I hereby give notice that an ordinary meeting of the Council Controlled Organisation Oversight Committee will be held on:

**Date:** Tuesday, 18 February 2020  
**Time:** 12.00pm  
**Meeting Room:** Room 1, Level 26  
**Venue:** 135 Albert St, Auckland

**Kōmiti Aromātai Whakahaere Kaupapa Kei Raro I Te Maru O te Kaunihera / Council Controlled Organisation Oversight Committee**

**OPEN AGENDA**

**MEMBERSHIP**

- **Chairperson**  
  Deputy Mayor Cr Bill Cashmore
- **Deputy Chairperson**  
  Cr Angela Dalton
- **Members**  
  Cr Josephine Bartley  
  Cr Dr Cathy Casey  
  Cr Fa’anana Efeso Collins  
  Cr Pippa Coom  
  Cr Linda Cooper, JP  
  Cr Chris Darby  
  Cr Alf Filipaina  
  Cr Christine Fletcher, QSO  
  Mayor Hon Phil Goff, CNZM, JP  
  IMSB Member Hon Tau Henare  
  Cr Shane Henderson  
  Cr Richard Hills

(Quorum 11 members)

**Contact Telephone:** 021723228  
**Email:** kalinda.gopal@aucklandcouncil.govt.nz  
**Website:** www.aucklandcouncil.govt.nz

**Note:** The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted. Should Members require further information relating to any reports, please contact the relevant manager, Chairperson or Deputy Chairperson.
Terms of Reference

Responsibilities

The purpose of the committee is to:

- have a general overview and insight into the strategy, direction and priorities of all Council Controlled Organisations (CCO)
- set policy relating to CCO governance
- approve CCO Statements of Intent
- monitor performance of CCOs and other entities in which the council has an equity interest (such as CRLL, Tāmaki Regeneration Company and Haumaru Housing).

Key responsibilities include:

- monitoring the financial and non-financial performance targets, key performance indicators, and other measures of each CCO and the performance of each organisation
- advising the mayor on the content of the annual Letters of Expectations (LoE) to CCOs and Ports of Auckland Limited
- exercising relevant powers under Schedule 8 of the Local Government Act 2002, which relate to the Statements of Intent of CCOs
- exercising relevant powers under Part 1 of the Port Companies Act 1988, which relate to the Statements of Corporate Intent for port companies
- exercising Auckland Council’s powers as a shareholder or given under a trust deed, including but not limited to modification of constitutions and/or trust deeds, granting shareholder approval of major transactions where required, exempting CCOs, and approving policies relating to CCO and CO governance
- approval of a work programme which includes a schedule of quarterly reporting of each CCO to balance reporting across the meetings.

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 (section 2)

   (b) where the committee’s responsibility is limited to making a recommendation only

(ii) Power to establish subcommittees.
Auckland Plan Values

The Auckland Plan 2050 outlines a future that all Aucklanders can aspire to. The values of the Auckland Plan 2050 help us to understand what is important in that future:

**Atawhai**
- kindness, generosity

**Kotahi**
- strength in diversity

**Auaha**
- creativity, innovation

**Pono**
- integrity

**Taonga tuku iho**
- future generations
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 Organisation Oversight Committee:

a) confirm the ordinary minutes of its meeting, held on Thursday, 12 December 2019, 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 Governance 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."
Purpose, principles and protocols for liaison councillors for substantive council-controlled organisations

File No.: CP2019/21557

Te take mō te pūrongo
Purpose of the report
1. To approve the key purposes of the liaison councillor roles for substantive council-controlled organisations, along with key principles for how these roles will be undertaken.

Whakarāpopototanga matua
Executive summary
2. Following the 2019 local authority elections, the Mayor of Auckland proposed the creation of ‘liaison councillor’ roles to promote better relationships and information flows between council’s Governing Body and its council-controlled organisations (CCOs). This report:
   - outlines the key purposes and principles of the roles and asks the Committee to approve these
   - attaches a draft “Protocols” document for information, which will be finalised to reflect the decisions of the committee about the roles.
3. The key purposes of the liaison councillor roles are to develop trusting relationships with the CCOs to allow a better exchange of information. Liaison councillors can act as a key point of contact as specific issues arise, and provide advice on when issues are likely to be of high public interest. They can provide the CCO with Governing Body perspectives which may help board decision-making, while at the same time being able to provide Governing Body colleagues with information about the rationale and detail of board decisions.
4. The roles are supplementary to the primary role of the councillor in relation to CCOs, which is to hold the CCOs accountable for their performance. Liaison councillors are not to act as directors of the CCOs, and should not do anything in this role which may see them deemed as a director. At a basic level this means being able to speak if and when they attend board meetings, but not to vote.
5. To protect sensitive CCO information which may be obtained in the course of liaison councillor duties, confidentiality agreements will need to be signed by liaison councillors.
6. The role of liaison councillors is to provide perspectives which reflect those of the Governing Body as a whole, rather than their own personal perspectives, or those of any interest group. However, they are not in a position to provide authorisation for any action on behalf of Governing Body.
7. Regular reporting to the CCO Oversight Committee will be required of liaison councillors, so that Governing Body colleagues have an opportunity to understand the information and perspectives the liaison councillor has obtained. However, within the principles outlined above, the liaison councillors should develop the roles in a way which best suits the needs of the individual CCO to which they have been assigned; the scale, complexity and particular services delivered by that CCO; and their own capacity to spend time engaging with the CCO and its board.
8. Given that this is an innovation within the existing accountability framework, best practice will only emerge as the roles are implemented through 2020. We therefore recommend that the Chair and Deputy Chair of CCO Oversight Committee can both finalise the initial Protocols, but also make minor changes to the Protocols as required. A report on the liaison councillor roles and any formal changes required will be made by staff early in 2021 to the CCO Oversight Committee.
Ngā tūtohunga

Recommendation/s

That the Council Controlled Organisation Oversight Committee:

a) note the establishment of the role of council-controlled organisation liaison councillor, which carries with it a 1.10 remuneration ratio relative to a councillor without any additional responsibilities (Governing Body resolution GB/2019/1, 26 November 2019).

b) note that councillors have been allocated to each substantive council-controlled organisation by the Mayor

c) approve the key purposes of liaison councillors:

i) to develop a relationship with the board of directors of the assigned council-controlled organisation which allows an exchange of information in a trusting environment, while preserving the ability of the councillor to exercise their accountability role.

ii) to be a key point of contact for council-controlled organisation boards as specific issues arise.

iii) to provide council-controlled organisation boards with Governing Body perspectives and context to take account of in their decision-making.

iv) to assist council-controlled organisation boards with engaging with Governing Body on emerging strategic and delivery issues, particularly those with the potential for high public interest.

v) to keep other councillors and the Mayor of Auckland informed of some of the detail and rationale behind board decision-making.

vi) to assist with planning the programme of workshops between council-controlled organisations and Governing Body on strategic issues.

d) approve the key principles for the liaison councillor roles:

i) Liaison councillors are appointed by the Mayor of Auckland and report to the Council Controlled Organisation Oversight Committee.

ii) The liaison councillor role is ancillary to the primary councillor role as a member of the Governing Body, representing their community.

iii) Liaison councillors are not directors, and must not act in a way that they be deemed to be so.

iv) Liaison councillors are to represent the views of the Governing Body, and not their personal views or those of groups or other individuals who may promote those views to councillors in their ward representation role.

v) Liaison councillors will need to manage confidential information received from the council-controlled organisation in accordance with confidentiality agreements to be signed.

vi) Liaison councillors are able to develop the roles to fit the needs of individual council-controlled organisation within these general principles.

e) require liaison councillors to regularly report verbally to the Council Controlled Organisation Oversight Committee, or in writing if unavailable to attend in person, about activities undertaken in the role and issues arising.

f) require liaison councillors to sign confidentiality agreements to ensure appropriate handling of sensitive information.
g) direct that the role and purpose of liaison councillors be reviewed within 12 months, and a report provided about any changes required, no later than the second Council Controlled Organisation Oversight Committee meeting of 2021.

h) note the attached draft “Protocols relating to Liaison Councillor role”, which describes in detail the purposes, principles and guidance for undertaking the liaison councillor roles.

i) delegate authority to the Chair and Deputy Chair of the Council Controlled Organisation Oversight Committee to finalise the “Protocols relating to Liaison Councillor role” taking into account the resolutions of this committee and feedback from council-controlled organisation board chairs, and update the Protocols to reflect evolving practice, in line with the approved principles.

Horopaki
Context

9. Following the 2019 local authority elections, Auckland Council appointed an independent panel to undertake a review of the CCOs, in accordance with the approved terms of reference. This reflected the fact it had been ten years since amalgamation and establishment of the CCOs, and changed contexts in that time, including Auckland’s growth and social change bringing different demands for goods and services and expectations of civic engagement and democracy.

10. While formal accountability mechanisms are in place through the existing framework of legislation, and the role of CCOs is being examined in the formal review, as a first step the Mayor proposed the establishment of ‘liaison councillors’ to work on a more informal basis with CCOs.

Tātaritanga me ngā tohutohu
Analysis and advice

11. While the role of liaison councillor is likely to improve the information flow between council and the CCOs, the roles inherently raise a potential conflict: there are a number of issues which will require councillors to balance the liaison councillor role with the obligations of their role as a member of the Governing Body. For example, setting the strategic direction for CCOs, and monitoring their performance is a core function of the Governing Body. A too close relationship with the CCO may make it difficult to exercise this accountability role.

12. In order to address these issues and provide certainty to both the CCOs and for councillors undertaking the roles, staff have developed a set of draft Protocols, and these are attached for information.

13. The various issues covered by the Protocols are discussed below.

Scope and mandate of the roles

14. The roles are limited to the five substantive CCOs of Auckland Council: Auckland Transport, Watercare Services Limited, Panuku Development Auckland, Regional Facilities Auckland and Auckland Tourism, Events and Economic Development.

15. The roles are supplementary to the existing framework of accountability between council and the CCOs, with the accountability role of a councillor taking precedence over the liaison councillor role. This is important in two ways. Firstly, as noted above, councillors need to ensure they can maintain their ability to assess performance and hold CCOs to account. Secondly, in a practical sense there will be limits to the time which can be put into the liaison councillor role. For example, where there are clashes between board meetings and Governing Body meetings, a councillor would normally be expected to attend the council meeting.
16. Liaison councillors have been appointed by the Mayor of Auckland. The liaison councillors will report to the CCO Oversight Committee on a regular basis.

17. We recommend that the Chair and Deputy Chair of the CCO Oversight Committee be responsible to finalising the Protocols for the liaison councillor roles, and can update them over time to reflect emerging practice. However, where major changes need to be made to the roles which are not covered by the principles agreed in this report, staff will seek new resolutions from the CCO Oversight Committee.

**Purpose of liaison councillor roles**

18. In general, the key purpose of the roles is to develop a trusted relationship between the liaison councillor and the assigned CCO to allow an exchange of information which benefits both CCO board decision-making, and also gives council a greater insight into the strategic issues faced by the CCOs. In this regard, liaison councillors are responsible for representing known, agreed Governing Body perspectives on issues to the CCOs, rather than their own personal views or those of any particular group which is promoting their views to a councillor.

19. In addition, liaison councillors will be of particular value in helping CCOs understand when issues are likely to be of high public interest. Therefore, even when an issue is within the mandate of a CCO to decide, the advice of a liaison councillor may lead to opportunities to discuss such issues with Governing Body (such as in a workshop setting), in keeping with the ‘no surprises’ principle outlined in the CCO Accountability Policy of Auckland Council and the Governance Manual for Substantive CCOs.

20. Liaison councillors could also play a role in helping to keep other councillors and the Mayor informed of the rationale and detail behind CCO decision-making. One of the stated reasons for the creation of CCOs in the Auckland Council structure was to enable specialist knowledge to be applied to certain areas of service delivery. Liaison councillors will likely be in a position to explain when a decision is underpinned by such specialist expertise.

21. Finally, there is a regular series of workshops throughout the year between council and its CCOs. Liaison councillors will be in a key position to set the agendas for these workshops, taking into account both the emerging strategic issues which the CCOs would like to discuss with council, as well as the issues which are ‘top of mind’ for councillors.

**Principles underlying liaison councillor roles**

22. As noted above, we recommend that these roles are ancillary to that of the primary Governing Body councillor role of representing their communities and holding the CCOs to account. This will mean that liaison councillors should not act in any way that might see them deemed to be a director of the CCO, as this would confuse the lines of accountability. It would also expose them to the risks of being a director, in terms of being responsible for decisions.

23. Liaison councillors are also not acting in these roles as agents of Auckland Council, and cannot provide any authorisations for particular decisions. They are nonetheless to represent the views of the Governing Body, and not their personal views or those of groups or other individuals who may promote those views to councillors in their ward representation role.

24. An important element of the liaison councillor role will be to report to the CCO Oversight Committee on a regular basis about activities they have undertaken in these roles, and on any issues arising. This will also give other councillors a chance to ask questions. Where a councillor cannot attend the committee in person, a written update should be provided.

25. In contrast, the relationship of the liaison councillors with the CCOs themselves has the potential to develop in quite a range of different ways, reflecting the different size, complexity, services and business of each CCO. In keeping with the traditional role of the board chairs, it is anticipated that it will be largely up to the board chair, in discussion with the individual liaison councillors, to determine best how the liaison role develops.
26. The options for interaction include (but are not limited to):
   - liaison councillors to attend the majority of board meetings
   - attendance at board meetings for specific items, or a specific time set aside for liaison councillor attendance (such as a standing item)
   - meetings with the board, or with the board chair, or other nominees, separate from formal board meetings
   - no formal contact, but instead ad hoc interaction as issues arise.

Confidential information and conflicts of interest
27. The liaison councillor roles are designed to facilitate a flow of information between CCOs and council, additional to what already occurs. However, at times there will be information (such as board agendas and papers) and board discussions for which it may not be appropriate for the councillor to be party to. This may be because the information is not relevant to the functions and duties of the councillor, such as that it is commercially sensitive or operationally focussed. The CCO may withhold such information. However, there would be an expectation that the chair would consult with the liaison councillor on this.

28. There is also likely to be information which the liaison councillors will receive, but which needs to be kept confidential. To ensure such information is kept safe, it is recommended that liaison councillors sign a confidentiality agreement. A draft agreement will be prepared in collaboration between the CCOs and Auckland Council staff.

29. Conflicts of interest will also need to be managed. The expectation is that each liaison councillor will keep both Auckland Council and the relevant CCO information of any potential or actual conflicts of interest which may arise during their appointment as liaison councillor. These should be recorded in writing, along with the mechanisms for managing each conflict, and signed by both the liaison councillor and board chair.

Tauākī whakaaweawe āhuarangi
Climate impact statement
30. The liaison councillor proposal has no climate impacts.

Ngā whakaaweawe me ngā tirohanga a te rōpū Kaunihera
Council group impacts and views
31. Council staff have worked with staff from the substantive CCOs to develop the draft protocols attached to this report, and in particular to clarify the key purpose and potential benefits of the roles. Additionally, CCO staff have identified a range of issues which CCOs may face as part of the practical implementation of these roles, particularly around confidentiality of information and councillors becoming deemed directors.

32. As part of this consultation, CCO staff have been very positive about the potential opportunities for better communication through these liaison roles. They have contributed in a significantly positive manner to developing an understanding of how the roles may operate. As noted in the report, the intention in designing the Protocols for these roles is to leave a significant amount of discretion with board chairs and the liaison councillors to develop these roles in a way that suits both the individual CCOs and council.

Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe
Local impacts and local board views
33. The liaison councillor roles are focussed on the relationship between Governing Body and the substantive CCOs, which operate strategically at a regional level. The views of local boards have not been sought in developing the Protocols for the roles.
Tauākī whakaaweawe Māori
Māori impact statement
34. The liaison councillor proposal has no particular impacts on Māori.

Ngā ritenga ā-pūtea
Financial implications
35. There are no financial implications from the establishment of the liaison councillor roles, except those already noted in the Governing Body remuneration pool resolutions of November 2019.

Ngā raru tūpono me ngā whakamaurutanga
Risks and mitigations
36. The liaison councillor roles carry with them a number of risks, which the draft protocols are designed to mitigate, and which have been discussed above.

37. One of the key risks is that liaison councillor roles may blur the line between councillors’ accountability and governance role, and relationship building purpose of the liaison role. For the CCOs, the corresponding risk is that councillors may stray into the decision-making process of the CCOs. This can be mitigated through the Protocols attached to this paper, which stress the primacy of the Governing Body councillor role. Guidance is given about how the roles can be shaped to ensure that board roles and councillor roles are kept separate. In addition, there will be confidentiality agreements in place to protect sensitive information, and conflict of interest registers to ensure conflicts are managed openly.

38. Another risk is that the public may misunderstand the roles as providing an advocacy channel. For example, individual councillors may be put under pressure by interest groups to represent their interests to individual boards, or to divulge information to them about board decision-making. When a liaison councillor (rightly) refuses to do so, the roles themselves may be seen as invalid or not useful. This risk can be mitigated by reference to the role description in the Protocols, which will be finalised by the Chair of the CCO Oversight Committee. In addition, council could consider issuing communications when the roles begin operating, explaining their purpose. Finally, if individual issues arise, council staff and other councillors can provide support to individual councillors to ensure that the roles are understood by the public.

39. A final risk is that the roles may not deliver anything useful in addition to the existing framework of accountability and relationships, or that the usefulness will vary from CCO to CCO depending on how the roles develop. This risk can be mitigated in three ways. Firstly, liaison councillors will be required to report (relatively informally) to CCO Oversight Committee on a regular basis, as to the activities which they have undertaken in the period since the previous meeting. Secondly, this report proposes the Chair and Deputy Chair of CCO Oversight Committee be given a delegation to amend the Protocols to reflect emerging practice. Finally, a more formal review of the liaison councillor role is proposed to be brought back to the CCO Oversight Committee no later than the second meeting of this committee in 2021. At that time the roles and their effectiveness can be reviewed, and changes made as appropriate.
Ngā koringa ā-muri

Next steps

40. Resolutions of this committee will be reflected in the attached draft Protocols document.

41. Establishment of liaison councillor roles is an innovation within the existing system of accountability. It has the potential to build better relationships of trust between CCOs and Auckland Council. However, it may take some time for best practice to be established and for the benefits to be realised. There is necessarily, therefore, much that cannot be anticipated and what will be crucial is for open conversations to take place about what is working and what is not, both for the liaison councillors and the councillor colleagues they are reporting to, and also for the CCOs. In this regard, council staff will have a crucial role in supporting the success of these roles, and liaising themselves at a staff level with colleagues in the CCOs.

Ngā tāpirihanga

Attachments

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Ngā kaihaina

Signatories

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<tr>
<th>Author</th>
<th>Edward Siddle - Principal Advisor</th>
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<tr>
<td>Authoriser</td>
<td>Alastair Cameron - Manager - CCO Governance &amp; External Partnerships</td>
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BACKGROUND

1. Auckland Council has five substantive Council Controlled Organisations (CCOs): Auckland Transport, Watercare Services Limited, Panuku Development Auckland Limited, Auckland Tourism, Events and Economic Development, and Regional Facilities Auckland. The CCOs are the Council’s partners in the delivery of critical services and play a major role in achieving the Council’s strategic outcomes for Auckland and its communities.

2. The relationship between Auckland Council and the CCOs is governed by (among other things) the Governance Manual for substantive council-controlled organisations, each CCO’s annual Statement of Intent, the annual letter of expectation, each CCO’s constitution, the Local Government Act 2002 and the Local Government (Auckland Council) Act 2009 (together, the Existing Framework).

3. In addition to the Existing Framework, Auckland Council and the CCOs have agreed to appoint a member of Auckland Council’s governing (each, a Liaison Councillor) to act in a liaison capacity between Auckland Council and each CCO’s board, with a view to developing the relationship between the parties, and enhancing the flow of information to better ensure that the parties are working in the best interests of Auckland and its communities.

4. These Agreed Protocols describe the role of liaison Councillors and their rights and obligations, but are intended to be a guide only and do not purport to contain a prescriptive set of rules. For the avoidance of doubt, these Agreed Protocols are not intended to be a legally binding agreement.

APPOINTMENT OF LIAISON COUNCILLOR

5. The Mayor of Auckland may from time to time appoint a councillor to act as a Liaison Councillor in respect of each CCO. The Mayor may at any time remove and replace a Liaison Councillor.

6. Where a Liaison Councillor is unable to fulfil the role as agreed with the CCO (such as attending board meetings, where that has been agreed), this should be discussed with the Mayor. The Mayor, in consultation with the relevant board chair, may appoint an alternate.

PURPOSE OF LIAISON COUNCILLOR ROLES

7. The purpose (Purpose) of the Liaison Councillor appointed to each CCO includes:

   (a) develop a relationship with the assigned CCO which allows an exchange of information in a trusting environment, while preserving the ability of the councillor to exercise their accountability role;

   (b) providing the Board with real-time access to Governing Body perspectives on the context, issues and opportunities that the Board should take into account in its decision making on the items before it.

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CCO Liaison Councillor – Agreed Protocols

(c) assisting the Board to engage with the Governing Body on emerging strategic and delivery issues and opportunities, particularly those with the potential to be of high public interest or even controversial

(d) assisting the Board to develop options to break emerging impasses on the delivery of key programmes and projects

(e) keeping other councillors and the Mayor informed of some of the detail and rationale behind Board decision-making

(f) helping the chair and deputy of the CCO Oversight Committee to plan workshops with their assigned CCOs.

PRINCIPLES UNDERLYING LIAISON COUNCILLORS’ ROLE

3. Ancillary Function of Councillors: The Liaison Councillor role is an important but ancillary function of each relevant governing body councillor and must be considered within the broader scope of responsibilities and discretions of each liaison Councillor. In other words, the councillor’s key responsibility is to the governing body, not their liaison role.

9. In addition, the Liaison Councillors:

(a) are not required to attend all CCO board meetings and may determine to participate in part only of any board meeting, or to develop the Liaison Councillor role in a manner which best achieves the purposes of the role for that individual CCO (see additional discussion below);

(b) will not be held out as, or considered to be, and must not act in a way to be considered to be, directors of any CCO and bear no responsibility for any decisions made by the board of any CCO;

(c) except as set out in these Protocols, do not owe any duties to the CCO including duty of care, or any duty to act in the best interests of the CCO;

(d) are not agents of Auckland Council and are not entitled to make decisions or provide authorisations on behalf of Auckland Council; and

(e) are expected to only represent the known views of governing body as a whole, and not their personal views or those of governing body colleagues or those of groups who have promoted their views to the Liaison Councillor.

10. Nothing in this part of the Protocols is intended to limit any duties owned by any councillor who is formally appointed as a director of Auckland Transport.

RELATIONSHIP WITH GOVERNING BODY

11. A key element of the liaison councillor role is how information is channelled back to Council, and how issues or requests for assistance are addressed. Once the liaison councillor roles are settled and operating in 2020, some best practice should be established and any formal elements necessary can be included when the roles are reviewed (see below).

12. Liaison councillors should provide regular verbal reports at each CCO Oversight committee about activities undertaken in the role and issues arising since the previous report. This will allow a relatively informal exchange and opportunities for all councillors to ask questions, and would be noted in the proceedings of the CCO Oversight committee.
13. Where a councillor is unable to attend in person at CCO Oversight Committee to report, a short written report should be provided to the Chair and Deputy Chair of the Committee, which can then be passed on as necessary to other councillors.

RELATIONSHIP WITH EXISTING FRAMEWORK

14. Existing Framework unaffected: For the avoidance of doubt, the existence and appointment of a Liaison Councillor is in addition to, and does not affect, the Existing Framework. In particular, any information disclosed to the Liaison Councillor in his or her role as the Liaison Councillor will not satisfy any disclosure or reporting obligations which exist under the Existing Framework.

15. Review of Agreed Protocols: These Protocols may be reviewed and amended from time to time. The first review of these Agreed Protocols will take place within 12 months of the date of these Agreed Protocols.

MEANS OF INTERFACE WITH CCO:

16. Auckland Council’s CCOs are all very different in their purposes, service delivery responsibilities, sources of funding, complexity, and future challenges. The Liaison Councillors will seek to fulfill the Purpose by developing the relationship with the CCOs in different ways that best suit the council and the individual CCO. There is considerable scope for the individual councillors and the boards to develop what works for them over time, within the general framework of purposes and protocols.

17. This section describes a range of options which may be contemplated when developing the role, along with potential benefits and downsides of each. These options include, but are not limited to:

- **Formal attendance at some or all board meetings (and/or appropriate subcommittee).** This option would be the most resource and time intensive, requiring the councillor to read papers and set aside significant time for attending meetings (which are likely to clash with council committees and other council commitments). This approach would probably give the best sense of the way the board and the CCO operate, but also would present the most issues in terms of confidentiality. Engagement at this level would depend on a high level of trust being developed, and a strong confidentiality agreement being in place.

- **Attendance at some or all board meetings for a specific item dedicated to council engagement and exchange.** This option would likely allow a useful exchange of information with the liaison councillor and board, while allowing the board to conduct confidential and sensitive business without the councillor present. This would be less resource intensive, as the councillor would not need to read all board papers and not dedicate a day to attending a meeting. It would allow fresh and current information to be exchanged, which could inform board decision-making and allow council to obtain early warning on issues ‘top of mind’ for boards.

- **Separate meetings with the board, or board chair, or board nominees (such as a liaison committee).** This option would remove the councillor from the board meeting situation which can be quite formal, and potentially allow for a more free and frank exchange. It would be up to boards how information exchanged in such a forum was then imparted to and used by the board. This option would ensure minimal risk of a
laison councillor being considered a director by virtue of presence at board discussions.

- **No formal contact**, but liaison councillor maintains an open ‘line’ to the board chair/CE for day to day issue resolution. This would be the least resource hungry approach and keep a distance between independent board decision-making and council accountability. A board chair might test with the councillor whether an issue would be likely to be of wider public interest, which the councillor could advise on (whether immediately or after further discussion with Mayor and council colleagues). On the other hand, this option may not provide sufficient formal engagement, and in its focus on the ‘day-to-day’ may miss the true governance focus and relationship building which is intended to be the key feature of the liaison councillor roles.

18. A related issue to all these options is whether the liaison councillor also has a direct relationship with senior staff at the CCO, particularly the chief executive. This may well be useful for the day-to-day issues, but such contact should be discussed with and approved by the CCO Board before it is initiated by the Liaison Councillor. It may well be more appropriate for the roles to remain at governance level—ie. Liaison Councillor to board chair.

**SPECIFIC ISSUES RELATING TO BOARD MEETINGS**

19. **Board documents**: The Liaison Councillor is entitled to receive notices of CCO board meetings, together with copies of board papers and any other documents provided to the CCO board. [this to be confirmed following further discussion with CCO boards before Protocols finalised]

20. **Board meeting Attendance**: The Liaison Councillor is entitled to attend the two statutory public meetings referred to in section 96 of the Local Government (Auckland Council) Act 2009 and any other public sections of CCO board meetings and participate in the discussions of the board. In addition, the Liaison Councillor should agree with the Board Chair what other attendance at board meetings will occur (as discussed above in the ‘Means of Interface’ section).

21. The CCO board chair will retain the authority and discretion to control proceedings of the CCO board, unaffected by the presence of a Liaison Councillor at any board meeting. The chair will determine suitable procedures for accommodating the presence and purpose of the Liaison Councillor at any CCO board meeting (including meetings of board subcommittees, and parts of meetings which are confidential). As discussed above, such procedures may, by way of example, include a separate agenda item or items designed to provide a forum for the CCO board and the Liaison Councillor to communicate on matters to which the purpose relates.

12. **No Voting Rights**: The Liaison Councillor has no voting rights in respect of any matter before the board.

**LIMITATIONS**

23. **“Need to Know” Principle**: The parties acknowledge that, in some circumstances, a Liaison Councillor may not be entitled to receive information or participate in Board discussions on the basis that access to such information or participation in such discussions is not reasonably necessary to carry out his or her functions and duties as Liaison Councillor.

24. **Withholding of information**: The CCO may, at the discretion of the CCO board chair, withhold information from the Liaison Councillor where, in the reasonably opinion of the CCO board
chair), the “Need to Know” principle is not satisfied. The Chair will consult with the Liaison Councillor in relation to any matter to which this clause relates.

CONFLICTS

25. **Conflicts:** Each Liaison Councillor will keep Auckland Council and the relevant CCO informed of any actual, potential or perceived conflicts of interest which arise during his or her appointment. Any such conflicts should be recorded in writing and signed by the liaison councillor and CCO Board chair noting the effect of the conflict (or potential conflict) and how it is being managed.

26. **Participation:** Except at the discretion of the chair of the CCO board and having made full disclosure of the relevant conflict, the Liaison Councillor may not participate in, or be present (in the case of a confidential meeting) during, any discussions to which any such conflict arises.

CONFIDENTIALITY

27. **Liaison Councillor may obtain confidential information in fulfilling the Purpose:** Certain information the Liaison Councillor may obtain in his or her role as Liaison Councillor may be commercially sensitive for the CCO. It is in the interests of Auckland Council and the CCOs that the CCOs operate as successful businesses acknowledging that to do so, certain commercially sensitive information should be kept confidential. The Liaison Councillor may also obtain information which is required by law to be kept confidential (such as personal information, whether relating to personal employment contracts or otherwise).

28. **Information provided to Auckland Council:** Subject to the following paragraphs, Liaison Councillors may, in the context of fulfilling the Purpose, provide information, and copies of any documents, obtained in his or her role as a Liaison Councillor to Auckland Council and the CCO Oversight Committee.

29. **Public disclosures:** Auckland Council [is / and the CCOs are] subject to the provisions of the Local Government Official Information and Meetings Act 1987. The Liaison Councillor and Auckland Council will be entitled to make public disclosures of any information obtained by Liaison Councillor in his or her role as Liaison Councillor, except for any information which could properly be withheld under a request for information under the Local Government Official Information and Meetings Act 1987.
Te take mō te pūrongo

Purpose of the report
1. To provide an update on the Council Controlled Organisation (CCO) Review programme of work.

Whakarāpopototanga matua

Executive summary
2. Appointments to the Independent Panel were made in late December 2019, following approval of panel members at the 12 December, Governing Body meeting.
3. The panel met once late last year to establish ways of working, high level work programme and availability, what success would like and risks.
4. The chair of the panel has sent out introductory letters to the CCOs, stakeholders and Māori. Initial meetings have been scheduled with interested parties to explore issues with the CCO model, accountability and culture.
5. Community engagement is planned to occur alongside the Annual Budget 2020/2021 in February/March 2020. An engagement document has been developed and a summary document has been translated into 5 languages. A page on council’s website has been established providing information on the review, including timeframes, relevant documents and a contact for further information.
6. A confidential workshop has been scheduled for the Governing Body on 17 February 2020, to enable the Governing Body to provide input into the review.

Ngā tūtohunga

Recommendation/s
That the Council Controlled Organisation Oversight Committee:

a) receive the update report on the Council Controlled Organisation Review programme of work.

b) request that this report is circulated to all local boards for their information.

Horopaki

Context
7. The Governing Body approved the appointments to the Independent Panel on 12 December (Resolution GB/2019/149) and the Terms of Reference on 26 November 2019 (Resolution GB/2019/127).

8. As part of the reporting on the Annual Budget 2020/2021 – consultation material overview, it was noted that public engagement on the CCO review will occur alongside the Annual Budget consultation process.
Tātaritanga me ēkā tohutohu
Analysis and advice

Panel meetings and programme
9. The Panel met for the first time on the 17 December 2019. At this meeting they discussed what success would look like, the issues to be considered, ways of working, risks and the work programme.

10. For the review to be successful, the panel felt that it needed to:
   - be evidence based
   - engage widely with all stakeholders at all stages
   - have good project management
   - maintain the panel’s independence and integrity
   - provide pragmatic recommendations
   - be a readable report
   - be achieved with consensus and collaboration

CCO and CCO stakeholder engagement
11. The chair of the independent panel wrote introducing the panel and the review objectives to all CCO chairs and chief executives, councillors, local board chairs, the chief executive of IMSB and the co-chairs of the Mana Whenua Kaitiaki Forum on 20 December 2019.

12. The panel met briefly with the CCO chief executives and chairs on the 28 January 2020 to discuss the proposed review process and CCO engagement. Each CCO was asked to provide the panel with key stakeholders/customers that the panel should meet with.

13. Individual meetings have been set up with the CCO chief executives and board chairs over February and March 2020, and meetings are being set up with CCO stakeholders. These discussions will be guided by the three key areas of focus outlined in the Terms of Reference. These are: CCO model, roles and responsibilities, accountability and culture.

Elected member engagement
14. A confidential workshop has been scheduled for the Governing Body, 17 February 2020, to enable the Governing Body to provide views on the matters being considered as part of the review.

15. Leigh Auton will attend the Local Board Chairs Forum 10 February to hear their views on the areas of focus in the review. Staff are working with local board services on supporting local boards to provide formal feedback to the panel. This is likely to be through business meetings in April 2020.

Community engagement

17. The panel will be attending four drop-in sessions:
   - North: Wednesday 4 March 4pm-6pm (Birkenhead Library)
   - South: Thursday 12 March 5pm-7pm (Manukau Library)
   - West: Tuesday 17 March 5pm-7pm (Te Manawa community hub, Westgate)
   - Central: Thursday 19 March 12pm-2pm (Pioneer Women’s Hall, Ellen Melville Centre)

18. Council staff, on behalf of the panel members, will provide support at the ‘Have your say’ events.
19. An engagement document has been drafted and approved by the Independent Panel, with the summary and feedback documents translated into 5 languages. These are online and written feedback can be provided on council’s ‘Have your say’ website.

20. A copy of these documents was provided to the mayor and councillors as part of the Annual Budget workshop with the Finance and Performance Committee on 5 February 2020 and to local board chairs at the Local Board Chairs Forum on 10 February 2020.

21. The feedback questions have been shaped with advice from a University of Auckland research specialist. Feedback is requested on what is working well and what are the main issues or areas for improvements for each CCO. No specific questions are asked about governance and accountability mechanisms. However, the questions do not preclude those with an interest in these areas with providing some commentary or views on these matters.

22. If required, the Governing Body will carry out public consultation as part of the 10-year Budget on any CCO change proposal.

23. A web page has been set up on the Auckland Council website, which provides high level information on the review, the timeframes and process, as well as the Chair’s updates and links to relevant reports.

24. An email address is also provided for members of the community to ask questions and seek further information.

25. The Independent Panel are due to provide a report on key issues, community stakeholder feedback in May 2020.

**Tauākī whakaaweawe āhuarangi**  
Climate impact statement

26. There are no climate impacts from this progress report.

**Ngā whakaaweawe me ngā tirohanga a te rōpū Kaunihera**  
Council group impacts and views

27. The independent panel is engaging with CCOs as part of their work programme.

**Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe**  
Local impacts and local board views

28. Local boards will have opportunities to express views on the CCOs and will adopt their formal feedback to the CCO Review Independent Panel in business meetings in March-April 2020.

**Tauākī whakaaweawe Māori**  
Māori impact statement

29. Staff presented to the Mana Whenua Kaitiaki Forum on 19 December 2019. A meeting with the co-chairs of the Forum has been scheduled for 19 February 2020 to discuss Mana Whenua engagement and feedback.

30. Mana whenua are being invited to a drop-in session with Independent Panel members immediately preceding the Annual Budget mana whenua consultation session on 18 March 2020.

31. Staff are working with Te Waka Angamua on events with Mataawaka.

**Ngā ritenga ā-pūtea**  
Financial implications

32. There are no financial implications from this report.
### Ngā raru tūpono me ngā whakamaurutanga

**Risks and mitigations**

33. The table below sets out the risks and mitigations that have been identified.

<table>
<thead>
<tr>
<th>Risk</th>
<th>Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Confusion around the combined approach with the Annual Budget</td>
<td>Clear and simple information explaining the position and what will be done with the information i.e. what decisions it will be used to inform and by whom</td>
</tr>
<tr>
<td>Community/stakeholder concern that they have limited ability to provide their feedback or talk to panel members directly</td>
<td>Communication that promotes opportunity for written submissions both online and at events. Web page dedicated to CCO Review with regular updates and information on review. Provision and communication of four drop in events with panel members. Letters inviting stakeholders to submit are being issued. Email contact address is provided on website for those seeking further information.</td>
</tr>
<tr>
<td>Managing community, stakeholder and political expectations around the CCO Review and what it will deliver</td>
<td>Regular progress and update reports are being provided to the CCO Oversight Committee and Local Boards, and workshops are planned with the Governing Body</td>
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### Ngā koringa ā-muri

**Next steps**

34. The next CCO Review progress report will be provided to the March CCO Oversight Committee.

35. The Panel are due to provide a report on key issues, community stakeholder feedback in May and provide a final report, with recommendations, in July 2020.

### Ngā tāpirihanga

**Attachments**

There are no attachments for this report.

### Ngā kaihaina

**Signatories**

<table>
<thead>
<tr>
<th>Author</th>
<th>Claire Gomas - Principal Advisor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authoriser</td>
<td>Alastair Cameron - Manager - CCO Governance &amp; External Partnerships</td>
</tr>
</tbody>
</table>
Summary of Council Controlled Organisation Oversight Committee information items, including the forward work programme - 18 February 2020

File No.: CP2020/00445

Te take mō te pūrongo
Purpose of the report

1. To receive a summary and provide a public record of memoranda or briefing papers that may have been distributed to Council Controlled Organisation Oversight Committee members.

2. To note the draft forward work programme appended as Attachment C.

Whakarāpopototanga matua
Executive summary

3. This is an information-only report which aims to provide greater visibility of information circulated to Council Controlled Organisation Oversight Committee members via memoranda/briefings or other means, where no decisions are required.

4. The following items are attached:

<table>
<thead>
<tr>
<th>Date</th>
<th>Item</th>
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<tbody>
<tr>
<td>16 December 2019</td>
<td>2020 Letter of Expectation for City Rail Link Limited (Attachment A)</td>
</tr>
<tr>
<td>January 2020</td>
<td>COMET Auckland Half-Yearly report 2019/20 (Attachment B)</td>
</tr>
<tr>
<td>February 2020</td>
<td>Council Controlled Organisation Oversight Committee Forward Work Programme February 2020 (Attachment C)</td>
</tr>
</tbody>
</table>

5. Note that staff will not be present to answer questions about the items referred to in this summary. Committee members should direct any questions to the authors.

Ngā tūtohunga
Recommendation/s

That the Council Controlled Organisation Oversight Committee:

a) receive the Summary of Council Controlled Organisation Oversight Committee information items – 18 February 2020.

b) note the draft forward work programme included as Attachment C of the agenda report.
Ngā tāpirihanga
Attachments

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<th>Title</th>
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<tr>
<td>C</td>
<td>Council Controlled Oversight Committee Forward Work Programme</td>
<td>45</td>
</tr>
<tr>
<td></td>
<td>February 2020</td>
<td></td>
</tr>
</tbody>
</table>

Ngā kaihaina
Signatories

<table>
<thead>
<tr>
<th>Author</th>
<th>Kalinda Gopal - Kaitohutohu Mana Whakahaere Matua / Senior Governance Advisor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authoriser</td>
<td>Alastair Cameron - Manager - CCO Governance &amp; External Partnerships</td>
</tr>
</tbody>
</table>
Sir Brian Roche 
Chair 
City Rail Link Limited 
PO Box 105777 
AUCKLAND 1141 
brochece@gmail.com 

Dear Sir Brian 

2020 Letter of Expectations for City Rail Link Limited 

I am writing on behalf of the shareholders of City Rail Link Limited (CRL), to set out our expectations for CRL. While this letter is primarily to assist you in preparing your statutory accountability documents – the Statement of Performance Expectations and Statement of Intent – it also outlines other expectations for your consideration. 

Core expectations of shareholders, as Sponsors of the CRL project, are expressed through the Project Delivery Agreement between Sponsors and CRL. Our overriding expectation is that CRL will deliver the CRL project on time and to budget and support Sponsors in realising the benefits arising from this significant item of infrastructure. In this regard, we expect continued positive engagement with the delivery partners, Auckland Transport and KiwiRail. 

As you develop your accountability documents for the year ahead, and the way in which you give effect to your role, we would like you to consider the following expectations for CRL. 

The amended Project Delivery Agreement (FDA) 

We are pleased that Sponsors and CRL have agreed to an amended PDA that reflects the revised cost estimate for the project, sets clear expectations for delivery, and provides a clear basis for sponsor engagement in the project. It is important that the PDA is compiled with and respected as the basis for engagement, as successful delivery will require a disciplined approach and appropriate contributions from all parties. 

Reliance upon a fully engaged Board 

There are many parties involved in the project, and the governance structures are complex. Notwithstanding this, shareholders, as sponsors, rely heavily on the CRL Board being fully engaged in order for the project to deliver its intended benefits. Our expectation is that the Board ensures that it is fully informed in its decision making, and that it places high demands on the management team to provide it with necessary information relating to performance of the project and to performance of the company in delivering the project.
I understand that you expect the Board to undergo an evaluation process in early 2020. This is consistent with our expectations and we look forward to you sharing the outputs of that process with our officials.

Management of risks/costs

Sponsors made a significant decision earlier in 2019 to support the additional funding requested by CRL. The expectation remains that the full project scope will be delivered within the revised funding amount. We expect CRL to keep Sponsors well-informed on forecast project costs as new information comes to hand. Similarly, should the target delivery cost for CRL be at risk, it is our expectation that CRL proactively address options available to ensure that the project is delivered with the target cost.

More immediately, we are aware of the immediate challenges regarding the C5 and C7 packages of works. Sponsors expect to be kept fully informed by CRLL as information becomes available, together with assurance on how these will be accommodated within budget.

CRL in an Alliance environment

Now that the Link Alliance is fully operational, CRL is shifting from a strong focus on procurement to that of owner participant in the Alliance. In order for Sponsors to gain assurance around project objectives being met, Sponsors will rely heavily upon CRL participating in the Alliance in a way that ensures that the Sponsors’ interests are protected throughout the course of the project. It is also our expectation that key performance information is, where possible, shared with the Sponsors’ assurance team.

Supporting the Assurance framework

Sponsors are appreciative of recent improvements in regular reports. These are an important contributor to the overall assurance framework. In addition, we expect you to work closely, and transparently, with sponsor representatives and the Sponsors’ Assurance Manager in providing timely access to relevant information, consistent with expectations set by the PDA, and in further developing the quality of reporting.

Transparency is a core expectation to build the trust required to support our assurance responsibilities as sponsors of New Zealand’s largest infrastructure project. There have been some high profile infrastructure project failures offshore, including the CrossRail project, upon which much of the CRL governance structures were based. Accordingly, we expect that the board be familiar with the ongoing lessons from such projects, including ensuring there is an effective integrated assurance approach.

Health and Safety

In your first quarterly report for 2019/20, we note that the recordable injury rate is tracking at a level higher than the target set in your Statement of Performance Expectations. Sponsors have a particularly strong interest in the safety of the people associated with the CRL project. While we note that there has been some improvement over injury rates in the early stages of the project, we would expect an improvement in this area.
Development Opportunities Work Programme

Thank you for your work to date on the Development Opportunities Work Programme. While some good progress has been made, we anticipate significant work will be needed to ensure the work is completed by March 2020, as currently scheduled.

Maximising the benefits of the CRL through oversite and precinct development is very important to Sponsors. In this regard, we expect CRL to play its part in ensuring that the C3 process is well-integrated and that the design does not unnecessarily restrict options for development. Sponsors also expect innovation will come through strongly in the recommendations that CRL produce.

In March 2020, we look forward to receiving the development options for station sites and wider station precincts. We also await interest to receive your Value Capture Strategy with recommendations on how value uplift may be captured in the best way possible.

Albert Street Hardship Fund

We are aware that CRL has been engaging with businesses adversely affected by the delays in the construction of the CRL project on a case-by-case basis and looking for ways of alleviating their hardship. We thank CRL for the work undertaken so far to progress the proposal for a hardship fund to assist businesses. The Government’s in-principle approval for the establishment of a hardship fund was announced on 31 October 2019. Crown Sponsors are currently seeking formal Cabinet approval that the fund is a permitted use of Sponsor funding.

In anticipation of Sponsors formally endorsing the proposed approach, it is our expectation that CRL will continue work to progress the design of a hardship fund in collaboration with Sponsor representatives.

Working collaboratively to mitigate impacts on communities

The issues at Albert Street have provided some useful lessons around the impacts of active construction sites on communities. We are sure that you will agree, with the benefit of hindsight, that this could have been better managed. With that in mind Sponsors would expect to see street activation plans for those areas where communities are to be affected.

More generally, it is important that CRL and the Link Alliance continue to work constructively with all stakeholders. In particular, there will be considerable disruption over the next five years with upcoming street and station closures. There may well be opportunities to engage actively with Auckland Transport to assess ways that could have longer term benefits for the environment and around mode shift. We welcome you to discuss these opportunities with our officials.
Thank you for your work to date in progressing the CRL project. The past twelve months have seen significant progress for the project, particularly with the formation of the Link Alliance to deliver the bulk of the project. We are aware, however, that there are still significant challenges ahead.

We ask that you convey our thanks to the Board and all staff members for their dedication and focus.

Yours sincerely

Hon Phil Twyford
Minister of Transport

Copy to: Hon Grant Robertson, Minister of Finance
Hon Phil Goff, Mayor of Auckland
Bill Cashmore, Deputy Mayor of Auckland
COMET Auckland
Te Hononga Akoranga
Yearly Report

Half-Year ended 31/12/2019
Report to the
Finance and Performance Committee

An Auckland Council controlled organisation.
Te Hononga Akoranga, COMET Auckland (Community Education Trust Auckland)
PO Box 3430, Shortland Street, Auckland 1140. Phone 09 307 2101. www.cometauckland.org.nz
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1. Executive summary

Strategic focus areas
Purpose: COMET Auckland’s role is to support education and skills across Auckland, contributing to the relevant social and economic goals in the Auckland Plan.
Vision: All Aucklanders have the right to shine and realise their dreams through lifelong learning.
Mission: Driving systems change to make education and skills more effective and equitable across Auckland.

Performance against targets – non-financial
Our actions and results to date against the deliverables in our 2019/20 to 2021/22 Statement of Intent are outlined on pages 6 to 9 of this report. Of the 23 deliverables in our SCI, 22 are fully on track (95%), and the remaining deliverable is delayed due to external circumstances but will be back on track by the end of 2020.

Of the performance targets in our SCI, three of the six are on track, while the other three have yet to be measured as this happens via our annual stakeholder survey, which goes out in February.

Performance against budgets
The financial performance was slightly better than budgeted. There was a deficit of $5.5k for the half year from July to December 2019 comparing to the budgeted to date deficit of $6.3k.

Both external funding received and expenditure excluding depreciation were lower than the budget. The variances were mainly due to timing of expenditures, which also affects the timing of recognition of income.

Risk Management
We have a Business Risk Management Policy and Plan in place and review it regularly to mitigate any identified risks. There are no significant risks identified at this time.
2. Strategic issues and focus areas

Governance
The Board meets bi-monthly and a management committee reviews the financial position on a monthly basis. Our trust deed requires that we have between 7 and 12 trustees. One trustee, Andrew Abernethy, resigned in December as he is now working overseas; meanwhile two new trustees (Melissa Crawford and Fa’auve Gagamoe) were appointed in late 2019, bringing our board to nine current members.

Amohau
Tame Te Rangi (Ngāti Whatua o Kaipara) and Rereata Makiha (Ngāpuhi) continue to provide cultural advice, support and leadership to our work.

Accountability
We published our Annual Report on our website and through our e-newsletter in September 2019, held an Annual General Meeting on October 10th 2019, and sent hard copies of our Annual Report to key stakeholders including Councillors and Local Board members in December. Our annual stakeholder consultation meeting will be held in May.

Statement of Intent
Our 2019-20 to 2022-23 Statement of Intent was approved in August 2019 and forms the basis for this report. Our draft 2020-21 to 2023-24 SOI will be submitted to Council in February for stakeholder feedback.

Leveraging Council funding
The Auckland Council funds some of COMET Auckland’s work. The Trust also seeks funding from government, industry and philanthropic sources for specific projects. We depend on Auckland Council funding for our core strategic leadership role (on which all our other work depends), and also for the establishment phase of new projects, until we have amassed enough evidence of effectiveness to be able to attract other funding.

Our early oral language campaign, Talking Matters, has assured funding from the NEXT Foundation to April 2021; while our SouthSci project has assured funding from MBIE to December 2021.

With the external funding for our Talking Matters, science in society, and youth employability projects, our forecast external funding for 2019/20 represents $2.15 million. This is higher than previous years but lower than budget, due to the delay of Talking Matters events affecting both revenue and expenditure.

Note that external funding is always for a fixed term, dependent on project and funding cycles, so the current very high level of leveraging is uncertain after 2021.

Staffing
Total number of COMET staff as at December 2019: 8.0 fulltime equivalents, plus 11.7 full-time equivalents on short-term contracts tied to specific funding, for the NEXT Foundation-funded Talking Matters project, the MBIE-funded SouthSci project and the Lottery Community funded Youth Employability Programme.
3. **Highlights for the last six months**

In summary, our key achievements for July to December 2019 are:

- Continuing to deepen the Talking Matters early oral language campaign, including:
  - Supporting a further 13 families with one-on-one coaching as part of the fourth iteration of Talking Matters to Tamaki.
  - Developing a Whānau Workbook which overlays the standard Talking Matters programme with a Te Ao Māori lens.
  - Trialling the use of the LENA language recorders as professional development tools in early childhood centres. Trials have involved 28 teachers and 73 children in 6 settings.

- Further development of our Youth Employability Programme (YEP) by:
  - Working with Otago Polytechnic to deliver the first YEP Train the Trainers programme, to improve the scalability of YEP.
  - Establishing a stewardship group to lead development of a cross-sector NZ employability model, in order to build on successful work in Auckland and elsewhere, and to progress a vision that every 14-24-year-old in NZ is employable.
  - Working with ATEED and TSI/TWI to submit a collaborative bid for an MSD Education to Employment Brokerage Tender.

- Shaping a data snapshot on the STEM skills pipeline, to support more informed action to increase the number of young people gaining the science, technology, engineering and maths skills needed by Auckland’s employers.

- Supporting 11 community-based science projects involving 18 schools in 2019, enabling young people in south and central Auckland to work with scientists on projects that are relevant to them.

4. **Future outlook**

The main areas of focus for the next six months are:

- Beginning the delivery phase of a significant partnership with Whakatōhea Iwi Trust (Opotiki). This is Talking Matters’ first Iwi partnership and involves supporting Iwi staff to incorporate Talking Matters across Iwi-managed services.

- Expanding delivery of our Youth Employability Programme to an estimated 16 sites in Auckland and over 50 sites nationally in 2020.

- Raising awareness about STEM skills pipeline issues and how to address them by publishing a STEM pipeline snapshot and by sharing key messages in social media.

- Supporting the Rangatahi Advisory Group to shape one or more actions to address issues raised in the consultation with Māori young people.
5. Key deliverables

The following tables outline our work to date against the agreed actions and measures in our 2017/18 to 2019/20 Statement of Intent.

### Key deliverables from last six months

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Deliverable</th>
<th>Auckland Council connection</th>
<th>Completed</th>
<th>Sequence deferred</th>
<th>Status</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Youth Employability Licence to Work (Leveraged with external funds - 80% of funding secured to December 2020)</td>
<td>Continue to expand the reach of YEP by at least 15% per year, from 45 sites in 2019 to 48 sites in 2020, 60 in 2021 and 68 in 2022</td>
<td>ATEED Youth Connectors</td>
<td>Ongoing</td>
<td>Green</td>
<td>The new Auckland sites are being brought on at an accelerated rate and are expected to be added over the next two years.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Continue to support quality implementation of YEP and use data on participation and outcomes for annual continuous improvement</td>
<td></td>
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<td>Green</td>
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</tr>
<tr>
<td></td>
<td>Develop and implement a “train the trainer” programme in 2019/20 to build capacity and capability and to support scale-up while maintaining consistent quality</td>
<td></td>
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<td>Green</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Connect with relevant government departments and providers to negotiate support for sustainable delivery and rollout of YEP by 2022</td>
<td></td>
<td></td>
<td>Green</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Talking Matters (Leveraged with external funds – full funding secured to April 2021)</td>
<td>Implement a community-based project to support parents and children in 3 communities to talk more with their babies and toddlers using LENA language</td>
<td>Auckland Libraries Southern Initiative Communities and Social Policy Te Kākano Framewor k</td>
<td>Ongoing</td>
<td>Green</td>
<td>The fourth iteration of Talking Matters to Tāmaki (TM2) was completed in December, with 15 whānau completing the programme (50% completion rate). Of those who completed, 5 whānau had targeted 5 home visits during the 10-week programme. Key developments in this iteration: refining a 10-week programme to fit in the school term; a new Te Akaaero role; and a Whānau Workbook which overlays the standard programme with a Te Akaaero lens. Early indicators are that the workbook enhances the participation experience for some whānau and helps them apply learning to other children in a family. After a six-month whakawhanaunui phase, we are now poised to begin a significant partnership with</td>
<td></td>
</tr>
<tr>
<td>Initiative</td>
<td>Deliverable</td>
<td>Auckland Council connection(s)</td>
<td>Completed</td>
<td>Status</td>
<td>Comments</td>
<td></td>
</tr>
<tr>
<td>------------</td>
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</tr>
<tr>
<td>recording technology</td>
<td>Build capability of family-facing organisations (including at least one Māori and one Pasifika led initiative by 2020) to support families' oral language building</td>
<td>Māngere, and Pukekāpa local boards</td>
<td>Ongoing</td>
<td>Green</td>
<td>Whakahōrea tvi Trust (Opotiki). We will support tvi staff to incorporate Talking Matters across whānau coaching, programming, and training. Cbox. We will be piloting a workshop that includes online whakahōrea and images from their roles. Early planning has started for a collaboration about coaching using LEINA in Te Reo with Te Pua Whānau, National Māori Language Institute and Ngāti Whāia. We are trialling the use of LEINA language recorders as professional development tools in early childhood centres. Trials have involved 28 teachers and 73 children in settings, five in Auckland and one in Christchurch. These trials are providing rich insights into professional development needs of ECE teachers. A review of all evaluation data from Talking Matters in Tāmaki, cohorts 1-4, is due for completion in March. Insights from this review will inform how TMM continues, provide insights to Whakahōrea and other campaign action and inform the outcomes of the overall project.</td>
<td></td>
</tr>
<tr>
<td>SouthSci Science in Society (leveraged with external funds – full funding secured to December 2019)</td>
<td>Select, monitor and support at least eight community-based science projects per year that meet the Participatory Science Programme criteria</td>
<td></td>
<td>Ongoing</td>
<td>Green</td>
<td>11 projects were funded in the 2019 round of SouthSci, with 18 schools involved, and $186,282 in funds distributed. Five of the projects are continuing into 2020. The Project Management/Support programme with Pareora &amp; Pakaka Healthcare (in which young people work with SouthSci projects to support planning) was a success and is locked in for 2020. The University of Auckland has indicated their willingness to provide expertise and mentoring for SouthSci projects in 2020. The 2018 Project showcases, reporting on all 2018 SouthSci projects (some of which only finished in mid-2019), has been completed and shared on social media. Hard copies will be distributed in early 2020. The 2018 SouthSci Symposium was held in October with a record turnout of nearly 150 project team members and community supporters, including strong Māori representation. The Prime Minister’s Chief Science Advisor, Juliet Gerrard also attended. The venue was sponsored by AUT South, with food by Pareora &amp; Pakaka Healthcare. Networks continue to build for the STEM Alliance, which will be launched in 2020. This is later than hoped but the additional time aligns with advice to bring on board inaugural members before the Alliance is officially launched. Our STEM Manager co-delivered a 3hr workshop with the National Coordinator of the FSP, Victoria Kretzath at the Science Communicators Association of NZ in November to a 45-strong audience.</td>
<td></td>
</tr>
<tr>
<td>Highlight priority education and skills issues</td>
<td>Publish a summary of Auckland education and skills data at least annually</td>
<td>RIMU, ATEED, Communit y and social policy</td>
<td>Ongoing</td>
<td>Green</td>
<td>The 29/19/20 Auckland snapshot focuses on the STEM pipeline. It is almost complete and will be released in early 2020. The extra time has allowed for updated data from several new data releases [e.g. Programme for International Student Assessment (PISA), National Monitoring Study of Student Achievement (NZSAS), Education Counts]. The next Local board snapshots are due to be developed in the second half of 2020, for release in early 2021. Auckland education and skills issues were raised through articles in mainstream media (15 items so far).</td>
<td></td>
</tr>
<tr>
<td>Initiative</td>
<td>Deliverable</td>
<td>Auckland Council connection</td>
<td>Completed</td>
<td>Status</td>
<td>Comments</td>
<td></td>
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<tr>
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<td></td>
</tr>
<tr>
<td>Publish information to raise awareness of key education and skills issues</td>
<td></td>
<td></td>
<td></td>
<td>Green</td>
<td>and through social media. In the last six months our social media reach has more than doubled to 11,600 followers across our four Facebook pages and three Twitter feeds – up from 4,703 in June 2019 (a 140% increase, mainly due to a Talking Matters video about a family using rich talk into te reo Māori with their now-3-year-old, that was widely shared and reached over 700,000 people). Education Today has committed to continue the magazine for another year, based on consistent positive feedback from students about the learning they gain and about how much they value the opportunity to be taken seriously and for their voices to be heard. All previous participating schools are enthusiastically continuing their involvement. The first meeting for the year is scheduled for March.</td>
<td></td>
</tr>
<tr>
<td>Make at least 3 submissions and representations per year on emerging education and skills issues</td>
<td></td>
<td>Communicate</td>
<td>Ongoing</td>
<td>Green</td>
<td>We have completed two submissions this period, on the Well Child Framework and on the Draft National Education Priorities. Two further submissions are in progress, to the Productivity Commission on Technology and Productivity, and to MOE on the Education and Training Bill – both due February. We are working with three volunteers to begin a stocktake of language organisations, to support communication and alignment. This began with an initial scan of around a hundred organisations. Based on this scan and on consultation with partners, we are developing a survey that will collect the agreed information. The survey will be tested with a few “warm” organisations and then sent more widely. This work will link and align with a similar scan of Pasifika language organisations being planned by MPI.</td>
<td></td>
</tr>
<tr>
<td>Coordinate the Tāmaki Makaurau Education Forum, including hosting two meetings per year to develop and share models of Māori success</td>
<td>He Waka Angamua IMoB</td>
<td>Ongoing</td>
<td>Green</td>
<td>A staffing change in late 2019 meant that the usual November TMEF meeting was not held. A new Manager Education Māori, WeiFiaveti, has been appointed and begins his role in February. He is receiving a full hard-over and will pick up this work, with the intention of holding at least two TMEFs during 2020. The initial rangatahi consultation included views from young people in mainstream secondary schools, kura and marae. A number of attempts were made to engage with very disengaged young people. After more than a year, this was finally achieved through a hui with 7 young Māori boys in Youth Justice care. They endorsed the messages from the other young people and added an additional kaupapa – Financial Well Being. The expanded messages will now be taken back to the youth steering group so they can consider actions to address the key messages.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liaise with the Kaitiaki Governance Forum and IMoB to support their education and skills outcomes through connecting them with appropriate experts</td>
<td>He Waka Angamua IMoB</td>
<td>Ongoing</td>
<td>Green</td>
<td>We are contributing to planning with Māori Economic Development at ATED towards a youth version of the Māori business network forum.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Two kura Kaupapa delivered the TEF in 2019 to a total of 56 tātahi (19 Year 12s and 31 Year 12s). Te Puni Kōkiri conducted a 6-month evaluation with key stakeholders across the four original tura kaupapa partners in the pilot. Overall the tātahi gained confidence and clarity around their cultural identity as Māori, personal and professional attributes and skills, and their chosen career paths. Recommendations for programme improvement included co-designing a programme with each kura to suit their unique contexts; delivery over a 3-year period (rather than 1-2 years); and improved support to find relevant work placements. Twenty-seven (27) tātahi completed the required work experience hours, thirty-five (35)
<table>
<thead>
<tr>
<th>Initiative</th>
<th>Deliverable</th>
<th>Auckland Council connection</th>
<th>Completed</th>
<th>Deferred</th>
<th>Status</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Te Reo Māori Normalisation</td>
<td>Advocates for Te Reo Māori for all Auckland school students: Support at least one Māori-te-ite community initiative within the Talking Matters campaign, to support families’ oral language building</td>
<td></td>
<td></td>
<td></td>
<td>Green</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>

**Key deliverables for next six months**

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Youth Employability Programme</td>
<td>Expanding delivery of our Youth Employability Programme to an estimated 16 sites in Auckland and over 50 sites nationally in 2020.</td>
</tr>
<tr>
<td>Talking Matters</td>
<td>Beginning the delivery phase of a significant partnership with Whakatūtea Iwi Trust (Opoiti). This is Talking Matters’ first Iwi partnership and involves supporting Iwi staff to incorporate Talking Matters across Iwi-managed services.</td>
</tr>
<tr>
<td>Mātauranga Māori</td>
<td>Supporting the Rangatahi Advisory Group to shape one or more actions to address issues raised in the consultation with Māori young people.</td>
</tr>
<tr>
<td>Data snapshots</td>
<td>Raising awareness about STEM skills pipeline issues and how to address them by publishing a STEM pipeline snapshot and by sharing key messages in social media.</td>
</tr>
</tbody>
</table>
### 6. Financial performance

*Provide general comments and complete the table. CCOs can modify table for nature of business i.e. ACIL can include dividend line*

<table>
<thead>
<tr>
<th></th>
<th>$'000</th>
<th>Budget to date</th>
<th>Actuals</th>
<th>Variance</th>
<th>Full year budget</th>
<th>Full year forecast</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operational</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue/External</td>
<td>1,195</td>
<td>930</td>
<td></td>
<td>-265</td>
<td>2,390</td>
<td>2,162</td>
<td>-228</td>
</tr>
<tr>
<td>funding</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>AC funding</strong></td>
<td>279</td>
<td>279</td>
<td></td>
<td></td>
<td>558</td>
<td>558</td>
<td>-</td>
</tr>
<tr>
<td><strong>Expenditure</strong></td>
<td>1,464</td>
<td>1,201</td>
<td></td>
<td>-263</td>
<td>2,927</td>
<td>2,699</td>
<td>-228</td>
</tr>
<tr>
<td>excluding depreciation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Depreciation</strong></td>
<td>17</td>
<td>13</td>
<td></td>
<td>-4</td>
<td>33</td>
<td>31</td>
<td>-2</td>
</tr>
<tr>
<td><strong>Capital</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenditure</td>
<td>6</td>
<td>22</td>
<td></td>
<td>16</td>
<td>12</td>
<td>28</td>
<td>16</td>
</tr>
<tr>
<td>AC funding</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>External funding</td>
<td>6</td>
<td>22</td>
<td></td>
<td>16</td>
<td>12</td>
<td>28</td>
<td>16</td>
</tr>
</tbody>
</table>

*Status:
- Green: Performance on target or better
- Amber: Target may not be met, corrective action taken
- Red: Target may not be met, action required*
## 7. Performance measures

<table>
<thead>
<tr>
<th>Service level statement</th>
<th>Measure</th>
<th>2018/20 target</th>
<th>2019/20 progress</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delivering initiatives and projects to agreed timelines and outputs</td>
<td>% of initiatives that fully meet timelines and outputs as listed in the SOI</td>
<td>90%</td>
<td>95%</td>
<td>22 deliverables on track, one delayed but will be delivered by the end of 2020</td>
</tr>
<tr>
<td>Quality of work to support education and skills</td>
<td>% of stakeholders who rate COMET Auckland’s work as valuable or very valuable</td>
<td>75%</td>
<td>Not measured yet</td>
<td></td>
</tr>
<tr>
<td>Influencing action towards more effective and equitable education and skills in Auckland</td>
<td>% of stakeholders who attended COMET Auckland events rating them moderately to highly valuable for influencing action</td>
<td>75%</td>
<td>Not measured yet</td>
<td></td>
</tr>
<tr>
<td>Raising awareness of key education and skills issues</td>
<td>Number of media articles generated</td>
<td>32</td>
<td>13</td>
<td>An additional 9 media items were recorded in January so we are well on track for this target.</td>
</tr>
<tr>
<td>Providing data and information that is valued and used by stakeholders</td>
<td>% of stakeholders rating COMET Auckland reports as moderately to highly valuable</td>
<td>80%</td>
<td>Not measured yet</td>
<td></td>
</tr>
<tr>
<td>Leveraging Auckland Council support</td>
<td>Value of external funding as a percentage of Auckland Council grant</td>
<td>&gt;300%</td>
<td>333%</td>
<td></td>
</tr>
</tbody>
</table>
8. Māori responsiveness activities

<table>
<thead>
<tr>
<th>Initiative</th>
<th>How it contributes to Māori well-being or outcomes</th>
<th>Progress</th>
<th>Spend to date (’000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tāmaki Mataurau Education Forum</td>
<td>Coordinate the Tāmaki Mataurau Education Forum, including hosting two meetings per year to develop and share models of Māori success. Work with rangatirah and educators to shape and scope one or more collaborative actions to address issues raised from the 2019 rangatirah consultation, for implementation 2020</td>
<td>Ongoing – on track</td>
<td></td>
</tr>
<tr>
<td>Mātauranga Māori</td>
<td>Liaise with the Kaitaki Governance Forum and IMRI to support their education and skills outcomes through connecting them with appropriate experts Support expansion and ongoing implementation of a tauapapa Māori youth employability model with kura</td>
<td>Ongoing – on track</td>
<td></td>
</tr>
<tr>
<td>Te Reo Māori Revitalisation</td>
<td>Advocate for Te Reo Māori for all Auckland school students Support at least one Māori-led community initiative within the Talking Matters campaign, to support families’ oral language building</td>
<td>Ongoing – on track</td>
<td>53</td>
</tr>
</tbody>
</table>

9. Key local board engagement and issues

**Project delivery:** Most of our work (such as data snapshots, policy input, Tāmaki Mataurau Education Forum, languages strategy, Talking Matters network and student magazine) is regional, focusing on Auckland as a whole and designed to benefit all Local Board areas. Our project work aims to develop new ways of working that can then be taken up regionally, but in the initial phases they need to be trialled in specific locations. During 2019/20 our specific project work is focused on the following Local Board areas:

<table>
<thead>
<tr>
<th>Local Board</th>
<th>Youth Employability</th>
<th>Talking Matters</th>
<th>SouthSci</th>
<th>Student editor grp</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albert-Eden</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Franklin</td>
<td></td>
<td></td>
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<tr>
<td>Henderson-Massey</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Māngere-Otāhuhu</td>
<td>★</td>
<td>★</td>
<td>★</td>
<td>★</td>
</tr>
<tr>
<td>Masuara</td>
<td>★</td>
<td>★</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maungakiekie-Tāmaki</td>
<td></td>
<td>★</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ōtākou</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Ōtara-Papetoetoe</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Papakura</td>
<td></td>
<td>★</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Puketāpapa</td>
<td></td>
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<td></td>
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<tr>
<td>Waitakere</td>
<td>★</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waiwera</td>
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<tr>
<td>Waiomārire</td>
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<td></td>
</tr>
<tr>
<td>Whau</td>
<td>★</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Other local board connections:**

We are providing advice and expertise to Project PETER, an employment readiness initiative with links to the Puketāpapa local board.
Kōmiti Aromātai Whakahaere Kaupapa Kei Raro I Te Maru O te Kaunihera / CCO Oversight Committee

Forward Work Programme 2020

This committee deals with the performance monitoring of CCOs and other entities in which the council has an equity interest. The committee are to have a general overview and insight into the strategy, direction, and priorities of all CCOs, set policy relating to CCO governance and approve the CCO statements of intent.

The full terms of reference can be found here: Terms of Reference - Agreed 12 November 2019

<table>
<thead>
<tr>
<th>Area of work and Lead Department</th>
<th>Reason for work</th>
<th>Committee role (decision and/or direction)</th>
<th>Highlight the month(s) this is expected to come to committee in 2019/2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Letters of Expectation</td>
<td>Council issues annually a letter of expectations to each of its substantive CCOs to inform the development of the CCOs’ Statements of Intent.</td>
<td>Seeking committee approval of the content of draft 2020/21 letters of expectation.</td>
<td>2020</td>
</tr>
<tr>
<td>CCO Governance and External Partnerships.</td>
<td></td>
<td><strong>Progress to date:</strong> Approval of content for 2020/21 letters of expectation to substantive council-controlled organisations December 2019.</td>
<td></td>
</tr>
<tr>
<td>Draft SOIs</td>
<td>Under legislation CCOs must prepare an annual statement of intent and provide a draft to its shareholders by 1 March. As shareholder council can provide comments on the drafts to CCOs.</td>
<td>Seeking committee approval of proposed shareholder comments on substantive and non-substantive CCO draft 2020/21 Statements of Intent.</td>
<td>2020</td>
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</table>
## Final SOIs

**CCO Governance and External Partnerships.**

Under legislation CCOs must deliver annually a final statement of intent to its shareholders by 30 June.

**Reason for work:**
- Seeking committee approval of final 2020/21 Statements of Intent from its substantive and non-substantive CCOs.

**Committee role (decision and/or direction):**
- Expected timeframes

**Expected timeframes**

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## Quarterly, Half-Year and Annual Reports

**CCO Governance and External Partnerships.**

Under the LGA and LGACA the council must regularly undertake performance monitoring of the CCO to evaluate its contribution to meeting its objectives, and the desired results identified in the SOI.

**Reason for work:**
- Receive quarterly reports, receive and adopt half yearly and annual reports. The CCO will present to the CCO Oversight committee twice a year on their performance.

**Committee role (decision and/or direction):**
- Progress to date:
- First quarter reports received for substantive council-controlled organisations December 2019.

**Expected timeframes**

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## Legacy CCO Review

**CCO Governance and External Partnerships.**

Auckland Council’s nine legacy CCOs have been operating in the same model since amalgamation, and it is timely to review their status as CCOs.

**Reason for work:**
- To agree a set of criteria that will guide a review of Auckland Council’s legacy CCOs and the sequence of their review.

**Committee role (decision and/or direction):**
- Expected timeframes

**Expected timeframes**

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</table>
### City Rail Link Limited (CRL)

**CCO Governance and External Partnerships.**

- **Reason for work:** CRLL is a crown entity, jointly owned by the Crown and Council. CRLL has full governance, operation and financial responsibility for the city rail link. Under the Project Delivery Agreement CRLL provides Sponsors a monthly report. Sponsors can reasonably request additional reports or information.

- **Committee role:** CRLL reports quarterly as part of the group report to the Finance and Performance committee. CRLL will present to the CCO Oversight committee twice a year to discuss performance.

- **Expected timeframes:**

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### Ports of Auckland Limited (POAL)

**CCO Governance and External Partnerships.**

- **Reason for work:** POAL is owned by Auckland Council. It has an independent board of directors. A Memorandum of Understanding sets out the agreed framework in respect of the governance relationship between the two entities.

- **Committee role:** To have an annual meeting with POAL’s Board and Executive team to discuss strategic issues and business performance.

### CCO ‘Scan the Horizon’ Workshops

**CCO Governance and External Partnerships**

- **Reason for work:** The Te Pae Tāwhiti: Scanning the Horizon workshops have been designed to ensure that the Governing Body and CCO Board members have the opportunity to meet to better understand each other's roles, priorities and ways of working. The focus is on discussing the medium to long term opportunities and challenges.

- **Committee role:** The topics and sequencing of these workshops is being developed and will be agreed early in 2020.

- **Progress to date:**
  - Workshops have been scheduled as follows –
    - Auckland Tourism, Events and Economic Development February 2020
    - Auckland Transport March 2020
    - Watercare April 2020

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## Council Controlled Organisation Oversight Committee

### 18 February 2020

#### Attachment C

### Item 10

<table>
<thead>
<tr>
<th>Area of work and Lead Department</th>
<th>Reason for work</th>
<th>Committee role (decision and/or direction)</th>
<th>Expected timeframes this is expected to come to committee in 2019/2020</th>
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<tbody>
<tr>
<td><strong>Liaison Councillor Updates</strong></td>
<td>Mayor Phil Goff has appointed a list of six CCO liaison councillors to attend the board meetings of the CCOs allocated to them, and report back to this committee.</td>
<td>To receive updates from the CCO Liaison Councillors.</td>
<td>Jan 2020</td>
</tr>
<tr>
<td><strong>CCO Governance and External Partnerships</strong></td>
<td>Under the Companies Act 1993, the CCOs and other relevant entities must hold an annual meeting of their shareholders.</td>
<td>To delegate the authority to Auckland Council’s chief executive to act as Auckland Council’s shareholder representative to execute a written resolution in lieu of an annual meeting.</td>
<td>Authority delegated to council’s chief executive to act as council’s shareholder representation to the substantive council-controlled organisations and also Tāmaki Regeneration Company and City Rail Link Limited and sign written resolutions December 2019</td>
</tr>
<tr>
<td><strong>CCO Review – Progress Updates</strong></td>
<td>As per the CCO Review: Terms of Reference (Agreed on by GB on 26/11/2019 – Res: GB/2019/127), an independent review panel will lead a review of Auckland Council’s Substantive Council-Controlled Organisations.</td>
<td>To receive updates regarding the CCO Review.</td>
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**Completed**

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<tr>
<th>Lead Department</th>
<th>Area of work</th>
<th>Committee Role (decision and/or direction)</th>
<th>Decision</th>
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<tr>
<td><strong>CCO AGM Resolutions</strong></td>
<td>Under the Companies Act 1993, the CCOs and other relevant entities must hold an annual meeting of their shareholders.</td>
<td>To delegate the authority to Auckland Council’s chief executive to act as Auckland Council’s shareholder representative to execute a written resolution in lieu of an annual meeting.</td>
<td>Authority delegated to council’s chief executive to act as council’s shareholder representation to the substantive council-controlled organisations and also Tāmaki Regeneration Company and City Rail Link Limited and sign written resolutions December 2019</td>
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