CHAPTER 4

The ARC Group
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This section outlines the organisational structure, management and corporate governance for the Auckland Regional Council Group including its two Council Controlled Organisations, ARH and ARTA. The diagram on the next page reflects the structure and relationship of the Group.
The ARC Group

Auckland Regional Council
Responsible for transport strategy and funding; regional planning / growth management; environmental management; regional leadership and community development; regional parks; economic development; and hazards and maritime safety.

ARC Business Units
- Auckland Plus
- Mt Smart Stadium
- Auckland Botanic Gardens
- Farming on regional parks.

Council Controlled Organisations
- The Auckland Regional Transport Authority (ARTA)
- Auckland Regional Holdings (ARH)
  - Ports of Auckland Limited (POAL)
  - Sea+City Projects Ltd (SCPL)
Auckland Regional Holdings (ARH)

Auckland Regional Holdings’ investment portfolio contains investments in various asset classes which enable ARH to underpin its key investment principle of generating optimal returns within specified risk boundaries. ARH has the following subsidiaries.

The Auckland Regional Transport Authority (ARTA)

Responsible for planning, funding and developing an integrated, safe, responsive and sustainable transport system for the Auckland region.

Ports of Auckland Limited (POAL)

POAL is non-listed company, 100 per cent owned by ARH. Formed in 1988, it owns and operates the Port of Auckland, New Zealand’s largest international container port as well as an Auckland inland port at Wiri, South Auckland.

Sea+City Projects Ltd (SCPL)

SCPL is a non-listed company, 100 per cent owned by ARH. It was formed in March 2007 to manage the redevelopment of Wynyard Quarter.
The role and purpose of local government

The Local Government Act 2002 (the Act) establishes the role of the ARC as being to give effect to the purposes of local government. These purposes are to enable democratic local decision-making and action by and on behalf of communities; and to promote the social, economic, environmental and cultural well-being of communities, in the present and for the future. The ARC is therefore accountable to the region’s ratepayers (whom it consults on a wide range of plans and policies), and to Parliament.

The Council, in performing its responsibilities, must act in accordance with the principles established in the Act, and within its wider legislative framework.

Key legislation enabling the Council to perform its functions includes the:

• Local Government Act 2002
• Resource Management Act 1991
• Biosecurity Act 1993
• Civil Defence Emergency Management Act 2002
• Transit New Zealand Act 1989
• Land Transport Management Act 2003
• Transport Services Licensing Act 1989
• Reserves Act 1977
• Hazardous Substances and New Organisms Act 1996
• Hauraki Gulf Maritime Park Act 2000.

Regional representation

The Auckland region is made up of seven local authorities: Auckland City, Franklin District, Papakura District, Manukau City, North Shore City, Rodney District and Waitakere City. Thirteen councillors are elected from across the Auckland region, every three years, to represent the seven city and district councils. The current Council was elected on 13 October 2007. The next election will be held in October 2010.

The Auckland Regional Council (ARC) is elected to:

• enable democratic local decision-making and action by, and on behalf of, communities,
• to promote the social, economic, environmental and cultural well-being of communities, in the present and for the future.

In discharging this responsibility, the Council seeks to provide effective leadership within the region, including effective advocacy on behalf of the over 1.3 million people living here. The Council also aspires to take a more effective role in promoting and achieving the sustainable development of the region.

Councillors are accountable to the regional community, with whom they consult on a wide range of plans and policies. Staff work in partnership with councillors to ensure the best decisions are made for the region. Meetings are held regularly, at which staff report to councillors. Once the public has been asked its opinion and the Council has approved an activity or function, ARC staff, in partnership with the community, make it happen.

What’s the difference between the ARC and the region’s city and district councils?

Auckland’s seven city and district councils primarily deliver services, such as water supply, sewage treatment, libraries, waste disposal and road maintenance. The ARC manages the region’s growth, plans and contributes funds for the region’s transport, manages its regional parks and integrates the management of the environment in all of the region’s cities and districts.

The role of Council and its chairman

The role of the councillors, acting as the Council, is to develop and adopt ARC policy, to monitor the performance of the Council against its stated objectives and policies, to ensure prudent stewardship of council resources, to employ the chief executive and to advocate on behalf of the region’s residents and ratepayers. A code of conduct governs the relationship between the Council and ARC staff.

The chairman’s role is to preside at Council meetings, advocate on behalf of the regional community and provide leadership and feedback to other elected members. The deputy chair performs these responsibilities if the chairman is absent or incapacitated.
CHAPTER 4

Your regional Council 2007-10 4.1

Michael Lee
Chairman, ARC
Chair, Regional Sustainable Development Forum
Chair, CEO Review Committee
Deputy Chair, Hauraki Gulf Forum
09 366 2111
0274 943 198
(Auckland)

Michael Barnett
Deputy Chair, ARC
Chair, Regional Economic Development Forum
Deputy Chair, Regional Transport Committee
09 302 9916
(Auckland)

Judith Bassett GSO
Chair, Auckland Regional Holdings
09 849 2267
(Auckland)

Bill Burrill
Chair, Finance Committee
021 978 139
(Manukau)

Clive Carter
Deputy Chair, Finance Committee
09 303 1615
0275 778 921
(Auckland)

Joel Cayford
09 445 2763
027 4978 123
(North Shore)

Sandra Coney
Chair, Parks and Heritage Committee
09 366 2000, extn 8208
(Waitakere)

Dianne Glenn
Chair, Environmental Management Committee
09 238 5352
027 4284 779
(Franklin/Papakura)

Brent Morrissey
Deputy Chair, Transport and Urban Development Committee
027 485 3521
(Manukau)

Christine Rankin
Deputy Chair, Regional Strategy and Planning Committee
0275 824 804
(North Shore)

Christine Rose
Chair, Transport and Urban Development Committee
Chair, Regional Transport Committee
Deputy Chair, Parks and Heritage Committee
09 412 5468
027 428 4778
(Rodney)

Jan Sinclair
Deputy Chair, Environmental Management Committee
09 292 2421
0274 773 317
(Manukau)

Paul Walbran
Chair, Regional Strategy and Planning Committee
Director, Auckland Regional Holdings
09 817 8163
021 886 723
(Waitakere)

Auckland Regional Council
All councillors are members of five standing committees, which are scheduled to meet monthly. The standing committees are: Environmental Management, Parks and Heritage, Finance, Regional Strategy and Planning, and Transport and Urban Development. Each committee has delegated powers, functions and duties, with roles as set out below. Other committees and sub-committees generally have a review or recommending role. Adhoc committees are formed as required for special issues.
CHAPTER 4

Standing committees 4.1

Transport and Urban Development Committee
(formerly Transport Policy Committee)

- Policy implementation and performance of ARC programmes relating to transport, land use and economic development (apart from aspects handled by the Regional Land Transport Committee).

Special Committees:
- CE review Committee – manages the chief executive’s contract
- Annual Plan committee – oversees the development of the Annual plan/LTCCP
- Mt Smart Special Committee – have direct oversight of the governance of Mt Smart Stadium.

Regional Committees
Established under specific legislation, regional committees generally comprise at least one ARC councillor, an elected representative from each city and district council in the region, and other government, local government and statutory representatives.

Current regional committees include:
- Auckland Regional Civil Defence Emergency Management Group,
- Regional Sustainable Development Forum (formerly Auckland Regional Growth Forum),
- Hauraki Gulf Forum,
- Regional Transport Committee, and
- Auckland Regional Economic Development Forum.
4.2 ARC Management

4.2.1 ARC organisation structure

The organisation has eight departments:

- Chief Executive’s office
- Corporate services
- Human resources
- Parks
- Policy and planning
- Transport and urban development
- Programmes and partnerships
- Regulatory services

Each department is headed by a general manager and is made up of groups that deliver on the activities that the department is responsible for. The following diagram provides more detail on how each department is organised.

The role of ARC management and staff is to support Council decision-making and implement policy decisions.
4.2.2 ARC management team
CHAPTER 4

ARC Management 4.2

The chief executive (CE) is responsible to the Council for implementing Council decisions, advising the Council, performance of powers and duties delegated to the CE or other employees, management of the council’s operations, maintaining systems that enable effective planning and reporting, providing leadership for, and employing staff on behalf of, the Council.

Brian Monk  
Chief Operating Officer  
Corporate Services  
- Rates Revenue  
- Corporate Planning and Reporting  
- Administrative Operations  
- Organisational Performance  
- Accounting Services  
- Treasury and Financial Planning  
- Information and Communications Technology  
- Contact Centre  
- Communications and Marketing

Janine Bell  
General Manager Regulatory Services  
- Harbormaster and Maritime Operations  
- Consents and Consents Compliance - Land  
- Consents and Consents Compliance – Water  
- Consents and Consents Compliance - Major Projects  
- Customer Services and Support  
- Civil Defence Emergency Management Office

Louise Mason  
General Manager Programmes and Partnerships  
- Partnerships and Community Programmes  
- Environmental Programmes  
- Heritage Programmes  
- Economic Development/ Auckland Plus  
- Biosecurity  
- Māori Relations

Christine Perrins  
Executive Manager,  
Chief Executive’s Office  
- Governance and Policy  
- Democracy Services

Julia Wiegandt-Goude  
General Manager Human Resources  
- Staff development  
- Recruitment  
- Health and Safety

Lesley Baddon  
General Manager Policy and Planning  
- Environmental Policy and Planning  
- Regional Policy  
- Monitoring and Research  
- Regional Strategy

John Smith  
General Manager Transport and Urban Development  
- Regional Transport Policy and Strategy  
- Policy Implementation  
- Urban development

Mace Ward  
General Manager Parks  
- Visitor Services and Assets  
- Auckland Botanic Gardens  
- Southern Parks  
- Northern Parks  
- Western Parks  
- Mt Smart Stadium
4.3 Council-controlled organisations

4.3.1 Overview

The Local Government (Auckland) Amendment Act 2004 (the Act) assigns principal responsibility to the Auckland Regional Council for:

- Setting the strategy for the Auckland regional land transport system.
- Integrating the planning, funding and development of the Auckland regional land transport system.
- Stormwater funding in the long-term interests of the Auckland region, to the extent that this was previously the responsibility of Infrastructure Auckland.

The Act established two council-controlled organisations to assist the ARC to discharge these responsibilities: the Auckland Regional Transport Authority (ARTA) and Auckland Regional Holdings (ARH). ARH and ARTA were established on 1 July 2004, although ARTA did not become fully operational until 1 December 2004 when it assumed the public transport service assets and liabilities of the ARC.

ARTA's primary role is to give effect to the Regional Land Transport Strategy prepared by the ARC. ARH's primary role is to own and manage assets (including funds) in the long-term interests of the Auckland region, and to provide funds to the ARC.

4.3.2 Auckland Regional Transport Authority (ARTA)

ARTA's statutory objective is to plan, fund, and develop the Auckland regional land transport system in a way that contributes to an integrated, safe, responsive, and sustainable land transport system for the Auckland region.

The Act sets out the nature and scope of ARTA's activities. ARTA's activities, as set out in the Act, are summarised below:

- Prepare and approve a regional land transport programme for the Auckland land transport system that includes all of ARTA's activities under the Act in accordance with the Land Transport Management Act 2003.
- Assume responsibility for the public transport service obligations of the ARC vested in it by section 24 of the Act.
- Perform the functions of the Regional Council for the Auckland region under the Public Transport Management Act 2008.
- Assume responsibility for the approved activities of the ARC under the national land transport programme (other than activities relating to the exercise of the ARC's powers under sections 175 to 182 of the Land Transport Act 1998).
- To seek and receive funding for the Auckland regional land transport systems from sources other than the national land transport fund and make payments from the Auckland Regional Land Transport Fund.
- From 30 June 2007, to undertake and exercise any functions and powers of a road-controlling authority that are delegated to it by an Auckland territorial authority under the Act.
- To carry out research, education, or training in relation to land transport in the Auckland region.

In performing its functions, ARTA must act in accordance with the following principles:

- Focus on both the overall needs of the Auckland region and the views of communities in the Auckland region.
- Have regard to the reasonably foreseeable needs of future generations, including the economic and cultural well-being of people and communities.
- Foster cooperative and collaborative working relationships
- Contribute to the achievement of its objective, including its environmental and social responsibilities, in an efficient and effective manner.
- Have clear accountability for the way that it contributes to an integrated, safe, responsive, and sustainable land transport system for the Auckland region.
- Be a good employer within the meaning of clause 36 of Schedule 7 of the Local Government Act 2002.
- Operate in a financially responsible manner.

ARTA currently has no subsidiaries.

Performance targets and other measures

Each year, ARTA prepares a Statement of Intent (SOI) which contains a series of outcomes, objectives and targets. ARTA consults with ARC on a draft SOI, which is provided to the ARC by 1 March each year. Following consultation with the ARC, ARTA provides a final SOI by the end of June. The ARC monitors ARTA's performance against the targets set out in its SOI. The 2009 –12 SOI will reflect the changes to ARTA's programmes required by the Government’s decision to remove the regional fuel tax and have KiwiRail take over the purchase of electric trains.

The following performance measures are from the draft 2009-12 SOI:
CHAPTER 4

Council-controlled organisations 4.3

<table>
<thead>
<tr>
<th>Performance Measure</th>
<th>Target</th>
<th>06/07 actual</th>
<th>07/08 actual</th>
<th>08/09 target</th>
<th>09/10 target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total PT patronage increases</td>
<td>Total public transport patronage increases by 4%</td>
<td>52,130,000</td>
<td>54,405,000</td>
<td>55,318,000</td>
<td>60,668,000</td>
</tr>
<tr>
<td>Capital projects implemented to schedule and on budget</td>
<td>Percentage of ARTA capital budget spent during the financial year</td>
<td>50%</td>
<td>92%</td>
<td>85%</td>
<td>TBA</td>
</tr>
<tr>
<td>Administration costs managed to budget</td>
<td>Administration costs in any financial year do not exceed the amount approved by the ARC</td>
<td>Achieved</td>
<td>Achieved</td>
<td>Achieved</td>
<td>Achieve</td>
</tr>
<tr>
<td>Accounting policies are consistent with the ARC Group and all legal and audit requirements are met.</td>
<td>100 per cent compliance as measured by Audit NZ annual audit</td>
<td>Achieved</td>
<td>Achieved</td>
<td>Achieved</td>
<td>Achieve</td>
</tr>
<tr>
<td>Policies, procedures and processes consistent with Land Transport NZ’s[-now the New Zealand Transport Agency]-requirements.</td>
<td>100 per cent compliance as measured by Land Transport NZ - now the New Zealand Transport Agency - annual audit.</td>
<td>Achieved</td>
<td>Achieved</td>
<td>Achieved</td>
<td>Achieve</td>
</tr>
<tr>
<td>Rapid Transit Network services arrive at all stations within 5 minutes of scheduled time.</td>
<td>Northern Busway services arrive at destination station within 5 minutes of schedule</td>
<td>98.94% [based on self-reporting]</td>
<td>99.8% [based on real time data]</td>
<td>95% [based on real time data]</td>
<td>99% [based on real time data]</td>
</tr>
<tr>
<td></td>
<td>Western Line rail services arrive at destination station within 5 minutes of schedule</td>
<td>72.4%</td>
<td>80.8%</td>
<td>80%</td>
<td>85%</td>
</tr>
<tr>
<td></td>
<td>Southern and Eastern Line rail services arrive at stations within 5 minutes of schedule</td>
<td>84.9%</td>
<td>82.8%</td>
<td>80%</td>
<td>85%</td>
</tr>
<tr>
<td></td>
<td>High frequency bus corridors offer a 15 minute or better service frequency 7am-7pm weekdays.</td>
<td>Proportion of customers on high frequency corridors boarding services for which there was a wait of more than 15 minutes.</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>

Further information about ARTA is available on www.arta.co.nz, and information on ARTA’s activities as they relate to transport outcomes is contained in Chapter 2.

4.3.3 Auckland Regional Holdings (ARH)

ARH’s statutory objective is to act in the long-term interests and for the benefit of the Auckland region and, without limiting this provision, manage its assets prudently.

The Act sets out the functions of ARH as follows:

- Own, directly or indirectly, and manage assets (including funds) in the long-term interests of the Auckland region.
- Provide funds to the ARC in accordance with ARH’s Long-Term Funding Plan.
- Make land transport assets available to assist ARTA to achieve its principal objective.

In performing its functions, ARH must act in accordance with the following principles. ARH must:

- collaborate and cooperate with the ARC and ARTA to achieve the overall objectives of the ARC
- undertake any commercial activities in accordance with sound business practice
ensure prudent stewardship and the efficient and effective use of resources
exhibit a sustainable development approach in its decision-making by taking into account:
- the social, economic, and cultural well-being of people and communities
- the need to maintain and enhance the quality of the environment
- the reasonably foreseeable needs of future generations
have clear accountability for the way that it contributes to an integrated, safe, responsive, sustainable land transport system for the Auckland region
be a good employer within the meaning of clause 36 of Schedule 7 of the Local Government Act 2002
operate in a financially responsible manner and, for this purpose:
- endeavour to maintain its long-term financial viability
- prudently manage its assets and liabilities.

The ARC has agreed the following four objectives for ARH:
- Assisting the ARC to meet its financial objectives.
- Contributing to the ARC’s Auckland waterfront objectives.
- Ensuring that Ports of Auckland Ltd continues to operate as a successful business contributing to the region’s economic well-being.
- Maintaining an effective relationship with the ARC.

ARH has the following property and financial assets:
- Wynyard Precinct investment property – approximately 18 hectares of land and wharves, together with associated water space rights, situated in the Wynyard Quarter on Auckland’s waterfront.
- Diversified financial asset portfolio – long-term portfolio of financial investments that are actively managed by specialist fund managers. ARH’s investment policies for this portfolio are available on ARH’s website, at www.arh.co.nz
- NZ short term cash – a portfolio of liquid financial investments managed by specialist portfolio managers.

In addition to these property and financial investments, ARH has the following subsidiaries:
- Ports of Auckland Limited – 100% owned non listed port company.
- Sea+City Projects Limited – 100% owned non listed company that is ARH’s agent for the management and facilitation of development for ARH’s Wynyard Precinct investment property.

In 2009, ARH has disestablished its subsidiary America’s Cup Village Limited (ACVL), which has no assets and has ceased trading. The Halsey Street reclamation and associated water space previously owned by ACVL have been transferred to ARH and are being managed by Sea+City Projects Limited.

Performance targets and other measures
Each year, ARH prepares a Statement of Intent (SOI) which contains a series of outcomes, objectives and targets. ARH consults with ARC on a draft SOI, which is provided to the ARC by 1 March each year. Following consultation with the ARC, ARH provides a final SOI by the end of June. The ARC monitors ARH’s performance against the targets set out in its SOI.

The following performance measures are from ARH’s draft 2009–12 SOI:
- ARH will ensure that it makes available the amounts for distributions to the ARC in the 2009/2010 financial year for Infrastructure Auckland Grants and the ARC General distributions as set out in its SOI.
- ARH will ensure that its financial performance for the 2009/2010 financial year will meet or exceed the forecast in ARH’s 2009-2019 Long-Term Funding Plan.
- ARH will ensure that the management of its investment portfolio is consistent with the investment strategy and investment and treasury management policy and liability management policy in its Long-Term Funding Plan.
- ARH will review its investment portfolio, policies and strategy annually, by 30 June each year.
- ARH will contribute to the ARC’s waterfront objectives to further the One Plan ‘CBD and Waterfront’ programme of action, the Waterfront Vision 2040 and the Precinct Plans through the redevelopment of Wynyard Precinct which is being undertaken on behalf of ARH by Sea+City Projects Limited. ARH’s key tasks to achieve this are set out in its SOI.
- ARH will use its best efforts to work to ensure Ports of Auckland Ltd (POAL) continues to operate as a successful business contributing to the region’s interests and economic well-being. ARH’s approach to its governance of POAL is set out in its SOI.

Grant liabilities
Under the Act, as from 1 July 2004, all liabilities of Infrastructure Auckland for transport grants were vested in ARTA and all liabilities of Infrastructure Auckland for stormwater grants were vested in the ARC. The ARC is required under the Act to fund ARTA for the transport grant liabilities vested in it from Infrastructure Auckland. As at 1 July 2004, the stormwater grant liabilities vested in the ARC totalled $81.5 million and the transport grant liabilities vested in ARTA totalled $162.8 million.

These liabilities are currently projected to be satisfied in accordance with the schedule below.
CHAPTER 4
Council-controlled organisations 4.3

4.3.4 Council-Controlled Organisations (CCO) Unit

The ARC has established a CCO Unit to assist the ARC to fulfil its statutory obligations in relation to ARH and ARTA by providing financial, governance and policy advice to the Council, and monitoring CCO performance. The costs of this unit will be funded from ARH and are identified separately in the Income Statement.

Financing policies

The ARC has established the following financing policies to govern the drawdown of funds from ARH:

- The ARC will apply at least 85% of the funds it obtains from ARH to transport and stormwater capital expenditure and operating expenditure, consistent with the requirements of the Act.

- The ARC will apply any further funding from ARH (up to 15 per cent) only to the acquisition of other long-life regional assets.

ARH distributions

Projected distributions from ARH under these policies, for the period from 2009/10 to 2018/19, are set out in the following table.

The “other” category, in the table below, covers distributions to fund the purchase of Queen’s Wharf, and a contribution to the upgrade of Eden Park.

### IA Grants for year ending 30 June - dollars in thousands

<table>
<thead>
<tr>
<th>IA - Stormwater grants</th>
<th>8,230</th>
<th>6,592</th>
<th>2,793</th>
<th>4,638</th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
</tr>
</thead>
<tbody>
<tr>
<td>IA - Transport grants</td>
<td>15,114</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>23,344</td>
<td>6,592</td>
<td>2,793</td>
<td>4,638</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

### ARH distributions for year ending 30 June - dollars in thousands

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>ARTA operating expenditure</td>
<td>28,138</td>
<td>37,117</td>
<td>42,716</td>
<td>35,922</td>
<td>38,071</td>
<td>29,962</td>
<td>24,386</td>
<td>20,093</td>
<td>19,890</td>
<td>12,949</td>
</tr>
<tr>
<td>ARTA capital expenditure</td>
<td>25,912</td>
<td>11,432</td>
<td>13</td>
<td>10</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>830</td>
<td>3,112</td>
<td>1,850</td>
</tr>
<tr>
<td>ARC Stormwater action plan</td>
<td>3,514</td>
<td>2,687</td>
<td>2,752</td>
<td>2,680</td>
<td>2,704</td>
<td>2,623</td>
<td>2,625</td>
<td>225</td>
<td>189</td>
<td>189</td>
</tr>
<tr>
<td>ARC CCO unit and other</td>
<td>1,615</td>
<td>1,502</td>
<td>1,540</td>
<td>1,578</td>
<td>1,614</td>
<td>1,652</td>
<td>1,693</td>
<td>1,739</td>
<td>1,783</td>
<td>1,833</td>
</tr>
<tr>
<td>Other</td>
<td>20,000</td>
<td>10,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total ARH Distributions - General</td>
<td>79,179</td>
<td>62,738</td>
<td>47,021</td>
<td>40,190</td>
<td>42,389</td>
<td>34,237</td>
<td>28,704</td>
<td>22,887</td>
<td>24,974</td>
<td>16,821</td>
</tr>
</tbody>
</table>
The Local Government Act 2002 requires the ARC to take a “sustainable development approach” in everything it does, and in doing so, taking into account:

- the social, economic, and cultural well-being of people and communities,
- the need to maintain and enhance the quality of the environment, and
- the reasonably foreseeable needs of future generations.

It is essential that internal management systems, business practices and decision-making processes are consistent with the principles of sustainability and aligned to those outcomes we are promoting for the region (i.e. social, environmental, economic and cultural well-being). Therefore a key challenge in fulfilling this regional leadership role is to ensure that we are leading by example in ‘walking the talk’ of how an organisation can contribute to a sustainable region through improving the sustainable performance of its own operations.

In New Zealand, as in many other countries, public sector agencies have a significant impact on the environment, for example through their workforces, buildings and vehicle usage. In recognition of this, many councils and government departments are now working to reduce their environmental impact and leading by example on sustainability. In conjunction with working to create a more sustainable region, the ARC has made a commitment to improving the sustainability of its own operations.

The ARC has two sustainability objectives for 2009/19, which are to:

1. measure, manage and mitigate the greenhouse gas emissions arising from all ARC operations as cost-effectively as possible,
2. continue to improve the sustainability of ARC operations.

These initiatives include continuing to ‘green’ the fleet, reducing energy consumption, and moving towards a zero waste programme.

The following table shows the targets to put sustainability into practice.
The following table shows the targets to put sustainability into practice during 2009/10 and onwards:

<table>
<thead>
<tr>
<th>Principles</th>
<th>Goals</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Environmental well-being</strong></td>
<td>To take positive action to minimise the adverse impacts that the ARC has on the environment.</td>
</tr>
<tr>
<td></td>
<td>Advocate for alternative air, land water and energy sustainable management practices.</td>
</tr>
<tr>
<td></td>
<td>Reduce green house gas emissions through the ongoing improvement of organisational carbon mitigation programmes.</td>
</tr>
<tr>
<td></td>
<td>• Prioritisation and development of new techniques and methods for estimating and minimising adverse environmental effects.</td>
</tr>
<tr>
<td></td>
<td>• Undertake a qualitative assessment of the influence of climate change on ARC operations.</td>
</tr>
<tr>
<td></td>
<td>• Undertake a full energy audit of all ARC operations in accordance with the ARC Energy Management Programme to highlight areas of energy inefficiency for ongoing cost saving improvement.</td>
</tr>
<tr>
<td></td>
<td>• Reduce the ARC CO2 equivalent footprint (including farming) by 20 per cent per FTE by 2019, in-line with the commitment towards a low carbon region.</td>
</tr>
<tr>
<td></td>
<td>• Continually improve fleet fuel efficiency, including investigating alternative fuel use and electric vehicles.</td>
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<td>• Reduce water use throughout the ARC and investigate water harvesting opportunities.</td>
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<td>• Reduce all waste to landfill and to continue to reduce, reuse, and recycle.</td>
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<td></td>
<td>• Work towards all events organised by the ARC being run as zero waste events by 2012.</td>
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<td>• Reduce paper consumption per FTE through efficient paper use, as well as using cleaner printing practices.</td>
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<td></td>
<td>• Enable the character of countryside regional parks to be maintained, by reducing the levels of both direct and indirect pollution associated with ARC farming activities; while continuing to generate revenue for the Council.</td>
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<td></td>
<td>• Ensure procurement practices align with sustainability objectives.</td>
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<td>• Implement a travel plan, which is a customised package of measures for the ARC that promotes alternative travel choices for staff.</td>
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<tr>
<td><strong>Social well-being</strong></td>
<td>To be recognised as a socially responsible organisation that cares about its people.</td>
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<td></td>
<td>• No serious workplace accidents. Less than 10 per cent non-serious workplace accidents.</td>
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<td></td>
<td>• Staff are treated fairly and equitably, as measured by level of staff satisfaction equal to or above 75 per cent.</td>
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<tr>
<td><strong>Cultural well-being</strong></td>
<td>Promoting, within our staff, a mix in gender, age and ethnicity.</td>
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<td></td>
<td>• Developing and delivering a cultural awareness training programme for ARC staff.</td>
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<td>• ARC addresses equal employment opportunities in a positive way, as measured by the staff satisfaction survey.</td>
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<tr>
<td><strong>Economic well-being</strong></td>
<td>To deliver public value for money by operating in an economically efficient and responsible way.</td>
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<td>• Maximise all potential energy, water and waste cost saving opportunities through prioritising cost neutral sustainable work programmes.</td>
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<td>• Minimise the cost of ARC operations and support per staff member.</td>
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<td>• Minimise the cost of ARC vehicle fleet per km travelled.</td>
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<td></td>
<td>• Actively avoid unnecessary consumption and manage demand (“doing more for less”) by following the environmental standard: reduce, reuse, and recycle.</td>
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</tbody>
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