

Time	Topic	Purpose	Presenter(s)	Format	Time allocated
10.00am	Introduction to the 2024-34 Long-Term Plan The purpose of the session is to inform Elected Members of the approach to the development of the 2024-34 Long-Term Plan, process and timeline, and enable them to ask questions.		James Clarke Julie Clausen	Open Briefing	90 mins
SESSION ENDS					

DISCUSSION TOPIC SUMMARY

Topic: Introduction to the 2024-34 Long-Term Plan

Related Committee: Council

Business Unit/Group: Strategy and Planning

Key Staff Contact/s: James Clarke

Status: Open

PURPOSE OF TOPIC/INFORMATION

To inform Elected Members of the approach to the development of the strategic led 2024-34 Long-Term Plan, the process and timeline, and to enable Members to ask questions.

Members need information on this topic so they are informed ahead of making decisions during the Long-Term Plan process over the next 14 months.

WHAT KEY THINGS SHOULD MEMBERS THINK ABOUT/ CONSIDER IN UNDERSTANDING THIS INFORMATION?

Members should note that the Long-Term Plan is directed by and subject to the Local Government Act 2002 and associated legislation.

Members should consider that the Long-Term Plan is developed every three years, setting major projects, budgets, and the financial strategy (including proposed rates) for the following ten years.

Members should note that the Long-Term Plan is being developed as a strategic-led Long-Term Plan, giving effect to the existing strategies that have been developed and consulted on.

Members should note that the Long-Term Plan includes a 30-year Infrastructure Strategy, which sets the strategic direction for providing infrastructure over that time period.

Members should consider that the purpose of a Long-Term Plan is to:

- describe the activities of Council;
- describe the community outcomes of Council;
- provide integrated decision-making and coordination of the resources of Council;
- provide a long-term focus for the decisions and activities of Council; and
- provide a basis for accountability of the local authority to the community.

KEY SUMMARY POINTS

During the 2021-31 Long-Term Plan development, and in particular *Our Vision for Hamilton Kirikiriroa*, Council adopted our five priorities following extensive community engagement. The 2024-34 Long-Term Plan seeks to continue to deliver on these community outcomes.

The 2024-34 Long-Term Plan is taking a strategic led approach: activities, programmes and projects will be aligned to the delivery of the outcomes in Council strategies.

This project will deliver:

- 2024-34 Long-Term Plan draft budget and capital programme
- 2024-34 Long-Term Plan consultation and consultation document
- 2024-34 Long-Term Plan Document
- 2024-54 Infrastructure Strategy
- Related financial strategy and policies

WHERE CAN MEMBERS FIND MORE INFORMATION?

Include:

- The 2021-31 Long-Term Plan, 2021-51 Infrastructure Strategy, and previous long-term plans, may be found on Council's website at <https://hamilton.govt.nz/strategies-plans-and-projects/long-term-plan/>

WHAT DIRECTION/FEEDBACK/INPUT DO YOU NEED FROM ELECTED MEMBERS

The summary is for information purposes only.

2024-34 Long-Term Plan

Elected Member Briefing 3 May 2023



Purpose of this Briefing

- To confirm the process for the 2024-34 Long-Term Plan.
- To initiate a discussion on the alignment of activities to the five priorities, and suggested refinement of these.
- To initiate a discussion on the prioritisation framework for determining a priority value that can be used in decision-making.



Agenda

- What is a long-term plan?
- Financial strategy
- Strategic direction and strategic-led long-term plan
- Community outcomes (the five priorities)
- 2024-34 long-term plan process, including Elected Member involvement and community and stakeholder engagement

What is a Long-Term Plan?

What is a Long-Term Plan?

Long-term plans are the key planning tools for councils, providing integrated decision-making and coordination of resources:

- A long-term plan describes the services Council plans to provide, the community outcomes these will contribute to, and the cost of this.
- Long-term plans are an important mechanism to strengthen long-term planning, community consultation and participation, and accountability.
- Long-term plans cover the following ten years, and are reviewed every three years.
- We are not starting from scratch: the 2024-34 isn't a brand new long-term plan. It is a continuation, starting from year 4 of the 2021-31 Long-Term Plan.

What Happens once a Long-Term Plan is Set?

- Subsequent annual plans focus on year-to-year budgets, and gives Council the chance to review the work programme set out in the long-term plan and consider where any changes are necessary.
- Annual reports tell the community whether Council has done what the long-term plan or annual plan said Council intended to do in each year, and details what has been spent.

Elected Member Role in a Long-Term Plan

Mayor:

- Leading the development of the Long-Term Plan – within Council, and with the Community

Elected Members:

- Set strategic direction for the next ten years
- Decide how money is spent for the benefit of current and future Hamiltonians

The Chief Executive:

- Provides the detail that underpins the long-term plan
- Is responsible for delivering the programmes, projects and services included in the long-term plan

Four Principles of a Long-Term Plan

Long-term planning needs an outward focus: it must be grounded in an understanding of the demographic, economic, cultural, environmental, and social factors.

Long-term planning means long term: the horizon for a long-term plan is the useful life of assets.

Long-term planning strikes a balance: it balances the community's needs and aspirations, service realities, and the community's willingness and ability to pay.

Long-term planning tells one integrated story: a single, cohesive story with each part aligning with, supporting and amplifying other parts.



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Financial Strategy

Financial Strategy Purpose

Local Government Act 2002 *(Sections 100-101)*

- To *facilitate prudent financial management* by providing a guide to consider proposals for funding and expenditure against; and
- To *provide a context for consultation* on proposals by making transparent the overall effects of those proposals on rates, debt, and investments.
- Council must, for each activity, determine the appropriate sources of funding for each activity.
- *Balanced budget requirement: balance the budget unless it is prudent to do otherwise.*

Finding the balance

The ideal is to find the balance between the drivers to ensure we:

1. Cater for strategic and future growth
2. Ensure service levels are maintained across growing population
3. Financial prudence is maintained.



Existing Guiding Financial Principles

Growth

1. Growth cells will be completed to an approved level of service.
2. Growth will pay for growth.

Levels of Service

3. Asset sale proceeds will be used to pay down debt.
4. Council will fund maintenance and renewals as per approved Asset Management Plans.
5. Council should explore external funding options for new discretionary projects whenever possible.

Financial Strategy

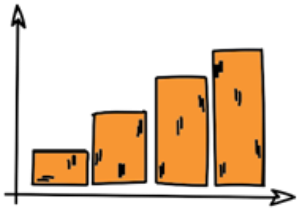
6. The everyday costs of running the city will be met from everyday revenues.
7. The main source of our everyday revenue will be general rates.
8. Targeted rates could be used to fund the council portion of new projects where the costs of these activities can be easily identified.
9. When a private benefit can be identified and it is efficient to collect the revenue user charges will be considered.
10. Rates certainty will be a key consideration.
11. Affordability of rates will be considered.
12. Council will adopt a prudent Financial Strategy which supports its current credit rating.

Financial Strategy



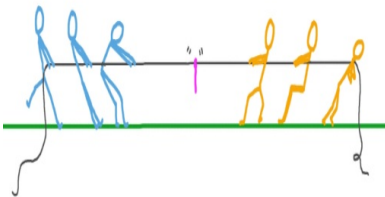
- **Revenue and Financing Policy**

- Outlines the choices we have made in deciding appropriate sources of funding for operating and capital expenditure from those sources listed in the Local Government Act 2002
- Provides guiding principles



- **Financial Strategy Limits are measured by:**

- Net debt to revenue
- Net debt
- Balancing the books



- **Financial position is constrained**

- Tension of strategy outcomes/community needs vs fiscal envelope
- Need to balance now and future needs



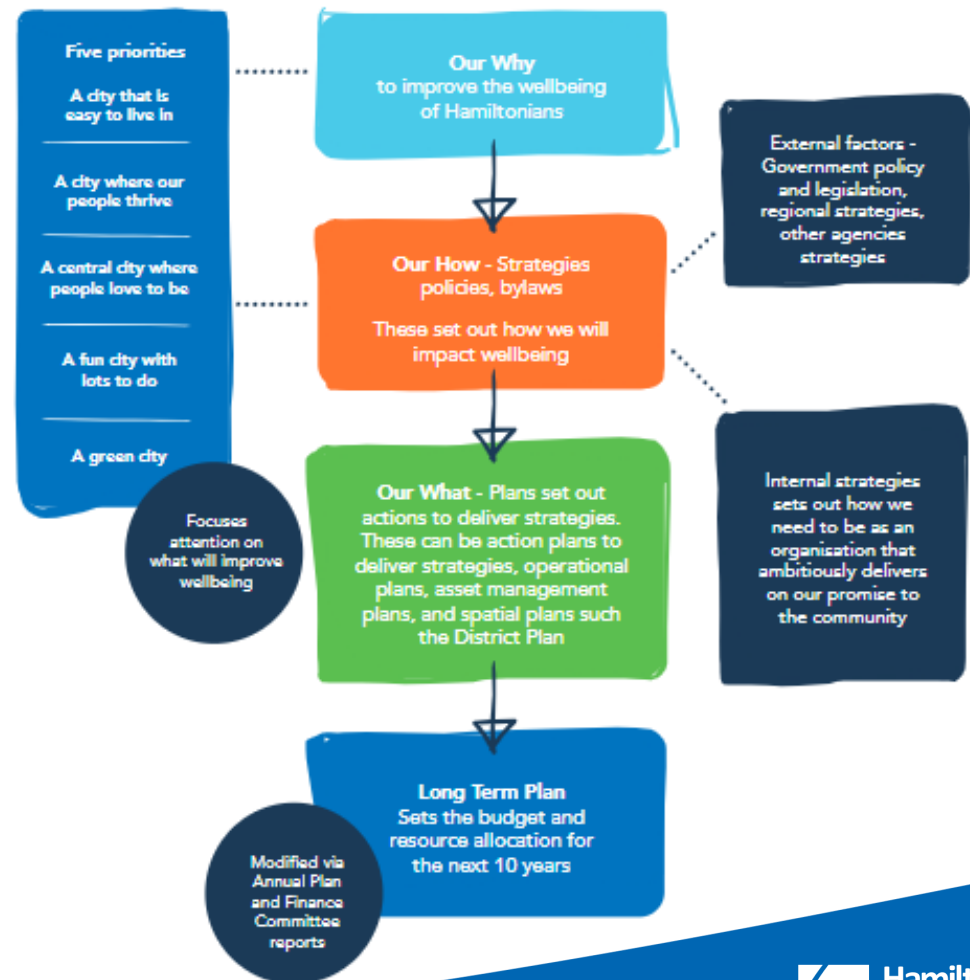
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Strategic Direction

Strategic-led Long-Term Plan

Through the 2021-31 Long-Term Plan, we established a clear framework.

Now is the time to follow this approach, and to build on the strong foundations developed.



Strategic led Long-Term Plan

- Our strategies set out what Council will 'do' to deliver to our purpose (to improve the wellbeing of Hamiltonians) so we achieve our vision (Hamilton's full potential can be unlocked making it the best place to live).
- We are creating a **stronger link between the strategies that Council has already set, and the levels of service that we deliver across the organisation.**
- We want Elected Members to have **more visibility** of 'what' we do to deliver to their aspirations and the **implications if they want to change those aspirations.**



Strategic led Long-Term Plan

This map sets out the influences and interconnections of our foundation (key) strategies

https://miro.com/app/board/o9J_l0gQ4l8=/?share_link_id=389807517216

Password: Strategy

Key external-facing strategies

Current Foundation Strategies:

- Access Hamilton: Ara Kootuitui Kirikiriroa
- Arts and Culture Strategy (under development)
- Hamilton Urban Growth Strategy
- He Pou Manawa Ora
- He Rautaki Whakawhanake Hapori – Community & Social Development Strategy
- Metro Spatial Plan (Future Proof)
- Nature in the City Strategy
- Open Spaces Strategy
- Our Climate Future: Te Pae Tawhiti o Kirikiriroa
- Play Strategy
- Waste Management and Minimisation Plan

Areas where existing Foundation Strategies don't cover all components:

- Community Facilities (libraries, community spaces, halls, aquatics, indoor recreation)
- Community Wellbeing (disability, safety, inclusion)
- Visitor Destinations and H3
- Housing Strategy
- Economic Development

Areas where plans cover some of the components:

- Central City Transformation Plan
- Reserve Management Plans

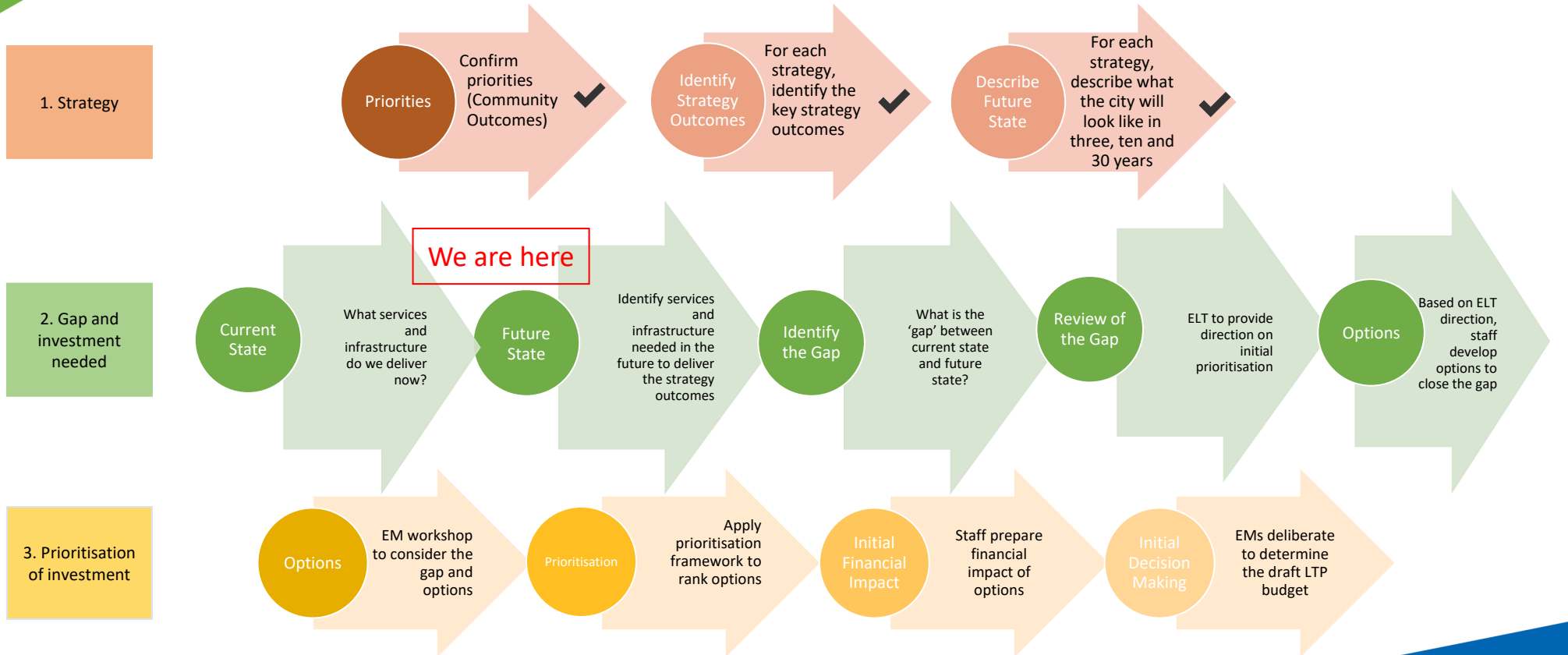


How do things fit into our Strategic Framework

Do you have any questions on how specific programmes fit into our Strategic Framework?

2024-34 Long-Term Plan Process

Three-Stage Process





Initial Elected Member Involvement

3 May 2023: This initial discussion, building on last year's induction

July and August 2023: Elected Member workshops on:

- prioritisation
- community profiles
- financial strategy, rates and remissions and funding needs analysis.

5 – 6 September 2023: Elected Member workshop on strategic service level options and projects

Interaction with Water Services Reform

- The ten new water entities will now be established between 'early 2025' and 1 July 2026. The details and exact timing of the transition for Hamilton/the Waikato entity are not yet known.
- The government will seek to pass legislation before the General Election to give councils the legal ability to include information relating to water services in their 2024-34 Long-Term Plan.
- Water services will therefore be included in the first two years of the Long-Term Plan, and then excluded.
- We are currently working through the implications of this and waiting to see the specifics in the legislation.



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Discussion on Community Outcomes



Community Outcomes

The Local Government Act requires us to set Community Outcomes for a long-term plan.

Community outcomes are defined as the outcomes that we aim to achieve in order to promote the social, economic, environmental, and cultural wellbeing in the present and for the future.



Community Outcomes

As part of the 2021-31 Long-Term Plan, we asked the community what improving their wellbeing means to them.

- What do you love about Hamilton?
- What could make it better?

This led to the development of the five priorities as our community outcomes.

Community Outcomes



Priority One: Shaping a city that's easy to live in.

Ahuahungia teetehi taaone e tau ai te noho ki roto



Priority Two: Shaping a city where our people thrive.

Ahuahungia teetehi taaone e puaawai ai ngaa taangata katoa



Priority Three: Shaping a central city where people love to be.

Ahuahungia te pokapuu o teetehi taaonee arohaina ai e te taangata



Priority Four: Shaping a fun city with lots to do.

Ahuahungia teetehi taaone ngahau e tini ai ngaa kaupapa papai hei whai



Priority Five: Shaping a green city.

Ahuahungia teetehi taaone tiaki taiao



Community Outcomes Review

Staff have reviewed the community outcomes (five priorities) to ensure they remain relevant as circumstances change around us.

We propose keeping the five priorities, but making a few **tweaks** to which activities sit under each priority.

A city that's easy to live in

This is about:

- 20-minute city: connected and safe walkways and cycleways to local neighbourhood facilities, and good bus links to other parts of the city
 - Identity: new and existing neighbourhoods and existing neighbourhoods and community spaces (parks, community hubs, schools) have a clear identity
 - Inclusive: making sure everyone is part of our neighbourhoods and communities
 - Ensuring our diverse communities are able to enjoy everything Hamilton has to offer
 - Being a growing and affordable city: mixed housing options everywhere
- Transport network
 - Parking management
 - **Public transport**
 - Libraries
 - ~~Aquatic facilities~~
 - ~~Community development~~
 - **Community facilities (e.g. sports clubs, Celebrating Age centre, community houses)**
 - **Community development**
 - **Housing and placemaking**



A city where our people thrive

This is about:

- Planning for a growing city
- Creating a city with jobs and industry, via good transport networks and industrial space
- Leveraging Hamilton and its surrounds as an economic hub
- Keeping our communities safe



Activities

- City planning
- Planning guidance
- Building control
- ~~Governance and public affairs~~
- Partnership with Maaori
- Partnership with industry and commercial activity
- Partnership with government agencies and NGO's
- City Safe
- Animal education and control
- Environmental health and alcohol licensing
- Civil Defence

A central city where people love to be

This is about:

- Economic activity in the city centre
- Attracting people into the city centre from within the city and from elsewhere
- Connecting the city centre to the rest of the city
- Supporting mixed inner city living options to encourage people to live in the central city

This priority does not have a separate capital programme or funding impact statement. It is instead reliant on (and a key focus for) delivery of activities in the other priority areas.

A fun city with lots to do

This is about:

- Accessible, high quality recreational facilities
- Open and accessible community spaces with opportunities for fun with friends and family
- City events to bring our diverse communities together



Activities

- Destination, neighbourhood and community parks
- Sports parks
- Streetscapes
- Destination, neighbourhood and community playgrounds
- [Cemeteries and crematorium]
- Indoor recreation
- Aquatic facilities
- Hamilton Gardens
- Hamilton Zoo and Waiwhakareke Natural Heritage Park
- Waikato Museum
- i-SITE Visitor Information Centre
- Claudelands, FMG Stadium Waikato and Seddon Park
- Tourism and events funding
- Theatres
- City events

A green city

This is about:

- Protecting and restoring our natural gully network and the biodiversity of the city
- Reducing our carbon footprint and building a resilient city
- Mitigating the impact of the city on the health and wellbeing of the Waikato River and Lake Rotoroa
- Balancing the natural and built environments so they can live in harmony

Activities

- Nature in the City
- Climate change: reducing emissions
- Climate change: adapting
 - [Water supply]
 - [Wastewater]
 - [Stormwater]
- Refuse collection
- Landfill site management
- Waste minimisation





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Discussion around Decision-Making Framework

How to Prioritise

The demand for services and capital will always exceed available funding.

Council will need to have a process for 'ranking' services and capital to give an indication of which options will provide the greatest impact on improving the wellbeing of the community (and city).

We want to keep this framework simple.

The following slide provides some criteria options...

Deciding on What's Important – Prioritisation criteria

- ☐ **Alignment:** Does this project deliver towards one or more strategy outcome?
- ☐ **Supporting what we have:** Does this project look after our existing services and infrastructure?
- ☐ **Guardianship:** If this project is not undertaken, will it stop us from building a foundation for the future?
- ☐ **Seizing opportunities:** If we do this project now, will we realise additional benefits? If we don't, will we lose an opportunity?
- ☐ **Partnering:** Is there a opportunity for co-partnering?
- ☐ **Money:** Is there a source of revenue that will help to fund this?
- ☐ **How does this fit with our Financial Strategy?** Everyday costs should be paid for from everyday revenues.

**Which of these do you think is most important?
What else would be important to consider?**



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Discussion on Community Involvement

Engagement with the Community and Stakeholders

Three phases:

1. What is important for your community

- The development of Community Area Profiles using both representative community survey and data
- Perception questions on what is important to the community and quality of life questions
- Supported by data (demographic and other use data)

2. What is your preference and choice of services

- Participatory engagement around 'what would be your choice?' – e.g., this or that?
- Informed by work underway across the business
- Will include partner input into the choices put forward

3. What services and how these will be paid for

- Formal consultation on options and financial impact of the options

Engagement with the Community and Stakeholders

How do Elected Members want to be actively involved with the community?

For example

- Your Neighbourhood events
- Town hall type meetings?
- On-line Q&A's?
- What else?

What's Next?

Initial Elected Member Involvement

July and August 2023: Elected Member workshop on:

- prioritisation
- community profiles
- financial strategy, rates and remissions and funding needs analysis.

5 – 6 September 2023: Elected Member workshop on strategic service level options and projects



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