

WE ARE.

Lifting council
performance

“Leaving nothing to chance”
Hauraki District Council
CouncilMARK™ Case Study



A measure
for better
community value.

Key Insights

The Council takes pride in what has been a long established culture that is deliberate in its design, and effective in its execution.

It's apparent that everyone at Hauraki District Council is working for the same team, characterised by a strong and respectful relationship between Mayor and Chief Executive (CEO), which filters down to elected members, senior management, and how Council delivers value to the community.

Key insights into how the Hauraki District Council excel in governance, leadership and strategy are:

- 1. Strong culture and clear values** – The Mayor and CEO demonstrate an understanding of “no surprises” and “no interference” that flows through to elected members and senior managers;
- 2. Being a team** – The Mayor works hard to get consensus with key Council decisions, encouraging robust debate, ensuring the benefit of the wider community remains at the forefront, and collective responsibility is taken by all once a decision has been made.
- 3. Induction sets the foundation** – Hauraki District Council has a well-designed induction programme which not only focusses on developing an understanding of the role as a councillor and the organisational behaviour expectations, but also the importance of getting to know each other on a personal level which assists in developing a cohesive team.
- 4. Supporting elected members** – Succession; support; structure; strategy, and even seating. The Hauraki District Council leave nothing to chance; the seating arrangement for elected members is deliberately assigned to avoid clustering the like-minded, and those more experienced can support those newly elected.
- 5. Ongoing performance development** – The Mayor makes it a priority to check in with councillors individually to ensure performance is regularly reviewed, and appropriate action for further development and support can be taken.
- 6. Being an accountable Council** – Although councillors at Hauraki District are given Portfolio “lead” roles, Hauraki District Council make it the responsibility of all councillors to be fully appraised, informed and familiar with the detail of each portfolio.
- 7. Being truly representative** – Elected members pay particular attention to remaining close and readily accessible to their constituents, which helps the understanding of particular issues and the impact this has on community.
- 8. Knowing your roles** – The CEO offers councillors’ extensive access to Council staff to enable strong portfolio management, but the direction of all staff is very clearly the function of the CEO, and carefully overseen by the Mayor.



“The Hauraki Way: just getting things done” – only realising that this comes with planning, practise, patience and persistence.

Background

Hauraki District Council's 2018 CouncilMARK® assessment delivered an overall "A" rating with a "Stand out" priority grading for "Leading Locally" (Governance, leadership and strategy) and "Listening and Responding" (Communicating and engaging with the public and businesses).



Both the overall rating and the priority grading marks noted should normally be expected of the likes of a well-resourced large metropolitan local authority but could be surprising for a small provincial and rural district, not without its challenges in dealing with infrastructure delivery; general affordability and rating parity; deprivation standards typical of provincial New Zealand; population, and therefore serviceability growth; and the attraction and retention of quality staff and councillors required to support their constituents and deliver service and community outcomes.

The assessment noted an overall leadership style – both governance and management – that is humble, respectful and authentic. It further noted that "relationships with residents, ratepayers, businesses, Māori and other stakeholders are especially strong" and that "Council is highly responsive to each of the communities' needs and judiciously balances the demands of the three major communities."

> So how does a small provincial and rural Council, understated in demeanour, relatively stable in elected member tenure; conservative in many areas including financial risk and investment; humble in its dealings internally and externally, deliver industry best practice in key areas of Leading and Engagement while focusing on "The Hauraki Way – Just Getting Things Done"? >

In November 2019, approximately 12-months following the initial assessment, a series of interviews were held with Council and various stakeholders to further explore and understand the drivers behind Hauraki District Council's success, particularly in governance, leadership and strategy.

THE FOCUS WAS TO UNDERSTAND:



The **delineation** within Council between governance and management – how that is understood and delivered;



The **relationship** between Mayor and CEO in the governance and management realm and how that influences behaviour within and around Council; and



The **collective** approach Council takes to the role it plays on behalf of the community it serves.

The Hauraki Way: Just getting things done!

On the border of governance

THE COUNCILMARK® ASSESSMENT REPORT (2018) NOTES

> “Roles and responsibilities of all parties (the Mayor, EMs, CEO, ELT and staff) are well understood and respected by all.”
And “The long standing Mayor and long service CEO understand their respective roles and maintain a professional relationship that delivers results for the community.” >

Often the democratic election process is synonymous with single-item agenda and focus on “value for ratepayer money” by each candidate. While candidates are encouraged to think and speak to the issues that concern them, with Hauraki District Council there is only one team where elected members act for, and commit to, the benefit of the wider community without losing connectivity or sensitivity for the individual wards they represent. Inevitable trade-off decisions, capital spend prioritisation, and Council focus where geographically targeted is understood to be beneficial to the wider community in the long-term. Elected members pay particular attention to remaining close and accessible to their constituents. This is clearly of their own choosing but is continually reinforced at the Council table. The close proximity and connectivity of elected members with their respective wards enables focused communication and provides understanding of these decisions directly into the communities they impact on.

Where platforms or individual agendas have been the impetus to engage politically then these are respected but subsequently moulded into the overarching decision-making framework for prioritisation and collective assessment rather than remaining as stand-alone issues. While they remain current and purposeful, individualism or personal stance gives way to a collective voice, recognising the strength in cohesion, consensus and community. Debate is encouraged, active, passionate and purposeful but, once a decision is reached, agreement becomes that of the collective and seldom is personal bias and view represented or reported negatively back to the community. Certainly this is a signal and practice of strong governance as exercised in the corporate world and these expectations are being delivered effectively into this local government space.

The demarcation between elected members and Council staff is clearly understood although not formalised. Elected members, especially those with portfolio responsibility, have unrestricted access to the relevant Group Manager and both exhibit respect and trust in this relationship, both personally and professionally. This level of respect is symbiotic where each is acutely aware of the pitfalls and challenges of decisions made with poor or limited information. The proximity of elected members to Council officer requires each to question, challenge, and prove a position so that, once before the wider Council, there is mutual understanding and agreement, and a total aversion to the political practise of “catching the other out”.

The CEO and both past and current Mayor, demonstrate the clear boundary between politics and organisational management. Again, this relationship is supported by a history of mutual trust and respect built on a foundation of “no surprises” and “no interference”. The CEO offers extensive access to Council officers to enable a strong portfolio management interface, but the management and direction of all council staff is very clearly, and rightly, the function of the CEO with the general communication interface purposefully handled between Mayor and CEO.

Hauraki seeks to remain open, transparent and authentic. This is reinforced in the structure of its meetings including the reluctance to discuss “in committee”. Further, the impact of a “no surprises” approach extends to all aspects of Council’s dealings, both internally and externally.

Following the leader

“Council, ably led by a long serving Mayor, understands the importance of effective collective decision making. Strong and inclusive leadership is in place amongst both elected members and Council staff. Relationships with ratepayers and other stakeholders are positive.” (2018)

Since its establishment in the early 1990s Hauraki District Council has been served by only two CEOs. The 2019 election saw the second and long-term Mayor retire and replaced with the District’s third Mayor, himself a long-serving councillor and Deputy. Clearly this level of stability has allowed an organisational culture, founded on trust and respect, to embed itself into both the political and managerial arms of Council.

Hauraki District Council has demonstrated cohesive leadership across both its governance and managerial sectors. It remains careful and considered with nothing left to chance including: succession; support; structure; and strategy and even seating. For example, the seating arrangement of elected members is deliberately assigned to enable the placement of novice councillors with experience; portfolio holders with their support; the avoidance of clustering the strong and ‘like-minded’ so as to spread and balance discussions.

The demonstration of leadership is manifested in the deliberate and detailed induction process held for elected members and members of the Executive Leadership Team immediately following the local body elections. This is a carefully considered three day event and its purpose includes review of the Council’s vision, values and goals; presentation on the organisational structure including roles and responsibilities of staff and elected members; portfolio allocation; and conduct expectations. However, an aspect of this retreat not developed in the assessment is the deliberate focus on getting to know and understand each other at a personal level. The concept of knowing one’s peers and colleagues’ interests, activities, hopes and aspirations serves to better understand their community drivers and assists in delivering a decision-making team rather than a fragmented collective of individuals. Even in a small and tight-knit community the importance of really getting to know “the person” is not taken for granted.

A development in the 2019 Induction was the introduction of a community-led pōwhiri. This is the ceremony of welcome and typically engaged to assess adversaries. Attendees report that this year’s ceremony, spiritual and powerful in its delivery and engagement, further reinforced their duty and obligation to act cohesively and with dignity – not as adversaries but allies.

> Evolution of the 2019 Induction also delivered the focus themes for this Council of awakening, growing and enlightenment. These themes further go to reinforce the operative culture and behaviours expected of its members. >

Setting the scene and showing the way

“There is strong support between the community and the Council, resulting from a Council that listens and is receptive to community needs and aspirations” (2018).

The “tension” between wards, as assessed, is viewed as natural tension rather than a systemic issue or negative force. This is represented in the understanding that the whole community will be served and there needs to be cyclical investment in each ward or region as a consequence of affordability, growth and demand, or compliance drivers.

Community engagement is proactive and wide-reaching. Here is a community, and its councillors, who have effectively grown up together; such is the consequence of tight-knit and provincial townships. What could be trapped by parochialism is diminished with the active inclusion of new arrivals, and the direct engagement with youth as the next voice of the district.

Engagement with, and through, the local colleges enhances students’ understanding of local government and the role of Council and the responsibility of residents is further aiding the connectivity between both. This engagement and interface leads to better understanding by both of the consequence of decisions and actions. While a recent issue concerning a library development appears to have surprised Council in terms of local stakeholder resistance and potential division between community and Council, the perceived scarring as a result continues to make Council more resolute on improvements to its engagement and consultation efforts. As a result, this Council is now focusing its strategy on building trust, respect and engagement with the community it serves as a priority.

But things change

The CouncilMARK® assessment (2018) was conducted under a governance structure which has changed through the 2019 Local Government Elections. The long-standing Mayor, along with a number of councillors, have retired and replaced, mostly through retirement, with a changed guard; new Mayor and councillors. This change leads to a number of questions and issues that will likely need to be addressed:

How will this change of personnel and personality likely affect the carefully crafted balance between governance and management existing under the previous Council?

Within the boundaries of the democratic election process, there is a careful and considered approach to succession which starts at the beginning of each Council cycle. The new Mayor has served as a councillor for approximately nine years, three of these as Deputy Mayor and has seen the advantages of, and been influential in, embedding an organisational culture that transcends this change. All councillors are involved in an intensive induction process which reinforces the organisational behaviour expectations and functioning cultural norm. The imperative of a cohesive and joined-up body, reflecting and delivering total community needs over personal ego agenda is embedded.

Each leader will, either subtly or deliberately, impose a change or cultural shift in spite of longevity or position under a prior structure so what changes are likely with a new Mayor?

The values of respect and trust will continue to be a priority with these likely supplemented with this year's induction themes of awakening, growing and enlightenment. These are not mutually exclusive and signal a desire for this Council to be more cognisant of its community in light of the challenges that are inevitable. These challenges include regional population growth and economic development imperatives, and the increasingly stringent compliance requirements reflected through stakeholders such as the Regional Council.

How does a Portfolio approach enable holistic knowledge and engagement cross-Council?

The benefits of portfolio allocation are reflected in the individual commitment to support, challenge and fully represent that portfolio. On-going elected member development is also apparent through this relationship and the assignment of a supporting elected member to the portfolio, usually a novice councillor as a means of personal and professional development. The challenge with a defined portfolio approach is to ensure all elected members are still engaged across all council matters and do not rely on the portfolio lead to have exhausted the information and options assessments required of good decision making.

A real factor of governance is the combined accountability for decisions across all portfolios and the responsibility for individuals to be fully appraised, informed, and familiar with the detail of them all. Understanding that the growth of the District is inevitably leading to a growth in information, reports and decisions, it remains imperative that a greater understanding of each portfolio area is needed by each individual councillor. Abdication of the responsibility to be informed cannot be taken as the norm in a fully immersed governance model.

How does Council review its performance so as to reinforce to itself its strategic alignment, and to demonstrate to the community that it remains efficient and effective?

In the past, performance review of elected members has been voluntary and undertaken by the Mayor alone. There is no reported aversion to being reviewed or to participate in a review process. Prior participation has been relatively high, but not at 100% and there is an opportunity to develop and extend this to further build on the articulated values of trust and respect to signal to the community a level of enhanced engagement and delivery. It would be beneficial to formalise performance reviews of the delegation chain: Mayor, councillors and the interacting organisation. An annual, independent and transparent assessment would further strengthen both governance delivery and public engagement beyond where it currently sits.

How can changes to media and communication methods continue to enhance Council's engagement across all stakeholders?

The assessment noted great use and application of communication tone and media options, particularly in developing digital communication channels for which uptake and response appears exponential. Council takes some pride in its activities and actions remaining unreported in traditional media although this is potentially a double-edged sword. Taking some control over print media coverage and reporting potentially allows greater influence of message and motive, with potential to grow engagement levels even further.

Learnings

It is apparent that the intent of this Council is to continue to foster a culture of *Respect, Trust, and Engagement* based on planned and deliberate succession; organisational and community stability; and an unflinching adherence to the demarcation between governance and management. The deliberate and structured induction process extends the participants' engagement beyond the basics of standing orders and conduct to the requisite foundation of strategy and vision setting; cultural engagement; and personal understanding and connection.

The previous and current Mayor articulate and demonstrate their commitment to making the elected members a coherent and effective body, resembling an amalgam of democratically elected individuals that display the finer attributes of respect and unification more commonly found on corporate boards. This is reflected in a talent pool which are connected to each other and their community, and unified in their governance delivery.

Authentic, transparent and knowledge-based relationships continue to exist between Council staff and councillors. The assignment of portfolio accountability encourages this, as does the quest for shared knowledge and understanding. The sense of "both sides" being connected to a common purpose is evident and carried further into project prioritisation and delivery.

Hauraki District Council is a listening organisation; it remains keen and eager to know the needs of the community and places great emphasis on engagement and ensuring elected members remain unobstructedly connected to, and with, the wards and regions which have elected them to service.

Hauraki continues to operate with a view to reaching consensus at the decision-making table and this continues to be handled with statesman-like direction, well-orchestrated in delivery by the Mayor and implemented seamlessly through the CEO.

> While assessed as "Stand out" in engagement, there is an apparent desire to more effectively engage with all stakeholders with the on-going exploration of digital media options and opportunities. That said, Council should not lose sight of the value of traditional media coverage where, with careful selection and placement, it could reinforce its messaging and influence rather than react. >

This Council is committed to better engaging with its stakeholders and challenges itself in each action and decision made, striving to advance the participation of its residents much earlier in the planning cycle and to know that each elected member has their ear to the ground and is ever present in their community.

"The Hauraki Way: just getting things done" - only realising that this comes with planning, practise, patience and persistence.

For further information

Please refer to the CouncilMARK™ website www.councilmark.co.nz, or contact:

- > Dan Henderson, CouncilMARK™ Programme Manager
E. dan.henderson@lgnz.co.nz
P. 04 924 1200



A measure
for better
community value.

PO Box 1214
Wellington 6140
New Zealand

P. 64 4 924 1200
www.councilmark.co.nz

The CouncilMARK™ excellence programme is a proprietary programme
operated by Local Government New Zealand using independent Assessors.

councilmark.co.nz