

**Infrastructure Committee
7 May 2020****Report for Agenda Item | Rīpoata moto e Rāraki take :1****Department Property & Infrastructure****Title | Taitara Acceptance of 30 Year Infrastructure Strategic Outcomes Framework****PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO**

The purpose of this report is to obtain the Infrastructure Committee's **formal acceptance of the attached Strategic Outcomes Framework**. The Strategic Outcomes Framework will form a component of the 2021-2051 Infrastructure Strategy (currently in development).

RECOMMENDATION | NGĀ TŪTOHUNGA

That the Infrastructure Committee:

1. **Note** that the 2021–2051 Infrastructure Strategy is currently in development;
2. **Accept** the 30 Year Infrastructure Strategic Outcomes Framework;
3. **Agree** that infrastructure investment planning required to inform the 2021 Long Term Plan be progressed using the Strategic Outcomes Framework; and
4. **Note** that the Strategic Outcomes Framework will form part of the 2021-2051 Infrastructure Strategy, which will be consulted on as part of the formal public consultation process followed for the 2021 Long Term Plan.

Prepared by:

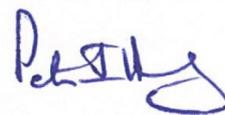


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CONTEXT | HOROPAKI

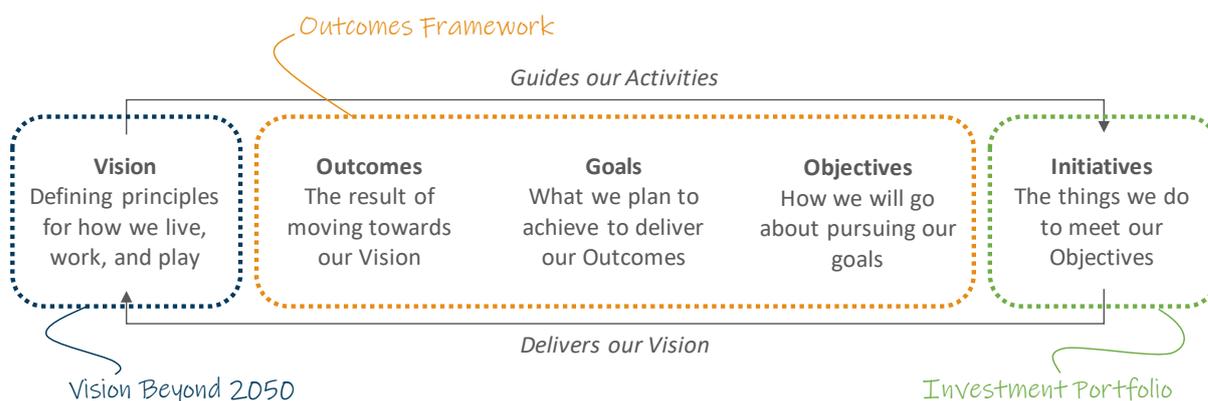
We are updating our 30 Year Infrastructure Strategy

- 1 As part of public consultation on the next Long Term Plan (LTP21), Queenstown Lakes District Council (QLDC) must consult on a 30 Year Infrastructure Strategy (s101B Local Government Act).
- 2 To ensure Infrastructure’s (“we/our”) contribution to LTP21 is strategically aligned and current, a review of the existing 30 Year Infrastructure Strategy commenced in early 2019. Through this review, a Strategic Outcomes Framework (“Framework”) has been developed, and is now presented to the Infrastructure Committee for acceptance.

Acceptance of our Strategic Outcomes Framework is sought

- 3 The Framework forms the first part of the 30 Year Infrastructure Strategy (“the Strategy”). It is a cascade of outcomes, goals, and objectives that connect the district’s *Vision Beyond 2050* to our Infrastructure investment planning (Figure 1 refers).

Figure 1: Strategic planning structure



- 4 Once accepted, the Framework will:
 - a. Provide the overarching strategic context on which the balance of the Strategy will be developed.
 - b. Underpin the formation of our ten-year Infrastructure Investment Portfolio (presently being prepared in order to meet the timeframes required for LTP21).
- 5 We now need elected members to accept the Framework in order to progress the Strategy’s development and ten-year investment planning.

Our definition of Infrastructure extends beyond tangible assets and services

- 6 ‘Infrastructure’ encompasses Three Waters, Transport, and Waste Minimisation/Management. In addition to ‘hard’ infrastructure and delivered services, our definition includes our knowledge base, policy and legislation, existing and new strategic partnerships and the community’s ability to influence the design and delivery of our services.

ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU

Strategic Outcomes Framework

7 The Framework consists of four community outcomes, five supporting goals, and 11 investment objectives (Figure 2 refers). An expanded Framework with additional context is provided in Attachment A.

Figure 2: Strategic Outcomes Framework

OUTCOMES	GOALS	OBJECTIVES
ALL PEOPLE CAN LIVE HEALTHY LIVES	Harness our position as a service provider to promote health	<ul style="list-style-type: none"> > Services reliably protect people from harm > Services create opportunities for people to increase activity, recreation, and social connection
A STABLE ECONOMY WHERE OUR PEOPLE PROSPER	Provide high-quality, affordable services	<ul style="list-style-type: none"> > Respond to demand for services in a way that meets customer quality and affordability expectations > Sustain the affordability of services through efficiency, effectiveness, and funding opportunities
	Support a stable district economy	<ul style="list-style-type: none"> > Sustain annual market spend to support and strengthen the district’s economy > Build the diversity and capability of the district’s businesses
COMMUNITIES ARE RESILIENT TO SUDDEN NATURAL EVENTS	Support the social and economic recovery of our district following a sudden natural event	<ul style="list-style-type: none"> > Ensure the continuity of essential services following natural hazard events > Optimise the recovery of all services following natural hazard events
THE ENVIRONMENT’S MAURI IS RESPECTED AND PROTECTED	Protect and regenerate the natural environment	<ul style="list-style-type: none"> > Contaminants from our services are prevented from entering the natural environment > Services reduce impact on global emissions and resource extraction > Identify and prioritise opportunities for environmental regeneration

Development process

- 8 A typical strategy development process has been followed to design the Framework:
- Translation of our district’s vision (Vision Beyond 2050) into community **outcomes** that our activity can meaningfully affect.
 - Development of **goals** that describe what we need to achieve in order to maximise the chance that the community outcomes are realised (including alignment with the Proposed District Plan).
 - Development of strategic **objectives** which describe how we will go about achieving our goals. A suite of associated KPIs will track our performance.
- 9 Intervention logic was used throughout the development process to ensure outcomes, goals, and objectives are relevant, and the links between them are sound.

- 10 The Framework has been developed with involvement of key internal stakeholders (Executive Leadership Team, all Property and Infrastructure officers, other department representatives), Iwi (Aukaha and Te Ao Mārama), and elected members (Infrastructure Committee).
- 11 The result is a Framework that:
 - a. Reflects a comprehensive view of Infrastructure - necessitating a more collaborative and creative approach to future Infrastructure planning and investment,
 - b. Values the holistic wellbeing of our people and natural environment to a much greater extent than ever before, and
 - c. Provides for a strategically-aligned and consistent approach to prioritising future Infrastructure investment.

Core planning principles

- 12 Through our review of the Strategy we identified a number of important considerations that did not exclusively apply to one outcome area, and as such, are not represented in the Framework. We have acknowledged these considerations by incorporating six core planning principles into the Strategy (Figure 3 refers).

Figure 3: Core planning principles



We pursue innovation and improvement

Efficiency and effectiveness will be driven through evolutionary changes. Modern data and analytics will inform service improvement and reduce costs.



Whakatinana I te ao Māori

We will partner with Kai Tahu as guardians of our place, respecting Wahi Tupuna and mauri in the natural environment.



We are agile to uncertainty

Our masterplanning approach will ensure we can recognise, understand, and respond at pace to the changing world around us. Exemplary scenario development will improve our agility.



A wellbeing focus to all our decisions

We will assess the value of our activities across a range of wellbeing indicators. Holistic, ongoing value for money will drive our prioritisation and planning.



We partner with the community

We will set levels of service in consultation with the community, and partner with the public and developers to explore demand-side solutions.



Best practice investment management

We will design and continually optimise our ten-year investment portfolio to ensure delivery of an agreed balance of community outcomes.

Options identified

- 13 **Option one** Accept the Framework presented.

Advantages:

- a. The revised Strategy can be prepared within the timeframes required for the formal LTP21 consultation process.
- b. Infrastructure is in the best position possible to meet the 30 June 2020 deadline established for LTP21 capital initiatives.

- c. All potential infrastructure investments can be prioritised using a common strategic framework, which has been developed in conjunction with (and received support from) key internal and external stakeholders, including the Infrastructure Committee and our Iwi partners.

Disadvantages: none identified

- 14 **Option two** Reject the Framework, and provide guidance to QLDC officers on the necessary changes or processes required to satisfy the Committee.

Advantages:

- a. In the event Infrastructure Committee members are uncomfortable with the Framework, this Option will enable QLDC officers to rectify their concerns.

Disadvantages:

- a. The necessary work required to review and update the Framework is certain to compromise our ability to meet established LTP21 timeframes – both for public consultation on the Strategy and submission of capital investment initiatives.
- b. Alternatively, achieving the required timeframes under this option is certain to compromise the quality of the Framework.

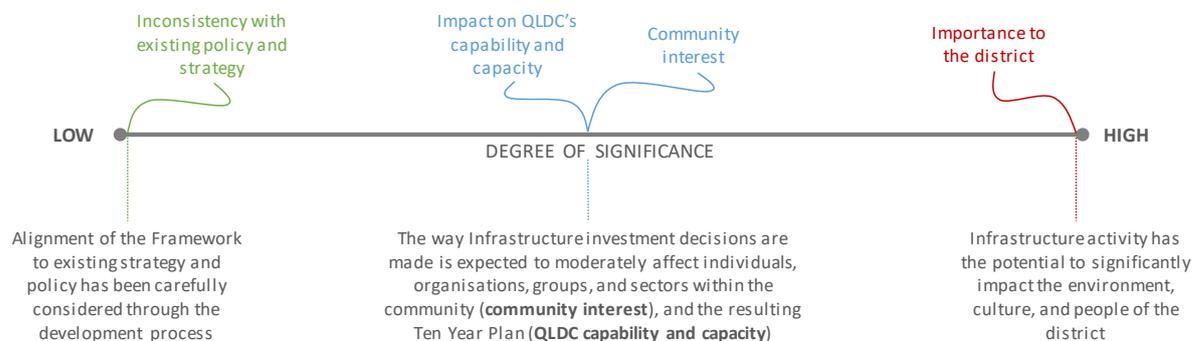
- 15 This report recommends **Option One**, as accepting this framework is considered the best option to meet statutory and LTP obligations.

CONSULTATION PROCESS | HĀTEPE MATAPAKI

> SIGNIFICANCE AND ENGAGEMENT | TE WHAKAMAHI I KĀ WHAKAARO HIRAKA

- 16 Acceptance of the Framework is assessed as being, on balance, of medium significance (Figure 4 refers); determined in reference to QLDC’s Significance and Engagement Policy.
- 17 The Framework, as part of the Strategy, will be formally consulted on through the LTP21 Special Consultative Procedure.

Figure 4: Assessed alignment of Significance and Engagement Policy criteria



> MĀORI CONSULTATION | IWI RŪNANGA

- 18 Aukaha and Te Ao Mārama have been engaged with the Strategy redevelopment since our review was initiated in early 2019. Representatives attended workshops with the

Property and Infrastructure management team members to identify relevant challenges and opportunities related to the long-term infrastructure needs of our district.

- 19 Direct feedback was sought from Aukaha and Te Ao Mārama on an iteration of the Framework in early 2020; advice received was incorporated into subsequent iterations.

RISK AND MITIGATIONS | NGĀ RARU TŪPONO ME NGĀ WHAKAMAURUTANGA

- 20 Acceptance of the Framework is not directly related to a QLDC risk category or a documented organisational risk.
- 21 The Framework will guide the prioritisation of future Infrastructure investment activity, which in turn will respond to a number of organisational risks. Key related risks are set out below (Table 1 refers).

Table 1: QLDC risks related to Infrastructure investment planning (high or very high inherent risk only)

Risk	Description	Inherent rating
00012	Core infrastructure is insufficient – poor infrastructure planning	High
00019	Ineffective planning for climate change effects	Very High
00029	Contaminated water supply – death of a person(s)	High

FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA

- 22 There are no direct capital or operational financial implications associated with the adoption of the Framework.
- 23 The Framework will underpin Infrastructure masterplanning for our district, and the resulting ten-year Infrastructure Investment Portfolio prioritised for LTP21.

COUNCIL EFFECTS AND VIEWS | NGĀ WHAKAAWEAWE ME NGĀ TIROHANGA A TE KAUNIHERA

- 24 Key QLDC strategic documents considered through the Strategy’s review to date include Vision Beyond 2050, District Plan, the draft Spatial Plan, Climate Action Plan, Disability Policy, 2018-2028 Long Term Plan, and 2018-2048 Infrastructure Asset Management Strategy. The way in which Infrastructure investment decision-making gives effect to the above noted strategic documents was carefully considered through development of the Framework.
- 25 The Strategy’s review and redevelopment is not included in the 2018-2028 Long Term Plan. This work is completed by existing internal Property and Infrastructure officers. Accordingly, this activity has been – and will continue to be – managed within existing approved operational budgets.

LEGAL CONSIDERATIONS AND STATUTORY RESPONSIBILITIES | KA TURE WHAIWHAKAARO, ME KĀ TAKOHAKA WAETURE

26 Section 101B of the Local Government Act requires local authorities to prepare and adopt an infrastructure strategy for a period of at least 30 consecutive financial years.

LOCAL GOVERNMENT ACT 2002 PURPOSE PROVISIONS | TE WHAKATURETURE 2002 O TE KĀWANATAKA Ā-KĀIKA

27 Implementation of the Framework:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses. The Framework will do this by providing a strategically-aligned basis for continual prioritisation and optimisation of Infrastructure investment to balance the delivery of community outcomes within financial or capacity constraints;
- Can be implemented through current funding under the Ten Year Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

ATTACHMENTS | NGĀ TĀPIRIHANGA

A	Strategic Outcomes Framework (extracted from the working draft 30 Year Infrastructure Strategy)
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