

I hereby give notice that an ordinary meeting of the Appointments and Performance Review Committee will be held on:

**Date:** Tuesday, 1 March 2022  
**Time:** 2.00pm  
**Meeting Room:** This meeting will be held remotely and a recording of the meeting will be available on the Auckland Council website:  
**Venue:** <https://www.aucklandcouncil.govt.nz/about-auckland-council/how-auckland-council-works/meetings-council-bodies/Pages/webcasts-council-meetings.aspx>

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## Kōmiti Mō Te Kopou Me Te Arotake Whakatutukitanga / Appointments and Performance Review Committee

### OPEN AGENDA

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#### MEMBERSHIP

<b>Chairperson</b>	Hon Phil Goff, CNZM, JP
<b>Deputy Chairperson</b>	Cr Christine Fletcher, QSO
<b>Members</b>	Cr Josephine Bartley Cr Pippa Coom Cr Angela Dalton Cr Chris Darby Cr Alf Filipaina, MNZM Cr Richard Hills Member David Taipari
<b>Ex-officio</b>	Deputy Mayor Cr Bill Cashmore

(Quorum 4 members)

**Duncan Glasgow**  
**Kaitohutohu Mana Whakahaere /**  
**Governance Advisor**

**24 February 2022**

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## Terms of Reference

### Responsibilities

The Appointments and Performance Review Committee is established to:

1. review the chief executive's performance and recommend to the Governing Body the terms and conditions of the CE's employment including any performance agreement measures and annual remuneration
2. make appointments to Council-Controlled Organisations (CCOs), Council Organisations (COs) and exempt CCOs and COs, with the exception of Ports of Auckland Limited and Auckland International Airport Limited
3. receive updates on appointments to the council organisations, Ports of Auckland Limited and Auckland International Airport Limited, as well as any relevant updates on shareholder voting undertaken at Auckland International Airport Limited annual general meetings
4. approve policies relating to the appointment of directors and trustees to CCOs and COs.

### Powers

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
- (c) the power to establish sub-committees.

### Code of conduct

For information relating to Auckland Council's elected members code of conduct, please refer to this link on the Auckland Council website - <https://www.aucklandcouncil.govt.nz/about-auckland-council/how-auckland-council-works/elected-members-remuneration-declarations-interest/Pages/elected-members-code-conduct.aspx>

## **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 Appointments and Performance Review Committee:

- a) confirm the ordinary minutes of its meeting, held on Tuesday, 2 November 2021, including the confidential section, as a true and correct record.

## 4 Petitions

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

## 5 Public Input

Standing Order 7.7 provides for Public Input. Applications to speak must be made to the 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.”

## Review of the Forward Work Programme - Appointments and Performance Review Committee

File No.: CP2022/00134

Item 8

### Te take mō te pūrongo

#### Purpose of the report

1. To arotake / review and tuhi / note progress on the 2022 Appointments and Performance Review Committee forward work programme appended as Attachment A.

### Whakarāpopototanga matua

#### Executive summary

2. The forward work programme for the Appointments and Performance Review Committee was adopted by the committee at its meeting held on 25 August 2020. It was agreed that the forward work programme would be reported for information and reviewed on a six-monthly basis.
3. The Appointments and Performance Review Committee work programme was last reviewed on 3 August 2021.
4. All committees have been requested to review their forward work programme by the end of March 2022.
5. The current forward work programme for the Appointments and Performance Review Committee is appended as Attachment A.
6. Following the approval of the forward work programme, it will be reported to the Governing Body, for oversight as per the Terms of Reference.

### Ngā tūtohunga

#### Recommendation/s

That the Appointments and Performance Review Committee:

- a) riro / receive and arotake / review the progress on the 2022 forward work programme as appended in Attachment A of the agenda report
- b) whakaae / approve the forward work programme as agreed to at the meeting to October 2022.

### Ngā tāpirihanga

#### Attachments

No.	Title	Page
A↓	Forward Work Programme	11

### Ngā kaihaina

#### Signatories

Author	Duncan Glasgow - Kaitohutohu Mana Whakahaere / Governance Advisor
Authoriser	Phil Wilson - Director, Governance & CCO Partnerships



## Kōmiti Mō Te Kopou Me Te Arotake Whakatutukitanga / Appointments and Performance Review Committee Forward Work Programme 2022

This committee deals with making appointments and approving policies to Council-Controlled Organisations (CCOs), Council Organisations (COs) and exempt CCOs and COs, with the exception of Ports of Auckland Limited and Auckland International Airport Limited. The committee also reviews and make recommendations to the Governing Body in relation to the chief executive's employment. Additionally, the committee is also responsible for receiving updates to the council organisations, POAL and AIAL. The full terms of reference can be found [here](#):

Area of work and Lead Department	Reason for work	Committee role (decision and/or direction)	Expected timeframes														
			Highlight the month(s) this is expected to come to committee in 2022														
			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec			
<b>CCO Director Appointments and Reappointments</b> CCO Governance and External Partnerships	In accordance with Auckland Council's Appointment and Remuneration Policy for Board Members of Council Organisations (the policy – which is a requirement as per, Section 57(1) of the Local Government Act 2002 (LGA)). The committee are to make appointments and approve policies related to Council-Controlled Organisations.	To approve: <ul style="list-style-type: none"> <li>• appointment</li> <li>• reappointment</li> <li>• vacancy/skill set/</li> <li>• panel members</li> </ul>		As and when required													
<b>Director Appointments to CCO's – Watercare</b> CCO Governance and External Partnerships	In accordance with Auckland Council's Appointment and Remuneration Policy for Board Members of Council Organisations (the policy – which is a requirement as per, Section 57(1) of the Local Government Act 2002 (LGA)). The committee are to make appointments and approve policies related to Council-Controlled Organisations.	To approve (1 Director): <ul style="list-style-type: none"> <li>• shortlist</li> <li>• Appointment/re appointment</li> </ul> Progress to date: Approval of Watercare Brief <a href="#">Link to decision</a>															
<b>Director Reappointments to CCOs</b>	In accordance with Auckland Council's Appointment and Remuneration Policy for Board Members of Council Organisations (the policy – which is a requirement as per, Section 57(1) of the Local Government Act 2002 (LGA)). The committee are to make appointments and approve policies related to Council-Controlled Organisations.	To reappoint directors															
<b>Māngere Mountain Education Trust (MMET)</b>	In accordance with Auckland Council's Appointment and Remuneration Policy for Board Members of Council Organisations (the policy – which is a requirement as per, Section 57(1) of the Local Government Act 2002 (LGA)). The committee are to make appointments and approve policies related to Council-Controlled Organisations.	To approve appointments															
<b>Manukau Beautification Charitable Trust</b>	In accordance with Auckland Council's Appointment and Remuneration Policy for Board Members of Council Organisations (the policy – which is a requirement as per, Section 57(1) of the Local Government Act 2002 (LGA)). The committee are to make appointments and approve policies related to Council-Controlled Organisations.	To approve appointments															

Item 8

Attachment A

Item 8

Attachment A

Area of work and Lead Department	Reason for work	Committee role (decision and/or direction)	Expected timeframes Highlight the month(s) this is expected to come to committee in 2022													
			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
<b>City Rail Link Limited (CRL)</b>	In accordance with Auckland Council's Appointment and Remuneration Policy for Board Members of Council Organisations (the policy – which is a requirement as per, Section 57(1) of the Local Government Act 2002 (LGA)). The committee are to make appointments and approve policies related to Council-Controlled Organisations.	To approve appointments														
<b>Te Motu a Hiaroa</b>	In accordance with Auckland Council's Appointment and Remuneration Policy for Board Members of Council Organisations (the policy – which is a requirement as per, Section 57(1) of the Local Government Act 2002 (LGA)). The committee are to make appointments and approve policies related to Council-Controlled Organisations.	To approve appointments														
<b>Museum of Transport and Technology (MOTAT)</b>	Auckland Council makes 5 appointments to the AWMM Board and 6 appointments to the MOTAT Board. The appointments are to replace or renew directors whose terms are expiring.	To approve appointments														
<b>Auckland War Memorial Museum</b>	Auckland Council makes 5 appointments to the AWMM Board and 6 appointments to the MOTAT Board. The appointments are to replace or renew directors whose terms are expiring.	To approve appointments														
<b>Tamaki Redevelopment Company</b>	Auckland Council is a joint shareholder with the Crown. Council has one director it is responsible for appointment, and jointly appoints with the Crown the other directors.	To approve appointments														
<b>Community Education Trust Auckland, Te Hononga Akoranga (COMET)</b>	In accordance with Auckland Council's Appointment and Remuneration Policy for Board Members of Council Organisations (the policy – which is a requirement as per, Section 57(1) of the Local Government Act 2002 (LGA)). The committee are to make appointments and approve policies related to Council-Controlled Organisations.	To approve appointments														
<b>Review of board remuneration appointment policy</b> CCO Governance and External Partnerships	In accordance with Auckland Council's Appointment and Remuneration Policy for Board Members of Council Organisations (the policy – which is a requirement as per, Section 57(1) of the Local Government Act 2002 (LGA)). The committee are to make appointments and approve policies related to Council-Controlled Organisations.	To approve the board appointment and remuneration policy.														

Area of work and Lead Department	Reason for work	Committee role (decision and/or direction)	Expected timeframes											
			Highlight the month(s) this is expected to come to committee in 2022											
			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
CE Performance Objectives Group Services	CE review process	Half-yearly review of Chief Executives Performance Objectives.												
Strategic Workforce Planning Group Services	One of the initiatives in the 'do the basics right' programme in our Shaping our Future operating model review is a Strategic Workforce Planning project. The project aims to develop a methodology to provide insights on the workforce resourcing and capability required to meet customer demand. It will also provide a longer-term forecast of future workforce needs.	To endorse the proposed plan for further strategic workforce planning implementation across Auckland Council.  <b>Progress to date:</b> Update provided in November 2021.												

**Completed**

Area of work	Committee Role (decision and/or direction)	Decision
Tamaki Redevelopment Company	To approve reappointments.	Decision on director reappointments in confidential 2 March 2021, decision released 3 August 2021 <a href="#">Link to decision</a> .
Director Appointments to CCO's – Panuku	To approve director appointments.	Decision on director appointments in confidential 4 May 2021, decision released 3 August 2021 <a href="#">Link to decision</a> .
Manukau Beautification Charitable Trust	To approve director appointments	Decision on director appointments in confidential 30 March 2021, decision released 3 August 2021 <a href="#">Link to decision</a> .
Auckland Regional Amenities Funding Board	To approve director appointments.	Decision on director appointments in confidential 15 June 2021, decision released 3 August 2021 <a href="#">Link to decision</a> .
Director Reappointments to CCOs	To reappointment directors	Decision on director reappointments in confidential 15 June 2021, decision released 16 December 2021 <a href="#">Link to decision</a> .
Community Education Trust Auckland, Te Hononga Akoranga (COMET)	To reappoint trustees	Decision on trustee reappointments in confidential 15 June 2021, decision released 16 December 2021 <a href="#">Link to decision</a> .
Māngere Mountain Education Trust (MMET)	To reappoint trustees	Decision on trustee reappointments in confidential 15 June 2021, decision released 16 December 2021 <a href="#">Link to decision</a> .
Director Appointments to CCO's – Auckland Unlimited	To approve director appointments	Decision on director appointments in confidential 15 June 2021, decision released 3 August 2021 <a href="#">Link to decision</a> .
Appointments to the Contemporary Arts Foundation	To approve trustee appointments to the Contemporary Arts Foundation.	Decision on trustee appointments in confidential 3 August 2021, decision released 16 December 2021 <a href="#">Link to decision</a> .

Item 8

Area of work	Committee Role (decision and/or direction)	Decision
<b>Museum of Transport and Technology (MOTAT)</b>	To replace or renew directors whose terms are expiring.	Decision on appointments in confidential 31 August 2021, decision released 16 December 2021 <a href="#">Link to decision</a> .
<b>Director Appointments to CCO's – Auckland Transport</b>	To approve director appointments.	Decision on appointments in confidential 28 September 2021, decision released 16 December 2021 <a href="#">Link to decision</a> .
<b>Auckland War Memorial Museum</b>	To replace or renew directors whose terms are expiring.	Decision on appointments in confidential 28 September 2021, decision released 16 December 2021 <a href="#">Link to decision</a> .
<b>Director Appointments to CCO's – Watercare</b>	To approve director appointments	Decision on appointments in confidential 2 November 2021.
<b>Board intern programme</b>	To approve the appointment of five board interns for CCO's	Decision on appointments in confidential 2 November 2021, decision released 16 December 2021 <a href="#">Link to decision</a> .
<b>CE Performance Objectives</b>	To approve the Chief Executives Performance Objectives	Decision in confidential 2 November 2021, to be released by Governing Body.

Attachment A

## Appointment to the board of Te Motu a Hiaroa Management Trust

File No.: CP2022/00008

Item 9

### Te take mō te pūrongo

#### Purpose of the report

1. To appoint a trustee to the board of Te Motu a Hiaroa (Puketutu Island) Management Trust.

### Whakarāpopototanga matua

#### Executive summary

2. Auckland Council appoints up to four members of Te Motu a Hiaroa Management Trust (TMHMT) board alongside appointments made by Te Motu a Hiaroa Charitable Trust (TMHCT) and Watercare Services Limited.
3. Due to resignations of two council appointees, there are up to two vacancies that council may fill.
4. TMHMT is preparing to commence a review of the governance arrangements to address issues identified with the current governance model.
5. Appointees of Watercare Services Limited are expected to resign as Watercare has signalled its intention to withdraw from the governance of the trust. The resignation of these trustees will reduce the total number of trustees to six, which is the minimum allowed by the trust deed.
6. Staff recommend that Rachel Kelleher, General Manager Environmental Services be appointed to fill one position on the board to raise the number of trustees and to support the trust through the review process.

### Ngā tūtohunga

#### Recommendation/s

That the Appointments and Performance Review Committee:

- a) appoint Rachel Kelleher, General Manager Environmental Services to the board of Te Motu a Hiaroa Management Trust from 1 February 2022 to 31 January 2025.

### Horopaki

#### Context

7. Te Motu a Hiaroa Management Trust is a non-substantive council-controlled organisation (CCO) which was established in order to develop, maintain and operate Te Motu a Hiaroa / Puketutu Island as public open space.
8. Under the Local Government Act 2002, the trust is a council-controlled organisation (CCO) by virtue of the number of appointments made by Watercare and Te Kaunihera o Tamaki Makaurau equating to over 50% of the voting rights. This was an unintended consequence of Watercare Services Limited becoming an Auckland Council CCO following the local government amalgamation. It is unclear at this stage what the impacts of the Three Waters Reform will be on this arrangement.
9. Te Motu a Hiaroa is owned by mana whenua through the Te Motu a Hiaroa Charitable Trust (TMHCT).
10. Governing Body resolved in June 2011 to confirm council's intent to manage Puketutu Island as a regional park except for the marae precinct in perpetuity [GB/2011/1].

### Composition of Te Motu a Hiaroa Management Trust board

11. Council makes appointments to CCOs in accordance with the Appointment and Remuneration Policy for Board Members of Council Organisations.
12. Appointments to the TMHMT board are made by:
  - Te Motu a Hiaroa Charitable Trust (up to four members)
  - Watercare Services Limited (up to four members)
  - Auckland Council (up to four members)
13. Auckland Council currently has two appointees and two vacancies. The current members are:
  - Mace Ward, General Manager Parks Sports and Recreation
  - Robert Cairns, Head of Asset Management and Investment Programmes.
14. The two vacancies have arisen through the resignation of:
  - Gael Ogilvie, (originally appointed in her capacity as Manager Environmental Services)
  - Ian Maxwell, (originally appointed in his capacity as Manager Parks, Recreation and Sport).
15. Watercare Services Limited's interest in the motu is restricted to completing a rehabilitation project and fulfilling their obligations under their lease agreement and consent conditions. As this is primarily an operational relationship, Watercare no longer see a need to have a governance role in the trust. In July 2020 Watercare indicated that their appointees will resign from the trust. Three Watercare appointees remain trustees and will await the completion of the governance review before formally resigning.

### Governance review

16. The TMHMT has raised a range of issues with the current governance structure and believe that it is not fit to achieve the agreed vision for the motu. These issues include:
  - the council-controlled status of the trust is perceived to be inappropriate for achieving a genuine partnership between Council and mana whenua, noting that CCO status of the trust was an unintended consequence of Watercare Services Limited becoming a CCO in 2012.
  - the current arrangements do not provide a genuine and formal role for mana whenua owners in the operation of Te Motu a Hiaroa
  - the focus of the trust's decision making has tended to be allocating funding to the TMHCT including for the development of the marae precinct, rather than achieving the vision for the motu
  - Watercare's main interest on Te Motu a Hiaroa in the trust is to continue their rehabilitation work and this does not require an ongoing governance role in the trust.
17. The trust is pursuing a review of its governance and agreed terms of reference for the review in December 2021. The scope of the review includes:
  - review of co-management practices across Aotearoa
  - decision making roles and responsibilities
  - the relationship with Te Motu a Hiaroa Charitable Trust and Auckland Council
  - recommending the future form of a revised entity
  - review of funding arrangements
  - confirming asset ownership and responsibility.

18. This review is aligned with the purpose of the review of governance arrangements for non-substantive organisations approved by the Council Controlled Organisation Oversight Committee in October 2020 [CCO/2020/21]. Council staff will support the review and recommendations will be made to the Council Controlled Organisation Committee.

## Tātaritanga me ngā tohutohu Analysis and advice

19. With the expected resignation of Watercare appointees from TMHMT, and the two Auckland Council vacancies, there will be six trustees on the board which is the minimum allowed by the trust deed (four TMHCT appointees and two council appointees).
20. An additional appointment by council is sought by the trust so that there is a more even balance of membership between TMHCT and council and to provide an additional buffer in case of further resignation of trustees.
21. The upcoming review of TMHMT governance is likely to recommend significant changes for the trust and that any appointments made are likely to be short-term.
22. Rachel Kelleher, General Manager Environmental Services has been identified as an appropriate staff member to fill the position left vacant by Gael Ogilvie.
23. Rachel was formerly the Manager, Regional Parks and has a good understanding of the operations of the Regional Park network, has had input into the masterplanning process and will be able to contribute and support TMHMT through the review process.
24. Filling all vacant positions is not considered necessary at this time because of the expectation that the review process will lead to changes in the trust.
25. The trust deed allocates voting power between the appointees of TMHCT, Auckland Council and Watercare, so that regardless of the number of trustees appointed each body has an equal voice. In practice the trust has made its decisions by consensus. This means that council's interests are well represented on the board without filling all vacancies.

### Appointment of staff members

26. TMHMT board members appointed by council to date have been senior staff members.
27. Council staff members are not usually eligible for appointment to non-substantive CCO boards. The reasons for this include that:
- staff members are required to provide impartial advice and this impartiality may be questioned when advising on matters relevant to the trust
  - trustees are obliged to act to achieve the purposes of the trust and it is possible that council's interests and the purposes of the trust might diverge creating a conflict of interest.
28. Exceptions may be made where the nature of the appointment requires that staff be appointed. In the case of Te Motu a Hiaroa, the rationale for appointing council staff to the board has been that staff were well positioned to ensure good alignment between the trust and the council vision for a regional park.
29. Risk of conflicts of interest arising for council staff serving as trustees are managed by the trustees maintaining a clear understanding that they are not able to provide advice to Council regarding the trust and that conversely, they are not able to represent the view of Council to the trust board.
30. Staff consider that the rationale for appointing staff members to the TMHMT remains appropriate, particularly given that the governance review means that this appointment is likely to be short-term.

## **Tauākī whakaaweawe āhuarangi** **Climate impact statement**

31. The appointment of a trustee to the TMHMT board has no direct climate impact.
32. The work of the trust focuses on developing the motu as a regional park. Te Tāruke-ā-Tāwhiri notes that regional parks provide opportunities to support the transition to a low carbon, climate resilient region.

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

33. There are no significant impacts on other parts of the council group from this appointment.

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

34. Board appointments to CCOs are the role of the Governing Body. Local boards can participate in the nomination process for each director vacancy. The nomination of a candidate requires the consent of that candidate.

## **Tauākī whakaaweawe Māori** **Māori impact statement**

35. Te Motu a Hiaroa (Puketutu Island) is owned by mana whenua through Te Motu a Hiaroa Charitable Trust.
36. Appointing an additional trustee to the board of TMHMT supports council's ongoing engagement with the mana whenua owners of Te Motu a Hiaroa.

## **Ngā ritenga ā-pūtea** **Financial implications**

37. Trustees of TMHMT are unpaid and therefore the appointment has no financial implications.

## **Ngā raru tūpono me ngā whakamaurutanga** **Risks and mitigations**

38. There are risks associated with all board appointments, including:
  - Reputational risks from appointment of trustees who do not meet the skills requirements for governance roles within public-facing entities. These risks are mitigated through candidates completing the council's director consent form confirming that there is nothing that would disqualify them from being a trustee.
  - Governance risks caused by the board as a whole having knowledge or skill gaps, lacking institutional knowledge, or lacking fresh ideas and thinking. This risk is low for TMHMT as there is a mix of long-standing members and more recent appointees by both council and Te Motu a Hiaroa Charitable Trust.

## **Ngā koringa ā-muri** **Next steps**

39. A letter of appointment will be sent to Rachel Kelleher and Te Motu a Hiaroa Management Trust will be notified of her appointment.

## **Ngā tāpirihanga** **Attachments**

There are no attachments for this report.

## Ngā kaihaina Signatories

Author	James Stephens - Senior Advisor
Authorisers	Edward Siddle - Principal Advisor Phil Wilson - Director, Governance & CCO Partnerships

Item 9



## Reappointment of directors of substantive Council-controlled Organisations 2022

File No.: CP2022/01257

Item 10

### Te take mō te pūrongo

#### Purpose of the report

1. To receive information about the reappointments of directors for the council-controlled organisations (CCOs) and note that decisions regarding specific board members will be made in the confidential part of this meeting.

### Whakarāpopototanga matua

#### Executive summary

2. A confidential report on this agenda seeks decisions regarding the reappointments of directors of Auckland Transport, Auckland Unlimited, Eke Panuku Development Auckland and Watercare Services Limited whose terms end in 2022.
3. This report sets out the process and general considerations made in making these recommendations.

### Ngā tūtohunga

#### Recommendation/s

That the Appointments and Performance Review Committee:

- a) note the information about appointments to substantive council-controlled organisations in 2022 contained in this report
- b) note that the report in the confidential section of the agenda seeks decisions regarding the reappointment of directors of council-controlled organisations
- c) note that that report is confidential due to the personal information it contains.

### Horopaki

#### Context

4. Council makes appointments to CCOs in accordance with the Appointment and Remuneration Policy for Board Members of Council Organisations (the policy) and the appointment process is summarised in figure 1 below.

Figure 1: Appointments process

Item 10



## Tātaritanga me ngā tohutohu Analysis and advice

5. A confidential report on this agenda seeks decisions regarding the reappointments of directors of Auckland Transport, Auckland Unlimited, Eke Panuku Development Auckland and Watercare Services Limited whose terms end in 2022. This year there are ten directors who can be considered for reappointment.
6. Board appointments are made based on the skills, knowledge, and experience that the board requires with regards to the benefits of diversity on the board.
7. Rotation of directors is encouraged to achieve a balance of experience and fresh thinking amongst the board members.
8. The policy provides that directors of substantive CCOs can serve terms of up to three years. Directors may be reappointed to a second term provided that their skills and contribution are still relevant to the board. Reappointment for terms up to a maximum of nine years can be considered where good reasons exist. Examples of these reasons are:
  - the board member has a particular skill that would be hard to replace
  - the board has undergone substantial change and stability is needed
  - the board member has institutional knowledge not held by other directors
  - the board member is a likely successor as a chair.
9. The decision to reappoint directors is at the discretion of this committee. The general advantages and disadvantages to reappointment compared to appointing new directors is set out in Table 1 below.

Table 1: Options analysis

Options	Advantages	Disadvantages
<b>Council does not reappoint a director whose term is expiring</b>	Creates an opportunity to bring new skills and perspectives onto the board.	Can create gaps in institutional knowledge and risk of inconsistent leadership.  New directors may take some time to fully understand the organisation and make their full impact.
<b>Council reappoints a director whose term is expiring</b>	Retains institutional knowledge and consistency of leadership. This is often desirable in situations where there is significant change.	The skills that a director brings may no longer be relevant or desirable to the organisation.  Inconsistent with council policy if tenure is extended beyond nine years.

Item 10

## Tauākī whakaaweawe āhuarangi Climate impact statement

- Auckland Council's Te-Tāruke-ā-Tāwhiri: Auckland's Climate Plan was adopted in July 2020 and sets out the priority action areas to deliver our goals to reduce emissions and adapt to the impacts of climate change.
- CCOs are responsible for delivering services to Aucklanders. Each CCO is accountable for ensuring their planning and decisions reflect the action areas outlined in Te-Tāruke-ā-Tāwhiri.
- Candidates seeking appointment to CCO boards need to demonstrate a commitment to integrate the action areas outlined in Te Tāruke-ā-Tāwhiri into the CCO's activities.

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

- The appointment of the best possible directors to CCO boards will have a positive impact on the group as a whole.

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

- Appointments to the boards of substantive CCOs are the role of the Governing Body. Local Boards can participate in the nomination process for each director vacancy. The nomination of a candidate requires the consent of the candidate.

## Tauākī whakaaweawe Māori Māori impact statement

- An Independent Māori Statutory Board member is involved in the appointment process by being a member of the selection panel. This ensures that a Māori perspective informs the recommendations of the selection panel during the shortlisting, interviewing and appointment processes.
- The Independent Māori Statutory Board is also represented on this committee. This ensures a Māori perspective is brought to the decision-making process, and that the Independent Māori Statutory Board's views are considered by the committee.

17. At the 25 August 2020 meeting this committee agreed to strengthen the focus areas in vacancy briefs by including the following statements in the common priorities for all director vacancy briefs (advertisements):

*Uphold the principles of the Treaty of Waitangi, readiness to promote improved outcomes for Māori and knowledge of Te Ao Māori established networks (APR/2020/10).*

### Ngā ritenga ā-pūtea Financial implications

18. The costs associated with these appointments will be managed from existing budgets.

### Ngā raru tūpono me ngā whakamaurutanga Risks and mitigations

19. There are risks associated with all board appointments, specifically reputational risk of appointing candidates without appropriate skills or governance experience.
20. To mitigate any potential risks of disqualified or under-qualified candidates the following controls are in place:
- a thorough due diligence process is completed on all candidate applications in line with the council's recruitment policy
  - completion of the council's director consent form prior to interview which requires directors to confirm that there is nothing that would disqualify them from being a director
  - a thorough reference check of candidates who are approved for appointment to the CCOs and any other additional interviews as required.

### Ngā koringa ā-muri Next steps

21. The next steps are set out in the confidential report on this agenda.

### Ngā tāpirihanga Attachments

There are no attachments for this report.

### Ngā kaihaina Signatories

Author	James Stephens - Senior Advisor
Authorisers	Edward Siddle - Principal Advisor Phil Wilson - Director, Governance & CCO Partnerships





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

That the **Appointments and Performance Review Committee**

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

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

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

### C1 CONFIDENTIAL - Reappointments of directors to council-controlled organisations

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