
Briefing - Council NOTES

Date: Tuesday 15 August 2023
Time: 9.30 am
Venue: Council Chambers, Civic Offices,
53 Hereford Street, Christchurch

2. LTP 2024-34 - Joint development briefing

Council Briefing, Seminar or Workshop Recommendation

McLellan, Scandrett, Templeton, Johanson, MacDonald, Peters, Harrison-Hunt, DM Cotter, Coker, Barber, Field, Mayor Mauger, Donovan

Online: Moore, Keown

Late arrivals: Gough (1015, online), Henstock (1030)

Chair: Mayor Mauger

Principal advisor: CE

Community Development and Facilities

Introduction to the activity, overview of the services provided. Delivers Strengthening Communities Together, enabling active and connected communities to own their futures.

This activity works within communities, it connects those communities to council, it connects council to communities, it connects council to council (how we work internally). It connects communities to each other, and a host of other organisations wanting to help. This activity is the glue, it's the oil, it enables, it navigates.

This activity works in communities, asks what communities want and need, it connects with elected members, and elected members determine the priorities, and this activity works through the whole of council and a host of other organisations and communities to deliver. Comprehensive local community board plans.

Strongly aligns to Councils Strategic Priorities.

Acknowledged adverse events that have impacted our city and region, and the importance of supporting volunteers in these times.

Referenced Snapshot of provision.

Community grants and funding. One of the changes happening with this proposed activity is progressively aggregating all of Councils grants and contributions into one activity, so it can be cared for, managed, reported and communicated to and from elected members, so it is most efficient.

An example, grants from the Strengthening Communities Fund generated more than 3 million volunteer hours per annum. While a crude measure, this translates into \$78m at living wage rate, or 1,448 fulltime staff equivalents, a huge volunteer workforce.

We are custodians for a diverse network of 80 facilities, approx. 100 buildings, worth approx. \$100m, across Christchurch and Bank Peninsula, three-quarters of which are managed in partnership with communities. We are building capacity through operation of these facilities.

Graffiti work through 17,000 requests for service, 135 individuals, 50 groups motivated to go out and work in their communities. An award winning service.

There are some change to previous plans. This activity reflects ongoing community, council and community board priorities, derived from community research.

Broadly, you will see less quake recovery, less rebuild, less covid recovery. You will see far more planning to prepare for, respond to, and recovery from adverse events, the hard end of climate change. You will see less area planning, centre planning, this has been done. You will see more implementation.

Driving these changes - mainly the community, council and community board priorities. NZs approach to emergency management and climate change are driving this. We are expecting to do more, and do this with our communities, to help them feel more engaged and less vulnerable (recent national examples). Also, greater collaboration within the internal organisations, external organisations and in our communities.

Proposed increases and decreases to levels of service, and likely impacts. There is no change to the quantum of what we do, the amount or the cost in the draft LTP. This is to meet councils new priorities. There are changes within existing budget to meet councils priorities. There are some impacts to keeping budgets the same as the existing LTP, a couple of things to highlight: Greater competition for contestable funding. More organisations applying for more. We are providing better prioritised information to council and community boards, to support and inform the best decisions.

We manage an aging Community facilities portfolio. There is a huge range of facilities. We continue to support target investment, the facilities we want to develop and encourage. We act on councils resolutions to repair, maintain or to dispose of property. We actively manage facilities in decline, at the end of their life.

Per Asset Management plan, there is a significant difference between the cost of maintaining all our assets at a fit for purpose level, and the resources we put in. The gap is the managed decline, it is the disposal. The cost is the targeted investment. This plan does have some compromises.

There is no proposed increase to opex or capex. That comes with some caveats, which may require tough decisions. Much of the change results from aggregating budget from around the organisation into one activity.

Risks and challenges

Increasing frequency and severity of adverse events, floods, fire, potential for tsunami.

Increase perception of vulnerability within communities, adverse events, city safety, crime.

Responsibility passed on to local authorities.

Greater dependence on council for operational sustainability for a range of community organisations.

Greater pressure on volunteers, they are becoming more pressured, more precious, less available.

We are prioritising effort and emphasis into communities towards events, to provide assurance they are not alone, help them plan, to feel more confident.

Concerned with increased aggressive behaviour and abuse targeted towards elected members, staff and volunteers.

Open for questions:

Johanson: Lack of maintenance of facilities, run down, weeds, dust. How is this resolved? Is it a contract issue, or a budget issue.

Response: It's a combination of all those things. The structure and appearance of the facility in with council, perhaps down to not managing the contract effectively. It can be a budgeting issue, but this would be on a facility by facility basis. If we continue on our trajectory (targeted investment) not every facility will be perfect, but should be effective and fit for purpose.

Johanson: At a strategic level is this a budget issue? Reference to AMP Life cycle

Response: Yes, if an increased LOS wanted, then yes this will require additional budget.

Specific question regarding Community House.

Scandrett: We have 100 facilities, with general comments by elected members, councillors need to be careful how we portray ourselves in public, avoid generalisations, to ensure the community hear a fair perspective.

Donovan: How is emergency management planning for communities done? What planning is done, eg tsunami planning, and how is this to be resourced?

Response: The activity Emergency management and community resilience activity plan covers much of what is being looked for. There is good, clear cross-over and support between the plans. This activity has strong emphasis on community.

Donovan: Can you provide some timings around when we will see more on the City Safety work?

Response: Timeframe to be provided.

Mayoral comment regarding volunteers.

Templeton: High impacts and issues, and mitigations planned, regarding equity and access, the issues is increased pressure on community funding, and the mitigation is to fund it differently. Not all matters related to equity and access relate to funding. Why is this framed as a funding issue and others not?

Response: An equity and access policy is being developed at present, which will inform much of this. Lots of equity and access conversations we are having, there are smarter ways of doing things, which is why this is framed and a funding matter. There are a number of things the wider sector can be involved in doing these questions, for example, not all of our facilities are accessible or as accessible as they should be.

Templeton: But, isn't this something we should fund, rather than others? Could this be worded differently?

Response: There are a number of equity and access issues, we've looked at funding. Let's look at other relevant ones.

Action

Templeton: Looking at indicative budgets, there first two budget lines leap from 2023/24 (\$11m) to 2024/25 (\$28m). Is this related to proposed aggregation of changes grant funding and loans?

Response: Yes, this is the reason, bringing these things together in one place. For instance, the Canterbury Museum funding will reside in this activity. This is not a nett increase, simply provides for a better organisational layout.

Templeton: When we combine these things at a high level, it looks like we do \$28m per annum in community grants and loans, which is not the case. For example the Canterbury museum is a legislated amount we have to give. I would be preferred those kind of things are separated, non-contestable – some are contestable, some are not.

Response: This will occur

Action

Templeton: It appears there is not enough for planned maintenance to maintain facilities, leading to require increase for reactive maintenance. This is identified as a high risk, likelihood of having to sell facilities to pay for maintenance of other facilities. Can we get the costings, to have the option presented to us so we can properly fund and maintain our facilities, so they are maintained to a high standard, so we don't have the increased reactive maintenance and we are not at risk of having to sell facilities because they haven't had enough maintenance.

Response: Response to be provided

Harrison-Hunt: Noting what was said about opex and capex and that there are no planned increases proposed, are we keeping up with inflation with our community funds? Essentially is there a funding cut going into 2024/25?

Response: Budgets in the LTP are inflation adjusted, but does this cover spikes in cost of living and inflation, probably better answered at a higher level by finance team. Not a funding cut going into 2024/25. There has been an inflation provision included over the years, which can be provided if

needed, this is not the current rate of inflation (current rate of inflation not expected to continue over the life of the LTP, 10 years).

Harrison-Hunt: Regarding equity and access, we talk about partnership and collaboration, yet our funding model is made to be contestable, which is quite the opposite. Would you consider an alternative for of funding, a different pot, such as a collaboration fund, where other organisation partner with each other?

Response: We have a funding pot, which can be decided by council. A number of the drivers behind councils funding decisions are based on collaboration already. This is already a significant part of what we do. The activity as it is does not support, at the moment, the creation of another fund. Our contestable funds are wide in scope, council makes better informed decisions in this manner. CE, many of our funds are also match-funded from others

Barber: Community facilities, there is a wide range of ownership across the city, some are owned and run by community, others are owned by us. Are we actively looking to give the community more control over their facilities, rather than us providing more funding to keep them running? Is there an active programme to pass these on to the community? Mostly related to maintenance, may involve management too. We might want to encourage organisations or people to take responsibility in a much greater way, to avoid an endless cycle of people saying it's council responsibility.

Response: Through the community facilities network plan looks at a spectrum of ownership for facilities. There are facilities that are community owned. There are others that are council owned/community managed, and council retains responsibility for maintenance.

There is a definite conversation with community organisations to say, you're local, you access these, you activate them, you manage them.

How that looks in terms of partnership varies historically on what the agreement has been, and also some communities manage community facilities and don't get much income back in, by how they activate them, and others do.

The underlying premise, though not easy, is that if everyone plays to their strengths we get a better result. and who pays for what, differs according to the situation.

CE, in relation to the demand on council, a shift of often being the ambulance at the bottom of the cliff, what we are trying to do is enable communities, to strengthen communities and bring resilience, we need to build a fence at the top. We need to understand how you as elected members see that in the next few years in light of the fact we are dealing with a lot of demand, coming to council as a last resort, how we enable that shift, to fund earlier, rather than at the end.

End of presentation

Transport

Note: Solid Waste is another activity plan that will be presented at a later date.

0. Land Transport funding System Cycle (2024-2027)

Introduction to the “Land Transport funding System Cycle (2024-2027)”. This has been presented before at the Strategic Transport Briefing, and was to remind of the context that the Transport Programme fits under in the national context
This Activity plan sits under and informs the Regional Land Transport Plan. That is part of and informs the National Land Transport Plan, and that programme is informed by Government Policy Statement (GPS).

GPS has been delayed, may come after election or later this month. Gives priorities how we are working.

Broad overview: Transport programme sits about 120-130M capex each year, and similar for operational expenditure. Big programme and leverage a lot of funding from this programme of work and subsidy stream. The goal to be aligned as much as we can be to make best use of the funding streams.

Broad programme based on 3 Pillars of Transport: Safety, Environment & Access.
If project doesn't fit within pillars and alignment, then why are we doing?
Pillars align historically with GPS, Road Safety actions, looking after assets and the environmental initiatives we have.

Will be repeated as much as can elsewhere in the presentation.

Snapshot of Transport Network Services (to 2023)

Introduction to what services Transport provide using a snapshot of numbers (noting that all numbers not quite there yet).

Noted that out of 10,000 potholes fixed every year, only about 2000 are reported to us, 8000 are picked up by contractor and fixed.

Graffiti removal, approx. 75,000spm. We sweep almost 40,000km of roads and gutters.

Also noted that Temporary Traffic Management, we have responsibility for signing off requests, about 100/week, 5000 a year. Those are requests they have to sign off, and which are not already approved under generic approvals that are already signed off.

We do journey planning with businesses and schools (at least 50 schools involved). We deliver schools road safety programmes (3,500 students), crash bash is delivered to 27 high schools, and motorcycle safety campaign.

We also provide transport resource consenting advice (134 resource consents in the last 12 months).

Reminder of capital programme: 125-130M, Operational budget sits about 100-110.

Snapshot of the Transport Network Assets (to 2022).

Overview provided on other Assets Maintained.

First three: Carriage ways, Road drainage, Road structure = key to future of this activity/rest of this discussion.

Noted 1800 retaining walls are those Transport are aware of - Asset base and knowledge has improved vastly over last 3 years – but are always finding more. Scope of retaining walls may be bigger than currently known.

Transport has a lot of electrical equipment (eg 40,000 street lights), and another big one is road landscaping (63, 000 street trees). The street and road network plays a significant role in creating the urban forest. This means a lot of road landscape to maintain.

The cost to replace assets is roughly 70M a year, and is increasing as we go.

Noting this snapshot of assets is as of now and it will be updated for the final LTP. However, it increases all the time. Each year have more road network and associated assets vested in our ownership through subdivisions. Also have increase length of revocation from state highway (changes to motorway networks).

We also have an increasing amount of road landscape to support, for instance Waka Kotahi motorway areas, that we are taking on responsibility of landscaping.

What our community us saying

Brief explanation of the chart of satisfaction with transport perceptions, and footpath and road condition over the years.

Satisfaction picture is looking fairly steady state... pretty much people are not happy which is an ongoing challenge with the residents survey and are working hard with monitoring and research team to dig in to that more as we move forward.

How we are planning for future impacts.

Structure of 3 pillars (safety, environment and access) underpinned by foundation affordability and delivery.

Pillars are fairly steady state from the significant change undertook last LTP (2021-31) when combined a number of Activity Plans into one. The feedback had on that change was really positive from Waka Kotahi. We want to build on that and get better at explaining that and telling that story of what CCC is trying to achieve with our transport programme through those three pillars.

Looking at issues, at the moment we are undertaking visits with the local Rūnanga to understand their priorities; we got the community board priorities. We are working through the programme and how they fit it, what are we focusing on, what isn't in there, so we can be clear about that through the programme.

Climate change, adaptation and resilience is a key focus for us, but our big one is what can we do that we can measure and making some moves on.

All of this, our pillars and programmes, we are trying to tie together with IS (Infrastructure Strategy) – the big focus for us is looking after what we got, looking after it well, so we can keep unplanned costs down, and tie together with conversations we are having with you on building of the Christchurch Transport Plan.

LOS 1 pager

We have again chosen to be steady-state with the Levels of Service; there are no radical changes. There will be tweaks and shifts in some of the measures but we will want to stick with those high levels of service.

There are a number of mandatory Levels of Service (5) (set by the Department of Internal Affairs.)

- Safety: reducing number of deaths around network
- Condition of carriage ways – smooth travel exposure (STE) measure – typically impacted by smooth travel exposure on arterial routes, heavy traffic roads, not local roads.
- Resurfacing of carriage ways
- Condition of footpaths – that certain amount resurfaced
- Service requests and meeting service request requirements

Rest are around how we meet initiatives we have as an organisation. Trying to stay steady state on them, move forward and build that story of progress.

C1. Affordability

The two last pages these talk to the key challenges through this process and the development of the LTP.

From a transport perspective, I talked earlier regarding the length of network, the number of retaining walls, and length of footpaths, and the key goal in the IS around looking after what we got and looking after it well, so that we minimise unplanned costs and maximise planned costs so we can keep moving.

Have every increasing network, but also increasing demand on staff and network to do more. The number of requests for tickets, that went up from 45,000 to 60,000 requests last year. So there are more requests for service, and more expectation everything is done, and more push on that dollar we have that dollar we have to spend. Comparing last year, a \$100 spend will now cost us \$125.

The Waka Kotahi indices we have got a hold of, shows 28% increase in last 12 months and 10-40% increase on particular items. Cost increases are having a high impact.

The cost challenge is high, we've got an increasing network, we are working on it really hard and don't have all the answers yet, but we are working on it through this process on how we make things go further and how we manage the network better, the assets we have, and how we get more. So, manage well what we have with the dollars we do have.

So, what does that means and what does it look like? We will be coming back through these process through the future conversations around capex and opex. We got this, and we can do this or this, but these are the implications, so we will give you those scenarios as much as we can. There are also technology changes and material changes that we are working on and adapting for.

Positively, in the OECD, New Zealand is up there as the best investor over time on transport infrastructure and we are increasing that investment. But we are seeing an ongoing challenge with the maintenance of existing assets.

That affordability piece is our first big challenge. There are three big challenges to focus on through this LTP. Affordability always aligns with delivery.

Resilience is second one (climate and resilience).

C2. Resilience

Explanation of map and numbers which are the number of requests for service as a result of storm events from 2021. Around 2,500 on just the Peninsula. In last 2 years, we have had a significant rain event in July and Dec. Some have been really significant and resulted in substantial projects.

Gave example of Goughs Bay and Whaka Terrace.

Waka Kotahi support us well through process to get network up and running again, but we want to try to build ... a programme that is nimble to respond to events. Other thing looking at is working with Coastal Hazards Adaptation Programme; are embedded in this team. We are also looking at material and different construction methodologies we can use, that mean when an event happens or a road is inundated, when the waters go away again, the road not compromised.

There is a lot going on and that we are trying to build into the programme. We do have plan and are working on it and will keep talking you through it.

Second priority is how do we build resilience to what we got so our road network is still sitting there and our residents have access again.

The final priority – how do we build and fit in with the national initiatives in any particular 3 year period. Change is disruptive, and in past 3 years, in every year a different initiative has come through that has fundamentally disrupted our transport programme. We are in an exercise at the moment on how to structure our team and build a programme to be more nimble on where to go and what to go for.

That disruption and change is disruptive to staff, on track then need to shift; disruptive to community, who had expectations but then things change, but they don't know why. It is also disruptive on the supply market as we don't have time to get good runs on construction and getting things delivered. Consistency is a bit of comfort, this could lead to better prices and working relationships.

Do have initiatives that are coming, and positive stuff already built in.

Big one: PT (public transport) futures – built into the start of the programme what is planned for PT futures, or the space to do it and the budget – \$78 million government is talking to. That is big piece of externally funded work that is coming into the future for us.

The other to build and do is the VKT (emissions) reduction programme. Haven't got specifics yet but at end of this LTP process, we will understand how it will fit in the programme.

As said before, the focus for the team is how do we do more with what we have. That's making sure improvement projects are also looking at renewals, so everything gets done at once.

"Let's do it once and do it right." – That is our focus but it doesn't mean we will get it right all the time, and it doesn't mean that someone won't come behind us and say I need to get in to that road space. We need to remember, the road corridor and what you see is just the icing on the cake, underneath is the valuable real estate which is the area for all the services. We are working with service authorities and utility providers to ensure we are doing that as best we can.

Proposing to chunk up conversations by:

Asset renewals and different deliverability focus, and different levels at which we can undertake that. Then chunk of external funding we already got in our programme so that's a deliverability discussion. We got a thin sliver on top where we got room to move. It's a challenging conversation. Not just capital, also opex. Have as much operational expenditure as capital.

3 priorities to summarise from Transport:

- Let's look after what we got, which is an increasing network

- Let's be more nimble and resilient, so that when the flood waters recede or the rain stops, everybody has access as soon as possible
- How do we manage these national initiatives.

Open for questions:

Mauger: Is there be likely to be a tightening of Waka Kotahi money, because they will be pouring it to Hawkes Bay or Cyclone Gabrielle area, there is only so much to go around, do you think that will have a bearing of what we are hoping to do?

Response: A bit of context, Waka Kotahi money is funded, we have continuous programmes, so that we call our maintenance ops, renewals, the stuff that will go on every year. At the beginning of a 3-year period we will get an indication of the chunk that we got. In the last 3 years period, we got \$207 million over a 3 year period for that, maintenance, operations, renewals, in our low cost, low risk programmes. So, we don't have to go through the big business case process to get that. All of the improvement works, which are the major projects, anything over \$5 million has to go through a bit of a business case process, depending on the size. That's all divided up into work categories as well, cycling, walking, PT, other ones.

It is likely, and we are starting to see the pinch, and Waka Kotahi are starting to see the pinch on dollars, just generally. There has been less income for the organisation over the last 12-18 months. Their own programmes (Waka Kotahi) are challenged on what they can deliver. They are facing the same cost challenges that we are facing. The indices I put forward before showing a 28% increase over 12 months is massive. It is costing them more to do the same amount.

So yes, I think we are going to see a push, but they are indicating that we may stay the same, as in the numbers in those categories could stay the same, I don't know what they will look like when they come out. The GPS will give us an indication of that and what the priority is.

Harrison-Hunt: Can you talk about "Steady state" and what that means. Is there is a slight increase over your plan or is it going to stay as is?

Response: Steady state is more about sticking with the improvements we are expecting. In relation to levels of service, our safety level of service has an improving decline, continuing decline in the number of deaths and serious injuries we see in our network. It means sticking with that measure at this stage. It is all up for discussion. The challenges we are facing, in order to achieve that is a pretty big achievement.

Harrison-Hunt: When talking about reactive vs. proactive maintenance is there going to be an internal change in there or is more budget going to be required?

Response: Reactive vs planned maintenance... We will present you with reality of what that looks like. If there isn't a budget increase, we probably won't be able to meet the Levels of Service we got. However, we go to work through that, and the detail in that, and we haven't got there quite yet. I've tried to give you an indication of challenge we are facing. To do a \$100 work last year will cost us \$125 this year. This is what we are looking at. We have to figure out where best place to put that, if we are going to do additional funding, there may be consolidation of funding we can do as well. There may be contractual levels of service we could step back on, so we are looking through all that at the moment. We want to try and give you options around that conversation but we haven't gotten there today yet.

Action

Harrison-Hunt: I am just wanting to note, there are two so far that have said we don't really want huge budget increase, and I was quite interested to hear that, especially with the 28% increase in

levels of service and just note for the public, there are 60,000 council service requests, and 2,000 emergency ones are in the Peninsula emergency request, is that correct – about 2,500 in the last 3 rain events – and this arguably the most scrutinised units in Council comings and goings. This is just for public knowledge, just noting that. I appreciate your time.

Response: Through the chair, we are working really hard, we understand that the drivers on finances and budgets, and Waka Kotahi are in the same boat, and we are working really hard to be as efficient and effective as we can, we are looking at everything at the moment.

MacDonald: A theme across all the activity plans: what has changed in this one to help lift residents' satisfaction – what's going to move the dial from your team this time, with our support, to change that.

Response: That's a challenging proposition, because, we are working on number things, but I think the big thing to try and move the dial is to improve communication of what we are doing and why we are doing it, with the money that we got.

So there is a different piece of work to move the dial. I think that moving the dial in residents satisfaction is really difficult, and I touched on that when we talked about the fact that we are doing some work with the Research and Monitoring team to understand exactly what the issues are. So what we have started to do is to get feedback from the residents satisfaction survey on exactly what the residents' issues are and then start trying to address them.

Part of moving the dial is working and continuing to work with the footpath crews and improve the work that's going on out there.

The other part of it will be is the options that you get around the resurfacing programs and footpath resurfacing programme, and the retaining wall programmes. I think that is us starting to move the dial.

MacDonald: If I put it a sort of different way, there is the back office stuff, and the tangible stuff out in the community, in terms of resealing, I looked at the I think 2,400km, 400km which wasn't sealed, and then the other half, looked at doing 80 km of that, so sort 4% for the year, what I'd like to come back next time, what solutions the team has got, knowing that resident satisfaction has repeatedly raised these concerns, around moving that dial... I'd like a bit more work done to give me bit of confidence we are looking at that.

Response: That is what we are doing, the programmes we are working on to try to and change the dial. My concern is shifting the dial, particular given the historic nature of what we have seen, shifting the dial is a long term goal. Shifting the dial in 3 years will be a real challenge with regard to residents satisfaction. If we can start seeing it coming up, that would be great.

There's multiple back-office stuff we are doing, but the primary one in this LTP that we are working on is, is the resilience piece around how we can react to events. Our resurfacing programme, both in carriage ways and footpaths, we will come back with options, and the retaining wall programme. How do we shift that, because there are a lot of retaining walls that haven't been addressed for years and years and that is causing issues.

MacDonald: So, those options, when you come back, they will have the ability to do a variety of things, which will positively impact on resident satisfaction?

Response: Yes. Those are the options we will bring back to you.

Action

MacDonald: You touched on the \$200-220 million over the 3 years around maintenance and that kind of thing. What do we need to do as a council access more of maintenance provisions from the government in terms of resealing and that kind of stuff? Is it a capacity issue or is it a, government tapped-out of resources?

Response: It is a bit of both. What we have seen over the years, our last LTP was the first time we saw it tip over \$200m. We have leveraged increasing amounts, increasing proportion of that funding that is available. There is a limited amount of funding. The best thing we can do as have a well aligned Activity Plan and Asset Management Plan to be aligned with Waka Kotahi's principles but also to align it with the principles of the GPS. If we do that - and they told us that was a significant part of us lifting bar last time – this resilience piece in this activity plan I think will be key for us in leveraging a bit more.

MacDonald: If we say in last 3 years, is there any money we may have missed out on, that we could have put in to resurfacing and the likes?

Response: I don't believe there is, no.

MacDonald: If we increased capacity, can we get access to more money for resurfacing at a 50/50 rate?

Response: Yes, but we would have to anticipate that won't be the whole programme at 50/50 because the government is tapped out. There is limited amount they can dish out, but we may get more.

MacDonald: I'd be really keen to see that.

Response: We can make sure that's brought through.

Action

MacDonalds: The mandatory levels, there are 5 of them, DIA sets one, who sets the other 4.

Response: They are all set by DIA.

Scandrett: 28% increase this year, can we have an estimate from your team with regards to the next couple of years, also what was the increase in the last 2 years? Because if we are 28% over a long term plan of 10 years, that's a 280% increase. We obviously won't be keeping up with that. Sooner or later we are going to fall over.

Response: Yes, we will do that. We will work with the finance team, they are looking at all the indices.

Action

Scandrett: I don't want us to believe we can set unreasonable and unachievable levels for you. Because we have been talking about satisfaction levels because there is no way we will get on front of that if we are not realistic at start.

Response: We want to provide you with options that 1) we can deliver because we are setting expectations with the community, and 2) isn't putting too much pressure on the organisation. We are not necessarily thinking that is the inflationary increase we are going to have to see. I anticipate there will be a bit of a bow-wave and it will flatten out again. But I will have to take finance advice on that.

Scandrett: Is there a road design that would be better for the city overall with regards to maintenance than what is currently being delivered by developers? Do we have a say in what is being built etc? I know we have to approve it through the RMA process, but is there is a better way we can do it, or say no to a subdivision?

Response: I will have to take that offline.

Moore: I have some ideas Tim.

Question

Henstock: I appreciate there is an awful lot of going on with your team. You've told us about your priorities and a to about the challenges we go, like Sam, I am really interested in the how to deliver

and how we are going to shift the dial. We need to be having conversation or some direction from table around priorities. Do you have any initial comments on that for us, on where you think the reprioritisation needs be, given that we talked about the increasing costs, increasing demand for service, increasing length in our network and the funding challenges we have? Any initial comments on priorities?

Response: From our point of view, the number one priority is looking after what we got. And I think that's really big ... building that programme and giving some options around that, if you take that as the basis and the start of the discussion, that will tell you how much is left over and what we can deliver. Because I do think that \$100 odd million of operation money and \$125-135 million of capital is our delivery cap and the markets cap at the moment. If we can keep that moving and rolling, instead of spiking as it has been, so that certainty helps that, providing clear decisions is a real priority for us, so having a good plan and sticking to it. But I think this resilience piece is the other one, that's the one for us.

Henstock: So if we were to tip this question on its head, what has got to give?

Response: I am not sure at the moment what's going to give. But that is where we are going to have some robust conversations through the programme. It may be that we can do a little bit of a lot and keep making a difference. If we look forward at what we are seeing out of government around climate change initiatives, and your (priorities), they are the ones that will be the hard to stick on, and if we can leverage government initiatives for those, that will help us.

Baxendale: Adding to that. If the financial pressures in terms of what we can purchase cost us more year on year, significantly... then ultimately the expectations, both in this room and outside will be have to be either reset or we are going to significantly have to put more money in. The elastic band is now stretched so far, it can't go any further. So that reality check, I think those numbers of the 40,000-60,000 calls coming in, yet the reverse of that is 8,000 of our potholes are done before the phones are picked up so people aren't complaining. We are getting the 2,000 calls. So how do we actually change the conversation with the public around the state of the nature of what is required here and for them to be able to think they are getting good value for money as well. That's the real dilemma we are facing in terms of the asset base of transport.

Henstock: Picking up on comments around uncertainty of funding from central government, is there anything you think we should perhaps consider to put on hold until we can get greater certainty on funding, particularly from central government? Is there a low hanging fruit we can perhaps put on hold if you think there is a threat of funding being reduced?

Response: The comment was not so much around certainty of funding, it was around certainty of programme. Because of government initiatives, we have shifting of programmes and that provides uncertainty for our communities. That's more like the CERF initiatives, the streets for people initiatives, right back at the start of our LTP we had another one that up-ended our transport capital programme.

Henstock: I think the point is, if there is uncertainty of the programme, what follows on from that is uncertainty of funding, so is there anything in our current programme that we could consider putting on hold until we get greater certainty around the programmes, and consequently what the funding will be?

Response: My observation of the certainty of funding is that it is improving. This is improving because Waka Kotahi is following consistent processes. It is out of alignment with our LTP process, but that is what it is, we know when it is coming. They have been consistent eventually, through the last couple of years. They have been clear on the about what big improvement projects are likely to be funded, and which are not. So, I don't see certainty of funding through Waka Kotahi's stream as an issue, it is other national initiatives that causes disruption.

I think we need to set up our programme, be clear about what we believe we will get funding for or not, and set up programme that can be a little bit nimble, so if initiatives that you want to take advantage of come along, we can do that without upending the capital programme. I think part of starts with being really clear about that base of assets renewals and what that looks like and how we do that.

Henstock: Given the increasing pressures and challenges with staffing levels, where are you at with current staffing? Can we expect to see a request for an increased funding to increase resourcing for staffing?

Response: I am not anticipating that will happen.

Henstock: Around certainty in our budget setting, we are constantly getting increase with cost blow outs on various transport projects, and I appreciate that a lot of that comes from external forces. Is there anything that you are doing in your team to give us greater certainty around budgets and the cost setting that you are coming to us with?

Response: That's the very conversation with are having with finance and the programme management team, how do we set our budgets, how do we look at them realistically, what are the cost pressures that we are facing, and how do we provide the best information we can to you through this process.

Response: Through the chair, just to touch back on resources, we are facing, like everyone is in the organisation and the industry, difficulty in filling positions. So that is an ongoing challenging that we have which affects our deliverability.

Templeton: Roadway condition, so that we can increase residents' satisfaction and then footpaths. The Level of Service 16.0.1, which is maintaining roadway condition which is set by the DIA, the last two LTP's that I have been involved in, both times, we have looked at this and said right, we have to increase the percentage of annual renewals, and both times we have put on additional budget to meet that 6% renewals, based on advice. But neither of those time has ended up playing out to get that percentage of renewal. What have we learned from that, about how we go about that process, so that we can get to that 5-6% through this process, this time? Because only doing 3%, or 2.5% renewals isn't going to get us there.

Response: We are taking a hard look at what we said and how we calculated things. We had a significant number of staff changes since the last time we did this. In a broad sense the issue was that we are putting money on budget for resurfacing, but we weren't putting the money on the opex budget to undertake the pre-seal repairs that at the time needed to be opex money. That has changed, we have changed that. So, we didn't fund the repairs needed to undertake the road resurface in the right way to do it once, and do it right. We are now trying to do it once and do it right so that whole picture will come to you. We will give you the picture of not just chip seal and asphalt, but also the rehab and the pre-seal repair costs, and how we need to structure that budget in better ways so that we move and get to that 5% or more (renewals per annum) if that is what your choice is. We'll give you those options.

Action

Templeton: As part of that information that comes to us, will we have the information we had in previous years, the length of kilometres that are at the different rates, and at the end of process, will we get that map, of where that stuff is that is planned to be done next 3 years?

Response: Yes. We are looking to keep that up as well, because that information about what we are planning and future planning is incredibly useful for communities as well. The condition

assessment is something else. Because we are required, partly because of these mandatory Levels of Service but also partly the requirements of Waka Kotahi.

I think it was back to what Councillor MacDonald said earlier, how do we leverage the money as much as we can from the subsidy. We need to undertake the condition assessment, they are undertaken on the road every year. We need to do similar with footpaths, so that all had to be built in to our operational budgets. There is so much, they are both really big, complicated budgets. We are just trying to focus on those and show you those pictures really well.

Action

Templeton: With the footpaths, 80% at grades 1, 2, 3, and satisfaction with condition, and we got respond to customer service request within appropriate timeframes. I was wondering if we got something about, for me the key ones are around those trip hazards and stuff, do we manage to prioritise them through the system?

Response: They are prioritised through contractual levels of service that we have with our contractors. If it comes in and a call comes in to our contractors. The best thing everyone can do, is if you have or see a trip hazard on the footpath – our contractors won't always see it the same day that you have - call it through to the call centre and tell them there is a trip hazard, or you tripped on a root or an extrusion on the footpath or whatever. The best thing you can do is call that through and say it happened. The call centre will automatically classify it as a hazard, and they have got a 24hour response time on that. Now, like pot holes, many of these things are being fixed because contractors are finding them anyways. But don't assume our contractors are finding them. The best thing you can do in the part of the community you are living in is to call it in to the call centre and they will log it directly with our contractors.

Templeton: Communications ... In past, like with the old ITE committee, there used to be bi-monthly reporting on the work programme that was coming up for this kind of stuff. Is that a thing we look at reinstating so that people can get an overview?

Response: It will be reinstated well before this LTP gets finalised.

Action

Mauger: What we have at the moment is that time is up. We got Tyrone, Kelly, Pauline and Yani who are going to have to put their questions through online tool.