

# Review of 2006-16 LTCCP document and preparation process

## 1. Context

The long-term council community plan (LTCCP) is a key statutory document for all councils in New Zealand. Its purpose is to:

- (a) *Describe the activities of the local authority; and*
- (b) *Describe the community outcomes of the local authority's district or region; and*
- (c) *Provide integrated decision-making and co-ordination of the resources of the local authority; and*
- (d) *Provide the long-term focus of the decisions and activities of the local authority; and*
- (e) *Provide a basis for accountability of the local authority to the community; and*
- (f) *Provide an opportunity for participation by the public on decision-making processes on activities to be undertaken by the local authority.*

(s.93 Local Government Act 2002)

The preparation of an LTCCP is both costly and resource intensive. Our last LTCCP cost this Council in the order of \$350,000 including the audit fee, but excluding staff time. The latter was considerable.

Before we embark on preparing our 2009-19 LTCCP, it is appropriate that we review the last process and document with a view to improving both for the next time round.

## 2. Issues to consider

Since the last LTCCPs were completed there have been several national fora on best practice. The following issues/questions have been raised by commentators at these various fora:

- How do we know whether we have a good LTCCP? A good LTCCP should be:
  - Able to be used for future decision-making

- Useful and understandable for the public to be involved in those discussions
- Useful for organisational accountability
- How can we brand the LTCCP? What is the essence of it? It's telling people about the future of their region. We are currently underselling a good idea. The future is an exciting place to be but we have made it boring.
- Should/does the LTCCP show the key issues for the region?
- If these key issues are identified, is it clear how GW is going to provide leadership?
- Does the community want input into general strategic issues or on the detail of specific projects– or on both?
- Does the community want input into the LTCCP at all – or are people more interested in the component documents, e.g., Regional Land Transport Strategy, Regional Policy Statement?
- Is the LTCCP an accurate manifestation of other strategies?
- The community outcomes are at such a high level, how are we going to tailor them and prioritise?
- What is our Council vision?
- What are the links between our external and internal strategic approaches?
- The financial information available on financial systems is not around outcomes
- Our performance management framework needs careful thought and attention if it is to be meaningful
- We need to improve our communication on the content of LTCCPs.

### **3. Review of other LTCCPs**

We have carried out a high level review of LTCCPs from around the country. Not all councils have underpinning operating plans and so, in those cases, all information is included in the LTCCP.

As most LTCCPs were one document and a summary, as opposed to Greater Wellington's two documents and a summary, they were often unwieldy documents. The LTCCPs reviewed were assessed according to the following areas:

- *Performance management frameworks:*

No consistent approach. Many different ways of approaching levels of service, performance targets and performance measurement.

- *Identification of key issues and strategic approach*

A variety of approaches. Some did not contain any key strategic issues for the region/district but had a heading “key issues” under each group of activities. Others had key issues or priorities for the district or region – but in general these issues were not prominent.

- *Link of strategy/work with community outcomes*

One approach was to identify by activity whether the council had a lead role, joint lead role, support role or advocacy role in achieving community outcomes. Usually there was a brief description of how activities contributed towards community outcomes. Often this was done pictorially or using colour coding. We were one of the few that identified our partners.

- *Outputs and cost*

A number of Councils showed, in tabular form, expenditure on discrete work programmes for three and sometimes ten years. This gave a clear picture of where the Council was spending its money at a level that was meaningful to the community.

- *Integrated decision-making and co-ordination of resources*

Not clear in the LTCCPs how this was achieved.

- *Other*

Often a description of the region, along with a map, was included.

Not surprisingly, different councils have taken different approaches to producing their LTCCPs and the end documents vary accordingly. Nevertheless, they will provide a valuable pool of information for us to develop our next LTCCP document, depending on the approach that we want to take.

#### **4. SWOT analysis of our 2006-16 LTCCP and preparation process**

##### **Strengths (what we did well)**

- Unqualified audit opinion achieved

- Every household in the region received a summary – showing we are consultative and accountable
- Our groups of activities were supported by our financial information
- We dealt with new audit requirements, e.g., inflation
- Councillors and managers worked well together
- Our LTCCP document is well regarded
- Identified four strategic decisions to be made – transport, flood protection, parks and water – and asked for feedback

### **Weaknesses (what we didn't do well)**

- Performance management framework. This was the area that the auditors were most concerned with.
- Timelines – were tight
- Strategic discussions about the state of the nation and the region weren't clearly carried through to later decisions
- Managers etc providing input sometimes did not keep to timelines – other work took priority over the LTCCP
- No clear process for identifying key issues of the region
- We didn't deal well with cross activity functions, e.g., biodiversity
- Our resources were stretched
- Community outcomes – we struggled with saying how these were going to be monitored
- Didn't show clearly enough the relationship between our planning documents e.g. RLTS, RPS, WRS
- Not clear how progress with achieving outcomes is going to be measured
- We don't have a clear vision for the region or a clear strategic framework – no long-term focus. An inadequate strategic context that allows readers to understand the Council's purpose of strategic imperatives
- We identified who we were going to work with – but didn't specifically say how and on what

- Our primary concern was to produce a compliance document – but auditors should not be the primary stakeholder group for such a key council communication
- There was little staff buy in. The LTCCP is largely silent on organisational matters. There is an assumption that there is some sort of Council organisation that somehow delivers a range of products and services, but this is implied not stated
- Confusion about the community outcomes process as it was tied in with the Wellington Regional Strategy
- Not clear how LTCCP provides for “integrated decision-making” and “co-ordination of resources”
- Link between LTCCP and operating plans a little confused. In their current format, operating plans are not serving their purpose as management documents or as information for the community
- There wasn’t a clear, concise summary of key outputs for the next 3 or 10 years - not enough specific information about our work programmes to allow people to be informed and comment.

## **Opportunities (what we can do better)**

- Improve our performance management framework
- Identify key issues for the region relating to our responsibilities and show how we are going to take a leadership role with these
- Develop better timelines and keep to them. We need a timetable that is transparent, easily understood and enough detail for process but “wriggle room” for the unexpected
- Communicate better externally to reach more people (if this is what we want to do). Think more carefully about who are our audiences
- Make better connection with our LTCCP and operating plans. It may be that we do not need operating plans in their current form
- Put information in a form that is more meaningful for the public and central and local government decision-makers
- Improve our communication with staff – especially in relation to their projects. (Staff want to know what is in the current and long-term budget for their work – and want to have some input into the budgeting process). Perhaps include a section that

describes a “capable organisation” that is empowered and equipped to deliver the outcomes explicit in the document

- Clarify how we are providing for “integrated decision-making” and “co-ordination of resources” (not sure how)
- Our revenue and financing policy needs to be reviewed
- Let people know what they are getting for their regional council rates
- Integrate better our words and our financial information. Some submitters mentioned that there was not a clear relationship between the words and the numbers in our annual plan
- Our LTCCP could be more of a living document. At the moment when it’s completed, it’s largely forgotten other than the financial reporting.

### **Threats (what is stopping us doing better)**

- We are asking the impossible – the community is not that interested in our LTCCP (we only got 400 submissions) even though every household received a summary. (Although number of submissions may not be a good indicator as people may only make a submission if they are unhappy)
- A large part of the community is only interested in different small parts of what we do
- Having a glossy, “all singing, all dancing plan” is not the manifestation of community engagement
- Legislative requirements about the content of LTCCPs means that it is difficult to make a document that is “useful and understandable” for the public
- Key issues of the region may not be those relating to regional council responsibilities and activities. It is unrealistic to think that we are going to take on more activities next time round
- Process of identifying key issues for the region and giving these priorities means that many GW staff feel unrecognised (not everyone works in transport)
- Uncertainty whether all the effort into our LTCCP actually worthwhile. Should we be “minimising” the LTCCP and diverting our resources to projects with a better return.

## 5. Future approach

- Agree that the LTCCP is a key document for Council. It should be a defining document - the document that tells the community and our staff what this organisation is about
- Identify significant issues for the region, particularly those relating to GW responsibilities
- Develop a performance management framework that satisfies Audit and is a useful accountability tool, both externally and internally
- Clarify how we are going to show leadership on these significant issues. This should include our strategic approach. Make the future a bit more exciting. This means highlighting some areas of GW's work and accepting that other areas will not receive the same degree of attention
- Develop a clear timeline – and keep to it
- Develop a consultation/communications plan – early
- Develop a way to show “integrated decision-making” (may be difficult)
- Review our revenue and financing policy
- Develop a way to summarise our key outputs and costs, i.e., integrate better our words and numbers
- Community outcomes - we don't need to re-do these the next time round, but we do have to report on them every three years. We need to think how we are going to do this as soon as possible
- As the LTCCP is the key document, it may be that we don't need our operating plans in their current format. However, there will probably need to be some sort of lower level, more detailed information available – possibly in the form of management plans
- Let people know what they are getting for their GW rates
- Introduce a way to integrate the LTCCP and, in particular, community outcomes into our decision-making processes (e.g., by having a “strategic fit” heading in committee reports). This is a legislative requirement – s 77, LGA.
- Include a section showing that GW is a capable organisation.