



RĀRANGI TAKE AGENDA

Rautaki, Whakahaere, me te Ahumoni | Strategy, Operations and Finance Committee Meeting

I hereby give notice that a Meeting of the Rautaki, Whakahaere, me te Ahumoni | Strategy, Operations and Finance Committee will be held on:

Te Rā | Date: Thursday, 14 September 2023

Te Wā | Time: 9.30am

**Te Wāhi | Location: Council Chamber
Ground Floor, 175 Rimu Road
Paraparaumu**

**Kris Pervan
Group Manager Strategy & Growth**

Kāpiti Coast District Council

Notice is hereby given that a meeting of the Rautaki, Whakahaere, me te Ahumoni | Strategy, Operations and Finance Committee will be held in the Council Chamber, Ground Floor, 175 Rimu Road, Paraparaumu, on Thursday 14 September 2023, 9.30am.

Rautaki, Whakahaere, me te Ahumoni | Strategy, Operations and Finance Committee Members

Cr Sophie Handford	Chair
Cr Liz Koh	Deputy
Mayor Janet Holborow	Member
Deputy Mayor Lawrence Kirby	Member
Cr Glen Cooper	Member
Cr Martin Halliday	Member
Cr Rob Kofoed	Member
Cr Jocelyn Prvanov	Member
Cr Shelly Warwick	Member
Cr Nigel Wilson	Member
Cr Kathy Spiers	Member
Ms Kim Tahiwī	Member
Mr Huriwai Paki	Member
Mr André Baker	Member
Ms Janine Huxford	Member

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1 NAU MAI | WELCOME

2 KARAKIA A TE KAUNIHERA | COUNCIL BLESSING

I a mātou e whiriwhiri ana i ngā take kei mua i ō mātou aroaro, e pono ana mātou ka kaha tonu ki te whakapau mahara huapai mō ngā hapori e mahi nei mātou. Me kaha hoki mātou katoa kia whaihua, kia tōtika tā mātou mahi, ā, mā te māia, te tiro whakamua me te hihiri ka taea te arahi i roto i te kotahitanga me te aroha.

“As we deliberate on the issues before us, we trust that we will reflect positively on the communities we serve. Let us all seek to be effective and just, so that with courage, vision and energy, we provide positive leadership in a spirit of harmony and compassion.”

3 WHAKAPĀHA | APOLOGIES

**4 TE TAUĀKĪ O TE WHAITAKE KI NGĀ MEA O TE RĀRANGI TAKE |
DECLARATIONS OF INTEREST RELATING TO ITEMS ON THE AGENDA**

Notification from Elected Members of:

4.1 – any interests that may create a conflict with their role as an elected member relating to the items of business for this meeting, and

4.2 – any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members' Interests) Act 1968

**5 HE WĀ KŌRERO KI TE MAREA MŌ NGĀ MEA E HĀNGAI ANA KI TE RĀRANGI
TAKE | PUBLIC SPEAKING TIME FOR ITEMS RELATING TO THE AGENDA**

6 NGĀ TAKE A NGĀ MEMA | MEMBERS' BUSINESS

(a) Leave of Absence

(b) Matters of an Urgent Nature (advice to be provided to the Chair prior to the commencement of the meeting)

7 HE KŌRERO HOU | UPDATES

Nil

8 PŪRONGO | REPORTS

8.1 LOCAL GOVERNMENT FUNDING AGENCY'S STATEMENT OF INTENT 2023-26 AND ANNUAL REPORT 2022-23

Kaituhi | Author: **Jing Zhou, Chief Financial Officer**

Kaiwhakamana | Authoriser: **Ewen Church, Acting Group Manager Corporate Services**

TE PŪTAKE | PURPOSE

- 1 The purpose of this report is to provide the Strategy, Operations and Finance Committee with the Local Government Funding Agency (LGFA) Statement of Intent (SOI) 2023-26 and their Annual Report to 30 June 2023.

HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 Not required.

TE TUKU HAEPAPA | DELEGATION

- 3 The Council's Strategy, Operations and Finance Committee has the authority to consider this report.

TAUNAKITANGA | RECOMMENDATIONS

- 4 That the Strategy, Operations and Finance Committee:
 - A. **Notes** the contents of the Local Government Funding Agency's Statement of Intent 2023-26 and Annual Report to 30 June 2023.

TŪĀPAPA | BACKGROUND

- 5 The LGFA was incorporated in 2011 with the primary objective of optimising the debt funding terms and conditions for participating local authorities. This includes providing savings in borrowing costs, making longer-term borrowings available and enhancing the certainty of access to debt markets.
- 6 The LGFA issues bonds to wholesale and retail investors and on-lends the funds raised to participating local authorities (PLAs) with borrowing needs. The quality of the LGFA's credit rating and the liquidity created by issuing homogenous local authority paper, ensures that participating councils can raise funds on better terms than if they were issuing in their own name.
- 7 In 2012, Kāpiti Coast District Council (the Council) became a principal shareholding local authority¹ in the LGFA. The LGFA meets the Local Government Act (LGA) 2002 definition of a Council Controlled Organisation (CCO) and as a shareholder in a CCO, the Council must regularly undertake performance monitoring of that organisation to evaluate its contribution to the achievement of the Council's desired outcomes.
- 8 As a CCO, the LGFA must deliver to its shareholders a draft SOI on or before 1 March each year, which the draft SOI 2023-2026 has been presented to this committee on 6 April 2023. The LGFA board must consider any comments from its shareholders in relation to the draft SOI and deliver a final SOI on or before 30 June.

¹ principal shareholding local authorities are those which invest capital in the LGFA and are expected to receive a return on that capital.

- 9 The Council’s monitoring obligations are assisted by the Shareholders’ Council whose role is to represent all the shareholders and ensure that all individual shareholder views are heard. The Shareholders’ Council comprises five to ten appointees from the council shareholders, and one from the Crown.

HE KÖRERORERO | DISCUSSION

He take | Issues

- 10 LGFA has issued its financial SOI 2023-2026.
- 11 Strategic priority areas, and the objectives and performance targets that sit within each area, are summarised on the following table:

Strategic priorities	Objectives	Performance targets
Governance, capability, and business practice	<ul style="list-style-type: none"> • Demonstrate best practice corporate governance. • Set and model high standards of ethical behaviour. • Achieve the shareholder-agreed objectives and performance targets specified in the SOI. • Ensure products and services offered to participating borrowers are delivered in a cost-effective manner. • Be a good employer by providing safe working conditions, training and development and equal opportunities for staff. 	<ul style="list-style-type: none"> • Comply with the Shareholder Foundation Policies and the Board-approved Treasury Policies. • Maintain credit rating equal to the NZ Government sovereign rating where both entities are rated by the same Rating Agency. • Operating income for the period to 30 June 2024 >\$20.6m • Operating expenses for the period to 30 June 2024 <\$10m
Optimising financial services for local government	<ul style="list-style-type: none"> • Provide interest cost savings relative to alternative sources of financing. • Offer flexible short and long-term lending products that meeting the borrowing requirements for borrowers. • Deliver operational best practice and efficiency for lending services. • Ensure certainty of access to debt markets, subject always to operating in accordance with sound business practice. 	<ul style="list-style-type: none"> • Share of aggregate long-term debt funding to the Local Government section >80% • Total lending to participating borrowers >\$17.87b. • Conduct an annual survey of participating borrowers who borrow from LGFA as to the value added by LGFA to the borrowing activities >85% satisfaction score. • Successfully refinance existing loans to councils and LGFA bond maturities as they fall due 100%. • Meet all lending requests from participating borrowers, where those requests meet 100% LGFA operational and covenant requirements.
Environmental and social responsibility	<ul style="list-style-type: none"> • Assist the local government sector in achieving sustainability and climate change objectives. • Improve sustainability outcomes within LGFA. 	<ul style="list-style-type: none"> • Comply with the Health and Safety at work Act 2015. • Maintain Toitu Carbon Zero certification. • Meet reduction targets outlined in the carbon reduction management plan. • Increase two new Green Social and Sustainability loans (GSSs) and three new borrowers enter Climate Actions Loans (CALs).

Strategic priorities	Objectives	Performance targets
		<ul style="list-style-type: none"> • Ensure annual report is 100% prepared in compliance with applicable GRI standards. • 100% Meet all mandatory climate reporting standards.
Effective management of loans	<ul style="list-style-type: none"> • Proactively monitor and review each participating borrower’s financial position, including its financial headroom under LGFA policies. • Analyse finances at Council group level where appropriate and report to shareholders. • Endeavour to meet each participating borrower annually, including meeting with elected officials as required, or if requested. 	<ul style="list-style-type: none"> • Review 100% of participating borrowers’ financial position • Arrange to meet each participating borrower over a 15-month period, including meeting with elected officials as required, or if requested 100%.
Industry leadership and engagement	<ul style="list-style-type: none"> • Take proactive role to enhance the financial strength and depth of the local government debt market and work with key central government and local government stakeholders on sector and individual council issues. • Assist the local government sector with significant matters such as the Affordable Water Reform. • Maintain productive relationships with central government representatives. • Support councils and CCOs in the development of reporting disclosures of the impacts of sector activity on climate change 	<ul style="list-style-type: none"> • Report on actions undertaken and progress made on sector issues. • Identifying any legislative or central government policy changes that may impact LGFA and undertake formal or informal submissions. • Assis the local government sector with understanding any legislative or central government policy changes that may impact LGFA. • Report back on the alignment of LGFA and council’s climate and emissions reporting requirements. • Report back in how we are helping smaller council’s understand future reporting requirements.

12 The following points regarding the final SOI are worth noting.

12.1 The performance targets are the same as the targets in the prior year SOI except it includes Climate Action Loans (“CALs”) into the Environmental and Social Responsibility section.

12.2 There is a forecast increase in Net Operating Profit compared to prior years. This is due to an increase in forecast Net Interest Income arising from a larger amount of lending to Councils and CCOs. LGFA has assumed an additional \$1 billion of council and CCO borrowing in each of the next three financial years compared to the Draft SOI forecasts.

12.3 Based on-lending margins are unchanged.

12.4 There remains some uncertainty within the SOI forecasts relating to the amount of both council loans and LGFA bonds outstanding as this depends upon the magnitude and timing of council borrowing. LGFA has based their forecasts on the Long-Term Plans (“LTPs”) of the seventy-seven council and three CCS members and the LTPs forecast a significant increase in borrowing in each of the next three years. The actual amount

of borrowing will be influenced by the ability of councils to deliver on the capex projections in their LTPs, any cost increases as well as the amount of Central Government assistance in funded capex delivery.

12.5 The Affordable Water Reform programme has assumed the establishment of the ten new Water Services Entities (WSEs) will take place from 1 July 2024 and be concluded by 1 July 2026. This period covers the second and third year of our SOI forecast period and at this point in time we are unsure as to

- Any role by LGFA in lending to the WSEs once they have been established.
- How the transition of debt and assets between the councils and WSEs will occur and
- The borrowing behaviour by councils ahead of, and during the transition period.

13 The changes made to the Final SOI compared to the Draft SOI that presented to the committee on 6 April 2023 are:

13.1 Net Interest Income has increased in the 2023-24, 2024-25, and 2025-6 financial years by \$1.3 million, \$1.5 million, and \$3.5 million.

13.2 Operating expenses have increased by \$0.5 million in 2023-24 and by \$0.8 million in each of 2024-25 and 2025-26 due to additional costs because of increased council lending and bond issuance.

13.3 Forecast Net Operating Profit has increased by \$0.8 million (2023-24), \$0.7 million (2024-25) and \$2.6 million (2025-26).

	2023/24 \$M (final SOI)	2024/25 \$M (final SOI)	2025/26 \$M (final SOI)
Total operating income	20.6	19.9	21.5
Operating expenses	10.0	10.6	11.0
Net profit	10.6	9.3	10.5
Loans to local government	18,120	20,030	21,505

14 LGFA's financial performance was not as strong as previous years with Net Operating Profit of \$2.5 million, slightly below SOI forecast and lower than the comparable year result. The conservative approach of borrowing longer than the term of lending, combined with maintaining a large amount of liquid assets during a period of rising interest rates and volatile conditions, were the key factors in the lower result for the year. LGFA is expecting a strong bounce back of profitability in the coming year.

15 LGFA met 16 out of 17 performance objectives. The objective that was not achieved was the total operating income for the period to 30 June 2023. The target was greater than \$12.2 million, and the actual was \$11.6 million. The reason is explained in para 13.

16 At 30 June 2023, LGFA had loans outstanding of \$16.31 billion, an increase of \$2.27 billion from previous year, with the longest dated loans out to 14 years (2037). Over the 12 months, LGFA approved two new councils and two new CCO members, lifting total members to 77 councils and 3 CCOs.

17 A further three GSS loans during the year and launched CALs for councils and CCOs. By 30 June 2023, total GSS loan is \$295 million to five councils and CAL loan is \$521 million to three councils, which formed LGFA's sustainable asset pool. In April 2023, LGFA issued \$1.1 billion of a May 2030 Sustainable Financing Bond under the new Sustainable Financing Bond Framework, the proceeds of which are notionally allocated against the sustainable asset pool.

- 18 The financial strength of LGFA has been affirmed with total assets of \$18.1 billion and shareholder equity of \$105.9 million as at 30 June 2023. A \$1,712,500 dividend has been declared by the LGFA Board for the year ending 30 June 2023. The dividend rate is \$0.0685 per paid up share.
- 19 We hold 200,000 (0.04%) out of the 45,000,000 equity securities as at 30 June, the same as prior year. Of the \$200,000 shareholding, 100,000 is subscribed share (i.e. ordinary paid-up share that would receive dividends) and 100,000 is unsubscribed share (that do not receive dividends). The ordinary paid-up shares received a dividend of \$6,850 on 1 September 2023.
- 20 The final SOI and Annual Report to 30 June 2023 are attached as Appendix 1 and 2 to this report. Subject to availability, LGFA Officials will be invited to present to the Strategy, Operations and Finance Committee.

Ngā kōwhiringa | Options

- 21 There are no options to consider with this report.

Tangata whenua

- 22 There are no tangata whenua considerations arising from this report.

Panonitanga āhuarangi | Climate change

- 23 There are no climate change considerations within this report.

Ahumoni me ngā rawa | Financial and resourcing

- 24 There are no financial considerations within this report.

Ture me ngā Tūraru | Legal and risk

- 25 There are no legal considerations arising from the matters in this report.

Ngā pānga ki ngā kaupapa here | Policy impact

- 26 There is no policy impact resulted from this report.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

Te mahere tūhono | Engagement planning

- 27 An engagement plan is not needed for this report to be considered.

Whakatairanga | Publicity

- 28 There are no publicity considerations.

NGĀ ĀPITI HANGA | ATTACHMENTS

1. LGFA Statement of Intent 2023-2026 [↓](#)
2. LGFA Annual Report to 30 June 2023 [↓](#)

8.2 VISION KĀPITI, AND DESIGN OF THE OUTCOMES FRAMEWORK

Kaituhi | Author: **Angela Bell, Chief Advisor Strategy and Growth**

Kaiwhakamana | Authoriser: **Kris Pervan, Group Manager Strategy & Growth**

TE PŪTAKE | PURPOSE

- 1 This paper updates you on the next steps in developing the Districts refreshed Outcomes Framework and performance measures to support Vision Kapiti; and provides a general update on the progress of work related to Vision Kapiti.

HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 An Executive Summary is not required.

TE TUKU HAEPAPA | DELEGATION

- 3 The Strategy, Operations and Finance (SO&F) Committee has delegations under the following section of Part B.1 of the Governance Structure and Delegation 2022-2025 Triennium: "Strategic setting and approving the policy and strategy work programme.

TAUNAKITANGA | RECOMMENDATIONS

- 4 That the Strategy, Operations and Finance Committee:
 - A. **Note** the content of this paper in developing the refreshed Kāpiti Outcomes Framework, and updating you on Vision Kapiti actions including the new Engagement Hub.
 - B. **Endorse** that the Outcomes Framework be supported by a smaller suite of measures to help monitor progress towards our outcomes, and new assessment tools including Productivity and Social Return on Investment which are discussed in this paper.
 - C. **Note** that due to resource constraints this work is being progressed in a phased approach, and that we will bring the proposed Outcomes Framework and performance measures for further discussion in a workshop in November 2023 and in subsequent periods in 2024/25.

TŪĀPAPA | BACKGROUND

Developing Vision Kapiti – standing up the Community Engagement hub

- 5 The Committee was last updated on the development of Vision Kapiti on 18 May 2023. This paper sought endorsement of a new community engagement approach, including that for Vision Kapiti:
 - 5.1 Community engagement at local and district level is led by Elected Members, supported by staff.
 - 5.2 Monthly feedback sessions will be used to incorporate feedback into our evolving thinking on Vision Kāpiti.
- 6 This engagement approach is now in place, with a new Engagement Hub rolled out, and the first month of engagement in the Hub completed in Waikanae. Elected Members attended sessions at the Hub throughout August.
- 7 A short overview of progress to date is set out in this paper.

Outcome Framework Development

- 8 On 9 March 2023, the Committee confirmed Council’s intention to co-design the development of Vision Kapiti through three primary stages through to June 2025/26. The Committee also endorsed a best-practice approach for developing Vision Kāpiti, based on five key elements of a collective impact model:

Element	Action	Month	Status
1. Vision and blueprint	Land detailed design and approach for progressing community visioning work at township and District-wide level.	(initial) March 2023	Completed 9 March
	Development of an interim narrative for the LTP 2024-44.	November 2023	In progress
2. Outcomes and aspirations for change	Detailed design of outcomes, desired change in results, and new reporting. These will inform the development of the LTP.	(initial) May 2023	Briefing on 23 May, and Report to the next Committee meeting (8 June)
		Follow-up September 2023	For discussion today
	Council ‘top 10’ priorities released for feedback	May 2023	Completed 6 April
	Confirmation of proposed priorities for the LTP 2024-44.	November 2023	Underway
3. Strategies and roadmap	Operational strategy review - assess existing strategies for alignment to vision and desired outcome changes; and identify new strategies required.	(Begins) July 2023	Underway, with Strategic Architecture presented and endorsed by the Committee in August 2023
	Develop scenarios for achieving vision and desired outcome change in the medium to long term. This will include cost-benefit analysis.	(Begins) July/August 2023	Not started – about to initiate
4. Engagement	Land focus questions for vision, and communication of the vision.	End March 2023	Completed 6 April
	Land engagement approach and blueprint to the community.	May 2023	For discussion today, 18 May
5. KCDC operational support	Provide advice and support to shape and develop the approach.	Ongoing through to July 2025	Underway

- 9 Developing and refreshing the District’s Outcomes Framework is a key workstream that is in progress. Elected Members previously discussed the approach for developing the Outcomes Framework at a workshop on 23 May 2023. This initial workshop introduced the use of the doughnut economic model to help identify and organise community outcomes and the alignment of current Council activities. It also included discussion on a performance framework to help support monitoring of progress and achievement of outcomes.
- 10 Further progress, from a follow up session in August is set out in this paper.

HE KŌRERORERO | DISCUSSION

Vision Kapiti – Engagement hub

- 11 During August 2023, the Engagement Hub went live in Waikanae with the first three topics highlighted for community feedback including Councillor’s priorities, Health, and Housing. Elected members met with a good turn-out of citizens for the first advertised session at the Engagement Hub on 22 August 2023.
- 12 The Engagement Hub operated for a month on Tuesday through Thursday and on Saturday. For the first month of operations, advertising was minimal. Going forward we will be aiming to raise awareness through facebook and media, drops-in at the train station, and District-wide markets. As this becomes a regular feature of Council’s engagement approach, we expect that more citizen’s will drop in to have their say.
- 13 Discussion and engagement also commenced to support Local Area Vision processes, and this is expected to gather pace across September 2023.
- 14 Feedback from the Engagement Hub, and online Have Your Say, has shown support for the Councillor priorities, and strong interest in more been done to address health and housing issues in the District. Other areas of interest are currently employment and education. Some interest in the implications of Planned Change 2 have also been tabled; detailed communications and tools to support implementation of the 10 August 2023 decision will be discussed with Elected Members in a separate meeting. There will be an opportunity for Elected Members to also discuss the engagement undertaken at the Waikanae Hub over August 2023, at the next Council workshop in September 2023.
- 15 In September 2023, the Engagement Hub will move to Ōtaki, and will cover Education, Employment and Income, Tourism, and the Council Priorities.

Legislation and the outcomes framework

- 16 A workshop was held on 22 August 2023 to explore the legislative mandate for activities undertaken by the Council and how they link to our proposed outcomes (which focus on the needs of People, Place and Partnership). It is important that we ourselves are clear, and can share with citizens and the community, why we deliver services; and that there is a clear line of sight to ensuring the needs of community members are met (eg improving community outcomes). Elected members:
 - 16.1 Explored how we will more transparently share and assess the value provided by Council operations.
 - 16.2 Discussed how new measures for productivity and social return for investment will be introduced to understand the efficiency and effectiveness of activities as part of the performance framework.
 - 16.3 Discussed the relationship between the Council’s refreshed Strategic Architecture, including alignment of outcomes and performance frameworks (and their metrics) was presented to Elected Members. This is set out in Attachment one to this paper.
- 17 The Outcomes Framework is an essential part of the line of sight that outlines the impact of activities on our emerging Vision and community outcomes. This is in turn supported by a performance framework that measures our progress towards these outcomes.
- 18 Council’s legislative mandate sets the baseline for many of Council’s activities. There are more than 50 Acts which provide either:
 - 18.1 a legislative requirement for Council to undertake an activity,

- 18.2 scope for Councils to choose to undertake an activity (but that is not *required* by the legislation).
- 19 A table showing the relationship between Council's legislative mandate and our activities and outcomes in the Housing space is included at Attachment two. This is an example of the early assessment of the connection between existing legislation, priorities, and meeting community needs for housing. Similar tables were created for each of the outcomes related to People; Place; and Partnership. Further work will be progressed to complete these summary sheets which will be released on our website in due course, and inform our strategic overview in the Long-term Plan.
- 20 This legislative mandate effectively sets the minimum level of service that Council must or in places may provide for our community. Understanding this minimum scope will assist Council in discussing levels of service and understanding where Council is applying additional resource to provide levels of service that are above the minimum legislative requirement. It also provides the ability for council to explore and consider other services it has mandate for but may not currently provide, and could help achieve community outcomes.
- 21 This work will continue to be refined, and an initial version will be help inform the development of the draft Long-term Plan 2024.

New measurement focus - productivity and social return on investment

- 22 In August 2023, Elected Members considered different approaches for measuring Productivity and Social Return on Investment which forms two new and important elements of the Councils performance measurement framework.
- 23 An overview of the focus for Productivity is attached in Attachment three; and overview of Social Return on Investment is attached in Attachment four. Of note:
- 23.1 In its simplest form, productivity measures can be expressed as outputs per unit of input. The value of productivity reporting is that it enables consideration of value for money and assists with the prioritisation of resources across a wide and varied work programme. Council intends to use "outputs per unit of input" as an initial exploration of productivity reporting, with an intention to move towards more refined productivity measures that focus on the impacts being achieved rather than the outputs being produced.
- 23.2 Whereas, social return on investment measures can be expressed as the direct change in outcomes as a result of investment. The importance social return on investment reporting is that the value of every dollar in either reducing an issue, or optimising citizen or community wellbeing can be transparently set and reported against. Council intends to use "% change in local outcome per dollar of investment" as an initial exploration of social return on investment reporting.
- 24 The purpose of bringing more rigorous performance assessment into regular reporting is to ensure that the Council addresses community concerns around value, increasing rates and value-add. Importantly, a low-cost approach has been taken to bringing this work to life. However, currently there is one allocated resource to undertake this and all other research related work within the research and policy team. Accordingly, a phased approach to improving performance reporting is proposed over the next 3-years.

Next Steps

- 25 We expect to have a further Councillor workshop to discuss a draft Outcomes Framework, including performance measures, in November 2023.
- 26 This initial version will be used to inform our Long-term Plan 2024, but will continue to be further developed and refined alongside Vision Kapiti and the Blueprint for change work, as the foundation for Long-term Plan 2027.

He take | Issues

27 None.

Ngā kōwhiringa | Options

28 No options are presented in this report.

Mana whenua

29 Te Āti Awa ki Whakarongotai, Ngāti Raukawa ki te Tonga (Nga Hapu o Ōtaki), Ngāti Toa Rangatira have been invited to all interactive briefings and will be invited to participate in all future activity about the district's strategic direction. We have received positive feedback from Ngāti Toa and Ngā Hapū o Ōtaki on our co-design approach for the Vision Kāpiti.

Panonitanga Āhuarangi me te Taiao | Climate change and Environment

30 There are no direct climate or environmental impacts from this paper. However, the outcomes framework and strategic architecture being developed through the Vision Kāpiti process will provide greater direction on climate matters and more robust reporting on our impacts.

Ahumoni me ngā rawa | Financial and resourcing

31 There are no funding implications from this paper, however the discussed productivity measures are likely to help inform future financial and resourcing decisions made by Council. Further to this, the pace at which this work is progressed will match the resource available to do so.

Tūraru ā-Ture me te Whakahaere | Legal and Organisational Risk

32 Taking a slower period of time to assess Productivity and Social Return on Investment may mean that funding is not optimally used or targeted towards the things that have the highest degree of impact for the community in the short and medium term. Further to this, a slower improvement in transparency to the community through new reporting will occur, which means progress in achieving some of the organisationally focused 'top-10' Councillor priorities will be progressed at slower pace than may have been anticipated.

Ngā pānga ki ngā kaupapa here | Policy impact

33 There are no policy impacts from this paper, however the Outcomes Framework and Strategic Architecture being developed through Vision Kāpiti will guide the overall Council work programme, and the way in which we report on it, in the future.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

Te mahere tūhono | Engagement planning

34 Engagement on the outcomes underpinning Vision Kāpiti and the accompanying Blueprint for change remains ongoing, and will shortly be located in the Ōtaki library from 11 September to 11 October 2023.

35 Formal consultation on the first iteration of the Outcomes and Performance Frameworks to support Vision Kāpiti will be undertaken as part of the Long-term Plan 2024.

Whakatairanga | Publicity

36 There is no specific publicity planned as a result of this paper.

NGĀ ĀPITI HANGA | ATTACHMENTS

1. Strategic Architecture [↓](#)
2. Activities and Legislative Mandate Housing Example [↓](#)
3. Productivity Overview [↓](#)
4. Social Return on Investment Overview [↓](#)

8.3 CLIMATE CHANGE AND RESILIENCE STRATEGY - THINK TANK

Kaituhi | Author: **Doug Simpson, Principal Advisor, Strategy**

Kaiwhakamana | Authoriser: **Kris Pervan, Group Manager Strategy & Growth**

TE PŪTAKE | PURPOSE

- 1 This report seeks the Strategy, Operations and Finance Committee to approve standing up the Climate Change and Resilience Community Think Tank (CRCTT) and to approve its Terms of Reference.

HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 An executive summary is not required for this report.

TE TUKU HAEPAPA | DELEGATION

- 3 The Strategy, Operations and Finance Committee has delegated authority to consider this under section B.1. of the 2022-2025 Triennium Governance Structure and Delegations 'Reviewing and approving community contracts' and 'Considering and confirming recommendations made by subcommittees'.

TAUNAKITANGA | RECOMMENDATIONS

- 4 That the Strategy, Operations and Finance Committee:
 - A. **Note** that the Climate and Environment Subcommittee recommended establishing the Climate Change and Resilience Community Think Tank (CRCTT) and its Terms of Reference at its meeting in August 2023.
 - B. **Endorse** establishing the CRCTT and **approve** the proposed Terms of Reference attached in Appendix One.
 - C. **Note** that the first meeting of the CRCTT is proposed for October 2023, and expressions of interest for the Think Tank will be advertised following this meeting if Recommendation B is approved.

TŪĀPAPA | BACKGROUND

- 5 In May 2019, the Kāpiti Coast District declared a climate emergency and in July 2021 adopted a climate emergency framework to set out a response to this declaration.
- 6 In March 2023, in a briefing on developing a Climate Change and Resilience Strategy, Councillors resolved to set a district-wide emissions reduction target in line with national targets – net zero emissions by 2050. Councillors also agreed that it would be useful to establish a Community 'Think Tank' - a local citizen and community advisory group, interested and engaged in climate matters to support the development of the Climate and Resilience Strategy.
- 7 On 13 July 2023, the Strategy, Operations, and Finance Committee endorsed changes to the Policy Work Programme to include the development of two new strategies: the Climate Change and Resilience Strategy, and the Environment Strategy. Work on these strategies will be progressed through to December 2023, following which we anticipate seeking community feedback through the Kāpiti Vision Engagement Hub before they are both finalised in May 2024. Of note:
 - 7.1 We will be discussing the scope, principles and priorities for each strategy with CES between September to November 2023.

- 7.2 A draft Strategy document presenting the high-level *Direction of Travel* (including ecosystem of operation, priorities, and measures of success) will be discussed with the Strategy, Operations, and Finance Committee on 7 December. This will be in advance of public consultation in February 2024 via the Kāpiti engagement hub.
- 8 In a survey run in September 2022, 75 per cent of Kāpiti residents surveyed shared they were concerned or very concerned about climate change. Two-thirds consider that we need to make changes very quickly or quickly to reduce greenhouse gas emissions causing climate change. Council noted that it was keen to build on the strong community interest to act on climate change through establishing a citizen-led group of people to advise and inform Council's Climate and Resilience Strategy.
- 9 Establishing the CRCTT supports the Council's Significance and Engagement Policy that enables community participation in demographic processes. It also supports local government clause 10(1) of the Local Government Act 2002 "*...to enable democratic local decision-making and action by, and on behalf of, communities; and to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future*".

HE KŌRERORERO | DISCUSSION

- 10 On 18 July 2023, Council officers ran an interactive briefing to scope out the purpose, role, and membership for the CRCTT. These matters for standing up a Think Tank were considered at the 8 August 2023 Climate and Environment Subcommittee (CES) meeting.
- 11 The CES discussed the substantive components for forming the Think Tank, and agreed that officers draw up a term of reference, and that the first meeting of the Think Tank occur in October 2023. The CES reviewed the **attached** Terms of Reference, and recommends it be forwarded to the Strategy, Operations, and Finance Committee for approval.
- 12 The Climate Change and Resilience Community Think Tank (CRCTT) Terms of Reference provides an overview of purpose, membership, deliverables, and meeting requirements. Of note, the CRCTT:
- 12.1 Will engage early in the strategy design process promoting community collaboration and co-design, to inform the priorities and decisions that we take to drive the necessary change in how we live, work, and move around the district in a more sustainable and low carbon way.
- 12.2 Presents the opportunity for a citizen-led assembly, representing a wide range of options and views in our community. Membership will be sought to achieve a balance of climate change experts, interested residents, and mana whenua representation across different age groups. Council will apply criteria to select and recommend members to the SOF/Climate and Environment Sub-Committee Chair to agree.
- 12.3 Will in the main support the development of the Climate Change and Resilience Strategy, through advising Council on the priorities and effective pathways for **Mitigation** – reducing our greenhouse gas emissions; **Adaptation** – preparing and planning for a changing climate (but not in replacement of Takutai Kapiti); **Transition** – supporting our whanau, communities, and businesses make a just transition to a low carbon future, and catalyse collective community action; and **Recovery** – helping our whanau, communities, and businesses to get back on their feet after severe climate events storms, floods, and fires.

- 13 Table 1 below sets out an indicative timetable for standing up the CRCTT:

Table 1

Date	Activity
14 September 2023	SOF Committee approve standing up the CRCTT and its terms of reference
15 September	Expressions of Interest (EOI) advertised through Council communication channels
8 October	Climate Change and Resilience Community Think Tank Expressions of interest close
w/c 9 October	Officers review EOI and make recommendations
w/c 16 October	SOF/CES Chair agree the Think Tank membership Notify members
w/c 16 or 23 October	First Climate and Resilience Community Think Tank meeting is held (proposed dates will be included in the EOI)
November (date TBC)	Second Climate and Resilience Community Think Tank meeting to discuss the Climate and Resilience Strategy scope, priorities and principles.

- 13 This timetable allows for two CRCTT meetings before Christmas where the feedback and insights can inform the *Direction of Travel* document that will be discussed with Strategy, Operations and Finance in December 2023. A third meeting of the Think Tank is likely in February/March to feed into the final Climate and Resilience Strategy in May 2024. This is in addition to public consultation via the Engagement Kāpiti hub process during February 2024.

He take | Issues

- 14 No issues to report, other than the pending impact of a national election and government policy on climate change.

Ngā kōwhiringa | Options

- 15 Options are set out in Table 2 below:

Table 2

Kōwhiringa Options	Hua Benefits	Tūraru Risks
Option A (recommended) Establish the Climate Change and Resilience Community Think Tank to inform the development of Council's Climate and Resilience Strategy	Provides an additional opportunity for community engagement informing local decisions on how we respond to climate change.	Diverse representation, or insufficient interest, on the Think Tank is not achieved. Risk mitigation for this would be early EOI advertised through Council channels. Leveraging existing strong relationships with relevant community groups to recruit members.

Kōwhiringa Options	Hua Benefits	Tūraru Risks
Option B Do not establish a Climate Change and Resilience Community Think Tank	Previous community engagement work is used to identify community perspectives on council climate priorities.	Potential challenge to Council on insufficient community engagement on what is a local priority topic. Risk mitigation for this would be to consult on draft Climate and Resilience Strategy via the Engagement Kāpiti Hub in February 2024.

Mana whenua

- 16 Te Āti Awa ki Whakarongotai, Ngā Hapū o Ōtaki, and Ngāti Toa Rangatira will be invited to join the CRCTT.
- 17 Section 8 of the terms of reference attached in Appendix One mentions that all CRCTT minutes and outputs will be circulated to Te Whakaminenga o Kāpiti following meetings.

Panonitanga Āhuarangi me te Taiao | Climate change and Environment

- 18 Through its purpose, membership and deliverables set out in the terms of reference, the CRCTT directly considers and gives effect to how the Kāpiti District positively responds to climate change mitigation and adaptation.

Ahumoni me ngā rawa | Financial and resourcing

- 19 There are no financial implications as the CRCTT membership will be voluntary. Budget for arranging meetings and officer resource supporting the CRCTT will come from within the existing Strategy and Growth Group.

Tūraru ā-Ture me te Whakahaere | Legal and Organisational Risk

- 20 There are no legal or organisational risks.
- 21 The Strategy Team will organise meetings and provide secretariat services.

Ngā pānga ki ngā kaupapa here | Policy impact

- 22 Contributions and views from the CRCTT will be considered and used to inform development of the Climate Change and Resilience Strategy.
- 23 The Climate Change and Resilience Strategy (once adopted) would inform development of the next Long-Term Plan. Placeholders for expected projects of priority would be put forward.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

Te mahere tūhono | Engagement planning

- 24 The Strategy Team are working with Communications Team officers to develop an open, transparent, and engaging expression of interest advertisement process to attract, agree on, and communicate with a diverse group of volunteers.
- 25 Once the CRCTT has been established, any changes to the terms of reference or membership that follow over time will be communicated first through communication with the Climate and Environment Subcommittee, before circulating to the public. No further specific wider community engagement is considered necessary.

Whakatairanga | Publicity

- 26 Appropriate media channels will be used to notify the community about establishing the CRCTT and its terms of reference that have been approved or revised, and to reaffirm the relationship between the Council and the CRCTT. No media statements will be made by the CRCTT.

NGĀ ĀPITI HANGA | ATTACHMENTS

1. Appendix 1 - CRCTT Terms of Reference [↓](#)

9 TE WHAKAŪ I NGĀ ĀMIKI | CONFIRMATION OF MINUTES

9.1 CONFIRMATION OF MINUTES

Author: Evan Dubisky, Democracy Services Advisor

Authoriser: Janice McDougall, Group Manager People and Partnerships

Taunakitanga | Recommendations

That the minutes of the Strategy, Operations and Finance meeting of 24/08/2023 be accepted as a true and correct record.

NGĀ ĀPITI HANGA | ATTACHMENTS

1. Strategy, Operations and Finance Meeting Minutes - 24 August 2023 [↓](#)

**10 TE WHAKAŪNGA O NGĀ ĀMIKI KĀORE E WĀTEA KI TE MAREA |
CONFIRMATION OF PUBLIC EXCLUDED MINUTES**

Nil

11 CLOSING KARAKIA