

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

Date: Tuesday, 18 April 2023
Time: 2.00pm
Meeting Room: Reception Lounge
Venue: Auckland Town Hall
301-305 Queen Street
Auckland

Komiti mō ngā Kopounga me Te Kounga o ngā Mahi / Performance and Appointments Committee

OPEN AGENDA

MEMBERSHIP

Chairperson	Cr Daniel Newman, JP	
Deputy Chairperson	Cr Chris Darby	
Members	Mayor Wayne Brown	Cr Greg Sayers
	Cr Christine Fletcher, QSO	IMSB Chair David Taipari
	Cr Lotu Fuli	Cr John Watson
	Cr Richard Hills	
Ex-officio	Deputy Mayor Desley Simpson, JP	

(Quorum 4 members)

Maea Petherick
Kaitohutohu Mana Whakahaere Matua / Senior Governance Advisor

13 April 2023

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- 1 **Ngā Tamōtanga | Apologies**
- 2 **Te Whakapuaki i te Whai Pānga | Declaration of Interest**
- 3 **Te Whakaū i ngā Āmiki | Confirmation of Minutes**

Click the meeting date below to access the minutes.

That the Performance and Appointments Committee:

 - a) confirm the ordinary minutes of its meeting, held on [Tuesday, 21 March 2023](#), including the confidential section, as a true and correct record.
- 4 **Ngā Petihana | Petitions**
- 5 **Ngā Kōrero a te Marea | Public Input**
- 6 **Ngā Kōrero a te Poari ā-Rohe Pātata | Local Board Input**
- 7 **Ngā Pakihi Autaia | Extraordinary Business**

Nomination of members to the selection panel for Ports of Auckland Limited board appointment

File No.: CP2023/03391

Item 8

Te take mō te pūrongo

Purpose of the report

1. To update the committee on the progress of the appointment process for appointing up to three directors to the board of Ports of Auckland Limited (POAL) and appoint members to the selection panel.

Whakarāpopototanga matua

Executive summary

2. A process to appoint up to three new members to the POAL board has been initiated. This process began before the amendment of council's Appointments and Remuneration Policy for Board Members of Council Organisations (the Policy) regarding POAL appointments.
3. The work to date has involved agreement on the attributes to be sought for up to three board positions as being:
 - transport and logistics
 - audit and risk
 - property development.
4. The POAL board has engaged Propero Consulting Limited to carry out the search.
5. Decisions of the committee and Governing Body have amended the Policy regarding POAL and changed the delegation to make board appointments. These decisions mean that POAL board appointments are now the responsibility of the Committee [[PACCC/2023/4](#) and [GB/2023/14](#)].
6. The appointment process will now transfer to the responsibility of this committee and utilise the work already completed. This report brings the committee up to date with appointment process to date, and seeks nominations for the selection panel which will allow the appointment process to continue.

Ngā tūtohunga

Recommendation/s

That the Performance and Appointments Committee:

- a) tuhi ā-taipitopito / note that up to three new board members are sought for Ports of Auckland Limited
- b) tuhi ā-taipitopito / note that the appointment process started under the delegated authority of the Ports of Auckland Appointments Panel and will transfer to this committee
- c) whakaae / agree to nominate up to two members of the enduring pool as members of the selection panel
- d) tuhi ā-taipitopito / note that the Independent Māori Statutory Board has been invited to nominate a member to the selection panel.

Horopaki Context

- Council is the sole shareholder of Ports of Auckland Limited (POAL) and has the power to appoint all board members. Under the constitution of POAL the board may have a maximum of nine members and a minimum of six. Part Four of the Appointments and Remuneration Policy for Board Members of Council Organisations (the Policy) applies to POAL.
- Current board memberships are listed in Table 1 below:

Table 1: POAL board membership

Name	Initial appointment date
Jan Dawson (Chair)	September 2021
Sarah Haydon	August 2016
Peter Chrisp	December 2020
Hazel Armstrong	February 2021
Steve Reindler	November 2021
Geoff Plunket	November 2021
Andrew Flavell	June 2022

- In December 2022, Sarah Haydon was reappointed for the period of time needed to complete the half year report and to allow for transition to a new chair of POALs Audit and Risk Committee.
- The process to appoint up to three new directors to POAL started in January this year. At the time the responsibility for appointing directors to the POAL board was delegated to the Ports of Auckland Limited Appointments Panel (POALAP).
- The appointment process started under the Policy as it applied at the time. In accordance with that policy, the chair of the POAL board and the Mayor conferred and agreed on the skills, knowledge and experience required for new board members.
- The POAL board appointed specialist board appointment firm Propero Consulting Limited to conduct the candidate search process.
- On 23 February 2023 the Governing Body delegated power to make appointment decisions for POAL to this committee [GB/2023/14] and revoked the POALAP's delegated power to make POAL appointments.
- The Policy was amended by the committee on 21 February 2023 so that the appointment process for POAL mirrors the process for substantive CCOs [PACCC/2023/4] (the New Policy) and Governing Body transferred the power to make appointments from the POALAP to the Performance and Appointments Committee on 23 February [GB/2023/14].

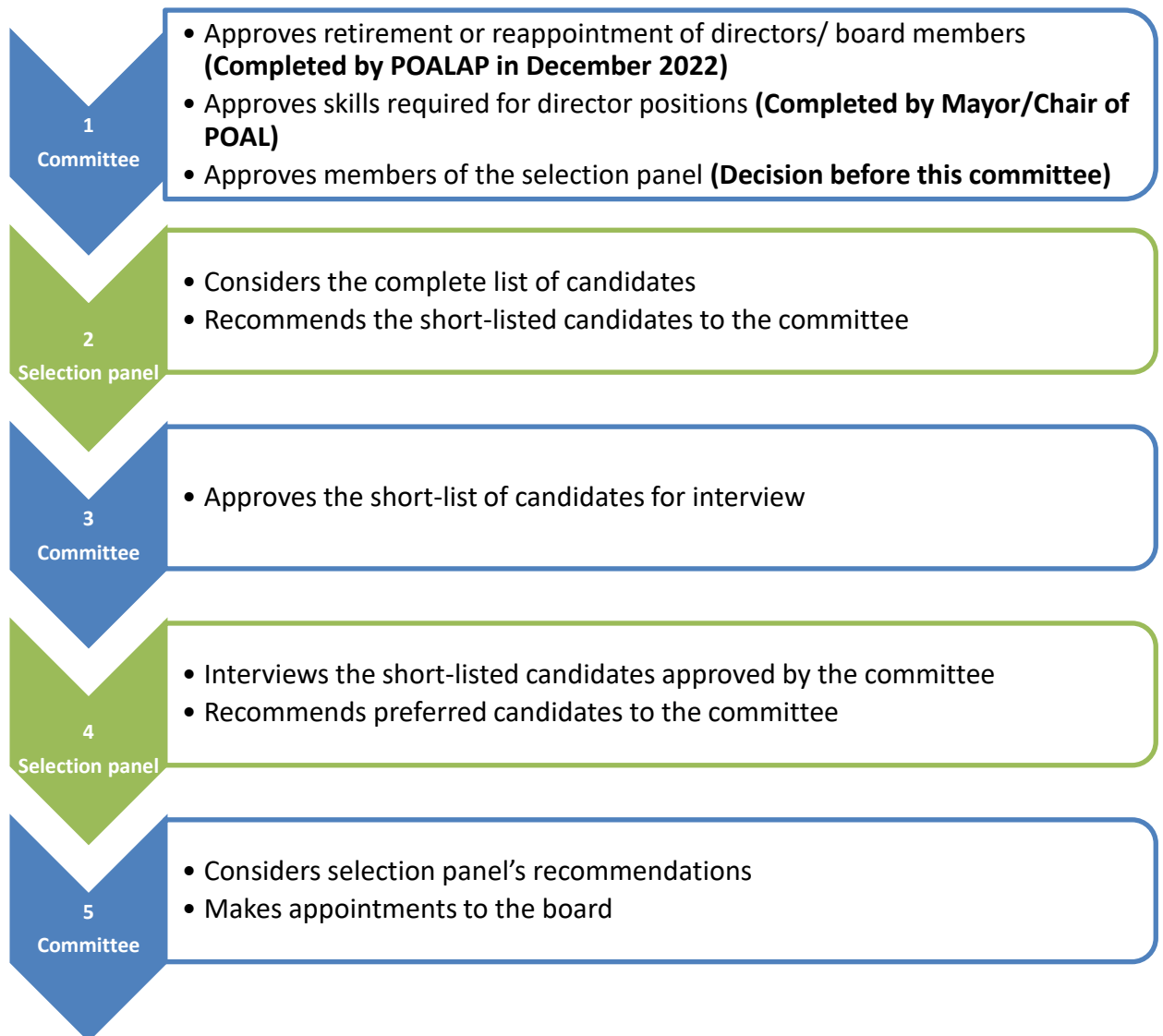
Tātaritanga me ngā tohutohu Analysis and advice

- On 25 January 2023, the Mayor and POAL chair met and agreed the following skill sets to be recruited for the POAL board across three positions:
 - transport and logistics including port operations, logistics/freight to oversee strategic decision making and offer insight on customers (two positions)

- audit and risk chair. Ideally prior chief financial officer of a comparable capital intensive industry, heavy infrastructure and balance sheet and capital management or a financial expert with wide experience with wide exposure to advising such entities. This position would replace the current Audit and Risk Committee chair. (one position)
- experience in property development is noted as a useful additional skillset to include in one of the other positions.

16. Figure 1 below reflects the New Policy for POAL appointments and notes the initial steps that have been completed under the old policy.

Figure 1: Appointments process



- To enable the process to continue, the committee must nominate up to two members of the enduring pool to serve on the selection panel. The key responsibilities of the selection panel are noted in Figure 1 above.
- This committee is being asked to nominate up to two members of the enduring pool.
- The Independent Māori Statutory Board has also been invited to nominate a member to the selection panel.
- The Selection Panel will comprise of:
 - chief executive of Auckland Council (or representative)
 - mayoral chief of staff (or representative)

- chair of POAL board
- governing body members, (up to two) selected from an Enduring Pool
- IMSB member (nominated by the IMSB)

21. The Selection Panel is responsible for:

- screening the long-list to ensure that candidates have the required core competencies as well as the specific skills and expertise required for the position
- recommending a short-list of candidates, for interview, to the committee
- interviewing short-listed candidates and assessing them against the required skills, knowledge and experience
- reporting on its assessment of each candidate against the criteria and recommend preferred candidates for appointment to the committee.

Tauākī whakaaweawe āhuarangi **Climate impact statement**

22. 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.
23. Candidates seeking appointment need to demonstrate a commitment to integrate the action areas outlined in Te Tāruke-ā-Tāwhiri.

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

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

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

25. Board appointments to POAL 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**

26. Kia ora Tāmaki Makaurau sets as a mahi objective that: "Mana whenua and Māori are active partners and participants at all levels of the council group's decision making".
27. 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.
28. 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.

Ngā ritenga ā-pūtea **Financial implications**

29. The costs associated with these appointments will be met from existing budgets.

Ngā raru tūpono me ngā whakamaurutanga Risks and mitigations

30. There are risks common to all board appointments. These include:
- reputational risk of appointing candidates without appropriate skills or governance experience. To mitigate this potential risk, a thorough due diligence process is in place.
 - governance risk of creating an unbalanced board where too many new members cause a loss of institutional knowledge which impacts decision-making. Conversely, retaining board members for too long can mean the board lack innovation and fresh thinking.

Ngā koringa ā-muri Next steps

31. Propero Consulting Limited will continue to conduct the candidate search and present a long-list of candidates for the selection panel to consider.
32. The selection panel will then make a recommendation to the committee about a short-list of candidates for interview.

Ngā tāpirihanga Attachments

There are no attachments for this report.

Ngā kaihaina Signatories

Author	James Stephens - Senior Advisor
Authorisers	Alastair Cameron - Manager - CCO Governance & External Partnerships Phil Wilson - Director, Governance & CCO Partnerships

Process for Auckland Regional Amenities Funding Board appointments 2023

File No.: CP2023/00003

Item 9

Te take mō te pūrongo

Purpose of the report

1. To approve criteria for making appointments to the Auckland Regional Amenities Funding Board (Funding Board).

Whakarāpopototanga matua

Executive summary

2. The Funding Board was created by the Auckland Regional Amenities Funding Act 2008. The Funding Board recommends a levy to council each financial year to fund amenities specified by the Act.
3. Council appoints six of the ten members of the Funding Board. The remaining four members are appointed by the Amenities Board which represents the specified amenities.
4. The terms of five current members end on 31 May 2023, three council appointees and two Amenities Board appointees. There is one further vacancy caused by the resignation of one Amenities Board appointee.
5. This report seeks approval of the criteria to recruit up to three council-appointed members of the Funding Board. To avoid duplication, the appointment process will include representatives of the Amenities Board and consideration of all positions that are vacant.
6. The key skills sought across the six positions are, governance experience, relevant industry experience, commercial and finance expertise, legal expertise, public sector experience, not for profit sector experience, marketing and digital experience and leadership within Auckland's communities.

Ngā tūtohunga

Recommendation/s

That the Performance and Appointments Committee:

- a) whakaae / approve the following criteria to be sought from up to three new members of the Auckland Regional Amenities Funding Board
 - i) governance experience
 - ii) commercial and financial expertise
 - iii) legal expertise
 - iv) industry experience relevant to the amenities
 - v) public sector experience
 - vi) experience of the not-for-profit sector
 - vii) marketing and digital experience
 - viii) connection to Auckland communities and community leadership
 - ix) experience identifying new revenue or funding streams including from philanthropic sources
- b) whakaae / agree to nominate up to two members of the enduring pool to represent the committee on the selection panel

- c) tuhi ā-taipitopito / note that the Independent Māori Statutory Board have been invited to nominate a member to be their representative on the selection panel
- d) tuhi ā-taipitopito / note that the appointment process will include consideration of all vacancies on Auckland Regional Amenities Funding Board and that the Amenities Board will be represented on the selection panel.

Horopaki Context

7. The Auckland Regional Amenities Funding Act 2008 (the Act) established a model for funding specified regional amenities that contribute to the wellbeing of the region and making Auckland a vibrant and attractive place to live and visit.
8. The Funding Board considers funding applications from the eligible amenities and recommends a levy to Auckland Council. The amenities funded by the board are as follows:
- Auckland Arts Festival
 - Auckland Philharmonia Orchestra
 - Auckland Rescue Helicopter Trust
 - Auckland Theatre Company
 - New Zealand Opera
 - Stardome Observatory
 - Surf Life Saving Northern Region
 - WaterSafe Auckland / Drowning Prevention Auckland
9. The Act established two administrative bodies, the Funding Board and Amenities Board. The Amenities Board is made up of representatives from the eligible amenities and appoints four of the Funding Board members as well as acting as a forum for the amenities to present collective issues to the Funding Board. Council appoints the remaining six members of the Funding Board for a total of ten members. Current board membership is noted in Table 1 below.

Table 1: Auckland Regional Amenities Funding Board

Name	Appointer	End of current term
Anita Killeen	Auckland Council	31-May-23
Victoria Carter	Auckland Council	31-May-23
Lyn Lim	Auckland Council	31-May-23
Alastair Carruthers	Auckland Council	30-Jun-24
Scott Pearson	Auckland Council	30-Jun-24
Moana Tamaariki-Pohe	Auckland Council	31-May-26
Paula Browning	Amenities Board	30-Jun-24
Megan McSweeney	Amenities Board	31-May-23
Bryan Mogridge	Amenities Board	31-May-23
Vacancy	Amenities Board	

10. When making appointments to the funding board, Part One: Substantive CCOs of the Appointment and Remuneration Policy for Board Members of Council Organisations (the Policy) applies.
11. The Amenities Board and Auckland Council run a common recruitment process for board positions to remove the risk of duplication and competition for candidates between the appointing bodies. Each appointer remains responsible for making their respective appointments.

Tātaritanga me ngā tohutohu Analysis and advice

12. Three council appointees end their term on 31 May 2023. Under the policy two are ineligible for reappointment as they have served three terms and the other member is completing their second term and therefore requires good reason to be reappointed.
13. The Amenities Board has one current vacancy and two further positions that have terms ending in 2023.
14. Members whose terms are ending and who are eligible for reappointment will be invited to reapply.
15. Staff have consulted with the Chair of the Amenities Board and Chair of the Funding Board and recommend the skills and criteria noted below be used to assess candidates for up to six Funding Board positions. It is not expected that each candidate would bring strong experience across all criteria but rather that these attributes would be represented across the six positions:
 - governance experience
 - commercial and financial expertise
 - legal expertise
 - industry experience relevant to the amenities
 - public sector experience
 - experience of the not-for-profit sector
 - marketing and digital experience
 - connection to Auckland communities and community leadership
 - experience identifying new revenue or funding streams including from philanthropic sources.
16. In addition to the specific criteria, the core-competencies for substantive council-controlled organisations will apply.
17. Under the Policy, the selection panel is composed as follows:
 - up to two members of the enduring pool (selected by this committee)
 - a member of the Independent Māori Statutory Board
 - the CEO (or delegate)
 - mayoral chief of staff (or delegate)
 - chair of the Funding Board
18. As a joint process with the Amenities Board, the board will also nominate a member to the selection panel.

Tauākī whakaaweawe āhuarangi

Climate impact statement

19. 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.
20. The Funding Board is independent of council and its members are appointed to the board to make funding decisions. These decisions must be in accordance with the funding principles in the Act and any which have been subsequently specified by Auckland Council. One of these principles is that the activities of the amenities align with the Auckland Plan. While the amenities are not bound to give specific effect to te Tāruke-ā-Tāwhiri, they do need to demonstrate alignment with council's overall strategic direction.

Ngā whakaaweawe me ngā tirohanga a te rōpū Kaunihera

Council group impacts and views

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

Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe

Local impacts and local board views

22. 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

23. Kia ora Tāmaki Makaurau sets as a mahi objective that: "Mana whenua and Māori are active partners and participants at all levels of the council group's decision making".
24. The Act also provides that one of Council's appointees to the board must be someone who "...is appropriate to represent the interests of Māori in the Auckland region" (Auckland Regional Amenities Funding Act 2008, Section 7(4)). A board member was appointed in 2022 to meet this requirement.
25. 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.
26. 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.

Ngā ritenga ā-pūtea

Financial implications

27. Costs associated with these appointments will be met from existing budgets.

Ngā raru tūpono me ngā whakamaurutanga

Risks and mitigations

28. There are risks common to all board appointments. These include:
 - reputational risk of appointing candidates without appropriate skills or governance experience. To mitigate this potential risk, a thorough due diligence process is in place.

- governance risk of creating an unbalanced board where too many new members cause a loss of institutional knowledge which impacts decision-making. Conversely, retaining board members for too long can mean the board lack innovation and fresh thinking.

Ngā koringa ā-muri

Next steps

29. The key work of Funding Board for the 2024 levy process will start in September 2023. New members should therefore be appointed before that date so that they may participate in all stages of the process. The proposed timeline is noted in Table 1 below:

Table 1 – Timeline for Funding Board appointments

Date	Action
18 April	Approval of criteria by Performance and Appointments Committee
24 April – 7 May	Expression of interest advertised
Week of 15 May	Selection panel recommends shortlist
20 June	Approval of short-list by Performance and Appointments Committee
26 June – 7 July	Selection panel interviews
18 July	Appointments made by Performance and Appointments Committee
1 August	Appointees commence their tenure.

Ngā tāpirihanga

Attachments

There are no attachments for this report.

Ngā kaihaina

Signatories

Author	James Stephens - Senior Advisor
Authorisers	Alastair Cameron - Manager - CCO Governance & External Partnerships Phil Wilson - Director, Governance & CCO Partnerships

Performance and Appointments Committee Forward Work Programme

File No.: CP2023/04225

Item 10

Te take mō te pūrongo

Purpose of the report

1. To whakaae / approve the Performance and Appointments Committee's forward work programme appended as Attachment A.

Whakarāpopototanga matua

Executive summary

2. This committee has the oversight make appointments to Council-Controlled Organisations (CCOs), Council Organisations (COs), Ports of Auckland Limited and exempt CCOs and COs and other entities, with the exception of Auckland International Airport Limited (for the avoidance of doubt, the authority to make appointments also includes the power to remove appointees).
3. Areas of work are briefly described as requiring either decision or direction. Where possible, likely timeframes for coming before the committee have also been identified.
4. Staff will keep the forward work programme updated and complete a review of the forward work programme every six months.
5. Following approval, all committee forward work programmes will be reported to the Governing Body in April and October each year, for oversight as per the Terms of Reference.
6. Note that, unlike an agenda decision report, **staff will not be present to answer questions about these items referred to in the summary.** Committee members should direct any questions to the authors.

Ngā tūtohunga

Recommendation/s

That the Performance and Appointments Committee:

- a) whakaae / approve the Performance and Appointments Committee's forward work programme (Attachment A of the report).
- b) whakaae / agree that the Performance and Appointments Committee's forward work programme be reported for information on a monthly basis and reviewed on a six-monthly bases in March and September each year.

Ngā tāpirihanga Attachments

No.	Title	Page
A 	Forward Work Programme	

Ngā kaihaina Signatories

Author	Maea Petherick - Kaitohutohu Mana Whakahaere Matua / Senior Governance Advisor
Authoriser	Phil Wilson - Director, Governance & CCO Partnerships

Summary of Performance and Appointments Committee information memoranda and briefings - 18 April 2023

File No.: CP2023/04056

Item 11

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 the Performance and Appointments Committee.

Whakarāpopototanga matua

Executive summary

2. This is a regular information-only report which aims to provide greater visibility and openness and transparency of information circulated to Performance and Appointments Committee members via memoranda/briefings or other means, where no decisions are required.
3. The following memos were circulated to members of the Performance and Appointments Committee.:

Date	Subject
11/04/2023	Confidential Memo: Short-list of candidates for Auckland Transport Director (no attachment)

4. This document can be found on the Auckland Council website, at the following link: <http://infocouncil.aucklandcouncil.govt.nz/>
5. Note that, unlike an agenda report, **staff will not be present to answer questions about the items referred to in this summary.** Performance and Appointments Committee members should direct any questions to the authors.

Ngā tūtohunga

Recommendation/s

That the Performance and Appointments Committee:

- a) whiwhi / receive the Summary of the Performance and Appointments Committee information memoranda and briefings – 18 April 2023.

Ngā tāpirihanga

Attachments

There are no attachments for this report.

Ngā kaihaina

Signatories

Author	Sam Riddiford - Governance Advisor
Authoriser	Phil Wilson - Director, Governance & CCO Partnerships

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

That the **Performance and Appointments 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: Appointments to the Auckland Transport board (Covering report)**

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