NOTICE OF MEETING

Notice is hereby given of the Meeting of the

Community Services Committee

to be held in the Council Chamber,

First Floor, Civic Administration Building,

101 Esk Street, Invercargill on

Tuesday 24 October at 4.00 pm

His Worship the Mayor Mr T R Shadbolt JP
Cr R L Abbott (Chair)
Cr A J Arnold (Deputy Chair)
Cr T M Biddle
Cr I L Esler
Cr G D Lewis
Cr L F Soper
Cr Rowly Currie (Environment Southland) (Total
Mobility and Passenger Transport)

EIRWEN HARRIS MITCHELL
MANAGER, SECRETARIAL SERVICES

Finance and Corporate Services Directorate
Civic Administration Building • 101 Esk Street • Private Bag 90104 Invercargill • 9840 • New Zealand
DX No. YA90023 • Telephone 03 211 1777 • Fax 03 211 1433

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A G E N D A

Page

6.   **OTHER BUSINESS**

6.1   **REPORT OF THE CHIEF EXECUTIVE**

6.1.1   *Community Development Projects*

6.1.1.1 Appendix 1

7.   **URGENT BUSINESS**

8.   **PUBLIC EXCLUDED SESSION**

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

(a)   Report of the Director of Works and Services

The general subject of each 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)(d) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
(a) Rejuvenating the CBD	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	Section 7(2)(i)

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TO: **COMMUNITY SERVICES COMMITTEE**

FROM: **THE DIRECTOR OF WORKS AND SERVICES**

MEETING DATE: **TUESDAY 24 OCTOBER 2017**

MONITORING OF SERVICE PERFORMANCE

Report Prepared by: Melissa Short - Manager, Strategy and Policy
                               Commentaries from individual managers

SUMMARY

Reporting on the Community Services levels of service measures for the period comprising 1 July 2017 to 31 August 2017.

RECOMMENDATIONS

It is recommended that the report be received.

IMPLICATIONS

1.	*Has this been provided for in the Long Term Plan/Annual Plan?*
	The report monitors performance in relation to levels of service measures identified in the Long Term Plan and the Annual Plan.
2.	*Is a budget amendment required?*
	No.
3.	*Is this matter significant in terms of Council's Policy on Significance?*
	No.
4.	*Implications in terms of other Council Strategic Documents or Council Policy?*
	No.
5.	*Have the views of affected or interested persons been obtained and is any further public consultation required?*
	No.
6.	*Has the Child, Youth and Family Friendly Policy been considered?*
	Yes.

FINANCIAL IMPLICATIONS

No financial implications arise from this report.

COMMUNITY DEVELOPMENT

|	1 July 2017 to 31 August 2017
Neighbourhood Support	
Number of households involved in Neighbourhood Support	1,558
Number of groups involved in Neighbourhood Support	135
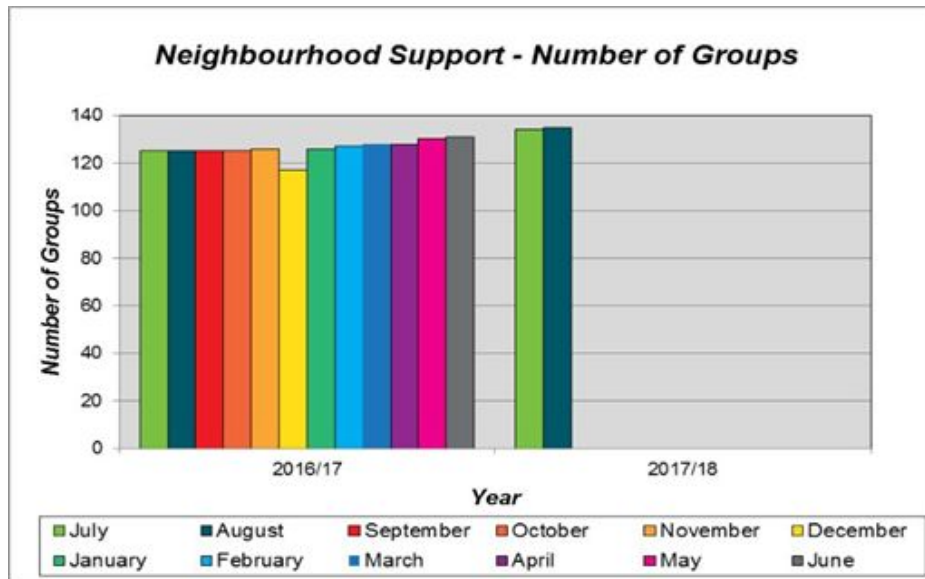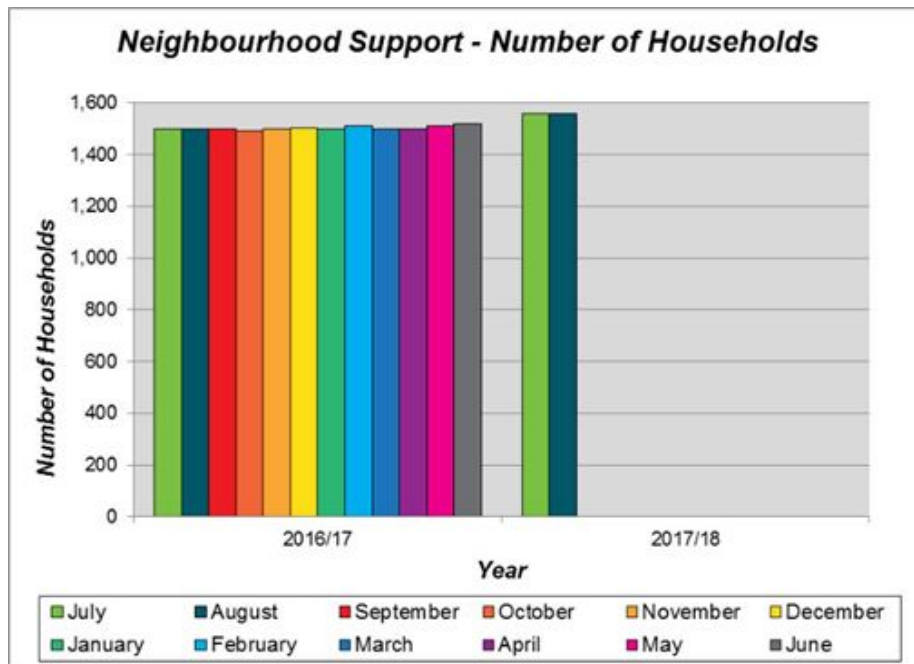
COMMENTARY

The Neighbourhood Support programme continues to make progress connecting communities and neighbourhoods.

Commentary provided by Mary Napper
Manager – Community Development

LIBRARIES AND ARCHIVES
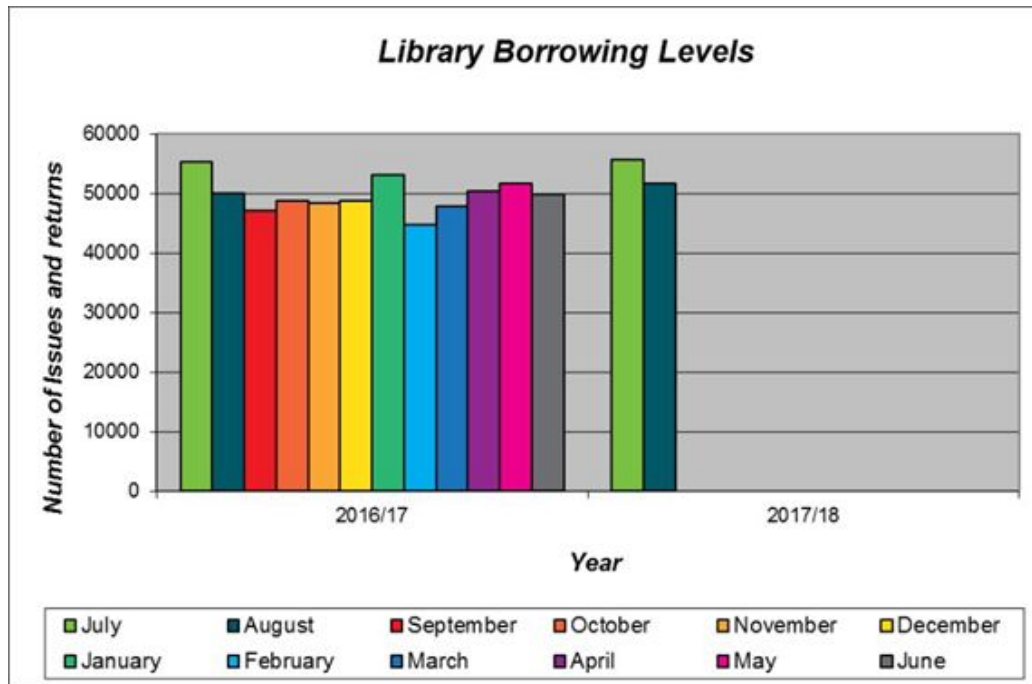
Graph of Library Services Borrowing Levels

COMMENTARY

Visitor Numbers

	2016	2017
July	45,077	46,368
Total	**45,077**	**46,368**
Total Year to Date	45,077	46,368

	2016	2017
August	41,541	42,345
Total	**41,541**	**42,345**
Total Year to Date	86,618	88,713

Visitor numbers show a 2.4% increase.

Membership

From	Added July 2016	Added July 2017
Invercargill	252	250
Bluff	1	5
Other	10	12
Total	**263**	**267**

From	Added August 2016	Added August 2017
Invercargill	229	203
Bluff	2	1
Other	7	5
Total	**238**	**209**

Total Membership

From	2016/17	2017/18
Invercargill/Bluff	484	459
Other	17	17
Total	**501**	**476**

Membership has decreased 5% with less joining in August 2017.

Total Circulation

All Items	2016	2017
July	55,268	55,634
Total	**55,268**	**55,634**
Total Year to Date	55,268	55,634

All Items	2016	2017
August	50,054	51,747
Total	**50,054**	**51,747**
Total Year to Date	105,322	107,381

Circulation shows a 1.9% increase.

E-Book/E-Audio Circulation Statistics

	July 2016	July 2017
e-Books	1,359	1,323
e-Audio	182	377
Total	**1,541**	**1,700**
Total Year to Date	1,541	1,700

	August 2016	August 2017
e-Books	1,397	1,437
e-Audio	250	453
Total	**1,647**	**1,890**
Total Year to Date	3,188	3,590

Total for Year

	2016/17	2017/18
e-Books	2,756	2,760
e-Audio	432	830
Total	**3,188**	**3,590**

E-Book and e-Audio circulation shows a 12.6% increase.

Events/Programmes/Projects

Library Week
14-20 August 2017

"Celebrating You", the public, was the theme for this year's library week from 14-20 August. The aim of the week is to raise the profile of the library in our community and this included a number of media stories. This year there was an amnesty with funds raised going to Furever Homes. People were able to get back to using the library, particularly children, and staff also fundraised with more than $3,500 of food and donations going to Furever Homes. That was an amazing response.

One of the most popular events during the week was being able to meet the animals brought in by Furever Homes volunteers on Saturday morning. The cupcake decoration on Friday afternoon and our annual dress up event, where library vouchers could be won for guessing who we were supposed to be was also popular. This was complemented by a video post compiled by our talented social media team which was enjoyed by many who viewed this on Facebook.


A celebration afternoon tea was held for some of our oldest long standing library users. It was a trip down memory lane with former library staff sharing some stories and anecdotes as they remembered days in the Athenaeum and the move to Don Street.

New on our list this year was a foray into Snapchat where we explored a day in the life of various staff members using this medium. This led to a 25% increase in snapchat followers and reached a significant number of new people.

Other activities enjoyed during the week included a Book Quiz, won by a 'non-library' team; a scavenger hunt, won by one of our regulars; amazing lunchtime booktalks and our 'design a library card' competition. The winners were:

- Emilee Goper – Children's Section
- Kate Johnstone – Teens Section
- Esther Libeau – Adults Section
- Maryann Darmody – Overall winner

The winning design, and our new Library Card is pictured below.
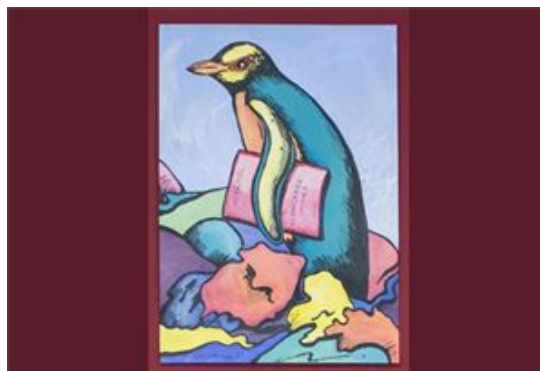
Māori Language Week

2017 saw Māori Language week held later in the year. The theme was Kia ora and our objective for the week was to encourage people just to give Te Reo a go. Resources were made available for download from the Library website. The social media team also created a video which was released on Facebook and YouTube. The video focused on some simple familiar and everyday phrases which anyone could easily adopt into their everyday vocabulary. Staff were also encouraged to use the phrase 'kia ora' when interacting with the customers.

Polyfest 2017

Reports from the Murihiku Māori and Pasifika Cultural Trust saw their largest attendance of this event ever. The Invercargill City Libraries and Archives hosted and displayed artwork from a number of schools from all around Southland. The Library's Community Connections Coordinator, Jay Coote, and Customer Experience Manager, Cynthia Smith, attended a Polyfest workshop hosted at Stadium Southland which focused on how to effectively get funding through the Creative New Zealand Arts scheme. From this workshop some ideas were sparked which could be implemented at the Invercargill Public Library in the future.

Chantelle and Friends/Kath Bee

Chantelle and Friends visited the Invercargill Public Library on Tuesday 2 August. This was part of her nationwide tour to celebrate the release of 'The little green turtle and other songs for kids.' The show included stories, sing-alongs, laughter and dancing. The inspiration for the title track for the album The Little Green Turtle came from an adventure in Hawaii, however the recording was done in Te Awamutu and illustrated by Waikato artist, Kat Merewether. Approximately 30 children attended with their parents/caregivers and a fun time was enjoyed by everyone.

On Saturday 23 September author Kath Bee performed at the Invercargill Library. She is currently touring the country promoting her new book 'Dragons under my bed' and visiting schools as a Duffy books ambassador. About 30 children enjoyed dancing around the activity space as Kath sang, and the crowd went wild when some giant bubble wands made an appearance. It was great to see both young and old getting involved and enjoying the morning's entertainment.

Storylines

On Thursday 28 September we hosted the Storylines National Tour featuring Des Hunt, Fifi Colston, Barbara Else and Scott Tulloch. Each author ran two workshops for students in Years 3-13 from schools in Invercargill and Southland. Des Hunt wowed the students using chemical reactions to explain the process to writing a story. Barbara Else talked students through the process she uses to write her books – mapping out characters and events and then putting those together to make an 'oh dear, oh no and yay' beginning, middle and end. Fifi Colston and Scott Tulloch combined to share the joy they found in creating illustrations and how they can tell a story on their own or add to the story they are paired with.

Some feedback received: "The children loved meeting the authors!! They couldn't stop raving about the event afterwards. Well worthwhile, good on you Invercargill Library!!"

Archives

Recently Archives staff have been busy assisting the Ascot Park Hotel Brass Band gather and digitise photographs for their upcoming 150th celebrations in November 2017. With origins as the Invercargill Garrison Band in 1867, the Archive is home to over 200 photographs of the Band and its various associated Bands throughout the years. Amongst their various notable members was Alex Lithgow, writer of the Invercargill March.

Meeting Spaces

	2016	**2017**
July	54	52
Total	**54**	**52**
Total Year to Date	54	52

	2016	**2017**
August	50	50
Total	**50**	**50**
Total Year to Date	104	102

Meeting spaces have had steady use and there are also regular users of the display spaces.
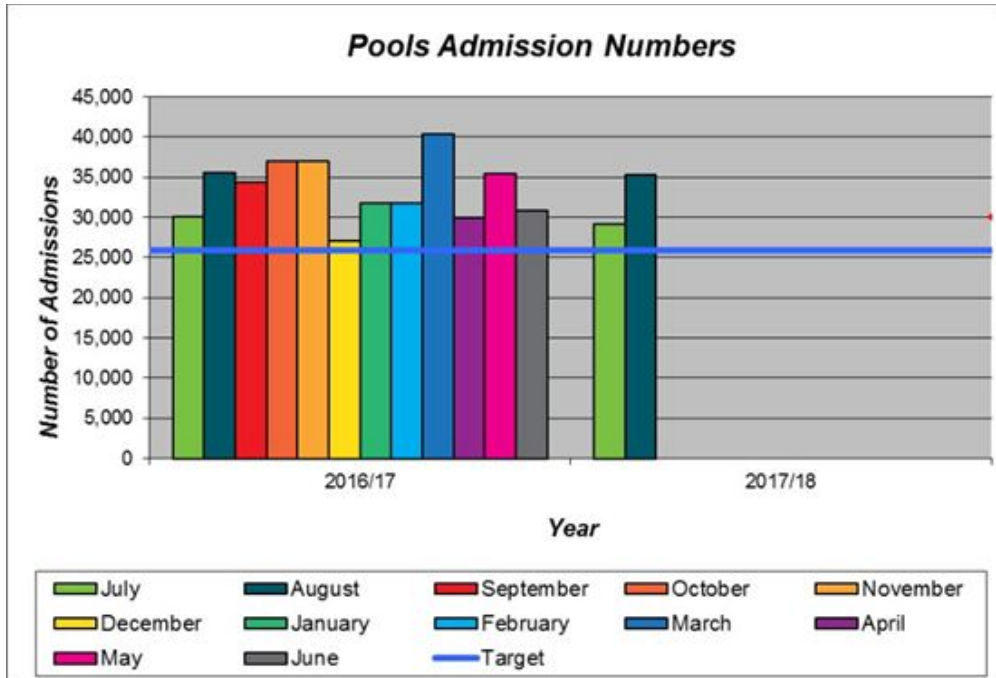
Displays

- Barnardos
- NZSG – Southland Branch
- Just4Kids
- Scleroderma Society
- Southland Education
- Polyfest
- Maori Language Week

Commentary provided by Marianne Foster
Manager – Libraries and Archives

POOLS

Use of Services

Annual pool usage maintained at a minimum of six visits per head of population. *(LTP measure)*

Graph of Pool Admission Numbers

COMMENTARY

Events

July

Monday, 10 – Friday, 21	School Holiday Programme
Friday, 21	School Holiday Pool Party
Friday, 17	Southland Stags Relay Race Main pool closed 1.30 pm – 4.00 pm during this competition
Saturday, 25	Swim Southland Winter Meet #2 Deep end of the main pool closed 4.00 pm – 8.00 pm

August

Saturday, 1 – Sunday, 2	Waterpolo Tournament Deep end of main pool closed 8.00 am-8.00 pm
Saturday, 22	Swim Southland Winter Meet #3 Deep end of main pool closed 4.00 pm – 8.00 pm

A busy start to 2017 with the school holidays starting in the second week of July. These school holidays were typically an eventful time for Splash Palace, however were made more challenging this year due to the closure of the Learners Pool for the Swim School office change and the repairs undertaken on the Learners Pool. As a result the Swim School was unable to provide its normal school holiday lessons and subsequently numbers and income for the period is down slightly as a result.

New waterblasters/floor scrubbers have been purchased for the pool in response to the cleaning challenges staff are faced with during winter. Keeping the floor areas clean is especially difficult during this time given the high admissions and the number of people entering the facility with dirty footwear. The advantage of the new scrubbers versus the waterblasters are they are significantly more quiet, they 'scrub' as opposed to blast and they vacuum the water as it is used rather than spreading it out. These provide a much safer mechanism by which staff are able to clean the facility.

Additional LED lighting has also been installed under the shallow end walkways to improve safety and security in this area.

Lean Management

Senior staff have now completed the Lean Management training and are implementing the philosophies around the facility. To date a number of improvements have been seen around efficiencies and safety in the pilot areas.

Health and Safety

No serious Health and Safety issues over July/August.

July
First Aid: 7
Pool Rescue: 0

August
First Aid: 5
Pool Rescue: 0

Admissions

During July, door counters recorded the following:
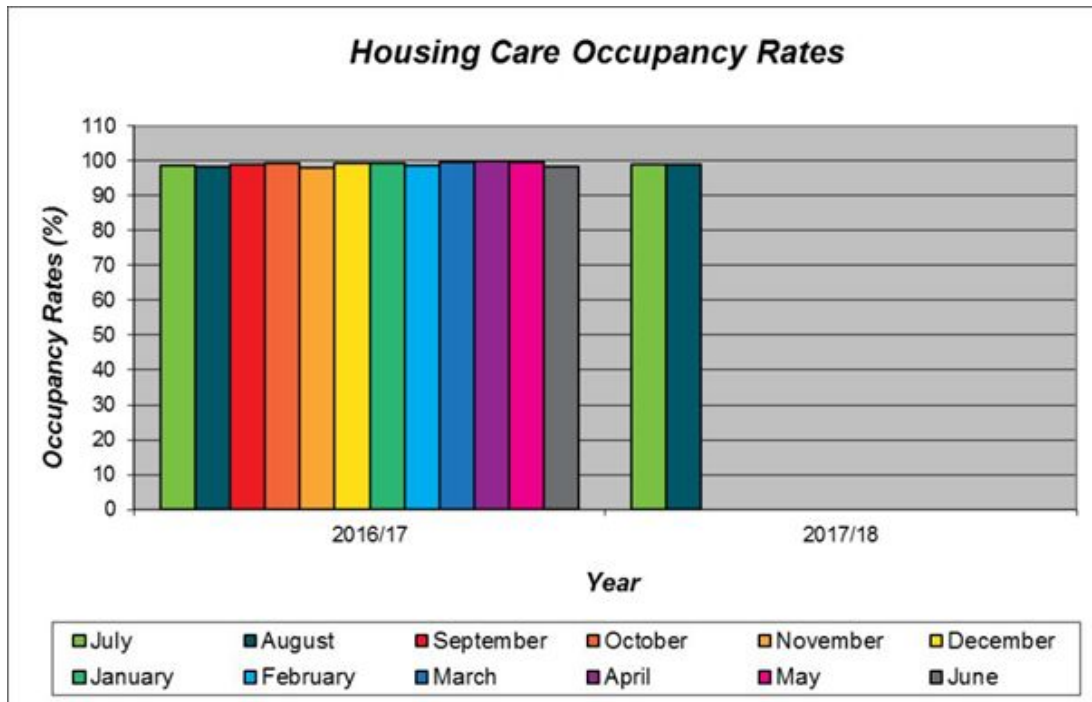
Entries: 31,085
Change Room Use: 47,948

During August, door counters recorded the following:

Entries: 37,565
Change Room use: 54,664

Commentary provided by Peter Thompson
Manager – Aquatic Services

HOUSING CARE SERVICE

Graph of Housing Care Occupancy Rates

Waiting List Activity

	August 2017	July 2017	June 2017
Invercargill	13	9	7
Bluff	-	1	1
Invercargill Supplementary	20	19	19
Invercargill Registrations of Interest	9	9	9
Bluff Supplementary	-	-	-
Bluff Registrations of Interest	-	-	-
Totals	42	38	36
	August 2017	July 2017	June 2017
Applications received	7	4	1
Tenancy Exits	1	5	3
Vacant Units	2	4	1

COMMENTARY

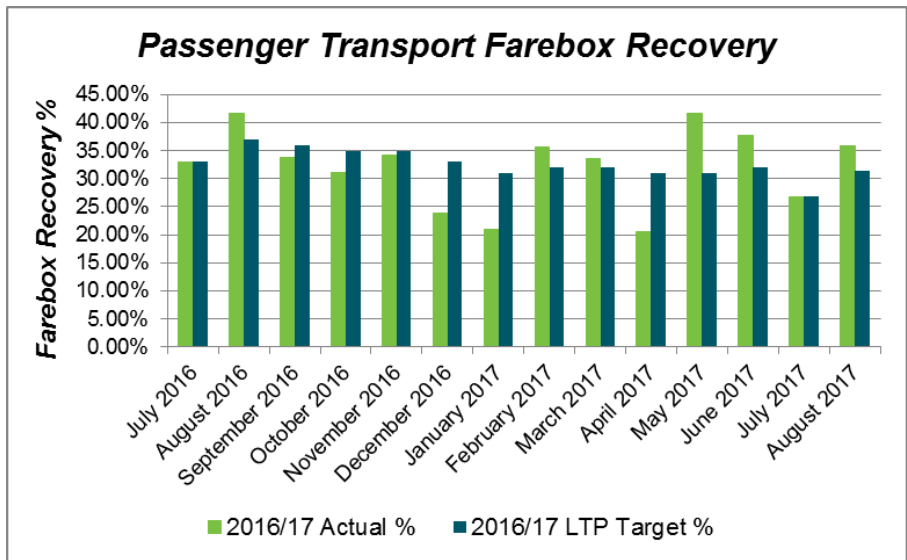The occupancy rate for July was 98.99% and August was 98.93%.

Commentary provided by Stephen Ridden
Corporate Services Manager

BUS AND TRANSPORT
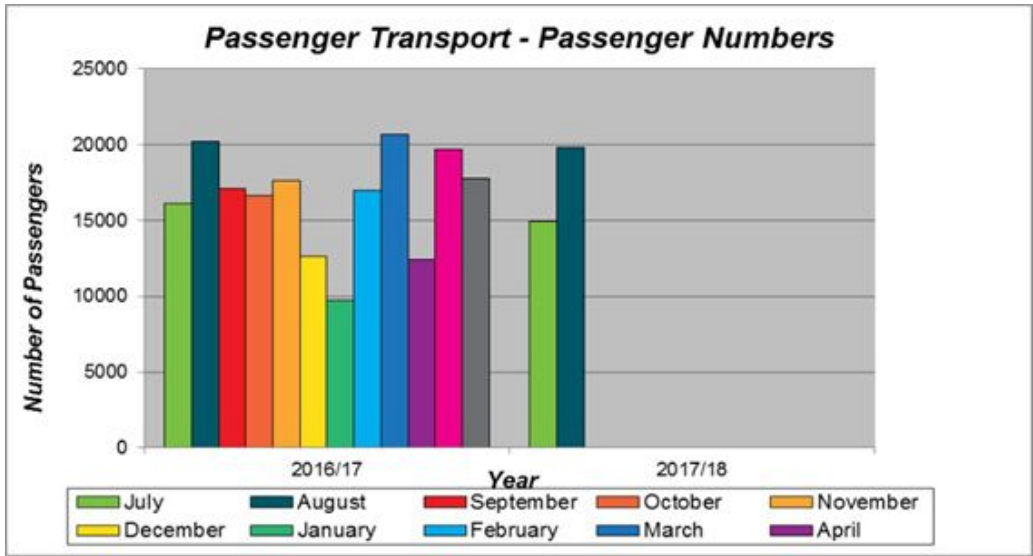
Graph of Passenger Transport Farebox Recovery

COMMENTARY

Passenger numbers utilising the bus services remain at similar levels to the previous year for the last two months.

Our Bus Operator is currently preparing the replacement buses for our service and we expect these to be in service during December. The buses as outlined to the Committee previously are a Plasma enterprise single door 28 seat bus which has been utilised successfully in Tauranga. The buses have had a repaint with the Council Bus Smart logos, the interiors have had refurbishment to ensure they are very tidy and now have air conditioning available. Whilst only having one door, the buses continue to have access facilities available including kneeling upon request and wheelchair ramps. The on-board announcement and other equipment such as Wi-Fi is also transferred across.

The Total Mobility scheme continues to operate successfully with the annual meeting for the stakeholders on 25 October 2017.

The Regional Ticketing scheme is still taking a lot of effort to work through the many and complex issues needed for the implementation, which is planned for April 2018.

The Regional Public Transport Plan for 2018-21 is included in the agenda which covers the proposed route changes, timetabling and fare structures.

Commentary provided by Russell Pearson
Manager – Roading

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TO:　　　　　　　　　　**COMMUNITY SERVICES COMMITTEE**

FROM:　　　　　　　　　**THE DIRECTOR OF WORKS AND SERVICES**

MEETING DATE:　　　　**TUESDAY 24 OCTOBER 2017**

MONITORING OF FINANCIAL PERFORMANCE

Report Prepared by:　　　Cameron McIntosh – Director of Works and Services

SUMMARY

Financial commentary for activities reporting to the Community Services Committee for the two month period to 31 August 2017.

RECOMMENDATIONS

That this report be received

IMPLICATIONS

1.	*Has this been provided for in the Long Term Plan/Annual Plan?*
	Yes.
2.	*Is a budget amendment required?*
	No.
3.	*Is this matter significant in terms of Council's Policy on Significance?*
	No.
4.	*Implications in terms of other Council Strategic Documents or Council Policy?*
	No.
5.	*Have the views of affected or interested persons been obtained and is any further public consultation required?*
	Not applicable.
6.	*Has the Child, Youth and Family Friendly Policy been considered?*
	Yes.

FINANCIAL IMPLICATIONS

The financial commentary and financial accounts are provided for information.

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Business Unit **100000 - Community Services**

	Aug YTD			2017 / 18	
	Actual	Budget	Variance	Remaining Budget	Budget
Internal Revenue	23,487	44,867	(21,380)	245,713	269,200
Fees & Charges Revenue	469,482	534,162	(64,681)	2,596,312	3,065,794
Grants & Subsidies Revenue	91,090	166,121	(75,032)	1,098,748	1,189,838
Financial Revenue	11,811	1,570	10,241	84,216	96,027
Total Revenue	595,869	746,721	(150,851)	4,024,989	4,620,859
Internal Expenditure	695,600	695,471	129	3,477,227	4,172,827
Staff Expenditure	580,355	625,872	(45,517)	3,492,756	4,073,111
Administration Expenditure	56,718	81,630	(24,912)	440,466	497,184
Financial Expenditure	(8,753)	1,216	(9,969)	16,049	7,296
Grants & Subsidies Expenditure	1,770	172	1,598	(738)	1,032
Repairs & Maintenance Expenditure	9,086	13,631	(4,545)	72,697	81,783
Operational Expenditure	203,950	410,602	(206,652)	2,259,660	2,463,611
Depreciation Expenditure	108,667	141,136	(32,470)	738,150	846,816
Total Expenditure	1,647,393	1,969,729	(322,337)	10,496,268	12,143,661
Operating Surplus / (Deficit)	(1,051,523)	(1,223,009)	171,486	(6,471,279)	(7,522,802)
Capital Expenditure	53,194	67,483	(14,290)	432,796	485,990
Capital Funding	(11,042)	0	(11,042)	34,667	23,625
Cash Back Depreciation	104,519	137,366	(32,847)	719,676	824,195
Rates Required	989,157	1,153,126	(163,970)	6,219,066	7,208,223

Commentary:

The Community Services Committee is $163,970 under budget for the first two months to August 2017. A departmental breakdown and commentary is provided.

Business Unit **110000 - Community Services - Community Development**

	Aug YTD			2017 / 18	
	Actual	Budget	Variance	Remaining Budget	Budget
Grants & Subsidies Revenue	10,704	0	10,704	(10,704)	0
Financial Revenue	0	825	(825)	2,457	2,457
Total Revenue	10,704	825	9,879	(8,247)	2,457
Internal Expenditure	6,984	6,854	129	34,142	41,126
Staff Expenditure	22,869	23,140	(271)	127,432	150,301
Administration Expenditure	1,390	5,554	(4,164)	39,340	40,730
Financial Expenditure	595	840	(245)	4,443	5,038
Repairs & Maintenance Expenditure	0	544	(544)	3,266	3,266
Operational Expenditure	1,746	11,130	(9,384)	65,033	66,779
Depreciation Expenditure	62	100	(38)	538	600
Total Expenditure	33,645	48,162	(14,517)	274,196	307,841
Operating Surplus / (Deficit)	(22,942)	(47,338)	24,396	(282,443)	(305,384)
Capital Funding	(261)	0	(261)	4,002	3,741
Rates Required	22,681	47,338	(24,657)	286,444	309,125

Commentary:

The Community Development Activity is operating within budget. The grant received is for the Safe in the South programme.

Business Unit **120000 - Community Services - Library**

	Aug YTD			2017 / 18	
	Actual	Budget	Variance	Remaining Budget	Budget
Fees & Charges Revenue	20,919	25,070	(4,151)	131,214	152,132
Grants & Subsidies Revenue	0	0	0	4,646	4,646
Financial Revenue	4,008	84	3,924	25,825	29,833
Total Revenue	24,927	25,154	(227)	161,685	186,611
Internal Expenditure	186,380	186,380	0	931,901	1,118,281
Staff Expenditure	315,559	343,643	(28,084)	1,919,956	2,235,515
Administration Expenditure	33,748	34,167	(418)	171,251	204,999
Financial Expenditure	(9,348)	153	(9,501)	10,264	916
Repairs & Maintenance Expenditure	2,640	4,860	(2,221)	26,522	29,162
Operational Expenditure	27,876	32,053	(4,176)	164,440	192,317
Depreciation Expenditure	101,242	131,665	(30,423)	688,748	789,990
Total Expenditure	658,098	732,920	(74,823)	3,913,083	4,571,180
Operating Surplus / (Deficit)	(633,171)	(707,766)	74,595	(3,751,398)	(4,384,569)
Capital Expenditure	51,608	67,483	(15,875)	388,905	440,513
Cash Back Depreciation	101,242	131,665	(30,423)	688,748	789,990
Rates Required	583,537	643,585	(60,048)	3,451,555	4,035,092

Commentary:

Libraries and Archives are $60,048 under budget for the first two months to August 2017. Income is close to budget with a difference of $227. The fee for holds was changed in Jul 2017 from 50c to 60c and holds for children were made free. This has resulted in a small increase of income from $1,589 in Jul/Aug 2016 to $1,612 in Jul/Aug 2017. Operational expenditure is under budget $74,595 and overall rates required is under budget by $60,048. There are some annual expenditure amounts which are not due until later in the year.

Business Unit **140000 - Community Services - Pools**

	Aug YTD			2017 / 18	
	Actual	Budget	Variance	Remaining Budget	Budget
Internal Revenue	23,487	44,867	(21,380)	245,713	269,200
Fees & Charges Revenue	240,502	285,776	(45,273)	1,316,204	1,556,707
Grants & Subsidies Revenue	0	0	0	134,613	134,613
Financial Revenue	7,803	661	7,142	55,934	63,737
Total Revenue	271,792	331,303	(59,511)	1,752,464	2,024,256
Internal Expenditure	319,686	319,686	(0)	1,598,430	1,918,116
Staff Expenditure	235,358	253,030	(17,672)	1,412,758	1,648,116
Administration Expenditure	19,324	22,540	(3,216)	115,916	135,240
Financial Expenditure	0	224	(224)	1,342	1,342
Grants & Subsidies Expenditure	1,770	172	1,598	(738)	1,032
Repairs & Maintenance Expenditure	4,056	8,226	(4,170)	45,299	49,355
Operational Expenditure	47,417	68,807	(21,390)	365,424	412,841
Depreciation Expenditure	4,086	3,670	416	17,935	22,021
Total Expenditure	631,697	676,354	(44,658)	3,556,367	4,188,063
Operating Surplus / (Deficit)	(359,905)	(345,051)	(14,854)	(1,803,902)	(2,163,807)
Capital Expenditure	1,586	0	1,586	19,061	20,647
Capital Funding	(10,781)	0	(10,781)	9,797	(984)
Rates Required	350,710	345,051	5,658	1,832,761	2,183,471

Commentary:

Pools are $5,658 over budget for the first two months to August. 18% and 7% behind budget for Income and Expenditure respectively. The lower income to date is due largely to lower than budgeted membership and retail income, however it is expected that this will recover as the year proceeds.

Business Unit 270000 - Community Services - Housing Care

	Aug YTD			2017 / 18	
	Actual	Budget	Variance	Remaining Budget	Budget
Fees & Charges Revenue	181,603	170,265	11,338	839,988	1,021,591
Total Revenue	181,603	170,265	11,338	839,988	1,021,591
Internal Expenditure	157,790	157,790	0	788,948	946,738
Staff Expenditure	5,335	6,059	(724)	33,843	39,178
Administration Expenditure	1,354	1,392	(38)	7,000	8,355
Operational Expenditure	850	1,075	(225)	5,602	6,452
Total Expenditure	165,329	166,317	(988)	835,394	1,000,723
Operating Surplus / (Deficit)	16,274	3,948	12,326	4,594	20,868
Capital Funding	0	0	0	20,868	20,868
Rates Required	(16,274)	(3,948)	(12,326)	16,274	(0)

Commentary:

Housing Care are $12,326 under budget for the first two months to August. Rental income year to date is above what is budgeted - this is due to high occupancy levels, which was also the trend last financial year. Expenditure is tracking as per budgeted.

Business Unit **563400 - Community Services - Bus and Transport**

	Aug YTD			2017 / 18	
	Actual	Budget	Variance	Remaining Budget	Budget
Fees & Charges Revenue	26,458	53,052	(26,594)	308,906	335,364
Grants & Subsidies Revenue	80,386	166,121	(85,735)	970,193	1,050,579
Total Revenue	106,844	219,173	(112,330)	1,279,099	1,385,943
Internal Expenditure	24,761	24,761	0	123,805	148,566
Staff Expenditure	1,233	0	1,233	(1,233)	0
Administration Expenditure	901	17,977	(17,075)	106,959	107,860
Repairs & Maintenance Expenditure	2,390	0	2,390	(2,390)	0
Operational Expenditure	126,061	297,537	(171,476)	1,659,161	1,785,222
Depreciation Expenditure	3,277	5,701	(2,424)	30,928	34,205
Total Expenditure	158,624	345,975	(187,352)	1,917,229	2,075,853
Operating Surplus / (Deficit)	(51,780)	(126,802)	75,022	(638,130)	(689,910)
Capital Expenditure	0	0	0	24,830	24,830
Cash Back Depreciation	3,277	5,701	(2,424)	30,928	34,205
Rates Required	48,503	121,101	(72,598)	632,032	680,535

Commentary:

The Passenger Transport Areas are $72,598 under budget for the first two months to August. Some of the under expenditure relates to captial activity on bus shelters which have not yet been purchased.

TO: **COMMUNITY SERVICES COMMITTEE**

FROM: **DIRECTOR OF WORKS AND SERVICES**

MEETING DATE: **TUESDAY 24 OCTOBER 2017**

ACTIVITY MANAGEMENT PLANS

Report Prepared by: Melissa Short – Manager, Strategy and Policy

SUMMARY

Activity managers have prepared draft Activity Management Plans for adoption for the 2018-28 years. These plans take into account updated significant forecasting assumptions and knowledge about the activity that has been gained since the 2014 versions.

RECOMMENDATIONS

That the draft Activity Plans be adopted.

IMPLICATIONS

1.	*Has this been provided for in the Long Term Plan/Annual Plan?*
	The Activity Management Plans inform the Long-term Plan.
2.	*Is a budget amendment required?*
	No
3.	*Is this matter significant in terms of Council's Policy on Significance?*
	No
4.	*Implications in terms of other Council Strategic Documents or Council Policy?*
	No
5.	*Have the views of affected or interested persons been obtained and is any further public consultation required?*
	No
6.	*Has the Child, Youth and Family Friendly Policy been considered?*
	N/A

FINANCIAL IMPLICATIONS

The Activity Management Plans include the forecast budgets for the 2018-28 years. These are subject to change through the Long-term Plan consultation and decision-making process.

ACTIVITY MANAGEMENT PLANS

Activity managers have prepared draft Activity Management Plans for adoption for the 2018-28 years. These plans take into account updated significant forecasting assumptions and knowledge about the activities that has been gained since the 2014 versions. The Activity plans take into account discussions held with Councillors during Workshops, as well as information gained as part of the 2016 Levels of Service research undertaken last year.

The Activity Management Plans are living documents and will be updated to remain in line with future decisions Council makes regarding the Long-term Plan. These versions of the Plans are to inform the Consultation Document for the draft Long-term Plan and will be utilised by Audit NZ as part of their audit of the underlying information informing the Long-term Plan.

The following Activity Management Plans are circulated with this report:

➢   Community Development
➢   Libraries and Archives
➢   Housing Care Services
➢   Pools

✱✱✱✱✱✱✱✱✱

COMMUNITY DEVELOPMENT

ACTIVITY MANAGEMENT PLAN 2017

Invercargill
CITY COUNCIL

Activity Management Plan

Activity			
	Name	**Signature**	**Date**
Prepared By	Mary Napper		
Asset Manager			
Director Review	Richard King		
Peer Review			
Council Adoption			

Changes to be Incorporated in Next Review		
Number	**Date of Change**	**Reason for Change**

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Executive Summary

The Invercargill City Council's Community Development activity is responsible for assisting individuals, groups and organisations to identify and develop not-for-profit opportunities, and provide advocacy for community services. The service uses a community-lead development model.

➢ Shared visions drive action and change.
➢ Focus on using existing strengths and assets.
➢ Many people, groups and sectors working together.
➢ Building diverse and collaborative local leadership.
➢ Learning by doing.

This includes working with youth and other identified sectors.

The key assumptions affecting Community Development are the use of technology to deliver services and specific needs relating to population changes including the increasing aged population.

It is proposed that Community Development will measure delivery not only by counting those accessing the service but also by collecting stories which tell who is better off and how things have changed.

Managing expectations is an ongoing challenge that is addressed through open and honest discussion with communities. Resiliency issues and challenges are an area community development continues to explore and plan for. Staff will be trained to respond to tasks and activities previously assigned to a specific staff member.

The activity is funded by rates. Grants are applied for to assist with development of specific programmes.

1. Introduction

1.1 ABOUT THIS PLAN

The Community Development Service Activity Management Plan (AMP) covers one of 23 activities addressed in the Invercargill City Council Long-Term Plan (LTP). This Plan is, therefore, strongly linked to the overall strategic direction for the District. The LTP is the document and process that alerts the community to the key issues and strategies contained in this document.

The purpose of this Plan is to outline and to summarise in one place, the Council's strategic approach for the delivery of the Community Development Service Activity.

The AMP demonstrates responsible management of the function on behalf of ratepayers and stakeholders and assists with the achievement of community outcomes and statutory compliance. The AMP combines management, financial, and technical practices to ensure that the level of service required by the law and expected by the Community is provided in the most operationally effective and sustainable manner.

This AMP is based on existing levels of service, currently available information, and the existing knowledge/judgement of the Council staff.

1.2 ACTIVITY OVERVIEW

The Invercargill City Council's Community Development activity is responsible for assisting individuals, groups and organisations to identify and develop not-for-profit opportunities, and provide advocacy for community services. The service uses a community-lead development model.

➢ Shared visions drive action and change.
➢ Focus on using existing strengths and assets.
➢ Many people, groups and sectors working together.
➢ Building diverse and collaborative local leadership.
➢ Learning by doing.

This includes working with youth and other identified sectors.

The strength of the Community Development activity is its ability to respond quickly to issues raised by the community. The question is asked: "is this the business of Council and will Council involvement contribute towards resolving the issue?" This results in the Community Development service working with the community to resolve issues, rather than determining the services to be offered and providing them.

Community development is a practice-based service that promotes participatory democracy, sustainable development, social enterprise, equality and social justice through the empowerment of people within their communities. A community may be a locality, identity or interest.

2.   Strategic Context

2.1   ALIGNMENT WITH STRATEGIC GOALS

2.1.1   Community Outcomes

Council has developed its own Council-focused "Community Outcomes" for the Long-Term Plan that will fulfil the requirements of "Community Outcomes" under the Local Government Act.

The Community Outcomes have been derived from Councils vision:

"To enhance our City and preserve its character while embracing innovation and change."

Community Outcomes		
Enhance our City	**Preserve its Character**	**Embrace Innovation and Change**
We will know success when:		
Invercargill's population is over 1.2% of the New Zealand population	Invercargill is celebrated for preserving its heritage character	Invercargill's culture is embraced through Community projects.
New residents feel welcomed and embraced by Invercargill culture.	Ease of access throughout the City is maintained	The development of future industry is encouraged.
Healthy and active residents utilise space, including green space, throughout the City.	Our natural and existing points of difference are celebrated.	Technology is utilised in both existing and new City services.
Invercargill's economy continues to grow and diversify.	The building blocks, including water supply, sanitation and roading, for a safe, friendly city is provided for all members of the community.	Residents of, as well as visitors to, Invercargill give positive feedback and have great experiences.
Invercargill's business areas are bustling with people, activities and culture.	Strong, collaborative leadership of the City is demonstrated.	Invercargill has the 'wow factor' with the right facilities and events to enjoy.

2.1.2   Rationale for the Activity

Council recognises people as the community's greatest asset. There is no legislation requiring the undertaking of community development, however the Local Government Act requires that Council must consider the current and future needs of communities for good quality public service and the Community Development activity assists to do this.

Over recent years, pressures on local communities in the Invercargill area have been many and varied. Communities have had to contend with a decrease in the range and scope of community services at a local level. They have also had to contend with changing demographics and population patterns, changing land use, changing use of technology and their various impacts on the social fabric and make up of communities. The Invercargill City Council is committed to enhance our city and preserve its character while embracing innovation and change. The Community Development activity takes a proactive role in working alongside communities and appropriate agencies to ensure opportunities are developed through collaborative approaches, to helping communities retain and provide quality community services and recreational opportunities.

2.1.3 Activity Objectives

Community Outcomes	Council's Role	How the Community Development Activity Contributes
A City that is a great place to live and visit	Design spaces, buildings with community safety and interest in mind, and encourage others to do this.	The Community Development Activity co-ordinates the Safe in the South Programme on behalf of ICC and SDC.
	Provide and promote a range of events that create vibrancy and build community.	The Community Development activity works collaboratively with the community to encourage the development of local events and administers funding through the Creative Communities Invercargill and Invercargill Active Communities programmes. The Community Development Activity coordinates the use of the "friendly" brand.
Strong innovative leadership	Communicate effectively with ratepayers, be accessible and respond to community need.	The Community Development Activity coordinates and provides administrative support for the Youth Council.

2.2 BUSINESS DRIVERS

2.2.1 Regulatory Framework

Council operates under a number of legislative frameworks, the Local Government Act 2002 and Health and Safety at Work Act 2015 are the most prevalent to Council core business.

The Local Government Act is the overarching framework that regulates what Council's scope is as well as their ability to conduct day-to-day business.

The Health and Safety at Work Act ensures that as an employer we are meeting all requirements to care for our employees in a safe manner at all times.

Both aspects of legislation are paramount to the day to day running of business and most departments within Council will operate under specific provisions of both Acts, alongside any other relevant legislation.

2.2.2 District Plan and Council Policies

Under provisions provided in the Local Government Act 2002, Council has the ability to create policies, bylaws and plans.

Council operates under a number of policies, some internal. These policies are reviewed regularly in line with legislative requirements.

Council currently operates under a number of bylaws, some that were created out of need to resolve nuisance and others that are requirements under the Local Government Act or were resolved to become a bylaw through Central Government.

Further, Council operates under a District Plan. This Plan is derived through the Resource Management Act 1991. It gives effect to national policy statements on a variety of environmental issues, and is about managing the use, development and protection of natural and physical resources in a way that enables the community to provide for their holistic wellbeing.

The Community Development Activity is responsible for a number of strategic policies which need to be constantly reviewed to reflect changes in legislation, the community and Council's priorities. They include:

➢ Child Youth and Family Friendly Policy. (Appendix 5.01)
➢ Equity and Access for People with Disabilities Policy. (Appendix 5.02)

2.2.3 Long-Term Plan

The Local Government Act 2002, Schedule 10 requires the development of a ten-year Long-Term Plans. Activity Management Plans are the foundation to providing a robust basis for the long-term forecasts.

The Activity Management Plan records the current and desired Levels of Service and determines the Maintenance and Capital Works Programmes and their associated budgets required to make assets meet their desired Levels of Service.

➢ The Long-Term Plan confirms Maintenance and Capital Works Budgets that are approved by Council to meet Community outcomes.

➢ Activity Management Plan underpins the activities in the Long-Term Plan and is implemented through expenditure programmes in asset areas. Adoption of the budgets for these programmes is carried out through the Long-Term Plan process. Changes to budgets for programmes may occur during the consultation process and adoption of Long-Term Plan budgets.

Variations between this Plan and the most recently adopted Long-Term Plan/ Annual Plan are recorded in the "Table of Changes to be Incorporated in Next Review" at the beginning of the Plan. The consequences of any variations will be reflected in subsequent reviews of the Long-Term Plan/Annual Plan.

2.3   STRATEGIC ISSUES AND CHALLENGES

The key corporate strategic issues and challenges facing the Invercargill City Council are:

➢   The changing demographic profile (aging) and the communities willingness or ability to pay.

➢   An expectation from the community to provide services in a more effective manner for a lower cost.

➢   Encouraging growth projects without compromising our AA credit rating and ensuring sustainability for future generations.

➢   The changing natural environment in and around the City.

The specific Community Development Activity issues and challenges are:

➢   Measuring engagement and outcomes.

➢   The unknown nature of requests for service.

➢   Central Government delegations to Local Government.

➢   Central Government changes to contracting community agencies to provide services.

2.4   KEY ASSUMPTIONS

The Long-Term Plan Background and Assumptions 2018-28 document (Appendix 1.01) lists the key assumptions which have been assumed are as follows:

Assumption	Level of Uncertainty	Area of Impact and Potential Financial Impact
Population The population will increase to 56,300 by 2028.	**Moderate** – risk that actual numbers will vary.	Infrastructure and Housing. Significant increases in population may create a demand for infrastructure and services beyond existing capacity. Significant decrease in population would adversely impact on the community's ability to fund current levels of infrastructure and services.
Household Growth An average of 2.3 people per household in 2038, requiring 2,300 more homes from the 2013.	**Moderate** – risk that actual numbers will vary.	Infrastructure and Housing. Significant increases in the number of households may create a demand for infrastructure and services beyond existing capacity.
Ageing Population Those 65 years and older will make up approximately 22% of Invercargill's population by 2023.	**Low** – increasingly older population is reasonably certain.	Council Services and Recreation Assets. An increase in the number of those people 65 years and older will increase the number of ratepayers on fixed incomes and may have an impact on the ability of the community to afford infrastructure and services.
Resource Consents Resource consents will be obtained with reasonable conditions and negligible impact on how Council provides its services.	**Moderate** – change is imminent but extent of which is unknown.	3 Waters Capital expenditure may be required if the conditions attached to resource consents require changes to how Council delivers its services.
Tourism and Visitor Numbers Tourism numbers will increase over the Long-Term Plan period.	**Low** – various city-wide endeavours to boost tourism.	Venture Southland, SMAG, Council Services and Recreation Assets. Significant increases in the number of tourists may create a demand for infrastructure and services beyond existing capacity. Significant decrease in the number of tourists would adversely impact on the commercial community's ability to fund current levels of infrastructure and services.
New Zealand Transport Agency	**Low** – NZTA have stated in plans that this will occur.	Roading. Lower than anticipated subsidies can result in

Assumption	Level of Uncertainty	Area of Impact and Potential Financial Impact
That the NZTA Funding Assistance Rate will reduce by 1% each year until a low of 51%.		service delivery costs needing to be met by other means or a decrease in the level of service.
Commercial Property The CBD will remain in the Esk Street area and will become more vibrant.	**Low** – risk exists due to uncertainty of CBD future, but Council has recently adopted a Retail Strategy and there has been recent investment in the CBD area both by Council and private investors.	Infrastructure, Housing and Roading. Significant decrease in the number of commercial ratepayers would adversely impact on the commercial community's ability to fund current levels of infrastructure and services.
Inflation Inflation will occur at the rates set by BERL as LGCI forecasts.	**Moderate –** inflation forecasts are not always accurate.	Cost change factors are based on information developed for Council's by Business and Economic Research Limited (BERL). Significant variations from these adjustments will be identified in future Annual Plans and Annual Reports.
Local Economy The local economy will grow and diversify.	**Moderate –** financial impact difficult to forecast.	Composition of local economy may diversify offering greater employment opportunities. Significant change to the economy, such as a large employer choosing to locate in the District, may require Council to review and change its current activities and levels of service. These demands will need to be quantified and an amendment to the Long-term Plan developed if the costs are significant.
Useful Life of Significant Assets Assets will reach the useful life indicated when supplied.	**Moderate –** asset lives based on estimates by Engineers and Registered Valuers.	A shorter useful life for assets would create a financial burden on the community.
Depreciation Council will fully fund renewal depreciation by year 10 of the Plan.	**Low –** asset depreciation rates will not change and the value of assets will remain constant.	Changes in the valuation of Council assets may have a significant impact on the cost of fully funding depreciation.
Asset Revaluation Council will use national standards in asset revaluation.	**Moderate –** value will remain somewhat constant over ten years.	Changes in the valuation of Council assets may have a significant impact on the cost of fully funding depreciation.
Vested Assets	**Low –** financial effect of uncertainty.	Level of vested assets fluctuates yearly. Historical

Assumption	Level of Uncertainty	Area of Impact and Potential Financial Impact
Vested assets will have a negligible impact on Council's overall infrastructure and finances.		levels have not been material.
Financial – Existing Funding Renewal Council borrowing facility will be renewed (three-yearly) with the terms and conditions mirroring market trends.	**Medium**	Council's terms and conditions for its borrowing facility have mirrored market trends in recent times.
Financial – Expected Interest Rates on Borrowing Interest on future borrowing has been calculated at 4.75% for 2018/19, 5.00% for 2019/20, 5.50% for 2020/21 – 2022/23, 6.00% for 2023/24 – 2025-26 and then 6.50% for the remaining years. This is based on Council's current borrowing rates which are hedged for a number of years into the future, as well as consideration of economic forecasts.	**Medium**	Higher than expected interest rates on borrowing will require Council to consider collecting a greater amount in rates to cover the additional interest costs or reducing the amount borrowed (and level of service provided).
Financial – Forecast on Return on Investments Return on cash investments is calculated on the borrowing rate less 2%. Dividends and subvention payments from Invercargill City Holdings Limited are assumed to be at 10% of the total rates requirement.	**Medium**	Lower than expected returns on investments will require Council to consider collecting a greater amount in rates, reduce spending or increase borrowings to cover any reduction in income.
Local Governance Amalgamation will not occur during the life of the Plan.	**Low–** to continue shared services, although amalgamation is low risk.	Shared Services, Policy and Governance Boundary changes would require a review of the Long-term Plan with its associated community consultation.
Legislation There will be changes to legislation that have an impact on what and how	**Moderate –** difficult to know what central government will implement particularly if a change in	Services, Finances and Governance Significant legislative change can impose significant financial and service delivery

Assumption	Level of Uncertainty	Area of Impact and Potential Financial Impact
Council provides services.	government.	costs on Council.
Natural Disasters There will be no major catastrophes that impact on Invercargill or its economy.	**High –** It is certain the Alpine Fault will rupture in the future but uncertain as to when and the impact.	Infrastructure, Services, Housing and Population A Civil Defence emergency in the District would impact financially on Council and the community. The financial risk to Council is reduced by maintaining insurance cover for emergency events.
Climate Change Climate change impacts will arise over the life of the Long-Term Plan and current trends will be allowed for when planning infrastructure and services.	**Moderate –** Long-Term trend of rising temperatures and more frequent intense weather events is reasonably certain, short to medium term impacts are less certain.	Water availability, coastal hazards (roading and infrastructure), services, air quality, agriculture, farming and biosecurity. The effect of Climate Change occurring more quickly than anticipated may require Council to review and change its current activities and levels of service. This could have a significant financial impact on the community.
Technology Changes in technology will affect how Council carries out its activities. This will have a financial implication over the 10 year plan.	**High –** certainty of diversification in technology is ever-growing. Impact of changing technology cannot be quantified.	Employment, Local Economy and Services (delivery) New technologies will likely have an increased financial cost in the short term.
Education S.I.T will continue to promote Invercargill to international students.	**Moderate –** education systems that exist are likely to remain stable.	Infrastructure, Services, Population and Housing
World Economy The world economy will not have a significant negative effect on the Invercargill City District.	**Moderate –** future financial changes are unforeseeable.	Infrastructure and Tourism A major event in the World Economy could affect Tourism and the implications of lower / higher tourist numbers would occur.

Additional specific assumptions which are considered in the thinking of this Plan include:

Assumption Area	LTP Assumption
Technology	Delivery of community development activity may require less person to person contact.
Population	Increases in population will increase needs for community based services, connections and opportunities.
Ageing Population	Changing population and technology will require changes in the core delivery tools and models

Assumption Area	LTP Assumption
	used.
Ageing Population	Will broaden the knowledge and skill base available in the volunteer sector.

As assumptions deal with matters of uncertainty and complexity, actual results will likely vary, but are based on the best information available. If actual future events differ from the assumptions, it will result in material variances to this Plan. The Long-Term Plan Background and Assumptions 2018-28 document (Appendix 1.01) identifies the risks that underlie those assumptions, the reason for that risk and an estimated potential impact is the assumption is not realised.

3.   The Service We Provide

3.1   CUSTOMER PROFILE

3.1.1   Our Stakeholders and Community

The Community Development activity is available to a wide range of stakeholders, in fact anyone that is based in Invercargill or supplying a service into the Invercargill community can access the service.

External Stakeholders	Area of Interest	Engagement	Customer Needs and Expectation
Community not-for-profit groups and organisations	Governance, volunteers, project development, funding information	Liaise	Work in depth on specific projects
Individual members of Community	Project development, linking with existing groups or others with common interest, funding information	Liaise	Immediate response which satisfies their need
Iwi Groups	Project development, linking with existing groups or others with common interest, funding information	Liaise	Immediate response which satisfies their need
Ministry of Social Development and other Central Government departments	Project collaborations, advocacy for local concerns, cross sector networks	Liaison, project management, funding	Collaboration with TLA. TLA leadership provided
Southland and Gore District Councils and Venture Southland	Cross boundary projects, funding collaborations, liaison	Project teams, liaise	Collaborative teams Joint resourcing
SoRDS	Regional development	Liaise	Collaboration on projects
Activity Managers	requiring contact with community groups, information of funding	Liaise	Provision of accurate timely information and linkage
Councillors, Directors	Governance and requiring contact with community groups. Passing on ideas and issues from	Report and Liaise	Timely reports Provision of accurate timely information and linkage

External Stakeholders	Area of Interest	Engagement	Customer Needs and Expectation
	individuals.		
Staff	Project information and funding advice	Liaise	Provision of accurate timely information

3.1.2 How We Engage our Communities

The Community Development activity engages with the District's ratepayers on a number of levels:

➢ Use of the Consultation Caravan where members of the public can pop in to ask questions of staff.

➢ Public Forums in community settings on specific topics.

➢ Features in the newspapers which inform ratepayers of issues and projects being undertaken.

➢ The City Focus radio show that highlights current topics that the activity is addressing.

➢ Facebook pages where individuals can ask questions and express on particular activity programmes, eg Friendly Brand, Youth Council.

➢ The use of community networks to inform and seek opinion, e.g. Southland Interagency Forum and the Invercargill Youth Council.

3.1.3 Community Research

In 2014 the Council carried out a Customer Service Satisfaction Survey (Appendix 1.02), to provide information on ratepayers and residents' assessment of Councils services. In 2016 a second research project (Appendix 1.08) was undertaken to understand:

➢ What residents want from Council activities;

➢ How they perceive the value for money of those activities; and

➢ The level of service desired.

Although the 2016 project had a slightly different focus where possible the progressive results have been documented, from both the customer survey and research project, combined with expert knowledge of the service individual activity managers have to help establish a foundation of levels of service statements.

The results of this survey showed that 80% of respondents indicated community development was an essential service. Customer requests for service are logged by customer service staff and attend to by the activity. This information is another platform which can be used to understand the community requirements. The Community Development activity undertakes research for specific projects. Recent examples are the Safe Communities Southland Initial Report 2015 and the Southland Community Housing Strategy Report 2017 (Objective ID A2005618 and A2005608). The activity also uses Survey Monkey for specific topic surveys, e.g. the Champions Programme 2017 and Strengthening Families Programme 2016.

3.1.4 Key Service Attributes Valued by Customers

The following attributes were identified by respondents in the 2016 Levels of Service Report:

➢ Level of knowledge displayed by staff.
➢ Ability to link to other providers and services and achieve successful engagement for the client.
➢ Immediacy of response from the service.
➢ Provision of a robust and supportive service.

3.2 SERVICE DRIVERS

3.2.1 Community Expectations

The community expectations of the Community Development activity are gathered form contacts made, complaints and positive responses received.

➢ Excellent, broad knowledge.
➢ Ability to quickly locate required information.
➢ Ability to explain information using examples relevant to the client.
➢ Willingness to meet and time and place appropriate for the client.
➢ Ability to provide appropriate referral to specific staff at other agencies.

3.2.2 Legislative Requirements

The table below illustrates the Legislative requirements relating to the community Development Activity.

Legislation	Relevant Requirements	Impacts on Levels of Service
Employment Relations Act 2000	Object of the Act is to build productive employment relationships through the promotion of good faith in all aspects of the employment environment and of the employment relationship.	Flexibility of working hours included in employment contracts.
Health and Safety at Work Act 2015	Requires us to provide a safe and healthy work place, identify and document work place hazards and take steps to eliminate, isolate or minimize hazards.	Encourages staff to use public meeting spaces rather than meeting in private homes.
Human Rights Act 1993	To promote respect for and observance of human rights in New Zealand. In an employment context, this related mainly to unlawful discrimination and promoting the ethics behind the act through appropriate policies and procedures (i.e. EEO policy) and positive working relationships.	Staff awareness of breadth of the act when working with a wide cross section of community.
Privacy Act 2013	Needs to be considered when information is requested and	Can create frustrations for clients when depth of

Community Development Activity Management Plan 2017

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Legislation	Relevant Requirements	Impacts on Levels of Service
	what information can be shared.	information cannot be supplied.

3.2.3 Industry Standards and Guidelines

Standard/Specification	Content/Purpose	Impacts on Levels of Service
The Code of Ethics for Youth Mentoring in Aotearoa NZ	Guidelines for working with young people in NZ.	Provides guidance to keep workers and the young people we work with safe.
The Guide to Effective Youth Mentoring in NZ	To support and encourage effective youth mentoring relationships and programmes.	Design and implementation of effective programmes for Youth Council and other youth.
The NZ Association of Social Work Code of Ethics	Guidelines for working with individuals and groups ensuring acknowledgement of age, belief, culture, gender, martial, legal or family status, differing abilities, race, religion and social and economic status.	Following a code which ensures all clients are treated equally.
The International Association for Community Development Code of Ethics and Professional Practice	Practise based guidelines for the organisation, education and empowerment of people within their communities.	Guiding professional practice when working with communities.

3.3 CURRENT LEVELS OF SERVICE

The current levels of service measure specific aspects of our work and allow us to use the information gained to develop new models of operation, eg when the numbers of new neighbourhood support groups don't grow as expected we review the process being used and try new ones.

3.3.1 Current Customer Levels of Service, Performance Measures and Targets

How the Activity Contributes	Customer Level of Service	Measure of Service
The Community Development Activity co-ordinates the Safe in the South Programme on behalf of ICC and SDC.	Council is committed to building a safe connected community.	Number of groups and households involved in the Neighbourhood Support programme.
The Community Development activity works collaboratively with the community to encourage the development of local events and administers funding through the Creative Communities Invercargill and Invercargill	Funding is available for increasing participation in arts, culture and physical activity.	Number of residents participating in programmes funded by the two funding programmes.

How the Activity Contributes	Customer Level of Service	Measure of Service
Active Communities programmes.		
The Community Development Activity coordinates the use of the "friendly" brand.	Council believes that families are the building blocks of our city.	Number of events, agencies and businesses achieving the use of the friendly brand.
The Community Development Activity coordinates and provides administrative support for the Youth Council.	Youth Council members are enthused to plan and undertake initiatives.	Number of young people taking part in initiatives.

Measure	2016/17 Target	2016/17 Result
Number of groups and households involved in the Neighbourhood Support programme.	Increase on previous year	131 groups 1,521 households
Number of residents participating in programmes funded by the two funding programmes.	2000	47,941
Number of events, agencies and businesses achieving the use of the friendly brand.	12	11
Number of young people taking part in initiatives.	200	588

Measure	2018/20128 Target	2018/2028 Result
Number of groups and households involved in the Neighbourhood Support programme.	Increase on previous year	
Number of residents participating in programmes funded by the two funding programmes.	10,000	
Number of events, agencies and businesses achieving the use of the friendly brand.	12	
Number of young people taking part in initiatives.	400	

3.3.2 Current Technical Levels of Service, Performance Measures and Targets

Technical Measure	Target
Regular reporting to Council of issues raised and the community development activity response.	Report prepared for each community services committee meeting
Responses times: • General enquiry • Funding enquiry • Appointment required	24 hours 24 hours Within three days

Technical Measure	Target
Community development staff attend meetings when requested and as appropriate	100% attendance
Preparation of submissions	By due date
Youth Council	At least 20 members each year Report to Council on issues and activities at least five times per annum
Provide assistance to Safe in the South Governance Group	Decisions implemented Agendas and reports prepared

The technical measures demonstrate the involvement of community development staff across a range of community initiatives which are detailed in reports to the Council. This provides Councillors with accurate, interesting and recent information about community outcomes and issues. It provides Councillors with the opportunity to become involved in specific community initiatives.

The Youth Council has grown and developed and now has a minimum membership of 25 per year and reports to all Council meetings in writing and in person. Having the Youth Council present to Council meetings, in person, provides Councillors with the opportunity to enter into direct dialogue with the young people.

3.4   LEVELS OF SERVICE ISSUES AND CHALLENGES

Community development is very difficult to measure using a statistical tool. Results Based Accountability (RBA) is a relatively new tool being introduced in New Zealand which uses a combination of numbers and storytelling to demonstrate change and show outcomes from interventions.

The current measures of service indicate the number of people who have engaged over time in Neighbourhood Support but does not demonstrate any level of participation or commitment to the programme.

Community Development involves a degree of the unexpected, e.g. the Government announcement of Invercargill being selected as a refugee settlement area. This leads to immediate calls from the not-for-profit sector wanting to offer volunteer support and seeking more information. These announcements will continue.

The ongoing devolving of previously Central Government responsibilities to community. Community groups suddenly find they can put in a tender to provide a service previously delivered in another way. The tendering for services is a new tool and has required a lot of support to community organisations undertaking this process.

Developing meaningful methods for measuring levels of service targets remains a complex issue for Community Development.

3.4.1   Current Levels of Service Gaps

Community development does not involve assets and so we do not have a level of service gap between that expected and that delivered.

Community development prioritises its work and advises the client when they can expect an appointment, a response to their enquiry etc, and we deliver on those as advised. We work flexible hours to meet with clients at times and places that work for them.

Being based in the ICC building is imperative to providing an excellent level of service as many clients make contact when coming to Council on another matter or shopping nearby.

We need to measure the actual outcomes, to tell the stories of who is better off and how things have changed from having received a community development intervention.

3.4.2 Possible Responses to Gaps

Community Development collect stories of success and achievement following community development support and report these to Council in narrative reports.

4. Demand for Our Services

4.1   DEMAND FORECAST

4.1.1   Factors Influencing Demand

Demand on this activity is largely influenced by population changes including increases in the aged population and changes in the use of technology by Council and the population.

Statistics New Zealand predict that Invercargill's population will increase to 56,300 by 2028, an increase of approximately 5.8% over the 2013 number (source: Statistics New Zealand).

Factor	Needs	Community Development Response
Increase in population including migrants/refugees	**Increased** – Community support and development services. A variety of housing solutions. Youth population with a range of associated issues.	Assisting agencies to grow and diversify services, access funding and volunteers. Review and develop Youth Council to ensure inclusion of all.
Increase in number of households	**Increased** – Need for community connectedness. Development of community neighbourhood projects. Changes in public perception of safety.	Increase provision of Neighbourhood Support programme and diversify the model. Working with communities supporting them to develop small projects and collaborate with neighbouring groups. Safe in the South programmes designed and implemented to respond to community needs.
Increase in older population and those with a disability	**Increased** - Expectation of services/support from Council.	Development of a Seniors Advisory Group.
Changes in local economy and resulting income levels reducing	**Increased** – Unemployment for some sectors and resulting expectation for free and low cost services from Council.	Working with groups to explain how to lobby/speak with Council. Linking individuals to appropriate groups and services.
Changes in how Government expects services to be delivered and the level of services to be provided	Regionalisation of contracts and loss of these by local not-for-profit services. Loss of funding for preventative services and a new focus on specific crises responses.	Assisting services to complete tender processes which are new to them. Assisting services to access funding from other funders to provide preventative/education

Factor	Needs	Community Development Response
		programmes.

4.1.2 Projected Growth or Decline in Demand for the Service

We have a vibrant and enthusiastic community. Every week ideas are generated to improve the Invercargill/Southland environment. Community Development works with these passionate individuals and groups guiding them to resources and expertise that can assist them. The community development activity also works with some projects directly.
Expectations for service delivery will change as the population ages and diversifies. An increase in staff may be necessary.

4.2 CHANGES IN SERVICE EXPECTATIONS (FUTURE LEVELS OF SERVICE)

Community development predicts a growth in service as the population ages and diversifies.

It is known that the expectation of residents that "Council" will support/assist seems to increase amongst seniors and newcomers.

Young people are educated and encouraged to explore and develop their dreams and ideas and to seek support to further their entrepreneurial aspirations.

The importance of listening to young people is vital to the future of the city. The ongoing development of the Youth Council and other youth development initiatives will increase.

Central Government is moving towards more regional and national contracts with the not-for-profit sector leaving small local groups without contracts and unable to continue to operate. Whilst this is advised months in advance human nature is that they hope they will still get a contract.

The need for some current programmes to be delivered by the community development activity may change with community organisations taking over the service delivery eg Neighbourhood Support. This would provide additional staff resource to respond to increased expectations for service delivery.

4.3 EXPECTED IMPLICATIONS FOR THE ACTIVITY

The Community Development Activity expects to continue to be very busy with staff evolving to meet the demands for new support. Training will be required for staff and delivery may involve a diverse team of practitioners.

Community Development is already working on shared service delivery across local government boundaries, e.g. organising workshops/forums with venues in rural and city locations. Delivering the Champions Programme in SDC area in partnership with SDC staff. It is expected that working with external agencies and other TLAs will continue to develop.

4.4 FUTURE DEMAND ISSUES AND CHALLENGES

Expectation, diversity and demand for service will increase. This will challenge staffing arrangements and availability of budget support for initiatives.

4.4.1   Possible Demand-Related Responses

Future demand will be managed by ensuring that each project receives support only until the community demonstrates they can and wish to continue with minimal if any support.

Staff will require training and support to meet the new demands.

Some projects may have to be declined but these will be given other options for support and information including appropriate referrals.

4.4.2   Possible Non-Asset Solutions

4.4.3   Managing Expectations

Managing expectations is an ongoing challenge. This is manged through open and honest discussion with communities.

5.   Asset Profile

5.1   ASSET OVERVIEW

The Community Development Activity is not an asset based activity.

6. Sustainability, Risk and Resilience

6.1   SUSTAINABILITY

The Local Government Act requires Council to take into account the social, economic and cultural interests of people and communities, the need to maintain and enhance the quality of the environment and the reasonably foreseeable needs of future generations by taking a sustainable development approach. Sustainability can be defined as:

Development which meets the needs of the present generation without compromising the future generation from meeting their own needs
(Brundtland Report, 1987).

The Community Development activity's ability to influence sustainability outcomes are highest during the planning and design phase of specific projects. The question to be asked is "is this activity/service to continue into the future". Good planning and design can then lead to improved economic and social benefits including development of social enterprises and other sustainable community development models.

The operation of the community development activity has ongoing impacts - particularly as they relate to energy use and use of old technology etc. Operations are increasingly embracing new technologies as they become affordable and the community has the skills to access them, eg using social media to communicate.

The Council recognises that sustainability is a journey, not a destination. It is not a point that is reached, but a process of continual improvement, where society adapts and responds to changes over time, in a way that recognises the fundamental relationships of the three elements detailed below.

6.1.1   Social and Cultural

The community development activity ensures all service delivery demonstrates equality, social cohesion and inclusiveness, free from any prejudice. We want to promote intergenerational equality, meeting the needs of the present generation without compromising the needs of future generations.

We provide environments for our community to become empowered and enabled to express and celebrate our ever diversifying heritages, whilst recognising the particular cultural significance of Maori and Tangata Whenua of New Zealand.

6.1.2   Environmental

The community development activity seeks to reduce consumption of resources and the effects of development on the environment. Relevant aspects of sustainable service/programme design will be incorporated into future programmes and initiatives. Including but not exclusive to:

➢   Minimise materials and waste during running of programmes and events.

➢   Sustainable materials used if practicable in resources purchased.

➢   Electricity consumption considered on a daily basis.

➢   Use of Fossil Fuels.

➢ Climate Change Gases – Carbon Footprint.

➢ Minimise water use and waste generation at events.

➢ Encourage community events that include meeting UN-Sustainable Goals.

6.1.3 Economic and Financial

The Community Development activity aims to provide the desired level of service in the most cost effective manner through the use of collaborative community development models.

6.1.4 Summary of Sustainability Challenges and Issues

The social, cultural and environmental challenges and issues for this activity are the responsibility of all staff members to assess and consider in their daily work. The Community Development Manager is responsible for the economic and financial challenges and ensuring team members are aware of the need to develop and adhere to budgets for each project.

6.2 RISK

The Council recognises that it is obliged to manage effectively and to review regularly its risks at a strategic, operational and project level. The Council has done this by developing a Risk Management Framework and a range of risk management processes that apply across the organisation. Risk assessment is a major consideration in planning and budgeting processes at all levels within the Council. Risks must be considered and documented as part of the justification for undertaking our activities. Risk assessment and monitoring must form part of the management of operational activities. The Chief Executive and the Council encourage the taking of controlled risks to better improve the effectiveness and efficiency of the services and functions that the Council provides on behalf of the community, provided the resultant exposures are acceptable.

6.2.1 Risk Framework/Standard

Council has previously adopted a risk management process that is consistent with Australian/New Zealand Standard AS/NZ 4360 which defines risk assessment and management. The key risk criteria adopted for assessing the consequences of identified risks are:

➢ Community Health and Safety.
➢ Loss of Service – Extent/Duration.
➢ Service Delivery – Customer Impact.
➢ Invercargill City Council Financial Impact.
➢ Financial Community.
➢ Corporate Image and Reputation.
➢ Legal Compliance.

The Corporate Framework for assessing Risk is included in Appendix 1.09

It should be noted that Council is undertaking an organisation wide review of risk management practices in the 2018/19 financial year and this may impact on how risk is assessed and managed. Results from this review will be included in Management Plans where necessary and risk assessments will be updated as required.

6.2.2 Risk Identification and Assessment

Strategic Outcome	Level of Service Indicator	Caused By	Health and Safety (0.20)	Service Delivery – Customer Impact (0.15)	ICC Financial Impact (0.20)	Financial – Community (0.15)	Corporate Image and Reputation (0.10)	Legal Compliance (0.20)	Weighted Averaged Consequences Score	Likelihood	Risk Severity	Current Practice	Recommended Actions
Respond quickly to changing community demand	Community demand created/ changed	Changes in Government policy or funding (+ve or –ve)	1	4	1	1	3	1	1.65	B	M	Staff have close working relationships with MSD and DIA staff and are advised as soon as information is publically available. Community Development Manager has been appointed to an MSD panel which is alerted to changes being developed.	Retain current practice. Ensure team members are well informed and offered training as appropriate.
Conflicting expectations of public and politicians	Clients receive less support than they expected from the activity	Budget/ resource constraints/ unrealistic expectations	2	2	1	1	3	1	1.55	B	M	Meet with individuals to clarify previous conversations/emails and gain an understanding of where confusion may have arisen. Discuss with manger and work to resolve the issue.	Retain current practice.

6.2.3   Summary of Key Risk Issues

The Community Development activity key risk issues involve expectations of clients and Councillors and the unexpected decisions made by Government which impact on services delivered by community agencies.

6.2.4   Possible Approaches to Risk Mitigation

Risk Caused By	Current Practice	Recommended Actions
Government decisions	Staff are well briefed Ongoing training	Continue to develop relationships with staff from Government departments Use web based information tools
Unrealistic expectations	Build relationships and meet face to face with clients Staff training	Ongoing staff training. Excellent recording of all conversations and meetings

6.3   RESILIENCE

The working definition of resilience to Invercargill City Council is the ability of the organisation to survive a crisis and thrive in a world of uncertainty. Resilience includes both planned risk management (Section 6.2) and adaptive capacity. In this context resilience refers to our capacity to adapt, rather than preparedness or recovery, which is the capacity of people, the community and systems to adapt in the face of unpredictable change the 'unknown unknowns'.

100 Resilient Cities* has four dimensions and three drivers within each:

➢ **Health and Well-being**
  - Meet basic needs,
  - Support livelihoods and employment,
  - Ensure public health services

➢ **Economy and Society**
  - Foster economic prosperity
  - Ensures social stability, security and justice
  - Promote cohesive and engaged communities

➢ **Infrastructure and Environment**
  - Provide reliable communication and mobility
  - Ensure continuity of critical services
  - Provide and enhance natural and man-made assets

➢ **Leadership and Strategy**
  - Promote leadership and effective management,
  - Empower a broad range of stakeholders,
  - Foster Long-Term and integrated planning

* http://www.100resilientcities.org/resilience

6.3.1   Business Continuity and Emergency Response Arrangements

The Community Development Activity is currently discussing with Emergency Management Southland the role of staff and knowledge during any emergency.

6.3.2 Current and Desired Resilience Assessment

Resilience is a topic that we are learning about from events such as the Christchurch, Kaikoura and Wellington earthquakes, Invercargill City Council is seeking to make our organisation and infrastructure more resilient. Resilience will be part of the review of risk management being undertaken in the 2018-19 financial year. (Add to Improvement Plan).

6.3.3 Summary of Resilience Issues and Challenges

The Community Development Activity acknowledges we are uncertain if the service and the staff will be required during an emergency. At present two of the staff including the Manger live outside of Invercargill and access to the city could be compromised during an emergency.

7. Managing Our Activities

7.1 RESPONDING TO THE ISSUES AND CHALLENGES

7.1.1 Alternative Investment Approaches

Topic	Issue or Challenge	Potential Responses
Level of Service	Measuring engagement and commitment not just participation.	➢ Staff follow up with clients and gather stories of engagement and commitment not just satisfaction with service delivered. - RBA ➢ Articles published in media are collected.
	Rising expectation of the public that the activity will provide a response which matches their expected response not a range of options.	➢ Face to face meetings rather than email or phone calls. ➢ Survey customers to understand their requirements or wishes.
	Funding programmes available within Council do not meet the broad requirements of clients.	➢ Development of guidelines for general grants programme. ➢ Referring clients to online GiveUs grants database and talking them through how to access this.
Demand	Providing immediate response to clients who have set themselves last minute deadlines. The unknown nature of requests.	➢ Staff training to ensure general queries can be responded to by any team members. ➢ Managing part time hours and holidays to ensure staff available.
Sustainability	Staff knowledge is limited to their specific programme responsibilities.	➢ Staff training and supervision.
	The ability to develop youth and other programmes is limited by the funding available in the budget.	➢ Apply to community funders to assist with programmes. ➢ Use budgeted funds as leverage for community grants.
Resilience	No documented contingency plans	➢ Work with team members to develop contingency plans for their programmes.
	Rate of change of technology	➢ Keep educated on what is on the horizon and being developed in the industry
	The 'unknown unknowns'	➢ Research many possible scenarios, reduce the number of 'unknown unknowns'

7.1.2 Do-Minimum Programmes

Do minimum programmes would result in client frustrations and possible complaints.

If the Neighbourhood Support programme only initiated new groups when a member of the public made a request the growth of the programme would be minimal and community connectedness and safety would be affected. The Neighbourhood Support programme could be delivered by a community organisation however they would expect some level of financial support from Council if they took over a service previously delivered by the Council.

The Friendly Brand is a small budget item but could be assigned to another Council department or abandoned.

7.1.3 Programmes Evaluation

Invercargill City Council is developing a greater understanding of the business case approach developed by Treasury. This approach is used to make better informed investment decisions, better value for money and better outcomes for the community. More training for staff will be sought in this discipline.

Issue or Challenge	Key Success Factors	Evaluation Options
Measuring engagement and commitment not just participation	➢ Clients are excited and share positives stories. ➢ Articles published in media.	➢ Results Based accountability used to gather stories of outcomes. Who is better off and how?
Rising expectation of the public that the activity will provide a response which matches their expected response not a range of options.	➢ Clients attend meetings with staff and express their thanks.	➢ Follow-up phone calls to clients to check on progress they have been able to make.
Funding programmes available within Council do not meet the broad requirements of clients.	➢ The number of grants being allocated to Invercargill groups by national funders increases. ➢ Community projects and services are successfully implemented.	➢ Overtime funding requests will reduce as skills and knowledge of client's increases.
Providing immediate response to clients who have set themselves last minute deadlines. The unknown nature of requests.	➢ Client's requests are received and initial contact made with a timeline for assistance provided. ➢ Staff stress levels are managed.	➢ Team meeting discussions and sharing of stories.
Staff knowledge is limited to their specific programme responsibilities.	➢ Staff are excited by broadening their knowledge base.	➢ Performance Appraisal process.
The ability to develop youth and other programmes is limited by the funding available in the budget.	➢ Community grants are accessed allowing programmes to be held.	➢ Participants complete evaluation following each programme.
No documented contingency plans	➢ Contingency plans developed.	➢ Plans reviewed at set frequency.

Issue or Challenge	Key Success Factors	Evaluation Options
Rate of change of technology	➢ Staff are up to date with technology requirements.	➢ Programmes use latest appropriate technology.
The 'unknown unknowns'	➢ The "scary" factor of unknowns is reduced.	➢ Team discussions.

7.2   OPERATIONS AND MAINTENANCE

7.2.1   Operation Strategy

Our strategy is to continue on a reactive operational programme.   The Community Development Activity considers each request by asking: "is this the business of Council?"   "Does this request fit with the Council's goals and objectives?"

7.2.2   Operation Standards and Specifications

The activity uses the codes of ethics of the International Association of Community Development and other align professional bodies (see 3.2.3).

7.2.3   Operation Options and Alternatives

Programme	Options/Alternatives	Consequences
Neighbourhood Support Programme	An existing or new community organisation takes over delivery of the programme.	Council is expected to provide a level of financial support.
Friendly Brand	Move to another Council department. Withdraw the use of the Friendly brand.	Minimal change in overall budgeted costs. Council would be in breach of the Child Youth and Family Friendly Policy.
Leadership and other community development led programmes	Reduce the number of Youth Council leadership programmes and other specific programmes implemented by the activity.	Youth Council will be disappointed and it may change the calibre and interest of members. The public criticise Council.
Response to questions from the public	Refer to Invercargill and Districts Citizens Advice Bureau.	The public learn to contact the Citizens Advice Bureau instead of ICC.
Funding information/TrustPower Awards/Youth Council and other specific programmes	All Community Development team members are trained to be able to undertake these specific aspects of the Community Development programme.	Staff leave and illness is covered by other team members.

7.3   RECOMMENDED PROGRAMME

7.3.1   Evaluation of Options/Alternative Programmes

Programme	Options/Alternatives	Why We Do It
Neighbourhood Support Programme	An existing or new community organisation takes over delivery of the programme.	➢ Groups often have issues which involve other Council departments. Remaining in-house allows easy linkage with relevant Mangers. ➢ A close relationship is required with Police and high level trust for using crime maps. ➢ Moving the programme to a community organisation would include a grant to assist with costs.
Friendly Brand	Move to another Council department. Withdraw the use of the Friendly brand.	➢ Community Development has existing linkages with organisations which could be branded. ➢ There would be no change in overall budgets if moved to another Council department.
Leadership and other Community Development led programmes	Reduce the number of Youth Council leadership programmes and other specific programmes implemented by the activity.	➢ There are existing excellent relationships with schools and youth organisations. ➢ The budget is used to attract grants for youth leadership activities. ➢ High level of respect exists in community.
Response to questions from the public	Refer to Invercargill and Districts Citizens Advice Bureau.	➢ By referring clients to the CAB they learn where to find answers to a wide range of questions. ➢ If ICC staff answer the questions the clients will continue to use ICC as a general information site when we are supporting the CAB to do this.
Funding information/TrustPower Awards/Youth Council and other specific programmes	All Community Development team members are trained to be able to undertake these specific aspects of the Community Development programme.	➢ By training staff to be multi-skilled we are mitigating risk.

7.3.2 Recommended Operation Programmes

Leadership – The Youth Council budget is used to access grants from community funders. Funders expect the Council to be contributing cash not just in-kind resources.

Training Community Development Officers to respond and coordinate various community development programmes will result in improved service outcomes and a reduction in risk.

7.4 HOW THE ACTIVITY WILL BE RESOURCED

7.4.1 Internal Resourcing

2 - Full time staff
1 - 15 hours per week - permanent part-time
1 - 5 hours per week - casual
1 - 1.5 hours per week - casual

Total 2.53 FTE

In addition we receive support from the Communications team, graphic design, media releases, website and Facebook support. Other Council services provide support on request.

7.4.2 Procurement Strategy

Not Applicable.

8.   Financial Management

8.1.   OVERVIEW

The Community Development Activity is funded from a mix of rates contribution and grants for specific projects.

8.2   FINANCIAL SUMMARY - WHAT THE ACTIVITY COSTS

	2017/18 Annual Plan	2018/19 LTP	2019/20 LTP	2020/21 LTP	2021/22 LTP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP
Internal Revenue	0	0	0	0	0	0	0	0	0	0	0
Fees and Charges Revenue	0	0	0	0	0	0	0	0	0	0	0
Grants and Subsidies Revenue	0	35,000	25,550	26,112	0	0	0	0	0	0	0
Rates Revenue	0	0	0	0	0	0	0	0	0	0	0
Financial Revenue	2,457	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Total Revenue	**2,457**	**37,500**	**28,050**	**28,612**	**2,500**	**2,500**	**2,500**	**2,500**	**2,500**	**2,500**	**2,500**
Internal Expenditure	41,126	48,233	49,294	50,379	51,487	52,671	53,883	55,176	56,555	58,026	59,592
Staff Expenditure	150,301	157,780	161,208	164,712	168,293	172,120	176,034	180,212	184,669	189,420	194,482
Administration Expenditure	40,730	41,062	41,965	43,933	43,832	44,840	45,872	48,116	48,147	49,399	50,732
Financial Expenditure	5,038	4,936	4,724	4,502	5,087	4,807	4,517	4,187	3,858	3,501	3,126
Grants and Subsidies Expenditure	0	0	0	0	0	0	0	0	0	0	0
Repairs and Maintenance Expenditure	3,266	3,300	3,373	3,447	3,523	3,604	3,687	3,775	3,869	3,970	4,077
Operational Expenditure	66,779	91,800	93,820	95,884	71,307	72,947	74,624	76,415	78,326	80,362	82,532
Depreciation Expenditure	600	600	600	600	600	600	600	600	600	600	600
Total Expenditure	**307,841**	**347,711**	**354,984**	**363,456**	**344,129**	**351,588**	**359,216**	**368,481**	**376,024**	**385,277**	**395,141**
Operating Surplus/(Deficit)	**(305,384)**	**(310,211)**	**(326,934)**	**(334,844)**	**(341,629)**	**(349,088)**	**(356,716)**	**(365,981)**	**(373,524)**	**(382,777)**	**(392,641)**
Capital Expenditure - to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
Capital Expenditure - to improve the level of service	0	0	0	0	0	0	0	0	0	0	0
Capital Expenditure - to replace existing assets	0	15,000	0	0	0	16,380	0	0	0	18,045	0
Capital Expenditure	**0**	**15,000**	**0**	**0**	**0**	**16,380**	**0**	**0**	**0**	**18,045**	**0**
Debt Movements	**3,741**	**3,940**	**4,149**	**4,370**	**4,355**	**4,631**	**4,925**	**5,238**	**5,570**	**5,924**	**6,300**
Reserve Movements	**0**	**(15,000)**	**0**	**0**	**0**	**(15,000)**	**0**	**0**	**0**	**(15,000)**	**0**
Cash Back Depreciation	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Rates Required	**(309,125)**	**(314,151)**	**(331,083)**	**(339,214)**	**(345,984)**	**(355,099)**	**(361,641)**	**(371,219)**	**(370,094)**	**(391,746)**	**(398,941)**

8.2.1   Council Funded Programmes

8.2.2   Programme Implications

The Community Development activity programme remains status quo with the flexibility to undertake new projects as requested by the community and supported by community grants.

8.3   HOW WE PAY FOR THE ACTIVITY

The Activity will remain reliant on rates as it is not appropriate to charge the community not-for-profit sector for the service.   Many requests are about accessing resources so they can continue their service or develop new services to attract new funding.

The following sources of funding are used by Council:

➢   General Rate
➢   Targeted Rate
➢   Fees and Charges
➢   Other Sources of Funding
➢   Loans and Reserves

Who Benefits	Funding Sources and Proportions	Demand Generators
Public: The provision of advice and information to strengthen community empowerment. Facilitation Neighbourhood Support/Safe in the South	Rates 90%–100% 92% Other Sources 0-10% 8%	Projects and initiatives requested by clients.

Community Development is funded from rates. Grants are applied for to assist with specific projects and initiatives.

8.4   FINANCIAL POLICIES

The Local Government Act 2002 requires Council to manage its finances prudently and in a manner which promotes the current and future needs of the community. Council must ensure that each years projected operating revenues are set at a level sufficient to meet the years projected operating expenses.

The Revenue and Financing Policy states Council's policy on the funding of its operating and capital expenditure and the sources of those funds.

Council for each activity must give consideration to who benefits from the activity and the appropriate level of private versus public benefit when funding the activity. Public benefit is gained from having access to activities provided by Council. Private benefit is gained from receiving goods or services provided by Council, i.e. a Building Consent for work carried out by private residents.

The Community Development Activity provides a public benefit for 95% of its delivery. The private benefit is specific youth leadership programmes which usually are funded by a combination of Council and community funders support.

8.5   ASSET VALUATION FORECASTS

N/A

8.5.1   30-Year Valuation and Depreciation Forecast

N/A

8.6   CONFIDENCE LEVELS IN PROGRAMMES

The Community Development Activity projects budget item is used to leverage community grants. Community funders expect the applicant (the Council) to contribute funds to any project being supported not just in-kind support. This is particularly the Youth Council aspect of the activity.

8.7   RELIABILITY OF FINANCIAL FORECASTS

8.7.1   Renewal Forecasts

The Community Development Activity cannot forecast revenue as this is only received from grants.

8.7.2   Operational Forecasts

Staff related costs comprise the majority of operational expenditure within the Community Development Activity. If the Community Development activity experiences a significant request for increase in the activity provided this is not budgeted for. The activity would "juggle" existing plans and budgets and apply for grants if appropriate.

The budget for the Community Development Activity does not include any significant increases for operational requirements.

8.8   SUMMARY OF PROGRAMME ASSUMPTIONS

Section 2.4 identified key assumptions for this Long-Term Plan. It is assumed that the population will continue to grow, diversify and age. The assumption implies that the number of people accessing the Community Development Activity will increase and the enquiries and requests will result in the core delivery tools and the models used changing. Technology may be used more to respond to clients than face-to-face delivery.

The Community Development Activity is assuming it will operate as status quo and will apply for community grants as required for specific projects.
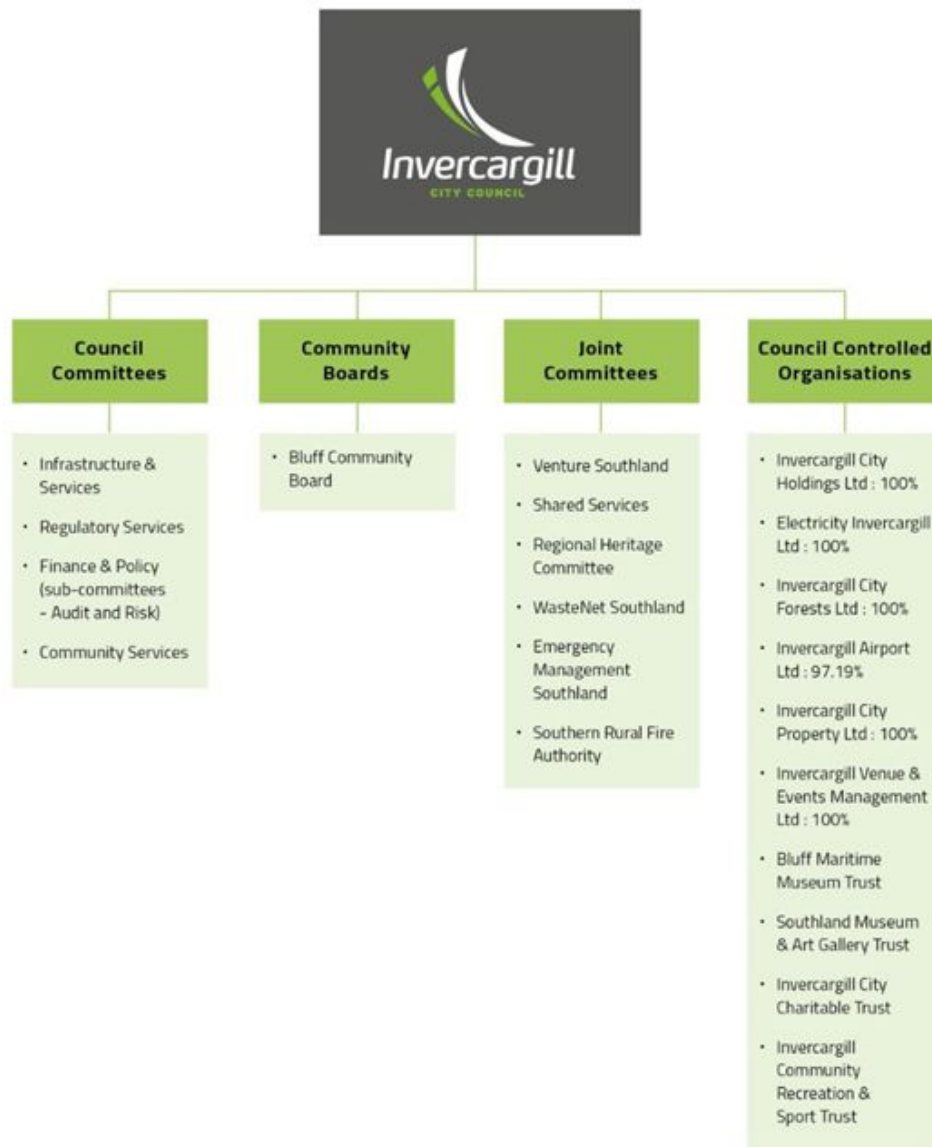
9. Delivering and Monitoring the Programme

9.1 PROGRAMME GOVERNANCE AND REPORTING

Council operates on a six-weekly cycle with four Committees meeting before a full Council meeting. These Committees accept and receive reports from their relevant Directorate and Management Staff are at these meetings to answer any questions that arise.

This reporting process ensures accountability to Councillors and allows for transparency to the public. Further to the four Directorate Committees, there are smaller Sub-Committees such as Audit that meets to discuss issues relating to the Annual Report, Annual Plan, Long-Term Plan processes and any other audit related issues.

The Bluff Community Board is established as a Committee who reports to Council on behalf of the Bluff area and deals with any issues relating to their area. Council provides direction to this Committee and has a representative sitting on this board.

Councillors are elected on a triennial basis through local government elections with the community voting for 12 Councillors and a Mayor. The Chief Executive role is reviewed every five years. In addition to this, Council undertakes a Representation Review every six years to ensure that the community is aware and accepting of the current Council structure.

Council develops their Long-Term Plan every three years in line with their obligations under the Local Government Act 2002, every year following this Council will adopt an Annual Plan which will make any amendments to the existing Long-Term Plan and allows for members of the community to submit on this process.

Further, Council will provide an Annual Report, which is a full year financial snapshot of Council's activities for that financial year. This is also compared to the financial projections in Council's Long-Term Plan.
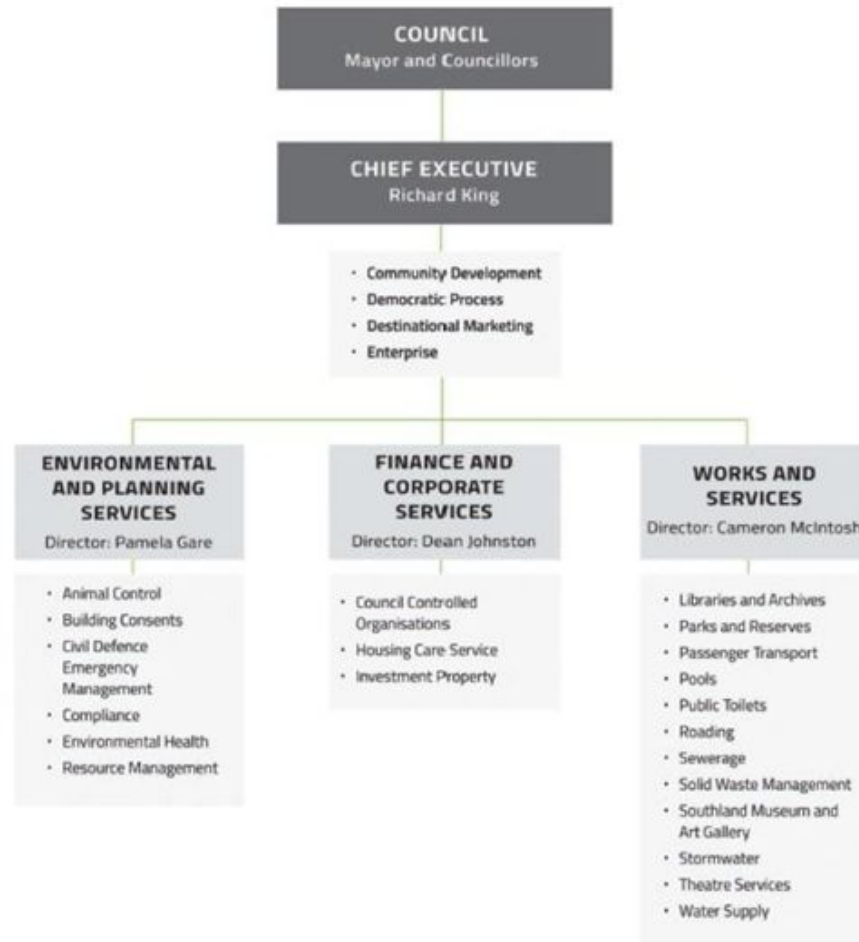
9.2 STAKEHOLDER ENGAGEMENT AND COMMUNICATIONS

Council currently utilises a myriad of methods to engage in consultation with members of the community. The Local Government Act 2002 states specific methods of consultation to be utilised by Council for certain processes, Council adds to this through innovative and community-tailored engagement techniques. The following are examples of current Council consultation methods:

➤ Imagine Invercargill is a new engagement website where members of the public can submit ideas on how to improve Council services.

➤ Consult South is a website that highlights any current or up and coming consultation items.

➤ Regular use of the Consultation Caravan where members of the public can pop in to ask questions of elected members and staff.

➤ Public Forums at Council and Committee meetings.

➤ Public requests to be heard as a specific Agenda item.

➤ Regular features in the newspapers and rates newsletters which inform ratepayers of issues.

➤ The City Focus Radio show that highlights current topics that the Council is addressing.

➤ The Mayor holds appointments with residents who wish to raise issues of concern.

➤ Community Engagement processes when Council is considering making a significant decision.

➤ Formal consultation through the Special Consultative Procedure for issues such as the Long-Term Plan and some Bylaws.

➤ Facebook page where individuals can ask questions and express opinion to Councillors and staff.

9.3   BUSINESS PROCESSES

The management structure of the Invercargill City Council is as follows:

Council staff operates under a Delegations Register (Appendix 1.10) that is adopted by Council; this Register lists every department with specific delegations that are required under legislation or Council policies so that staff members are able to carry out their specific job requirements.

The Community Development Activity administers two funding programmes and two music scholarships.   Applications are sought from the public and all applications received are considered by the relevant committee established to consider applications and recommend grants. Grants are paid out following the guidelines with payments made by Council accounts team on completion of the relevant forms.

9.4 INFORMATION SYSTEMS AND DATA

Geographical Information Systems (GIS)

Provides mapping and spatial analysis tools for Council to graphically determine and understand where Council facilities or assets are located. This includes geocoding our data, putting it on a map, and symbolizing it in ways that can help visualize and understand the data. The software display how places are related which help make more informed decisions about the best locations and paths for infrastructure and planning. Utilising these attributes we can use the software to help make predictions and better understand our environment.

Infor Pathway

Delivers a comprehensive offering of fully integrated functionality for managing council related business processes including:

➢   Customer Service and People Management - central name/address register and customer request management;

➢   Land and Property Management - administration tools to assist with land and property management;

➢   Revenue Management - capabilities such as rates accounting, property valuations, debtors and water billing;

➢   Regulatory Management - a comprehensive range of workflow-driven modules to ensure that local and national regulatory legislation for consents processing, parking and animals, and health and liquor licensing are complied with;

➢   Internet-enabled customer self-service - ePathway enables Council customers to conduct local government e-commerce online.

Microsoft AX Dynamics

This programme is the main accounting software; this system records all accounting entries, inventory entries, account payable entries and fixed asset data. Fixed assets held within the infrastructure area are revalued every three years and data from the revaluation is held with the AX dynamic system. The system then generates depreciation figures that are used for reporting purposes and also for the funding of depreciation in relation to Councils capital renewal programmes. During the period between revaluations assets are capitalised into the AX Dynamics system as purchased. The AX system also provide the council reconciliation control environment, maintaining such control as GST and FBT obligations, bank reconciliations, as well of all other balance sheet reconciliations of the Council.

MYOB PayGlobal

Provides a workforce management with the payroll and human resources management software provides the analytical, planning and operational tools to monitor staff activities and performance. There is a self-service platform (Ernie) where employees and managers access leave, personal info, payslips, and timesheet data online. Allowing employee attendance, management and tracking.

Objective

Delivers an Electronic Document and Records Management (EDRMS) service across all of Council providing information management processes and business process automation with robust security, version control and audit management to ensure Council complies with recordkeeping standards; this reduces the risk associated with managing information in multiple locations.

Opal 3

This programme is utilised by all departments who monitor their levels of service for activity; this programme requires specific data to be entered six weekly or monthly (as required). Third tier managers enter this data, with the Director or Manager to approve this entry. The data required is updated in line with the Long-Term Plan.

TM1 Cognos

This is the financial reporting and budgeting system for council. Information is taken from the AX dynamics system and downloaded into the TM1 system, allowing Council to report on actual performance against budget. Council budgets for both the Long-Term Plan and Annual Plan are completed within the TM1 Cognos system.

9.5   PROGRAMME PERFORMANCE MONITORING AND REVIEW

9.5.1   Monitoring Approach

Council operates on a six-weekly cycle with meetings for the four Committees of Council that look into each department at Council and are provided with extensive monitoring and reporting of levels of services for activities and assets that come out of that department, alongside monthly financial accounts for each department. The Committee will question these reports with Managers present to answer any questions that arise from the reports.

The information for these reports is entered into various software systems as detailed in Section 9.4. This monitors the performance both fiscal, and service based against targets and budgets from Council's Long-Term Plan. Targets can be key performance indicators, internally driven targets or provided from a Ministry that oversees that area, ie Department of Internal Affairs. At a full Council meeting these reports are then received.

9.5.2   Frequency of Review

Every financial year Council prepares an Annual Report that is the key document in ensuring the expenditure for the year was efficient and is pertinent in ensuring accountability to the community and ratepayers.

The Annual Report does not just show the current financial status, but also shows the levels of service for all Council activities and assets measured against the yearly targets set in the Long-Term Plan. As noted in 9.1, these are measured and reported six weekly in the Council meetings. The Annual Report is a holistic overview of their performance.

10. Continuous Improvement

10.1 CURRENT ACTIVITY MANAGEMENT PRACTICE

Item	Type	Quite Inadequate	Needs a Lot of Improvement	Quite Good, But Could Be Improved in Some Areas	Very Good	Comments
Management • Of the Department (Leadership) • Of the staff on a daily basis • All work planned for the year completed within the year, to the predetermined standard required, within the predetermined timeframe, for not more than the budgeted cost.	PD PD OP				X	Support from Senior Executive is available on request.
Technical Competence • New works' design • Project Management • Management of contractors (especially Network Maintenance Contractors) • Maintenance organisation and management. • Other technical skills required by this service	OP OP OP OP PD				X	Community driven usually and limited by the speed of input from community.
Forward Planning and the Setting of Priorities • The completeness and overall quality of the priority setting and financial forecasts and assumptions for the next 20 years • For maintenance and operations (for the next 10 years) • For new capital (for the next 20 years) • For renewals (for the next 10 years)	OP OP OP			X		Limited by responsiveness and expectation of community.

Communications/Relationships With Customers • Written (letter writing) • Verbal (phone) • Verbal (personal contact) • With elected representatives (where relevant) • With other departments • Within the department	CS CS CS CS CS PD				X	Responsiveness of other departments not always as prompt as expected. Community Development not seen as a key service by some.
Financial Management • Budgets' preparation (quality, completeness, and timeliness) • Adherence to budgets once approved • Always aware of costs against budget throughout the year	OP OP OP				X	Performs well within budget.
People • Job breakdowns/job instructions/work guidelines/practice notes available for all relevant tasks and all up-to-date • All staff delegations up-to-date • All warrants up-to-date	PD PD PD			X		
Knowledge of the Physical Assets • How well the physical assets that have to be managed are understood • Location • Material type • Condition • Capacity • Age and remaining life • Performance • Criticality	OP OP OP OP OP OP OP OP				X	Only physical asset is a car.

				X		Support services provided to an increasing standard. Need to record calls in request for service system.
Support Services • Administrative support • Financial support • Office accommodation • Office furniture and equipment (work tools) • Transport • Record keeping (completeness and easily accessible) • Complete and up-to-date policy manual	PD PD PD PD PD PD PD					
Performance Management • Sufficient and appropriate performance measures • Sufficient and appropriate performance targets • All measures and targets being monitored • Monitoring results promptly reported (at all relevant levels) • Performance trends (over several years) clear and understood • Performance results actually used to improve performance • All employees regularly being given "true" feedback about their performance	OP OP OP OP OP OP PD			X		The manager of the service requires an increased level of feedback.
Business Continuity • Disaster Plans up-to-date	OP					Does not exist for this activity.
Legislative Compliance • No known areas where legislative requirements not being fully complied with	OP					Not applicable.

Strategic Advice • The general quality (and timeliness) of strategic advice (and the extent to which the strategic policy approach for this activity is clearly specified, continues to be appropriate, and is up-to-date) • The quality and timeliness of reporting to the elected Council and its Committees	SA CS				X	Council is regularly informed on issues.

Note One:
CS = Customer Service
OP = Organisational Performance
PD = People Development
SA = Strategic Advice

10.2   IMPROVEMENT PROGRAMME

Item	Appendix Relative Urgency						Smart Objective	Activity Improvement Priority and Type	Responsible Person	Target Date for Completion	* Status	Completion Date
	1	2	3	4	5	6						
Training of staff to undertake general community development enquires and activities				x			Training implemented from January 2018	CS	Community Development Manager	31 Dec 2018	NS	
Results Based Accountability – gathering of stories to measure who is better off and how.				x			At least one story gathered on each project undertaken	OP	All staff	Ongoing	IP	

Status Key:
OH = On Hold
NS = Not Started
IP   = In Progress

Activity Improvement Key:
OP = Organisational Performance
CS = Customer Service
SA = Strategic Advice
PD = People Development

10.3   IMPROVEMENTS FROM PREVIOUS ACTIVITY MANAGEMENT PLAN

Item	Appendix Relative Urgency						Smart Objective	Activity Improvement Priority and Type	Responsible Person	Target Date for Completion	* Status	Completion Date
	1	2	3	4	5	6						
Establish Council policy on sponsorship of goods and services.			X				Policy developed and adopted by December 2015.	OP	Chief Executive	December 2015	NS	Not completed
Review of policies.			X				Policies reviewed every five years.	SA	Community Development Manager	Ongoing	IP	Ongoing
Request for service system		X					Existing request for service system to be available to all staff members.	OP	Chief Executive	December 2012	NS	Not completed

Two planned improvements have not been completed due to changes within other Council departments.

Status Key:
OH = On Hold
NS = Not Started
IP   = In Progress

Activity Improvement Key:
OP = Organisational Performance
CS = Customer Service
SA = Strategic Advice
PD = People Development

10.4 MONITORING AND REVIEW

Ongoing monitoring and review of the Community Development Activity takes place through levels of service reporting to Council, the Annual Report process and accountability reports to funders of specific projects. The Youth Council reports to most Council meetings about the work of the Youth Council. The Youth Council also completes an annual report.

11. Glossary

12. Appendices

The Appendices for all of Council's Activity Management Plans are kept separate. The list below highlights the appendices that relate to this Activity Management Plan and where to find them in the Corporate Appendices Register.

Number	Type	Title
1.01	Corporate	Long Term Plan – Background and Assumptions 2018-2028
1.02	Corporate	Community and Regulatory Services: 2014 Residents' Survey
1.03	Corporate	2013 Service Level Survey: Parks, Reserves and Cemeteries Report
1.04	Corporate	2013 Service Level Survey: Roading Report
1.05	Corporate	2013 Service Level Survey: Solid Waste Report
1.06	Corporate	2013 Service Level Survey: Stormwater and Sewerage Report
1.07	Corporate	2013 Service Level Survey: Water Supply Report
1.08	Corporate	2013 Service Level Research Report 2016
1.09	Corporate	Corporate Risk Framework / Standard
1.10	Corporate	Delegation Register September 2016
5.01	Community Development	Child Youth and Family Friendly Policy
5.02	Community Development	Equity and Access for People with Disabilities Policy

LIBRARY AND ARCHIVES

ACTIVITY MANAGEMENT PLAN 2017

Activity Management Plan

Activity			
	Name	**Signature**	**Date**
Prepared By	M Foster		
Asset Manager			
Director Review	C A McIntosh		
Peer Review	P Thompson		
Council Adoption			

Changes to be Incorporated in Next Review		
Number	**Date of Change**	**Reason for Change**

TABLE OF CONTENTS

Executive Summary

Libraries and Archives are considered to support the community outcomes of the Invercargill City Council as the provision of these services helps to meet the social, cultural, information and recreational needs of the city's residents and helps improve the quality of life in the city and preserve heritage records to tell the story of Southland.

The International Federation of Library Associations (IFLA) in association with UNESCO has a Public Library Manifesto which states that "The public library, the local gateway to knowledge, provides a basic condition for lifelong learning, independent decision-making and cultural development of the individual and social groups. This Manifesto proclaims UNESCO's belief in the public library as a living force for education, culture and information, and as an essential agent for the fostering of peace and spiritual welfare through the minds of men and women."

The primary goal of the Library and Archives Activity is to provide quality and affordable resources for education, recreation, research and culture while the buildings, programmes and events contribute to building a strong community identity.

Invercargill City Council will continue to provide opportunities and places for affordable learning and leisure which the community sees as a valuable public service. This will continue to be achieved through the provision of a library and archives service located in the central CBD and a branch library in Bluff.

Library upgrade scheduled for 2018 will create more flexible spaces on the ground floor and update library furnishings as the building is nearly 30 years old.

1.   Introduction

1.1   ABOUT THIS PLAN

Libraries and Archives Service Activity Management Plan (AMP) covers one of many activities addressed in the Invercargill City Council Long Term Plan (LTP). This Plan is, therefore, strongly linked to the overall strategic direction for the District. The LTP is the document and process that alerts the Community to the key issues and strategies contained in this document.

The purpose of this Plan is to outline and to summarise in one place, the Council's strategic approach for the delivery of the Libraries and Archives Service Activity.

The AMP demonstrates responsible management of the function on behalf of ratepayers and stakeholders, and assists with the achievement of community outcomes and statutory compliance.   The AMP combines management, financial, and technical practices to ensure that the level of service required by the law and expected by the Community is provided in the most operationally effective and sustainable manner.

This AMP is based on existing levels of service, currently available information, and the existing knowledge / judgement of the Council staff.

1.2   ACTIVITY OVERVIEW

Library services are provided in response to Community demand and benefit both individuals and the Community as a whole. Libraries are a well utilised Community facility and are used by a wide cross-section of people with 504,000 visits per year.

Invercargill City Libraries and Archives supports lifelong learning, digital literacy and encourages reading across all ages and abilities. It aims to offer welcoming and innovative library environments which include public spaces for Community participation and social connection. Libraries and Archives collect, preserve and guide access to quality information and also provide opportunities to participate in the online world. Above all, Libraries and Archives Services create informed communities.

Invercargill City Council operates two libraries, a central library in the Central Business District, and a small branch library in Bluff. The central library is open seven days per week and the Bluff library is open six days per week.   The central library also includes the Archives which are accessed from the 1st floor and are open five days per week.

The central Library provides public space for delivering library services and storing current use collections, space for storing archives and heritage collections with no direct public access, workrooms, and offices for library-wide services and management. A meeting room is administered on a commercial basis and public internet services including 24/7 access to Wi-Fi. Database and general information for domestic and business enquiries are also available remotely via the internet on the Invercargill City Library and Archives website www.ilibrary.co.nz.   Bluff Library operates from the Bluff Service Centre and provides a lending service.

The Invercargill Archive was built in September 2008; it is a heat and humidity controlled, purpose built facility. It is the first new archive facility to be built to the Archives New Zealand Storage Standard. Invercargill Archive is home to local government records, also Invercargill and surrounding Southland District community records such as minute books, school records, photographs and letters and became an Approved Repository in 2014. Archives are original records that have historic value because they contribute in some way to the remembering of a story or an event.

Shared Services collaboration includes membership of EPIC (electronic databases), Overdrive/Bolinda Borrowbox (e-books and e-audiobooks), Aotearoa New Zealand People's Network (public internet and Wi-Fi) and Southlib (regional Library Management Software).

Free membership is available to all members of the Southlib consortia – Waitaki District, Central Otago District, Queenstown Lakes District, Dunedin City, Clutha District, Gore District, Southland District and Invercargill City.

Population served (2013 census)	51,696
Membership – Approximate number of adults and children	36,456
Lending items	153,527
Information resources	26148
Loans, per annum	611,607
Information enquiries, per annum	85,611
Website hits, per annum	114,934
Size of central library/archive	4,000m²

Programmes and events are provided for all ages and include holiday programmes, after school clubs, information skill programmes, author visits, Storytime, and increasingly outreach visits and programmes. Attendance in 2015/2016 was 19,805 made up of 15,327 children and 4,478 adults and in 2016/2017 it was 23,305 made up of 19,874 adults and 12,431 children.

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2. Strategic Context

2.1 ALIGNMENT WITH STRATEGIC GOALS

2.1.1 Community Outcomes

Council has developed its own Council-focused "Community Outcomes" for the Long Term Plan that will fulfil the requirements of "Community Outcomes" under the Local Government Act.

The Community Outcomes have been derived from Council's vision:

"To enhance our City and preserve its character while embracing innovation and change."

Community Outcomes		
Enhance our City	**Preserve its Character**	**Embrace Innovation and Change**
We will know success when:		
Invercargill's population is over 1.2% of the New Zealand population.	Invercargill is celebrated for preserving its heritage character.	Invercargill's culture is embraced through Community projects.
New residents feel welcomed and embraced by Invercargill culture.	Ease of access throughout the City is maintained.	The development of future industry is encouraged.
Healthy and active residents utilise space, including green space, throughout the City.	Our natural and existing points of difference are celebrated.	Technology is utilised in both existing and new City services.
Invercargill's economy continues to grow and diversify.	The building blocks, including water, sanitation and roading, for a safe, friendly city is provided for all members of the community.	Residents of, as well as visitors to, Invercargill give positive feedback and have great experiences.
Invercargill's business areas are bustling with people, activities and culture.	Strong, collaborative leadership of the City is demonstrated.	Invercargill has the 'wow factor' with the right facilities and events to enjoy.

2.1.2 Rationale for the Activity

Library services are provided in response to Community demand and benefit both individuals and the Community as a whole. Libraries are a well utilised Community facility and are used by a wide cross-section of people. Libraries support the learning and recreational needs of residents, while library buildings, collections and events also contribute to building a strong community identity.

Archives Services are provided to maintain and keep records of an evidentiary, informational and/or historic value.

Invercargill City Council provides library and archive services because it is unlikely that any private organisation would be able to provide such facilities for Community access.

2.1.3   Activity Objectives

Invercargill City Libraries and Archives provide a range of programmes and services to the community, promoting lifelong learning and the creative use of leisure.   Through the library facilities and the library website the following functions are undertaken:

- ➢   Collecting, curating and making available a range of materials in multiple formats to meet the community needs in relation to literacy, knowledge, information, research and study and for recreational or leisure activities.

- ➢   Enabling and supporting independent lifelong learning and the education aspirations of the community.

- ➢   Fostering the joy of reading and the development of literacy in all its forms, including digital literacy, through events, programmes, services and collections.

- ➢   Collecting, creating and conserving content relating to local community culture, identity and history.

- ➢   Providing access to materials in the collections of libraries or information repositories throughout New Zealand and the rest of the world.

- ➢   Providing freely accessible shared community spaces which encourage social interaction and community cohesion.

- ➢   Providing access to the online world and the world at large through internet computers and access to Wi-Fi. Enabling members of the community to develop the appropriate skills and knowledge to be technologically competent and effective digital citizens.

- ➢   Creating community connections through outreach programmes to schools and community groups.

The alignment of Libraries and Archives Activity and the Community Outcomes is demonstrated in the table below.

Community Outcome	Council's Role	How the Activity Contributes
Enhance our city	Invercargill's business areas are bustling with people, activities and culture.	Providing freely accessible shared community spaces which encourage social interaction and community cohesion.
	New residents feel welcomed and embraced by Invercargill culture.	Providing freely accessible shared community spaces which encourage social interaction and community cohesion.
Preserve its Character	Invercargill is celebrated for preserving its heritage character.	Collecting, creating and conserving content relating to local community culture, identity and history.
	Strong, collaborative leadership of the City is demonstrated.	The Library and Archives Service collaborates with and provides leadership for inner city initiatives.

Community Outcome	Council's Role	How the Activity Contributes
Embrace innovation and change.	Technology is utilised in both existing and new City services.	Providing access to the online world and the world at large through internet computers and access to Wi-Fi. Enabling members of the community to develop the appropriate skills and knowledge to be technologically competent and effective digital citizens.
	Residents of, as well as visitors to, Invercargill give positive feedback and have great experiences.	Programmes and events are provided for all ages.

How this activity achieves the Community Outcomes above is further developed in Section 3.3. Levels of Service.

2.2   BUSINESS DRIVERS

2.2.1   Regulatory Framework

Council operates under a number of legislative frameworks, the Local Government Act 2002 and Health and Safety at Work Act 2015 are the most prevalent to Council core business.

The Local Government Act is the overarching framework that regulates what Council's scope is as well as their ability to conduct day-to-day business.

The Health and Safety at Work Act ensures that as an employer we are meeting all requirements to care for our employees in a safe manner at all times.

Both aspects of legislation are paramount to the day to day running of business and most departments within Council will operate under specific provisions of both Acts, alongside any other relevant legislation.

There is no specific legislation covering provision of a library service however section 142 of the Local Government Act 2002 states:

142 Obligation to provide free membership of libraries

If a local authority or a council-controlled organisation provides a library for public use, the residents in the district or region are entitled to join the library free of charge.

Public Records Act 2005

The Act introduces a new recordkeeping framework, and focuses on supporting good government recordkeeping, in addition to the current emphasis on the disposal of records. Good recordkeeping is simply good management practice and is an essential part of efficient government, as it supports day-to-day operations as well as legal and administrative requirements.

The Archives Service works alongside the Records Management team to provide storage and preservation of Council records.

2.2.2 District Plan and Council Policies

Under provisions provided in the Local Government Act 2002, Council has the ability to create policies, bylaws and plans.

Council operates under a number of policies, some internal. These policies are reviewed regularly in line with legislative requirements.

Council currently operates under a number of bylaws, some that were created out of need to resolve nuisance and others that are requirements under the Local Government Act or were resolved to become a bylaw through Central Government.

Further, Council operates under a District Plan. This Plan is derived through the Resource Management Act 1991. It gives effect to national policy statements on a variety of environmental issues, and is about managing the use, development and protection of natural and physical resources in a way that enables the community to provide for their holistic wellbeing.

2.2.3 Long-Term Plan

The Local Government Act 2002, Schedule 10 requires the development of a ten-year Long-Term Plan. Activity Management Plans are the foundation to providing a robust basis for the long-term forecasts.

In 2014, an amendment to the Act inserted a statement that asset management planning should be a fundamental part of Council's prudent stewardship of community resources over the long term, a requirement to produce a 30 year infrastructure strategy for core assets. The Infrastructure Strategy is required to address:

➢   Identification of strategic issues and options.

➢   Outline how infrastructure assets will be managed.

➢   Indicative capital and operating expenditure forecasts.

➢   Significant CAPEX decisions – cost options for each.

➢   Assumptions on lifecycle, demand, levels of service.

The Activity Management Plan records the current and desired Levels of Service and determines the Maintenance and Capital Works Programmes and their associated budgets required to make assets meet their desired Levels of Service.

➢   The Long-Term Plan confirms Maintenance and Capital Works Budgets that are approved by Council to meet Community outcomes.

➢   Activity Management Plan underpins the activities in the Long-Term Plan and is implemented through expenditure programmes in asset areas. Adoption of the budgets for these programmes is carried out through the Long-Term Plan process. Changes to budgets for programmes may occur during the consultation process and adoption of Long-Term Plan budgets.

Variations between this Plan and the most recently adopted Long-Term Plan/ Annual Plan are recorded in the "Table of Changes to be Incorporated in Next

Review" at the beginning of the Plan. The consequences of any variations will be reflected in subsequent reviews of the Long-Term Plan/Annual Plan.

2.2.4   Activity Management Framework

The Asset Management System is the set of people, processes, tools and other resources involved in the delivery of asset management.

The Asset Management Policy (Appendix 2.01) outlines the principles, requirements and responsibilities for asset management.

The Asset Management Strategy (Appendix 2.02) set the asset management objectives, practices and audit and review processes.

2.3 STRATEGIC ISSUES AND CHALLENGES

The key corporate strategic issues and challenges facing the Invercargill City Council are:

➢ Meeting our long-term renewal expectations for infrastructure.

➢ Encouraging growth projects whilst ensuring financial and operational sustainability for future generations.

➢ Ensuring that Council works in a financially prudent manner that promotes the current and future interests of the community.

➢ The City's changing demographic profile and its ability and willingness to pay.

➢ Responding to the changing environment (both natural and technological) and retaining Invercargill's character including its built environment.

The key issues and challenges facing Libraries and Archives are:

➢ Changing customer expectations where library resources are expected to be available online 24/7.

➢ Rapid rise in new technologies while still providing access to older technologies.

➢ Changing demographic.

➢ Expectation to provide a greater range of programmes and resources.

2.4 KEY ASSUMPTIONS

The Long-Term Plan Background and Assumptions 2018-28 document (Appendix 1.01) lists the key assumptions which have been assumed are as follows.

Assumption	Level of Uncertainty	Area of Impact and Potential Financial Impact
Population The population will increase to 56,300 by 2028.	**Moderate** – risk that actual numbers will vary.	Infrastructure and Housing. Significant increases in population may create a demand for infrastructure and services beyond existing capacity. Significant decrease in population would adversely impact on the community's ability to fund current levels of infrastructure and services.

Assumption	Level of Uncertainty	Area of Impact and Potential Financial Impact
Household Growth An average of 2.3 people per household in 2038, requiring 2,300 more homes from the 2013.	**Moderate** – risk that actual numbers will vary.	Infrastructure and Housing. Significant increases in the number of households may create a demand for infrastructure and services beyond existing capacity.
Ageing Population Those 65 years and older will make up approximately 22% of Invercargill's population by 2023.	**Low** – increasingly older population is reasonably certain.	Council Services and Recreation Assets. An increase in the number of those people 65 years and older will increase the number of ratepayers on fixed incomes and may have an impact on the ability of the community to afford infrastructure and services.
Resource Consents Resource consents will be obtained with reasonable conditions and negligible impact on how Council provides its services.	**Moderate** – change is imminent but extent of which is unknown.	3 Waters Capital expenditure may be required if the conditions attached to resource consents require changes to how Council delivers its services.
Tourism and Visitor Numbers Tourism numbers will increase over the Long-Term Plan period.	**Low** – various city-wide endeavours to boost tourism.	Venture Southland, SMAG, Council Services and Recreation Assets. Significant increases in the number of tourists may create a demand for infrastructure and services beyond existing capacity. Significant decrease in the number of tourists would adversely impact on the commercial community's ability to fund current levels of infrastructure and services.
New Zealand Transport Agency That the NZTA Funding Assistance Rate will reduce by 1% each year until a low of 51%.	**Low** – NZTA have stated in plans that this will occur.	Roading. Lower than anticipated subsidies can result in service delivery costs needing to be met by other means or a decrease in the level of service.
Commercial Property The CBD will remain in the Esk Street area and will become more vibrant.	**Low** – risk exists due to uncertainty of CBD future, but Council has recently adopted a Retail Strategy and there has been recent investment in the CBD area both by Council and private investors.	Infrastructure, Housing and Roading. Significant decrease in the number of commercial ratepayers would adversely impact on the commercial community's ability to fund current levels of infrastructure and services.
Inflation Inflation will occur at the rates set by BERL as	**Moderate** – inflation forecasts are not always accurate.	Cost change factors are based on information developed for Council's by

Assumption	Level of Uncertainty	Area of Impact and Potential Financial Impact
LGCI forecasts.		Business and Economic Research Limited (BERL). Significant variations from these adjustments will be identified in future Annual Plans and Annual Reports.
Local Economy The local economy will grow and diversify.	**Moderate –** financial impact difficult to forecast.	Composition of local economy may diversify offering greater employment opportunities. Significant change to the economy, such as a large employer choosing to locate in the District, may require Council to review and change its current activities and levels of service. These demands will need to be quantified and an amendment to the Long-term Plan developed if the costs are significant.
Useful Life of Significant Assets Assets will reach the useful life indicated when supplied.	**Moderate –** asset lives based on estimates by Engineers and Registered Valuers.	A shorter useful life for assets would create a financial burden on the community.
Depreciation Council will fully fund renewal depreciation by year 10 of the Plan.	**Low –** asset depreciation rates will not change and the value of assets will remain constant.	Changes in the valuation of Council assets may have a significant impact on the cost of fully funding depreciation.
Asset Revaluation Council will use national standards in asset revaluation.	**Moderate –** value will remain somewhat constant over ten years.	Changes in the valuation of Council assets may have a significant impact on the cost of fully funding depreciation.
Vested Assets Vested assets will have a negligible impact on Council's overall infrastructure and finances.	**Low –** financial effect of uncertainty.	Level of vested assets fluctuates yearly. Historical levels have not been material.
Financial – Existing Funding Renewal Council borrowing facility will be renewed (three-yearly) with the terms and conditions mirroring market trends.	**Medium**	Council's terms and conditions for its borrowing facility have mirrored market trends in recent times.
Financial – Expected Interest Rates on Borrowing Interest on future borrowing has been calculated at 4.75% for 2018/19, 5.00% for 2019/20, 5.50% for	**Medium**	Higher than expected interest rates on borrowing will require Council to consider collecting a greater amount in rates to cover the additional interest costs or reducing the amount borrowed (and level of service provided).

Assumption	Level of Uncertainty	Area of Impact and Potential Financial Impact
2020/21 – 2022/23, 6.00% for 2023/24 – 2025-26 and then 6.50% for the remaining years. This is based on Council's current borrowing rates which are hedged for a number of years into the future, as well as consideration of economic forecasts.		
Financial – Forecast on Return on Investments Return on cash investments is calculated on the borrowing rate less 2%. Dividends and subvention payments from Invercargill City Holdings Limited are assumed to be at 10% of the total rates requirement.	**Medium**	Lower than expected returns on investments will require Council to consider collecting a greater amount in rates, reduce spending or increase borrowings to cover any reduction in income.
Local Governance Amalgamation will not occur during the life of the Plan.	**Low –** to continue shared services, although amalgamation is low risk.	Shared Services, Policy and Governance Boundary changes would require a review of the Long-term Plan with its associated community consultation.
Legislation There will be changes to legislation that have an impact on what and how Council provides services.	**Moderate –** difficult to know what central government will implement particularly if a change in government.	Services, Finances and Governance Significant legislative change can impose significant financial and service delivery costs on Council.
Natural Disasters There will be no major catastrophes that impact on Invercargill or its economy.	**High –** It is certain the Alpine Fault will rupture in the future but uncertain as to when and the impact.	Infrastructure, Services, Housing and Population A Civil Defence emergency in the District would impact financially on Council and the community. The financial risk to Council is reduced by maintaining insurance cover for emergency events.
Climate Change Climate change impacts will arise over the life of the Long-Term Plan and current trends will be allowed for when planning infrastructure and services.	**Moderate –** Long-Term trend of rising temperatures and more frequent intense weather events is reasonably certain, short to medium term impacts are less certain.	Water availability, coastal hazards (roading and infrastructure), services, air quality, agriculture, farming and biosecurity. The effect of Climate Change occurring more quickly than anticipated may require Council to review and change its current activities and levels of service. This could have a significant financial impact on the community.

Assumption	Level of Uncertainty	Area of Impact and Potential Financial Impact
Technology Changes in technology will affect how Council carries out its activities. This will have a financial implication over the 10 year plan.	**High –** certainty of diversification in technology is ever-growing. Impact of changing technology cannot be quantified.	Employment, Local Economy and Services (delivery) New technologies will likely have an increased financial cost in the short term.
Education S.I.T will continue to promote Invercargill to international students.	**Moderate –** education systems that exist are likely to remain stable.	Infrastructure, Services, Population and Housing
World Economy The world economy will not have a significant negative effect on the Invercargill City District.	**Moderate –** future financial changes are unforeseeable.	Infrastructure and Tourism A major event in the World Economy could affect Tourism and the implications of lower / higher tourist numbers would occur.

Assumption Area	LTP Assumption
Technology	Increasing use of technology and expenditure on digitisation and digital resources.
Ageing Population	Changing population demographics will require changes to resources budget and services aimed at older library users.

As assumptions deal with matters of uncertainty and complexity, actual results will likely vary, but are based on the best information available. If actual future events differ from the assumptions, it will result in material variances to this Plan. The Long-Term Plan Background and Assumptions 2018-28 document (Appendix 1.01) identifies the risks that underlie those assumptions, the reason for that risk and an estimated potential impact is the assumption is not realised.

The impact on Library and Archives Services if assumptions proved to be incorrect could include a reduced range of material, reduced visitor numbers, and reduced circulation figures. If amalgamation occurred there would be significant work needed on standardising policies and procedures and review of IT and staffing requirements. Any significant natural disaster would impact on library service and could lead to the use of a pop-up library as used in Christchurch following the 2011 earthquake.

3.   The Service We Provide

3.1   CUSTOMER PROFILE

3.1.1   Our Stakeholders and Community

The Library and Archives service has interest to a large range of internal and external stakeholders and customers listed below:

External Stakeholders	Area of Interest	Engagement	Customer Needs and Expectations
Invercargill Ratepayers	Operation	Consultation via the Annual Plan and Long Term Plan Analysis of customer service feedback	Library and Archives services
Invercargill Community	Operation	Consultation via the Annual Plan and Long Term Plan Analysis of customer service feedback	Library and Archives services
Southlib libraries – Invercargill, Oamaru, Dunedin, Central Otago, Lakes District, Clutha, Gore and Southland District	Shared services	Membership of Southlib consortia and attendance at quarterly meetings	Regional development and shared services
Southland Community	Operation	Consultation via the Annual Plan and Long Term Plan Analysis of customer service feedback	Library and Archives services
Iwi Groups	Operation with specific focus on culture and heritage	Liaise with local marae and organisations via the Community Connections Coordinator	Cultural heritage
Educational Institutions	Operation with specific focus on services for education sector	Liaise with local educational institutions via the Learning Connections Coordinator	Literacy including digital literacy
Cultural Institutions	Operation with specific focus on services for arts and culture	Feedback from organisations and in some cases a memorandum of understanding	Cultural heritage
Recreational and Community Groups	Operation with specific focus on services for recreation and the community	Liaise with local community groups via the Community Connections Coordinator	Supporting community groups with programmes and meeting

External Stakeholders	Area of Interest	Engagement	Customer Needs and Expectations
			spaces
Government Agencies e.g. National Library and Archives New Zealand	Operation with specific focus of contribution to New Zealand wide initiatives and collaborations	Membership of consortia e.g. EPIC, South Island Downloadable Zone, Any Questions and Memorandum of Understanding e.g. Approved Repository for Archives New Zealand	Library and Archives service reliability, cost

Internal Stakeholders	Area of Interest	Engagement	Customer Needs and Expectations
Councillors, Directors	Governance and leadership	Report	Public health and safety, service reliability, environment, cost
Finance and Corporate	Financial assistance and direction	Liaise	Financial accounting of assets
Building Assets	Building environment	Level of service agreement	Building environment meets expectations
Information technology	Technical support	Liaise	Data collection and reports

3.1.2   How We Engage our Communities

Council is currently developing an Engagement Strategy that will shape how each area of Council, including elected members and staff, will engage with our Community in the future. It is anticipated that the Engagement Strategy will assist in delivering positive outcomes to the Community by identifying how the different groups within our Community wish to be engaged on different topics.

Although developing an Engagement Strategy, Council already engages with the District's ratepayers on a number of levels:

➢   Regular use of the Consultation Caravan where members of the public can pop in to ask questions of elected members and staff.

➢   Public Forums at Council and Committee meetings.

➢   Public requests to be heard as a specific Agenda item.

➢   Regular features in the newspapers and rates newsletters which inform ratepayers of issues.

➢   The City Focus radio show that highlights current topics that the Council is addressing.

➢   The Mayor holds appointments with residents who wish to raise issues of concern.

> ➢ Community Engagement processes when Council is considering making a significant decision.

> ➢ Formal consultation through the Special Consultative Procedure for issues such as the Long-Term Plan and some Bylaws.

> ➢ Facebook page where individuals can ask questions and express opinion to Councillors and staff.

The Library and Archives activity also engages with the community by:

> ➢ Website feedback form.

> ➢ Library Facebook page where individuals can ask questions and express opinions.

> ➢ Suggestion box in Library foyer.

> ➢ Feedback from events and programmes.

> ➢ Community engagement for significant issues.

From 2017 the Library and Archives Service will also engage using an annual internal survey.

3.1.3   Community Research

In 2014 the Council carried out a Customer Service Satisfaction Survey (Appendix 1.02), to provide information on ratepayers and residents' assessment of Council's services. In 2016 a second research project (Appendix 1.08) was undertaken to understand:

> ➢ What residents want from Council activities
> ➢ How they perceive the value for money of those activities, and
> ➢ The level of service desired

Although the 2016 project had a slightly different focus where possible the progressive results have been documented, from both the customer survey and research project, combined with expert knowledge of the service individual activity managers have to help establish a foundation of levels of service statements.

Customer requests for service are logged by customer service staff and attended to by the activity. This information is another platform which can be used to understand the community requirements.

As part of the library upgrade plans further consultation was undertaken in February 2017 with further layout options provided. Council provided direction on the preferred option which is now included in architects drawings.

3.1.4   Key Service Attributes Valued by Customers

Customers see the following as the most important attributes in customer surveys:

> ➢ Being up to date with users' needs
> ➢ Increase quantity/variety of resources
> ➢ Renovate library décor
> ➢ Access to free internet and Wi-Fi

> ➢ Service from library staff

3.2 SERVICE DRIVERS

3.2.1 Community Expectations

Libraries are expected to provide connections to knowledge and ideas, anytime, everywhere, enabling individuals to turn knowledge into value, participate as citizens and strengthen their communities' role by:

➢ Fostering the joy of reading and supporting the development of literacy in all its forms.
➢ Enabling independent lifelong learning, research and innovation.
➢ Providing community-based services for all, in places that are at the heart of the community.
➢ Collecting, creating and making available local content and history.

3.2.2 Legislative Requirements

There are no specific legislative requirements for the provision of Library Services.

3.2.3 Industry Standards and Guidelines

In the case of Library Services while there are no specific legislative requirements the LIANZA Standards are regarded as the industry standard.

Standard/Specification	Content/Purpose	Impacts on Levels of Service
LIANZA Standard for New Zealand Public Libraries 2004	Includes international standards and local conditions to provide Standards which should be achievable by virtually all NZ public libraries, and need to be achieved to give New Zealand citizens access to information and culture at an international level.	Opening hours Collection levels Staffing levels Library spaces
AS/NZS ISO 4789 (International library statistics) and AS/NZS ISO 4789 Annex A (Measuring the use of electronic library services)	Allows us to make comparisons between library services in New Zealand, Australia and Canada.	Benchmarking statistics
Maintenance of public archives - Instruction to approved repositories	Specifies requirements for the maintenance of all physical (non-digital) public archives that have been transferred to the control of all approved repositories authorised under the Archives Act 1957 or the Public Records Act 2005.	Provide access to increased range of Southland archives

3.3   CURRENT LEVELS OF SERVICE

The Levels of Service provide a measure to evaluate the key performance indicators of the Library and Archives Service. All the Levels of Service can be measured via data collected either through the Library Management System, via security gate counters, and reports from digital collections. These measures allow the activity to be monitored both as a snap shot of current levels of service and the ability to trend levels of service and operational changes over time.

3.3.1   Current Customer Levels of Service, Performance Measures and Targets

How the Activity Contributes	Customer Level of Service	Measure of Service
The Libraries and Archives activity supports lifelong learning, digital literacy and reading across all ages and abilities. This ensures that we have an informed community and workforce.	Libraries collections, both digital and physical, are of good quality, quantity and variety	Number of issues per year
Library investigates and uses technology to enhance collections and make service delivery efficient and affordable	Library collections, both digital and physical, are of good quality, quantity and variety	Level of reference enquiries
Library and Archives are a welcoming and safe space for all members of the community	Services offer a good experience for all users	Number of visits per year
Library membership is free	Libraries are accessible and available to the wider community	Membership as a percentage of total population

3.3.2   Current Technical Levels of Service, Performance Measures and Targets

Measure	2016/17 Target	2016/17 Result
Number of issues per year	615,000	596,507
Level of reference enquiries	85,000	109,468
Number of visits per year	525,000	504,984
Membership as a percentage of total population	65%-75%	71.83

3.4   LEVELS OF SERVICE ISSUES AND CHALLENGES

3.4.1   Current Levels of Service Gaps

The fundamental principles and core role of public libraries in society have remained relatively constant over time. What is changing however is how libraries deliver their services in order to meet the needs of their communities and where they focus their resources. Libraries will be in a transition period for some years, needing to support traditional book-based services while at the same time moving their library services online and mobile. Libraries must also retain old technology to access materials in formats such as microfilm and video until these can be converted into a digital format. Library spaces will still house and provide physical and unique materials, but the main reasons for library visits are changing to seeking experience, creativity, face-to-face social connectedness, guidance and expertise. The current measures of service remain relevant although targets may be reassessed in light of further information. A measure not included is the number of programmes run and the attendance at these programmes.

Baseline	Measure	2018/19	2019/20	2020/21	2021-28
615,000	Number of issues per year	600,000	600,000	585,000	585,000
85,000	Level of reference enquiries	85,000	85,000	85,000	85,000
525,000	Number of visits per year	520,000	520,000	515,000	515,000
65-75%	Membership as a percentage of total population	65-75%	65-75%	65-75%	65-75%

The future direction of Libraries and Archives is influenced by a number of factors. Over the next few years Invercargill will experience change in population demographics, new technologies and media will develop at an ever increasing rate, and there will be continued pressure on budgets. Libraries will need to focus their energy and resources on those areas which will deliver the most value and achieve the best outcomes for the Invercargill community.

This identifies a level of service that can measure how Libraries and Archives can:

➢   Concentrate on customer and community connection through programmes and services which inspire learning and participation.

➢   Highlight Invercargill and Southland heritage by increasing the access and visibility of our heritage and archive collections.

3.4.2   Possible Responses to Gaps

Possible responses could include:

Service We Provide	How We Measure Success
Programmes and events	Increase community connections through programmes and events which inspire learning and participation
Accession of archive material	Increase access to archive collections
Digitisation of heritage materials	Increase access and visibility of heritage collection

3.4.3   Summary

New Measure	2017/18 Target
Number attending programmes and events	(new measure)
Accession of Archive material (including digital material)	(new measure)

4. Demand for Our Services

4.1 DEMAND FORECAST

4.1.1 Factors Influencing Demand

Libraries are reaching wider audiences through moving services to online and mobile environments. Library buildings are transforming to be not only where residents come to get ideas and information but also to be an experiential place where they can connect with others to create and share knowledge, and learn about new ideas in a social context. Some government departments are now referring clients to the public library as a place where those who do not have their own individual access to the internet can connect with government services. In recent years, there has been a paradigm shift in the way that 'core' library functions are viewed. These have shifted away from those that are process driven (e.g. cataloguing and book processing) to customer service and ICT services. In order to maintain relevance in the future, Invercargill City Library and Archive Services must focus on value added services.

Statistics New Zealand predict that Invercargill's population will increase to 55,500 by 2028, an increase of approximately 9.4% over the 2017 number (source: Statistics New Zealand). Changing demographics will also influence demand on the activity as an aging population will require different or modified services in order to meet their requirements. The other major factor influencing demand is changes in technology and expectations that arise from that.

Demand Factor	Impact on service	Ability to meet demand	Management Strategy
Population growth	Increasing collection requirement. Increasing staff levels. Increasing space requirement.	Monitor circulation trends. Monitor visitor numbers.	Continue to modernise service delivery with current resources. Library upgrade budgeted for in 2018/2019.
Aging population	Greater requirement for accessible collections e.g. audiobooks and large print. Greater need to avoid high and low shelving.	Collections team monitors specific collection budgets looking at turnover rates. Shelving has been changed in large print areas.	Continue to maximise service delivery with current resources. Monitor shelving in other areas especially non-fiction.
Customer expectations	Increasing focus on libraries not just as spaces for library resources but also as places for people and activities – community focal point.	Currently have new positions with community focus.	Library upgrade to include more flexible spaces and include a makerspace, teen area and specific quiet zone.

Changes in library use	Anticipated increasing use of technology to deliver resources and services – specialist staffing skills required.	Training provided to current staff and taken into account when employing new staff.	Continue to maximise service delivery with current resources.
Changes in technology	Anticipated increasing use of technology will change demand for collections to be available online.	Currently part of consortia for supply of eBooks and eAudio.	Investigate online resources for magazines, music and video.

4.1.2   Projected Growth or Decline in Demand for the Service

The current level of services includes a combination of membership, circulation, visits and enquiries. The most recent results have seen a 2.4% decrease in circulation and 1% decrease in visits but reaching targets for membership and enquiries. It is expected that demand will remain reasonably static even with an increase in population as there is a move from physical visits to virtual visits. E-circulation has increased by 6% and this is reflected in the changes to library collections budgets. Expenditure has increased on electronic materials and services but there still remains only a slight decrease in the demand for printed books. There has been recent decline in the circulation of multimedia. This is now available via streaming content online and it is expected the collection will change to reflect this. The rental charge for music CDs was removed after streaming became popular. This resulted in increased circulation and in the future the rental charge for the DVD collection may have to be reduced or removed. The increase in electronic resources also requires additional staff support for library users in the use of new technology and with the programmes provided to support their use. Meeting space use has increased by 79% with a wider range of community organisations now using a variety of spaces.
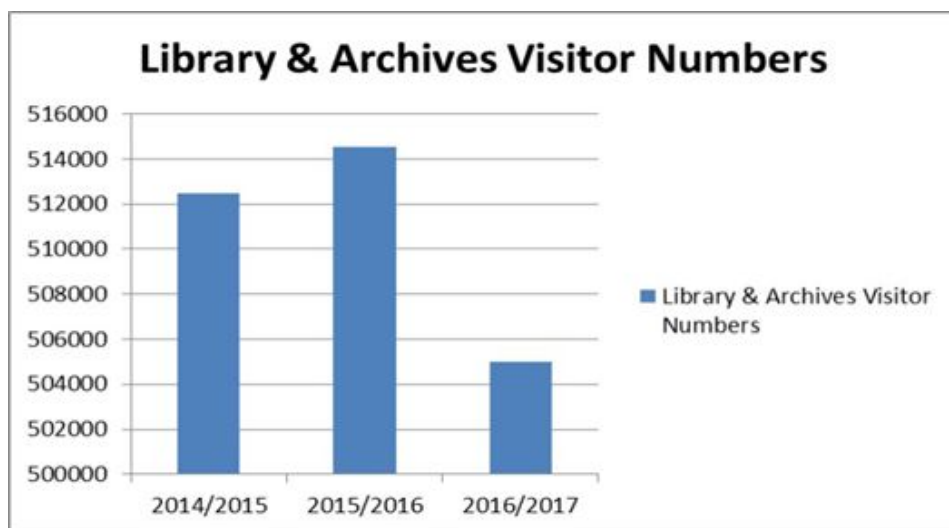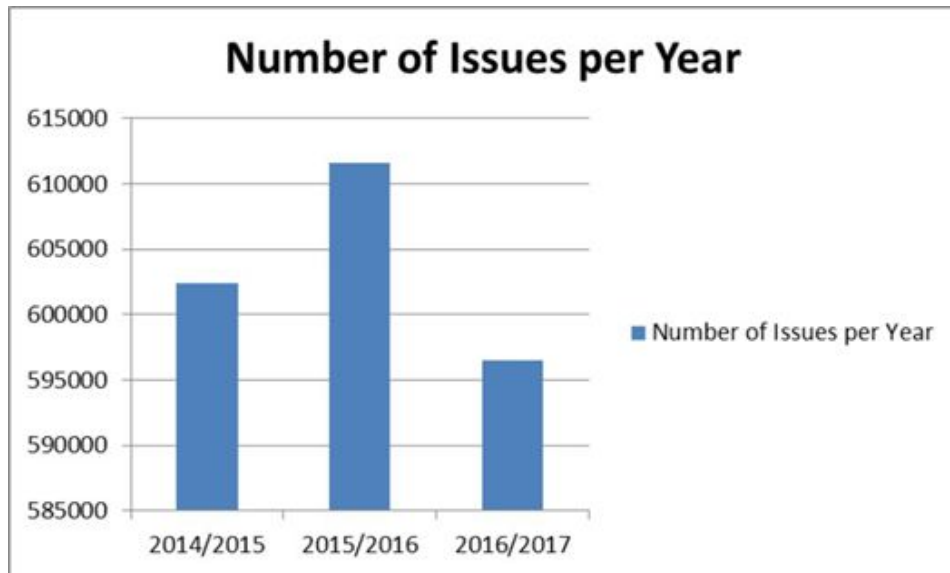
4.2   CHANGES IN SERVICE EXPECTATIONS (FUTURE LEVELS OF SERVICE)

Options for demand management are limited given the very nature of the library service which is to maximise people's use of the library service and its resources. Therefore, encouraging people to reduce the amount of time they spend in libraries is not appropriate or realistic, and would ignore the roles of a public library and the expectations of its users. Instead strategies designed to reduce the impact of the demand need to be considered. One possible strategy investigated involves changing user preference away from traditional books to electronic books and other on line information sources. Electronic information does not require the space physical books do and so eases the pressure on space needed for book display and storage.

Users have come to expect that anything they want to know will be found on the Internet. It is safe to predict that the public will continue to demand more from the library in technology and will not use the library if the library does not respond. As new technologies become available the Library is a place for customers, either physically or virtually, to experience these new innovations and apply this learning to their personal goals, civic and e-government responsibilities, educational and recreational needs. Libraries see an increase in demand for assistance in learning new technology and help in navigating current and emerging social media sites such as Facebook, Twitter, Instagram, and other applications. Library Services have partnered with the 20/20 Trust to provide access to Stepping UP - a range of IT based courses.

4.3   EXPECTED IMPLICATIONS FOR THE ACTIVITY

At this stage the majority of circulation is still of physical material. Of the total circulation for 2016/201, 3.2% was for eResources though this circulation has increased 43% from 8,244 in 2012/2013 to 19,163 in 2016/2017 and this is expected to continue. Increasing the proportion of electronic collections has implications for revenue for libraries as currently there is no adequate system for charging for electronic collections. However, increasing the proportion of electronic collections will lead to a reduction in the processing and cataloguing costs associated with providing physical stock.
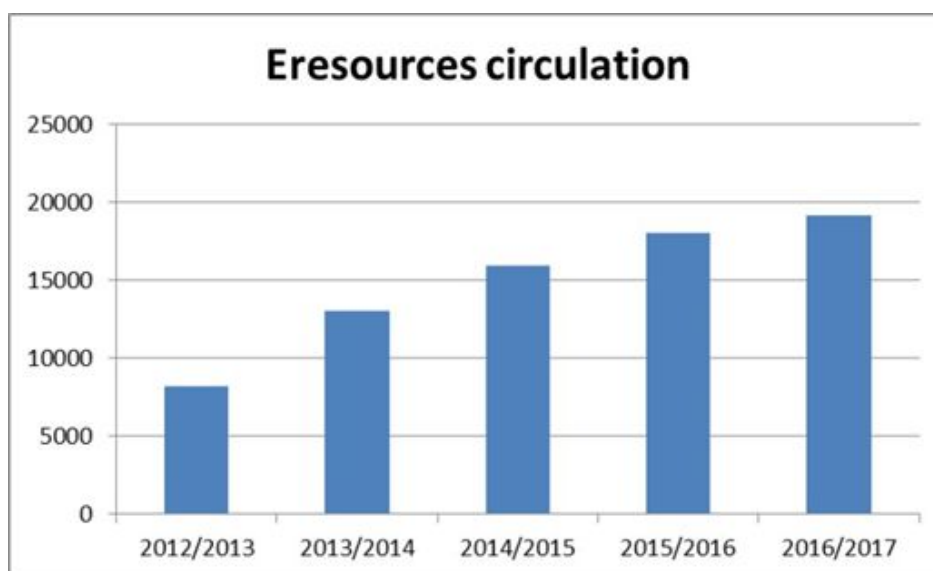
The provision of internet facilities is regarded as a core service of public libraries. Public internet facilities improve equity of access to the online world and fit with libraries' role of providing access to information and assisting members of the community to develop their skills and knowledge. Public internet services at both Invercargill and Bluff are provided by Aotearoa People's Network (APNK). APNK is funded by Department of Internal Affairs through the National Library of New Zealand. With the trend towards increasing ownership of mobile devices and use of Wi-Fi it is likely that the number of PCs provided for public internet use will reduce over time resulting in reduced hardware replacement costs. There will be increased delivery of digital services via the library website following increased digitisation of material in the library's heritage collections.

4.4   FUTURE DEMAND ISSUES AND CHALLENGES

4.4.1   Possible Demand-Related Responses

Demand management can also be addressed in the following ways:

Demand Management	Possible Response
Regular reviews of the fees and charges for services and collections	Demand can be influenced through pricing policy. Option to remove fees for children and fees for multimedia.
Review of the lending policy for collection items to ensure they allow for maximum access and equitable use of the collection	Demand can be influenced by altering lending policy. Option to decrease lending period from 28 days to 21 days.
Promotion to increase the awareness of library services and collections	Demand will increase. Attendance at programmes and events will increase.
Increasing electronic resources for reference, fiction and non-fiction material, and decreasing printed versions	Demand will increase in selected areas and decrease in others.
Targeting purchasing to high demand and popular material, and reducing spend on low use items	Demand will increase. This may reduce breadth of collection and increase use of interlibrary loan service.
Review of library functions and target audience including service area demographics	Demand will increase in selected areas and decrease in others. Option to increase programming for older adults which could

Demand Management	Possible Response
	mean reduced programmes for children.

4.4.2   Possible Non-Asset Solutions

➢   Increase the user charges is not preferable as it would decrease circulation and decease access to collections

4.4.3   Managing Expectations

The rapid development of technology has contributed to a growing community expectation that services should be available on demand at any time which is convenient to the user. Consequently, there is an increasing demand for online services which can be accessed outside of library opening hours. We will respond to this demand by increasing the availability of electronic resources and increasing the range of services available through the library website.

The growing influence of technology in everyday life has created an expectation that libraries will provide access to computers and space for use of laptops and mobile devices. There is also demand for training courses and support for those who are new to using computers and electronic resources. The library will continue to provide public computing facilities and support and training courses for technology users. The delivery of technology support and training courses will be increased according to demand and the availability of staff resources.

There is a shift of focus from libraries being just places for books to including a wider role as community hubs for learning, engagement and interaction. Use of library spaces has evolved to include study, socialisation, meeting and relaxation as well as the more traditional reading and book related activities. Libraries need to be flexible and adaptable spaces to accommodate the changing needs of the community. It is considered that the Invercargill library has sufficient space to meet demand for the next 10 years. Funding for changing the spaces to make them more flexible has been approved by Council in 2017.

There are changes in the way people undertake study and learning. There is an increase in the availability of online, self-directed study, leading to an increased demand for access to information and education resources through the public library. Our response will be to increase the availability of electronic resources. Additional resources will also be purchased for the library's physical collections to satisfy demand. Changes in technology and particularly the growth in the availability and use of e-books have seen an increased demand for material in digital formats. While the use of the library's physical collections is expected to reduce over time as users choose more electronic resources, people are still expected to want free access to physical resources. We will respond to this demand by increasing the availability of material in digital formats. There will be some consequent reduction in the funding for the physical collections.

5.   Asset Profile

5.1   ASSET OVERVIEW

5.2   ASSET DESCRIPTION

Asset information for the Invercargill Public Library building is available in the Building Assets Management Plan.

Funding for renewal of the library collections is allocated annually. New material is purchased to replace old, worn and outdated material and to ensure that the level of service for the provision of physical resources is maintained.

Over time there has been a significant shift in collection storage practices. Changes have been made from storing all library collection items in libraries on a just in case it is needed basis, to taking more of a just in time approach to collection management. This has enabled the ratio of collection items being held in libraries to be reduced in order to increase both the browsability and retail approach, and to provide more flexible spaces for computer access, events, programmes and related experiences.

Libraries and Archives collections are made up of:

Library Collections

Description	Number of Items
Art Print	1
Music CD	2,540
CD-Roms	43
DVD	7,166
ESOL (now included in Non fiction)	4
Fiction	27,839
Graphics	4,347
Games	315
Hot Picks	194
Hot Pick Multimedia	168
Emergent Readers	1,163
Junior fiction	10,973
Junior Non-fiction	6,637
Junior Picture Books	6,844
Shaw Collection	538
Junior Audiobooks	853
Local Collection	7,488
Large Print	6,634
Magazines	421
Newspapers	55
Non-Fiction	24,441
Playstation	452
Puzzles	377

Description	Number of Items
Reference	4,049
Research	14,556
Audiobook Fiction	1,277
Audiobook Non-Fiction	292
Video	13
Wii	93
Xbox	298
Young Adult	3,833
eBooks/eAudio	12,937
	146,841

This does not include the heritage collections which include newspapers (e.g. Southland Times, Southland Daily News, and Nokomai Herald) and special collections (e.g. St Andrews Collection, Government publications, Southland Choral Society Collection, Male Voice Choir Collection and Deborah Wai Kapohe Collection).

Archives Collections

Description	Number
Council Archives	508 linear metres
Community Archives	630 linear metres (521 individual agencies/groups/clubs)
Southland Oral History Project	303 digital recordings
Library Collections	781 linear metres (heritage newspapers, stack items)

Other Library and Archives assets include plant and equipment, furniture and software. The most significant of these is the shelving. The Library shelving enables the library books to be displayed in a way that is accessible to Library users. The shelving is powder-coated steel which because of its location has a long life (though they have a financial useful life of only 10 years). The general condition is good. Dating from 1989, replacement is difficult as both the sizing and configuration of shelving has changed. The libraries now have a mixture of imperial and metric shelves which are incompatible, placing restrictions on how and where they can be used. There is also a mixture of free-standing units and wall-mounted shelves. In 2011 four mobile shelving units were purchased to display high demand and new library items and can be moved when required to provide more space and ideally more mobile shelving units would be purchased.

The key Library specific IT software is the Symphony Library Management System which brings together all of the data and the processes of the Library in a unified system. The Symphony Library Management System is a product of the American-based SirsiDynix Company, and is used throughout the world in thousands of libraries. It is the most commonly used system in New Zealand public libraries. The Symphony system is reliable and efficient with acceptable levels of downtime (1-2 instances per year).

5.3   CRITICAL ASSETS

5.3.1   Asset Criticality Criteria

Criticality Rating	Asset Importance	Consequence of Failure
5	**Extremely important** The asset serves the most important city-wide function for this network or asset portfolio and is essential to ongoing operation (eg single water treatment plant, a single bridge link to the city, regionally significant park, Council HQ building, etc.)	**Catastophic** Failure would have severe and long-lasting adverse impacts on many if not most of ICC's customers and stakeholders, affecting outcomes such as public health and safety, economic well-being, and environmental sustainability. Availability of suitable alternatives is limited.
4	**Very important** The asset serves a major function within the network (e.g. an arterial road, large trunk main, one of a small number of water reservoirs in the city, Museum, etc)	**Extreme** Failure would have major adverse impacts on many customers and stakeholders; and/or significant adverse impacts on the economy and/or the environment.
3	**Important** The asset serves an important suburban function (e.g. a Collector road, minor pumping station, distribution main, suburban pool, park, housing or community building)	**Major** Failure would have some adverse impacts on significant numbers of customers, and/or some adverse impacts on the local economy or the environment.
2	**Minor Importance** The asset serves a primarily local function (e.g. a local road, pipe serving several streets, small community facility)	**High** Failure would have minor adverse impacts on some customers; and/or minor adverse effects on the local economy or the environment.
1	**Not Important** The asset serves a minor local function (e.g. a water pipe serving a single street, small local reserve, etc)	**Moderate** Failure would have little to no adverse impacts on customers and no impact on the local economy or environment.

The following two items have been identified as being critical.

➢   Library Management System – any outage for longer than two days maximum would require closure of the libraries.

➢   Condition of library buildings – e.g. major leaks in roof, failure of air conditioning systems would seriously affect the ability to deliver library services.

5.3.2   Identification of Critical Assets

The Library and Archives Disaster Management Plan has also identified a number of critical assets and tagged where they are stored. These are identified in Appendix 6 Priority Salvage List in the ICLA Collection Recovery Plan (Appendix 9.03).

5.4   ASSET CONDITION

5.4.1   Summary of Current Asset Condition

Collections are continuously monitored and currently the majority of collections are less than 10 years old.
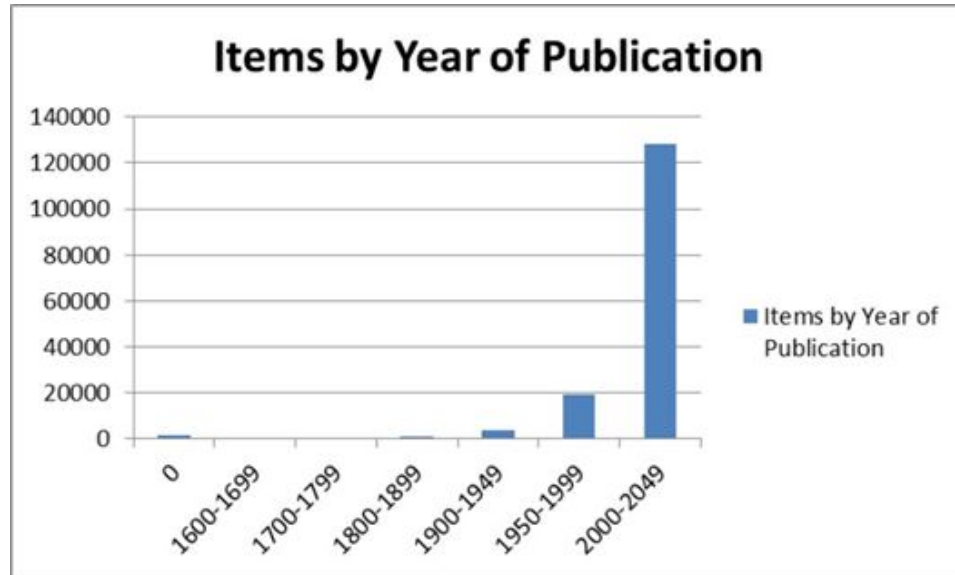
Table 6

5.4.2   Condition Monitoring

Selection for collections are regularly reviewed and the following general criteria may be applied:

- ➢   Accuracy, reliability, and currency of information
- ➢   Anticipated or expressed demand
- ➢   Present and potential relevance to the local community
- ➢   Authority, reputation, and qualifications of the person responsible and publisher
- ➢   Effectiveness and suitability of format in communicating content
- ➢   Known popularity of author and/or literary or artistic merit
- ➢   Cost and value for money
- ➢   New Zealand, Pacific, or local content and/or relevance
- ➢   Shows cultural diversity
- ➢   Provides alternate opinions or points of view
- ➢   Suitability for public library use
- ➢   Quality of production
- ➢   Multiple copies may be purchased, depending on demand
- ➢   Intrinsic value of the item

Deselection and disposal:

Deselection is the continual process of evaluating, deselecting, and discarding and is as important as selection in maintaining a relevant, high quality collection.

All collections are subject to a regular programme of deselection. An exception may be made in special cases such as Local Collection.

The following criteria may apply:

➢ Balance in content and format across the collection
➢ Item and collection usage
➢ Historical or research value
➢ Outdated content
➢ New edition
➢ Duplication of item or of information
➢ Cost of repair
➢ Physical condition
➢ Format
➢ Current trends in libraries
➢ Series will be evaluated as a whole

Items are evaluated in terms of their value to the community, and may be moved to other collections, moved to storage or disposed of. The limited space available for the collections means that it is not possible to keep everything.

5.5 ASSET CAPACITY AND PERFORMANCE

5.5.1 Capacity and Utilisation

The library collections have in the last two years undergone targeted reduction. Internationally, stock in libraries that has a turnover of less than 2% is removed from the publicly accessible collection. Some formats have been disestablished – e.g. audiobooks on cassette – and in the future this may extend to music CDs. New Plymouth Library has recently withdrawn its Music CD collection. As part of the layout changes all storage areas were reviewed with lending items now stored in one area allowing remaining storage areas to be utilised to extend cramped collections such as Young Adults and extend the Learning and Activity area to include a Makerspace.

The Archives Service has 3600 linear mobile shelving metres on the ground floor with remaining available shelf space of 1,143 linear metres or approximately 68% used and 32% not used. On the first floor all space is being used with 54 m^2 set aside for use by Invercargill Public Art Gallery.

5.5.2 Performance

Growth of the library collections is driven by the Level of Service and population growth. We will monitor population growth to assess how we are meeting the Level of Service.

5.6 SUMMARY OF ASSET TRENDS, ISSUES AND CHALLENGES

Data from the Library Management System (LMS) on use of the collections and individual items within the collections as well as feedback and suggestions for purchase from library users is used to identify areas of demand and usage trends. Stock is selected to reflect the reading tastes and information needs of the local community. By providing a combination of new and older titles in the different collections the library should be able to cater for the majority of everyday demands from the community in terms of subject coverage and depth of treatment. Demand for more specialised materials is met through use of the Inter-library loans service. There has been an increased use of libraries as community spaces. This has been reflected in an increased use of the bookable spaces by over 70% in the last financial year. The majority of this is by non-profit groups and if this continues to increase following the library upgrade there

will have to be a consideration of having a small fee for non-profit groups to manage access.
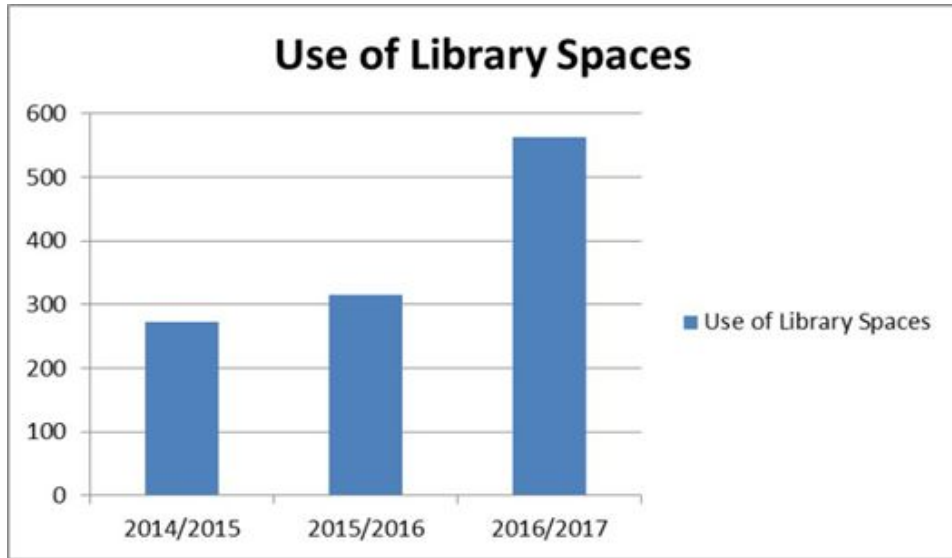
Table 7

6. Sustainability, Risk and Resilience

6.1 SUSTAINABILITY

The Local Government Act requires Council to take into account the social, economic and cultural interests of people and communities, the need to maintain and enhance the quality of the environment and the reasonably foreseeable needs of future generations by taking a sustainable development approach. Sustainability can be defined as:

> *Development which meets the needs of the present generation without compromising the future generation from meeting their own needs*
> *(Brundtland Report, 1987).*

Libraries and Archives Services have been provided by Council since 1871 with the Invercargill Borough Council taking control in 1916.

Wachner Place	1871-1964
Don Street	1964-1989
Dee Street	1989-present

A core library function is to circulate books, periodicals, audio, video, electronic and other materials that provide the information, education, entertainment and enrichment resources that people need.

At the Library and Archives Services activity level, a sustainable development approach is demonstrated by the following:

➢ Ensuring minimal impact on the environment by the activity.

➢ Ensuring that the city's likely future Library Services requirements are identified at an early stage and that they, and the financial risks and shocks, are competently managed over the long term without the Council having to resort to disruptive revenue or expenditure measures.

Strategic partnering may enable the levels of service for programmes and literacy events to be maintained. Library Services have partnered with Heritage South, Dan Davin Literary Foundation, Storylines, New Zealand Book Council, Ministry of Education and New Zealand Society of Genealogist to run programmes and events. This is expected to continue and grow.

It is unlikely that the Libraries and Archives would have negative effects, but if it did, the negative effects would be from the nature and content of the resources supplied by/accessed through the libraries.

Positive Effect	How We Provide This
Access to knowledge	This is the key service that libraries offer – thus contributing to the sustainable development of the City by contributing to the economic, social, cultural and environmental well-being. People read, listen, view and interact with a wide range of quality books and media for education, recreation, entertainment and interest. Individuals and the community benefit from the development of literacy, creativity, imagination, the growth of knowledge and the replenishment of the

Positive Effect	How We Provide This
	human spirit.
Community Public Space	Libraries are a venue in which groups and individuals can participate in community activities. They produce a "living room away from home" that people can use and relax in. They provide people with a welcoming and familiar place in which to gather and use resources for creative leisure.
Heritage	The Library and Archives is the discovery place for our recorded Taonga, history and culture. Digital archives, oral archives, original and precious documents are preserved for use now and in the future. Both Māori and non Maori cultures and history are valued and reflected in the collections, services and management of the Library
Assets	The Council has, over many years, acquired a large number of library assets that have formed a significant investment in communities.

Potential Negative Effect	How We are Addressing This
Negative cultural effects could arise from the perception that the low usages of libraries by Maori (nationwide) indicates that libraries serve predominantly non-Maori needs.	A Community Connections Coordinator role has been created with a primary focus on increasing connections with local iwi.
Libraries have not yet catered sufficiently for people who speak English as a second language, although there is an awareness of the need to develop a multilingual resource especially with the increased number of Spanish speaking population.	A languages collection is under investigation as part of the review of the Collection Development Policy.
Unanticipated abuse of the internet service, either through criminal activity, or through access to objectionable material. This may result in a decrease in membership (especially of children and youth) and a poor reputation based on a loss of community trust.	Currently, this is managed by placing the terminals with internet access adjacent to the Information Services Help Desk. This provides continuous policing of the terminals. The service is supplied through the Aotearoa Peoples Network Kaharoa (APNK) who administer security and provide filtering software.

6.1.1   Social and Cultural

Library resources are available to all in the community to support life-long learning and recreation. Access to PCs and Wi-Fi through the Partnership with Aotearoa People's Network Kaharoa (APNK) enables members of the community to develop skills and knowledge to be technologically competent. Freely accessible shared community spaces encourage social interaction and community cohesion. Reading programmes, the encouragement of reading and support for new readers of all ages helps to develop a literate, knowledge-based society. Education and training programmes and assistance for schools and school-aged children supports life-long learning and recreation.

6.1.2 Environmental

Libraries and Archives Services seek to reduce energy consumption and identify alternative sustainable practices in its operation. Recycling options are provided and as part of library upgrade LED lighting is to be installed to reduce energy consumption. As new technologies come viable these are investigated and where rational alternatives are discovered these are implemented into the facility.

6.1.3 Economic and Financial

Libraries and Archives Services is funded by rates and user charges. The ongoing operational expenditure of the facility also includes internal charges to cover building charges, infrastructure and financial overhead charges. Planning for economic and financial sustainability means that operational expenditure must be balanced against the benefits that they will offer whilst ensuring the continued affordability of the activity for ratepayers.

6.1.4 Summary of Sustainability Challenges and Issues

Council presently does not directly measure the sustainability of the Library and Archives Service. However the future approach to sustainable management for the Library and Archives activity will include the following:

- ➢ Efficient use of energy within Council's Library facilities.
- ➢ Waste reduction measures from the site to ensure reuse or recycling occurs.
- ➢ Efficient operation of Library Service.
- ➢ Optimisation in the initiation of major capital and renewal projects.
- ➢ Future development of a Council policy on sustainability.

6.2 RISK

The Council recognises that it is obliged to manage effectively and to review regularly its risks at a strategic, operational and project level. The Council has done this by developing a Risk Management Framework and a range of risk management processes that apply across the organisation. Risk assessment is a major consideration in planning and budgeting processes at all levels within the Council. Risks must be considered and documented as part of the justification for undertaking our activities. Risk assessment and monitoring must form part of the management of operational activities. The Chief Executive and the Council encourage the taking of controlled risks to better improve the effectiveness and efficiency of the services and functions that the Council provides on behalf of the community, provided the resultant exposures are acceptable.

6.2.1 Risk Framework/Standard

Council has previously adopted a risk management process that is consistent with Australian/New Zealand Standard AS/NZ 4360 which defines risk assessment and management. The key risk criteria adopted for assessing the consequences of identified risks are:

- ➢ Community Health and Safety.
- ➢ Loss of Service – Extent/Duration.
- ➢ Service Delivery – Customer Impact.
- ➢ Invercargill City Council Financial Impact.
- ➢ Financial Community.

➤   Corporate Image and Reputation.
➤   Legal Compliance.

The Corporate Framework for assessing Risk is included in Appendix 1.09.

It should be noted that Council is undertaking an organisation wide review of risk management practices in the 2018/19 financial year and this may impact on how risk is assessed and managed. Results from this review will be included in Management Plans where necessary and risk assessments will be updated as required.

6.2.2   Critical Assets Decision-Making

Critical assets are "those which have a high consequence of failure, but not necessarily a high probability of failure". This is important as it draws attention to those assets which are the most important, irrespective of the likelihood of failure of the asset. Critical assets typically require more proactive management to minimise or eliminate this risk.

The likelihood of failure of an asset is often difficult to assess, however condition and age are parameters that provide an indication. The worse the condition of the asset, the more likely it is to fail.

Assets which are both extremely critical and more likely to fail should have higher priority and be replaced or rehabilitated earlier in their lifecycle than others, and at lower levels "run to failure" may be perfectly acceptable.

Library assets are generally considered to be non-critical.

6.2.3 Risk Identification and Assessment

Strategic Outcome	Level of Service Indicator	Caused By	Health and Safety (0.20)	Service Delivery – Customer Impact (0.15)	ICC Financial Impact (0.20)	Financial – Community (0.15)	Corporate Image and Reputation (0.10)	Legal Compliance (0.20)	Weighted Averaged Consequences Score	Likelihood	Risk Severity	Current Practice	Recommended Actions
	Closure of Invercargill Public Library.	Power outage.	1	5	1	1	1	1	1.6	B	M	Risk beyond Council's control. Service provider not able to provide power. Service usually returned within one hour.	Install genset
	Serious harm incident to a member of the public.	Trip, fall or the building not complying with the Building Act safety requirements.	6	4	5	4	5	4	4.7	F	M	Regular checks undertaken. Warrant of Fitness for building is current.	Continue current practice.

There are no significant negative effects from the activities. The main negative effect is the cost on ratepayers associated with delivering the activities. To mitigate this effect staff are continually reviewing the way they deliver these activities to ensure they are delivered cost effectively.

6.2.4   Summary of Key Risk Issues

Risk Event	Mitigation Measures
Loss of information following natural event, technology breakdown or security breach	*Current* • Electronic backups • Information systems security • Library Management System (LMS) provider Business Continuity Planning
Earthquake causes significant damage to Library buildings	*Current* • Design Standards • Seismic assessment completed for Library buildings • Evacuation plans
Failure to adequately manage collections to meet community needs	*Current* • Collection Management Plan • Information from LMS • Annual Community Survey • Suggestion forms from library users
Loss of access to key electronic resources at end of contract with supplier	*Current* • Use a range of suppliers • Use a combination of both purchase and access models for resources

6.2.5   Possible Approaches to Risk Mitigation

A risk management approach alone is not sufficient and needs to be complemented by a resilience approach to events that fall outside of the realms of predictability and where failure may be inevitable.

6.3   RESILIENCE

The working definition of resilience to Invercargill City Council is the ability of the organisation to survive a crisis and thrive in a world of uncertainty. Resilience includes both planned risk management (Section 6.2) and adaptive capacity. In this context resilience refers to our capacity to adapt, rather than preparedness or recovery, which is the capacity of people, the community and systems to adapt in the face of unpredictable change; the 'unknown unknowns'.

100 Resilient Cities* has four dimensions and three drivers within each:

➢ **Health and Well-being**
  • Meet basic needs
  • Support livelihoods and employment
  • Ensure public health services

➢ **Economy and Society**
  • Foster economic prosperity
  • Ensures social stability, security and justice
  • Promote cohesive and engaged communities

➢ **Infrastructure and Environment**
  • Provide reliable communication and mobility
  • Ensure continuity of critical services

- Provide and enhance natural and man-made assets

➢ **Leadership and Strategy**
- Promote leadership and effective management
- Empower a broad range of stakeholders
- Foster long-term and integrated planning

∗ http://www.100resilientcities.org/resilience

6.3.1 Business Continuity and Emergency Response Arrangements

The Library and Archives Service has a Collection Recovery Plan which was reviewed and updated in 2017. The Collection Recovery Plan (CRP) serves to prepare the Invercargill City Libraries and Archives (ICLA) for an effective response to threats or disasters that affect our collections. A coordinated response plan should allow for optimum business recovery. While this CRP can apply to all ICLA collections, it carries a very strong focus on recovery for threats or disasters to archive collections. The Libraries and Archives Service does not have a business continuity plan with the expectation that core services would be reinstated as a pop-up library as used in Christchurch.

6.3.2 Current and Desired Resilience Assessment

Resilience is a topic that we are learning about from events such as the Christchurch, Kaikoura and Wellington earthquakes; Invercargill City Council is seeking to make our organisation and infrastructure more resilient. Resilience will be part of the review of risk management being undertaken in the 2018-19 financial year.

6.3.3 Summary of Resilience Issues and Challenges

This delivery of the Library and Archives Service has a lower priority for disaster recovery and resilience against other Council assets and activities. As such, a specific Business Continuity and Resilience plan is not in place for this activity.

7.   Managing Our Activities

7.1   RESPONDING TO THE ISSUES AND CHALLENGES

Topic	Issue or Challenge	Potential Responses
Level of Service	Monitor changes in technology	➢ Investigate options for service delivery to include technology where affordable.
	Rising expectation of the public for us to provide a higher Level of Service	➢ Manage expectations of public/customers ➢ Survey customers to understand their requirements or needs
	Increase number of programmes and events	➢ Continually monitor feedback from programmes and events and work on continuous improvement of product.
	Increase number of items digitised	➢ Identify priority items which need digitisation
Demand	Review fees, charges and lending policies	➢ Monitor levels of circulation and reduce fees where applicable to increase circulation
	Promotion to increase awareness of services and resources	➢ Marketing plan to promote income generation
	Increase range of electronic/online resources	➢ Reduces requirement for physical storage
Asset Profile	Lending Collections Heritage Collections Archives Collections Digital Collections Other Collections – items stored on behalf of outside organisations	➢ Have a good understanding of asset data, issues and challenges, be prepared for the information potentially required ➢ Assume business as usual until the strategic direction from Council is confirmed ➢ Use a better business case approach to develop any project that may develop from the strategic direction.

Sustainability	Upgrade lighting	➢ Work with Building Assets to identify areas to improve sustainability and measure outcomes
Resilience	No documented contingency plan	➢ Work with Property Asset team to develop contingency plans for their service
	Rate of change of technology	➢ Investigate open source as an options for IT improvements ➢ Keep educated on what is on the horizon and being developed in the industry
	The 'unknown unknowns'	➢ Research many possible scenarios, reduce the number of 'unknown unknowns'

7.1.1 Alternative Investment Approaches

Libraries are funded through general rates and unlike libraries in many other Western countries including Australia, New Zealand public libraries receive no direct funding from central government. Possible options open to local authorities to make their funds go further or to source additional funds include:

➢   Regional ventures to accrue benefits from economies of scale.

➢   National funding to support care of documentary heritage collections of national significance.

➢   Nationally coordinated developments, particularly in the creation of digital content and services which can be done once for the benefit of all.

➢   Sponsorship from community trusts and business for specific projects.

➢   Strategic alliances with other libraries and organisations to deliver better value from the same spend.

7.1.2 Do-Minimum Programmes

Core business includes the circulation of library resources and help with general enquiries.

A Do-Minimum programmes would include reducing or removing:

➢   Programmes for all ages
➢   Events held at the library for all ages
➢   Outreach visits
➢   Housebound service
➢   Digitisation projects
➢   Proactive collection of local archives
➢   Collaboration projects such as Dan Davin Literary Foundation

Implementing a plan like this would negatively affect the activity. If programmes, events etc were reduced the Levels of Service would significantly reduce.

7.1.3   Programmes Evaluation

Invercargill City Council is developing a greater understanding of the business case approach developed by Treasury. This approach is used to make better informed investment decisions, ensure better value for money and better outcomes for the community. More training for staff will be sought in this discipline.

At present there is an annual review of all programmes where criteria for success include:

➢   Attendance numbers
➢   Feedback from participants
➢   Feedback from staff
➢   Contribution to increasing literacy including digital literacy

From 2017 this will also include quantitative internal survey results.

7.2   OPERATIONS

7.2.1   Operation/Maintenance Strategy

The Libraries and Archives Service are managed by Invercargill City Council staff. The Library Management System (LMS) is managed by Invercargill library staff and is shared with Southland District Council. The library's public internet service is managed under contract by Department of Internal Affairs on behalf of APNK.   The reports and recommendations to Council are made through the Community Services Committee. These include but are not restricted to:

➢   Levels of service
➢   Financials
➢   Types of uses
➢   User fees and other charges

The building assets supervisor looks after the majority of the operational and maintenance requirements for our assets, this requires co-ordinating with the Libraries and Archives Service activity manager and contractors to have any repairs and maintenance undertaken.   Each building is visually inspected monthly for building warrant of fitness purposes, any maintenance requirements are noted during these inspections and forward to contractors for action. Further maintenance, renewal and improvements are documented in the Service Level Agreements (Appendix 4.02.6). Any other repairs or maintenance are undertaken in a re-active maintenance manner.

7.2.2   Operation/Maintenance Standards and Specifications

LIANZA – Standards for New Zealand Public Libraries is available from LIANZA or through their website (www.LIANZA.org.nz). (Appendix 9.02)

7.2.3   Operation/Maintenance Options and Alternatives

An alternative to the existing arrangement could involve contracting management of the Libraries and Archives Service to an external provider or library staff. This however would require a paradigm shift in Council's asset

philosophy, particularly of building assets which delivers a consistent approach to asset management across all Council buildings.

7.3 ASSET RENEWAL/REPLACEMENT

Renewals cover the progressive replacement of existing assets as they reach the end of their useful life. The rate of asset renewal is intended to maintain the overall condition of the asset system at a standard that ensures the community's investment is maintained. If existing assets are not replaced with assets of similar standard, the ability of the service to deliver the required Levels of Service will be reduced. Maintenance of the lending collection is carried out by circulation staff. Items are checked on return to identify any damage. Damaged items are then repaired prior to being returned to the shelves. Items damaged beyond repair are disposed of and may or may not be replaced. Library plant and equipment including furniture, cash registers and shelving are repaired or replaced on an ad-hoc as required basis.

7.4 CAPITAL DEVELOPMENT PLAN

7.4.1 Asset Development Strategy

The strategy for development or growth is assessed and prioritised by Council.

7.4.2 Capital Development Selection Criteria

Each growth or increase to service level project is required to fill in a one-page assessment case, the assessment case documents the problem the project is solving, the benefits, risks, estimated capital and operational costs and how it aligns with the Community Outcomes.

7.4.3 Capital Development Options and Alternatives

These are documented within each Service Level Agreement.

7.5 DISPOSAL PLAN

No significant asset disposal is planned for the Library and Archives Services activity.

7.5.1 Forecast Future Disposal of Assets

Operational – Book disposal equals approximately 6,000-7,000 items per year and are either sold to the public or recycled.

7.5.2 Forecast of Income/Expenditure from Asset Disposal

The most recent figures for book disposal are $11,267. This is not expected to change significantly.

7.6 RECOMMENDED PROGRAMME

7.6.1 Evaluation of Options/Alternative Programmes

The cost to contract out the Library and Archives Service with an external provider would need to be investigated and may cost more than the internal services charge already charged by the Assets team, as costs are shared across a range of Council's building assets.

A contracted service was investigated in 1999/2000 by Keith Harrington with a council decision made not to proceed.

7.6.2   Recommended Operation Programmes

There is no recommendation to change the relationship between Libraries and Archives Services and the Building Assets function provided by the respective part of Council's Works and Services Directorate.

7.6.3   Recommended Renewal Programmes

The renewals expenditure is focussed on maintaining the library collection. The collection has a shelf life of anywhere between 3 - 12 years, and therefore needs to be regularly updated if the condition of the collection as a whole is to be maintained. The AMP, also, if it is to remain relevant, needs to be regularly updated – especially with regard to the statistical information (this should be done at least annually). The risk of not completing the work is that the library collection becomes tatty and outdated, use of the library would therefore decline while the AMP will lose relevancy if it is not maintained. The Libraries and Archives Service will aim to preserve the service potential capacity of its activity on a continuous basis.

Year	2019	2020	2021	2022	2023	2024	2025	2026	2027
Book Renewal Budget	398,900	398,900	398,900	398,900	398,900	398,900	398,900	398,900	398,900

7.7   HOW THE ACTIVITY WILL BE RESOURCED

7.7.1   Internal Resourcing

The operation of library and archives services is managed by the Library and Archives team of the Works and Services Directorate of the Invercargill City Council.

Position	Number Employed in Role
Library Manager	1
Manager – Customer Experience	1
Manager – Heritage and Collections	1
Manager – Digital and Communication	1
Bluff Librarian	1
Admin/Accounts Assistant	2
Archivist	1
Assistant Archivist	1
Team Leader – Customer Experience, Heritage and Collections	2
Librarian – Customer Experience, Heritage and Collections	13
Library Co-ordinator – Digital and Communication, Customer Experience	4
Network Administrator – Digital and Communications	1
Digital Assistant	1
Library Assistant – Customer Experience, Heritage and Collections	11
Casual	4
Total (not including casual)	41

There are 28 fulltime Library staff and two fulltime Archives staff with the remainder employed as part-time or casual. Currently all Libraries and Archives staff are either on Individual Contracts or members of the Collective Agreement.

Regular weekly, fortnightly and monthly meetings are held at various organisational levels to ensure that there is a consistent approach to day to day management, health and safety issues, and customer service.
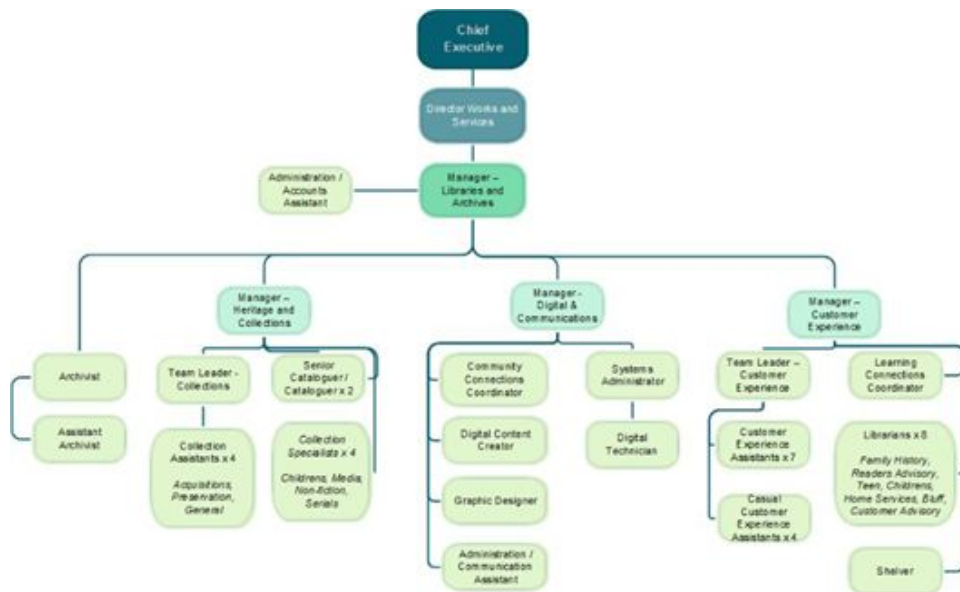
Service delivery is undertaken by three teams

➢ Customer Experience – customer services, programmes and events.

➢ Collections and Heritage – acquisition, cataloguing and preservation of library resources.

➢ Digital and Communication – IT infrastructure and promotion of library services and resources

The Manager takes a lead role in determining the strategic direction of Library and Archives Services in Invercargill.

7.7.2 Procurement Strategy

Procurement of book renewals is handled by respective collection specialists and authorised at all levels by Libraries and Archives Services Manager. Invercargill Public Library has joined nationwide consortia for the procurement of shelf ready material. This is lead by Wellington City Libraries and covers approximately 60% of library book purchases. Invercargill is also a member of the EPIC consortia for the procurement of electronic databases. This is done on an annual subscription basis. Invercargill is a member of two regional consortia for the supply of eBooks and eAudio – using the applications Overdrive and Bolinda Borrowbox. There is current investigation into the supply of magazines including the supply of digital magazines.

For incidental procurement, Purchase orders are raised by Accounts Assistant and authorised by Libraries and Archives Services Manager on an as needed basis; where appropriate purchases are made from suppliers that offer an advantage to Council.

8.   Financial Management

8.1.   OVERVIEW

Library and Archives Services are funded from a mix of rates contribution and fees and charges.

8.2   FINANCIAL SUMMARY - WHAT THE ACTIVITY COSTS

8.2.1 Council Funded Programmes
The following table presents the budget for 2018 through to 2028

	2019 Budget	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget
Fees & Charges Revenue	145,600	145,600	145,600	146,100	146,100	146,100	146,100	146,600	146,600	146,600
Grants & Subsidies Revenue	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600
Financial Revenue	30,200	30,200	30,200	30,200	30,200	30,200	30,200	30,200	30,200	30,200
Total Revenue	180,400	180,400	180,400	180,900	180,900	180,900	180,900	181,400	181,400	181,400
Internal Expenditure	1,202,775	1,202,775	1,202,775	1,202,775	1,202,775	1,202,775	1,202,775	1,202,775	1,202,775	1,202,775
Miscellaneous Staff Expenditure	44,098	44,098	44,098	44,098	44,098	44,098	44,098	44,098	44,098	44,098
Salaries & Wages Expenditure	2,195,848	2,195,848	2,195,848	2,195,848	2,195,848	2,195,848	2,195,848	2,195,848	2,195,848	2,195,848
Staff Expenditure	2,239,946	2,239,946	2,239,946	2,239,946	2,239,946	2,239,946	2,239,946	2,239,946	2,239,946	2,239,946
Administration Expenditure	203,252	203,252	203,252	203,252	203,252	203,252	203,252	203,252	203,252	203,252
Financial Expenditure	900	900	900	900	900	900	900	900	900	900
Repairs & Maintenance Expenditure	29,200	29,200	29,200	29,200	29,200	29,200	29,200	29,200	29,200	29,200
Operational Expenditure	196,100	196,100	196,100	196,100	196,100	196,100	196,100	196,100	196,100	196,100
Depreciation Expenditure	789,600	789,600	789,600	789,600	789,600	789,600	789,600	789,600	789,600	789,600
Total Expenditure	4,661,773	4,661,773	4,661,773	4,661,773	4,661,773	4,661,773	4,661,773	4,661,773	4,661,773	4,661,773
Operating Surplus / (Deficit)	(4,481,373)	(4,481,373)	(4,481,373)	(4,480,873)	(4,480,873)	(4,480,873)	(4,480,873)	(4,480,373)	(4,480,373)	(4,480,373)
Capital Expenditure	432,000	432,000	427,000	427,000	427,000	427,000	427,000	427,000	427,000	427,000
Capital Funding	0	0	0	0	0	0	0	0	0	0
Cash Back Depreciation	789,600	789,600	789,600	789,600	789,600	789,600	789,600	789,600	789,600	789,600
Rates Required	4,123,773	4,123,773	4,118,773	4,118,273	4,118,273	4,118,273	4,118,273	4,117,773	4,117,773	4,117,773
% Increase from Previous Year	3.10%	0	(0.12%)	(0.01%)	0	0	0	(0.01%)	0	0

8.2.2   Programme Implications

To follow.

8.3 FINANCIAL POLICIES

The Local Government Act 2002 requires Council to manage its finances prudently and in a manner which promotes the current and future needs of the community. Council must ensure that each year projected operating revenues are set at a level sufficient to meet the years projected operating expenses.

The Revenue and Financing Policy states Council's policy on the funding of its operating and capital expenditure and the sources of those funds.

Council for each activity must give consideration to who benefits from the activity and the appropriate level of private versus public benefit when funding the activity. Public benefit is gained from having access to activities provided by Council. Private benefit is gained from receiving goods or services provided by Council, i.e. Building Consent for work carried out by private residents.

8.4 HOW WE PAY FOR THE ACTIVITY

The following Sources of funding are used by Libraries and Archives Services:

➢ General Rate
➢ Targeted Rate
➢ Fees and Charges
➢ Other Sources of funding (e.g. Donations)
➢ Loans and Reserves

Who Benefits	Funding Sources and Proportions	Demand Generators
Public Education Sector Heritage, Arts and Cultural Groups Local Iwi	Rates 90-100% Fees and Charges 0-10%	Change in services available to library users.

8.5 CONFIDENCE LEVELS IN PROGRAMMES

All forecasting in the recommended programmes has been derived from Assumptions (see Section 2.4) and from statistical analysis of data collected by Library Management System and also statistics from other public libraries to identify trends. Several assumptions are very likely to occur:

➢ The population is increasing.
➢ The population is aging.
➢ Demand on the Library and Archives Service is changing (decreasing circulation, increasing use of technology, increasing use of library spaces).
➢ Some assets are near the end of their life (escalator, carpets, lighting).
➢ Demand on Libraries and Archives remains the same.

8.6 RELIABILITY OF FINANCIAL FORECASTS

8.6.1 Maintenance and Renewal Forecasts

As per 8.6, the assumptions used to develop this AMP indicate static demand growth and demographic change to the facility.

Provided that actual change moves comparatively parallel with the assumptions the activity plan as forecast will meet the required needs of this growth.

Regardless, consideration of a change that diverges from the assumptions is required.

Change	Effect
Growth decrease by 10%	It is likely to lead to a greater reduction in circulation but not necessarily visitor numbers as attendance at programmes and events have shown steady increases. Reduced circulation is linked to reduced income from fees and charges. This would lead to a parallel reduction in book renewal expenditure.

8.6.2 Development Forecasts

As per 8.6, the assumptions used to develop this AMP indicate static demand growth and demographic change to the facility.

Provided that actual change moves comparatively parallel with the assumptions the activity plan as forecast will meet the required needs of this growth.

Regardless, consideration of a change that diverges from the assumptions is required.

Change	Effect
Growth decrease by 10%	Library upgrade is required irrespective of growth assumptions as building is nearing 30 years of age and this renewal is scheduled maintenance.

8.7 SUMMARY OF PROGRAMME ASSUMPTIONS

Summary of key assumptions used:

Assumption Area	LTP Assumption
Population Growth	The population will increase by 2028 (10 year LTP window).
Ageing Population	Changing population will require changes to the service and activity delivery.
Increased use of technology	Increasing use of technology and expenditure on digitisation and digital resources

9. Delivering and Monitoring the Programme

9.1 PROGRAMME GOVERNANCE AND REPORTING

Council operates on a six-weekly cycle with four committees meeting before a full Council meeting. These committees accept and receive reports from their relevant Directorate and Management Staff are at these meetings to answer any questions that arise.

This reporting process ensures accountability to Councillors and allows for transparency to the public. Further to the four directorate committees, there are smaller sub-committees such as Audit that meets to discuss issues relating to the Annual Report, Annual Plan, Long-Term Plan processes and any other audit related issues.

The Bluff Community Board is established as a committee who reports to Council on behalf of the Bluff area and deals with any issues relating to their area. Council provides direction to this committee and has a representative sitting on this board.

Libraries and Archives reports to the Community Services Committee.

Invercargill
CITY COUNCIL.

Council Committees	Community Boards	Joint Committees	Council Controlled Organisations
· Infrastructure & Services	· Bluff Community Board	· Venture Southland	· Invercargill City Holdings Ltd : 100%
· Regulatory Services		· Shared Services	· Electricity Invercargill Ltd : 100%
· Finance & Policy (sub-committees – Audit and Risk)		· Regional Heritage Committee	· Invercargill City Forests Ltd : 100%
· Community Services		· WasteNet Southland	· Invercargill Airport Ltd : 97.19%
		· Emergency Management Southland	· Invercargill City Property Ltd : 100%
		· Southern Rural Fire Authority	· Invercargill Venue & Events Management Ltd : 100%
			· Bluff Maritime Museum Trust
			· Southland Museum & Art Gallery Trust
			· Invercargill City Charitable Trust
			· Invercargill Community Recreation & Sport Trust

Councillors are elected on a triennial basis through local government elections with the community voting for 12 Councillors and a Mayor. The Chief Executive role is reviewed every five years. In addition to this, Council undertakes a Representation Review every six years to ensure that the community is aware and accepting of the current Council structure.

Council develops their Long-Term Plan every three years in line with their obligations under the Local Government Act 2002, every year following this Council will adopt an Annual Plan which will make any amendments to the existing Long-Term Plan and allows for members of the community to submit on this process.

Further, Council will provide an Annual Report, which is a full year financial snapshot of Council's activities for that financial year. This is also compared to the financial projections in Council's Long-Term Plan.

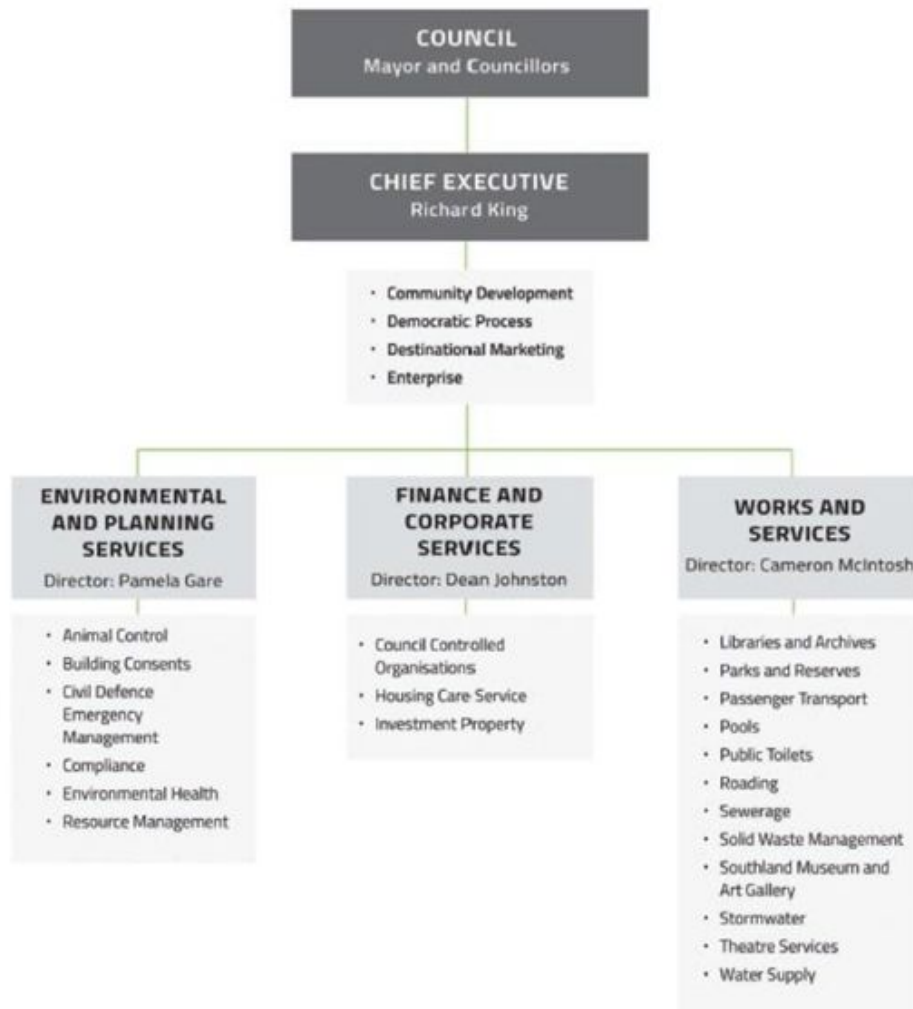## 9.2   STAKEHOLDER ENGAGEMENT AND COMMUNICATIONS

Council currently utilises a myriad of methods to engage in consultation with members of the community. The Local Government Act 2002 states specific methods of consultation to be utilised by Council for certain processes, Council adds to this through innovative and community-tailored engagement techniques.

The following are examples of current Council consultation methods:

➢ Imagine Invercargill is a new engagement website where members of the public can submit ideas on how to improve Council services.

➢ Consult South is a website that highlights any current or up and coming consultation items.

➢ Regular use of the Consultation Caravan where members of the public can pop in to ask questions of elected members and staff.

➢ Public Forums at Council and Committee meetings.

➢ Public requests to be heard as a specific Agenda item.

➢ Regular features in the newspapers and rates newsletters which inform ratepayers of issues.

➢ The City Focus Radio show that highlights current topics that the Council is addressing.

➢ The Mayor holds appointments with residents who wish to raise issues of concern.

➢ Community Engagement processes when Council is considering making a significant decision.

➢ Formal consultation through the Special Consultative Procedure for issues such as the Long-Term Plan and some Bylaws.

➢ Facebook page where individuals can ask questions and express opinion to Councillors and staff.

9.3   BUSINESS PROCESSES

The management structure of the Invercargill City Council is as follows:

Council staff operates under a Delegations Register (Appendix 1.10) that is adopted by Council; this Register lists every department with specific delegations that are required under legislation or Council policies so that staff members are able to carry out their specific job requirements.

9.4   INFORMATION SYSTEMS AND DATA

Infor Pathway

Delivers a comprehensive offering of fully integrated functionality for managing council related business processes including:

➢   Customer Service and People Management - central name/address register and customer request management;

➢   Land and Property Management - administration tools to assist with land and property management;

➢   Revenue Management - capabilities such as rates accounting, property valuations, debtors and water billing;

➢   Regulatory Management - a comprehensive range of workflow-driven modules to ensure that local and national regulatory legislation for

> consents processing, parking and animals, and health and liquor licensing are complied with;

➢ Internet-enabled customer self-service - ePathway enables Council customers to conduct local government e-commerce online.

Microsoft AX Dynamics

This programme is the main accounting software; this system records all accounting entries, inventory entries, account payable entries and fixed asset data. Fixed assets held within the infrastructure area are revalued every three years and data from the revaluation is held with the AX dynamic system. The system then generates depreciation figures that are used for reporting purposes and also for the funding of depreciation in relation to Councils capital renewal programmes. During the period between revaluations assets are capitalised into the AX Dynamics system as purchased. The AX system also provide the council reconciliation control environment, maintaining such control as GST and FBT obligations, bank reconciliations, as well of all other balance sheet reconciliations of the Council.

MYOB PayGlobal

Provides a workforce management with the payroll and human resources management software provides the analytical, planning and operational tools to monitor staff activities and performance. There is a self-service platform (Ernie) where employees and managers access leave, personal info, payslips, and timesheet data online. Allowing employee attendance, management and tracking.

Objective

Delivers an Electronic Document and Records Management (EDRMS) service across all of Council providing information management processes and business process automation with robust security, version control and audit management to ensure Council complies with recordkeeping standards; this reduces the risk associated with managing information in multiple locations

Opal 3

This programme is utilised by all departments who monitor their levels of service for activity; this programme requires specific data to be entered six weekly or monthly (as required). Third tier managers enter this data, with the Director or Manager to approve this entry. The data required is updated in line with the Long-Term Plan.

TM1 Cognos

This is the financial reporting and budgeting system for council. Information is taken from the AX dynamics system and downloaded into the TM1 system, allowing Council to report on actual performance against budget. Council budgets for both the Long-Term Plan and Annual Plan are completed within the TM1 Cognos system.

The Library Service uses:

Symphony Library Management Software

This is used to manage the collection assets. The LMS provides information relating to:

➢ Location of items
➢ Age of items
➢ Purchase price and supplier of individual items
➢ Circulation of individual items
➢ The relative balance of the collections.
➢ Membership details

The RFID security gates also include people counters to record visitor numbers.

The Archives Services uses:

ArchivesSpace

ArchivesSpace is an open source, web application for managing archives information. The application is designed to support core functions in archives administration such as accessioning; description and arrangement of processed materials including analog, hybrid, and born-digital content; management of authorities (agents and subjects) and rights; and reference service. The application supports collection management through collection management records, tracking of events, and a growing number of administrative reports. The application also functions as a metadata authoring tool, enabling the generation of EAD, MARCXML, MODS, Dublin Core, and METS formatted data.

9.5 PROGRAMME PERFORMANCE MONITORING AND REVIEW

9.5.1 Monitoring Approach

Council operates on a six-weekly cycle with meetings for the four committees of Council that look into each department at Council and are provided with extensive monitoring and reporting of levels of services for activities and assets that come out of that department, alongside monthly financial accounts for each department. The Committee will question these reports with Managers present to answer any questions that arise from the reports. Libraries and Archives reports to the Community Services Committee with the Libraries and Archives Services Manager present to answer any questions that arise from the reports.

The information for these reports is entered into various software systems as detailed in Section 9.4. This monitors the performance both fiscal, and service based against targets and budgets from Council's Long-Term Plan. Targets can be key performance indicators, internally driven targets or provided from a Ministry that oversees that area, ie Department of Internal Affairs. At a full Council meeting these reports are then received.

9.5.2 Frequency of Review

Every financial year Council prepares an Annual Report that is the key document in ensuring the expenditure for the year was efficient and is pertinent in ensuring accountability to the community and ratepayers.

The Annual Report does not just show the current financial status, but also shows the levels of service for all Council activities and assets measured against the yearly targets set in the Long-Term Plan.   As noted in 9.1, these are measured and reported six weekly in the Council meetings. The Annual Report is a holistic overview of their performance.

10. Continuous Improvement

10.1   CURRENT ACTIVITY MANAGEMENT PRACTICE

The planning of preventative maintenance and projects (capital and operational) are provided collaboratively by Libraries and Archives management and the Building Assets Team. All planning is considered in light of the Libraries and Archives 'levels of service' and strategic direction, as well as wider parameters and directions advised Council.

Libraries are not bound by legislation, but staff endeavour to achieve higher professionalism in order that resources are promoted and used for the benefit of the community. The objective is that recreational reading is promoted for the well-being of the community, and information resources are promoted for the education and business development of the city.

New and emerging technologies will have significant and ongoing impact on the delivery of services in libraries. New formats for information and leisure materials are increasingly available and we will see continual evolution of formats. Developments in internet communication applications will enable libraries to increasingly interact with customers electronically.

Library Management is constantly reviewing options to improve service delivery.

		Type	Quite Inadequate	Needs a lot of improvement	Quite Good, But Could be Improved in Some Areas	Very Good	Comments
1.	Management						
	Of the Department (Leadership)	PD				✓	
	Of the staff on a daily basis	PD				✓	
	All work planned for the year completed within the year, to the predetermined standard required, within the predetermined timeframe, for not more than the budgeted cost.	OP			✓		
2.	Technical Competence						
	New works' design	OP				✓	
	Project Management	OP				✓	
	Management of contractors (especially Network Maintenance Contractors)	OP				✓	
	Maintenance organisation and management.	OP				✓	
	Other technical skills required by this service	PD				✓	
3.	Forward Planning and the Setting of Priorities	OP				✓	
	The completeness and overall quality of the priority setting and financial forecasts and assumptions for the next 20 years	OP			✓		
	For maintenance and operations (for the next 10 years)	OP			✓		
	For new capital (for the next 20 years)				✓		
	For renewals (for the next 10 years)				✓		
4.	Communications/Relationships						
	With Customers				✓		
	Written (letter writing)	CS			✓	✓	
	Verbal (phone)	CS					
	Verbal (personal contact)	CS			✓		

		Type	Quite Inadequate	Needs a lot of improvement	Quite Good, But Could be Improved in Some Areas	Very Good	Comments
	With elected representatives (where relevant)	CS			✓		
	With other departments	PD				✓	
	Within the department					✓	
5.	Financial Management						
	Budgets' preparation (quality, completeness, and timeliness)	OP			✓		
	Adherence to budgets once approved	OP				✓	
	Always aware of costs against budget throughout the year	OP				✓	
6.	People						
	Job breakdowns/job instructions/ work guidelines/practice notes available for all relevant tasks and all up-to-date	PD					
	All staff delegations up-to-date	PD				✓	
	All warrants up-to-date	PD					
7.	Knowledge of the Physical Assets						
	How well the physical assets that have to be managed are understood	OP				✓	
	Location	OP				✓	
	Material type	OP				✓	
	Condition	OP				✓	
	Capacity	OP				✓	
	Age and remaining life	OP				✓	
	Performance	OP				✓	
	Criticality	OP				✓	
8.	Support Services						
	Administrative support	PD			✓		
	Financial support	PD			✓		
	Office accommodation	PD				✓	
	Office furniture and equipment (work tools)	PD			✓		
	Transport	PD			✓		
	Record keeping (completeness and	PD			✓		

	Type	Quite Inadequate	Needs a lot of improvement	Quite Good, But Could be Improved in Some Areas	Very Good	Comments
easily accessible)						
Complete and up-to-date policy manual				✓		
9. Performance Management						
Sufficient and appropriate performance measures	OP			✓		
Sufficient and appropriate performance targets	OP			✓		
All measures and targets being monitored	OP			✓		
Monitoring results promptly reported (at all relevant levels)	OP			✓		
Performance trends (over several years) clear and understood	OP			✓		
Performance results actually used to improve performance	OP			✓		
All employees regularly being given "true" feedback about their performance	PD			✓		
10. Business Continuity						
Disaster Plans up-to-date	OP				✓	
11. Legislative Compliance						
No known areas where legislative requirements not being fully complied with	OP				✓	
12. Strategic Advice						
The general quality (and timeliness) of strategic advice (and the extent to which the strategic policy approach for this activity is clearly specified, continues to be appropriate, and is up-to-date)	SA			✓		
The quality and timeliness of reporting to the elected Council and its Committees	CS			✓		

Key: CS – Customer Service
      OP – Organisational Performance
      PD – People Development
      SA – Strategic Advice

10.2 IMPROVEMENT PROGRAMME
A key focus during 2016/2017 was planning for the implementation of building changes/improvements which would modernise the ground floor and create a flexible space and mitigate hazards such as the slippery floor created by the marble tiles. Opportunities exist to save on energy cost with the conversion of lighting to LED and this is programmed as part of the library upgrade. Further improvements are listed in the table below:

Item	Appendix Relative urgency						Smart Objective	Activity Improvement Priority and Type	Responsible Person	Target Date for Completion	* Status	Completion Date
	1	2	3	4	5	6						
Update Archives software			✓		✓		Public can access Archives collections online	CS	M Foster	2018	IP	
Specific Teen area		✓					Increase engagement with teens measured by increased circulation of teen collections and increased number of programmes for teens	CS	M Foster	2018	IP	
Investigate Library cafe					✓		Increase income	CS	M Foster	2019	NS	
Investigate Archives extension					✓		Report on costs to provide shared storage for regional archives	CS	M Foster/L McCoy	2023	NS	
Makerspace		✓					Increase programmes using science, technology, engineering and math	CS	M Foster	2018	IP	
Genset				✓			Backup is provided for Council phone system if there is a power failure	OP	M Foster/L McCoy	2018	NS	

Relative Urgency Key:

1. Extremely urgent (needs to be addressed now)

2.   Very urgent
3.   Urgent
4.   Reasonably or fairly urgent
5.   Not urgent
6.   A good idea for some time in the future

Status Key:

OH = On Hold
NS = Not Started
IP = In Progress

Activity Improvement Key:

OP = Organisational Performance
CS = Customer Service
SA = Strategic Advice
PD = People Development

10.3   IMPROVEMENTS FROM PREVIOUS ACTIVITY MANAGEMENT PLAN

The following improvements were made:

- ➢ RFID system installed
- ➢ Library website updated
- ➢ Increased access to eAudio by providing access to Bolinda Borrowbox as part of the Southlib consortia
- ➢ Digitisation of heritage maps and WW1 letters
- ➢ Purchase of shelf ready material has reduced backlog of processing material and increased turnover

10.4   MONITORING AND REVIEW

Ongoing monitoring and review of the Libraries and Archives Service takes place through Levels of Service reporting to Council and the Annual Report process. Annual statistics are reported to the Public Libraries Aotearoa New Zealand http://www.publiclibraries.org.nz/LibrariesToday/PublicLibraryStatistics.aspx   to identify trends across the public library sector.

11. Glossary

12. Appendices

The Appendices for all of Council's Activity Management Plans are kept separate. The list below highlights the appendices that relate to this Activity Management Plan and where to find them in the Corporate Appendices Register.

Number	Type	Title
1.01	Corporate	Long Term Plan – Background and Assumptions 2018-2028
1.02	Corporate	Community and Regulatory Services: 2014 Residents' Survey
1.03	Corporate	2013 Service Level Survey: Parks, Reserves and Cemeteries Report
1.04	Corporate	2013 Service Level Survey: Roading Report
1.05	Corporate	2013 Service Level Survey: Solid Waste Report
1.06	Corporate	2013 Service Level Survey: Stormwater and Sewerage Report
1.07	Corporate	2013 Service Level Survey: Water Supply Report
1.08	Corporate	Levels of Service Research Report 2016
1.09	Corporate	Corporate Risk Framework / Standard
1.10	Corporate	Delegation Register September 2016
1.11	Corporate	Asset Data Confidence Report
9.01	Library and Archives	Invercargill City Library and Archives Collection Development Statement
9.02	Library and Archives	Standards NZ Public Libraries 2004
9.03	Library and Archives	Invercargill City Library and Archives Collection Recovery Plan 2014

AQUATIC SERVICES

ACTIVITY MANAGEMENT PLAN 2017

Activity Management Plan

	Name	Signature	Date
Activity			
Prepared By	Pete Thompson		29-09-2017
Asset Manager			
Director Review			
Peer Review			
Council Adoption			

Changes to be Incorporated in Next Review		
Number	**Date of Change**	**Reason for Change**

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Executive Summary

Invercargill City Council provides aquatic facilities at Southland Aquatic Centre for the health, well-being and enjoyment of the community, and also so that people can learn to swim and learn water safety. These facilities enable a range of water sports appropriate to the population to be practised and enjoyed, and also attract events to the city.

The Southland Aquatic Centre's trading name is Splash Palace. Opened in 1997, Splash Palace is one of New Zealand's premier aquatic sport and leisure centres with an average of 400,000 admissions recorded annually.

The provision of public swimming pools is seen as being important to the health and well-being of the Community. Furthermore Invercargill City Council provides public swimming pools because it is unlikely that any private organisation would be able to provide such facilities for Community access.

The situation in Invercargill is unique. Unlike other centres, all Invercargill schools (primary and secondary) use the Southland Aquatic Centre for the purpose of learning swimming and water safety; this is facilitated through Splash Palace Learn to Swim and is funded 100% by Invercargill City Council, the ILT Foundation and Invercargill Licensing Trust.

> *The primary goal of the Pools Activity is to provide quality and affordable aquatic health and fitness, education, sport and leisure services for the Community.*

Given the popularity of Splash Palace, admission rates are now (2017/18) higher than at any other time, with no sign of this declining.

> *At over 400,000 admissions per year the capacity is seeing significantly more patronage than was ever envisioned for the capacity available.*

Of particular note is the increase in older users and disabled users, and it is expected that demand from this demographic will continue into the future.

> *Without intervention the ability to offer appropriate learn to swim, recreational and exercise aquatic space for our community will be compromised.*

Changing room space will be remedied with the construction of new, additional changing rooms in 2018 and a replacement slide will enable the existing slide to be replaced given it is now at the end of its operational life. In addition, a new swimming pool is proposed to alleviate the significant demand seen now and of that expected in the future.

1. Introduction

1.1 ABOUT THIS PLAN

The Aquatic Services Activity Management Plan (AMP) covers one of 23 activities addressed in the Invercargill City Council Long Term Plan (LTP). This Plan is, therefore, strongly linked to the overall strategic direction for the District. The LTP is the document and process that alerts the Community to the key issues and strategies contained in this document.

The purpose of this Plan is to outline and to summarise in one place, the Council's strategic approach for the delivery of the Aquatic Services Activity.

The AMP demonstrates responsible management of the function on behalf of ratepayers and stakeholders and assists with the achievement of community outcomes and statutory compliance. The AMP combines management, financial, and technical practices to ensure that the level of service required by the law and expected by the Community is provided in the most operationally effective and sustainable manner.

This AMP is based on existing levels of service, currently available information, and the existing knowledge / judgement of the Council staff.

1.2 ACTIVITY OVERVIEW

Invercargill City Council provides aquatic facilities at Southland Aquatic Centre for the health, well-being and enjoyment of the community, and also so that people can learn to swim and learn water safety. These facilities enable a range of water sports appropriate to the population to be practised and enjoyed and also attract events to the city.

The Southland Aquatic Centre's trading name is Splash Palace. Opened in 1997, Splash Palace is one of New Zealand's premier aquatic sport and leisure centres with an average of 360,000 admissions recorded annually. The facilities offered at Splash Palace include:

- ➤ 50m main pool
- ➤ leisure pool
- ➤ swirl pool
- ➤ tots' pool
- ➤ learners' pool
- ➤ sauna
- ➤ cold plunge pool
- ➤ waterslide
- ➤ diving facilities
- ➤ meeting rooms
- ➤ café
- ➤ retail shop

2.   Strategic Context

2.1   ALIGNMENT WITH STRATEGIC GOALS

2.1.1   Community Outcomes

Council has developed its own Council-focused "Community Outcomes" for the Long Term Plan that will fulfil the requirements of "Community Outcomes" under the Local Government Act.

The Community Outcomes have been derived from Council's vision:

"To enhance our City and preserve its character while embracing innovation and change."

Community Outcomes		
Enhance our City	**Preserve its Character**	**Embrace Innovation and Change**
We will know success when:		
Invercargill's population is over 1.2% of the New Zealand population.	Invercargill is celebrated for preserving its heritage character.	Invercargill's culture is embraced through Community projects.
New residents feel welcomed and embraced by Invercargill culture.	Ease of access throughout the City is maintained.	The development of future industry is encouraged.
Healthy and active residents utilise green space throughout the City.	Our natural and existing points of difference are celebrated.	Technology is utilised in both existing and new City services.
Invercargill's economy continues to grow and diversify.	The building blocks for a safe, friendly city is provided for all members of the community.	Visitors to Invercargill give positive feedback and have great experiences.
Invercargill's business areas are bustling with people, activities and culture.	Strong, collaborative leadership of the City is demonstrated.	Invercargill has the 'wow factor' with the right facilities and events to enjoy.

2.1.2   Rationale for the Activity

The provision of public swimming pools is seen as being important to the health and well-being of the Community.

Invercargill City Council provides public swimming pools because it is unlikely that any private organisation would be able to provide such facilities for Community access.

The situation in Invercargill is unique. Unlike other centres, all Invercargill schools (primary and secondary) use the Southland Aquatic Centre for the purpose of teaching swimming and water safety.

The primary goal of the Pools Activity is to provide quality and affordable aquatic health and fitness, education, sport and leisure services for the Community.

2.1.3 Activity Objectives

The principle objectives of the Aquatic Services Activity are:

➢ To deliver quality community Learn to Swim programmes.

➢ To maximise the use of aquatic facilities and opportunities.

➢ To provide a high level of satisfaction of services.

➢ To ensure that the pools are kept within the required water treatment standards.

➢ To ensure that the pools are managed within the New Zealand Poolsafe Quality Management Scheme.

The alignment of the Aquatic Services Activity and the Community Outcomes is demonstrated in the table below:

Community Outcome	Council's Role	How the Activity Contributes
Enhance our City	Healthy and active residents utilise green space throughout the city.	The pools activity provides a safe, fun environment where people can enjoy a diverse range of sport, recreation and leisure opportunities.
Preserve its Character	The building blocks for a safe, friendly city is provided for all members of the community.	The pools activity provides a range of learn-to-swim, fitness and other water based learning and recreation activities that cater for all members of the community.
	Strong, collaborative leadership of the city is demonstrated.	The pools activity works together with the Invercargill Licensing Trust and the ILT Foundation in providing free Learn to Swim programmes.
Embrace Innovation and Change	Visitors to Invercargill give positive feedback and have great experiences.	The pools activity provides the only 50 metre swimming pool in the Southland region.
	Invercargill has the 'wow factor' with the right facilities and events to enjoy.	The pools activity offers a high quality facility in which tournaments and championships are hosted.

How this activity achieves the Community Outcomes above is further developed in Section 3.3 – Levels of Service.

2.2 BUSINESS DRIVERS

2.2.1 Regulatory Framework

Council operates under a number of legislative frameworks, the Local Government Act 2002 and Health and Safety at Work Act 2015 are the most prevalent to Council core business.

The Local Government Act is the overarching framework that regulates what Council's scope is as well as their ability to conduct day-to-day business.

The Health and Safety at Work Act ensures that as an employer we are meeting all requirements to care for our employees in a safe manner at all times.

Both aspects of legislation are paramount to the day to day running of business and most departments within Council will operate under specific provisions of both Acts, alongside any other relevant legislation.

2.2.2 Long-Term Plan

The Local Government Act 2002, Schedule 10 requires the development of a ten-year Long-Term Plan. Activity Management Plans are the foundation to providing a robust basis for the long-term forecasts.

In 2014, an amendment to the Act inserted a statement that asset management planning should be a fundamental part of Council's prudent stewardship of community resources over the long term, a requirement to produce a 30 year infrastructure strategy for core assets. The Infrastructure Strategy is required to address:

➢ Identification of strategic issues and options.

➢ Outline how infrastructure assets will be managed.

➢ Indicative capital and operating expenditure forecasts.

➢ Significant CAPEX decisions – cost options for each.

➢ Assumptions on lifecycle, demand, levels of service.

The Activity Management Plan records the current and desired Levels of Service and determines the Maintenance and Capital Works Programmes and their associated budgets required to make assets meet their desired Levels of Service.

➢ The Long-Term Plan confirms Maintenance and Capital Works Budgets that are approved by Council to meet Community outcomes.

➢ Activity Management Plan underpins the activities in the Long Term Plan and is implemented through expenditure programmes in asset areas. Adoption of the budgets for these programmes is carried out through the Long Term Plan process. Changes to budgets for programmes may occur during the consultation process and adoption of Long Term Plan budgets.

Variations between this Plan and the most recently adopted Long Term Plan/ Annual Plan are recorded in the "Table of Changes to be Incorporated in Next Review" at the beginning of the Plan. The consequences of any variations will be reflected in subsequent reviews of the Long Term Plan/Annual Plan.

2.2.3 Activity Management Framework

The Asset Management System is the set of people, processes, tools and other resources involved in the delivery of asset management.

The Asset Management Policy (Appendix 2.01) outlines the principles, requirements and responsibilities for asset management.

The Asset Management Strategy (Appendix 2.02) sets the asset management objectives, practices and audit and review processes.

2.3 STRATEGIC ISSUES AND CHALLENGES

The key corporate strategic issues and challenges facing the Invercargill City Council are:

➤ Meeting our long-term renewal expectations for infrastructure.
➤ Encouraging growth projects whilst ensuring financial and operational sustainability for future generations.
➤ Ensuring Council works in a financially prudent manner that promotes current and future interests of the community.
➤ The City's changing demographic profile and its ability and willingness to pay.
➤ Responding to the changing environment (both natural and technological) and retaining Invercargill's character including its built environment.

Specific issues and challenges related to the delivery of the Aquatic Services activity include:

Topic	Issue or Challenge
Level of Service	**Admission Numbers** Admission numbers are now so high that space for users is compromised. Existing measures inadequately demonstrate this.
	Water Quality Existing Level of Service measure is inadequate to allow for planned maintenance.
	Hydroslide is at the end of its operational life.
Demand	Increasing demand impacting already compromised space.
Asset	LINK Building Asset Plan.
Sustainability	Changes in demographic of users will continue to drive challenges around the delivery of Aquatic services.
Resilience	No documented contingency plans for Aquatic services.

These are further explored in Section 7.1 – Responding to the Issues and Challenges.

2.4   KEY ASSUMPTIONS

The Long-Term Plan Background and Assumptions 2018-28 document (Appendix 1.01) lists the key assumptions which have been assumed are as follows.

Assumption	Level of Uncertainty	Area of Impact and Potential Financial Impact
Population The population will increase to 56,300 by 2028.	**Moderate** – risk that actual numbers will vary.	Infrastructure and Housing. Significant increases in population may create a demand for infrastructure and services beyond existing capacity. Significant decrease in population would adversely impact on the community's ability to fund current levels of infrastructure and services.
Household Growth An average of 2.3 people per household in 2038, requiring 2,300 more homes from the 2013.	**Moderate** – risk that actual numbers will vary.	Infrastructure and Housing. Significant increases in the number of households may create a demand for infrastructure and services beyond existing capacity.
Ageing Population Those 65 years and older will make up approximately 22% of Invercargill's population by	**Low** – increasingly older population is reasonably certain.	Council Services and Recreation Assets. An increase in the number of those people 65 years and older will increase the number of ratepayers on

Community Services Agenda - DEVELOPMENT OF POLICES/BYLAW

Assumption	Level of Uncertainty	Area of Impact and Potential Financial Impact
2023.		fixed incomes and may have an impact on the ability of the community to afford infrastructure and services.
Resource Consents Resource consents will be obtained with reasonable conditions and negligible impact on how Council provides its services.	**Moderate –** change is imminent but extent of which is unknown.	3 Waters Capital expenditure may be required if the conditions attached to resource consents require changes to how Council delivers its services.
Tourism and Visitor Numbers Tourism numbers will increase over the Long-Term Plan period.	**Low** – various city-wide endeavours to boost tourism.	Venture Southland, SMAG, Council Services and Recreation Assets. Significant increases in the number of tourists may create a demand for infrastructure and services beyond existing capacity. Significant decrease in the number of tourists would adversely impact on the commercial community's ability to fund current levels of infrastructure and services.
New Zealand Transport Agency That the NZTA Funding Assistance Rate will reduce by 1% each year until a low of 51%.	**Low** – NZTA have stated in plans that this will occur.	Roading. Lower than anticipated subsidies can result in service delivery costs needing to be met by other means or a decrease in the level of service.
Commercial Property The CBD will remain in the Esk Street area and will become more vibrant.	**Low** – risk exists due to uncertainty of CBD future, but Council has recently adopted a Retail Strategy and there has been recent investment in the CBD area both by Council and private investors.	Infrastructure, Housing and Roading. Significant decrease in the number of commercial ratepayers would adversely impact on the commercial community's ability to fund current levels of infrastructure and services.
Inflation Inflation will occur at the rates set by BERL as LGCI forecasts.	**Moderate –** inflation forecasts are not always accurate.	Cost change factors are based on information developed for Council's by Business and Economic Research Limited (BERL). Significant variations from these adjustments will be identified in future Annual Plans and Annual Reports.
Local Economy The local economy will grow and diversify.	**Moderate –** financial impact difficult to forecast.	Composition of local economy may diversify offering greater employment opportunities.

Assumption	Level of Uncertainty	Area of Impact and Potential Financial Impact
		Significant change to the economy, such as a large employer choosing to locate in the District, may require Council to review and change its current activities and levels of service. These demands will need to be quantified and an amendment to the Long-term Plan developed if the costs are significant.
Useful Life of Significant Assets Assets will reach the useful life indicated when supplied.	**Moderate –** asset lives based on estimates by Engineers and Registered Valuers.	A shorter useful life for assets would create a financial burden on the community.
Depreciation Council will fully fund renewal depreciation by year 10 of the Plan.	**Low –** asset depreciation rates will not change and the value of assets will remain constant.	Changes in the valuation of Council assets may have a significant impact on the cost of fully funding depreciation.
Asset Revaluation Council will use national standards in asset revaluation.	**Moderate –** value will remain somewhat constant over ten years.	Changes in the valuation of Council assets may have a significant impact on the cost of fully funding depreciation.
Vested Assets Vested assets will have a negligible impact on Council's overall infrastructure and finances.	**Low –** financial effect of uncertainty.	Level of vested assets fluctuates yearly. Historical levels have not been material.
Financial – Existing Funding Renewal Council borrowing facility will be renewed (three-yearly) with the terms and conditions mirroring market trends.	**Medium**	Council's terms and conditions for its borrowing facility have mirrored market trends in recent times.
Financial – Expected Interest Rates on Borrowing Interest on future borrowing has been calculated at 4.75% for 2018/19, 5.00% for 2019/20, 5.50% for 2020/21 – 2022/23, 6.00% for 2023/24 – 2025-26 and then 6.50% for the remaining years. This is	**Medium**	Higher than expected interest rates on borrowing will require Council to consider collecting a greater amount in rates to cover the additional interest costs or reducing the amount borrowed (and level of service provided).

Assumption	Level of Uncertainty	Area of Impact and Potential Financial Impact
based on Council's current borrowing rates which are hedged for a number of years into the future, as well as consideration of economic forecasts.		
Financial – Forecast on Return on Investments Return on cash investments is calculated on the borrowing rate less 2%. Dividends and subvention payments from Invercargill City Holdings Limited are assumed to be at 10% of the total rates requirement.	**Medium**	Lower than expected returns on investments will require Council to consider collecting a greater amount in rates, reduce spending or increase borrowings to cover any reduction in income.
Local Governance Amalgamation will not occur during the life of the Plan.	**Low –** to continue shared services, although amalgamation is low risk.	Shared Services, Policy and Governance Boundary changes would require a review of the Long-term Plan with its associated community consultation.
Legislation There will be changes to legislation that have an impact on what and how Council provides services.	**Moderate** – difficult to know what central government will implement particularly if a change in government.	Services, Finances and Governance Significant legislative change can impose significant financial and service delivery costs on Council.
Natural Disasters There will be no major catastrophes that impact on Invercargill or its economy.	**High –** It is certain the Alpine Fault will rupture in the future but uncertain as to when and the impact.	Infrastructure, Services, Housing and Population A Civil Defence emergency in the District would impact financially on Council and the community. The financial risk to Council is reduced by maintaining insurance cover for emergency events.
Climate Change Climate change impacts will arise over the life of the Long-Term Plan and current trends will be allowed for when planning infrastructure and services.	**Moderate –** Long-Term trend of rising temperatures and more frequent intense weather events is reasonably certain, short to medium term impacts are less certain.	Water availability, coastal hazards (roading and infrastructure), services, air quality, agriculture, farming and biosecurity. The effect of Climate Change occurring more quickly than anticipated may require Council to review and change its current activities and levels of service. This could have a significant financial impact on the community.
Technology	**High –** certainty of diversification in	Employment, Local Economy and Services (delivery)

Assumption	Level of Uncertainty	Area of Impact and Potential Financial Impact
Changes in technology will affect how Council carries out its activities. This will have a financial implication over the 10 year plan.	technology is ever-growing. Impact of changing technology cannot be quantified.	New technologies will likely have an increased financial cost in the short term.
Education S.I.T will continue to promote Invercargill to international students.	**Moderate –** education systems that exist are likely to remain stable.	Infrastructure, Services, Population and Housing.
World Economy The world economy will not have a significant negative effect on the Invercargill City District.	**Moderate –** future financial changes are unforeseeable.	Infrastructure and Tourism A major event in the World Economy could affect Tourism and the implications of lower / higher tourist numbers would occur.

Additional specific assumptions which are considered in the thinking of this plan include:

Assumption Area	LTP Assumption
Ageing Population	Changing population and technology will require changes to the service and activity delivery.
Tourism and Visitor Numbers	Visitor numbers will require the use of ongoing assessment of the delivery of the activity to ensure the requirements for all visitor demographics are met.
Disabled Users	Increasing number of disabled users will require changes to the service and activity delivery.

As assumptions deal with matters of uncertainty and complexity, actual results will likely vary, but are based on the best information available. If actual future events differ from the assumptions, it will result in material variances to this Plan. The Long-Term Plan Background and Assumptions 2018-28 document (Appendix 1.01) identifies the risks that underlie those assumptions, the reason for that risk and an estimated potential impact if the assumption is not realised.

3.   The Service We Provide

3.1   CUSTOMER PROFILE

3.1.1   Our Stakeholders and Community

Splash Palace has a wide range of customers from babies to adults who utilise the facility for learn to swim and water safety education, recreation and leisure, health and fitness and sport. These customers come to the facility as individuals, with sports clubs, disability groups and schools.

Other organisations include; Water Safety New Zealand, Swimming New Zealand, Royal Life Saving Society, Plunket, YMCA, Sport Southland, Southern Institute of Technology and others.

Stakeholder and Community	Area of Interest	Engagement
Community Use	Splash Palace is open for community use 103.5 hours per week. As at May 2017 there were 11,410 active card holders, an increase of over 13% for the same period in 2014.	**Liaise, survey and consult through plans**
Learn to Swim	Splash Palace Swim School offers private learn to swim lessons and has between 800 and 900 pupils ranging from babies to adults each term for learn to swim lessons. The swim school also offers intensive week long lessons each school holiday period. Each year approximately 25 schools use the facility for learn to swim and water safety.	**Face-to-face, survey, consult**
Aquatic Sport	• Swim Southlands five Swimming Clubs use the facility weekly. • Competitive swimmers train twice daily with professional coaches. • An average of 12 competitive swimming events are held each year. • Approximately 600 children attend Water Polo competition each week during the 1st and 4th school terms.	**Face-to-face, survey, consult**

Stakeholder and Community	Area of Interest	Engagement
	• Underwater Hockey is played weekly. • Canoe Polo is played weekly. • Synchronized swimming competitions and training. • Southern IKA, swimming for the disabled.	
Others	• Independent Personal Trainers. • Exercise Contractors. • Local and visiting sports teams. • Health organisations. • Various non aquatic sporting groups. • Corporate health and fitness groups.	**Face-to-face, survey, consult**

3.1.2 How We Engage our Communities

Council is currently developing an Engagement Strategy that will shape how each area of Council, including elected members and staff, will engage with our Community in the future. It is anticipated that the Engagement Strategy will assist in delivering positive outcomes to the Community by identifying how the different groups within our Community wish to be engaged on different topics.

Although developing an Engagement Strategy, Council already engages with the District's ratepayers on a number of levels:

➢ Regular use of the Consultation Caravan where members of the public can pop in to ask questions of elected members and staff.

➢ Public Forums at Council and Committee meetings.

➢ Public requests to be heard as a specific Agenda item.

➢ Regular features in the newspapers and rates newsletters which inform ratepayers of issues.

➢ The City Focus radio show that highlights current topics that the Council is addressing.

➢ The Mayor holds appointments with residents who wish to raise issues of concern.

➢ Community Engagement processes when Council is considering making a significant decision.

➢ Formal consultation through the Special Consultative Procedure for issues such as the Long-term Plan and some Bylaws.

➢ Facebook page where individuals can ask questions and express opinion to Councillors and staff.

3.1.3 Community Research

In 2014 the Council carried out a Customer Service Satisfaction Survey (Appendix 1.02) to provide information on ratepayers and residents' assessment of Councils services. In 2016 a second research project (Appendix 1.08) was undertaken to understand:

➢ What residents want from Council activities;
➢ How they perceive the value for money of those activities; and
➢ The level of service desired.

Although the 2016 project had a slightly different focus, where possible the progressive results have been documented from both the customer survey and research project, combined with expert knowledge of the service individual activity managers have, to help establish a foundation of levels of service statements.

The results of this survey are appended to this report; summarily 88% of all respondents believe the Pools are an 'Essential' service provided by Council (11% thought 'Not Essential' and 1% didn't know).

Anecdotal feedback is also collected from Pool users via one-on-one customer interactions, complaint/feedback forms and from the Aquatic Services Social Media (Splash Palace Facebook). Customer surveys are also conducted annually at the Pools.

3.1.4 Key Service Attributes Valued by Customers

Splash Palace customers see the following as the most important attributes in customer surveys; cleanliness of the facility, good quality pool water, availability of space and good customer service.

Stakeholder and Community	Key Service Attributes
Community Use	- Clean Facility - Good Quality Pool Water - Space - Affordability - Customer Service - Disabled Access and Facilities - Café
Learn to Swim	- Clean Facility - Good Quality Pool Water - Space - Affordability - Customer Service - Disabled Access and Facilities - Qualified, professional instruction

Stakeholder and Community	Key Service Attributes
Aquatic Sport	• Clean Facility • Good Quality Pool Water • Space • Affordability • Customer Service • Disabled Access and Facilities • Competition Facilities
Others	• Clean Facility • Good Quality Pool Water • Space • Affordability • Customer Service • Disabled Access and Facilities

3.2   SERVICE DRIVERS

3.2.1   Community Expectations

As per 3.1.5 the Community expects that the Pools Activity will provide a clean, accessible and hygienic facility that has sufficient space and affordable admission charges. It also expects that staff are appropriately qualified and trained, and that the pool is operated to standards of best practice.

3.2.2   Legislative Requirements

There are no legislative requirements for the provision of Aquatic Services.

3.2.3   Industry Standards and Guidelines

➢   NZS 5826:2010 – stipulates water quality for public swimming pools.

➢   NZRA Poolsafe Quality Management Scheme – Splash Palace is audited and subsequently accredited yearly as a Poolsafe Facility.

➢   Swimming New Zealand Quality Swim School – Splash Palace is a certified (gold) Swimming New Zealand Quality Swim School.

3.3   LEVELS OF SERVICE

The Levels of Service provide a measure to evaluate the key performance attributes of the Aquatics service; against water quality, public use and customer experience (specifically that of the swim school). All the Levels of Service can be measured via data collected either through system-process (eg water test results, admission numbers via door counters and/or reception Point Of Sale systems) or through customer survey and subsequent statistical analysis (e.g. Swim School survey). These measures allow the activity to be monitored both as a snap shot of current levels of service and the ability to trend levels of service and operational changes over time.

How the Pool's Activity Contributes	Customer Level of Service	Measure of Service
The pools activity provides a safe, fun environment where people can enjoy a diverse range of sport, recreation and leisure opportunities.	Splash Palace pool water is safe for users.	Pools are run in compliance with NZS 5826:2010 (Pool Water Quality).
The pools activity provides a range of learn-to-swim, fitness and other water based learning and recreation activities that cater for all members of the community.	Splash Palace is affordable and well utilised.	Number of visits per head of (Invercargill City) population.
		Time when a minimum of public lanes are available for swimming. Time when there is no booking space available.
The pools activity works together with the Invercargill Licensing Trust and the ILT Foundation in providing free Learn to Swim programmes.	Splash Palace provides accessible, quality learning opportunities.	Percentage of Swim School Customers who rate their experience as good or very good when surveyed.
The pools activity provides the only 50 metre swimming pool in the Southland region.	Splash Palace is affordable and well utilised.	Number of visits per head of (Invercargill City) population.
The pools activity offers a high quality facility in which tournaments and championships are hosted.		

3.3.1 Current Customer Levels of Service, Performance Measures and Targets

Measure	2016/17 Target	2016/17 Result	2017/18 Target	2018/19 Target	2019/20 Target
Number of visits per head of (Invercargill City) population	At least 6	7.8	>6.5	>6.5	>6.5
Percentage of Swim School Customers who rate their experience as good or very good when surveyed	80%	92%	85%	85%	85%
Time when a minimum of Public lanes are available for swimming	(new measure)		90%	90%	90%
Time when there is no booking space available	(new measure)		<10%	<10%	<10%

3.3.2 Technical Levels of Service, Performance Measures and Targets

Measure	2016/17 Target	2016/17 Result	2017/18 Target	2018/19 Target	2019/20 Target
All Water Quality Standards are within normal limits *(to be replaced with new measure below)*	100%	100%			
Pools are run in compliance with NZS 5826:2010 (Pool Water Quality)	(new measure)	100%	100%	100%	100%

3.4 LEVELS OF SERVICE ISSUES AND CHALLENGES

3.4.1 Current Levels of Service Gaps

3.4.1.1 Admission Numbers

Since opening in 1996 admission rates into the facility have increased in an almost linear fashion until 2010/11 when a sharp increase in admission numbers was seen. The average annual admission number is as high as over 400,000 and it is expected with population growth that this will continue.

Annual Admission Numbers
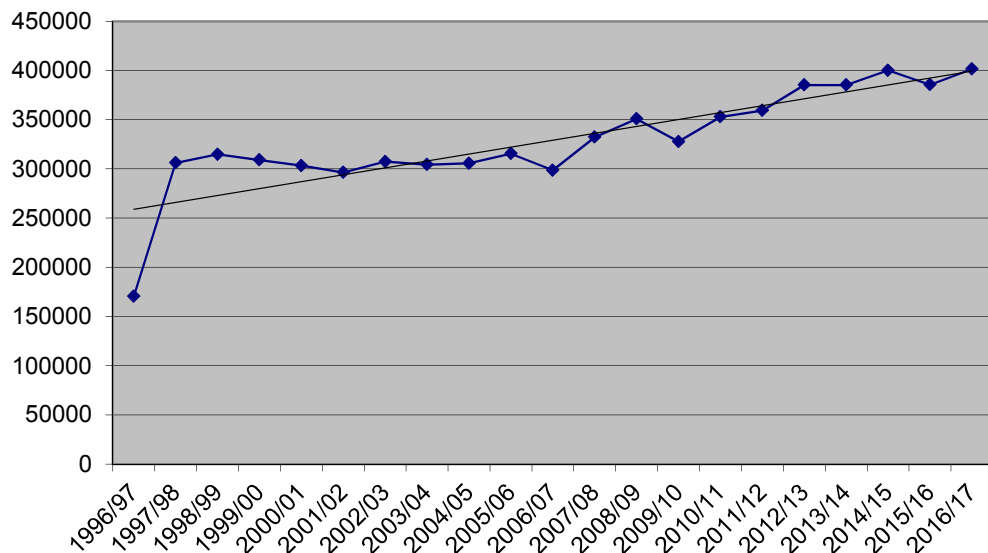
The former Levels of Service target of six Splash Palace visits per head of population is no longer relevant given the higher admissions seen now versus when the measure was first put in place. An increase in the minimum number of admissions is now warranted.

This may better reflect the resource demand on the facility and improve quantitative data collected however the practical Service Level issue; increasing demand, and reduction in pool space is a fundamental area of concern and is addressed through both asset and non-asset related solutions outlined in sections below.

3.4.1.2 Water Quality

Measure: All water quality standards are within normal limits.

This measure is somewhat subjective as it does not specify what the normal limits are, or where they should be referenced, thus this measure is somewhat irrelevant.

The Pool is run under compliance with NZS 5826:2010 (Pool water quality) so a better measure for the Level of Service would be to ensure compliance with this standard 100% of the time. This would allow the pool to be non-operational due to contamination/chemical issues but still be compliant with NZS 5826:2010 provided prescribed processes (e.g. temporary closure) for such events were undertaken.

3.4.2 Possible Responses to Gaps

3.4.2.1 Admission Numbers

The increase in admissions is a synonym for increased demand on pool space. Over recent years anecdotal evidence has shown that at times, there simply is not enough pool space for the number of pool users.

This is a gap in the Level of Service for Aquatic Services that requires quantifying to allow informed decisions to be made about possible future solutions.

A Level of Service measuring the availability of Public lane space and the availability of booking space is required.

As described in section 3.4.1.1, to provide a more meaningful measure the minimum visits per head of population has also been raised from 6 to 6.5.

3.4.2.2 Pool Space

Reflecting on 3.4.2.1, a project to build an additional pool in 2020/21 is proposed. An additional 25 x 25 m pool would provide 10 lanes, 25 m long. This would relieve the current demand/supply issue experienced at Splash Palace during busy times, and would also provide FINA approved 25 m competition swimming with spectator seating for National competitions.

Past and current designs have meant that there is future space to expand the facility to allow for the addition of another pool; it is expected that with a new pool several problems would be solved:

1. Provide a more consistent availability of public space for lane swimming, Aqua Jogging etc.

2. Provide a competition pool to allow for national Water Polo, Swimming, Canoe Polo events. Additionally more competition space could be provided for Synchronised swimming and Underwater hockey given

demand could be taken off the existing 50 m pool for lane swimming and moved to the new pool.

3. Provides a 'redundancy' should the main 50 m pool need to close for whatever reason.

4. Modern disabled accessibility options could be built into a new pool.

A new pool would be appropriately positioned to make use of the existing facility's ancillary activities (e.g. Café and Change Rooms) as well as keeping all staff in the same location.

3.4.2.3 Water Quality

A level of service that measures compliance with NZS 5826:2010 maintains the safe water quality requirements for users and allows for closures due to water quality issues (chemical, faecal contamination or other) but excludes planned or unplanned maintenance issues.

3.4.3 Summary

New/Modified Measure	2017/18 Target
Pools are run in compliance with NZS 5826:2010 (Pool Water Quality)	(new measure)
Number of visits per head of (Invercargill City) population	6.5
Time when a minimum of Public lanes are available for swimming	2018 target: 90% of time
Time when there is no booking space available	2018 Target: <10% of time

4.   Demand for Our Services

4.1   DEMAND FORECAST

4.1.1   Factors Influencing Demand

The 2015/16 New Zealand Health Survey found that over one in three adults were overweight (35.2%) and over one in four were obese (31.6%).

One in six adults (16.6%) were currently taking medication for high blood pressure and one in 20 adults (5.8%) had doctor-diagnosed diabetes. These figures are all higher than in previous years and they are expected to continue to increase.

Obesity is a risk factor for many chronic diseases including type 2 diabetes, heart disease, hypertension, stroke and some cancers. Obesity and inactivity are major risk factors for causes of death in New Zealand.

Figure 1 (below) illustrates the changes in use of Splash Palace over the past five years; with the continuing increase in population age and paralleled increases in obesity and related diseases it is expected that this growth trend will continue for the next three year period and beyond.
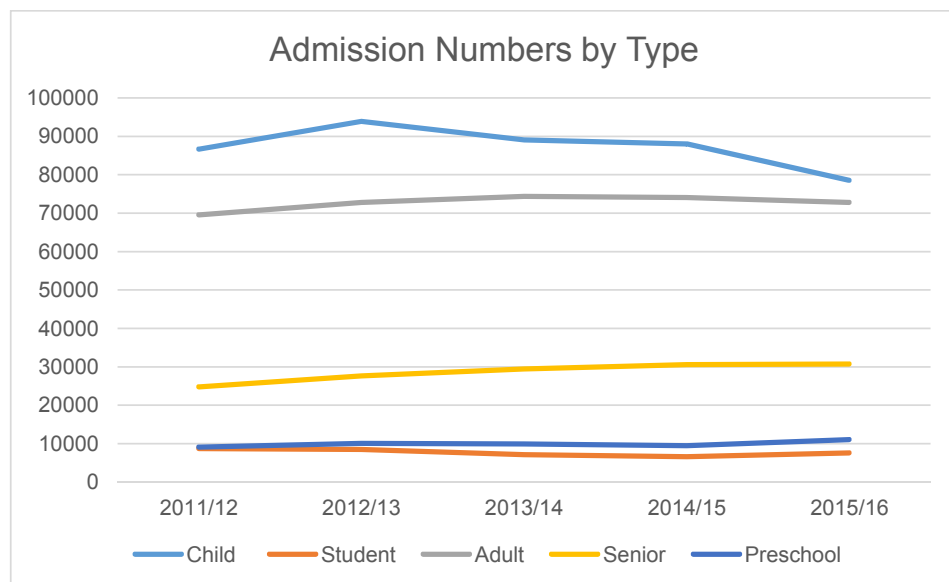
Figure 1 – Splash Palace Annual Admission Numbers by Type

4.1.2   Projected Growth or Decline in Demand for the Service

Demand on this activity is largely influenced by population changes, changes in demographics and societal trends.

Statistics New Zealand predict that Invercargill's population will increase to 55,500 by 2028, an increase of approximately 9.4% over the 2017 number (source: Statistics New Zealand).

The Level of Service for admissions into the facility is current measured on a baseline of a minimum of 6.5 visits per head of population; however admission numbers since 2013/14 have on average been approximately 7.75 visits per head of population for an average of 390,000 annual admissions.

Annual Admission Numbers forecast 2018 - 2028
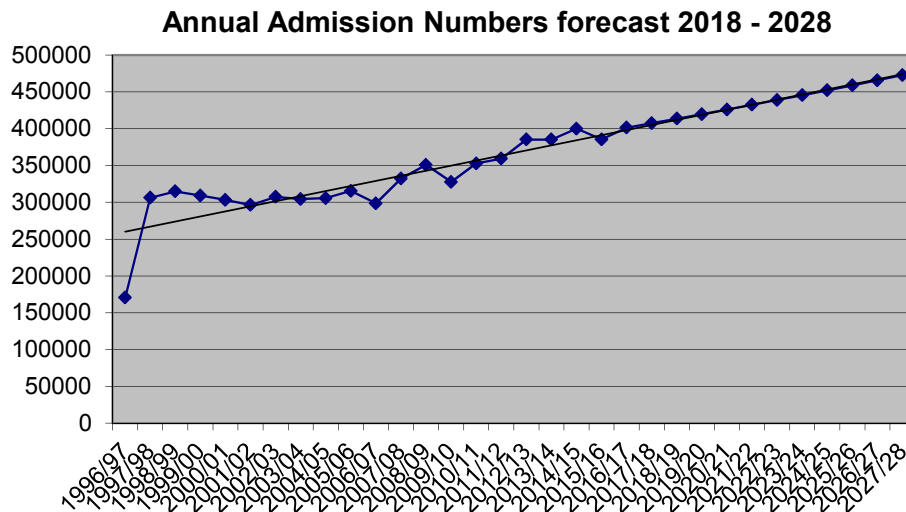
Transposing this to the expected population in 2028 it is likely that annual admissions as high as 430,000 could be expected; an additional demand of more than 100 admissions per day. Additionally, if demand keeps up with population rise admissions of up to 470,000 could be seen by 2028.

Changing demographics will also influence demand on the facility; an aging population will require different or modified services in order to meet their requirements, however core provisions of the activity; that is, space for recreational aquatic activities and learn to swim must still be preserved.

Over the past five years, several trends have been seen that align with Statistical Population Age distribution models; a decline in the number of child admissions, a stagnation of adult admissions and a growing increase in Senior (60+) admissions (see Figure 1 above).

4.2   CHANGES IN SERVICE EXPECTATIONS

Community Outcomes are central to the activities of the Aquatic Services. As shown in section 3.3 the activity contributes to the outcomes in a number of different ways. These outcomes then dictate to some extent the Levels of Service.

An increase in admissions of seniors and disabled persons (as per section 4.1.2) will drive a subsequent change in focus on some of the Levels of Service. Given the current trend of senior users, programming of space for recreation and leisure; aqua jogging and shallow water space as well as space for social gatherings (i.e. in the café) will need to be considered.

Additionally, consideration must be given to the relationship between increased admissions, pool space and levels of service; specifically that as admissions

increase, pool space decreases, there is a subsequent reduction in the level of service.

4.3   EXPECTED IMPLICATIONS FOR THE ACTIVITY

It is expected that without intervention, Levels of Service will decrease as admission numbers increase.

Splash Palace will also need to continue to provide new and exciting recreation concepts and equipment every year to ensure best possible recreational use of the facilities by children and teenagers. General recreation equipment such as inflatable obstacle courses and other recreational equipment is included in the annual budgets.

There is also an expected increase on fitness related aquatic activities like aqua jogging and aqua fitness classes. Additionally, with expected increasing admission numbers additional pool space (see section 4.4.1) will need to be provided.

4.4   FUTURE DEMAND ISSUES AND CHALLENGES

When the ratio of senior to adult admissions becomes significant, there will be an effect on the financial sustainability of the facility given the reduced admission cost for senior versus adult.

The availability of space and tension between different user groups (i.e. individual swimmers, aqua joggers versus aquatic team sports, older patrons versus young children etc) is a current and ongoing issue.

With expected admission numbers likely to increase this will be a primary concern in the next 3+ years. A proposal to build additional pool space (beginning 2021) will contribute significantly to sustaining an appropriate level of service for all users.

4.4.1   Possible Demand-Related Responses

The issue most likely to affect Levels of Service is increased admission numbers. A number of responses, including non-asset related responses could be implemented to mitigate this, however a tension exists between the intended outcome of such responses and the likely negative effect on the community as a whole.

Response	Pro (Outcome)	Contra (Outcome)
Increase admission costs	Reduce demand (no increase in space)	Shift affordability further to the wealthier demographic
Increase opening hours	Reduce demand at peak times (no increase in space)	Demand times would remain the same (due to competing time demands on customer)
Build additional pool space with ramp and stair access	More space and better accessibility	Capital Cost to build, Operational cost to operate

Feedback from the Community and Regulatory Services 2014 Resident Survey identified that *"All participants agreed that more pool space was needed…"*

(Research First, 2014, pg. 94) and "*The addition of a ramp and rail… …would help disabled users feel more independent.*" (Research First, 2014, pg. 96)

To cope with demand issues and to help address access issues for physical impaired users in the facility a project to build an additional pool in 2020/21 is proposed. An additional 25 x 25 m pool would provide an additional 10 lanes, 25 m long and would include a wheelchair ramp and stairs. It would also provide FINA approved 25 m competition area with spectator seating for national competitions.

Past and current designs have meant that there is future space to expand the facility to allow for the addition of another pool; it is expected that with a new pool several problems would be solved:

➢ Provide a more consistent availability of public space for lane swimming, aqua jogging etc.

➢ Provide a competition pool to allow for national water polo, swimming, canoe and polo events. Additionally more competition space could be provided for synchronised swimming and underwater hockey given demand could be taken off the existing 50 m pool for lane swimming and moved to the new pool.

➢ Provides a 'redundancy' should the main 50 m pool need to close for whatever reason.

➢ Modern disabled accessibility options would be built into a new pool (permanent ramp and stairs).

A new pool would be appropriately positioned to make use of the existing facility's ancillary activities (e.g. café and change rooms) as well as keeping all staff in the same location.

4.4.2 Possible Non-Asset Solutions

➢ Increase the user charge for all admissions is not preferable as it would simply make the pools less affordable for the whole community.

➢ Increase opening and closing hours is not preferable due to the likelihood that demand times would stay the same.

4.4.3 Managing Expectations

Provided the population increase assumptions are correct, there is likely to be increased admission numbers of all users and an increased expectation (in the next 15-20 years) in the levels of service regarding the provision of services for seniors and disabled persons.

Rather than a shift in expectations it is more likely to relate specifically to things like space availability, access for the disabled and possibly recreational/leisure activities specific to both.

This will likely see pressure to supply a higher level of service for this age group such as; more private changing facilities, safer environment, increased organised programmes and possible conflict with younger age group recreation and leisure programmes.

It is expected that more people in the 40 to 65 age group will take part in health and fitness programmes and expect a higher level of professional delivery of health programmes.

It is not expected that demand for facilities will greatly change for the 25 to 40 age group, however there is anecdotal evidence that those in this age group are becoming more aware of the importance of healthy lifestyles and are subsequently seeking low-impact exercise (like swimming/aqua jogging).

It is not expected that there will be a major change in the 15 to 25 age group.

The impact on the pools in the reduction of the 0 to 15 aged population will have long term effects such as; lower numbers attending learn to swim programmes, school groups, sporting clubs and recreation and leisure activities. However this has not yet had an impact or been observed.

There is expected to be an increase in use of Splash Palace by people over the age of 40 and people with disabilities, and it is expected that extra water space, especially lane space, will be needed. This is also likely to be compounded by demand from aquatic support users (rehab etc) and other sporting codes, the increasing use by adults for health and well-being and the increasing incidents of obesity in the community driving people to seek low-impact recreation.

5. Asset Profile

5.1 ASSET OVERVIEW

5.2 ASSET DESCRIPTION

The assets required to deliver the pools services are owned and maintained by the Building Assets team of the Works and Services Directorate of the Invercargill City Council. The assets team are responsible for the buildings and plant maintenance. Contractors are engaged to carry out electrical, mechanical and speciality maintenance work at the pools.

An Asset Management Plan has been prepared for Building Assets. Please refer to the Building Asset Management Plan 2018 for details on the Pool Activity's assets.

5.3 CRITICAL ASSETS

Please refer to the Building Asset Management Plan 2018 for details on the Pool Activity's assets.

5.3.1 Asset Criticality Criteria

Please refer to the Building Asset Management Plan 2018 for details on the Pool Activity's assets.

5.3.2 Identification of Critical Assets

5.4 ASSET CONDITION

Please refer to the Building Asset Management Plan 2018 for details on the Pool Activity's assets.

5.4.1 Summary of Current Asset Condition

Please refer to the Building Asset Management Plan 2018 for details on the Pool Activity's assets.

5.4.2 Condition Monitoring

5.5 ASSET CAPACITY AND PERFORMANCE

5.5.1 Capacity and Utilisation

Please refer to the Building Asset Management Plan 2018 for details on the Pool Activity's assets.

5.5.2 Performance

Please refer to the Building Asset Management Plan 2018 for details on the Pool Activity's assets.

5.6   SUMMARY OF ASSET TRENDS, ISSUES AND CHALLENGES

Please refer to the Building Asset Management Plan 2018 for details on the Pool Activity's assets.

6.   Sustainability, Risk and Resilience

6.1   SUSTAINABILITY

The Local Government Act requires Council to take into account the social, economic and cultural interests of people and communities, the need to maintain and enhance the quality of the environment and the reasonably foreseeable needs of future generations by taking a sustainable approach. For the Aquatic Services activity sustainability can be defined as:

Operations that meet the present needs without
compromising on the ability to meet future needs.

6.1.1   Social and Cultural

The aquatic services provides our community with a place to interact in an aquatic environment in a safe and controlled way. It is also recognised that Splash Palace provides one of only a few places in our region that can be fully utilised for sport, recreation or leisure regardless of weather.

Similarly the low-impact nature of aquatic activities means that the aquatic service, in many instances, provides the only form of physical activity for a significant proportion of our community. This provides a conduit for social interaction that may otherwise be diminished. An association with water underpins much of New Zealand's colloquial identity and the aquatic service provides for the continued cultural importance of our communities interaction with water.

6.1.2   Environmental

Splash Palace seeks to reduce energy consumption and identify alternative sustainable practices in its operation.

The facility is heated via a wood chip boiler (Main Pools and Main Pool hall air) and heat pump (Learners Pool and Learners Pool air). Additionally, over the course of the capital renewal programme for lighting the facility, LED alternatives have been installed in preference over the former sodium and halogen lights.

As new technologies come viable these are investigated and where rational alternatives are discovered these are implemented into the facility.

6.1.3   Economic and Financial

Splash Palace is funded both via rates and through user charges. The ongoing operational expenditure of the facility typically also includes expenditure for servicing loans used to fund capital i.e. new assets or the renewal of existing assets. Planning for economic and financial sustainability means that these costs must be balanced against the benefits that they will offer whilst ensuring the continued affordability of the activity for ratepayers.

6.1.4   Summary of Sustainability Challenges and Issues

Changes in the demographic (social, cultural, economic, age) of Splash Palace users will continue to drive challenges around the delivery of the activity. Specifically the changing balance between the ability for Splash Palace to provide a service, the numbers wishing to use the service and the ability for

users to pay for it will mean that the activity will require an ongoing review of its activity periodically; the annual review and three yearly LTP review provides the opportunity to do this.

6.2   RISK

The Council recognises that it is obliged to manage effectively and to review regularly its risks at a strategic, operational and project level. The Council has done this by developing a Risk Management Framework and a range of risk management processes that apply across the organisation.

Risk assessment is a major consideration in planning and budgeting processes at all levels within the Council. Risks must be considered and documented as part of the justification for undertaking our activities.

Risk assessment and monitoring must form part of the management of operational activities. The Chief Executive and the Council encourage the taking of controlled risks to better improve the effectiveness and efficiency of the services and functions that the Council provides on behalf of the community, provided the resultant exposures are acceptable.

6.2.1   Risk Framework/Standard

Council has previously adopted a risk management process that is consistent with Australian/New Zealand Standard AS/NZ 4360 which defines risk assessment and management. The key risk criteria adopted for assessing the consequences of identified risks are:

➢   Community Health and Safety.
➢   Loss of Service – Extent/Duration.
➢   Service Delivery – Customer Impact.
➢   Invercargill City Council Financial Impact.
➢   Financial Community.
➢   Corporate Image and Reputation.
➢   Legal Compliance.

The Corporate Framework for assessing Risk is included in Appendix 1.09.

It should be noted that Council is undertaking an organisation wide review of risk management practices in the 2018/19 financial year and this may impact on how risk is assessed and managed. Results from this review will be included in Management Plans where necessary and risk assessments will be updated as required.

6.2.2   Risk Identification and Assessment

Strategic Outcome	Level of Service Indicator	Caused By	Consequence							Likelihood	Risk Severity	Controls	
			Health and Safety (0.20)	Service Delivery – Customer Impact (0.15)	ICC Financial Impact (0.20)	Financial – Community (0.15)	Corporate Image and Reputation (0.10)	Legal Compliance (0.20)	Weighted Averaged Consequences Score			Current Practice	Recommended Actions
	Serious harm incident to a member of the public.	Slip, fall, drowning, accident.	5	4	2	1	3	2	2.85	E	L	Poolsafe accreditation retained.	Continue current practice.
	Serious harm incident to a staff member.	Slip, fall, accidental drowning, armed hold-up.	3	1	2	1	1	2	1.8	E	L	Poolsafe accreditation retained.	Continue current practice.
	Staff exposure to chemicals.	Accident when handling pool chemicals.	5	1	1	1	3	4	2.6	L	L	Staff training on exposure to chemicals and their safe handling.	Continue current practice.

6.2.3   Critical Assets Decision-Making

Critical assets are "those which have a high consequence of failure, but not necessarily a high probability of failure". This is important as it draws attention to those assets which are the most important, irrespective of the likelihood of failure of the asset. Critical assets typically require more proactive management to minimise or eliminate this risk.

The likelihood of failure of an asset is often difficult to assess, however condition and age are parameters that provide an indication. The worse the condition of the asset, the more likely it is to fail.

Assets which are both extremely critical and more likely to fail should have higher priority and be replaced or rehabilitated earlier in their lifecycle than others, and at lower levels "run to failure" may be perfectly acceptable.

6.2.4   Summary of Key Risk Issues

In general terms, the highest risk to the Aquatic Services is injury or drowning of a member of public or staff member. This is mitigated through PoolSafe Accreditation and the ongoing training and testing of staff.

6.2.5   Possible Approaches to Risk Mitigation

➢   All lifeguards hold a current lifeguard award, a current first aid certificate and are trained in emergency management. All other staff hold a current first aid certificate and are trained in emergency management.

➢   Splash Palace continues to be a certified 'Poolsafe' facility. The Poolsafe scheme is supported by ACC and is an independent assessment of public pools to ensure that their operations and facilities are safe. The Poolsafe assessment criteria includes supervision standards, lifeguarding qualifications and training, health and safety and compliance with NZS 5826:2010 water quality standards

6.3   RESILIENCE

The working definition of resilience to Invercargill City Council is the ability of the organisation to survive a crisis and thrive in a world of uncertainty. Resilience includes both planned risk management (Section 6.2) and adaptive capacity. In this context resilience refers to our capacity to adapt, rather than preparedness or recovery, which is the capacity of people, the community and systems to adapt in the face of unpredictable change the 'unknown unknowns'.

100 Resilient Cities* has four dimensions and three drivers within each:

➢   **Health and Well-being**
   - Meet basic needs
   - Support livelihoods and employment
   - Ensure public health services

➢   **Economy and Society**
   - Foster economic prosperity
   - Ensures social stability, security and justice
   - Promote cohesive and engaged communities

➢ **Infrastructure and Environment**
- Provide reliable communication and mobility
- Ensure continuity of critical services
- Provide and enhance natural and man-made assets

➢ **Leadership and Strategy**
- Promote leadership and effective management,
- Empower a broad range of stakeholders,
- Foster long-term and integrated planning

* http://www.100resilientcities.org/resilience

6.3.1 Business Continuity and Emergency Response Arrangements

All electronic data records utilise Council's document management system which provides storage and redundancy for records. Splash Palace itself currently does not have a Business Continuity plan as this is seen as a lower priority during or directly after a disaster.

6.3.2 Current and Desired Resilience Assessment

Resilience is a topic that we are learning about from events such as the Christchurch, Kaikoura and Wellington earthquakes. Invercargill City Council is seeking to make our organisation and infrastructure more resilient. Resilience will be part of the review of risk management being undertaken in the 2018-19 financial year.

6.3.3 Summary of Resilience Issues and Challenges

This delivery of the Aquatic Service has a lower priority for disaster recovery and resilience against other Council assets and activities. As such, a specific Business Continuity and Resilience plan is not in place for this activity.

7.   Managing Our Activities

7.1   RESPONDING TO THE ISSUES AND CHALLENGES

TOPIC	Issue or Challenge	Potential Responses
Level of Service	Admission Numbers. Admission numbers are now so high that space for users is compromised. Existing measures inadequately demonstrate this	• Change Level of Service measure to "Minimum of 7 visits per head of population per annum" • Add "Time when a minimum of four Public lanes are available for Swimming: +90%" • Add "Time when no booking space is available: <10%"
	Water Quality. Existing LoS measure is inadequate to allow for planned maintenance	• Change level of service measure to "Pools are run in compliance with NZS 5826:2010 100% of the time"
	Hydroslide is at the end of its operational life	• A replacement hydroslide has been approved for the 2018/19 year
Demand	Increasing demand impacting already compromised space	• Build an additional 25x25m pool with disabled access - subject to consultation for the 2018 LTP
Asset	LINK Building Asset Plan	
Sustainability	Changes in demographic of users will continue to drive challenges around the delivery of Aquatic services	• Ensure consistent monitoring and analysis of user demographics • Ensure the LTP and Annual plans reflect necessary changes
Resilience	No documented contingency plans for Aquatic services	• Work with Building Assets team to develop an appropriate contingency plan (if required).

7.1.1   Alternative Investment Approaches

The aquatic service activity has identified the need for additional capital spend on both a replacement hydroslide and the addition of a new swimming pool. Both of these projects are significant capital spends respectively.

The hydroslide has been approved as a capital renewal project whilst the additional pool will be part of the consultation for the 2018 LTP. Funding for both projects will largely come from loan-funding, however it is expected that servicing this loan will come via rates, user pays and grant funding from external sources.

7.1.2   Do-Minimum Programmes

A Do-Minimum programme would include:

➢   Not replacing the Hydroslide
➢   Not installing an additional pool
➢   Reducing or eliminating Holiday Programmes

Implementing a plan like this would negatively affect the activity.   If capital renewals (e.g. Hydroslide) were not undertaken the Levels of Service would significantly reduce.   Similarly if new capital projects are not included (e.g. new swimming pool), capacity is reduced which would lead to a decrease in the Levels of Service and may increase risk to the sustainability of the activity.

Similarly, if additional grant funding is unable to be secured there may be a higher than anticipated effect on rates.   However, it is also expected that both capital investments will have a return on investment (through user-pays, e.g. loan servicing costs for a new slide will be partially met through user charges) that may be sufficient to minimise the effect on rates.

7.1.3   Programmes Evaluation

Invercargill City Council is developing a greater understanding of the business case approach developed by Treasury.   This approach is used to make better informed investment decisions, ensure better value for money and better outcomes for the community.   More training for staff will be sought in this discipline.

Additionally, at present there is an annual review of all programmes where criteria for success include:

➢   Admission numbers
➢   Feedback from staff and public
➢   Quantitative survey results

7.2   OPERATIONS AND MAINTENANCE

7.2.1   Operation/Maintenance Strategy

Day to day operations is managed by the Aquatic services team operating under guideline set by the NZRA Poolsafe accredited procedures.   Plant/Building operations and asset maintenance is supervised by the Aquatic Team Maintenance Supervisor in conjunction with the building asset team.

7.2.2   Operation/Maintenance Standards and Specifications

The operation and maintenance of the Aquatic facilities are managed by Aquatic Services staff.   The key purpose of maintenance is to provide and maintain swimming water that is compliant with NZS5826:2010 and maintain all other parts of the aquatic buildings in a clean and safe manner to meet industry guidelines (as per the NZRA Poolsafe Quality Management scheme).

Maintenance work and capital work; both carried out under NZS4441:2008 (Swimming Pool Design) is undertaken by the Facility Maintenance Supervisor whilst cleaning duties and basic water compliance checks are carried out by lifeguard staff.   Contractors are often engaged when maintenance requires expertise outside Aquatic services staff.

7.2.3 Operation/Maintenance Options and Alternatives

An alternative to the existing arrangement could involve sole asset management of the pool facility by Pools staff. This however would require a paradigm shift in Council's asset philosophy, particularly of building assets which delivers a consistent approach to asset management across all Council buildings.

The cost to do this within the Pools staff would increase and may cost more than the internal services charge already charged by the Assets team, as costs are shared across a range of Council's building assets.

7.3 RECOMMENDED PROGRAMME

7.3.1 Evaluation of Options/Alternative Programmes

As identified in Section 7.1.1, the pools activity requires both an additional swimming pool and a new, replacement hydroslide. The following table identifies the consequences and benefits of different programmes associated with these two investments.

Project	Do Minimum	Current	Invest
Replacement Hydroslide	Do not replace the hydroslide, the existing level of service will decrease.	Replace the hydroslide for a like-for-like slide. The ability to charge for a new slide of similar design will be difficult given the current slide has no admission charge.	Replace the current hydroslide for a bigger and more modern slide. This will enable a return on the investment and contributes more effectively to Invercargill's community outcomes.
Build an additional 25 x 25 m Pool with disabled access	Do not build the pool. Levels of Service will decrease. The ability to adequately provide for disabled customers will be reduced.	As per *Do Minimum.*	An additional pool will allow for more aquatic based activity in the city that is currently restricted due to space limitations. Additionally, the new pool provides for easy (and in some cases solo) disabled access to a 25 m training/competition pool.

7.3.2 Recommended Operation Programmes

Several critical assets are required for the continued success of Splash Palace. Whilst the programmes behind the assets themselves are covered by the Building Assets activing plan, the assets themselves are a key part of the Splash Palace operation. As outlined throughout section 7.0 these assets are the

replacement hydroslide (a renewal project) and an additional 25 x 25 m swimming pool with disabled access (a new capital project).

The operation relies on these projects to ensure:

1. Appropriate levels of service are maintained;
2. Increasing demand is met;
3. Changing demand is met (specifically, an increased demand for disabled access to aquatic training facilities).

Whilst the funding for these two new additions will be via loan, it is expected that some grant funding will be able to be secured and the return on these facilities will largely offset the remaining loan servicing cost.

Additionally, there is no recommendation to change the relationship between Aquatic Services and the Building Assets function provided by the respective part of Council's Works and Services directorate.

7.4   HOW THE ACTIVITY WILL BE RESOURCED

7.4.1   Internal Resourcing

The delivery of aquatic services is managed by the Aquatic Services team of the Works and Services Directorate of the Invercargill City Council.
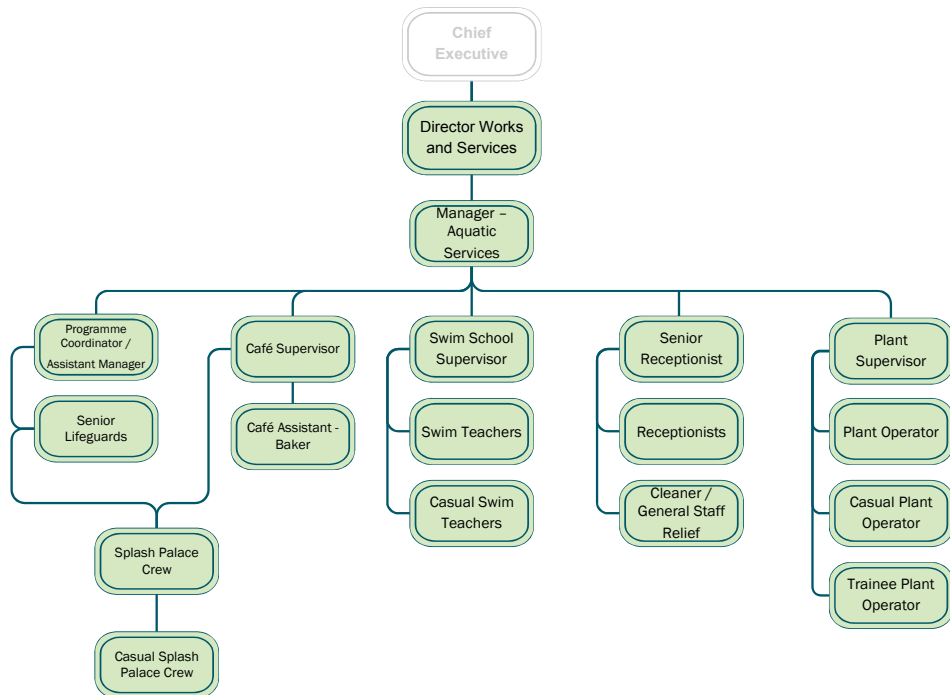
The team comprises the following staff:

Position	Number employed in role
Manager – Aquatic Services	1
Programme Coordinator (Assistant Manager)	1
Senior Receptionist	1
Swim School Supervisor	1
Facility Maintenance Supervisor (.66 FTE)	1
Café Supervisor	1
Plant Operator	1
Full Time Senior Lifeguards	7
Part Time Swim Teachers	10
Part Time Receptionists	6
Part Time Cleaner	2
Casual Plant Operator	1
Casual Receptionist	1
Casual Senior Lifeguard	2
Casual Splash Palace Crew	25
Casual Swim Teacher	3
Fitness Instructor	1
Part Time Splash Palace Crew	17

The position of Manager – Aquatic Services encompasses the following major functions or key result areas:

- Day to day operational management of Council Aquatic Facilities including financial, human resources, services delivery, marketing and planning.
- Increasing facility use through the implementation of innovative marketing and programme strategies.
- Establishing a team of staff who are committed to client satisfaction, well motivated and capable of carrying out their duties efficiently and effectively.

The Manager takes a lead role in determining the future direction of Aquatic Services and Facilities in Invercargill.

7.4.2 Procurement Strategy

Procurement is handled by respective area supervisors within the facility and authorized at all levels by the Aquatic Services Manager. For some areas, like the café and retail area, supply agreements exist between Splash Palace and the respective supplier; this is especially true in the case of consumables where a constant and continuous supply is required.

For incidental procurement, purchase orders are raised on an as needed basis; where appropriate purchases are made from suppliers that offer an advantage to Council.

For procurement of maintenance etc, purchase orders are raised when necessary using a variety of small contractors with appropriate trade skills, knowledge and experience.

8. Financial Management

8.1. OVERVIEW

The Aquatic Services are funded from both User charges and Rates contribution. Some activities, like the ILT Learn to Swim programme, are also partially funded from other sources (e.g. Grants).

8.2 FINANCIAL SUMMARY - WHAT THE ACTIVITY COSTS

8.2.1 Council Funded Programmes

The following table presents the budget for 2018 through to 2028.

	2018 Budget	2019 Budget	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget
Internal Revenue	269,200	269,200	269,200	269,200	269,200	269,200	269,200	269,200	269,200	269,200	269,200
Fees & Charges Revenue	1,556,707	1,541,600	1,641,600	1,641,600	1,831,600	1,831,600	1,831,600	1,831,600	1,831,600	1,831,600	1,831,600
Grants & Subsidies Revenue	134,613	158,000	158,000	158,000	158,000	158,000	158,000	158,000	158,000	158,000	158,000
Financial Revenue	63,737	66,700	66,700	66,700	66,700	66,700	66,700	66,500	66,500	66,500	66,500
Total Revenue	2,024,256	2,035,500	2,135,500	2,135,500	2,325,500	2,325,500	2,325,500	2,325,300	2,325,300	2,325,300	2,325,300
Internal Expenditure	1,918,116	2,162,578	2,162,578	2,364,578	2,808,578	2,901,578	2,901,578	2,901,578	2,901,578	2,951,578	2,951,578
Staff Expenditure	1,648,116	1,674,783	1,674,783	1,674,783	1,824,283	1,824,283	1,824,283	1,824,283	1,824,283	1,824,283	1,824,283
Administration Expenditure	135,240	148,317	148,717	148,717	148,717	148,717	148,717	148,717	148,717	148,717	148,717
Financial Expenditure	1,342	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Grants & Subsidies Expenditure	1,032	1,400	1,400	1,400	1,400	1,400	1,400	0	0	0	0
Repairs & Maintenance Expenditure	49,355	46,000	45,500	45,500	45,500	45,500	45,500	45,500	45,500	45,500	45,500
Operational Expenditure	412,841	417,840	417,840	417,840	410,840	427,840	427,840	427,840	427,840	427,840	427,840
Depreciation Expenditure	22,021	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000
Total Expenditure	4,188,063	4,474,218	4,474,118	4,676,118	5,262,618	5,372,618	5,372,618	5,371,218	5,371,218	5,421,218	5,421,218
Operating Surplus / (Deficit)	(2,163,807)	(2,438,718)	(2,338,618)	(2,540,618)	(2,937,118)	(3,047,118)	(3,047,118)	(3,045,918)	(3,045,918)	(3,095,918)	(3,095,918)
Capital Expenditure	20,647	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Capital Funding	(984)	(46,928)	(46,328)	(46,328)	(46,328)	(46,328)	(46,328)	(45,128)	(45,128)	(45,128)	(45,128)
Rates Required	2,183,471	2,421,790	2,322,290	2,524,290	2,920,790	3,030,790	3,030,790	3,030,790	3,030,790	3,080,790	3,080,790
% Increase from Previous Year		10.91%	(4.11%)	8.70%	15.71%	3.77%	0	0	0	1.65%	0

8.2.2 Programme Implications

Awaiting Council decisions.

8.3 FINANCIAL POLICIES

The Local Government Act 2002 requires Council to manage its finances prudently and in a manner which promotes the current and future needs of the community. Council must ensure that each years projected operating revenues are set at a level sufficient to meet the years projected operating expenses.

The Revenue and Financing Policy states Council's policy on the funding of its operating and capital expenditure and the sources of those funds.

For each activity Council must give consideration to who benefits from the activity and the appropriate level of private versus public benefit when funding the activity. Public benefit is gained from having access to activities provided by Council. Private benefit is gained from receiving goods or services provided by Council, i.e. a Building Consent for work carried out by private residents.

8.4 HOW WE PAY FOR THE ACTIVITY

The following sources of funding are used by Aquatic Services:

➢ General Rate
➢ Targeted Rate
➢ Fees and Charges
➢ Other sources of funding (e.g. Grants)
➢ Loans and Reserves

Who Benefits	Funding Sources and Proportions	Demand Generators
Public	Uniform Charge 10-20%	Change in services available to clients
	Targeted Rates 30-40%	
Sports Clubs and Organisations	Fees and Charges 40-60%	

8.5 CONFIDENCE LEVELS IN PROGRAMMES

All forecasting in the recommended programmes has been derived from Assumptions (see Appendix 1.01) and from statistical analysis of data collected by Aquatic Services. Several assumptions are very likely to occur:

1. The population is increasing.
2. The population is aging.
3. Demand on the facility is changing (more disabled access demand, more lane space demand).
4. Some assets are near the end of their life (Hydroslide).
5. Demand on the facility is increasing.

The proposed programmes reflect these known changes and assumptions; regardless whilst the proposed programme is based on statistical facts and strong assumptions due to the nature of the activity it is not possible to calculate a confidence interval for the proposed programme.

8.6   RELIABILITY OF FINANCIAL FORECASTS

8.6.1   Operational Forecasts

As per section 8.7, the Assumptions used to develop this AMP indicate a demand growth phase and demographic change to the facility.

Provided that actual change moves comparatively parallel with the assumptions the Activity Plan as forecast will meet the required needs of this growth.

Regardless, consideration of a change that diverges from the assumptions is required.

Change	Effect
Growth decrease by 10%	A reduction in admissions (through population decrease or other) will not have a major impact on the operation of the pools. This is because operational expenditure is linked to admissions; lower admissions would lead to lower expenditure. A decrease up to as much as 20-25% would not affect the provision or operation of the facility, and as above would only see a parallel reduction in income and (relative) expenditure.

8.6.2   Development Forecasts

As per section 8.7, the Assumptions used to develop this AMP indicate a demand growth phase and demographic change to the facility.

Provided that actual change moves comparatively parallel with the assumptions the Activity Plan as forecast will meet the required needs of this growth.

Regardless, consideration of a change that diverges from the assumptions is required.

Change	Effect
Growth decrease by 10%	The hydroslide replacement is required irrespective of a change in growth assumptions. A decrease of 10% would not mitigate the need for the additional swimming pool. A decrease of 15% would require a review of the need for an additional pool.

Development Viability

8.7   SUMMARY OF PROGRAMME ASSUMPTIONS

Summary of Key Assumptions used:

Assumption Area	LTP Assumption
Population Growth	The population will increase by 2028 (10 year LTP window).
Ageing Population	Changing population and technology will require changes to the service and activity delivery.
Tourism and Visitor Numbers	Visitor numbers will require the use of ongoing assessment of the delivery of the activity to ensure the requirements for all visitor demographics are met.
Disabled Users	Increasing number of disabled users will require changes to the service and activity delivery.

The 2015/16 New Zealand Health Survey found that over one in three adults were overweight (35.2%) and over one in four were obese (31.6%).

One in six adults (16.6%) were currently taking medication for high blood pressure and one in 20 adults (5.8%) had doctor-diagnosed diabetes. These figures are all higher than in previous years and they are expected to continue to increase.

Obesity is a risk factor for many chronic diseases including type 2 diabetes, heart disease, hypertension, stroke and some cancers. Obesity and inactivity are major risk factors for causes of death in New Zealand.

Due to the nature of pools activity and its use for a wide range of low-impact exercise, rehabilitation and all weather use, it is expected that admission levels in the pools will continue to increase.

It is also expected that both the age demographic of and the need to provide for disabled users will also increase.

9.   Delivering and Monitoring the Programme

9.1   PROGRAMME GOVERNANCE AND REPORTING

Council operates on a six-weekly cycle with four committees meeting before a full Council meeting. These committees accept and receive reports from their relevant Directorate and Management Staff are at these meetings to answer any questions that arise.

This reporting process ensures accountability to Councillors and allows for transparency to the public. Further to the four Directorate committees, there are smaller sub-committees such as Audit that meets to discuss issues relating to the Annual Report, Annual Plan, Long-Term Plan processes and any other audit related issues.

The Bluff Community Board is established as a committee who reports to Council on behalf of the Bluff area and deals with any issues relating to their area. Council provides direction to this committee and has a representative sitting on this board.

Councillors are elected on a triennial basis through local government elections with the community voting for 12 Councillors and a Mayor. The Chief Executive role is reviewed every five years. In addition to this, Council undertakes a Representation Review every six years to ensure that the community is aware and accepting of the current Council structure.

Council develops their Long-Term Plan every three years in line with their obligations under the Local Government Act 2002, every year following this Council will adopt an Annual Plan which will make any amendments to the existing Long-Term Plan and allows for members of the community to submit on this process.

Further, Council will provide an Annual Report, which is a full year financial snapshot of Council's activities for that financial year. This is also compared to the financial projections in Council's Long-Term Plan.

9.2   STAKEHOLDER ENGAGEMENT AND COMMUNICATIONS

Council currently utilises a myriad of methods to engage in consultation with members of the community. The Local Government Act 2002 states specific methods of consultation to be utilised by Council for certain processes, Council adds to this through innovative and community-tailored engagement techniques. The following are examples of current Council consultation methods:

➢   Imagine Invercargill is a new engagement website where members of the public can submit ideas on how to improve Council services.

➢   Consult South is a website that highlights any current or up and coming consultation items.

➢   Regular use of the Consultation Caravan where members of the public can pop in to ask questions of elected members and staff.

➢   Public Forums at Council and Committee meetings.

➢   Public requests to be heard as a specific Agenda item.

➢   Regular features in the newspapers and rates newsletters which inform ratepayers of issues.

➤   The City Focus Radio show that highlights current topics that the Council is addressing.

➤   The Mayor holds appointments with residents who wish to raise issues of concern.

➤   Community Engagement processes when Council is considering making a significant decision.

➤   Formal consultation through the Special Consultative Procedure for issues such as the Long-Term Plan and some Bylaws.

➤   Facebook page where individuals can ask questions and express opinion to Councillors and staff.

Council Committees	Community Boards	Joint Committees	Council Controlled Organisations
· Infrastructure & Services	· Bluff Community Board	· Venture Southland	· Invercargill City Holdings Ltd : 100%
· Regulatory Services		· Shared Services	· Electricity Invercargill Ltd : 100%
· Finance & Policy (sub-committees – Audit and Risk)		· Regional Heritage Committee	· Invercargill City Forests Ltd : 100%
· Community Services		· WasteNet Southland	· Invercargill Airport Ltd : 97.19%
		· Emergency Management Southland	· Invercargill City Property Ltd : 100%
		· Southern Rural Fire Authority	· Invercargill Venue & Events Management Ltd : 100%
			· Bluff Maritime Museum Trust
			· Southland Museum & Art Gallery Trust
			· Invercargill City Charitable Trust
			· Invercargill Community Recreation & Sport Trust

9.3 BUSINESS PROCESSES

The management structure of the Invercargill City Council is as follows:

Council staff operates under a Delegations Register (Appendix 1.10) that is adopted by Council; this Register lists every department with specific delegations that are required under legislation or Council policies so that staff members are able to carry out their specific job requirements.

9.4 INFORMATION SYSTEMS AND DATA

Microsoft AX Dynamics

This programme is the main accounting software; this system records all accounting entries, inventory entries, account payable entries and fixed asset data. Fixed assets held within the infrastructure area are revalued every three years and data from the revaluation is held with the AX dynamic system. The system then generates depreciation figures that are used for reporting purposes and also for the funding of depreciation in relation to Council's capital renewal programmes. During the period between revaluations assets are capitalised into the AX Dynamics system as purchased. The AX system also provide the council reconciliation control environment, maintaining such control

as GST and FBT obligations, bank reconciliations, as well of all other balance sheet reconciliations of the Council.

MYOB PayGlobal

Provides a workforce management with the payroll and human resources management software provides the analytical, planning and operational tools to monitor staff activities and performance. There is a self-service platform (Ernie) where employees and managers access leave, personal info, payslips, and timesheet data online. Allowing employee attendance, management and tracking.

Objective

Delivers an Electronic Document and Records Management (EDRMS) service across all of Council providing information management processes and business process automation with robust security, version control and audit management to ensure Council complies with recordkeeping standards; this reduces the risk associated with managing information in multiple locations

Opal 3

This programme is utilised by all departments who monitor their levels of service for activity; this programme requires specific data to be entered six weekly or monthly (as required). Third tier managers enter this data, with the Director or Manager to approve this entry. The data required is updated in line with the Long-Term Plan.

TM1 Cognos

This is the financial reporting and budgeting system for Council. Information is taken from the AX dynamics system and downloaded into the TM1 system, allowing Council to report on actual performance against budget. Council budgets for both the Long-Term Plan and Annual Plan are completed within the TM1 Cognos system.

Centaman

Front of house and booking management system. Centaman software provides for Point-of-Sale and stock management, Swim School management, Space bookings, Memberships and Reporting and Analysis. Data from Centaman is input into the Opal 3 reporting system.

9.5 PROGRAMME PERFORMANCE MONITORING AND REVIEW

9.5.1 Monitoring Approach

Council operates on a six-weekly cycle with meetings for the four committees of Council that look into each department at Council and are provided with extensive monitoring and reporting of levels of services for activities and assets that come out of that department, alongside monthly financial accounts for each department.

The Aquatic Services Activity reports to the Community Services committee and this committee will question the reports with the Aquatic Services Manager present to answer any questions that arise from the reports.

The information for these reports is entered into various software systems as detailed in Section 9.4. This monitors the performance both fiscal, and service based against targets and budgets from Council's Long-Term Plan. Targets can be key performance indicators, internally driven targets or provided from a Ministry that oversees that area, i.e. Department of Internal Affairs. At a full Council meeting these reports are then received.

9.5.2   Frequency of Review

Every financial year Council prepares an Annual Report that is the key document in ensuring the expenditure for the year was efficient and is pertinent in ensuring accountability to the community and ratepayers.

The Annual Report does not just show the current financial status, but also shows the levels of service for all Council activities and assets measured against the yearly targets set in the Long-Term Plan. As noted in section 9.1, these are measured and reported six weekly in the Council meetings. The Annual Report is a holistic overview of their performance.

10. Continuous Improvement

10.1 CURRENT ACTIVITY MANAGEMENT PRACTICE

Ref.		Type	Quite Inadequate	Needs a lot of Improvement	Quite Good, but could be Improved in Some Areas	Very Good	Comments
1.	**Management** • Of the Department (Leadership) • Of the staff on a daily basis • All work planned for the year completed within the year, to the predetermined standard required, within the predetermined timeframe, for not more than the budgeted cost.	PD PD OP			✓	✓ ✓	Succession planning required for senior staff to cover in times of absence
2.	**Technical Competence** • New works' design • Project Management • Management of contractors • Maintenance organisation and management • Other technical skills required by this service	OP OP OP OP PD			✓	✓ ✓ ✓ ✓	
3.	**Forward Planning and the Setting of Priorities** • The completeness and overall quality of the priority setting and financial forecasts and assumptions for the next 20 years • For maintenance and operations (for the next 10 years) • For new capital (for the next 20 years) • For renewals (for the next 10 years)	OP OP OP			✓ ✓ ✓ ✓		

Ref.		Type	Quite Inadequate	Needs a lot of Improvement	Quite Good, but could be Improved in Some Areas	Very Good	Comments
4.	**Communications/Relationships** • With Customers • Written (letter writing) • Verbal (phone) • Verbal (personal contact) • With elected representatives (where relevant) • With other departments • Within the department	 CS CS CS CS CS PD				 ✓ ✓ ✓ ✓ ✓ ✓ ✓	Recent strategic planning within the pools facility has identified several areas for improvement in communication with staff and public
5.	**Financial Management** • Budgets' preparation (quality, completeness, and timeliness) • Adherence to budgets once approved • Always aware of costs against budget throughout the year	 OP OP OP			 ✓	 ✓ ✓	
6.	**People** • Job descriptions/job instructions/work guidelines/practice notes available for all relevant tasks and all up-to-date • All staff delegations up-to-date	 PD PD				 ✓ ✓	
7.	**Knowledge of the Physical Assets** • How well the physical assets that have to be managed are understood • Location • Material type • Condition • Capacity • Age and remaining life • Performance • Criticality	 OP OP OP OP OP OP OP OP				 ✓ ✓ ✓ ✓ ✓ ✓ ✓	

Ref.		Type	Quite Inadequate	Needs a lot of Improvement	Quite Good, but could be Improved in Some Areas	Very Good	Comments
8.	**Support Services**						
	• Administrative support	PD				✓	
	• Financial support	PD				✓	
	• Office accommodation	PD		✓			
	• Office furniture and equipment (work tools)	PD			✓		
	• Transport	PD			✓		
	• Record keeping (completeness and easily accessible)	PD			✓		
	• Complete and up-to-date policy manual	PD				✓	
9.	**Performance Management**						
	• Sufficient and appropriate performance measures	OP				✓	
	• Sufficient and appropriate performance targets	OP				✓	
	• All measures and targets being monitored	OP				✓	
	• Monitoring results promptly reported (at all relevant levels)	OP				✓	
	• Performance trends (over several years) clear and understood	OP				✓	
	• Performance results actually used to improve performance	OP			✓	✓	
	• All employees regularly being given "true" feedback about their performance	PD				✓	
10.	**Business Continuity**				✓		Splash Palace does not have a Disaster Continuity Plan
	• Disaster Plans up-to-date	OP					
11.	**Legislative Compliance**						
	• No known areas where legislative requirements not being fully complied with	OP				✓	

Ref.		Type	Quite Inadequate	Needs a lot of Improvement	Quite Good, but could be Improved in Some Areas	Very Good	Comments
12.	**Strategic Advice** • The general quality (and timeliness) of strategic advice (and the extent to which the strategic policy approach for this activity is clearly specified, continues to be appropriate, and is up-to-date)	SA			✓		
	• The quality and timeliness of reporting to the elected Council and its Committees	CS				✓	

Key:
CS = Customer Service
OP = Organisational Performance
PD = People Development
SA = Strategic Advice

10.2   IMPROVEMENT PROGRAMME

Item	Appendix Relative urgency						Smart Objective	Activity Improvement Priority and Type	Responsible Person	Target Date for Completion	* Status	Completion Date
	1	2	3	4	5	6						
Disabled Changing Rooms					X		Identify and acquire/build additional disabled change room space	CS	Pools Manager	December 2018	IP	
Dressing rooms						X	Completion of additional change room build	SA	Pools Manager	December 2018	IP	
Staffing issues						X	Keep up to date with national and international trends in staffing options	CS	Pools Manager	Ongoing	IP	
Reception and Office Space						X	Completion of changes to Reception and Office space	CS, OP	Pools Manager	July 2018	IP	

Status Key:
OH = On Hold
NS = Not Started
IP = In Progress

Activity Improvement Key:
OP = Organisational Performance
CS = Customer Service
SA = Strategic Advice
PD = People Development

10.3 IMPROVEMENTS FROM PREVIOUS ACTIVITY MANAGEMENT PLAN

- ➢ New/additional changing room project approved with build to begin 2018.
- ➢ Lean management processes introduced to facility.
- ➢ Replacement of lighting in interior with LED lights (on going).
- ➢ Staff performance development process overhauled and implemented.
- ➢ Staff and customer management training undertaken by senior team.
- ➢ Replacement Hydroslide project approved by Council.
- ➢ Additional swimming pool (25mx25m) project approved for consultation (2018).

10.4 MONITORING AND REVIEW

Splash Palace takes part in, and is an annually assessed and accredited PoolSafe facility.

Poolsafe is a New Zealand Recreation Association and Water Safety New Zealand programme incorporating a range of initiatives aimed at reducing the number of water related injuries in and around New Zealand pools.

These initiatives include educational resources, public awareness campaigns and a Quality Management Scheme for public pools.

11. Glossary

12. Appendices

The Appendices for all of Council's Activity Management Plans are kept separate. The list below highlights the appendices that relate to this Activity Management Plan and where to find them in the Corporate Appendices Register.

Number	Type	Title
1.01	Corporate	Long Term Plan – Background and Assumptions 2018-2028
1.02	Corporate	Community and Regulatory Services: 2014 Residents' Survey
1.03	Corporate	2013 Service Level Survey: Parks, Reserves and Cemeteries Report
1.04	Corporate	2013 Service Level Survey: Roading Report
1.05	Corporate	2013 Service Level Survey: Solid Waste Report
1.06	Corporate	2013 Service Level Survey: Stormwater and Sewerage Report
1.07	Corporate	2013 Service Level Survey: Water Supply Report
1.08	Corporate	Levels of Service Research Report 2016
1.09	Corporate	Corporate Risk Framework / Standard
1.10	Corporate	Delegation Register September 2016
1.11	Corporate	Asset Data Confidence Report

HOUSING CARE

ACTIVITY MANAGEMENT PLAN 2017

Activity Management Plan

Activity			
	Name	**Signature**	**Date**
Prepared By			
Asset Manager			
Director Review			
Peer Review			
Council Adoption			

Changes to be Incorporated in Next Review		
Number	Date of Change	Reason for Change

TABLE OF CONTENTS

Executive Summary

The Invercargill City Council's Housing Care Services activity is responsible for providing adequate affordable housing for the elderly, disabled and those on low fixed incomes, provided they meet the Council's entry criteria.

This Activity Management Plan has been developed based on the assumption that Council continue to provide the same level of service for the activity, and remains solely responsible for the delivery of the activity. There is ongoing uncertainty regarding the delivery of the Housing Care Activity service and this matter is awaiting a Council resolution.

The Housing Care Services activity is fully self-funding. All necessary revenue for the activity comes from rental income and there is no rates subsidisation of the service.

The key challenge facing the Housing Care Services activity relates to maintaining the current level of service at the housing units. As the service is self-funding, and the units are ageing and therefore the maintenance cost increasing, the affordability of maintenance remains an ongoing challenge. Currently tenancy levels are above 98%. This impacts the levels of refurbishment that can be undertaken between tenancies. As the population ages it is anticipated that the demand for this service will increase.

This Activity Management Plan should be read in conjunction with the 2017 Building Assets Management Plan.

1. Introduction

1.1 ABOUT THIS PLAN

The Housing Care Activity Management Plan (AMP) covers one of the many activities addressed in the Invercargill City Council Long-Term Plan (LTP). This Plan is, therefore, strongly linked to the overall strategic direction for the District. The LTP is the document and process that alerts the Community to the key issues and strategies contained in this document.

The purpose of this Plan is to outline and to summarise in one place, the Council's strategic approach for the delivery of the Housing Care Activity.

The AMP demonstrates responsible management of the function on behalf of ratepayers and stakeholders, and assists with the achievement of community outcomes and statutory compliance. The AMP combines management, financial, and technical practices to ensure that the level of service required by the law and expected by the Community is provided in the most operationally effective and sustainable manner.

The target audience of the front section of this AMP document is Council staff, Councillors and the Community. The appendices provide more in-depth information for the management of the activity and are therefore targeted at the Activity Managers. The entire document is available within the public domain.

This AMP is based on existing levels of service, currently available information, and the existing knowledge/judgement of the Council staff.

This AMP is a key component in the Council's strategic planning function. Among other things, this Plan supports and justifies the financial forecasts and the objectives laid out in the LTP. It also provides a guide for the preparation of each Annual Plan and other forward work programmes.

1.2 ACTIVITY OVERVIEW

The Housing Care Service provides adequate affordable housing for citizens who meet Council's entry criteria. Council owns 21 complexes providing 215 units in Invercargill and Bluff. The Housing Care Service has been self-funding, with income derived solely from rents, with no draw on rates.

In the past, Central Government has promoted the provision of housing for people with limited means by providing financial incentives to Councils. Government subsidised loans ceased in 1992. No new housing complexes in Invercargill have been built since that time.

The Housing Care Service provides a professional supportive service to residents.

2. Strategic Context

2.1 ALIGNMENT WITH STRATEGIC GOALS

2.1.1 Community Outcomes

Everything that the Council does is focused on achieving Community Outcomes. The reason for each of Council's activities is to achieve the outcomes, meet legislative requirements or further advance Council's strategies. The Community Outcomes have been derived from Council's vision:

"To enhance our City and preserve its character while embracing innovation and change".

Community Outcomes		
Enhance our City	**Preserve its Character**	**Embrace Innovation and Change**
We will know success when:		
Invercargill's population is over 1.2% of the New Zealand population.	Invercargill is celebrated for preserving its heritage character.	Invercargill's culture is embraced through Community projects.
New residents feel welcomed and embraced by Invercargill culture.	Ease of access throughout the City is maintained.	The development of future industry is encouraged.
Healthy and active residents utilise space, including green space, throughout the City.	Our natural and existing points of difference are celebrated.	Technology is utilised in both existing and new City services.
Invercargill's economy continues to grow and diversify.	The building blocks, including water supply, sanitation and roading, for a safe, friendly city is provided for all members of the community.	Residents of, as well as visitors to, Invercargill give positive feedback and have great experiences.
Invercargill's business areas are bustling with people, activities and culture.	Strong, collaborative leadership of the City is demonstrated.	Invercargill has the 'wow factor' with the right facilities and events to enjoy.

2.1.2 Rationale for the Activity

The Invercargill City Council is involved in providing housing for elderly people with limited financial resources and for whom the general housing market presents problems in terms of affordability and manageability.

The Invercargill City Council is undoubtedly a major housing provider in Invercargill and Bluff.

There have been no significant changes to how the service is delivered.

2.1.3 Activity Objectives

The principal objectives for Housing Care Services are:

➢ To provide affordable housing to those with limited financial resources.

> ➢ To maintain properties at current standards, albeit that a lower service level may be necessary over time.

The alignment of the Housing Care Services Activity and the Community Outcomes is demonstrated in the table below:

Community Outcome	Council's Role	How the Housing Care Activity Contributes
Preserve its Character	The building blocks for a safe, friendly city is provided for all members of the community.	Housing Care Services provides low cost, quality accommodation to the elderly, disabled and those on low fixed incomes.

Council will know that it is achieving the above outcome when:

> ➢ Affordable housing is provided for those with limited resources.
> ➢ The service is self-funding without a requirement for rates.

2.2 BUSINESS DRIVERS

2.2.1 Regulatory Framework

Council operates under a number of legislative frameworks; the Local Government Act 2002 and Health and Safety at Work Act 2015 are the most prevalent to Council core business.

The Local Government Act is the overarching framework that regulates what Council's scope is as well as their ability to conduct day-to-day business.

The Health and Safety at Work Act ensures that as an employer we are meeting all requirements to care for our employees in a safe manner at all times.

Both aspects of legislation are paramount to the day to day running of business and most departments within Council will operate under specific provisions of both Acts, alongside any other relevant legislation.

2.2.2 District Plan and Council Policies

Under provisions provided in the Local Government Act 2002, Council has the ability to create policies, bylaws and plans.

Council operates under a number of policies, some internal. These policies are reviewed regularly in line with legislative or self-imposed requirements.

Council currently operates under a number of bylaws, some that were created out of a need to resolve nuisance and others that are requirements under the Local Government Act or were resolved to become a bylaw through Central Government.

Further, Council operates under a District Plan. This Plan is derived through the Resource Management Act 1991. It gives effect to national policy statements on a variety of environmental issues, and is about managing the use, development and protection of natural and physical resources in a way that enables the community to provide for their holistic wellbeing.

The District Plan has no impact on this Activity as no new units are being proposed.

The "Housing Care Service – Information for People Wishing to Apply for Housing" Booklet (Appendix 7.01) includes the entry criteria for this service.

2.2.3 Long-Term Plan

The Local Government Act 2002, Schedule 10 requires the development of ten-year Long-Term Plans. Activity Management Plans are the foundation to providing a robust basis for the long-term forecasts.

The Activity Management Plan records the current and desired Levels of Service and determines the Maintenance and Capital Works Programmes, and their associated budgets required to make assets meet their desired Levels of Service.

➢ The Long-Term Plan confirms Maintenance and Capital Works Budgets that are approved by Council to meet Community outcomes.

➢ Activity Management Plan underpins the activities in the Long-Term Plan and is implemented through expenditure programmes in asset areas. Adoption of the budgets for these programmes is carried out through the Long-Term Plan process. Changes to budgets for programmes may occur during the consultation process and adoption of Long-Term Plan budgets.

Variations between this Plan and the most recently adopted Long-Term Plan/ Annual Plan are recorded in the "Table of Changes to be Incorporated in Next Review" at the beginning of the Plan. The consequences of any variations will be reflected in subsequent reviews of the Long-Term Plan/Annual Plan.

Audit NZ specifically checks the consistency of linkages between the Long-Term Plan and Activity Management Plans.
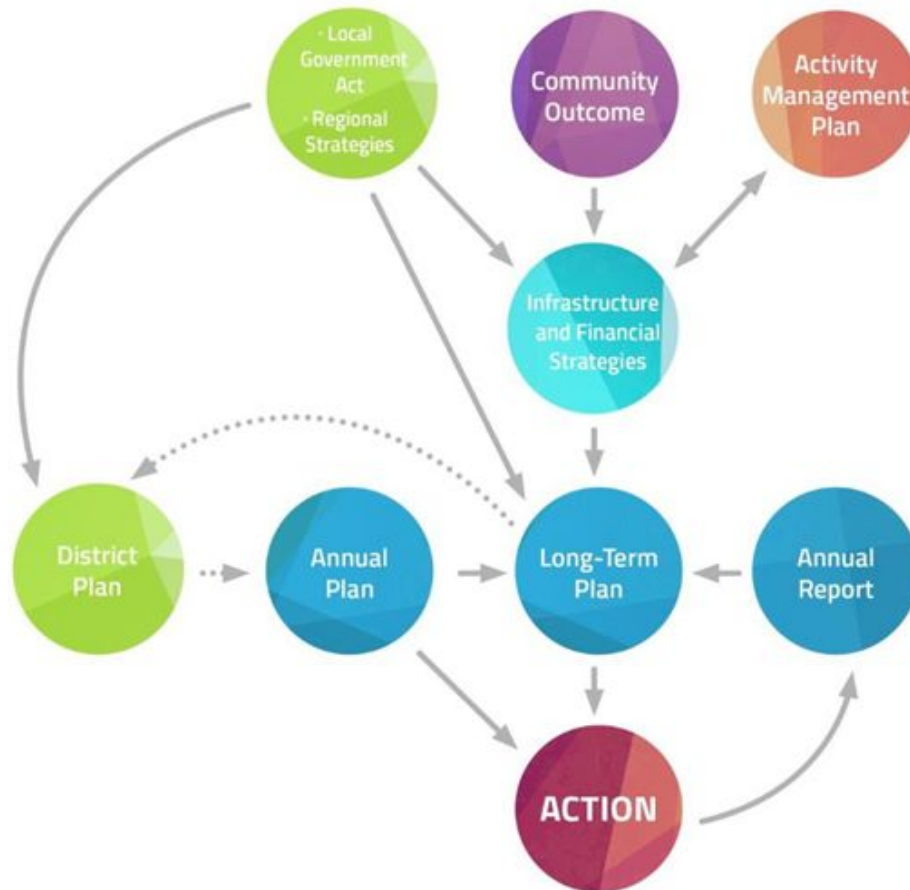
2.3   STRATEGIC ISSUES AND CHALLENGES

The key corporate strategic issues and challenges facing the Invercargill City Council are:

➢   Meeting our long-term renewal expectations for infrastructure.
➢   Encouraging growth projects whilst ensuring financial and operational sustainability for future generations.
➢   Ensuring that Council works in a financially prudent manner that promotes the current and future interests of the community.
➢   The City's changing demographic profile and its ability and willingness to pay.
➢   Responding to the changing environment (both natural and technological) and retaining Invercargill's character including its built environment.

The key challenge facing the Housing Care Services activity relates to maintaining the current level of service at the housing units. As the service is self-funding, and the units are ageing and therefore the maintenance cost increasing, the affordability of maintenance remains an ongoing challenge. Currently tenancy levels are above 98%.   This impacts the levels of refurbishment that can be undertaken between tenancies. As the population ages it is anticipated that the demand for this service will increase.

2.4   KEY ASSUMPTIONS

This Activity Plan is based on a number of assumptions and predictions about the future. Assumptions are a "best guess" based on the information currently

available.   Included as Appendix 1.01 are the assumptions that Activity Managers have utilised in preparing their plans.

The following high-level assumptions have set the overall direction for the development of this Plan.

Assumption	Level of Uncertainty	Area of Impact and Potential Financial Impact
Population The population will increase to 56,300 by 2028.	**Moderate** – risk that actual numbers will vary.	Infrastructure and Housing. Significant increases in population may create a demand for infrastructure and services beyond existing capacity. Significant decrease in population would adversely impact on the community's ability to fund current levels of infrastructure and services.
Household Growth An average of 2.3 people per household in 2038, requiring 2,300 more homes from the 2013.	**Moderate** – risk that actual numbers will vary.	Infrastructure and Housing. Significant increases in the number of households may create a demand for infrastructure and services beyond existing capacity.
Ageing Population Those 65 years and older will make up approximately 22% of Invercargill's population by 2023.	**Low** – increasingly older population is reasonably certain.	Council Services and Recreation Assets. An increase in the number of those people 65 years and older will increase the number of ratepayers on fixed incomes and may have an impact on the ability of the community to afford infrastructure and services.
Resource Consents Resource consents will be obtained with reasonable conditions and negligible impact on how Council provides its services.	**Moderate –** change is imminent but extent of which is unknown.	3 Waters Capital expenditure may be required if the conditions attached to resource consents require changes to how Council delivers its services.
Tourism and Visitor Numbers Tourism numbers will increase over the Long-Term Plan period.	**Low** – various city-wide endeavours to boost tourism.	Venture Southland, SMAG, Council Services and Recreation Assets. Significant increases in the number of tourists may create a demand for infrastructure and services beyond existing capacity.

Assumption	Level of Uncertainty	Area of Impact and Potential Financial Impact
		Significant decrease in the number of tourists would adversely impact on the commercial community's ability to fund current levels of infrastructure and services.
New Zealand Transport Agency That the NZTA Funding Assistance Rate will reduce by 1% each year until a low of 51%.	**Low** – NZTA have stated in plans that this will occur.	Roading. Lower than anticipated subsidies can result in service delivery costs needing to be met by other means or a decrease in the level of service.
Commercial Property The CBD will remain in the Esk Street area and will become more vibrant.	**Low** – risk exists due to uncertainty of CBD future, but Council has recently adopted a Retail Strategy and there has been recent investment in the CBD area both by Council and private investors.	Infrastructure, Housing and Roading. Significant decrease in the number of commercial ratepayers would adversely impact on the commercial community's ability to fund current levels of infrastructure and services.
Inflation Inflation will occur at the rates set by BERL as LGCI forecasts.	**Moderate –** inflation forecasts are not always accurate.	Cost change factors are based on information developed for Council's by Business and Economic Research Limited (BERL). Significant variations from these adjustments will be identified in future Annual Plans and Annual Reports.
Local Economy The local economy will grow and diversify.	**Moderate –** financial impact difficult to forecast.	Composition of local economy may diversify offering greater employment opportunities. Significant change to the economy, such as a large employer choosing to locate in the District, may require Council to review and change its current activities and levels of service. These demands will need to be quantified and an amendment to the Long-term Plan developed if the costs are significant.
Useful Life of Significant Assets	**Moderate –** asset lives based on estimates by	A shorter useful life for assets would create a financial burden on the

Assumption	Level of Uncertainty	Area of Impact and Potential Financial Impact
Assets will reach the useful life indicated when supplied.	Engineers and Registered Valuers.	community.
Depreciation Council will fully fund renewal depreciation by year 10 of the Plan.	**Low –** asset depreciation rates will not change and the value of assets will remain constant.	Changes in the valuation of Council assets may have a significant impact on the cost of fully funding depreciation.
Asset Revaluation Council will use national standards in asset revaluation.	**Moderate –** value will remain somewhat constant over ten years.	Changes in the valuation of Council assets may have a significant impact on the cost of fully funding depreciation.
Vested Assets Vested assets will have a negligible impact on Council's overall infrastructure and finances.	**Low –** financial effect of uncertainty.	Level of vested assets fluctuates yearly. Historical levels have not been material.
Financial – Existing Funding Renewal Council borrowing facility will be renewed (three-yearly) with the terms and conditions mirroring market trends.	**Medium**	Council's terms and conditions for its borrowing facility have mirrored market trends in recent times.
Financial – Expected Interest Rates on Borrowing Interest on future borrowing has been calculated at 4.75% for 2018/19, 5.00% for 2019/20, 5.50% for 2020/21 – 2022/23, 6.00% for 2023/24 – 2025-26 and then 6.50% for the remaining years. This is based on Council's current borrowing rates which are hedged for a number of years into the future, as well as consideration of economic forecasts.	**Medium**	Higher than expected interest rates on borrowing will require Council to consider collecting a greater amount in rates to cover the additional interest costs or reducing the amount borrowed (and level of service provided).
Financial – Forecast on Return on Investments	**Medium**	Lower than expected returns on investments will require Council to consider collecting

Assumption	Level of Uncertainty	Area of Impact and Potential Financial Impact
Return on cash investments is calculated on the borrowing rate less 2%. Dividends and subvention payments from Invercargill City Holdings Limited are assumed to be at 10% of the total rates requirement.		a greater amount in rates, reduce spending or increase borrowings to cover any reduction in income.
Local Governance Amalgamation will not occur during the life of the Plan.	**Low –** to continue shared services, although amalgamation is low risk.	Shared Services, Policy and Governance Boundary changes would require a review of the Long-term Plan with its associated community consultation.
Legislation There will be changes to legislation that have an impact on what and how Council provides services.	**Moderate –** difficult to know what central government will implement particularly if a change in government.	Services, Finances and Governance Significant legislative change can impose significant financial and service delivery costs on Council.
Natural Disasters There will be no major catastrophes that impact on Invercargill or its economy.	**High – i**t is certain the Alpine Fault will rupture in the future but uncertain as to when and the impact.	Infrastructure, Services, Housing and Population A Civil Defence emergency in the District would impact financially on Council and the community. The financial risk to Council is reduced by maintaining insurance cover for emergency events.
Climate Change Climate change impacts will arise over the life of the Long-Term Plan and current trends will be allowed for when planning infrastructure and services.	**Moderate –** Long-Term trend of rising temperatures and more frequent intense weather events is reasonably certain, short to medium term impacts are less certain.	Water availability, coastal hazards (roading and infrastructure), services, air quality, agriculture, farming and biosecurity. The effect of Climate Change occurring more quickly than anticipated may require Council to review and change its current activities and levels of service. This could have a significant financial impact on the community.
Technology Changes in technology will affect how Council	**High –** certainty of diversification in technology is ever-growing. Impact of	Employment, Local Economy and Services (delivery) New technologies will likely

Assumption	Level of Uncertainty	Area of Impact and Potential Financial Impact
carries out its activities. This will have a financial implication over the 10 year plan.	changing technology cannot be quantified.	have an increased financial cost in the short term.
Education S.I.T will continue to promote Invercargill to international students.	**Moderate –** education systems that exist are likely to remain stable.	Infrastructure, Services, Population and Housing
World Economy The world economy will not have a significant negative effect on the Invercargill City District.	**Moderate –** future financial changes are unforeseeable.	Infrastructure and Tourism A major event in the World Economy could affect Tourism and the implications of lower / higher tourist numbers would occur.

The Assumptions document outlines the risk to the Council if the assumption is incorrect or does not eventuate as stated, the level of any uncertainty associated with assumptions and the potential impact on the Long-Term Plan if the assumption proves to be invalid. Assumptions are monitored and reviewed annually. Where significant changes occur, our work programmes and budgets will be amended and changes signalled in future annual plans or through amendments to the Long-Term Plan.

3.   The Service We Provide

3.1   CUSTOMER PROFILE

3.1.1   Our Stakeholders and Community

External Stakeholders	Area of Interest	Engagement	Customer Needs and Expectation
Central Government Departments and Organisations/Agencies			
Ministry of Social Development	Welfare of tenants	Liaise by phone or email	Frequent informal contact. Council's Community Development Officer meets with organisations in a formal context and keeps this Activity informed of changes that may impact on the Activity.
Housing New Zealand	Market influencer	None	Infrequent informal contact.
Regional Organisations			
Southland Hospital – Rehabilitation and Occupational Therapy Services	Welfare of tenants	Liaise by phone or email	Individual case by case basis.
Age Concern	Welfare of tenants	Liaise by phone or email	Individual case by case basis.
PACT Mental Health Services	Welfare of tenants	Liaise by phone or email	Individual case by case basis.
Local Government Organisations			
Southland District Council	Market influencer	If and when required	Individual case by case basis.
Maori			
Maori Health Social Services	Welfare of tenants	Liaise by phone or email	Individual case by case basis.
Non-Government Organisations			
Salvation Army	Welfare of tenants	Liaise by phone or email	Individual case by case basis.
Presbyterian Support Services	Welfare of tenants	Liaise by phone or email	Individual case by case basis.
Pacific Island Cultural Advisory Board	Welfare of tenants	Liaise by phone or email	Individual case by case basis.

A positive working relationship is maintained with Maori service providers who have clients in need of this service.

The Housing Care Service team members are aware that Maori and other cultures have particular needs in relation to housing. The layout of units is discussed with potential residents and these needs are met wherever possible. For example, for some potential residents it is important that the clothes washing facilities are separated from the kitchen facilities. Once these needs are understood, endeavours are made to offer a unit which meets the need.

3.1.2   How We Engage our Communities

Activity staff visit tenants at least once per year to assess how the unit is meeting their needs and if any issues have arisen. Tenants contact Activity staff through the Request For Service system provided by Council if they have any concerns or needs in the intervening time.

3.1.3   Community Research

In 2014 the Council carried out a Customer Service Satisfaction Survey (Appendix 1.02) to provide information on ratepayers and residents' assessment of Councils services. In 2016 a second research project (Appendix 1.08) was undertaken to understand:

➢   What residents want from Council activities;
➢   How they perceive the value for money of those activities; and
➢   The level of service desired.

Although the 2016 project had a slightly different focus where possible the progressive results have been documented, from both the customer survey and research project, combined with expert knowledge of the service individual activity managers have to help establish a foundation of levels of service statements.

Customer requests for service are logged by customer service staff and attended to by the activity. This information is another platform which can be used to understand the community requirements.

3.1.4   Key Service Attributes Valued by Customers

Customers see the following as the most important attributes in customer surveys:

➢   Council provides housing for low-income/elderly residents;
➢   Buildings are well maintained; and
➢   Tenancies are well managed.

3.2   SERVICE DRIVERS

3.2.1   Community Expectations

In 2014 the Community was asked what aspects of Council's Housing Care Activity were of the greatest importance to them. The Community told Council that the most important aspect of the Activity was that Council provided housing for low-income/elderly residents.

The Community expects that the Housing Care Activity service will be provided, buildings and grounds will be well maintained and that the tenancies will be well managed.

3.2.2 Legislative Requirements

Legislation	Relevant Requirements	Impacts on Levels of Service
Health and Safety at Work 2015	Stipulate obligations to all parties in terms of providing a safe and healthy workplace. For Council this has wide implications in terms of our premises, staff and dealing with contractor, principal responsibilities.	Units are well maintained and request for services are managed in an expected timeframe. Tenant welfare.
Privacy Act 1993	Establishment of the rights to privacy of individuals.	Tenant welfare.
Residential Tenancies Act 2002	The rights of tenants in rented accommodation.	Tenant welfare.
Relevant Regulations		
Building Regulations	Acceptable solutions for buildings.	Units are well maintained.

3.3 CURRENT LEVELS OF SERVICE

3.3.1 Current Customer Levels of Service, Performance Measures and Targets

How the Activity Contributes	Customer Level of Service	Measure of Service
The building blocks for a safe, friendly city is provided for all members of the community.	Affordable accommodation is provided.	Rental does not exceed 30% of the gross superannuation benefit.

The level of service that customers can expect for the 2018-2028 period are shown in the table below:

Baseline	Measure	2018/19	2019/20	2020/21	2021-28
Current maximum as at 1 April 2017 is 23.6%.	Rental does not exceed 30% of the gross superannuation benefit.	< 30%	< 30%	< 30%	< 30%

3.3.2 Current Technical Levels of Service, Performance Measures and Targets

Technical Measure	Target
Requests for service are responded to.	24 hours for urgent requests. Five working days for non-urgent requests.
Available units are occupied.	95% occupancy. Applicants on waiting list offered a unit based on priority.
Units are maintained.	Maintenance inspections are undertaken. Maintenance undertaken within budget.

3.4 LEVELS OF SERVICE ISSUES AND CHALLENGES

Issues remain with access and carrying out maintenance to ensure we retain current levels of service. The service remains self-funding and as it is not subsidised by rates, the affordability of maintenance is an ongoing challenge.

3.4.1 Current Levels of Service Gaps

The current stock is ageing and expectations around the comfort and quality of pensioner housing have changed since the units were built. Council's Housing Care team is not qualified or resourced to meet the wider health and social needs of tenants and does not provide a formal 'welfare' function. There is currently no regular or objective measure of tenant satisfaction, such as an annual survey.

3.4.2 Possible Responses to Gaps

- ➢ Unless external capital is sourced the status quo will remain.
- ➢ To employ additional qualified resource or contract this out.
- ➢ Intend to start bi-annual post survey.

4.   Demand for Our Services

4.1   DEMAND FORECAST

4.1.1   Factors Influencing Demand

The factors influencing demand on this activity are the following:

➢   Aging population.
➢   Economic status of the aging population – limited means.
➢   Increased population of students taking small central flats.

Demand on this activity is largely influenced by population changes, changes in demographics and societal trends.

Statistics New Zealand predict that Invercargill's population will increase to 56,300 by 2028, an increase of approximately 5.5% over the 2013 number (source: Statistics New Zealand).

Changing demographics will influence demand on this activity.

Average occupancy for 2016/17 was 98.96%. Operating at this capacity has an impact on the levels of refurbishment that can be completed between tenancies. Some circumstances require units to be out of service for up to six weeks between tenancies.

The private market and changes within the Ministry of Social Development have an impact on the demand for this Activity.

4.1.2   Projected Growth or Decline in Demand for the Service

As the population of Invercargill ages, there will be an increase in demand for this service.

Those 65 and older will make up over 22% of Invercargill's population by 2028.

4.2   CHANGES IN SERVICE EXPECTATIONS

There is an expectation that units will:

➢   Have parking.
➢   Have fixed heating.
➢   Be more modern.
➢   Have higher levels of comfort.

Past surveys have shown that ratepayers would like to see the service expanded to meet the likely demand. This may include expanding the current eligibility requirements.

4.3   EXPECTED IMPLICATIONS FOR THE ACTIVITY

It is expected that without additional financial input the level of service provided will ultimately decrease as the housing stock continues to age.

4.4   FUTURE DEMAND ISSUES AND CHALLENGES

If Council wishes to provide the social enhancements, raised by surveys and community groups, the resources required for the Activity will need to increase. This will increase pressure on the budgeted bottom line.

As mentioned above, to continue with the status quo, while certain aspects of service may improve, as the housing stock ages maintenance requirements are likely to increase.

4.4.1   Possible Demand-Related Responses

Should the rental market continue to contract, we are likely to see demand increase for this service.

➤ Council needs to investigate building further units at an economic level that allows for a realistic rental; or
➤ Council needs to investigate the potential for partnerships with Community Housing providers.

Further work is required on these options prior to any decision being made.

4.4.2   Possible Non-Asset Solutions

To meet the increasing maintenance needs, Council could increase rentals. This option has limitations as it affects the ongoing affordability of the service, for those most in need.

4.4.3   Managing Expectations

Providing the population increase and demographic assumptions are correct, there is likely to be an increase in applications for this service. This will occur regardless of whether Council decides to widen the scope provided by the service. Should the scope be widened, there is unlikely to be adequate housing units or resources at current levels.

Some tenants require assistance on how to better manage the heating and condensation flows within their units.

5. Asset Profile

5.1 ASSET OVERVIEW

Housing Care Service is an activity which the Invercargill City Council has been involved in for over 40 years. Housing Care Service was formerly known as "Pensioner Housing" or "Elderly Citizens Housing". As at August 2017 there were 215 units, including 17 in Bluff.

Complex	Number of Units	Decade of Construction
Aiden Place, 132 Princes Street	8	1980
Anzac Court, 9 Tone Street, Bluff	5	1990
Cairnsmore Flats, 160 Leet Street	12	1980
Clarendon Court, 60 Stirrat Street	14	1980
Elston Lea Village, 50 Murphy Street	41	1950
Jim Brass Place, 163 Crinan Street	4	1990
Kelly Court, 210 Crinan Street	7	1970
Kinross Flats, 30 Henderson Street, Bluff	6	1980
Korimako Court, 12 Waverley Street	10	1970
Laurell Court, 2 Maltby Street	8	1970
15-29 Miller Street	4	1950
Nevill Place, 26 Selwyn Street	16	1970
Aurora Place, 15-29 Janet Street	8	1950
Niven Place, 104 Earn Street	7	1970
Otarewa Village, 90 Conon Street	22	1990
Pateke Place, 429 Yarrow Street	8	1970
Powell Court, 295 Pomona Street	6	1980
Stirling Flats, 25 Gregory Street, Bluff	6	1980
Strathpine Flats, 246 Ettrick Street	7	1970
Thorndale Flats, 3 Lithgow Street	6	1980
Willow Park, 64 Adamson Crescent	10	1980

It is important to emphasise the division of responsibility involved in the Housing Care Service Activity between service delivery and asset management.

These can be described as follows:

➢ The Service Manager manages the activity and all aspects of day-to-day operation.
➢ The Asset Manager provides, maintains and improves over time the buildings necessary, i.e. the Housing Care Units.

The Asset information is available in the 2017 Buildings Asset Management Plan.

6.   Sustainability, Risk and Resilience

6.1   SUSTAINABILITY

The Local Government Act requires Council to take into account the social, economic and cultural interests of people and communities, the need to maintain and enhance the quality of the environment and the reasonably foreseeable needs of future generations by taking a sustainable development approach. Sustainability can be defined as:

Development which meets the needs of the present generation without compromising the future generation from meeting their own needs
(Brundtland Report, 1987).

The Council recognises that sustainability is a journey, not a destination. It is not a point that is reached, but a process of continual improvement, where society adapts and responds to changes over time, in a way that recognises the fundamental relationships of the three elements detailed below.

6.1.1   Social and Cultural

The Housing Care Service has positive effects on the Community because it provides affordable, warm and comfortable accommodation to those in the Community who are unable to provide their own. Housing units are located in various suburbs in Invercargill and Bluff to enable residents to remain active members of the Community.

Housing Care properties are well maintained – both the grounds and the units. In addition, the Activity includes the employment of a support officer whose role is to develop a working relationship with residents. This commences when potential future residents are assessed for eligibility for this service.   The Housing Support Officer also visits residents in their units from time to time to assess their well-being and advise residents of other agencies which may be able to provide support based on their needs.

6.1.2   Environmental

The Housing Care Service manages 215 housing units. The Service has a contract with a garden service to undertake lawn and landscape maintenance as well as garden rubbish refuse at all complexes.

6.1.3   Economic and Financial

The potential negative effects of this Activity are twofold:

(i)   Ratepayer funding may eventually be required to maintain the Housing Care Service at its current level.
(ii)   Reducing the service (totally or in part) would impact on existing tenants who may be required to vacate their units. This may also impact on Council's ability to attract tenants in the future.

These potential negative effects are not considered significant at a Corporate level.

6.1.4 Summary of Sustainability Challenges and Issues

The status quo of the service inevitably means that at some point a capital injection will be required to continue to offer the present levels of service.

6.2 RISK

The Council recognises that it is obliged to manage effectively and to review regularly its risks at a strategic, operational and project level. The Council has done this by developing a Risk Management Framework and a range of risk management processes that apply across the organisation. Risk assessment is a major consideration in planning and budgeting processes at all levels within the Council. Risks must be considered and documented as part of the justification for undertaking our activities. Risk assessment and monitoring must form part of the management of operational activities. The Chief Executive and the Council encourage the taking of controlled risks to better improve the effectiveness and efficiency of the services and functions that the Council provides on behalf of the community, provided the resultant exposures are acceptable.

6.2.1 Risk Framework/Standard

Council has previously adopted a risk management process that is consistent with Australian/New Zealand Standard AS/NZ 4360 which defines risk assessment and management. The key risk criteria adopted for assessing the consequences of identified risks are:

➢ Community Health and Safety.
➢ Loss of Service – Extent/Duration.
➢ Service Delivery – Customer Impact.
➢ Invercargill City Council Financial Impact.
➢ Financial Community.
➢ Corporate Image and Reputation.
➢ Legal Compliance.

The Corporate Framework for assessing Risk is included in Appendix 1.09.

It should be noted that Council is undertaking an organisation wide review of risk management practices in the 2018/19 financial year and this may impact on how risk is assessed and managed. Results from this review will be included in Management Plans where necessary and risk assessments will be updated as required.

6.2.2 Risk Identification and Assessment

Level of Service Indicator	Caused By	Consequence						Weighted Averaged Consequences Score	Likelihood	Risk Severity	Controls	
		Health and Safety (0.20)	Service Delivery – Customer Impact (0.15)	ICC Financial Impact (0.20)	Financial – Community (0.15)	Corporate Image and Reputation (0.10)	Legal Compliance (0.20)				Current Practice	Recommended Actions
Lower occupancy rate than projected	Lack of tenants choosing Council's units	1	1	2	2	4	1	1.65	D	L	Council reviews rentals affordability biennially.	Current practice is adequate.
Ratepayers required to finance activity	Income generated from tenants being lower than expenditure	1	1	2	2	4	1	1.65	C	L	Council reviews maintenance spending when occupancy is low.	Council make a decision whether levels of service should decrease or if rates funding should subsidise the service going forward.
Inability to meet demand for units	Higher demand for service, ageing population and Housing New Zealand reducing their housing stock, level of market rents.	1	3	1	1	2	1	1.4	B	M	Assess the tenants on waiting list and prioritise for need.	Maintain current practice and investigate future options for increasing housing stock.

Level of Service Indicator	Caused By	Consequence						Weighted Averaged Consequences Score	Likelihood	Risk Severity	Controls	
		Health and Safety (0.20)	Service Delivery – Customer Impact (0.15)	ICC Financial Impact (0.20)	Financial – Community (0.15)	Corporate Image and Reputation (0.10)	Legal Compliance (0.20)				Current Practice	Recommended Actions
Tenants	Profile, mental health education, life	2	2	2	1	4	1	1.85	C	M	Assess the tenants on waiting list and prioritise for need.	Recommend external support systems.
Health and Safety	Accidents	2	1	2	1	3	1	1.60	C	L	Regularly visit complexes.	Maintain current practice.

6.2.3   Summary of Key Risk Issues

The key risk issues for the Activity are sustainability of the current levels of service and the future maintenance costs of units.

Demand pressure will increase in the future as the population grows older.

Should wrap around social services become an expectation then resources will need to increase, albeit that tenants requiring such services are assessed at the commencement of their tenancy and support put in place before the tenancy is let.

6.2.4   Possible Approaches to Risk Mitigation

Without clear strategic direction as to the future scope of the service, it is difficult to adequately mitigate risk.

An external assessment of the full portfolio is required to understand the level of comfort and quality of accommodation provided by units in comparison to other housing providers.

A risk management approach alone is not sufficient and needs to be complemented by a resilience approach to events that fall outside of the realms of predictability and where failure may be inevitable.

6.3   RESILIENCE

The working definition of resilience to Invercargill City Council is the ability of the organisation to survive a crisis and thrive in a world of uncertainty. Resilience includes both planned risk management (Section 6.2) and adaptive capacity. In this context resilience refers to our capacity to adapt, rather than preparedness or recovery, which is the capacity of people, the community and systems to adapt in the face of unpredictable change the 'unknown unknowns'.

100 Resilient Cities* has four dimensions and three drivers within each:

- ➢ **Health and Well-being**
  - Meet basic needs
  - Support livelihoods and employment
  - Ensure public health services

- ➢ **Economy and Society**
  - Foster economic prosperity
  - Ensures social stability, security and justice
  - Promote cohesive and engaged communities

- ➢ **Infrastructure and Environment**
  - Provide reliable communication and mobility
  - Ensure continuity of critical services
  - Provide and enhance natural and man-made assets

- ➢ **Leadership and Strategy**
  - Promote leadership and effective management
  - Empower a broad range of stakeholders
  - Foster Long-Term and integrated planning

* http://www.100resilientcities.org/resilience

6.3.1   Business Continuity and Emergency Response Arrangements

The Invercargill City Council is part of shared services for Civil Defence and Emergency Management, which is delivered through Emergency Management Southland (EMS). The priority hazard events that EMS plans and responds to are earthquakes, flooding, biosecurity incursion and tsunami. EMS produces an Annual Business Plan that outlines its proposed activity for each year. Through EMS the Council promotes the need for individual and communities to prepare for emergencies and assists in building capacity to effectively respond to and recover from emergency events. Council also has in place systems and processes to help coordinate and respond to emergency events.

The Activity plans to delve further into how it can develop business continuity and resilience.

6.3.2   Current and Desired Resilience Assessment

Resilience is a topic that we are learning about from events such as the Christchurch, Kaikoura and Wellington earthquakes, Invercargill City Council is seeking to make our organisation and infrastructure more resilient. Resilience will be part of the review of risk management being undertaken in the 2018-19 financial year.

6.3.3   Summary of Resilience Issues and Challenges

The Housing Care Activity has identified a number of issues going forward and clear direction from governance is required to enable the service to best provide for a resilient community. This will be addressed further in 2018/19.

7.   Managing Our Activities

7.1   RESPONDING TO THE ISSUES AND CHALLENGES

OPERATIONS AND MAINTENANCE

Current Trends and Issues

As the Housing Care complexes age the maintenance and refurbishing costs increase. Tenants' expectations are also increasing.

Decade	Complexes
1950s	3
1960s	-
1970s	7
1980s	8
1990s	3
2000s	-

Council requires this Activity to be self-funding. The expectations of Council and the tenants are in conflict with one another and options have been explored to assist in selecting, with the Community, a way forward. Demand on the number of units is projected to increase. The welfare expectation of Central Government is for Council to provide a complete wrap around service.

Rental income is currently meeting all administration and maintenance costs. However, should occupancy trends change, consideration will need to be given to the future levels of service provided.

The most rapid deterioration of the interior decoration of Units is caused by tenants who smoke. A 'smoke free' policy needs to be developed.

7.1.1   Alternative Investment Approaches

If Council Prefers to Retain Responsibility for this Service

Option 1 – Status Quo

Responsibility for governance, funding, and delivery is exercised by Invercargill City Council.

Potential enhancements to address issues with the status quo might include:

- ➢   Working more closely with the community and not-for-profit sector.
- ➢   Improving the level of service provided to tenants.
- ➢   Implementing a structured welfare component.

If Council is Prepared to Transfer Some or All of the Responsibility for this Service

Option 2 – Outsource

Responsibility for governance and funding is exercised by the local authority, and responsibility for delivery is exercised by another entity, person or agency.

Option 3 – Transfer

Transfer ownership and operations to another provider as a going concern, such as a Community Housing Provider (CHP).

7.1.2   Do-Minimum Programmes

We are currently providing this activity, at the current levels of service, in the most cost-effective manner that can be achieved, to do less would reduce service levels.

7.1.3 Programmes Evaluation

	Feasibility	Cost-effectiveness	Legislative compliance	Meeting community needs	Tenant welfare
Option 1 – Status Quo Governance, funding and delivery by ICC	Council has the organisational infrastructure required. No contracts or new arrangements required.	Currently operated as cost-neutral. Backlog and future maintenance requirements will affect ongoing cost neutrality. Council is not eligible for the IRRS.	Not in alignment with social housing reform. Not 'core business'. Increased requirements of the RTA, HSWA and Building Act may impact compliance.	Meets an identified need for social housing. Opportunity cost of retaining assets when the need for other facilities or services may be greater.	Allows tenants to remain in secure, affordable housing. Does not provide for tenants with disabilities and specific health and social support needs. Declining standard of living relative to modern housing standards and current maintenance requirements.
Option 2 - Outsource Governance and funding by ICC, delivery by another person or agency	New contractual arrangements required. May require changes to Council policies. May require a SCP Will depend on the existence, willingness or capacity of another provider.	Increased costs of outsourcing. Cost incurred to establish new delivery arrangements. May deliver access to the IRRS if the provider is established as a CHP and an arms-length arrangement is used.	May better align with central government reform if a CHP is used. Not 'core business'. Increased requirements of the RTA, HSWA and Building Act may impact compliance.	Meets an identified need for social housing. A community provider may be more in touch with community need and able to deliver services accordingly. Opportunity cost of retaining assets when the need for other facilities or services may be greater.	Allows tenants to remain in secure, affordable housing. Could better support wider tenant needs depending on the scope and nature of service provider. Contractual performance standards and reporting may improve service to tenants.
Option 3 – Exit Transfer ownership and operations to another provider as a going concern, such as a CHP	New contractual and legal arrangements required. May require a SCP Will depend on the existence, willingness or capacity of another provider	Council will receive funds from asset sales and is no longer liable for maintenance and operating costs. A CHP would be eligible for the IRRS and other government subsidies. Potential transition costs incurred by a 'grandfather' contract provision	Will align with central government reform if a CHP is used. Access to government subsidies. Aligns with 'core business' direction of the LGA Removes Council exposure to increased requirements of the RTA, HSWA and Building Act.	Meets an identified need for social housing. A community provider may be more in touch with current need and able to deliver services accordingly. Enables Council to redirect sale proceeds to other community facilities or services.	Allows tenants to remain in secure, affordable housing. Could better support wider tenant needs depending on the scope and nature of service provider. CHP performance standards and reporting may improve service to tenants.

7.2 OPERATIONS

7.2.1 Operation Strategy

Our Housing Support Officer (HSO) maintains Invercargill City Council's tenant base and activates the fortnightly rental deductions through Pathways software.

Tenant applications are received, vetted and placed within appropriate priority listings for consideration when vacancies occur. In some cases, applicants do specify complexes and this may change their priority weighting, and increase waiting times. Our HSO also coordinates requests for service from tenants and carries out unit inspections annually and when required.

The Housing Support Officer is a liaison point between tenants/social agencies and next of kin should any interventions be necessary.

7.2.2 Operation Standards and Specifications

Appendix 7.02 – Tenant Handbooks Operation Procedures.

7.2.3 Operation Options and Alternatives

Refer to Table in 7.1.3.

7.3 RECOMMENDED PROGRAMME

7.3.1 Evaluation and Recommended Options/Alternative Programmes

These have been presented to Council as part of the Local Government Act mandated section 17A Service Delivery Review and the Activity Manager is awaiting a decision to be made on the future delivery of the service, but at this time is developing plans based on the status quo.

7.4 HOW THE ACTIVITY WILL BE RESOURCED

7.4.1 Internal Resourcing

The activity is run in house by one staff member at 25 hours per week who reports to the Corporate Services Manager. Staff are responsible for processing applications, receiving rents and coordinating inspections and requests for service. This activity is expected to be cost-neutral to Council, with all costs required to be met by rental income.

7.4.2 Procurement Strategy

Refer to Building Assets Activity Management Plan Section 7.7.2.

8.   Financial Management

8.1.   OVERVIEW

The Housing Care Activity is completely self-funding from rental revenue.

8.2   FINANCIAL SUMMARY - WHAT THE ACTIVITY COSTS

8.2.1   Council Funded Programmes

Business Unit 270000_2019 - Community Services - Housing Care

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	Annual Plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
Internal Revenue	0	0	0	0	0	0	0	0	0	0	0
Fees & Charges Revenue	1,021,591	1,042,032	1,064,957	1,110,154	1,134,577	1,183,885	1,211,115	1,264,986	1,296,610	1,356,928	1,393,565
Grants & Subsidies Revenue	0	0	0	0	0	0	0	0	0	0	0
Rates Revenue	0	0	0	0	0	0	0	0	0	0	0
Financial Revenue	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	**1,021,591**	**1,042,032**	**1,064,957**	**1,110,154**	**1,134,577**	**1,183,885**	**1,211,115**	**1,264,986**	**1,296,610**	**1,356,928**	**1,393,565**
Internal Expenditure	946,738	941,180	961,333	981,943	1,003,484	1,025,775	1,048,684	1,073,431	1,099,587	1,126,884	1,156,719
Staff Expenditure	39,178	40,541	41,357	42,190	43,039	43,909	44,795	45,703	46,633	47,584	48,558
Administration Expenditure	8,355	9,150	8,585	8,774	9,767	9,173	9,384	10,467	9,849	10,105	11,305
Financial Expenditure	0	0	0	0	0	0	0	0	0	0	0
Grants & Subsidies Expenditure	0	0	0	0	0	0	0	0	0	0	0
Repairs & Maintenance Expenditure	0	0	1,022	0	0	1,092	0	0	1,173	0	0
Operational Expenditure	6,452	6,500	6,643	6,789	6,939	7,098	7,261	7,436	7,622	7,820	8,031
Depreciation Expenditure	0	0	0	0	0	0	0	0	0	0	0
Total Expenditure	**1,000,723**	**997,371**	**1,018,940**	**1,039,696**	**1,063,229**	**1,087,046**	**1,110,125**	**1,137,037**	**1,164,863**	**1,192,393**	**1,224,613**
Operating Surplus / (Deficit)	**20,868**	**44,661**	**46,016**	**70,458**	**71,349**	**96,839**	**100,990**	**127,949**	**131,748**	**164,535**	**168,952**
Capital Expenditure - to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
Capital Expenditure - to improve the level of service	0	0	0	0	0	0	0	0	0	0	0
Capital Expenditure - to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Capital Expenditure	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Debt movements	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Reserve movements	**20,868**	**44,661**	**46,016**	**70,458**	**71,349**	**96,839**	**100,990**	**127,949**	**131,748**	**164,535**	**168,952**
Cash Back Depreciation	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Rates Required	**0**	**0**	**0**	**(0)**	**(0)**	**0**	**(0)**	**(0)**	**(0)**	**0**	**0**

8.2.2 Programme Implications

Awaiting Council decisions – refer to section 7.3.1.

8.3 FINANCIAL POLICIES

The Local Government Act 2002 requires Council to manage its finances prudently and in a manner which promotes the current and future needs of the community. Council must ensure that each year's projected operating revenues are set at a level sufficient to meet the years projected operating expenses.

The Revenue and Financing Policy establishes Council's policy on the funding of its operating and capital expenditure and the sources of those funds.

Council for each activity must give consideration to who benefits from the activity and the appropriate level of private versus public benefit when funding the activity. Public benefit is gained from having access to activities provided by Council. Private benefit is gained from receiving goods or services provided by Council, i.e. a Building Consent for work carried out by private residents.

8.4 HOW WE PAY FOR THE ACTIVITY

The following sources of funding are used by Council:

➢ General Rate
➢ Targeted Rate
➢ Fees and Charges
➢ Other Sources of funding
➢ Loans and Reserves

The Housing Care activity is completely self-funding from rental income and there is no draw on rates.

Should staffing resources need to change, asset maintenance/renewal costs rise, or occupancy levels drop below 95%, then an alternative funding is likely to be required.

8.5 ASSET VALUATION FORECASTS

Refer to Building Asset Management Plan.

8.6 SUMMARY OF PROGRAMME ASSUPMTIONS

Financial Assumptions:

➢ Tenancy levels will remain high.
➢ Cost of providing the assets will not increase significantly.
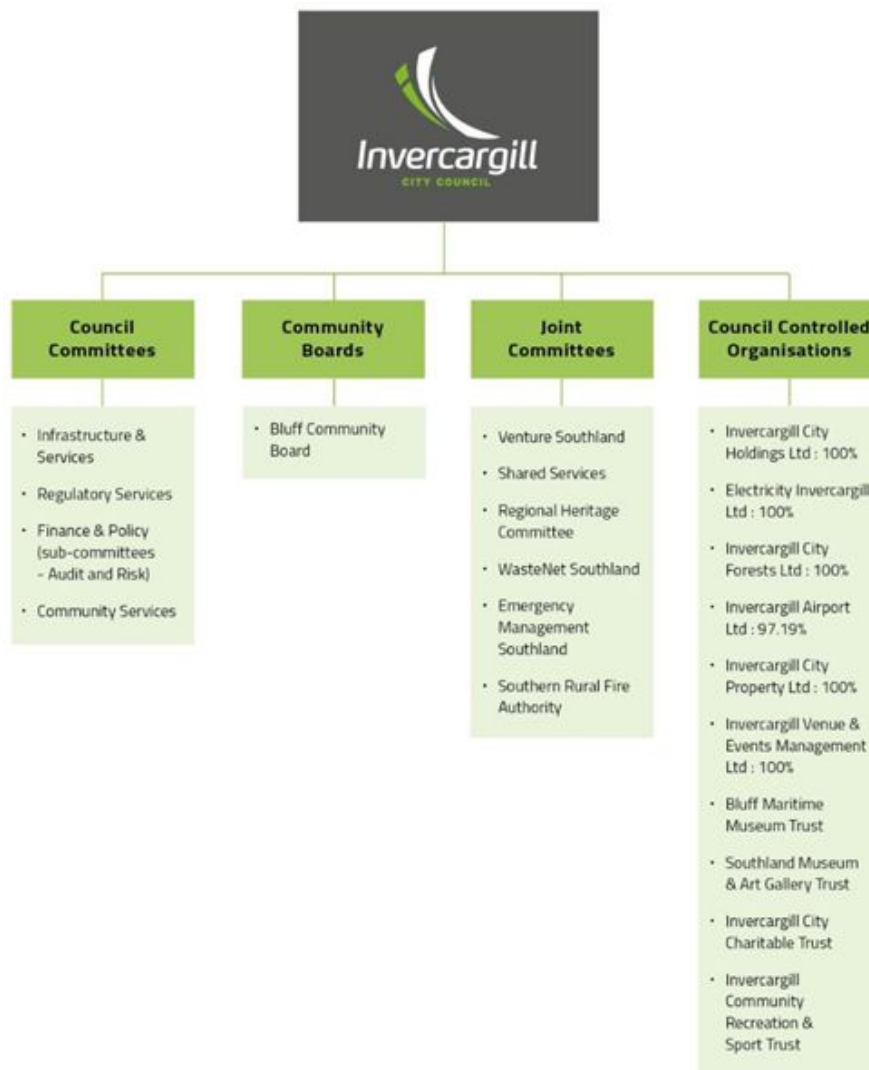➢ Rents will remain within targeted service levels.

9.   Delivering and Monitoring the Programme

9.1   PROGRAMME GOVERNANCE AND REPORTING

Council operates on a six-weekly cycle with four committees meeting before a full Council meeting. These committees accept and receive reports from their relevant Directorate. Management Staff are at these meetings to answer any questions that arise.

This reporting process ensures accountability to Councillors and allows for transparency to the public. Further to the four directorate committees, there are smaller sub-committees such as Audit that meet to discuss issues relating to the Annual Report, Annual Plan, Long Term Plan processes and any other audit related issues.

The Bluff Community Board is established as an elected Community Board which reports to Council on behalf of the Bluff area and deals with any issues relating to that area. Council provides direction to this Community Board and has a representative sitting on it.

Council Committees	Community Boards	Joint Committees	Council Controlled Organisations
· Infrastructure & Services	· Bluff Community Board	· Venture Southland	· Invercargill City Holdings Ltd : 100%
· Regulatory Services		· Shared Services	· Electricity Invercargill Ltd : 100%
· Finance & Policy (sub-committees – Audit and Risk)		· Regional Heritage Committee	· Invercargill City Forests Ltd : 100%
· Community Services		· WasteNet Southland	· Invercargill Airport Ltd : 97.19%
		· Emergency Management Southland	· Invercargill City Property Ltd : 100%
		· Southern Rural Fire Authority	· Invercargill Venue & Events Management Ltd : 100%
			· Bluff Maritime Museum Trust
			· Southland Museum & Art Gallery Trust
			· Invercargill City Charitable Trust
			· Invercargill Community Recreation & Sport Trust

Councillors are elected on a triennial basis through local government elections with the community voting for 12 Councillors and a Mayor. The Chief Executive role is reviewed every five years. In addition to this, Council undertakes a Representation Review every six years to ensure that the community is aware and accepting of the current Council structure.

Council develops their Long-Term Plan every three years in line with their obligations under the Local Government Act 2002, every second and third year Council will adopt an Annual Plan which will make any amendments to the existing Long-Term Plan and allows for members of the community to submit on this process.

Further, Council will provide an Annual Report, which is a full year financial snapshot of Council's activities for that financial year. The Annual Report also identifies if Council achieved its intended levels of service within the year. The Report also compares actual results to the financial projections in Council's Long-Term Plan.
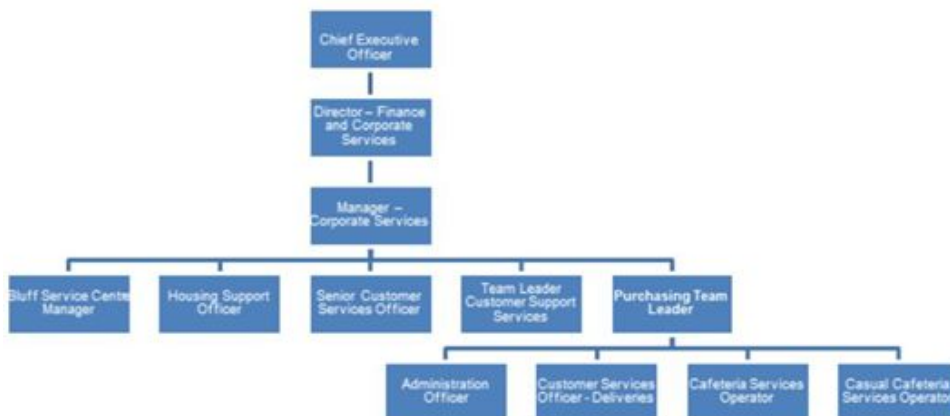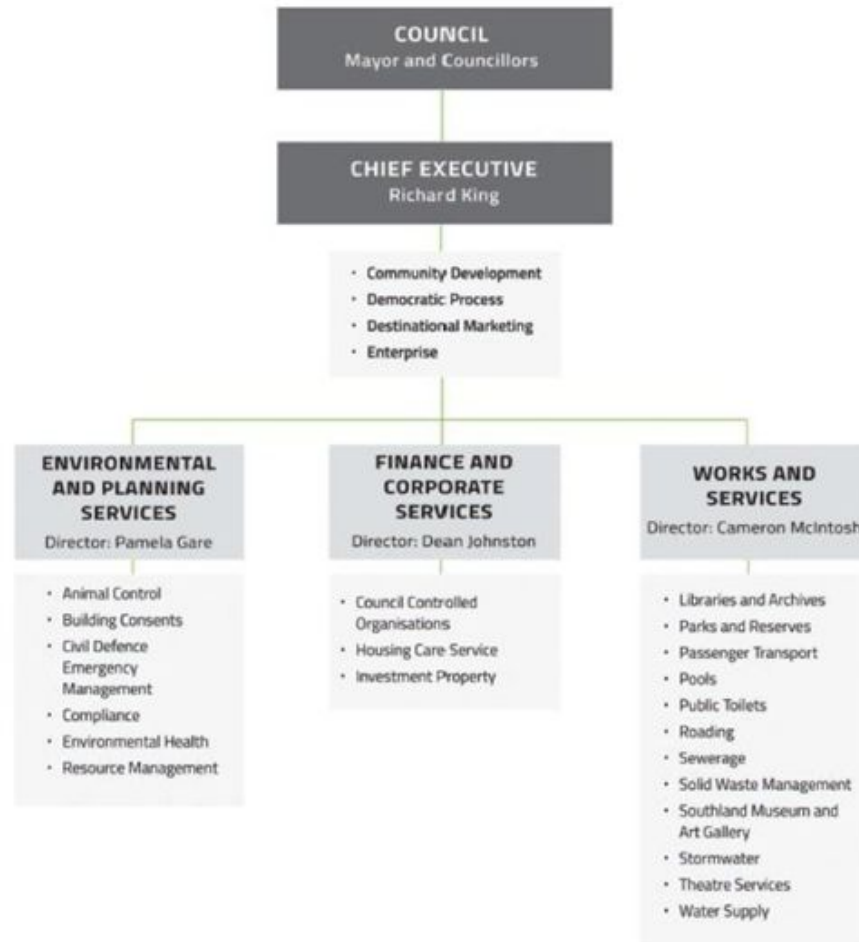
9.2 STAKEHOLDER ENGAGEMENT AND COMMUNICATIONS

Council currently utilises a myriad of methods to engage and consult with members of the community. The Local Government Act 2002 states specific methods of consultation to be utilised by Council for certain processes, Council adds to this through innovative and community-tailored engagement techniques. The following are examples of current Council consultation methods:

➢ Imagine Invercargill is a new engagement website where members of the public can submit ideas on how to improve Council services.
➢ Consult South is a website that highlights any current or up and coming consultation items.
➢ Regular use of the Consultation Caravan where members of the public can pop in to ask questions of elected members and staff.
➢ Public Forums at Council and Committee meetings.
➢ Public requests to be heard as a specific Agenda item.
➢ Regular features in the newspapers and rates newsletters which inform ratepayers of issues.
➢ The City Focus Radio show that highlights current topics that the Council is addressing.
➢ The Mayor holds appointments with residents who wish to raise issues of concern.
➢ Community Engagement processes when Council is considering making a significant decision.
➢ Formal consultation through the Special Consultative Procedure for issues such as the Long-Term Plan and some Bylaws.
➢ Facebook page where individuals can ask questions and express opinions to Councillors and staff.

9.3 BUSINESS PROCESSES

The management structure of the Invercargill City Council is as follows:

Council staff operates under a Delegations Register (Appendix 1.10) that is adopted by Council; this Register lists every department with specific delegations that are required under legislation or Council policies so that staff members are able to carry out their specific job requirements.

9.4   INFORMATION SYSTEMS AND DATA

Geographical Information Systems (GIS)

Provides mapping and spatial analysis tools for Council to graphically determine and understand where Council facilities or assets are located. This includes geocoding our data, putting it on a map, and symbolizing it in ways that can help visualize and understand the data. The software display how places are related which help make more informed decisions about the best locations and paths for infrastructure and planning. Utilising these attributes, we can use the software to help make predictions and better understand our environment.

Infor Pathway

Delivers a comprehensive offering of fully integrated functionality for managing council related business processes including:

➢ Customer Service and People Management - central name/address register and customer request management;

➢ Land and Property Management - administration tools to assist with land and property management;

➢ Revenue Management - capabilities such as rates accounting, property valuations, debtors and water billing;

➢ Regulatory Management - a comprehensive range of workflow-driven modules to ensure that local and national regulatory legislation for consents processing, parking and animals, and health and liquor licensing are complied with;

➢ Internet-enabled customer self-service - ePathway enables Council customers to conduct local government e-commerce online.

Infor Public Sector (IPS)

IPS is a centralised Asset Management Information System (AMIS) that allows for the effective management of infrastructure assets. IPS provides tools to improve asset efficiency, conduct planned and unplanned maintenance, manage work costs, provide asset inspection scheduling, and assists in optimising assets life cycles. Asset needs analysis in IPS can used to determine and recommend which maintenance and renew programmes are likely to be needed, to assist with long term maintenance and budgeting plans.

Microsoft AX Dynamics

This programme is the main accounting software; this system records all accounting entries, inventory entries, account payable entries and fixed asset data. Fixed assets held within the infrastructure area are revalued every three years and data from the revaluation is held with the AX dynamic system. The system then generates depreciation figures that are used for reporting purposes and also for the funding of depreciation in relation to Councils capital renewal programmes. During the period between revaluations assets are capitalised into the AX Dynamics system as purchased. The AX system also provides the council reconciliation control environment, maintaining such control as GST & FBT obligations, bank reconciliations, as well of all other balance sheet reconciliations of the Council.

MYOB PayGlobal

Provides a workforce management with the payroll and human resources management software provides the analytical, planning and operational tools to monitor staff activities and performance. There is a self-service platform (Ernie) where employees and managers access leave, personal info, payslips, and timesheet data online. Allowing employee attendance, management and tracking.

Objective

Delivers an Electronic Document and Records Management (EDRMS) service across all of Council providing information management processes and business process automation with robust security, version control and audit management to ensure Council complies with recordkeeping standards; this reduces the risk associated with managing information in multiple locations.

Opal 3

This programme is utilised by all departments who monitor their levels of service for activity; this programme requires specific data to be entered six weekly or monthly (as required). Third tier managers enter this data, with the Director or Manager to approve this entry. The data required is updated in line with the Long-Term Plan.

TM1 Cognos

This is the financial reporting and budgeting system for council. Information is taken from the AX dynamics system and downloaded into the TM1 system, allowing Council to report on actual performance against budget. Council budgets for both the Long-Term Plan and Annual Plan are completed within the TM1 Cognos system.

9.5   PROGRAMME PERFORMANCE MONITORING AND REVIEW

9.5.1   Monitoring Approach

Council operates on a six-weekly cycle with meetings of the four committees of Council that oversee each department at Council. The Committees are provided with extensive monitoring and reporting of levels of services for activities and assets that come out of that directorate, alongside monthly financial accounts for each department. The Committee will question these reports with Managers present to answer any questions that arise.

The information to produce these reports is entered into various software systems as detailed in Section 9.4. This monitors the performance both fiscal, and service based against targets and budgets from Council's Long-Term Plan. Targets can be key performance indicators, internally driven targets or provided from a Ministry that oversees that area, i.e. Department of Internal Affairs. At a full Council meeting these reports are then received.

9.5.2   Frequency of Review

Every financial year Council prepares an Annual Report that is the key document in ensuring the expenditure for the year was efficient and is pertinent in ensuring accountability to the community and ratepayers.

The Annual Report does not just show the current financial status, but also shows the levels of service for all Council activities and assets measured against the yearly targets set in the Long-Term Plan. As noted in 9.1, these are measured and reported six weekly in the Council meetings. The Annual Report is a holistic overview of their performance.

10. Continuous Improvement

10.1   CURRENT ACTIVITY MANAGEMENT PRACTICE

To be completed.

10.2   IMPROVEMENT PROGRAMME

Item	Appendix Relative urgency						Smart Objective	Activity Improvement Priority and Type	Responsible Person	Target Date for Completion	* Status	Completion Date
	1	2	3	4	5	6						
Maintaining Community's and tenants' perception that Council is a good landlord.		X					Regular information to and contact with tenants	CS	Manager Corporate Services	Ongoing	IP	
Development of 'smoke free' policy for Units.	X						Developed and adopted - to be advised	SA	Manager Corporate Services		IP	

10.3   IMPROVEMENTS FROM PREVIOUS ACTIVITY MANAGEMENT PLAN

➢   New roofs.
➢   Double glazing – ongoing and as opportunities present.
➢   New bathrooms throughout units – ongoing.
➢   New mobility scooter parking areas – ongoing.

10.4   MONITORING AND REVIEW

Ongoing monitoring and review of the Housing Care Service Activity takes place through levels of service reporting to Council and the Annual Report process.

11. Glossary

12. Appendices

The Appendices for all of Council's Activity Management Plans are kept separate. The list below highlights the appendices that relate to this Activity Management Plan and where to find them in the Corporate Appendices Register.

Number	Type	Title
1.01	Corporate	Long Term Plan – Background and Assumptions 2018-2028
1.02	Corporate	Community and Regulatory Services: 2014 Residents' Survey
1.03	Corporate	2013 Service Level Survey: Parks, Reserves and Cemeteries Report
1.04	Corporate	2013 Service Level Survey: Roading Report
1.05	Corporate	2013 Service Level Survey: Solid Waste Report
1.06	Corporate	2013 Service Level Survey: Stormwater and Sewerage Report
1.07	Corporate	2013 Service Level Survey: Water Supply Report
1.08	Corporate	Levels of Service Research Report 2016
1.09	Corporate	Corporate Risk Framework / Standard
1.10	Corporate	Delegation Register September 2016
1.11	Corporate	Asset Data Confidence Report
7.01	Housing Care	Housing Care Service Information for people wishing to apply for housing
7.02	Housing Care	Tenant Information Booklet

TO: **COMMUNITY SERVICES COMMITTEE**

FROM: **THE DIRECTOR OF WORKS AND SERVICES**

MEETING DATE: **TUESDAY 24 OCTOBER 2017**

DRAFT REGIONAL PUBLIC TRANSPORT PLAN 2018-2021

Report Prepared by: Russell Pearson, Roading Manager

SUMMARY

The draft Regional Public Transport Plan has been prepared and Council is being asked to adopt the draft and then consult on Plan. This Plan is suggesting route changes, a different fare structure and the implementation of a new administration system for Total Mobility. The consultation period recommended is 13 November until 15 December 2017 with submissions being heard on 26 February 2018.

RECOMMENDATIONS

It is recommended that the draft Regional Public Transport Plan is adopted for public consultation and that staff are instructed to undertake consultation on the Plan in accordance with Section 125 of the Land Transport Management Act 2003 and Section 82 of the Local Government Act 2002.

And

That submissions are invited from 13 November 2017 until Friday 15 December 2017 at 5.00 pm, with submissions being heard at the Community Services Committee meeting on Monday 26 February 2018.

IMPLICATIONS

1.	*Has this been provided for in the Long Term Plan/Annual Plan?*
	Yes.
2.	*Is a budget amendment required?*
	No.
3.	*Is this matter significant in terms of Council's Policy on Significance?*
	No.
4.	*Implications in terms of other Council Strategic Documents or Council Policy?*
	Yes. This sets the forward direction for Passenger Transport and has a number of proposed changes to the current delivery including fares and bus routes.
5.	*Have the views of affected or interested persons been obtained and is any further public consultation required?*
	Consultation is planned.

6.	*Has the Child, Youth and Family Friendly Policy been considered?*
	Yes. The RPTP is a key element of providing access within the City.

FINANCIAL IMPLICATIONS

This report has no direct financial impacts at this time.

BACKGROUND

The Regional Public Transport Plan (RPTP), as per *Appendix 1* attached, is a key document in setting out how the delivery of both Passenger Transport services and the Total Mobility services occur for Southland.

Regional Public Transport for Southland is managed by the Invercargill City Council under delegation from Environment Southland. This delegation has been in place for many years and was agreed to as the service predominantly only served the Invercargill City Council ratepayers.

The previous Plan is required to be reviewed and updated such that it can contribute to Council's Long Term Plan and also establish the basis for funding requests as part of the Regional Land Transport Programme.

The Plan outlines the services which are provided and in this Plan a number of challenges and issues have been identified and proposals outlined on how they may be addressed.

Prior to adopting a Regional Public Transport Plan (RPTP), in accordance with section 124 of the Land Transport Management Act 2003 (LTMA), the Council must be satisfied that the Plan contributes to the purpose of the LTMA, has been prepared in accordance with any relevant guidelines that the NZTA has issued and that it has applied the following principles:

➢ Regional councils and public transport operators should work in partnership and collaborate with territorial authorities to deliver the regional public transport services and infrastructure necessary to meet the needs of passengers

➢ the provision of public transport services should be coordinated with the aim of achieving the levels of integration, reliability, frequency, and coverage necessary to encourage passenger growth

➢ competitors should have access to regional public transport markets to increase confidence that public transport services are priced efficiently

➢ incentives should exist to reduce reliance on public subsidies to cover the cost of providing public transport services

➢ the planning and procurement of public transport services should be transparent

In preparing the draft RPTP Council must take into account:

➢ any national energy efficiency and conservation strategy; and

➢ any relevant regional policy statement, regional plan, district plan, or proposed regional plan or district plan under the Resource Management Act 1991; and

➢ the public transport funding likely to be available within the region; and

> ➢ the need to obtain the best value for money, having regard to the desirability of encouraging a competitive and efficient market for public transport services; and

> ➢ the views of public transport operators in the region; and consider the needs of persons who are transport-disadvantaged.

During the preparation of the Plan consideration has been given to the above issues and the Better Business Case approach has been utilised, which encompasses both the RPTP and an Activity Plan to demonstrate how the service is provided, and the issues are considered and where appropriate addressed.

Section 125 of the LTMA sets out the consultation requirements for adopting a RPTP. It compels Council to consult in accordance with section 82 of the Local Government Act and also sets out a list of interested parties with whom the Council must consult. Should Council adopt the RPTP for consultation, a consultation pack, including the Plan and a submission form, will be developed and provided for public comment. The pack will also be provided to those parties with whom Council must consult.

Some of the key issues which are presented in the Plan include:

> ➢ A new proposed route layout

> ➢ A new proposed flat fare structure

> ➢ Introduction of a new payment approach (Ridewise) for Total Mobility

These are significant proposals which are suggested as being key to the service going forward.

The proposed new routes are a direct response to customer feedback on the routes which were implemented in 2012, which saw patronage rise but has declined since. Three more direct routes are proposed to replace the four circular routes. These routes will provide customers with shorter travel times.

A flat fare proposal is suggested to make the service more easily understood and make travel fair for all users. The existing peak and off peak fares do not provide users incentives to travel and have been reasonably unsuccessful and have disadvantaged the peak customers. The proposed cost is $2.00 per trip (with the ability for a transfer within 30 minutes) for all users who pay using a Bus Smart card; otherwise the cash fare would be $3.00 per trip. The fare revenue will require regular updates for this cost to ensure that the users pay their share of the costs.

The Ridewise system in lieu of the current manual voucher system is also being suggested. This will make payment more convenient for users of the Total Mobility service and will avoid the extra administrative efforts needed to issue and pay the current system.

It is important that stakeholder's take the opportunity to submit on the draft plan and that any issues or concerns are highlighted in their submission such that they can be considered and a suitable plan be adopted and the services which the community requires be delivered.

The period for submissions is suggested as being from Monday 13 November until Friday 15 December 2017. This period has been selected so it avoids consulting over the Christmas period where many people are away. It is recognised that this is a busy period but is still the best time for stakeholders to consider the service and prepare submissions. Submissions would then be heard at the next Community Services Committee meeting on 26 February 2018.

CONCLUSION

The draft Regional Public Transport Plan has been prepared and Council is being asked to adopt the draft and then consult on the Plan.

✽✽✽✽✽✽✽✽✽✽

Southland Regional Public Transport Plan 2018 – 2021

12 October 2017

Regional Public Transport Plan

Activity			
	Name	**Signature**	**Date**
Prepared By	Rachel Pinn - Russell Pearson		
Asset Manager	Russell Pearson		
Director Review			
Peer Review	Russell Hawkes - ES		
Council Adoption			

Changes to be Incorporated in Next Review		
Number	**Date of Change**	**Reason for Change**

TABLE OF CONTENTS

Executive Summary

Regional Public Transport Plan (RPTP) for Southland is managed by the Invercargill City Council under delegation from Environment Southland. This delegation is considered appropriate for management of public transport services in the region, as the only publicly funded services are run within the Invercargill City Council area and predominately serve the ratepayers of the city.

In 2012 Invercargill's public transport system (including routes and fares) was substantially changed, but after a short period of limited growth the patronage has been steadily declining. In 2017, 198,826 passenger trips were undertaken which is a 24% reduction from 262,000 in 2012.

While patronage has declined in other New Zealand centres over this time, Invercargill's patronage decline has been greater than the national trend. No specific explainable reason for the decline has been identified. This suggests the current network could be improved with a goal to increase patronage.

Invercargill's current network is reasonably complex for a small network, with a series of one-way loops and a peak and off-peak fare structure. The Community and Council remain supportive of the public transport service but recognise the need to make improvements to turn the service around.

This RPTP considers three route options for consideration and proposes that a revised network layout, each having three connecting routes with increased timetabling (for morning and evening commuters) be considered. This would remove the current one-way loops and would provide a suitable outcome aligned with the customer feedback received. A change to a simplified fare structure is also suggested to make travel more easily understood, as cost effective as possible and encourage more travel to occur.

Council will also increase investment in bus shelters (including the Hub at Reading Cinemas) to improve comfort for passengers while they wait for their service to arrive, which again is what the customers have requested.

The RPTP also covers Council's Total Mobility services and whilst this continues to deliver quality services to the community, this plan is looking to move from the historical voucher system and deploy the RideWise card into Southland.

The Passenger Transport service will have the new integrated ticketing system in place by May 2018 and this will provide a wide range of benefits including being able to use the replaced Bus Smart card in eight other districts throughout New Zealand. Our Contractor GoBus will have replaced the current urban fleet with newer buses which will bring a fresh look and improved ride for our customers.

The proposed changes to the routes, timetables and fares all have tried to operate within the current budget scope. However, a small allowance has been made to anticipate additional costs which are incurred when changes are made.

During the next three years, the current passenger transport contract continues with GoBus which provides cost reliability with the most variable budget element being the revenue obtained from the farebox. This is one of the measures the New Zealand Transport Agency (NZTA) who co-invest look to closely monitor to ensure that a cost effective service is delivered.

Feedback during consultation is important to confirm that the direction this plan proposes is what its customers commonly desire.

1. Introduction

1.1 ABOUT THIS PLAN

The purpose of this plan is to outline and to summarise in one place, the Council's strategic approach for the delivery of the Public Transport activity. Public transport is one of many activities addressed in the Invercargill City Council's Long Term Plan (LTP).

Invercargill City Council (Council) under delegation from Environment Southland (the Southland Regional Council) is required by the Land Transport Management Act 2003 (LTMA) to prepare a RPTP (i.e. the Plan). The LTMA sets out the requirements regarding the Plan's content and the consultation process required in preparing the Plan.

The LTMA states that the purpose of a Plan is to provide:

➢ A means of encouraging Council and public transport operators to work together in developing public transport services and infrastructure; and
➢ An instrument in engaging with the public in the district on the design and operation of the public transport network; and
➢ A statement of:
  • The public transport services that are integral to the public transport network; and
  • The policies and procedures that apply to those services; and
  • The information and infrastructure that supports those services.

This Plan sets out Council's intentions and policies regarding public transport in Southland in the next three years. The Plan takes into account all relevant national and local policies, and the public transport funding from NZTA likely to be available to Council.

1.2 ACTIVITY OVERVIEW

The "public transport" referred to in this Plan is the subsidised bus service within Invercargill and any other council subsidised public transport service in the Southland region, and passenger service providers that relate to the Total Mobility scheme.

It does not include long-distance bus services; Ministry of Education funded bus services, privately funded bus services or train services.

Southland Region

At this stage no subsidised services (other than some Total Mobility services) operate in Southland other than in Invercargill. Council has no plans to introduce any new services, but will consider any requests from the wider Southland community for such services (subject to the policies set out below). The costs for such services will need to be borne by the local authority in whose territory the service operates and NZTA.

Invercargill Public Transport Service

In 2017, 198,826 passenger trips were undertaken on the four one-way loop services which is a 24% reduction from 262,000 in 2012. Prior to 2012 there were 10 bus routes. Some of the services were free for users and patronage is

estimated at approximately 400,000 as Council was reliant on returns from the contractor.

Council intends to continue to provide a bus service in the city.

In 2012 the city bus routes and timetables were substantially revised and a new contract introducing the revised bus service commenced on 3 December 2012. The existing contract provides services over four routes in Invercargill, running on weekdays between 6.45 am and 6.40 pm, with services on Saturdays between 10.30 am and 3.40 pm. There are also 11 school routes catering specifically for school students going to and from school plus a service (four routes) catering for Southland Enterprises.

Monitoring and analysis of the service demonstrates that these significant network changes have contributed to a decline in patronage. This RPTP proposes a revised network aimed at reversing the decline.

Total Mobility Scheme

Invercargill City Council provides administration support for the Total Mobility scheme with each council funding travel for registered users from their district. This scheme provides transport assistance to people with disabilities through the provision of half-priced taxi fares (up to a maximum subsidy of $25 per one-way trip). Total Mobility operates in Invercargill, Gore, and Southland District areas.

Approximately 54,500 trips are made annually in Southland on the Total Mobility scheme. 50,000 of these are made by scheme members who reside in Invercargill, 4,500 by residents of Gore and 158 by residents of Southland District (when they visit Invercargill). Currently passenger service providers are only available in Invercargill and Gore.

The annual subsidy cost of this service (excluding GST) is approximately $312,000 in Invercargill, $21,000 in Gore, and $1,100 in Southland District. These costs, as with the bus costs, are met by local ratepayers and NZTA. The average subsidy per trip is just above $6.00 (i.e. $6.12).

Currently about 1,460 people in Invercargill, 230 in Gore and 13 in the Southland District are registered for the Total Mobility scheme.

The scheme also subsidies vans capable of carrying people in wheelchairs, and provides for an extra $10.00 (excluding GST) subsidy per trip for the use of these vans in recognition of the costs and time involved in carrying passengers using a wheelchair. Council provides assistance with the costs of installing the necessary equipment into the vans to enable them to carry wheelchairs and mobility scooters. The maximum subsidy available for these van conversions has been $22,000 per van.

Council administers the scheme, including the distribution of vouchers for use on the taxis, and payments to the taxi companies. A Total Mobility Committee (which comprises representatives of the local authorities in whose areas the scheme operates, the taxi companies and disability organisations) has been established to manage the scheme.

2.   Strategic Case

The Otago Southland Regional Land Transport Plan 2018/21 (RLTP 2018/21) includes a policy related to providing subsidised Public Transport Services, one of which is in Invercargill. Should services be proposed in Southland but outside the Invercargill City Council area then a strategic business case will need to be developed and incorporated into a future RPTP.

2.1   ALIGNMENT WITH COUNCIL STRATEGIC GOALS

2.1.1   Community Outcomes

Council has developed its own Council-focused 'Community Outcomes' for the LTP that will fulfil the requirements of 'Community Outcomes' under the Local Government Act.

The new Community Outcomes have been derived from Council's vision:

"To enhance our City and preserve its character while embracing innovation and change."

Community Outcomes		
Enhance our City	**Preserve its Character**	**Embrace Innovation and Change**
We will know success when:		
Invercargill's population is over 1.2% of the New Zealand population.	Invercargill is celebrated for preserving its heritage character.	Invercargill's culture is embraced through Community projects.
New residents feel welcomed and embraced by Invercargill culture.	Ease of access throughout the City is maintained.	The development of future industry is encouraged.
Healthy and active residents utilise space, including green space, throughout the City.	Our natural and existing points of difference are celebrated.	Technology is utilised in both existing and new City services.
Invercargill's economy continues to grow and diversify.	The building blocks, including water, sanitation and roading, for a safe, friendly city is provided for all members of the community.	Residents of, as well as visitors to, Invercargill give positive feedback and have great experiences.
Invercargill's business areas are bustling with people, activities and culture.	Strong, collaborative leadership of the City is demonstrated.	Invercargill has the 'wow factor' with the right facilities and events to enjoy.

Table 1 below sets out Council's current community outcomes and how these have been translated into levels of service for public transport which have been used since 2015.

Table 1 - Current Community Outcomes and Levels of Service

Community Outcome	Council's Role	How the Activity Contributes	Customer Level of Service	Measure of Service
A diverse and growing economy.	Ensuring that the building blocks for sustainable business are in place, including energy, water, communications and workforce.	Passenger Transport ensures that a quality public transport service is available, accessible and affordable for people to travel to work and education centres.	Bus routes are convenient.	Homes in the Invercargill urban area are within 400m of a serviced bus route.
Healthy lifestyle in a healthy environment.	Provide or promote the provision of a diverse range of excellent quality and safe, indoor and outdoor recreational facilities, both natural and man-made.	Passenger Transport ensures that a quality public transport service is available, accessible and affordable for people to travel to recreational facilities.	The bus service is well utilised.	Farebox recovery and patronage.
A city that is a great place to live and visit.	Ensure that all projects / services consider how best they can cater for people with disabilities, the elderly, youth and families.	Passenger Transport provides the Total Mobility service that is subsidised transport for people who are unable to use the bus service due to physical or mental impairment or condition.	Passenger Transport services are provided for all members of the Community.	All members of the community have the opportunity to use public transport.

Table 2 below sets out the current performance measures under the LTP. The LTP is updated annually through the Annual Plan process and a report is released annually on the targets and performance of Council against these.

Table 2 - Current Community Outcomes

Community Outcome	Activity and Performance Measure	2015/16 Target	2016/17 Actual
Healthy lifestyle in a healthy environment.	Passenger transport - homes in the Invercargill urban area are within 400m of a serviced bus route.	90%	Achieved 90%. 2014/15: Achieved 90%
A city that is a great place to live and visit.	Passenger transport - all members of the community have the opportunity to use public transport.	Total Mobility scheme is administered.	Achieved. 2014/15: Achieved – total mobility is administered and delivered to the community.

2.1.2 Rationale for the Activity

The basic objective of the Council-provided public transport network is to provide services which meet the basic needs of the community, particularly those without access to private transport.

2.1.3 Activity Objectives

Strategic Fit

The provision of public transport services is strongly aligned with the following outcomes:

- ➢ A diverse and growing economy
- ➢ Healthy lifestyle in a healthy environment
- ➢ A city that is a great place to live and visit

Car transport is the dominant mode of travel in Invercargill as 15 percent of households have three or more motor cars and nearly 90 percent of commuters drove to work, according to the 2013 Census. While it is challenging for public transport to compete in this environment, in terms of minimising transport energy use and greenhouse gas emissions to provide for a healthy environment, Invercargill needs to continue to support the provision of public transport.

Public transport provides choice for people to access work, education, social and health facilities. These factors demonstrate a strong strategic fit with the LTP community outcomes.

The Otago-Southland Regional Land Transport Plans (RLTP) is a document that the RPTP must also demonstrate a strategic fit with. The RLTP includes the following goals - "*the transport system in Otago and Southland provides adequately for mobility, economic activity and productivity while minimising road trauma.*"

These goals are underpinned by three aims or critical success factors:

- ➢ Transport enables and supports economic activity and growth.
- ➢ Transport system meets social needs adequately.
- ➢ Transport helps shape the future of Otago and Southland positively.

Public transport in Invercargill supports these aims by providing a transport option for accessing employment and commercial activity. Public transport and Total Mobility both fulfil important linkages to social and community facilities, enabling the community to meet its social needs and shaping a positive future.

Effectiveness for Invercargill's public transport services are currently measured by the proximity to public transport services, patronage and farebox recovery. Patronage is a key measure of the performance of the service and this is currently declining, which also impacts on farebox recovery. To be effective, patronage needs to become stable or preferably increase.

2.2 BUSINESS DRIVERS

2.2.1 Regulatory Framework

The Local Government Act (LGA) states the purpose of local government. In performing its role local government must have particular regard to the contribution to core services (including public transport services) that they make to their communities. The sustainable development role of local authorities should take into account the social, economic, and cultural interests of people and communities. There is a need to maintain and enhance the quality of the environment and the reasonably foreseeable needs of future generations (from Section 14(h) of LGA). The LGA also provides the framework for the LTP which local authorities use to decide what activities they will undertake and the manner in which they will undertake these. The Act promotes accountability of local authorities to their communities.

The LTMA provides the legal framework for managing and funding land transport activities. The purpose of the LTMA (Section 3) is "*to contribute to an effective, efficient and safe land transport system in the public interest.*"

The Act:

➢ Provides an integrated approach to land transport funding and management that takes into account the views of affected communities.
➢ Improves social and environmental responsibility in land transport funding, planning and management.
➢ Provides the NZTA with a broad land transport focus.
➢ Ensures options and alternatives are given full consideration at an early stage in the development of programmes.
➢ Ensures that land transport funding is allocated in an efficient and effective manner.
➢ Improves the flexibility of land transport funding by providing for alternative funding mechanisms.

The LTMA also defines the function and the roles of:

➢ The NZTA.
➢ Regional councils for land transport planning, programming and funding.
➢ Auckland transport for land transport planning, programming and funding.
➢ Regional transport committees.

It also provides for:

➢ Regional land transport strategies.
➢ A Government Policy Statement on Land Transport.

2.2.2   District Plan and Council Policies

Invercargill City District Plan (section 2.17.1) identifies the following significant resource management issues for transport as:

1.   Ineffective integration of land use and transport can have adverse effects on the safety, efficiency, effectiveness and accessibility of Invercargill's transport infrastructure.
2.   Transport corridors and related transport movements can give rise to adverse public health and environmental effects.
3.   There are pressures on Invercargill's transport infrastructure as a result of demographic changes, projections of increased freight and land use change, and there are limited transport options available to address these pressures.
4.   The efficiency and convenience offered by the City's grid street pattern can be compromised by poor urban design.
5.   Incompatible urban and rural development can adversely affect the transport network.

The transportation objective for the plan is to provide for the development and sustainable management of transportation networks. Methods for achieving this include information provision and advocacy alongside rules including parking rules.

Invercargill City Council Bylaw 2015/2 - Parking Control (incorporating amendments on 15 May 2017) sets the controls for parking within the city and shows the locations of bus stops. These Bylaws are available on Council's website.

2.2.3   Long Term Plan

This RPTP forms the activity management plan for Council's public transport services. The RPTP aligns Council's community outcomes, activity performance measures and targets.

2.2.4   Regional Land Transport Plan

The provision of public transport in Invercargill is guided by a number of policy documents including the Government Policy Statement on Land Transport (GPS), the Otago Southland Regional Land Transport Plan (RLTP), Invercargill City Council's Long Term and Annual Plan (LTP) and various guidelines issued by the NZTA.

The latest GPS outlines the Government's strategy to guide land transport investment over the next 10 years. It also provides guidance to decision-makers about where the Government will focus resources.   The Land Transport Management Act 2003 sets out the scope and the requirements for the GPS.

The overall goals of the GPS remain unchanged and are:

➢   Road safety
➢   Economic growth and productivity
➢   Value for money

The latest draft GPS 2018 recognises public transport as necessary to enable more New Zealanders to participate in society. Public transport in urban areas provides transport choice to get to important destinations like work and education. Further transport choice is provided with off-peak public transport services and increasing the accessibility of services for disabled people.

GPS 2018 support increases in public transport capacity and economic growth which will also provide some transport choice. It includes the following objective and result areas that are particularly relevant for Southland as follows:

Objective: A land transport system that provides appropriate transport choices.

Result: Provide appropriate and accessible travel choices, particularly for people with limited access to a private vehicle.

The Otago Southland Regional Land Transport Plans 2015-2021 is a joint plan combining both strategic and project components. The long term goal set for land transport in Otago and Southland is:

To provide accessible transport connections, giving users an appropriate choice of modes and to gain improved performance from the land transport system, by focusing on:

➢ Road safety
➢ Economic growth and productivity
➢ Value for money

According to the RLTP public transport delivers on the following priorities:

➢ Users are able to access the network in a manner that is convenient and affordable to users and funders
➢ The network is reliable and resilient, helping community resilience
➢ Value for money

The RLTP envisage public passenger transport continuing to play a vital role in supporting community well-being by providing a means for those without cars, and those who choose not to travel by car, to travel longer distances. Public passenger transport will also remain important for those for whom active transport poses a physical challenge. As the regions' population ages, with younger generations being less reliant on the private motor vehicle, and as changes in the price and supply of petroleum oil fuel affect people's ability to travel by private vehicle, the role of public passenger transport (and shared transport) will grow.

2.2.5   NZTA Business Case Approach / Better Business Case

In February 2017 an Investment Logic Mapping stakeholder workshop was held to focus on future investment. It was titled Adapting Invercargill Passenger Transport Services - 2018 to 2021 and beyond. The scope of the exercise focused on Invercargill's urban area, not including Bluff and Otatara. Predominantly it focused on buses, and looked at the next five years and then beyond.

Two key themes were identified around customer information and route design.

The following problem statements were developed:

1.   Historical decisions based on funder and service constraints results in less convenient routes, timetables and reduced patronage (40 percent).
2.   Lack of information on the needs of our existing and potential customers results in a risk of poor investment decisions and missed opportunities (60 percent).

The Problem Statements from the Investment Logic Mapping (ILM):

1. **Historical decisions based on funder and service constraints results in less convenient routes, timetables and reduced patronage (40 percent).**

   Council undertook a major review of the city bus service in 2012 and as a result of that review made substantial changes to routes, timetables and fares. The new service was tendered in 2012 and the contracted service began in December 2012. The contract runs until 29 June 2022 with a mid-point review based on key performance indicators.

   The current city service operates on four city routes which provide coverage of the entire city. The service starts each weekday at 6.45 am, with the last service leaving the central city at 6.00 pm. Services run every 45 minutes on each route. On Saturdays, six services operate every 45 minutes between the hours of 10.30 am and 3.40 pm. There is no Sunday or public holiday service. An additional service (on two separate routes) is provided on weekdays to and from Southland Disability Enterprises, morning and evenings only.

   In addition, 11 school routes operate (five in the morning and six in the afternoon) within the city on school days.

   The buses cover over 306,000 kilometres annually on these routes.

   At the time Council thought that these current routes, timetables and fare structure would be suitable for Invercargill based on demand levels and the costs of providing the service.

   The consequence of introducing these service changes has been less convenient routes and timetables, and declining patronage.

   On 9 February 2017 Blind Citizens NZ Southland Branch tabled a bus route proposal to the Community Services Committee. This proposal used input from members to suggest route changes which have been considered through the network review. Their concerns include travel times, improving access to some key destination and simpler timetables.

2. **Lack of information on the needs of our existing and potential customers results in risk of poor investment decisions and missed opportunities (60 percent).**

   Council has a number of mechanisms for seeking feedback from its community on the bus services including bus user surveys, Annual Plan and LTP submissions and complaints by contacting elected officials or staff directly. There are no customer satisfaction metrics in the RPTP. The customer level of service on 'bus routes are convenient' is measured using a 400m distance between homes and bus routes. Usually set (nationally) at 500m, this measure is typically used to measure accessibility rather than convenience.

   The most recent user survey from December 2016 indicates a need for improved bus shelters, improvements to BusSmart Central and buses going both ways (i.e. removing the one way loops or reverting to the old routes). Services more suitable for commuting and Sunday services are also suggested through the survey feedback.

A component of the network review was to undertake a survey to better understand the outcomes of both existing and potential customers.

The Investment Benefits from the ILM:

1.   Improved network performance and capability (55 percent)
2.   Improved community access, connectivity and wellbeing (30 percent)
3.   Better value for funders (15 percent)

These are further explained below:

1.   **Improved network performance and capability (55 percent)**

The current operating network is designed as a series of one way loops and this significantly increases the travel time as passengers must travel indirect routes to access destinations. A more straightforward network would be an improvement to the network performance.

Council invests around $465,000 (in 2017/18) per annum on Invercargill's public transport services. Success is currently measured in terms of outputs (patronage), coverage (distance a customer has to walk to a service) and the cost ration recovered from passengers (as a ratio of fare revenue and operating cost).

To understand improved network performance and capability, measures should be translated into outcomes aligned with the LTP customer level of service – bus routes are convenient and the bus service is well utilised.

Measures could be focused on transport disadvantaged use – for example, percentage of transport disadvantaged who regularly use public transport.

Capacity is often discussed in terms of public transport – the ability to carry more passengers. Here in Invercargill the problem is framed as capability. Capability in this context can be interpreted as processes to increase the quality of outcomes and satisfaction of customers.

Revision of the network should identify key destinations, and improve network performance and customer satisfaction.

2.   **Improved community access, connectivity and wellbeing (30 percent)**

The investment benefits for Invercargill's services are largely social – the buses enable those without other forms of transport to get where they need to go, in particular to places of work, education, healthcare, welfare and food shopping.

Improved community access, connectivity and wellbeing should be targeted in the parts of the community when transport disadvantage is highest. One indication of potential focus areas could be areas of social deprivation as shown in Figure 1 Social Deprivation Index and Scale, along with key destinations including Southland Hospital.
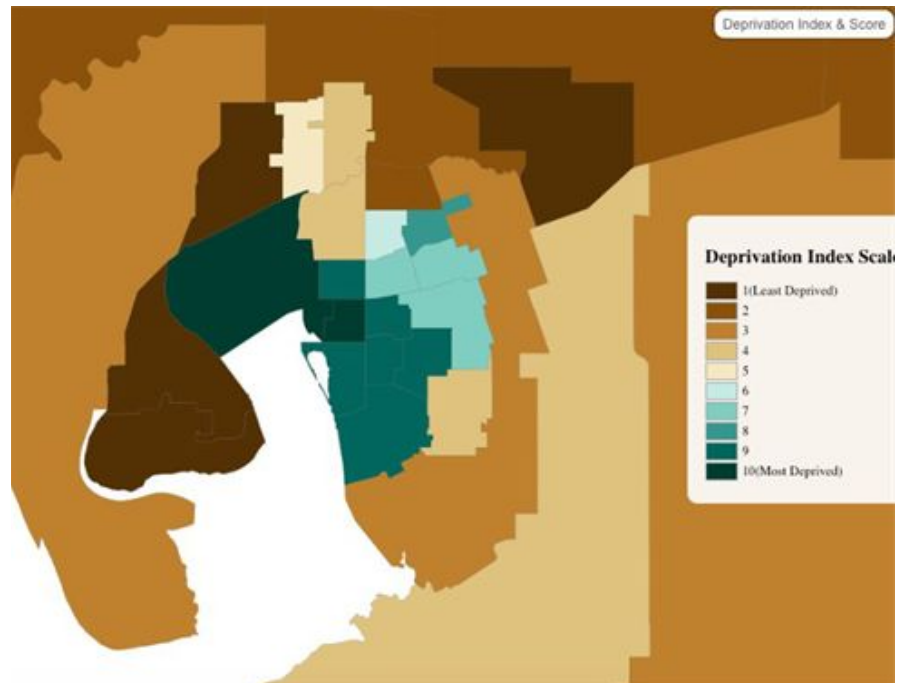
Figure 1 Social Deprivation Index and Scale

The recent submission to Council regarding rerouting services suggests that, even with the current coverage measure of 400m maximum walk from a stop which is a higher coverage than that nationally used at 500m travel, there are still some improvements to community access, connectivity and ultimately wellbeing that can be made.

Examples of how public transport can contribute to wellbeing include fostering childrens' independence and mobility, and concessionary bus travel for older people, both of which have associated increases in walking and benefits to public health.

International research suggests that using public transport, walking or cycling to work was associated with a 20 percent lower likelihood of being overweight[1]. Those who used public transport had about 25 percent reduced chance of being obese compared to those who did not.

3.   **Better value for funders (15 percent)**

Value for money should not solely be focused on the subsidy provided per passenger. Value for money can be defined as "*the best outcome for the money spent*" or the "*optimum combination of whole of life costs combined with quality*".

Cost alone is not a reliable indicator of value for money. The LTP uses – *"Passenger Transport ensures that a quality public transport service is available, accessible and affordable for people to travel to work and education centres"* as a performance measure. This performance measure can be translated into a value for money key performance indicator for this plan.

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[1] "Active travel and bus passes: the impact on public health" Dr Elizabeth Webb, Epidemiology and Public Health, UCL.

The next section of the Plan sets out a series of policies and objectives which aim to address the problems, issues, constraints and benefits identified above.

2.3   STRATEGIC ISSUES AND CHALLENGES

In 2012 the Invercargill network was redesigned to cost substantially less than the previous service with a goal of passengers contributing substantially more to the cost of operating the service.   The service also focused on providing transport choice for transport disadvantaged and has an unusually high coverage metric (400m to a serviced bus route) compared to the more common 500m measure.

Patronage has declined by nearly 25% since the 2012 service changes. This issue is not unique to Invercargill. Excluding Auckland, Wellington and Christchurch patronage nationally declined by 2 percent between 2014 and 2015, only to recover by 2 percent in 2016.

A high cost recovery service would typically focus on commuter trips and this is reflected in the fares differential for peak services. Focusing on the transport disadvantaged is consistent with reduced fares for off-peak and 400m routes metric, which also constrains the ability to make route changes without generating additional costs.   The plan has conflicting priorities, and the outcome measures (particularly patronage and farebox) suggest this approach has been unsuccessful. The complexity of outputs measured and the lack of focus on the customer is constraining the success of the service.

The advent of driver-less cars and the expansion of the "service model" into transport will change the role of public transport in the future. There is much discussion around "mobility as a service" and the potential for much lower car ownership in the future. Cars are expensive assets and not used approximately 95 percent of the time. It is unlikely individual car ownership will completely disappear but the role of public transport could well change. The network needs to be flexible to adjust to these changes in technology and this could well be a key consideration for the next tender round.

The key Corporate Strategic Issues and Challenges (relating to Passenger Transport) are:

➢   Meeting our long-term renewal expectations for infrastructure.
➢   Encouraging growth projects whilst ensuring financial and operational sustainability for future generations.
➢   Ensuring that Council works in a financially prudent manner that promotes the current and future interests of the community.
➢   The City's changing demographic profile and its ability and willingness to pay.
➢   Responding to the changing environment (both natural and technological) and retaining Invercargill's character within its built environment.

Plus

➢   Developing new routes and timetables which meet customer expectations.
➢   Developing new fare structures which are easy to use and fair.

2.4   ASSUMPTIONS

Council has developed assumption corporately for developing activity plans. In Appendix 1.01 is a summary of these and a full outline is available on Council's website.

The corporate assumptions which are seen to impact on this plan are:

2.4.1   Internal Factors

Assumption	Level of Uncertainty	Area of Impact and potential Financial Impact
Population The population will increase to 56,300 by 2028.	Moderate – risk that actual numbers will vary.	Infrastructure and Housing. Significant increases in population may create a demand for infrastructure and services beyond existing capacity. Significant decrease in population would adversely impact on the community's ability to fund current levels of infrastructure and services.
Household Growth An average of 2.3 people per household in 2038, requiring 2,300 more homes from the 2013.	Moderate – risk that actual numbers will vary.	Infrastructure and Housing. Significant increases in the number of households may create a demand for infrastructure and services beyond existing capacity.
Ageing Population Those 65 years and older will make up approximately 22% of Invercargill's population by 2023.	Low – increasingly older population is reasonably certain.	Council Services and Recreation Assets. An increase in the number of those people 65 years and older will increase the number of ratepayers on fixed incomes and may have an impact on the ability of the community to afford infrastructure and services.
NZTA That the NZTA Funding Assistance Rate will reduce by 1% each year until a low of 51%.	Low – NZTA have stated in plans that this will occur.	Roading. Lower than anticipated subsidies can result in service delivery costs needing to be met by other means or a decrease in the level of service.

2.4.2 Financial Factors

Assumption	Level of Uncertainty	Area of Impact and potential Financial Impact
Local Economy The local economy will grow and diversify.	Moderate – financial impact difficult to forecast.	Composition of local economy may diversify offering greater employment opportunities. Significant change to the economy, such as a large employer choosing to locate in the District, may require Council to review and change its current activities and levels of service. These demands will need to be quantified and an amendment to the LTP developed if the costs are significant.

2.4.3 External Factors

Assumption	Level of Uncertainty	Area of Impact and potential Financial Impact
Local Governance Amalgamation will not occur during the life of the Plan.	Low – to continue shared services, although amalgamation is low risk.	Shared Services, Policy and Governance. Boundary changes would require a review of the LTP with its associated community consultation.
Technology Changes in technology will affect how Council carries out its activities. This will have a financial implication over the 10 year plan.	High – certainty of diversification in technology is ever-growing. Impact of changing technology cannot be quantified.	Employment, Local Economy and Services (delivery). New technologies will likely have an increased financial cost in the short term.
Legislation There will be changes to legislation that have an impact on what and how Council provides services.	Moderate – difficult to know what central government will implement, particularly if a change in government.	Services, Finances and Governance. Significant legislative change can impose significant financial and service delivery costs on Council.

Other activity assumptions are:

Assumption Area	Level of Uncertainty	LTP Assumption
Technology – Changes to how services are delivered through customer interactions such as Uber for Passenger Transport.	**High**	Technology change will enhance the use of the service and patronage will benefit from the change.
Bus Shelters – Obtaining approvals to locations which are convenient.	**Low**	Suitable locations are able to be found with reasonable installation costs.
Fare Changes – Adopting a fare structure which is easy to use and fair.	**Moderate**	Flat fare structures proposed will provide at worst a cost neutral situation. Patronage will respond to a fare change positively.
Route Changes – Adopting new routes which customers accept.	**Moderate**	Patronage will respond positively to changes and a net increase in usage will result, stabilising the total usage numbers.
RideWise cards.	**Low**	Customers will positively adopt the card usage but total number of trips will not significantly rise. Cost of Total Mobility remains consistent. Improved travel control results from use of cards. Process and overall cost of service administration decreases.
Operator Costs – Contractual agreements are similar to current costs.	**Moderate**	Operator costs due to any route change are close to cost neutral.
Local Governance – Both ICC and ES agree current delegation is acceptable.	**Low**	ICC continues to deliver the Passenger Transport services for Southland.

3. The Service We Provide

3.1 CUSTOMER PROFILE

3.1.1 Our Stakeholders and Community

Invercargill's public transport service is open to the public, subject to users paying the required fare. The Total Mobility scheme is designed for people with mobility impairments that prevent them from using public transport. Total Mobility users are assessed for eligibility.

3.1.2 How We Engage our Communities

Council engages with the community on a regular basis with public transport passengers. Passengers and Total Mobility users regularly provide compliments and complaints on the services that operate. This information forms part of the service reviews and discussions with operators regarding the performance of drivers and services.

Council also conducts an annual user survey, where passengers are asked questions regarding the service. Feedback on services is also obtained through community engagement processes including the development of the LTP.

3.1.3 Community Research

A community survey was completed in 2017 with 95 responses and a good geographic spread.

This research identified the following positives:

➢ Friendliness of drivers
➢ Free wi-fi
➢ Smartcard system
➢ Track-a-bus
➢ Flexibility of the pick-up and drop-off
➢ Frequency
➢ Fare levels

The negative issues identified were:

➢ Travel times
➢ Links to key desintations, e.g. Smiths City, Farmers, Bond Street
➢ Timing of services and service span
➢ Frequency, especially on Saturdays
➢ Shelter provision at stops, particularly the central hub
➢ Peak fare differential
➢ Confusing timetables
➢ Driver attitudes and the condition of some vehicles

The previous resident's phone survey in 2014 found only 9 percent of respondents had used the bus in the last month. The key reasons given for not using public transport were inconvenient bus routes (21%) and inconvenient timetables (11%). The 2016 Bus Smart survey key requests were for more bus shelters (33%); Sunday bus service (26%); two way routes (25%); weather proof bus hub (18%) and more convenient times for workers (10%).

The key takeouts are there are some positives including driver friendliness; the application of technology; and the perception of value for money. But there is general dissatisfaction, particularly with the routes, running times, times of buses, and frequency of services and shelters.

3.1.4   Key Service Attributes Valued by Customers

Typically there are a number of desirable service attributes valued by public transport customers. These include:

➢   Reliability
➢   Frequency
➢   Legibility
➢   Safety and security

3.2   OBJECTIVES AND POLICIES

The following table sets out the service objectives, policies and measures:

Objective	Policy	By 2021
A fare system that attracts and retains customers.	Structure the fares and ticketing system in a way that: a) is simple to understand, collect and administer b) is consistent across all users c) enables transfers within a reasonable timeframe d) is easy to access for all users	85 percent of passengers are satisfied with the level of fares. 85 percent of passengers are satisfied that the fare system is easy to understand.
	Set fares at a level that is competitive with the costs of parking and private vehicle use. Report on the comparison costs between car parking, vehicle ownership and bus fares in Invercargill.	85 percent of passengers are satisfied with the level of fares.
	Fares are charged through the Regional Integrated Ticketing System.	85 percent of passengers are satisfied with the level of fares.
	Review fares annually with a preference for smaller regular adjustments rather than large infrequent changes.	85 percent of passengers are satisfied with the level of fares.
	Ensure all users pay the correct fares.	85 percent of passengers are satisfied that the fare system is easy to understand.
	Support the SuperGold card scheme during off peak times in accordance with NZTA guidelines and Government's provision policy[2].	85 percent of passengers are satisfied with the level of fares.
Provide for the transport disadvantaged information, safe facilities,	Target service provision to areas with higher levels of social deprivation, lower car ownership rates and other indicators of transport	Network design principles focused on transport disadvantaged service provision are implemented and monitored.

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[2] As the Government has limited the funds available for providing this scheme Council will review its involvement in the scheme in 2019.

Objective	Policy	By 2021
and services that are increasingly available to all members of the public.	disadvantage.	
All members of the community have the opportunity to use public transport.	Provide for trial services to test demand for new service proposals.	Local authority has ownership of progressing any proposal through to implementation.
	Continue to administer and support the Total Mobility scheme.	Council administers and supports the Total Mobility scheme.
	Manage the day-to-day operation of the Total Mobility Scheme through the Total Mobility Committee which is comprised of councils, service providers and disability organisations. The Committee will be responsible for setting local rules within the guidelines set by NZTA.	The Total Mobility Committee meets three times per year.
	All Total Mobility service providers are required to have contracts with Council which are based on the NZTA model contract, and set out service standards and conditions.	All Total Mobility contracts are reviewed and updated.
Total Mobility is well managed.	New services and existing services will provide consistent and clear management and payment mechanism for the Total Mobility service.	The RideWise system will be introduced to manage Total Mobility trips.
	Council will monitor and report on the availability of wheelchair hoists for Total Mobility Scheme users.	Council will identify and implement a suitable ration of wheelchair hoists compared to users.
An effective and efficient procurement approach that is fit for the scale of Southland's network.	Transition to the Public Transport Operating Model.	Public Transport Operating Model (PTOM) requirements continue to be implemented and are fully implemented by July 2022 (new contract commences).
	Maintain competition - units are competitively tendered when renewed.	The next Invercargill unit is competitively tendered upon completion of the current contract or in 2022.
	The delegation to ICC is not an impediment to new services in the Southland region.	An unallocated unit is included in the RPTP which may be used for a trial service.
	Adopt a partnering approach to network planning and service changes.	Annual business plan process is developed and implemented with the contractor.
Timely and effective monitoring that assists in the	Utilise technology and operator reporting to monitor on time performance.	Report on monthly patronage trends.
	Comply with the NZTA reporting requirements.	Regular updates in Transport Investment On-line (TIO).

Objective	Policy	By 2021
management of the network over time.	In conjunction with the contractor, regularly review the new city routes and timetables to ensure they continue to meet the needs of the community.	Annual business plan process is developed and implemented with the contractor.
Improve infrastructure.	Targeted improvements of bus shelters, seats and timetable information.	Council will develop a list of new bus stop shelter locations and a programme of works for improving infrastructure.
	Installation of new bus shelters and improving access and safety to bus stops for mobility impaired people.	
Vehicle quality.	All vehicles entering the fleet will comply with the NZTA's Requirements for Urban Buses.	Council considers and approves new vehicles before use on the network.

3.2.1   Units

Invercargill has four urban bus routes and a small number of supporting school bus services. This RPTP supports the maintenance of one unit covering the current Invercargill City service and a second unspecified unit, for the purposes of making provisions for any future trial service.

This single unit / single contract system will continue for the Invercargill bus service. The unit will be procured (once the current contract expires) by tender based on the approach outlined in the Council Procurement Strategy.   The Procurement Strategy will be reviewed before the next tender round is due.

The current contract for the city bus service runs until December 2017 and contains provision for an extension until June 2022. The next tender is not expected until 2021 (assuming the current contract runs the full term). The new PTOM unit contract would be expected to commence on or before 1 July 2022. The current contract includes many of the elements of the (PTOM). Where agreement can be reached with the operator more PTOM elements may be introduced during this contract.

The Council intends to continue to provide financial assistance to the Invercargill unit / contract.

Any new service will be deemed to be a separate unit in terms of the LTMA.

There are no exempt services within the meaning of the LTMA in Invercargill that are needed to be replaced by a unit.

3.2.2   Partnering with Contractors

Invercargill City Council already has a very close working relationship with its contractor. This is aided by the small size of the Invercargill district and there being only one bus contract. Council recognises that the contractor has a unique and close perspective on how the service is performing and on what improvements might be made.

Council recognises that the best way to improve passenger numbers is to have a high-quality service, both in terms of reliability and driver helpfulness. The contract includes requirements for the contractor to report regularly on certain performance indicators. These criteria will be based on those developed by

NZTA[3] and are likely to include service reliability and punctuality, patronage, customer satisfaction, reporting timeliness, and vehicle appearance. For the current contract these indicators will be used to determine if the contract qualifies for an automatic extension of the contract period.

NZTA requires that future contracts include a financial incentive mechanism. The financial incentive will provide for an annual payment to the contractor should certain targets be met. These targets are likely to be based on patronage levels, and involve a payment to the contractor for each passenger carried over and above a target figure. The financial incentive mechanism will be revised and will be contained in the Roading Procurement Strategy.

Assistance of the transport disadvantaged

The Plan is designed to assist the transport disadvantaged. This Plan assists the transport disadvantaged, through supporting routes and timetables designed to take passengers from where they live to places they want to go at a reasonable fare.

Fares

Passengers using Invercargill's public transport are faced with a complex fare regime with peak and off-peak fares; cross city; and fares that vary by age.

The introduction of the new ticketing system provides an opportunity to simplify and increase the consistency of fares charged for passengers.

Council would consider a flat fare approach, where all customers travel is at the same cost (excluding children under five) to be a simple and effective approach, irrelevant of the time or type of customer.

3.3 TOTAL MOBILITY

Council will continue to administer and support the Total Mobility Scheme and meet the NZTA requirements. Council will manage the day-to-day operation of the Scheme through the Total Mobility Committee which is comprised of councils, service providers and disability organisations.

The Committee will be responsible for setting local rules within the guidelines set by NZTA:

➢ All service providers are required to have contracts with Council which are based on the NZTA model contract, and set out service standards and conditions.
➢ Set budgets and guidelines to assist in the provision of wheelchair hoist vehicles where demand warrants it and funding permits.
➢ Review fares and the rules applying to the fares as part of the fare level and fare structure reviews.
➢ Admittance to become a service provider is at the discretion of Invercargill City Council.
➢ Each application to be a service provider will be considered on its merits and must meet the statutory requirements set together with the following requirements (agreed with Invercargill City Council):

  ▪ Drivers must be appropriately licensed and trained.

[3] This development process is on-going, but NZTA has set out its minimum requirements in section 11 *Measurement and Monitoring* in its Procurement Manual.

- Drivers must have an identification system and be of sound and appropriate character.
- Service availability hours are at least 7.00 am to 11.00 pm.
- Fare structure is clear, is for the transport component of travel only and has been approved by Invercargill City Council.
- No van, into which a subsidised wheelchair hoist is to be installed, shall be more than four years since first registered, at the time of installation of the hoist.
- The provision of a wheelchair service is required at commencement of the service, except where at Council's sole discretion it may allow an introduction period of up to three years of being an approved provider.
- All providers shall have available for audit purpose an approved vehicle tracking system.

3.4   SIGNIFICANCE POLICY

This policy is required, in accordance with section 120(4) of the Land Transport Management Act 2003, to set out how to determine the significance of proposed variations to this Plan.   The level of significance determines the consultation regarding the proposed variation that must be undertaken.

Application

This Plan can be varied at any time. However in accordance with section 126(4) of the Land Transport Management Act 2003, the usual consultation will not be required if the proposed variation is considered not significant under this policy.

The approach to consultation will reflect the level of significance of any proposed variation.   Consideration will be given to the costs and benefits of any consultative process or procedure and the extent to which consultation has already taken place.

The implication of not meeting the significance threshold is that the full consultation requirements of the LTMA will not need to be followed. However, Council may undertake targeted consultation on matters affecting specific communities and stakeholders, even if the significance threshold outlined in this policy is not invoked.

General determination of significance

The significance of variations to this Plan will be determined by Council on a case by case basis.

When determining the significance of a variation, consideration must be given to the extent to which the variation:

➢   Should services be proposed in Southland but outside the Invercargill City Council area then a strategic business case will need to be developed.
➢   Signals a material change to the planned level of investment in the public transport network.
➢   Impacts on the purpose of the LTMA.
➢   Affects residents (variations with a moderate impact on a large number of residents, or variations with a major impact on a small number of residents will have greater significance than those with a minor impact).
➢   Affects the integrity of this Plan, including its overall affordability.
➢   Has already been the subject of consultation with affected parties.

Significant and non-significant matters

Matters that will always be considered 'significant' are:

➢ Any variation that amends this policy on significance.
➢ Major changes to existing services, or the introduction of new services, (other than changes to or the introduction of trial services), for which no consultation regarding the change or introduction has occurred.

Matters that will usually be considered 'significant' are:

➢ Changes to units that significantly affect the financial viability of the contractor of that unit.

Matters that will always be considered 'not significant' are:

➢ Minor editorial and typographical amendments to this Plan.
➢ Minor changes to fare levels in accordance with current policy and funding levels.

Matters that will usually be considered 'not significant' are:

➢ A matter that has already been consulted on, including the addition, removal or amendment of any matter or service.
➢ Minor changes to the description of services following a review of that service, e.g. changes to the frequency, route or hours of a service which result in the same or better level of service.
➢ Changes to the description of services or grouping of services as a result of an area wide service review, provided that there is no significant increase in cost.
➢ Minor changes of routes and/or timetables to existing services.
➢ The introduction, alteration or deletion of trial services.
➢ The introduction of a new unit provided the contractors of existing units are not affected.

Targeted consultation on non-significant variations

Where Council determines that a proposed variation is not significant, it may still undertake targeted consultation as follows:

a. *Consultation for minor changes in the delivery of existing public transport services*
    For minor changes in service delivery which are required to improve the efficiency of existing services, such as the addition or deletion of trips and minor route changes, and which have only a local impact, consultation will generally be undertaken at a low level with the operator(s) involved, the relevant territorial authority, and passengers who use the services. If consultation has already occurred as part of a service investigation or review, no additional consultation need occur.

b. *Addition of new services*
    Where a new service is proposed and the new service has been the subject of community consultation, no additional consultation need occur.

c. *Other non-significant variations*
    Any proposals for changes that affect only a sector of the community or the industry (e.g. a change in Total Mobility provision, or a change to specific vehicle quality standards) may be worked through with those most likely to be affected, as well as other relevant stakeholders.

4. Demand For Our Services

4.1 DEMAND FORECAST

4.1.1 Factors Influencing Demand

For public transport to be attractive to potential users it must meet these customer expectations[4]:

1. It takes me where I want to go
2. It takes me when I want to go
3. It is a good use of my time
4. It is a good use of my money
5. It respects me in the level of safety, comfort and amenity it provides
6. I can trust it
7. It gives me freedom to change my plans

These factors have been taken into consideration when designing the proposed network.

The current route design is based on minimising cost to Council by being 'operationally efficient'. It is focused on 400m access to a bus route and assumes that users don't mind a circuitous route to their destination and/or home. Some destinations are difficult to reach, particularly on the edge of the CBD because of the routes. The one-way loops result in a longer than average travel time and are much longer than the comparative car trip. This has resulted in a significant trade-off in terms of the service provided to the customer.

4.1.2 Projected Growth or Decline in Demand for the Service

Over the last five years patronage has declined by nearly 25 percent or on average 4.8% per year. The new network is intended to halt further decline and start to correct this decline by providing a more attractive service. It is difficult to predict the level of recovery as other factors including the cost of parking, car ownership and the cost of fuel all impact on patronage. Following the implementation of the proposed network and regional integrated ticketing system it is expected that patronage should show signs of recovering within the first two to three years.

4.2 CHANGES IN SERVICE EXPECTATIONS (FUTURE LEVELS OF SERVICE)

In order to rectify the services poor performance, changes in service design are needed. The following list sets out a series of service design criteria which will result in a changed operational environment.

The network has been designed according to the following best-practice principles:

➢ Routes will provide good residential coverage, so that the majority of residents are within a 400m buffer of a bus route (5-7 minute walk) and most are within at least a 600m buffer (7-10 minute walk), with priority being given to areas of greater density and/or deprivation where a trade-off is required.
➢ Routes will serve all parts of the CBD and key activity centres outside of it, including all suburban centres, the hospital, secondary schools, retirement

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[4] Human Transit, Jarret Walker

villages, supermarkets, and key tourist attractions. Routes will give residents access to local activity centres where possible.

➤ Routes will be direct and use key arterial roads where appropriate, to provide convenient (car competitive) travel times from as many residential areas as possible to the CBD. Duplication of routes will be minimised outside of the CBD so as to maximise coverage.

➤ Routes will utilise a two-way trunk for as much of their length as possible, to improve legibility and focus infrastructure investment.

➤ Services will have a through-route and operate to a 'pulse' timetable, to enable passengers to travel to destinations beyond the CBD and easily connect between services at that location.

➤ Services will be timed to allow passengers to arrive at key destinations (CBD and schools) at the most desired times.

➤ Running times will be realistic and include an additional small allowance for late running and connection.

4.3 NEW NETWORK

4.3.1 Overview

The proposed new network, shown in the diagrams below, consists of the following:

➤ Three through-routes, each composed of a northern and southern leg (i.e. sub-route), each of which will link key suburbs and suburban activity centres with the CBD and each other.

➤ A 'public transport spline' (via Tay, Dee and Yarrow Streets) that is used by all routes through the CBD (joining / leaving at key points as appropriate), which will provide improved bus route legibility within the CBD and allow all passengers to reach most CBD destinations without needing to change buses.

➤ A northbound hub (located at the Library) and a southbound hub (located at the current Reading site) which will provide a point where services will come together and pause to facilitate connections in each direction, and allow for late running and driver change-over.

More detailed information is in Appendix 11.02

The proposed timetable for the A and B routes (which is the same for routes 1, 2 and 3).

Monday to Friday

Depart from Hub	Return to Hub		Depart from Hub	Return to Hub
Route 1A (Northern)	Route 1A		Route 1B (Southern)	Route 1B
7:20	7:50		7:20	7:50
7:50	8:20		7:50	8:20
8:20	8:50		8:20	8:50
9:20	9:50		8:50	9:20
10:20	10:50		9:50	10:20
11:20	11:50		10:50	11:20
12:20	12:50		11:50	12:20
1:20	1:50		12:50	1:20
2:20	2:50		1:50	2:20
3:20	3:50		2:50	3:20
4:20	4:50		3:50	4:20

Depart from Hub	Return to Hub		Depart from Hub	Return to Hub
4:50	5:20		4:50	5:20
5:20	5:50		5:20	5:50
5:50	6:20		5:50	6:20

Saturday

Depart from Hub	Return to Hub		Depart from Hub	Return to Hub
Route 1A (Northern)	Route 1A		Route 1B (Southern)	Route 1B
9:50	10:20		10:20	10:50
10:50	11:20		11:20	11:50
11:50	12:20		1:20	1:50
1:50	2:20		2:20	2:50
2:50	3:20		3:20	3:50
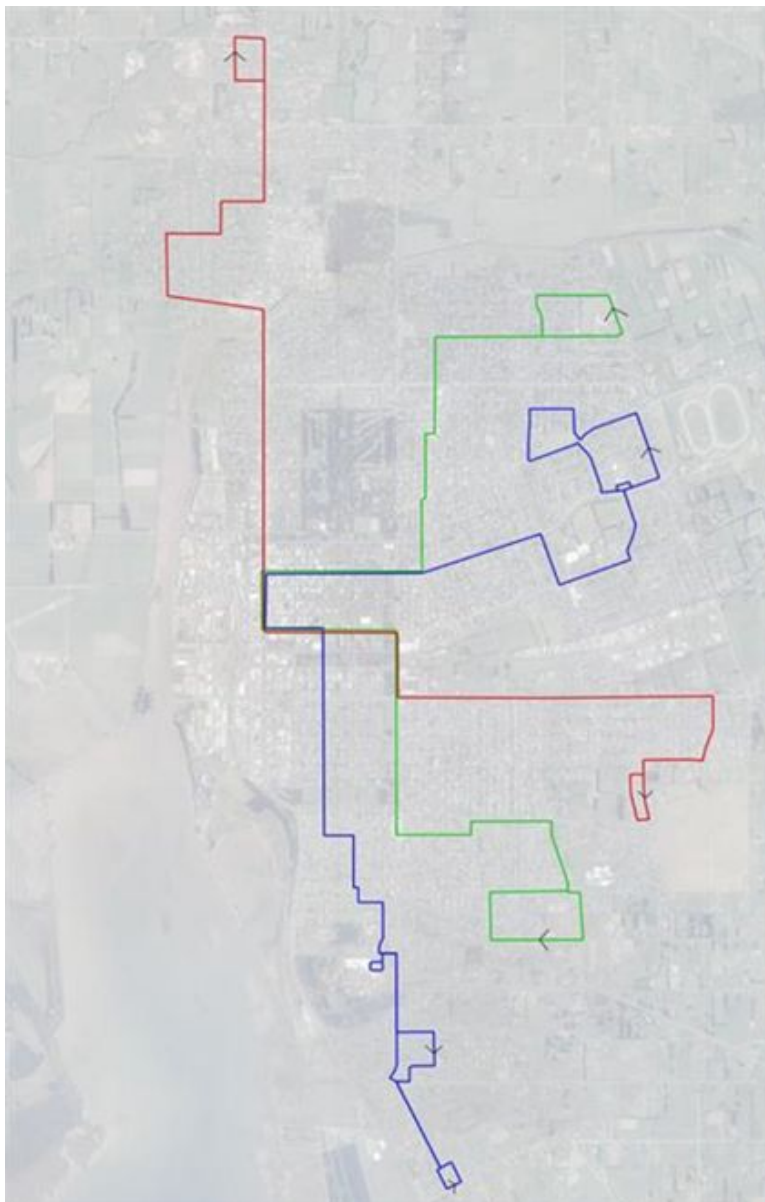
Overview of Proposed Option 3 - New Routes

5. Wellbeing Assessment

5.1 WELLBEING ASSESSMENT

Well-being	Positive	Negative	How we are addressing these effects
Social and cultural	• Provides for safe and easy travel around our city • Provides connectivity both within and between communities • Provides access to community, recreation and leisure facilities • Provides access to retail, commercial and professional services • Provides transport choice • Provides a link between integrated planning of the transport network and land use • Provides access to sites of cultural and historical significance • Provides access to parks and reserves	• Potential for negative impacts from vehicle noise (idling) and vibration to properties adjoining bus routes. • Potential for emissions to affect health • Poor design of routes can limit access to key facilities e.g. Southland Hospital • Passengers may be unsafe when crossing the road to access bus stops	• Design routes in collaboration with the community • Continuing to plan to improve public transport infrastructure and pedestrian facilities • Continue to better identify sites of cultural significance • Continue to invest in good relationships with Tangata Whenua
Environmental	• Reduces emissions by reducing the number of individual vehicle trips	• Potential for noise pollution from vehicles • Potential for air pollution from vehicle exhaust fumes • Potential for contamination from pollutants running off the road surface and/or at the depot during wet weather	• Continuing to investigate modern vehicle fleet, with higher emission standards • Continuing to investigate the potential to reduce contaminants from roads entering the surrounding environment
Economic	• Provides access to employment, education and services • Provides a service linking customers and businesses • Bus service contract provides local employment	• Cost of bus service could be used to generate other economic activity	• Continuing to utilise NZTA funding for the bus contract • Continuing to achieve value for money when procuring services

6.   Risk Assessment

6.1   RISK

This section evaluates, in more detail, the risks associated with the activity.

Risks fall into five categories:

>   **Patronage risks:** where the number of passengers using the system fails to meet expectations.
>   **Financial risks:** where costs exceed expectation, or revenues are below expectation, or both.
>   **Commercial, legal and institutional risks:** where legislative, contractual or organisational arrangements prevent or constrain the ability to successfully implement the planned changes.
>   **Environmental and safety risks:** where the changes introduced result in adverse environmental or safety impacts.
>   **Timing, transition and implementation risks:** where the implementation of changes is either too slow or too fast.

Many of these risks are inter-related. For example, the risk of lower than expected patronage will have a direct bearing on the financial risk through reduced fare revenue and increased subsidies. Resolution of commercial, legal and institutional risks will often have implications for timing.

A number of the risks create opportunities, in that the steps taken to manage or mitigate them may lead to improved outcomes.

While some of the risks identified will be borne by the operator(s), most relate to ICC or NZTA for which the risks are likely to have two types of impact:

>   Financial impact, mainly as a result of the inability to deliver the expected level of improvements within a particular budgeted amount. This is a particular issue for the ICC and NZTA, who carry primary financial responsibility for public transport.
>   Political or reputation impact as a result of perceived lack of delivery or lack of results. This could manifest itself in public and passenger complaints, which could in turn impact on the credibility of the wider service improvement process. This impact affects council and could also impact on NZTA, as an investment partner.

An assessment follows in *Table 3* showing key risks identified. The following information is included for each risk element:

>   **Likelihood:** how likely is it that the risk will arise?
>   **Severity:** how severe would the impact be if the risk arises?
>   **Overall assessment:** combined rating of the likelihood and severity of the risk, to give the overall seriousness of the risk to the success of the project.
>   **Ownership:** which parties bear the risk (ICC, NZTA or operator). Where the risk has mainly financial implications for that party, it is denoted by a '$' symbol in the table. Reputation risk is denoted by an 'R' in the table.
>   **Management and mitigation:** a summary of possible steps to manage or mitigate the risk.

Table 3 - Assessment Risks

Risk	Likeli hood	Sever -ity	Overall Rating	Owner			Management and mitigation
				ICC	NZTA	Oper- ator	
Service improvements do not stimulate patronage growth	L	M-H	Low to moderate	$ R	R		Ensure the network changes are well planned and well communicated
Fare revenues are less than anticipated	L	M-H	Low to moderate	$ R	R		Consider adjustment to fare schedule
Bus delays particularly around Dee Street	L	L	Low to moderate	$ R	R	R	Scheduling needs to include some recovery time
Safety issues for bus users accessing services	M	M-H	Moderate	$ R	R	R	Identify unsafe crossing locations and plan to improve these

The suggested management options to address patronage risks focus mainly on ensuring a clear understanding of likely patronage impacts at a detailed level, communicating the changes to passengers, students, parents and schools, paying attention to promotional activity, and building in incentives to encourage all parties to grow patronage. As a worst-case, a back-up plan is sensible, where the councils can identify circumstances under which the implementation of the review could be revised or aborted if patronage was seriously below expectation.

The Activity is not seen to create any significant negative activity as it provides support for the transport disadvantaged. Loss of the service however would create a negative impact.

The changes proposed look to mitigate patronage loss and reduce the potential for the service to be considered to be not supported.

7. Managing Our Activities

7.1 RESPONDING TO THE ISSUES AND CHALLENGES

7.1.1 Alternative Investment Approaches

The need for changes to the existing delivery of passenger transport are being signalled through customer feedback, the ILM problem statement developed and declining patronage.

The two problems (statements) for Passenger Transport noted are:

1. Lack of information on the needs of our existing and potential customers results in risk of poor investment decisions and missed opportunities (60 percent).
2. Historical decisions based on funder and service constraints results in less convenient routes, timetables and reduced patronage (40 percent).

Consideration has been given to what options are available to deliver this change and a review of the network has been undertaken by an external specialist.

Three route options have been identified from the review:

1. Existing one direction circular route with minor changes to timetabling.
2. Alternating route direction.
3. New route layout where more direct routes are provided.

Option 1 is the current routes and status quo.

Option 2 is alternating the one-way loops which would require every second trip to operate in reverse. This would require new bus stop infrastructure to accommodate the alternate direction. The services would become more confusing, as the services would sometimes operate in one direction and at other times in the alternate direction.

Option 3 is a route change outlined previously and has been developed to specifically assist to work towards reducing the impacts of the problem statements.

One impact worth noting is the change in the level of service provided by Option 3 where the maximum distance from a route is extended from the current 400m. Some of the existing coverage would be reduced and the new coverage is shown in Appendix 11.02.

The other options (1 and 2) have limitations of making significant impacts on these issues presented.

There would be a need to consider how we inform passengers when the bus is due to change direction and how this would affect the timetables. It could potentially result in a passenger boarding a bus only to find it turn around two stops later and travel back to where the passenger got on.

Options considered for the Fare Structure are:

a. Current approach
b. Flat fare approach

The flat fare approach would look to set a fare for all users at the same level (excluding children under five who would remain free). No distinction would occur between the old peak travel or class of users. This would allow a transfer to occur so that travel across the city could be achieved at one cost. It would allow ease of understanding and be helpful with ticketing opportunities when the tag on - tag off requirements are put in place. Super Gold travel would continue to be a free subsidised service for the travel period of after 9.00 am and before 3.00 pm and on Saturdays, and would require registration of their card for eligibility.

No peak or off peak periods would be necessary with a flat fare approach.

It is planned that there would be a cash fare and a Bus Smart (or its replacement) Card fare. If the tag on - tag off process was fully completed for the journey then the card fare would apply. Failing to tag on or tag off correctly would result in the cash fare being paid.

This process of a flat fare would reduce fare options and be simple to understand. In other Councils operations, flat fares have assisted in encouraging patronage increases.

The Flat fare cost options considered could be $3.00 cash per trip or $2.00 when paying by a Bus Smart Card per trip. These fares would be set through the Annual Plan Fees and Charges. It is anticipated that since no fare increases have occurred since February 2016 that if this approach is adopted from 1 July 2017 that a fare increase for the Card fare would be considered from February 2018.

Going to a flat fare is likely to reduce the total fare revenue and some future regular and gradual adjustments will be needed to ensure a suitable level of user pays continues to occur and that an acceptable farebox ratio can be obtained.

7.1.2   Do-Minimum Programmes

A do-minimum approach for public transport services would likely implement a few minor service changes. This would consider timetable changes to better align to business customer travel. This may change timetabling at the beginning of the day and could include removing one trip where patronage is very low.

This is unlikely to reverse the significant decline in patronage, and also does not address the concerns raised through the community consultation processes.

The current fare structure would require ongoing increases and this would not address the issues of cost separation between the peak and off peak travel in a service where there are no pressures to have a travel cost differential such is currently in place. If this option is accepted then a review of the fares will be undertaken to determine the future changes needed and what levels they should be at.

7.1.3   Programmes Evaluation

The preferred approach should be evaluated based on value for money. In this context value for money is assessed as being the approach that is most likely to result in the highest uptake of patronage.

It is important for the customers to communicate their desires through consultation. With any network route changes there is a degree of uncertainty

with patronage as it will disadvantage some but if successful provide more benefits to others. The changes should address the problems identified.

Whilst the fare structure is important to customers, the level of fees needs to be appropriate and make sense to customers. The current structure whilst relatively straight forward can be enhanced where a flat fare is utilised. Modelling of any change is needed to show that impacts are appropriate and aligned to assumption. It is noted that the new ticketing system will have tag on - tag off processes to provide data of travel for assisting in decisions.

This will also have a potential fare impact if the customer does not tag off as they will be charged with the full cash fare, even if paying with the smart card. This is one way to incentivise the behaviour sought. Setting the cost of flat fares or amending existing fares needs to be considered following input and consultation.

If benefits can be achieved without significant cost changes then change can be beneficial. A budget allowance of $100,000 has been made to allow for any proposed route changes.

The programmes included in the budgets take consideration of flat fares and new routes.

8.   Financial Management

8.1.   OVERVIEW

The Local Government Act 2002 requires local authorities to manage their finances "prudently and in a manner that promotes the current and future interests of the community".

This implies compliance with Generally Accepted Accounting Practice (GAAP). Of particular relevance is Financial Reporting International Accounting Standard (NZIAS16) New Zealand equivalent to "Accounting for Property, Plant and Equipment".

In determining how activities will be funded, local authorities are required to take the following into consideration:

➢   The contribution to the achievement of Community Outcomes (strategic alignment).
➢   Beneficiaries of each activity (beneficiary / user pays principles).
➢   The period over which benefits from the activity will occur (intergenerational equity issues).
➢   The costs and benefits of funding the activity compared to other activities (cost / benefit, prioritisation principles).
➢   The impact of funding the activity on the wellbeing of the community (ability to pay principles).

Activity Management Plans provide the basis for meeting these requirements for infrastructure based activities.

8.2   FINANCIAL SUMMARY – WHAT THE ACTIVITY COSTS

The following section outlines the budgeted cost, however since NZTA co-invests to a significant level in Passenger Transport and Total Mobility, these costs are also separated for some clarity. Both Southland District and Gore District Councils also contribute to Total Mobility for services which are utilised within their areas.

Details of individual business unit level activity are available but not included in the plan.

8.2.1 Council Funded Programmes (includes inflation)

Business Unit 563440 - Bus and Transport - Passenger Transport

	2017/18 Annual Plan	2018/19 LTP	2019/20 LTP	2020/21 LTP	2021/22 LTP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP
Internal Revenue	0	0	0	0	0	0	0	0	0	0	0
Fees & Charges Revenue	315,826	294,000	294,000	294,000	294,000	294,000	294,000	294,000	294,000	294,000	294,000
Grants & Subsidies Revenue	679,434	922,145	975,481	854,370	857,580	836,409	841,475	859,244	871,631	893,422	915,757
Rates Revenue	0	0	0	0	0	0	0	0	0	0	0
Financial Revenue	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	**995,260**	**1,216,145**	**1,269,481**	**1,148,370**	**1,151,580**	**1,130,409**	**1,135,475**	**1,153,244**	**1,165,631**	**1,187,422**	**1,209,757**
Internal Expenditure	85,430	87,090	89,267	91,499	93,786	96,131	98,534	100,998	103,523	106,111	108,763
Staff Expenditure	0	0	0	0	0	0	0	0	0	0	0
Administration Expenditure	105,000	77,500	79,438	81,423	83,459	85,545	87,684	89,876	92,123	94,426	96,787
Financial Expenditure	0	0	0	0	0	0	0	0	0	0	0
Grants & Subsidies Expenditure	0	0	0	0	0	0	0	0	0	0	0
Repairs & Maintenance Expenditure	0	183,000	23,575	24,164	24,768	25,388	26,022	26,673	27,340	28,023	28,724
Operational Expenditure	1,269,152	1,416,750	1,467,800	1,629,801	1,567,473	1,633,486	1,645,270	1,685,633	1,756,722	1,769,411	1,812,877
Depreciation Expenditure	34,205	34,200	34,380	34,565	34,754	34,947	35,146	35,350	35,559	35,773	35,992
Total Expenditure	**1,493,787**	**1,798,540**	**1,694,460**	**1,861,452**	**1,804,240**	**1,875,498**	**1,892,657**	**1,938,529**	**2,015,266**	**2,033,744**	**2,083,143**
Operating Surplus / (Deficit)	**(498,527)**	**(582,395)**	**(424,979)**	**(713,082)**	**(652,661)**	**(745,089)**	**(757,182)**	**(785,286)**	**(849,635)**	**(846,322)**	**(873,386)**
Capital Expenditure - to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
Capital Expenditure - to improve the level of service	0	0	0	0	0	0	0	0	0	0	0
Capital Expenditure - to replace existing assets	0	70,000	353,625	73,544	75,382	77,267	79,199	81,179	65,378	67,012	68,687
Capital Expenditure	**0**	**70,000**	**353,625**	**73,544**	**75,382**	**77,267**	**79,199**	**81,179**	**65,378**	**67,012**	**68,687**
Debt movements	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Reserve movements	**0**	**(60,000)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Cash Back Depreciation	**(34,205)**	**(34,200)**	**(34,380)**	**(34,565)**	**(34,754)**	**(34,947)**	**(35,146)**	**(35,350)**	**(35,559)**	**(35,773)**	**(35,992)**
Rates Required	**(464,322)**	**(558,195)**	**(744,224)**	**(752,061)**	**(693,289)**	**(787,409)**	**(801,234)**	**(831,114)**	**(879,454)**	**(877,561)**	**(906,082)**

Business Unit 563540 - Bus and Transport - Mobility Services

	2017/18 Annual Plan	2018/19 LTP	2019/20 LTP	2020/21 LTP	2021/22 LTP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP
Internal Revenue	0	0	0	0	0	0	0	0	0	0	0
Fees & Charges Revenue	19,538	32,220	20,603	21,413	21,836	22,259	22,682	22,717	22,717	22,717	22,717
Grants & Subsidies Revenue	371,145	443,290	432,360	436,970	441,954	441,878	446,686	457,200	468,630	480,346	492,354
Rates Revenue	0	0	0	0	0	0	0	0	0	0	0
Financial Revenue	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	**390,683**	**475,510**	**452,963**	**458,383**	**463,790**	**464,137**	**469,368**	**479,917**	**491,347**	**503,063**	**515,071**
Internal Expenditure	63,136	63,560	65,149	66,778	68,447	70,158	71,912	73,710	75,553	77,442	79,378
Staff Expenditure	0	19,750	21,269	21,800	22,345	22,904	23,477	24,064	24,665	25,282	25,914
Administration Expenditure	2,860	42,900	13,223	13,553	13,892	14,239	14,595	14,960	15,334	15,717	16,110
Financial Expenditure	0	0	0	0	0	0	0	0	0	0	0
Grants & Subsidies Expenditure	0	0	0	0	0	0	0	0	0	0	0
Repairs & Maintenance Expenditure	0	0	0	0	0	0	0	0	0	0	0
Operational Expenditure	516,070	531,000	564,775	578,894	593,367	608,201	623,406	638,991	654,966	671,340	688,123
Depreciation Expenditure	0	0	0	0	0	0	0	0	0	0	0
Total Expenditure	**582,066**	**657,210**	**664,415**	**681,026**	**698,051**	**715,503**	**733,390**	**751,725**	**770,518**	**789,781**	**809,525**
Operating Surplus / (Deficit)	**(191,383)**	**(181,700)**	**(211,452)**	**(222,643)**	**(234,262)**	**(251,365)**	**(264,022)**	**(271,808)**	**(279,171)**	**(286,718)**	**(294,454)**
Capital Expenditure - to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
Capital Expenditure - to improve the level of service	0	0	0	0	0	0	0	0	0	0	0
Capital Expenditure - to replace existing assets	24,830	55,500	28,188	28,892	29,614	0	0	31,892	32,689	0	0
Capital Expenditure	**24,830**	**55,500**	**28,188**	**28,892**	**29,614**	**0**	**0**	**31,892**	**32,689**	**0**	**0**
Debt movements	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Reserve movements	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Cash Back Depreciation	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Rates Required	**(216,213)**	**(237,200)**	**(239,639)**	**(251,535)**	**(263,876)**	**(251,365)**	**(264,022)**	**(303,700)**	**(311,860)**	**(286,718)**	**(294,454)**

8.2.2 NZTA Assisted Programmes

The above tables are drawn from the Councils Accounting and Budgeting system.

The NZTA requires Councils to prepare budgets for submission for the RLTP which is funded from the National Land Transport Programme (NLTP). NZTA co-invests with Council at an agreed Financial Assistance Rate (FAR). This rate is currently reducing but varies for both Passenger Transport and Total Mobility dependent on the activity.

The following table sets out the funding included in Council budgets (5634/35 00) but arranged in terms of the funding category used by NZTA.

The data is presented in a different manner but has the same core inputs. The values shown include inflation.

NZTA approve investment in an agreed programme on a three yearly cycle.

NZTA have a number of processes which are utilised to consider programmes which include frameworks such as their Investment Assessment Framework (IAF). These can be found on the NZTA website.

Work Programme	Cat	Project Description	2018/19	2019/20	2020/21	Total 2018/218	Total 2015-18
Passenger Transport	511	Bus Services	964,940	989,064	1,118,853	**3,072,857**	2,479,110
and Total Mobility	514	Public Transport Facilities Op Maint	263,590	109,180	108,834	**481,604**	229,405
	517	Total Mobility	527,820	531,791	545,085	**1,604,696**	1,202,098
	519	Wheel chair Joists	55,000	28,188	28,892	**112,080**	81,243
	521	Total Mobility Hoist Use Payments	129,390	132,625	135,940	**397,955**	307,005
	524	PT Information supply ops am int.	281,810	295,006	302,381	**879,197**	779,426
	522	Super Gold Payment	19,100	19,577	20,066	**58,743**	
	532	Low Rcost Low Risk	15,000	290,375	15,759	**321,134**	

8.2.3 Programme Implications

The programme which has been included within the budgets makes consideration of the new planned route changes and the use of flat fares.

The consultation process is important to gauge the customers' responses to this proposal. However, it is from a technical view that there is sufficient foreseeable benefit to include the new routes within budgets. That being the case, the budgets are also capable of maintaining the current routes as any change is seen as being cost neutral with some hope that as patronage is stabilised and fare structures adjusted, the overall financial impact is not significantly different in either direction and relatively independent of the option selected.

The new ticketing scheme is included within the programmes.

No new units allocation is included within the budgets.

Total Mobility commitment and anticipated usage levels are similar to previous years.

8.3 FINANCIAL POLICIES

The Local Government Act 2002 requires Council to manage its finances prudently and in a manner which promotes the current and future needs of the community. Council must ensure that each year's projected operating revenues are set at a level sufficient to meet the years projected operating expenses.

The Revenue and Financing Policy states Council's policy on the funding of its operating and capital expenditure and the sources of those funds.

Council, for each activity, must give consideration to who benefits from the activity and the appropriate level of private versus public benefit when funding the activity. Public benefit is gained from having access to activities provided by Council. Private benefit is gained from receiving goods or services provided by Council, i.e. a building consent for work carried out by private residents.

8.4   HOW WE PAY FOR THE ACTIVITY

The following sources of funding are used by Council:

> General rate
> Targeted rate
> Fees and Charges
> Other sources of funding
> Loans and reserves

Community Outcome	Period of Benefit	Who Benefits	Funding Sources and Proportion	Demand Generators
Passenger Transport				
Invercargill's economy continues to grow and diversify. Healthy and active residents utilise space, including green space, throughout the City. Residents of, as well as visitors to, Invercargill give positive feedback and have great experiences.	**Short**	**Public** Access to public bus and Total Mobility services.	Target/General rates 30-40%. Fees/Charges (including NZTA) 60-70%.	Change in vehicle ownership and running costs.

8.5   ASSET VALUATION FORECASTS

This plan is not responsible for the management of assets.

8.6   CONFIDENCE LEVELS IN PROGRAMMES

The programmes proposed in the plan are considered to be (aligned to Council's approach):

C	**Uncertain** Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolation from a limited sample for which grade A & B data is available. Dataset is substantially complete but up to 50% is extrapolated data and accurately estimated $\pm$ 30%.

Whilst new routes are being considered, some uncertainty exists upon the effects and impacts these changes will have on patronage. The new routes seek to improve patronage but until they are implemented this is unknown. The cost impact of flat fares (whilst modelled) are very dependent on the patronage numbers and accordingly the reliability rating.

The Total Mobility service programme is rated as reliable although it is noted that a change to RideWise could bring issues to the delivery and customer satisfaction if the implementation is not appropriate.

B	**Reliable** Data based on sound records, procedures, investigations and analysis which is properly documented but has minor shortcomings' for example the data is old, some documentation is missing and reliance is place on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate ± 10%.

8.7 RELIABILITY OF FINANCIAL FORECASTS

8.7.1 Maintenance and Renewal Forecasts

Costings provided for the maintenance and operation are largely based on the current contracted delivery contract. This brings a degree of certainty to the cost of the operation. However, further uncertainty is always around the expected revenue recovery from farebox as this is an offset cost of delivery. With proposed changes this may have a positive or negative impact on budgets. Administration and operating costs for Passenger Transport are managed and considered against the overall allocations to closely meet the high level financial expectations.

Total Mobility is planned to move the RideWise card approach. There will be some cost uncertainty as the RideWise system allows unlimited access so customers can use the system as often as they please. The only limitation will be the customer's ability to pay for their share of the travel. The current ticket system limits the allocation of tickets although no control or limits have been needed. There is greater financial reliability on the charging and compliance aspects using RideWise.

8.7.2 Development Forecasts

The development items proposed relate to Bus Shelters and these are known in cost. The issues faced are finding agreed locations for their installation.

The Shelter at the Hub has limited development or scoping so far, but the costings provided are rated a B-C on the above scale. The funds allocated will be suitable but some limitations around arrangements for land and location still need to be developed and how this fits into a wider CBD scoping will need to be resolved.

## 8.8 SUMMARY OF PROGRAMME ASSUMPTIONS

The key programme assumptions are:

➢ Option 3's New Routes is agreed on after consultation and route changes have been implemented.
➢ Patronage levels post route change stabilise.
➢ Customers agree that changes are generally positive.
➢ A flat fare structure is adopted which provides a stable farebox platform.
➢ RideWise Total Mobility card is agreed by customers as a positive way forward.

9. Delivering and Monitoring the Programme

9.1 PROGRAMME GOVERNANCE AND REPORTING

Council operates on a six-weekly cycle with four committees meeting before a full Council meeting. These committees accept and receive reports from their relevant Directorate and Management Staff are at these meetings to answer any questions that arise.

This reporting process ensures accountability to Councillors and allows for transparency to the public. Further to the four directorate committees, there are smaller sub-committees such as Audit that meets semi-regularly to discuss issues relating to the Annual Report, Annual Plan, LTP processes and any other audit related issues.
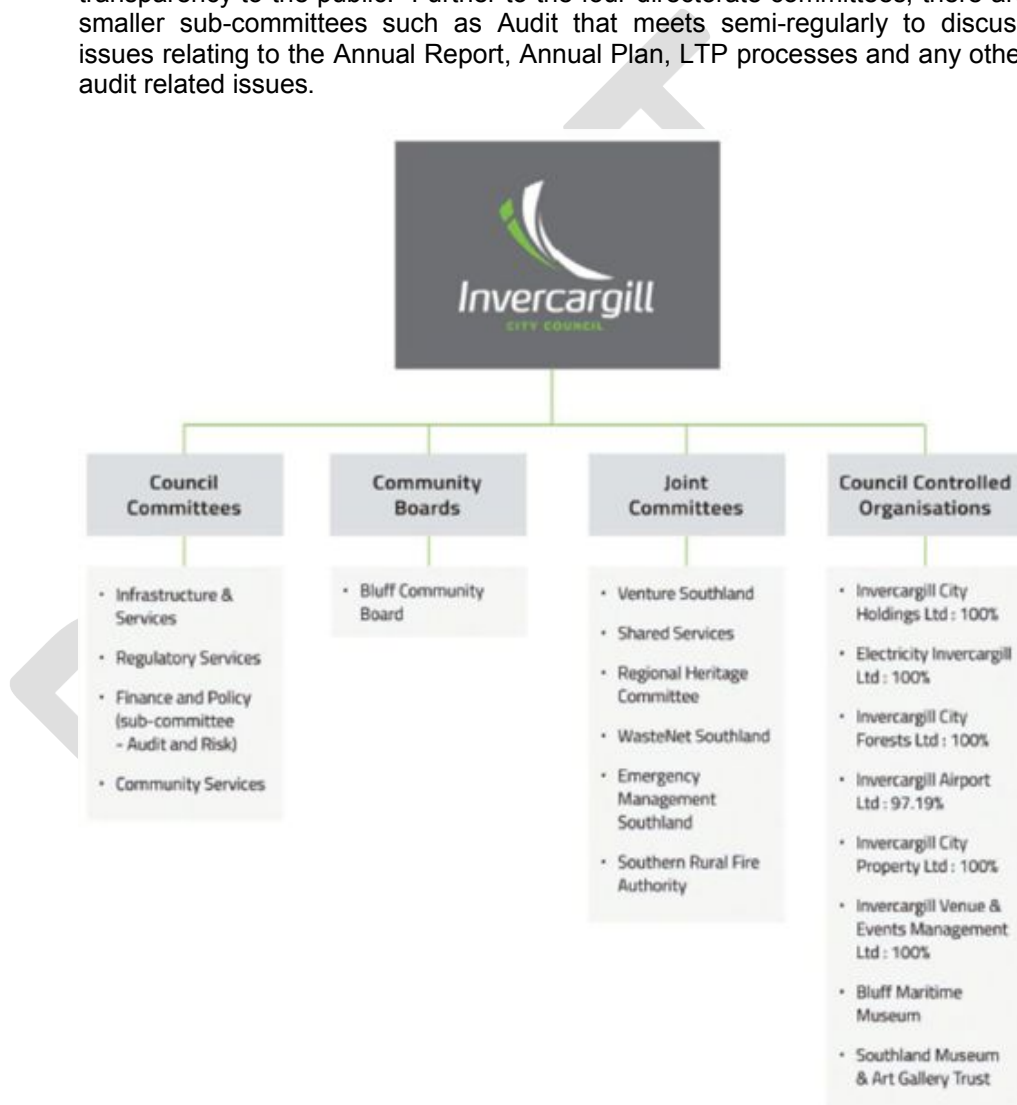
Councillors are elected on a triennial basis through local government elections with the community voting for 12 Councillors and a Mayor. The Chief Executive role is reviewed every five years. In addition to this, Council undertakes a Representation Review every six years to ensure that the community is aware and accepting of the current Council structure.

Council develops their LTP every three years in line with their obligations under the Local Government Act 2002, every year following this Council will adopt an

Annual Plan which will make any amendments to the existing LTP and allows for members of the community to submit on this process.

Further, Council will provide an Annual Report, which is a full year financial snapshot of Council's activities for that financial year. This is also compared to the financial projections in Council's LTP.

The governance for the public transport programme is overseen and reported to Invercargill City Council's Community Services Committee. This committee is provided with regular public transport performance updates.

The Total Mobility scheme is overseen by the Total Mobility Committee. This committee is comprised of Councils, service providers and disability organisations. The committee is responsible for setting local rules within the guidelines set by the NZTA. This agreement is then reported to Council for confirmation.

9.2   STAKEHOLDER ENGAGEMENT AND COMMUNICATIONS

Council currently utilises a number of methods to engage in consultation with members of the community. The Local Government Act 2002 states specific methods of consultation to be utilised by Council for certain processes. Council adds to this through innovative and community-tailored engagement techniques.

The following are examples of current Council consultation methods:

➢ Imagine Invercargill is a new engagement website where members of the public can submit ideas on how to improve Council services.
➢ Consult South is a website that highlights any current or up and coming consultation items.
➢ Regular use of the Consultation Caravan where members of the public can pop in to ask questions of elected members and staff.
➢ Public Forums at Council and Committee meetings.
➢ Public requests to be heard as a specific Agenda item.
➢ Regular features in the newspapers and rates newsletters which inform ratepayers of issues.
➢ The City Focus Radio show that highlights current topics that the Council is addressing.
➢ The Mayor holds appointments with residents who wish to raise issues of concern.
➢ Community Engagement processes when Council is considering making a significant decision.
➢ Formal consultation through the Special Consultative Procedure for issues such as the LTP and some Bylaws.
➢ Facebook page where individuals can ask questions and express opinion to Councillors and staff.

Public transport and the Total Mobility scheme have a strong community engagement and communications component. Passengers regularly provide compliments and complaints which offer a useful gauge for service performance. A mystery shopper survey is an ongoing check on the performance and a useful feedback tool.

Council also conducts three yearly surveys of ratepayers together with an annual Bus Smart User Survey. These surveys seek feedback on the service and the community's satisfaction with the services. These provide useful information for Council to monitor the success of the network changes along with continued monitoring of patronage.

Council also communicates service changes to the community; these changes may be short term for example route changes for road closures or new services. The public also have an ongoing need for timetable information which can be accessed either in hard copy or via the internet.

9.3   BUSINESS PROCESSES

The management structure of the Invercargill City Council is as follows:
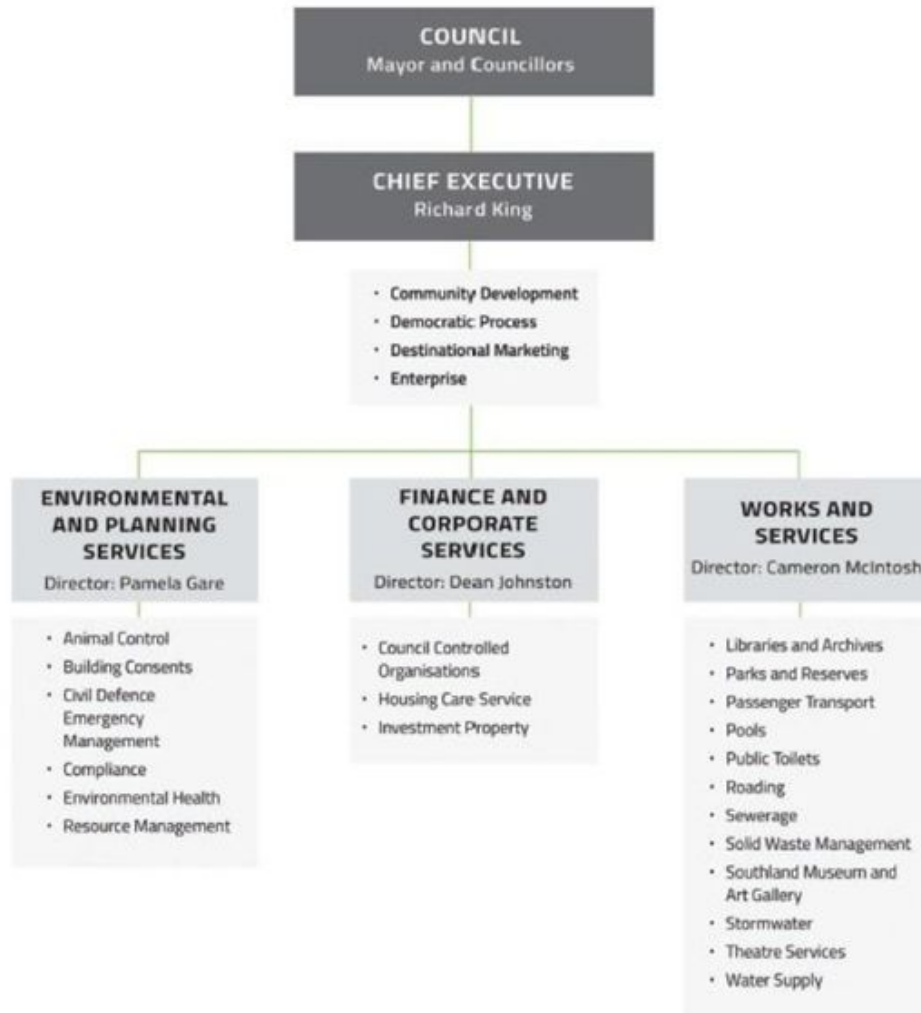
Council staff operates under a Delegations Register (appendix 1.10) that is adopted by Council. This Register lists every department with specific delegations that are required under legislation or Council policies so that staff members are able to carry out their specific job requirements.

Monthly accounts are prepared for both activities and these are monitored and reported to Council at the Community Services Meetings.   Performance indicators are provided to Council on patronage and farebox recovery.

NZTA also collects monthly data on SuperGold patronage, peak and off peak travel and costs, together with Total Mobility travel and costs.   Monthly claims are submitted for recovery of their co-investments share, along with three monthly financial performance monitoring spreadsheet which highlights the planned cash flow for the activities.   NZTA staff are also in contact with Council

and discuss the progress and issues during any year. Additionally technical and financial audits are undertaken by NZTA, typically on a three yearly basis.

9.4   INFORMATION SYSTEMS AND DATA

Council uses the following systems to manage the activity:

Infor Pathway

Delivers a comprehensive offering of fully integrated functionality for managing council related business processes including:

Customer Service and People Management - central name / address register and customer request management.

Microsoft AX Dynamics

This programme is the main accounting software; this system records all accounting entries, inventory entries, account payable entries and fixed asset data.

Objective

Delivers an Electronic Document and Records Management (EDRMS) service across all of Council, providing information management processes.

Opal 3

This programme is utilised by all departments who monitor their levels of service for activity; this programme requires specific data to be entered six weekly or monthly (as required).

ETS- RITS

Council operates a ticketing system under a sublicense with the Otago Regional Council. This system collects information on all fares and travel on the service. Reports are available to reconcile travel and use between cash and electronic paid fares. Council has a Bus Smart card offering a 10% discount on travel.

Council is also party to the Regional Ticketing System, as part of the consortium of nine councils delivering an integrated ticketing scheme (RITS). This system will be implemented in April or May 2018, and ETS retired. The new system is delivered by INIT from Germany. A number of policy and business plans are being developed to deliver the solution and included in the Appendix 11.04 is an example of the business flow of the revenue.

This is an interim solution (five years) with a goal of integrating with the other Councils (other than Auckland) through a project called GRETS, being managed by the Greater Wellington Regional Council.

New bus cards will be required and involves a tag on - tag off process.

E3 Solutions

Council has audio stop announcement as well as Wi-Fi available on the Bus Smart buses.

TrackaBus

Council contracts TrackaBus to provide real time travel information for customers.

9.5 PROGRAMME PERFORMANCE MONITORING AND REVIEW

The programme has been reviewed and this information forms this RPTP document.

9.5.1 Monitoring Approach

Council will continue to monitor performance of the service in terms of patronage and farebox recovery. Three monthly reviews will be conducted by Staff and these discussed with the Operator.

9.5.2 Frequency of Review

Patronage and revenue information will be collated monthly and reported to Council at each meeting (approximately six weekly).

10. Continuous Improvement

10.1 CURRENT ACTIVITY MANAGEMENT PRACTICE

The public transport system is under contract to Council. The activity is monitored to ensure it complies with the contractual requirements.

10.2 IMPROVEMENT PROGRAMME

Council has determined that two pieces of work will inform the future network. These are the review of the network and this RPTP.

10.3 MONITORING AND REVIEW

Council's Community Services Committee receives regular updates on the performance of the public bus services. The graphical data is supported by a clear and straightforward commentary. This monitoring at a governance level provides sound oversight to the programme. The commentary also provides suggested improvements which identify issues and proposes responses to these.

Environment Southland has a Councillor who sits on Council's Committee to provide oversight on the delegation provided to Council to run this activity.

An improvement plan is included in the Appendix 11.03 to assist with the further development of the activity.

11. Glossary

Exempt service	A public transport service that is exempt under Section 130(2) of the Act or deemed exempt under section 153(2) of the Act. Exempt services are not provided under contract to ORC and, unless specified otherwise, are not subject to the policies in this Plan.
Farebox recovery	A policy that provides for public transport operating costs to be shared equitably between users and funders, to reflect the private and public benefits received, having regard to the objectives and circumstances of the region.
Farebox recovery ratio	The proportion of the total operating costs recovered from users through fares and SuperGold car payments.
Government Policy Statement	A document that highlights the Government's outcomes and priorities for the land transport sector, and sets out irs broad transport funding allocations over the next decade.
Land Transport Management Act	Land Transport Management Act 2003, including the 2008 and 2013 amendments.
National Energy Efficiency and Conservation Strategy	A strategy to promote energy efficiency, energy conservation and renewable energy in New Zealand.
Public Transport Operating Model	A framework for building a long-term public-private partnership between regional councils and public transport operators with two overarching objectives: to grow the commerciality of public transport services and create incentives for services to become fully commercial, and to grow confidence that services are prices efficiently and that competitors have access to public transport markets.
Regional Land Transport Plan	A statutory plan that ORC will prepare under the Act, which sets out the region's land transport objectives, policies and measures for at least ten year; includes a statement of priorities and provides a financial forecast of anticipated revenue and expenditure on activities. The plan forms the basis of Otago's request for funding from the National Land Transport Fund. It replaces the 2012-15 Regional Land Transport programme and the 2011 Regional Land Transport Strategy.
Regional Land Transport Strategy	A statutory document that sets regional objectives and policies for the region's transport system from 2011 for a 30-year period. Following the 2013 amendment to the Act, the Strategy will become incorporated into the Regional Land Transport Plan.
Regional Public Transport Plan	A statutory document describing how ORC will give effect to the public transport components of the Strategy. It also specifies the public transport services for the region, and the policies that apply to those services.
Requirements for Urban Buses	New Zealand's common standard for urban bus quality. It sets out the common dimensions and features of an urban bus and is used by ORC in all new bus contracts.
SuperGold card	A national identification card that provides free off-peak travel services to people aged 65 or older.
Total Mobility	A subsidised transport scheme for those with impaired mobility who are unable to use scheduled public transport services.
Unit	As defined in section 5 of the Act, a public transport service, or group of transport services: • that ORC identifies as integral to the region's public transport networks and • that operates, or will operate, on the entire length of one or more routes specified in the Plan • that includes all of the public transport services operating to a timetable that applies to the entire route or routes specified for the unit.

12. Appendices

The Appendices for all of Council's Activity Management Plans are kept separate. The list below highlights the appendices that relate to this Activity Management Plan and where to find them in the Corporate Appendices Register.

Number	Type	Title
1.01	Corporate	Long Term Plan – Background and Assumptions 2018-2028
1.02	Corporate	Community & Regulatory Services: 2014 Residents' Survey
1.04	Corporate	2013 Service Level Survey: Roading Report
1.08	Corporate	Levels of Service Research Report 2016
1.09	Corporate	Corporate Risk Framework / Standard
1.10	Corporate	Delegation Register September 2016
11.01	Passenger Transport	Existing Bus Smart Routes and Fares
11.02	Passenger Transport	Proposed New Routes
11.03	Passenger Transport	Improvement Plan
11.04	Passenger Transport	RITS Business Process Diagram (draft)
11.05	Passenger Transport	New Cover Areas

TO: **COMMUNITY SERVICES COMMITTEE**

FROM: **CHIEF EXECUTIVE**

MEETING DATE: **TUESDAY 24 OCTOBER 2017**

COMMUNITY DEVELOPMENT PROJECTS

Report Prepared by: Mary Napper, Community Development Manager

SUMMARY

The Community Development activity continues to work across a range of projects. The minutes of the Child Youth and Family Friendly Subcommittee are attached.

RECOMMENDATIONS

That the report be received.

IMPLICATIONS

1.	*Has this been provided for in the Long Term Plan/Annual Plan?* N/A
2.	*Is a budget amendment required?* N/A
3.	*Is this matter significant in terms of Council's Policy on Significance?* N/A
4.	*Implications in terms of other Council Strategic Documents or Council Policy?* N/A
5.	*Have the views of affected or interested persons been obtained and is any further public consultation required?* N/A
6.	*Have the Child, Youth and Family Friendly Policy be considered?* Yes

FINANCIAL IMPLICATIONS

N/A.

CHILD, YOUTH AND FAMILY FRIENDLY SUB-COMMITTEE

The Child, Youth and Family Friendly Sub-committee minutes of the 9 October 2017 meeting are attached.

The use of the friendly brand continues to expand with two services being presented with the brand in early September.

REFUGEE SETTLEMENT

A public information meeting was held on Wednesday, 13 September 2017. The meeting was attended by 120 members of the public. Feedback at the meeting and following the meeting has been positive. The Red Cross are now advertising a number of positions which will be involved in the settlement programme in Invercargill and managing the volunteer component of the programme. The first refugees will arrive in early March 2018.

TRUSTPOWER COMMUNITY AWARDS 2017

The South Alive project has received the 2017 Trustpower Invercargill Southland Community Supreme award and will represent the city at the national awards in Queenstown in March 2018. Other Invercargill projects receiving awards were the Korimako Dominican Ecology Centre, Bellyful Invercargill, Free Haircuts and other services, the Invercargill Musical Theatre Company, Radio Southland, the Southland Multicultural Council, NRG Invercargill, ILT Kidzone and Coastguard Bluff.

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MINUTES OF A MEETING OF THE CHILD, YOUTH AND FAMILY FRIENDLY SUB-COMMITTEE HELD IN THE COUNCIL CHAMBER, FIRST FLOOR, CIVIC ADMINISTRATION BUILDING, 101 ESK STREET, INVERCARGILL ON MONDAY 9 OCTOBER 2017 AT 4.00 PM

PRESENT: Cr D J Ludlow
Cr R R Amundsen
A McSoriley
R Thwaites
H Muhl
C Pokoney

IN ATTENDANCE: Ms G Crawford – Community Development Officer
L Kuresa – Governance Officer

1.   **APOLOGIES**

Cr A H Crackett, P Ereckson, B McDermott, R McNeill, G Pope and A Knowles. Mary Napper?

Moved Cr Amundsen, seconded A McSoriley and **RESOLVED** that the apologies be accepted.

2.   **WELCOME**

The Chairperson welcomed everybody to the meeting.

3.   **MINUTES OF THE MEETING HELD ON 17 JULY 2017**

Minutes were not attached to the Agenda, so this item was deferred to the November meeting.

4.   **MATTERS ARISING**

Nil.

5.   **GENERAL BUSINESS**

The report had been circulated.

5.1   **Brand Update**

G Crawford took the meeting through the report.

A McSoriley said that a survey was done for Kidzone and 70% of the parents preferred foods that were not lollies. It had good support for parents too.

In response to a question by Cr Ludlow, as to what aspects of the Ibis Styles Hotel meant that it could be branded, G Crawford said that she was approached

by the Hotel Manager and asked if they fitted into the brand. She went through the criteria with Management and they fitted the criteria.

They were encouraging activities within the City, so they were looking at a booking system at their front desk. She said that it was more around the fact that the hotel had family rooms and it was a family environment.

Cr Ludlow said that with regard to the review at Splash Palace, they had a reasonable turnover of staff and they would have been quite useful in getting a workshop done on the brand. G Crawford said the she had suggested a workshop but she was told that they had a high turnover of staff and by the time staff had been trained, there would be another lot of staff coming through. She said she had left it in their hands and hoped it would progress.

In response to a question by Cr Ludlow, as to whether it was worth producing a single setting out what the brand meant, G Crawford said that she had already done that. She had a summarised criteria explaining what the brand meant and they also had posters and flyers with information on the brand around the premises. She said the Management had suggested that they hold a big "Friendly" school holiday programme and she explained that because of her time restrictions she could not do that but Splash Palace could run the event and the information would be provided for it.

Cr Ludlow said that it sounded like it was a misunderstanding of what her role was. He said he would speak to Peter Thompson about it going forward.

5.2   **CBD Brand**

G Crawford took the meeting through the report.

Cr Ludlow asked if there had been discussions with Kari Graber as to what the potential linkages were between the CBD Brand and the Friendly Brand.

G Crawford said that she had not had discussions about it and she was unsure if M Napper had discussed it with Kari Graber.

Cr Ludlow said that with the branding of the CBD and a lot of the development that SoRDS had indicated that they would like to see happening, it was this Committee's focus to keep an eye on what was happening and look for opportunities to ensure that it remained Family Friendly. One of the things that went back to the Blumsky report was about having an inner city playground and it there was that had a good point of difference like the Margaret Mahy Playground in Christchurch, it became a place where, if you were coming into CBD with young children, they would be more excited about going into the CBD. That also meant that people were likely to linger longer in the CBD, which meant that it kept the place looking active and there would be a bit more economic activity. He wondered what the things were that posed potential risks.

A McSoriley said her team met about what alternatives could be supplied as treats for events. If you wanted it (a CBD playground) to be Family Friendly, there was a need for toilets that were easy for children to reach as part of the redevelopment. There needed to be drinking fountains, some space away from traffic and a unisex baby changing facilities.

H Muhl asked if it would be worth having discussions with HW Richardsons with regard to their redevelopment plans. Cr Ludlow said that could be done. HW Richardsons had formed a partnership with Invercargill City Holdings Limited, so discussions could be had with the Directors about that.

The Committee discussed this matter further and agreed that some green space in the inner city would be great to make the CBD more Family Friendly.

Cr Ludlow said that in the redesigning of the CBD, one of the suggestions was about having traffic going through on the other side of Esk Street, which was fine but it would be a shame to lose the value of the green plots in Wachner Place. It was great to see people interacting with the green space Don Street and Esk Street and to lose those plots in Wachner Place would not be good.

After discussions, it was agreed that there needed to be more green space in Wachner Place.

G Crawford said that she had consulted with Kari Graber on events within the CBD and she was aware what the Family Friendly brand meant.

6. URGENT BUSINESS

6.1 Healthy Families

C Pokoney updated the Committee on the portable water station and said that they were waiting on another design from the Australian manufacturer.

6.2 Vaping

Cr Ludlow asked about vaping because in the interim there were around three or four vaping shops in Invercargill.

6.3 Green Cycle Lane

A McSoriley said it was good to see the green space on the cycleway on Yarrow Street, even though this morning she noticed that there was a cyclist on the footpath due to the fact the motorists were using the cycleway.

6.4 Lime Green Footprints

G Crawford noted the lime green footprints in the CBD. C Pokoney said that they were inner city walks where Healthy Families had been involved with Kari Graber about. The whole idea was that they were short walks that people could do in their lunch breaks or with their families whilst in the CBD or groups from work places. The footprints could be followed to do the walks and there were maps available.

G Crawford noted that they were small footprints and C Pokoney said that was the size of the stencil that was provided but they were looking at repainting them but she was not sure if they would be repainted larger or just repainted.

G Crawford said that she thought it represented something sad in relation to suicide where they had the shoes thing not long ago.

H Muhl wondered if it would be better to have adults and child footprints to make it look like the child and adult were walking together.

C Pokoney said she would take the feedback to Jarrad Cappie and they would look into further.

7. **NEXT MEETING**

The next scheduled meeting will be on Monday 13 November 2017.

There being no further business the meeting closed at 4.36 pm.

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