

NORTHLAND REGIONAL COUNCIL

Organisational Performance Committee

Agenda

For meeting to be held in Council Chambers, 36 Water St, Whāngārei,
on Tuesday 10 November 2015, commencing at 8.30 am

Recommendations contained in the agenda are NOT decisions. Please refer to minutes for resolutions.

MEMBERSHIP OF THE COMMITTEE

Cr Shepherd (Committee Chairman)
Cr Ramsey (NRC Deputy Chairman)
Cr Sinclair

OPEN MEETING

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ISSUE: Confirmation of Minutes – 30 June 2015

ID: A791956

To: Organisational Performance Committee meeting, 10 November 2015

From: Chris Taylor, Governance Support Manager

Date: 27 October 2015

Report Type:	<input checked="" type="checkbox"/> Normal operations	<input type="checkbox"/> Information	<input type="checkbox"/> Decision
Purpose:	<input type="checkbox"/> Infrastructure	<input type="checkbox"/> Public service	<input type="checkbox"/> Regulatory function
	<input checked="" type="checkbox"/> Legislative function	<input type="checkbox"/> Annual\Long Term Plan	<input type="checkbox"/> Other
Significance Policy:	<input type="checkbox"/> Triggered	<input checked="" type="checkbox"/> Not Triggered	

Executive summary:

The purpose of this report is to present the unconfirmed minutes of the Organisational Performance Committee meeting held on 30 June 2015 (**attached**) for confirmation as a true and correct record.

Legal compliance:

Councils are required to keep minutes of proceedings in accordance with the Local Government Act 2002.

Recommendation:

That the minutes of Organisational Performance Committee meeting held on 30 June 2015 be confirmed as a true and correct record.

NORTHLAND REGIONAL COUNCIL ORGANISATIONAL PERFORMANCE COMMITTEE

Minutes of the meeting of the Organisational Performance Committee
held in Council Chambers, 36 Water Street, Whāngārei,
on Tuesday 30 June 2015 commencing at 10.00 am

Present: Chairman, Bill Shepherd
Councillor Graeme Ramsey

In Attendance: **Full Meeting**
Chief Executive Officer
Human Resources Manager
Council Secretary

The Chairman declared the meeting open at 10.03 am.

Apologies (Item 1.0)

Moved (Shepherd/Ramsey)

That the apology from Councillor Sinclair for non-attendance be received.

Carried

Declarations of Conflicts of Interest (Item 2.0)

It was advised that declarations should be made item-by-item as the meeting progressed. There were no declarations of conflict at this point.

Confirmation of Minutes – 3 February 2015 (Item 3.1)

ID: A758498

Report from Chris Taylor, Council Secretary.

Moved (Ramsey/Shepherd)

That the minutes of the Organisational Performance Committee meeting held on 3 February 2015 be confirmed as a true and correct record.

Carried

Receipt of Action Sheet (Item 3.2)

ID: A758116

Report from Chris Taylor, Council Secretary.

The receipt of the Action Sheet was noted.

Human Resources Statistics (Item 3.3)

ID: A758506

Report from Chris Taylor, Council Secretary.

Five documents were tabled for the committee's consideration:

- Period Balances Report;
- Update on Outstanding Leave Balances;
- Average hours of sick leave taken from 2011-2014;
- Staff Turnover for 2014/15 – excluding June; and
- Number of staff per age group from 2011-2013.

Secretarial Note:

- *The committee agreed in principle that any staff with annual leave balances in excess of 40 days must be instructed to take leave.*
- *A suite of questions were posed, for council officers to follow up, regarding 'Salary Structure Design':*
 1. *Grade and Range Structure: Which jobs does NRC group together for grading and what drives the progress within each grade?*
 2. *For each grade what is the 'market' NRC compares to and what is NRC's desired position? Does this differ for specific functions e.g. Information Technology?*
 3. *What benefits does NRC have for each level/grade (including time in lieu) and what are the expectations?*
 4. *What team performances and what specific individual performances are important to NRC?*
 5. *What variable pay/non-cash items does NRC use, and where?*

Business with the Public Excluded

ID: A758523

Report from Chris Taylor, Council Secretary.

Moved (Shepherd/Ramsey)

1. That the public be excluded from the proceedings of this meeting to consider confidential matters.
2. That the general subject of the matters to be considered whilst the public is excluded, the reasons for passing this resolution in relation to this matter, and the specific grounds under the Local Government Official Information and Meetings Act 1987 for the passing of this resolution, are as follows:

Item No.	Item Issue	Reason\Grounds
4.1	Confirmation of Public Exclusion Minutes 3 February 2015	The reasons for excluding the public are as stated in the minutes of the open section of that meeting.

Carried

Conclusion

The meeting closed at 11.17 am.

ID: A760226

Organisational Performance Committee Meeting
30 June 2015

ISSUE: Receipt of Action Sheet

ID: A791990

To: Organisational Performance Committee, 10 November 2015

From: Chris Taylor, Governance Support Manager

Date: 27 October 2015

Report Type:	<input checked="" type="checkbox"/> Normal operations	<input checked="" type="checkbox"/> Information	<input type="checkbox"/> Decision
Purpose:	<input type="checkbox"/> Infrastructure	<input type="checkbox"/> Public service	<input type="checkbox"/> Regulatory function
	<input type="checkbox"/> Legislative function	<input type="checkbox"/> Annual\Long Term Plan	<input checked="" type="checkbox"/> Other
Significance Policy:	<input type="checkbox"/> Triggered	<input checked="" type="checkbox"/> Not Triggered	

Executive summary:

The purpose of this report is to enable the committee to receive the current committee action sheet (**attached**).

Legal compliance:

No decision is required.

Recommendation:

That the action sheet be received.

Council Actions new

IRISID	Current Status	Request Date	Reso/Req	Description	Request Details	Note Text	Date of Note	Requested By
REQ.577536	Open	30 Jun 2015	REQ	Human Resources Statistics and Salary Structure Design Questions	That the Human Resources Statistics Report include the additional data as requested and the 'Salary Structure Design' questions be addressed for the September meeting of the OPC Committee.	The Corporate Services Manager will provide this information to the December OPC meeting.	27 Oct 2015	Organisational Performance Committee

ISSUE: Human Resources Statistics - Ethnicity

ID: A791961

To: Organisational Performance Committee meeting, 10 November 2015

From: Malcolm Nicolson, Chief Executive Officer

Date: 27 October 2015

Report Type:	<input type="checkbox"/> Normal operations	<input checked="" type="checkbox"/> Information	<input type="checkbox"/> Decision
Purpose:	<input type="checkbox"/> Infrastructure	<input type="checkbox"/> Public service	<input type="checkbox"/> Regulatory function
	<input type="checkbox"/> Legislative function	<input type="checkbox"/> Annual\Long Term Plan	<input checked="" type="checkbox"/> Other
Significance Policy:	<input type="checkbox"/> Triggered	<input checked="" type="checkbox"/> Not Triggered	

Executive summary:

The purpose of this report is to present the ethnicity data recently collected in a staff survey (included as **Attachment One**).

To note:

- 84 staff members elected not to complete the optional ethnicity question.
- The ethnicities that are included in the “other” portion of the graph include:
 - South African;
 - German, Indian;
 - Polynesian; and
 - Napali.
- There was a number of staff who identified with two or more ethnicities. In this case the first ethnicity identified was used for reporting purposes.

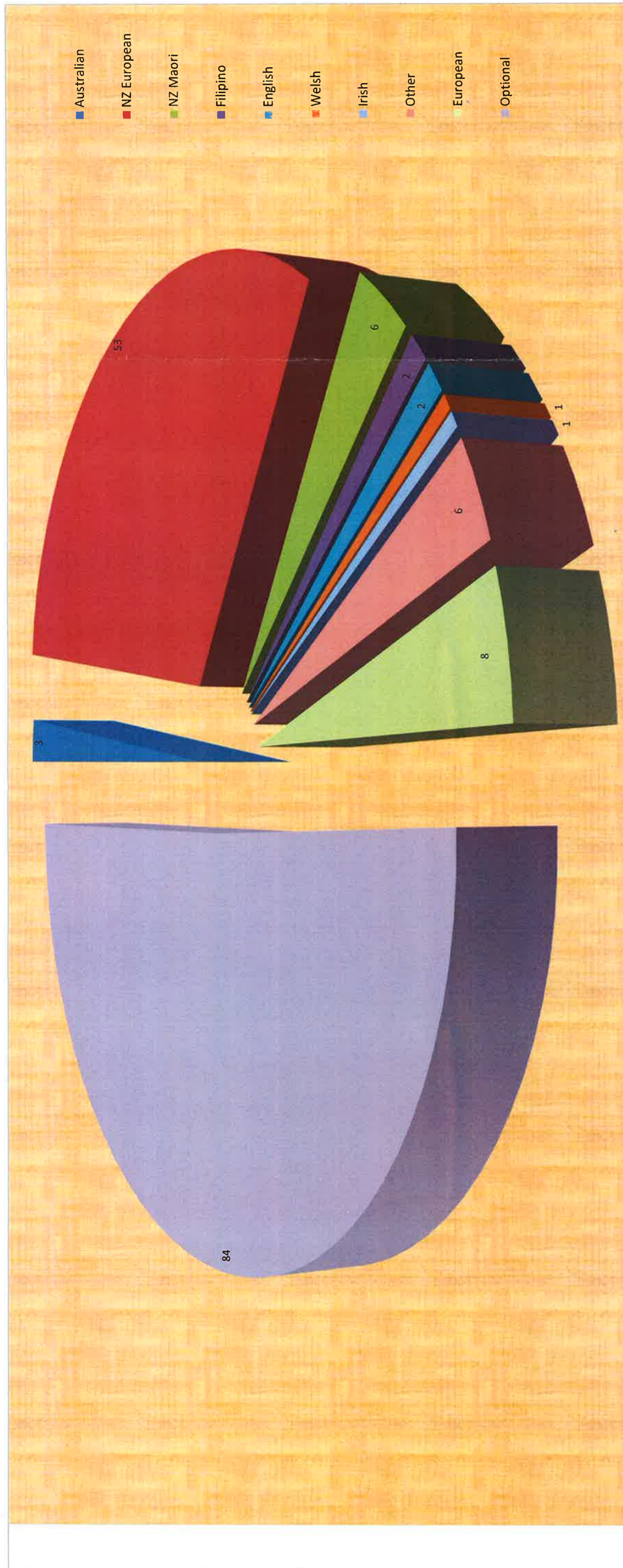
This matter is now set down for the committee’s consideration.

Legal compliance and significance assessment:

No specific decision is sought as a result of this report other than the receipt of information. The receiving of information does not trigger significance policy thresholds and is therefore deemed to be of low significance.

Recommendation:

That the report ‘Human Resources Statistics – Ethnicity’ by Malcolm Nicolson, Chief Executive Officer, and dated 27 October 2015, be received.



ISSUE: Customer Satisfaction and Awareness Measurement

ID: A792446

To: Organisational Performance Committee, 10 November 2015

From: Jonathan Gibbard, Group Manager – Strategy and Governance

Date: 30 October 2015

Report Type:	<input type="checkbox"/> Normal operations	<input type="checkbox"/> Information	<input checked="" type="checkbox"/> Decision
Purpose:	<input type="checkbox"/> Infrastructure	<input type="checkbox"/> Public service	<input type="checkbox"/> Regulatory function
	<input type="checkbox"/> Legislative function	<input type="checkbox"/> Annual\Long Term Plan	<input checked="" type="checkbox"/> Other
Significance:	<input type="checkbox"/> Triggered	<input checked="" type="checkbox"/> Not Triggered	

Executive Summary:

The Long Term Plan 2015-25 provides \$25,000 per year for research into customer satisfaction and awareness of the services council provides. This paper provides a summary of the research council has undertaken in the past, surveys currently undertaken and concludes with a recommendation that our current survey should continue and that council should engage an external research provider to undertake additional research.

Legal compliance and significance assessment:

The activities detailed in this report are part of the council's day to day operations, are provided for in the council's 2015-2025 Long Term Plan, and are in accordance with the council's decision making process and sections 76-82 of the Local Government Act 2002. The activity is part of normal day to day operations of council, hence when assessed against council policy is deemed to be of low significance.

Recommendations:

-
1. That the report 'Customer Satisfaction and Awareness Measurement' by Jonathan Gibbard, Group Manager – Strategy and Governance, and dated 30 October 2015, be received.
 2. That staff engage an external provider to undertake annual research into customer satisfaction and awareness of the services council provides.
 3. That the results of this research are reported to council annually.
-

Report

Council decided through the Long Term Plan 2015-25 that it wished to have a better understanding of council's customer awareness and satisfaction with the services council provides. To that end, council has allocated \$25,000 per year to undertake this research.

Below is a summary of what customer research council currently undertakes, what research council has undertaken in the past and options as to how council may best undertake this work in the future.

Current Customer Satisfaction Surveys

Currently the operations area of the organisation undertakes a customer feedback survey as part of council's ISO accreditation requirements. Each customer council's operations staff have interacted with (e.g. has had a consent approved/declined, received a compliance report, an incident response or a request for information completed by council staff) is sent an email or postcard and asked to complete a short survey rating their satisfaction with the service they have received.

This is an internally carried out survey with low costs for council. While the current customer satisfaction survey meets councils ISO accreditation requirements and provides a good snapshot of those who have had direct engagement with the operational side of the business it does not capture the wider Northland public and does not provide much by way of detailed analysis of the feedback received.

Previous Customer Awareness Surveys

Between 2007 and 2011 council carried out an annual Community Awareness Survey. This took the form of a telephone survey of 600 respondents across the three district council areas, with analysis based on age, gender and location. The survey was discontinued in 2011 due to a lack of financial support.

LGNZ Reputational Index Research

LGNZ undertakes annual Reputation Index research of local government performance nationwide. As part of this research LGNZ offers councils the ability to seek region specific results and our council has previously purchased the "Northland Booster" module. While the booster surveys ask the same questions as the national survey and enables reporting at a Northland level (separated into general public and business community segments), it does not make any distinction between regional and district council performance.

LGNZ had also expressed an intention to launch a customer satisfaction and awareness type survey early in 2016. Staff had previously held off on advancing NRC specific research in the hope that this may satisfy some of our requirements and not wanting to duplicate effort. It has however become increasingly unclear as to what timeframe this work will happen within hence this paper being presented to the committee for consideration.

Options for future Surveys and Research

Undertaking rigorous and statistically valid customer satisfaction and awareness research can be a science in itself. For this reason it has become common practise across the country for local authorities to outsource this work to an external provider. Staff have been approached by a number of external providers including CTMA, Key Research and SIL Research.

One of the more robust expressions of interest staff have received in recent months came from Key Research. Key Research is a recognised provider of this type of research and is currently providing this service to a large number of local authorities from across the country (including Kaipara District Council who have recently engaged their services).

Recommendation

Staff recommend that an external research provider who specialises in customer satisfaction and awareness research be engaged to provide this service to council. Should the committee support this approach then staff will proceed with obtaining quotes and working with suppliers to appoint a preferred provider prior to Christmas and ensure results are reported to council by the end of this financial year.

It is also recommended that the current operational survey undertaken as part of councils ISO accreditation continues. While there will be a little overlap between these two surveys, the externally provided survey could act as a good quality check for our internal survey and may over time be able to replace our internal survey (provided it satisfies our ISO accreditation requirements).

ISSUE: NRC Procurement Policy and Procedures

ID: A791977

To: Organisational Performance Committee meeting, 10 November 2015

From: Bruce Howse, Group Manager Environmental Services

Date: 27 October 2015

Report Type:	<input type="checkbox"/> Normal operations	<input checked="" type="checkbox"/> Information	<input type="checkbox"/> Decision
Purpose:	<input type="checkbox"/> Infrastructure	<input type="checkbox"/> Public service	<input type="checkbox"/> Regulatory function
	<input type="checkbox"/> Legislative function	<input type="checkbox"/> Annual\Long Term Plan	<input checked="" type="checkbox"/> Other
Significance Policy:	<input type="checkbox"/> Triggered	<input checked="" type="checkbox"/> Not Triggered	

Executive summary:

The purpose of this report is to seek the committee’s endorsement of the revised NRC Procurement Policy and Procedures.

The policy has been amended to reflect the principles of Government procurement, has undergone a staff consultation process and amendments have been made to the policy based on the comments received.

The policy is based on the following principles:

- Alignment with the *Principles of Government Procurement* and *Government Rules of Sourcing* when planning, sourcing and managing our procurement, as these set the standard for good practice.
- The way we buy goods/services/works will vary depending on the value, complexity and risk involved. We will apply the approach best-suited to the individual purchase, within the general framework of the *Principles* and *Rules*, noting that our standard procurement processes are based on set monetary thresholds and rules.
- Value for money - determined by considering all the factors, which are relevant to a particular purpose, for example, experience; quality; reliability; timeliness; service, plus initial & ongoing costs.

It is now recommended that the committee endorses the revised policy and that it replace the existing; as contained within the Management Procedures and Policy Manual.

The matter is now set down for the committee’s consideration.

Legal compliance and significance assessment:

The purchasing of goods/services/works, underpins the day to day operations of council. Ensuring that procurement is undertaken in the most effective and efficient manner that provides best value for money aligns with the purpose of Local Government as defined in Section 10(1)(b) of the Local Government Act 2002 ‘to meet the current and future needs of communities for good-quality local infrastructure, local

public services, and performance of regulatory function in a way that is most cost-effective for households and businesses’.

This matter does not trigger the thresholds of the council’s Significance Policy.

Recommendation:

1. That the report ‘NRC Procurement Policy and Procedures’ by Bruce Howse, Group Manager Environmental Services, and dated 27 October 2015, be received.
 2. That the Committee endorses the revised NRC Procurement Policy, and recommends to council that the policy be adopted.
-

ISSUE: Expenses – Human Resources Consultants

ID: A792002

To: Organisational Performance Committee meeting, 10 November 2015

From: Malcolm Nicolson, Chief Executive Officer

Date: 27 October 2015

Report Type:	<input type="checkbox"/> Normal operations	<input checked="" type="checkbox"/> Information	<input type="checkbox"/> Decision
Purpose:	<input type="checkbox"/> Infrastructure	<input type="checkbox"/> Public service	<input type="checkbox"/> Regulatory function
	<input type="checkbox"/> Legislative function	<input type="checkbox"/> Annual\Long Term Plan	<input checked="" type="checkbox"/> Other
Significance Policy:	<input type="checkbox"/> Triggered	<input checked="" type="checkbox"/> Not Triggered	

Executive summary:

The purpose of this report is to present the breakdown of Human Resources consulting fees with respect to the organisational restructure.

The matter is now set down for the committee's consideration.

Legal compliance and significance assessment:

No specific decision is sought as a result of this report other than the receipt of information. The receiving of information does not trigger significance policy thresholds and is therefore deemed to be of low significance.

Recommendation:

That the report 'Expenses – Human Resources Consultants' by Malcolm Nicolson, Chief Executive Officer, and dated 27 October 2015, be received.

Richardson Management Consultants 2014-15

10.1200.100.2309

Date	Reference	Type	Period	Restructure/Other	Amount	Narrative
10.1200.100.2309	14/07/2014 4248	APINV	1	Staff Performance	1,135.00	Short Report - Rowland Richardson Mana
10.1200.100.2309	14/07/2014 4249	APINV	1	Governance/Councillor Tr	2,305.00	HR & Training matters Richardson Mana
	4249			Organisation Change	557.50	
	4249			Staff Performance	452.50	
10.1150.100.2105	29/07/2014 4256	APINV	2	Governance/Councillor Tr	3,427.50	Design work related to workshop day for Richardson Mana
10.1150.100.2105	29/07/2014 4257	APINV	2	Organisation Change	3,300.00	Discussion & design work regarding cultu Richardson Mana
	4257			Staff Performance	70.00	
10.1150.100.2105	11/08/2014 4261	APINV	2	Organisation Change	8,222.50	Work associated with org culture and ser Richardson Mana
10.1150.100.2105	25/08/2014 4263	APINV	2	Staff Performance	8,785.00	360 degree advice, surveys etc - week en Richardson Mana
10.1200.100.2309	25/08/2014 4264	APINV	2	Staff Performance	1,601.25	HR Matters w/e 24 Aug 14 Richardson Mana
10.1200.100.2309	08/09/2014 4267	APINV	3	Staff Performance	3,560.25	Development of 360 and interviews Richardson Mana
10.1200.100.2309	08/09/2014 4268	APINV	3	Organisation Change	3,360.00	Development of Culture change programme Richardson Mana
10.1200.100.2309	08/09/2014 4269	APINV	3	Staff Performance	4,367.50	Assistance 2 employment relations matter Richardson Mana
10.1300.100.2150	22/09/2014 4274	APINV	3	Staff Performance	2,328.75	Work associated with 360 project Richardson Mana
10.1300.100.2150	22/09/2014 4275	APINV	3	Organisation Change	2,555.00	Developing culture improvement Richardson Mana
10.1200.100.2309	22/09/2014 4276	APINV	3	Staff Performance	3,207.50	3 employmnet relations matters Richardson Mana
10.1300.100.2150	07/10/2014 4280	APINV	4	Organisation Change	2,435.00	Development of culture change - fortnigh Richardson Mana
10.1200.100.2309	07/10/2014 4281	APINV	4	Staff Performance	2,900.00	Attending HR Matters fortnight ending 5 Richardson Mana
	07/10/2014 4282	APINV	4	Staff Performance	1,785.00	Work associated with 360 project Richardson Mana
10.1300.100.2150	21/10/2014 4285	APINV	5	Staff Performance	2,448.75	Inv 4285 Work associated with 360 design Richardson Mana
10.1200.100.2309	21/10/2014 4286	APINV	5	Staff Performance	2,208.75	Staff matters - fortnight ending 19 Octo Richardson Mana
10.1300.100.2150	21/10/2014 4287	APINV	5	Organisation Change	1,670.00	Culture Development programme Richardson Mana
10.1300.100.2150	21/10/2014 4289	APINV	5	Mayoral Forum	2,765.00	Report on Shared Services Richardson Mana
10.1300.100.2150	04/11/2014 4293	APINV	5	Mayoral Forum	4,255.00	4293 - Shared Services Richardson Mana
10.1300.100.2150	04/11/2014 4294	APINV	5	Organisation Change	2,740.00	4294 - Culture Richardson Mana
10.1300.100.2150	04/11/2014 4295	APINV	5	Staff Performance	880.00	4295 - 360 Appraisal Richardson Mana
10.1200.100.2309	04/11/2014 4297	APINV	5	Policy Development	855.00	Discussion, Development re Disciplinary Richardson Mana
10.1300.100.2150	17/11/2014 4301	APINV	5	Mayoral Forum	3,450.00	Inv 4301 - shared services for fortnight Richardson Mana
10.1300.100.2150	17/11/2014 4302	APINV	5	Organisation Change	3,137.50	Inv 4302 - Culture Survey for fortnight Richardson Mana
10.1300.100.2150	17/11/2014 4303	APINV	5	Staff Performance	470.00	Inv 4303 - Staff Issues for fortnight en Richardson Mana
10.1200.100.2309	17/11/2014 4304	APINV	5	Staff Performance	420.00	Work associated with 360 project Richardson Mana
10.1300.100.2150	30/11/2014 4306	APINV	6	Organisation Change	2,110.00	Inv 4306 - culture survey fortnight endi Richardson Mana
10.1300.100.2150	30/11/2014 4307	APINV	6	Mayoral Forum	605.00	Inv 4307 - Shared services fortnight end Richardson Mana
10.1200.100.2309	30/11/2014 4308	APINV	6	Staff Performance	665.00	Inv 4308 - Peer review disciplinary acti Richardson Mana
10.1300.100.2150	16/12/2014 4312	APINV	6	Organisation Change	2,302.50	General Strategic & Human Resources work Richardson Mana
10.1300.100.2150	28/12/2014 4321	APINV	7	Organisation Change	893.75	Culture Change - fortnight ending 28 Dec Richardson Mana
10.1300.100.2150	13/01/2015 4324	APINV	9	Organisation Change	3,570.00	Work on change programme fortnight endin Richardson Mana
10.1300.100.2150	13/01/2015 4325	APINV	9	Organisation Change	1,122.50	Work on snapshot series - fortnight endi Richardson Mana
10.1300.100.2150	29/01/2015 4331	APINV	9	Organisation Change	2,055.00	Work associated with snapshot programme, Richardson Mana
10.1300.100.2150	27/01/2015 4332	APINV	9	Organisation Change	1,595.00	Assisting with development of strategy & Richardson Mana
10.1300.100.2150	10/02/2015 4338	APINV	9	Organisation Change	700.00	Snapshot Surveys - fortnight ending 8 Fe Richardson Mana
10.1300.100.2150	10/02/2015 4339	APINV	9	Existing Structure Review	6,635.00	Change Programme fortnight ending 8 Feb Richardson Mana
10.1300.100.2150	25/02/2015 4343	APINV	9	Existing Structure Review	7,045.00	Current change programme - fortnight end Richardson Mana
10.1300.100.2150	25/02/2015 4344	APINV	9	Organisation Change	770.00	Snapshot Data analysis fortnight ending Richardson Mana
10.1300.100.2150	10/03/2015 4351	APINV	9	Organisation Change	1,130.00	Morale Survey snapshot 5 - fortnight end Richardson Mana
10.1300.100.2150	10/03/2015 4352	APINV	9	Restructure	6,632.50	Possible change programme fortnight endi Richardson Mana
10.1200.100.2309	10/03/2015 4353	APINV	9	Staff Performance	245.00	Nagar Case - week ending 8 March 15 Richardson Mana
10.1300.100.2150	23/03/2015 4357	APINV	9	Restructure	10,308.00	Work Associated with proposedchange prog Richardson Mana
10.1300.100.2150	31/03/2015 4359	APINV	10	Restructure	4,542.50	Services carried out 22 March - 31 March Richardson Mana
10.1300.100.2150	31/03/2015 4359	APINV	10	Restructure	150.00	Stationery Richardson Mana
10.1300.100.2150	31/03/2015 4359	APINV	10	Restructure	153.00	Travel Richardson Mana
10.1300.100.2150	05/05/2015 4364	APINV	11	Restructure	3,869.00	Services carried out in fortnight ending Richardson Mana
10.1300.100.2150	19/05/2015 4368	APINV	12	Restructure	6,146.50	Drafting job descriptions fortnight endi Richardson Mana
10.1300.100.2150	31/05/2015 4373	APINV	12	Restructure	1,996.25	Work related to change programme fortnig Richardson Mana
10.1200.100.2309	31/05/2015 4374	APINV	12	Staff Performance	260.75	Work related to Nager Case fortnight end Richardson Mana
	16/06/2015 4376	APINV	12	Restructure	1,176.50	Attending relevent documents
	16/06/2015 4377	APINV	12	Governance/Councillor Tr	729.50	Development for Chair re governance systems
10.1300.100.2150	30/06/2015 4378	APINV	12	Restructure	6,373.00	Production of job descriptions, change p Richardson Mana
10.1300.100.2150	30/06/2015 4379	APINV	12	Restructure	223.50	Arrangements and assessment regarding sa Richardson Mana
					155,660.00	
				Other	0.00	
				Staff Performance	37,791.00	
				Governance/Councillor T	6,462.00	
				Organisation Change	44,226.25	
				Mayoral Forum	11,075.00	
				Policy Development	855.00	
				Existing Structure Review	13,680.00	
				Restructure	41,570.75	
					155,660.00	

Employer Services

Date	Reference	Type	Period	Restructure/Other	Amount	Narrative
28/02/2015	215885	APINV	8	Restructure	6,038.75	Organisation review
30/03/2015	315910	APINV	9	Restructure	10,739.50	Organisation review
30/04/2015	414534	APINV	10	Staff Performance	1,552.50	Nagar investigation
30/04/2015	415947	APINV	10	Restructure	10,281.25	Organisation review
31/05/2015	515985	APINV	11	Restructure	4,829.25	Organisation review
30/06/2015	615016	APINV	12	Restructure	1,339.50	Organisation review
					34,780.76	
				Other	0.00	
				Staff Performance	1,552.50	
				Governance/Councillor T	0.00	
				Organisation Change	0.00	
				Mayoral Forum	0.00	
				Policy Development	0.00	
				Existing Structure Review	0.00	
				Restructure	33,228.26	
					34,780.76	

GHD

Date	Reference	Type	Period	Restructure/Other	Amount	Narrative
10/03/2015	5182930	APINV	9	Existing Structure Review	21,300.34	
					21,300.34	
				Other	0.00	
				Staff Performance	0.00	
				Governance/Councillor T	0.00	
				Organisation Change	0.00	
				Mayoral Forum	0.00	
				Policy Development	0.00	
				Existing Structure Review	21,300.34	
				Restructure	0.00	

TOTAL	Other	0.00
	Staff Performance	39,343.50
	Governance/Councillor T	6,462.00
	Organisation Change	44,226.25
	Mayoral Forum	11,075.00
	Policy Development	855.00
	Existing Structure Review	34,980.34
	Restructure	74,799.01
		211,741.10

ISSUE: LGNZ Performance Uplift Programme

ID: A792013

To: Organisational Performance Committee meeting, 10 November 2015

From: Chris Taylor, Governance Support Manager

Date: 27 October 2015

Report Type:	<input type="checkbox"/> Normal operations	<input checked="" type="checkbox"/> Information	<input type="checkbox"/> Decision
Purpose:	<input type="checkbox"/> Infrastructure	<input type="checkbox"/> Public service	<input type="checkbox"/> Regulatory function
	<input type="checkbox"/> Legislative function	<input type="checkbox"/> Annual\Long Term Plan	<input checked="" type="checkbox"/> Other
Significance Policy:	<input type="checkbox"/> Triggered	<input checked="" type="checkbox"/> Not Triggered	

Executive summary:

The purpose of this report is to present a summary of the LGNZ Performance Uplift Programme; an initiative to lift sector performance guided by the vision:

“A high performing local government sector that heightens the value that it delivers to its communities across New Zealand”.

The matter is now set down for the committee’s consideration.

Legal compliance and significance assessment:

No specific decision is sought as a result of this report other than the receipt of information. The receiving of information does not trigger significance policy thresholds and is therefore deemed to be of low significance.

Recommendation:

That the report ‘LGNZ Performance Uplift Programme’ by Chris Taylor, Governance Support Manager, and dated 27 October 2015, be received.

3

Performance Uplift Programme (PUP) Summary

1. Purpose

This paper provides an update on the Performance Uplift Programme and the development of a framework that outlines how all aspects of the programme will work together. Feedback is sought on the draft framework and how this could be implemented across the sector.

2. Background

LGNZ announced the initiatives being taken as a sector to address performance, including the Performance Uplift Programme and the reputation research (in the form of a summary report entitled the *New Zealand Local Government Survey*) at its Quarterly Media Briefing on 20 May. All members, Ministers, government officials and key stakeholders received a pack of information on the initiatives. The research and the programme to lift sector performance were generally well received with fair media coverage.

LGNZ has been undertaking scoping work to establish what the Performance Uplift Programme (“the Programme”) will cover and how it can be implemented with members. The Programme will be a long-term piece of work, looking to drive change and behaviour across the sector. The following vision will guide its implementation:

“A high performing local government sector that heightens the value that it delivers to its communities across New Zealand.”

The development of the Programme will be overseen by LGNZ’s Sector Performance Advisory Group, chaired by Brendan Duffy (LGNZ’s Vice President). As previously communicated with all members, the Programme will be focused on six priority areas:

1. governance, leadership and strategy;
2. financial decision-making and transparency;
3. asset management and infrastructure;
4. engaging with business;
5. communicating and engaging with the public; and
6. building a stronger relationship with central government.

An overview of the Programme, with a description of each priority area, was circulated to all members in May and is reattached in **Appendix A**.



3. Development of a framework for the Programme

Appendix B sets out LGNZ's proposed framework for the Programme. In order to enable the sector to lift its performance, LGNZ considers that the Programme must focus on:

- **Benchmarks** to establish what best practice would look like across all six priority areas, in a measurable manner that helps members demonstrate and deliver high performance;
- **Sector Capability and Human Resources** to ensure that the sector is resourced with the right skills and capability to achieve a lift in performance going forward, and to address future challenges and opportunities facing the sector; and
- **Performance Management Framework** to ensure that council staff performance is aligned with the benchmarks and there is a stronger culture for accountability for results.

It is proposed that LGNZ's focus will primarily be on benchmarks and sector capability in 2015, and the work from these two areas will subsequently feed into the performance management framework workstream.

Alongside these three overarching work streams, it is proposed that LGNZ progress work across all six priority areas to determine what "early gains" initiatives LGNZ could progress (alongside existing work) to assist members to lift their performance. LGNZ will also seek ways to enable members to share best practice. LGNZ notes that there is existing work, such as the One Network Road Classification (ONRC) and the Local Government Risk Management Agency, where best practice is already being shared across the sector.

The Communications programme and monitoring of results will run parallel to the Programme's workstreams. A key aspect of the monitoring will be the repeat of the New Zealand Local Government Survey in March 2016.

While developing the Programme, LGNZ acknowledges that the performance of councils varies across the sector, and that many councils will have their own priorities and plans for strengthening their performance. The roll-out of the Programme will be shaped to address these varying needs.

4. Workstream one: Benchmarks

Purpose: To help councils demonstrate and deliver high performance.
To enable ratepayers to see that value is being delivered.

Benchmarks are an essential component of the Programme. As communicated previously, LGNZ will develop meaningful benchmarks and metrics for each of the six priority areas and will consider both leading and lagging measures. To initiate this workstream, LGNZ proposes to undertake a short piece of work to:

- understand what benchmarks currently exist for the sector– what do they address, the current level of compliance and the governance arrangements of the benchmarks;
- understand where benchmarks are missing; and

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- understand how effective existing benchmarks are in driving tangible improvements in performance.

From here, LGNZ proposes to develop a “fit for purpose” set of benchmarks. This may involve the use of sector focus groups, external support and/or further research (if required). Once developed, LGNZ proposes to establish a communications plan for rolling out these sector-wide benchmarks and ideally adoption of the benchmarks will commence in 2016.

5. Workstream two: Sector Capability and Human Resources

Purpose: To bring the Performance Uplift Programme to life through our sector’s people.

In order to achieve a lift in sector performance, it is important that the sector has the desired management and leadership culture, people capability and the Human Resources practices in place to enable this.

LGNZ, in conjunction with Martin Jenkins, proposes to undertake a piece of work to develop a shared sector-wide vision of the culture and people capability needs and priorities for the sector. This will involve a future-focused survey of local government chief executives (and possibly second and third tier managers). The results of this survey should provide LGNZ and its members with a framework for where to focus its effort.

Alongside this, LGNZ is working with staff at Horowhenua District Council to consider what a Human Resources (HR) workstream could look like. The proposed focus areas include:

- recruitment experience;
- induction/onboarding;
- culture of the organisation/sector;
- development and career opportunities;
- remuneration and benefits;
- management/leadership; and
- point of difference/employer value proposition/employer branding.

This work could lead to the development and/or refinement of tools and support for HR staff across the sector, to ensure consistency in approach and experience, and drive best practice through the sector. LGNZ proposes to run a HR and Senior Managers Forum in late 2015 to assist with this work. Please refer to the separate paper on Sector Capability and Human Resources for further details.

6. Workstream three: Performance Management Framework

Purpose: To link staff performance to council performance and to ensure accountability for results.

Performance management (PM) frameworks are a well-established tool for ensuring that staff actions and performance at all levels is linked to the outcomes that an organisation wants to

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achieve. It is unclear how widely PM frameworks are applied across the local government sector, and how successful they are in driving tangible improvements in performance. LGNZ proposes to undertake an initial scan of all members to understand the use and approach to PM frameworks across councils, while also identifying the best practice approaches to PM frameworks.

Following this, LGNZ will develop guidance for a consistent performance management framework across the sector that incorporates the benchmarks adopted by LGNZ (workstream one).

7. Six priority areas

In 2015–2016, it is proposed that LGNZ identify “early gains” initiatives that it can progress across each of the six priority areas. The “Communicating and engaging with public” priority area will initially be driven by the work in the Communications programme. For all other priority areas, LGNZ proposes to:

- identify what work is underway by LGNZ (including Equip and KnowHow), members and relevant central government departments;
- identify the future challenges and opportunities;
- determine what further research/information may be useful; and
- identify where there are gaps or opportunities for LGNZ to develop initiatives to assist its members, or where LGNZ can partner with other organisations to provide support.

As benchmarks for each of the priority areas are determined, LGNZ will refine the support it provides members.

8. Next Steps

Following feedback from Chief Executives, LGNZ will refine the Performance Uplift Programme framework and develop a detailed project plan and a communications plan for 2015-2016. This will be discussed with the Sector Performance Advisory Group at its next meeting on 31 July 2015.

Following confirmation of the framework, LGNZ will update all members on the development of the Programme.

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9. Recommendation

That the Chief Executives Forum **NOTE** this paper and:

- Refer to **Appendix B** to provide feedback on the draft framework for the Performance Uplift Programme and how this could be implemented across the sector.

Prepared by: Karen Collins

Date: 8 July 2015

Approved to be submitted to the National Council by:



Malcolm Alexander
Chief Executive
Local Government New Zealand



Appendix A

Performance Programme Overview

<p>Vision: A high performing local government sector that heightens the value that it delivers to its communities across New Zealand.</p> <p>LGNZ and its member councils will add value by ensuring local government is focused on the needs of its communities and addresses the two strategic areas of focus emerging from the research – improving performance and targeted and effective communications.</p> <p>The performance programme will:</p> <ul style="list-style-type: none"> • be a long-term programme of change; • focus on innovation and sharing of best practice among members; • have meaningful benchmarks and metrics developed for each of the six priority areas – we will be considering both leading and lagging measures; • seek to develop tools and services to help councils improve performance over time across the six priority areas; and • overall progress will be tracked by the annual New Zealand Local Government Survey. 	
Description	Responsible Advisory Group
1. Governance, leadership and strategy	
<p>This area will further lift governance structures in place in councils, and the leadership capabilities of Mayors, Chairs and Councillors. It will also consider:</p> <ul style="list-style-type: none"> • strategy development and articulation; • professional development for elected members on the changing expectations, behaviours and competencies of governance in local government, which continues to evolve to a more “corporate” model; • the performance of council managers and staff; • the overall performance of the council and processes for continual performance improvement; and • behavioural and culture change. <p>It will include the strategies councils put in place to drive economic development, prosperity and wellbeing in a community. For this work, strategy is considered to be broader than that set out in a council’s Long-term Plan.</p>	<p>Sector Performance Advisory Group</p>

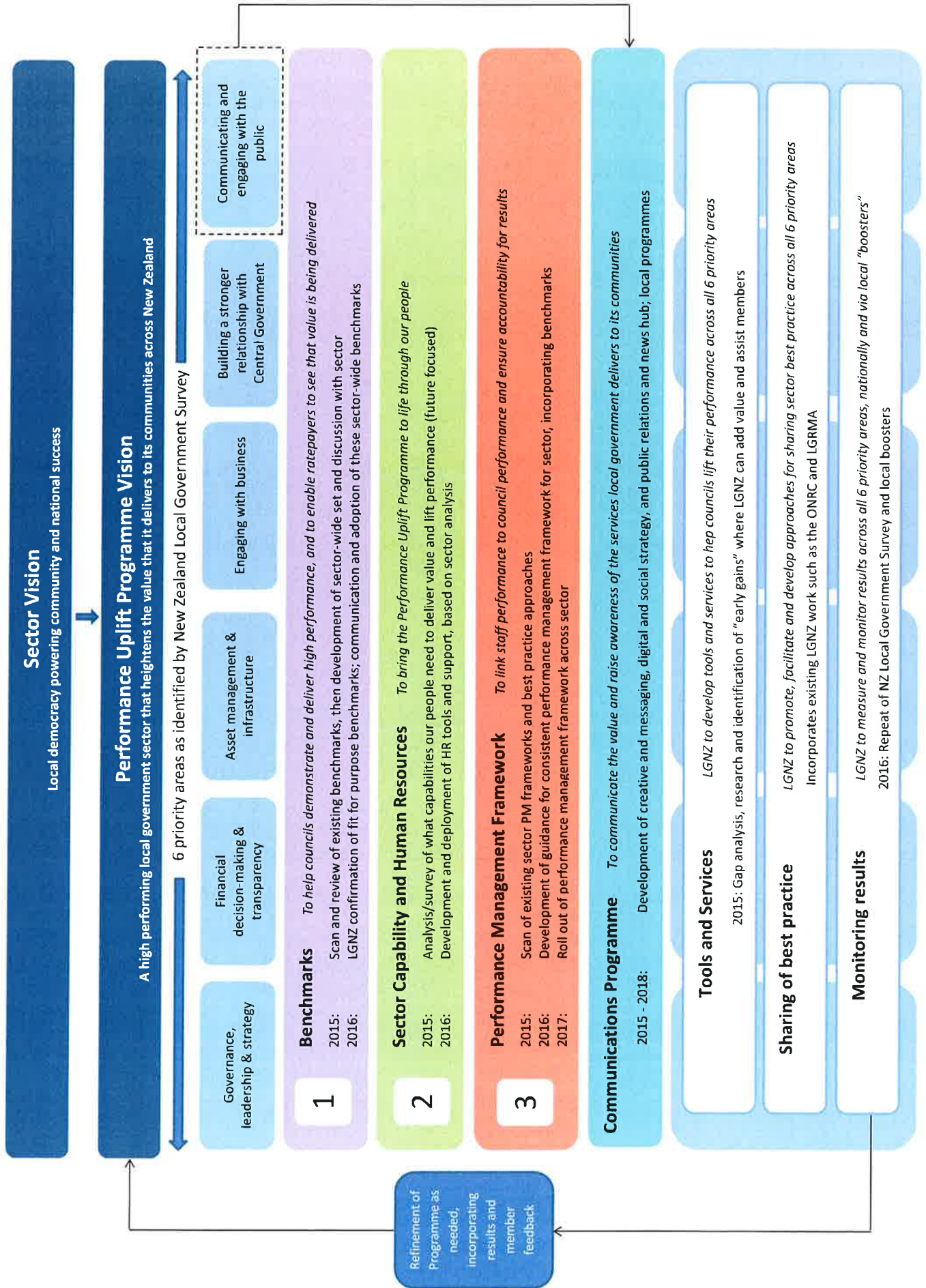
2. Financial decision-making and transparency	
<p>This area will focus on ensuring that local government is managing its finances well and providing good value for rates dollars spent. It will also look at councils' financial strategy and transparency, decision-making and how performance is communicated to their communities. It will consider councils decision-making process and how councils can determine (and communicate) that rates are being used effectively and efficiently.</p> <p>This area will also look at how financial decision-making is aligned to and articulated with a council's strategy.</p>	Sector Performance Advisory Group
3. Asset management and infrastructure	
<p>This area will:</p> <ul style="list-style-type: none"> • develop processes and benchmarks to deliver best practice asset management; and • consider what other measures are required to ensure infrastructure (and investment in infrastructure) is managed in an efficient and effective manner. <p>In addition, this area will consider how well a council coordinates and articulates its asset management and infrastructure plans with its overall strategy and financial decision-making.</p>	Sector Performance Advisory Group
4. Engaging with business	
<p>This area will look at how councils can improve their engagement with the business community. It will investigate:</p> <ul style="list-style-type: none"> • strategies that councils have in place for creating a business friendly environment; • how councils can partner with local businesses to achieve positive economic outcomes; • how a council can improve engagement processes to improve local business participation in the development of local growth strategies; and • strategies to improve culture and customer focus in the delivery of regulatory activities eg building and resource consents. <p>This area will also look at how a council's approach to economic development is coordinated and integrated within a council's broader long term plans.</p>	Economic and Social Advisory Group



5. Communicating and engaging with public	
<p>Work in this area will be largely implemented via the sector-wide LGNZ Communications Programme, and will include:</p> <ul style="list-style-type: none"> • visual messages; • digital and social media; • public relations; and • community engagement models. 	Governance and Strategy Advisory Group
6. Building a stronger relationship with Central Government	
<p>Positive and constructive relationships between New Zealand’s two tiers of government is important to achieving effective outcomes for the country. Local government will promote:</p> <ul style="list-style-type: none"> • a sector-wide accord or charter with central government on shared priorities and agreed areas of work; • stronger local priorities around particular issues (eg local housing accords); • a stronger working relationship with key Ministers and officials on shared sector policy priorities and projects; and • a stronger working relationship with MPs at a local level, which may include regular briefings and constructive discussions around productive ways to work to lift the value of local government in each area. 	Governance and Strategy Advisory Group

July 2015

DRAFT FOR DISCUSSION



ISSUE: Bus Service - Parking

ID: A792024

To: Organisational Performance Committee meeting, 10 November 2015

From: Malcolm Nicolson, Chief Executive Officer

Date: 27 October 2015

Report Type:	<input type="checkbox"/> Normal operations	<input checked="" type="checkbox"/> Information	<input type="checkbox"/> Decision
Purpose:	<input type="checkbox"/> Infrastructure	<input type="checkbox"/> Public service	<input type="checkbox"/> Regulatory function
	<input type="checkbox"/> Legislative function	<input type="checkbox"/> Annual\Long Term Plan	<input checked="" type="checkbox"/> Other
Significance Policy:	<input type="checkbox"/> Triggered	<input checked="" type="checkbox"/> Not Triggered	

Executive summary:

The purpose of this report is to bring forward an initiative by the Executive Management Team to encourage all Northland Regional Council staff to utilise the local bus services; which could have a range of non-financial benefits.

The Organisational Performance Committee is requested to provide some direction on this matter.

Legal compliance and significance assessment:

The report addresses the day to day operations of council. The receiving of the report itself is deemed to be of low significance. The significance of any additional decisions made by the committee will need to be considered on a case by case basis.

Recommendation:

That the report 'Bus Service - Parking' by Malcolm Nicolson, Chief Executive Officer, and dated 27 October 2015, be received.

ISSUE: Chief Executive Officer Key Performance Indicators

ID: A793784

To: Organisational Performance Committee meeting, 10 November 2015

From: Malcolm Nicolson, Chief Executive Officer

Date: 3 November 2015

Report Type:	<input checked="" type="checkbox"/> Normal operations	<input checked="" type="checkbox"/> Information	<input type="checkbox"/> Decision
Purpose:	<input type="checkbox"/> Infrastructure	<input type="checkbox"/> Public service	<input type="checkbox"/> Regulatory function
	<input type="checkbox"/> Legislative function	<input type="checkbox"/> Annual\Long Term Plan	<input checked="" type="checkbox"/> Other
Significance:	<input type="checkbox"/> Triggered	<input checked="" type="checkbox"/> Not Triggered	

Executive Summary:

The purpose of the report is to provide an update on the Chief Executive's Key Performance Indicators.

The report concludes with the recommendation that the information be received.

Legal compliance and significance assessment:

The report deals with the day to day operations of council and no specific decision is sought other than the information be received. The receiving of information does not trigger thresholds within the significance policy and is thus deemed to be of low significance.

Recommendation:

That the report 'Chief Executive Officer Key Performance Indicators' by Malcom Nicolson, Chief Executive Officer, and dated 3 November 2015, be received.

Report:

Objective

Achieve all major elements of the Annual Plan

Target

100% being 33 performance measures

Result

Achieved 21 performance targets

Not Achieved 12 performance targets

Overall achievement - 64% – not achieved

Commentary

The following targets were not achieved:

- Percentage of faecal indicator bacteria results that are within the Ministry for the Environment guideline values for bathing is maintained or improved at 20 bathing sites.
Target: 100%
Result: 90%
2 sites water quality was worse than the baseline year while the remaining 18 were either maintained or improved. Rainfall runoff was largely credited with the degraded water quality at the 2 sites.
- Number of CPCA's created,
Target: 5
Result: 2
Organisational Performance Committee (OPC) agreed that focus should move from the number created to the hectare covered by CPCA's.
- Significant non-compliance events resulting in a reduction in water quality.
Target: less than 60
Result: 110
Not directly under our control and heavily influenced by weather conditions.
- Significant non-compliance resulting in unauthorised discharges to water
Target: less than 20
Result: 47
This still represents an improvement of 2010/11 levels but worse than immediately preceding years. As with the result above, is affected by a number of externalities including environmental and economic factors.
- Percentage of consents monitored
Target: 100%
Result: 96%
This is a systemic failure but council has agreed that to achieve the target would result in the inefficient use of ratepayer resources and the target has been adjusted in the subsequent year.
- Rectifying significant non-compliance
Target: 100%
Result: 99.7%
One enforcement action out of 304 was not correctly followed up. While this is a failure it does represent an improvement on the prior year's performance.
- Bore permits processed within 5 days
Target: 100%
Result: 91.5%
4 out of 47 were processed in 14 working days which is still less than the statutory timeframe of 20 working days

- Implementation of programmed minor river works
Target: 100% being 7 projects
Result: 19 projects completed
2 programme projects were not required and 1 was not completed, these were, however, substituted with 15 other projects that were required.
- Percentage of labour force in paid employment
Target: increase from 91.3%
Result: 91.2%
This target was determined to be flawed as while 2000 more people were employed the number of people seeking employment increased more rapidly. Council has no direct control over these factors.
- Reducing the annual number of fatal motor vehicle crashes in Northland.
Target: <17
Result: 18
Council has no direct control. (2012: 7 fatalities; 2013: 15 – achieved; 2014: 21 – not achieved) The number of fatal crashes has reduced since 2014 but is still higher than previous years.
- Reducing the annual number of serious injury motor vehicle crashes in Northland.
Target: <80
Result: 87
2013: 79 – achieved; 2014 – 88 – not achieved). The number of serious injury crashes exceeded the target number of Baseline: 2010/11: 92. The number of injury-causing vehicle crashes is of growing concern. It is noted that this performance measure and the one above relates to the transport outcomes that council would like to see improved and makes a contribution to, but does not have direct control over. In future, council will use new measures that better relates to the services it delivers.
- Number of passengers on Whāngārei Bus service
Target: above 323,553
Result: 312,821
Anecdotally is attributed to the falling petrol price and services have also been disrupted by road works in the city.

Objective

Expanded active number of:

- Community group projects; and
- Community Pest Control Areas.

Target

20%

Result

Historically no data has been kept on the number of community groups the council actively engages with, this will be addressed in the coming financial year, however our current best estimate is as follows:

- Land management – still to be determined
- Biosecurity – 93 groups (3 established 2014/15)
- Consents / Monitoring – 13 (3 established 2014/15)
- Civil Defence (Community Response Groups) – 54 (3 established 2014/15)
- Rivers liaison – 7 groups (1 established 2014/15)
- Catchment Groups – 5 (none established 2014/15)
- Regional Planning Industry Liaison Groups – 3 (none established 2014/15)
- Coastcare groups – 30 groups (2 established 2014/15)

Community group projects cover the full geography spread of the region as example being:

Coast Care Groups Total 30:

1. Ahipara Community CoastCare
2. Ahipara Komiti Takutaimoana
3. Baylys Beach Society Inc
4. Bream Bay Coastal Care Trust
5. Bream Head Restoration Committee (Bream Head Conservation Trust)
6. Brookers Bay/Mangati CoastCare Group
7. Friends of Rarawa
8. Glinks Gully Protection Society Inc
9. Hokianga Harbour Foreshore Committee
10. Huketere CoastCare
11. Mangawhai Harbour Restoration Society
12. Mangawhai Heads
13. Ngunguru Sandspit Protection Society
14. Paraparea Bay CoastCare
15. Rangiputa Ratepayers Association
16. Ruakaka CoastCare Group
17. Russell Land Care Trust
18. Sandy Bay CoastCare
19. Taipa Beach Improvement Society and CoastCare
20. Tapeka Ratepayers Group
21. Tauranga Bay Community Association
22. Te Ngare Bay CoastCare
23. Te Pahii Bird Sanctuary
24. Te Roopu Whakaoranga O Te Taha Moana
25. Teal Bay Residents and Ratepayers
26. Tern Point Conservation and Recreation Society (Mangawhai)
27. Tokerau and Whatuwhiwhi Ratepayers Association
28. Waipapakauri Coastal Care Group
29. Waipū Cove Reserve Domain Board
30. Whangaruru South Residents and Ratepayers Association

Community Pest Control Areas – Actual 50 - +4.2% - Not achieved
- 6967 hectares +14% - Not achieved

ITEM: 3.9

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Year started	New	Area	Forest/wetland	No's of People	Cum. CPCA's	Cum. Area	People/Properties
2005-06	5	6236	1145	73	5	6236	73
2006-07	8	6367	2024	244	13	12603	317
2007-08	1	158	158	12	14	12761	329
2008-09	5	2457	883	79	19	15218	408
2009-10	8	6747	1718	146	27	21965	554
2010-11	7	3865	2273	113	34	25830	667
2011-12	6	7990	3006	155	40	33820	822
2012-13	4	3796	1196	61	44	37616	883
2013-14	4	12218	5737	187	48	49834	1070
2014-15	2	6967	4100	71	50	56801	1141

Commentary

Following consultation with the OPC it was agreed that the total hectares under CPCA management was more important than the number of discrete CCPA's. Two new CPCAs were added this year – Warawara and Whakarara. Warawara forest is administered by the Department of Conservation and ranks as one of the regions highest priority kauri forests. During 2014/15 council entered into a Memorandum of Understanding with Te Runanga o Te Rarawa, the Department of Conservation, and Reconnecting Northland. This partnership aims to enhance the mauri/health of Warawara Forest through coordinated pest control operations both within the reserve and within the surrounding private lands.

All our CPCAs met their pest reduction targets this year.

Objective

Improved FDE compliance

Target

>80% compliance

Result – Not Achieved

Consented farms	Full compliance	Non-compliance	Significant non-compliance	Total
2013/14	430 (61%)	162 (23%)	114 (16%)	706
2014/15	385 (54%)	185 (26%)	139 (20%)	709
Non-consented farms	Full compliance	Non-compliance	Significant non-compliance	Total
2013/14	131 (50%)	54 (21%)	75 (29%)	260
2014/15	162 (64%)	25 (10%)	67 (26%)	254
All farms	Full compliance	Non-compliance	Significant non-compliance	Total
2013/14	561 (58%)	216 (22%)	189 (20%)	966
2014/15	547 (57%)	210 (22%)	206 (21%)	963

Commentary

A major contributing factor to the decline in FDE compliance was the very wet winter. There was a persistent series of storms throughout June, July and August 2014, resulting in Northland experiencing one of the wettest winters for decades. Examples provided below:

Location and Year Records Commenced	Total Winter Rainfall 2014 (mm)	Mean Winter Rainfall (mm)	Mean Annual Rainfall (mm)	Winter 2014 Ranking	Highest Winter Rainfall on Record	Years Recorded
Kaitaia (1893)	729	453	1379	4 th Highest	1946	122
Kaikohe (1922)	1170	503	1569	Highest	2014	93
Dargaville (1922)	591	405	1219	6 th Highest	1946	93
Puhipuhi (1905)	1509	661	2004	Highest	2014	110
Whangarei (1909)	925	498	1523	2 nd Highest	1946	106

This resulted in many FDE systems being inundated and being a biological system it takes some time for it to recover.

Objective

Increased number of farm water quality plans

Target

20%

Result

Completed - 91 (commenced 106)

Year	No. of FWQIPs Completed	No of Efunds	Efunds \$
2012/13	88	80	\$519,114
2013/14	138	181	\$603,434
2014/15	91	133	\$537,633

Commentary

The high level of demand for FWQP's in 2013/14 was attributable to the dairy industries need to comply with the dairy accord. It would be appreciated if the target set can be clarified as being it a 20% increase in the total number completed in which case the target is achieved or a 20% increase on the number completed in each year in which case it is not achieved. During this year substantial staff resource had to be diverted from FWQP to meet our obligations under the NPSFW in supporting catchment groups and related activities.

Objective

Improved TLA wastewater compliance

Target

>80% compliance

Result – Not Achieved

Events	Full compliance	Non-compliance	Significant non-compliance	Monitoring
2013/14	159 (74%)	45 (21%)	12 (5%)	216
2014/15	169 (68%)	78 (31%)	3 (1%)	250

Commentary

We routinely monitor 29 community wastewater treatment plants. FNDC has 15, WDC has 9 and KDC has 5. Unlike FDE, they do not have one annual compliance status. Some have monthly monitoring requirements, some quarterly and so on. Each plant is not given an overall compliance status (or an annual compliance status). The compliance stats above are based on the total number of compliance “events” for all the WWTP. Staff have worked closely with the TA’s in an attempt to improve their performance and while the aspirational objective of 80% compliance is still some way off it is important to note the progress made with the significant non-compliance having decreased from 5% to 1% between the two reporting periods, with more intensive monitoring having occurred.

Objective

Expanded area of wetlands actively managed

Target

20%

Result

Unknown

Commentary

We have not yet been able to determine an accurate means of measuring the area of wetland under active management. Staff continue to work on trying to find indicator data to verify and measure our performance, items being considered are number of known wetlands, distance of fencing constructed to protect wetlands, Efund applications related to wetland preservation.

<i>Top Wetland & Wetland Projects</i>	<i>2013</i>		<i>2014</i>		<i>2015 (So far)</i>	
	<i>\$ provided by Efund</i>	<i>Metres of fencing provided by Efund</i>	<i>\$ provided by Efund</i>	<i>Metres of fencing provided by Efund</i>	<i>\$ provided by Efund</i>	<i>Metres of fencing provided by Efund</i>
	\$48,200	11,758	\$61,725	10450	\$49,000	13,500
<i>Number of projects</i>	14		15		8	

The collection of data for wetland management has not historically been based on area.

- Most wetlands are marginal pieces of productive land on the edge of properties and have multiple ownership.
- Management of large top 150 wetlands or large biodiversity wetlands that straddle property boundaries cannot be achieved from one farm plan or one land tenure, so wetlands NRC have had influence cannot be considered under management until we have all landowners involved.
- To date (up to year 2015/16) we have only collected information for whole projects, where a majority of the Efund project was orientated towards the management of a wetland.
- Due to reporting limitations in IRIS, wetland enhancement projects can only fall under one cost code either under Biodiversity, for good quality wetlands or Water Quality projects. Many wetlands projects have been subsumed under water quality cost codes as a majority of the project is for that objective; hence we have been historically under recording our effort for wetland management.
- This financial year we have been recording the partial projects for wetland management, and the 2015/2016 figures will reflect that through LTP reporting in future.

The Land Management Advisors are proactively targeting wetland owners for FWQIP's in their work areas. At the end of this financial year, now that we have more focus via the Environmental Assets Team, we are aiming to report the number of Top 150 wetland projects to date, including historical information where possible. However this will be based on number of projects, linear distance of fencing and money from Efund. Unfortunately the metrics of "area of wetland under active management" is really not possible due to large multiple ownership of wetland bodies.

Objective

Increase protection and improvement of regionally significant spaces

Target

TBD

Result

OPC has not yet determined what is meant by "regionally significant spaces" and what the target for improvement will be.

Commentary

Kai Iwi Lakes

Lakes Kai Iwi, Taharoa and Waikare are outstanding Northland dune lakes with significant values. The lakes have excellent water quality and outstanding ecological condition, providing habitat for a range of endangered plants and animals, as well as numerous recreational activities. However, due to the easy accessibility and high recreational use of the lakes there is a significant risk of aquatic pest introduction, which could have a significant impact on the values of the area. There are already significant threats to the lakes from terrestrial weeds and pest animals. Since 2013/14 council staff have been working with the Taharoa Domain Governance Committee, Kaipara District

Council, iwi and surrounding landowners on a series of projects to reduce the impact of introduced pests, improve wetland and water quality on adjacent farms and raise public awareness of the lakes and how to look after them.

Assessments of the Greer and Elliot farms were undertaken in both cases council decided not to proceed to make offers to purchase at this time.

Objective

Our streams ability to support healthy habitats for flora and fauna shown by the Micro Invertebrate Community Index

Target

>91.15 MCI

Result

91.4 MCI – achieved

Commentary

The macroinvertebrate community index (MCI) at ten regionally representative sites shows improved or maintained trends. The sites are listed on page 97 of the Long Term Plan 2012-2022 and were selected from the council's long-term river water quality monitoring network. The sites cover a range of river catchments with different land uses and river habitat quality. For more information on the macroinvertebrate community index scores refer to the full reports on the council's website at www.nrc.govt.nz/riverdata

Objective

The waters in priority harbours, rivers, coast is suitable for swimming (except for 2-5 days after rain)

Target

>95% compliance SFRG

Result

95% – achieved

Commentary

The sites are sampled 14 times at weekly intervals each summer swimming season. (Testing starts in late November each year and continues for 14 weeks through to the end of February the following year. To get our percentage we add the compliance rates for all 20 sites and divide by the total number of sites (20) to provide average compliance rate.) Note: The 'suitability for recreation grade' (SFRG) performance measure set out in council's Long Term Plan 2012-2022 is no longer an appropriate measure of the suitability of a site for swimming in Northland, it is therefore recommended that OPC redefine this target. We now use the Ministry for the Environment's 'Microbiological Water Quality Guidelines', a robust national baseline and system for benchmarking purposes.

Objective

A reduction in sedimentation in key waterways

Target

TBD

Result

Target not yet determined

Commentary

Applied for and been awarded \$665,000 over four years for hill country erosion management in the Kaipara Catchment from the MPI 2015 Hill Country Erosion Fund. The work will commence in late 2015 and will focus on enhancing soil conservation on erosion prone hill country land.

Undertaken joint studies with the Ministry for Primary Industries to look at sediment management and cultural values associated with water.

We distributed 4000 externally-sourced poplar poles to Northland landowners in the 2015 planting season.

Objective

Develop a clear strategy for commercial property held by NRC. Strategy may include:

- Leveraging off commercial properties to include:
- providing community facilities/infrastructure
- reducing the impact of rates

Target

Plan is adopted by council

Result

Strategic direction agreed - achieved
Sold 14 of industrial properties at \$7,066,000
Purchased 1 commercial building at \$1,100,000
Creation of a Property Re-investment Fund (PRF)
Invested \$3,291,985 in the PRF

Commentary

While a strategic plan document has not been written and approved by council; council has clearly determined that the strategic direction of selling industrial land leased in the Whāngārei area and to hold these funds in a specially created managed investment fund pending it re-investment into land and building across the region, once suitable investments can be identified.

Objective

Increased funding available for additional projects from existing budgets (i.e. greater efficiency of planned work)

Target

TBD

Result

2015 LTP base case at zero rate increase – Achieved

Commentary

I continue to encourage a culture that supports and rewards innovation and the rapid adoption of technology as a means of increasing productivity of the organisation.

Objective

Return on investments

Target

Exceed Treasury policy returns

Result

CIF - The annual return on the CIF to 30 June 2015 was \$11.2% against a benchmark of 4.8%.

PRF –As this fund was created part way through the year the annualised return was calculated at 8.45%.

Treasury investment funds

Commentary

The overall council portfolio return (including PRF but excluding CIF) for the year ended 30 June 2015 was 6.05% vs 5.41%.

Objective

Risk review updated

Target

Recommendations adopted by council

Result

Recommendations presented and approved.

Commentary

We have established a series of working parties (WP) that regularly review aspects of risk faced by the organisation. Audit WP – financial and control risks. Investment WP – investment and managed funds risk profiles. Economic Development WP – Property portfolio risks. Hazard WP reviews the council risk register and provides advice to the Finance Committee. The Hazard WP has also commissioned Deloitte to undertake a risk assessment review.

Objective

On-going improvements to organisational culture as measured by annual staff survey

Target

Staff survey designed, initiated and reported to council

Result

Too early for a definite outcome

Commentary

Five staff surveys were undertaken in the latter half of 2014 and the results reported to OPC. While some insights into the organisation could be made, in general the participation rate of approximately 50% was less than satisfactory and provide further evidence to support my subsequent decision to restructure the organisation. I decided to suspend the surveys following the announcement of the restructure as this would have unduly influenced the results. An organisational development programme is current under development and will be implemented later this year.

Objective

Tangible progress on integrated services across councils

Target

- List of potential shared services completed by 1 July 2014
- 3 priorities agreed by 1 July 2014
- 1 shared service implemented and operative by 31 December 2014

Result

- List of 24 potential shared service or collaborative opportunities have been identified and agreed by the 4 Northland Councils.
- Council has work shopped and agreed priorities.
- Terms of reference for the GIS shared service between FNDC and ourselves have been completed and is in the process of implementation.
- LAWA website developed and continues to be extended as a shared service being the 16 regional councils and is receiving international recognition.
- Working Party established between 4 Northland Councils and NZTA for development of road shared service.
- NRC (some through N.Inc) is leading shared service investigations into economic development, Northland promotion, sport facilities, GIS, human resources, health and safety and rural fire.
- NRC is supporting and assisting WDC with the establishment of a rating centre of excellence.
- Building consents priority identified by Councillors is being led by KDC.

Objective

Achieve budgeted targets set by council

Target

Variance to budget

Result

	Budget	Actual	Variance	Variance %
Income	\$32,343,898	\$36,171,529	\$3,827,631	+11.2%
Expenditure	\$30,084,334	\$30,284,419	\$ 200,085	+ 0.7%

Commentary

The actual surplus after tax of \$5,887,111 exceeds budgeted surpluses of \$2,259,564 predominantly due to unbudgeted revaluations of \$2,754,562 this, however, still results in a positive operating budget surplus of \$875,895 as a result of improved income achieved.

Objective

Provide a business friendly "can-do" environment

Target

Review council processes and culture to:

- Identify areas of attention
- Develop action plan
- Plan to include a 'can do and how can we help approach'
- Customer survey (to be reviewed)
- Peer-reviewed internal processes

Result

Identify areas of attention – Achieved – Independent assessment of current state report by GHD.

Develop action plan – Achieved – Restructure project planned and successfully implements with strong focus on customer service and the enhancement of results

focuses organisational grouping. This included the introduction of “new blood” to assist the growth of existing potential.

Plan to include a ‘can do” approach – Achieved - Appointment of a younger more energised Executive Leadership Team and the creation of several opportunities for advancement to middle management for staff which have displayed potential.

Customer Survey – Not Achieved - Planning underway with agreement now being reached with OPC that the is to be a two tiered approach focused of customer, being a bespoke solution and community being part of the LNGZ annual review process, separately.

Peer –review – Not Achieved – Initial ideas on peer review process still being discussed with OPC. The inclusion of all Councillors in this performance review will give some guidance and form part of a broader review process still to be developed.

Commentary

While it is still early days I am pleased with the increased number of positive unsolicited customer and community feedback received on staff performance including: Impressed with prompt response, knowledgeable, informative and thorough investigation of the incident – Dave Jones – Palms Village – Tikipunga

“From the get go I had been told by many that the process would result in perhaps an alcoholic ending and almost certain metal breakdown. To the contrary the process however time consuming has been an absolute walk in the park. Thanks to your staff and processes....Your management and team are to be congratulated to say the least.”
Pete Sehmb – Whangaroa Marina Trust

Thanks for the prompt and efficient manner in which consents were processes –
Phillipa Fourie – Fonterra

“It has been a real pleasure...Her in depth knowledge and help has been promptly provided at all times....The whole exercise has been an excellent example of how a partnership between a voluntary organisation and a local authority can be successful.” –
John Gallie – Russell Landcare Trust

“You are a star” (said of a consents officer) – Darlene Lang – Kaipara District Council
“It was impressive to hear the steps being taken in Northland to prevent the spread of marine pests...” – Lindsay Vaughan – Chair Top of South Marine Biosecurity Partnership

Objective

Successful Māori advisory committee established

Target

Feedback from participants

Result

TTMAC established as a standing committee of council

Commentary

The marae based workshops which occur of alternative months to the formal committee meeting have proved to be highly successful and have engendered significant positive comment. Greater focus of grass roots engagement programmes is likely to pay greater dividend in meeting Council overall objectives than the formal engagement processes. These engagements are not only beneficial for the community but also are a valuable educational tool in improving staff understanding of the issues faced by our communities.

Objective

Increase the number of contracts, joint arrangements in place

Target

>9 monitoring, planning or management agreements

Result

13 – achieved

- Contracts – 3
- Monitoring programmes - 1
- Joint decision-making and planning arrangements – 9

Commentary

For the 2014/15 year council maintained 3 contracts, 1 monitoring programme and 9 joint decision-making and planning arrangements with iwi/hapu of Te Tai Tokerau. A number of these contracts and arrangements are supported and enable through on-going financial support provided by the Council. We remained committed to developing meaningful and inclusive relationships with Maori, including through:

1. Input and participation in the Iwi/Council Chief Executive Forum (which meets every second month to discuss regional issues of interest)
2. Co-chairing the Kaipara Harbour Joint Political Committee (a committee which supports the work of the Integrated Kaipara Harbour Management Group)
3. Active participation in the Integrated Kaipara Harbour Management Group through staff time and financial support
4. The MOU between TUOH and Council

Objective

Active involvement in the NRC projects:

- Landcare groups
- CPCAS
- Enviro Schools

Target

Number of people involved increased by 10%

Result

Enviroschools Northland

Project name	2013/14 Number of participants	2014/15 Number of participants	Client type	Notes
WaiRestoration – WaiFencing workshops	88 (71 students)	89 (73 students)	Students, teachers, gateway co- ordinators, school support people	7 Level 2 NCEA Unit Standards (24 credits) Land management presentation on importance of fencing off waterways

WaiRestoration – Professional development day for school communities	55	28	Teachers, principals, caretakers, gateway co-ordinators, board of trustee members, kaumatua, parents	2014/15 participants are from school communities in addition to the 2013/14 participants
Project Possum – stage 1	89 (68 students)	105 (77 students)	Students, teachers, gateway co-ordinators, school support people	2 Level 2 and 3 Level 3 NCEA Unit Standards (23 credits) Trapping, skinning, machine and hand plucking, possum biology and environmental impact
Project Possum – stage 2 (Controlled Substance Licence)	56 (40 trainees – 13 students)	24 (16 trainees – 4 students)	Students aged 17 years and over, teachers, gateway co-ordinators, community members, DOC workers	Toxins: Cyanide only (students) Multi-toxins (community members) NDHB and DOC presentations Due to new organisation looking after CSL's this year, we were not able to offer the Level 3 NCEA Unit Standard (8 credits), hence schools were unable to access funding to attend the training. We hope this situation will be rectified for 2015/16.
Preparation for firearms licence training	20	9	Students aged 16 years and over, teachers, gateway co-ordinators	'Closing the loop' on possum control mechanisms This event is linked to Project Possum – stage 2 (CSL), hence the decline in numbers
School caretaker workshop	20	Planned for 2015/16	School caretakers, community members, e.g.	Biennial event

Seaweek: Beach clean-ups	1,335: 221 – community groups 1,114 – school communities	1,340: 246 - community groups 1,089 - school communities	Schools, whanau, e.g. individual families, community groups e.g. Tauranga Bay Community Assn	Enviroschools and CoastCare joint venture to equip schools and communities to 'clean up the beaches'
Enviroschools Expos E.g. 'On the Water', 'Down on the Farm'	230	Scheduled for 3 rd (Whangarei) and 5 th (Far North) November	Students, teachers, whanau and community members	Primary and intermediate school event
Enviroschools Reflections: Bronze, Silver and Green-Gold sharing and decision-making sessions and celebrations	Bronze: 3 schools Silver: 2 schools Green-Gold review: 1 school	Bronze: 5 schools Silver: 5 schools Green-Gold review: 1 school	School students, teachers, principals, caretakers, whanau, Enviroschools people (regional and national), Kindergarten Assns, councillors, organisation representatives	Sharing and decision-making sessions involve a team of people (typically 20+), celebrations incorporate whole school communities

Commentary

Council received a total of 1,278, 302 more submissions on the proposed Long Term Plan 2015-2025 when compared to the Draft Long Term Plan 2012-2022 .

Second Order Priorities

Objective

Identify, promote or invest in regionally significant infrastructure

Target

- RONS to Warkworth
- Government commits top extend RONS to Whangarei together with improvements further north
- Road network funding is maintained as current levels and CPI
- Mangakahia Road roundabouts

Result

- RONS to Warkworth remains on track with project team announced and PPP being sought
- NZTA have committed to planning State Highway design from Warkworth to Northland
- 22% increase in road maintenance funding.
- Funding set aside for Loop Road intersection

Commentary

Northland was allocated \$460 million from the National Land Transport Fund for the 2015-18 period. Of that, \$311 million was allocated for maintenance and operations to its roading Infrastructure network. This is a 22% increase on what was received in the previous Regional Land Transport Plan.

Objective

Identify, promote or invest in regionally significant infrastructure

Target

Rail and rail corridor strategy adopted by council

Result

Successful concluded a two year extension to the KiwiRail Joint venture agreement.
Acquired the Frazer property

Commentary

Council approved the two year extension to the joint venture agreement and the community was consulted via the LTP.

Objective

Identify, promote or invest in regionally significant infrastructure

Target

Continue to develop Northport leading to increased turnover

Result

Northport dividend increased
Crane to expand containerisation capacity purchased

Commentary

Council staff worked closely with MMH to contain the fanworm in the marina, which has both environmental benefits for the region as well as will have economic benefits for the company in the medium to long term.

Objective

Promote Northland

Target

Close relationship with ATEED

Result

Three year funding allocation from the I&G to support regional promotion.
Twin Coast Discovery revitalisation programme in collaboration with ATEED underway.

Commentary

The tourism industry has experienced strong growth in bed nights over the last season; however, this is largely due to externalities. Northland Inc. has met its KPI's as they relate to regional promotion. Co-operation in tourism promotion was also encouraged via UNISA, with a meeting focused of interregional collaboration.

Objective

Identify projects and initiatives that reduced disparities in Northland

Target

Council satisfaction regarding progress

Result

Introduction of the Hokianga bus service

- Continuation of the Kaitaia bus service
- Consultation on the Mid–North Bus service
- Allocation of I&G funds for the Far North Cycleway
- Repositioning of Northland Inc business support services to obtain a better geographic spread.
- Zero rates increase for business as usual
- Greater emphasis on target rates with less reliance on general rates

Commentary

I continue to challenge council to give greater priority to social impact aspects of the provision of public transport but resisting attempts to continually increase bus fares. I presented to the joint council forum on the negative economic and social consequences that poor district planning and the lack of adequate provision of industrial zoned land was having on our more impoverished communities.

ISSUE: Business with the Public Excluded

ID: A792025

To: Organisational Performance Committee, 10 November 2015

From: Chris Taylor, Governance Support Manager

Date 27 October 2015

Executive summary:

The purpose of this report is to recommend that the public be excluded from the proceedings of this meeting to consider the confidential matters detailed below for the reasons given.

Recommendations:

1. That the public be excluded from the proceedings of this meeting to consider confidential matters.
2. That the general subject of the matters to be considered whilst the public is excluded, the reasons for passing this resolution in relation to this matter, and the specific grounds under the Local Government Official Information and Meetings Act 1987 for the passing of this resolution, are as follows:

Item No.	Item Issue	Reason\Grounds
4.1	Confidential Minutes of the Organisational Performance Committee Meeting – 30 June 2015	The reasons for excluding the public are as stated in the minutes of the open section of that meeting.
