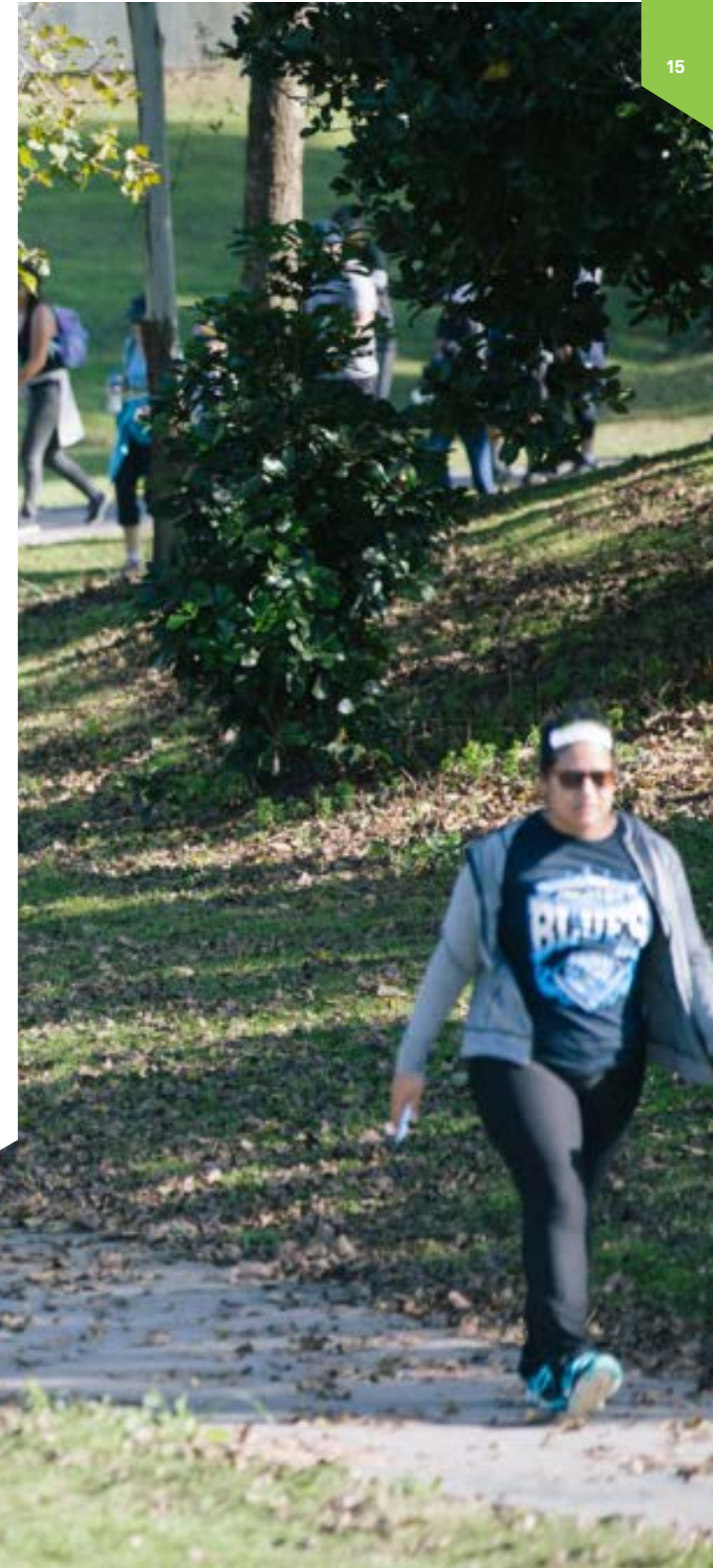
Collaboration with mana whenua to anchor and build on a Māori identity that is Auckland's point of difference.

Application of Te Aranga Design Principles at master-planning level across Transform and Unlock projects.

Strategic relationships

Working towards shared strategic goals.

Enabling commercial investment, including partnership in commercial and housing opportunities.





03

Engaging regularly with key stakeholders from across the public, private and community sectors

Based on the belief that effective collaboration will regularly out-perform individual or siloed approaches, Panuku is committed to engaging regularly with key stakeholders to ensure that urban regeneration in Auckland takes place in a cohesive way. This approach has proven to offer the best chance for resolving different and complex issues. Collaboration requires a close partnership between the public, private and community sectors across key platforms to achieve an integrated urban strategy.

The strategic pillars that underpin the approach to all engagement with individuals, communities and groups of interest are:

- Be generous with information and ideas by engaging individuals, communities and groups of interest proactively and early to agree the vision and desired outcomes.
- Be open to take feedback on board and active in telling people what has happened.
- Be realistic by underselling and over delivering by highlighting the challenges and complexity of the task at hand and providing measured commentary around expectations for immediate success.
- Be savvy to supporters who can help mitigate risks of negative discussion by providing positive support.
- Expect negativity around aspects of our work. Plan for how to deal with it.
- Demonstrate empathy by tailoring engagement activities for the audience. Understand how different communities work through conducting place-based research that one size does not fit all.
- Engender trust and pride amongst staff that enables them to be advocates on behalf of Panuku.

04

Working in partnership with the Auckland Council family

Panuku understands that the successful delivery of urban regeneration requires us to work in partnership with the Auckland Council family, in particular where there is shared interest in outcomes and assets which may contribute to the outcomes being sought. So we work closely with the Auckland Council family and aim to take an integrated approach to our work in the priority locations.

Who we are



Eke Panuku, Eke Tangaroa!

This whakataukī acknowledges and tributes the unseen energies from the realm of the land and sea. These energies are often called upon through Māori oratory traditions to help invigorate, inspire and manifest success, excellence and progress within groups or for an individual.

'Panuku' means to 'move on or move forward in a deliberate and measured manner – all parts in unison, integrated and synchronised', and so conveys the concept of dynamism, of building towards an end-goal. It has been likened to the motion of a waka that requires skill to navigate, balance to ride smoothly and teamwork to propel.

Panuku Development Auckland is committed to achieve success and excellence at an individual and collective level. It plans for the future in a co-ordinated way – and is characterised by governance working well with the executive and all team members working closely with stakeholders.

As a new organisation we feel it is important to take the time to define our organisational values and behaviours – and this work is well underway. We will be able to share this with you when we release our next Corporate Responsibility Framework.

In addition to our people, we have a high level of accountability to our shareholder, Auckland Council, and have in place a number of processes to support us in delivering on our mandate:

- A robust policy framework that assists us to make insightful decisions, to work effectively in complex environments and to meet statutory and legal requirements.
- A range of strategies to guide the business including Governance, Health and Safety, Risk Management, Human Resources, Conflict of Interest, Procurement, Programme Management Framework and other operational and financial policies.
- An integrated performance management framework which includes:
 - Reporting on our Statement of Intent measures, our Annual Business Plan measures, departmental targets and responsibilities
 - Long term monitoring of strategy outcomes including the Waterfront Plan, Sustainable Development Framework (using Wynyard Quarter Smart) and the Westhaven Plan
 - Establishing new performance measures for our projects, including the establishment of objectives and measures for each development/group of development around the strategic outcomes identified in this Corporate Responsibility Framework

