

Minutes for a meeting of the Strategy & Finance Committee of the Waikato District Council held in the Council Chambers, District Office, 15 Galileo Street, Ngaruawahia on **WEDNESDAY, 11 MAY 2022** commencing at **9.30am**.

**Present:**

Cr JM Gibb (Chairperson)  
His Worship the Mayor, Mr AM Sanson  
Cr AD Bech  
Cr JA Church  
Cr CA Eyre  
Cr SL Henderson  
Cr SD Lynch  
Cr RC McGuire  
Cr EM Patterson  
Cr NMD Smith  
Cr L Thomson  
Cr CT Woolerton

**Attending:**

Mr G Ion (Chief Executive)  
Mr T Whittaker (Chief Operating Officer)  
Ms A Diaz (Chief Financial Officer)  
Mr R MacCulloch (General Manager Service Delivery)  
Mrs S O’Gorman (General Manager Customer Support)  
Mr J Ebenhoh (Planning & Policy Manager)  
Ms L Hood (Corporate Planner)  
Mr C Bailey (Finance Manager)  
Mr J Fuller (Senior Environmental Planner)  
Ms T Heera (Strategic Planner)  
Mr R Turner (Customer Experience Manager)  
Ms G Shaw (Democracy Advisor)  
Mr M Horsfield (Democracy Advisor)

**APOLOGIES AND LEAVE OF ABSENCE**

**Resolved: (Crs Thomson/Patterson)**

**THAT the Strategy and Finance Committee accepts the apologies for non-attendance from Cr McNally, Mrs Moana-Tuwhangai and Cr Sedgwick.**

**CARRIED**

**S&F2205/01**

## **CONFIRMATION OF STATUS OF AGENDA ITEMS**

**Resolved: (Crs Woolerton/Lynch)**

**THAT the agenda for a meeting of the Strategy & Finance Committee held on Wednesday, 11 May 2022 be confirmed:**

- a. all items therein being considered in open meeting with the exception of those items detailed at agenda item 8 which shall be considered with the public excluded; and
- b. all reports be received.

**CARRIED**

**S&F2205/02**

## **DISCLOSURES OF INTEREST**

There were no disclosures of interest.

## **CONFIRMATION OF MINUTES**

**Resolved: (Crs Patterson/Church)**

**THAT the minutes for a meeting of the Strategy & Finance Committee held on Wednesday, 30 March 2022 be confirmed as a true and correct record, with an amendment that Councillor Woolerton was an apology.**

**CARRIED**

**S&F2205/03**

## **REPORTS**

Action Register  
Agenda Item 5

The report was received [*S&F2205/02 refers*] and the following discussion was held:

- It was noted that Customer Satisfaction survey results relating to governance (and Councillor's request to be provided with these results) had dropped off the Action Register. Councillors requested this be followed up.

**ACTION:** Staff would follow up regarding Councillors' request to be provided with full details of governance survey results, by ward and under separate cover.

## Financial Performance Summary for the period ending 31 March 2022

### Agenda Item 6.1

The report was received [*S&F2205/02 refers*] and the following discussion was held:

- It was noted there was a vast gap between Council's total forecast and actual capital expenditure that suggested it was trending in the wrong direction for Council.
- It was queried whether Council was overinvesting in projects that were unrealistic to achieve and suggested that ratepayers may question how their payments are being utilised.
- It was also queried why Council was programming work programmes that were not being undertaken/that Council had not been able to complete.
- It was noted that similar questions (to the above points) had been answered by the appropriate team at a previous Infrastructure Committee meeting.
- A point was raised that Council was saving money due to high levels of staff vacancies and suggested this may not paint a positive picture regarding the business of Council.
- Councillors queried if this report could also include a depiction of Council's business (corresponding to the financial data) rather than just an accounting performance review.
- It was suggested there was an opportunity to update the presentation of this data and expand on the key items reported (to ensure Councillor's gained a more comprehensive understanding of how the financial performance related to specific Council business).

**ACTION:** Staff to investigate how to present an expanded version of the Financial Performance Summary, which expands on key points and illustrates how the financial data corresponds to specific Council business. The aim of this update would be to ensure Councillors gain a comprehensive understanding of how the financial performance data impacts/relates to Council operations/business/projects.

- Each month, Council examined its forecast (and cashflow) and only borrowed what was required - not against the budgeted capital expenditure.
- A point was raised regarding stalled work projects and the impact they must have on rates – for example, if Council is not undertaking and/or completing its work projects, it should not require the funds from ratepayers.
- It was confirmed that Council's work programmes are funded through various sources and Council did not collect rates in order to pay its for capital projects. It was noted that the last thing Council wants is to collect rates it did not need - as this would raise credibility issues with the public. Council was working to ensure it was prudent with funds and was very conscious of maintaining the public/ratepayers' trust.

- Council did not overcharge for its capital projects and there would be budget savings on depreciation where capital expenses did not proceed. Of greater concern is loss of timing and its inflationary aspect.
- Finance was working in conjunction with the Service Delivery team to ensure improved reporting and understanding of cashflow trajectory.
- It was questioned what expenses fell under the category of 'Activity Expenditure' and it was confirmed that this category encompasses everything that that occurs at an operational level – e.g., activities undertaken by the operational and service delivery teams at an operational level.
- Concern was raised regarding Council's reputation in relation to not finishing projects, while still collecting money it didn't appear to be using. Concern revolved around losing the public's trust and building a perception of non-delivery.
- It was queried where, within the Strategy and Finance agenda, Councillors could have a discussion regarding Council's business model, service delivery, management reporting, how business and projects are tracking. Staff would investigate ways they could present information that demonstrates how Council is tracking against high-level commitments (e.g., pulling together its stories). It was suggested this could be done via the Infrastructure Committee meetings.

**ACTION:** Staff would investigate ways they could place financial statements and present information that demonstrates how Council is tracking against its high level commitments (e.g., pulling together its stories). It was suggested this could be done via the Infrastructure Committee meetings.

- It was queried why the targeted rate reserves had not been decreasing. Staff confirmed it was a 10-year programme, therefore, would not follow a straight line to zero. The LTP was front loaded to spend more than what Council was earning with the aim of paying it down in year 3 or 4.

Treasury Risk Management Policy Compliance Report to 31 March 2022  
Agenda Item 6.2

The report was received [S&F2205/02 refers] and the following discussion was held:

- Actual borrowing costs for March were higher than budgeted, due to interest payments made out of phase with the budget. This was a result of the timing of interest payments on SWAPS. Full year borrowing costs were expected to be in line with budget.

- The maturity profile of the total committed funding for the 0-to-3-year bucket was 64% which was outside of the policy range of 15% to 60%. This was as a result of the additional \$25m LGFA short term borrowings with maturity dates in April and May to allow time for Council's new credit rating to be published.
- \$20 million of replacement debt, based on Council's new AA+ rating, was to be raised in May to replace the \$20 million of commercial paper maturing in May.

### Third Quarter Non-Financial Performance Report

#### Agenda Item 6.3

The report was received [*S&F2205/02 refers*] and the following discussion was held:

- 63% of Key Performance Indicators (KPIs) had been achieved, 4% were within 5% of their target to be achieved and 33% had not been achieved.
- Half yearly KPIs had not been updated for this quarter.
- It was suggested that increased communication with the public/each ward could increase community satisfaction.
- The percentage of customers satisfied that the Council was consulting on the right issues, and ease of access and clarity of information, had increased, although targets had still not been reached. The increase in satisfaction was likely due to the large number of topics consulted on recently.
- It was queried whether a supplementary question could be asked under the Governance section – e.g., “how did you try and contact the Councillor?”
- It was suggested that Council consistently does not seem to discuss the right issues with its communities, despite comprehensive consultation.
- It was queried why the roading items were conducted annually. It was confirmed that certain treatments for certain assets are carried out at specific times of the year, so it is often most suitable to track these items annually.
- It was queried whether Council was over consulting and emphasised that Council should consult on the right issues (those with the highest interest), to ensure optimal engagement.
- There are certain mandatory measures that Council is required to report on, and these measures have grown.

- The Communications, Marketing and Engagement Manager was investigating the questions that Council asks/community engagement and would ascertain if there was a new approach that could be taken. The following points would be considered – did we connect with the community, did the right people turn up, did we conduct meaningful engagement.

**ACTION:** The Communications, Marketing and Engagement Manager would investigate how Council engages and consults with the community (particularly around bylaw reviews/policy updates). The following points would be considered – did we connect with the community, did the right people turn up, did we conduct meaningful engagement.

- It was queried if those who were consulted regarding the quality of ride on a sealed local road network (measure by smooth travel exposure) lived on an unsealed road, how many surveys went out around this topic, where were the surveys conducted and how many were returned.

**ACTION:** Staff would investigate the demographics of survey participants who participated in the following question: “LTP - The average quality of ride on a sealed local road network, measured by smooth travel exposure” and provide Councillor Eyre with data regarding how many respondents lived on an unsealed road, how many surveys were circulated around this topic, where were the surveys conducted and many were returned/responded to.

- It was confirmed that 100 results per quarter is considered industry best practice. A certain percentage is required from each ward for each quarter, including percentage requirements regarding gender, age bracket, etc.
- It was noted that the different categories of waste collection services were slotted together to obtain an overall score, however, there was significant variance between those scores, with no comparison for each category. Staff would investigate further commentary around this matter.

**ACTION:** Staff would investigate further commentary regarding the different categories of waste collection and provide Councillors with a breakdown of different scores for each specific category of waste collection (as opposed to one merged score).

- Customer satisfaction around kerbside collection was at 85 percent. It was noted this was a great outcome throughout COVID-19 and gratitude was extended to staff who undertook the rubbish collection service throughout periods of restrictions, COVID outbreaks, etc.
- Councillor Smith requested a five-year comparison of the compulsory reporting points.

**ACTION:** Staff to provide Councillors with a comparison of compulsory reporting points results over the last five years.

### Conservation Funding Report

#### Agenda Item 6.4

The report was received [*S&F2205/02 refers*] and the following discussion was held:

- Councillors commended the report writer around a well-presented report. Overall, the report was well supported.
- It was queried if Councillors could receive retrospective feedback around how previous Conservation Fund Projects have gone – for example, how effective had previous projects been, what was the success rate of previous project, etc. The Conservation Strategy Steering Group would investigate this and provide a summary.

**ACTION:** Conservation Strategy Steering Group would investigate providing a summary/update regarding the outcomes/success rates of previous Conservation Fund Projects and report back to Councillors.

**Resolved: (Crs Woolerton/Smith)**

**THAT the Strategy and Finance Committee recommends to the Council that:**

- a. approves funding of \$4,999.00 from the Council Conservation Fund to Greg Townsend to assist with the protection and restoration of the bush and forest, including its native wildlife at 138 Tauhei Road, Ngaruawahia; and
- b. approves funding of \$14,999.00, spread over a three-year period, from the Council Conservation Fund to Pukemokemoke Reserve Trust to assist with the three-year planting programme at Pukemokemoke Reserve.

**CARRIED**

**S&F2205/04**

### Pokeno Public Realms Concept Plan Report

#### Agenda Item 6.5

The report was received [*S&F2205/02 refers*] and the following discussion was held:

- Some community consultation had already been undertaken.
- The Concept Plan would encourage walkability throughout the town centre and enable active modal movements throughout the township.
- There would be less need to drive to services within and throughout Pōkeno, therefore supporting a more climate friendly environment. Councillor Bech acknowledged the importance of this point.

**Resolved: (His Worship the Mayor/Cr Smith)**

**THAT the Strategy & Finance Committee adopts the Pōkeno Public Realm Concept Plan.**

**CARRIED**

**S&F2205/05**

Resident Perception Survey – Third Quarter Results  
Agenda Item 6.6

The report was received [*S&F2205/02 refers*] and the following discussion was held:

- The survey was reviewed by the Resident's Survey Action Team – a cross organisational group of business owners that received data from this survey. The group analysed the data and looked to see if there were any drivers that were influencing the data and if there were actions that could be put in place to improve what we do to reduce negative feedback.
- Analysis of the results ensured Council was taking feedback from customers and understanding what that feedback meant for business.
- Council had seen significant resident satisfaction score improvements regarding how well footpaths were maintained, the availability of cycleways, how well roads were being maintained, litter, illegal dumping, graffiti control, animal management (dog and stock control), fees and charges.
- The previous quarter had seen concern regarding footpaths, litter, and cycleways. Actions taken to address to these concerns had seen positive results.
- There were decreases in satisfaction regarding community halls. The greatest dissatisfaction related to Awaroa ki Tuakau and Raglan. Raglan dissatisfaction had grown in back-to-back survey results. Raglan and Tuakau were both vaccine mandated halls to align with our facilities policy. The mandate put a higher responsibility on the users to clean after themselves and wear masks where appropriate, which was believed to have impacted this result.
- The verbatim feedback had indicated that the width of some footpaths was a concern. It was believed that a lack of maintenance of overgrown grass alongside the footpaths was the most likely cause of this issue. Consequently, Council was exploring funding options to ensure it could keep the footpaths in a good state.
- Councillors noted the progress made regarding litter and illegal dumping.
- It was suggested that Council could employ a dedicated person to target and keep footpaths in top condition/ensure grass does not overgrow onto the footpaths. Suggested two roles could be created – one for the northern area/s of the district and one for the southern end of the district.

**ACTION:** Council to consider creating a role, or two roles (one to cover the north end of the district and one to attend to the southern end of the district), dedicated to maintenance of footpaths, specifically to ensure that footpaths are kept in top condition/ensure grass does not overgrow onto the footpaths.

## **EXCLUSION OF THE PUBLIC**

Agenda Item 7

The report was received [S&F2205/02 refers] and no discussion was held.

**Resolved: (Crs Thomson/Patterson)**

**THAT** the public be excluded from the following parts of the proceedings of this meeting.

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

<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under section 48(1) for the passing of this resolution</b>
<b>Item number 1 – Confirmation of Public Excluded Minutes</b>	<b>Good reason to withhold exists under Section 7 Local Government Official Information and Meetings Act 1987</b>	<b>Section 48(1)(a)</b>

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

<b>Item No.</b>	<b>Section</b>	<b>Interest</b>
<b>Item 1 Confirmation of Minutes</b>	<b>Section 48(1)(a)</b>	<b>Refer to the previous Public Excluded reason in the agenda for this meeting.</b>

**CARRIED**

**S&F2205/06**

*Resolutions S&F2205/07 – S&F2205/08 are contained in the public excluded section of these minutes.*

There being no further business the Chairperson declared the meeting closed at 11.31am.

Minutes approved and confirmed this \_\_\_\_\_ day of \_\_\_\_\_ 2022.

Cr J Gibb  
**CHAIRPERSON**