

Minutes of a meeting of the Performance & Strategy Committee of the Waikato District Council held in the Council Chambers, District Office, 15 Galileo Street, Ngaruawahia on **MONDAY, 8 MAY 2023** commencing at **9.30am**.

Present:

Cr M Raumati (Chairperson)
Cr C Beavis
Cr CA Eyre (Deputy Mayor)
Cr P Matatahi-Poutapu
Cr V Reeve
Cr LR Thomson
Cr P Thomson
Cr T Turner
Cr D Whyte

Attending:

Mr G Ion (Chief Executive)
Mr T Whittaker (Chief Operating Officer)
Ms A Diaz (Chief Financial Officer) – *until 10.03am*
Mr C Morgan (General Manager Community Growth)
Ms M May (General Manager, Service Delivery)
Mr J Ebenhoh (Planning & Policy Manager)
Mr W Gauntlett (Growth & Analytics Manager)
Ms M Rinaldi (Long Term Plan Project Manager)
Mr C Bailey (Finance Manager)
Mr R Turner (Customer Experience Manager)
Ms N Hubbard (Corporate Planning Team Leader)
Ms M Hong (Principal Analyst)
Mr K French (Chief Executive - Co-Lab)

Ms E Saunders (Democracy Advisor)

Cr M Raumati opened the Committee Meeting with a karakia.

APOLOGIES AND LEAVE OF ABSENCE

Resolved: (Cr P Thomson/Her Worship the Mayor, JA Church)

That the apologies for:

- a. non-attendance from Cr J Gibb, Cr E Patterson, Cr M Keir & Cr P Matatahi-Poutapu be accepted.**

CARRIED

P&S2305/01

CONFIRMATION OF STATUS OF AGENDA ITEMS

Resolved: (Crs Beavis/L Thomson)

- a. THAT the agenda for a meeting of the Performance & Strategy Committee held on Monday, 8 May 2023 be confirmed and all items therein be considered in open meeting, and**
- b. THAT all reports be received.**

CARRIED

P&S2305/02

DISCLOSURES OF INTEREST

There were no disclosures of interest.

CONFIRMATION OF MINUTES

Resolved: (Crs L Thomson/Beavis)

THAT the minutes for a meeting of the Performance & Strategy Committee held on Monday, 27 March 2023 be confirmed as a true and correct record of that meeting.

CARRIED

P&S2305/03

ACTIONS REGISTER

Agenda Item 5

This item was received [P&S2305/02 refers], and the following discussion was held:

Mr K French (Co-Lab) provided a powerpoint presentation and answered questions of the committee.

Presentation:

- Overview of Co-Lab, the structure of the organisation and how it works with different Councils.
- There are currently 12 Councils involved with Co-Lab which are: Waikato District Council; Hamilton City Council; Matamata-Piako District Council; Otorohanga District Council; South Waikato District Council; Rotorua Lakes District Council; Thames Coromandel District Council; Waikato Regional Council; Waipa District Council; Waitomo District Council and Western Bay of Plenty District Council.
- An overview of the highlights for Co-Lab for the last six months was given with the launch of Co-Lab Learning noted as a particular highlight.

Questions/Discussion:

- A discussion was had around the number of presentations Mr French would be making to Council over the coming year. It was decided that a calendar appointment would be added on an annual basis.
- A question was raised around shareholder councils and how potential membership or ideas from other councils could impact? Mr French confirmed that there is no active programmes outside of the shareholding councils or anything that could impact shareholding councils at this time.
- A question was raised around the services provided and what is on offer for shareholding councils? Trade waste management support is something that Co-Lab works actively in along with the Smart Waters programme.
- It was asked if Co-Lab were picking out programmes that are happening throughout the country in other councils and investing in these or implementing them in our councils? Co-Lab advised that they do engage with other councils particularly to ensure we are not duplicating efforts or replicating programmes that are happening in other areas.

ACTION: An appointment is to be scheduled into the Meetings Calendar to ensure Mr French could attend the Performance & Strategy Committee Meeting this time next year to produce another report.

ACTION: The actions from the February Performance & Strategy meeting are to be included in the Actions Register moving forward.

REPORTS

Long Term Plan Work Programme Update

Agenda Item 6.1

The report was received [P&S2305/02 refers] and The Long Term Plan Project Manager gave a verbal update and answered questions of the committee.

- A comment was made around cohesiveness between the vision; work programmes and KPI's – is there anyway we can have a report that outlines these things and ensure we are keeping all three of things in mind when reporting to Council with the LTP.
- A question was raised around the four building blocks (4, 5, 6 & 9) that have not yet been started? Should there be any concern with this? It was confirmed that there is no concern and Council staff are comfortable about where we are at with these blocks.
- Special Consultant Procedure – this is a specific type of consultation that is done under the Local Government Act – there is specific aspects of the LTP that need to go through this process.

ACTION: The LTP Planning Manager to look at a clear spreadsheet outlining not only the key building blocks but but also the current status of these blocks and the reasoning behind this to be created for the Elected Members moving forward.

Growth Projections to Inform the 2024-2034 Long Term Plan

Agenda Item 6.2

The report was received [P&S2305/02 refers] and the Growth & Analytics Manager along with the Principal Analyst gave a verbal update and answered questions of the committee.

Presentation:

- It was noted that there was great engagement with the two workshops that were scheduled in the last week.
- The projections in the report were adopted by Council in 2021; tested by Waikato University in 2022 and adopted by Futureproof earlier in 2023.

Questions/Discussion:

- It was good to to see how these assumptions have actually come about and it would good to workshop further with Councillors if there are any adjustments to these assumptions moving forward.

- A question was raised around growth for the next 10 years – what does this look like for Waikato District and are we in line with the Waikato 2070 Strategy? It was noted that the Waikato 2070 strategy is aspirational and does not align with actual growth. The Waikato 2070 strategy is looked at as a future land use pattern.
- The overall growth for the next decade as predicted is 101,000.

Resolved: (Crs Turner/Eyre)

THAT the Performance and Strategy Committee:

- notes that the Council formally adopted the University of Waikato 2021 high growth scenario as its default growth projection on 21 September 2021; and**
- recommends that Council adopts the University of Waikato 2021 high growth projections as the base scenario to inform its 2024-2034 Long Term Plan.**

CARRIED

P&S2305/04

Adoption of Strategic Priorities

Agenda Item 6.3

The report was received [P&S2305/02 refers] and The Corporate Planning Team Leader answered questions of the committee.

Questions/Discussion:

- It was asked where does this list of Strategic Priorities sit in relationship to Community outcomes? The Community outcomes sit at the highest level – when we think about the outcomes they are things that Council may deliver on but also other groups may deliver on including our communities. They are aspirational and ask the question “What can Council do to deliver on those Community outcomes?”. – community outcomes sits at that high level – what can council do to deliver on those community outcomes
- It was asked if it is more appropriate to adopt these Strategic Priorities after the community consultation/engagement has been undertaken? Council did not want it to look like we have pre-determined what that consultation will bring. It was noted that Council were not expecting much change after community engagement had been undertaken but if there is significant change it will be looked at moving forward.

- It was asked if there was any way we could give a recommendation for the Strategic Priorities with clear support but stop short of formally adopting at this time? It was preferred that Council adopt the Strategic Priorities after the Community recommendations are done.
- It was noted that this could indeed be done and the report can be received at this time and adopted once the Strategic Priorities have been reaffirmed.
- A question was raised around Page 37 - Improving Core Services vs Maintaining them. It was noted that there was a lot of discussions at the workshop around “holding the line” when it comes to Council services but it was confirmed that staff will remove the word “improving” and replace with the word “maintain”.
- A discussion took place amongst the committee about “Roadside Amenity” and what it is referring to and what it means. May need to relook at this and provide further clarification if required.
- It was noted by Cr Whyte that further clarity was also required around “Road Safety Measures”.
- There was discussion around the previous workshop that had been done and the outcomes that were noted from that. It was noted that from memory the main outcome was “Community want Council to deliver on what they say they are going to deliver on”. The Committee does not want the nuance from that workshop to be lost. Core services are done well in some areas of the district and not so well in others.
- It was confirmed by the Chief Operating Officer that the resolution would not be adopted at the Committee meeting today and instead the report would be received only.
- The question was raised around Council making some effort to control the weeds on the roadside reserves particularly in the Rural Areas (rather than being just in the residential area). Also a question around the Animal Control team and whether improvement was even needed in this team? Is there a reason this was noted in the report?
- For Animal Control it was noted in the workshop that the improvements noted referred more to the Council reserves and bylaws for this area.
- The Corporate Planning Team Leader read the notes that she took from the Workshop and whilst she was happy to deliberate further she noted that she did not want to lose the work that had been done to date. It was noted that “Roadside Amenity” would be updated to “Rural Roadside Amenity” to better reflect the discussion that was had from the workshop.
- A question was raised around Capital Expenditure - it was noted that staff who are looking at these different projects like “improving connectivity” or “improving core services” there will be Capex items that relate to these. There is a difference between Capital Expenditure vs Operational Budget.
- It was noted by the General Manager Service Delivery that the main point of the workshop was “Council getting back to core services and doing them well – getting back to the basics”.

- It was noted that Council need to get the Community Priorities and Strategic Priorities right before the nitty gritty of the detail is explored further. Might be an idea to get a map or vision outline to capture everything.
- It was confirmed that the report would be sent to the Councillors for some further ideas but all feedback will need to be provided by Close of Business Tuesday, 9th May 2023.

ACTION: The Corporate Planning Team Leader to send this report to Councillors with feedback to be given via email by COB tomorrow.

Resident Perception Survey – Quarter 2 Results Agenda Item 7.1

Resident Perception Survey – Quarter 3 Results Agenda Item 7.2

The above items were taken together and the reports were received [P&S2305/02 refers]. The Customer Experience Manager gave a verbal update and answered questions of the committee.

Presentation:

- A brief overview of both Quarter 2 and Quarter 3 results was given by the Customer Experience Manager.
- It was noted there was a significant list of decreased satisfaction points in the Quarter 3 results, for which clarification was provided on the wording at point 4.3 and what it actually meant.
- Consultation & Community Engagement results in Quarter 3- this was interesting since these results were captured was during a time when there was a significant amount of engagement by Council.
- On a positive note for Quarter 3 there was an improvement in Waste Management & Minimisation.
- The next steps going into the next quarter were also outlined to the Committee and one of the solutions that was talked about was the Roding Team and what they are doing to better fund and meet the needs the Community are looking for.
- Service Requests space and project is continuing to be worked on and improved.
- Recycling Space – there was progress made after the Quarter 3 because of some specific strategic communications that was undertaken with specific properties.

Discussion/Questions:

- It was noted that if Council were going to tweak and work on the invoicing (which is a good idea) then some robust communication needed to be done at the same time.
- A question was raised in regards to Council dealing with the issues that the Community feel are important. It was noted that once the Service Request system is up and running correctly it would go a long way to improving the overall perception of Council.
- It was noted that Councillors were not entirely satisfied that the consultants are asking relevant questions to our residents. Can the actual survey be circulated to Councillors so they can see it? It was confirmed as an action that this would be circulated.
- The Consultant who looks after these surveys does a yearly recap which is due in August/September 2023. A full presentation of this outcome will be presented to the Committee once this has been completed.
- It was noted that results are now being seen from decisions that were made 12-18 months ago (Inorganic Collection was noted as an example of this). Do we have any idea around the timeline between decisions being made and effects of those decisions being seen to our communities?
- It was advised by the Customer Experience Manager that generally those timeframes can be captured quarterly to quarterly but sometimes it may be longer dependant on what the decision is that is being made.
- It would be beneficial to sit down with customers that are frustrated and actually determine how better we can serve their needs. The Customer Experience Manager noted that how we go about approaching this will be looked into further.
- It was noted that this is the second year that this external consultant company has been used to undertake our resident surveys.
- It was noted and celebrated that the “Availability of Local Councillors” survey results have gone up.
- Has the survey been tailored to ensure those residents that are answering questions have actually engaged or had an interaction with Council in the last quarter? It was confirmed that yes residents are asked this before proceeding. Other questions like “Do you have a water meter” are also asked before survey answers about water supply is requested.
- It was also noted that requesting a break down of answers via “ward” can be looked into further as this would be good for each Ward Councillor to get a better understanding of the concerns in their area.
- There is currently a lag between results for each quarter and real time results – ideally real time feedback would be our preference but is something that can be worked on.

ACTION: The Customer Experience Manager to circulate to Elected Members the survey that was given to residents so they can see exactly what questions were asked and what scope residents were answering these questions in.

The meeting adjourned at 11.22am and resumed at 11.40am.

Financial Performance Summary for the Nine Months to 31 March 2023

Agenda Item 7.3

The report was received [*P&S2305/02 refers*] and the Finance Manager gave a verbal update and answered questions of the committee.

Presentation:

- It was noted that more details have been provided as per the request of the Committee on both Pages 56 and 57.

Questions/Discussion:

- It was confirmed that land held for sale is at residential properties.
- It was noted that in terms of this LTP we would be much more focused on ensuring the plan has some lens over it from a deliverability perspective as Council were aware of the number of projects in the current plan that had not been fully scoped and were not deliverable. This was not the case for the current Annual Plan year as all projects had been scoped and priced out.
- It was further noted that whilst Council are in a better space at this time it was acknowledged that the previous position we have been in is not sustainable. There will be better clarity in the Annual Plan moving forward.
- Clarification was sought around the rise in Rates Penalties as these have gone up substantially along with an increase in Debtors. It was noted by the Finance Manager that Council were not receiving payments in the timely manner we usually would. The Credit Control team are actively working with ratepayers on their payment schedules to ensure we are capturing this as best we can. As an example it was noted that Council offered more payment plans this year than we have in previous years.
- It was further noted that when Council accept a payment plan we charge penalties throughout the year however at the end of the year (30 of June) if those payments have been met then penalties are remitted.
- A question was raised in regards to the Financial Performance Summary on Page 54 – is the difference in figures because of the delay in vesting State Highway 1 back to council? It was noted that this was part of it.
- It was noted that on Page 55 (Debtors) that overall there did not appear to be an experts opinion on this. The report was very hard to read and the data held in the spreadsheet was hard to collate with the commentary provided. It was suggested that both The Finance Manager and Chief Financial Officer work with the Mayor on the layout of the reports and having the data explained in a transparent way.
- A question was raised in regards to the Employee Entitlements increase – is this covid related or due to staff not taking their leave? The Finance Manager will gather further information regarding this and come back to the Committee.
- A question was raised around the brackets in the report and whether these figures are positive or negative? It was noted that moving forward – Brackets vs Non Brackets – Positive inside brackets and negative outside brackets.

ACTION: The Finance Manager to gather further information regarding the Employee Entitlements Increase and report back to the Committee.

Treasury Risk Management Policy – Compliance Report at 31 March 2023
Agenda Item 7.4

The report was received [P&S2305/02 refers] and the Finance Manager gave a verbal update and answered questions of the committee.

Presentation:

- It was noted by the Finance Manager that this report omitted to include interest rates on future swaps.
- It was further noted that the interest rates range from 4.21 – 4.27%.

Questions/Discussion:

- A question was raised around the treasury – Council are forecasting an increase in debt of \$80M year on year – how much provision has been given to this? The Finance Manager provided a summary on this and advised that we would test the market for a portion of those swaps and the forecast line also includes Waters at this stage and this will drop out if Waters do leave us.
- A question was raised around the Port Waikato Hub and what happens if a situation arises where the community cannot use the hub but they still carry the debt? It was confirmed that the loan is now active and being paid for by the Port Waikato Community Ratepayers whether it can be used or not.
- It was noted by the Service Delivery General Manager that the Port Waikato Hub building has been constructed in a way that allows it to be picked up and moved to another piece of land if the need arises.

ACTION: Port Waikato Hub – clarification is required around the debt for this project and confirmation of liability when community members cannot use the hub for any given reason.

2022/2023 Third Quarter Non-Financial Performance Results
Agenda Item 7.5

The report was received [P&S2305/02 refers] and the Corporate Planning Team Leader gave a verbal update presentation and answered questions of the committee.

Presentation

- It was confirmed that the report comes to the Committee on a Quarterly Basis.

- There are 63 measures in our Long Term Plan – 11 of which are measured annually.

Questions/Discussion:

- It was requested if there was a possibility Councillors could have the last three (3) years worth of data (quarterly results over 3 years) and whether this could be given in an excel spreadsheet. It was advised that this information will be held in previous Committee agendas and this can be located on the Council Website.
- It was queried if the wording around the KPI's could be improved at all. Is there a way this could be better worded to reflect the actual results? It was noted that the only reason we were failing in the Animal Control area is because of how we have worded this. It was confirmed by the the Corporate Planning Team Leader that this is being looked at.
- Was there a way that the KPI around Councillor Engagement could be refined further to reflect the work and engagement that Councillors are currently doing? The target is 80% and the result is sitting at 43% at the moment but this is not a fair reflection of the the work Councillors are doing in their communities. It was confirmed that the upcoming Council LTP is an appropriate space to identify what an appropriate measure is.
- It was noted there were three categories that were particularly concerning:
 - i. Customer & Partnership – there is a significant drop which was spoken to in Agenda Items 7.1 and 7.2;
 - ii. Councillors Engagement; and
 - iii. The percentage of Land Use Consents issued that are being Monitored – this is a major concern and would like further information about this. Is this a resourcing issue?
- It was noted that both Cr Thomson & Cr Eyre have met targets and a Congratulations was given.

ACTION: The Corporate Planning Team Leader to report back to the Committee on the wording for the KPI's moving forward.

Chief Executive Business Plan Agenda Item 7.6

The report was received [P&S2305/02 refers] and the Chief Operating Officer gave a verbal update and answered questions of the committee.

- Further clarification around the term “Kalista” is required. It was provided at the last meeting.
- A comment was made around Sign-Language Week and where Council is going with this.

- It was noted that a Congratulations is in order for the result around Staff Retention – further noting this covers an annual period.

There being no further business the meeting was declared closed at 12.30PM.

Minutes approved and confirmed this day of 2023.

Ms M Raumati
CHAIRPERSON