

Council Controlled Organisations
Joint Submission to Auckland CCO Review

9 April 2020



**Panuku
Development
Auckland**
An Auckland Council Organisation

**Auckland
Tourism, Events and
Economic Development**
An Auckland Council Organisation

**Regional
Facilities Auckland**
An Auckland Council Organisation

Watercare
An Auckland Council Organisation

**Auckland
Transport**
An Auckland Council Organisation



Submitted by the Council Controlled Organisations

On 9 April 2020



A handwritten signature in black ink, appearing to read "Shane Ellison".

Shane Ellison
Chief Executive
Auckland Transport



A handwritten signature in black ink, appearing to read "David Rankin".

David Rankin
Chief Executive (Acting)
Panuku Development Auckland



A handwritten signature in black ink, appearing to read "Nick Hill".

Nick Hill
Chief Executive
ATEED



A handwritten signature in black ink, appearing to read "Chris Brooks".

Chris Brooks
Chief Executive
Regional Facilities Auckland



A handwritten signature in black ink, appearing to read "Raveen Jaduram".

Raveen Jaduram
Chief Executive
Watercare Services Limited

Substantive CCO's Joint Submission

1. The substantive CCOs welcome the opportunity to review the CCO model, challenge 'business as usual', and collaborate on solutions to improve the council/CCO system.
2. Feedback is organised under four topics: Shared principles; Delivering results for Aucklanders; Challenges for the Model; and Recommendations for Improvement.
3. This submission presents a consensus view of the common issues and challenges faced by all substantive CCOs, and opportunities to address these challenges.

Shared principles

4. The model was designed by the Auckland Transition Agency (ATA) to have a unique structure unlike any other local authority in New Zealand (i.e. Governing Body, Local Boards (LBs) and CCOs) to promote efficiency, leadership and decision making. While CCOs are wholly owned subsidiaries of Auckland Council, they operate at arms-length to council, and exist to deliver the council's strategies. The CCOs are committed to: delivering the vision of the Auckland Plan in our respective areas; delivering our obligations and opportunities of council's Māori outcomes portfolio (Te Toa Takitini); and other emerging priorities including most recently the Auckland's Climate Action Framework.
5. Robust accountability mechanisms are currently in place to monitor and communicate to the council and stakeholders our delivery and progress towards our objectives (refer **Appendix A**). There are areas where these mechanisms could be improved or better utilised (refer Recommendations for Improvement). That said, the CCOs are committed to open scrutiny of the results we deliver.
6. We deeply understand our role in working for current and future generations, our diverse community and creating a positive legacy. We prioritise building staff cultures and values that are commercially astute, smart and responsible, in service to the public good and in the spirit of council leadership. CCOs operate with various economic realities with a range of both business and not-for-profit sectors.
7. The CCOs have both commercial and strategic objectives and, in doing so, play a significant role in delivering strategic outcomes of the Auckland Plan. We are providing public services, facilities and infrastructure on behalf of Auckland Council with public money and money collected from Aucklanders and businesses for the user-pays services we provide. These activities and funding are approved by the Governing Body.
8. CCOs are committed to building enduring relationships with Māori, including with mana whenua, matawaaka, Māori organisations and businesses. CCOs regularly engage with the 19 mana whenua iwi who have whakapapa rights and interests or genealogy connections to Tāmaki Makaurau. With a strong commitment to achieving Māori outcomes within our areas of activity, CCOs work closely with mana whenua on projects within their area of expertise to enhance Māori outcomes (refer **Appendix B**).

Delivering results for Aucklanders

9. The CCO model works. It has allowed Auckland Council to deliver meaningful results in key areas that would be difficult to do within the council structure itself:

- The CCO model was established to enable the application of commercial disciplines (activity, knowledge, influence). CCOs understand this is different from being commercial entities.
 - The model recognises the need for commercial skill sets and industry knowledge, the ability to focus long term on issues and delivery (and not be distracted by other activity), and enable faster decision making.
 - CCOs have governance oversight provided by a professional board appointed by the council. This introduces commercially astute disciplines and specialist skills, knowledge and experience. CCO boards add value to CCOs and help them better achieve their objectives and the council's strategies.
 - CCOs apply commercial disciplines to decision making, including assumption of risk, without undue bureaucratic processes.
 - CCOs can form strategic partnerships and alliances, financial structures, and utilise tailored engagement models with customers and stakeholders.
 - CCOs create centres of excellence and build capability in specialised areas of expertise; this creates an enhanced ability to recruit and retain highly skilled staff, with the same skillsets as those in the private sector, where the structures and culture are sometimes considered less attractive than those of a CCO.
 - As opposed to the multi-faceted nature of Auckland Council, efficiency gains can be made in CCOs through the alignment of systems and processes to the specific needs of the business. This results in nimble decision-making, a focus on achieving operating efficiency, and improved outcomes.
10. **Appendix C** includes case studies demonstrating how CCOs collaborate with each other and the council to successfully deliver results for Aucklanders. Opportunities to further enhance the way we work together are included in the recommendations.
11. The counterfactual to the CCO Model is the delivery of all services and implementation of strategy by the council with the establishment of new departments. Given the sheer size and complexity of the delivery challenge, the incorporation of CCO activity within the council, as new/modified departments, is unlikely to be tenable nor lead to enhanced delivery.

Challenges for the Model

12. **Strategy development and ownership:** Currently the process to establish and articulate strategy is unclear. While the Governing Body “owns” strategy, Auckland Council does not generally develop strategy in the CCO space which means there are strategy gaps across the council group. The council strategy is sometimes not implementable by CCOs because it is too high level and/or has not sufficiently involved CCO delivery or subject matter expertise. CCOs therefore need to translate high level council plans into CCO strategies, priorities and projects to enable practical execution. Sometimes this work can lack sufficient Governing Body endorsement, support or ownership. This also arises where the strategy is owned by a number of partners, e.g. Regional Land Transport Strategy. The Royal Commission on Auckland Governance said from a council perspective, CCOs are a mechanism by which operations can be managed efficiently, allowing the council to focus on other matters, such as strategy, policy and regulatory functions. As such, strategy development needs to be collaborative and to recognise where subject-matter expertise resides, whether in a CCO, the council or externally. It also needs to focus on delivering coordinated integrated infrastructure development for the region.

13. **Ability for the Governing Body to be fully across CCO programmes and political ownership of plans and programmes:** Auckland Council is a large entity with a very large work programme and diverse responsibilities. It is challenging for elected members to be sufficiently across CCO programmes resulting in reduced political ownership of plans and activities.
14. At times, there can be a **lack of clarity around council's role as a shareholder, regulator or collaborative partner**. This can impact relationships between staff and impact culture and collaboration.
15. **By the very nature of the work we do in supporting the delivery of council strategies, some CCO projects will not be popular with all Aucklanders and CCOs will often be the target of critics and naysayers:** To work more effectively in this context, CCOs need support from the elected members as advocates and champions within the council. This will allow both the council and CCOs to deliver together on the group's overarching strategies.
16. **There are real and perceived failures in communication between the CCOs and the Governing Body and other stakeholders, including the Independent Māori Statutory Board (IMSB), despite having many existing mechanisms in place:** There are regular opportunities to engage with the Governing Body, local boards and council colleagues, and many accountability planning and reporting mechanisms are in place (refer to **Appendix A**). Some could be used more effectively.
17. **Coordination between CCOs and ability to tell a joined-up story:** It proves difficult to align resources across the council group to areas of highest need in an agile way. Opportunities to tell a coherent, compelling and joined-up story are often missed.

Recommendations for Improvement

The CCO Model

More effective governance

18. In creating a single council for the large Auckland region, and breaking delivery into several arms-length vehicles, it was recognised that the unique Auckland model (refer **Appendix D**) would require a new approach involving a high degree of integration and collaboration between the various entities, and development of effective working relationships at both an organisational and governance level. The recommendations listed seek to strengthen this collaborative and partnership approach between the CCOs and the council.
19. An enhanced CCO Governance Unit (currently CCO Governance and External Partnerships), with an Executive Leader on the council's ELT, able to represent CCO strategy, programmes, challenges, integration and implementation issues, within the executive leadership of the council. This better reflects the scale of activity, budget and risk associated with the CCOs and their activities. The Unit requires additional resources to provide support to CCOs and help manage issues that arise. It also requires a change in focus from primarily performance monitoring to one of collaboration and effective delivery based on a deeper knowledge of the workings of, and interaction with, each CCO. This could start with attendance at all CCO public meetings by a member of the CCO Governance Unit.
20. Auckland Council involvement is most valuable at the start of each year's planning process. (ie) at the stage of the Letter of Expectation and Statement of Intent. The current Statement of Intent process does not foster Governing Body support for CCO strategy and activities. A practical mechanism would be more upfront engagement. The CCOs need increased face time with the

Governing Body to discuss strategy, challenges and opportunities. There are different ways this could be achieved.

21. A role of the CCO Oversight Committee is to advise the Mayor on the Letter of Expectation (LOE). A joint CCOs and committee/Governing Body workshop prior to the LOE is proposed. This would be a useful scene setter from the committee/Governing Body prior to the drafting of the Statement of Intent (SOIs). Participants would include chief executives, chairs and deputy chairs of CCO boards with the mayor, deputy mayor, committee chairs and deputy chairs (or all councillors). This workshop would be run by council senior management and the CCO Governance Unit. This workshop would enable dialogue on investment and spatial priorities and feedback to CCOs on how they are implementing policy and meeting accountability requirements. This workshop would enable clearer direction from the Governing Body on their priorities and enable increased alignment.
22. Enhance the role of the new CCO Oversight Committee. A stated “purpose” of this committee is to have a general overview and insight into strategy, direction and priorities of all CCOs. Opportunity for a stronger focus on collaboration and supporting effective delivery by CCOs, in addition to the key responsibility for performance monitoring. Increased face to face time between CCOs and the committee is sought, through a regular programme of workshops, in order to increase opportunities to discuss CCO strategy, challenges, priorities and work programmes as well as opportunities for innovation. It will increase the flow of information to all councillors. An open discussion on issues relating to the relationships with and performance of the council in supporting CCOs to deliver outcomes should be included in the scope.
23. Councillor and CCO Director attendance/apologies at CCO Oversight Committee workshops are recorded and publicly reported.
24. Further evolution and monitoring of the role of the Liaison Councillor (LC) role, if other measures do not negate the need for this position. The opportunity is to enable the LCs to obtain a deeper understanding of CCOs strategies and challenges, and to be an advocate and information conduit to the CCO Oversight Committee without risking “deemed director” status. Further direction is required on how to operationalise this role and build these relationships.
25. At the start of each political term, there is an enhanced induction for new councillors and local board members on the role, purpose and activities of the CCOs. Each CCO presents in a joint session.
26. The Independent Māori Statutory Board (IMSB) was another governance body established as part of the single council model. Aside from the quarterly joint Governing Body and IMSB meeting, all CCOs currently engage with the IMBS in different ways and as a result the IMSB has recently (December 2019) provided the Council and CCOs with a letter of expectation which was discussed by the Auckland Council Chief Executive and the CEs of the CCOs with the Chair and CE of the IMSB. A number of improvements for engagement between the CCOs were raised and could contribute to stronger recognition of the role of the IMSB. These included:
 - i) Increased engagement from CCOs with the IMSB on substantive issues with a Council Group lens that shows work towards common outcomes/measures for Māori relationships, organisational Māori responsiveness and programme delivery to Māori. This would mean CCOs attend IMSB meetings together on programmes of joint work.
 - ii) Cross-CCO tracking and reporting on annual planning and budgeting to progress Māori Responsiveness Plans in a more targeted way, and that addresses specific priorities of the IMSB outlined in the IMSB Māori Report and Values Reports and the Treaty Audits and Expenditure Review.
 - iii) That CCOs ensure that Māori impact statements are incorporated into all Board reports and that any report to council committees or CCO Board meetings that refers to the Mana Whenua

Kaitiaki Forum outline how all 19 Mana Whenua iwi have been included and consulted on the topic being reported.

- iv) Regular governance engagement between the IMSB and CCOs CEs and Board directors. This has already been established and the next meeting is scheduled for May 2020 and will include the IMSB Chair and CE, the Chair and two board members, and the CEs of each CCO.

Aligning strategy, increasing ownership

27. A “CCO Portfolio” within a strengthened smart senior strategy team at Auckland Council to work with CCOs and draw stronger, closer connections between council and CCO strategy/policy and assist in building integration and ownership. The role or team would enable:
 - Identification of CCO strategy and policy gaps and assistance with an aligned work programme
 - Allocation of council staff resource into agreed CCO strategy work
 - Increased co-development of strategy including engagement of CCO specialists in relevant strategy and policy led by the council
 - Guidance and advice on engagement with councillors
 - Participation alongside CCOs in political engagement (providing context, continuity, connection) and to achieve Governing Body endorsement of CCO strategy where required
 - The “Go To” team for CCOs to address policy and strategy gaps and implementation issues.
28. Better alignment and budget planning around place-based spatial projects to enhance the leverage of council investment. There has been significant effort in recent years to agree council group spatial priorities in order to effectively align work programmes and manage resources.
29. The enhanced role of the CCO Oversight Committee with a stronger focus on strategy (para 20) and the proposed joint workshop prior to the LOE (para 22) would assist to build strategy alignment and political ownership.
30. More formal and informal interaction of CCOs and council staff members to increase relationships, knowledge sharing, limit redundancy, and align strategy across the council and CCOs. For example, a closer relationship between leadership teams would be beneficial. The opportunity is for the quarterly council group ELT meeting (of all ELT members from council and CCOs) to be more structured and agenda driven. Meetings should focus on issues arising within the council whānau and identifying solutions, as well as relationship building, integration, knowledge sharing and best practice. Participants could be varied according to agenda topics. This would also assist in telling a joined-up story.
31. Both the strengthened senior strategy group with a “CCO portfolio” (para 25) and the enhanced CCO Governance Unit (para 18) would assist in alignment, knowledge sharing and limiting redundancy.

Culture

Increasing responsiveness

32. CCOs are committed to genuine engagement and building stronger relationships with local boards, in the areas in which they are working. This includes making it easier for local boards to engage with CCOs and ensuring that CCOs are contributing where possible to local board aspirations. However, it is important to recognise that the CCOs have very different functions and activities and therefore the need for, and nature of relationships with the 21 local boards will and should vary. The CCOs have identified a range of options and opportunities for discussion, listed in brief below

(refer **Appendix E**). Some of the options will not relate to all CCOs, only those where they are implementing a local project or service initiative.

- i) Three-yearly presentation of local board plans to senior CCOs Group
 - ii) Involvement of relevant CCO staff in local board planning sessions, as part of annual planning
 - iii) Communication and clarification of CCO activities and the overlap with local board activities and decision making (Panuku example provided)
 - iv) Develop set of agreed principles of CCOs-local board engagement or CCOs commitment to local boards that goes further than the expectations laid out in the CCO Accountability Policy
 - v) A review of the allocation of decision-making table and wider socialisation to ensure all CCOs are aware of it
 - vi) Modifying and increasing the benefits of CCO reporting to local boards.
33. **A co-design workshop** with local board members, local board advisors and the CCO Governance Unit, to consider the range of opportunities and agree which should be implemented, is suggested.

Enhanced integration and leadership around “place”

34. Local boards are place-based. Some CCOs, such as Panuku and Auckland Transport, and Auckland Council departments (such as Community Facilities) deliver place-based services and local infrastructure. Often several agencies are working in one locality. Enhancing place-based approaches where feasible, will enable stronger relationships with local boards and communities to be developed.
35. The opportunity is to increasingly deliver around place-based priorities integrated with local board plans. In places where two or more CCOs have projects or initiatives there is a need to identify the key players, work together to present a coordinated work programme and messaging, and to attend local boards together, presenting as a group. In Avondale for example, Panuku, Auckland Transport and Community Facilities are all leading projects in the area contributing to the urban regeneration of the town centre. Personal relationships have meant that this is working well. The opportunity is to put more structure around these approaches.
36. Where there are overlapping projects in an area it is suggested that a lead agency be identified with a coordinating function. The CCOs commit to supporting the lead agency role by keeping each other and local boards informed, jointly communicating and addressing issues. To be effective there needs to be stronger leadership and a commitment to follow. In Avondale, Panuku is the designated lead agency on behalf of the council group providing a coordinating function.
37. A further step is for the lead agency to establish place-based project governance groups, where there is a longer-term programme of activity which involves many parts of the council group, such as town centre urban regeneration, delivering services and infrastructure to a community. The project manager provides a leadership and coordinating function. This means the local boards have a single integrated group to engage with. The City Centre and Waterfront Governance is a great example of the council group delivering an integrated work programme and communications (refer case study in **Appendix C**).

Telling our story

38. Many of the proposed initiatives will ensure the council and CCOs tell a coherent and joined up story. The enhanced role of the CCO Governance Unit and senior strategy group “CCO Portfolio”, programme of workshops with the CCO Oversight Committee, options to enhance local board engagement and reporting, and an increase in place-based coordination will enable improved

communication between the CCOs with the Governing Body, council staff and management, local boards and the public.

39. Consider an “Enhanced Communications and Engagement” Policy for the council group, which includes a two-way no-surprises policy.

Greater recognition of Auckland Council

40. Aucklanders should understand what the council group is delivering for them, and corporate branding across CCOs should reinforce that objective. CCOs follow council group branding guidelines, including logos and media protocols. Auckland Council reporting should likewise acknowledge the good work that CCOs are doing as well.
41. CCO Corporate Affairs and Media Teams develop and formalise protocols to ensure that council representatives are invited to key milestone events and ensure that councillors and local board members in attendance are acknowledged and that any council investment is fully acknowledged (logos).
42. The CCOs could also work more closely with the Auckland Council communications and engagement team to identify communications and engagement opportunities where stronger council attribution can be achieved. This is also an opportunity for cross/shared investment and for the council to articulate how they would want to be attributed. These activities would be a useful overlay to the existing agreements around the media “no surprises” approach, brand navigating group and brand attribution, already in place.

Enhancing customer service

43. The CCOs are aware that the public can find it difficult to make contact with the right person in the council group, to seek information and discuss issues. Consideration could be given to enhancing the quality of customer services delivered by call centres in addition to ensuring that project contact information and CCO contact information is sufficient and readily available.
44. Lifting public trust and confidence in the council and CCOs is a shared objective which needs to be worked through by the council group. Many of the recommendations in this submission will mean there is greater visibility of CCOs and their activities, increased ownership by the council of CCO work programmes, increased alignment and integrated communications.

Talent management

45. There is an opportunity to align our talent management approach across Council and the CCO group; essentially creating one talent pool to grow and develop our people collectively. This could include aligned leadership developed programmes for CEOs, GMs and EGMs, succession planning and leadership assessments across the group for senior roles, secondment opportunities, internal movements across Council and CCOs. Ultimately this will lead to improvements in culture, the opportunity to grow talent more successfully, removal of duplication of effort and reductions in cost.

Appendices:

A: Current opportunities for CCOs to interact with Auckland Council and local boards

B: Summary of approaches and commitments by CCOs to achieving Māori outcomes

C: Case studies of integrated work and outcomes delivered by CCOs with Auckland Council

- Case Study: Franklin Road - A streetscape and infrastructure upgrade for sustainable city living
- Case Study: Place-led regeneration of the Puhinui and Awataha Streams
- Case Study: CCOs deliver the regeneration of the Wynyard Quarter
- Case Study: Panuku and ATEED supporting the film sector and revitalising Henderson
- Case Study: City Centre and Waterfront – a successful example of place-based governance
- Case Study: Cross-Council response to Covid-19/ Coronavirus Pandemic

D: The current model (diagram)

E: Options for enhancing relationships and improving CCO engagement with local boards

Appendix A: Current opportunities for CCOs to interact with Auckland Council and local boards

Currently, the CCOs have the following opportunities to interact with the Governing Body annually:

- Written quarterly reports to the CCO Oversight Committee
- Attendance at four meetings of the CCO Oversight Committee to present the quarterly reports and respond to any questions
- Two workshops with the CCO Oversight Committee
- Presentation of Annual Reports
- The Letter of Expectation and Statement of Intent process
- In the future, regular interactions with the CCO Liaison Councillor.

In addition, CCO interactions with the council include:

- Day-to-day interactions with the council's management through the CCO Governance and External Partnerships team
- Regular meetings with the mayor and mayor's office, sometimes attended by each CCO's chair, CE and CFO
- Local board engagement.
- Informal CCO board to council interaction.

There are also the following accountability mechanisms:

- CCO Accountability Framework
- CCO Governance Manual, including "no surprises" policy (note that the council released a major redraft of this Manual in October 2019 with no prior consultation or engagement with the CCOs).
- Workshops in advance of decisions on strategic matters or strategic assets
- Local Board Engagement Plans
- For those CCOs that are companies, their company constitutions
- For those CCOs that are not companies, their Charters.

Appendix B: Summary of approaches and commitments by CCOs to achieving Māori outcomes

Auckland Transport

Mana whenua represent the traditional guardianship of New Zealand's Māori and as a key partner, their involvement and input into the many strands of work carried out by Auckland Transport (AT) is of immense value. Projects where mana whenua may have an interest are presented at monthly forums and AT's specific legal obligations and responsiveness to Māori are set out in a Māori Responsiveness Plan, which outlines and establishes key principles such as partnership and relationship building.

AT is guided by Te Aranga Māori Design Principles, a set of outcome-based principles founded on core Māori cultural values. These principles are applied in collaboration with mana whenua across a range of infrastructure projects, and all projects within the RLTP programme are asked to consider the Te Aranga principles of Mauri tu and Taiao.

AT's commitment to meeting its responsibilities under Te Tiriti o Waitangi has led to the roll out of Te Reo Māori signage across all road, walking and cycleway projects, customer announcements on buses, and the development of pioneering new staff learning modules such as the Ngā Kete Kiwai Māori education programme.

AT has a dedicated Māori Policy and Engagement team that regularly engages with 19 Mana Whenua tribes who have whakapapa or genealogy connections to Tāmaki Makaurau. A one-stop geo spatial application, the Te Waharoa Māori portal, records, stores and monitors engagement outcomes across all AT infrastructure projects. AT will continue to contribute to the Māori outcomes portfolio (Te Toa Takitini) and the council group Tiriti o Waitangi Audit response. We will continue to engage meaningfully and regularly with iwi/Mana Whenua over capital projects, in particular, those impacting on areas of significant cultural importance.

Panuku Development Auckland

As a Council-Controlled Organisation, Panuku Development Auckland (Panuku) has an obligation to assist the Crown in fulfilling its duties under Te Tiriti o Waitangi. Panuku considers the 19 iwi and hapū in Tāmaki Makaurau our Treaty partners and has a rigorous engagement framework to include the voice of our partners in our decision-making.

Panuku has established collective engagement forums at Rangatira, governance and project levels and supports mana whenua to provide regular and meaningful input to Panuku projects.

Panuku has worked closely with mana whenua on a range of opportunities - cultural opportunities (naming, design, art, placemaking), commercial opportunities (several investment and development

opportunities have been explored, e.g. iwi partner in the Kotuitui Place development in Manukau) and Kaitiaki opportunities. Recent activities include:

- Incorporating mana whenua cultural narrative into Puhinui and Awataha projects
- Commissioning Māori artists at Puhinui, Wiri, Wynyard Quarter, Silo Park extension and Takapuna and assisting Park Hyatt to commission Māori artists for four pou
- Preparing agreed RMA/Plan change mana whenua engagement framework
- Input from mana whenua into a feasibility study for Eastern Viaduct, Onehunga Wharf objectives, Hayman Park wetland options, Avondale Masterplan and up-coming commercial opportunities.

In 2019, Panuku developed its Mana Whenua Outcomes Framework to respond to the aspirations of mana whenua. The outcomes framework intends to achieve significant improvements for Māori wellbeing across Tāmaki Makaurau. The mana whenua priorities in the outcomes framework are organised into five pou. These are Governance, Wellbeing, Culture and Identity, Economic, and Natural Environment.

Panuku will implement the actions within the outcomes framework over three years, but some priorities for the 2020-21 financial year include:

- Create more commercial and social procurement opportunities for mana whenua
- Enable mana whenua to exercise their role as kaitiaki on projects and activations
- Build the capacity of mana whenua artists and create more opportunities to whakamāori Panuku-led projects
- Support the normalisation of Te Reo Māori and develop a capability-building programme for Panuku staff across all locations.

Panuku looks to Auckland Council as the tuakana of the Kaunihera Whānau, and actively works to support the implementation of the Māori Outcomes Portfolio. Panuku is also an active member of the Māori Outcomes Steering Group that allocates the Te Toa Takatini funding.

Watercare

Mana whenua represent the traditional guardianship of New Zealand's Māori. As a key partner, Māori involvement and input into the many projects of work carried out by Watercare is of immense importance and value. Projects where mana whenua may have an interest are presented at bi-monthly forums. Watercare's specific legal obligations and responsiveness to Māori are set out in Watercare's SOI, Watercare's Māori Responsiveness Plan, and Whiringa te Muka Tangata, which outlines and establishes key principles such as partnership and relationship building.

Watercare is guided by the Watercare/mana whenua kaitiaki forum Charter, which includes principles founded on core Māori cultural values. We are also guided by the Relationship Agreement with the forum, which sets out the strategy. These principles and strategy are applied in

collaboration with mana whenua across a range of infrastructure projects; and all projects within Watercare's works programme must consider these principles and the objectives of the strategy.

Watercare's commitment to meeting its responsibilities under Te Tiriti o Waitangi has led to incremental steps and changes in how Watercare project leads and staff engage with mana whenua. A more kano ki te kano (face to face) approach is taken. Understanding the Māori world view, cultural beliefs and tikanga has enabled Watercare to apply a matauranga Māori framework to many of the projects requiring Mana whenua input and consent.

Watercare's Poutiaki Tikanga Māori (Principal Advisor) and senior leadership regularly engage with the 19 mana whenua iwi who have whakapapa rights and interests or genealogy connections to Tāmaki Makaurau. Watercare will continue to contribute to the Māori outcomes portfolio (Te Toa Takitini) and the Council group Tiriti o Waitangi Audit response. We also continue to engage meaningfully and regularly with iwi/mana whenua over capital projects, in particular, those impacting on areas of significant cultural importance.

Auckland Tourism, Events and Economic Development

Auckland Tourism, Events and Economic Development (ATEED) supports the economic aspirations of mana whenua and mataawaka, individually and collectively, on areas of shared interest; to showcase Tāmaki Makaurau, help transform our region, improve economic prosperity and to bring enduring benefits for mana whenua and Māori.

At the fore is creating leverage during 2021 and beyond and investigating options for a stronger cultural and commercial footprint across Tāmaki Makaurau.

ATEED is the outcome lead for Māori Business, Tourism and Employment within the Māori Outcomes portfolio for Auckland Council. We will continue to collaborate across the Auckland Council whānau to coordinate and strengthen the portfolio to enable a more strategic and impactful focus to activities within the portfolio, linked to clear performance measures.

ATEED will continue to build a strategic partnership with the Mana Whenua Kaitiaki Forum, formalise a strategic partnership with the Whāriki Business Network and continue to focus on collaborations with key delivery partners; Callaghan Innovation, New Zealand Trade & Enterprise Development Inc, Te Puni Kokiri and Te Wananga o Aotearoa, New Zealand Māori Tourism and Air New Zealand.

Regional Facilities Auckland

Regional Facilities Auckland (RFA) is committed to contributing to Māori outcomes and giving effect to the principles of Te Tiriti o Waitangi and the Treaty of Waitangi through the delivery of the RFA Mahere Aronga Māori – Māori Responsiveness Plan 2018-2021. The RFA General Manager –

Kaupapa Māori leads the implementation of the plan and works with directors and Māori specialist staff to transform customer experiences and their engagement with Te Ao Māori.

RFA focusses on promoting Auckland's Māori identity as Auckland's point of difference in the world and lifting Māori social and economic well-being by developing new economic opportunities with Māori business interests.

Each RFA brand continually develops and implements bespoke opportunities (activities, programmes, projects, events and partnerships) to contribute to Māori outcomes and grow their capacity and capability to successfully meet strategic objectives. For example, Auckland Zoo delivery of their unique, dedicated Māori science programme, Auckland Art Gallery work with Haerewa (a Māori Expert Advisory Group) and Auckland Live collaborate and co-present with Māori writers, producers and performers. This includes the installation of an iconic work from Māori Artist Lisa Reihana and the naming of the Kiri Te Kanawa theatre. Hui Te Ananui A Tangaroa New Zealand Maritime Museum weaves Māori perspectives and stories into the kete of the museum. The Museum also works with mana whenua groups to develop understanding and connection to matauranga Māori throughout the museum's programme and operations.

RFA will continue to increase the use of Te Reo Māori by:

- Supporting the council's Te Reo Māori Implementation Plan 2020-2023
- Implementing a bilingual naming policy and programme for RFA businesses
- Promoting public announcements in both Te Reo Māori and English; Te Reo Māori will be first order
- Promoting Te Reo Māori in interpretation strategies and wayfinding signage within our facilities
- Incorporating te ao Māori elements within promotional material and programmes
- Increasing and supporting staff capacity and capability to understand and promote Te Reo Māori, tikanga Māori and te ao Māori.

Major developments and building upgrades will reference the Te Aranga design principles and contribute to both traditional and contemporary expressions of Māori identity.

The RFA MRP contains a detailed action plan for 2018 – 2021. This plan will be reviewed at the end of the 2020 year.

Appendix C: Case Studies of integrated work and outcomes delivered by CCOs with Auckland Council

Case Study: Franklin Road - A streetscape and infrastructure upgrade for sustainable city living

The \$16 million upgrade of Franklin Road is a great example of well-coordinated CCO collaboration.

The recently completed transformation of Franklin Road in central Auckland was the culmination of a three-year programme incorporating utility service upgrades, repairs and streetscape construction. AT worked closely with Watercare, Vector, Chorus and Healthy Waters to rebuild the road from the underground up, which was no mean feat on a road accommodating more than 14,000 vehicle trips daily.

Taking a 'dig once' approach, the result is a testament to the patience, goodwill and support provided by the local community, especially residents, businesses and the Community Liaison Group who helped shape the final design.

Before the rebuild, Franklin Road and footpaths were in a poor state. The underground infrastructure needed upgrading or replacing, stormwater overflowed into the wastewater system, and tree roots damaged the footpaths and road creating hazards for people walking, driving and riding bikes.

A complex and challenging project, Franklin Road now features even footpaths, a new roundabout at the Wellington Street intersection, and new cycleways on both sides of the road. Tree root zones are now protected from vehicles, the underground aged sewage system has been replaced and new drain catch pits are installed. Improved street lighting and well-defined parking spaces contribute to the safer movement of all.



Case Study: Place-led regeneration of the Puhinui and Awataha Streams

Te Ara Awataha - Northcote

Te Ara Awataha, the place-led regeneration of the Awataha Stream in Northcote, is being jointly delivered by Panuku, Kāinga Ora - Homes and Communities, working alongside Healthy Waters, the Kaipātiki Local Board and mana whenua.

Stemming from an original Northcote community vision over 15 years ago to connect the green space along the spine of the historic Awataha Stream restore the stream to a more natural state, Te Ara Awataha has attracted significant investment from both the Crown and Panuku to advance the vision and enable the future growth of the town centre.

The co-creation of a clear design guide and place-led principles was crucial to bring together a series of separate projects into a compelling whole. With mana whenua and the wider partners, three principles were agreed: Weaving the strands; Healthy communities and Living with nature.

The result is a string of projects representing a collective investment of around \$30 million across four funding and delivery partners. Alongside the new housing and proposed new town centre, this project will deliver truly transformational and regenerative outcomes for Northcote.

The sense of pride and local ownership around this project is significant. An outdoor classroom along Te Ara Awataha, Northcote's new greenway, is included in the design, thanks to input from local schools.



The Puhinui Regeneration Strategy - Manukau

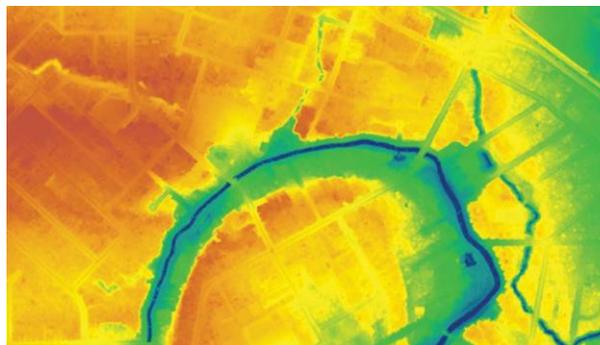
The Puhinui Stream is a 12 kilometre degraded waterway running through the heart of Wiri in Manukau. A cross-council collaboration group has been formed to harness and realise the multiple social, cultural, environmental and economic catchment-wide benefits associated with its restoration.

The Puhinui Stream restoration is a flagship project in Auckland Council's Auckland Climate Action Plan (ACAP) because of its potential to mitigate the effects of climate change and providing a case study for other urban environmental regeneration projects.

Panuku and Auckland Council Healthy Waters are leading a project team consisting of mana whenua, TSI/Cause Collective, WSP, Resilio, The Roots Collective, the Manurewa and Ōtara-Papatoetoe local boards, Auckland Council Parks Sports and Recreation.

The first stage, currently underway, is a regeneration strategy which has included wide community engagement to identify issues, opportunities and constraints, mapping of existing and proposed projects, and developing a clear purpose and principles for the regeneration of the Puhinui catchment.

The second stage is the establishment of a 10-year work programme. The success of the project requires co-ordination and integration with Healthy Waters Stormwater Management Plan throughout the duration of the project as well as ongoing engagement, communication, place-making and social procurement strategies for the Puhinui Stream.



Case Study: CCOs deliver the regeneration of the Wynyard Quarter

The redevelopment of Wynyard Quarter has required close collaboration between Panuku Development Auckland (formally Waterfront Auckland), AT, Watercare and ATEED since 2010.

One of the largest urban regenerations in New Zealand, Wynyard Quarter is evolving from a publicly restricted industrial port to a space where people can live, work, visit, be entertained and do business. The establishment of new connections between Wynyard Quarter, Victoria Park, and the city centre involves the transformation of Westhaven Drive, Beaumont Street, Daldy Street, Gaunt Street, Halsey Street, and Pakenham Street people-friendly environments with high quality street furniture, paving, and landscaping.

Together AT, Panuku and Watercare are working hard to minimise disruption during the street and bus stop upgrades, the construction of new parks, and the installation of new wastewater and stormwater infrastructure. Construction works began mid-2015 and in February 2020 a portion of Daldy Street was reopened to the public. Work continues on Gaunt Street and a new neighbourhood park at the corner of Daldy Street and Pakenham Street West.

Concurrently ATEED and Panuku have collaborated on the development of GridAKL, an innovation precinct and employment centre within Wynyard Quarter. Since 2015 GridAKL has grown from a pilot comprising 15 small businesses and less than 100 employees to a dedicated innovation precinct across three buildings housing over 140 businesses and approximately 1000 employees.



Case Study: Panuku and ATEED supporting the film sector and revitalising Henderson

A collaboration between Panuku and ATEED has provided the local film industry with surety and support to land a major large screen production opportunity, with significant economic spin-offs.

Panuku manages the 3.8ha business light industry zoned Auckland Film Studio (AFS) site in Henderson Valley Road on behalf of Council. Panuku's Unlock Henderson vision for the AFS was for it to be transformed into a mixed-use development with new homes close to transport connections, leveraging the nearby train station, enhanced services and proximity to the city centre once CRL is completed.

In 2019, Panuku was approached by ATEED to replace its current two-year lease with a new 10-year lease in order to continue film activity and to secure the license and rights to host and enable a large and long-term multinational tenant to occupy the whole site.

Acknowledging the 'NZinc' effort led by the New Zealand Film Commission, with ATEED, the Ministry of Business, Innovation and Employment (MBIE) to bring large screen productions (films and TV series) to New Zealand, Panuku and ATEED worked closely to land this opportunity.

This involved working through building lease terms, operating expenses, infrastructure and immediate improvements, and reaching agreement on future master planning and development.

The production is a long-term (five season) screen production being produced by a large multinational company. The potential total GDP impact (direct, indirect and induced) on Auckland's economy over the possible five seasons is approximately NZ\$845 million. The potential total Auckland spending (direct, indirect and induced) is approximately \$2.2 billion.



Auckland Film Studios, Henderson

Case Study: City Centre and Waterfront – Place-based governance

All of council's CCOs contribute to the success of the city centre, through both infrastructure development and management, and community and economic development. Massive infrastructure projects like the CRL affect almost all parts of the central city and are a trigger for a coordinated response across the council whanau.

In 2016, Panuku and Auckland Transport, together with council's Development Projects Office (DPO) and Auckland Design Office (ADO) established a joint steering group to ensure cross-council integration, align investment programmes and provide a joined-up narrative for stakeholders, elected members and Auckland's public. Membership of the executive steering group includes chief executives and senior officers from across council, Auckland Transport, Panuku, ATEED, Regional Facilities Auckland, CRL and Ports of Auckland Ltd. At the management level, a programme control group provides oversight of both strategic and implementation projects, including coordinated development response and communication.

Achievements

The CCW steering and programme group was established as the various parts of council were starting to prepare their funding bids for the 2018 – 2028 Long-term Plan. Project managers from the DPO and council recognised that there were many spatially overlapping projects, potentially competing for limited funds.

A cross-council team was established, to address a need to both agree priorities and to prepare a coherent story for the elected members. The group prepared and presented a series of councillor workshops, walking elected members through the significance of the city centre to the whole region, and potential scenarios for further investment. A key message was “dig once”, i.e. investment in streetscape improvements should align with the major disruption of CRL. Councillors saw the benefits of aligning investment and adopted the ‘sensible minimum’ scenario proposed.

The management group has continued to ensure alignment across a series of complex projects along the downtown waterfront, ensuring a coordinated approach with multiple contractors and stakeholders. The management and executive groups have also overseen coordinated strategic work, such as the cross-council response to the PoAL 30-year Master Plan and the update of the City Centre Master Plan.

With the next round of LTP funding bids now underway, the management team is preparing to coordinate and prioritise investment proposals across the city centre, and to jointly engage with elected members on city centre and waterfront priorities for the next decade.



Case Study: Cross-Council response to Covid-19

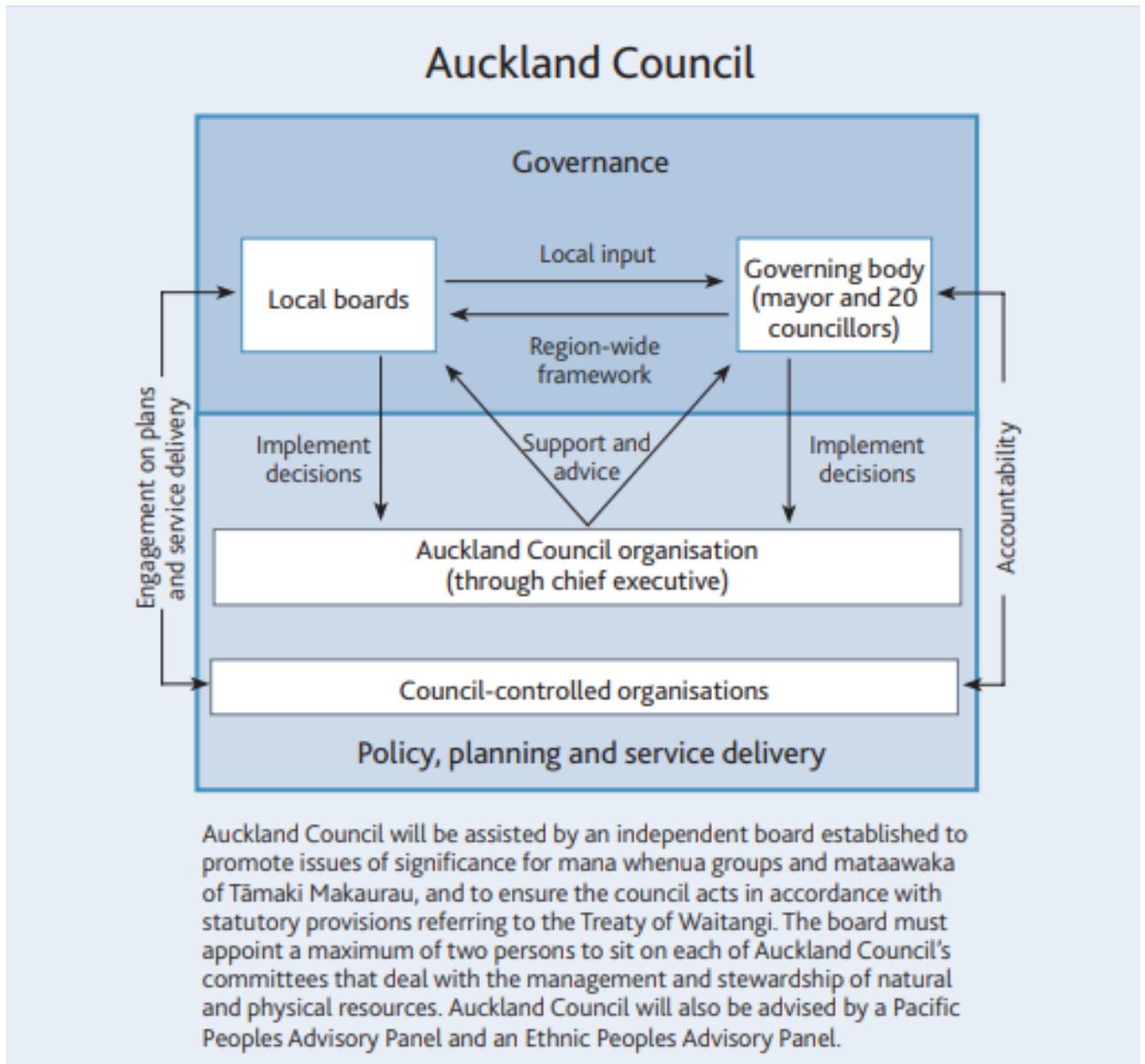
It has been highlighted in the past that as the city's lead for Emergency Management, the Auckland Council family shines in times of crisis. With the comparatively fast development of the Covid-19 crisis in New Zealand and across the world, the Council group demonstrated its ability to put existing crisis and emergency frameworks, which are frequently rehearsed, into real life operation immediately.

Recognising that in this scenario the Council group is responsible for many lifeline or essential services, such as transport and water and wastewater, the CCO Chief Executives were convened by the Auckland Council Chief Executive to put crisis management plans into action. On the ground this has meant:

- CCOs contributing staff resource to the stood-up Auckland Emergency Management centre and cross-group redeployment of specific skills as required
- Council Group alignment on public communication including using CCO channels to communicate emergency management messages
- Open lines of communication between CCOs and Auckland Council to ensure that lifeline services are adequately funded
- Adherence to Auckland Council policy and guidelines for issues such as staff management, controlled usage of IT systems, procurement and financial controls
- Joint prioritisation of essential services
- The secondment from Panuku to AT of a communications specialist to directly support the Chief Executive on Covid-19 matters
- The use of common technology, such as Microsoft Teams and Skype, to support on-going collaboration between CCOs
- Formation of a joint response to Central Government request for 'shovel ready' projects for national funding consideration.



Appendix D: The current model



Appendix E: Options for enhancing relationships and improving CCO engagement with local boards

This submission recommends a co-design workshop between CCOs, local board members, local board liaison officers and CCO Governance, to explore these options:

- I. Three-yearly presentation of local board plans to senior CCOs Group. This could be day or half day sessions of clusters of local boards, where local board chairs and members meet with senior representatives from the relevant CCOs. The purpose is to genuinely engage with local boards to understand their aspirations. This would be an opportunity to identify activity of each CCO in those local board areas, identify a lead agency and key contacts. The programme of presentations would be set up by local board services.
- II. Local board planning sessions are held annually and while developing local board plans every three years (on a more ad hoc basis). The local boards invite representatives from all council departments to discuss their plans, priorities and budgets. It would be beneficial for the local boards to extend the invitation to relevant CCOs to hear about the local board plans and priorities, and to also identify CCO projects and investments in the area. Panuku has been invited to some of these in the past and they are very informative sessions.
- III. There is a need for better communication and clarification of CCO activities and the overlap with local board activities and decision making. Sometimes local boards are surprised by CCO activities in their area and are unclear of their role. Similarly, for CCOs there can be a lack of clarity on the decision-making role of local boards. In order to address this and to provide clarity around the timing, nature and purpose of engagement, Panuku has prepared process diagrams for local boards in relation to key activities such as public realm capital projects and the disposal of council surplus sites. An example is provided on the next page. This approach could be explored by other CCOs if local boards see this as valuable. ATEED also has an engagement matrix.
- IV. The development of a set of “principles of local board engagement” or “CCOs’ commitment to local boards” would acknowledge the value of the relationship, the role of the local board in their community and their knowledge of and passion for that community and demonstrate genuine commitment that goes beyond delegations or decisions. No surprises, timely information, and open dialogue on issues are basic principles for consideration. The highly successful Governance Pilot on Waiheke which, among other things, has led to a MoU between the Local Board and AT, is an excellent example of shared priorities being agreed and worked on in a collaborative manner.
- V. A review of the allocation of decision-making table and wider socialisation to ensure all CCOs are aware of it. This will help to clarify responsibilities of the governing body, CCOs and the local boards.
- VI. Modifying and increasing the benefits of CCO reporting to local boards. The nature of CCO reporting to the local boards should be reviewed. CCOs are required to submit a report to local boards on a six-monthly basis using a template in the form of a decision report (even though a decision is not required). It appears that these reports are of limited interest and value to many local boards as they are an isolated snapshot looking back over the past six months. There is a separate report from each of the six CCO’s to each of the 21 local boards which requires considerable resourcing.

VII. It is proposed that a joint integrated report from the CCOs would be more beneficial to local boards, in the form of a memo, that is not just a snapshot but tells a joined-up story about achievements and progress as well as what to expect in the next six months. The memo could be used by the local boards as the basis of information and engagement with their communities. Local Board services could coordinate the preparation of the reports providing a skeleton report for more details from the CCOs. If one CCO is the lead agency in that local board area it could take the lead on the initial drafting and Local Board Services could then seek more detailed input and confirmation from the other CCOs. For example, local board engagement throughout the life of public realm projects delivered by Panuku. Timing and nature of local board engagement is identified alongside the project management process.



Next Steps Public Realm (e.g. local board asset- eg Puhinui, Awataha Greenway)

Local Boards engagement within project life



Example: Diagram that illustrates the nature and timing of local board engagement and decision making in public realm projects facilitated by Panuku