

Steve McNally Report February 2025

Two years and 4 months in this governance role with seven months of decision making left until the next election.

As a governance group we inherited the prior council governance and maintenance budgets, long term plan projects and problems and a reactionary work plan rather than planned and prioritised.

The 24 to 27 long term plan is this council governance groups responsibility and still needs work.

My working life over the past 50 years has been driven by performance/productivity/delivery and solution-based outcomes, with financial penalties for non-performance, a harsh but great KPI driver.

Council business has repeated delivery, process and outcome delays.

Issues include;

- problem discovery versus solution focus

- lack action and timeline deadlines

- process and policy issues

- lack appropriate systems to track asset condition

- communication between departments needs improvement

I am unable to decide whether this entrenched behaviour is due to the above system the deficiencies or if we lack capability, capacity and ability to implement and deliver across the business, including appropriate delegation through work streams.

This leads to duplication of service delivery causing additional costs as we require staff, plus external consultants and project managers

Asset management is lacking all required detail and I have been unable to obtain the asset management plans for the artepayer assets of district facilities, water and waste water assets despite asking for over 2 years.

This leads to **my main concern of financial information** that counsellors require in their governance role and responsibilities of fiscal prudence and transparency.

Open book accounting cannot be used if the asset management plan is unusable,

budgets cannot be accurately assessed, calculated or formulated without a usable asset management plan

Financial figures such as project unders and overs or carry forwards on different budgets are difficult to obtain.

I am still waiting for under an over information relating to the roading budgets for the past year as is the Regional Transport Committee.

So with the 25/26 annual plan process underway we need to focus on these issues and critically review next year's financial plan and the long term plan construction that leads this process.

All **capital expenditure** needs to be critically reviewed with;

clear project timelines,

focus on Core infrastructure versus nice to have projects

all carry forward projects to be reassessed and if not underway, deferred or canned

project timelines and budgets can then be reset as required

All **operational expenditure** also needs critical review line by line looking at;

level of service

is it realistic ?

is it affordable ?

is it what the ratepayer wants?

is the ratepayer happy to pay for service ?

what expenses can be cut ?

where can cost savings be made ?

Delivery Outcomes must become this councils focus;

that will allow delivery of the annual plan and carry forward projects

have an operative asset management plan that is up to date and operative

which will allow improvement of asset condition on a priority basis

ensure resource consents for water take and discharge are current

ensure resource consents for wastewater discharge capacity are up to date

Water and Wastewater plants allow for current users and have plant capacity and upgrade requirements factored into Resource Consent applications and forward budget planning