

Attachment B: Local Government (Auckland Council) Act 2009 (LGACA), section 92(2) - proposed high level programme

Background

LGACA s92 provides:

S 92 Substantive council-controlled organisations must give effect to the Long-term plan (LTP) and act consistently with other specified plans and strategies of Council

- (1) *Each substantive council-controlled organisation must give effect to the relevant aspects of the LTP*
- (2) *Each substantive council-controlled organisation must act consistently with the relevant aspects of any other plan (including a local board plan) or strategy of the Council to the extent specified in writing by the governing body of the Council.*

According to these legislative provisions, in the hierarchy of plans which CCOs must give effect to, the LTP is at the top. This is logical, as it is through the LTP (and Annual Plans) that the various council strategies and policies are mediated and budget is prioritised. The LTP produces indicative financial allocations to give effect to council's strategic directions. Section 92(2) is designed to allow council the ability to direct CCOs on other matters which are not included in the LTP.

Supporting the Auckland Plan, a wide range of substantive strategies, plans, and policies have been developed by council, to guide *what* will be delivered, including three-yearly local board plans. Additionally, council has developed a number of strategies and policies about *how* the substantive policies of council will be delivered.

Strategies and plans can often contain both 'the what and how'. One example is Toi Whitiki, which outlines what will be delivered in the arts and culture sector, but also has a strategic direction related to working together. Similarly, Low Carbon Auckland has a focus on big issues such as transport and built form, but also on waste minimisation and energy efficiency.

A proposed programme for 2017 for the use of s92(2) is set out in the table below. Corporate/organisational strategies and policies are prioritised, both because the substantive plans in this category will be prioritised and mediated during the upcoming LTP process, and because it is a current priority for the Mayor and council is to drive cultural change in the group, as a precursor to enhancing strategic alignment¹.

In the second tranche, strategies related to Auckland's development are prioritised because this is a high priority for council and the Mayor, and is a key focus of the Auckland Plan refresh programme. However, the order in the second tranche will be confirmed when substantial project planning is undertaken.

Tranche	Content	Timeframe	Outcome
1a Developing options and protocols for use of s92 letters	<ul style="list-style-type: none">• Clarify purpose of using s92 (Are they a regular accountability tool? A corrective?)	Complete in April 2017	Agreed organisational policy for using s92(2)

¹ S 92(2) policy work was also anticipated in the approval of the Governance Manual for Substantive CCOs in December 2015, which has in it a s92 chapter awaiting completion.

	<ul style="list-style-type: none"> • Clarify scope of 'plans and strategies' • Consider method for conveying section 92(2) to CCO boards (letters?) • Consider timing options for s92 expectations (e.g. alongside annual Letters of Expectation; following LTP; ad hoc) • Requirements to be met before use (preparation and signoff). 		
1b Corporate/organisational policies and strategies	<p>Examples may include:</p> <ul style="list-style-type: none"> • Brand Identity Guidelines • Procurement Strategy and policy which may include sub policies on group treasury, insurance and business cases. • Events Policy • Low Carbon Auckland • Waste Management and Minimisation Plan • Public Art Policy • Smokefree Policy • Weed Management Policy • Corporate Sponsorship Policy • Alcohol Harm Reduction Strategy 	Analysis and discussion with CCOs complete by May 2017.	Indicative s92(2) letters for each CCO prepared and approved
2a Substantive strategies and plans: Auckland's development	<p>Consider elements of substantive strategies, plans, or policies that need to be subject to direction from Council, because unlikely to be given effect to through LTP.</p> <ul style="list-style-type: none"> • Economic Development Strategy • Māori Responsiveness Framework • City Centre Master Plan • Waterfront Plan • Auckland Transport Alignment Project • Future Urban Land Supply Strategy 	Begin in May 2017. Could be completed by end June 2017 with sufficient resource and if required. Otherwise end November 2017.	S92(2) letter covering these strategies could be sent alongside 2018-2019 Letters of expectation, December 2017.
2b Substantive strategies and plans: other	<p>Consider elements of substantive strategies, plans, or policies that need to be subject to direction from Council, because unlikely to be given effect to through LTP.</p> <ul style="list-style-type: none"> • Toi Whitiki 	Complete by end November 2017.	S92(2) letter covering these strategies to be sent alongside 2018-2019 Letters of

	<ul style="list-style-type: none"> • Children and Young People’s Strategic Action Plan • Community Development Strategic Action Plan • Historic Heritage Action Plan • Indigenous Biodiversity Strategy • Parks and Open Space Strategic Action Plan • Sport and Recreation Strategic Action Plan 	Expectation, December 2017.
3 Local Boards plans, and other plans	Consider how to provide direction on local board plans, once the next lot of plans is complete and the Governance Framework Review is complete.	Consider during LTP development, late 2017 and into 2018

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Letters in first half 2018, if needed