



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
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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

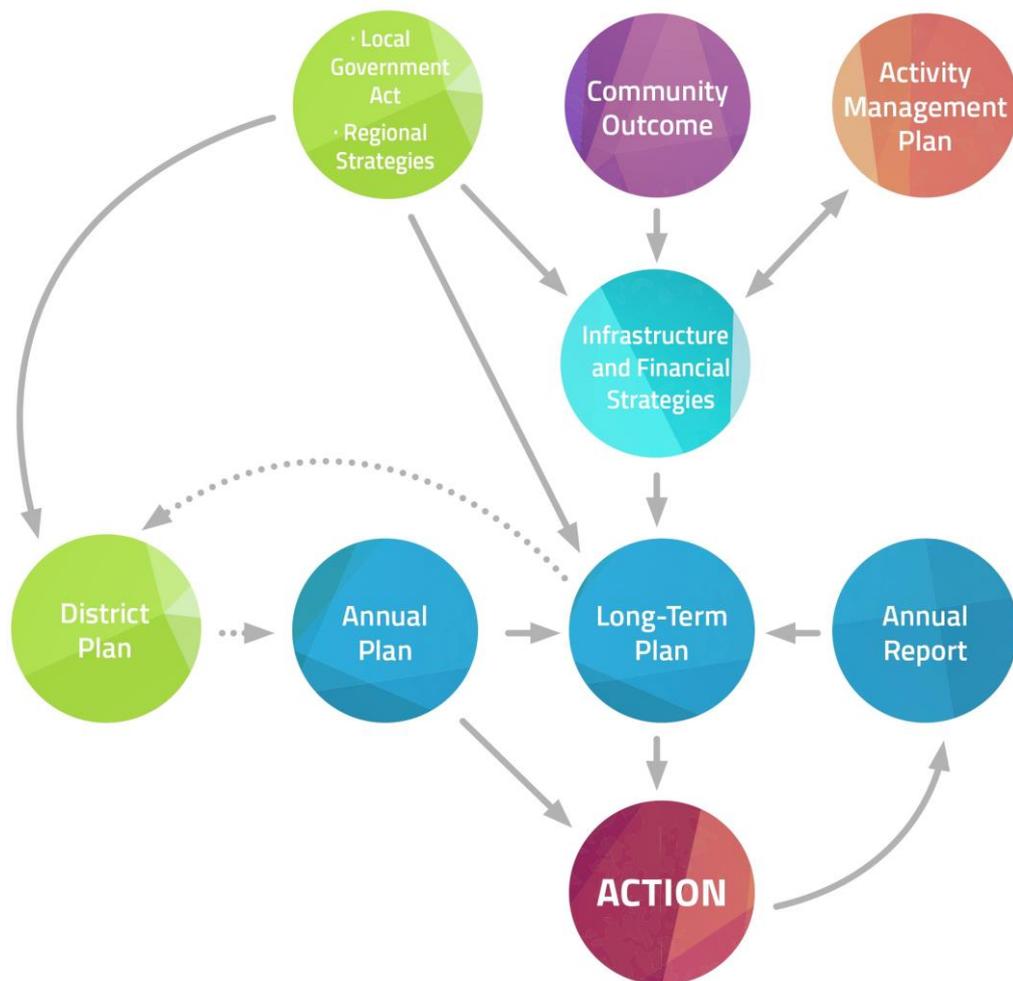
The Local Government Act 2002, Schedule 10 requires the development of ten-year Long-Term Plans. Activity Management Plans are the foundation to providing a robust basis for the long-term forecasts.

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
<p>Population</p> <p>The population will increase to 56,300 by 2028.</p>	<p>Moderate – risk that actual numbers will vary.</p>	<p>Infrastructure and Housing.</p> <p>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.</p>
<p>Household Growth</p> <p>An average of 2.3 people per household in 2038, requiring 2,300 more homes from the 2013.</p>	<p>Moderate – risk that actual numbers will vary.</p>	<p>Infrastructure and Housing.</p> <p>Significant increases in the number of households may create a demand for infrastructure and services beyond existing capacity.</p>
<p>Ageing Population</p> <p>Those 65 years and older will make up approximately 22% of Invercargill's population by 2023.</p>	<p>Low – increasingly older population is reasonably certain.</p>	<p>Council Services and Recreation Assets.</p> <p>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.</p>
<p>Resource Consents</p> <p>Resource consents will be obtained with reasonable conditions and negligible impact on how Council provides its services.</p>	<p>Moderate – change is imminent but extent of which is unknown.</p>	<p>3 Waters</p> <p>Capital expenditure may be required if the conditions attached to resource consents require changes to how Council delivers its services.</p>
<p>Tourism and Visitor Numbers</p> <p>Tourism numbers will increase over the Long-Term Plan period.</p>	<p>Low – various city-wide endeavours to boost tourism.</p>	<p>Venture Southland, SMAG, Council Services and Recreation Assets.</p> <p>Significant increases in the number of tourists may create a demand for infrastructure and services beyond existing capacity.</p>

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.
<p>New Zealand Transport Agency</p> <p>That the NZTA Funding Assistance Rate will reduce by 1% each year until a low of 51%.</p>	<p>Low – NZTA have stated in plans that this will occur.</p>	<p>Roading.</p> <p>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.</p>
<p>Commercial Property</p> <p>The CBD will remain in the Esk Street area and will become more vibrant.</p>	<p>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.</p>	<p>Infrastructure, Housing and Roothing.</p> <p>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.</p>
<p>Inflation</p> <p>Inflation will occur at the rates set by BERL as LGCI forecasts.</p>	<p>Moderate – inflation forecasts are not always accurate.</p>	<p>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.</p>
<p>Local Economy</p> <p>The local economy will grow and diversify.</p>	<p>Moderate – financial impact difficult to forecast.</p>	<p>Composition of local economy may diversify offering greater employment opportunities.</p> <p>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.</p>
<p>Useful Life of Significant Assets</p>	<p>Moderate – asset lives based on estimates by</p>	<p>A shorter useful life for assets would create a financial burden on the</p>

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
<p>Return on cash investments is calculated on the borrowing rate less 2%.</p> <p>Dividends and subvention payments from Invercargill City Holdings Limited are assumed to be at 10% of the total rates requirement.</p>		a greater amount in rates, reduce spending or increase borrowings to cover any reduction in income.
<p>Local Governance</p> <p>Amalgamation will not occur during the life of the Plan.</p>	Low – to continue shared services, although amalgamation is low risk.	<p>Shared Services, Policy and Governance</p> <p>Boundary changes would require a review of the Long-term Plan with its associated community consultation.</p>
<p>Legislation</p> <p>There will be changes to legislation that have an impact on what and how Council provides services.</p>	Moderate – difficult to know what central government will implement particularly if a change in government.	<p>Services, Finances and Governance</p> <p>Significant legislative change can impose significant financial and service delivery costs on Council.</p>
<p>Natural Disasters</p> <p>There will be no major catastrophes that impact on Invercargill or its economy.</p>	High – it is certain the Alpine Fault will rupture in the future but uncertain as to when and the impact.	<p>Infrastructure, Services, Housing and Population</p> <p>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.</p>
<p>Climate Change</p> <p>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.</p>	Moderate – Long-Term trend of rising temperatures and more frequent intense weather events is reasonably certain, short to medium term impacts are less certain.	<p>Water availability, coastal hazards (roading and infrastructure), services, air quality, agriculture, farming and biosecurity.</p> <p>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.</p>
<p>Technology</p> <p>Changes in technology will affect how Council</p>	High – certainty of diversification in technology is ever-growing. Impact of	<p>Employment, Local Economy and Services (delivery)</p> <p>New technologies will likely</p>

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

<i>External Stakeholders</i>	<i>Area of Interest</i>	<i>Engagement</i>	<i>Customer Needs and Expectation</i>
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 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.

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 Etrick 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 tsunamis. 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

	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									
Internal Revenue	0	0	0	0	0	0	0	0	0	0	0
Fees & Charges Revenue	1,021,591	1,121,000	1,171,000	1,199,104	1,227,882	1,257,352	1,287,528	1,318,429	1,350,071	1,382,473	1,415,652
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	1,121,000	1,171,000	1,199,104	1,227,882	1,257,352	1,287,528	1,318,429	1,350,071	1,382,473	1,415,652
Internal Expenditure	946,738	941,180	961,994	983,280	1,005,511	1,028,539	1,052,203	1,077,755	1,104,770	1,132,983	1,163,793
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	1,019,601	1,041,033	1,065,256	1,089,810	1,113,644	1,141,361	1,170,046	1,198,492	1,231,687
Operating Surplus / (Deficit)	20,868	123,629	151,399	158,071	162,626	167,542	173,884	177,068	180,025	183,981	183,965
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										
Proceeds from Asset Disposal	0										
Debt movements	0										
Reserve movements	20,868	123,629	151,399	158,071	162,626	167,542	173,884	177,068	180,025	183,981	183,965
Cash Back Depreciation	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.

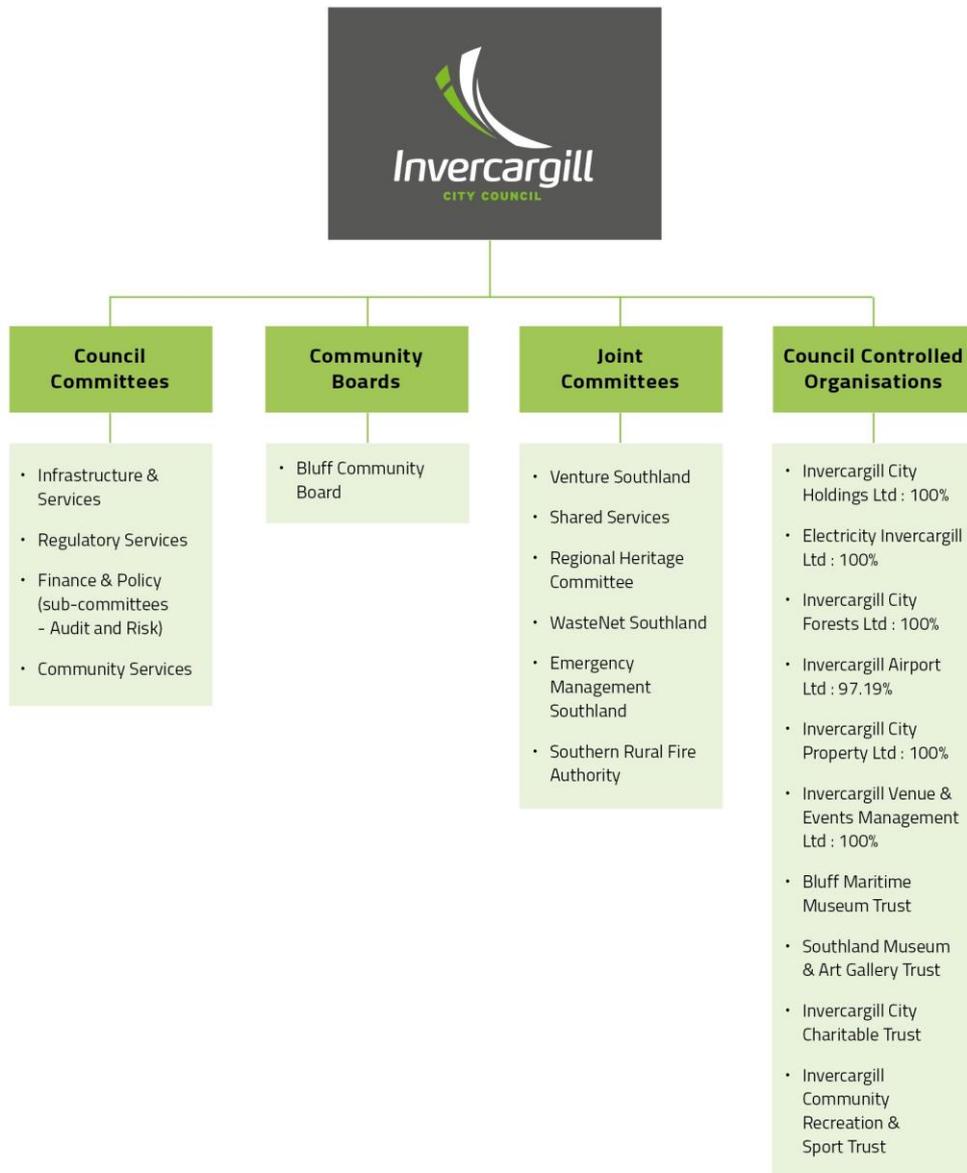
9. Delivering and Monitoring the Programme

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.



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.

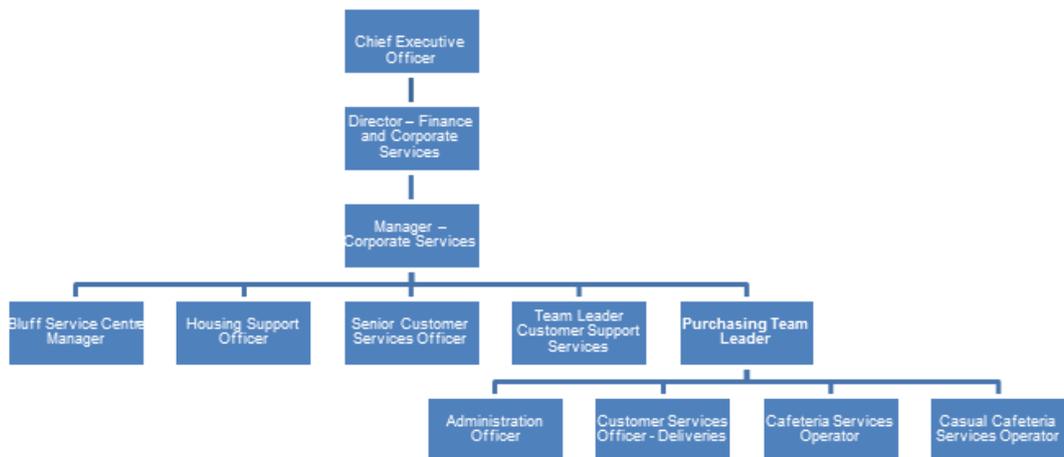
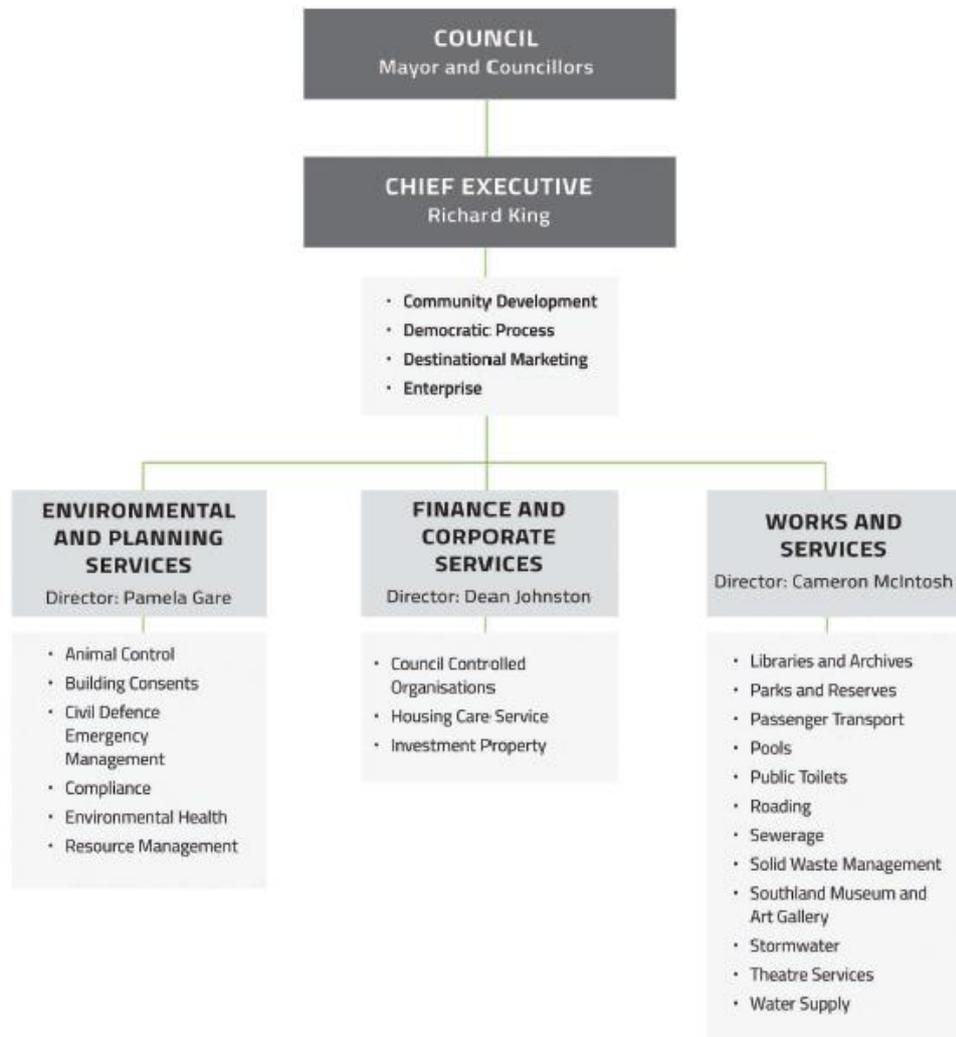
9.2 STAKEHOLDER ENGAGEMENT AND COMMUNICATIONS

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 be 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 as 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