

Horowhenua District Council Organisation Interim Performance Report

20 March 2024



Mō tēnei pūrongo

About this report

We're on a journey on being transparent on how our Organisation is performing with Elected Members and our Community, this report is a step in that journey. The report is a great opportunity to share our stories, our successes, our concerns and where we need to improve. This report is just a snapshot of the great work we do across our community.

This report will be prepared for every second full Council meeting, each time you will see refinements, improvements, additions and deletions. We will always be working towards keeping Elected Members and our community fully informed and up to date.

You will notice the Organisation Report has been completely revamped, mostly to align with the Council Plan on a Page. We have also changed our Activity Updates to Group Updates which include Activity Updates. This is to allow work completed within a Group but not in an activity to be reported on.

The reporting period for the Top 10 Priorities Updates and Capital Projects Lifecycle and Confidence Report

17 January 2024 – 28 February 2024

The reporting period for the financial and performance measure reporting is .

Year to date January 2024

Top 10 Priorities

This section provides updates on each of the 10 priorities identified in the Council Plan on a Page.

Dashboard

This dashboard contains key summarised financial and performance measure information. This will be provided in the Interim and Full OPR.

Capital Projects Lifecycle and Confidence Report

This report provides an overview of some of our capital projects, where they sit in the lifecycle of the projects and our level of confidence in the delivery of the project at this point in time

Ngā Ihirangi

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Organisation Performance Dashboard

Organisation Performance
Dashboard



Organisational Performance

YTD Ending 31 January 2024

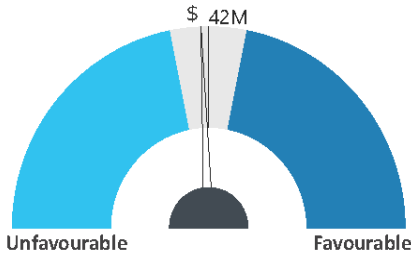
This dashboard shows a snapshot of how we are tracking against our performance measure targets, our financial performance overall and activity financial information.

Financial Performance

INCOME

YTD Actual:	\$41.97M
YTD Budget:	\$42.39M
Full Year Forecast:	\$76.40M
Full Year Budget:	\$72.69M
Variance:	-\$0.43M, (1.0%)

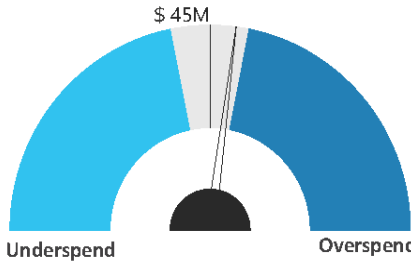
on target



OPERATING EXPENDITURE

YTD Actual:	\$46.39M
YTD Budget:	\$44.90M
Full Year Forecast:	\$83.38M
Full Year Budget:	\$77.25M
Variance:	-\$1.49M, (3.3%)

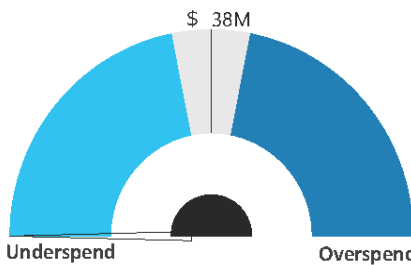
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CAPITAL EXPENDITURE

YTD Actual:	\$18.62M
YTD Budget:	\$38.18M
Target Full Year Budget:	\$40.00M
Full Year Budget:	\$61.70M
Variance:	\$19.56M, 51.2%

below target



below target	< -5%
on target	>= -5% to <= +5%
above target	> +5%

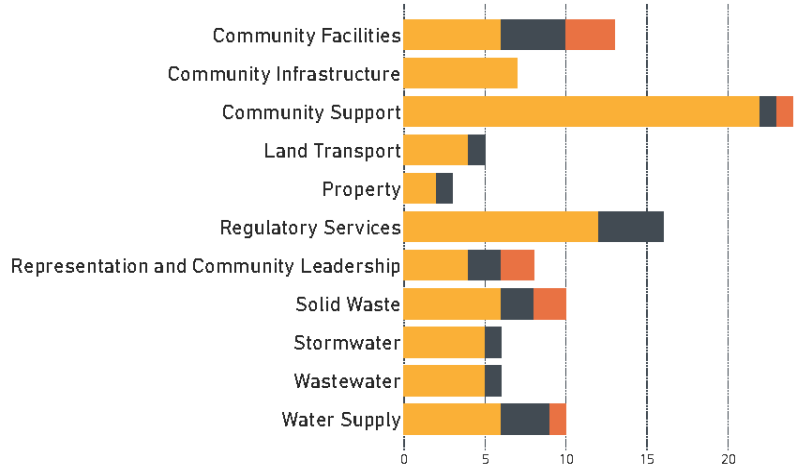
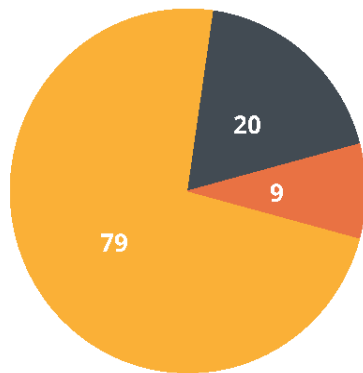
Council's underlying surplus (this excludes rates, capital related income, depreciation and interest) as at 31 January 2024 is \$1.9m higher than budgeted, forecasting to be a \$0.8m underlying funding surplus at the end of the financial year. In the previous report we were forecasting being close to the \$1m underlying savings target. Officers are working on identifying a further \$180k savings and aim to provide an updated forecast in the next full report.

Council has completed \$18.6m (46.5%) as at the end of January 2024 towards the revised target capital programme of \$40m set following Council direction as part of the long-term planning process. The level of capital grants is also lower than budgeted year-to-date due to the timing of the capital programme in Roding, Property, and Three Waters activities. We forecast to fully spend the targeted capital budget of \$40m.

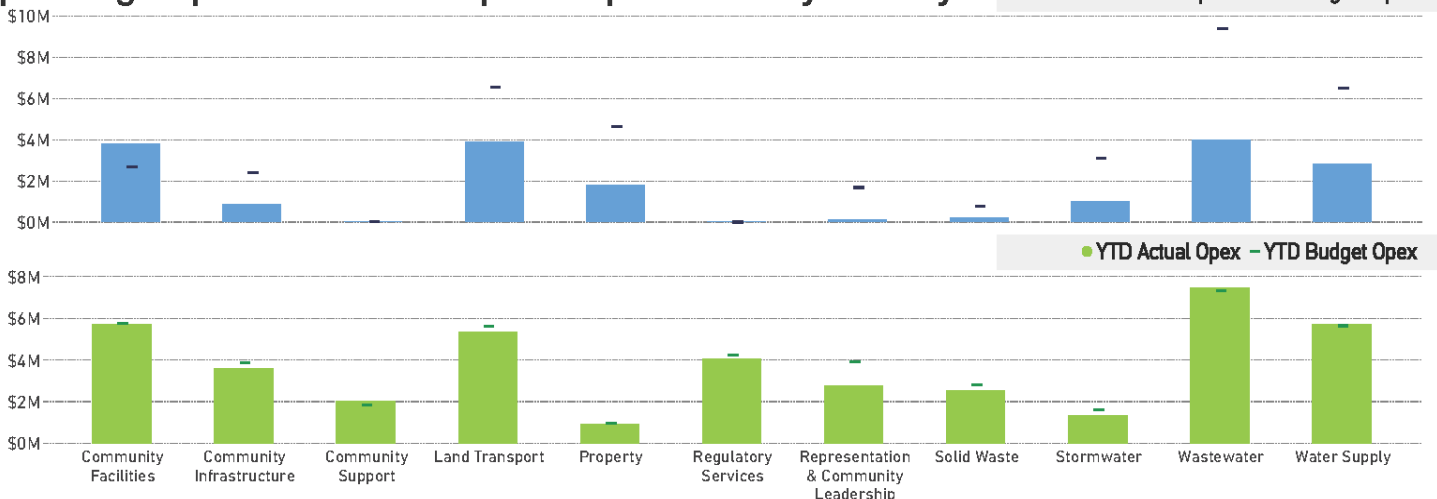
Our net debt (total borrowings less term deposits, borrower notes and cash) at 31 January 2024 was \$158 million, equating to 222% of operating income - below the limit of 250% set out in the Long-term plan amendment 2023/24. This ratio is currently higher than the 196% budgeted and 204% forecasted due to the timing of capital grant payments and lower than expected asset sales.

Overall Performance Measures

- On Track
- Not On Track
- Unable to be reported



Operating Expenditure and Capital Expenditure By Activity



Ngā Whāinga Matua 10

Plan on a Page – Top 10 Priorities



Ngā Whaingā Matua

Top 10 priorities



Enabling affordable housing that meets the needs of a growing population through the implementation of the Housing Action Plan

Work continues in the affordable housing space with the recent update of the Housing Action Plan. The revocation of some underutilised council land is progressing, enabling these properties to be redeployed to the market for affordable housing opportunities in the near term.

An increase in activity and delivery of housing opportunities is visible through a growing number of proposed Kainga Ora developments, and the private sector has also recently completed, in partnership with MHud, 26 new 1,2 & 3 bedroom units on Hinemoa Street.

The great news is that the pipeline of forward work is filling up and you can expect to see new developments becoming more visible to the community throughout 2024.



Achieve the best outcome for Horowhenua in the face of Three Waters Reform Transition

The repeal of the previous Government's water services legislation is now complete, the Government & Coalition has signaled their intention to implement Local Water Done Well (LWDW) through two further pieces of legislation.

- By 28 March 2024, the water services reform National Transition Unit (NTU) and iwi Māori directorate will be disestablished.
- Effective 29 March 2024, the Department of Internal Affairs (DIA) Local Government Partnership Directors will become the primary interface with councils for LWDW.
- Local Government Partnership Directors have a range of responsibilities and are focused on providing support to council chief executives and tier-2 council executives.
- All council information that has been collated by the NTU will be released in March 2024 to support future water services delivery plans.

Officers will continue to work through information as it becomes available from Te Tari Taiwhenua (DIA).



Deliver on the Levin Town Centre Transformation Strategy

Work continues to progress the property acquisition strategy. Ongoing work is being undertaken to identify further earthquake prone buildings and strategic buildings of interest.

The recommendation for an independent member on the Steering Group was fully endorsed by Steering Group members and we anticipate the new independent member being able to attend the next monthly meeting scheduled for 8 March 2024.

The process to recruit representatives for the Reference Group is underway with engagement and conversations had with iwi and youth representation. The nominations process for Reference Group Members is on track to be advertised to the community for applications later in March.

Discussions have also taken place with HKRFU around the Levin Domain and awaiting a response from Age Concern Horowhenua.

The team is currently working through community feedback from the Levin War Memorial Hall + Village Green + Skatepark Expressions of Interest process that closed on 29 February 2024.

The Levin Town Centre Transformation now has its own designated logo that was created by Richard Pearse, Senior Graphics Designer and approved by the Steering Group and Crs Tamihana and Hori Te Pa. This logo is now being used on all communication and correspondence relating to the Levin Town Centre programme of work.

David McCorkindale presented an update on the Levin Town Centre Strategy to the wider Levin Business/Retailers Group and the team are working through that feedback also. Other presentations at this session were from Elevate Otaki on the implications of PP2O to businesses within Otaki, and an update from Waka Kotahi NZTA on O2NL. Over 40 people interested in the Town Centre were present to hear these presentations.

Positive feedback has been received via social media posts and the Youth Voice campaign on the We are Horowhenua placemaking portraits currently displayed within the town centre.



Council committed to undertake a Rates Review after the Annual Plan 2022/2023 to consider how rates and costs are shared across the district

A rates review was completed as part of the Long Term Plan Amendment. As a result, the Rates Remission policy review was completed during 2023 and reported to Council in December. This policy is included as one of the consultation topics in the consultation document that is currently being developed for the Long Term Plan 2024-2044. The main reason for this is to seek community feedback on the level of rates remissions budgeted for.



Provide advocacy and leadership to Ōtaki to North Levin expressway project

October 2023 saw the key milestone for the O2NL project achieved with the Environment Court hearing held in Levin in the Council Chamber. The hearing ran very smoothly and required less hearing time than had been initially scheduled with only four days required. A decision from the Environment Court is anticipated in March/April 2024.

In the meantime, other phases of the NZ Transport Agency Waka Kotahi lead project such as procurement for the Alliances to deliver the construction and of purchasing of properties are just some of the workstreams that continue to advance the project. The two preferred alliance partners to construct the new road were confirmed 18 December 2023. These partners include Downer, McConnell Dowell, Beca and Tonkin & Taylor as one Alliance and Fulton Hogan, WSP and Aurecon make up the second Alliance.

Council's role as an advocate continues to be mainly in space of the Legacy Outcomes Investment Framework. This remains an ongoing piece of work with the Council looking to ensure that positive legacy outcomes for the community. A workshop with elected members and the New Zealand Transport Agency Waka Kotahi was held late January 2024 to advance the legacy outcomes. Officers are currently working to finalise an integrated Legacy Outcome Investment Framework.

The general election result is not perceived to be a threat to the project going ahead given that the National Party campaigned on getting the road built.



Get the basics right and support the customer focused delivery of core services

Information Services

In the reporting period the Digital Workplace Programme has continued to make good progress. Digital Workspaces team engagement is underway with the Organisation Performance Team and the Executive Office. Development of the governance operating model for our Digital environment is also progressing well.

Our Data programme has starting to ramp up with planning undertaken for the development of the Civica Data Warehouse and, prioritisation of business reporting requirements to feed into our new Information Product Register.

The review of our current ICT environment is well underway with recommendations for improvements being made along the way. This review is due to be completed by end of March.

Energy

In the reporting period the x4 new contracts for Council electricity and gas connections were executed, and the switching process commenced ready for the contract effective date 01 February 2024. The first invoice for each connection point will be checked (x135 Non Time of Use accounts, x22 Time of Use accounts and x16 Gas accounts) in detail to ensure correct pricing is applied as per the new contract rates.

January energy consumption checks against 23/24 projections showed:

- Electricity Time of Use tracking 10% less than projected
- Electricity Non Time of Use tracking 12% less than projected
- Gas Time of Use tracking 17% higher than projected
- Gas Non Time of Use tracking 29% less than projected

Finance

Direct debit form refresh – our direct debit forms have been in use for a long time. We recently reviewed the look of the forms and considered the feedback we have received from our community. We are moving towards online direct debit form and this is being drafted with the aim to be rolled out in the next financial year to streamline the process. Hard copy forms are still available.

Customer Excellence Action Plan

Staff contributions to Kbase content continued to make good progress during this reporting period, with input being provided covering most areas of the organisation. Customer Services staff are working their way through the information translating staff contributions into FAQs for easy reading and access.

Organisation wide CRM training sessions kicked off during this reporting period with x4 sessions open to all staff being delivered in March. CRM training covers expectations on staff around response times to customers as well as how to use the corporate CRM operating system to record actions and comments.

Review of the Customer Feedback and Complaints Policy is underway, with a full review of the policy content being carried out to ensure it covers the needs of the Building Consent Authority's complaints process quality system requirements as well.



Deliver the capital infrastructure programme, and achieve an increase in the percentage of completed works

Programme of works on track, following adjustments due to budget limitations. Elected Members briefed on 21 February. Budget capped at \$40M for 2023/24 Financial Year, \$40M for 2024/25 and \$47M for 2025/26. Further detailed work to be undertaken ahead of finalising 20-year LTP capital programme.



Reset our engagement and partnership approach, and work more with and for the community

One of the key pieces of engagement that has occurred over this reporting period is the community consultation in respect to Waikawa Beach Vehicle access. Consultation closed 20 February and there were over 400 submissions received.

Horowhenua District Council's initiative to seek feedback and explore options for vehicle access at Waikawa Beach directly aligns with one of its top ten priorities: "Reset our engagement and partnership approach, and work more with and for the community."

By actively involving the community in the decision-making process through consultations and feedback mechanisms, the council demonstrates its commitment to engaging with and listening to the concerns and preferences of the local residents. This approach ensures that the community has had input to the final decision of council and that the perspectives and needs of those affected have been heard.

Voice of the customer

Resident satisfaction surveys began being sent via email from 13 February, with infrastructure first, followed a week later by leadership and engagement and finally places and spaces. Surveys are also being distributed by social media, the community connection and we still have some signs up from our previous parks and property pilot. A total of 10 surveys are now live, closing 11 March 2024 to allow for analysis and reporting. Survey completion is being incentivised by 2 x \$250 vouchers. Emails are being distributed to a base of c.8,500 ratepayers, with interim survey responses for the majority of surveys showing statistical significance already.

LTP engagement

Elected Members were presented with a consultation and engagement plan that looks to utilise traditional media channels, such as online, print, radio and social media. Leveraging the insights from the last Long Term Plan Amendment, we'll again engage with the Citizen's Panels and target those audiences harder to reach, such as rangitahi, Māori and Pasifika, with sessions that are tailored towards the audience. A brand campaign will go live prior to the LTP, with messaging that shows the value exchange between community and council and thanking the community for what their rates actually enable. Elected Members will lead the LTP conversation and engage with the community via several online and in-person events, including FB lives, interactive workshops and Cuppa with a Councillor sessions. The LTP consultation period opens 15 March and closes 15 April.



Enable the rebuilding of the Horowhenua District Council organisation, with a focus to empower a culture of excellence, service and continuous improvement

Our journey to build a high performing organisation continues and we are still heading in the right direction. Staff turnover continues to decrease with overall turnover down from 39% to 36% and excluding internal moves from 23% to 22%

All staff excluding a select few in Aquatics have now completed a declaration of any conflicts of Interest. Work is now underway to confirm the accuracy of the information declared and ensure management plans are in place where required.

All staff pulse survey focusing on how we build a culture of high performance and how we manage poor performance has been prepared and will be sent 6 March and closes 15 March

During the reporting period, work commenced on a new Leave Policy and review of the Individual Employment Agreement (IEA).

Sick leave taken during February remains stable compared to January at 80 days.



Make a decision on the Future of the Levin Landfill and follow through on the review of our WMMP

A Waste Assessment and draft Waste Management Minimisation Plan (WMMP) has been prepared and finalised during the reporting period in preparation for consultation on the Long Term Plan 2024 - 2044 . Consultation topics include a targeted rate for landfill aftercare and the level of service and funding mechanism for kerbside recycling.

Tiro Whānui **Hinonga Matua**

Capital Projects Overview



Capital Projects Lifecycle and Confidence Report

Successful delivery of the project against its project parameters appears on track as planned, and there are no major outstanding issues or risks that appear to threaten delivery.

Successful delivery of the project against its project parameters appears feasible but significant issues already exist, requiring management attention. These appear resolvable at this stage and, if addressed promptly, should not present a cost/schedule overrun or loss/delay of benefits.

Successful delivery of the project against its project parameters appears to be unachievable. There are major issues with schedule, budget, resource, quality and/or benefits delivery, which at this stage does not appear to be solvable. The project may need rescoping and/or its overall viability reassessed.

Key

⊖a move to the right

⊖a move to the left

* If changed colour

project added since last report

Project Lifecycle	Development	Consent	Plan and Procure	Deliver - 22/23 FY	Deliver - ongoing	Close and Evaluate
	Scope and approvals		Implementation planning	Implementation		Monitor benefits
	Foxton East Drainage Scheme	Foxton Beach SW planning and consent	Foxton Water Renewal 23/24	Minor Road Improvements	Foxton WWTP	Gladstone Road Realignment
	Lake Horowhenua water quality improvements and Queen St SW consent	Tokomaru WW disposal	Levin WWTP renewals	Footpath Renewals	Levin WW Renewals - Kings Drive	Levin Landfill - Old dump capping - 100% Completed
	Levin Pot - Strategic upgrade	Poads Rd Reservoir	Foxton Beach Water renewal	Stormwater new including Ramona Ave, Waitarere Beach	Foxton Beach WWTP	Public toilet - Major renewals
	Shannon WWTP		SH57/Tararua Road Roundabout	Waitarere WWTP	Old Dump remedial works Leachate investigation	Sealed Road Resurfacing annual programme
	Tokomaru WWTP		Foxton WW Renewals	Sealed Pavement rehabs	Pot WW discharge development and renewals	Donnelly Park Netball Court resurfacing, lighting and fencing

	Foxton Beach WTP	Foxton Water renewal	Cycle Facilities	Levin New Landfill - Final capping - Jan 29	Tara-Ika Tararua Road Stage 1 & 2 WW
	Waikawa Beach Access		Tara-Ika - Queen St Stg.1 SW	Shannon - Mangahao Water Renewal - Stg1	Tara-Ika Trunk Watermain (Tararua)
	Levin WTP Renewal		Road Improvements	North East Levin SW - SW Trunk and Coley Pond works	⊖Shannon Water Renewal - Stafford
	Shannon WTP renewal		Weararua/York St Wastewater Upgrade	Levin NE WW Renewals	Foxton Pools
	Foxton Beach WTP renewal		⊖Tara-Ika - Tararua Road Wastewater - Stage 3		
	Tokomaru WTP renewal		Levin Water Supply Flurodation		
	Levin Wastewater Treatment Plant - Inlet pipe Upgrade				
	Levin WWTP Master Plan				
	Levin WTP Master Plan				
	Horowhenua Transport Investment PBC				
	Okarito SW connection				
	Macarthur Wastewater and Water				

Horowhenua 
DISTRICT COUNCIL