

# ***Long Term Plan: Vision and Strategic drivers***

Council Briefing 10 March 2020

# *Agenda*

- Recap of 5 March briefing
- Annual Plan
- Long Term Plan Vision and Strategic drivers
- Early engagement
- Next steps

# *Recap of 5 March briefing*

At the last briefing the following matters were covered:

- Overview of corporate planning cycle and LTP
- Identification of early direction setting:
  - Rates
  - Early engagement
  - Finance Strategy
- Overview of LTP timeline
- Initial discussion on vision and strategic drivers

# Annual Plan - Opex

Additional opex added	Amount (\$'000)
Citysafe officers	\$120
R&M Forum North roof	\$100
Civic arcade rent	\$55
Athletics track resurfacing	\$300
Geotechnical expertise and training	\$250
Pensioner housing R&M savings	<u>(\$336)</u>
Total opex adjustments	<b>\$489</b>

Items noted for future consideration:

- Te Karearea (March Council meeting)
- Hihiaua (LTP)

Note: \$246k underwrite for Athletics will be a contingent liability (if required)

# Income Statement

Prospective Statement of Comprehensive Revenue and Expenditure				
LTP Year 2 2019 - 20 \$000		Annual Plan 2020 - 21 \$000	LTP Year 3 2020 - 21 \$000	Variance
	<b>Revenue</b>			
101,592	Rates	106,462	106,072	390
4,794	Development and other contributions	6,100	4,952	1,148
25,539	Subsidies and grants	22,108	20,190	1,919
14,863	Fees and charges	16,155	15,635	520
46	Interest revenue	758	41	718
13,225	Other revenue	13,037	13,396	(360)
<b>160,058</b>	<b>Total revenue</b>	<b>164,621</b>	<b>160,286</b>	<b>4,335</b>
	<b>Expenses</b>			
66,937	Other expenditure	69,169	64,748	(4,421)
40,274	Depreciation and amortisation	45,991	41,934	(4,056)
7,345	Finance costs	7,497	8,690	1,193
30,173	Personnel costs	31,444	30,838	(606)
<b>144,729</b>	<b>Total expenses</b>	<b>154,100</b>	<b>146,211</b>	<b>(7,889)</b>
<b>15,329</b>	<b>Surplus / (deficit) before taxation</b>	<b>10,521</b>	<b>14,075</b>	<b>(3,555)</b>
-	Taxation charge	-	-	-
<b>15,329</b>	<b>Surplus / (deficit) after taxation</b>	<b>10,521</b>	<b>14,075</b>	<b>(3,555)</b>
	<b>Other comprehensive revenue and expenses</b>			
17,395	Gain / (loss) on infrastructure asset revaluation	17,959	17,959	-
-	Gain / (loss) on other asset revaluations	-	-	-
<b>32,724</b>	<b>Total comprehensive income</b>	<b>28,480</b>	<b>32,035</b>	<b>(3,555)</b>
<b>105%</b>	<b>Balanced benchmark %</b>	<b>101%</b>	<b>104%</b>	
<b>7,535</b>	<b>Balanced benchmark \$</b>	<b>1,355</b>	<b>6,123</b>	

# *The 'why'*

1. Provides a consistent direction for the LTP and its supporting document
2. Gives a framework for early engagement / formal consultation
3. Informs decision making and prioritisation

This is the first step in the process . . . but can be tested/refined

# 2018 + endorsed priorities

2018 – 28 LTP	Priorities for the 2019/22 Triennium for consideration through the LTP
<b>Vision:</b> <i>A vibrant, attractive and thriving District</i>	
<b>Key Strategic Drivers:</b> <ul style="list-style-type: none"><li>• <i>Focus on core assets</i></li><li>• <i>Getting ready for the future</i></li><li>• <i>Making our District an even better place to live</i></li></ul>	<ul style="list-style-type: none"><li>• Transport (Roding and Public Transport)</li><li>• Revitalising the City Core</li><li>• Potential Northport expansion/Navy relocation</li><li>• Sustainability (including waste minimisation)</li><li>• Housing</li></ul>

# *Feedback from 05 March*

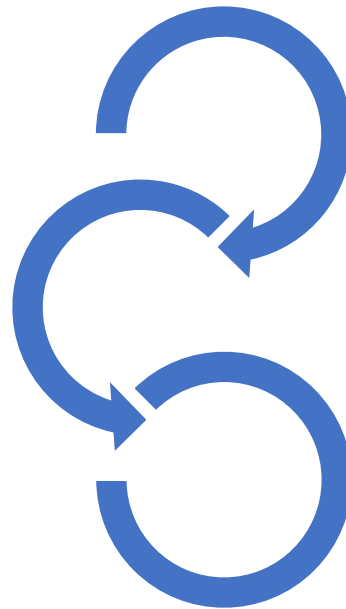
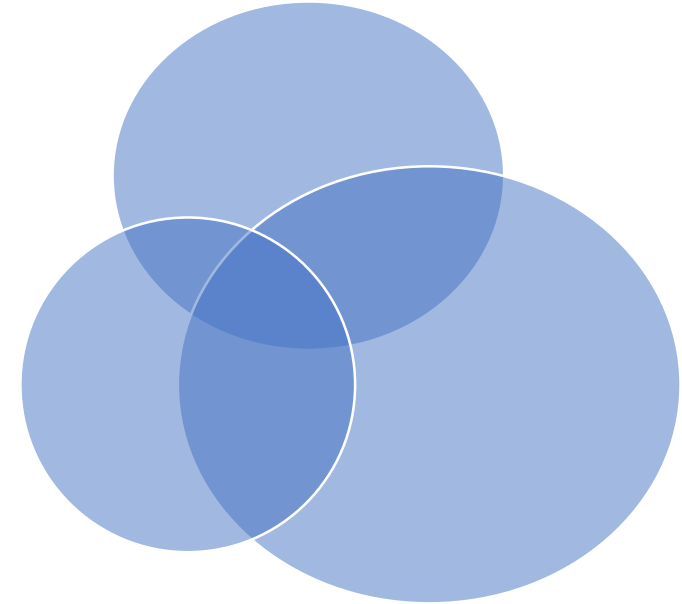
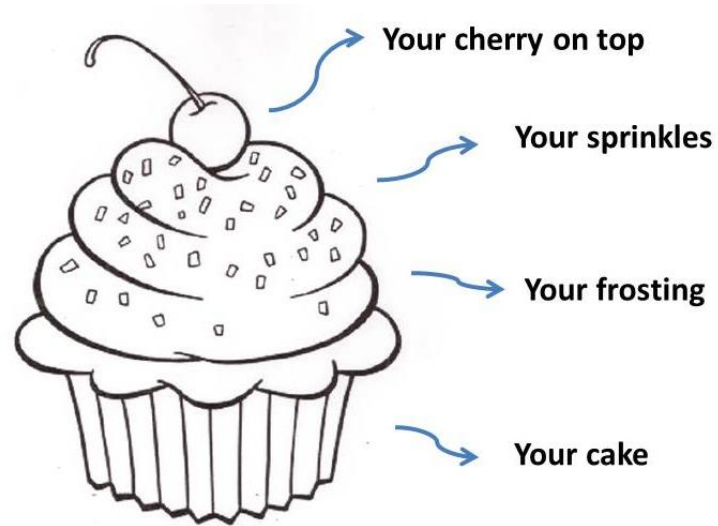
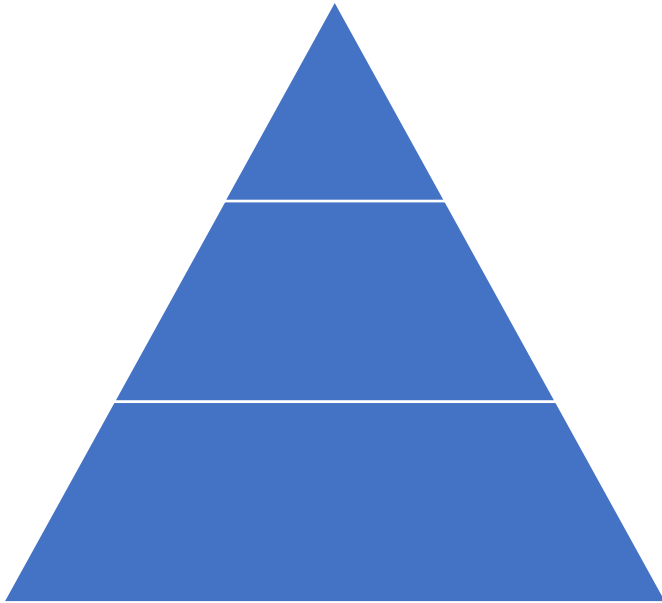
Some key themes included:

- Support for the priorities endorsed in February
- The role of infrastructure in underpinning everything that we do, and setting us up for the future (although there were different views on what infrastructure investment looked like in 10, 20 or 30 years time)
- A need to maintain levels of service, with Roding and urban/rural LoS recurring
- Managing growth
- Different perspectives on affordability and rates
- A desire to lift levels of service in some areas
- A need to be nimble and provide/incentivise/take opportunities
- A feeling from some that the existing vision and strategic drivers 'about right'

## *Some key questions:*

1. Do the current vision and strategic drivers accurately represent your goals for the LTP?
2. Are there any strategic issues missing from the current vision and strategic drivers?
3. Do the current vision and strategic drivers strike the right balance between clear outcomes and giving a broad enough scope to cover all of Councils activities?

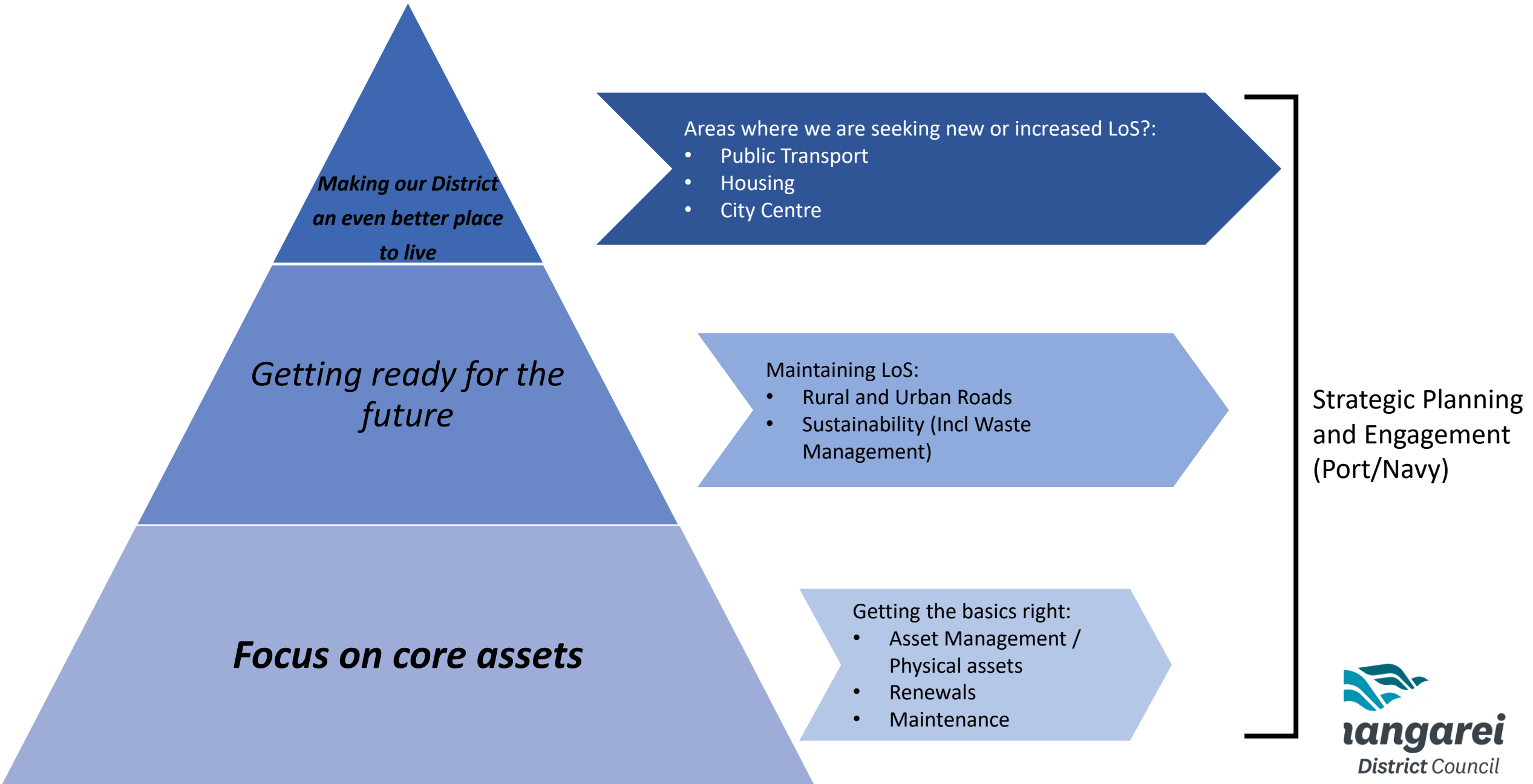
# *Different approaches . . .*



# *Over to you....*

Ultimately we need to settle on a vision and strategic drivers to inform the next stage in the process. This will be formalized through the decision making process of LTP

# **Vision: A vibrant, attractive and thriving District**



*A (VERY) rough alternative . . . ?*

**Raising the bar**

Areas where we are seeking new or increased LoS:

- Public Transport
- Housing
- City Centre

**Delivering on our commitments**

Ensuring we continue to deliver on LoS:

- Rural and Urban Roads
- Sustainability (Incl Waste Management)

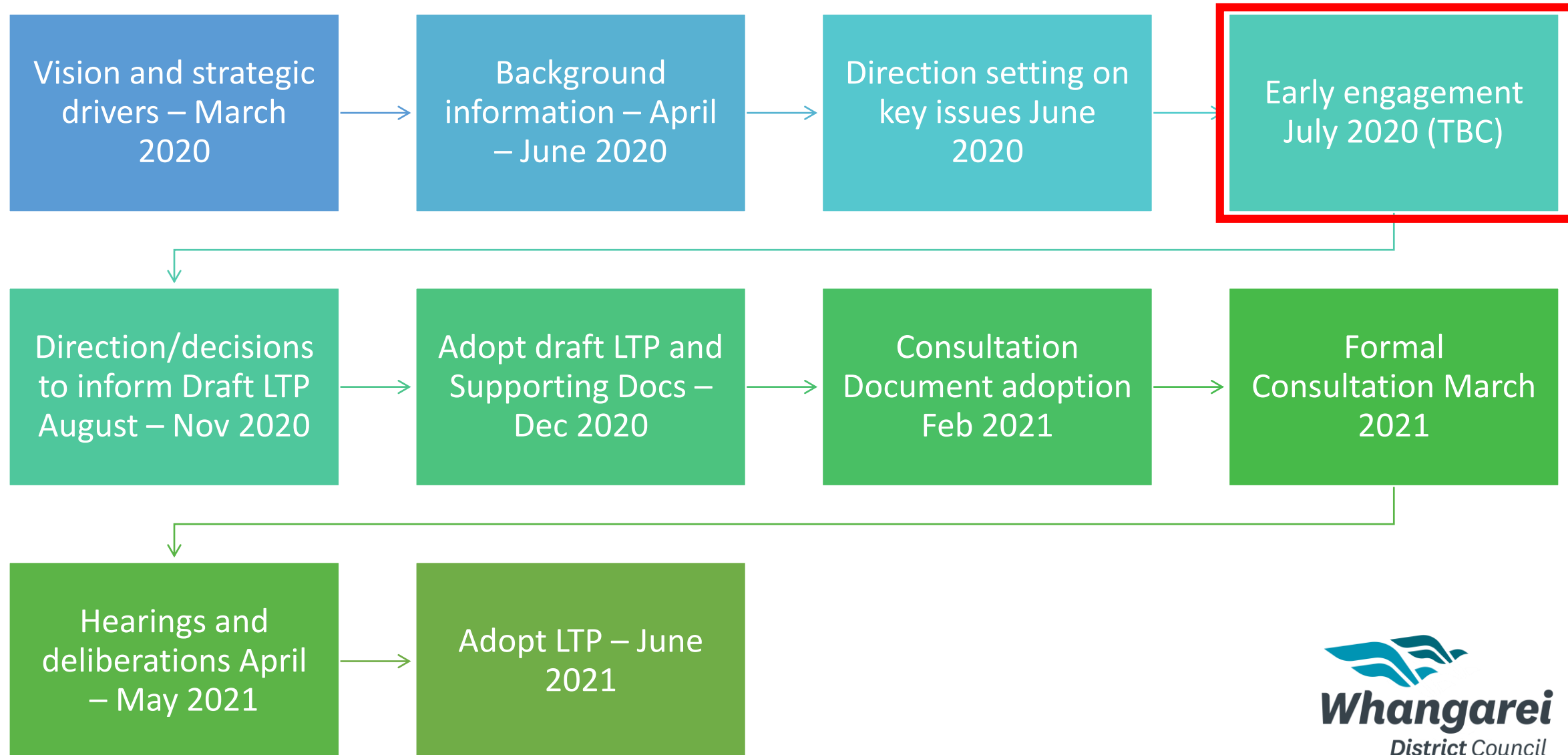
**Getting the basics right**

Core business:

- Asset Management / Physical assets
- Renewals
- Maintenance

Strategic Planning  
and Engagement  
(Port/Navy)

# Long Term Plan timeline



## *Early engagement on last LTP*

In preparation for the 2018–28 LTP Council ran early engagement in July and August 2017.

- Feedback from this engagement helped to inform the draft LTP and the formal consultation programme, which was run in March 2018.
- However, comments from the community suggested that early engagement had raised expectations about what Council would do in response to early feedback, and when they would do it.
- It is therefore important to be clear about the ‘purpose’ of early engagement (what is the promise that we are making to the community about what we will do with their feedback?)

# *LTP Early engagement – lessons learned...*

In the 2018–28 LTP Council early engagement had a mixed response:

Good	Bad
Opportunity to better understand Council processes/functions and the corporate planning cycle	Some found the process confusing because it was a new process
Good visibility of Council at community meetings/events	Expectations weren't managed resulting in feedback that we could not practically address
Feedback did help inform aspects of the draft LTP and consultation document	When we entered into formal consultation, many people thought they had already submitted through the early engagement
	Criticism that we did not engage fully with groups that don't commonly interact with Council (e.g. younger people, Maori)

# *LTP Early engagement*

Key points to discuss:

1. Whether or not we want to engage early with our community
2. If so, what is the purpose of the engagement (what do we want to get from the process, and what should the community expect to get from it?)
3. When would we want to do it?
4. What would it look like, given lessons from last time?

# ***Next Steps***

Finalise / test vision and strategic drivers through LTP process

Come back to Council with options for early engagement

Activity briefings for infrastructure areas (information/education)

Briefings/workshops for early decision making (Rates, Finance Strategy)