

Auckland CCO Review

Independent Panel

CCO REVIEW

Independent review of council-controlled organisations: list of issues:

This list is intended as a guide to the high-level issues on which the review will focus. The issues in this list may be subject to revision during the course of this review.

Objectives

The review's overall objectives are to examine:

- whether CCOs are an effective and efficient model for delivering services to the council and Aucklanders
- whether the CCO decision-making model provides sufficient political oversight, public transparency and accountability.

The terms of reference require us to examine the following three issues:

CCO model, roles and responsibilities

The essential question here is whether the CCO model delivers council services with the maximum of operational efficiency, transparency and accountability, or whether there are better ways to deliver such services. In particular:

- Are there any problems, real or perceived, with the current model, including the risk of duplication with in-house council activities?
- Is the purpose of each CCO clear and current, and is the council giving each adequate direction?
- Are the roles and responsibilities of CCOs and the council towards one another clearly defined and well understood?
- Are there viable alternatives and what are their advantages and disadvantages?

CCO accountability

Here the key question is whether the council has adequate mechanisms to hold CCOs to account and is using them appropriately, and whether improvements, including new mechanisms (such as those provided for through the Local Government Act 2002 Amendment act 2019), are needed. In particular:

- Do current accountability mechanisms, monitor CCOs' performance effectively and ensure CCOs respond appropriately to the concerns of the council, local boards and the public?

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- Do CCOs understand the need to act in a way that reflects their accountability to the community, as well as the council's accountability to the community for CCO performance?
- Are there adequate mechanisms to ensure CCO board members and senior management meet the legislative requirements towards Maori, and that CCOs have developed sufficient capability to achieve this?
- Do CCOs have adequate guidance about when to act in their best commercial interests and when to act in the best interests of the public?
- Are council policies that are applicable to all CCOs (group policies) adequate, or should they be extended to other areas, such as remuneration?
- Is the process for appointing CCO board members, including the skills criteria used in the selection process, appropriate?

CCO culture

The central issue here is whether CCOs need to improve how they consult, engage with and respond to the community and council. In particular:

- Are the working relationships between the various levels of council (political, executive and staff) and CCOs (and between CCOs themselves) based on mutual trust, respect and confidence?
- Do recruitment processes and job descriptions sufficiently address the need for CCO chief executives and senior managers to respond to council directions and work effectively with senior council managers?
- Do CCO boards, executives and staff demonstrate accountability to Aucklanders, including by consulting sufficiently with Aucklanders and responding sufficiently to their concerns, or could their performance be improved?
- Are CCOs giving adequate public acknowledgement (such as through branding) to council-funded activities?
- Do CCOs give the council quality advice?

The full terms of reference can be found at

https://infocouncil.aucklandcouncil.govt.nz/Open/2019/11/GB_20191126_AGN_9506_AT_WEB.htm

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