

# WE ARE.

Council  
**MARK**<sup>™</sup>  
BB

Making our  
communities better

Tararua District Council

Independent assessment report | October 2018\*

An independent assessment report issued by the Independent Assessment Board for the CouncilMARK<sup>™</sup> local government excellence programme. For more information visit [www.councilmark.co.nz](http://www.councilmark.co.nz)



A measure  
for better  
community value.

\* Period of assessment: August 2018

# Assessment Summary

## AT A GLANCE



The Tararua District is situated on the eastern side of the Tararua and Ruahine Ranges. Tararua is a rural district with its economy largely based on primary production, such as agriculture and forestry.

LARGE METRO

SMALL METRO AND LARGE PROVINCIAL

SMALL PROVINCIAL AND RURAL



REGIONAL



## The current situation

Growth continues to be a challenge for the district, with the population having declined by 0.5 per cent over the past 12 years. However, modest growth is forecast, in part from an increase in immigrants and in part from an increase in lifestyle developments in rural areas. Challenges for the district include:

- > Affording and retaining sufficient staff resources to manage an increasing workload.
- > Managing digital connectivity in a sparsely populated and mountainous rural region.
- > Maintaining physical connections across a district that has the fourth largest roading network in the country with a small number of ratepayers per kilometre of roads.
- > Addressing the increased physical isolation from its nearest city, Palmerston North, as a result of the closure of the Manawatu Gorge.
- > Managing competing demands for keeping rates down, particularly from the rural sector, and for greater investment in local facilities.
- > Managing the cost of increasing regulatory and environmental standards relative to local affordability issues.

### Period of assessment

The assessment took place on 9 and 10 August 2018.



**\$651**  
GROSS DOMESTIC  
PRODUCT PER CAPITA<sup>1</sup>

SERVES

**16,854**

PEOPLE<sup>2</sup>, A MIX OF  
85.2% EUROPEAN/PAKEHA  
21.2% MĀORI  
1.5% PASIFIKA  
2.1% ASIAN



POPULATION TREND  
DECLINE

MAKES UP

**1.62%**

OF NEW ZEALAND'S TOTAL LAND  
AREA<sup>3</sup>, REPRESENTING TARARUA  
DISTRICT FROM THE RUAHINE RANGES  
IN THE NORTH TO THE PACIFIC OCEAN  
IN THE SOUTH EAST: AN AREA OF

**4,364 km<sup>2</sup>**

RESPONSIBLE FOR

**1,956 km**

ROADS<sup>4</sup>



## Key learnings

Despite the challenges inherent in servicing a relatively isolated and sparsely populated rural area, there is some justification for the optimism the Council has for the future of the district. A steady period of population decline is reversing; the Council is developing a strong and effective relationship with many of its stakeholders, including the business community and iwi/Maori; and a settled and cohesive management team are making improvements to internal systems and processes. This upward trajectory will require commitment to process improvements and managing the fine balance between financial pragmatism and ambition for economic development. Achieving the goals will require:

- > *Division of responsibilities:* The expectations of elected members and their roles relative to the roles of staff need to be more clearly defined and observed to ensure the two are operating cohesively and delivering to community expectations.
- > *Organisational development:* The Council is a lean organisation, where the staff willingly taking on additional responsibilities.

However, developing capability and capacity will require improved HR strategies and plans.

- > *Well-defined strategies and goals:* The Council is operating well on day to day issues, but needs to measure its progress against a clear framework of medium-term goals and annual performance targets.

<sup>1</sup> MBIE

<sup>2</sup> Stats NZ Census 2013

<sup>3</sup> DIA 2013

<sup>4</sup> Ministry of Transport 2013/14

# Assessment Summary

## continued...

### OVERVIEW

The Tararua District Council recognises its financial, geographical, and organisational capacity challenges. It seeks economic growth for the district, but has few levers to enable that growth and faces very real resource constraints. It accepts that effective partnerships with central government, other councils and the private sector are critical to ensuring solutions are enduring and cost-effective.

### RATING



## Findings

### 1.

THE COUNCIL IS AMBITIOUS FOR GROWTH IN THE DISTRICT AND FOR ORGANISATIONAL IMPROVEMENT. IT IS OPEN TO DOING THINGS DIFFERENTLY IN ORDER TO ACHIEVE THOSE AMBITIONS.

### 2.

THE COUNCIL MUST MAINTAIN AND ENHANCE ITS STRONG AND EFFECTIVE RELATIONSHIPS WITH STAKEHOLDER GROUPS WITHIN THE COMMUNITY AND ACROSS CENTRAL AND LOCAL GOVERNMENT TO PROGRESS ITS DEVELOPMENT.

### 3.

A VERY STRONG INTERNAL STAFF CULTURE PROVIDES A GOOD FOUNDATION FOR WILLINGLY ACCEPTING THE OPPORTUNITIES FOR IMPROVEMENT. THIS CULTURE NEEDS TO EXTEND TO THE ELECTED MEMBERS.

## Commonly used terms

Term	Definition
Asset Management Plan	A tactical plan for managing a council's infrastructure and other assets to deliver an agreed standard of service.
Infrastructure	Local and regional roads, pathways and cycleways, drinking water, wastewater and stormwater assets, sports and recreation facilities (parks, sportsgrounds, green spaces etc), community and tourism facilities (playgrounds, public toilets, libraries, museums, galleries and public art etc), town centres, and other facilities.
Local Government Act 2002	The legislation that provides a framework and powers for councils to decide which activities they undertake and the manner in which they will undertake them.
Long Term Plan	The document required under the Local Government Act that sets out a council's priorities in the medium to long-term.



Governance, leadership and strategy	Financial decision-making and transparency	Service delivery and asset management	Communicating and engaging with the public and business
Competent	Better than competent	Competent	Better than competent

#### STRENGTHS

Council staff and elected members are working together cohesively, demonstrate a strong commitment to their community, and recognise that changes are required to address the challenges facing the district.

The finance team is very ably lead and has a strong focus on ensuring the district takes a long-term and sustainable view of its funding requirements.

The Council has well-integrated financial and infrastructure strategies that are complemented by an effective operating model (the Tararua Alliance) which will progressively provide better value for money for the community.

The Mayor, with effective support from councillors and staff, is developing highly collaborative community relationships, particularly with business stakeholders.

#### AREAS OF IMPROVEMENT

The generally constructive working relationship between elected members and staff would be enhanced by more sharply defined roles for elected members in respect of operational and governance issues.

The depth of business knowledge and planning that is being developed within the Tararua Alliance needs to be progressively brought across to other operational activities.

The Council's technology, including its website, needs to be improved to better service its community and bring greater efficiency to internal processes.

# Leading locally

## Governance, leadership and strategy

The councillors see themselves as a relatively new council with the last local government election resulting in a 50 per cent turnover of elected members, as well as a new Mayor. They demonstrate a willingness to be “in their communities” and have quickly established themselves as leaders.

### Priority grading

Competent

< To achieve their outcomes, elected members and management face the challenge to present Tararua as a united community attractive to growth, and more than just a collection of disparate rural towns. The people of Tararua are ready to back the Council on that journey.>

### Setting the direction for the community

The Council shows a down-to-earth pragmatism in its objective: “A growing and prosperous district providing a wide range of employment opportunities that is underpinned by highly efficient, capable, and affordable infrastructure.” There is a strong and united Council focus around this objective. The Council’s portfolio leaders and the management team are organised around the key elements of the objective. The elements are efficient infrastructure, prosperous economy, collaborative council, great lifestyle and sustainable environment.

However, the individual councillor’s contact with the community means they have not lost a realism around the quality of day-to-

day customer services and responsiveness. It remains a key area of councillor discussion, and at times heightened discussion.

The Mayor has been acknowledged within the community as a great “link-person”. She recognises the need to bring people and organisations together to achieve a specific objective. She is seen as a person who is available to all, even at the risk of being perceived as being spread “too thinly”.

### Creating confident councillors

The councillors have undertaken programmes to improve their performance, including facilitated workshops. The management team work with councillors in forums designed to enable open discussion and develop an understanding of relevant governance matters and issues that affect the Council and its communities.

Creating councillor confidence, through developing an in-depth understanding of issues, remains a challenge, particularly for achieving cohesive and progressive discussion around issues. Openness and honesty is valued, however openness can lead to a download of information and talking “at” rather than talking “with” by management.

The new Council is still in its first term and has shown a dedication to developing its cohesiveness and confidence. Careful planning should be undertaken to see how this growing understanding can be built upon in the next triennium subject to community aspirations and election results.

### Effective working relationships

The Council’s approach with the community is generally appreciated and is considered to have improved over the last 18 months under the new Mayor, especially in the area of economic growth. Stakeholders from across the district were complimentary of the Council’s efforts to be practical in its support for projects such as Connect Tararua. Stakeholders liked the Council’s strategy to support and seek co-investment with

them, especially on projects pivotal to individual communities' sense of service and pride.

The approach is welcomed, although it came with a wish for greater consistency throughout Council, especially with management, in translating that enthusiasm into practical action.

The Council demonstrates that it works hard to develop authentic, collaborative external relationships with other local authorities and central government agencies.

## Strengthening risk management

Over the last two years the Council has had an objective to develop an effective suite of risk management arrangements. It has deliberately established an Audit and Risk Committee, chaired by an experienced former local government chief executive.

The Committee has demonstrated a commitment to developing its skill base and focus to ensure that it has effective input into governance and management.

## Management

The Council has a flat management structure which encourages open engagement and accessibility by councillors and staff. Senior management are expected to collaborate between themselves and with others in the delivery of the Council's objectives.

The Chief Executive has shown a commitment to developing his team, which is recognised as generally "young". Councillors were aware of, and appreciated, the environment of working with a wide range of managers and recognised the development and opportunity provided to them by the Chief Executive.

Without seeking to diminish or weaken such enabling arrangements, elected members want their primary relationship to be with the Chief Executive rather than through staff.

## Strengths

Council is recognised by its community as having a clear vision for the Tararua district. It is seen to be actively working to deliver on it. The community wants the Council to succeed.

The Council is committed to developing its leadership ability and effectiveness, recognising the substantial change following the last election.

Senior management has an open working relationship with their Council, and seek to develop trust and confidence with councillors and staff.

Council values strong collaborative working relationships with external parties, focusing on joint delivery or co-investment in achieving its aspirations.

## Areas for improvement

The Council should continue its investment in being a cohesive leadership group by developing further its understanding of governance.

The Council should have a stakeholder management plan for how it goes about being collaborative to ensure its actions are more likely to meet the expectations it creates by being open and available.

Relationships with local iwi/Māori need to be built to ensure the growing capability of iwi/Māori is integrated into developing a vibrant community.

The elected members should focus on and develop their relationship with its Chief Executive, while preserving the strength of the flat and open relationship with all senior managers.

There needs to be a stronger strategic Human Resources focus on the development of the young staff, with better pathways for advancement and more effort to attract personnel that will be needed for the future.

# Investing money well

## Financial decision-making and transparency

Council has financial choices open to it because of past and ongoing careful management, attention to improving information on which financial decisions are based and clarity about its vision. The 2018/28 Long Term Plan effectively brings these choices together in a coherent financial strategy.

### Priority grading

Better than competent

<The Council's relatively strong financial position is being used to help Tararua meet its aspirations for up-to-date, well maintained assets, and investment in infrastructure which adds to the quality of life and well-being of its communities.>

### Building the foundation for effective financial management

Taking into account the Council's size and resources, Tararua has developed strong financial management disciplines. Both councillors and staff reflected the value provided by its finance team in working with them and in providing an effective range of suitable financial information. The CFO encourages the finance team to be involved with their colleagues in delivering on the Council's objectives.

The Council receives a range of dashboard-type summary information and detailed "financials" on a monthly basis, and detailed quarterly update reports.

The Council has a sound financial management foundation because of the following practices:

- Clear definition and adherence to a financial strategy;
- Development of quality information which supports that financial strategy, especially its asset information;
- A continuous improvement approach to developing its systems;
- Effective integration of financial information into such disciplines as project management;
- Access to detailed financial information from the Tararua Alliance; and
- Ongoing improvements in infrastructure asset data accuracy used to inform long term financial forecasts.

The approach taken by management has enabled the development of an effective finance team from which Council as a whole is benefitting.

### Council has a clear and succinct financial strategy

Council's financial strategy stands out for its clarity and succinctness. It is easy to understand and is backed by understandable strategies around core spending areas, especially infrastructure and economic development.

The adopted 2018/28 financial strategy represents a considered change in approach that recognises the need to spend on building infrastructure which is resilient and appropriate to meet modern standards. Meanwhile, there is due regard to the renewal of its asset base, especially in the period after 2028 when an increased focus on renewals is required.

The strategy is clear that increased rating in the immediate future and increased use of debt is required. With a debt limit set at 100 per cent of annual revenue appearing conservative, Council has

considered it appropriate against its communities' ability to pay. The strategy has enabled clarity of these issues.

## Addressing financial risk

Council is transparent about the risks of its changed financial strategy. This includes planning for unbalanced budgets for eight out of the next 10 years. In these years, operational expenditure exceeds revenue. Council has considered the prudence of this planned position, agreed that it is reasonable and sustainable, and set out the matters clearly in its strategy.

The approach is based on what is affordable for its ratepayers and minimising its rate impost. The approach is backed up by improved information about the Council's operations.

Adopting this strategy will require both staff and Council to maintain strong financial discipline over the term of the plan to ensure, at a detailed and at an overall strategic level, that financial goals are met. Council in particular will need to ensure it focuses on the strategic goal inherent in its financial strategy.

## Being clear and transparent

Council internal reporting systems focus on informational value. Similarly, the Council demonstrates a commitment to effective external accountability with both its 2018/28 Long Term Plan and annual report showing that commitment to effective reporting. It is clear and accessible.

External and internal risk is overseen by the Audit and Risk Committee. The Council also values the input of their external auditors who continue to report favourably on their approach.

## Building capability

Clarity of roles and a deepening understanding of Council's strategic financial objectives are important. The elected members should focus on their financial strategy, goals, and the key success factors, while management should focus on operational aspects.

The Council displayed a relatively cohesive view of its financial strategy, although it showed some desire to be able to upskill in ensuring all understand the approach. This is positive and where needs arise, councillors should be assisted to better understand the approach adopted.

## Strengths

A strong and well-lead financial management team.

Demonstrated prudence in managing its finances.

A financial strategy that is well-articulated and reflects a considered expansion of spending to meet strategic goals and uses the financial strength the Council has harnessed over time.

Well-demonstrated and clear accountability to its communities on its financial spending.

## Areas for improvement

Elected members should ensure they understand Council's financial direction and the key strategic financial indicators.

Consideration should be given to well-structured and documented succession planning, given the significant institutional knowledge vested in senior managers.

# Delivering what's important

## Service delivery and asset management

The Council is managing much of its infrastructure assets in an effective manner through a collaborative alliance with Downer NZ Ltd. It has been a success story for the District, however, there are a number of legacy issues with asset condition and service levels expectations that need to be progressively addressed. In other operational areas there is a strong service ethic, but some capacity and capability challenges remain. Delivery of day to day services would be enhanced through clearer operational strategies and goals, and more relevant performance measures.

### Priority grading

Competent

<The Council is developing an improved understanding of its infrastructure assets, enabling it to make better-informed investment decisions and deliver improved outcomes.>

### Monitoring and assessing service levels

The Council's performance framework is relatively weak, with residents' satisfaction being the default performance measure for most services. In addition to providing limited insights into the quality and value for money of Council services, the satisfaction measure is used in a large number of instances where there is little understanding of the service being provided (e.g. stormwater management) or where the service is not being used by the residents being surveyed (e.g. there is approximately 90 per cent

satisfaction with libraries, while only 15 per cent of residents borrow books and less than 60 per cent visit the library). In several cases the performance measures relate to activities which are very peripheral to the main services provided by Council (e.g. there are two KPI's for cemeteries which comprise less than 1.04 per cent of the Council budget.) Even with activities such as rental housing, where there are clear opportunities to use value for money measures (e.g. efficiency of rentals returns), satisfaction is the preferred measure.

Overall, however, the annual report is well-presented and is easy to follow. Useful features include a "Our Year at a Glance" page, which summarises key financial and operational information, including the goals which were and were not achieved, and a legend tracking progress of key initiatives over the past three years.

### Assessing capability and capacity

The Council has only conducted a limited number of formal s.17A reviews in recent years due to financial thresholds, existing contractual arrangements, and pre-existing shared services. However, in several instances the Council has developed improved arrangements for its services, including the Manawatu-Wanganui Local Authority Share Services (a council-controlled company delivering regional shared services) and the Tararua Alliance. The latter is a collaborative agreement between the Council and Downer NZ Ltd to deliver integrated infrastructure planning and management services based on outcomes rather than outputs.

It is a particularly significant initiative on the part of the Council to develop an effective model for delivering operational services which enables it to draw on technical expertise and resources which it could not otherwise gain access to.

Internally, the strength of the organisation's culture has helped maintain a stable workforce which has in turn ensured there is a good level of institutional knowledge and skill. Adequacy of resourcing is seen as an issue by some, and the Council would benefit from stronger HR systems including a resourcing model and more robust performance plans which clearly set performance expectations.

## Service delivery quality

### *Roading*

Prior to the establishment of the Tararua Alliance, the District's roading network was in a significant state of decline. Roads, particularly rural roads, were in poor condition, asset knowledge was poor, data confidence was low, and there was little effective future planning. The network has one of the lowest maintenance costs per kilometre of all councils, a consequence of which is the low level of service being provided to residents. This is reflected in 59 per cent and 36 per cent levels of residents' satisfaction with urban and rural roads, respectively.

NZTA has worked closely with the Alliance and acknowledges that there have been a lot of legacy issues to address. All parties consider that there is an improved knowledge of the baseline state of the network from which better informed capital investment decisions can be made. The increased confidence is enabling more targeted investment decisions to be made because, as NZTA observed, "the quality and location of spend is currently more important than the quantum of spending."

The Alliance has been a nationally significant model of operation and it can point to a number of achievements including halting a decline in state of the network, maintaining costs at current levels, and improving the quality of the asset data.

### *Three waters*

The Council's overall management of its three waters issues is good. Residents' satisfaction is generally high, although there are marked differences in the level of satisfaction between the Southern and Northern wards, and ongoing concern with flooding issues in parts of the District.

Responsibility for managing the networks is split between the Tararua Alliance, which manages the reticulated network, and Council staff, who manage the plant.

Asset knowledge features strongly in both the Infrastructure and Finance Strategies, with the Council recognising that increased

knowledge and confidence in asset data will enable more accurate and effective long-term financial decisions to be made about maintenance and replacement of the network.

As with roading, the Council's access to the resources of Downer through the Alliance means that it is increasingly improving its knowledge of the state of the assets through the use of CCTV and smoke testing which helps identify issues with leaks across the network.

### *Drinking water*

The District has seven drinking water schemes in total. Three of them are compliant with the Drinking Water Standards. Two schemes have plans and funding in place to bring them up to a compliant level and one scheme (Pahiatua) will have a new water treatment plant in the 2018/19 year. The other two water treatment plants (Pongaroa and Akitio) have been built and will be commissioned this year. Both water schemes will be compliant with the Drinking Water Standards. Six schemes have Water Safety Plans approved by the Ministry of Health and the Akitio scheme will have a Water Safety Plan that will comply with the Drinking Water Standards.

Significant time and energy is being put into improving the asset management plans and in particular the asset knowledge so that greater reliance can be placed on the data for modelling capital investment decisions.

While population growth is not placing any real demands on the capacity of the networks, water metering and targeted rates are being applied to help reduce demand and more accurately assess current and future demands.

### *Wastewater*

Because of the small and widely-spread communities, three of the seven wastewater schemes require residents to use septic tanks as a pre-treatment with the tanks then being received by the Dannevirke treatment facility.

Of the four main schemes, two have been upgraded (Pahiatua and Woodville), one (Eketahuna) has been funded for upgrading, and the largest (Dannevirke) is scheduled for upgrading in 2026. The level of treatment and discharge for all four is a sensitive issue with iwi. Practical issues with available land make discharge onto land impractical, and the option of discharging to water has resulted in, to date, unresolved mediation in the Environment Court.

The Council see the discussions to date as "good interaction" but iwi have expressed frustration, believing that true partnership would have seen them engaged on the issues far earlier in the project design process.

### *Stormwater*

While there has been significant progress in the quality of operational management and capital planning for wastewater and potable water, stormwater management has scope for improvement. Staff acknowledged this, noting that “We’re doing the basic things first, including increasing our capacity.” Again, it is an example of where the Alliance arrangement has enabled greater resource to be applied to understanding the nature and scale of the District’s stormwater issues. These issues include rural stormwater flows entering and affecting the capacity of the urban reticulated network, issues with the hydraulic performance and capacity of the network, and the lack of treatment increasingly raising environmental concerns, particularly for iwi.

Flooding of the network is a particular concern with only 55 per cent of residents satisfied with the Council’s management of the network. The Council is hopeful that development of a stormwater model, along with improved assets knowledge, will enable it to make better-informed decisions on where investment is needed to address the flooding concerns and improve the performance of the network.

However, despite being a signatory to the Manawatu River Accord (which sets numerous goals for improving the environmental state of the river), it has yet to develop a plan with the regional council as to how it will address the issue of treatment and discharge in the medium term.

### *Community facilities*

The district’s community facilities are modest, with the primary services being the Bush Multisport Trust (indoor and outdoor recreation courts in Pahiatua) and the Tararua Aquatic Centre Trust (an indoor heated 25m pool in Dannevirke). The Council has adopted the trust model for managing these facilities whereby they provide grant funding and the trust assumes management responsibility and undertakes community fundraising.

There are also community outdoor pools in Woodville, Pahiatua and Eketahuna which are run by community committees. The Council funds the provision of a basic outdoor summer pool. If the community wishes to have a higher level of service, they are obliged to raise the additional funds. It is a prudent and cost-effective service delivery model which places the onus on the community to invest resources into the community facilities they most value.

While the four libraries have high levels of satisfaction (90+ per cent) they are experiencing a steady decline in borrowing, with less than 10 per cent of residents borrowing books on a monthly basis. Less than 50 per cent of the library visitors are coming in to borrow books, and the staff acknowledged that the books occupy too much space relative to demand.

Although there is significant effort placed on promoting literacy and other programmes within the library, the Council has not developed a clear picture of the future role of the libraries within its community services strategy. In order to fully develop its strategy the Council needs to understand not only why residents use the facility, but also why the majority of residents are not using it, and what changes would increase the value of the library.

The Council also maintains a significant number (19) of community halls and buildings which appear to be seldom used and are not being fully depreciated as they are unlikely to be replaced at the end of their life. Because no measurements are taken of how frequently these community facilities are used, it is difficult to determine their current or future value to the community.

### *Economic Development*

The Council has a significant focus on economic growth for the District. Unlike many other councils who default to providing grants to businesses coming into their community, the Council has a multi-faceted approach to this issue including working with central government agencies to provide assistance, promoting the region at various national events, and establishing a business network for the community. While there is a high level of satisfaction with the Council services in this area (100 per cent), consideration should also be given to specific outcomes or goals.

## Addressing regulation

Regulatory volumes are very modest with only 45 to 50 resource consents and approximately 350 building consents issued per annum. The Council’s building and resource consenting processes are sound, with the vast majority being completed within the statutory timeframes (96 per cent and 99 per cent for resource consents and building consents respectively).

The recent IANZ audit of the Council as a building control authority identified 10 instances of non-compliance which have since been addressed. The report noted that the Council “*had worked with their clients to improve the quality of applications... [and]...significantly improved the standard of the Compliance Schedules that it issued.*” rather than reject applications. The only substantive issue of note was that the Council occasionally oversteps its professional obligations by completing work for the applicant which places them at risk.

The issue raised in the IANZ audit is one the Council should be mindful of managing. However, it is also indicative of their commitment to client service which is reflected in high (relative to other councils) levels of satisfaction with the Council’s regulatory work, with 72 per cent of residents being satisfied with the building consents team.

The Council lacks an enforcement strategy or specific enforcement policies, and as a consequence lacks clear regulatory goals as to how best to balance education on issues such as responsible dog ownership with punitive enforcement (such as fines) in order to best achieve compliance with its regulations.

There is nothing to suggest there is a major issue with their enforcement activities (there is 60 per cent overall satisfaction with the Council's regulatory services), although the level of dissatisfaction with dog control is relatively high at 37 per cent. This, coupled with 43 dog attacks during the year, suggests the Council needs to better understand the underlying causes of this problem and develop performance measures that are based on public safety (e.g. annual reduction in attacks) and not timeliness (i.e. response time to complaints).

Staff acknowledged the lack of formal policies in all regulatory activities, but also observed that it had not been a significant issue with the community.

## Capital investment decisions and delivery

The Council recognises the delivery of capital projects is an area for improvement. The Council's CFO noted that completion of capital projects had improved over the last few years from approximately 65 percent to close to 75 per cent of annual projects being completed.

An elementary form of project control is now in place with key projects being documented in a table format as the "Project Control Sheet." The document gives visibility to councillors and management on the major projects. Both the content and format of the reporting could be improved through the use of graphics such as a Gantt chart, along with details on project scope, budgets, risk and change control.

Although there is desire to introduce business cases as part of the capital planning process, there are no internal resources available to develop and deliver them. Capital expenditure decisions are not made with a formal business case. The management team is in the early stages of implementing a project management framework. Business cases have been prepared for key projects and a project team is being established to enhance capability and to deliver on the capital programme.

## Strengths

---

An excellent working model for delivery of infrastructure services through the Tararua Alliance.

---

An improved understanding of their infrastructure asset, enabling more cost-effective investment decisions to be made

---

A strong organisational culture and commitment to public service.

---

Cost-effective use of trusts to deliver some community services.

---

A strong commitment to continually exploring alternative service delivery options

---

## Areas for improvement

---

Develop more robust Human Resources systems and processes to ensure succession planning and operational demands are met.

---

Review the organisational structure and resources to determine the balance of skills and roles needed to meet future demands.

---

Develop more relevant performance measures that target issues such as cost-effectiveness and value for money.

---

Develop a better understanding of compliance issues inherent in regulatory activities and establish an enforcement strategy to address those issues.

---

Establish internal capability in business case development.

---

# Listening and responding

## Communicating and engaging with the public and businesses

The Council's strengths lie in its direct engagement with its community, rather than having documented clear strategies for developing engagement with key stakeholder groups. The Mayor has developed a strong profile across the district, and several stakeholder groups would like to see her accessibility and active community participation mirrored by other elected members.

### Priority grading

Better than competent

< Both staff and elected members see community engagement as an important part of their roles. While there are some specific challenges facing them, particularly the development of iwi relationships, the general feedback from stakeholders is very positive.>

### Planning effective engagement

The Council does not have a formal strategy for ensuring effective engagement across all stakeholders in the District. The Significance and Engagement Policy sets thresholds for consultation and the forms of consultation to be undertaken, but it is not linked to any medium or long-term goals or outcomes. The elected members considered that "our engagement processes are unnecessarily long and convoluted" and felt that "[our]

*informal networking with our community is more effective than consultation through formal processes."*

Stakeholder feedback indicated that, while the informality of engagement is valued, they wanted to see more frequent engagement with a wider range of community groups by the staff and councillors. This perception may be in part due to the competing demands on the time of councillors and staff. Consequently, a strategy and plan for engagement would help better manage these expectations.

### Communicating through the media

Despite lacking a media strategy, the coverage of the district in local media is generally positive. Particularly good coverage has been given by local and national media to the efforts of the Council and "Connect Tararua" which is a community project to improve telecommunications infrastructure in the district.

Feedback from staff indicated the local media enjoy ready access to the Mayor and Chief Executive and, as is common in small provincial centres, the local papers take considerable interest in the activities of the Council and regularly attend Council meetings. In addition to the traditional media channels, the Council is targeting social media as an effective channel for directly communicating with its residents.

While the constructive media relationships are a very positive aspect of the Council's overall communication, it needs to be recognised there will also be occasions when the Council is the subject of scrutiny and criticism. A formal media and communications strategy would assist the Council to better manage its public image in these instances.

## Engaging digitally

Digital engagement is an important issue for the district given that half of its population is living in rural areas with poor cellphone and internet coverage. Approximately 80 per cent of homes have no cellphone coverage and have download speeds of less than 5MB/sec. The Connect Tararua project has helped galvanise the issue of access to effective communication for the district.

Poor telecommunications infrastructure may be part of the reason for the Council's relatively limited success and progress with digital services. An electronic newsletter was trialled and discontinued, the Council does not use Twitter, and its Facebook page followers are relatively low, at approximately 15 per cent of residents.

However, this does not entirely justify the Council's lack of digital progress. For a Council which has worked very effectively with the community to highlight its telecommunication needs, there are some relatively simple and cost-effective steps which could be taken to improve digital engagement. Principal amongst these are the development of a social media strategy within the context of a broader communications strategy, more regularly posting information onto its Facebook page, and significantly enhancing its website's functionality.

The website is an obvious opportunity for improvement. Even with limited download speeds, addressing its limited functionality, particularly for transactional services, would offer rural residents a more convenient and quicker way to interact with the Council.

## Reputation

The Council has departed from using annual residents' survey used by most councils and instead undertakes smaller, quarterly surveys. The objective behind the approach is reasonable. It seeks to identify frequent trends in residents' opinions without the potential for any one-off incident at the time of the survey skewing the results.

However, while the methodology is robust, the small sample sizes result in a higher margin of error. This means that a sustained trend analysis is needed to know accurately what key issues are and where satisfaction levels sit.

A positive feature of the Council's survey approach is that it aggregates individual results into three attributes (image and reputation, value for money, and overall services and facilities). These attributes are then weighted to determine their overall impact on perceptions of the Council's performance.

However, no analysis is being done of the survey results. Nor is there an action plan for the issues to be addressed in between

surveys or subsequent assessment of whether these actions are improving residents' overall views of the council's performance.

The two survey results reviewed suggest that while there are inevitable areas of dissatisfaction around some regulatory and infrastructure services, the Council's reputation within the community is generally good. Satisfaction with the performance of elected members ranges from 70 to 79 per cent and for front-line staff at 83 per cent. However, satisfaction with Council communication is low at 56 per cent, and the survey would benefit from asking question about what their information requirements are, and how the community would like to receive it from Council.

## Engagement with iwi

The Council has a unique challenge in managing iwi relationships where both Ngāti Kahungunu and Rangitāne claim mana whenua status within the District. They have executed a Memorandum of Partnership with Rangitāne, but have yet to establish a formal relationship with Ngati Kahungunu. Comments on the overall relationship and relationships with individuals ranged "*They treat us with respect and honesty*" to feelings of residual lack of trust with some individuals.

Objective comment from the business community indicated that the Council is doing a good job to bridge a gap in what is a complex set of relationships. The challenge for the Council is not only to maintain constructive relationships with both iwi, but to also meet high expectations for bold initiatives such as Māori appointed councillors.

## Civil defence and crisis communications

There is a high level of community engagement within the District on emergency management, with the five largest towns all having community response plans. With a large rural population, there are both practical skills and equipment to help manage an initial response to a major emergency. While survey results suggest a high level of emergency preparedness (84 per cent), Council staff acknowledge that the urban areas probably have a much lower level of preparation and independence than the rural sector.

## Engagement with business

The Council's relationship with the business community appears to be very good and is strengthening, particularly through the leadership of the Mayor. Connectivity is a major issue for both the farming and urban businesses, and the initiatives that the Council has taken around the Connect Tararua project have gained it respect. The Council is credited for not simply providing financial support to projects such as Connect Tararua, but also

being a strong and effective advocate for the District with central government.

The Council's support of the Business Network, a Council funded facility which provides local business with free services (e.g. office space, printing and internet) is seen as a very valuable initiative in a District which has geographically remote locations with no internet and other critical services.

### Strengths

A willingness to be accessible and accountable to their community, with strong leadership by the Mayor.

Generally strong relationships with a wide cross-section of the community, with particular efforts being devoted to iwi/Māori relationships.

A generally positive portrayal in media stories.

Effective advocacy for the district with central government agencies.

Generally positive survey results relating to the performance of Council staff and elected members.

### Areas for improvement

Establish strategies for interaction with media, iwi/Māori, businesses and community groups so that efforts can be better targeted and measured.

Analyse survey results and develop a formal action plan to address emerging issues.

More effective use of social media.

Enable greater functionality of the website to reduce costs and improve access to Council services.

The CouncilMARK™ local government excellence programme is a proprietary programme operated by Local Government New Zealand (utilising independent assessors). The rating given to a council is an independent assessment of that council's performance in certain areas, as at the time the rating was given. LGNZ does not accept any liability to any person whatsoever in relation to any rating, or the council's participation in the programme. For more information visit [www.councilmark.co.nz](http://www.councilmark.co.nz)