

Minutes of a meeting of the Performance & Strategy Committee of the Waikato District Council held in the Council Chambers, District Office, 15 Galileo Street, Ngaruawahia on **MONDAY, 7 AUGUST 2023** commencing at **9.30am**.

Present:

Cr M Raumati (Chairperson)
Her Worship the Mayor, Mrs JA Church
Cr C Beavis
Cr CA Eyre (Deputy Mayor)
Cr M Keir
Cr K Ngataki
Cr EM Patterson
Cr LR Thomson
Cr T Turner
Cr D Whyte

Attending:

Mr T Whittaker (Chief Operating Officer)
Ms A Diaz (Chief Financial Officer)
Mr R MacCulloch (General Manager Service Delivery)
Mr C Bailey (Finance Manager)
Ms N Hubbard (Corporate Planning Team Leader)
Mr R Turner (Customer Experience Manager)
Mrs E Mead (Key Research)
Ms E Saunders (Democracy Advisor)

The meeting was opened with a karakia.

APOLOGIES AND LEAVE OF ABSENCE

Resolved: (Crs L Thomson/Patterson)

That the apologies for:

- a. non-attendance from Cr Gibb, Cr P Thomson and Cr Reeve be accepted.

CARRIED

P&S2308/01

CONFIRMATION OF STATUS OF AGENDA ITEMS

Resolved: (Crs L Thomson/Ngataki)

THAT the agenda for a meeting of the Performance & Strategy Committee held on Monday, 7 August 2023 be confirmed:

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

CARRIED

P&S2308/02

DISCLOSURES OF INTEREST

There were no disclosures of interest.

CONFIRMATION OF MINUTES

Resolved: (Crs Patterson/Ngataki)

THAT the minutes for a meeting of the Performance & Strategy Committee held on Tuesday, 20 June 2023 be confirmed as a true and correct record of that meeting with the following amendment:

- a. *Item 7.1 – The word relocation in point 5.2a be changed to revocation.*

CARRIED

P&S2308/03

REPORTS

Actions Register
Agenda Item 5

The report was received [*P&S2308/02 refers*] and taken as read and no further discussion was held.

STRATEGY REPORTS

Long Term Plan 2024-2034 Work Update

Agenda Item 6.1

The report was received [*P&S2308/02 refers*] and taken as read and the Corporate Planning Team Leader answered questions from the committee.

- The Corporate Planner drew attention to some discrepancies in the wording of the table in the report – there are some words missing or in the wrong part of the table which was clarified.
- A brief discussion was held in regards to Infrastructure and whether Council was on track for completion which was clarified by the Corporate Planning Team Leader.
- It was noted that Councillor attendance to workshops is paramount and moving forward there needs to be apologies given to Her Worship the Mayor if any elected members are unable to attend.

PERFORMANCE REPORTS

Resident Perception Survey – Final Results

Agenda Item 7.1

The report was received [*P&S2308/02 refers*] and the Customer Experience Manager along with Mrs E Mead (Key Research) provided a Powerpoint presentation and answered questions of the Committee:

Presentation:

- A brief overview of the presentation was outlined with some key highlights being spoken to. The quarterly results were provided.
- It was confirmed that survey participants are selected at random from the electoral roll and the 2018 database is being used.
- The best performing areas for 2023 were outlined as per the presentation in the agenda and it was noted that Waikato District Council has one of the highest measures of Quality of Life across the country.
- The worst performing areas for 2023 outlined as per the presentation in the agenda with the annual rates amounts and understanding of work activities being the two lowest performing areas.
- The overall satisfaction drivers are value for money, rates being distributed evenly across the district and reputation and core service deliverables.
- A brief overview of the reputation profile was provided with the emotional vs factual components outlined. The general comments confirm the need for communications and transparency to better.

Questions/Discussion:

- It was noted that it was good to see the amount of young people engaging with the survey and it was confirmed that the percentages for the worst performing areas are based on the number of people not happy with the service.
- It was asked whether there was reliability of rural delivery services and Cr Eyre wanted to red flag the possibility of rural residents not receiving the survey via post. It was further noted that the urban/rural split of residents in the survey are provided in the footnotes.
- An extensive conversation was had in relation to the levels of service for Waikato District Council and the need to be able to provide this information to Community Boards and Committees. 62% of people don't have an understanding of the work activities happening in our communities. It was noted that there needs to be a balance between staff time to prepare these reports vs providing information to the respective boards.
- It was noted that Capital works in the Long Term Plan (LTP) schedule are released every three years and there is new "projects" webpage up and running on the Council website that will be built on with more information provided as it becomes known.
- There is a real concern that Councillors were not getting accurate data and reporting from the District Alliance roading team as this should be sitting in the Asset Management Plans (AMP) and should be easily retrievable and communicated with the public. It was noted that further discussion for this would be taken offline with the General Manager Service Delivery and the Elected Members.

ACTION: The General Manager Service Delivery to have a conversation offline with Elected Members in relation to the levels of service and schedule of works for Roading projects.

- It was noted that this survey is but one tool that we can utilise to inform on the performance of Council and it was further noted that these results are fed directly into the Key Performance Indicators (KPIs) for the Annual Plan.
- There was an extensive discussion around the formatting of the report and the colours for each section and what they mean. Mrs Mead outlined the key for each result and what the red and green arrows show in the report and what they represent. The key on Page 47 of the report was highlighted for future reference.
- It was noted that we need to ensure we are clear on how we are communicating these results as there has always been a concern about these surveys and how much we are investing on the results. A very small percentage of our communities have responded so how can we invest in such a small percentage? It was noted that quite a high number have responded and there was a very small margin of error.
- Clarification was sought on the response to the Tamahere Library service and the perception in the community which was clarified.
- It was noted that it would be good to have different colour codings for each community so the Councillors can see what is happening in their areas. It was further confirmed that the three waters results are from residents that are on the water reticulation network only and not for those residents that are on their own supply.

- It was asked if there was potential to do some more digging into these surveys in one year from now in the first year of the LTP particularly for the really big questions so an understanding of the communities concerns along with budgets can be looked at.
- The survey is very comprehensive with a lot of data and results so is there potential to drop some questions off the survey in the future to allow Council to get more detailed answers.
- It was noted that this survey was completed without the new Capital Projects webpage up and running and if Waters & Roading projects could be an add on to the webpage in the future it could make a difference.

ACTION: A working group to be created to look at refining the data in future surveys to gain a better understanding of the results (particularly with costs and budgets) along with formulating some actions from the current survey.

- It was noted that it would be good to have more residents participating in the survey. It was confirmed that a mail out was done to 1000 residents and a brief discussion was held on the resident selection and how this occurs.
- It was noted that Council are about to go through the LTP process so it was a good time to maybe identify some new KPIs and the opportunity is there to channel this through Community Boards & Committees.
- It was noted that it would be good to see the difference between residents that own their properties vs owners that rent their properties. The next survey is going out in September 2023.

Indicative Financial Performance Summary – 30 June 2023 Year End Agenda Item 7.2

The report was received [*P&S2308/02 refers*] and the Finance Manager answered questions from the committee.

- It was confirmed that the report is based on Indicative numbers only – the final numbers for 30 June year end have not yet been completed.
- A brief discussion was held in regards to the investment of State Highway 1 and it was noted that this is not taxable income.
- Page 124: An extensive discussion was held in relation to income and whether this will be included in the Annual Plan. An overview of the process was provided by the Chief Financial Officer.
- It was noted that debts have gone up \$27M against budgeted debt of \$30M and budgeted capex expenditure was \$81M – it was confirmed that the Finance team have not yet finished carry forwards but the LTP is an opportunity to reset. It was further noted that whilst this is comforting it is still a concern.
- Page 123: The summary graph is quite hard to read and it would be good to see this over two pages in the future.

ACTION: The Indicative Financial Performance Summary Graph and Spreadsheet to be spread over two pages in the future to make for easier reading.

- An extensive discussion was had in relation to the vesting of State Highway 1 and when this might be finalised. A further discussion was held around the depreciation value and whether Council will get this once it is vested. It was confirmed that Council have been budgeting on the depreciation for State Highway 1 for some time but the revocation process is taking longer than expected.
- It was noted that whilst the information in this report is very thorough it would be good to include in future reports a simple statement that highlights the differences in the quarterly results. Was Council's performance better this quarter or worse? Can we have something in the reports that highlight this to make it clear.

ACTION: A further conversation to be had offline with the Chief Financial Officer and the Finance Team to look at details in the report moving forward and the graphics used particularly for Capital Works.

- Page 124: The underspend on capital works in the June 2022 picture is post audit and for June 2023 it is indicative and it won't be confirmed until the Annual Plan is adopted in October 2023.
- Page 128: The movement in council reserves funding was clarified to the elected members and it was noted that the figure on Page 123 is manually adjusted.
- \$60,000 on mileage claims on Page 125: Can this be attributed to covid? It was confirmed that a large portion of that would be increased activity along with the IRD rate that is used to calculate being raised. It was further confirmed that this figure also includes the Councillors mileage.

Indicative Treasury Risk Management Policy – Compliance Report 30 June 2023

Agenda Item 7.3

The report was received [*P&S2308/02 refers*] and there was no further discussion held.

2022/2023 End of Year Non-Financial Performance Results

Agenda Item 7.4

The report was received [*P&S2308/02 refers*] and the Corporate Planning Team Leader answered questions from the committee.

- It was noted that in the report that the two Waters measures still could not be reported on as Council were relying on Watercare to get this reporting and results. It would be circulated to Councillors once received.
- It was noted that there were some discrepancies in the report and the number of KPIs that have been achieved. The Corporate Planning Team Leader outlined the results to the elected members and noted that 35% of KPIs were not achieved.

Questions/Discussion:

- A discussion was held in relation to Dog Registration result of not achieved – do we need to potentially change this KPI as the threshold seems quite high? An outline of the incentives for registering your dog was outlined.
- There was concern raised around building activity and the fact that Council are sitting around the 70% mark for achievement. This is a statutory timeframe that we are not meeting nor have we been meeting for the last year. Are the changes we are making going to help us become compliant?
- It was noted that the hold up with the Building Consenting process sits around the District Plan and the fact that two plans are currently being referred to every time a consent is processed. Council plans for the District Plan rules but they are currently on appeals and this cannot be foreseen.
- It was further noted by the Chief Operating Officer that Building Activity is an area where we are incredibly resource challenged however Council maintains a tight relationship with International Accreditation NZ (IANZ) and we are engaging with them all the time in regards to our workloads and accreditation status.
- Page 143: It was noted with surprise that Council have reached the target for sealed roads. Given that the district have some 600km on unsealed roads is there a reason this isn't reported on? It was noted that the Local Government Act (LGA) requires Council to look at the group of activities and the major factors of that group – this is something that may not need to be reported on.
- Cr Whyte outlined a difference in experiences that was had by a member of his constituency between Hamilton City Council (HCC) and Waikato District Council (WDC) – there is always a response from HCC that they will get onto any issue that is raised however WDC seem to direct customers to who they should be talking too rather than assuming responsibility. This could be something to look at.
- Page 149: It was noted that the target for Injury and Accidents was set in the last LTP.
- Concern was raised in relation to the Governance results; the trust in council and leadership has dropped. Is it possible that the questions can be refined so we can get on top of this? Councillors agreed that they don't want the KPI to drop too much.
- It was noted that the benchmarking for the Governance KPI across all councils is 55-60% and Councillors would like to make sure in the next LTP that the governance results are looked at.

ACTION: Further discussions to be held offline with the Corporate Planning Team Leader, the Customer Experience Manager and Elected Members in regards to the Governance results and the current KPI standard.

- It was asked if the legislative results vs non-legislative results could be highlighted in the future.

ACTION: Highlight legislative results vs non-legislative results for future reporting.

Resolved: (Crs Ngataki/Beavis)

THAT the Performance & Strategy Committee:

- a. receives the 2022-23 end of year non-financial performance report, and
- b. approves the 2022-23 end of year non-financial performance results for inclusion in the draft Annual Report subject to audit review.

CARRIED

P&S2308/04

Chief Executive Business Plan - Update
Agenda Item 7.5

The report was received [P&S2308/02 refers] and the Chief Operating Officer answered questions from the committee.

- It was confirmed that this would be the last report against the Chief Executive's performance measures for the last year and the new measures for this year have been worked through.
- Page 161: It was asked if Council purchased the property next door to the Bollard Road development. This is more of an Infrastructure related conversation which would be taken offline.

ACTION: Bollard Road Development – an offline conversation to be had with Cr Patterson and the General Manager Service Delivery.

- Page 163: The Joint Management Agreement (JMA) between Council and Waikato Tainui there is no mention of Maangai Maaori representatives. It was noted that at the last meeting in April 2023 Her Worship the Mayor was comfortable with where Council were at with Maangai Maaori representation but further conversation to be had before the next JMA meeting scheduled for September to ensure everyone was on the same page.

Council Controlled Organisations Final Statements of Intent
Agenda Item 7.6

The report was received [P&S2308/02 refers] and one further question was raised.

- A question was raised around Colab and if there is any benchmarking between the Councils for this. It was noted by the Chief Operating Officer that there is nothing from a benchmarking perspective as yet but will have a further conversation with the elected member to delve further.

EXCLUSION OF THE PUBLIC

Resolved: (Cr Keir/Cr Ngataki)

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

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Item PEX I Minutes from meeting held on Tuesday, 20 June 2023	Good reason to withhold exists under Section 6 or Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)

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

Item No.	Section	Interest
Item PEX I. Minutes from meeting held on Tuesday, 20 June 2023	Refer to the previous Public Excluded reason in the agenda for this meeting.	

CARRIED

P&S2308/05

Resolutions P&S2308/06 – P&S2308/08 are contained in the public excluded section of these minutes.

There being no further business the meeting was declared closed at 11.53am.

Minutes approved and confirmed this _____ day of _____ 2023.

Cr M Raumati
CHAIRPERSON