

Date: Tuesday 3 December 2013
Time: 1.00pm
Meeting Room: Reception Lounge, Level 2
Venue: Auckland Town Hall
301-305 Queen Street
Auckland

Council Controlled Organisations Governance and Monitoring Committee

OPEN MINUTE ITEM ATTACHMENTS

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Annual Letters of Expectation for CCOs

CCO Governance and Monitoring Committee

3 December 2013



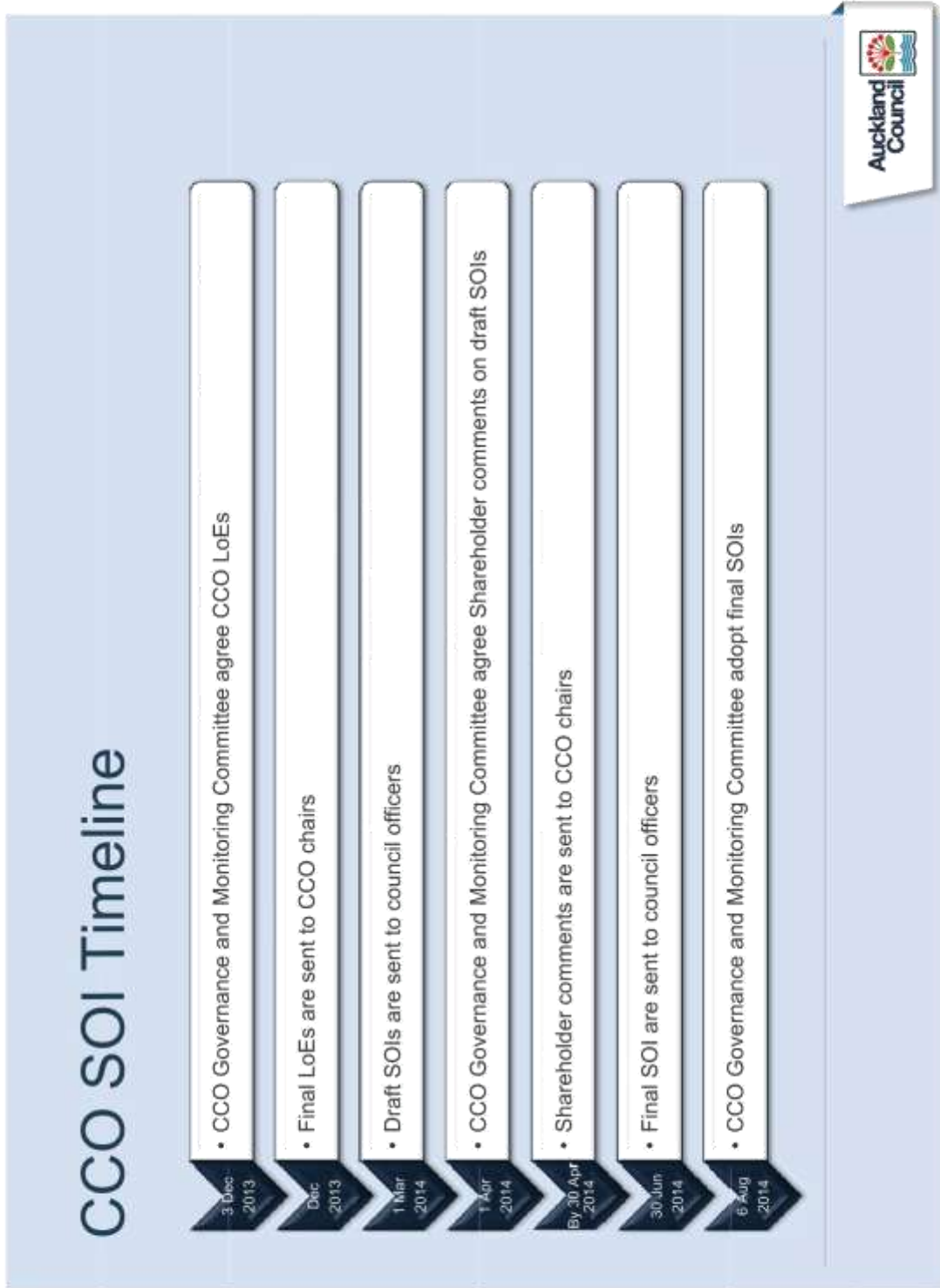
Background on CCO Accountability Framework

- Given the size and services delivered by CCOs on behalf of council, an Accountability Framework is in place.
- The framework covers areas such as:
 - each CCO's contributions to, and alignment with the council's objectives and priorities,
 - legislative requirements, and
 - engagement with key stakeholders.

Key CCO Specific Accountability Documents

Annual documents	
Letter of Expectation	<ul style="list-style-type: none"> The LoE is a formal, but not legislative tool that provides an opportunity to: <ul style="list-style-type: none"> Clearly set out the performance council would like a CCO to achieve, and The CCO to consider the council's expectation. The LoE generally focuses on the coming year and covers topics such as specific deliverables and where council feels expectation is not being met on a specific outcomes. A legislative document that provides: <ul style="list-style-type: none"> Publicly the activities and intention of the CCO. An opportunity for council to influence the direction of the CCO, and A basis for the accountability of the directors to their shareholders for the performance of the CCO.
Enduring documents	
Shareholder Expectation Guide	<ul style="list-style-type: none"> It outlines the Shareholder expectation of the board of CCOs, designed to help boards operate efficiently in their roles, and to clarify responsibility. It also outlines the minimum requirements expected by council, where the SOI incorporates additional obligations.
Accountability Policy	<ul style="list-style-type: none"> A legislative document that outlines the CCOs accountability and council's expectation in respect to the delivery of the council's objectives and priorities.
Appointment and Remuneration Policy for board members of CCOs	<ul style="list-style-type: none"> A legislative document that sets out the process for the appointment and reappointment of board members to Auckland Council Organisations. It also defines the skills required from board members and their remuneration.





Letters of Expectation

- Input into the draft LoEs has been provided by subject matter experts.
- Letters have been developed incorporating the following areas:
 - Roles and responsibility
 - Focus on delivery and implementation
 - Information to council
 - Contribution to Maori outcomes
 - Long-term plan 2015-2025
 - Sustainability
 - Continuing to work with local boards
 - Key focus areas
- Did not consider the inclusion of all outcomes and policies relating to the CCOs.
- The focus of today is to discuss the draft LoEs and incorporate any further changes.