

# Facility Partnerships Policy

*Te Kaupapa Here  
Tuhononga Wahi Urunga*



# He Mihi

Nau mai e te hā, piki ake e te ora,  
roua aku mahara ki nga hua o te pai,  
ki ngā wheako o te mahi nui  
me te hāpai i ngā manako o te iwi  
ki ngā taumata o te whakaaro nui,  
ki te ewanga o te wairua hihiko,  
ki nga tihi o manawa rū.

Kia eke whakauaua ki te keokeonga o te maunga  
e ea ai a tamarahi ki te rangi;

E taku rahi e horapa nei i te whakakūitinga  
o ngā takutai tapu o te Manukau,  
me ngā wai rukuruku o Te Waitematā

i tōia atu rā a Tainui mā uta,  
kia tau mai ai a Māhuhu-ki-te-rangi ki tōna urunga i Ōkahu.

E tangihia nei e aku mokopuna  
kāinga o te upoko rehe,  
o te māpuna kua riro tītapu.



Kia whakairihia koutou e au  
ki te tāhuhu o te whare  
e whakakāinga nei i te tini me te marea.

Koinei rā ko au,  
he uri taketake no tēnei whenua,  
kua ranua e ngā ope taitāngata o te ao,  
i hua ai te tātai hou.

Tāmaki  
Herenga waka  
Urunga tāngata  
Nau mai e ngā mana tūpuna,  
kia tū whakahīhī ai ko mātou  
i raro i te maru o tōu atawhai  
me ō manaakitanga.

Give me breath, give me life  
and inspire me to do well,  
to enjoy the rewards of great enterprise  
and help raise the aspirations of the people  
to the heights of thoughtful contemplation,  
to the peaks of elation,  
and ultimate delight.

So that ambition well met  
will be the boast of heaven itself;

To all who reside upon the isthmus  
that lies between the sacred tides of the Manukau,

and the bathing waters of the Waitematā  
from whence Tainui was hauled overland,  
and Māhuhu-ki-te-rangi came to rest at Ōkahu.

There, descendants lament  
a place that embellishes our inquiring minds and  
epitomizes all that is fine in our world.

Let me raise you  
to the ridge pole of this house  
that shelters the multitudes.

That allows me now to proclaim

we, descendants of the original settlers,  
infused with the pedigree of those who followed,  
an ancestry now born of this new world.

Tāmaki  
Anchorage for waka  
Gateway for people  
To those from whom we all descend,  
allow us to stand with pride  
in the safe shelter of your good care  
and nurture.

## A facility partnership is...

*Ko te tūhononga wāhi urunga...*

Where Auckland Council invests in community facilities owned or operated by others, so Aucklanders can access more of the quality facilities they need, faster and more cost-effectively.

*He mea e whakaae ai Te Kaunihera o Tāmaki Makaurau ki te mahi me ētahi atu ki te hanga whakaurunga e hiahia ana e te hapori.*

Facility partnerships bring Auckland Council together with community organisations, government agencies, business, private and philanthropic investors to deliver more for Auckland than we can achieve alone.

## Community facilities are...

*Ko te wāhi urunga ā-hapori he...*

Places and spaces where Aucklanders can participate, play, learn, share, improve their health and wellbeing, celebrate and belong.

### They include...



Community centres, hubs, halls and mobile facilities and special purpose facilities (e.g. youth centres, men's sheds)



Marae and cultural centres



Libraries



Arts centres and performing arts centres



Indoor sports centres like multi-sports centres, swimming pools, leisure centres, indoor courts / gymnasiums



Outdoor facilities like sports fields, skate parks, playgrounds, splashpads and outdoor courts

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*Te Kaupapa Here Tūhononga Wāhi Urunga: ngā kai o roto*



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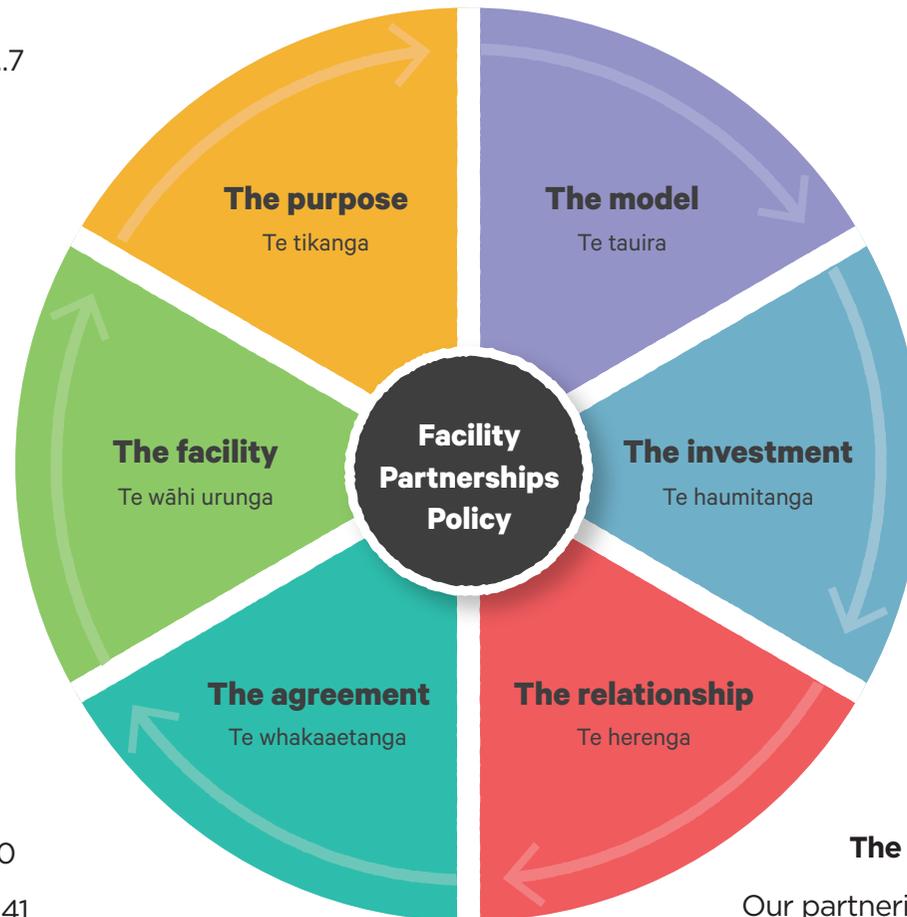
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He ono āhuatanga o te tūhonotanga wāhi urunga



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# 1. The purpose *Te tikanga*

## **Why we have facility partnerships** *E aha mātou i aro ai ki te tūhononga wāhi urunga*

Through facility partnerships, the council may invest in tangible things, like buildings, equipment, staff salaries and services. But what we are really investing in is the short, medium and long-term benefits these things will deliver: places to get together, opportunities to have fun and learn, healthy people, safe and attractive neighbourhoods... ultimately, a better quality of life for all Aucklanders.

**We provide facilities** not for their own sake, but for what they enable people to do and achieve, and because they make Auckland a better place to live. Community facilities contribute to building strong, healthy and vibrant communities and foster belonging and pride. They are an important part of realising the vision for Auckland as a ‘world class’ city. The council has already set a number of specific priorities around the outcomes that Aucklanders most need and want to see delivered through facilities.

**We seek facility partnerships** because they can enable the council, co-investors and the community to provide more of the facilities Auckland needs, faster and more effectively.

This aligns with our obligations under The Local Government Act, which requires the infrastructure we deliver to meet current and future needs, in a way that is most cost effective for households and businesses.

**Given that the community outcomes and benefits are the purpose of facility partnerships, they should be the most important consideration for all partners: when deciding whether to enter a partnership and how to shape it; when managing and**

**programming the facility; and when evaluating the success of the facility and the partnership over its life.**

**During the selection stages**, a focus on outcomes helps each partner’s decision-makers to understand what needs the facility will meet and what they will contribute, and to target their investment where it can have the biggest impact.

**During the facility’s active life** the outcomes we’ve agreed will help staff work with facility partners to shape provision, and target access to those the facility is intended to benefit. These outcomes also help us monitor use and effectiveness of the facility (and the services and activities it enables) throughout its life.

**During regular evaluation**, we and our partners will be assessing if the mutual benefits we wanted have been realised, and reflecting on the experience of the partnership itself.



# We provide facilities because they benefit Aucklanders

*Ka whakatū wāhi urunga mātou nā te mea he painga mō te iwi o Tāmaki Makaurau*

Facilities enable a wide range of social, cultural, environmental and economic outcomes that benefit the community, including:



Supporting local community identity, pride, belonging, participation and improving people's wellbeing

*e.g. Auckland Plan, Thriving Communities, I am Auckland, Toi Whitiki*



Helping Aucklanders to be more active, more often

*e.g. Auckland Plan, Sports and Recreation Strategic Action Plan*



Helping to make arts and culture part of our everyday lives

*e.g. Auckland Plan, Toi Whitiki*



Valuing te ao Māori and enabling Māori aspirations

*e.g. Auckland Plan, Thriving Communities, I am Auckland, Toi Whitiki, Sports and Recreation Strategic Action Plan*



Enhancing and protecting our natural environment and our built and cultural heritage

*e.g. Auckland Plan, Unitary Plan*

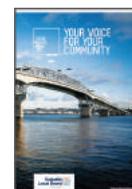
"We have a lot of new migrants in our neighbourhood. We needed somewhere welcoming for them to go to meet new people and learn about life in Auckland. It helps to bring the community together."

"My teenagers play sport down there – it's good for their fitness and confidence, and it helps them learn respect and teamwork. And keeps them out of trouble – there wasn't much to do round here before!"

"Having the art centre is great for the town – they run lots of classes there, and it's made the whole place feel more vibrant and alive. Well, you can see – the art has spilled out onto the streets!"

"We run programmes at the marae that improve people's lives; that build mana and connection with culture. Māori feel more comfortable here; most don't go to the community centre."

"The community gardens have really improved the environment down there, and I think it's changed how people feel about the reserve. They're growing native seedlings there to replant along the stream banks, and people aren't dumping rubbish in the stream anymore."





# We seek facility partnerships because they enable us to...

*Ka kimi tūhononga wāhi urunga mātou kia āhei ai mātou...*

## Leverage

*ki te hautū*

- Partnerships can leverage external investment, infrastructure and effort to deliver better community facilities than could otherwise be delivered, by spreading their cost between more stakeholders. This is critical in a context of financial constraints, growing demand, scarce land and increasing construction costs.
- The council, community and sector organisations, iwi, businesses, government agencies and other co-investors each bring unique and complementary knowledge, skills, networks and strengths to the table.



“The school has offered the land for the new centre, the council is managing the design and construction, the sports trust has signed up a major donor, and local businesses are providing building materials at cost. And the local community is going to get an incredible facility!”



“Our organisation has a reputation in this community that stretches back decades. We know all the service providers, and can help people get the support they need. But we really value the council’s technical expertise around managing buildings, and the legal and accounting side of things.”

## Empower and enable

*ki te whakamana*

- Partnerships are a way for the council and its partners to empower and enable communities to build their mana, prosperity, resilience, skills and capacity.
- Partnerships are a tangible way to meet our Treaty of Waitangi obligations to work in partnership with Māori, which go beyond our role relative to other sectors of the community. By supporting Māori-led facilities, we show respect for mātauranga Māori (knowledge), manaakitanga (hospitality) and kaitiakitanga (guardianship).
- Auckland is becoming super-diverse, and community-led, Māori-led or sector-led facilities may be more effective at meeting needs than a council-led alternative.



“Our group started as a few volunteers wanting to reduce crime in our town centre, but we ended up registering as a charity and working with local youth, rough sleepers and the long-term unemployed. The men’s shed is going to really enhance the work we can do, but it’s a big step for us.”

## Optimise

*kia eke panuku ai*

- Partnerships can optimise space and maximise investment, by bringing together multiple groups to share one facility, or by breathing new life into existing assets that the communities already use and value, instead of building new ones.
- Investing in partnerships may not require building bricks-and-mortar assets, which reduces financial pressure and delivers a flexible network that can respond faster to growth and change.



“Our users said they didn’t visit the council centre because their English was poor and they felt embarrassed. We offer much the same services and activities, but they are among people of a similar age and cultural background, and they can practice their English together.”



“We welcome everyone who wants to come here – thousands of people do, every year – and we will manaaki our visitors as we always have done. But we would welcome greater council recognition of our role. Funding is a huge help, but for us the relationships and respect are just as fundamental.”



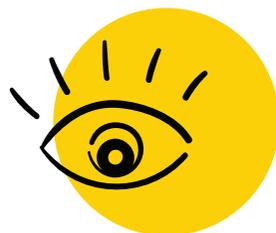


# We need a facility partnerships policy for...

*Me whai kaupapa here tūhononga wāhi urunga mātou...*

## Clarity

*Kia mārama*



**Policy helps develop a shared understanding of partnership, through:**

- Establishing clear and consistent language around partnerships
- Setting out why, when and how we will partner, including being both more intentional and more responsive in our partnering with Māori
- Better differentiation of the different types of partnership, reflected in fit-for-purpose decision-making pathways and processes that are proportionate to their scale and risk.

## Strategic decision-making

*Kia tika ai te whakatau rautaki*



**Given limited resources, policy helps us partner more strategically, by:**

- Aligning our partnerships investment to existing strategies, policies and plans, with a focus on addressing the greatest needs first
- Ensuring we consider the costs and opportunity costs, downstream benefits and savings, trade-offs and risks before making decisions
- Ensuring we'll see evidence of the outcomes we've invested in and the value that's been delivered, while recognising partnerships can benefit communities in multiple ways.

## Sustainability

*Kia whai hua tokonga roa tonu*

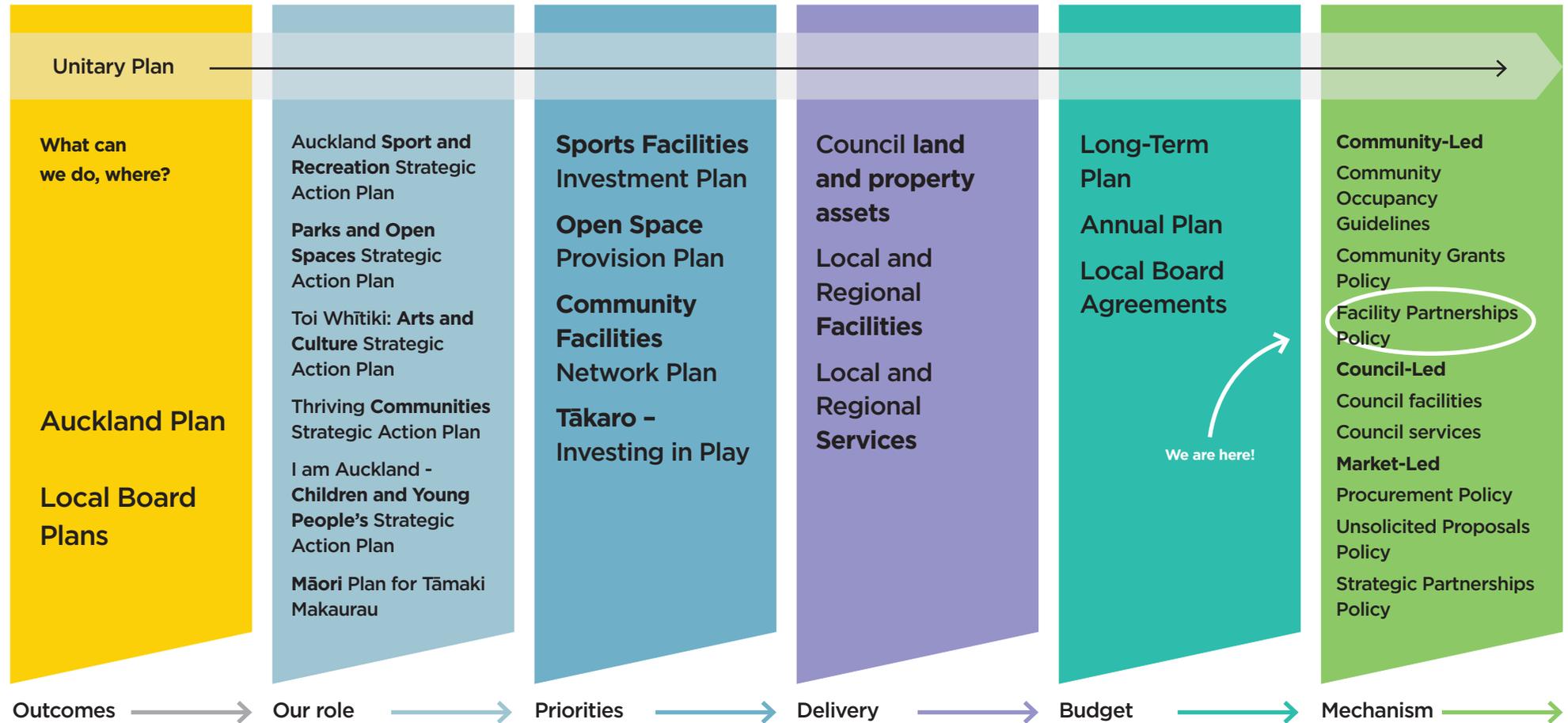


**Policy commits us to investing and supporting for success, by:**

- Requiring ongoing costs and a realistic business and operating model to be identified, ensuring facility partners are able to run and maintain safe, quality facilities to the standards the community expect.
- Setting realistic expectations of partners and partnerships, ensuring we consider and cost support needs upfront and 'play to strengths'
- Treating partner relationships with the care and seriousness they deserve, including coordinating our support and advice within council to ensure a consistently good experience for all of our partners.

# Where does the facility partnerships policy fit?

*Ko hea te kaupapa here tūhononga urunga noho ai?*



## What is the vision?

What outcomes are we working towards?  
 What will success look like?  
 How and where will Auckland grow?

## What specific outcomes do we want for different populations, sectors, places, activities?

What is our role in delivering them?

What should council invest in, and where, to deliver these outcomes?  
 What are the priorities, to address needs and gaps?

Will we deliver the outcomes by providing land, facilities or services, or a combination?

How much will we invest in the outcomes?  
 How will we allocate:  
**Capex** (for assets)  
**Opex** (for everything else)

How will we enable the community and the market to deliver the outcomes, alongside direct council provision?

# Facility partnerships and te ao Māori

*Te tūhononga wāhi urunga me te ao Māori*

## Building on our founding partnership

*Te whakapiki ake i tō mātou oro tūhononga*

**Te Tiriti o Waitangi/the Treaty of Waitangi is our nation's founding document and recognises the special place of Māori in New Zealand.**

Auckland Council is committed to engaging and working with Māori in ways that are consistent with the Treaty Principles. This includes supporting delivery of services by Māori for Māori, based on te ao Māori values and practices.

Facilities contribute to Māori well-being by providing spaces to connect, socialise, learn, participate in and celebrate Māori identity and culture. Partnerships enable the council and Māori to share mana, mātauranga and resources to support Māori aspirations and deliver Māori outcomes. Facility partnerships provide a way to jointly deliver Māori outcomes through marae, facilities, and other spaces and places.



# Delivering Māori outcomes through facility partnerships

*He mea kia Māori ngā hua ka hora mā te tūhononga wāhi urunga*



## Supporting Māori values / directions



- Whanaungatanga / Develop vibrant communities
- Rangatiratanga / Enhance leadership and participation
- Manaakitanga / Improve quality of life
- Wairuatanga / Promote distinctive identity
- Kaitiakitanga / Ensure sustainable futures

*- The Māori Plan for Tāmaki Makaurau*

## Promoting Māori identity and wellbeing



- Advance Māori wellbeing
- Promote Māori success, innovation and enterprise
- Recognise and provide for Tiriti o Waitangi outcomes
- Showcase Auckland's Māori identity and vibrant Māori culture

“Kaupapa Māori and Māori-led organisations... continue to be critical to the delivery of appropriate and effective services for Māori.... Actively partnering with others is a key mechanism for Auckland Council to support Māori identity and well-being.” - *The Auckland Plan*

## Māori outcomes through arts and culture



- Promote and develop marae as regional cultural hubs
- Promote Māori art and culture, locally and internationally through the development of Māori cultural centres

“Māori culture is ‘Auckland’s point of difference in the world’... we are proud of Māori cultural identity and celebrate it.”  
- *Toi Whītiki - Arts and Culture Strategic Action Plan*

## Māori outcomes through sport and recreation



- Health and wellbeing for Māori
- Value te ao Māori

“We will acknowledge the special role of Māori and enable participation in decision-making, to build lasting reciprocal relationships and improve physical activity outcomes for Māori... This will be achieved through working in partnership with iwi and appropriate organisations.” - *Auckland Sport and Recreation Strategic Action Plan*

## The Treaty Principles *Ngā Mātāpono ā-Tiriti*

Treaty principles have been recognised and expressed by the Waitangi Tribunal and a range of Courts – the Privy Council, Supreme Court and High Court. The principles bridge the two texts of the Treaty, focusing on the intent of the Treaty and the future.

The Treaty Principles will help guide how the council and Māori work together to establish, shape and manage facility partnership arrangements.

Relevant principles for facility partnerships include:

**Rangatiratanga** – the duty to recognise Māori rights of independence, autonomy and self-determination, including the capacity of hapū, mana whenua and mataawaka to exercise authority over their own affairs. This principle enables the empowerment of Māori to determine and manage matters of significance to them.

**Partnership** – the duty to interact in good faith and in the nature of a partnership. There is a sense of shared enterprise and mutual benefit where each partner must take account of the needs and interests of the other.

**Active protection** – the duty to proactively protect the rights and interests of Māori, including the need to proactively build the capacity and capability of Māori.

**Mutual benefit** – to recognise that benefits should accrue to both Māori and non-Māori, to enable both to participate in the prosperity of Aotearoa giving rise to mutual

obligations and benefits. Each needs to retain and obtain sufficient resources to prosper, and each requires the help of its Treaty partner to do so. This includes the notion of equality (for example, in education, health and other socio-economic considerations).

**Options** – recognising the authority of Māori to choose their direction, to continue their tikanga (customary practice) as it was or to combine elements of both and walk in both worlds. This principle includes recognition of Māori self-regulation.

**The right of development** – the Treaty right is not confined to customary use or the state of knowledge as at 1840, but includes an active duty to assist Māori in the development of their properties and taonga (treasures).

## Applying the Principles

*Te whakauru i ngā mātāpono*



We will seek facility partnership opportunities and arrangements with Māori that:

- Recognise Māori rights of **independence, autonomy and self-determination**.
- Actively build the **capacity and capability** of hapū, mana whenua and mataawaka.
- Are a **shared enterprise, offering mutual benefit** to Māori and non-Māori.
- **Take account of the needs and interests** of Māori partners, and ensure our needs and interests are clear to Māori looking to partner with us.
- Help to achieve **equality of outcomes** for Māori.
- Assist Māori in the development of their **properties and taonga**.
- **Respect te ao Māori and tikanga Māori**, including:
  - › accommodating Māori **decision-making** structures and processes

- › referring to **marae as marae**, not facilities, upholding their mana by observing tikanga, and encouraging others to do the same
- › acknowledging and valuing the **mātauranga** and resources that go into providing **manaakitanga**
- › acknowledging that the needs of iwi, hapū and whānau must take **precedence** on marae.

Further, we will:

Acknowledge Māori hold a **long-term holistic view** of the world, where values and relationships are paramount.

Acknowledge that individual partnership arrangements need to align with the **kaupapa and aspirations** of individual hapū, marae or Māori organisations.

Welcome partnership discussions with marae and Māori facilities **already serving their communities**, to explore how the council can tautoko (support) their activities.



## Facility partnerships with marae

*Ngā tūhononga wāhi urunga me ngā marae*

### We recognise marae as focal points for Māori social, cultural, and economic development.

Marae are specifically identified in the Community Facilities Network Plan as potential partners.

Marae in Tāmaki Makaurau may be mana whenua<sup>1</sup> or mataawaka<sup>2</sup>, large or small, rural or urban.

Some are primarily gathering places for their iwi or hapū, others are situated within school, church and institutional settings.

Many play a broader community role, hosting a holistic range of activities including:

- papakāinga and emergency accommodation
- formal and informal gatherings
- language and cultural instruction
- Māori arts and cultural activities
- health and wellbeing centres
- community and rongoā (medicinal) gardens
- whānau-centred social services

### Marae have distinct characteristics that facility arrangements will acknowledge and reflect.

#### Marae are unique.

Marae are inseparable from their whenua, their tūpuna, their people and their history.

The word 'facility' doesn't fully express their unique role, or recognise the integral practice of manaakitanga.

#### Marae are taonga.

Marae have mana; they are a taonga. Marae have specific tikanga that must be followed to uphold their mana.

Marae also contain many taonga, especially in their whareniui (meeting houses), and some have pā or urupā on their sites that are off-limits for visitors.

#### Marae are tūrangawaewae.

For Māori, their marae are home and 'a place to stand, and their needs must take precedence.

Marae may be required by iwi, hapū and whānau at short notice – e.g. for tangihanga – and are not available to the community at these times.



<sup>1</sup> **Mana whenua:** The people of the land who have mana or customary authority – their historical, cultural and genealogical heritage is attached to the land and sea.

<sup>2</sup> **Mataawaka:** Māori whose authority resides outside the Auckland Council region.

### The council may partner with:



Iwi and hapū



Marae (mana whenua, tangihanga or taurahere)



Other whakapapa-based groups (where members descend from a common ancestor)



Kaupapa-based Māori organisations (formed around a specific purpose)



Takiwā-based Māori organisations (focused on a particular place)



## 2. The model *Te tauira*

### Facility partnerships are not ‘one size fits all’.

*Ehara i te mea kotahi anake te kaupapa hei whakatū tūhononga wāhi urunga.*

**Some partnerships will be simple arrangements** between the council and one community partner, with the council providing the majority of the financial investment in the form of land, buildings or funding, and the partner providing grassroots know-how, networks and programming expertise.

**Other arrangements will be much larger and more complex**, with multiple investors sharing the capital development costs of a new facility, and professional operators playing a role alongside community partners. (Where commercial entities are involved, additional considerations and council policies will come into play – see p31.)

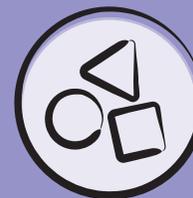
The council will consider a wide range of partnership arrangements, within broad parameters. The important thing is not a partnership’s size or shape, but whether it has the necessary ingredients to successfully and sustainably meet the community’s needs.

**Given the variety of potential scenarios, it is important that our processes can adapt to suit.** This section describes the building blocks of this flexible model: the Tracks, Types and Scales. It also outlines the facility partnerships lifecycle, which sets out decision-making and management stages that apply to all facility partnerships. The policy provides only a high-level snap-shot of our model: detailed guidelines, forms and tools are available to support partners, staff and decision-makers to navigate each stage of the partnership lifecycle.



### TRACKS

The tracks reflect whether the council or the partner(s) initiate the facility partnership, and how this impacts our investment and decision-making.



### TYPES

Our four broad types of facility partnership are primarily differentiated by the ownership of the proposed facility, and how we invest in it.



### SCALES

Our facility partnership scales reflect the project’s size and complexity, and will shape the level of planning and due diligence we and partners must undertake.

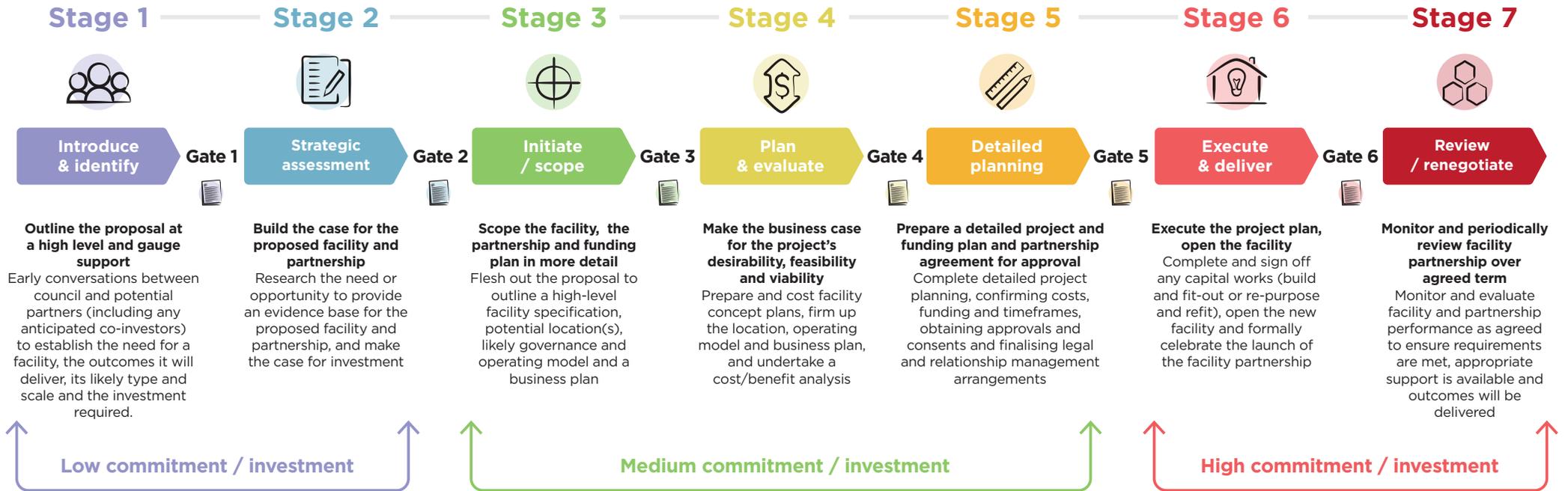
# The facility partnerships lifecycle

*Te mataora tūhononga wāhi urunga*



All facility partnership proposals will pass through the same overarching decision-making process, but what happens at each stage will vary depending on the model of each individual partnership.

Staff will work with potential partners to establish their proposed partnership's Track, Type and Scale, and develop a customised 'road map' to help them anticipate the journey ahead.



Key Documents at each stage (actual documentation required will vary depending on the individual partnership)

Facility Partnership Canvas

Initial proposal  
Strategic assessment  
Needs assessment

Full proposal  
Schedule of spaces, bulk and location plan (if applicable)  
High-level funding plan and business plan

Feasibility study  
Business case(s)  
Facility concept plans  
Draft partnership agreement

Final facility design  
Detailed project, funding and business plans  
Partnership agreement  
Performance agreement

Project reports  
Performance reports

Performance reports  
Facility Partnership Review

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## Is it a facility partnership? *He tūhononga wāhi urunga rānei ia?*



Auckland Council invests in community outcomes in a range of ways. These include operating facilities and services directly, supporting the community sector's delivery through grants, partnerships and leases, and procuring services from market providers.

We don't always need facilities to deliver the benefits we're looking for, so we'll only consider facility partnerships where a physical asset is essential.

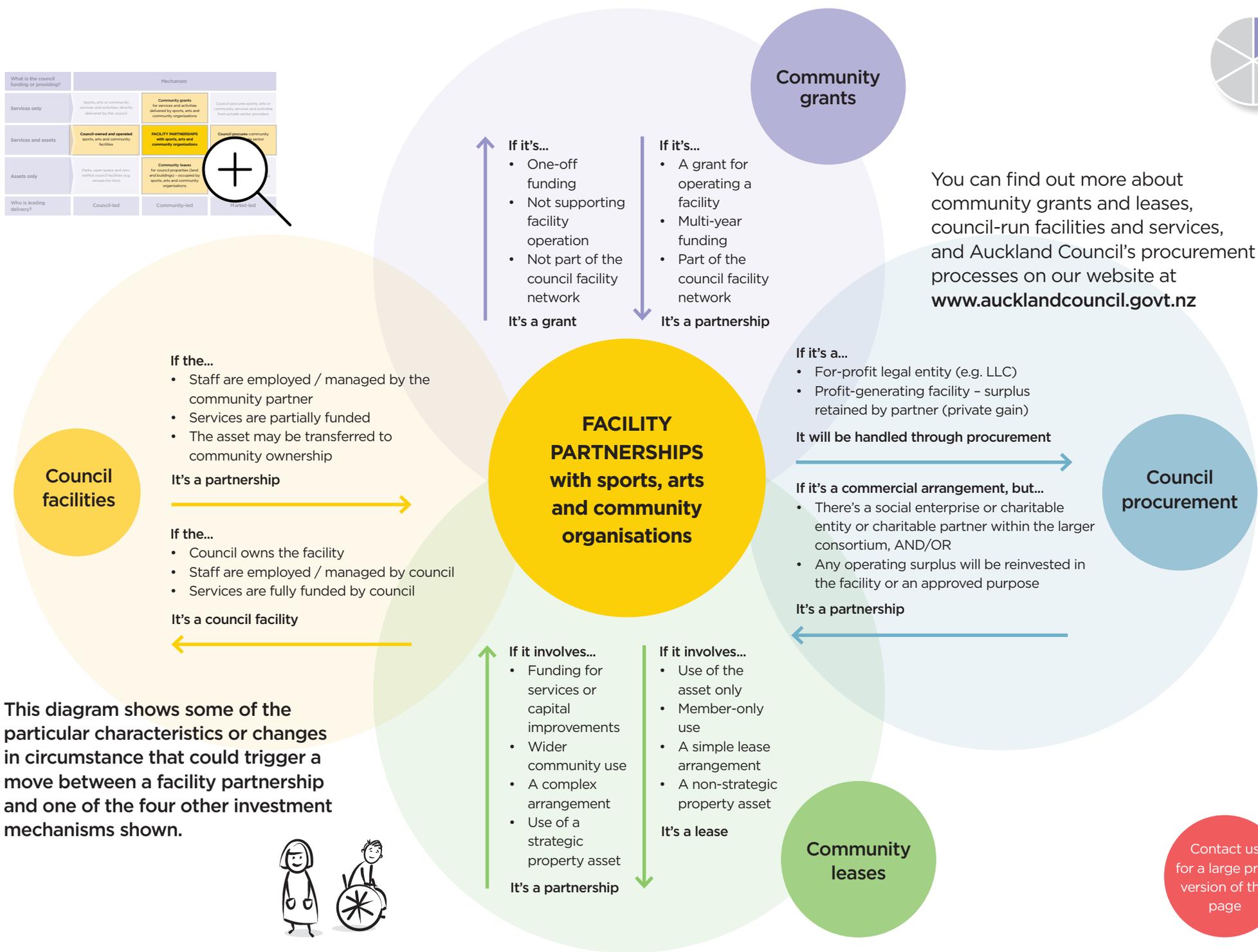
If a community organisation needs access to a facility, we won't always need a partnership to manage the arrangement – sometimes a simple community lease or venue hire agreement will be sufficient.

The table below shows where facility partnerships fit, and how they relate to a range of other key mechanisms for delivering outcomes.

What is the council funding or providing?	Mechanism		
Services only	Sports, arts or community services and activities, directly delivered by the council	<b>Community grants</b> for services and activities delivered by sports, arts and community organisations	Council procures sports, arts or community services and activities from private sector providers
Services and assets	<b>Council-owned and operated</b> sports, arts and community facilities	<b>FACILITY PARTNERSHIPS with sports, arts and community organisations</b>	<b>Council procures</b> community access to private sector facilities
Assets only	Parks, open space and non-staffed council facilities (e.g. venues-for-hire)	<b>Community leases</b> for council properties (land and buildings) – occupied by sports, arts and community organisations	Council properties (land and buildings) commercially leased by the private sector
Who is leading delivery?	Council-led	Community-led	Market-led



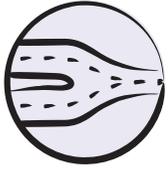
What is the council funding or providing?	Mechanism		
Services only	Specific, arts or community services and activities directly delivered by the council	<b>Community grants for services and activities, delivered by sports, arts and community organisations</b>	Council procures sports, arts or community services and activities from private sector providers
Services and assets	<b>Council-owned and operated sports, arts and community facilities</b>	<b>FACILITY PARTNERSHIPS with sports, arts and community organisations</b>	Council procures community services and activities from private sector providers
Assets only	Partly, open spaces and non-staffed council facilities (e.g. venues-for-hire)	<b>Community leases for council properties (land and buildings) - occupied by sports, arts and community organisations</b>	
Who is leading delivery?	Council-led	Community-led	Market-led



This diagram shows some of the particular characteristics or changes in circumstance that could trigger a move between a facility partnership and one of the four other investment mechanisms shown.



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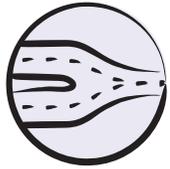
# Tracks: Starting the partnering conversation

*Ngā ara: Te tīmata ki te whakawhiti kōrero tūhononga*



Partnerships can be initiated by either the council or the partner(s). The Track a partnership starts on will impact the investment available, and when and how proposals will be accepted.

PROACTIVE TRACK		RESPONSIVE TRACK	
Council actively seeks potential facility partners through an open tendering process	Council approaches a potential partner(s), with an opportunity specific to them	A potential facility partner(s) approach council, which triggers a tendering process	A potential facility partner(s) approaches council, about an opportunity specific to them
<b>Funding</b>			
Fully or partially budgeted through the Long-term Plan In-kind support may also be available Co-investors may choose to invest alongside the council		Unbudgeted In-kind or contestable funding support may be available Support from other investors may be required	
<b>Getting started</b>			
Starts with Community Facility Tender (EOIs) (Stage 2)		Starts with early conversations (Stage 1)	
<b>Progressing</b>			
Opportunities may be advertised and proposals progressed at any time of the year		Stage 1 and 2: decisions to progress twice per year Stage 3 and 4 proposals requiring funding: decisions to progress once per year	



## Proactive Track

**Proactive Track partnership opportunities are aligned to network gaps identified by the council in the relevant network and investment plans.**

The council allocates budget to address high priority network gaps through the Annual Plan and Long-term Plan processes. When an indicative budget has been allocated to address a high priority gap, the council will identify those opportunities which may be suitable for partnership delivery, and release a Facility Partnership Tender to call for proposals from potential partners.

As these opportunities have been identified by the council through its own network planning processes, some aspects of the business case for a facility partnership on the Proactive Track will already be in place. These specifications will inform the Facility Partnership Tender, which begins with an Expressions of Interest round (Stage 2), followed by the preparation of

detailed project plans and business cases for shortlisted proposals (Stages 3 and 4). Business cases for market and direct delivery options may be considered alongside partnership options.

In some cases, the council may have a specific gap where there are only one or two potential partners due to the nature of the location, activity or population being targeted. In these cases, the council may approach a partner or partners directly to explore the opportunity together.

Decisions to progress Proactive track proposals through the key gates in our decision-making process (Gates 2, 3 and 4) will be made by the relevant decision-maker at regional or local level.

## Responsive Track

**Responsive Track partnerships are those where a partner identifies a gap or unmet need in their community or sector, and approaches the council for support.**

By their nature, there is no 'budget' set aside for Responsive Track partnerships, and potential partners will have to do more upfront work to make the case for investment. This includes not only any funding that may be required, but the staff resource to support the relationship over time.

If the investment required is significant, Responsive Track partnerships would need their regional or local decision-maker (as appropriate) to advocate for new funding through the Annual Plan or Long-term Plan process.

However although funding is more limited for Responsive Track partnerships, decision-makers may still be able to commit other kinds of support – e.g. use of council assets, or support from staff – if they accept the idea has merit and meets a genuine community need.

Partners can initiate early conversations on the Responsive Track at any time (Stage 1). Responsive Track Proposals at Stages 1 and 2 will be assessed by staff twice per year, with decisions to progress to the next stage made by the regional or local decision-maker.

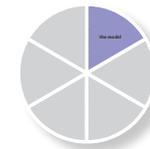
In some cases, the decision-maker may agree that the need identified in a responsive Track proposal is a priority, but want to initiate a wider tendering process to explore alternative ways of addressing it before committing to a specific partner or partnership.

Responsive Track proposals at Stages 3 and 4 that require funding will be assessed by staff once per year, prior to the Annual Plan, to enable unbudgeted funding requests to pass through approval Gates 3 and 4 as part of the Annual Plan process.



## Types: What the partnership will involve, and who owns the facility

*Ngā momo: He aha ngā whakaritenga ka uru ki te tūhononga, nō wai hoki te whakaurunga*



All facility partnerships will fit into one of four broad types. The types are differentiated by the ownership of the land, and whether we are building new or working with an existing property.

The facility partnership Type is significant to our decision-making process, because it will determine the:

Need for funding, or committing the use of council assets (land and buildings)

Whether we will be working with other funders / investors

Steps we need to go through at each stage, including planning and consenting through the council's regulatory arm

Form and complexity of the legal agreements that will underpin the partnership

Some projects may transition from one Type to another, through discussions, research and reformulating the proposal, or as new opportunities present themselves over time.

1 DEVELOPMENT partnership	2 ASSET partnership	3 ACTIVATION partnership	4 ACCESS partnership
<i>When the council partners with another organisation(s) to:</i> <b>Develop a new facility, or significantly upgrade an existing one, on land owned by the council.</b>	<i>When the council partners with another organisation(s) to:</i> <b>Develop a new facility, or significantly upgrade an existing one, on land owned by a partner.</b>	<i>When the council partners with another organisation(s) to:</i> <b>Activate a vacant or under-utilised council property as a community, arts or sports facility.</b>	<i>When the council partners with another organisation(s) to:</i> <b>Open up (or increase) community access to an existing facility owned and operated by a partner.</b>
NEW FACILITY	NEW FACILITY	EXISTING FACILITY	EXISTING FACILITY
COUNCIL LAND	PARTNER LAND	COUNCIL LAND	PARTNER LAND
e.g. Five sports codes get together to develop an indoor sports centre on the site of an old squash club on a council reserve.	e.g. New outdoor courts and playing fields for community use are developed on school property owned by the Ministry of Education.	e.g. Artist studios and exhibition space are established in an empty council property.	e.g. A marae is funded to provide bookable community space in a fast-developing rural area.



1

**DEVELOPMENT**  
partnership

2

**ASSET**  
partnership

3

**ACTIVATION**  
partnership

4

**ACCESS**  
partnership

***Strengths of this partnership type***

May be able to leverage other government / philanthropic funds towards capital development costs

Should provide a lower (cash) cost way to address a network gap compared with building a council facility, reducing cost to ratepayers

Activates existing council land – often well-located with other community infrastructure

Opportunity to build capability and capacity of community organisations to meet their own needs, and leverage volunteer input

Long-term network solution, as the asset will usually be vested to council at conclusion of partnership

May be able to leverage other government / philanthropic funds towards capital development costs

Should provide a lower (cash) cost way to address a network gap compared with building a council facility, reducing cost to ratepayers

No reduction of public open space

No council land involved can mean a shorter process: faster to progress to design and build stage

Partner may be an experienced facility operator with proven track record

Majority of investment is in-kind, so lower upfront (cash) cost, reducing cost to ratepayers

Activates existing council property – often well-located with other community infrastructure

Can build on existing relationships with proven delivery partners

Opportunity to build capability and capacity of community organisations to meet their own needs, and leverage volunteer input

Low risk arrangement, either side can exit relatively easily

Provides a lower (cash) cost way to address a network gap compared with building a council facility, reducing cost to ratepayers

Good option in growth areas with limited land available for facility development

Suits partners with spare capacity looking to increase their use and revenue

Partner likely to be an experienced facility operator with proven track record

Opportunity to recognise role and build capability and sustainability of existing community facilities

Low risk arrangement, either side can exit relatively easily



1

**DEVELOPMENT**  
partnership

2

**ASSET**  
partnership

3

**ACTIVATION**  
partnership

4

**ACCESS**  
partnership

***Challenges for this partnership type***

Inexperienced partners may need substantial support to plan, design and build facility, and develop into facility operator role (funding and/or staff time)

Reduces public open space (or other council land)

Additional steps in planning and consenting process where the council is the landowner

Can be complications if commercial activities planned to sustain facility operation, especially if land is held under Reserves Act

If asset paid for by community, need clear governance, legal structure and exit strategy – as the landholder, ownership technically remains with the council

Inexperienced partners may need substantial support to plan, design and build facility, and develop into facility operator role (funding and/or staff time)

Multiple partners involved in funding, owning, managing, using asset and land can make decision-making more complex

Tensions may develop between community and partner use over time (e.g. facilities on school land)

May not be a long-term network solution; community access not guaranteed past partnership term

Smaller partners may need substantial support to develop into facility operator role (funding and/or staff time)

Removes a property from another portfolio (e.g. venues-for-hire)

Property may not be fit for purpose (e.g. accessible) without upfront asset improvements

Where capital work is required, council as property owner means additional steps in planning, consenting, procurement processes

Activating a council property will impact already stretched maintenance and renewals budget

Presumes existence of partners with desirable facilities + spare capacity

Property may not be fit for purpose (e.g. accessible) without upfront asset improvements

Tensions may develop between community and partner use over time

Not a long-term network solution; community access not guaranteed past partnership term



## Scales: The size, complexity and risk of the partnership

*Ngā inenga: Te rahi, ngā whīwhiwhitanga me ngā raru tūpono o te tūhononga*



Allocating each facility partnership a 'Scale' is the main way we will ensure our requirements and influence over decision-making will be proportionate to the circumstances.

### Fit-for-purpose process

**Because no two partnerships are the same, it's important to ensure that our assessment, decision-making and management processes and practices are fit-for-purpose, and will protect the interests of the council, our partners and our communities.**

We won't over-burden simple, low-cost, low-risk partnerships with excessive costs, processes and paperwork. But we will make sure that we fully investigate and monitor larger, higher risk and more complex partnerships that will receive significant public investment. This is about balancing our 'empowering and enabling' role with our obligations as a public entity.

**The facility partnership Scale is significant to our decision-making process, because it will determine:**

- the planning, financial planning and due diligence we will undertake, and expect partners to undertake
- the documents and evidence we will need to inform our decisions, and how in-depth these will need to be
- any council support available to help partners complete each stage and progress to the next decision gate
- who will make the decision at each gate, and how this will happen
- approximately how long each stage might take and any associated costs (e.g. consent fees, professional services)
- the level of risk management and monitoring we will require
- the level of benefits management and monitoring we will require.

### Influence over decision-making

Ideally, all partners would invest equally in a facility partnership, hold equal power, and share the risks equally, but this won't always be the case. In most facility partnerships Auckland Council has been involved with, the council has been the biggest investor, taken on the most risk, and had the most at stake if the partnership or the facility were to fail.

**We will expect a level of influence over key decisions that is proportionate to our level of investment and risk in the partnership, and the capability of our partners.**

By '*key decisions*', we mean those relating to:

- The facility's location, size, design, construction and fit-out
- The facility's operating model, financial management and key staff appointments
- The partnership's legal structure, governance arrangements, and exit provisions.

Staff will work with partners during the early and middle stages of facility partnership development to shape governance and management arrangements that enable our agreed decision-making role.

Even where the council has a greater say in decisions, partners should still benefit from being in the partnership, and feel respected and supported in all of their dealings with us.



## Allocating Scale

There are six determining factors that will determine a partnership's Scale:

- Overall value of our investment
- Proportion of the total cost council is investing
- Complexity / complicating factors
- Level of risk to council
- Use of council assets
- Proven capability of partner(s)

Unsure?  
We've defined these terms over the page...

Different partnership proposals will sit at different points on the grid for each of the six factors.

*In assessing a specific facility partnership, we will use the highest scoring factor to determine the Scale.*

The higher the Scale, the longer the project is likely to take, and the more costs partners should expect along the way.

Factor / Scale	1	2	3	4
Overall value of investment over first 10 years	< \$2m	\$2m - \$5m	\$5m - \$10m	> \$10m
Proportion of the total cost council is investing	Less than 20%	20% - 49%	50% - 74%	75% or more
Complexity / complicating factors	Low complexity	Medium complexity	High complexity	-
Level of risk to council	Low risk for council	Some risk for council	Medium risk for council	High risk for council
Use of council assets	Funding support only	Occupying an existing council building	Building on council land	-
Proven capability of partner(s)	High capability, excellent track record	Good capability, satisfactory track record	Adequate capability, some track record + professional support	Adequate capability, some track record
How we see our status within the partnership	Minority partner	Cornerstone partner	Primary partner	Guiding partner
Anticipated decision-making role	Partner(s) keep council closely informed of key decisions	Partner(s) consult council prior to key decisions	Council and partner(s) take key decisions together	Council guides key decisions in consultation with partner(s)



The **'overall level of investment'** will include both capital (construction) and operational (overhead) costs calculated over the first ten years of the partnership. We will also take into account the market value of any assets made available to the partner.

Our **'proportional level of investment'** will be calculated on the basis of council's share of the total costs of the project over the first ten years of the partnership.

**'Complicating factors'** could include land status, zoning and condition, numbers and types of partners involved, and the proposed ownership, governance and management model for the new facility. Greater complexity may shift the project into a higher scale, even if the overall value is low.

Where the land or building involved is a **council asset**, the council has an even greater responsibility to safeguard the wellbeing and interests of the wider community, and consider how the facility partnership may impact them. Accordingly, we will expect to have more influence where council-owned assets are involved.

Our **'level of risk'** will be assessed by council staff based on the specific circumstances of the partnership, the partners, the facility and the site.

Our **'partners' capability'** will be assessed primarily on the basis of their track record of facility delivery and/or service delivery at an appropriate level, and/or whether they have factored in the support of suitably skilled and experienced professionals.



# Who makes investment decisions?

*Ko wai ngā kaiwhakatau haumi?*

Auckland Council has two complementary decision-making parts. The two governance arms each have distinct decision-making responsibilities for facility partnerships.

The allocation of decision-making for non-regulatory activities is set out in Auckland Council's Long-term Plan (our 10-year budget), and may change from time to time. The current Long-term Plan can be viewed on our website.



## The Governing Body...

**Focuses on region-wide strategic decisions**

**Decides where and when the council will invest in the facility network to address gaps and respond to growth**



Develops regional strategies – e.g. for arts and culture, sport and recreation – that set outcomes and priorities for investment



Sets budget envelopes for overall facility network, and any major facility investments or upgrades through the Long-term Plan



Approves the number and general location of all new recreation and sports facilities, community facilities, arts and cultural facilities and libraries, and the prioritisation of major upgrades to all existing facilities



Makes decisions on the location, design and use of any new facilities developed for an Auckland-wide purpose.



Governs *regional* facility partnership relationships, funding or lease agreements and performance reporting



## Local boards...

**Make most decisions on local places, facilities and activities**

**May work together to support facilities that benefit several local board areas**



Set outcomes and priorities for local investment through local board plans



Identify local facility needs and advocate for investment through the Long-term Plan



Approve the specific location, design, build and fit out of new local recreation and sports facilities, community facilities, arts and cultural facilities and libraries, within the budget parameters agreed with the Governing Body



Make decisions on the use of local facilities, including leasing and changes of use



Govern *local and sub-regional* facility partnership relationships, funding or lease agreements and performance reporting



Allocate local discretionary funding



# 3. The investment

## Te haumitanga

This section sets out the ways in which we and our partners might invest in facility partnerships, what kinds of partnerships we can invest in, and the principles that will guide that investment.

We will value our 'in-kind' support to provide a more accurate picture of our investment.

Where a partnership includes investment 'in-kind' – e.g. free or very low-cost use of a council property, technical expertise or ongoing staff support – we will estimate the equivalent market value of the resource and include this in our calculations. We will encourage and support our partners to do the same.

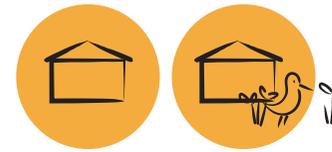
This will enable the council to compare the true cost and value of different partnership options when making investment decisions, and when calculating the returns. In many cases we will want to compare in-house delivery, market provision and a range of partnership options before making investment decisions.



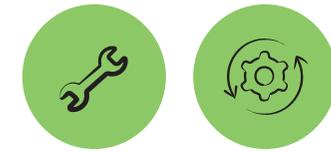
### How the council can invest in facility partnerships



**Funding for operating costs**  
**Funding for capital development**



**Use of a public building**  
**Use of public land**



**Maintenance and renewals**  
**Staff support and technical expertise**

**Funding**  
Capex and Opex  
One-off or ongoing grants, contracts and operating subsidies

**Use of assets**  
Land Leases  
Building leases / licenses to occupy  
Foregoing revenue earned from use of council assets

**Support and expertise**  
Maintenance and renewals programme  
Wide range of expert support staff  
Contracted specialists / technical advice  
Brokering

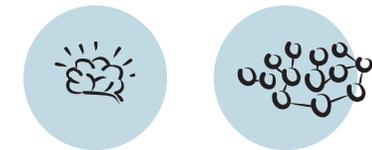
### How our partners can invest in facility partnerships



**Funding for operating costs**  
**Funding for capital development**  
**Use of land or a building**



**Pro bono expertise**  
**Volunteer time**



**Management and programme expertise**  
**Community insight and networks**

**Funding and Assets**  
Partners' own financial contributors, including revenue from other activities (e.g. social enterprise)  
Grants and finance from other funders / lenders  
Use of partners' land and buildings

**Voluntary contributions**  
Fundraising in the community  
Pro bono professional services  
Unpaid governors (e.g. Board of Trustees)  
Volunteer labour (e.g. working bees)  
Donated or discounted materials

**Professional expertise, community knowledge**  
Facility management experience  
Service and activity expertise  
Community knowledge and contacts

Contact us for a large print version of this page

# Our investment principles *Ngā mātāpono haumi*



We will take a principled approach to facility partnership investment decisions. These investment principles underpin our eligibility criteria and investment priorities.

## We will:

### Principle 1



#### **Invest strategically, based on outcomes:**

We will invest to deliver the outcomes outlined in our strategies, policies and plans. We will judge success based on the benefits delivered for communities on the ground.

### Principle 2



#### **Invest to help achieve equity for all Aucklanders:**

We will invest to address known community needs and network gaps first. This is about enabling everyone to have access to good quality facilities regardless of their circumstances. Our investments will balance meeting the needs of existing and new communities, and communities of place, interest and identity. This may not mean the same levels or types of provision in every area.

### Principle 3



#### **Invest wisely, to deliver the maximum value for Aucklanders:**

By value, we mean the services, activities and assets (outputs) *and* the social, cultural, economic and environmental benefits (outcomes) that a partnership will deliver. We will invest in those facility partnerships that provide the best overall return on investment.

### Principle 4



#### **Invest for sustainability:**

We will seek investments that balance our desire to support community-led innovation, with the need to protect the council and the community from risk. We will only invest in facilities we're confident will be desirable to users, feasible to deliver and viable to operate. We won't enter partnerships unless we're confident we can commit to resource an ongoing relationship.

## What the principles mean for eligibility *Te take e āhei ai e ai ki ngā mātāpono*

Facility partnerships may take a wide range of forms, reflecting their diverse communities and circumstances. The eligibility criteria for receiving council investment through facility partnerships reflect our investment principles, and our duties and obligations as a local authority.

Ineligible proposals won't be progressed, although staff may be able to suggest alternative funding partners if the council can't assist.



### Principle 1 **Investing strategically** *Te āta tuku pūtea haumi*



#### We will only invest in:

- 1 Facility partnerships where the outcomes sought are a **good fit** with the council's and the other partner(s)' **purpose** as set out in our strategies, policies and plans, and the partner(s)' own vision, constitution, organisational strategy and/or business plan.

#### We won't invest in facilities that:

- 2 Primarily deliver **housing, education, health or other services** that are the responsibility of central government, UNLESS the council is a minority investor alongside the relevant central government agencies AND we're satisfied that our investment will support enhanced community, Māori, arts, sport or recreation outcomes in line with our responsibilities as a local authority.

#### Once operating, we expect all partnership facilities to be:

- 3 Non-discriminatory, physically accessible to people of all abilities, and in all other respects compliant with New Zealand (and applicable international) **human rights** legislation.

## Principle 2 Investing equitably *Te taurite o te tuku pūtea haumi*



### We will only invest in:

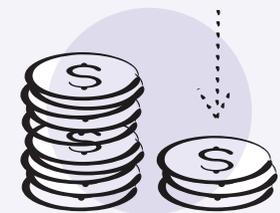
- 4 Facilities that address **identified facility network gaps or unmet community needs**. We will consider the broader picture of provision when assessing 'need', including the availability of non-council facilities that are accessible and affordable to the same target users. Our definitions of community are not just place-based, but also encompass communities of identity and interest.
- 5 Facilities that will be open for **use by the wider community**. (Facilities may be purpose-built for a particular activity, but shouldn't be exclusively for the use of the partner organisation(s) and their members, or their membership should be open to anyone who wishes to join).

### We won't invest in facilities that:

- 6 Are exclusively or primarily to be **places of worship** or other buildings with religious purposes.  
The council will consider partnerships with religious groups to deliver multi-purpose community facilities, where we are satisfied that the facility is available and actively promoted for wider community use, and is inclusive and welcoming to the wider community.
- 7 Are **political** party offices OR will offer services or activities in order to promote a political cause.
- 8 Are, or include, **commercial premises**, unless certain conditions are met (see 'Facility partnerships and commercial activities' p.31).

### Once operating, all partnership facilities must be:

- 9 **Affordable**, i.e. set their fees and charges at or below the level charged by similar community facilities.



## Principle 3 Investing wisely *Te matatau o te tuku pūtea haumi*



### All facility partners must be:

- 10 A **registered charitable organisation**, OR agree to invest profit (beyond any agreed cap) back into the facility, or an approved community purpose.

### We will only invest in:

- 11 Developing new facilities where we agree that a **new built asset is essential** to deliver the outcome, rather than a service, activation or access response.
- 12 Facility partnerships that we are confident will deliver the **same level of service** to the community over the same period compared with the alternatives,
  - a) **AND at a lower total cost** to ratepayers (accounting for all forms of support and investment over the life of the partnership, including any opportunity costs),
  - b) **OR** at a similar or higher cost than alternatives, but where **additional value will be delivered** in return (in line with other strategic priorities).

### We won't invest in facilities where:

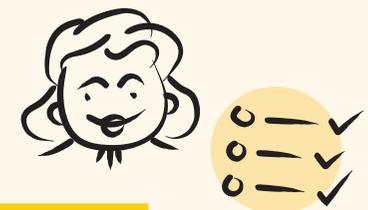
- 13 Analysis shows it would be **more cost effective** for the council or partner(s) to deliver the facility directly, and there isn't sufficient extra value gained to outweigh the costs.

### Where the facility partnership will include capital works:

- 14 That are paid for by the council (in part or in full) or involve council-owned property, at any point during the term of the partnership, the **procurement** of goods and services must align with Auckland Council's Procurement Policy.

### Once operating, all partnership facilities must be:

- 15 Safe, properly maintained and legally compliant for **public use**.
- 16 Willing and able to meet reasonable **accountability and monitoring** requirements.





## We will only invest in:

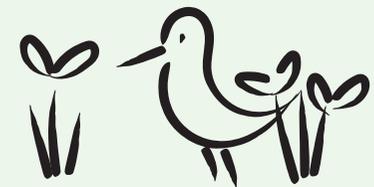
- 17 Facilities that we are confident will be **financially viable and sustainable** – i.e. have credible business models to meet establishment costs and ongoing operating costs (this can include any council investment).
- 

## We will only partner with:

- 18 **Formally constituted** organisations with a recognised legal structure.
- 

## We won't invest in facilities that:

- 19 We won't invest in facility partnerships that have **split ownership** of the facility (e.g. where the council would own one level, part or area of a building or structure, and partner(s) would own another), or joint ownership (e.g. where the council and partners would each own a share of a building or structure). This is to ensure clear legal responsibility for assets throughout their life.
- 



## Facility partnerships and commercial activity *Ngā tūhononga wāhi urunga me ngā mahi tauhokohoko*



We recognise businesses and commercial activities can play a role in enabling viable facility partnerships, and we will support this in certain circumstances.

### Facility partners may engage in commercial activities to offset their costs.

Council will actively encourage community partners to explore appropriate revenue generation opportunities to help them meet their ongoing operating costs. This could include commercial activities run directly by the partner (e.g. a gallery shop or a coaching programme), a concession run by a private operator (e.g. a café), or operating a social enterprise that help support the facility (e.g. a community garden).

### The following conditions will apply to facility partnerships that incorporate commercial activities in their business model, including social enterprises:

- 1 We must agree that the proposed commercial activity complements the purpose of the facility, and will increase public use and enjoyment of the facility and/or the surrounding site.
- 2 The zoning of the land must allow commercial activity of the type proposed, OR can be re-zoned to allow it, and the relevant decision-maker must support this change (investment in the partnership will remain contingent on this re-zoning).
- 3 Any commercial activities related to the facility partnership must return all profits to offset the operating costs of the facility, or in the case of a concession run by a private operator, to pay a lease set at market rates.
- 4 Any surplus generated by commercial activities must be reinvested in the facility, or a community purpose approved by us.

### Businesses can be co-investors in facility partnerships.

Council will consider co-investing in a partnership alongside businesses that want to sponsor or otherwise support facilities in their communities. In these cases, Auckland Council's Strategic Partnerships Policy will apply.

### Businesses can express interest in a facility partnership opportunity.

**Proposals on the Proactive Track:** Businesses can respond to a Facility Partnership Tender advertised by the council. If selected to proceed past the first (EOI) stage, the relevant sections of the Auckland Council Procurement Policy and processes will apply thereafter.

**Proposals on the Responsive Track:** Auckland Council's Unsolicited Proposals Policy will apply where businesses approach the council about a facility partnership outside of the Facility Partnership Tender process.

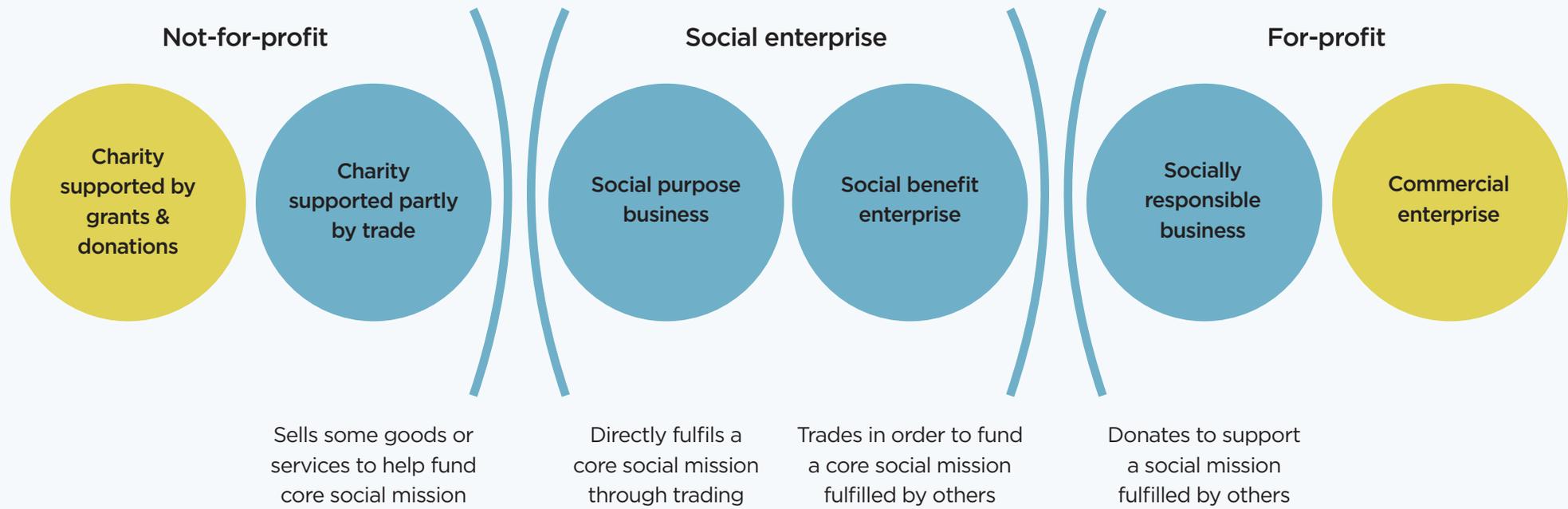
*Refer to 'Proactive and Responsive Partnership Tracks' in section 4: The Model for more information about the Tracks.*

**From time to time, the council may contract commercial enterprises to manage council facilities through a formal procurement process,** with opportunities advertised in the usual way. These are **not** facility partnerships for the purposes of this policy.

Unsure?  
See the diagram  
on the next page  
for what we  
mean by 'social  
enterprise'

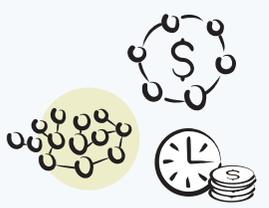


# Facility partnerships and commercial activity *Ngā tūhononga wāhi urunga me ngā mahi tauhokohoko*



Charitable organisations and social enterprises can enter facility partnerships with us, and engage in commercial activities to offset their costs (subject to the conditions outlined on the previous page).

Businesses can be co-investors, or express interest in an advertised partnership opportunity



## Using the principles to prioritise

*Te whakamahi i ngā mātāpono hei hanga rārangi whakaheke*

**In a growing city, with constrained funding and limited land and buildings available for community use, the council can't support every facility partnership proposal we receive. Decision-makers will consider a range of factors to determine which partnerships will deliver the most benefits for Auckland – both financial and non-financial – and are the soundest choice.**

We will prioritise some facility partnership projects over others, in line with the commitments made to Auckland, and with Aucklanders, in our existing strategies, policies and plans. We will identify the partnerships that are most likely to make an impact, in the areas Aucklanders have agreed investment is most urgently needed.

Our priorities directly align with our investment principles, and we expect all successful proposals will address at least one priority. Partnership proposals that meet multiple priorities will have a considerable advantage.

### Principle 1

## Investing strategically



**We will target our investment towards facility partnerships that:**

1. Will deliver **priority outcomes** in line with our existing strategies, policies and plans.
2. **Are Māori-led**, and/or help to **celebrate Māori** as Auckland's unique point of difference in the world, and/or honour documented commitments to Māori made by the former councils in the Auckland region.
3. Will capitalise on opportunities presented by the development or transformation of areas of **rapid growth and intensification**.

### Principle 3

## Investing wisely



**We will target our investment towards facility partnerships that:**

5. Optimise use of the council's or the community's **existing facilities and assets**, including current facility partnerships that can make the case for further investment.
6. Are for multi-purpose facilities (i.e. which can be used for a broad range of activities), and/or bring together **multiple organisations and groups**, who would otherwise require separate premises.

### Principle 2

## Investing equitably



**We will target our investment towards facility partnerships that:**

4. Target **under-served populations**, i.e. communities of place, interest or identity, which have the greatest unmet need for community facilities. For example, populations that are geographically isolated, highly diverse, or experiencing socio-economic disadvantage, and where there is insufficient provision by the council, community or market providers.

### Principle 4

## Investing sustainably

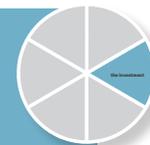


**We will target our investment towards facility partnerships that:**

7. Can **leverage non-council sources of capital investment** or ongoing income, meaning the council will be covering less than 50% of the upfront development costs, or less than 25% of the ongoing operating costs.
8. Will develop facilities which are environmentally **low-impact and sustainable** in their design, construction and operation.



# Boosting the likelihood of investment *Te whakarahi i te āhei o ngā mahi haumi*



Even after applying our investment principles, eligibility criteria and priorities, our funds and assets will still be oversubscribed. This page outlines other matters our decision-makers will take into account when choosing between partnership proposals.

Staff will look for the following when advising decision-makers and making recommendations:

## Principle 1

### Investing strategically



- ✓ Where the partnership will build the capacity, skills and resilience of the partner(s) and the community.

## Principle 3

### Investing wisely



- ✓ Where the partnership would secure a prime location for the facility otherwise unavailable or unaffordable to the council, and this location is likely to be a major contributor to its success.
- ✓ Where the partnership facility would likely be better used than a standard council-managed facility of the same type, because the partner(s):
  - o have an established reputation with the local community,
  - o have better access to the facility's intended users than the council, and/or are better positioned to provide locally or culturally appropriate services.
- ✗ Where one or more partners (including the council) feel they'd need to control the majority of decisions, to an extent that is disproportionate to their level of investment and risk.

## Principle 2

### Investing equitably



Where the proposed partnership would:

- ✓ honour a historical commitment between the council and the partner(s) to work together,
- ✓ significantly increase goodwill, confidence or trust in the council within the facility's host community from a low base,
- ✓ otherwise have a significant positive knock-on or ripple effect in the host community.

## Principle 4

### Investing sustainably



- ✓ Where the partnership would leverage an established working relationship between the council and the partner(s).
- ✓ Where the partnership would attract significant volunteer input, pro bono expertise, or discounts on goods or services for the facility which are otherwise unavailable to the council.
- ✓ Where each partner's proposed roles and responsibilities reflect their individual strengths.
- ✓ Where the proposed partnership is 'win-win' and will provide clear mutual benefit for all parties, without undue workload, pressure or risk falling on smaller partners.
- ✗ Where there's either no ability or no desire to adjust the partnership - e.g. its structure, deliverables, investment levels - if circumstances change, or initial expectations prove unrealistic.

## 4. The relationship *Te herenga*

**Partnerships may be agreed between organisations – but ultimately, they are formed between people. Relationships are what make partnerships different to contracts, and lift the commitment between partners above a transactional arrangement.**

Quality relationships are foundational for a healthy facility partnership: they set the tone for all of the work the partners do together, and are the springboard for any future collaboration. Good relationships are built on trust and good faith, mutual understanding and mutual respect. Good relationships can only be built over time and require ongoing effort.

This is the case whether the partner is a large government agency, philanthropic or commercial investor, experienced service provider or a small grassroots group.

Auckland Council has committed to taking an **Empowered Communities Approach** when entering relationships with community-led organisations and projects – including facility partnerships. An empowered community is one where individuals, whānau and communities can influence decisions, take action and make change happen about the issues that matter to them.

The council's Empowered Communities Approach is based on principles of equity, inclusion and collaboration, and aligns closely with our commitment to realise Māori aspirations and outcomes. Our partnering principles provide guidance to council staff about how to work in ways that are more empowering of communities.



### Our partnering principles

*Ā mātou mātāpono tūhonohono*

Auckland Council will resource and treat facility partnership relationships with the care and commitment they deserve. This commitment to quality partnership relationships means we will:

1

Be open, honest and upfront with our partners (and potential partners) about what we can and can't commit to and why, and follow through on the commitments we make. We will communicate regularly with our partners, and keep each other in the loop.

2

Take responsibility for 'partnering on the inside', acknowledging the council's size and complexity can make us difficult to partner with. We will prioritise continuity in our relationships, and actively manage the transitions when key people change.

3

Factor in adequate frontline and specialist staff support as part of the business case for any new facility partnership.

4

Recognise and value partners' financial and non-financial contributions, and the risks all parties take by working in partnership. We will agree roles and responsibilities that play to our strengths, and allow all partners to meaningfully participate in decisions.

5

Support our less experienced partners in a way that builds capability in both directions: building the capability of our partners to do things for themselves, and of our own people to work alongside them.

6

Seek to respond together to any challenges we encounter, with formal disputes processes only used as a last resort. We will seek to work through any issues related to differences in our working style and culture.





## Potential facility partners *Ētahi tūhononga te tūpono aka*

Many different organisations and groups could play a role in providing or investing in facilities for Auckland:

### Potential future facility partners for Auckland Council include:



National and regional organisations in the community, arts and sports sectors



Iwi bodies, marae and kaupapa Māori organisations



Tertiary institutions and schools



Local trusts, societies, cooperatives, groups and clubs



Facility development trusts (set up to enable smaller organisations to collectively fund, develop, govern and manage a shared facility)



Social enterprises, or other commercial organisations delivering community outcomes

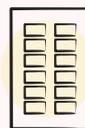
### Potential future co-investors in facility partnerships include:



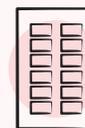
Business Improvement Districts (BIDs)



Government ministries and departments



Funding agencies / philanthropic foundations and trusts



Post Settlement Governance Entities (PSGEs)



Socially responsible businesses

### Our partners' people can include:



Boards of Trustees and Boards of Directors (may be paid or volunteers)



Kaumātua, iwi or hapū liaisons



Management committees for smaller organisations (usually volunteers)



Management staff – e.g. chief officers, directors, general managers and facility managers



Frontline staff – e.g. reception staff, coordinators, coaches, maintenance and cleaners (paid or volunteers)

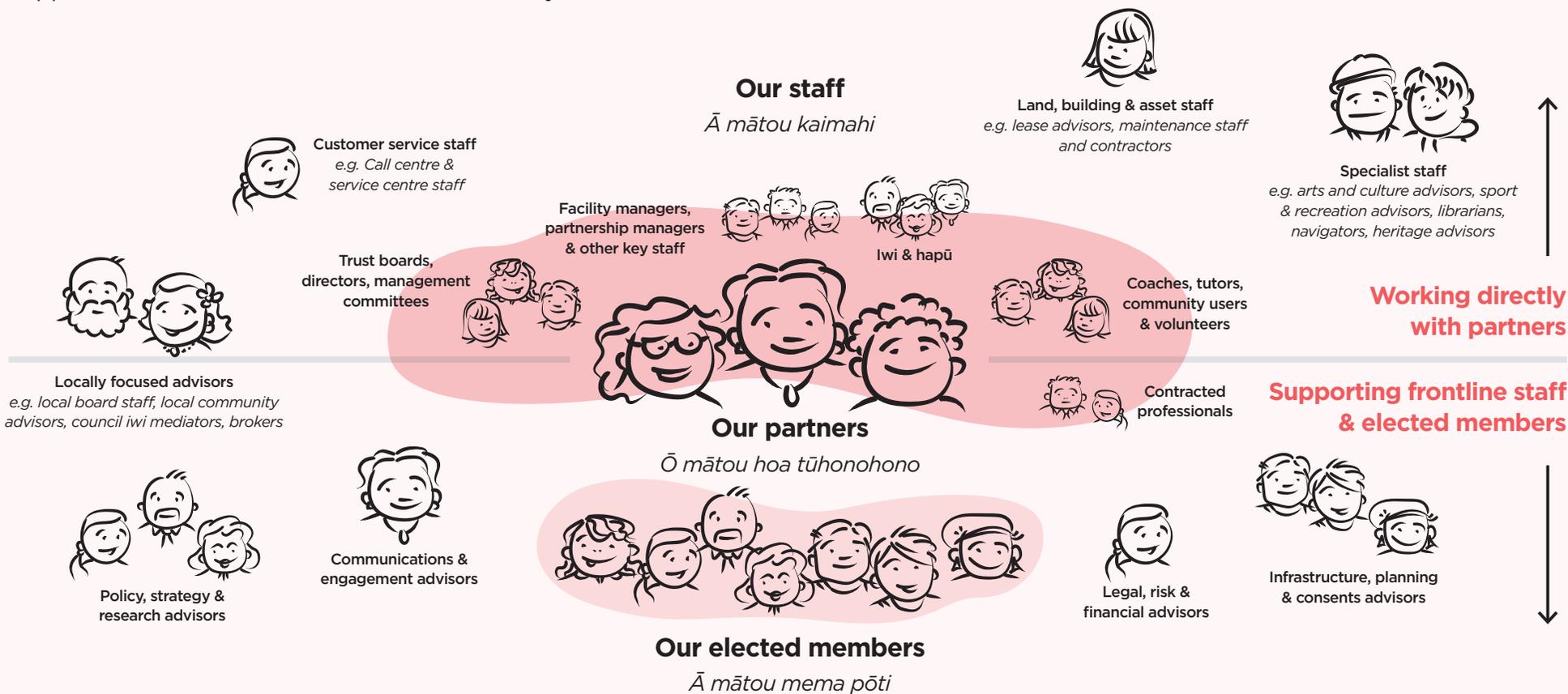


Consultants, lawyers, advisors, accountants, fundraisers or other contracted professionals



# Who supports facility partnerships? *Ko wai ka tautoko i te tūhononga wāhi urunga*

The council family includes a range of skilled and experienced staff, each of whom helps to support facility partnerships in different ways. No one group of staff can provide quality support and advice on their own - we need everyone on board to do this well.



## Staff involvement includes:

- Having early conversations with potential partners, co-investors and council decision-makers
- Helping to prepare and assess facility partnership proposals and plans, and making recommendations to decision-makers
- Giving technical, financial and legal advice to partners and decision-makers, helping partners to navigate council processes and systems
- Helping to design, plan, cost, consent and project manage facility partnership building projects
- Holding relationships with partners and managing funding and lease agreements once a facility is operational
- Helping to build the capacity and capability of partners, when needed
- Evaluating and reporting on the benefits delivered through facility partnerships

# Our roles and responsibilities

*Ā mātou mahi me ā mātou kawenga*

**The council is a large and complex organisation, with many different roles it must play simultaneously.**

These include regulatory / kaitiaki roles, and empowering or support roles. These roles may sometimes be in tension, or even direct conflict.

We can't avoid this complexity, as each function and role we play is an important part of serving Auckland. But there will be limits to what we can do through partnerships, what we can do with or for our partners, and what our partners can do themselves.

**In particular, the council must always:**

- Keep people **safe**
- Ensure we and others **comply with the law**, and are seen to do so
- Act in ways that are **consistent with our duties** as a local authority and kaitiaki, and in alignment with our own policies and plans
- **Balance competing interests** among communities of place, interest and identity
- Set out to **allocate scarce resources fairly**, transparently, and for maximum benefit.

**To help manage any tension between our roles we will:**

- **Be upfront:** we will acknowledge, discuss and actively manage tensions as they arise, accepting that in some cases finding common ground will not be possible
- **Be coordinated:** where our different roles are in tension internally, we will try to ensure this is flagged early and resolved, before (further) commitments are made or work progressed
- **Champion where we can't act:** sometimes, we may not be able to partner ourselves, but if we strongly support the kaupapa, we can help bring together others who can.

# Lead relationship broker

*Te takawaenga tūhononga matua*

We know that the council's large size and complexity as an organisation can make us difficult for partners to build relationships with, so every facility partnership will be allocated a **lead relationship broker** within the council.

**This person:**



Will establish a relationship with the key people in the partner organisations



Is responsible for assisting the partner(s) to navigate council processes and systems, and accessing and/or coordinating advice from the 'virtual team' of specialist and technical staff involved in each facility partnership



Will be the first port of call for the partner(s), elected members and other council staff interacting with the partnership



May change over the lifecycle of the partnership, but where this needs to happen the transition will be carefully managed





## 5. The agreement *Te whakaaetanga*

Clarifying and formally documenting the legal arrangements relating to the facility and the partnership is an important way to protect the short, medium and long-term interests of all parties.

Facility partnerships are some of the most complex arrangements we enter into, because they cover physical assets, often big investments and usually long periods of time – sometimes generations. The financial stakes are higher, the potential risks are greater, the considerations are more technical, and every choice carries an opportunity cost.

The graphic on the following page identifies a number of aspects relating to the legal side of facility partnerships, which underpin the formal arrangements Auckland Council can make with our partners and protect everyone's interests.

As no two facility partnerships are the same, the specific legal considerations will vary between projects. Staff will consult with our in-house legal team and ensure partners and decision-makers understand the potential legal implications of individual proposals from Stage 2 onwards. All parties must fully investigate and resolve the legal dimensions of a facility partnership to their mutual satisfaction before entering any formal agreement at Stages 3 or 4.

### Our ethical practice principles

*Ā mātou mātāpono tikanga matatika*

Auckland Council will run an ethical, prudent and inclusive facility partnerships programme.

This means we will:

1

**Be accountable for how we invest public money** in facility partnerships and how we show the return on that investment, and require our partners to do the same.

2

**Only take justifiable risks:** we will balance our desire to support high-potential, community-led innovation, with our need to prudently invest public funds and protect the council and the community from risk.

3

**Seek prior legal advice and formally document** all facility partnership commitments and agreements (and any subsequent material changes), to ensure clarity for all parties.

4

**Act fairly and transparently:** we will be open and honest, and aim to balance the needs and interests of everyone involved in or impacted by facility partnerships.

5

**Be inclusive** in our intent, our processes and requirements, our decisions and our behaviours. We will work with partners who value inclusion and diversity.

6

**Have a culture of seeking feedback,** listening, reflecting and continuously seeking to improve, and we will encourage our partners to do the same.



# Legal considerations for facility partnerships

*Te aronui ki te ture mō ngā tūhononga wāhi urunga*

## Organisational types

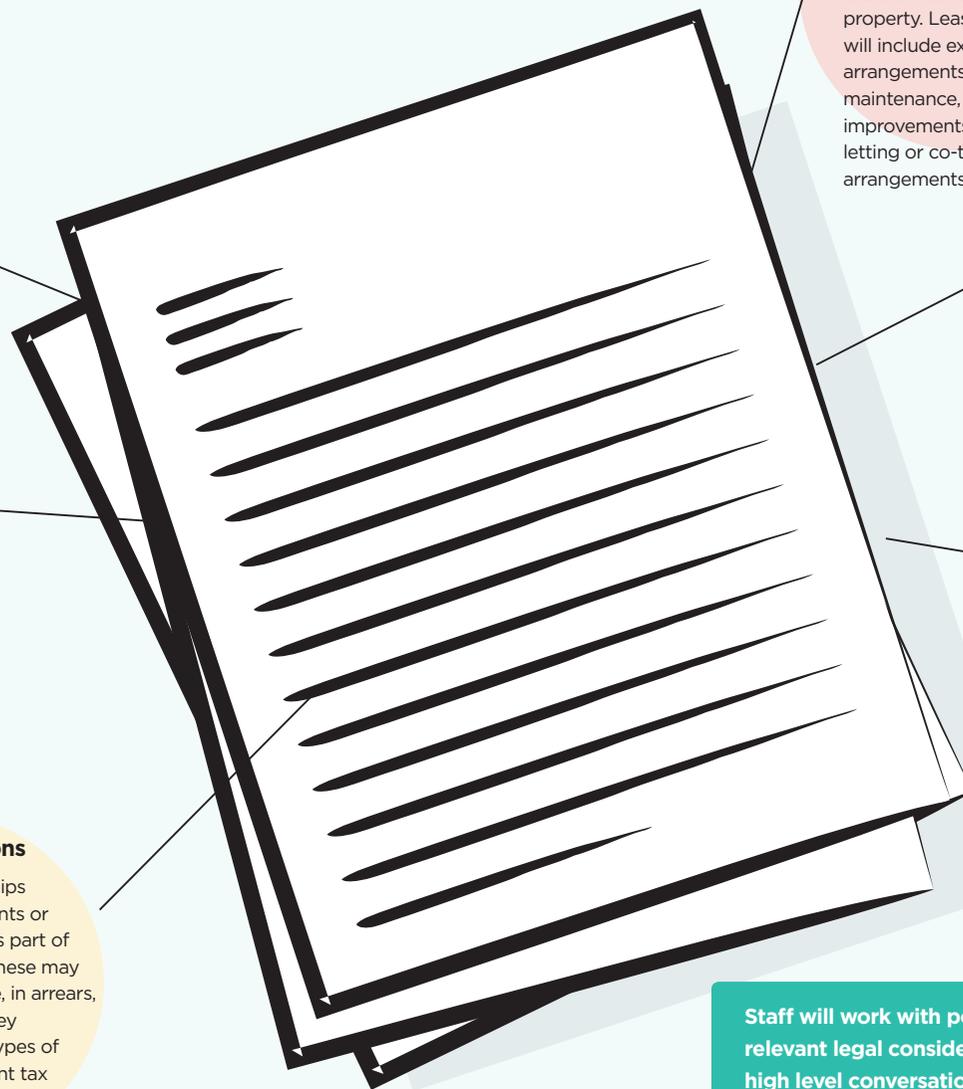
Auckland Council has specific rules and practices around partnering with some types of organisation – e.g. facility trusts, social enterprises, other types of commercial organisation and schools.

## Ownership, governance and management structures

The council, partner(s) and co-investor(s) will need to agree and document arrangements for the funding, ownership, governance and operation of the facility. This will include negotiating levels of partner and community access, identifying and mitigating conflicts of interest, agreeing when and how the partnership will be wound up, and if there will be options for early exit.

## Financial obligations

Many facility partnerships will involve council grants or contracts for service as part of their funding model. These may be paid out in advance, in arrears, or as the project hits key milestones. Different types of payments have different tax obligations and accounting requirements.



## Leasing council property

Partners establishing a facility in a council building will require a commercial lease, community lease or license to occupy the property. Lease negotiations will include expectations and arrangements for property maintenance, renewals and improvements, and any sub-letting or co-tenancy arrangements.

## Leasing council land

A partner-owned facility built on council land will require a ground lease, with provisions made for renewing the lease, vesting assets to council or remediating the land at the end of the lease.

## Managing risk and disputes

The council and partners will need to identify a range of possible risks early on, monitor these as the partnership proposal progresses, and actively manage them once the facility becomes operational. Partnership facilities will need to be fully insured and legally compliant for public use, with clear operational policies, clearly defined liability and a process for managing disputes.

**Staff will work with potential partners to establish and resolve the relevant legal considerations in their specific case, beginning with a high level conversation at Stage 1, with further advice sought at Stages 3 and 4. Council will work with partners to develop a customised partnership agreement at Stage 5.**

## 6. The facility *Te wāhi urunga*

### Land and building considerations

*Te aronui ki te whenua me ngā whare o runga*

**As an experienced facility provider, we understand how much is involved in planning, designing, constructing, running and looking after built assets that will do the job they're built for, year in, year out.**

This can be complex, specialised and expensive work. In entering facility partnerships, the council and partners will need to navigate both land considerations. As no two facility partnerships are the same, the specific considerations will vary between projects.

### Expert help with facility planning

The council employs a large number of expert technical staff across planning, facility development and operations. These staff will be responsible for assessing the land and building aspects of facility partnership proposals as they pass through the facility partnership lifecycle (see p13), particularly during Stages 3 through 6.

Our experts will advise colleagues and decision-makers on any technical and regulatory matters, including land considerations, location and site considerations, facility purpose and use factors, design factors, building regulations, construction, facility operation, and any ongoing asset management responsibilities assumed by the council. A full list is provided on the next page.

The provision of technical advice directly to our partners is an important way the council can support facility partnerships, and invest in successful partnerships. Where prospective partners need the council's technical advice and support, we will build the resource for any upfront and ongoing assistance into the cost of the partnership proposal.

Although many of these matters need to be addressed separately within the council, the Lead Relationship Broker will support partners and prospective partners to navigate these processes. (See p38 for more about the council's various roles and responsibilities, and the Lead Relationship Broker.)

### The land

*Te whenua*

**All facility partnerships have land considerations** – they will sit on a specific site that is owned by someone, next to other properties, reached from a particular street, located in a neighbourhood, precinct, suburb and local board area, in the rohe (customary territory) of one or more mana whenua.

The area may have specific cultural, heritage or geotechnical features or significance, and it will grow and develop in accordance with its zoning under the Unitary Plan. Facilities will also take their place in a natural ecosystem – with its own character, behaviour, patterns and vulnerabilities.

### The building

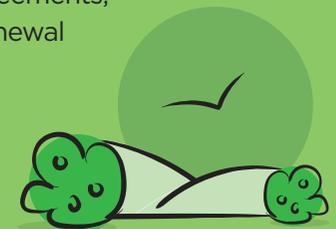
*Te wāhi urunga*

**A facility's design, configuration, fit-out and operation** can be the difference between a successful facility, an under-used facility, and a failed facility.

If building new, the planning, design and construction are critical phases for the project; they can be costly, complex and involve multiple decisions and trade-offs. Partners will require the support of qualified professionals.

If developing, re-purposing or activating an existing building, it may need renovation, new fittings or equipment, or improvements to come up to specification for public use. It may have special cultural or heritage significance, with added protection under the Unitary Plan. It may have existing tenants, or the potential to sub-let or bring in co-tenants.

All facilities need plans in place to manage regular community access and use, comply with leases and funding agreements, and the ongoing management, maintenance and renewal of the asset to keep it safe and in good condition.



# 6. The facility *Te wāhi urunga*

## Land and building considerations

*Te aronui ki te whenua me ngā whare o runga*

### 1 Land considerations

- Land classification / status and statutory implications
- Landowner permissions
- Sites of significance to Māori
- Development restrictions (e.g. parkland, protected trees, viewshafts, height)
- Coastal inundation, susceptibility to flooding and other climactic considerations
- Ecological considerations / impacts
- Current condition and suitability of the land for a facility (e.g. contours, contamination)
- Infrastructure and services (utilities, wastewater)

### 2 Location / site considerations

- Co-location with other community infrastructure
- Site position – e.g. street frontage, visibility, proximity to others on site
- Access and parking, proximity to public transport
- Local impacts (near neighbours, noise, restricted activities)
- Suitability for commercial activities (if planned)
- Impact of new facility on other users or tenants of the site

### 3 Facility purpose and use factors

- Overall floor area
- Layout and configuration
- Reception, office space, activity areas, kitchen, storage
- Gender inclusive toilets and changing facilities
- Fixed vs. flexible spaces
- Fixtures and fittings
- Plant and equipment
- Leases, tenancies and community access agreements

### 7 Facility operation

- Managing governors (e.g. trustees), facility staff (e.g. managers, tutors) and volunteers (e.g. coaches)
- Commercial operations (e.g. cafes, pro shops, social enterprise opportunities)
- Managing bookings, hireage and memberships
- Fees and charges (members and public)
- Financial management (e.g. accounts, wages, cash handling)
- Building access and security
- Maintenance and renewals
- Cleaning and waste management
- Promotion and advertising
- Monitoring and reporting to council and other investors

### 4 Design factors

- Quality design on a budget
- Materials and finishes (cost, aesthetics and durability)
- Building footprint and relationship with the surrounding site and area
- Māori design principles
- Universal design principles (accessibility)
- Sustainable design and energy efficiency
- Understanding, preserving and capitalising on heritage features
- Crime prevention, security and access
- Integrated public art, community art
- Branding, naming, attribution and signage
- Landscaping and ongoing site maintenance

### 5 Building regulations

- Seismic (earthquake) strengthening
- Asbestos removal
- Building Warrant of Fitness
- Fire safety
- Health and safety

### 6 Construction

- Resource & Building consents
- Earthworks
- Choosing and managing suppliers
- Project and site management
- Contingencies



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