



KAIKŌURA
DISTRICT COUNCIL

EXTRAORDINARY
AGENDA

18 MARCH 2020



Public Forum Guidelines

Public Forum:

The Kaikōura District Council welcomes input from residents. The public forum provided an opportunity to address Councillors, the Chief Executive and the Senior Management Team.

Subjects:

A period is set aside for the public to speak to Council before the meeting. Members of the public are allocated a time to address the Council on items that fall within delegations of the Council provided the matters are not subject to legal proceedings, and are not already subject to a process providing for the hearing of submissions. **Speakers may be questioned through the Chair by members, but questions must be confined to obtaining information or clarification on matters raised by the speaker(s).** Such presentations do not form part of the formal business of the meeting with those requiring action being referred to the Chief Executive for further reporting at another Council meeting.

Procedure for members of the public wishing to speak at the public forum:

The Chair may at their discretion refuse a public forum on any reasonable grounds, but not limited to:

- insufficient time to hear the public forum at the meeting
- the public forum would be more suitably heard at another meeting of Council
- the subject of the matter of the public forum is offensive or repetitious or vexatious or is considered likely to be so
- the subject matter is insufficiently relevant to the business and legislative responsibilities of Council
- the subject matter is part of an ongoing issue that is being dealt with by staff
- the previous disorderly or inappropriate behaviour of the applicant at Council meetings.

Application:

Members of the public who wish to participate should advise the Executive Administrator, phone 03 3195026 or email HR@kaikoura.govt.nz advising of the subject matter and the names of the speakers at least 5 working days in advance of the meeting.

Speakers during public forum:

The time allowed for each speaker is **10 minutes**.

The Chairperson has the discretion to terminate the presentation at any time where:

- the speaker is repeating an earlier speaker at the same public forum
- the speaker criticises elected members or staff
- the presentation is repetitious, disrespectful or offensive.

At the conclusion of the presentation, with the permission of the Chairperson, elected members may ask questions of the speaker(s).

If permitted by the Chairperson, questions by members are to be confined to obtaining information or clarification on matters raised by the speaker.

No debate will take place in regards to issues raised at public or open forums and no decision will be made.

Response to Public Forum Presentations:

Councillors will normally discuss Public Forum presentations at the conclusion of Public Agenda items. The Mayor or delegated person will provide a reply to the presenter (if required) within a few days of the Council meeting.

COMPLIANCE WITH LOCAL GOVERNMENT ACT 2002 DECISION-MAKING REQUIREMENTS

On every issue requiring a decision an assessment will be made regarding the degree of significance as outlined in Section 3 Criteria for assessing significance in Council's Significance and Engagement Policy. When an issue is determined as having a high level of significance the report template will be used.

The report template will not be used when;

- When the information is only to be received
- Decisions taken under Resource Management Act 1991 or the Biosecurity Act 1993 in relation to resource consents, decisions required when following procedures set out in Schedule 1 of the Resource Management Act 1991, other permissions, submissions on plans, or references to the Environment Court.
- Decisions taken to proceed with enforcement procedures under various primary or secondary legislation or regulations, including procedures under the Resource Management Act 1991, the Biosecurity Act 1993, the Local Government Act 2002 and Kaikōura District Council Bylaws.
- Administrative and personnel decisions that is entirely internal to Kaikōura District Council.
- Other decisions where the procedures to be followed are set out in legislation.

REPORT TEMPLATE

| | |
|----|---|
| a) | An assessment of the degree of significance of the issue |
| b) | Seek to identify all reasonably practical options for the achievement of the objective of the decision and assess the options in terms of advantages and disadvantages. |
| c) | If any of the options identified in b) involves a significant decision in relation to land or a body of water, take into account the relationship of Maori and their culture and traditions with their ancestral land, water, sites, waahi tapu, valued flora and fauna and other taonga. |
| c) | A discussion of any known issues, views and preferences of affected and interested parties. |
| d) | Provide an outline of what has been done to comply with sections 81 and 82 of the Local Government Act. |
| d) | A recommendation that Council determine the degree of significance of the particular issue or decision. |

If Council makes a decision that is inconsistent with any of its policies, the Council will;

- clearly identify the inconsistency, and
- explain the reasons for the inconsistency, and
- advise of Council's intention to amend that policy to accommodate the decision

KARAKIA – to begin the meeting

Whakataka te hau ki te uru

Whakataka te hau ki te tonga

Kia mākinakina ki uta

Kia mātaratara ki tai

E hī ake ana te atākura

He tio, he huka, he hauhu

Tihei Mauri Ora

KARAKIA – to end the meeting

Kia tau, kia tātou katoa

Te atawhai o to tātou Ariki a ihu Karaiti

Me te aroha o te Atua

Me te whiwhinga tahi tanga

Ki te wairua tapu

Ake ake ake

Amine

KARAKIA – before eating

E rongō e rongō

Homai ngā tipu

Hei whaka ki te tinana

Hei oranga

Au eke au eke

Hui e!

Tāi iki e!

**KAIKŌURA DISTRICT COUNCIL EXTRA ORDINARY MEETING TO BE
HELD AT 4.00PM ON WEDNESDAY 18 MARCH 2020, TŌTARA
ROOM, 1ST FLOOR, 96 WEST END, KAIKŌURA**

AGENDA

1. Karakia Page 4

2. Apologies

3. Declarations of Interest

5 Matters of Importance to be raised as Urgent Business

6 Financial and Corporate Sustainability (FCS) Pages 5-9
Workstream: Appointment of Business Transformation Manager
resource BTMr

*Council Public Excluded Session

Moved, seconded that the public be excluded from the following parts of the proceedings of this meeting, namely;

(a) Financial and Corporate Sustainability (FCS) Workstream: Budget for Tranche 2 – Public Excluded

The general subject matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) and 7(2)(a) and 7(2)(f) of the Local Government Information and Meetings Act 1987 for the passing of this resolution are as follows:

| General subject of each to be considered | Reason for passing this resolution in relation to each matter | Grounds of the Act under which this resolution is made |
|--|---|---|
| (a) Financial and Corporate Sustainability (FCS) Workstream: Budget for Tranche 2 – Public Excluded | The exclusion of the public from the whole or the relevant part of the proceedings of the meeting is necessary to enable the Local Authority to deliberate in private on its decision or recommendation | Section 48(1)(a) and 7(2)(b) (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information |

To: **Council**

Date: 18 March 2020

Subject: Financial and Corporate Sustainability (FCS) Workstream:
Appointment of Business Transformation Manager resource
BTMr

Prepared by: Angela Oosthuizen, CEO

Contributors: Jane Parfitt, Acting Transitional Manager
Lisa Goodman, Admin and Policy Support
Bruce Robertson, Project Director

PURPOSE

The purpose of this report is to request the Council to revoke their decisions made on 26th February 2020, and urgently approve both the appointment of a Business Transformation Management resource (BTMr) for the FCS workstream, and a revised budget for the next stage of the project that includes funding for the BTMr.

RECOMMENDATIONS

That the Council:

- a) revokes the following decisions of 26 February 2020:
 - i) Council re-affirms its commitment to the Financial and Sustainability Project
 - ii) Council agrees to continue work on the work programme (Plan on a Page) to develop a potential new operating model for KDC
 - iii) Council agrees that the Plan on a Page timelines are optimistic in light of the BAU workload commitments, especially given reporting will be against the schedule as a target timeline
 - iv) Council agrees to the appointment of a locally based Project Manager to deliver the planned work programme detailed on the Plan on a Page to reach a decision about a potential new operating model
 - v) Council requests the KSRG to review the allocations in the current budget to fund the above position from the existing budget
- b) notes that the minutes of the meeting of 26 February 2020 including the decisions in a) above have not yet come before Council for their sign off
- c) approves the immediate appointment of a Business Transition Management resource (BTMr) for the FCS workstream, noting that this role will be part of the KDC's Executive Leadership Team.

BACKGROUND

Since December 2019, the FCS project has been focusing on refining and defining the new operating model for the Kaikōura District Council (KDC). This includes focusing on the appointment of a Business Transformation Manager, a pivotal position to ensure the success of the project. Advice provided by the Kaikōura Recovery Steering Group (KRSRG) from the Project Director to the Council meeting of 26 February recommended that a Business Transformation Manager be appointed for a term of up to three years, with the source of funding to be identified (primarily being a call on Council's budgets, subject to a possible Crown contribution through the 2020/21 Crown budget process).

At its meeting of 26 February the Council considered this report and Council resolved the following:

- a) Council re-affirms its commitment to the Financial and Sustainability Project
- b) Council agrees to continue work on the work programme (Plan on a Page) to develop a potential new operating model for KDC
- c) Council agrees the Plan on a Page timelines are optimistic in light of the BAU workload commitments, especially given reporting will be against the schedule as a target timeline
- d) Council agrees to the appointment of a locally based Project Manager to deliver the planned work programme detailed on the Plan on a Page to reach a decision about a potential new operating model
- e) Council requests the KSRG to review the allocations in the current budget to fund the above position from the existing budget.

This report provides updated information on the project.

APPOINTMENT OF BUSINESS TRANSITION MANAGER RESOURCE (BTMR)

Subsequent to the Council's February meeting the Kaikōura Recovery Steering Group (KRSRG) met on 11 March to discuss a way to ensure that the KDC has the ability to "internalise" the FCS project in addition to dealing with *business as usual*. The KRSRG recognised concerns expressed by the Council at its February meeting that FCS work programme timelines are optimistic, and concerns regarding how a Business Transformation Manager could be funded.

The KRSRG now proposes a change to its original proposal for a three year appointment of a Business Transformation Manager. It now recommends that a Business Transformation Management *resource* (BTMr) be appointed. This resource would be drawn from one or more consultancy firms, with depth and resource capability operating within the sector who can work on a short term contract. It is envisaged that one person from the firm(s) would take the lead but would have "backup" support within their own organisation. They would sit within the KDC's Executive Leadership Team (ELT), given:

- a) the strategic nature of the issues in the next phase of the FCS project, and
- b) the support and lead required within ELT to have the capacity to ‘internalise’ this project in addition to dealing with *business as usual*.

The concept of a BTMr has also been developed to de-risk the medium term commitment to an appointment of an employee when the future of the project is not definite¹.

It has also driven the need to revise the project budget as set out in the next section.

DISCUSSION

The advantages and disadvantages of the Council’s decisions are:

| Advantages | Disadvantages |
|--|--|
| Rescinding the 26 February resolutions and engaging a BTMr | |
| <ul style="list-style-type: none"> • Completes the integration (‘internalising’) of the FCS programme with <i>business as usual</i> within the Council’s ELT • Enables completion of the Tranche 2 funding application to the Department of Internal Affairs • Supports the communication to staff about the definite steps being taken to consider a <i>new operating model</i> • Is consistent with Council’s prior resolutions demonstrating commitment to pursuing the programme • Demonstrates Council’s recognition that ‘they own’ this project • Provides evidence of Council’s commitment in support of the request for 3 – 5 year funding to enable a <i>new operating model</i> to be implemented for the benefit of the Kaikoura community • Mitigates the risk and enables completion of the current programme which can be modified should future funding not be available. | <ul style="list-style-type: none"> • Significantly weakens Council’s position to request funding under Tranche 2 and the 3 – 5 year transitional funding sought from the Crown • Effectively halts the FCS programme now unless Council is prepared to fully fund Tranche 2 costs by itself • Loses substantial impetus and places significant /extraordinary demands on ELT if no BTMr appointment made • Substantially risks Council’s reputation with central government. |

¹ Additional Crown funding support will not be known until May, and Council needs to consult with its community in making a final decision to adopt the defined form of the *new operating model*.

| Advantages | Disadvantages |
|--|---|
| Retention of the 26 February 2020 resolutions | |
| <ul style="list-style-type: none"> • Relieves the immediate/short term pressure on staff and councillors. | <ul style="list-style-type: none"> • The immediate halting of the FCS project • Creates an uncertain future for Council and staff • Risks Council needing to return to a fiscal strategy which in the long term returns the Council to past practices • Risks significant Crown intervention to protect substantial Crown investment over the past three years. |