



# **AQUATIC SERVICES**

# **ACTIVITY MANAGEMENT PLAN 2017**





### Activity Management Plan

| Activity                |               |           |            |
|-------------------------|---------------|-----------|------------|
|                         | Name          | Signature | Date       |
| <b>Prepared By</b>      | Pete Thompson |           | 29-09-2017 |
| <b>Asset Manager</b>    |               |           |            |
| <b>Director Review</b>  |               |           |            |
| <b>Peer Review</b>      |               |           |            |
| <b>Council Adoption</b> |               |           |            |

## Changes to be Incorporated in Next Review

| Number | Date of Change | Reason for Change   |
|--------|----------------|---|
| 1      | 16/11/2017     | Updated draft with new financial Information:<br>P Thompson |
|        |                |   |
|        |                |   |
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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.”***

| <b>Community Outcomes</b>   |   |  |
|---|---|--|
| <b>Enhance our City</b>   | <b>Preserve its Character</b>   | <b>Embrace Innovation and Change</b>   |
| 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:

| <b>Community Outcome</b>             | <b>Council's Role</b>   | <b>How the Activity Contributes</b>   |
|--------------------------------------|---|---|
| <b>Enhance our City</b>              | 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.                          |
| <b>Preserve its Character</b>        | 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.                          |
| <b>Embrace Innovation and Change</b> | 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.

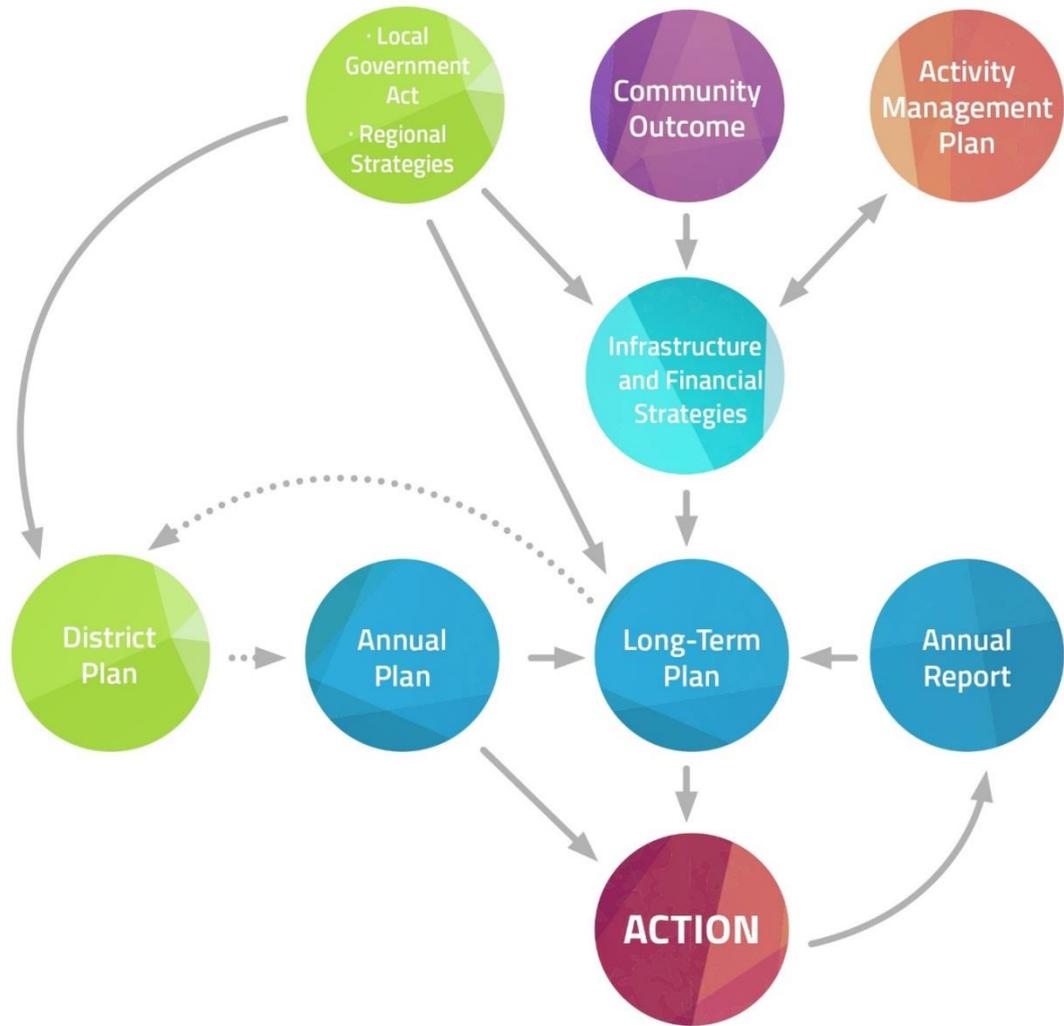
In 2014, an amendment to the Act inserted a statement that asset management planning should be a fundamental part of Council's prudent stewardship of community resources over the long term, a requirement to produce a 30 year infrastructure strategy for core assets. The Infrastructure Strategy is required 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 | <b>Admission Numbers</b><br>Admission numbers are now so high that space for users is compromised. Existing measures inadequately demonstrate this. |
|                  | <b>Water Quality</b><br>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   |
|--|---|---|
| <b>Population</b><br>The population will increase to 56,300 by 2028.   | <b>Moderate</b> – 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. |
| <b>Household Growth</b><br>An average of 2.3 people per household in 2038, requiring 2,300 more homes from the 2013. | <b>Moderate</b> – 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.   |
| <b>Ageing Population</b><br>Those 65 years and older will make up approximately 22% of Invercargill's population by  | <b>Low</b> – 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  |

| <b>Assumption</b>   | <b>Level of Uncertainty</b>   | <b>Area of Impact and Potential Financial Impact</b>   |
|---|---|--|
| 2023.   |   | fixed incomes and may have an impact on the ability of the community to afford infrastructure and services.  |
| <b>Resource Consents</b><br>Resource consents will be obtained with reasonable conditions and negligible impact on how Council provides its services. | <b>Moderate</b> – change is imminent but extent of which is unknown.  | 3 Waters<br>Capital expenditure may be required if the conditions attached to resource consents require changes to how Council delivers its services.  |
| <b>Tourism and Visitor Numbers</b><br>Tourism numbers will increase over the Long-Term Plan period.   | <b>Low</b> – various city-wide endeavours to boost tourism.   | Venture Southland, SMAG, Council Services and Recreation Assets.<br>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. |
| <b>New Zealand Transport Agency</b><br>That the NZTA Funding Assistance Rate will reduce by 1% each year until a low of 51%.                          | <b>Low</b> – NZTA have stated in plans that this will occur.  | Roading.<br>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.  |
| <b>Commercial Property</b><br>The CBD will remain in the Esk Street area and will become more vibrant.  | <b>Low</b> – 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 Roothing.<br>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.   |
| <b>Inflation</b><br>Inflation will occur at the rates set by BERL as LGCI forecasts.  | <b>Moderate</b> – 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.   |
| <b>Local Economy</b><br>The local economy will grow and diversify.  | <b>Moderate</b> – financial impact difficult to forecast.   | Composition of local economy may diversify offering greater employment opportunities.  |



| <b>Assumption</b>   | <b>Level of Uncertainty</b>   | <b>Area of Impact and Potential Financial Impact</b>   |
|---|---|--|
| 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.  |   |  |
| <p><b>Financial – Forecast on Return on Investments</b></p> <p>Return on cash investments is calculated on the borrowing rate less 2%.<br/>Dividends and subvention payments from Invercargill City Holdings Limited are assumed to be at 10% of the total rates requirement.</p> | <b>Medium</b>   | 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.   |
| <p><b>Local Governance</b></p> <p>Amalgamation will not occur during the life of the Plan.</p>  | <b>Low</b> – to continue shared services, although amalgamation is low risk.  | Shared Services, Policy and Governance<br>Boundary changes would require a review of the Long-term Plan with its associated community consultation.  |
| <p><b>Legislation</b></p> <p>There will be changes to legislation that have an impact on what and how Council provides services.</p>  | <b>Moderate</b> – difficult to know what central government will implement particularly if a change in government.  | Services, Finances and Governance<br>Significant legislative change can impose significant financial and service delivery costs on Council.  |
| <p><b>Natural Disasters</b></p> <p>There will be no major catastrophes that impact on Invercargill or its economy.</p>  | <b>High</b> – It is certain the Alpine Fault will rupture in the future but uncertain as to when and the impact.  | Infrastructure, Services, Housing and Population<br>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><b>Climate Change</b></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>   | <b>Moderate</b> – 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.<br>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><b>Technology</b></p>  | <b>High</b> – certainty of diversification in   | Employment, Local Economy and Services (delivery)  |

| <b>Assumption</b>   | <b>Level of Uncertainty</b>   | <b>Area of Impact and Potential Financial Impact</b>  |
|---|---|---|
| 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.  |
| <b>Education</b><br><br>S.I.T will continue to promote Invercargill to international students.  | <b>Moderate –</b> education systems that exist are likely to remain stable.     | Infrastructure, Services, Population and Housing.   |
| <b>World Economy</b><br><br>The world economy will not have a significant negative effect on the Invercargill City District.            | <b>Moderate –</b> future financial changes are unforeseeable.                   | Infrastructure and Tourism<br>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:

| <b>Assumption Area</b>      | <b>LTP Assumption</b>   |
|-----------------------------|---|
| 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                                      |
|---------------------------|--|---|
| <b>Community Use</b>      | 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.   | <b>Liaise, survey and consult through plans</b> |
| <b>Learn to Swim</b>      | 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.<br><br>Each year approximately 25 schools use the facility for learn to swim and water safety.                              | <b>Face-to-face, survey, consult</b>            |
| <b>Aquatic Sport</b>      | <ul style="list-style-type: none"> <li>Swim Southlands five Swimming Clubs use the facility weekly.</li> <li>Competitive swimmers train twice daily with professional coaches.</li> <li>An average of 12 competitive swimming events are held each year.</li> <li>Approximately 600 children attend Water Polo competition each week during the 1st and 4th school terms.</li> </ul> | <b>Face-to-face, survey, consult</b>            |

| Stakeholder and Community | Area of Interest   | Engagement                           |
|---------------------------|--|--------------------------------------|
|                           | <ul style="list-style-type: none"> <li>• Underwater Hockey is played weekly.</li> <li>• Canoe Polo is played weekly.</li> <li>• Synchronized swimming competitions and training.</li> <li>• Southern IKA, swimming for the disabled.</li> </ul>  |                                      |
| <b>Others</b>             | <ul style="list-style-type: none"> <li>• Independent Personal Trainers.</li> <li>• Exercise Contractors.</li> <li>• Local and visiting sports teams.</li> <li>• Health organisations.</li> <li>• Various non aquatic sporting groups.</li> <li>• Corporate health and fitness groups.</li> </ul> | <b>Face-to-face, survey, consult</b> |

### 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   |
|---------------------------|--|
| <b>Community Use</b>      | <ul style="list-style-type: none"> <li>• Clean Facility</li> <li>• Good Quality Pool Water</li> <li>• Space</li> <li>• Affordability</li> <li>• Customer Service</li> <li>• Disabled Access and Facilities</li> <li>• Café</li> </ul>                                |
| <b>Learn to Swim</b>      | <ul style="list-style-type: none"> <li>• Clean Facility</li> <li>• Good Quality Pool Water</li> <li>• Space</li> <li>• Affordability</li> <li>• Customer Service</li> <li>• Disabled Access and Facilities</li> <li>• Qualified, professional instruction</li> </ul> |

| Stakeholder and Community | Key Service Attributes  |
|---------------------------|---|
| <b>Aquatic Sport</b>      | <ul style="list-style-type: none"> <li>• Clean Facility</li> <li>• Good Quality Pool Water</li> <li>• Space</li> <li>• Affordability</li> <li>• Customer Service</li> <li>• Disabled Access and Facilities</li> <li>• Competition Facilities</li> </ul> |
| <b>Others</b>             | <ul style="list-style-type: none"> <li>• Clean Facility</li> <li>• Good Quality Pool Water</li> <li>• Space</li> <li>• Affordability</li> <li>• Customer Service</li> <li>• Disabled Access and Facilities</li> </ul>                                   |

## 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.<br>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 <i>(to be replaced with new measure below)</i> | 100%           | 100%           |                |                |                |
| Pools are run in compliance with NZS 5826:2010 (Pool Water Quality)                                 | (new measure)  | 100%           | 100%           | 100%           | 100%           |

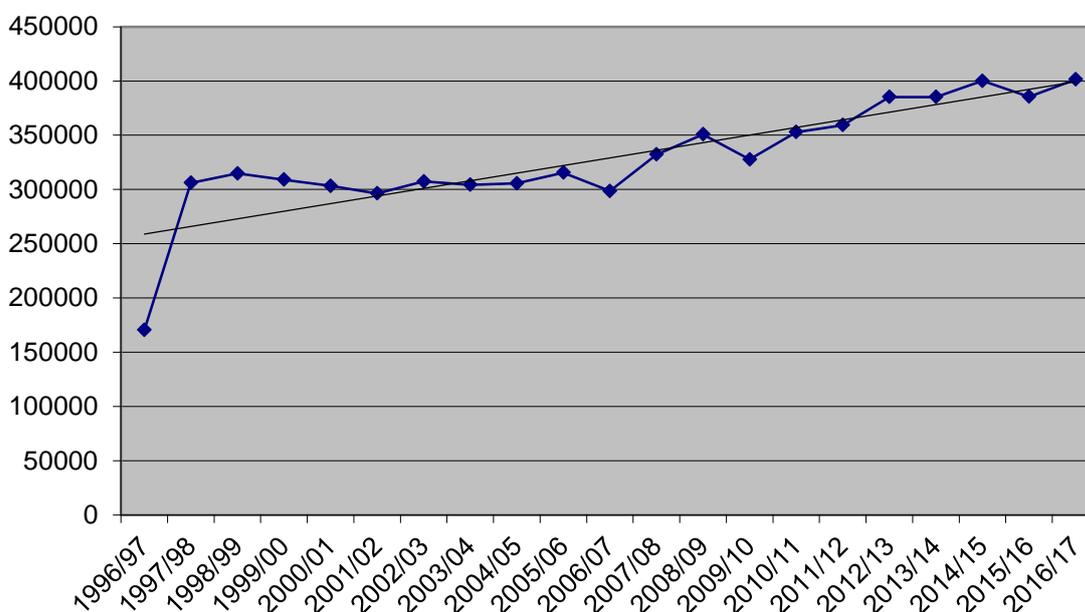
### 3.4 LEVELS OF SERVICE ISSUES AND CHALLENGES

#### 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.

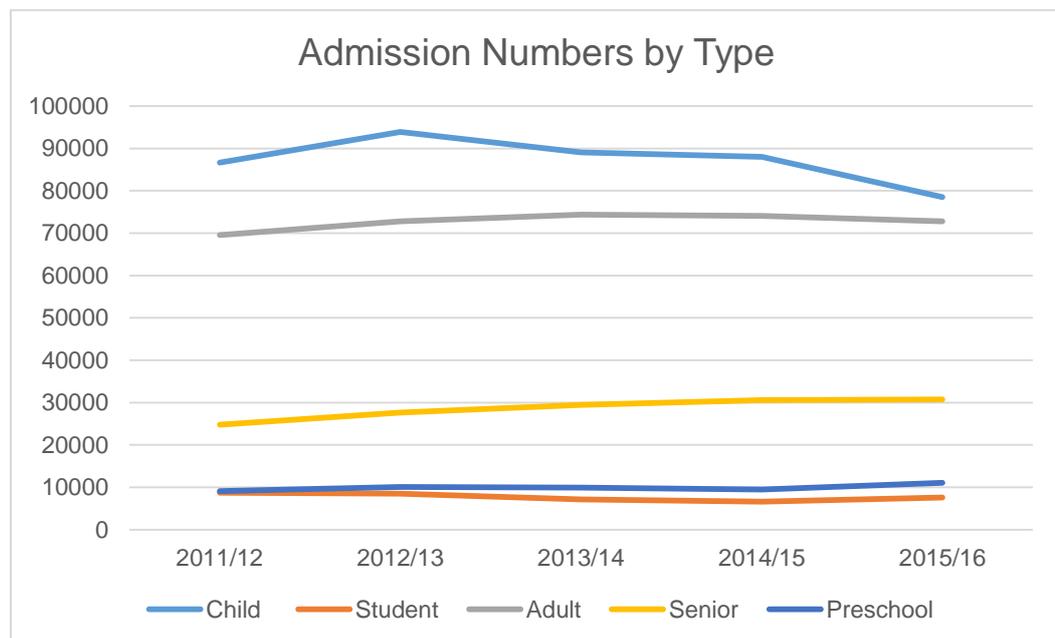


Figure 1 – Splash Palace Annual Admission Numbers by Type

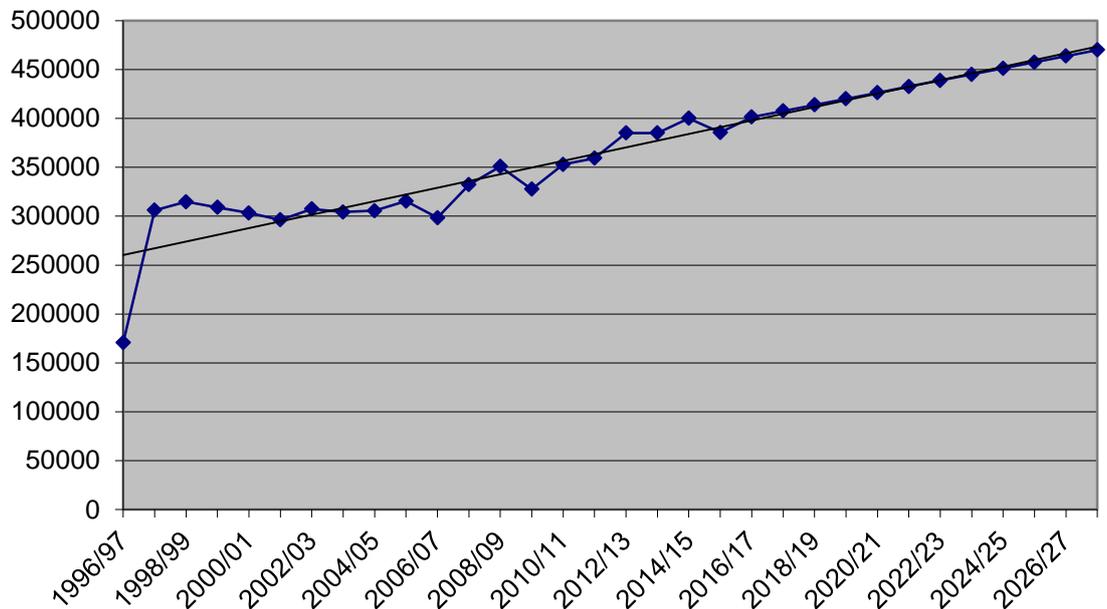
#### 4.1.2 Projected Growth or Decline in Demand for the Service

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              |   |                             |                              |                                       |                         |                  | 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        |  |
|                   | 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 | <ul style="list-style-type: none"> <li>• Change Level of Service measure to “Minimum of 7 visits per head of population per annum”</li> <li>• Add “Time when a minimum of four Public lanes are available for Swimming: +90%”</li> <li>• Add “Time when no booking space is available: &lt;10%”</li> </ul> |
|                  | Water Quality. Existing LoS measure is inadequate to allow for planned maintenance  | <ul style="list-style-type: none"> <li>• Change level of service measure to “Pools are run in compliance with NZS 5826:2010 100% of the time”</li> </ul>   |
|                  | Hydroslide is at the end of its operational life  | <ul style="list-style-type: none"> <li>• A replacement hydroslide has been approved for the 2018/19 year</li> </ul>  |
| Demand           | Increasing demand impacting already compromised space   | <ul style="list-style-type: none"> <li>• Build an additional 25x25m pool with disabled access - subject to consultation for the 2018 LTP</li> </ul>  |
| Asset            | LINK Building Asset Plan  |  |
| Sustainability   | Changes in demographic of users will continue to drive challenges around the delivery of Aquatic services                                 | <ul style="list-style-type: none"> <li>• Ensure consistent monitoring and analysis of user demographics</li> <li>• Ensure the LTP and Annual plans reflect necessary changes</li> </ul>  |
| Resilience       | No documented contingency plans for Aquatic services  | <ul style="list-style-type: none"> <li>• Work with Building Assets team to develop an appropriate contingency plan (if required).</li> </ul>   |

#### 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 <i>Do Minimum</i> .   | 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 acting 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).

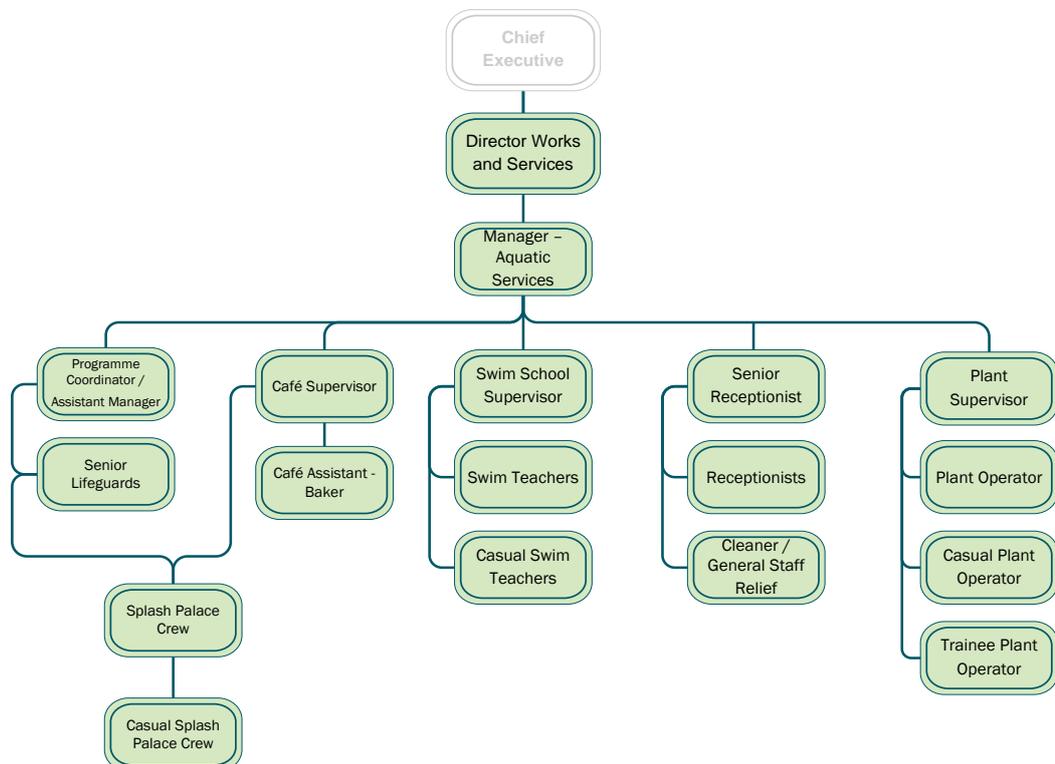
Whilst the funding for these two new additions will be via loan, it is expected that some grant funding will be able to be secured and the return on these facilities will largely offset the remaining loan servicing cost.

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:

| <b>Position</b>  | <b>Number employed in role</b> |
|--|--------------------------------|
| 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                             |
| <p>The position of Manager – Aquatic Services encompasses the following major functions or key result areas:</p> <ul style="list-style-type: none"> <li>• Day to day operational management of Council Aquatic Facilities including financial, human resources, services delivery, marketing and planning.</li> <li>• Increasing facility use through the implementation of innovative marketing and programme strategies.</li> <li>• Establishing a team of staff who are committed to client satisfaction, well motivated and capable of carrying out their duties efficiently and effectively.</li> </ul> |                                |

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.

|   | 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                                      | 269,200            | 89,200             | 91,162             | 93,168             | 95,218             | 97,408             | 99,648             | 102,040            | 104,591            | 107,310            | 110,207            |
| Fees & Charges Revenue                                | 1,556,707          | 1,551,600          | 1,687,935          | 1,725,070          | 2,136,633          | 2,185,776          | 2,236,049          | 2,289,714          | 2,346,957          | 2,407,978          | 2,472,993          |
| Grants & Subsidies Revenue                            | 134,613            | 158,000            | 161,476            | 165,028            | 168,659            | 172,538            | 176,507            | 180,743            | 185,261            | 190,078            | 195,210            |
| Rates Revenue   | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |
| Financial Revenue                                     | 63,737             | 266,663            | 269,681            | 273,375            | 277,147            | 281,089            | 285,115            | 289,323            | 293,723            | 298,320            | 303,128            |
| <b>Total Revenue</b>                                  | <b>2,024,256</b>   | <b>2,065,463</b>   | <b>2,210,255</b>   | <b>2,256,641</b>   | <b>2,677,657</b>   | <b>2,736,811</b>   | <b>2,797,319</b>   | <b>2,861,820</b>   | <b>2,930,531</b>   | <b>3,003,686</b>   | <b>3,081,539</b>   |
| Internal Expenditure                                  | 1,918,116          | 2,182,684          | 2,230,939          | 2,491,271          | 2,914,589          | 3,082,967          | 3,153,893          | 3,230,237          | 3,311,149          | 3,456,276          | 3,550,076          |
| Staff Expenditure                                     | 1,648,116          | 1,674,783          | 1,708,367          | 1,742,624          | 1,914,995          | 1,953,435          | 1,992,648          | 2,032,698          | 2,073,603          | 2,115,385          | 2,158,063          |
| Administration Expenditure                            | 135,240            | 148,317            | 150,959            | 153,250            | 155,591            | 158,093            | 160,653            | 163,385            | 166,299            | 169,405            | 172,715            |
| Financial Expenditure                                 | 1,342              | 1,300              | 1,329              | 1,358              | 1,388              | 1,420              | 1,452              | 1,487              | 1,524              | 1,564              | 1,606              |
| Grants & Subsidies Expenditure                        | 1,032              | 1,400              | 1,431              | 1,462              | 1,494              | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |
| Repairs & Maintenance Expenditure                     | 49,355             | 46,000             | 46,501             | 47,524             | 48,570             | 49,687             | 50,829             | 52,049             | 53,351             | 54,738             | 56,216             |
| Operational Expenditure                               | 412,841            | 417,840            | 427,032            | 436,427            | 456,703            | 467,207            | 477,953            | 489,424            | 501,660            | 514,703            | 528,600            |
| Depreciation Expenditure                              | 22,021             | 23,682             | 24,081             | 24,514             | 24,975             | 25,487             | 26,021             | 26,604             | 27,236             | 27,916             | 28,648             |
| <b>Total Expenditure</b>                              | <b>4,188,063</b>   | <b>4,496,006</b>   | <b>4,590,638</b>   | <b>4,898,430</b>   | <b>5,518,306</b>   | <b>5,738,296</b>   | <b>5,863,450</b>   | <b>5,995,883</b>   | <b>6,134,822</b>   | <b>6,339,987</b>   | <b>6,495,923</b>   |
| <b>Operating Surplus / (Deficit)</b>                  | <b>(2,163,807)</b> | <b>(2,430,543)</b> | <b>(2,380,383)</b> | <b>(2,641,789)</b> | <b>(2,840,649)</b> | <b>(3,001,485)</b> | <b>(3,066,132)</b> | <b>(3,134,063)</b> | <b>(3,204,291)</b> | <b>(3,336,301)</b> | <b>(3,414,384)</b> |
| 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      | 20,647             | 30,000             | 30,660             | 31,335             | 32,024             | 32,760             | 33,514             | 34,318             | 35,176             | 36,091             | 37,065             |
| <b>Capital Expenditure</b>                            | <b>20,647</b>      | <b>30,000</b>      | <b>30,660</b>      | <b>31,335</b>      | <b>32,024</b>      | <b>32,760</b>      | <b>33,514</b>      | <b>34,318</b>      | <b>35,176</b>      | <b>36,091</b>      | <b>37,065</b>      |
| <b>Proceeds from Asset Disposal</b>                   | <b>0</b>           |
| <b>Debt movements</b>                                 | <b>0</b>           |
| <b>Reserve movements</b>                              | <b>(984)</b>       | <b>(27,870)</b>    | <b>(28,404)</b>    | <b>(28,949)</b>    | <b>(29,503)</b>    | <b>(28,527)</b>    | <b>(29,055)</b>    | <b>(29,578)</b>    | <b>(30,095)</b>    | <b>(30,605)</b>    | <b>(31,107)</b>    |
| <b>Cash Back Depreciation</b>                         | <b>0</b>           | <b>0</b>           | <b>0</b>           | <b>0</b>           | <b>(0)</b>         | <b>0</b>           | <b>(0)</b>         | <b>0</b>           | <b>0</b>           | <b>0</b>           | <b>(0)</b>         |
| <b>Rates Required</b>                                 | <b>2,183,471</b>   | <b>2,432,673</b>   | <b>2,382,639</b>   | <b>2,644,174</b>   | <b>2,843,170</b>   | <b>3,005,719</b>   | <b>3,070,591</b>   | <b>3,138,803</b>   | <b>3,209,372</b>   | <b>3,341,787</b>   | <b>3,420,343</b>   |

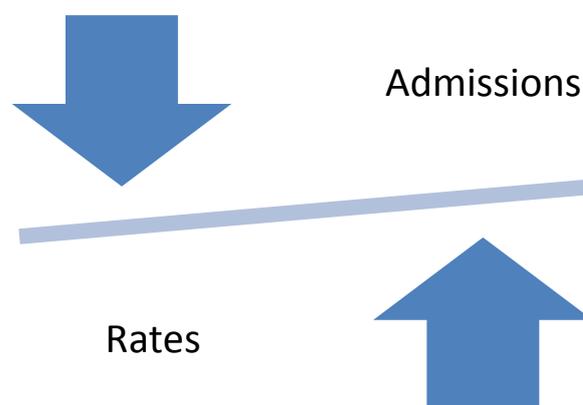
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## 8.2.2 Programme Implications

The increase in rates required in 2018/19 and 2020/21 are linked directly to the capital required for the replacement hydroslide (2018/19) and additional swimming pool (2020/21). The forecasted numbers are conservative however fiscal responsibility requires that a conservative approach is taken in predicting rates increases for projects.

Summarily, the rate increases due to these projects are linked directly to any additional income that is derived from these new assets.

Whilst conservative increases in income via admissions has been used, should admission numbers be significantly higher than predicted required rates funding will subsequently be reduced. Similarly if admissions are less than predicted rates funding may be higher than projected.



## 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

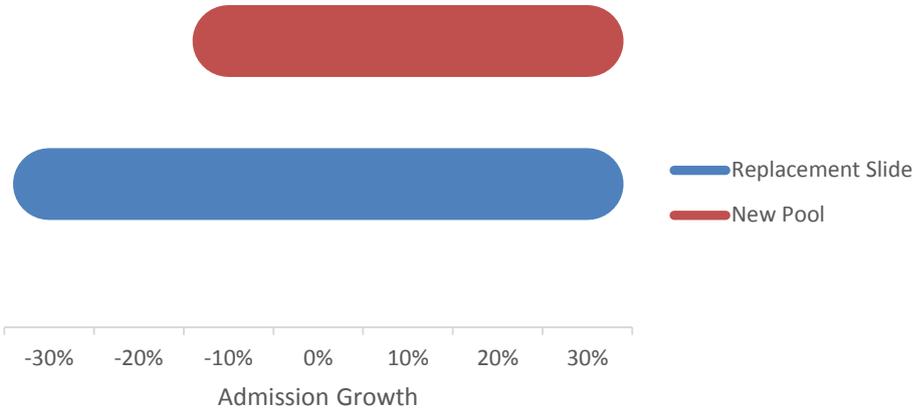
As per section 8.7, the Assumptions used to develop this AMP indicate a demand growth phase and demographic change to the facility.

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.<br>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.

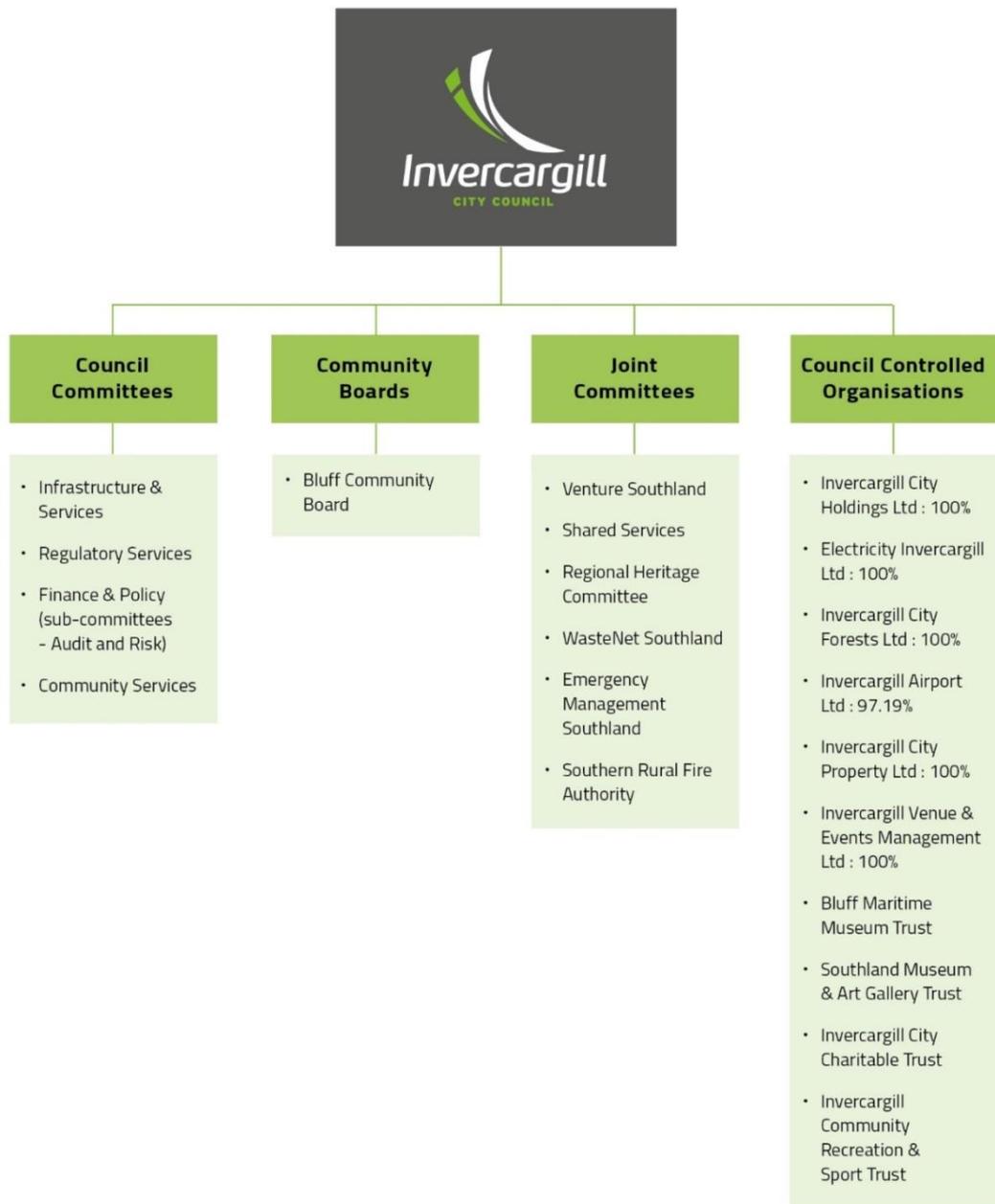
Further, Council will provide an Annual Report, which is a full year financial snapshot of Council's activities for that financial year. This is also compared to the financial projections in Council's Long-Term Plan.

### 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:

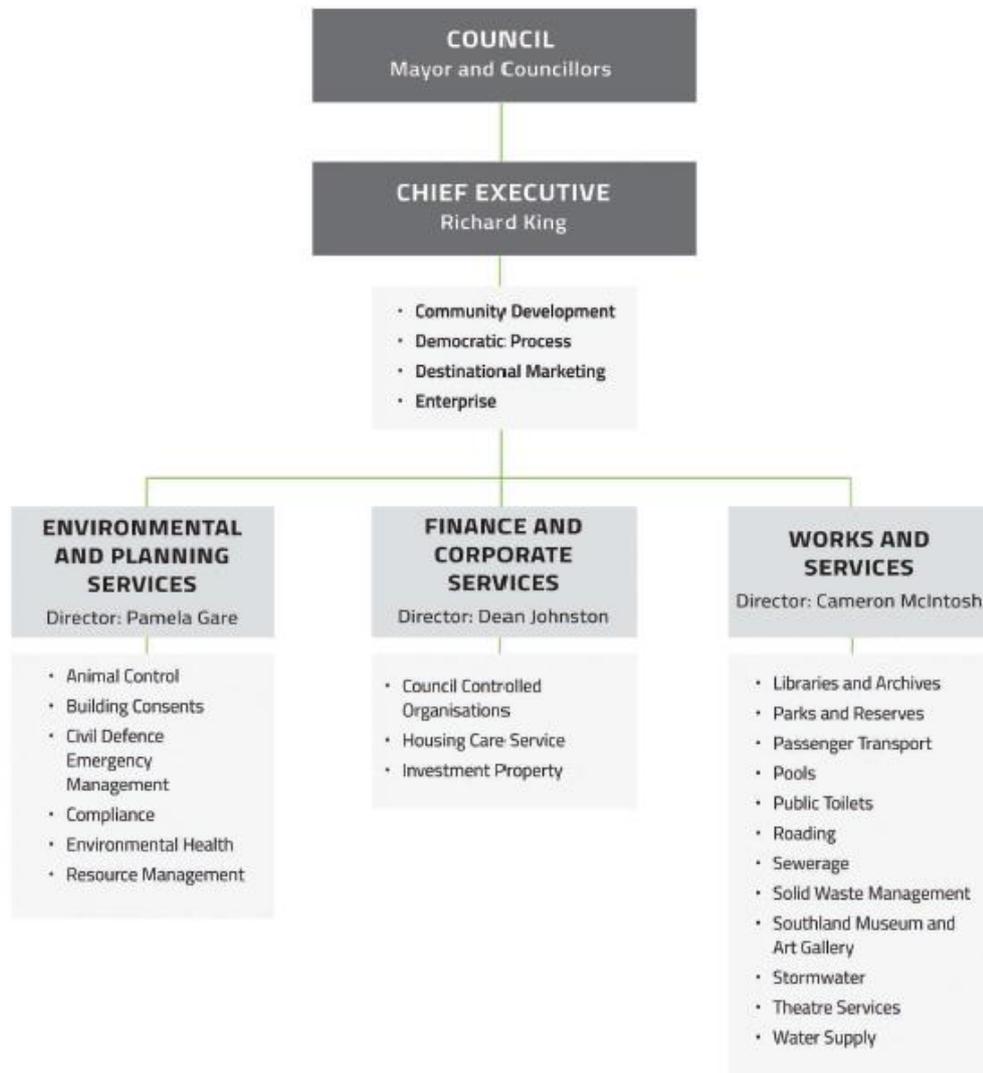
- Imagine Invercargill is a new engagement website where members of the public can submit ideas on how to improve Council services.
- Consult South is a website that highlights any current or up and coming consultation items.
- Regular use of the Consultation Caravan where members of the public can pop 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.



### 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.   | <b>Management</b> <ul style="list-style-type: none"> <li>• Of the Department (Leadership)</li> <li>• Of the staff on a daily basis</li> <li>• 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.</li> </ul>  | PD<br>PD<br>OP             |                            |   | ✓<br>✓           | Succession planning required for senior staff to cover in times of absence |
| 2.   | <b>Technical Competence</b> <ul style="list-style-type: none"> <li>• New works' design</li> <li>• Project Management</li> <li>• Management of contractors</li> <li>• Maintenance organisation and management</li> <li>• Other technical skills required by this service</li> </ul>  | OP<br>OP<br>OP<br>OP<br>PD |                            | ✓   | ✓<br>✓<br>✓<br>✓ |  |
| 3.   | <b>Forward Planning and the Setting of Priorities</b> <ul style="list-style-type: none"> <li>• The completeness and overall quality of the priority setting and financial forecasts and assumptions for the next 20 years</li> <li>• For maintenance and operations (for the next 10 years)</li> <li>• For new capital (for the next 20 years)</li> <li>• For renewals (for the next 10 years)</li> </ul> | OP<br>OP<br>OP             |                            | ✓<br>✓<br>✓                                     |                  |  |

| Ref. | Type  | Quite Inadequate                 | Needs a lot of Improvement | Quite Good, but could be Improved in Some Areas | Very Good | Comments  |
|------|---|----------------------------------|----------------------------|---|-----------|---|
| 4.   | <b>Communications/Relationships</b> <ul style="list-style-type: none"> <li>• With Customers</li> <li>• Written (letter writing)</li> <li>• Verbal (phone)</li> <li>• Verbal (personal contact)</li> <li>• With elected representatives (where relevant)</li> <li>• With other departments</li> <li>• Within the department</li> </ul> | CS<br>CS<br>CS<br>CS<br>CS<br>PD |                            |   |           | Recent strategic planning within the pools facility has identified several areas for improvement in communication with staff and public<br>✓<br>✓<br>✓<br>✓<br>✓<br>✓ |
| 5.   | <b>Financial Management</b> <ul style="list-style-type: none"> <li>• Budgets' preparation (quality, completeness, and timeliness)</li> <li>• Adherence to budgets once approved</li> <li>• Always aware of costs against budget throughout the year</li> </ul>  | OP<br>OP<br>OP                   |                            | ✓   | ✓<br>✓    |   |
| 6.   | <b>People</b> <ul style="list-style-type: none"> <li>• Job descriptions/job instructions/work guidelines/practice notes available for all relevant tasks and all up-to-date</li> <li>• All staff delegations up-to-date</li> </ul>  | PD<br>PD                         |                            |   | ✓<br>✓    |   |

| Ref.                                    | Type  | Quite Inadequate | Needs a lot of Improvement | Quite Good, but could be Improved in Some Areas | Very Good | Comments |
|---|---|------------------|----------------------------|---|-----------|----------|
| 7.                                      | <b>Knowledge of the Physical Assets</b>                               |                  |                            |   |           |          |
|   | • 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.                                      | <b>Support Services</b>   |                  |                            |   |           |          |
|   | • 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  |                  |                            |   | ✓         |          |

| Ref.  | Type   | Quite Inadequate | Needs a lot of Improvement | Quite Good, but could be Improved in Some Areas | Very Good | Comments   |
|---|--|------------------|----------------------------|---|-----------|--|
| 9.  | <b>Performance Management</b>  |                  |                            |   |           |  |
|   | • 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.   | <b>Business Continuity</b><br>• Disaster Plans up-to-date  | OP               |                            | ✓   |           | Splash Palace does not have a Disaster Continuity Plan |
| 11.   | <b>Legislative Compliance</b><br>• No known areas where legislative requirements not being fully complied with   | OP               |                            |   | ✓         |  |
| 12.   | <b>Strategic Advice</b>  |                  |                            |   |           |  |
|   | • 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)<br>• The quality and timeliness of reporting to the elected Council and its Committees | SA<br>CS         |                            | ✓   |           | ✓  |

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

## 10.2 IMPROVEMENT PROGRAMME

| Item                       | Appendix<br>Relative<br>urgency |   |   |   |   |   | Smart Objective  | Activity Improvement<br>Priority and Type | Responsible Person | Target Date for<br>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                                     |