



I hereby give notice that an ordinary meeting of the Council Controlled Organisations Governance and Monitoring Committee will be held on:

**Date:** Tuesday, 2 August 2016  
**Time:** 9.30am  
**Meeting Room:** Room 1, Level 26  
**Venue:** 135 Albert Street  
Auckland

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## **Council Controlled Organisations Governance and Monitoring Committee**

### **OPEN AGENDA**

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#### **MEMBERSHIP**

<b>Chairperson</b>	Cr Penny Hulse
<b>Deputy Chairperson</b>	Cr Calum Penrose
<b>Members</b>	Cr Anae Arthur Anae
	Cr Cameron Brewer
	Cr Dr Cathy Casey
	Member Precious Clark
	Cr Ross Clow
	Cr Linda Cooper, JP
	Cr Chris Darby
	Cr Denise Krum
	Cr Dick Quax
	Cr Penny Webster
	Member Glenn Wilcox
	Cr George Wood, CNZM
<b>Ex-officio</b>	Mayor Len Brown, JP

(Quorum 7 members)

**Jaimee Maha**  
**Democracy Advisor**

**28 July 2016**

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## TERMS OF REFERENCE

### Responsibilities

The committee will undertake the Auckland Council's responsibilities for CCOs through:

- Setting policy relating to CCO governance
- Director appointments
- Approving SOIs
- Monitoring performance
- The committee will also have responsibility for the over sight of, and making appointments to, Council Organisations and exempt CCOs and COs

### Powers

- (i) All powers necessary to perform the committee's responsibilities.

Except:

- (a) powers that the Governing Body cannot delegate or has retained to itself (see Governing Body responsibilities)
  - (b) where the committee's responsibility is limited to making a recommendation only
- (ii) Power to establish subcommittees.

## **Exclusion of the public – who needs to leave the meeting**

### **Members of the public**

All members of the public must leave the meeting when the public are excluded unless a resolution is passed permitting a person to remain because their knowledge will assist the meeting.

### **Those who are not members of the public**

#### General principles

- Access to confidential information is managed on a “need to know” basis where access to the information is required in order for a person to perform their role.
- Those who are not members of the meeting (see list below) must leave unless it is necessary for them to remain and hear the debate in order to perform their role.
- Those who need to be present for one confidential item can remain only for that item and must leave the room for any other confidential items.
- In any case of doubt, the ruling of the chairperson is final.

#### Members of the meeting

- The members of the meeting remain (all Governing Body members if the meeting is a Governing Body meeting; all members of the committee if the meeting is a committee meeting).
- However, standing orders require that a councillor who has a pecuniary conflict of interest leave the room.
- All councillors have the right to attend any meeting of a committee and councillors who are not members of a committee may remain, subject to any limitations in standing orders.

#### Independent Māori Statutory Board

- Members of the Independent Māori Statutory Board who are appointed members of the committee remain.
- Independent Māori Statutory Board members and staff remain if this is necessary in order for them to perform their role.

#### Staff

- All staff supporting the meeting (administrative, senior management) remain.
- Other staff who need to because of their role may remain.

#### Local Board members

- Local Board members who need to hear the matter being discussed in order to perform their role may remain. This will usually be if the matter affects, or is relevant to, a particular Local Board area.

#### Council Controlled Organisations

- Representatives of a Council Controlled Organisation can remain only if required to for discussion of a matter relevant to the Council Controlled Organisation.

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## 1 Apologies

At the close of the agenda no apologies had been received.

## 2 Declaration of Interest

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

## 3 Confirmation of Minutes

That the Council Controlled Organisations Governance and Monitoring Committee:

- a) confirm the ordinary minutes of its meeting, held on Tuesday, 5 July 2016, including the confidential section, as a true and correct record.

## 4 Petitions

At the close of the agenda no requests to present petitions had been received.

## 5 Public Input

Standing Order 7.7 provides for Public Input. Applications to speak must be made to the Democracy Advisor, in writing, no later than **one (1) clear working day** prior to the meeting and must include the subject matter. The meeting Chairperson has the discretion to decline any application that does not meet the requirements of Standing Orders. A maximum of **thirty (30) minutes** is allocated to the period for public input with **five (5) minutes** speaking time for each speaker.

At the close of the agenda no requests for public input had been received.

## 6 Local Board Input

Standing Order 6.2 provides for Local Board Input. The Chairperson (or nominee of that Chairperson) is entitled to speak for up to **five (5) minutes** during this time. The Chairperson of the Local Board (or nominee of that Chairperson) shall wherever practical, give **one (1) day's** notice of their wish to speak. The meeting Chairperson has the discretion to decline any application that does not meet the requirements of Standing Orders.

This right is in addition to the right under Standing Order 6.1 to speak to matters on the agenda.

At the close of the agenda no requests for local board input had been received.

## 7 Extraordinary Business

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“An item that is not on the agenda for a meeting may be dealt with at that meeting if-

- (a) The local authority by resolution so decides; and
- (b) The presiding member explains at the meeting, at a time when it is open to the public,-
  - (i) The reason why the item is not on the agenda; and
  - (ii) The reason why the discussion of the item cannot be delayed until a subsequent meeting.”

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“Where an item is not on the agenda for a meeting,-

- (a) That item may be discussed at that meeting if-
  - (i) That item is a minor matter relating to the general business of the local authority; and
  - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
- (b) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.”

## 8 Notices of Motion

At the close of the agenda no requests for notices of motion had been received.

## Council Controlled Organisation - 2016-2019 Statements of Intent

File No.: CP2016/12878

### Purpose

1. To agree on the proposed modifications to the 2016-2019 Statements of Intent (SOIs) for four substantive Council Controlled Organisations (CCOs), and to approve the 2016-2019 SOIs for two substantive CCOs and three non-substantive CCOs.

### Executive summary

2. At the 29 March 2016 meeting, this committee approved the shareholder comments on the draft SOIs for each substantive and non-substantive CCO.
3. Following the consideration of council's shareholder comments at public CCO board meetings, the CCOs have delivered their final SOIs. Reconciliation against the shareholder comments for the substantive CCOs (Attachment A) is the basis for the recommendations contained in this report.
4. Most of the shareholder comments were adequately reflected in the final SOIs and where they were not, shareholder modifications are recommended under clause 5 of schedule 8 of the Local Government Act 2002 (LGA).
5. Taken together, the proposed modifications drive towards improving group efficiency, effectiveness and accountability, and fall into the following four strategic themes:
  - council approvals required by CCOs
  - aligning and improving SOI reporting and performance measures
  - building Aucklanders' understanding of the council group
  - improving value for money.
6. The following SOI modifications are recommended:
  - Auckland Transport (AT) - to increase the local board satisfaction targets from 44 per cent to 60 per cent satisfaction in the 2017/2018 year and 70 per cent% satisfaction in 2018/2019
  - Panuku Development Auckland Limited (Panuku):
    - Have the SOI explicitly state that council and Panuku must agree which Panuku redevelopment planning documents and processes require council approval in addition to the approval of the Panuku board.
    - clarify that individual local board engagement plans are needed in redevelopment locations
    - reinstatement of the commitment to taking a strategic perspective when undertaking rent reviews.
  - Regional Facilities Auckland (RFA):
    - inclusion of a commitment to reducing costs through shared services
    - inclusion of financial information on activity that contributes to Māori outcomes.
  - Watercare Services Limited (Watercare):
    - inclusion of expected progress on projects in the three-year work programme
    - inclusion of planning and providing for growth as a strategic priority
    - inclusion of a commitment to developing an improved measure for engagement with mana whenua

- the removal of a caveat to the commitment to act in accordance with the Governance Manual for CCOs.

7. Approval is recommended for the 2016-2019 SOIs of Auckland Council Investments Limited (ACIL), Auckland Tourism, Events and Economic Development (ATEED), Mangere Mountain Education Trust (MMET), Contemporary Art Foundation (CAF) and Community Education Trust Auckland (COMET Auckland).

## Recommendation/s

That the Council Controlled Organisations Governance and Monitoring Committee:

- a) agree the Auckland Tourism, Events and Economic Development Limited, and Auckland Council Investments Limited Statement of Intent for the period 1 July 2016 to 30 June 2019.
- b) agree that the chair of the Council Controlled Organisations Governance and Monitoring Committee will discuss the following amendments with the boards of the relevant CCOs:
  - (i) Auckland Transport - the inclusion in its 2016-2019 Statement of Intent of an increase in the targets for local board satisfaction
  - (ii) Panuku Development Auckland Limited - the inclusion of changes to the description of council approval for planning processes, the articulation of local board engagement in redevelopment locations, and taking a strategic perspective when undertaking rent reviews in its 2016-2019 Statement of Intent.
  - (iii) Regional Facilities Auckland - the inclusion of a commitment to reducing costs through shared services and to report financial information on activity that contributes to Māori outcomes in its 2016-2019 Statement of Intent.
  - (iv) Watercare Services Limited - the inclusion of changes to its three-year work programme table, the addition of planning for growth as a strategic priority, a commitment to developing an improved measure for engagement with mana whenua, and the removal of the caveat to the commitment to act in accordance with the Auckland Council Governance Manual for Substantive Council Controlled Organisations in its 2016-2019 Statement of Intent.
- c) agree the Statements of Intent of Auckland Transport, Development Auckland Limited, Regional Facilities Auckland and Watercare Services Limited for the period 1 July 2016 to 30 June 2019, subject to the modifications and/or amendments noted in clauses (b) (i) to (iv) being made.
- d) agree that if acceptable amendment to the relevant Statements of Intent cannot be agreed, notice be given under clause 5, schedule 8 of the Local Government Act 2002 to modify the relevant Statements of Intent by inserting an amendment that is acceptable to the governance director and Auckland Council group chief financial officer of Auckland Council.
- e) agree the Statements of Intent of Mangere Mountain Education Trust, Community Education Trust Auckland (COMET) and the Contemporary Art Foundation for the period 1 July 2016 to 30 June 2019.

## Comments

### Background – The legislative purpose and process of the SOI

8. The SOI is the main document for recording what council wants to achieve through the activities of its CCO for the next three years. The process is prescribed in the LGA which says *“The principal objective of a CCO is to achieve the objectives of its shareholders, both commercial and non-commercial, as specified in the statement of intent.”*<sup>1</sup>
9. The LGA also outlines the purpose of the SOI, which is to—
  - a. *“state publicly the activities and intentions of a council-controlled organisation for the year and the objectives to which those activities will contribute; and*
  - b. *provide an opportunity for shareholders to influence the direction of the organisation; and*
  - c. *provide a basis for the accountability of the directors to their shareholders for the performance of the organisation.”*<sup>2</sup>
10. Agreeing the final SOIs for the period 1 July 2016 to 30 June 2019 is the final step in the process that commenced with sending a Letter of Expectation to each board in December 2015. Since then, the process has covered the following legislatively prescribed steps and milestones:
  - a. on 1 March 2016, the CCOs submitted a draft SOI to council
  - b. in March, the CCO Governance and Monitoring Committee agreed shareholder comments on the draft SOIs, which were communicated by letter to CCO board chairs
  - c. CCOs considered the shareholder comments at public meetings through May and June 2016
  - d. on 30 June 2016, the CCOs submitted their board approved SOIs to council.
11. This report provides detail on how the final SOIs have reflected the shareholder comments. It focuses on the exceptions where the CCOs have not adequately responded to the shareholder comments. A full reconciliation is provided in Attachment A.
12. Where the shareholder comments have not been reflected in the final SOIs, the CCO Governance and Monitoring Committee can resolve under clause 5 of schedule 8 of the LGA, to modify the SOI if it cannot reach agreement with the board of the CCO. Before giving notice of the resolution to the board, council must consult the board concerned.

### Substantive CCO SOIs for the period 2016 – 2019

13. Most of the shareholder comments were adequately reflected in the final substantive CCO SOIs. Where they were not, council has sought clarification from CCOs and considered whether the SOI warranted shareholder modification.
14. Consideration has been given to the uniqueness of the Auckland context for SOIs where the majority of local authority activity is provided through the six substantive CCOs. The SOIs of Auckland’s CCOs therefore need to increasingly reflect the collaboration sought across the Auckland Council group. Many of the changes required by the shareholder comments this year were aimed at bringing about this shift.
15. Shareholder modifications are recommended for AT, Panuku, RFA and Watercare. These modifications fall under four strategic themes, each of which is discussed in the following sections. These are:
  - a. council approvals required by CCOs
  - b. aligning and improving SOI reporting and performance measures

<sup>1</sup> LGA 2002, s59

<sup>2</sup> LGA 2002, schedule 8 s (1)(a)

- c. building Aucklanders' understanding of the council group
- d. improving value for money.

#### **Council approvals required by CCOs**

- Item 9**
- 16. Panuku undertakes significant redevelopment projects on behalf of council. As part of those projects, decisions will need to be made about the outcomes being sought etc. The Panuku SOI is currently not specific as to which of the planning documents and processes require council approval, and which are decisions of the Panuku board.
  - 17. Modifications are recommended to Panuku's SOI relating to council approvals within the redevelopment programme, as noted in Attachment A. These modifications are necessary because Panuku is a new entity with planning systems that are still under development. While these systems are evolving, council should retain the ability to approve some matters in addition to the board of Panuku, those being:
    - a. "Significant master programme deliverables". This refers to the suite of planning documents for redevelopment locations. The nature and scope of each deliverable is still being piloted and agreement has not yet been reached with council about which elements need council approval and which do not
    - b. The "rolling High Level Project Plans programme". Clarity is needed on whether this relates to deciding on the locations that would enter the programme, where council approval is required, as opposed to the content of the plans themselves, which may not (depending on the outcome of the point above)
    - c. The methodology to make tradeoffs between financial and non-financial outcomes in redevelopment locations. The shareholder comments were that council management approval was required for this, and it is recommended that the final SOI should be modified to reflect this shareholder comment.
  - 18. The Panuku SOI should re-introduce text from the previous SOI (2015-2018) which was clear that in redevelopment locations, individual engagement frameworks for local boards would be developed. This is necessary because each local board may wish to work differently with Panuku on redevelopment projects.
  - 19. Commitment to including a strategic perspective when undertaking rent reviews should be included in the Panuku SOI.

#### **Aligning and improving SOI reporting and performance measures**

##### Alignment between the SOI and Annual Plan

- 20. All financial information and performance measures in the final SOIs and 2016/2017 Annual Plan must be aligned so that the public can have confidence in the robustness and cohesiveness of these two processes and can rely on one set of information. All financial information and performance measures in the final SOIs and the 2016/2017 Annual Plan has been aligned.

##### Reporting on achieving better outcomes for and with Māori

- 21. On 14 April 2015, the CCO Governance and Monitoring Committee resolved that all CCOs including ACIL must develop a service performance measure for their engagement with Mana whenua in consultation with the Independent Māori Statutory Board (IMSB) (Resolution COU/2015/27).
- 22. The nature and methodology for this measure has been under consideration for some time. ATEED and Panuku have opted to utilise council's engagement survey in order to set benchmarks (current satisfaction) for their measure of engagement with mana whenua. RFA and Panuku already have measures which relate to Māori outcomes in their SOIs.
- 23. AT has adopted a framework developed by Taina Whakaatere Pohatu (Te Wānanga o Aotearoa) to assess the performance of its mana whenua engagement. It has committed to report on the use of these measures to council and at that time consideration should be given to where performance against these measures should be reported.

24. ACIL has included the commitment to develop a measure for mana whenua engagement in its SOI and also committed to encouraging Ports of Auckland Ltd and Auckland International Airport Ltd to increase their focus and reporting on the contribution they make to Māori economic and social wellbeing.
25. Watercare has a measure for attendance at its Mana Whenua Kaitiaki Forum (100 per cent). The IMSB secretariat has indicated that an outcomes focused measure in addition to the forum attendance is preferable and a commitment to an additional or replacement measure is required.
26. Financial information which records activity towards the achievement of Māori outcomes is not included in RFA's SOI. RFA cites commercial sensitivity of individual projects as a rationale for this.
27. A modification to RFA's SOI is recommended that includes two choices for reporting this financial information. Either the SOI:
  - a. outlines the relevant projects for the upcoming year, but aggregates the financial information up to an indicative total, or
  - b. includes a statement that it will report financial information quarterly on projects which contribute to Māori outcomes.

#### Other reporting matters

28. AT has included two measures in their SOI relating to engagement with local boards, one on satisfaction with reporting and another on satisfaction with consultation. The shareholder comments have not been adequately addressed, with only a 1 per cent increase in each target and modification is recommended to increase these targets to 60 per cent satisfaction in the 2017/2018 year and 70 per cent satisfaction in the 2018/2019 year for both measures. This level of satisfaction will more closely reflect the considerable work and resource undertaken by AT with local boards.
29. A modification is recommended to Watercare's SOI to add a brief description of the expected progress that will be made on each project contained in the three year workplan. This is particularly important where projects go beyond the three year period covered by the SOI.
30. A modification is also recommended to Watercare's SOI to add council's strategic priority of investing in infrastructure to support growth to the list already outlined by the board.

#### **Building Aucklanders' understanding of the assets and services of the council group**

31. Public understanding of the breadth of assets and services provided to them by the council group must be improved in order to increase overall democratic accountability and participation.
32. Signage and other forms of communications should give recognition to the council (as the shareholder) by incorporating the CCO council group logo whenever ratepayer funds or council group assets are being used to support activity.
33. A commitment to proactive and meaningful engagement with the work of the Brand Navigation Group (BNG) was sought in the final SOI so that these communication issues could be worked through and public understanding of the use of ratepayer funds and assets improved.

Panuku, ACIL, ATEED and AT have made commitments to working with council on achieving this outcome and working with the BNG. Watercare and RFA have made a commitment to adhering to the guidelines.

#### **Improving value for money**

34. The council group must have a strong focus on delivering value for money for the ratepayers of Auckland. That includes a pro-active search for savings through greater use of shared services.

35. AT, ATEED, Watercare, Panuku and ACIL made commitments in their SOIs in line with their individual shareholder comments on value for money.
36. No commitment is given in RFA's SOI to working with council on shared services and a modification to the SOI is recommended.

**The Auckland Council Governance Manual for Substantive Council Controlled Organisations (the Governance Manual)**

37. All CCOs have committed to act in accordance with the Governance Manual. The Governance Manual documents many of the enduring elements of the formal governance relationship between Auckland Council and its CCOs that would otherwise have to be included in every SOI every year.
38. A modification to the Watercare SOI is recommended to remove the caveat which envisages a conflict between the Governance Manual and other Watercare documents or the fiduciary duties of Watercare's directors. No such conflict is possible due to the nature of the Governance Manual and Watercare's constitution which allows directors to act in the best interests of the shareholder.

**Non-substantive CCO SOIs for the period 2016 – 2019**

**Community Education Trust Auckland (COMET Auckland)**

39. COMET Auckland has amended its draft SOI in line with the shareholder comment. The SOI now provides greater clarity on which projects and activities are dependent on non-council funding.

**Contemporary Art Foundation (CAF)**

40. CAF has amended its draft SOI to reflect the shareholder comments which related primarily to a need for greater clarity in the SOI for the governance structures and mechanisms of service delivery. CAF's SOI now includes a clear governance and service delivery distinction between CAF, Te Tuhi Contemporary Art Trust and Te Tuhi Art Gallery. A second shareholder comment related to greater clarity on any specific actions in the three year work plan that address CAF's key objective of achieving financial sustainability and resilience.

**Mangere Mountain Education Trust (MMET)**

41. The final SOI submitted by MMET has been amended to reflect the shareholder comments. These related to the alignment of MMET's strategic objectives with Auckland Council plans, in particular at the local board level. The SOI now articulates more clearly how the strategic objectives of MMET align with Māngere-Ōtāhuhu Local Board objectives, and which activities deliver on local board outcomes.

## Consideration

**Local board views and implications**

42. The Governing Body is responsible for providing shareholder comments on the draft SOIs. In December 2012 the Accountability and Performance Committee resolved that CCOs either hold workshops with local boards regarding their upcoming annual work programmes, or offer to engage with local boards on their work programmes. This engagement is to ensure the local boards are involved at the front end of CCOs' planning of their annual work programmes, which may influence the SOIs.
43. The approach to CCOs engaging with local boards has been included on the Governance Manual.

### Māori impact statement

44. The secretariat of the IMSB and council’s Te Waka Angamua department have been involved in the development of the governance processes and templates that support the development of SOIs, and in particular the development of the 2016-2019 shareholder comments.
45. The SOIs now contain a number of initiatives and performance measures that record the CCOs’ contribution to achieving better outcomes for and with Māori. CCOs report quarterly on progress against these initiatives.
46. In addition to the initiatives outlined in the SOIs, all substantive CCO chief executives are members of Te Toa Takitini’s executive leadership group which seeks to drive a shift in the culture, thinking and practice in each of the entities of the council group.

### Implementation

47. No significant implementation issues are envisaged.

### Attachments

No.	Title	Page
A	Reconciliation of Statements of Intent to shareholder comments <i>(Under Separate Cover)</i>	
B	ACIL Statement of Intent 2016-2019 <i>(Under Separate Cover)</i>	
C	ATEED Statement of Intent 2016-2019 <i>(Under Separate Cover)</i>	
D	Auckland Transport Statement of Intent 2016-2019 <i>(Under Separate Cover)</i>	
E	Panuku Statement of Intent 2016-2019 <i>(Under Separate Cover)</i>	
F	RFA Statement of Intent 2016-2019 <i>(Under Separate Cover)</i>	
G	Watercare Statement of Intent 2016-2019 <i>(Under Separate Cover)</i>	
H	COMET Statement of Intent 2016-2019 <i>(Under Separate Cover)</i>	
I	Contemporary Art Foundation Statement of Intent 2016-2019 <i>(Under Separate Cover)</i>	
J	Mangere Mountain Education Trust Statement of Intent 2016-2019 <i>(Under Separate Cover)</i>	

### Signatories

Author	Rose Leonard - Principal Advisor
Authorisers	Alastair Cameron – Manager CCO Governance and External Partnerships Phil Wilson - Governance Director



## Appointments to the 2016/2017 Board Intern Programme: Process Report

File No.: CP2016/11208

### Purpose

1. To receive an outline of the appointments process for the 2016/2017 Board Intern Programme.

### Executive summary

2. This is an information-only report which provides an outline of the appointments process for the 2016/2017 Board Intern Programme. Candidate recommendations are provided in a separate report in the confidential section of this agenda for this committee's consideration.

### Recommendation/s

That the Council Controlled Organisations Governance and Monitoring Committee:

- a) receive the outline of the appointments process for the 2016/2017 Board Intern Programme.
- b) note that candidate recommendations for the 2016/2017 Board Intern Programme are provided in a separate report in the confidential section of this agenda.

### Comments

3. The Board Intern Programme is one of Auckland Council's approaches to contributing to increasing age, gender and ethnic diversity in Auckland's pool of board directors.
4. The twelve month programme is an avenue for growth for aspiring directors. It gives individuals who wish to build a governance career – in particular women, young people, and people from a range of ethnic backgrounds – an opportunity to build governance capability alongside experienced directors while attaining a better understanding of the council group, its processes and public service context.
5. The appointment process for the Board Intern Programme is outlined in the Auckland Council Appointment and Remuneration Policy for Board Members of Council Organisations (BARP) and includes:
  - Advertising and Expression of Interest (Eoi) programme;
  - Short-listing and interview of appropriately qualified candidates by the Board Intern Appointment Panel (appointed at the 1 March 2016 CCO Governance and Monitoring Committee meeting);
  - Approval of candidates by the appropriate committee.
6. The advertising and Eoi programme was implemented with the assistance of the Manager Executive Search and Talent Research Specialist (Recruitment and Talent, People and Capability). This included running an advert (Attachment A) through council's careers website and LinkedIn. This advert was also distributed via email to Elected Members, Advisory Panels, and Independent Māori Statutory Board members, with a call for nominations and a request for further distribution to relevant networks.
7. In addition, the Recruitment and Talent team conducted a search to identify potential candidates from a range of industries in the Auckland region. In total, this programme resulted in sixty-four applications – twenty-nine Eoi and thirty-five applications generated by the advert.

8. In accordance with the Board Intern Programme guidelines, all applications were screened with the goal of identifying candidates who:
  - were at a stage in their careers near or at the peak of their technical or managerial experiences and were looking to develop into director roles in the next few years;
  - had a range of skills and sector experience which includes community and public service; and
  - demonstrated the motivation and desire to pursue a governance path.
9. In addition to these core competencies, particular attention was given to individuals who would be able to bring diversity through their age, gender, and/or ethnicity.
10. Under these guidelines, twenty-nine candidates were identified as suitable for further consideration. The appointments panel shortlisted nine candidates and interviewed seven (two withdrew due to a change of circumstances).
11. At the time of interview, candidates were considered for intern positions at four CCO Boards – Auckland Transport, Watercare, Regional Facilities Auckland (RFA) and Auckland Tourism, Events and Economic Development (ATEED). However, ATEED has since requested that their board do not take part in the 2016/2017 Board Intern Programme.
12. The appointments panel’s recommendations are provided for the committee’s consideration in the confidential section of this agenda.

## Consideration

### Local board views and implications

13. Local board views were not sought for this report as the Board Intern Programme is an Auckland Council regional initiative that falls under the responsibility of the governing body. However, local board chairs and deputy chairs were invited to provide recommendations of potential candidates through the call for nominations and EoI.

### Māori impact statement

14. The Board Intern Programme can have positive impacts for Māori by creating opportunities that contribute to the development of Māori capacity in governance. To increase the chances of this happening, attention was given to candidates with knowledge and understanding of Te Tiriti o Waitangi obligations, candidates with experience of delivering Māori outcomes, and/or those who can provide a Māori world view.

## Implementation

15. Once appointed, the 2016/2017 Board Interns will receive a letter of appointment, and be introduced to the respective CCO board chair and assigned mentor. Interns will also be invited to attend an Auckland Council induction session and will be registered to attend the five-day Company Directors’ Course provided by the Institute of Directors.

## Attachments

No.	Title	Page
A	2016/17 Board Intern Programme advert	19

## Signatories

Author	Rita Bento-Allpress - Senior Advisor
Authorisers	Alastair Cameron - Manager CCO Governance and External Partnerships Phil Wilson - Governance Director

## Director Intern Programme Auckland Council - CCOs

**Is governance part of your future?**

**Want to learn from and experience working with accomplished Directors?**

**A 12 month tailored experience including 5 day Institute of Directors (IOD) course**

Building on the success of previous years, we again welcome applications for the Board Intern Programme for Auckland Council's Council-Controlled Organisations (CCOs).

The Board Intern Programme is a 12 month scholarship experience with planned and supported development for the next generation of directors. The key aim of the programme is to support Auckland Council's objective of increasing age, gender and ethnic diversity on CCO Boards by providing avenues of growth for aspiring directors. This represents a remarkable opportunity to be alongside an experienced Board of Directors making significant decisions on Auckland's future.

As a Board intern, you will get the opportunity to work with highly skilled chairpersons and directors, and develop a strong base of skills necessary for being a future board member. Through the programme, you will be provided the opportunity to experience high-level decision-making by commercially astute directors. You will receive appropriate mentoring and training including the IOD 5 day governance course to be Board ready. There may also be opportunity to take on a voluntary governance position on other Auckland Council Organisations.

The CCO Boards will expect to benefit from the different thinking and skills brought by those on the Board Intern Programme. While any final decisions will be made by the board directors, you will be expected to participate fully in discussions around the board table.

If you have the motivation to pursue directorship opportunities, have a range of skills and sector experience, and can demonstrate a desire to contribute to Auckland's future through diversity of thinking, this could be a career-defining opportunity for you.

For a confidential discussion, please contact Howard Chaffey, Executive Search Partner. Ph: 021 583 769, Email: [howard.chaffey@aucklandcouncil.govt.nz](mailto:howard.chaffey@aucklandcouncil.govt.nz) or Elvira Bobekova, Talent Research Specialist: [elvira.bobekova@aucklandcouncil.govt.nz](mailto:elvira.bobekova@aucklandcouncil.govt.nz)

**Expressions of interest close on Monday 28<sup>th</sup> March at 10:30pm. This position will be subject to pre-employment and background checks (including reference checks, psychometric testing and drug and alcohol screening).**



## Board Appointments to Community Education Trust Auckland (COMET): Process Report

File No.: CP2016/15162

### Purpose

1. To receive an outline of the process for appointments to the board of Community Education Trust Auckland (COMET).

### Executive summary

2. This is an information-only report which outlines the appointments process for five trustee vacancies in COMET's board. Details of the candidate recommendations are provided in a separate report in the confidential section of this agenda for consideration by the CCO Governance and Monitoring Committee.

### Recommendation/s

That the Council Controlled Organisations Governance and Monitoring Committee:

- a) receive an outline of the process for appointments to the board of Community Education Trust Auckland (COMET).
- b) note that candidate recommendations to the board of Community Education Trust Auckland (COMET) are provided in a separate report in the confidential section of this agenda.

### Comments

3. COMET's deed requires its board of trustees to have no fewer than seven trustees and no more than twelve, each volunteering to serve a three-year term for no more than two consecutive terms. The power of appointment of all trustees is vested in Auckland Council as the Settlor.
4. In June 2015, eight trustees were appointed, five for a second term. At that time, COMET sought council approval for an amendment to its deed to allow for the appointment of trustees from time to time – a best practice in board appointments. This change was approved as it enables overlapping terms and reduces the risk of loss of institutional knowledge or experience when a large number of trustees retire from the trust at the same time.
5. There are currently four regular trustee positions that were not filled in June 2015. In addition, one casual vacancy has recently been made available by the resignation of one trustee appointed in June 2015. To fill these five vacancies, a board appointments process has been undertaken by COMET in alignment with council policy and COMET's deed requirements. This process included:
  - Identifying skills, knowledge and experience, including current or future gaps in the board;
  - Advertising and Expressions of Interest (EoI) programme;
  - Short-listing and interview of appropriately qualified candidates;
  - Recommendations of preferred candidates to appropriate committee for appointment.
6. The advertising and EoI programme was implemented by COMET and included running an advert (attachment A) via the Appoint Better Boards website, TradeMe Volunteering and LinkedIn. The advert contained detailed information on the general skills required in all COMET trustees as well as the priority skills that will allow the board to build trustee capacity and prepare for upcoming trustee retirements (attachment A).

7. Twenty five candidates responded to the advertising and EoI programme and a panel composed of COMET's chair, two other trustees and COMET's chief executive, interviewed eight individuals. The panel has five recommendations for the committee's consideration and these are provided in the confidential section of this agenda.

## Consideration

### Local board views and implications

8. Local board views have not been sought in relation to COMET's appointments as the governing body is responsible for this process and COMET delivers regional outcomes.

### Māori impact statement

9. As with other board appointments processes, COMET's board vacancies offer an opportunity to contribute to the development of Māori capacity in governance. In this process, attention was given to candidates with strong connections and understanding of Auckland's Māori communities (Mana Whenua and/or Mataawaka).

## Implementation

10. Pursuant to the decisions of the CCO Governance and Monitoring Committee, trustees will receive a letter of appointment outlining the terms of appointment, including duration of term and the volunteer nature of the position. COMET's chair and chief executive will also receive a copy of each trustee's letter of appointment.

## Attachments

No.	Title	Page
A	Advert: COMET's board vacancies	23

## Signatories

Author	Rita Bento-Allpress - Senior Advisor
Authorisers	Alastair Cameron - Manager CCO Governance and External Partnerships Phil Wilson - Governance Director

## Board Opportunity: COMET Auckland

COMET Auckland is looking for new board members to join our strong, diverse and collegial board, to help shape our directions and so contribute to systems change.

### What does COMET Auckland do?

COMET Auckland is a Council Controlled Organisation of Auckland Council, and also an independent Charitable Trust. Our mission is to drive systems change to make education and skills more effective and equitable across Auckland.

As a charitable trust and CCO of Auckland Council, we are uniquely placed to drive systems change because we are the only Auckland-based organisation that takes a cross-sector, helicopter view of our education and skills system and that can focus long-term on the learning-related goals and targets in the Auckland Plan.

This means we can identify the most pressing gaps and opportunities and bring the right people together across education, business, community and government to design, advocate and incubate actions that harness education to drive Auckland's economic and social development.

### What skills are we looking for?

All our board members need to have the following skills and attributes:

- Have a passion for education and skills in Auckland, especially for areas of high education need
- Be a respected as a leader in your field
- Have strong networks with educators and/or business and/or local/national government in Auckland
- Live and work in the Auckland Council area

In addition, to balance skills across the board, we are especially keen to hear from you if you have one or more of the following skills:

- Expertise in finance and/or accounting
- Strong connections and understanding of Auckland's Maori communities (Mana Whenua and/or Mataawaka)
- Strong connections and understanding of Auckland's Pasifika communities
- Successful experience in fundraising
- Knowledge and connections in the early childhood or secondary schooling sectors

### What commitment is required?

The COMET Auckland board meetings eight times a year:

- Regular board meetings on the last Tuesday of February, April, June, August, October and December, from 4-30pm to around 6pm
- A stakeholder consultation meeting in May
- An AGM in October

Board members receive meeting papers in advance of each meeting, and are expected to come prepared, and to contribute to discussions from their diverse expertise. At times there are also opportunities to have input on submissions or project plans.

For further information, please email [admin@cometauckland.org.nz](mailto:admin@cometauckland.org.nz)



## Board Appointments to Council Controlled Organisations: Process Report

File No.: CP2016/14578

### Purpose

1. To provide an update on the 2016 board appointment programme for Auckland Council's Council Controlled Organisations (CCOs).

### Executive summary

2. Seven directors on four CCOs are due to retire on 31 October 2016. The nomination and interview panels (the panel) for each vacancy were approved by the CCO Governance and Monitoring Committee (the committee) at the 29 March 2016 meeting.
3. The seven vacancies were advertised, and twenty-two candidates were short-listed for interview. At the 5 July 2016 meeting of this committee, appointments were made to four of the seven vacancies.
4. The panel for the deputy chair vacancy on Regional Facilities Auckland (RFA) and chair vacancy on Watercare Services Limited (WSL) have completed their candidate interviews. The panel for the director vacancy on Auckland Transport (AT) are reviewing additional candidates.
5. A corresponding confidential report on this agenda outlines recommendations regarding the following:
  - (i) one nominee for deputy chair of Regional Facilities Auckland
  - (ii) one nominee for chair of Watercare Services Limited; and
  - (iii) approve the additional shortlist of candidates for the director vacancy on Auckland Transport.

### Recommendation/s

That the Council Controlled Organisations Governance and Monitoring Committee:

- a) receive the update for the 2016 Board Appointment programme for Auckland Council's Council Controlled Organisations.
- b) note that candidate recommendations for the CCO Board Appointments are considered in a separate report in the confidential section of this agenda.

### Comments

6. At the 5 July 2016 meeting the committee approved four candidates for appointment to four of the boards of council's CCOs.
7. At the July meeting, the committee were advised that two panels, (RFA deputy chair and WSL chair) would not complete the candidate interviews until late July.
8. In addition, following the interviews for the AT director vacancy, the panel requested a further search for additional candidates.
9. Recommendations and relevant CV-precise information regarding board candidates will be provided in the corresponding confidential report on this agenda. The interview panel members will also be able to provide verbal advice regarding their recommendations at the committee meeting.

## Consideration

### Local board views and implications

10. Board appointments are a decision of the Governing Body. Local board members are able to provide input through the nomination process.

### Māori impact statement

11. IMSB members on the CCO Governance and Monitoring Committee have been able to participate in both the nomination and interview panel processes. This provides for effective communication and engagement at IMSB board level. The result is that the IMSB are able to actively participate in council's candidate selection process.
12. Council's Board Appointment and Remuneration Policy states that council "seeks to increase the number of CCO board members with knowledge of tikanga Māori and Te Reo, established iwi networks, and ability to engage with mandated iwi organisations on CCO matters". The appointment of candidates with these skills, knowledge and experience will contribute to the development of Māori capacity in governance. It would also address one of the issues identified in the IMSB's Issues of Significance to Māori, being the appointment of more Māori directors to the boards of CCOs.

## Implementation

13. A letter of appointment will be provided by the council to the newly appointed directors and a shareholder-led induction from the council with input from the IMSB.

## Attachments

There are no attachments for this report.

## Signatories

Author	Josie Meuli - Senior Advisor
Authorisers	Alastair Cameron - Manager CCO Governance and External Partnerships Phil Wilson - Governance Director

## Board Appointments to Auckland War Memorial Museum and Museum of Transport and Technology: Process Report

File No.: CP2016/15218

### Purpose

1. To receive the board appointment process report for appointments to the Auckland War Memorial Museum (AWMM) and Museum of Transport and Technology (MOTAT).

### Executive summary

2. Four AWMM board members and three board MOTAT members are due to retire in 2016.
3. Two of the four AWMM and all three of the MOTAT board members are Auckland Council appointments.
4. Regional Facilities Auckland (RFA) are Auckland Council's agent for these board appointments. The positions were advertised by RFA's preferred recruitment advisor (Rothley) in the New Zealand Herald.
5. A total of 69 applicants applied, 39 for MOTAT and 30 for AWMM. The interviews have been completed and the candidates being recommended for appointment or reappointment are outlined in the confidential report in this agenda.
6. Two directors (Gary Troup and Lisa Bates) from the RFA board were on the interview panel and will attend the meeting to respond to the committee's inquiries.

### Recommendation/s

That the Council Controlled Organisations Governance and Monitoring Committee:

- a) receive the board process report for Auckland Council appointments to the Auckland War Memorial Museum and the Museum of Transport and Technology boards.
- b) note that candidate recommendations for the Auckland War Memorial Museum and the Museum of Transport and Technology boards are provided in a separate report in the confidential section of this agenda.

### Comments

#### Council's advisor

7. Under the terms of the Advisory and Management Agreement with Auckland Council, RFA recommends candidates to the Auckland Council for the appointment / reappointment of five (out of ten) AWMM board members and six (out of ten) MOTAT board members.

#### AWMM

8. Four of the AWMM board members are due to retire in 2016. Two of the four are Auckland Council appointments, two are Museum Society (Museum) appointments.
9. As in previous board appointments, RFA and AWMM undertook a joint process. Potential board members were interviewed by an interview panel consisting of representatives of both organisations.

#### MOTAT

10. MOTAT has three Auckland Council appointments for consideration and two MOTAT Society appointments.

11. In 2015 RFA and MOTAT undertook a joint appointment process. In 2016 the MOTAT Society chose to complete their appointments separately therefore RFA has only considered the Auckland Council appointments.

### **Board appointment process**

12. The chairs and directors of both AWMM and MOTAT provided input into the competencies and skill requirements for the seven vacancies. The core competencies included:
- sound judgement and decision-making
  - commercial acumen
  - public service ethos
  - an understanding and commitment to the obligation to te Tiriti o Waitangi
  - a high standard of personal integrity
  - clear communication and an ability to debate in a reasoned manner
  - effective teamwork and collaboration
  - ability to think strategically
  - risk assessment and contingency management
  - commitment to the principles of good corporate citizenship
  - understanding of the wider interests of the publicly accountable shareholder
  - experience in governance.
13. A total of 69 applicants applied, 39 for MOTAT and 30 for AWMM. The interviews have been completed and the candidates being recommended for appointment or reappointment are outlined in the confidential report in this agenda.
14. Two directors (Gary Troup and Lisa Bates) from the RFA board were on the interview panel and will attend the meeting to respond to the committee's inquiries.

## **Consideration**

### **Local board views and implications**

15. Board appointments are a decision of the Governing Body. Information on the vacancies was distributed to local board members.

### **Māori impact statement**

16. RFA forwarded information regarding the vacancies to the Independent Maori Statutory Board.
17. One of the AWMM board members is appointed by Taumata-a-iwi. Taumata-a-iwi is a committee established to ensure that the AWMM Board's policies accord properly with Māori values and matters provided for in the Treaty of Waitangi. It will also advise on all matters of Māori protocol within the Museum and between the Museum and Māori.
18. One of the MOTAT Board's statutory duties is to observe and encourage the spirit of partnership and goodwill envisaged by the Treaty of Waitangi, the implications of Māori, and elements in the care of Māori cultural property that only Māori can provide. The Board must give effect to this statutory duty.

## **Implementation**

19. There are no implementation issues to be considered by Auckland Council. There are no financial implications for Auckland Council. However, RFA has set aside a budget allocation for appointments to AWMM and MOTAT.

## Attachments

There are no attachments for this report.

## Signatories

Author	Josie Meuli - Senior Advisor
Authorisers	Alastair Cameron - Manager CCO Governance and External Partnerships Phil Wilson - Governance Director



## Exclusion of the Public: Local Government Official Information and Meetings Act 1987

That the Council Controlled Organisations Governance and Monitoring Committee:

- a) exclude the public from the following part(s) of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

### C1 Board appointments to Auckland War Memorial Museum and Museum of Transport and Technology: Recommendations Report

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.  In particular, the report contains private information about candidates applying for appointment / reappointment to the boards of Auckland War Memorial Museum and Museum of Transport and Technology.	s48(1)(a)  The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

### C2 Board Appointments to Council Controlled Organisations: Recommendations Report

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.  In particular, the report contains private information about candidates being appointed to Auckland Council's Council Controlled Organisations..	s48(1)(a)  The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

**C3 Appointments to the 2016/2017 Board Intern Programme: Recommendations Report**

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.  In particular, the report contains private information about candidates to the 2016/17 Board Intern Programme.	s48(1)(a)  The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

**C4 Board Appointments to Community Education Trust Auckland (COMET): Recommendations Report**

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.  In particular, the report contains private information about candidates to the position of trustee on the Community Education Trust Auckland (COMET).	s48(1)(a)  The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

**C5 Board Appointment : Tamaki Redevelopment Company Limited**

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.  In particular, the report contains personal and private information about potential directors..	s48(1)(a)  The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.