

SSC RESPONSE TO MCKAY “REVIEW OF CENTRAL GOVERNMENT POLICY, IMPLEMENTATION, STRATEGY AND LEADERSHIP EFFECTIVENESS IN AUCKLAND”

This note reproduces the conclusions and recommended actions as set out in the above report (McKay report) and includes comment on proposed or actioned responses to them. The extracts from the McKay report are included in standard font while the responses are in italics.

Conclusions and recommended actions

These conclusions are mutually reinforcing, each does not stand alone. They are designed for Chief Executives to be able to implement within their existing delegations.

Conclusion one: The time has never been better for government to apply senior leadership to priorities for which Auckland is pivotal to achieving national outcomes.

There is a significant opportunity to advance headline government priorities in Auckland. For example, the target populations for many of the BPS targets are heavily concentrated in Auckland. Some targets will not be met without giving attention to those populations, and working in new ways across agencies to affect them. Without senior people who are visible and accountable, the opportunity to make a difference at scale for the largest communities of deprivation in the country is being missed.

Leadership on Auckland should be uniformly senior within a cohort of people who are full time dedicated to Auckland, who are individually and collectively accountable, and who are tier two and reporting to the Chief Executives to deliver on Auckland priorities. Stewardship responsibility for Auckland should sit at the executive table and at the heart of central government decision making. Creating a cohort of senior leaders in priority departments focussed on Auckland is the best way to achieve this.

The senior leaders need to be capable of building relationships in Auckland and Wellington. They should live in Auckland and will need to spend half of their time in each of Wellington and Auckland. I am attracted to a geographic-functional matrix organisational leadership model. We would expect over time other agencies in Auckland to coalesce around this Auckland leadership by core agencies.

Recommend Actions

Three months: Build Auckland-specific objectives into CEO performance agreements, where appropriate.

Response: The recent advent of system-wide stewardship expectations highlights the importance being placed on support for better public services generally and, within this, support for cross agency working. This has significant and positive implications for work in and for Auckland.

The Deputy Commissioner, Auckland will be working closely with SSC colleagues responsible for Chief Executive performance to ensure an Auckland lens is placed on agencies’ Auckland operations. CE performance expectations provide scope for CEs, or the State Services Commissioner as employer, to identify and comment on Auckland goals and objectives. In particular, the proposed adoption of a new framework for engagement between the Commission and individual Chief Executives encourages both a more integrated, and a more tailored, view of priority issues for any given CE and agency. This

provides opportunity for the discussion of, and agreement to, Auckland-specific objectives where it makes sense to do this.

Three months: Briefings to Incoming Ministers are an opportunity to coordinate material, issues and data on Auckland and to set out the case for Auckland's contribution to achieving national outcomes.

Response: The size of Auckland and, more particularly, the complexity and rapidly changing nature of the issues government is confronting there suggest the need for a more coordinated approach to identifying and addressing challenges and opportunities in our major city. Auckland's growth places a necessary focus on investment in appropriate hard and soft infrastructure. Given the strong interdependencies between different types of infrastructure, a coordinated approach across portfolio areas is of particular importance. While no cross agency "Auckland" BIM was produced in the lead up to the 2014 General Election, a priority deliverable for the Auckland Policy Office, working with colleagues in Wellington, will be preparation of a comprehensive briefing on Auckland issues that will help inform Ministerial and departmental decision making following the 2017 General Election.

Three months: Appoint tier two senior leaders living in Auckland with responsibility and accountability for Auckland within priority departments - Health (to help navigate central government with DHB Chief Executives, Education, Social Development, MBIE, Treasury and Transport).

Three months: To make this work, departments should adopt a functional-geographic matrix leadership model so that a spatial element is introduced into policy development and implementation. This means having senior leaders who are responsible for geographic areas who sit on the senior leadership team along with leaders responsible for functional delivery and policy.

Response: There is a growing demand for public services to be configured and delivered according to the needs of New Zealand citizens rather than in terms of what is administratively convenient. One dimension of this is a call for more bespoke services designed to meet the particular circumstances of people in different regions. While this is a challenge in all parts of New Zealand, Auckland's size, its importance if we are to meet national targets, its rapid growth and its distinctiveness combine to suggest a particular need for agencies and their senior leadership routinely to assess the relevance of their programmes and policy in an Auckland context.

A number of government agencies have adopted a formal matrix model for their operations so as to incorporate a spatial element into their work. Others have used a more implicit approach while some agencies are yet to introduce a regional dimension. Whether and how any individual agency should incorporate a regional approach – and indeed how such regions are best defined – is something all Chief Executives need to consider, taking into account the specific context within which their agency operates.

Ultimately it is the prerogative of individual CEs to determine the composition and responsibilities of their senior teams. However irrespective of the extent to which formal functional-geographic matrices are adopted, there is merit in CEs designating a member of their leadership team with an oversight on

the agency's Auckland activity and on Auckland issues more generally. This responsibility need not necessarily relate to the functional responsibilities of the designated team member and could, for example, reflect the member's interest, residence or past experience in our largest city.

Six months: Central Agencies need to clarify responsibility for progressing system-wide priorities in Auckland, and make individuals accountable and empowered for delivering them.

Response: Establishment of the Deputy Commissioner, Auckland role and its positioning as a direct report to the Head of State Services provides a much stronger mandate for advancing system wide priorities in Auckland. However progress remains heavily reliant on a clear and agreed sense of what those priorities should be. Development of an "Auckland results" framework with clarity about what outcomes are sought, how success will be measured and who is accountable for delivering results would greatly assist the advancement of this goal.

An initial focus is on developing an "Auckland cut" of the existing Better Public Service goals. However a more complete approach would augment these targets by establishing goals and measuring progress in other areas of government activity. This might include, for example, the collection of Auckland data and reporting of results relevant to the Government's Business Growth Agenda. Work is well underway in other areas of focus, including Auckland transport and housing. This will likely result in greater clarity about specific priorities and how progress will be measured and reported.

Six months: Establish a requirement for the development of future public sector leaders to include an Auckland experience in their career planning.

Response: If government agencies are to recruit and retain top talent and optimise their effectiveness in Auckland, there is a need to shift perspectives about working there. Traditionally, temporary or longer term placement in Auckland has been seen as a disadvantage for aspiring public sector leaders. This needs to change so that work experience in our largest and fastest growing city is, and is seen to be, advantageous.

Establishment of an Auckland Career Board under the auspices of the State Services Commission's leadership and talent programme should help ensure that high potential staff in Auckland are better identified and developed. In addition, the Government's Auckland Policy Office is in the process of developing a prospectus which will provide opportunities for state servants, in Auckland and elsewhere, to gain valuable experience working in Auckland. The APO's unique status as a cross-agency hub for government policy staff, together with its strong associations with Auckland Council and with service delivery agencies in the city means that it is able to offer opportunities not available elsewhere within government.

Conclusion two: There is a specific role for system oversight, facilitating the tier two senior leadership group in Auckland and collaborating with Auckland

To make a cohort of senior leaders most effective an additional senior role should be established to facilitate those senior people to look across the system in Auckland and Wellington. That role should be a peer to the senior leaders and with a clear line of reporting to the central agencies who have the responsibility for oversight of the system.

Recommended actions:

Three months: Create a new role for a tier two representative for central government looking across the system with an Auckland lens to facilitate purposeful collaboration across government in order to progress government priorities.

Three months: Give that role a clear reporting line to Central Agencies as a way to escalate and make progress on Auckland issues and lead direction setting.

Response: In December 2014 the State Services Commissioner announced his intention to establish a direct report with a mandate to lead Central Government activity in Auckland. In May 2015 the Deputy Commissioner, Auckland (DC) took up the position. The DC role is based in and leads the government's Auckland Policy Office and has strong ties into a range of central government networks and activities in Wellington and in Auckland.

The breadth of the DC mandate and its location within a central agency is a material aid to progressing Auckland priorities. The Head of State Services is both the employer of departmental chief executives and holds certain statutory powers over the placement of staff into areas of government priority. Although the DC role is primarily reliant on the incumbent's ability to influence state sector colleagues, the role's reporting line to the Commissioner/Head of State Services provides scope for issues to be escalated when and if necessary.

Three months: This role should also act as a navigator to help Auckland Council and other Auckland stakeholders to find the right people in government, co-ordinate contacts and work streams, and to identify and escalate issues and blockages for resolution.

Response: A core responsibility of the DC, Auckland role is to act as a conduit between Auckland stakeholders and central government officials. This is not just about guiding Auckland leaders to the right people in government but also to assist government leaders connect with the right people in Auckland Council and beyond. Early contact has been made with a wide range of Auckland Council and associated leaders. The DC, Auckland meets regularly with Auckland Council's CEO and Chief Strategy Officer to facilitate information exchange and strategic dialogue.

Six months: The role must work closely and draw heavily on the proposed functions of the APO, such as measuring and evaluating progress on Auckland policy priorities.

Response: The DC role has been designed to draw on and support the existing and expanded functions of the APO. Working closely with Auckland Council and other partners, the DC, Auckland will take a lead role in the identification of Auckland policy priorities and the measurement of progress against them. This role is supported by SSC's lead responsibility for the government's Better Public Services programme and for monitoring and reporting on priority results.

Six months: If these recommendations were accepted, the Urban Chief Executives group would no longer be required.

Response: The establishment of a body corporate responsible for governance issues associated with running of the APO has eliminated the need for the Urban Chief Executives group to operate as a management board for the office. However, there is on-going need for engagement with CEs and Deputies of agencies with significant policy programmes in Auckland. Work is ongoing on assessing the optimal set of arrangements for the coordination and alignment of Auckland work programmes, including with Auckland Council.

Conclusion three: Auckland presents an opportunity to embrace new ways of working to design and implement public services

Part of the Better Public Services challenge is to look for new ways of working. This includes taking opportunities to work with communities to understand, design and implement together. Auckland is a rich environment to embrace this approach; it has communities that face complex, wicked problems that require multi-faceted solutions based on deep understanding. It has those problems at a scale that warrants the investment of effort and resources that a new approach demands. And it has a deep pool of potential partners to help understand the problems, design and resource solutions, connect with communities and share the costs and risks of change.

These new ways of working are a big challenge for many parts of the public services and require strong leadership. Leaders can create the environment in which success can occur; by giving clear mandate, by empowering staff and holding them accountable; by being prepared to operate within partnerships and by creating wins that enhance ministerial confidence in the approach.

New ways of working are not necessary on everything. It is on those things that really matter for government, and where progress in Auckland is essential to success, where the investment of time and effort in alignment can pay worthwhile dividends.

When priorities are aligned and solutions are designed together outcomes can be improved, and be based on common data and evidence. That requires a willingness to embrace a new way of behaving, where leaders have the mandate to seek alignment and trust with partners, explore what can be done and consider new ways of doing it.

Recommended actions:

Three months: Appoint a senior leaders governance group of responsible departmental DCEs to work together and with partners to advance common priorities.

Response: Following the appointment within core agencies of second tier leaders with a responsibility for advancing Auckland work, the DC, Auckland will convene these representatives with a view to their providing input into and oversight of those priority activities which involve cross-agency coordination and cooperation. Notwithstanding this, the precise governance and management arrangements required will likely vary considerably depending on the nature of the issue and the extent to which it requires the involvement of multiple agencies within or outside government.

It is important, too, that Auckland based policy and service delivery staff are given scope to assume a leadership role in progressing policy priorities within the city. This is not simply about development and empowerment of government's Auckland leaders. If governance and management responsibility for priority issues is routinely assumed by senior leaders based in Wellington there is risk that solutions identified will fail adequately to reflect the particular context and needs of the Auckland community.

Three months: Leaders in Auckland must be given a mandate to work in different ways in Auckland, to develop and then implement solutions to advance policy objectives, working with partners throughout the process.

Three months: Engage a wider network in Auckland for input into policy problem definition and implementation and to collect relevant evidence and data

Response: The particular challenges and opportunities that exist in Auckland create both an opportunity and an imperative to trial innovative and different ways of working within and across central government agencies and in association with other partners.

As a cross-agency office, the APO is particularly well-placed to trial different, and more collaborative, policy development and implementation. As more agencies join or establish a relationship with the office, this potential will be further enhanced. A practical challenge within the APO is ensuring agency heads and senior staff have the willingness, capability and capacity to assume a leadership role within the office and for the advancement of programmes and initiatives that are cross-agency and cross-sectoral in nature. To date, team leads have necessarily been focused on delivery of agency specific goals and objectives and this has limited scope to assume system wide responsibilities.

The Auckland Social Sector Leaders Group (ASSLG) brings together service delivery leaders with a focus on delivering better outcomes for South Auckland communities. As part of the development of this forum, strong connections have been made between officials in the social and economic sectors, and also between those working on policy development and those charged with operational delivery. With the support and encouragement of Social Sector chief executives, the ASSLG is trialling a number of initiatives developed by front line staff and which reflect the particular needs of South Auckland's communities.

With the advent of a single Auckland Council serving the needs of Auckland's residents, the scope for stronger and more effective central/local government partnership has been significantly enhanced.

This, together with the relative strength of Auckland's NGO and private sectors, creates further opportunity for different ways of working. Initiatives such as the Co-design laboratory in Manukau, a partnership between central and local government and with community leaders involved in its governance, is one such example.

Three months: The government and Auckland Council should establish a formal Joint Venture to pursue areas of common interest in South Auckland, to agree common areas of interest, funding, solution design and implementation together.

Response: The Auckland Council's Southern Initiative (TSI) was initially conceived to provide a platform for partnership between Council and central government in South Auckland. Although a close relationship exists between TSI and central government agencies working in the region, a formal Joint Venture has not proved practicable, reflecting in large part the different funding and accountability arrangements that exist between central and local jurisdictions.

Plans to capture and report on progress in Auckland against the government's Better Public Services (BPS) targets provides a focus for the work both of Auckland Council and of the Crown. As part of the Auckland Plan refresh, Auckland Council is also looking at reducing the number of targets and linking these more explicitly to the goals identified in the BPS.

Work underway as part of the lead in to Budget 2016 will establish, inter alia, whether a different/cross-agency approach to addressing challenges and opportunities in South Auckland might be trialled. If it is decided to adopt such an approach, there would be scope to explore the extent to which Auckland Council might be brought on as a partner.

Three months: Collaboration must be purposeful; led by leaders with accountability and with the purpose of progressing priorities, not for its own sake.

Response: Significant progress has been made in recent months in purposeful collaboration in some areas of identified priority. Processes to build strategic alignment in the housing and transport sectors in particular have encouraged better collaboration both between different government agencies but also between central and local government interests.

Conclusion four: Adopt a spatial lens to develop and implement policy

Government appears to be increasingly coming to terms with the idea that place matters. This does not mean that different places should have preferential treatment. It does acknowledge that some issues play out with greater complexity, effect and scale in certain places, and that unique features of the local environment - density, availability of partners, complicating factors -are part of the policy landscape. The spatial lens is a critical element of regional and local government policy making.

Better Public Service results are a clear example; there are BPS results where the density of the relevant population in Auckland, and the gains that have already been made nationally, mean that a concerted focus on Auckland is the straightest path to achieving the national-level objective (e.g., rheumatic fever). On these results, and priorities such as housing affordability that manifest most, and earliest, in Auckland a spatial approach is a clear opportunity to make significant public policy gains.

Those agencies that have a geographic dimension to their leadership structure are seen to be more effective in Auckland. The model varies depending on the organisational structure; some leaders responsible for geographic regions have no direct reports yet sit at the agency executive table. There are powerful effects on the way an organisation thinks and behaves when a spatial element is introduced.

A spatial view requires the maintenance of a common evidence and data base, so that agencies have a shared view informed by geographic and demographic factors and how they interact. That common view is not currently collected for Auckland and it is a barrier to working together effectively. The absence of agreed data and evidence allows advocacy and lobbying to be a powerful influence on policy development.

Recommended actions:

Three months: Create a framework that allows BPS results to be tracked in Auckland where progress in Auckland is essential to success at the national level

Response: The July 2015 report on BPS results noted the intention to report progress in Auckland against the relevant national level targets. Since that time the SSC, working closely with social sector agencies, has established a reporting framework to enable results to be tracked.

Three months: Build on progress already made on transport and housing through a cross-government focus on the 2015 Review of Auckland Plan Progress and seek to align targets where possible

Response: A close working relationship has been established between Auckland Council and central government officials to increase alignment between the Auckland Plan and government goals. As noted above, part of the Auckland Plan Refresh, discussion has focused on the scope for reducing the number of targets in the Plan and, where appropriate, to align these more closely with national level goals.

Six months: Establish common data sets for Auckland so that government agencies and other partners are working from a common evidence base

Response: Concerns have been expressed that progress toward agreement on strategies and outcomes for Auckland has been impeded by the use of competing data sets and the failure to make explicit the assumptions underlying each party's analysis, particularly in forecasting Auckland's growth pressures. The 2015 Auckland Central government/Local government forum resolved that Auckland Council and central government officials should work together to "agree a set of common data which will be jointly

monitored and reported on for Auckland and sub regions to support decision making regarding Auckland's Growth."

MBIE APO staff are leading this work, together with the Council's Research, Investigation and Monitoring Unit [RIMU]. The intention is to identify common data sets to underpin central and local government strategy development. Also relevant is work underway to identify an agreed set of assumptions to feed into the transport growth forecasting being undertaken as part of the Auckland Transport Alignment Project.

12 months: Align delegations and geographic boundaries for departments in relation to Auckland

Response: Different agencies within and between different levels of government tend to use quite different boundaries for the collection and synthesis of data and for policy implementation. This presents a further impediment to effective collaboration and for the reporting and measurement of progress. In some specific areas, e.g. housing, efforts have been made to reconcile different boundaries and to better ensure alignment of data collected. There is clearly some scope for further work to align boundary definitions for and within the Auckland region. This would be especially useful for reporting against any set of "Auckland results" that might in future be agreed. However, a single definition for use across all agencies and between jurisdictions is unlikely to be either practicable or desirable. The boundaries appropriate in any given context are likely to derive from a range of considerations specific to the sector or population group involved.

Conclusion five: Auckland is home to a rich ecosystem of potential partners who can leverage government investment and share the risk in achieving its objectives, but this requires a different way of working

There are potential partners for government to seek social cohesion and for growing prosperity and for community-building in Auckland. Central government should engage these partners more deliberately. The Auckland Council has capability not seen before in a local body government. Manawhenua and the Independent Maori Statutory Board are willing and able partners. Auckland is home to social entrepreneurs, social capitalists, ethnic groups, NGOs and an established civil society in larger numbers and with greater means than anywhere else in the country.

Recommended actions:

Three Months: Ensure the Job Descriptions and performance frameworks for the new Tier 2 leaders responsible for Auckland include the requirement to own and build trusted relationships, working towards win-win solutions and diplomacy with potential partners and other stakeholders.

Response: Following establishment of a Tier 2 cohort of agency leaders with responsibility for Auckland issues consideration will be given to the merits of identifying some common objectives or performance requirements. Within the APO itself, steps have been taken to harmonise job descriptions for new roles within the office. The intent here is to ensure that all Auckland based policy leaders are aware of and support efforts to operate in a more coherent and "joined up" manner.

Three months: Establish closed door, trusted environments where senior leaders can meet to discuss policy development at an early stage with partners, as equals and in confidence.

Response: Regular meetings have been established between the CE of Auckland Council and his leadership team with DC, Auckland and – where appropriate – the APO leadership team. The establishment of a Tier 2 cohort of government agency leaders will provide additional opportunities for more effective dialogue and policy development with senior, non-government, leaders in Auckland.

Three months: Seek alignment of objectives on the big issues with partners early. Agreement on problem definition and where objectives align is the first critical step to working together to advance those shared priorities.

Three months: Seek co-funding across government and from partners to advance shared priorities

Response: The Auckland Transport Alignment Project is embracing a new approach to identifying and resolving critical issues. There is potential to adopt this kind of approach in other policy areas.

The joint venture Co-design lab in Manukau is an early and specific example of pooled funding. Advancing initiatives identified and supported by the Auckland Social Sector Leaders Group may also require dedicated funding drawn from participating agencies. Most other initiatives continue to be funded within individual agency baselines.

Three months: Build trusted relationships at a senior level with civil society leaders through regular closed door, substantive meetings with communities of interest and joint work on emerging issues. Using a range of networks and channels (“Track Two diplomacy”) supported by the appropriate conventions and protocols, can build common understanding and trust.

Response: As well as being a locus for some of New Zealand’s greatest opportunities and challenges, Auckland’s scale and diversity means it is home to a wider range of business, community and other institutions with whom government can partner. An early focus of the DC, Auckland has been to make contact and engage with civil society leaders. Part of this has involved the exploring the scope for building on existing and creating new partnerships. A challenge will be to ensure these meetings are not one-off but can lead to more effective ongoing relationships.

More generally, and consistent with the customer-centric approach that lies at the heart of the government’s Better Public Services reform programme, government agencies are placing increased focus on the building of effective working relationships with community and civil society leaders.

Six months: Use Auckland partners to take risk on new ways for tackling the challenges that present themselves first or most severely in Auckland. Successful ideas can be rolled out to benefit the rest of the country.

Response: Auckland's size and composition means that for many of the government's priority goals, success overall is contingent on success in Auckland. At the same time, the strength of the non-government and local government sectors in Auckland provides greater scope for establishing new partnerships and trialling new ideas than is the case in other parts of the country.

A number of recent initiatives have drawn on Auckland's unique characteristics to model different approaches to policy development and implementation. For example, the Auckland co-design lab, jointly funded by the government and Auckland Council, was established with the express aim of adopting innovative and design-led approaches to tackling important and cross-cutting issues that have proved difficult to make progress on.

The government has signalled its strong intention to support community led initiatives and to empower front line staff and our partner agencies to assist this. South Auckland, with its confluence of significant challenges and opportunities, has been a particular focus for these efforts.

Six months: There is a need for new engagement, not based on advocacy, between the public service and business so that each can better understand the challenges and decision-making frameworks of the other.

Response: Relationships between central government agencies and business leadership in Auckland are less well developed than would be ideal. Perhaps reflective of the physical separation between business leadership in Auckland and government CEs based in Wellington, there is a tendency for engagement to be transactional in nature, rather than based on a sound understanding of the context within which each party operates.

A core focus of the DC, Auckland role will be to strengthen connections between business and government leaders. This will be assisted by the establishment of the Tier 2 cohort discussed above.

Conclusion six: The Auckland Policy Office to play three distinct roles in the system

The APO should serve three functions:

- First, it is a **location** for departments that wish to have a policy presence in Auckland. It provides those departments with a community in which to share and coordinate policy. It serves this function well and should look to grow it by welcoming additional agencies.
- Second, it is a **facility** for government, where ministers and officials can meet with Auckland, connections can be fostered and government can connect. This function could be enhanced with more ability to host and support projects and facilitate new ways of working.
- Third, the APO should provide a **system-wide view** of Auckland for central government and be an enabler for collaboration, shared data and evidence, escalation, evaluation, risk management and a facilitator of connections across government and Auckland.

Recommended actions:

Now: The APO should provide a home for policy functions that want to be located in Auckland, special projects and facilities to support central government's presence in Auckland. It is counter-productive that some functions and projects decide to not locate in the APO on the basis of cost/budget. The APO needs to be funded so that it is sustainable and attractive to potential new participants.

Response: The APO is increasingly being seen as "the New Zealand Government's policy office in Auckland" rather than simply as a physical location where a number of government policy agencies have chosen to co-locate. This philosophy underpins the State Services Commission's decision to locate the office of the Deputy Commissioner, Auckland within the APO. A number of agencies have recently decided either to renew or broaden their commitment to staff placements within the APO or are actively considering commencing operations there. Agencies currently represented in the APO include the State Services Commission, Ministry of Business, Innovation and Employment, Ministry of Transport, Ministry for the Environment, Ministry of Pacific Island Affairs, Department of Internal Affairs, Ministry of Social Development and the Environmental Protection Authority.

Practical constraints and logistical considerations mean that it is unlikely that the APO will be in a position to host all central government policy capability in Auckland. Moreover, many agencies active in the Auckland market have both policy and service delivery responsibilities in the region and co-location of policy with operational staff may be seen as a higher priority than is co-location with other policy staff.

Reflecting these considerations, the APO is increasingly incorporating both a physical and a virtual dimension to its operations. An APO "prospectus" is being developed that will outline the opportunities that can be provided both to agencies wishing to co-locate in the office and those for whom a more informal affiliation may be appropriate.

The Property Management Centre of Expertise (PMCoE) has recently commenced an office accommodation project focused on the Auckland region. The PMCoE project will look at the scope for co-location of agencies and functions for better cross-agency collaboration. It will also consider wider issues affecting government sites, such as shared facilities and matching locations to staff and customer needs. The APO will partner with PMCoE to ensure decisions on the location of agencies within the APO is examined within this wider context.

Three months: It is up to individual agencies how they wish to use the APO. The value that the APO played in helping to inform national policy development around urban environments is an example of the value of different policy functions working together in a co-located space.

Response: By virtue of its cross-agency composition and strong networks with Auckland interests, the APO is particularly well suited to supporting projects which might require contributions from multiple agencies and/or for facilitating new ways of working. Development of an APO "prospectus" will give greater clarity to the range of instruments and approaches that the APO and staff within the office can provide. Critical to delivering on this potential will be investment in IT and associated infrastructure that facilitates and does not impede cross-agency collaboration.

Three months: The role of the APO Executive Director should be clarified and strengthened. As well as running the office, the Executive Director of the APO should provide a system-wide view of Auckland for central government and should report to central agencies. The role of the APO Executive Director can be combined with the system-level tier two role described in conclusion two.

Response: The DC, Auckland role within the State Services Commission has been configured to incorporate the various dimensions identified.

Three months: The role of the APO should include an enabling function that includes collecting shared data and evidence, escalation of issues, evaluation, risk management and facilitation of connections across government and Auckland.

Response: Working in close collaboration with the Council's RIMU, the APO has assumed responsibility for collection of data in areas of priority. The APO is also investigating the scope for a pooled research programme, focused on identified priorities for government in Auckland. The APO is now budgeted to assume [a small number of] corporate memberships in its own right and on behalf of wider government.

Six months: An early decision for the Auckland senior leadership cohort is to consider the location of themselves and their policy support, including the use of the APO.

Response: As noted above, agencies are increasingly looking to locate policy and other leaders in Auckland, including within the APO. Determining the optimal configuration of senior staff in Auckland is likely to be a key task of the proposed cohort of 2nd tier leaders focusing on Auckland.