

CCO Review Implementation – progress by recommendation

June 2021

Status

	Complete
	Underway
	Further work needed to establish scope and resources
	To be scoped/or no work required at this stage

In the RAG field:

Green indicates on track

Amber indicates some issues which are being managed, e.g. delays against milestones or timeframe targets, lack of resource

Red indicates serious issues, e.g. significant delays, lack of resource, stakeholder concerns

Rec no.	CCO Review recommendation	Status	Commentary	RAG
1	The council approves the merger of the two CCOs and appoints a steering group to implement the change.		Auckland Unlimited was formed on 1 December 2020 in the merger of Regional Facilities Auckland and Auckland Tourism, Events and Economic Development. * Indicates update from May	Green
2	The merged entity explores, at the council's direction, the critical need for joint management and operation of the city's four stadiums with the Eden Park Trust.		Relationships are being established between Auckland Unlimited and Eden Park Trust. Auckland Unlimited had a workshop with the CCO Oversight Committee on 27 April 2021 to discuss its strategic work programme, including stadiums. A further workshop is scheduled with the CCO Oversight Committee to discuss stadiums on 7 July.	Green
3	The council explores with the War Memorial Museum and MOTAT bringing both institutions into the merged entity and seeks such legislative change as is necessary.		As agreed in the cultural heritage review, Auckland Unlimited is discussing principles for future engagement with MOTAT. Auckland Unlimited had a workshop with the CCO Oversight Committee on 27 April 2021 to discuss its strategic work programme including its approach to coordinating the region's cultural institutions for more efficient use of funding, more investment, and greater collaboration. It is the council's (not Auckland Unlimited) responsibility to lead the conversations with Auckland Museum, to seek change from that organisation, and from government. Discussions at staff level have not progressed and council staff will be providing advice to the elected members on the Rangitira group shortly about proposed next steps to address the issues at a governance level.	Red
4	Auckland Transport and the council jointly prepare the regional land transport plan, the draft of which the council endorses before going to the CCO's board for approval.		In light of the revised timeframe for consultation on the RLTP, Auckland Transport and council staff worked together to form a programme of engagement in May and June that allows decision makers to fully consider the RLTP post-consultation	Green

Rec no.	CCO Review recommendation	Status	Commentary	RAG
			<p>and prior to Planning Committee endorsement.</p> <p>Local boards have provided feedback on the draft RLTP and presented at the Planning Committee on 3 June 2021.</p> <p>Following the Planning Committee consideration of the RLTP on 24 June it will be presented to the Auckland Transport board for approval.</p>	
5	Auckland Transport and the council form a working group to clearly delineate their bylaw-making powers and formalise the result in a memorandum of understanding.		<p>Council and Auckland Transport staff have had initial discussions on what is required. Next steps are to agree scope and convene the project team.</p>	* Green
6	Auckland Transport urgently reviews how it designs, consults on, funds and implements minor capital works, including how it involves local boards in the design of its annual work programme.		<p>Work is progressing following the design sprint to implement the required actions. These include a more efficient approach to early parts of the project pipeline to speed up delivery, the introduction of a strengthened internal project review process led by the Chief Engineer's group and more flexibility to deal with unplanned work.</p> <p>Plans are underway for a further sprint on Auckland Transport's engagement with local boards. A collaborative design will be undertaken with Rodney and Puketāpapa local boards.</p>	* Green
7	Auckland Transport and the council explore urgently with the Ministry of Transport and the New Zealand Transport Agency how to streamline funding processes.		<p>Auckland Transport and the council are undertaking discussions with the Ministry of Transport and Waka Kotahi.</p> <p>Waka Kotahi is looking at increasing the threshold for Auckland Transport to approve National Land Transport Fund funding for its own projects from the current \$5 million threshold to \$15 million.</p>	Green
8	The council identifies a more stable source of funding for Panuku during the preparation of the next long-term plan.		<p>The funding model for Eke Panuku was considered in a workshop for the long-term plan where it was decided to not change it in the LTP 2021-2031. This can be considered in the next 10-year budget.</p>	Green
9	Panuku clearly outlines how its activities and investments contribute to meeting its performance targets.		<p>Eke Panuku is addressing through the Statement of Intent process. In responding to shareholder feedback on the draft SOI, the final SOI will provide more detail on activities, and provide a stronger link between investments, deliverables and performance targets. The final SOI is due by 31 July 2021.</p>	* Green
10	The council amends the Panuku constitution to make clear its twin purpose of redeveloping urban areas and managing the council's non-service property.		<p>To be scoped after other recommendations progressed concerning the role of Eke Panuku in property. See also recommendations 11 and 14.</p> <p>RAG is 'Amber' because the recommendation was targeted for completion by June 2021.</p>	Amber

Rec no.	CCO Review recommendation	Status	Commentary * Indicates update from May	RAG
11	The council assumes responsibility from Panuku for identifying and deciding which non-service properties to sell (excluding those in the CCO's own unlock-and-transform areas).		Council's Executive Lead Team decided in May that Community Facilities will lead property acquisitions, disposals and exchanges within the organisation. Once the transition of roles is completed within the council, responsibility for the process to support decision making by elected members on which non-service properties to sell (excluding unlock and transform areas) can then transfer from Panuku to the council organisation. RAG is 'Amber' because the recommendation was targeted for completion by June 2021.	Amber
12	Panuku cuts its overheads and adopts a more focused approach to redevelopment.		Eke Panuku has invited council to peer review its work undertaken as part of the Emergency Budget and LTP.	Green
13	Panuku manages and develops the three city centre marinas until the waterfront redevelopment is complete.		No work required at this stage.	Green
14	Panuku continues to manage the council's non-service property until the council produces a property strategy and considers whether to combine all property services in one place.		The scope of a Property Functions Framework was approved by council's Executive Lead Team in May 2021. The framework will clarify roles and responsibilities, data sharing and tools, property management approaches, and processes to support decision making by elected members. Alongside the development and finalisation of the framework, the role of Eke Panuku with regard to non-service properties will be considered and addressed.	* Green
15	The council formulates a three-waters strategy and includes a reference in the strategy to Watercare's obligation to consult the council about the broad direction of pricing and water services.		Work on the water strategy is underway for the duration of the 2021 calendar year. As elements of the strategy are completed, they are brought to the Environment and Climate Change Committee. In April this committee adopted per capita water consumption targets for 2030 and 2050. Watercare is supporting the overall development of the strategy. It will report estimated permanent water consumption savings as a result of lower demand currently experienced.	Amber
16	Watercare and Auckland Transport submit their asset management plans and detailed supporting information to the council every year so it can assess how well the plans give effect to its urban growth strategy.		Council is updating the Accountability Policy through the ten-year budget requiring Watercare and Auckland Transport submit asset management plans to council annually. Auckland Transport and Watercare now have a common asset management system which enables improved AMP development, sharing and reporting.	Green

Item 8

Attachment A

Rec no.	CCO Review recommendation	Status	Commentary * Indicates update from May	RAG
17	The council, Watercare and Auckland Transport resolve consent processing delays and if this does not happen, the council assumes responsibility for assessing the water and transport components of consents.		Continuing to work closely as a council family on the 'Better Consents Journey.' A collaborative effort between council, Watercare and Auckland Transport investigated key drivers for change, specific problem areas, practices and recommendations for improvement. These centre around three themes - raise quality, clear roles and processes, and be accountable. The next stage is to identify initiative details and methodology, and establish delivery groups and milestones. An Asset Group Resolution Forum with key leaders and decision-makers from the council group has been established to resolve complex consent and engineering issues in a face to face, collaborative forum. RAG is 'Amber' as had been scheduled for completion by June 2021.	Amber
18	The council reaches agreement with Watercare and Auckland Transport on clear, measurable minimum performance levels expected of them when reviewing consent applications, and establishes a formal mechanism to allow objections to the way both CCOs enforce their codes of practice.		Measurable performance measures are to be addressed as part of the 'Better Consents Journey' (see recommendation 17). Code of Practice work is underway.	Amber
19	The council reviews the way it requires CCOs to monitor and report on risks and risk mitigation measures.		Group risk managers met in April 2021 to discuss the review observations concerning risk and the specific recommendation 19. Next step is to report to the council/ CCO chief executives group in June on recommended focus areas for review and improvements.	Green
20	The council establishes a small team to draw up detailed, implementable strategies that give CCOs more strategic direction, starting with strategies on water, economic development and stadiums.		Water strategy, economic development action plan and stadium strategy is underway. Strategic direction is being addressed in the council's operating model review. RAG is 'Amber' as had been scheduled for completion by June 2021.	Amber
21	The council establishes a strategic planning process in which CCO boards and the governing body hold workshops to discuss CCO work programmes and priorities, with the results fed into each CCO's letter of expectation and statement of intent, as well as into the annual budgeting and planning processes.		Council and CCO teams have worked collaboratively and used common criteria on capex prioritisation to support advice to the LTP 2021- 2031. The council group has been involved in completing the LTP 2021-2031. Future improvements to group strategic planning are being addressed in the council's operating model review. RAG is 'Amber' as had been scheduled for completion by June 2021.	Amber

Rec no.	CCO Review recommendation	Status	Commentary * Indicates update from May	RAG
22	The council prepares a statement of expectation setting out its expectations of each CCO and of CCOs generally.		The statement of expectations (SoE), subject of a separate report, sets out how CCOs interact with council, statutory obligations and other Auckland Council specific expectations. Local boards, Independent Māori Statutory Board and CCO Boards were asked for feedback on the draft SoE. The SoE was discussed at a workshop with the CCO Oversight Committee in May 2021. The governance manual was reviewed alongside the development of the SoE and the no surprises policy is be updated after the SoE. (Recommendations 29 and 31)	Green*
23	The council develops a template CCOs must use when drafting their statements of intent, as well as a set of common key performance measures they must include, to ensure consistency in length, detail, presentation and benchmarks.		A template has been circulated by council for use in 2021. CCOs provided draft statements of intent using the new template in April 2021.	Green
24	CCOs' first and third quarterly reports concentrate more on any emerging risks or any developments that may require CCOs to adjust their priorities.		The council has advised CCOs on the focus for risk reporting in their first and third quarterly reports.	Green
25	The council creates a senior position responsible for day-to-day management of council-CCO relationships to take some of the load off its chief executive.		Establishment of Governance and CCO Partnerships Director position in the council executive team. Phil Wilson appointed to the role in November 2020.	Green
26	Councillors have a day-long induction at the start of their three-year term on their responsibilities as CCO shareholders, the separation of governance from management, and how to best govern CCOs as arm's-length organisations.		Work on the approach for this programme, and the wider Kura Kawana 2022-2025 programme, will start in August 2021.	Green
27	The governing body spends half a day each year visiting each CCO to better understand its business and culture and to informally build relationships.		Visits have been scheduled for 2021. Watercare – 10 August Auckland Unlimited – 12 October Auckland Transport – 19 October Eke Panuku – 16 November	Green*
28	The council reviews the liaison councillor role at the start of the 2021 financial year.		Staff consider that it would be more effective to conduct the review in early 2022, in recognition of the impact of COVID-19 in the past year, just as these roles were established. Under this updated timeframe the review can better reflect the practices that have emerged and inform the approach for the next term of council.	Green
29	The council rewrites its governance manual so the focus is squarely on its expectations of CCOs, removing policies to a separate document		The governance manual was reviewed alongside the development of the Statement of Expectations, and is subject of a separate report.	Green*

Rec no.	CCO Review recommendation	Status	Commentary	RAG
	and requiring incoming directors and senior managers to read the manual.			
30	The council gives its CCO governance and external partnership unit more resources to strengthen monitoring of CCOs.		Additional resource has been allocated to the council's CCO Governance team. Recruitment is underway for two additional principal advisors.	* Green
31	The council updates and clarifies its no surprises policy by: including clearer, more current examples of when the policy applies; giving clearer guidance about precisely when CCOs should pass on information – and to whom; ensuring CCOs' statements of intent contain a reference to the updated no surprises policy so all concerned can be held to account.		To commence in July 2021 following new statement of expectations.	Green
32	The council draws up a protocol governing information requests between the governing body and CCOs.		As part of the review of the elected members code of conduct, a policy and protocol has been developed for the sharing of confidential information between council and governing body members. It was approved by the governing body on 27 May 2021 and forms the basis of the protocol for CCOs. It is important to note that this is information that would be withheld from the public under the Local Government Official Information and Meeting Act.	* Green
33	The council exercises its statutory powers under section 92 of Local Government (Auckland Council) Act 2009 if it has any concerns that a CCO is not acting consistently with any strategy.		Can occur when needed.	Green
34	CCOs and local boards reset how they engage with one another, by means of: (...)		The primary output for recommendation 34 is a combined engagement plan across the four CCOs for each local board. A presentation to the May 2021 Chairs' Forum on progress to date, agreed engagement plan template and proposed process was well-received. Engagement planning workshops commenced on 26 May, with representatives from each CCO attending these workshops across the region to gain agreement on the level of engagement expected for each project, and to ensure the right range of projects are included.	* Green
35	The council, working with the Independent Māori Statutory Board, the Mana Whenua Kaitiaki Forum and CCOs, clarifies for CCOs what each of these three entities' respective roles are at the governance level, and how CCOs should engage with each entity.		Scoping is underway by Ngā Mātārae, secretariat of the Independent Māori Statutory Board and CCO staff.	Green

Rec no.	CCO Review recommendation	Status	Commentary * Indicates update from May	RAG
36	The council urgently completes the Māori Outcomes Framework, which should include guidance on how CCOs engage with mataawaka, and afterwards CCOs update and align their Māori responsiveness plans accordingly.		The council has completed the Kia Ora Tāmaki Makaurau - Māori Outcomes. Māori Outcomes were used as a lens across all CCO and council LTP 2021- 2031 investment areas. Framework and guidance for council teams and CCOs on Māori responsiveness has been developed and has been shared with CCOs.	Green
37	CCOs use a template for their Māori responsiveness plans and collaborate with one another and seek input from Māori entities during the drafting process.		Watercare has completed a Māori outcomes plan aligned to the new outcomes framework and Eke Panuku has also commenced work on alignment to the new outcomes framework.	* Green
38	CCOs continue to work with the Independent Māori Statutory Board to monitor and report more effectively on Māori responsiveness plans.		No further work required at this stage. Dependent on completion of Recommendation 37.	Green
39	CCOs engage directly and at a more senior level with the Independent Māori Statutory Board and the Mana Whenua Kaitiaki Forum to work on joint initiatives that benefit Māori.		Council and CCO chief executives met with the Independent Māori Statutory Board chief executive on 27 May. An invitation will be extended for a quarterly hui between the chief executives that will focus on Māori Outcomes and provide oversight of implementation of CCO Review recommendations 35-40, 52.	* Green
40	Ngā Mātārae, the Mana Whenua Kaitiaki Forum and CCOs arrange a hui to establish a more co-ordinated and meaningful way of working together to reduce the number of meetings Māori entities are expected to attend and contribute to.		A preliminary hui has been held with the lead officer of the mana whenua forum, and staff from the CCOs, Ngā Mātārae and the Independent Māori Statutory Board. Resolution of this recommendation is related to engagement work already underway. Note: more than one hui will be required to progress this recommendation.	Green
41	The council and CCOs review the quality of the service their call centres provide, including by ensuring an up-to-date, group-wide phone directory is on hand containing job descriptions and contact details of all staff.		Work is underway for Auckland Transport and Watercare staff contact information to join the combined staff directory of Auckland Council, Auckland Unlimited and Eke Panuku on the intranet (Kotahi). Access to the intranet is also important for sharing information and material for staff training. RAG is 'Amber' as had been scheduled for completion by June 2021.	Amber
42	The council gives CCOs guidance on how to balance public and commercial interests and amends their constitutions to make explicit that each CCO must meet both objectives.		Scoping will commence in the new financial year. RAG is 'Amber' because the recommendation was targeted for completion by June 2021.	Amber
43	CCO boards have a more ethnically diverse membership and include more individuals with relevant subject matter expertise and public sector experience.		Included in the board member appointment criteria.	Green

Rec no.	CCO Review recommendation	Status	Commentary * Indicates update from May	RAG
44	The council and CCOs have common values and expectations of staff and management behaviour that collectively set the tone for the broader culture of all council organisations.		Proposal for implementation within the programme of executive meetings (recommendation 49).	Green
45	CCOs appoint a lead agency when working jointly on projects.		Eke Panuku convened a group workshop in April 2021 on the current approach and areas for improvement, including better visibility of programmes across the group and processes for escalation and sequencing of activity. Implementation options will be reported to the council/ CCO chief executives group after a further workshop in June.	* Green
46	The council, Auckland Transport and Panuku jointly communicate to the public about urban development and transport infrastructure matters.		A working group of the three communications and engagement leads at Eke Panuku, Auckland Council and Auckland Transport has been established. Joint engagement and communication have been demonstrated in recent place-based projects.	Green
47	CCO chief executives establish a group, led by the council's chief executive, that meets monthly to deal with any common or significant problems, risks or developments.		CCO chief executives and the council's chief executive are meeting regularly on group wide issues and to oversee the implementation of the CCO review.	Green
48	CCO chairs meet four times a year to strengthen relationships, build trust and generally provide a forum to share information and views.		Support is being provided for discussion of strategic issues by CCO chairs at quarterly meetings.	Green
49	The quarterly meetings of council and CCO executive leadership teams have a formal agenda.		A schedule of regular meetings between council and CCO executives has been established. Forward agenda programme to be developed. RAG is 'Amber' as had been scheduled for completion by June 2021.	Amber
50	New council and CCO staff receive instruction during their induction on the need for CCOs to operate at arm's-length but also to be accountable to the council.		Development of learning modules is underway with input from across the council group. CCO leads provided guidance and feedback at a workshop in May 2021.	* Green
51	CCO chief and senior executives' job descriptions include requirements about collaborating with the council, following council directions and meeting council expectations.		The Mayor and Deputy Mayor have written to CCOs requesting that CCO chief executives' and executives' job descriptions include requirements about collaborating with council.	Green

Rec no.	CCO Review recommendation	Status	Commentary * Indicates update from May	RAG
52	Job descriptions refer to the need to contribute to Māori outcomes.		The Mayor has written to CCOs providing the example from council job descriptions which outline the requirement of staff to honour te Tiriti o Waitangi, accord value to te ao Māori (the Māori world), support kaitiakitanga, be responsive to the needs of the Māori community and help their team's Māori responsiveness journey. There has also been work to support a common approach across the group for Māori specialist roles.	Green
53	CCOs make more effort to co-ordinate how they consult the community on and implement local projects.		Engagement plans are identifying CCO and local board expectations for where public consultation will occur. This practice will contribute to better alignment of CCO consultation activities. Staff are preparing for another sprint where engagement will be the key focus, particularly the question raised in the CCO review report of whether local boards can more frequently act as the representative of community views rather than consultation taking place direct with the public.	* Green
54	CCOs report regularly on the nature of the complaints they receive and how long they take to resolve them.		CCOs and the council have shared current practice. Currently evaluating the different CCO approaches to determine where consistent approaches should be followed and share best practice reporting.	* Green
55	CCOs' statements of intent contain a key performance indicator on complaint-handling.		Workshop with council and CCO staff in May 2021 suggested a KPI for complaints to be resolved by 10 days.	* Green
56	The council and CCOs explore options to give ratepayers a more effective voice in what happens in Auckland and also how, short of court proceedings, to challenge CCO or council decisions.		To be scoped – no further work required at this stage.	Green
57	The council updates its brand guidelines to ensure the pōhutukawa logo is used in a clear, consistent and flexible way on all council-funded services, activities and facilities, including when used alongside CCO operational brands.		Research and testing to establish the most effective ways of implementing the recommendation across council's range of brands, services and products have been completed. This supports the development of the brand guidelines following the workshop on the approach with the CCO Oversight Committee in February 2021. RAG is 'Amber' as the recommendation had been scheduled for completion by June 2021. The brand guidelines will be reported for committee approval in August 2021. Delay due to research and test phase being extended and to provide additional time to work through the brand strategy with Auckland Unlimited brands, such as the Zoo and Art Gallery.	* Amber
58	The council monitors CCOs' compliance with its brand guidelines.		Monitoring will follow adoption of the new guidelines in August 2021. RAG is 'Amber' as had been scheduled for June 2021.	* Amber

Rec no.	CCO Review recommendation	Status	Commentary * Indicates update from May	RAG
59	CCOs follow the council's quality advice standards and encourage staff to participate in its quality advice training.		The Quality Advice Programme has provided summary collateral to CCOs on ways they can embed the Quality Advice Standards and what support the programme can offer. Quality advice workshop delivered to Eke Panuku staff on 20 May 2021, with positive participant evaluation feedback. A workshop is being scoped for Watercare staff.	* Green
60	The council includes a selection of CCOs' reports among its own selection for external review each year, and considers reviewing elected members survey questions to get a clear picture of satisfaction with CCO engagement and advice.		Quality Advice: Agreement with Auckland Transport and Eke Panuku to have a separate selection of reports in NZIER review 2021. Discussions progressing with Auckland Unlimited on possible involvement. (Watercare do not report). Elected Members Survey: CCO feedback on the new research approach was provided at a joint workshop in May 2021. A first draft of the headline measures survey has been developed and feedback on this will be sought from CCO leads. Planning for the primary research component is underway.	* Green
61	The council and CCOs work together to draw up group policies on shared services, the development of leadership talent and remuneration.		A second workshop was held with council and CCO senior leaders in June 2021. To support the feasibility assessment, milestones over the next 4-6 weeks were agreed. This included resourcing and initial service areas to analyse. An update of the remuneration policy will be presented for the approval of the governing body in June/July 2021. Feedback has been provided on the policy by the CCO boards.	* Green
62	Shared services have formal supplier/purchaser agreements, with agreed service levels.		For existing shared services provided by Auckland Council, a catalogue is being developed. This will include service owners, escalation processes and service level agreements.	* Green
63	CCOs discuss their proposed collective bargaining strategy with the council.		To be scoped – no further work required at this stage.	Green
64	The council makes compliance with the procurement policy mandatory on all CCOs to reduce costs and minimise duplication.		Procurement policy will be discussed at a workshop with the Strategic Procurement Committee and will go to Finance and Performance Committee for approval by June 2021.	Green