

# ***LTP Direction Setting***

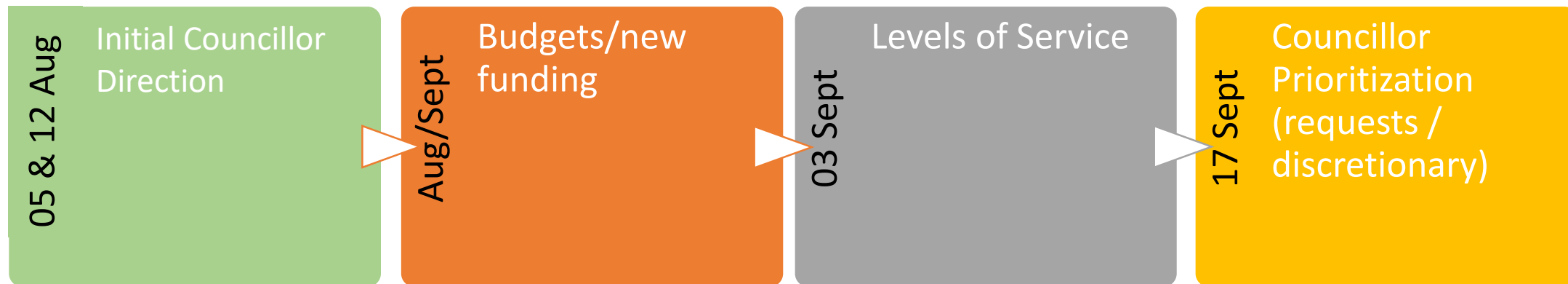
25 – 26 August 2020

# Overview

Agenda for 25 and 26 August:

- Overview and key direction to date
- Direction still required
- Proposed approach to prioritization of new requests
- What is missing . . . . ?
- Community outcomes
- Significant and engagement policy
- Communication approach

# *The month ahead . . . .*



# Key direction to date

We are now well into the direction setting phase of the 2021 – 2031 LTP process with feedback being given on:

- **Initial** feedback on Financial Parameters with many Clrs supporting - bringing back debt slightly (\$180m with capacity to increase if necessary), rates at a similar level and a COVID catchup (not in one year).
- No targeted rates for CBD, but support for targeted rates for road sealing (noting they cover a small proportion of cost)
- Combine district wide refuse rate with UAGC and look at sector splits (mixed views, but majority in favour)
- Ensure we are consistent with our strategies, and are funding their implementation
- Need to check rural/urban funding split provides an appropriate spend across the District . . .
- Proposals and projects that could fall under Councils adopted Priorities . . .

# Key Direction - Priorities

What we heard:

<b>Sustainability (including waste minimisation)</b>	<ul style="list-style-type: none"><li>• Support for continuing funding for SW/Blue Green programmes</li><li>• <b>‘Existing programmes plus’</b> for Putrescible waste/waste minimisation/education (review levy/\$750k new opex)</li><li>• Support for new funding for climate change programmes to deliver programmes</li></ul>
<b>Transport</b>	<ul style="list-style-type: none"><li>• Clear support/priority for increased funding for road sealing and maintenance</li><li>• Support for <b>‘existing programmes plus’</b> in other areas identified (speed/safety, bus infrastructure, foot paths, shared paths, intersections) but mixed views/priorities</li><li>• Look to review/align planning, standards and functions (outside LTP)</li><li>• Undertake carpark feasibility study (review previous proposals and look at potential for a PPP)</li></ul>
<b>City centre revitalization</b>	<ul style="list-style-type: none"><li>• Support for continuing existing funding levels, and partnering with stakeholders to deliver on inner city living</li><li>• Major capital spend (with possible subsidy) on an exemplar street (i.e. John or James) and/or improved cycle/shared path connections (need to identify specific projects)</li><li>• No clear direction on PPP to demolish CBD and rebuild as a shopping centre</li></ul>
<b>Northport/Navy (treat separate)</b>	Provision for growth as part of scenario planning, with advocacy outside LTP
<b>Housing</b>	Focus on Council’s role, general support for an increase in pensioner housing. SAORSA (?)

New funding will be fed into prioritization on 17 Sept, along with any projects identified today

# *Proposed approach to prioritisation*

Underpinning strategic drivers was the desire to 'get the basics right and deliver on core business' (i.e. through Levels of Service (LoS) required to maintain assets, undertake renewals and ensure we can meet growth demand)

Proposed to prioritise new funding, and those areas where there is a desire from Council to meet/change LoS (i.e. maintenance and road sealing). Prioritisation will therefore cover:

- **Elected Member priorities indicated at the last briefing, and any additional items identified today**
- **2020/21 Annual Plan submissions that requested funding**
- **Any new OpEx and CapEx funding proposed by Staff**

All funding put forward by staff will be reviewed to ensure it:

- **Links to or is supported by a decision or direction from Council**
- **Is needed to implement a recently adopted policy or strategy**
- **Aligns to a project or commitment already underway**

# *Proposed prioritization process*

The prioritization process is proposed for the 17 September. All priorities/proposals will be entered into the system. Success will be dependent on making tradeoffs in order to reach a collective view.

A simple prioritization approach is proposed with the first round involving EMs ranking projects by:

- **Out = 0 POINTS**
- **Low priority = 1 POINT**
- **Medium priority = 2 POINTS**
- **High priority = 3 POINTS**

The list of new capex and opex projects will be scored, with crunching the numbers and bringing the full programme back along with new projects that sit “above the line” and “below the line” in relation to budgetary envelopes.

Likely be an iterative process with the methodology being adjusted to refine the list if need be.

# *Direction required*

However, nearing the crunch time for direction setting. To have a plan by Christmas we need land on:

- Confirming the key/cornerstone programmes/projects/LoS required to deliver Council's priorities in this LTP
- The detailed capital projects/programmes Council wants to achieve outside of existing LoS
- The tradeoffs Council is prepared to make to achieve those (i.e. in projects, LoS and/or financial parameters)
- Our strategy for managing capex delivery and carryforwards (including flexible/delegated programmes vs. specific/locked projects)



# *Direction required*

Rural/urban split, noting you can cut it a number of ways . . .

- Water/Waste ringfenced, with other assets being network based and/or for the benefit of the District at large
- Council's long run strategy (since 30/50) has been to align growth/population to infrastructure and services
- While there are challenges in allocating District wide rates analysis in 2017 found an overall 54% Urban/46% Rural split of expenditure
- 0.32c in each dollar is on Transportation (18/19 Annual Report)
- Of the maintenance and renewal contract spend \$9.7m (72%) is in rural areas, compared to \$3.7m (28%) in the City

In the last LTP additional funding was provided to increase the ratio; sealing rural roads (\$1m p.a.), facilities partnership (\$600k p.a.) and com led dev (\$300 p.a.)

Where do you want to focus for this LTP?

# *Building the plan . . .*

- What is missing?
- Where do you want to lower/increase LoS?
- If not decreasing LoS for new funding, what is the appetite/ability of the community to pay?
- What is the focus/priority for funding in rural areas in this LTP:
  - LoS/amenity projects in rural areas?
  - Identifying needs/opportunities for specific communities?
  - Increased/targeted core services (particularly around transportation, i.e. road sealing)?

# Community outcomes

The LTP process is an opportunity to review and potentially change our Community Outcomes

Our community outcomes sit with in our LTP and Annual Plan. Each activity has to demonstrate how they are delivering on the community outcomes

An initial review by staff has identified broad alignment of outcomes relating to our functions and priorities. However there are number of exceptions:

- **Cultural wellbeing**
- **Waste minimization**
- **Housing** (*noting the direction received on this priority in relation to pensioner housing*)
- **Port and Navy** (*although these are project specific so could be included in “Positive about the future”*)



## ***Efficient and resilient core services***

- It is easy and safe for everyone to travel around the District
- There are opportunities to walk and cycle
- The District is well prepared for growth and can adapt to change
- Services are supplied in ways that benefit the environment.



## ***Positive about the future***

- The District has productive land, people and a thriving city centre
- There is a fair urban/rural balance
- Council has clear, simple documents and rules
- The District embraces new technology and opportunities.



## ***Caring for the environment***

- Communities work to keep the environment clean and healthy
- Access to the coast is protected
- Open spaces in parks and streets are places where nature thrives
- The District is positively adapting to climate change.



## ***Proud to be local***

- The District is neat, tidy and looks attractive
- Public areas feel and are safe
- There is always something to do and see
- There are opportunities for people of all abilities, ages and life stages to be active.

# *Community outcomes*

The next steps for the Community Outcomes could be:

## **Option 1 – No change**

The existing outcomes remain unchanged for the LTP

## **Option 2 – Add Cultural wellbeing, waste minimization and housing to the existing Community Outcomes**

Seek feedback from elected members on the appropriate wording for the new additions, staff will then report back with draft outcomes for consideration at the 3<sup>rd</sup> September briefing

## **Option 3 – Full review and change of the Community Outcomes**

A separate briefing / workshop would be held with Elected members to develop the new outcomes. These would then be further refined by staff and potentially be one of the areas of focus for the consultation in March.

# ***Significance and Engagement Policy (SEP)***

- Required under the LGA, and reviewed as part of LTP process
- Purpose = guidance on how ‘significant’ decisions are, and how much engagement is required, to ensure council decision making is transparent and fair
- Policy includes criteria to assess decisions (‘two or more trigger’)
- Policy must also list Council’s strategic assets – those vital for delivering services to Whangarei
- Improvements made through last review, seeking feedback on further changes required

# Significance and Engagement Policy

Except for emergency works, a decision is considered significant if two or more of the criteria are triggered

For annual plan must also consider 'materiality' under the LGA

Criteria	Measure
Impact on Council's direction	Major and long-term
Change in Council's current level of service	Major and long-term
Level of public impact and/or interest	Major and district-wide, or Major for an identified community of interest
Impact on Council's capability (non-cost)	Major and long-term
Net financial cost/revenue of implementation, excluding any financial impact already included in a Long-Term Plan / Annual Plan	Net capital expenditure >10% of total rates in year commenced, and/or Net operating expenditure >2.5% of total rates in year commenced

# *Communications overview*

The LTP communications programme will take place in three phases:

**Phase 1:** Education and awareness (October 2020 to February 2021)

**Phase 2:** Consultation (March 2021)

**Phase 3:** Post-consultation (April to June 2021)

We want to deliver a creative and relevant campaign that combines fresh approaches with some of the best of the past.

# ***Communication approach – Phase 1***

With the late addition of an ‘unplanned’ Annual Plan consultation earlier this year, Council supported the delivery of a communications programme in place of early engagement.

## **PHASE 1: Focus on EDUCATION and AWARENESS – THE WHY**

Let our community know we’re building the next LTP

- Explain what this means for them, and how they can be involved
- Socialise Council’s priorities (once set)
- Show leadership and provide clarity as we navigate Covid

### **The campaign will...**

- Use storytelling to share key themes and issues prior to consultation
- Connect with key stakeholders – hapū, advisory groups, community groups, business
- Have an accessible digital presence – including new WDC website



# ***Communication approach – Phases 2 and 3***

## **Consultation to adoption - THE WHAT and HOW**

### **High level thinking**

- A focused Consultation Document, which tells our story and seeks input on key issues (include any projects that go in the draft plan)
- Safeguarding against Covid with an accessible digital component, but explore ways to take consultation to people through things like open days at our facilities, using libraries, etc.
- Use traditional channels in new ways – explore panel discussions for advisory groups/R&R meetings, using local influencers, Facebook tools, find ways of showcasing ‘what we do’
- Make it easy to get involved and share feedback

# *Next steps*

- Budgets being compiled for review (now)
- Proposed LoS (03 September)
- Councillor prioritisation (17 September, with additional sessions if required)
- Phase 3, plan and supporting documents developed for Audit (October – December)