

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

- 1. APOLOGIES AND LEAVE OF ABSENCE**
 - 2. CONFIRMATION OF STATUS OF AGENDA**
 - 3. DISCLOSURES OF INTEREST** *
- The register of interests is no longer included on agendas, however members still have a duty to disclose any interests under this item.
- 4. CONFIRMATION OF MINUTES**
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 - 5. ACTIONS REGISTER**
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CHIEF EXECUTIVE

TERMS OF REFERENCE AND DELEGATION

Reports to:	The Council
Chairperson:	Cr Janet Gibb
Deputy Chairperson:	Cr Marlene Raumati
Membership:	The Mayor, all Councillors
Meeting frequency:	Six-weekly
Quorum:	Majority of members (including vacancies)

Purpose:

The Performance & Strategy Committee is responsible for:

1. Setting the broad vision and direction for the District's Long Term Plan, determine specific outcomes that need to be met to deliver on Council's vision, develop and monitor strategies to achieve those goals.
2. Monitoring of Council's strategy, and performance (both financial and non-financial) against the Long Term Plan and Annual Plan.
3. Determining financial matters within its delegations and Terms of Reference and making recommendations to Council on financial matters outside its authority.
4. Guiding and monitoring Council's interests in Council Controlled Organisations (CCOs), Council Organisations (COs) and subsidiaries.

In addition to the common delegations, the Performance & Strategy Committee is delegated the following Terms of Reference and powers:

Terms of Reference - Strategy:

1. Develop and agree strategy and plans for the purposes of consultation (including those required under schedule 10 of the Local Government Act 2002).
2. Recommend to Council strategy and plans for adoption, that underpin Council's Long Term Plan.
3. Monitor and review adopted strategies and plans.
4. To monitor and provide advice on the development and implementation of growth and development strategies, land use, and spatial plans in line with national policy requirements.

Terms of Reference – Performance:

1. To monitor Council's financial strategy, and performance against that strategy.
2. To monitor Council's non-financial performance framework as set out in the Long Term Plan.
3. To receive quarterly reports on the Chief Executive's Business Plan.
4. To provide clear direction to Council's CCOs and COs on Council's expectations, including feedback on draft statements of intent.

5. To receive six-monthly reports of Council's CCOs and COs, including on board performance.
6. To undertake any reviews of CCOs and agree CCO-proposed changes to their governance arrangements, except where reserved for full Council's approval.
7. To monitor Council's investments and Local Government Funding requirements in accordance with Council policy and applicable legislation.

The Committee is delegated the following powers to act:

- Approval of:
 - a. the increase or decrease of the number of members on CCO and CO boards;
 - b. appointments to, and removals from, CCO and CO boards; and
 - c. a mandate on Council's position in respect of remuneration proposals for CCO and CO board members to be presented at Annual General Meetings.
- Approval of letters of expectation for each CCO and CO.
- Approval of statements of intent for each CCO and CO.
- Exercise the Council's powers as a shareholder, or as given under a trust deed, in relation to a CCO or CO, including (but not limited to) modification of constitutions and/or trust deeds, granting shareholder approval of major transactions where required, or exempting CCOs in accordance with the Local Government Act 2002. For clarity, this delegation includes the approval or otherwise of any proposal to establish, wind-up or dispose of any holding in, a CCO or CO.
- Monitor work programme of Future Proof, Waikato Plan, Growth Strategy and cross-boundary issues.
- Approval of any process for making decisions where additional operating expenditure or capital expenditure funding, or deferred capital expenditure, is required.
- Approval of all insurance matters which exceed the delegation of the Chief Executive or other staff, including considering legal advice from the Council's legal and other advisers, approving further actions relating to insurance issues, and authorising the taking of formal actions
- Review and make recommendations to Council in relation to Fees & Charges (after consultation with relevant community boards or committees).
- Review and recommend to Council the adoption of the Annual Report.
- Approval of transactions in relation to investments in accordance with Council policy.
- Approval of contractual and other arrangements for supply and services, and revenue generating contracts, which exceed the Chief Executive's delegations, but exclude contracts or arrangements that are reserved for the Council or another committee's approval.
- Approval of rating issues where these exceed the delegated authority of officers or are an appeal against officer decisions. For clarity, this excludes decisions that are required, by law, to be made by the Council.
- Approval to write-off outstanding accounts that exceed officer delegations.

To	Performance & Strategy Committee
Report title	Confirmation of Minutes
Date:	Friday, 28 April 2023
Report Author:	Elizabeth Saunders, Democracy Advisor
Authorised by:	Gaylene Kanawa, Democracy Manager

1. Purpose of the report

Te Take moo te puurongo

To confirm the minutes for a meeting of the Performance & Strategy Committee (P&S) held on Monday, 27 March 2023.

2. Staff recommendations

Tuutohu-aa-kaimahi

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.

3. Attachments

Ngaa taapirihanga

Attachment 1 – P&S Minutes – 27 March 2023.

Minutes for 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, 27 MARCH 2023** commencing at **9.30am**.

Present:

Cr JM Gibb (Chairperson)
Cr C Beavis
Cr M Keir
Cr EM Patterson
Cr V Reeve
Cr LR Thomson
Cr P Thomson
Cr T Turner

Attending:

Mr T Whittaker (Chief Operating Officer)
Ms A Diaz (Chief Financial Officer)
Mrs S O’Gorman (General Manager Customer Support)
Ms M May (General Manager – Service Delivery)
Ms M Rinaldi (Long Term Plan Project Manager)
Ms E Saunders (Democracy Advisor)

The Chairperson led the committee in opening the meeting with a karakia.

APOLOGIES AND LEAVE OF ABSENCE

Resolved: (Cr L Thomson/Turner)

That the apologies for:

- a. non-attendance as absent on Council business from Her Worship the Mayor, Mrs JA Church and Cr K Ngataki be accepted; and**
- b. non-attendance from Cr M Raumati (Deputy Chairperson), Cr C Eyre (Deputy Mayor) and Cr D Whyte be accepted.**

CARRIED

P&S2303/01

CONFIRMATION OF STATUS OF AGENDA ITEMS

Resolved: (Cr L Thomson/Patterson)

THAT the agenda for a meeting of the Performance & Strategy Committee held on Monday, 13 February 2023 be confirmed:

- a. with all items therein be considered in open meeting; and**
- b. all reports be received;**

CARRIED

P&S2303/02

DISCLOSURES OF INTEREST

There were no disclosures of interest.

CONFIRMATION OF MINUTES

Resolved: (Cr Beavis/Keir)

THAT the minutes of a meeting of the Performance & Strategy Committee held on Monday, 13 February 2023 be confirmed as a true and correct record of that meeting.

CARRIED

P&S2303/03

It was at this time that a brief discussion was held in relation to the Action Items from the previous meeting. The Chief Financial Officer gave an update to the Committee on the Action Items and it was noted that an Actions Register would be created and be included in the Agenda for all future meetings.

ACTION: Actions Register to be created for the Performance & Strategy Committee and to be included as a standing item for all future meetings.

PERFORMANCE REPORTS

2024-34 Long Term Plan Introduction & Work Programme

Agenda Item 5.1

The report was received [*P&S2303/02 refers*] and The Long Term Plan Project Manager gave a powerpoint presentation and answered questions of the committee.

- An overview of the Long Term Plan (LTP), including the planning cycle and the key steps that will be undertaken over the next few months was provided to the Committee along with an explanation on the difference between a Long Term Plan and an Annual Plan. It was confirmed that the LTP was updated every 3 years and when the next cycle begins.
- Work on the Annual Plan was underway and will be adopted at the end of June 2023.
- Taituaraa (SOLGM) provides guidance and direction as to what should be included in an LTP.
- A question was raised around Community Engagement and how Council intends to connect with and capture the voice of our communities. The development of the Community Engagement Strategy was underway and, along with advertising on the website, social media forums and planned workshops, there were multiple options that Council will explore to ensure our communities will be well informed. This can include a presence at local community events and meetings and engaging with our Community Boards and Committees with information for discussion.
- LTP planning updates and status reports will be regularly provided to the Performance & Strategy Committee to keep them informed.
- It was confirmed that Asset Management Plans for Three Waters had already been prepared in the case that the Three Waters Reform doesn't proceed as scheduled at the end of June 2024.
- Issues with drainage and Stormwater Assets and maintenance are part of the Three Waters Reform.
- Mr Whittaker clarified that the LTP is Councils document and this presentation outlines how council staff will support the Councillors in preparing for this document to go live.
- It was confirmed that the upcoming workshops will be presented to ALL Councillors along with Community Board and Community Committee Chairpersons who have all been invited to attend.
- Cr Turner discussed the Mana Whenua Forum and whether these forums can be included in the discussion and engagement for the LTP. The Long Term Plan Project Manager will follow up with relevant staff to engage particularly with the 5 constituency areas represented by our Maori Councillors and their contact details so they can be included in this engagement.

ACTION: All Councillors were to encourage the Chairpersons of their respective Community Boards and Community Committees to attend the upcoming Community Outcomes workshops scheduled for Friday, 31 March and Tuesday, 4 April 2023 in the Council Chambers.

Council Controlled Organisations Half-Yearly Reports
Agenda Item 5.2

The report was received [*P&S2303/02 refers*] and the Chief Financial Officer gave a verbal update and answered questions of the committee.

WRAL Discussion:

- A brief discussion around the shareholding and dividends of the Airport and what Councils share could potentially be – further clarification may be required.
- An involved discussion and explanation occurred around the original investment that Council put into the Airport and what Councils stake was in that moving forward.

COLAB Discussion:

- Was there value for money out of Co-Lab and being part of this? Are Council sure they are getting value for money and how is this funded? All partners within Co-Lab fund the business case process but each individual council can either opt in or opt out of different projects depending on relevance to their business.
- Was the Co-Lab model something that will be used more and more across councils for projects? It will vary going forward and in some cases it will be used and in others it won't be used.
- The benefit of the cadetships programme is consistency in training and being able to look for other opportunities across councils to retain talent that had been invested in.
- Cadets being contracted to stay within Council once training has been given is something that was being looked at but not confirmed as yet.
- Cadets were currently being recruited from educational institutes along with existing building firms but can also come from other avenues.

ACTION: An invitation from the Chief Financial Officer to the next Performance & Strategy meeting to be issued to both Waikato Regional Airport Ltd and Co-Lab to provide further information and answer questions of the Committee.

Council Controlled Organisations Draft Statements of Intent

Agenda Item 5.3

The report was received [*P&S2303/02 refers*] and the Chief Financial Officer gave a verbal update presentation and no further discussion was held.

Resolved: (Cr Patterson/P Thomson)

THAT the Performance & Strategy Committee:

- a. has considered and is supportive of the draft statement of Intent for **Waikato Local Authority Shared Services Limited trading as Colab;**
- b. has considered and is supportive of the draft **Statement of Intent for Waikato Regional Airport Limited;** and
- c. notes that the **Chief Financial Officer will document the response to the respective boards.**

CARRIED

P&S2303/04

Local Government Funding Agency Half Yearly Report & Draft Statement of Intent

Agenda Item 5.4

The report was received [*P&S2303/02 refers*] and the Chief Financial Officer gave a verbal update and answered questions of the committee.

- The majority of borrowing comes from the Local Government Funding Agency.
- The Chief Financial Officer gave a brief overview of borrower notes and how they work.
- It was noted there was a discrepancy in the totals on Page 108 which the Chief Financial Officer will seek clarification on.

ACTION: Chief Financial Officer will clarify the underlying reasons for the different totals in the spreadsheet on Page 108 of the Half-Yearly Report.

Chief Executives Business Plan

Agenda Item 5.5

The report was received [*P&S2303/02 refers*] and further discussion was held.

- Regular updates will be provided to Performance & Strategy Committee moving forward.
- The General Manager Service Delivery provided clarification on Kalista and Huntly Recycling.

To	Performance & Strategy Committee
Report title	Actions Register – March 2023
Date:	8 May 2023
Report Author:	Ashleigh Fairhead, EA Chief Operating Officer
Authorised by:	Alison Diaz, Chief Financial Officer

1. Purpose of the report

Te Take moo te puurongo

To update the Performance and Strategy Committee on the actions arising from the previous meeting.

2. Staff recommendations

Tuutohu-aa-kaimahi

THAT the Actions Register – March 2023 be received.

3. Attachments

Ngaa taapirihanga

Attachment 1 – Performance and Strategy Committee Actions Register March 2023

	Action	Responsible to Action	Status/Update/Response
1.	<p><u>Confirmation of Minutes</u></p> <p>Actions Register to be created for the Performance & Strategy Committee and to be included as a standing item for all future meetings.</p>		Completed.
2.	<p><u>2024-34 Long Term Plan Introduction & Work Programme</u></p> <p>All Councillors are to encourage the Chairpersons of their respective Community Boards and Community Committees to attend the upcoming Community Outcomes workshops scheduled for Friday, 31 March and Tuesday, 4 April 2023 in the Council Chambers.</p>	Councillors	Noted. Community Board and Committee representatives from Pookeno, Raahui Pookeka (Huntly), Taupiri, Ngaaruawaahia, Tamahere and Whaingaroa (Raglan) were in attendance.
3.	<p><u>Council Controlled Organisations Half-Yearly Reports</u></p> <p>An invitation from the Chief Financial Officer to the next Performance & Strategy meeting to be issued to both Waikato Regional Airport Ltd and Co-Lab to provide further information and answer questions of the Committee.</p>	Alison Diaz, Chief Financial Officer	Kelvin French from Colab will be in attendance at the 8 May meeting. Representatives from Waikato Regional Airport Limited will attend the Performance & Strategy hui in June.

	Action	Responsible to Action	Status/Update/Response
4.	<u>Local Government Funding Agency Half Yearly Report & Draft Statement of Intent</u> Chief Financial Officer will clarify the underlying reasons for the different totals in the spreadsheet on Page 108 of the Half-Yearly Report.	Alison Diaz, Chief Financial Officer	Minor rounding error only on Total Operating Income line. Numbers ties to notes 4,5 and 6 of the Statement of Comprehensive Income.

To	Performance and Strategy Committee
Report title	2024-2034 Long-Term Plan work programme update
Date:	8 May 2023
Report Author:	Mary Rinaldi, Long Term Plan Project Manager
Authorised by:	Tony Whittaker, Chief Operating Officer

1. Purpose of the report

Te Take moo te puurongo

- 1.1 The purpose of this report is to provide the Performance and Strategy Committee with an update on progress in the Long-Term Plan (LTP) work programme, as well as information about what's coming up for elected members in the next six weeks.

2. Executive summary

Whakaraapopotanga matua

- 2.1 The report provides an update about the work programme for the 2024-2034 LTP under the 11 key building blocks that make up the LTP. The updates include timeframes (where these are known), as well as how elected members can expect to be involved.

3. Staff recommendations

Tuutohu-aa-kaimahi

THAT the Performance and Strategy Committee receives the 2024-2034 Long-Term Plan work programme update.

4. Background

Koorero whaimaarama

4.1 Elected members were provided with an overview of the LGA planning and reporting process and the requirements and work programme for the 2024-2034 Long Term Plan at the Policy and Strategy Committee meeting on 27 March 2023.

Objectives

4.2 The key project management objectives for the 2024-2034 LTP project are:

- to create, and effectively consult on, an LTP Consultation Document;
- to deliver a final 2024-2034 Long Term Plan by 30 June 2024 that meets statutory requirements and receives an unmodified audit opinion; and
- to ensure that the final LTP is a document that has buy-in from, and can be relied on, by staff, elected members and the community.

Work programme update

4.3 The LTP project involves many process and content pieces, many of which overlap or are dependent on each other, before getting to the final LTP document that is adopted at the very end.

4.4 Updates about each of the key building blocks for the LTP are in the table below.

Key Building Blocks		Where it's at/what's the plan
1	Community Outcomes and Strategic Direction setting	<p>IN PROGRESS</p> <p>Three workshops have been held with the Mayor and Councillors, Community Board and Committee chairs, and mana whenua representatives, to develop community outcome statements and Council's strategic direction, facilitated by Polis Consulting Group. Consultation on the draft community outcomes will occur in May 2023 and they are planned to be adopted on 30 May, along with the strategic priorities.</p> <p>Once these are adopted they will be brought into other key building blocks to inform the financial and infrastructure strategies, the level of service review and prioritisation process.</p>
2	Groups of Activities structure	<p>IN PROGRESS</p> <p>The Groups of Activities (GOA) structure is currently being reviewed and any changes will be presented to Council for approval.</p>

Key Building Blocks		Where it's at/what's the plan
3	Significant forecasting assumptions	<p>IN PROGRESS</p> <p>Staff and ELT have reviewed and updated the significant forecasting assumptions, and these will be workshopped with Council on 15 May to enable staff to use them in their upcoming planning and budgeting, with further light reviews later in 2023 and in early 2024 to retest and confirm them.</p>
4	Significance and engagement policy	<p>NOT STARTED</p> <p>This policy determines how to assess the level of significance of decisions that Council makes, and also sets out how and when communities can expect to be engaged with. This will be workshopped with Council and publicly consulted on in mid-2023.</p>
5	Budgeting process	<p>NOT STARTED</p> <p>The budgeting process will set CAPEX and OPEX for each of the 10 years of the LTP. Budget managers start the process from a baseline of what is currently planned for years 4, 5 and 6 of the current LTP, then update using various lenses put across their activities including the significant forecasting assumptions, contribution to strategic priorities, community needs and aspirations (e.g. as expressed through Blueprints), carryovers, and realistic ability to deliver. Trade-offs and prioritisation will need to be considered within activities and across activities, then key issues and consultation topics will be identified, along with options for the community to provide feedback on.</p> <p>There will be many opportunities for elected members to feed into the budgeting process, including setting the strategic direction, workshops on asset and activity management plans and levels of service, and ultimately workshopping and approving the draft budget for the consultation document.</p>

Key Building Blocks		Where it's at/what's the plan
6	Financial and funding policies	<p>NOT STARTED</p> <p>There are various financial and funding policies that will be reviewed through the LTP project. These include a review of Council's fees and charges, the Revenue and Financing Policy and several rates remission policies. A workshop is booked to go through these on 13 June 2023.</p>
7	Financial Strategy	<p>IN PROGRESS</p> <p>The financial strategy describes the significant factors impacting the council that have influenced the strategy (e.g. changes in population and land use, expected capital expenditure needed to maintain levels of service). It also sets out limits on rates increases and borrowing.</p> <p>The review of the financial strategy has begun and elected members will have their first opportunity to input into this at a workshop on 15 May, alongside the infrastructure strategy.</p>
8	Infrastructure Strategy	<p>IN PROGRESS</p> <p>The infrastructure strategy is a synthesis of the significant infrastructural issues that are likely to arise over the next 30 years, including their financial and non-financial consequences, and the principal options for managing them.</p> <p>The review of the infrastructure strategy has begun and elected members will have their first opportunity to input into this at a workshop on 15 May, alongside the financial strategy.</p>
9	Development contributions policy	<p>NOT STARTED</p> <p>The development contributions policy (DCP) enables the council to set charges for new developments to contribute to the growth-related costs of building infrastructure to support the increased demand.</p> <p>The DCP is not a policy required to be reviewed as part of the LTP process, however it is included here as the review will occur alongside the LTP development. The LTP will set in place the CAPEX for the upcoming 10 years, so the DCP levies have strong interdependencies with the LTP.</p>

Key Building Blocks		Where it's at/what's the plan
		Elected members will have opportunities to input into the review of this policy later starting with a workshop in June 2023, and subsequently through budget workshops later in the year. It will need to be consulted on with the public at the same time as the LTP Consultation Document.
10	Activity and asset planning	<p>IN PROGRESS</p> <p>Activity management plans describe the activities, services and outcomes Council is delivering, and summarise the strategic and long-term approach to the provision of activities at an agreed level of service.</p> <p>Asset management plans focus on the physical assets of groups of assets, covering condition, lifespan of components, resources needed to manage the assets, cost of replacing the assets, and levels of service.</p> <p>The six asset management plans are currently all on track, while activity management plans for non-asset activities are yet to begin as the groups of activities structure still needs to be finalised.</p> <p>Elected members will contribute to activity and asset planning through workshops over July to September 2023, which will include levels of service, prioritisation and performance measurement discussions.</p>
11	Consultation and engagement	<p>IN PROGRESS – PRE-ENGAGEMENT</p> <p>Staff have been looking at ways to get community and stakeholder input early in the LTP process, including involving key stakeholders in the community outcomes and strategic priority setting process.</p> <p>Other pre-engagement activities will be done on any element of the LTP that needs feedback from those affected (which may or may not be the entire district) prior to making decisions about what may be in or out of the consultation document or LTP proper. Elected members will be kept updated on any pre-engagement activities as they are planned.</p> <p>NOT STARTED – FORMAL CONSULTATION</p>

Key Building Blocks	Where it's at/what's the plan
	<p>Formal consultation via the special consultative procedure (SCP) must be done for certain policies (e.g. significance and engagement, development contributions) and other elements of the LTP if significant changes are being made (e.g. fees and charges, levels of service).</p> <p>Formal consultation on the LTP's consultation document will be undertaken in March-April 2024, with subsequent hearings and deliberations to be during May 2024.</p>

5. Next steps

Ahu whakamua

Staff will continue to report on the progress of the 2024-2034 LTP at each Performance and Strategy meeting through the key building blocks.

Upcoming important dates are:

- 15 May – LTP building blocks workshop (includes significant forecasting assumptions, financial strategy, infrastructure strategy, funding envelope)
- 30 May – Extraordinary Council Meeting to adopt strategic priorities, growth projections, groups of activities structure and, if ready, the community outcomes.
- 13 June – Financial and funding policies workshop (includes revenue and financing policy, rates remissions policies, fees and charges, development contributions policy)

6. Attachments

Ngaa taapirihanga

Attachment 1 – LTP Roadmap

Our journey to Long Term Plan 2024 - 2034



To	Performance and Strategy Committee
Report title	Growth Projections to inform the 2024-2034 Long Term Plan
Date:	8 May 2023
Report Author:	Maggie Hong, Principal Analyst, Growth and Analytics
Authorised by:	Clive Morgan, General Manager, Community Growth

1. Purpose of the report

Te Take moo te puurongo

To inform the Committee about the Council's official growth projections being the University of Waikato 2021 ("UoW2021") high growth projections and to seek the Committee's endorsement to utilise the UoW2021 high growth projections as the Long-Term Plan 2024-2034's base scenario.

2. Executive summary

Whakaraapopototanga matua

Population and household growth projections are one of the significant forecasting assumptions required to inform a Council's Long-Term Plan (LTP). The adoption of a set of growth projections will ensure that all estimates and forecasts are made on the same basis throughout the LTP and helps to inform technical analysis and debate when making decisions about levels of service, capital project funding, and budgeting.

The Waikato District Council (WDC) formally adopted the University of Waikato ("UoW2021") high growth scenario as its default growth projection on 21 September 2021.

In February 2023, Future Proof Implementation Committee (FPIC) adopted the Future Proof Senior Managers Steering Group (SMSG) recommendations and reaffirmed the UoW2021 high growth scenario as the default growth projection for the next LTP cycle.

The adoption by WDC of the UoW2021 high growth scenario for the LTP 2024-2034 will ensure the appropriate strategy and policy alignment with the Future Proof partners.

3. Staff recommendations Tuutohu-aa-kaimahi

THAT the Performance and Strategy Committee:

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

4. Background Koorero whaimaarama

The work on Waikato Projection started in 2015 to provide consistent and defensible projections of demographic and economic indicators across the Waikato region.

Based on the 2013 Census data, the University of Waikato's (UoW) National Institute of Demography and Economic Analysis (NIDEA) generated the first set of projections (2013-2063) by performing population and household modelling for the sub-region comprising Hamilton City Council, Waikato District Council and Waipa District Council.

Using these projections, the Waikato Integrated Scenario Explorer (WISE) was able to spatially allocate the growth based on parameters such as zoning, densities, transport, economic and employment drivers, and land-use constraints to determine where this growth is likely to be realised.

In preparation for the LTP 2021-2031, the Future Proof partner councils engaged the UoW in 2018 to update the Waikato Projections using the 2018 Census data. However, the update was postponed due to delays in the release of the Census results. As an alternative option, the UoW re-forecasted population and household growth at territorial level in 2020 using the 2013 Census and the new Estimated Usual Resident Population (EURP) data from Stats NZ.

This modelling work ("UoW2020") also factored in assumptions regarding the impacts of Covid-19 in respect to border closures and changes in international migration, which was a key assumption used in LTP 2021-2031.

The 2018 Census data became available in October 2020, and the UoW2021 projections were completed at the end of March 2021. In agreement with Future Proof partners, the WDC formally adopted the UoW2021 high growth scenario as the default growth projection at a Council meeting on 21 September 2021 (ref: GOV1318/3228629).

In June 2022, Future Proof commissioned further work to test the UoW2021 projections. The following scenarios were considered by the UoW.

- Scenario 1: using the previous high projection assumptions, but updating the international migration flows assumptions to account for new data available since the previous projections (as the actual data show lower than projected international migration)
- Scenario 2: combining the assumptions in Scenario 1, and assuming higher net internal migration outward from Auckland (which will include all other territorial authorities but with a focus on those in the Future Proof subregion).

The report showed that Scenario 1 is only slightly lower than the high projection and Scenario 2 is slightly higher than the high projection over the entire projection period (i.e. 2018-2068).

However, as the existing default scenario already picks up on recent dynamics of internal migration movements within New Zealand, (including the extension of the Waikato Expressway and spill-over growth from Auckland into the north of the Waikato District and further afield), Scenario 2 is likely to be less plausible than Scenario 1 or the existing default projection scenario.

The UoW report on the scenario testing was approved by the FPIC on 20 February 2023 based on recommendations from the SMSG, and it was decided that the UoW2021 high growth scenario should continue to be used as the default growth projection for long term planning purposes.

5. Discussion and analysis

Taataritanga me ngaa tohutohu

The UoW2021 high growth scenario indicates:

- WDC's population will increase by 42.1% between 2024 and 2054, from 88,113 to 126,454 (see Figure 1).
- The number of households in the WDC will increase by 50.2%, from 29,353 to 44,086 (see Figure 2).

The projections imply a drop in average household size, from 3 to 2.87 people per household.

Figure 1: UoW population projection 2021- High (Waikato District area)

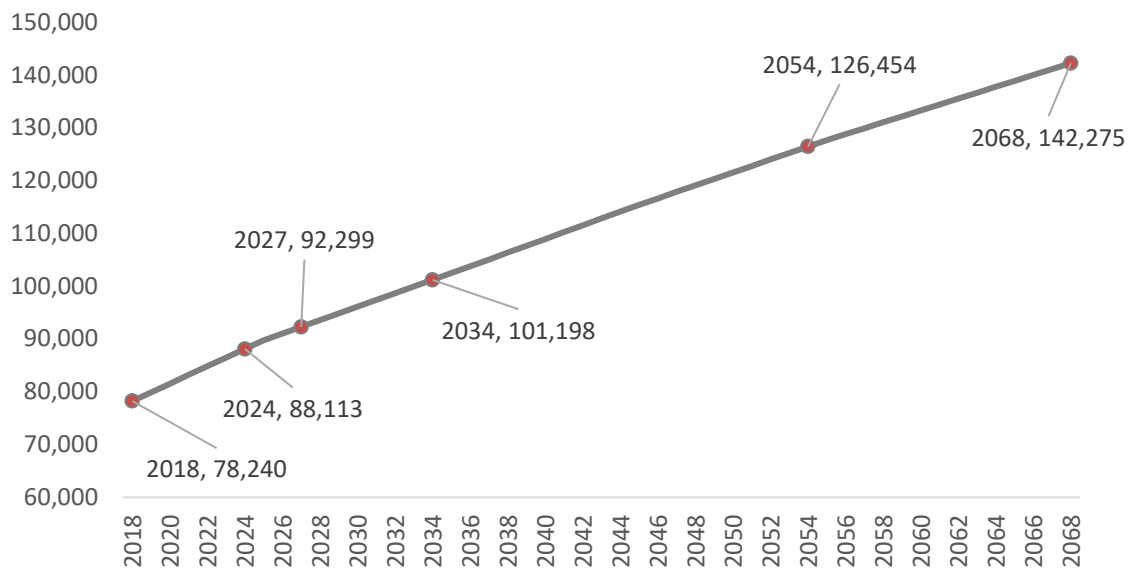
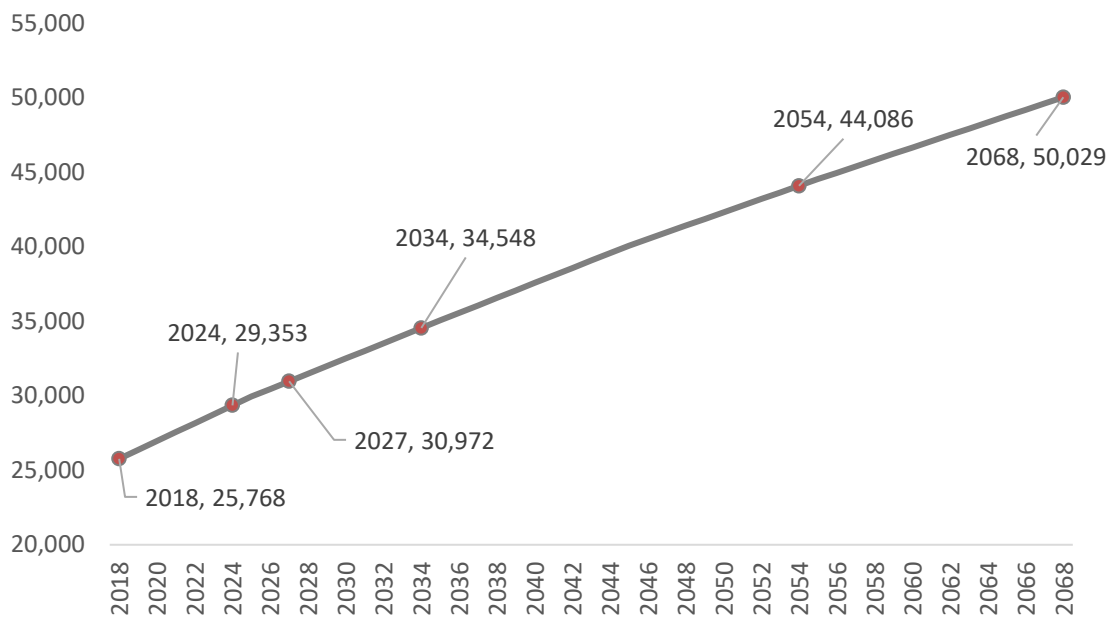


Figure 2: UoW household projection 2021- High (Waikato District area)



Based on demographic projections at the territorial authority level, UoW was able to provide projections at the SA2 (Statistical Area 2) level¹ for selected years (2025, 2035, 2045, 2055 and 2065) using the method of statistical downscaling and the WISE land use model².

¹ The boundaries for the UoW2021 projections are 2020 SA2 boundaries.

² The full technical report can be obtained from www.waikatoregion.govt.nz/assets/WRC/TR202124.pdf

To support council's regular activities, such as infrastructure and service planning, WDC's Business Intelligence team converted the UoW2021 high projections into annualised projection series based on designated boundaries.

Recently, urban/rural boundaries within the WDC have been reviewed to reflect Waikato 2070 and the latest Proposed District Plan decisions/appeals, these new boundaries will be used as the default boundaries in the rest of this report ("urban/rural boundaries") (see Attachment 1).

Based on local-level projections, three areas in the WDC are expected to experience population growth of more than 50% in the next 10 years (between 2024-2034) (see Table 1), and eight rural areas are expected to experience a small decline in population numbers (see Table 2).

Table 1 Projected high population growth areas in WDC (2024-2034)

	Area	Growth rate (2024-2034)
1	Te Kauwhata	65.0%
2	Pokeno	53.9%
3	Whale Bay	52.5%

Table 2 Projected area with negative population growth (2024-2034)

Rank	Area	Growth rate (2024-2054)
1	Whitikahu	-5.87%
2	Te Uku	-3.16%
3	Tamahere	-2.75%
4	Whatawhata West	-1.99%
5	Te Akau	-0.41%

Between 2024 and 2054, seven areas in the WDC are expected to experience population growth of more than 100% (see Table 3), and five rural areas will experience a small decline in population numbers (see Table 4).

Table 3 Projected high population growth areas in WDC (2024-2054)

	Area	Growth rate (2024-2054)
1	Hamilton Park	393.0%
2	Horsham Downs	269.4%
3	Te Kauwhata	187.6%
4	Ohinewai	146.8%
5	Huntly Rural	120.1%
6	Pokeno Rural	117.4%
7	Mercer	114.9%

Table 4 Projected areas with negative growth (2024-2054)

Rank	Area	Growth rate (2024-2054)
1	Whitikahu	-5.87%
2	Te Uku	-3.16%
3	Tamahere	-2.75%
4	Whatawhata West	-1.99%
5	Te Akau	-0.41%

Overall, Huntly is likely to remain as the most populated area in the district in 2054, housing 10.5% of the WDC's population, Te Kauwhata is expected to become the second most populated urban area with a total population of 9,409, followed by Ngāruawāhia with 9,071 people. Refer to Figure 3 for more detail information.

In terms of households, UoW2021 predicts a similar growth trend to the population projection, with a higher number of households being forecasted for areas like Hamilton Park (422.9%), Horsham Downs (288.6%), Te Kauwhata (169.1%) and Ohinewai (137.8%) between 2024 and 2054. Please refer to Figure 4 for more detail information.

Figure 3: WDC population projection by urban/rural boundaries (2024, 2034, 2054) – UoW 2021 'High'

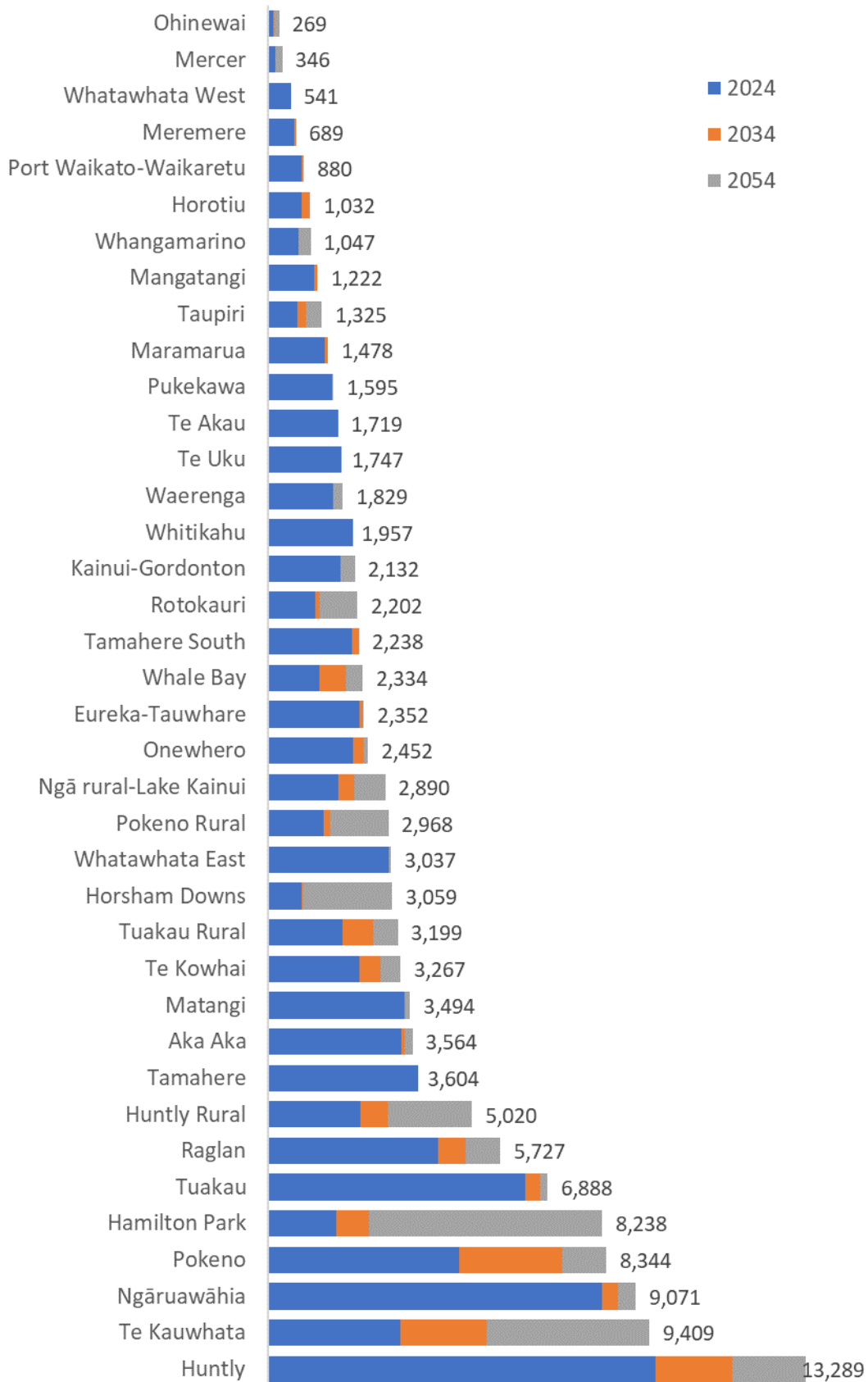
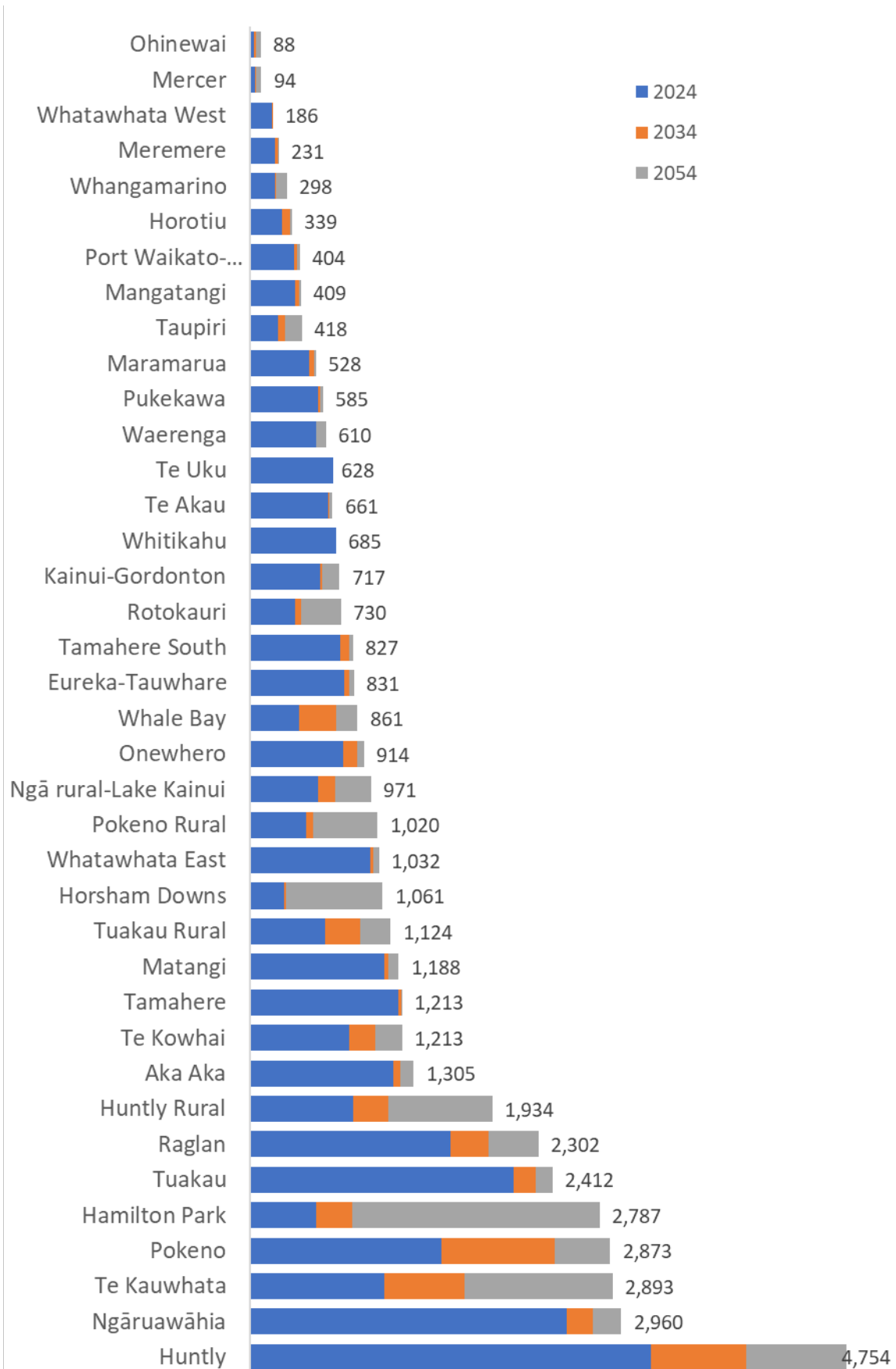


Figure 4: WDC household projection by urban/rural boundaries (2024, 2034, 2054) – UoW 2021 'High'



5.1 Options

Ngaa koowhiringa

The recommended option is to continue to utilise the as Council's default growth projection and to adopt it as Council's official base scenario for its LTP 2024-2034.

As mentioned in Section 4, Future Proof partners commissioned further work to sensitivity test the existing projections. An alternative option would be to adopt one of these projection results, which were based on a higher international and/or internal migration flow.

This option it is not recommended given that sensitivity tests revealed insignificant difference between growth outcomes, and alternative scenarios are less plausible than the default high growth scenario. Further, the Future Proof partners have already reaffirmed the adoption of the UoW2021 high growth scenario and any deviation from the decision is likely to lead to inconsistency in the subregional policy frameworks.

5.2 Financial considerations

Whaiwhakaaro puutea

There are no material financial considerations associated with the recommendations of this report. However, as LTP 2024-2034's base scenario, these growth projections will have a direct influence on council's Assets Management Plans, infrastructure funding and financial planning activities.

5.3 Legal considerations

Whaiwhakaaro-aa-ture

Staff confirm that using the high growth projections as LTP 2024-2034's base scenario complies with the Council's legal and policy requirements.

5.4 Strategy and policy considerations

Whaiwhakaaro whakamaaherehere kaupapa here

The report and recommendations are consistent with the Council's policies, plans and prior decisions. Further, the recommendations are consistent with the actions being taken by Future Proof and the Future Proof partner councils.

5.5 Maaori and cultural considerations

Whaiwhakaaro Maaori me oona tikanga

While demographics are often explored in terms of ethnicity, diversity, age and gender, among other things, the projections required to inform the technical components of Council's LTP (asset management planning, financial planning, etc) are simply that of population and household numbers.

Broader demographic characteristics of the district will be considered by Council throughout the LTP, including when setting its strategic priorities and level of service expectations. As such, for the purpose of this report, there are not believed to be any particular Maaori or cultural considerations associated with the recommendations in this report.

5.6 Climate response and resilience considerations

Whaiwhakaaro-aa-taiao

The matters in this report have no known impact on climate change or resilience for the Council. The adopted projections will be used by Council in its asset management planning activities which will have climate response and adaptation embedded within it.

5.7 Risks

Tuuraru

As all projections are associated with intrinsic uncertainties, considerable uncertainties exist in UoW2021 projections regarding timing and precise spatial allocation of population and household growth, especially at local levels. It is important that the Council continues to monitor actual dwellings consented/constructed to ensure any deviations from current and expected trends can be detected and appropriately responded to.

The WDC has continued to work with its Future Proof partners to promote and procure up-to-date population and household projections. The establishment of Council's Community Growth Group and the establishment of a dedicated Growth and Analytics function within that group has provided an increased level of rigour with regards to population and household projections and their use within the business.

The team will continue to work on the monitoring of development capacity and actual dwellings consented, to ensure any deviations from current trends can be detected early.

6. Significance and engagement assessment

Aromatawai paahekoheko

6.1 Significance

Te Hiranga

The decisions and matters of this specific report are assessed as of low significance in accordance with the Council's [Significance and Engagement Policy](#). However, this report is part of the broader 2023-2034 LTP project, and asset and activity management planning activity that is, or may be in future, assessed as of high significance.

6.2 Engagement

Te Whakatuutakitaki

The Significance and Engagement Policy is not triggered in this case, and no public consultation is planned. The LTP itself will be assessed separately against the Significance and Engagement Policy.

7. Next steps Ahu whakamua

Following adoption, Council's Growth and Analytics team will share the UoW2021 projections with internal and external stakeholders as part of LTP project. The Growth and Analytics team will provide ongoing support to staff, and Elected Members, in understanding and interpreting the projections.

8. Confirmation of statutory compliance Te Whakatuuturutanga aa-ture

As required by the Local Government Act 2002, staff confirm the following:

The report fits with Council's role and Committee's Terms of Reference and Delegations.	Confirmed
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The report contains sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages (<i>Section 5.1</i>).	Confirmed
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Staff assessment of the level of significance of the issues in the report after consideration of the Council's Significance and Engagement Policy (<i>Section 6.1</i>).	Low
---	-----

The report contains adequate consideration of the views and preferences of affected and interested persons taking account of any proposed or previous community engagement and assessed level of significance (<i>Section 6.2</i>).	Confirmed
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The report considers impact on Maaori (<i>Section 5.5</i>).	Not applicable
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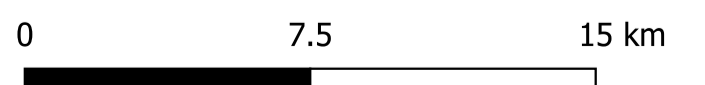
The report and recommendations are consistent with Council's plans and policies (<i>Section 5.4</i>).	Confirmed
---	-----------

The report and recommendations comply with Council's legal duties and responsibilities (<i>Section 5.3</i>).	Confirmed
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9. Attachments Ngaa taapirihanga

- Attachment 1 - WDC urban/rural boundaries 2023
-

Attachment 1: WDC urban/ rural boundaries 2023



To	Performance and Strategy
Report title	Adoption of Strategic Priorities
Date:	8 May 2023
Report Author:	Nicole Hubbard, Corporate Planning Manager
Authorised by:	Tony Whittaker, Chief Operating Officer

1. Purpose of the report

Te Take moo te puurongo

To present the Waikato District Council Strategic Priorities for recommendation to Council to adopt.

2. Executive summary

Whakaraapopototanga matua

As part of developing the 2024-2034 Long Term Plan, staff requested direction from Council on their priorities for the next three years.

The Strategic Priorities are intended to provide useful guidance to staff, iwi partners, stakeholders, and the public on Council's priorities. They will help to focus discussions, guide work programmes and prioritise activities in the Long-Term Plan (LTP).

3. Staff recommendations

Tuutohu-aa-kaimahi

THAT the Performance & Strategy Committee recommends to Council that it adopts the Strategic Priorities, as included within this report.

4. Background

Koorero whaimaarama

The strategic priorities are a non-statutory deliverable of the Long-Term Plan that provide useful guidance to iwi partners, stakeholders, public and staff on the Council's priorities and goals. They will help to focus discussions, guide work programmes and prioritise activities in the Long-Term Plan.

On 13 April 2023, Polis Consulting Group (Polis) facilitated a workshop with Councillors, Community Board and Committee Chairs, and mana whenua representatives to consider the key issues and trends that Council would like to see addressed.

As a result of this facilitated session, Polis drafted priority statements based on the key theme areas that were identified and feedback from the session.

Staff will use the Strategic Priorities when developing the work programmes for the LTP.

5. Discussion and analysis

Taataritanga me ngaa tohutohu

Through the Polis-facilitated workshop, Councillors, Community Board and Committee Chairs and mana whenua representatives had the opportunity to feed into the process of drafting the Strategic Priorities for this triennium.

As a result of that workshop, the proposed Strategic Priorities are:

Improving Council's Core Services

Council will maintain reliable and essential services that keep our community safe and resilient.

We will maintain our current levels of service for core assets and services such as roading, parks and open spaces, waste collection, and water services, and will seek to improve animal control, roadside amenity, and road safety measures.

Improving Council Responsiveness

Council will improve its responsiveness to communities and customers.

We will keep you informed about our services and what you can expect from us. We aim to listen and engage with you on issues that matter most, and ensure your voices are heard and represented in our decisions.

Building Community Resilience

We will prioritise building and supporting strong and resilient communities.

We will partner with communities to address climate change, natural disasters, and social change. We will do this by connecting volunteers, businesses, communities, and agencies, and by providing relevant information and protecting our critical infrastructure.

Building relationships

We are committed to building strong partnerships and upholding Te Tiriti o Waitangi.

We will foster relationships within and between our communities, respecting cultural heritage and embracing diversity. We will work together to tell our stories, learn from each other, and build a shared sense of community.

Improving Connectivity

Our district is easy to explore, and communities are connected and well-informed.

We are committed to improving connectivity within and between settlements to create a more accessible and connected district. We will make it easy for you to engage in what's important to you, to access information about what's happening locally, and promote local attractions and events.

Supporting Sustainable Growth

We plan for growth in a sustainable and responsible way, ensuring we preserve our local heritage and sense of community.

We will focus on existing and planned growth nodes throughout the district and explore funding tools to ensure that growth benefits our communities. We will work with you to create a vibrant and active district that embraces growth, while preserving our unique identity.

5.1 Options

Ngaa koowhiringa

Staff have assessed that there are two reasonable and viable options for the Committee to consider.

This assessment reflects the level of significance (see paragraph 6.1). The options are set out below.

Option 1: Performance and Strategy Committee recommends to Council that it adopts the Strategic Priorities, as included in this report.

Option 2: Staff undertake further workshops with Councillors, Community Board and Committee Chairs and mana whenua representatives to further refine the Strategic Priorities.

Staff recommend option one because the proposed Strategic Priorities have taken into account all the feedback that was received through the recent workshop. This option also provides direction, sooner rather than later, to staff to start planning work programmes as part of the 2024-2034 Long Term Plan.

5.2 Financial considerations

Whaiwhakaaro puutea

There are no direct material financial considerations associated with the recommendations of this report. However, adopting the Strategic Priorities will influence how funding is allocated in the development of the 2024-2034 Long Term Plan.

5.3 Legal considerations

Whaiwhakaaro-aa-ture

Staff confirm that the staff recommendation complies with the Council's legal and policy requirements.

5.4 Strategy and policy considerations

Whaiwhakaaro whakamaaherehere kaupapa here

The report and recommendation are consistent with the Council's policies, plans and prior decisions.

5.5 Maaori and cultural considerations

Whaiwhakaaro Maaori me oona tikanga

Maaori and cultural considerations have been part of the strategic priority development process, with Maaori representation in the workshop.

5.6 Climate response and resilience considerations

Whaiwhakaaro-aa-taiao

The matters in this report have no known impact on climate change or resilience for the Council. However, the proposed Strategic Priorities reference our climate response and will influence where funding is allocated in the development of the 2024-2034 Long Term Plan.

5.7 Risks

Tuuraru

There is a risk if Council does not adopt the staff recommendation that this will delay the 2024-2034 LTP planning process.

6. Significance and engagement assessment

Aromatawai paahekoheko

6.1 Significance

Te Hiranga

The decisions and matters of this specific report are assessed as of medium significance in accordance with the Council's [Significance and Engagement Policy](#). However, this report is part of the broader 2024-2034 Long Term Plan project that is, or may be in future, assessed as of high significance.

6.2 Engagement

Te Whakatuutakitaki

Highest level of engagement	Inform	Consult	Involve	Collaborate	Empower
	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Councillors, Community Board and Committee Chairs, and Mana Whenua representatives were invited to participate in the workshops to develop the community outcomes.				

State below which external stakeholders have been or will be engaged with:

Planned	In Progress	Complete	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Internal
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Community Boards/Community Committees
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Waikato-Tainui/Local iwi and hapuu
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Affected Communities
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Affected Businesses
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Other (Please Specify)

7. Next steps Ahu whakamua

Council has considered emerging trends, risks and opportunities and has updated its strategic priorities to reflect matters of importance for the district.

Staff will use these priorities when developing their work programme as part of the 2024-2034 Long Term Plan.

8. Confirmation of statutory compliance Te Whakatuuturutanga aa-ture

As required by the Local Government Act 2002, staff confirm the following:

The report fits with Council's role and Committee's Terms of Reference and Delegations. Confirmed

The report contains sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages (*Section 5.1*). Confirmed

Staff assessment of the level of significance of the issues in the report after consideration of the Council's Significance and Engagement Policy (*Section 6.1*). Low

The report contains adequate consideration of the views and preferences of affected and interested persons taking account of any proposed or previous community engagement and assessed level of significance (<i>Section 6.2</i>).	Confirmed
The report considers impact on Maaori (<i>Section 5.5</i>)	Confirmed
The report and recommendations are consistent with Council's plans and policies (<i>Section 5.4</i>).	Confirmed
The report and recommendations comply with Council's legal duties and responsibilities (<i>Section 5.3</i>).	Confirmed

9. Attachments

Nga taapirihanga

There are no attachments for this report.

To	Performance and Strategy Committee
Report Title	Resident Perception Survey – Quarter 2 Results
Date:	24 March 2023
Report Author:	Reece Turner – Customer Experience Manager
Authorised by:	Sue O’Gorman - General Manager Customer Support

1. Purpose of the report

Te Take moo te puurongo

The purpose of this report is to provide the Performance and Strategy Committee (P&S) with a high-level update on the insights gained from the data collected from the Quarterly Resident Perception Survey for October – December 2022. This survey data provides the basis for a number of the Long-Term Plan Key Performance Indicators which are being presented separately in this agenda.

2. Executive summary

Whakaraapopotanga matua

The Resident Perception Survey is undertaken quarterly by Key Research.

The survey is conducted quarterly with participants being randomly selected from our Electoral Roll. Residents are contacted via post and given the option to complete an online or hardcopy survey.

This report outlines the insights from the survey on:

- a. what we are doing well – areas of significant improvement and celebrating where our results are above all of the Councils benchmarking average; and
- b. what we need to work on – areas of significant decrease in resident satisfaction, and our plans for that.

The survey is reviewed by the Resident’s Survey Action Team – which are a cross organisational group of staff that are the functional business owners that receive data from this survey. This group analyses the data and looks to see if there are any drivers that are influencing the data and also if there are actions that can be put in place to improve what we do to improve the experience we deliver to our customers.

3. Staff recommendations Tuutohu-aa-kaimahi

THAT the Performance and Strategy Committee receives the Residents Perception Survey – Quarter 2 results.

4. Discussion Matapaki

4.1 Areas of significant improvement in resident satisfaction

- Quality of Water Supply
- Overall Water Supply
- Cemeteries

4.2 Areas of significant decrease in resident satisfaction

- The sealed roading network
- The safety of the roads
- How well the roads are maintained
- Invoices are clear and correct
- Council staff's understanding of what you wanted
- Council Recycling Service

4.3 Survey Result Analysis

The sealed roading network, the safety of the roads and how well the roads are maintained.

The Waikato District Alliance continue to prioritise and maintain the network to an acceptable level of service with the funding available to them. With the summer work programme, there are more surfacing, capital works, grading, and safety stabilisation work to complete before the end of the financial year that may go a way to increase customer satisfaction.

Invoices are clear and correct

During Quarter 2 we saw a significant drop in customer satisfaction. The significant difference was largely due to 11% of those surveyed becoming ambivalent. Due to the nature of how the council invoicing is structured (by individual teams) it is difficult to identify the issues customers are facing.

Council staff's understanding of what you wanted

During the first quarter, we saw a dip in the results in this customer service area. However, satisfaction levels were up 6% when compared to the same quarter last year. There has been turnover in the Contact Centre – with the majority of these staff moving to roles in other parts of our broader organisation.

However, with over 60% of our Contact Centre staff still learning the role a dip in these results would be expected while their knowledge and confidence grows.

Recycling Service

We have a new contractor in the Central Region from October 2022 (Green Gorilla) who have been running a campaign on recycling compliance and there has been an uplift in service requests relating to non-compliant materials or containers.

Due to the nature of this education activity, we have seen an increase in dissatisfaction whilst the change is embedded into the communities.

Cemeteries

There have been several pieces of works across our cemeteries in the last quarter that contributed to an increase in satisfaction in this area. These improvements included: boundary tree removal and fence installation at Pokeno.

First berms and ashes installation at the new Rangiriri extension which has made the space look more operational as it has previously been grazed by the neighbours' cows.

It is also important to note the increased level of service for gardens from City Care and continued work on the consistency of appearance across our district wide cemetery spaces.

Lastly, as cemeteries are not visited as an everyday occurrence - we believe that the project work we do throughout the year is often not seen by families until the Christmas quarter when people have more capacity to visit their loved ones which is reflected in that quarter's satisfaction.

The information provided being accurate and Council staffs understanding if what you wanted.

During this quarter there was no concise example of what could have led to this downturn. There is, however, a possibility that there is correlation between the invoicing accuracy and information accuracy across the organisation which maybe reflected here also.

4.4 Celebration (performance above All of Council Benchmarking Average)

Topic	Satisfaction percentage % YTD	All of Council satisfaction benchmark average 21/22
Overall satisfaction with council	50%	47%
Overall reputation	53%	48%
Value for money	47%	37%
Water supply	81%	70%
Reliability of water supply	92%	84%
Water quality	80%	68%
Leadership	52%	46%
Financial Management	44%	35%

5. Next steps Ahu whakamua

5.1 Invoicing

Update of our invoicing templates across the business once the new brand templates are completed.

Understand whether the decentralisation of invoicing is the appropriate structure for council and its customers.

Explore adding a supplementary comment section within the survey to assist with understand the core invoicing issue.

5.2 Staff Understanding and Accuracy of Information

Continue to monitor feedback sources to determine key drivers of dipping performance in this category.

5.3 Recycling Services

Our Solid Waste team continue to monitor the contract and support the contractor approach to only collecting complaint recycling items. During the ongoing monitoring period, council will explore strategic communication to communities if required.

6. Progress Updates from Previous Report

6.1 Billing

Changes have been made to both the water and rates invoicing templates to better support having clear and correct invoices. The changes that have been implemented better align with our customers payment options. The changes go live at the next rates and water billing periods.

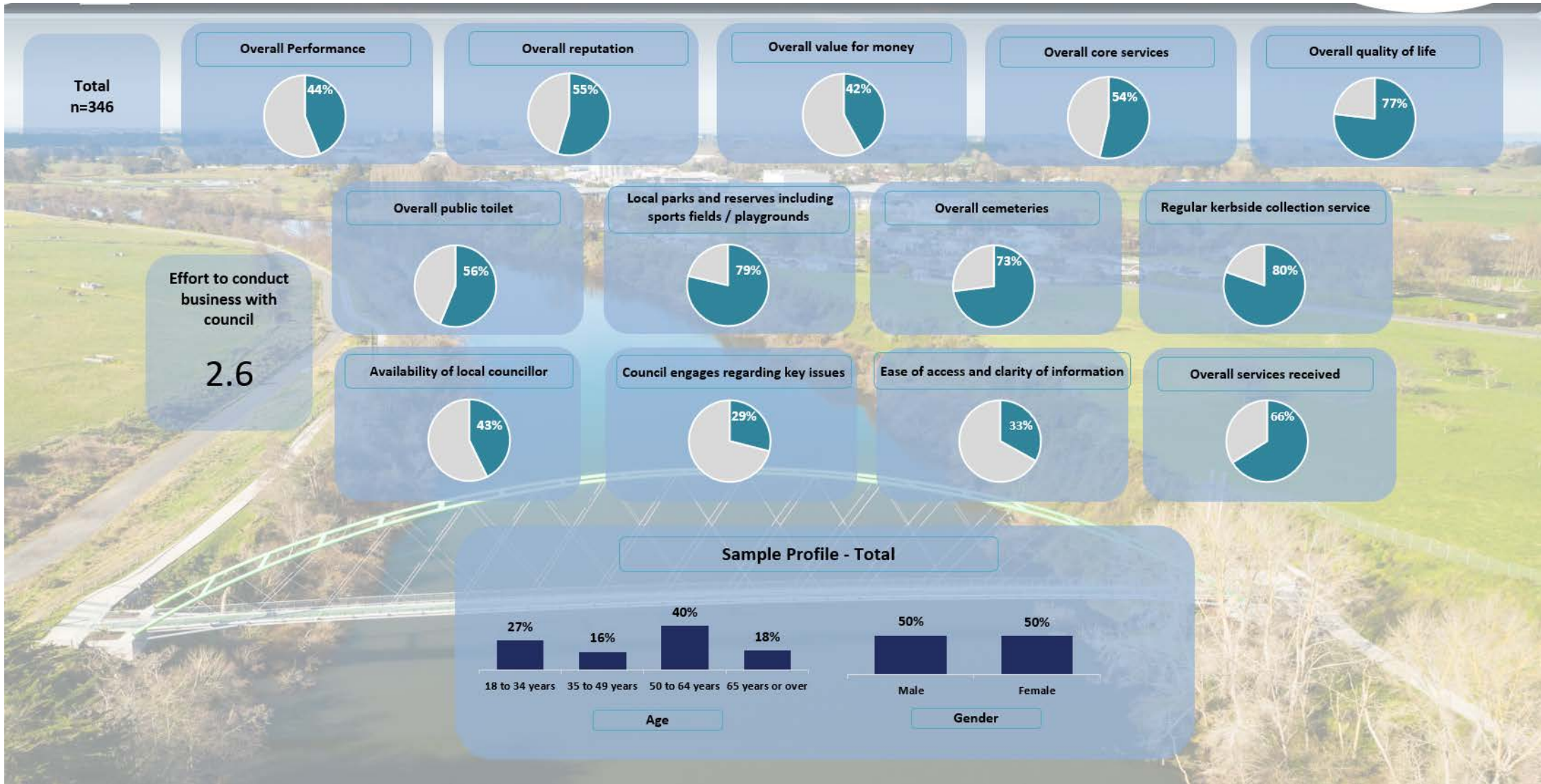
6.2 Cemeteries

As previous indicated in section 4.3 significant work has occurred in the cemetery space to ensure a welcoming experience when people visit our facilities.

7. Attachments

Ngaa taapirihanga

Waikato District Council 2021-22 Quarter 2 Resident Perception Survey Snapshot



To	Performance and Strategy Committee
Report Title	Resident Perception Survey – Quarter 3 Results
Date:	11 April 2023
Report Author:	Reece Turner – Customer Experience Manager
Authorised by:	Sue O’Gorman - General Manager Customer Support

1. Purpose of the report

Te Take moo te puurongo

The purpose of this report is to provide the Performance and Strategy Committee (P&S) with a high-level update on the insights gained from the data collected from the Quarterly Resident Perception Survey for January – March 2023.

This survey data provides the basis for a number of the Long-Term Plan Key Performance Indicators which are being presented separately in this agenda.

2. Executive summary

Whakaraapopotanga matua

The Resident Perception Survey is undertaken quarterly by Key Research.

The survey is conducted quarterly with participants being randomly selected from our Electoral Roll. Residents are contacted via post and given the option to complete an online or hardcopy survey.

This report outlines the insights from the survey on:

- a. what we are doing well – areas of significant improvement and celebrating where our results are above all of the Councils benchmarking average; and
- b. what we need to work on – areas of significant decrease in resident satisfaction, and our plans for that.

The survey is reviewed by the Resident’s Survey Action Team – which are a cross organisational group of staff that are the functional business owners that receive data from this survey. This group analyses the data and looks to see if there are any drivers that are influencing the data and also if there are actions that can be put in place to improve what we do to improve the experience we deliver to our customers.

3. Staff recommendations Tuutohu-aa-kaimahi

THAT the Performance and Strategy Committee receives the Resident Perception Survey – Quarter 3 results.

4. Discussion Matapaki

4.1 Areas of significant improvement in resident satisfaction

- Nil

4.2 Areas of significant decrease in resident satisfaction

- The sealed roading network
- The safety of the roads
- Roding and footpaths
- How well the roads are maintained
- Recycling Service
- Invoicing is clear and correct
- Confidence that the district is going in the right direction
- How easy it is to access information about key issues
- The information available on these issues is clear and instructive
- There is a suitable range of consultation options available
- Overall service received
- The information provided being accurate
- Staff understanding of what you wanted

4.3 Survey Result Analysis

The sealed roading network, the safety of the roads and how well the roads are maintained.

The Waikato District Alliance continue to prioritise and maintain the network to an acceptable LOS with the funding available to them. Due to the impacts of Cyclone Gabrielle and increased media

Invoices are clear and correct

During Quarter Three we saw a further drop in resident satisfaction. As indicated in the Quarter Two report, council will undertake further actions to identify and address relevant issues.

Recycling Service

Since October 2022 we have had a new contractor in the Central region (Green Gorilla) who have been running a campaign on recycling compliance and there has been an uplift in service requests relating to non-compliant materials or containers. Due to the nature of this education activity, we have seen an increase in dissatisfaction whilst the change is embedded into the communities.

Consultation / Community Engagement

Includes: How easy it is to access information about key issues, The information available on these issues is clear and instructive, There are a suitable range of consultation options available.

The survey does not allow for comments to be provided in response to this question, however there were some responses to more generic questions, including that some people felt Council didn't consult properly, that Council didn't listen to the public or ignored submissions, and that Council didn't consult those directly impacted by decisions. Furthermore, during this period, council did however consult on the following.

- Traffic bylaw
- Public Places bylaw
- Cemeteries bylaw
- General Policies: reserves management plan
- We've also had hearings and deliberations for the Tradewater and wastewater bylaw this year, so the tail end of the engagement process.

This quarter has been a tumultuous one with significant issues to manage including two back-to-back civil defence emergencies - anniversary weekend floods and Cyclone Gabrielle. While some impacted communities have felt informed and engaged, others may have perceived inaction and a sense that Council is delayed in responding to BAU activity.

In addition to this, some out of date information and contact details have been identified on the Council website. Although this has now been remedied, there may be some impact from this where people have been unsure of their Community Board or Committee representative.

Overall service received

Includes questions: The information provided being accurate and Staff understanding of what you wanted.

During the third quarter, we saw a further dip in the results in this customer service area. The feedback we received via the survey verifies what we are already aware of, and we are attempting to address some of these through the Service Request Transformation projects.

Customers are unsatisfied with council's ability to respond in a timely way and are frustrated by the processing deadlines which are impacting the entire local government sector. The toughening of our rubbish and recycling compliance and the media attention about roading are also believed to be impacting on the perceived performance of council.

Furthermore, during the third quarter we experienced two adverse weather events which has resulted in the redeployment of up to 50 internal staff and impacted the volume of requests received by our service partners.

4.4 Celebration (performance above All of Council Benchmarking Average)

Topic	Satisfaction percentage % YTD	All of Council satisfaction benchmark average 21/22
Waste Management and minimisation	69%	67%

5. Next steps **Ahu whakamua**

5.1 Roading

A proposal will be created and submitted as part of the LTP process to secure additional finances to assist in delivering a better network outcome to our communities.

5.2 Overall service received

The Service Request Transformation project will continue to educate staff around the business expectations in regard to Service Requests whilst the project continues to implement automatic messaging and other process efficiency changes.

5.3 Consultation / Community Engagement

Continue to monitor consultation and engagement

6. Progress Updates from Previous Report

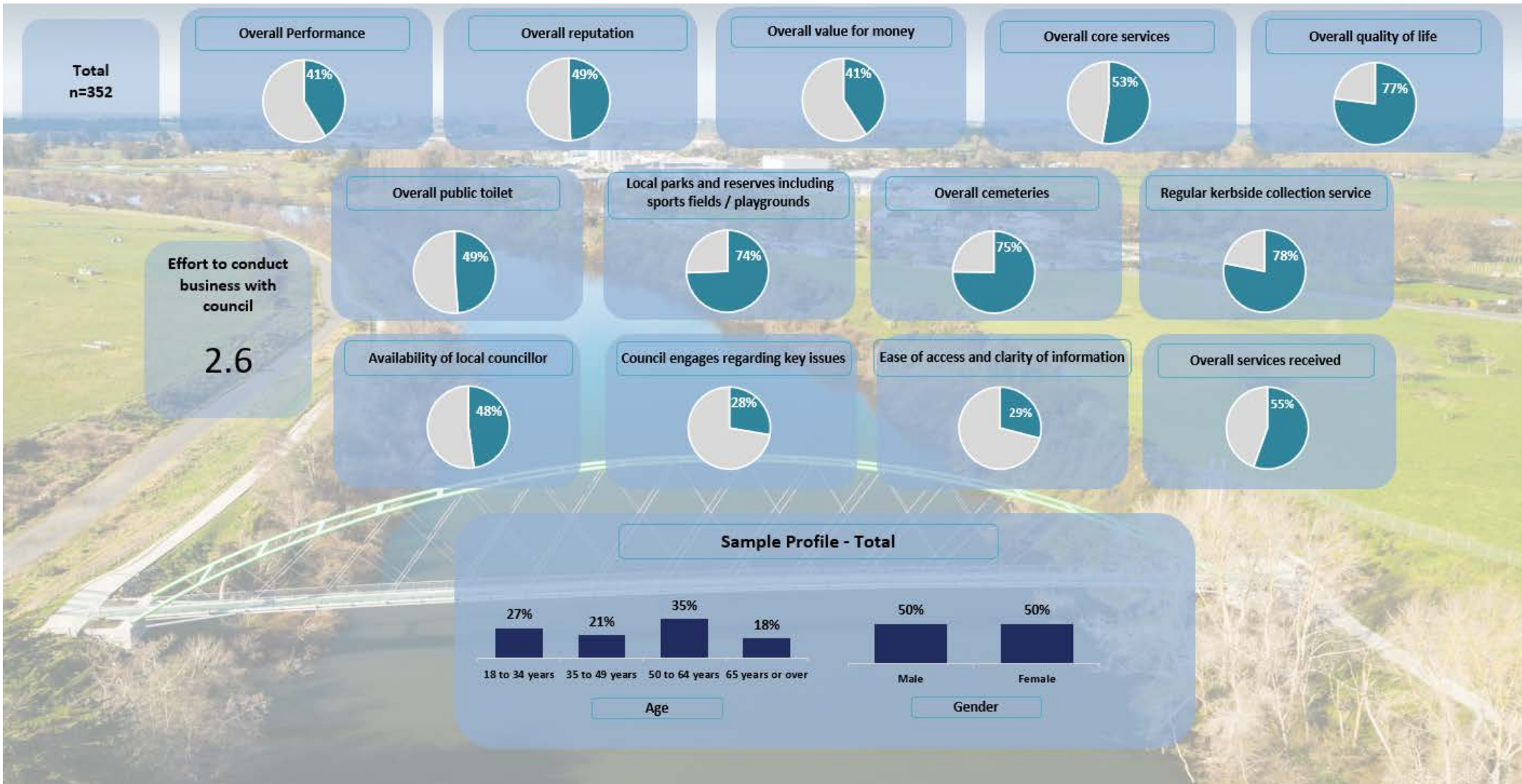
6.1 Recycling Services

A targeted communication piece has begun in response to the increased volume of service request seen in relation to the toughening of the recycling compliance. Flyers reinforcing the rules have been dropped in the relevant areas.

7. Attachments

Ngaa taapirihanga

Waikato District Council 2021-22 Quarter 3 Resident Perception Survey Snapshot



To	Performance and Strategy Committee
Report title	Financial Performance Summary for the nine months to 31 March 2023
Date:	8 May 2023
Report Author:	Colin Bailey, Finance Manager
Authorised by:	Alison Diaz, Chief Financial Officer

1. Purpose of the report

Te Take moo te puurongo

To inform the Performance and Strategy Committee on the financial performance against the Annual Plan 2022/23 and those budgets carried forward from the 2021/2022 financial year.

2. Executive summary

Whakaraapopototanga matua

This attached Financial Performance Summary provides an at a glance view of revenue and expenses for the nine months to 31 March 2023, capital expenditure and key reserve balances as at 31 March 2023. Key items to note are:

- **Financial Performance Summary**

- The overall financial performance and key reserve balances are as expected, apart from the delayed vesting of State Highway 1 to Council (shown as income).
 - The movements in reserve balances are as expected.
 - Council's surplus of Revenue over Expenses for the year to date is \$8.9 million compared to the budgeted full year surplus of \$68.2 million, due mainly to the delay in vesting of State Highway 1 to Council.
 - Subsidies and Grants are less than budget due to lower than anticipated activity levels (work programme delays).
 - Personnel costs are less budget due to difficulties and delays in recruiting staff to fill vacancies.
 - Other expenses are tracking above budget due to higher than planned costs for consultants, resulting from difficulties and delays in recruiting staff to fill vacancies particularly in the Consents and Building Quality areas.
-

- Capital expenditure for the nine months to 31 March 2023 is \$45.8 million, \$10.3 million more than the previous year and below the year to date budget of \$77.6 million.

The financial statements as at 31 March 2023 and for the nine months to this date are attached to this report. These show actuals against the prior year (rather than comparing actuals to budget) for the first nine months of the relevant years. Key variances are outlined below:

- **Statement of Comprehensive Revenue and Expense (Profit and Loss):**

- Revenue is higher than the prior year due to rates increases as indicated in the Long Term Plan 2021/2031 and growth in General and Targeted Rates. Net penalty income from late and non-payment of Rates (after remissions) is marginally higher than the previous year.
- Depreciation and amortisation expense is higher than the prior year due to depreciation of additions to fixed assets as well as on higher asset values following the 2021/22 year end revaluations.
- Personnel costs are higher than prior year due to the higher headcount and market movement increases.
- Other expenses are higher than last year due to higher activity costs in the Roding and Three Waters.

- **Statement of Financial Position (Balance Sheet):**

- Cash and Cash Equivalents are higher than prior year due to timing of funds on short term deposit.
- Debtors are higher than prior year due to rates increases and growth in the district as well as higher outstanding rates and water-by-meter overdue balances.
- Prepayments are higher than prior year due to full year insurance premiums being invoiced and paid earlier than the previous year.
- Other current assets are higher due to assets (land) held for sale.
- Creditors and Other Payables are marginally higher than the prior year due to capital expenditure timing.
- Other Liabilities are lower than prior year due to the reduction in the liability associated with interest rate swap contracts. Market interest rates are now above the contracted swap rates. If this situation continues until the year end, this account will be shown as an asset.

- **Debt**

- Total borrowings amount to \$114 million, compared to \$95 million in the prior year. The increase was required to fund capital expenditure and is broken down between loans from the Local Government Funding Agency (LGFA) (\$15 million) and Housing Infrastructure Fund (HIF) \$4 million). The HIF debt funds growth infrastructure in Te Kauwhata and is interest free, the benefit of which is passed onto developers.
-

- It is noted that the current debt level is lower than budget, due to lower than planned capital expenditure. Please refer to Capital Expenditure above.
- Council has sufficient headroom in the debt cap for the planned expenditure.

- **Revenue and Expenses**

- Performance for the nine months to 31 March 2023 with variances against the Full Year Budget and Prior Year to Date are shown in the following table.

Revenue and Expenses - Nine months to 31 March 2023
Rounded to \$'000

	This year		Last year	Actual v FY Budget		This yr v Last yr	
	Actual	FY Budget	Actual	\$'000	%	\$'000	%
Revenue							
Development and financial contributions	10,045	13,326	8,968	3,281	25%	1,077	12%
Subsidies and grants	14,666	23,439	20,436	8,773	37%	(5,770)	-28%
General rates revenue							
General Rate	49,773	65,128	47,029	15,355	24%	2,744	6%
Uniform Annual General Charge	9,212	12,042	8,733	2,830	24%	479	5%
Targeted rates revenue							
Community boards	175	276	204	101	37%	(29)	-14%
Community centres and facilities	649	856	636	207	24%	13	2%
Refuse & waste management	4,024	5,310	3,682	1,287	24%	342	9%
Stormwater	1,916	2,594	1,696	678	26%	220	13%
Wastewater	11,421	14,843	10,082	3,422	23%	1,339	13%
Metered water supply	5,010	6,962	4,995	1,953	28%	14	0%
Other water rates	4,196	5,598	3,517	1,402	25%	679	19%
Rates Penalties	1,989	932	1,702	(1,057)	-113%	287	17%
Rate Remission Grants	(587)	(797)	(538)	(210)	26%	(49)	9%
Finance revenue							
Interest received	689	50	152	(639)	-1278%	537	354%
Other revenue							
Regulatory revenue	7,456	11,472	7,879	4,016	35%	(423)	-5%
Fees and charges Council	13,751	16,390	11,696	2,638	16%	2,055	18%
Expenses							
Employee costs	30,068	42,497	25,783	12,430	29%	4,285	17%
Depreciation and amortisation	30,165	36,271	25,676	6,106	17%	4,489	17%
Interest paid	3,487	5,770	3,608	2,283	40%	(121)	-3%
Activity costss	55,657	76,019	50,567	20,362	27%	5,090	10%
Consultants	6,668	7,081	6,575	413	6%	93	1%
Grants and sponsorship	445	1,047	426	601	57%	19	4%
(Profit)/Loss on Sale of Assets	(66)	(1,140)	29	(1,074)	94%	(95)	-328%

- **Revenue variances against prior year are:**

- Development and Financial contributions are more than last year due to timing of developments.
- Subsidies and grants are less than last year due to delays in this year's Roading work programme and the one-off Three Waters Reform grants received last year.

- General and targeted rates are above last year due to rates increases and growth. (There is a small negative variance for Community Boards, and this is being investigated).
 - Interest received exceeds prior year due to higher rates on funds on call.
 - Regulatory revenue is less than last year due to higher work in progress in Consents (income not yet brought to account) and lower Building Approvals.
 - Fees and charges are more than last year due to higher bulk wastewater charges. This is offset in Activity costs below with payments to Watercare Auckland.
- **Expense variances against prior year are:**
- Employee costs are more than prior year due to headcount increases and the change to market related remuneration bands.
 - Depreciation and amortisation is more than prior year due to additions to fixed assets as well as the increase in valuation of infrastructure assets.
 - Interest paid is less than last year due to lower borrowings at the beginning of this year. This position will be reversed by the end of this financial year.
 - Activity costs are more than last year due to the higher level of general inflation and increased work programmes including those carried forward from the prior year.
 - Consultant costs are slightly more than last year and are being managed across the organisation.
 - Grants and sponsorship expenses are more than last year as the actions take following last year's review begin to take effect.
 - Profit on sale of assets is less than prior year due to the timing of asset disposals.

3. Staff recommendations

Tuutohu-aa-kaimahi

THAT the Performance and Strategy Committee receives the report on the Financial Performance Summary for the nine months to 31 March 2023.

4. Attachments

Ngaa taapirihanga

Attachment 1 – Financial Performance Summary for the nine months to 31 March 2023

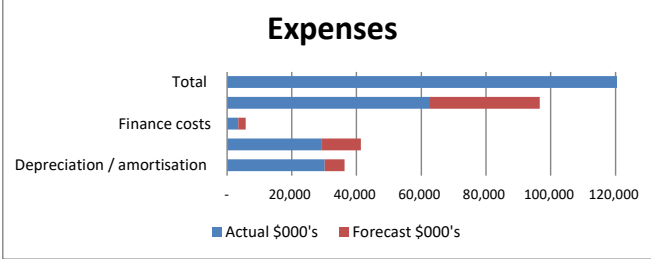
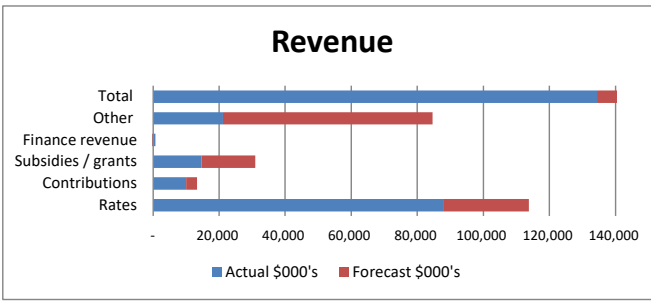
Attachments 2a and 2b – Statement of Comprehensive Revenue and Expense (Profit & Loss) and notes for the nine months to 31 March 2023

Attachment 3a, 3b and 3c – Statement of Financial Position (Balance Sheet) and notes as at 31 March 2023

The vesting of State Highway 1 (through Huntly) to Council that is planned for the 2022/23 financial year is not yet finalised. This is the main variance contributing to the surplus for the year to date being below expectations. Rates income is above forecast levels due to property capital values in the district exceeding budgeted values. Operating expenses are below budget due to lower activity levels and timing of the overall work plan. Asset valuations at 30 June 2022 were higher than expected which increased depreciation expenses. Capital expenditure YTD is \$45.8 million, ahead of last year but less than budget.

	Mar-23	Open Bal
	\$000's	\$000's
Reserve Balances Summary		
Restricted reserves	515	197
Council reserves	26,176	29,251
Development contributions	(28,302)	(28,825)
Replacement funds	34,038	27,527
Targeted rate reserves	(17,107)	(15,016)
Total	15,320	13,134

	Mar-23	Open Bal
	\$000's	\$000's
Key reserves (included in balances above)		
Disaster recovery	2,141	1,825
Hamilton East Property proceeds	2,308	2,308
Structure plan non-growth reserve	2,269	2,109
Northgate development area	(5,418)	(5,210)
Pokeno Structure plan	(13,509)	(13,112)
Tamahere Structure plan	(1,976)	(1,915)
DW water targeted rate	(15,718)	(14,412)
DW wastewater targeted rate	(3,339)	(4,399)
Total	(33,242)	(32,806)



For the nine months to 31 March 2023		58			
	Actual \$000's	FY Forecast \$000's	% usage	YTD Variance \$000's	Ref.
Revenue					
Rates	87,808	113,744	77%	(2,500)	1
Development and financial contributions	10,045	13,326	75%	(50)	2
Subsidies and grants	14,666	30,915	47%	8,520	3
Finance revenue	689	50	1378%	(652)	4
Other revenue	21,208	84,624	25%	42,260	5
Total revenue	134,416	242,659	55%	47,578	
Expense					
Depreciation and amortisation expense	30,165	36,271	83%	(2,962)	6
Personnel expenses	29,096	41,404	70%	1,957	7
Finance costs	3,487	5,770	60%	841	8
Other expenses	62,705	96,624	65%	9,763	9
Total operating expenses	125,452	180,068	70%	9,599	
Surplus (deficit) before tax	8,964	62,591	14%	37,979	

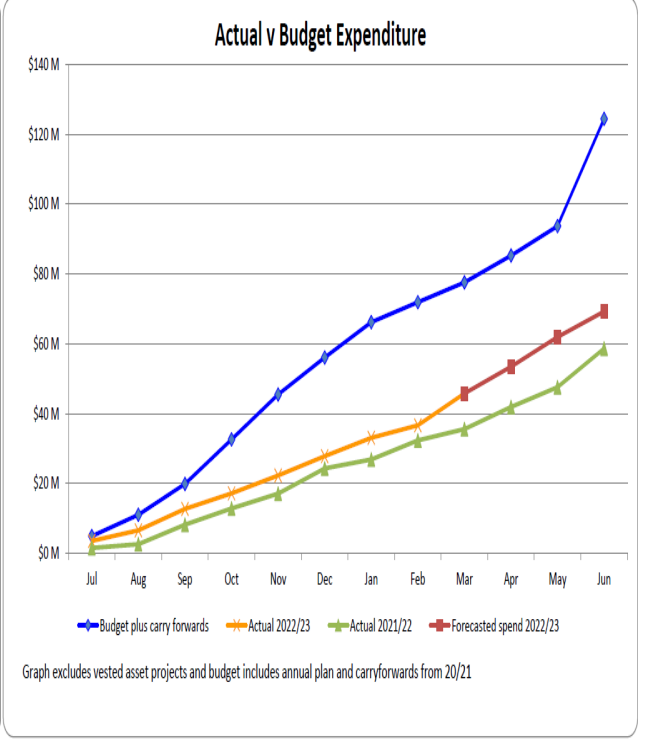
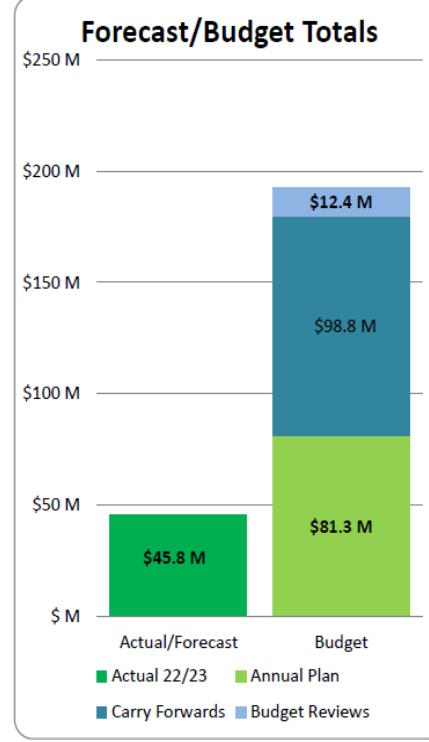
The net operating surplus of \$2.0 million is \$27.5 million behind year to date expectations in overall terms. Items to note are as follows:

- Income**
- Above budget - Rates income affected by higher than estimated capital values. The surplus has been committed to fund an expected leaky building claim.
 - Above budget - Development and financial contribution income is impacted by the relative timing of the development cycle
 - Below budget - Subsidies are linked to progress of physical work programmes that are tracking behind plan.
 - Above budget - Interest rates on deposits are higher than budget, plus funds on deposit are higher than budget due to work programmes tracking behind plan
 - Below budget - The budget allowed for \$54 million of roading assets to be vested with Council. \$38 million of this relates to State Highway 1 for which revocation has not yet occurred
- Expense**
- Above budget - Higher than anticipated year end asset valuations resulted in depreciation being higher than budget.
 - Below budget - Staff vacancies in many areas of the organisation.
 - Below budget - Lower than budgeted activity levels have resulted in lower than anticipated borrowings and consequently interest costs.
 - Below budget - work programmes are tracking behind plan.

Net Operating Surplus (Deficit) Breakdown	Actual \$000's	FY Forecast \$000's	Variance \$000's	Favourable (F) / Unfavourable (U)
Roading	760	68,504	50,617	U - Timing of vested asset revenue
Water	(553)	492	922	F - Watercare activity levels below expectations
Wastewater	9,825	3,292	(7,356)	F - Watercare activity levels below expectations
Stormwater	(499)	(1,840)	(882)	F - Watercare activity levels below expectations
Sustainable Communities	443	468	(92)	F - Fees and charges and cost recoveries higher than budget
Sustainable Environment	(2,999)	(3,328)	503	U - Activity expenditure higher than budget
Governance	(88)	(414)	(222)	F - Tracking ahead of forecast deficit due to unfilled vacancies and low activity expenditure.
Organisational Support	621	(4,582)	(4,058)	F - Low levels of activity expenditure
Total Group of Activities	7,510	62,591	39,433	
General rate usage	1,454	-	(1,454)	F - The general rate income recognised currently exceeds the amount of general rate used. This number adjusts throughout the year relative to activity expenditure.
Surplus (deficit)	8,964	62,591	37,979	

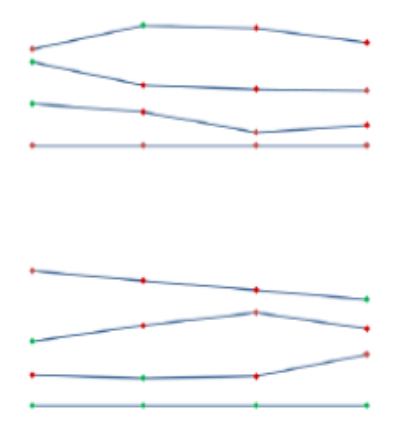
Capital expenditure	Actual \$000's	FY Budget \$000's	Variance
Organisational Support	2.9	12.3	-9.4
Roading	14.0	53.8	-39.8
Stormwater	1.4	8.9	-7.5
Sustainable Communities	7.9	45.2	-37.3
Sustainable Environment	0.3	4.1	-3.8
Wastewater	9.5	39.7	-30.2
Water Supply	9.8	28.5	-18.7
Total Group of Activities	45.8	192.5	-146.7

The "FY Budget" shown above relates to the first year of the LTP, including projects undertaken by developers on behalf of council plus any carry forward works from 2021/22.



Current Working Capital

Current Assets	\$84,064,722
Cash & cash equivalents	\$19,235,959
Debtors & other receivables	\$61,227,511
Prepayments	\$3,598,397
Other current assets	\$2,855
Current Liabilities	\$56,302,468
Accounts Payable	\$34,669,177
Deposits & Bonds	\$241,330
Accrued expenses	\$21,391,961
Rates in advance	\$0
Working capital	\$27,762,254
Current ratio	1.49



Limit on Total Debt

Limit on Total Debt	\$287,511,000	
Current Borrowing	\$117,259,000	40.8% of limit; 70% of budget
Plan Debt 22/23	\$166,846,000	\$49.6M headroom ; 58% of limit

Waikato District Council
Statement of comprehensive revenue and expense as at
31 March 2023

	31 Mar 2023	31 Mar 2022
Note		
Revenue		
1 Rates, including targeted water supply rates	87,808,235	81,738,266
Development and financial contributions	10,044,880	8,968,203
Subsidies and grants	14,666,074	20,435,691
Finance income	689,027	151,800
Other income	21,207,669	19,575,408
Total income	134,415,884	130,869,368
Expense		
Depreciation and amortisation expense	30,164,853	25,676,013
2 Personnel costs	29,096,231	24,991,111
3 Finance expenses	3,486,600	3,607,932
4 Other expenses	62,704,634	57,596,932
Total expenditure	125,452,318	111,871,987
Operating surplus (deficit) before tax	8,963,566	18,997,381

Waikato District Council

**Notes - Statement of comprehensive revenue and expense as at
31 March 2023**

	31 Mar 2023	31 Mar 2022
Note		
1 Rates, including targeted water supply rates		
General rate	49,772,918	47,028,788
Uniform annual general charge	9,211,727	8,732,818
<i>Total general rates income</i>	<u>58,984,645</u>	<u>55,761,606</u>
Community centres & facilities	649,011	636,221
Wastewater	11,420,785	10,082,083
Refuse & waste management	4,023,752	3,681,715
Metered water supply rates	5,009,620	4,995,243
Other water rates	4,196,222	3,517,189
Stormwater	1,915,616	1,695,830
Community boards	205,995	204,101
<i>Total targeted rates income</i>	<u>27,421,002</u>	<u>24,812,381</u>
plus: Penalties revenue	1,989,249	1,701,828
Total rates revenue	<u>88,394,896</u>	<u>82,275,815</u>
less: Rate remissions	(586,661)	(537,550)
Net rates revenue	<u>87,808,235</u>	<u>81,738,266</u>
2 Personnel costs		
Salaries & wages	28,095,166	24,105,950
Kiwisaver contributions	717,480	625,164
ACC levies	75,883	85,598
Fringe benefit tax	89,246	67,893
Mileage reimbursements	64,489	22,247
Other personnel costs	53,967	84,259
Total personnel costs	<u>29,096,231</u>	<u>24,991,111</u>
3 Finance expenditure		
External interest expense	3,486,004	3,607,306
Interest on reserves	596	625
Total finance expenditure	<u>3,486,600</u>	<u>3,607,932</u>
4 Other expenses		
Audit fees	166,200	162,528
Activity expenditure	62,218,118	56,968,086
Debt write-off	5,284	-
Penalties written-off	367,491	394,056
Treasury administration	13,858	43,758
Asset adjustments	(66,317)	28,503
Total other expenses	<u>62,704,634</u>	<u>57,596,932</u>

Waikato District Council
Statement of financial position as at
31 March 2023

Note	31 Mar 2023	31 Mar 2022
ASSETS		
Current assets		
	19,235,959	41,626,394
1	61,227,511	47,744,462
	3,598,397	1,195,591
2	6,549,752	107,362
	90,611,619	90,673,810
Non-current assets		
3	37,782,108	27,442,692
	625,000	600,000
	1,872,802	2,258,010
4	2,195,553,666	1,854,261,251
	1,551,128	-
	2,237,384,703	1,884,561,953
	2,327,996,323	1,975,235,763
LIABILITIES		
5	56,302,468	50,861,149
6	6,458,678	17,698,683
7	117,259,000	115,000,000
	180,020,146	183,559,832
	2,147,976,177	1,791,675,930
EQUITY		
	1,214,467,121	1,146,279,730
	8,963,566	18,997,381
8	11,558,521	10,817,275
	13,022,999	14,334,134
	204,175	196,508
	34,037,748	27,770,728
	(17,107,482)	(14,432,313)
	(28,301,945)	(29,444,088)
	880,799,295	596,706,470
	30,332,176	20,450,106
	2,147,976,177	1,791,675,930

*The financial statement set out above should be read in conjunction with the notes
set out on the following pages*

Waikato District Council
Notes to the financial statements as at
31 March 2023

	<u>31 March 2023</u>			<u>31 March 2022</u>		
I Debtors & other receivables						
Accruals			7,115,830			4,943,981
Rates receivable			40,798,671			37,431,322
Sundry debtors			14,824,415			6,502,600
GST refund due (payable)			(877,720)			(22,762)
			61,861,196			48,855,141
Provision for doubtful debts			(633,685)			(1,110,679)
Net debtors & other receivables			61,227,511			47,744,462
2 Other current assets						
Cattle			2,855			107,362
Non-current assets held for sale			6,546,897			-
Total other current assets			6,549,752			107,362
3 Investments in other entities						
Community loans			859,871			953,923
Strada Corporation Ltd			700,000			700,000
NZ Local Government Insurance Corp Ltd			42,085			39,509
Waikato Regional Airport Ltd			32,944,611			23,065,117
BNZ - Term deposit			861,886			855,488
Local Authority Shared Services Ltd			-			-
LASS shares			-			-
Waikato Regional Transport Model			112,500			112,500
Shared Valuation Database Service			106,674			106,674
LGFA borrower notes			2,154,481			1,609,481
Total investments			37,782,108			27,442,692
4 Property, plant & equipment (PP&E)						
	<u>31 March 2023</u>			<u>31 March 2022</u>		
	Cost / Val'n	Accum dep'n	Book value	Cost / Val'n	Accum dep'n	Book value
Bridges	303,784,645	(4,982,899)	298,801,746	257,177,961	(4,239,050)	252,938,911
Buildings	74,839,349	(2,271,300)	72,568,049	56,784,126	(4,105,126)	52,678,999
Computers	3,250,044	(2,188,887)	1,061,158	2,634,967	(1,834,164)	800,803
Drainage	2,756,176	(26,483)	2,729,693	2,496,339	(23,346)	2,472,993
Furniture	1,906,659	(1,475,795)	430,864	1,877,931	(1,343,351)	534,579
Land	201,343,900	-	201,343,900	148,245,461	-	148,245,461
Land under roads	110,268,123	-	110,268,123	109,642,733	-	109,642,733
Library books	7,213,673	(5,864,536)	1,349,137	6,664,659	(5,451,145)	1,213,514
Office equipment	1,404,420	(1,302,435)	101,985	1,404,420	(1,282,132)	122,288
Parks and reserves	77,433,458	(3,126,402)	74,307,056	51,209,010	(1,949,727)	49,259,283
Plant	5,923,711	(3,769,664)	2,154,047	5,717,525	(3,628,544)	2,088,981
Roading	923,050,015	(11,780,353)	911,269,661	791,916,322	(9,963,823)	781,952,499
Stormwater	94,108,638	(916,382)	93,192,257	83,183,726	(824,585)	82,359,141
Transfer stations	2,978,484	(77,556)	2,900,929	1,771,192	(58,317)	1,712,876
Wastewater	169,810,883	(2,751,300)	167,059,583	139,576,367	(2,740,565)	136,835,801
Water	175,065,650	(2,786,348)	172,279,301	150,494,868	(2,760,188)	147,734,679
Work in progress	83,736,178	-	83,736,178	83,667,709	-	83,667,709
Total PP&E	2,238,874,006	(43,320,339)	2,195,553,666	1,894,465,315	(40,204,064)	1,854,261,251

Waikato District Council
Notes to the financial statements as at
31 March 2023

Note	31 March 2023	31 March 2022	
5 Creditors & other payables			
Trade payables	34,669,177	35,559,823	
Deposits & bonds	241,330	255,246	
Accrued expenses	21,399,418	15,046,081	
Rates in advance	(7,457)	-	
Total creditors & other payables	56,302,468	50,861,149	
6 Other liabilities			
Employee entitlements	4,250,564	2,669,313	
Provisions	2,208,114	2,461,101	
Derivative financial instruments	-	12,568,269	
Total other liabilities	6,458,678	17,698,683	
7 Borrowings			
Non current portion of borrowing	97,259,000	90,000,000	
Current portion of borrowing	20,000,000	25,000,000	
Total borrowings	117,259,000	115,000,000	
8 Reserve movements	Balance as at	Movements	Opening
	31 March 2023		balance
Council reserves	12,711,876	16,538,912	29,250,788
Restricted reserves	515,299	(38,212)	477,087
Replacement funds	34,037,748	(6,510,448)	27,527,301
Targeted rate reserves	(17,107,482)	2,091,280	(15,016,202)
Development contributions	(28,301,945)	(523,011)	(28,824,955)
per Reserve balance report	1,855,497	11,558,521	13,414,018
Revaluation reserves	880,799,295	-	880,799,295
Fair value through other comprehensive revenue and expense	30,332,176	-	30,332,176
Total other reserves	912,986,968	11,558,521	924,545,490

To	Performance and Strategy Committee
Report title	Treasury Risk Management Policy – Compliance Report at 31 March 2023
Date:	08 May 2023
Report Author:	Colin Bailey, Finance Manager
Authorised by:	Alison Diaz, Chief Financial Officer

1. Purpose of the report

Te Take moo te puurongo

The purpose of this report is to inform the Performance and Strategy Committee of compliance with the Treasury Risk Management Policy.

2. Executive summary

Whakaraapopototanga matua

All areas of the treasury risk management are within policy limits except for:

- (# 12): Balanced budget benchmark (revenue / expenses): The benchmark requires Revenue (excluding development contributions) to be equal to or more than Expenses at the 30 June balance date. For the nine months to 31 March 2023, Revenue is \$1m less than Expenses, or 99% of Expenses. This is largely due to consultant costs exceeding budget by \$1.3m mainly in Consents and Building Quality, required to cover staff vacancies and high workloads. It is anticipated this benchmark will be achieved by 30 June 2023.

3. Staff recommendations

Tuutohu-aa-kaimahi

THAT the Performance and Strategy Committee receive the Treasury Risk Management Policy – Compliance Report to 31 March 2023.

4. Attachments

Ngaa taapirihanga

Attachment 1 – Treasury Risk Management Policy Compliance Report at 31 March 2023

Waikato District Council

Treasury risk management policy - Compliance report

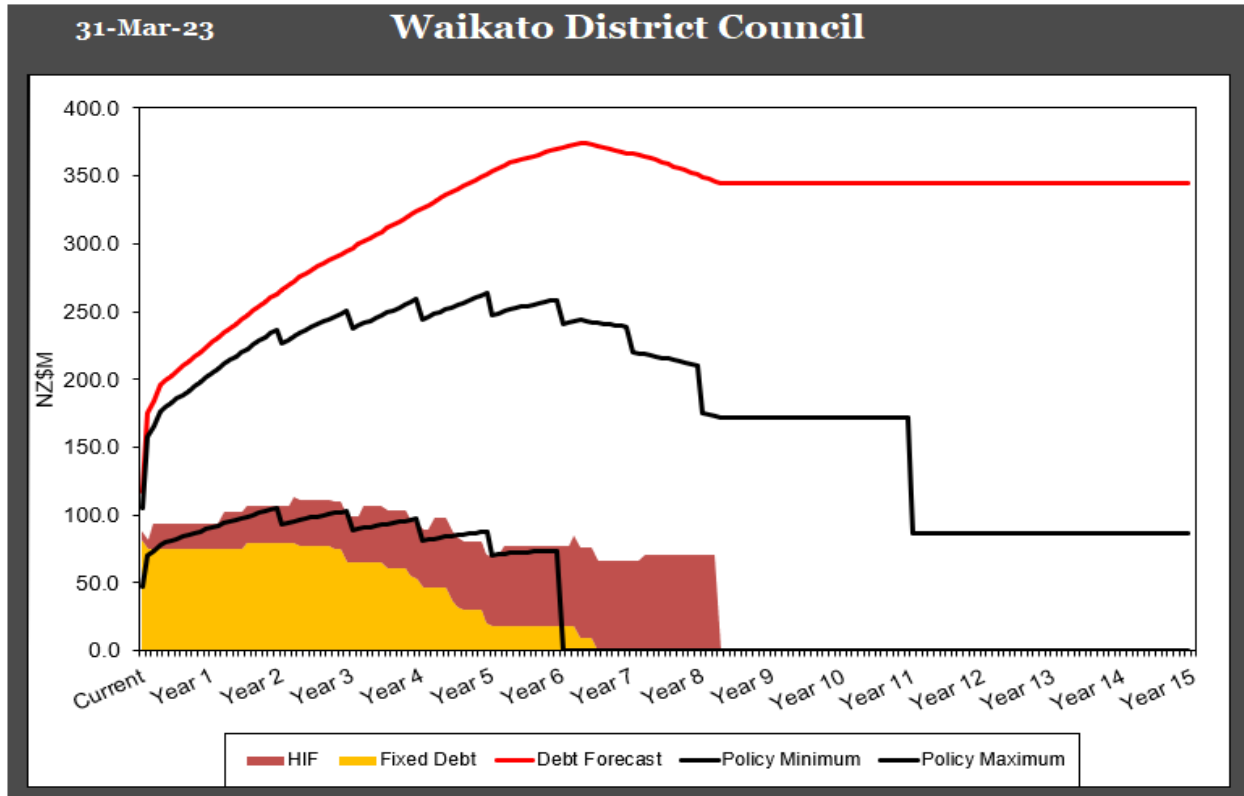
As at 31 March 2023

	Policy criteria	Policy limit	Actual	Within policy?
1	The percentage of net external debt to annual revenue Net external debt = Total annual revenue =	<175% Net external debt is defined as total external debt less liquid financial assets/investments Total annual revenue is defined as earnings from rates, grants and subsidies, user charges, interest, dividends, financial and other revenue and excludes non-government capital contributions (e.g. developer contributions and vested assets).	60.5%	✓
2	Net interest expense on net external debt as a percentage of total annual revenue Net interest expense =	<20%	2.8%	total interest and financing costs less interest income ✓
3	Net interest expense on net external debt as a percentage of planned annual rates	<25%	4.1%	✓
4	Liquidity ratio Liquidity =	>110%	114%	Liquidity is defined as external debt plus available committed bank facilities plus liquid investments divided by current external debt ✓
5	<u>Interest rate benchmark chart</u> Comparison of actual monthly and year-to-date interest payable, including the cost of swaps in place vs borrowing the total debt amount at the combined average of the 90-day bill rate and the five-year investor swap rate over the last two years.			
6	Actual borrowing costs are <= budgeted borrowing costs Current month Year to date	<u>Budget</u> \$480,750 \$4,326,750	<u>Actual</u> \$381,027 \$3,486,004	✓ ✓

7	Current interest rate swaps (including forward starts)	<u>Amount</u>	<u>Effective date</u>	<u>Termination date</u>	<u>Fixed rate</u> (if effective)	
		\$				
		2,000,000	22-Jun-17	23-Jun-25	3.52%	
		2,000,000	25-Sep-17	25-Feb-27	3.67%	
		6,000,000	31-Oct-17	31-Jan-27	3.67%	
		10,000,000	28-Feb-18	28-Feb-28	3.33%	
		10,000,000	28-Aug-18	30-Aug-27	3.37%	
		10,000,000	28-Feb-19	27-Feb-26	3.33%	
		2,000,000	1-Mar-19	1-Dec-25	3.85%	
		2,000,000	19-Jun-19	19-Mar-28	3.10%	
		2,000,000	19-Jun-19	19-Mar-27	3.28%	
		10,000,000	30-Sep-19	28-Sep-29	3.55%	
		5,000,000	30-Jun-20	29-Jun-29	3.63%	
		3,000,000	20-Apr-22	21-Oct-30	4.06%	
		3,000,000	20-Apr-22	23-Oct-29	4.08%	
		2,000,000	21-Jun-22	21-Aug-28	4.09%	
		4,000,000	22-Jun-22	24-Sep-29	3.99%	
		3,000,000	22-Jun-22	24-Sep-29	4.05%	
		3,000,000	23-Jun-22	23-Sep-30	3.92%	
		4,500,000	23-Jun-22	21-Dec-29	3.97%	
		4,000,000	23-Jun-22	23-Mar-29	3.97%	
		3,000,000	23-Jun-22	23-Mar-29	3.97%	
		4,000,000	23-Jun-22	23-Mar-28	4.06%	
		3,000,000	22-Mar-23	22-Jun-29	4.20%	
		4,000,000	25-Mar-24	25-Sep-26		
		4,000,000	25-Mar-24	25-Mar-27		
		4,000,000	23-Sep-24	23-Sep-27		
		3,000,000	21-Oct-24	21-Oct-27		
		112,500,000 Total swaps				
		97,500,000 Total "live" swaps				
		Average interest rate of live swaps			3.67%	
8	Forward start period to be no more than 24 months <u>unless</u> there is a match with the expiry date of an existing swap of the same notional amount			5 swaps with start periods > 24 months forward all are matched with existing swaps		
9	<u>Counterparty credit risk - swaps</u>	\$30m				
	NZ registered banks (each)					
	- ANZ / National					✓
	- ASB					✓
	- BNZ					✓
	- HSBC					✓
	- Westpac				✓	

10 Council's net external debt should be within the following fixed/floating interest rate risk control limits.:

Debt period ending	\$m	Policy criteria	Actual	Within policy
Current	117	40% - 90%	76%	✓
Year 1	227	40% - 90%	41.3%	✓
Year 2	266	35% - 85%	39.9%	✓
Year 3	297	30% - 80%	33.5%	✓
Year 4	326	25% - 75%	27.4%	✓
Year 5	353	20% - 70%	19.6%	✓
Year 6	371	0% - 65%	20.8%	✓
Year 7	366	0% - 60%	18.2%	✓
Year 8	349	0% - 50%	20.2%	✓
Year 9	345	0% - 50%	0.0%	✓
Year 10	345	0% - 50%	0.0%	✓

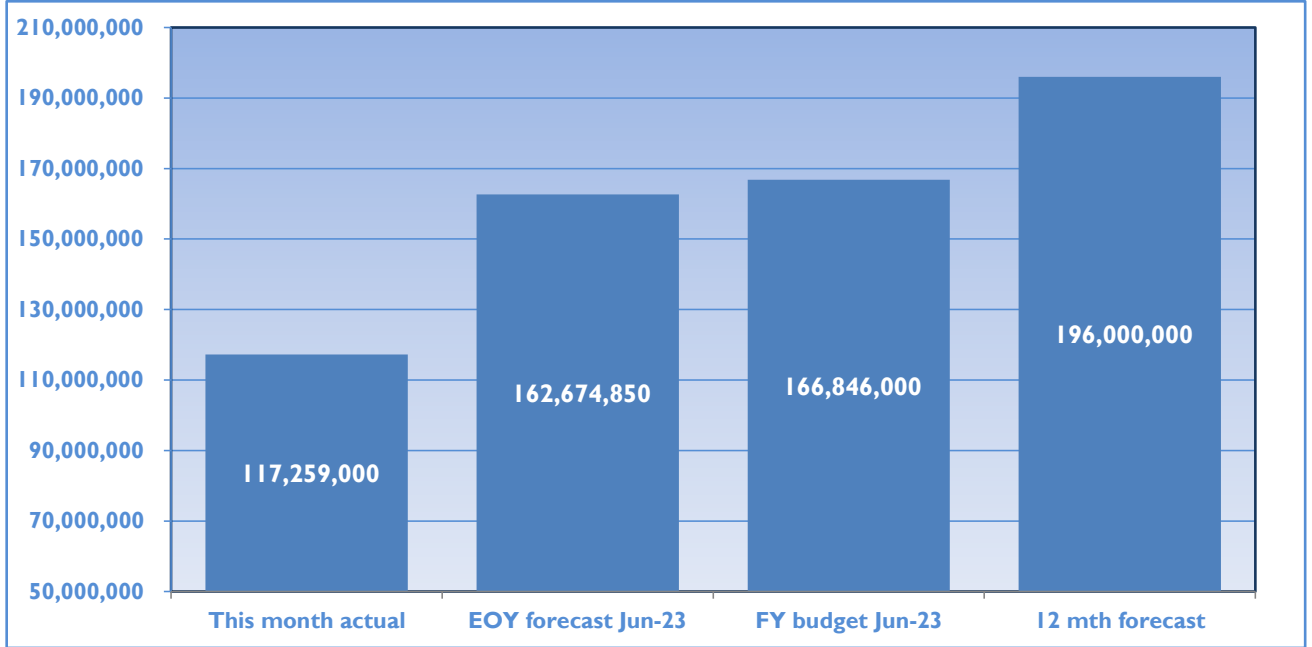


	Policy criteria	Policy limit	Actual	Within policy?
11	Debt affordability benchmark - limit on debt (actual debt <= limit on debt)	<= \$287.5m	\$117m	✓
12	Balanced budget benchmark (revenue / expenses)	>=100%	99%	*
13	Essential services benchmark (CAPEX / dep'n - infrastructure)	>=100%	152%	✓
14	Debt servicing benchmark (borrowing costs / revenue) borrowing costs =	<15%	2.8%	✓

finance expenses per statement of comprehensive revenue and expense

15 Borrowing at March 2023

This graph depicts actual borrowing - LGFA plus bank (BNZ).



16	Actual monthly (gross) borrowing is within end-of-year budget	\$166,846,000	\$117,259,000	✓
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17	<u>The maturity profile of the total committed funding in respect of all loans and committed facilities</u>			
	0 to 3 years	15% - 60%	52%	✓
	3 to 7 years	25% - 85%	36%	✓
	7 years plus	0% - 60%	12%	✓

31-Mar-23 **Waikato District Council**

Committed Loan/Stock/Facilities/Investments \$122.8m Policy Liquidity Ratio >= 110%
 Current External Debt \$107.8m Current Liquidity Ratio 114%
 Current Net Debt (ex pre-funding) \$107.8m 12 month Peak Net \$227.3m

0 - 3 years	3 - 7 years	7 years plus
15% - 60%	25% - 85%	0% - 60%
52%	36%	12%

Maturity Date Bucket

■ Drawn Loans
 ■ Commercial Paper
 ■ Available
 ■ Linked Deposits

18	Financial assets			\$'000
	<i>Share investments held for strategic purposes</i>			
	Local Authority Shared Services Limited			220
	Waikato Regional Airport Limited			32,945
	Strada Corporation Limited			700
	Civic Financial Services Limited			42
	<i>Investments held to reduce the current ratepayer burden</i>			
	Community loans as below			877
	<i>Short-term investments held for liquidity & working capital requirements</i>			
	Bank & cash balances			703
	Short-term bank deposits			16,900
	Total investments			\$52,387
	For treasury purposes, LGFA borrower notes are netted off against related borrowing			
19	Community loans			
	<u>Borrower</u>	<u>Current balance \$\$</u>	<u>Maturity date</u>	<u>Interest rate</u>
	Tamahere Community Loan	384,762	Jul-33	5.36%
	Hukanui Golf Club Loan	25,452	Jan-32	5.36%
	Port Waikato Community Loan	466,642	Jul-45	5.36%
		<u>\$876,855</u>		
	Policy criteria	Policy limit	Actual	Within policy?
20	<u>Counterparty credit risk - investments</u>			
	NZ Government	unlimited	\$0m	✓
	NZD resistered supranationals	\$20m	\$0m	✓
	LGFA	\$20m	\$2.154m	✓
	NZ registered banks (each)	\$20m		
	- ANZ / National		\$4.275m	✓
	- ASB		\$4.275m	✓
	- BNZ		\$4.175m	✓
	- HSBC		\$0m	✓
	- Westpac		\$4.175m	✓
21	<u>Counterparty credit risk - total</u>			
	NZ registered banks (each)	\$50m		
	- ANZ / National		\$4.275m	✓
	- ASB		\$4.275m	✓
	- BNZ		\$21.295m	✓
	- HSBC		\$0m	✓
	- Westpac		\$4.175m	✓

To	Performance and Strategy Committee
Report title	2022/23 third quarter non-financial performance results
Date:	8 May 2023
Report Author:	Nicole Hubbard, Corporate Planning Manager
Authorised by:	Tony Whittaker, Chief Operating Officer

1. Purpose of the report

Te Take moo te puurongo

To inform the Performance and Strategy Committee of the non-financial performance results for the third quarter of 2022/23.

2. Executive summary

Whakaraapopototanga matua

There are 63 performance measures in Council's 2021-2031 Long Term Plan. Eleven of the 63 measures (17.5%) are measured annually and will therefore be reported at the end of the next quarter (Quarter 4).

The results for the remaining 52 measures were as follows:

- a) 2 are 'achieved' (3.8%),
- b) 33 are 'on track' (63.5%),
- c) 3 are to be 'monitored' (5.8%),
- d) 13 are 'off-track' (25.0%), and
- e) 1 is not achieved (1.9%).

The full results are attached to this report.

Results are reported on every quarter to the Performance and Strategy Committee and are used to inform the Annual Report.

3. Staff recommendations Tuutohu-aa-kaimahi

THAT the Performance and Strategy Committee receives the 2022/23 third quarter non-financial performance report.

4. Background Koorero whaimaarama

This report includes the non-financial performance results through the 2022/23 third quarter (1 July 2022 – 31 March 2023).

This report compares actual performance with the intended level of performance as set out in the 2021-2031 Long Term Plan. The performance results are presented by group of activity (GOA) using traffic light reporting.

Results are reported on every quarter to the Performance and Strategy Committee and are used to inform the Annual Report.

5. Discussion Matapaki

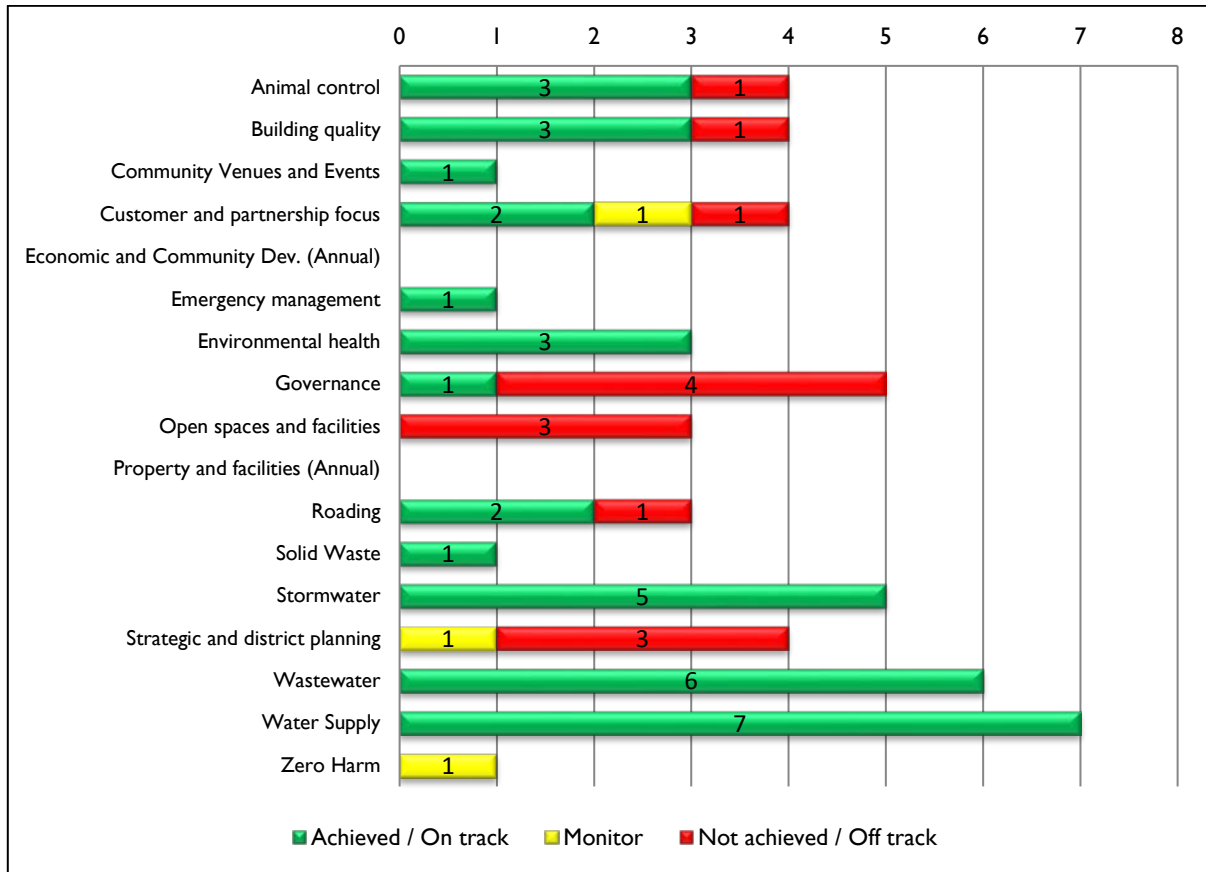
Overall Results

There are 63 performance measures in Council's 2021-2031 Long Term Plan. Eleven of the 63 measures (17.5%) are measured annually and will therefore be reported at the end of the next quarter (Quarter 4).

The results for the remaining 52 measures were as follows:

- a) 2 are 'achieved' (3.8%),
 - b) 33 are 'on track' (63.5%),
 - c) 3 are to be 'monitored' (5.8%),
 - d) 13 are 'off-track' (25.0%), and
 - e) 1 is not achieved (1.9%).
-

The graph below shows the year-to-date results grouped by activity:



Measures that are 'off-track' or 'not achieved'

The following measures are off-track or forecast to be not achieved at year end.

- Complete [animal control] engagement and education visits throughout the district.
- The percentage of building consent applications that are processed within the 20 working days.
- The percentage of customers satisfied with the overall service received when contacting the Council.
- Percentage of customers satisfied with the availability of their Councillor.
- Percentage of customers satisfied that Council engages with the community regarding the right issues.
- Percentage of customers satisfied with the ease of access and clarity of information regarding key community issues.
- Percentage of agendas and minutes of all open meeting that are made publicly available via the Council's website within legislative timeframes.
- Percentage of customers who are satisfied in the annual satisfaction survey (Public Toilets).
- Percentage of customers who are satisfied with Parks and Reserves, including sports fields and playgrounds.

- j. Percentage of customers who are satisfied with the presentation of Waikato District Council cemeteries.
- k. The percentage of customer service requests relating to footpaths responded to within the time frame specified in the LTP.
- l. The percentage of resource consent applications which are processed within statutory timeframes.
- m. The percentage of current land use consents that are older than 2 years which have been monitored in the last 2 years.
- n. The percentage of bylaws and policies, that are required by legislation, are reviewed within their statutory timeframes.

Measures that are to be 'Monitored'

The measures that have been reported as 'monitor' are listed below. Explanatory commentary for these measures can be found in the attachment.

- a) Average level of effort to conduct business with Council. (On a scale of 1 - 5 (5 being high effort) how much effort did it take to conduct your business with Council?)
- b) The number of parking patrols which are carried out in individual communities under the Public Places Bylaw
- c) The number of total recordable injuries (TRI) at Waikato District Council.

6. Attachments

Ngaa taapirihanga

Attachment 1 – 2022/23 third quarter non-financial performance measure results.

WAIKATO DISTRICT COUNCIL

NON-FINANCIAL PERFORMANCE MEASURE RESULTS

2021-2031 Long Term Plan

Reporting Period: 1 July 2022 to 31 March 2023 (Quarter 3)

ACTIVITY: ANIMAL CONTROL

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
The percentage of aggressive dog behaviour complaints, where immediate risk to public safety is present, that has council personnel on site within 1 hour.	95%	95%	98.15%	96.43%	On track	On track.	
The percentage of complaints regarding straying stock that have Council personnel on site within 1 hour.	95%	95%	99.16%	97.98%	On track	On track.	
Complete engagement and education visits throughout the district.	120 per annum / 10 per month	29	98	112	Not achieved	While this team will deliver 120 events this year, less than 10 events were held in August 2022, December 2022, January 2023, and February 2023. Therefore this target will be not achieved at year end.	
The percentage of known dogs currently registered.	95%	80%	81.82%	87.49%	On track	Up to March 2023 there were 13,943 registered dogs and 1,994 unregistered dogs out of a total of 15,937 known dogs, therefore 87.49% of known dogs are registered.	

ACTIVITY: BUILDING QUALITY

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
The percentage of existing buildings with building WOFs that are monitored and audited for compliance annually.	33%	12%	23%	33%	On track	This is partially due to newer buildings being audited for compliance, and the auditing of newer buildings will continue where required up to 30 June 2023.	
The percentage of buildings that provide sleeping care or paid accommodation that are audited for compliance annually.	100%	43%	70%	95%	On track	Auditing of buildings is on track, with only two buildings left to audit. These buildings were visited to be audited but are not currently accessible, however will be assessed by 30 June 2023 to achieve the 100%.	
The percentage of swimming pools that are inspected for compliance annually.	33%	9.79%	18.35%	26.12%	On track	On track.	

ACTIVITY: BUILDING QUALITY

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
The percentage of building consent applications that are processed within 20 working days.	98%	92.89%	71.90%	73.28%	Off track	We are still using contractors and the YTD percentage reflects the impact of staff shortages and contractors going over the timeframes. The team is currently training our two new Building Review Officers to a level that will allow us to dispense with contractors and enable us to meet our statutory timeframes going forward. The contractors have been spoken to regarding their timeframes and we expect their performance to improve. If we continue to maintain our current levels of processing, and our consent number remain at the expected level of 2,400 per year we expect to be able achieve 89.5% of consents processed within the statutory time-frame by the end of the financial year.	

ACTIVITY: COMMUNITY VENUES AND EVENTS

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
The number of events workshops held each year to support event organisers.	2	0	1	3	Achieved	<p>One workshop was completed in October 2023 with sound splash organisers.</p> <p>Two workshops held to engage with groups participating in the Te Awa Cycle event during the third quarter. These were targeted at Tamahere and Ngaruawahia as these were the groups that responded to our expressions of interest. The workshops involved a PowerPoint presentation and were tailored to the event and the groups participating.</p>	

ACTIVITY: CUSTOMER AND PARTNERSHIP FOCUS

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
The percentage of customers satisfied with the overall service received when contacting the Council.	72%	71%	66%	55%	Off track	Significant drop in satisfaction across all customer service measures in quarter 3. The majority of feedback indicate dissatisfaction around council being unable to assist in civil matters, road maintenance and not keeping customer informed on service request process.	
Average level of effort to conduct business with Council. (On a scale of 1 - 5 (5 being high effort))	<2.5	2.5	2.6	2.6	Monitor	During Q2 we saw an increased effort to do business with council. Feedback indicated that customers are	

ACTIVITY: CUSTOMER AND PARTNERSHIP FOCUS

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
how much effort did it take to conduct your business with Council?).						dissatisfied with the outcome of their interactions as council were unable to assist them or council didn't get back in touch with an outcome. This result has remained the same in Q3, which is surprising given that there was a significant dip in satisfaction across other customer service measures.	
Net Promoter Score (level of likelihood that library users will recommend to friends and family their library as a place to go) – as measured in a bi-annual in-house customer survey.	90%	n/a	93%	93%	On track	<p><i>NB: This KPI is only reported on 6-monthly, so this result and commentary has not been updated since quarter 2.</i></p> <p>Customers remain highly likely to recommend us to friends and family.</p> <p>Library Staff are a key ingredient with 98% satisfaction with their interaction.</p> <p>As always there is room for improvement with our book selection, although still returning 84% satisfaction.</p>	
Level of customer satisfaction that the quality of libraries resources meets their needs - as measured in a bi-annual in-house customer survey.	90%	n/a	91%	91%	On track	<p><i>NB: This KPI is only reported on 6-monthly, so this result and commentary has not been updated since quarter 2.</i></p> <p>Physical books remain the most valued resource we offer customers. 82% of our sample size of 210 customers use book collection.</p> <p>WiFi, office services, accessing information from staff, and computers are next most used ranging from 16-28%.</p> <p>Satisfaction with book selection is an area for improvement although traditionally, this is very difficult to improve the level of granularity some customers would like.</p>	

ACTIVITY: ECONOMIC AND COMMUNITY DEVELOPMENT

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
The Business Perception Survey average rating is above target.	8.50	n/a	n/a	n/a	n/a	This is an Annual KPI and will be reported on in quarter four.	--

ACTIVITY: EMERGENCY MANAGEMENT

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
The evaluation of annual exercise as a measure of effectiveness of training delivery.	90%	n/a	n/a	n/a	n/a	This is an Annual KPI and will be reported on in quarter four.	--
Council maintains a minimum number of trained staff to Intermediate level, to fulfil core Emergency Operations Centre roles.	50	77	77	67	On track	We continue to have above the target number of staff training to intermediate level.	

ACTIVITY: ENVIRONMENTAL HEALTH

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
The percentage of food operations that are required to be verified annually that are verified.	95%	65%	90%	83%	On track	The team will monitor this KPI to work towards meeting the annual target.	
The percentage of medium or higher risk category licensed premises inspected annually.	95%	n/a	n/a	n/a	n/a	This is an Annual KPI and will be reported on in quarter four.	--
Percentage of excessive noise complaints responded to within agreed timeframes	85%	92%	89%	87%	On track	On track.	
The percentage of hazardous land use information (Hail) reports that will be completed within 10 working days.	90%	100%	100%	95%	On track	On track.	

ACTIVITY: GOVERNANCE

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
Percentage of customers satisfied with the availability of their Councillor.	80%	44%	43%	43%	Off track	This result is averaged across wards, noting that the Councillors in Whaingaroa and Western Districts General Ward meet the target. Council need to consider whether they wish to amend the KPI in the next LTP as the benchmark across Councils is around 55-60%.	
Percentage of customers satisfied that Council engages with the community regarding the right issues.	50%	30%	29%	28%	Off track	The survey does not allow for comments to be provided in response to this question, however there were some responses to a more generic questions, including that some people felt Council didn't consult properly, that Council didn't listen to the public or ignored submissions, and that Council didn't consult those directly impacted by decisions.	

ACTIVITY: GOVERNANCE

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
Percentage of customers satisfied with the ease of access and clarity of information regarding key community issues.	50%	30%	33%	29%	Off track	<p>This quarter has been a tumultuous one with significant issues to manage including two back to back civil defence emergencies - anniversary weekend floods and Cyclone Gabrielle. While some impacted communities have felt informed and engaged, others may have perceived inaction and a sense that Council is delayed in responding to BAU activity.</p> <p>In addition to this, some out of date information and contact details have been identified on the Council website. Although this has now been remedied, there may be some impact from this where people have been unsure of their Community Board or Committee representative.</p>	
Percentage of agendas and minutes of all open meetings that are made publicly available via the Council's website within legislative timeframes.	98%	70%	91%	93%	Off track	<p>During September 2022 there was a large number of additional meetings and staff were unable to get all documents online within statutory timeframes. The lower result achieved in that month will continue to bring the overall score down and it is unlikely this measure will be achieved at year end.</p>	
Number of formal hui held with iwi, mana whenua and hapu groups.	9	9	9	9	Achieved	<p>Nine events were held during quarter 1, achieving this measure.</p>	

ACTIVITY: OPEN SPACES AND FACILITIES

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
Percentage of customers who are satisfied in the annual satisfaction survey (Public Toilets).	75%	59%	56%	39%	Off track	<p>A lower percentage was achieved in quarter 3 with a common theme of dirty and unclean toilets. The contractor has a regular and consistent schedule for cleaning toilets. Conversations will be had to discuss ways forward to improve the cleanliness of the public toilets.</p>	
Percentage of customers who are satisfied with Parks and Reserves, including sports fields and playgrounds.	85%	78%	79%	74%	Off track	<p>Dissatisfaction around older playgrounds and bullying at skateparks. Prioritising playground project completion is key. Ensuring that NZ Police, community boards and local Councillors are informed could help reduce long term issues faced at skate parks..</p>	
Percentage of customers who are satisfied with the presentation of Waikato District Council cemeteries.	85%	74%	75%	75%	Off track	<p>There was significant tree damage in many of councils cemeteries during the cyclone in February 2023. Citycare have been working hard to clear the trees that were brought down. Some damage occurred to some</p>	

ACTIVITY: OPEN SPACES AND FACILITIES

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
						headstones in the Octagonal Ashes area of the Kimihia Cemetery from the lawn mowers. Citycare are working with a local Monumental Mason to ensure all headstones are reinstated onto their bases as soon as possible.	

ACTIVITY: PROPERTY AND FACILITIES

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
Waikato District Council Carbon road map shows an improving trend in energy efficiency / emission reduction.	5% reduction per annum	n/a	n/a	n/a	n/a	This is an Annual KPI and will be reported on in quarter four.	--

ACTIVITY: ROADING

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
The percentage of footpaths that fall within the level of service or service standard for the condition of footpaths that is set out in the LTP.	95%	n/a	n/a	n/a	n/a	This is an Annual KPI and will be reported on in quarter four.	--
The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.	Reduction by 2 on the previous year	n/a	n/a	-16	On track	<p>In 2021/22 there were 53 crashes (fatal and serious). Year to date for 2022/23 there have been 35 crashes (fatal and serious), which is 16 below our annual target (51 crashes).</p> <p>Deaths and serious injuries are trending down compared to the same time last year which is a positive result.</p> <p>Loss of control on bends continue to be the highest crash type with loss of control on straight and head on's, the next highest crash type.</p> <p>Staff will investigate viable options to improve skid resistance. This involves water blasting to expose more stone chip or resurfacing the road with new chip seal.</p>	
The percentage of customer service requests relating to footpaths responded to within the time frame specified in the LTP.	95%	90.87%	91.15%	93.96%	Off track	Due to ongoing resourcing challenges in the roading team response times have been impacted.	

ACTIVITY: ROADING

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
The percentage of customer service requests relating to roads responded to within the time frame specified in the LTP.	95%	92.45%	90.83%	95.12%	On track		
The average quality of ride on a sealed local road network, measured by smooth travel exposure.	96%	n/a	n/a	n/a	n/a	This is an Annual KPI and will be reported on in quarter four.	--
The percentage of the sealed local road network that is resurfaced.	Min 5%	n/a	n/a	n/a	n/a	This is an Annual KPI and will be reported on in quarter four.	--

ACTIVITY: SOLID WASTE

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
Customer satisfaction with Waste Collection services.	75%	72%	76%	79%	On track		
Meet actions set within Waste Minimisation Management Plan (WMMP).	90%	n/a	n/a	n/a	n/a	This is an Annual KPI and will be reported on in quarter four.	--


ACTIVITY: STORMWATER

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
The number of flood events that occur in the territorial authority district.	<5 events per annum	0	0	0	On track		
For each flooding event, the number of habitable floors affected. (Expressed per 1,000 properties connected to the Council's stormwater system).	0.3 affected per 1,000 properties per event	0	0	0.22	On track		
The median response time to attend a flooding event, measured from the time that the Council receives notification to the time that service personnel reach the site.	≤2 hours	0	0	0	On track		
The total number of complaints received by the territorial authority about the performance of its stormwater system, expressed per 1,000 properties connected to the Council's stormwater system.	<4 per 1,000 properties per year	0	0.42	0.19	On track		
Compliance with the Council's resource consents for discharge from its stormwater system,	0	0	0	0	On track	1 existing abatement from 2018/2019.	




ACTIVITY: STORMWATER

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
measured by the number of Abatement Notices, Infringement Notices, Enforcement Orders and successful prosecutions received by the Council in relation to those resource consents.							

ACTIVITY: STRATEGIC AND DISTRICT PLANNING

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
The percentage of resource consent applications which are processed within statutory timeframes.	98%	91.42%	92.28%	92.02%	Off track	<p>March: 81 consents issued (YTD 727, monthly average 81). Current forecast to year end 969 to be issued.</p> <p>March: 8 consents issued outside of statutory timeframes (YTD total of 58 out of time: 669 out of 727 = 92.02% issued within timeframes). If trend continues anticipate that at year end up to 77 consents out of time and performance indicator will remain in red.</p> <p>The YTD reasons are: consistently high monthly average applications lodged; reports prepared under two district plan frameworks; staff sickness/staff turnover; lack of contractor capacity (planners and engineers); high commitments to Business Improvement projects; applicants and agents increasingly not agreeing to time extensions beyond doubling of timeframes, which our staff can do in special circumstances.</p> <p>The YTD actions undertaken: ongoing recruitment of more planners and engineers; doubled timeframes for all processing steps and seeking applicant agreements where necessary; strategic allocation of consents to same staff where possible; increased allocation to consultants (currently 45% of all consents); processing more applications as Marginal Temporary Activities (in lieu of standard land use applications) where appropriate; developed specific report template for earthworks consents; increased number of report peer reviewers from 1 to 3 to cope with increased complexity and number; restricted level of service for Duty Planner service and placed a</p>	

ACTIVITY: STRATEGIC AND DISTRICT PLANNING

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
The percentage of current land use consents that are older than 2 years which have been monitored in the last 2 years.	80%	46%	43%	44%	Off track	<p>hold on non-mandatory services like Pre-applications.</p> <p>Taking into account the above factors: do not anticipate the number or percentage of consents processed outside of statutory timeframes will decrease through to year end, and as stated above, the KPI will not be achieved at year end.</p> <p>As this data set measures monitoring conducted over the last two years, the full effect of COVID-19 is visible. Resourcing, lockdowns, alert level changes and reduced staff hours as well as illness has impacted our ability to monitor and conduct site visits for lengthy periods of time. It is hoped that our current recruitment successes and revisit of our work program will assist in getting the workload to a manageable level. Our workload continues to grow exponentially with limited resources available to meet the demand. The huge number of service requests (approximately 950 for this last year) also had some impact on our ability to meet all our responsibilities. Staffing changes over the last twelve months have also impacted our ability to address the steadily increasing workload - with four new team members requiring training, after periods of vacancy. It must also be noted that this KPI focuses specifically on older consents - consents granted in the last two years are also monitored by our Officers but are not reflected in this data set.</p>	
The number of parking patrols which are carried out in individual communities under the Public Places Bylaw.	168	29	63	111	Monitor	<p>Able to improve our patrols now with 1.5FTE Compliance Officers available. It is expected that we will be able to meet monthly parking patrols targets from now on, however may not reach the year end target.</p>	
The percentage of bylaws and policies, that are required by legislation, are reviewed within their statutory timeframes.	95%	n/a	88%	88%	Off track	<p>Council currently has 14 policies required by legislation and 11 bylaws. Two policies haven't been reviewed within legislative timeframes, but are currently under review:</p> <ul style="list-style-type: none"> - Code of Conduct; - Standing Orders. 	

ACTIVITY: STRATEGIC AND DISTRICT PLANNING

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
Adequate land supply (right type in right location) exists to cater for the growth and development of the district. Sufficient development capacity (as required by the National Policy Statement - Urban Development) is provided to meet expected short and medium term demand.	100% compliance with NPS-UD land supply requirements	n/a	n/a	n/a	n/a	<p>There is one policy that was not reviewed within legislative timeframes, but the review is now complete: Appointing Directors and Trustees to Council Controlled Organisations Policy.</p> <p>As these three Policies were not updated within the legislative timeframes, this measure will not be achieved at the end of the year. All bylaws are current.</p> <p>This is an Annual KPI and will be reported on in quarter four.</p>	--

ACTIVITY: WASTEWATER

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
Number of dry weather sewerage overflows from the Council's sewerage system, expressed per 1,000 sewerage connections to the sewerage system.	≤3 per 1,000 connections	0.24	0.71	1.10	On track		
Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the Council's sewerage system, median response. Attendance time: from the time that the Council receives notification to the time that service personnel reach the site.	≤1 hour (60 minutes)	25	31	42	On track		
Where the Council attends to sewerage overflows resulting from a blockage or other fault in the Council's sewerage system, median response. Resolution time: from the time that the Council receives notification to the time that service personnel confirm resolution of the blockage or other fault.	≤4 hours (240 minutes)	111.00	111.00	105.00	On track		

ACTIVITY: WASTEWATER

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
The total number of complaints received by Council about sewerage odour, sewerage system faults, sewerage blockages and the Council's response to issues with its sewerage system, expressed per 1000 connections to the Council's sewerage system.	≤10 per 1,000 connections	1.42	2.76	3.94	On track		
Compliance with the Council's resource consents for discharge from its stormwater system, measured by the number of Abatement Notices, Infringement Notices, Enforcement Orders and successful prosecutions received by the Council in relation to those resource consents.	≤2	0.00	2	0	On track		
Compliance with the Council's resource consents for discharge from its sewerage system measured by the number of convictions received by the Council in relation to those resource consents.	0	0	0	0	On track		

ACTIVITY: WATER SUPPLY

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
The extent to which Councils drinking water supply (zones) complies with Part 4 of the drinking water standards (bacteria compliance criteria).	18 (number of zones that comply out of 18)	18	18	18	On track		
The extent to which Councils drinking water supply complies with part 5 of the drinking-water standards (protozoal compliance criteria).	15 (number of zones that comply out of 18)	15	15	15	On track		
The median on site attendance time for a non-urgent call out, where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system.	≤5 Days	1	1	1	On track		
The median on site attendance time for an urgent call out where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system.	≤60 minutes	46.00	51.00	44.00	On track		

ACTIVITY: WATER SUPPLY

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
The median resolution time for a non-urgent call out where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system.	≤5 Days	1.00	1.00	1	On track		
The median resolution time for an urgent call out where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system.	≤240 minutes	161.00	143.00	131.00	On track		
The total number of complaints received by Council about drinking water clarity, taste, odour, water pressure or flow, continuity of supply and response to any of these issues (expressed per 1000 connections to the water system).	≤25 per 1,000 connections	2.93	6.42	10.10	On track		
The average consumption of drinking water per day per resident within the Waikato district.	250L	n/a	n/a	n/a	n/a	This is an Annual KPI and will be reported on in quarter four.	--
The percentage of real water loss from Council's networked reticulation system.	28%	n/a	n/a	n/a	n/a	This is an Annual KPI and will be reported on in quarter four.	--

ACTIVITY: ZERO HARM

KPI	2022/23 Target	Q1	Q2	Q3	Status	Commentary	EOY Forecast
The number of total recordable injuries (TRI) at Waikato District Council.	2	1	2	2	Monitor	Medical Treatment Injury (MTI) event reported in late December 2022. Lost Time Injury (LTI) event in July 2022.	

To	Performance & Strategy Committee
Report title	Chief Executive’s Business Plan
Date:	8 May 2023
Report Authoriser:	Gavin Ion, Chief Executive
Report Author:	Tony Whittaker, Chief Operating Officer

1. Purpose of the report

Te Take moo te puurongo

To update/inform the Committee on progress covering 2022/2023 business plan items.

2. Executive summary

Whakaraapopototanga matua

The Chief Executive’s Business Plan is a summary of progress on priority issues agreed by Councillors.

3. Staff recommendations

Tuutohu-aa-kaimahi

THAT the Performance & Strategy Committee receives the update on the Chief Executive’s Business Plan.

4. Background

Koorero whaimaarama

The Plan is a summary of progress on specific issues. It enables staff and Councillors to focus on the big issues and ensures that attention is given to those things of strategic importance.

The Plan is in line with the Chief Executive’s Performance Agreement which was updated in June 2022 in preparation for the new financial year.

Work on the plan is underway in a difficult environment given resource and supply change issues.

5. Discussion and analysis

Taataritanga me ngaa tohutohu

The report contains the strategic issues that Council is focussed on. The Chief Executive's Business Plan is aligned to the Chief Executive's Performance Agreement. The underpinning criteria is the council vision of 'liveable, thriving and connected communities.'

The list of KPIs was updated in line with the Chief Executive's Performance Agreement Reports in June 2022.

A review of the KPIs has been scheduled with the Chief Executive's Performance Review Committee.

5.1 Options

Ngaa koowhiringa

This report is for information only and as an update on progress. No decision is being sought from the Committee other than to receive the report.

5.2 Financial considerations

Whaiwhakaaro puutea

This report covers the strategic goals set for the Chief Executive for the year. There will be financial implications as the various projects and initiatives are worked through. There are no immediate concerns at the time of this report.

5.3 Legal considerations

Whaiwhakaaro-aa-ture

There are potential legal issues that arise through the implementation of this work plan and these will be discussed with council if and when these come to light.

5.4 Strategy and policy considerations

Whaiwhakaaro whakamaaherehere kaupapa here

The report and recommendations are consistent with and give effect to Council's vision of '*Liveable, thriving and connected communities – He noohanga aahuru, he iwi whai ora, he hapori tuuhono tahi.*'

5.5 Maaori and cultural considerations

Whaiwhakaaro Maaori me oona tikanga

Iwi and Tangata Whenua have been or will be consulted on at least some of the key projects or initiatives referred to in the report. Iwi are involved as a strategic partner of Council through our Joint Management Agreements and projects such as Raglan, Huntly and Te Kauwhata Wastewater Treatment plant upgrades and consent processes.

Iwi have been engaging in the waters management project, the Better Off funding assessments and with Council and central government through the Future Proof. This will be enhanced as the Mana Whenua Fora find their cadence.

5.6 Climate response and resilience considerations Whaiwhakaaro-aa-taiao

The matters in this report will impact on climate action but it is unclear what this will be until further progress on individual projects is made. A specific measure however is included in the Chief Executive performance measures in regard to emission reduction.

5.7 Risks Tuuraru

As this report seeks to provide a general update only, it is anticipated that the risk level is low.

6. Significance and engagement assessment Aromatawai paahekoheko

6.1 Significance Te Hiranga

The matters covered in this report may be assessed as of high significance, in accordance with the Council's Significant and Engagement Policy.

6.2 Engagement Te Whakatuutakitaki

Engagement on the contents of this report has been low and internal. However specific items encompass engagement with key external stakeholders.

The following areas are priorities in the communications and engagement approach:

- Keeping councillors informed of progress;
- Ensuring the development of strategic partnerships and relationships.

Highest level of engagement	Inform	Consult	Involve	Collaborate	Empower
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
	Staff have worked collaboratively with our iwi/hapuu to maximise engagement on a range of activities and actions. Similarly, there has been consistent communication with a range of strategic partners and organisations.				

State below which external stakeholders have been or will be engaged with:

Planned	In Progress	Complete	
✓	✓	<input type="checkbox"/>	Internal
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Community Boards/Community Committees
<input type="checkbox"/>	✓	<input type="checkbox"/>	Waikato-Tainui/Local iwi and hapuu
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Affected Communities
<input type="checkbox"/>	✓	<input type="checkbox"/>	Affected Businesses
<input type="checkbox"/>	✓	<input type="checkbox"/>	Other (Please Specify)

7. Next steps Ahu whakamua

Regular updates will be provided on progress with delivery of the business plan.

8. Confirmation of statutory compliance Te Whakatuuturutanga aa-ture

As required by the Local Government Act 2002, staff confirm the following:

The report fits with Council's role and Terms of Reference and Delegations. Confirmed

The report contains sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages (*Section 5.1*). Confirmed

Staff assessment of the level of significance of the issues in the report after consideration of the Council's Significance and Engagement Policy (*Section 6.1*). Low

The report contains adequate consideration of the views and preferences of affected and interested persons taking account of any proposed or previous community engagement and assessed level of significance (*Section 6.2*). Confirmed

The report considers impact on Maaori (<i>Section 5.5</i>)	Confirmed
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The report and recommendations are consistent with Council's plans and policies (<i>Section 5.4</i>).	Confirmed
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The report and recommendations comply with Council's legal duties and responsibilities (<i>Section 5.3</i>).	Confirmed
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9. Attachments

Nga taapirihanga

Attachment 1 – Chief Executive's KPI worksheet

A Chief Executive's KPIs – 2022/2023

Overarching Council Vision: "Liveable, Thriving and Connected Communities"

Staff & Wellbeing Vision: "Work Safe, Home Safe"

Key project/priority	Key deliverables/KPIs		Update & Delivery Comments	Who
1. Delivery and achievement of Annual Plan 2022/2023 (covers normal business activities, financial and non-financial performance measures and the delivery of the annual work programme)	1.1	The 2022/2023 Annual Plan is delivered within the agreed budget, and in accordance with variations approved by Council. Provide regular updates to the Strategy & Finance Committee on progress.	<ul style="list-style-type: none"> The organisation remains under pressure in many areas due to workload and resourcing issues. We address these pressures with additional resource as we can with some support being considered in the Annual Plan. A financial review of the year indicates we are managing within operational budgets. Capex is within budget but does reflect the delayed work programme delivery as reported to Infrastructure Committee. This will lead to carry forwards to enable projects to be supported next financial year. 	Tony
	1.2	Capital Works are delivered within the agreed budget and in accordance with variations approved by Council. Provide regular updates on progress and any barriers to the delivery of the projects under the following key categories:	<ul style="list-style-type: none"> The EPMD is in place with all but one role now filled. All resource is now assigned to projects following induction and values alignment. A forecast of the FY 22/23-year end position (delivery and carry forwards) was provided to Infrastructure Committee. This forecast reflects the detailed planning in place. Forecasts will continue to be updated at future Infrastructure meetings. Work has commenced to ensure that all projects carried forward, as well as the 23/24 LTP planned projects, are scheduled, and resourced for delivery. Planning for the 23/24 work programme is targeted for planning completion by 30 May 2023. 	Kirsty
		a) 3 Waters (projects managed and delivered via Watercare)	<ul style="list-style-type: none"> Watercare have indicated they expect to deliver \$155 million of the LTP capital programme in years 1-3. This is a shortfall of approximately \$21 million over the 3-year period. 	Keith

Key project/priority	Key deliverables/KPIs		Update & Delivery Comments	Who
		b) Roading (project predominantly delivered through the Waikato District Alliance)	<ul style="list-style-type: none"> Additional funding has been allocated to the Waikato District Alliance contract to facilitate additional capital work to be undertaken by under this contract. 	Grant
		c) Sustainable communities (largely blueprints, social & community related projects).	<ul style="list-style-type: none"> Projects such as the Raglan Wharf are progressing to plan. 	
	1.3	Advance social procurement through: a) Implementing the Sustainable Procurement Framework by 31 December	<ul style="list-style-type: none"> The Sustainable Procurement Framework was shared with Council late in 2022. Working group has been expanded to include members from Communications Economic Development and Iwi Partnerships. Discussion underway with Maaori ward councillors on incorporating Maatauranga Maaori principles into the framework for low cost, low risk projects. Trina Pohatu-McQueen (Waikato Tainui representative, economic development) has also been invited to contribute to the development of the framework. 	
		b) Developing a Small Business Panel to enable businesses to work with us in an easier way by 31 March 2023.	<ul style="list-style-type: none"> Work has commenced on the development of a Small Business Panel. However, the current focus of the procurement team is to assist service delivery for the 2023 and 2024 capex work programme. Three days of workshops were held on capex delivery and procurement planning/approach to market etc. is the priority. Procurement is connecting with businesses through various channels including the Iwi business portal and Waikato Pacific Network Waka Kotahi procurement team feedback is to refine approach to market for low cost, low-risk procurements with a focus on award and probity criteria to better engage underrepresented businesses. 	

Key project/priority	Key deliverables/KPIs		Update & Delivery Comments	Who
			<ul style="list-style-type: none"> Will be working with Community Boards (such as Raglan and Huntly) and Mana Whenua Forum to develop a more inclusive and effective procurement environment that support community-driven outcomes, promotes localism and social impact. 	
2. To deliver the 2023-2024 Draft Annual Plan	2.1	The 2023-2024 Draft Annual Plan is complete by 30 June 2023.	<ul style="list-style-type: none"> The Draft Annual Plan adopted by Council on 5th April. Communications Plan awaiting availability of the Rating Information Database so ratepayers can see the impact of the changes on their rates. 	
3. Government Reform	3.1	<p>Demonstrate the work being done by the Chief Executive and staff to inform, advise and advocate on behalf of the Council (evidenced through reports, workshops, briefings or emails) towards a better outcome for the District in relation to Local Government reform to:</p> <p>Future of Local Government, RMA and Three Waters.</p>	<ul style="list-style-type: none"> Submission made to the Future for Local Government Panel to inform the draft report. A further submission lodged with the panel in response to the draft report. We await the final report and recommendations on 19 June 2023. We submitted on the Natural and Built Environment Bill and Spatial Planning Bill in February 2023 and spoke to its submission in March 2023. Key submission points aligned with LGNZ and Future Proof Council submission points, including concerns about loss of local voice, funding constraints, and the need for adequate status to be given to Te Ture Whaimana. Three Waters Reform – opportunities to engage and to submit have been taken. The appropriate Select Committee is working through the submissions. The Chief Executive and the Mayor have been engaging with the National Transition Unit Board. The Finance and Expenditure Select Committee will be reporting back to the House on 8 June 2023. Council’s Three Waters Reform Manager, Deron Sharma, will be reviewing the report and ascertaining actions for Council. The Council CFO is a member of the LG reference group on the finance and commercial workstream of Three Waters. Conversations on debt settlement have been attempted with the NTU (National Transition 	

Key project/priority	Key deliverables/KPIs		Update & Delivery Comments	Who
			<p>Unit) but NTU favours a more consolidated approach.</p> <ul style="list-style-type: none"> • Staff nominations to the 3 Waters National Transition Unit Growth Workstreams have been put forward. Peter Henderson is representing WDC on the Land Development Working Group. • With regards to latest government announcement on Three Waters Reform, staff are continuing to deliver on agreed deliverables with the NTU. • The Three Waters Reform Manager, the Mayor and Chief Executive have been having discussions regarding entity boundaries and how WDC is positioned in these. • The puutea for Better Off Funding has been approved and committed by the DIA. It is currently sitting in the grant management system, ready to be claimed. However, Council cannot claim the funds yet because the entity monitoring Council against the DIA funding criteria, Crown Infrastructure Partners, has not developed the reporting template. • This reporting template is a crucial document for the Council as it forms the reporting obligations that Council will have to transfer onto our community applicants, which will form part of the funding agreement to ensure Council, and other applicants, are not jeopardized from receiving the funding. • Better Off Funding Tranche 1 remains (\$7.88m) but there will not be a Tranche 2 as this was contingent on waters reform progressing as initially planned in 2020. 	
4. Strategic Management & Delivery (key projects and priorities includes regional and national matters)	4.1	Futureproof and related initiatives - At each performance review, demonstrate the role that the Chief Executive and staff have played to inform, advise, and advocate on behalf of Council in relation to Futureproof and associated	<ul style="list-style-type: none"> • Work is progressing on the development of the Future Development Strategy (FDS), to give effect to the NPS Urban Development. The FDS must be adopted by the partnership by 30 June 2024. • The Future Proof Chief Executives Advisory Group met on 24 February and endorsed an approach which ensures that we have a robust FDS ready for public consultation before the end of 2023. 	

Key project/priority	Key deliverables/KPIs		Update & Delivery Comments	Who
		<p>initiatives e.g., reports, workshops, submissions and briefings.</p>	<ul style="list-style-type: none"> The Chief Executive has been supportive of the Waikato Housing Initiative joining Future Proof at CEAG level and appropriate workstreams. This would enable better integration between strategy, land use, infrastructure, and funding. The Chief Executive has supported the development of a Prioritised Implementation Plan for Future Proof which also sees a strengthened role for CEAG in the proposed structure. This would include the development of Terms of Reference for each of the working groups and decision-making bodies, role descriptions for the Programme Manager roles, a reporting framework, and a revised Future Proof budget to reflect this proposed operating model. Preliminary input has been provided on a project brief to inform a potential partnership funding agreement between Future Proof Councils and central government. This brief will be considered by the Future Proof Chief Executives in May 2023. 	
	4.2	<p>Solid Waste:</p> <p>a) Bollard Road (Tuakau) development:</p> <ul style="list-style-type: none"> Procurement Plan & RFP by 31st July 2022 - Consultant appointed by 30 September 2022 Stage 1 detailed design with cost estimate ready for Council workshop by 28 February 2023. 	<ul style="list-style-type: none"> Councillor workshop held on 19 April 2023 to present initial concept options. Further stakeholder and Mana Whenua Consultation planned for 4 May 2023. Councillors showed a high level of interest and indicated a desire to be included in a steering group to assist the project development. 	

Key project/priority	Key deliverables/KPIs		Update & Delivery Comments	Who
		<p>b) Huntly recycling sorting facility & Community resource centre (McVie Road)</p> <ul style="list-style-type: none"> ▪ Rotowaro Road sorting facility operational by end July 2022 (Waiting on a new trommel & conveyor belt) ▪ McVie Road site reconfigured and cleaned up for public drop-off by 30 September 2022 <p>• Community resource recovery centre facility in place by March 2023.</p>	<ul style="list-style-type: none"> • The Rotowaro Road sorting facility is operational. • The McVie Road site now needs to be rehabilitated to an acceptable state. A variation to the Alliance contract has been developed to do these works and are currently being programmed. The aim is to have these works completed this construction season / financial year. • Consultation on a community resource recovery centre on this site is due to commence shortly. Having community buy in and being community run will take some time to achieve. A draft agreement has been developed with the Waikato Enterprise Trust for them to engage with mana whenua and the wider community to clarify community aspirations and determine what type of facility is required. Before on-site arrangements can be made, the site needs to be brought up to an acceptable standard. These 'make good' works, as required by the Metro contract have been delayed by the Kalista novation process. 	Megan
5. Partnerships and Relationships (includes relationships with central government, Waka Kotahi, Iwi and the Waikato District)	5.1	a) Provide evidence of outcomes achieved through initiatives, collaboration, and engagement with Iwi.	<ul style="list-style-type: none"> • Discussions underway with mana whenua and Waikato-Tainui about upgrades to Te Kauwhata and Huntly Wastewater Treatment Plants. • Council has resolved to look to advance the return of the Raglan Airfield to the rightful owners. Discussions have started with the appropriate crown agencies. • The Future of Local Government submission was informed through engagement with our iwi partners, 	

Key project/priority	Key deliverables/KPIs	Update & Delivery Comments	Who
Alliance)		<p>mana whenua, community boards and community committees.</p> <ul style="list-style-type: none"> • Election process and better off funding completed. Work on Mana Whenua forums to be workshopped with councillors and social procurement also progressing. 	
	<p>b) Demonstrate significant progress on delivering at least 3 of the initiatives of the Waikato-Tainui JMA workplan.</p>	<ul style="list-style-type: none"> • The following components of the Waikato-Tainui Waikato District Council JMAC Strategic Work Programme for 2022-2023 have been completed and were noted at the JMAC hui of 14 April 2023: <ul style="list-style-type: none"> a) Local Body Elections 2022 b) Local Government Reform (submissions) c) RMA reform (submissions) d) Better Off Funding Application and the development (On 5 December 2022 Council was notified that all the shortlisted projects were accepted DIA for funding. Crown Infrastructure Partners is due to provide the reporting template by the end of March 2023) which will be risk-assessed before the co-funding agreements with each successful applicant is framed and the project handed to the EMPO for delivery. e) Small, Medium Enterprise (SME) Business Panel established to include iwi, mana whenua and Pacifica representatives. • The JMAC hui of 14 April 2023 requested that staff commence work on a Strategic Work Programme for 2023-2024. It was also noted that some of the initiatives in the 2022-2023 Strategic Work Programme will need to be carried over to the 2023-2024 programme. 	

Key project/priority	Key deliverables/KPIs		Update & Delivery Comments	Who
		c) Prepare a report for each Ngaati Maniapoto JMA meeting which reflects matters of interest for our treaty partner.	<ul style="list-style-type: none"> • A strategic report was prepared for the Ngaati Maniapoto JMA meeting. The report shared insights on Future Proof, the Proposed District Plan, and other issues. • Cr Tilly Turner, Karlene Rhind and Ngahina Armstrong-Nield attended the JMA hui in Te Kuiti on the 8 March. A working party was formed, a representative from WDC was sought, one who could make decisions. Cr Turner to speak with Mayor Jacqui about this role and decision-making delegation. 	
	5.2	Central Government – Provide evidence at each performance review of the outcomes achieved by the Chief Executive through building relationships with central government that are related to Council's future strategies and delivery aspirations. Particular focus should be on:		Gavin
		a) Waka Kotahi	<ul style="list-style-type: none"> • Council is pushing back on the closure of Telephone Road. Constructive discussions are being held. Further option provided to Waka Kotahi Regional Director at meeting on 20th April for consideration with his team. • The Huntly relocation agreement has been approved from the Council perspective. This is capitalising on the solid working relationship with the Regional Director of Waka Kotahi who also sits on the Future Proof Chief Executives Advisory Group. 	

Key project/priority	Key deliverables/KPIs		Update & Delivery Comments	Who
		b) Kainga Ora	<ul style="list-style-type: none"> Engaging with representatives from Kainga Ora regarding houses to be built in the district as well as Infrastructure Acceleration Fund applications. Engagement is taking place at both a governance and managerial level. It is too early to determine the outcomes of these discussions. Advocacy through the Waikato Housing Initiative for better alignment with its work and that of Kainga Ora. Good working relationship with the Regional Director of Kainga Ora and the Deputy Chairperson. 	Gavin
		c) Ministry for Social Development	<ul style="list-style-type: none"> Our Economic and Social Development team work closely with Ministry for Social Development. The Chief Executive also engages with the Regional Commissioner in relation to the Regional Leadership Group. 	Gavin
		d) MBIE	<ul style="list-style-type: none"> MBIE – Engagement with MBIE has been around reform to the Building Consent processes. We continue to work with MBIE on this initiative. Raglan Town 2 Surf Shared Path funding application for \$965,000 was successful and reported to Council on 13 March 2023. 	Gavin
6. Staff and Culture (including leadership, engagement and retention)	6.1	a) Outline what initiatives have been undertaken to strengthen the internal culture and leadership of the organisation and provide staff survey results to indicate whether these have been successful or not.	<ul style="list-style-type: none"> The staff survey run in 2022 provided strong evidence of a positive culture with a 4% upward movement in the engagement score. Whilst we are dealing with a tough employment market, word of mouth is proving a way of attracting good people. This can only happen if there is a positive culture in place. We continue to run staff events to ensure broader connection. 	Tony/Vanessa

Key project/priority	Key deliverables/KPIs		Update & Delivery Comments	Who
		b) Provide evidence on recruitment strategies being used to attract new talent and retention strategies in place including an assessment of effectiveness.	<ul style="list-style-type: none"> As noted, word of mouth is proving effective (confirmed by the high number of referral payments being made as per our policy), being flexible and interviewing good candidates as early as possible has identified some good recruits. Staff retention particularly for staff recruited within the past year (88%) is high and we had 6 internal promotions in the last month. We have however lost some staff to other opportunities. Current staff turnover is 18% which is returning to pre-covid and is lower than our Local Government peer group. Our Takitaki bespoke leadership programme is building the capability and confidence of our people. This year we had more than twice the number of applications for a place on the programme than the number of spots available. The 2023 cohort commenced their programme in February. 	Vanessa
		c) Provide an update on flexible and hybrid working arrangements and the effect (positive or negative) on culture as evidenced through staff survey results.	<ul style="list-style-type: none"> The flexible working arrangements have been embraced by staff and is one of the key expectations by candidates. Flexible working is trending as the second most important employee benefit in 2022. One of the highest comments in the staff survey on why WDC is a great place to work is the flexible working offered. We do however also have a good number of staff back in the office as that works for them. ELT is to review the Policy to ensure it is working for all stakeholders. 	Vanessa
	6.2	Demonstrate progress in relation to how diversity and inclusion is being embraced by the organisation. This includes how the opportunity is developing, is being kept alive by behaviours and practices and broadening the perspective	<ul style="list-style-type: none"> We have commenced our third Te Reo and Te Tiriti courses. Our teams are opening and closing meetings with Karakia. Our Team Planning session with People Leaders required each Team to identify how they were embracing Te Tiriti o Waitangi principles in their plans. Diversity, Equity & Inclusion are a key course topic for our Takitaki programme. These principles have already been embedded with 60 staff through the 	Vanessa

Key project/priority	Key deliverables/KPIs		Update & Delivery Comments	Who
		of staff.	programme and another 30 commenced in March. A programme is being developed to roll out to staff more broadly.	
7. Zero Harm (Work Safe, Home Safe)	7.1	Lead initiatives that clearly demonstrate progress towards safety leadership in the way the organisation operates.	<ul style="list-style-type: none"> Independent review of Zero Harm Framework is planned for 12th to 16th June and is being undertaken by Impac Services Ltd to ISO 45001 standard. 100% of current staff completed annual Zero Harm Refresher Induction as part of Work Safe Home Safe 2023 	
	7.2	Complete the Strategic Plan work for 2022/2023 by 30 June 2023.	<ul style="list-style-type: none"> Working with Animals Standard has been finalised and published. Significant progress being made on Working On or Near Roadways and Mental Wellbeing Risk Control plans. Emergency Response Plans and flipcharts have been implemented at all sites but the training delivery plan timing needs to be reviewed due to Zero Harm team resourcing. 	
8. Climate Action	8.1	Give effect to Climate Action Plan goals this financial year and provide updates on progress.		Clive/Rachael
		a) Agree a Climate Action work plan with the Strategy & Finance Committee by September.	<ul style="list-style-type: none"> The Climate Response and Resilience Strategy has been drafted, and key business/budget holders interviewed to ascertain projects that will deliver on reduction emission targets. An internal focus group has been established, the five Maaori Ward councillors will be consulted to input on the Te Ao Maaori aspects and an additional external focus group will be set up in May. The Strategy is a high-level district roadmap that includes key projects that deliver on Co2 emission reduction targets. The proposed timeline for the Strategy to go to ELT is 30 June 2023. This will 	Clive/Rachael

Key project/priority	Key deliverables/KPIs	Update & Delivery Comments	Who
		require a review of the Climate Action Plan in the second half of 2023.	
	b) Complete the work plan as agreed with the Strategy & Finance Committee by 30 June.	<ul style="list-style-type: none"> Key projects that will deliver on annual emission reduction targets include replacement of the Huntly Pool boiler (later this year, 14% reduction in emissions), updated Council Vehicles Policy (transition from ICE to EV), and ten cattle reduced on Wainui Reserve. 	Clive/Rachael
	c) Achieve an emission reduction target of 8% for the year ended 30 June 2023.	<ul style="list-style-type: none"> In 2022/23 we have to date achieved reductions, but we need to establish more robust systems for capturing accurate data. In 2023/24 we expect the reduction to be in the order of 16-18% based on initiatives underway now. In 2021 our emissions were 1,441 TCO₂e. In 2022 emissions decreased to 1,065 TCO₂e which represents a 3% reduction. The key areas of improvement in the last financial year were: <ul style="list-style-type: none"> Diesel -41 TCO₂e Petrol -31 TCO₂e Cattle -12 TCO₂e LPG -7 TCO₂e This was countered by increased emissions from electricity and natural gas. Less electricity was used in FY22, but the emissions factor for electricity had increased due to a higher share of non-renewable generation. Emissions from electricity rose by 46 TCO₂e and natural gas by 17 TCO₂e. The increase in gas use at the Huntly Aquatic Centre is related to opening hours and seasonal temperature variations. 	Clive/Rachael

Key project/priority	Key deliverables/KPIs		Update & Delivery Comments	Who
9. 2022 Elections	9.1	Meet legislative compliance by completing the workplan undertaken to facilitate and foster representative and substantial elector participation in elections.	<ul style="list-style-type: none"> • Election completed successfully (no legal challenges). Despite trying several initiatives, the overall return rate did not increase. • A by-election was also run for the Tuakau Community board. 	

Footnote:

1. The Chief Executive has agreed to deliver KPIs, subject to any changes due to Council's change of direction on any of the KPIs, in which case such changes would be taken into account. Delivery will also be subject to factors within the control of the Chief Executive e.g. a delay in receiving materials for capital works due to Covid-19 would be outside the control of the Chief Executive.
2. Each deliverable including subcategories (e.g. (a), (b) etc.) will be assessed in their own right.