

# Regulatory Services



Activity Management Plan

2024-2034



# Regulatory Services Activity Plan

*The health check to our City's heart.*

## Preface

### Introduction/Summary

The Regulatory Services Activity Management Plan (AMP) covers one of five Corporate and Regulatory Services 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 Regulatory 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 / judgment of the Council staff.

# 1. What we deliver

## What the activity is and activity overview

Central government imposes legislative responsibilities on councils, which Regulatory Services interprets and implements. Staff provide a friendly, professional and efficient service to clients and the public, by recognising that both parties have legal responsibilities to meet.

The Activity encompasses three broad groups of responsibilities.

### 1. **Building and Planning Services**

Building and Planning Services cover the implementation of the Resource Management Act 1991 and the Building Act 2004. There are two teams:

#### *i) Planning Services*

Planning Services key piece of legislation is the Resource Management Act 1991 (RMA) which Council interprets in the Invercargill environment. The Activity includes:

- (a) The development, review and implementation of the District Plan to ensure that it reflects the current environment and changes in legislation.
- (b) The processing of applications under the RMA.
- (c) The promotion of sustainable management of the environment by non-regulatory means.
- (d) Monitoring of the environment, effectiveness of the District Plan, resource consents and complaints.
- (e) Enforcement of the provisions of the District Plan and RMA where necessary to ensure compliance with the provisions of the District Plan and RMA.
- (f) Offering quality advice to clients on their options and responsibilities under the RMA.
- (g) The processing of applications for building consents to ensure compliance with the provisions of the District Plan.

#### *ii) Building Services*

Building Services carries out our responsibilities under the Building Act 2004 (BA) and related legislation.

Section 212 of the BA provides that a Territorial Authority must act as a Building Consent authority within its district in relation to any application for a Building Consent, and any consent granted in response to that application.

The Building Services Activity includes:

- (a) Providing advice and education to the general public, tradespeople and designers on proposed building work.
- (b) Receiving and processing applications under the BA. This includes Project Information Memoranda's, inspections, issuing Code Compliance Certificates and Compliance Schedules.
- (c) Monitoring the requirements of the BA and responding to requests for service to investigate problems.
- (d) Promotion of knowledge of regulatory requirements.

- (e) Working with the community on the earthquake prone building legislation.
- (f) Monitoring and enforcement of provisions relating to safety (dangerous and insanitary, swimming pool fences).

## 2. Environmental Services

Environmental Services encompasses our work that relates to public health and compliance. It covers four areas:

### *i) Environmental Health*

Environmental Health is a subset of public health focusing on environmental conditions and hazards which affect, or have the potential to affect, human health.

We work under the Food Act 2014, the Sale and Supply of Alcohol Act 2012, the Health Act 1956 and Hazardous Substances and New Organisms Act 1996, and Regulations<sup>1</sup> made under these Acts as well as our Council Bylaws.

We also provide support for the District Licensing Committee in relation to alcohol licencing decisions.

### *ii) Parking Compliance*

The provision of public car parking facilities and collection of parking meter revenue is managed by Council's Strategic Asset Planning Department.

The Parking Compliance component involves:

- (a) Enforcement of car parking in the District, including, the Stationary Vehicle Offences and all metered / time restricted parks in accordance with our Bylaws and the Land Transport Act 1998.
- (b) Promoting good driver behaviour and offering education to members of the public.
- (c) Monitoring and removing vehicles left abandoned on roads, or those that are non-roadworthy within its jurisdiction.
- (d) Promoting good driver behaviour around schools and offering education to those schools willing to participate.
- (e) Monitoring and compliance under the Footpath Management Policy.
- (f) Working with the Parks Department on parking related issues at Oreti Beach.

The enforcement component of the Activity operates on the public road. Parking on private property is the responsibility of the property owner.

### *iii) Animal Services*

Animal Services activities are largely dictated by government statutes. The Dog Control Act 1996 and Regulations and the Impounding Act 1955 are the key pieces of legislation involved.

This team look after dog registration processes, and our responses to dog and animal related nuisances. This includes controlling wandering, barking and

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<sup>1</sup> For example the Health (Hair dressers) Regulations 1980

aggressive dogs, as well as enforcement in terms of infringements and prosecutions where an offence has been committed such as a dog attacking a person or other animals.

*iv) Environmental Compliance*

Environmental Compliance ensures compliance with environmental Acts (Litter Act 1979, RMA), monitors excessive noise (from residential properties), the compliance with Bylaws (including animals other than dogs, such as poultry and rooster), and monitors and takes action with overgrown and untidy sections.

### **3. Property Records Services**

The Property Records team have been created to help manage the records created for every property in the City district, as well as manage access, provision of information, and digitisation of all property records. This is done in accordance with the Building Act 2004 (Sections 216 and 217) the Public Records Act 2005, the Contract and Commercial Law Act 2017, the Local Government Official Information and Meetings Act 1987 and Archive New Zealand Standards.

The team also:

- (a) Provide support to the project to digitise Council's property files due for completion in early 2024
- (b) Co-ordinate our provision of Land Information Memorandums
- (c) Provide electronic access to the Council property files.

#### **Why we are involved in this activity**

Council is required by legislation to undertake a range of regulatory functions and each area also has an element of public good in addition to the requirements of legislation.

### **1. Building and Planning Services**

#### **(a) Planning**

Resource Management is predominantly involved in carrying out the Council's functions as set out in the Resource Management Act 1991 (RMA). This involves a balancing act enabling people to do what they want to do with their land, whilst ensuring that the effects of those activities do not significantly affect the environment and the wider community. The Planning team predominantly aids in the development, implementation and monitoring of the District Plan.

The District Plan involves developing policies and rules for the Invercargill environment within the legislative context. The Planning team also provide feedback on general resource management matters which may impact Invercargill City or the District Plan. Additionally, the Planning team ensure any new legislative, national direction or regional requirements are met within the District Plan, such as the National Planning Standards.

The Planning team has the role of processing any resource consents to manage activities that are required by the District Plan's provisions, and enforcing the Plan and any consents. Monitoring the environment is also

part of the role. Offering advice on options and responsibilities under the RMA and promoting sustainable management through non-regulatory means is a vital part of the role of this team.

In conjunction with the RMA roles and responsibilities, the team consider any other legislative requirements related to planning processes are understood, including requirements of other legislations such as the Heritage New Zealand Pouhere Taonga Act 2014.

In mid-2020, the Government released a report known as the *Randerson Report*<sup>2</sup> commissioned to look at how the RMA has been functioning and make suggestions on improvements to the system. The report recommended repealing the RMA and replacing it with new Acts to ensure the system is fit for purpose going forward. The report also recommended that all planning documents at a Regional and District level be merged into one Plan and that delivery of RMA / planning functions be delivered by a Regional entity.

The Natural and Built Environment Act and Spatial Planning Act were enacted in August 2023 to replace the RMA with a proposed transition of up to ten years for the whole of New Zealand. However, the result of the 2023 election may result in a different approach to a future resource management system.

**(b) Building**

The service is provided for a number of reasons. Minimum standards for buildings seek to ensure they perform to the required standard so they can be safely used by the occupants and the wider public.

The nature of New Zealand's geography and geology is a good reason for managing the quality of buildings. The geography of the Invercargill City District includes flood plains, meaning that parts of the city are susceptible to flooding. The different structures of the District's soils means that the buildings need to address different foundation standards. High Wind Zones can make some areas more susceptible to wind hazards. There is also the wider issue around earthquakes throughout Invercargill and New Zealand. There is both public and private good in the control of buildings.

The public good of building control is that when you are out visiting another person's property or are walking in a public space, the risk that a building is likely to fail and injure you is reduced. In New Zealand, we only have to look at Christchurch and the more recent earthquakes, as well as our own experience with snow related building collapses, to see the risks buildings can pose to the public.

Building regulations are continually developing over time to ensure public and private safety.

The Building Services team implements the requirements of the BA to ensure that buildings are constructed in accordance with the Building Code. Council acts as a Building Consent Authority within the Invercargill area in relation to any application for a building consent, and any consent granted in response to that application.

## **2. Environmental Services**

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<sup>2</sup> *New Directions for Resource Management in New Zealand*, Resource Management Review Panel, 2020, Wellington ("*The Randerson Report*")

### ***Environmental Health***

The roles that the Environmental Health Team provides are essentially public health roles focusing on environmental conditions and hazards, which affect, or have the potential to affect, human health either by direct or indirect means. This is provided through education, verification, inspection, enforcement and response to emergency incidents. The Environmental Health aspect is broken into Food, Alcohol Licensing Inspector and Environmental Health.

#### **(a) *Food***

The regulation of food suppliers is for the public benefit as there is a wide interest in ensuring that dining establishments and the food made available for purchase is safe and will not cause consumers to become ill.

To aid in ensuring that minimum standards are met, the Council Officers' role involves activities such as verifying premises where food is sold, issuing permits for roadside food sales and general education. This role is mandated in part through the Food Act 2014 and associated regulations and bylaws.

#### **(b) *Alcohol***

The alcohol inspectorate role is linked to that of the District Licencing Committee (DLC) Support Officer, but includes the monitoring and reporting on licensees to ensure they are complying with their licence conditions and the Sale and Supply of Alcohol Act 2012.

The Support Officer as the administrator for the DLC coordinates the applications, prepares meetings, and assists the Committee in its day-to-day administration.

Again, it has long been held desirable by the public that the sale and supply of alcohol is restricted to appropriate venues with appropriate and approved people being able to serve in these establishments. Having appropriate controls placed on the sale and supply of alcohol assists in managing the location of facilities where alcohol is sold, such as controlling the scale and functioning of taverns, other Invercargill Licensing Trust facilities and independent facilities located in the city. The controls also ensure people who gain an alcohol licence are appropriately vetted and understand the rules and responsibilities.

#### **(c) *Environmental Health***

Environmental Health covers a wide range of activities, providing the community with the assurance that minimum standards are met to ensure the safety of people when undertaking activities, and to manage the effects of these activities on those in the wider environment. This role covers activities as diverse as having their hair cut, staying at a public camping ground, or getting a tattoo. It is beneficial to the public to ensure that minimum standards are applied across the board to ensure that members of the public are protected from harm and nuisance.

### ***Compliance***

The Compliance aspect is broken into Animal Control, Parking and Environmental Compliance. These roles are carried out through a mix of education, inspection and enforcement.

**(a) Animal Control**

The owning of pets is something that has occurred for many years across the globe. However, there has and will always be the need for controls in relation to both the suitability of animals in urban areas and animals that can injure or cause harm.

Domestic animals, such as dogs, can cause harm through dog attacks. For this reason there has been an interest in controlling and monitoring dogs to ensure they are registered, their owners have appropriate licences and have taken appropriate steps to ensure that they can enjoy the company of the animals whilst the wider public is protected.

Key roles of the Animal Services Team include:

- Enforcing of the Dog Control Act 1996, Dog Control Policy and Bylaw in an efficient and fair manner.
- Maintaining a register of dogs within the City.
- Providing a service and facility for the impounding and care of stray and seized animals.
- Providing public education on dog control, ownership and safety.

**(b) Environmental Compliance**

The dumping of litter around the City is a source of concern for many residents. Bins are provided for incidental collection and each household has a system of wheelie bins for the efficient disposal of rubbish. There is no excuse for the dumping of rubbish (household or business) around the City. This means that those who do need to be held accountable.

Many people enjoy music and entertainment, and gathering together to celebrate or commemorate events and people. However, there is a need to ensure these activities do not cause others to be impacted by excessive noise – especially during night-time hours. This means these activities need to be monitored and, where required, enforced to ensure that one person's activities does not unduly impact on others.

In the mid 2000's there was a rise in concern about the state of properties being left abandoned and overgrown around the City. A bylaw has been implemented to ensure that all property owners maintain their land to a minimum standard so as to not impact on others enjoyment of their land. This was extended to include verandas that provide shelter over public footpaths as many were becoming a hazard to pedestrians.

The RMA is also used to protect resident's amenity and the environment. This enables properties to be maintained and tidied by using the Regulatory tools in the RMA.

Environmental Compliance also monitors and enforces the Bylaw in relation to animals – other than dogs – in the City as it is long identified that keeping some animals in a built up residential area can have significant impacts on other residents. For example the keeping of pigs in a sty can have issues related to odour and vermin impacting on others nearby; roosters can also be seen as being problematic in a built up area.

**(c) Parking**



There is public interest in parking. This includes the interest of residents who wish to park within the city and have access to the facilities they need, whether they be commercial, financial, leisure, medical or their residence.

Business owners also have an interest in ensuring there is parking available, that vehicles are not parked and blocking access ways, or parked for hours at a time when the owner of the vehicle has moved on to another area of the City.

Council has chosen to provide the public with both on and off street parking. Enforcement of these facilities ensures equitable parking for all, supporting a constant flow and supply of parking within the city.

### **3. Property Records Services**

This team manages all information that relates to a property within the City. This includes, the property file itself, Resource and Building Consents, as well as Licences and other Public Health registrations that are linked to that property. This is a key record of each property and how it has been developed over the years. The team are working towards a digitisation of this set of records. They also provide for access to these records, via property file request, Official Information requests and the provision of Land Information Memorandums.

The digitisation of the property files is part of the greater good to enable better access to all files and is part of Council's process in modernising our service.

## Community outcomes

The community outcomes set out what Councils wants to achieve for the community over the next ten years as we continue to work together to create Our City with Heart.

The following graph includes the outcome statements for each of the four community wellbeings – Economic, Social, Cultural and Environmental.

Figure 1: Community Outcomes and the Four Wellbeings



Table 1

### Community Outcomes

Community Outcomes	How the Activity Contributes
<p>Social Wellbeing</p> <p>One Community – Our Youth, Older people, different neighbourhoods and communities’ basic needs are met, and they feel valued and proud to live here.</p>	<p>The Regulatory Services Activity promotes the support of neighbourhoods and communities through a legislative lens ensuring the legislative requirements for building, resource planning, environmental health, animals and environmental compliance are met.</p>
<p>Cultural Wellbeing</p> <p>A vibrant, safe city centre which meets our people’s diverse cultural needs</p>	<p>The Regulatory Services Activity supports a vibrant, safe city centre ensuring compliance with relevant legislation and via processes such as monitoring, audit and inspection and education to ensure safe places and spaces for all.</p>
<p>Environmental Wellbeing</p> <p>A healthy, resilient environment where the city is well positioned to navigate climate change.</p>	<p>The Regulatory Services Activity supports environmental wellbeing through facilitating resource planning processes and implementing resource management legislation that allows for and enables appropriate development to meet the needs of the community.</p>

<p>Economic Wellbeing</p> <p>A future focused economy delivered through innovation and partnership and supported by appropriate infrastructure.</p>	<p>The Regulatory Services Activity supports economic outcomes by ensuring opportunities for development are provided across the District and also ensuring that such developments comply with relevant legislation. The Activity promotes development that provides for effective and sustained economic growth.</p>
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## Our activity objectives

Legislation requires us to undertake a range of regulatory functions. The key objective of Regulatory Services is the implementation of national legislation in the Invercargill context, while focusing on achieving Community Outcomes.

### 1. Building and Planning Services

#### ***Planning***

The principal objectives of Planning are:

- (a) To review environmental issues and the District Plan so that we can meet the desires of the community and enable Invercargill residents to develop and enhance their lifestyle in a sustainable way.
- (b) To implement the District Plan and RMA efficiently and fairly and provide relevant and appropriate environmental information and advice.
- (c) To monitor Resource Consents and the effectiveness of the District Plan to ensure that environmental standards are being met and Consent Conditions are being followed.

#### ***Building***

The principal objectives of Building Services are:

- (a) To ensure that all building work complies with the Building Code and enforce legislative requirements when necessary.
- (b) To ensure that buildings continue to comply with the requirements of the Building Act (to the extent they are required to) over the life of the building.

### 2. Environmental Services

#### ***Environmental Health***

The principal objectives of Environmental Health are:

- (a) To provide environmental health services, including food and alcohol, to the community in a positive and sustainable way.
- (b) To provide support to Emergency Services when public health incidents occur.
- (c) To support the District Licensing Committee when it decides applications under the Sale and Supply of Alcohol Act.

#### ***Parking Compliance***

The principal objectives of Parking Compliance are:

- (a) To adhere to relevant legislation while ensuring that all contact with the public is friendly and efficient.

***Environmental Compliance***

The principal objective of Environmental Compliance is:

- (a) To advise, implement and monitor environmental compliance in accordance with legislation and Bylaws.
- (b) To ensure the environment is clean, tidy and environmentally safe and well looked after.

***Animal Services***

The principal objectives of Animal Services are:

- (a) To provide for the control of dogs and stock, and minimise harm.
- (b) To educate and promote good animal care in the community.
- (c) To ensure accurate register of dogs in the city district.

**3. Property Record Services**

The principal objectives of Property Records are:

- (a) To provide support to the digitisation of the property record database into a cohesive and legally compliant system.
- (b) To enable prompt access to records held.
- (c) To provide Land Information Memorandums.

## 2. How we determine what we do

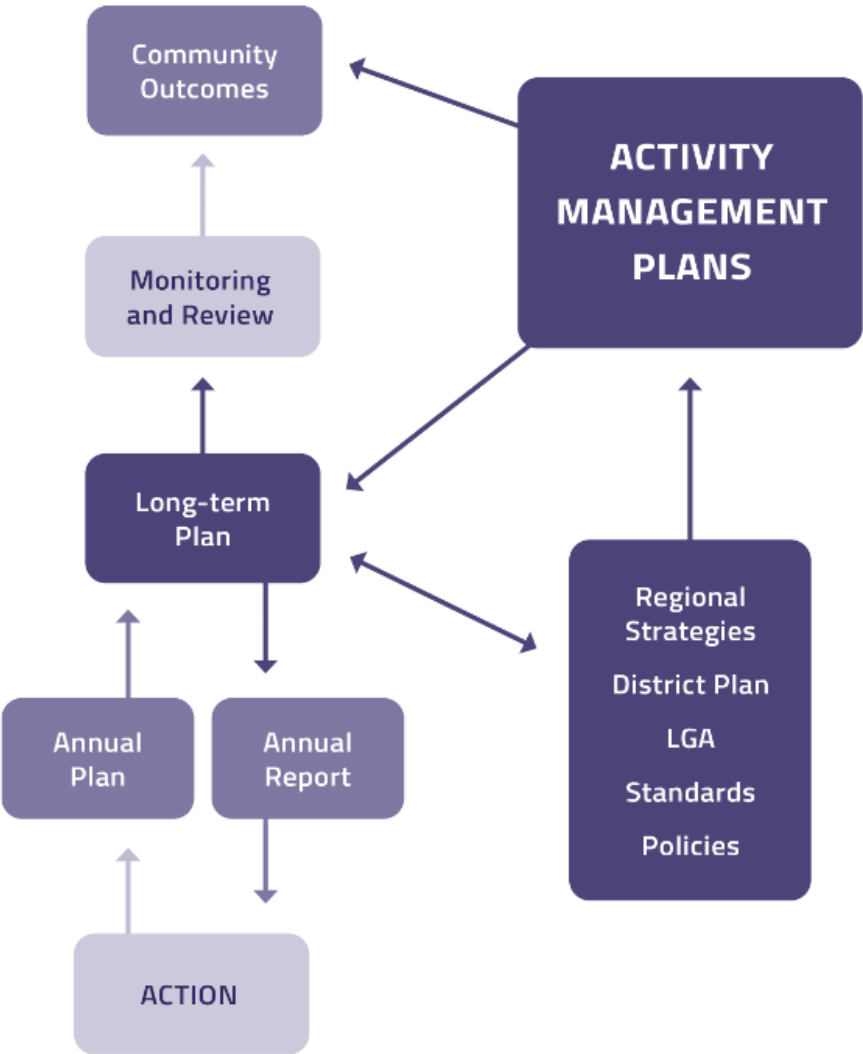
### Our Strategic Framework

Activity Management Plans underpin the activities in the Long Term Plan, they record the current and desired Levels of Service and Maintenance, Capital Works Programmes and budgets (if applicable) required to ensure the activity meets the desired Levels of Service.

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.



## Activity Management Plan Strategic Framework



## Our Customers

The activities of Regulatory Services impact on all members of the Invercargill community – its ratepayers, residents, developers and visitors.

The Regulatory Services have a special and important relationship with Ngāi Tahu.

The four local authorities of Southland, and the majority of Otago local authorities whose areas are within Murihiku, work in partnership with the four Murihiku Rūnanga. Te Ao Marama Incorporated is the organisation that represents the rūnanga. A Charter of Understanding has been entered into by the councils with Te Ao Marama Incorporated and Rūnanga o Ngāi Tahu to work together in the context of both the RMA and Local Government Act. The governance group, called Te Roopu Taiao, meets a minimum of four times a year to discuss RMA and Local Government issues.

The Council also meets with Te Ao Marama Incorporated on Local Government and RMA issues as they specifically pertain to the Invercargill District. We also engage with all Māori within our district to ensure all Māori voices are heard.

The Council, along with the other council signatories to the Charter of Understanding, contributes financially to the funding of Te Ao Marama Incorporated.

The customers and stakeholders are listed below:

**Table 2**

### *Regulatory Services External Stakeholders*

<b>External Stakeholders</b>	<b>Area of Interest</b>	<b>Engagement</b>
Government Departments (Ministry for the Environment, Ministry of Business, Innovation and Employment, Ministry for Primary Industries, Ministry of Justice, and Department of Internal Affairs).	Compliance with legislation. Development of Policy.	Liaise with Activity Manager, consult through surveys and plans, exchange of data and information, issue of determinations.
The Courts of New Zealand	Consideration of Appeals, enforcement, prosecution, and infringements.	Mediation and Court hearings and debt / fines recovery.
Government Organisations (other than Ministries) e.g. Heritage New Zealand Pouhere Taonga, New Zealand Transport Agency, Public Health South	Plan and policy development and impact of activities and applications on their field of interest.	Applications, consultation and advice, and sharing of information. Consultation on policy development.
Other Local Authorities (Environment Southland, Southland and Gore District Councils).	Developing commonality of approach across the Southland region (Shared Services).	Consultation, liaison, compliance with plans and provision of services.
Iwi Groups and Māori Te Ao Marama Inc.	Environmental impact and sustainability.	Consult, communicate, cooperate and engage on RMA and Local Government functions.
Great South	Regional development.	Liaise with Executive.

<b>External Stakeholders</b>	<b>Area of Interest</b>	<b>Engagement</b>
Applicants.	Lodgement, issuing of decisions and inspections of applications.	Pre consultation and liaising with applicants
Community Groups e.g. Otatara Landcare Group, South Alive and Business and sector groups e.g. Master Builders	Regulatory activities that impact on a community group's field of interest.	Communication, cooperation and provision of grants.
Residents.	Requests for information and service on regulatory activities and resolution of nuisance complaints.	Investigations and information.

In addition to these there is significant, although unquantifiable, interaction with the community where they are seeking information and advice on proposed developments.

**Table 3**

*Regulatory Services Internal Stakeholders*

<b>Internal Stakeholders</b>	<b>Area of Interest</b>	<b>Engagement</b>
Activity Managers and their staff.	Assessing impact of applications and policy documents on managers' areas of responsibility.	Communication and cooperation.
Elected representatives and Community Board members.	Development of policy documents and bylaws.	Direction setting and decision making.

## Our Levels of Service

The Activity supports our city's economic and environmental wellbeing through development that provides for effective and sustained economic growth, as well as engagement with developers and the community to assist development within the parameters of the District Plan and relevant legislation, while maintaining compliance with statutory timeframes.

The Activity supports Council's community outcome for social wellbeing by monitoring and enforcing provisions relating to safety, and it also supports cultural wellbeing through the provision of incentives for heritage buildings.

**Table 4**

*Regulatory Services Measures for Levels of Service*

<b>MEASURE 2024-2034</b>	<b>TARGET</b>
Building consents are granted within statutory timeframe	100% of building consents are granted within statutory timeframe
Non-notified resource consents not requiring a hearing are granted within statutory timeframe	100% of non-notified resource consents are granted within statutory timeframe
Code Compliance Certificates are issued within statutory timeframe	100% of Code Compliance Certificates are issued within statutory timeframe
Food premises are registered within 20 working days	100% of food premises are registered within 20 working days
Alcohol licences not requiring a hearing are granted within 30 days	100% of alcohol licences not requiring a hearing are granted within 30 days
Land Information Memorandum (LIM) Reports are issued within 10 working days	100%
Percentage of residents satisfied with service received from the Building and Planning Department	50%
Percentage of residents satisfied with the building and resource consent process	50%
Amount of eligible applications received to support heritage buildings (earthquake strengthening and/or heritage improvements)	Council's Heritage Funds are at least 90% subscribed each financial year



**Table 5***Regulatory Services Baseline Measures and Targets*

<b>MEASURE</b>	<b>Baseline (2022/23)</b>	<b>2024/25 Target</b>	<b>2025/26 Target</b>	<b>2026/27 Target</b>	<b>2027-2034 Target</b>
Building consents are granted within 20 working days	98%	100% of building consents are granted within statutory timeframe	100% of building consents are granted within statutory timeframe	100% of building consents are granted within statutory timeframe	100% of building consents are granted within statutory timeframe
Non-notified resource consents not requiring a hearing are granted within 20 working days	96%	100% of non-notified resource consents are granted within statutory timeframe	100% of non-notified resource consents are granted within statutory timeframe	100% of non-notified resource consents are granted within statutory timeframe	100% of non-notified resource consents are granted within statutory timeframe
Code Compliance Certificates are issued within statutory timeframe	New measure	100% of Code Compliance Certificates are issued within statutory timeframe	100% of Code Compliance Certificates are issued within statutory timeframe	100% of Code Compliance Certificates are issued within statutory timeframe	100% of Code Compliance Certificates are issued within statutory timeframe
Food premises are registered within 20 working days	100%	100% of food premises are registered within 20 working days	100% of food premises are registered within 20 working days	100% of food premises are registered within 20 working days	100% of food premises are registered within 20 working days
Alcohol licences not requiring a hearing are granted within 30 days	100%	100% of alcohol licences not requiring a hearing are granted within 30 days	100% of alcohol licences not requiring a hearing are granted within 30 days	100% of alcohol licences not requiring a hearing are granted within 30 days	100% of alcohol licences not requiring a hearing are granted within 30 days
Land Information Memorandum (LIM) Reports are issued within 10 working days	New measure	100%	100%	100%	100%
Percentage of residents satisfied with service received from the Building and Planning Department	New measure	50%	50%	50%	50%
Percentage of residents satisfied with the building and resource consent process	New measure	50%	50%	50%	50%
Amount of eligible applications received to support heritage buildings (earthquake strengthening and/or heritage improvements)	New measure	Council's Heritage Funds are at least 90% subscribed each financial year	Council's Heritage Funds are at least 90% subscribed each financial year	Council's Heritage Funds are at least 90% subscribed each financial year	Council's Heritage Funds are at least 90% subscribed each financial year

## Assessing demand - current and future

### Factors Influencing Demand

Demand for Regulatory Services is largely a reflection of Government legislation and Council policies and bylaws. Changes to legislation can increase the demand for Council services (e.g., earthquake-prone building legislation) while others can have the opposite impact (e.g. changes to fencing requirements for spa pools).

Whilst the Government have responded to the findings of the 2020 Randerson report by enacting new legislation to replace the RMA it is uncertain at this time what the future will look like for Planning at a Council level. At the time of drafting this document the new government has announced the repeal of the Natural & Built Environment Act and Spatial Planning Act by the end of 2023.

Current indications are that amendments will be proposed to the Resource Management Act together with a 'fast track consenting' programme, however details are scarce and unlikely to be forthcoming until early to mid-2024.

Central Government's Planning Policy direction will undoubtedly impact the Planning functions for Invercargill though it is too hard currently to anticipate with any level of certainty what that will be.

As part of the recently introduced RMA reform Council is defined as a lead under the Spatial Planning Act 2023. Council is required to set out steps to implement or progress key actions in regard to the general content and form of a regional Spatial Strategy. A Regional Spatial Strategy must set out a vision and objectives for how to use, develop, protect, restore, and enhance the region's environment in a way that achieves the purpose of the Spatial Planning Act. To this end ICC has been part of a joint working group with the region's other Local Authorities and iwi to commence work on the Murihiku Southland regional Spatial Strategy.

Barker and associates, a consultancy specialising in all aspects of Planning and Urban Design were engaged in late 2022 to work with the regional group to assist the agencies through a pre-spatial planning exercise in order to identify gaps in existing datasets and establish a prioritised work programme. The outputs were anticipated to be available in May 2023 year to assist with the LTP programmes of the various Councils, however, delays have meant that they draft report has only been released in late November. The draft report has identified a stocktake of data held by the Region's Councils and iwi and identified through a gap analysis the work that is required to complete a regional Spatial Strategy. B&A have also provided a draft timeline over five years for the RSS to be developed and adopted commencing in early 2024.

Noting that this requirement is currently in legislation we are still required to continue our approach in this LTP to Spatial Planning until the two Acts are repealed.

Growth and recession in the economy are directly reflected in the number of applications received by Regulatory Services e.g. building and resource consent applications as well as Food and Alcohol licences.

Technological changes will impact on the way the Regulatory Services provides service and the way stakeholders engage with us. There has been steady growth in the uptake of "online" services, including the introduction of electronic lodgement and processing. The online lodgement and processing of building consents was introduced in early 2020 and has been widely adopted

Use and integration of advanced technology will be a feature of the Regulatory activity in this Long Term Plan. Advances in how the District Plan is presented will be implemented. The implementation of parking kiosks and pay by plate in the city means parking is monitored via software on devices used by Parking Officers. The full digitisation of Council's property records will greatly affect how demand is managed by ensuring Regulatory Services is a responsive and adaptable activity.

During this Long Term Plan it is expected there will be a significant decrease in paper files, and an increase in online lodgement and processing. The digitisation of the property records will ensure the public are able to access property records in an electronic medium.

Regulatory Services operates within a Quality Management system based on ISO17020. The Building Consent Authority Quality System is audited two-yearly in accordance with the Building (Accreditation of Building Consent Authorities) Regulations 2006.

In order to undertake Food Verifications for premises under the Ministry for Primary Industries National Programme, the Food team<sup>3</sup> are audited every three years, with a yearly review conducted in the other two years.

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

Resource consents are expected to remain static or decrease in response to changes in legislation to give more activities permitted status.

It is anticipated that the number of building consent applications will increase in response to the requirements of the Earthquake Prone Building legislation and the revitalisation of the City Centre and forecast population growth. It is worth noting that Invercargill City has a large amount of aged building stock both residential and commercial. The desire to upgrade and/or replace building stock will place pressures on the Planning and Building Services team. Currently the RMA and Building Act lack alignment in order to facilitate this and it is likely that direction from Central Government will be required in order to facilitate what is a national issue for Councils.

It is anticipated that the number of alcohol and food related premises will increase to reflect the positive change in population and the increasing numbers of tourist stays within the District. It is anticipated that most new premises will be located in the rejuvenated City Centre.

Council has replaced traditional coin operated meters with parking kiosks. The updated technology provides multiple options for payment including coins, card (Paywave), QR code and the PayMyPark app. The monitoring of parking for enforcement purposes uses associated technology. This technology allows for electronic scanning and chalking of vehicles with infringements issued as necessary, and monitoring for when parking has not be activated by payment of parking fees.

The number of dog registrations has been increasing which is a reflection in the proactive approach adopted by the Animal Control Team.

It is anticipated that the current resourcing<sup>4</sup> of Regulatory Services Activity will be sufficient to respond to changes in the demand for service during the period of the Long Term Plan.

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<sup>3</sup> Part of Environmental Services

<sup>4</sup> Including the use of Contractors at times of high or specialist work flows.

In the 2021/22 Residents Survey, respondents were asked to rate their perception of the importance of services provided by the Council.

- 66% rated environmental health/food safety as important
- 60% rated building and planning services as important
- 55% rated animal services and resource management, respectively as important
- 24% rated parking compliance as important

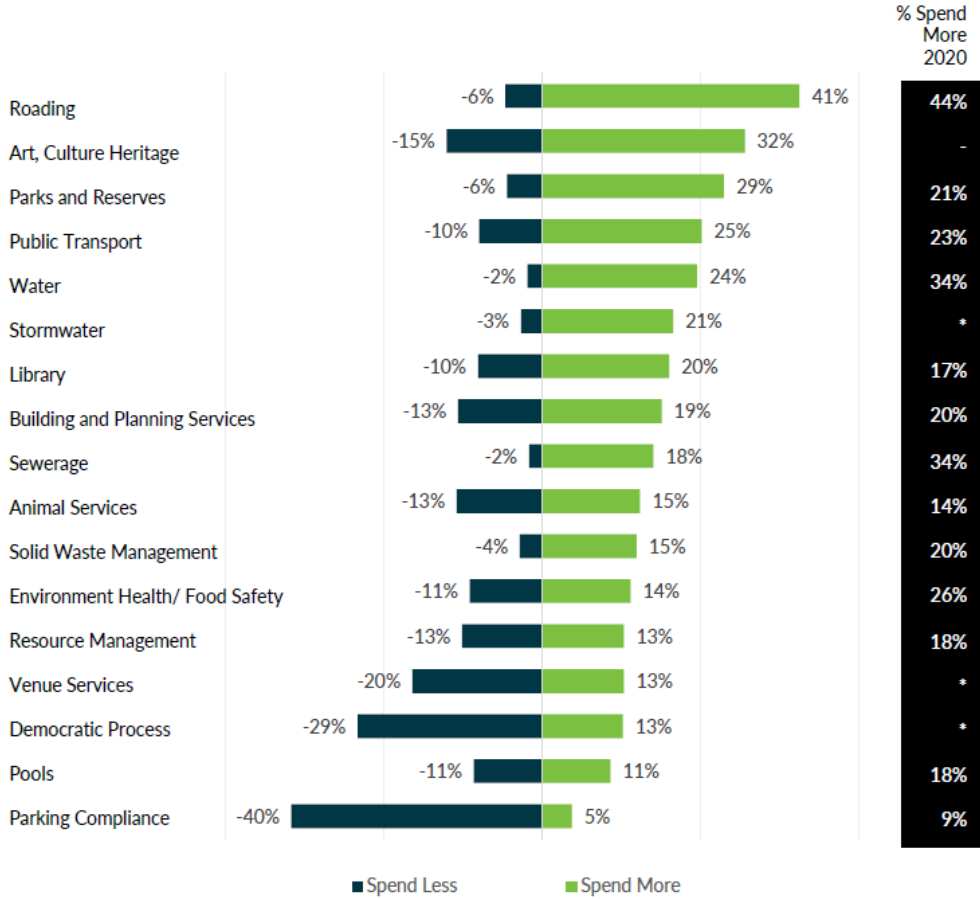
The services considered most important were Sewerage, Water, Stormwater, Solid Waste Management, Roading, and Parks and Reserves all of which were considered 'important' by at least 80% of respondents.

Respondents were also asked to consider the level of investment from Council in various services:

- 19% would like to see additional funding for building and planning services
- 15% would like an increase in funding for animal services
- 14% would like to see an increase in environmental health/food safety funding
- 13% would like to see an increase in resource management funding
- 40% would like a decrease in funding for parking compliance

**Figure 2**

*2022 Residents Survey Expenditure Preference\**



\* Question was not asked in the previous survey.

The Residents Survey methodology changed from the 2022/23 financial year.

**Changes in Service Expectation**

There is an increasing expectation from members of the community that they can engage with Regulatory Services via electronic means. This expectation is especially prominent with businesses who lodge applications with Invercargill and other Councils who offer a greater range of electronic services. This expectation has been met in recent years with the introduction of electronic application, processing and inspection. It is likely that there will be further technological advancements over the course of this Long Term Plan. The organisation has recently implemented Our Council which is a Business Enhancement Programme to ensure an organisation-wide approach is taking to delivering services electronically.

There is a community expectation that Council will take a lead in preserving and protecting the heritage features of the inner city.

## Expected Implications for the Activity

Increased use of technology has enabled greater efficiency and effectiveness in the processing of applications, however there is always room for improvement and Regulatory Services will need to monitor technological shifts to ensure that the service moves with the times and remains fit for purpose meeting the expectations of the community.

## Future Demand Issues and Challenges

Regulatory Services needs to continue to respond to the community's demand for electronic processes and data. The property digitisation, electronic lodgement projects and development of an E-plan District Plan are key projects which have been identified to meet future demand.

Changes in legislation may require Regulatory Services to review both the service it provides and the way it is provided.

Invercargill City Council continues to work closely with adjacent local authorities to deliver a similar service. Council has contracts in place with some neighbouring authorities to provide them with professional services e.g. food and alcohol services for Clutha District and food services for Gore District. Further opportunities to share services will continue to be explored.

## Possible Demand-related Responses

It is anticipated that Council's property files will be digitised by mid-2024 under the Reset of Digitisation Project.

**Table 6**

*Demand-related responses – pro and contra*

<b>Response</b>	<b>Pro (Outcome)</b>	<b>Contra (Outcome)</b>
Increase resource for digitising property files	Electronic property files are available ahead of current schedule	Additional staff resource allocation for this project
Increase resource for developing electronic processes	Electronic lodgement, processing and inspection is implemented ahead of current schedule	Additional staff resource allocation for this project and the purchase of new technology

## Managing Expectations

Regulatory Services is responding to community expectations with respect to processing times for applications (Planning and Building) and greater use of digital technology. There has been a positive shift resulting in a dramatic improvement in the time taken to process Building and Resource Consents. This shift has largely come about through a refocus to being customer centric ensuring Building Consents are being processed within the statutory time-limits. This shift has also seen a positive reduction in the time taken to arrange inspections.

The Environmental Services team have continued to manage expectations working to statutory timeframes, through targets agreed internally.

There is a greater expectation of the adoption of technology by Regulatory Services, in response to how our clients are operating. These expectations are managed by the increased use of technology, testing of the systems and working with the industry to ensure that the system to be adopted will be fit for purpose and meet the needs of both Council and the community / industry.

### 3. What we're planning

#### Key issues and challenges

The key strategic issues and challenges facing the Invercargill City Council for 2024-2034 are:

- Meeting the changing needs of our rangatahi as part of our wider population, which is growing older and more diverse
- Delivering city centre renewal
- Enabling the housing, health, security and social infrastructure our city needs to grow
- Navigating increasingly complex environmental challenges including climate change, land contamination and earthquake risks.
- Maintaining community affordability in a time of economic volatility - core infrastructure, major projects and levels of service will be delivered with financial prudence and efficiency
- Ensuring Council leadership and delivery is credible and effective, building community trust and engagement.

Of the challenges identified above, the most significant for the Regulatory Services Activity are those relating to environmental challenges (particularly climate change), the city centre renewal, and the development pressures associated with enabling infrastructure for growth, especially relating to new technologies and the electronic world. Additionally, the Regulatory Services Activity faces particular challenges from changes in central government legislation, policy and targets.

#### ***Climate Change***

Responding to the effects of climate change will be a major issue within the lifetime of this Long-term Plan. Climate change effects are being felt now, and there is a need to respond in time to ensure the long term sustainability of the City. This work will need to focus around changes to the District Plan to ensure land is managed appropriately, and buildings are constructed in a manner that ensures they can withstand the impact of climate change (for example, an increased severity in storms).

As time progresses so too does our knowledge around the potential effects of climate change and this knowledge will be a major contributor in Planning policy, particularly when considering where buildings can be located.

#### ***Government Legislation and Targets***

The RMA is clear in its expectation of the need to ensure we monitor the state of the environment to measure the efficiency and effectiveness of policies, rules and plans whilst exercising any functions, powers or delegated duties.

As indicated earlier there is likely to be a dramatic change in Planning during the lifetime of this Plan. The *Randerson Report*, commissioned to look at how the RMA has been functioning and make recommendations on improvements has been the catalyst for the reform of the RMA. The reform is in a temporary state of stasis after the introduction of the two new acts: The Natural and Built Environment Act and the Spatial Planning Act, however there is no indication that there is likely to be a return to the RMA as it has existed previously.

There is likely to be ongoing change as a new government implements policy and it is not yet known what this is likely to mean. Consenting and Environment will need to be ready to shift and pivot to adjust to the inevitable change.



The group is well positioned for this having been through a number of internal review processes and structural changes to structure to better allow for lean agility in service delivery.

### ***City Re-Development***

Major developments have happened in the City, with indications that further development will be started during this Plans' lifetime. The challenge that comes with development will test the value of heritage against the need for change, modernisation and the ability to bring new features to the City. How this balance is achieved is likely to be a key question within the lifetime of this plan.

### ***The Electronic World***

More and more can be done "online" and via electronic means. Regulatory is slowly adapting to this. Building Consents have now become electronic (2020), a move that was long needed. Many other applications are already available online (for example Dog Registrations) however the system is seen as slow, clunky and not meeting the current ages expectations. The digitisation project is a major part of the move into the electronic world. The project will be delivered by a mix of in-house staff, temporary staff and off site contractors – this will ensure that the end result is a legally compliant and user friendly property record system.

The Our Council project, although in its infancy is likely to be a driving force for immediate change across the organisation and will bring benefits to how our Regulatory processes are undertaken and administered resulting in a faster, more efficient function for users. Consenting and Environment will have to focus on ensuring that change is messaged appropriately and all members of the community are catered for. Many members of the community have experienced sustained periods of little to no change which must be taken into consideration.

There is scope for improvement in the way Regulatory Services engage with the community.

### **Key operational issues**

All Regulatory Services are conducted in house with contractors providing additional support when needed.<sup>5</sup> This will continue to be the case as we build depth, knowledge and experience within the current team. The RMA is clear in its expectation of the need to ensure we monitor the state of the environment to measure the efficiency and effectiveness of policies, rules and plans whilst exercising any functions, powers or delegated duties.

Modernisation of the computer systems is a key operational issue – there are many aspects about the current systems that raise questions about the long term use. The integration of Go Get and Simpli (Building systems) has been slow and piecemeal. There has previously been limited willingness to look at all systems and ensure they do what they are required to. For example, there was a lack of understanding on how all parts of Council can be affected by a Building Consent (for example, Planning, Property Records as well as Environmental Services) and how that information is shared around the various sections of Regulatory services – let alone wider Council.

It is anticipated that ICC's internal business enhancement programme Our Council will address these long-running issues during the early part of this plan. It has already been identified that the component parts of the current Building and Resource consent process can be transitioned to a single platform which will provide ease and continuity of service for applicants and ICC.

There is a significant focus on base monitoring of the District Plan to ensure that we understand the environmental base line and that permitted activities are actually performing within the parameters of the District Plan. In addition to this, there is a focus to ensure that operations

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<sup>5</sup> For example with Building and Planning to assist in processing Consents, and in Animal Control to provide an after-hours service.

and developments with Resource Consents are also operating within their conditions. The Compliance related teams across Customer and Environment frequently work together to ensure the best use of skills are taken to each site. Food verifications are now completed electronically with all data captured on officer's tablets. Follow up and notification of verification outcomes is sent by email.

There has been comment on the online portals and the fact that they are disliked. They are generally described as "clunky".

Environmental Services operate the Animal Care Facility for impounded dogs and other animals. Southland District Council lease a number of bays at this facility. The Animal Care Facility now has two outside exercise yards, updated laundry facilities and additional fencing to create internal exercise yards due for completion. While Environmental Services operate the facility, it is managed by Property Services.

Where Regulatory Services can, we co-operate with other councils on matters of interest, for example the Invercargill / Southland Local Alcohol Policy (due for review in 2026). This will continue but can result on the work taking longer to finish.

## Operation Standards and Specifications

**Table 7**

*Standards and regulations that support Regulatory Services*

<b>Standard or Regulation</b>	<b>Application</b>
Section 39B Resource Management Act 1991	Hearings Panel members and Chairs are accredited and accreditation renewed
Building (Accreditation of Building Consent Authorities) Regulations 2006	IANZ accreditation maintained
Food verification, Section 35 of the Food Act 2014	Notice of Recognition by Ministry for Primary Industries obtained and retained
Public Records Act 2005/ Section 229 Contract and Commercial Law Act 2017	Level to which records must be kept including property files
Animal Welfare (Dogs) Code of Welfare 2018	Processes have been developed to ensure adherence to the Code
Code of Welfare: Temporary Housing of Companion Animals 2018	Processes have been developed to ensure adherence to the Code

### Operation options and alternatives

As part of the Section 17A review, Council explored the options to deliver regulatory services, including contracting out, contracting in, and the in-house delivery of Regulatory Services. Because of the specialised nature of this activity and the need to retain corporate knowledge in-house, Council's preference is to provide this service in-house where practicable.

Over the course of the last plan Regulatory Services has moved to a hybrid model where services that can better be provided through contractors are outsourced with ICC retaining the requisite amount of oversight to ensure legislative requirements are met and quality of decisions and output is maintained.

Contractors are engaged for specialist services e.g. rating valuations, building and resource consent processing or where the service is intermittent (e.g. hearing commissioners) or for after-hours services (e.g. animal control and noise complaints) and to help supplement the in-house teams during times of high work flow or rebuilding.

### Recommended activity programme

The Regulatory Services Activity has very few fixed assets. As noted earlier it manages the Animal Care Facility operations, while the building itself is managed by the Councils Property team. The completion of the internal exercise yards is the final piece of work to bring the facility up to the level required by the Ministry for Primary Industries.

The major project that is currently underway is the digitisation of the property files. This is a significant undertaking as there are stringent quality assurance standards required to meet the requirements of the New Zealand Archive Standards, in order that original records can be destroyed. Few Councils have delivered digitisation projects to this standard, however ICC are on track to have this work completed by mid-2024 which will be a significant achievement.

The increasing use of technology is the other key component – with all parts of Regulatory embracing technology and moving to online / electronic processing / inspections and administration.

Looking forward the availability of digital property information readily available to the community will have significant long-term benefits and cost-savings. The development of the District Plan as an E-Plan will not only bring ICC into line with national planning standards but will also provide efficiency and access benefits to the community.

## What's changing and why?

**Table 8**

*Consequences and Benefits of Investment*

<b>Project</b>	<b>Do Minimum</b>	<b>Current</b>	<b>Invest</b>
Digitisation of Property Files	Do not digitise property files leaving in hard copy/ digitise on ad hoc basis	Digitising on an ad hoc basis	The complete digitisation of the property files will bring the files into a useable medium for both staff and the public. The ease to view information will be greatly enhanced and this will lead to efficiency improvements for all services that use the files. It will also make the property file records legal complaint
Environmental monitoring and Plan Effectiveness	Do no base line monitoring or checking of how the District Plan is operating	Respond on a complaint basis only, while slowly checking all Resource Consents	Ensure there is a fully resourced team to effectively monitor Resource Consents and to check how effective the District Plan is and provide information on the environmental outcomes being achieved
Our Council business enhancement programme	Do nothing and continue with current processes and systems	Persist with 'clunky' and time consuming software and processes	Update and centralise platforms to provide continuity of experience and service access the organisation together with greater collaboration between areas.

## The assumptions we've made

The Invercargill City Council 2024-2034 LTP Assumptions document covers all of the assumptions used in the development of the Long-term Plan. The assumptions specifically relevant to the Regulatory Services Activity are shown below:

**Table 9**

*Key Assumptions from 2024-2034 LTP related to Regulatory Services*

POPULATION <sup>6</sup>	Likelihood	Certainty	Consequence	Council Response
<p><b>Population growth</b> As at 30 June 2023, the estimated population of Invercargill is approximately 57,900<sup>7</sup>. The population is projected to increase over the next ten years but growth will depend significantly whether or not various industries are developed as envisaged in the Beyond 2025 Regional Long-term Plan. By 2034 between 61,900 and 62,900 people will live here.</p>	Likely	Medium	Moderate	<p>Although population growth in excess of the assumptions will have a moderate to significant impact on the Council finances this will have significant lead time. Council will be able to monitor the applications for resource consents and use this as guidance for the population growth into the future.</p> <p>A population decline would be a more significant impact but is not expected.</p>
<p><b>Diversity</b> The population will continue to become more diverse. The Māori population will grow from 19% to 25%. The Asian population will grow from 8% to 13%.</p>	Likely	High	Minor	<p>Council will increase engagement opportunities for different parts of the community to help support all voices being heard. Changes to Council services are expected to be able to be accommodated from</p>

<sup>6</sup> Infometrics report "Southland Region forecasting scenarios for Beyond 2025 Southland", June 2023

<sup>7</sup> Stats NZ Tauranga Aotearoa Infoshare data, retrieved 24 January 2024 (<https://infoshare.stats.govt.nz/Default.aspx>)

				within existing operational budgets through adjustment of focus.
<p><b>Aging Population</b></p> <p>Those aged 65 and older will form 24% of the population in 2034, which is higher than the current aged population in 2023 (estimated as 10,790 of 57, 900 (19%)).</p>	Likely/ Almost Certain	High	Moderate	Demographic changes are clear and while future migration patterns may offset ageing to some extent, this is not expected to be of a high enough level to counter the known level of ageing. Council is considering how to respond to changing housing needs for older people through provision of elderly housing, adjustment to the District Plan and potential partnership projects. Impacts on other services including public transport, libraries and pools (e.g. hydrotherapy pool) are being planned for.
<p><b>Households</b></p> <p>Households will increase from 23,256 in 2022 to 26,087 in 2034. The number of households stagnated over 2020-2021, but is projected to show positive growth over the course of this LTP, with growth peaking at 1.1% in 2032.</p>	Moderate/ Likely	Medium	Moderate/ Major	The number of households underpins the rating base and Council revenue for activities. A decline or slower growth in households would require Council to review services and/or financial strategy.

<p>The average size of households is expected to reduce from 2.39 to 2.34 by the end of this LTP.</p>				
<b>SOCIAL</b>	<b>Likelihood</b>	<b>Certainty</b>	<b>Consequence</b>	<b>Council response</b>
<p><b>Socio-economic</b> Inflation will continue to squeeze household budgets and impact abilities to pay rates. Inflation is expected to stay above 3% until 2025/2026.<sup>8 9</sup></p>	<p>Moderate/ Likely</p>	<p>Medium</p>	<p>Major</p>	<p>Economic volatility remains high with economists urging caution on reliability of forecasting. Significant increases in inflation will impact not only Council’s planned expenditure but the community’s ability to pay. Higher than expected inflation may require review of services, capital investment and/or financial strategy. Lower inflation will improve Council’s position and ability to deliver.</p>
<p><b>Community resilience</b> Although the Zero Fees scheme has been extended through 2024 for Southern Institute of Technology   Te Pūkenga, it is uncertain to continue</p>	<p>Possible</p>	<p>Moderate</p>	<p>Minor</p>	<p>The Zero Fees Scheme has been an important tool in lifting the skill base of the local community as well as attracting new people live in the city. Loss of Zero Fees will remove a</p>

<sup>8</sup> Infometrics report “Economic update for Long Term Planning for Invercargill City Council”, April 2022, p11

<sup>9</sup> RBNZ “Household inflation expectations (H1)”, August 2023



throughout the life of the Long-term Plan. This will have an uncertain level of negative impact on Invercargill's population and economy.				competitive edge for the city which has potential unknown longer term impacts.
<b>Housing Stock</b> Urban Invercargill's housing supply rate will increase slightly from 0.5% a year to 0.7% a year based on Council's intended District Plan changes, known future developments and proposed partnership projects. <sup>10</sup>	Possible/Moderate	Medium	Moderate	Housing has been identified as a potential constraint to growth. Failure of responses to increase the supply could limit future population growth. Council would need to consider alternative responses.
<b>ECONOMIC</b>	<b>Likelihood</b>	<b>Certainty</b>	<b>Consequence</b>	<b>Council Response</b>
<b>Economy</b> CPI Inflation will peak in June 2023 and stay above 3% until 2025/2026. <sup>11</sup> Employment is expected to weather any recessionary conditions fairly well but unemployment is expected to increase nationally. <sup>12</sup> A short term dip is forecast for the early years of the plan with stronger growth in professional and highly skilled occupations. <sup>13</sup>	Moderate/Likely	Medium	Moderate	Inflation increases would have significant impact on budgets. Council would need to consider changes to services and/or the financial strategy.  If LGCI inflation was 0.5% higher than forecast this would increase Council operational costs by \$0.5 – \$1.6 million per annum for the first 3 years of the plan.

<sup>10</sup> Rationale report "Murihiku Southland Housing Needs Assessment", May 2023, p26

<sup>11</sup> Infometrics report "Economic update for Long Term Planning for Invercargill City Council", April 2022, p11

<sup>12</sup> Infometrics report "Southland Region forecasting scenarios for Beyond 2025 Southland", June 2023, p15

<sup>13</sup> Id. p15-18

				<p>Council capital costs would increase by \$0.4 - \$1.3 million per annum for the first 3 years of the plan.</p> <p>Increases in operational costs would impact the expected rates increase in those future years.</p>
<p><b>Economic diversification</b> Volatility in the global economy may affect one or more of Invercargill's key export industries.</p> <p>This will drive diversification but will slow growth. Employment growth in new industries such as aquaculture and green hydrogen is not expected to offset any declines in agriculture.<sup>14</sup> There may be a delayed effect through the risk of impacted industries abandoning properties. Growth in the forestry industry as a result of carbon farming has the potential to negatively impact Invercargill's economy.<sup>15</sup></p>	Possible	Low	Moderate	<p>Council will continue to work closely with the Regional Council, Great South, the Chamber of Commerce and other stakeholders to support economic diversification for the region. In the case of significant industry decline a targeted response may need to be developed.</p> <p>The financial impact of this assumption is on the city's rating base, infrastructure network needs and the community's rates affordability. Changes in this assumption are not expected to be sharp shocks and as a result we will be able to flex annual plans and future LTPs to take account of these</p>

<sup>14</sup> Beyond 2025 Southland Regional Long Term Plan, p20-21

<sup>15</sup> Id. p20

				<p>changes.</p> <p>At this point in time we do not expect this to have a significant effect on financial modelling for Years 1-3 of this Long-term Plan.</p>
<p><b>Central Business District</b></p> <p>The City Block development has been successfully completed and has attracted new development, including two new hotels in the city centre. Council will continue to support initiatives to drive the success of a thriving CBD. GDP will increase by \$14 million annually as a result of the investment until 2030.<sup>16</sup></p>	Likely	High	Moderate	<p>Council remains strongly committed to its vision “Our City with Heart – Hē Ngākau Aroha.” Any divergence from this vision could impact the financial viability of ICL but is not expected. Further investment may be required either in the City Block or associated city streets improvements.</p>
<p><b>Tourism</b></p> <p>Tourism in the Visit Southland area is expected to increase to between 160% - 165% of pre-Covid levels by 2029.<sup>17</sup> Invercargill is expected to proportionally benefit from this increase and demand for</p>	Moderate/Likely	Medium	Minor	<p>Tourism, while important, is not currently a major driver of the Invercargill economy, although it has great potential to grow.</p>

<sup>16</sup> NZIER report “Invercargill CBD regeneration”, May 2023, p17

<sup>17</sup> Beyond 2025 Southland Regional Long Term Plan, p56

accommodation to increase and to be met from within existing stock.				Council may need to invest in further infrastructure if tourism grows faster than expected and manage any flow on impact on housing availability given housing constraints.
<b>International Education</b> The numbers of international students studying at Southern Institute of Technology (SIT)   Te Pūkenga are not expected to return to pre-Covid levels until 2028 at the earliest. <sup>18</sup> The decline as a result of Covid would be compounded if there was a change in policy at Te Pūkenga with reduced focus on recruiting international students, and by reduced domestic competitiveness as a result of the likely end of the Zero Fees policy.	Moderate/Likely	Medium	Minor	International students and their families create significant demand for certain categories of housing, including city centre housing. Lower numbers of international students will likely be a factor in the trend of an increasingly aged population. Lower or higher than expected numbers of international students may require an adjustment in Council response to City Centre strategy and/or other provisions/partnerships impacting housing availability.
<b>Climate change regulatory change</b> Legislative change is expected to increase requirements, reflected in the Emissions Reduction Plan and the National Adaptation Plan, on businesses and Council with an impact on economic growth as yet unknown. <sup>19</sup>	Likely	Medium	Moderate/ Major	Council is working with the regional Climate Change Working Group to set a strategy for the region and action plan for Council. Further investment will be required in activities to reduce emissions and to better

<sup>18</sup> Infometrics report “Economic update for Long Term Planning for Invercargill City Council”, April 2022, p18

<sup>19</sup> Ministry for the Environment “Implementing Aotearoa New Zealand’s first emissions reduction and national adaptation plans”, 2023

				understand climate change risk to Council assets.
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ENVIRONMENTAL	Likelihood	Certainty	Consequence	Council response
<p><b>Mean annual and extreme temperature</b> (days where temp. exceeds 25°C) are expected to increase with time:</p> <p>By 2040: mean annual temperature increase of 0.5-1.0°C with 0-10 more hot days per annum.</p> <p>By 2090: mean annual temperature increase of 0.7-3.0°C, with 5-55 more hot days per annum.</p>	Moderate	Low	Minor	<p>Temperature increase while important has an indirect impact on Council operations, which are expected to be accommodated within Council plans. It is not possible to forecast the impact of climate change in more detail on the capital programme until more accurate data and modelling is complete.</p>
<p><b>Annual rainfall is expected to increase</b></p> <p>By 2040: +0-10%</p> <p>By 2090: +5-20%</p> <p>Increased frequency of high rainfall days, i.e. increase in intensity of rainfall.</p>	Moderate	Low	Moderate/ Major	<p>Increased intensity of rainfall is expected to result in increased flooding. Council has adjusted its stormwater asset profiles to plan for increased major flooding events but there remain significant areas of the network which have not yet been renewed. There are also impacts on efficiency of the Sewerage treatment system as a result of overflow from the stormwater system during high rainfall events. The Branholme Water Treatment Plant is designed to cope with rainfall events to the level forecast in the 2018 NIWA study and outlined in our assumptions. There will be no impact on quality</p>

				<p>but there will be a reduction in flow. Supply will be maintained but with possible water restrictions.</p> <p>Dependent on the Affordable Water Reform and Council's ongoing areas of responsibility, adjustment may need to be made the renewal programme.</p> <p>It is not possible to forecast the impact of climate change in more detail on the capital programme until more accurate data and modelling is complete.</p>
<p><b>Mean sea level is expected to rise</b></p> <p>By 2040: 0.2-0.3m By 2090: 0.4-0.9m</p>	Uncertain	Low	Major	<p>There remains significant modelling which must be completed at a regional level to attain an understanding of what sea level rise is likely and its potential impact.</p> <p>There are known risk areas including the Airport and Bluff which need further investigation. Council has invested in major infrastructure upgrades at Stead Street to increase protection for the city. Further work will be required on associated flood banks to maximise this investment.</p> <p>Environment Southland has responsibility for managing and maintaining the remainder of the city's floodbank network.</p>

				It is not possible to forecast the impact of climate change in more detail on the capital programme until more accurate data and modelling is complete.
<p><b>Natural disaster</b></p> <p>Extreme weather events are happening more frequently and this trend is likely to continue due to climate change. There is a 75% probability of the Alpine Fault rupturing within the next 50 years.<sup>20</sup></p>	Possible	Medium	Major/ Catastrophic	A major disaster which impacted Council's ability to operate at the same time that the community's need for disaster relief was required to be supported would require a major shift in strategy and operations. Council supports Emergency Management Southland to coordinate the response in such a situation.
<p><b>Environmental renewal</b></p> <p>Council will invest to understand more about the levels of environmental damage at Ocean Beach and New River Estuary. It is possible that further investment in renewal will be required within the life of the infrastructure Strategy.</p>	Likely	High	Moderate	There is potential significant investment required for contamination management. The scale of this work is as yet unknown.

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<sup>20</sup> <https://af8.org.nz>



CULTURAL	Likelihood	Certainty	Consequence	Council response
<p><b>Māori culture</b> Māori culture has become more visible in the city since the time of the last Long-term Plan and will continue to become more visible.</p>	Likely/ Almost certain	High	Low	Council is working closely in partnership with Mana whenua and would seek to manage impacts through this relationship.
<p><b>Civic pride</b> Resident pride in the city following the redevelopment has increased (in 2023 80% of people said they would speak more positively about the city)<sup>21</sup> and will continue to increase as new projects including Project 1225 are completed.</p>	Likely/ Almost certain	High	Minor	Council sees both City Block and Project 1225 as major cornerstone projects to achieving of its vision – Our City with Heart – He Ngākau Aroha. The social and economic benefits are already being realised. Continued commitment to the strategy will be required for full delivery.

<sup>21</sup> Southland CBD Rejuvenation Community and Business Survey Report, March 2023, p9

COUNCIL OPERATIONS	Likelihood	Certainty	Consequence	Council response
<p><b>Water Reform<sup>22</sup></b>            At present it is assumed that Council will retain three waters for the short term but that in the medium term a new structure such as a CCO is likely.</p> <p>This will result in a structural change for Council in relation to the ownership of assets and associated debt capacity.</p> <p>The services will continue to be delivered, but these will be provided by another party.</p> <p>This will include increased regulatory requirements as required by the new regulatory authority.</p> <p>There are a number of risks which may remain:</p> <ul style="list-style-type: none"> <li>• Some services which are a priority to the community (e.g. alternative water supply) may not be a priority to the new entity.</li> <li>• Some assets which have</li> </ul>	Likely	Medium	Major	Depending on the future structure the impact to Council operations is major but moderate for the city, as services will be maintained in any scenario. Water items are included within the Infrastructure Strategy.

<sup>22</sup> [www.waterservicesreform.govt.nz/how-do-these-changes-affect-me/councils/](http://www.waterservicesreform.govt.nz/how-do-these-changes-affect-me/councils/) (retrieved 15/09/23)

<p>multiple purposes and value to the community may be better held by Council – e.g. Water Tower.</p> <ul style="list-style-type: none"> <li>• Loss of key staff through the transition may result in loss of local knowledge and expertise.</li> <li>• Impact on Council budgets through loss of water revenue and transfer of debt which may not be appropriately met through the transfer.</li> </ul>				
<p><b>Legislative changes</b> There will be changes to legislation that have an impact on how Council will provide services. These changes may affect Council organisational structure but not change the level of service received by the customer/ratepayer in the first three years of the plan.</p>	Likely	Medium	Minor/ Moderate	Management will continue to engage with Central Government to ensure levels of service are maintained or improved and plan for changes in services in response to policy and regulation changes as they arise.
<p><b>Consents</b> Council will continue to carry out legislation-directed ordinary functions while factoring in an increase to required quality for consent conditions.</p>	Likely	High	Minor/ Moderate	Consent processes at Bluff and Clifton Water Treatment Plants have commenced, although under an increased level of uncertainty as a result of the reform programme. Any impact on the consent process as a result of this uncertainty would be significant.

<p><b>Asset life</b></p> <p>Assets will remain useful until the end of their average useful life, noting this requires underlying assumptions regarding asset condition to be correct.</p> <p>Infrastructure installed in the 1920s is nearing end of life and require renewal within the term of the Infrastructure Strategy.</p>	Moderate/Likely	High	Moderate	<p>Assets may need to be renewed earlier if this underlying assumption is incorrect. This may also change the renewal profile or may allow delayed renewal in other cases. Council will review the remaining asset life at each of the triennial asset revaluations and undertaken regular asset condition assessments.</p>
<p><b>Infrastructure network development</b></p> <p>It is anticipated that a 1% extension of the network (roading, three waters) will be required to service forecast growth needs of business and/or residential property. Locations are not yet known so more accurate forecasts are not possible.</p>	Uncertain	Low	Moderate	<p>Invercargill has not operated under a growth assumption in the immediate past as the network was constructed to support a higher level of population. However, new potential industries are expected, if they eventuate, they are likely to create significant new demands on the network. As a result, Council is planning for this uncertainty by allowing for growth.</p> <p>The additional cost would be met via contractual financial contributions, reprioritisation of the capital programme and if necessary an increase in the budget provided for the capital programme. At present our</p>

				capital programme is on average \$84 million per annum. We expect that this may increase the capital programme by approximately 5% per annum.
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FINANCIAL	Likelihood	Certainty	Consequence	Council Response
<p><b>Inflation</b></p> <p>Operational forecasts and capital work programmes will increase by the accumulated Local Government Cost Index inflation forecast by BERL, being 2.9% for operational and 3.0% for capital in 2024/2025. Staff cost inflation will be 3.5%. Insurance cost inflation will be 12%.</p>	Likely	Medium	Moderate	<p>Cost change factors are based on information developed for councils by BERL. Significant variations to inflation would have an impact on Council’s financial management. The significant changes in recent years in relation to inflation mean that level of uncertainty has increased as to whether increased fluctuations in the BERL cost estimates can be expected. Council will continue on the planned pathway for the Capital Works programme and review operational revenue and expenditure each year.</p> <p>If inflation was 0.5% higher than forecast this would increase Council operational costs by \$0.5 – \$1.6 million per annum for the first 3 years of the plan. Council capital costs would increase by \$0.4 - \$1.3 million per annum for the first 3 years of the Plan.</p> <p>Increases in operational costs would impact the expected rates increase in those future years.</p>

<p><b>Interest rates - Borrowing</b></p> <p>Expected interest rates on borrowing will be 4.25% in 2024/2025 and 4.5% thereafter</p>	<p>Moderate/Likely</p>	<p>Medium</p>	<p>Moderate</p>	<p>A significant change in interest rates and the cost of borrowing would have a significant impact on Council budgets. Changes to services or the Financial Strategy would need to be considered.</p> <p>If interest rates was 0.5% higher than forecast this would increase Council finance expenses by \$0.8 – 1.1 million per annum for the first 3 years of the Plan.</p>
<p><b>Interest rates – Cash and Deposits</b></p> <p>Return on cash and term deposits are forecasted to be 5.5% in 2024/2025, 5% in 2025/2026, 4.5% in 2026/2027, and 4% thereafter.</p>	<p>Likely/ Almost Certain</p>	<p>Medium</p>	<p>Minor</p>	<p>Term deposit rates currently vary between providers but most providers have a discount on rates from their prime lending rates.</p> <p>If interest rates were 0.5% higher than forecast this would increase Council finance revenue by \$0.3 million per annum for each of the first 3 years of the Plan.</p>

A full list of the assumptions can be found online.

## Social and Cultural

The Regulatory Services Activity sets, implements and enforces minimum standards for development and activity within the District, which enables the community to operate with a low level of nuisance (e.g. the District Plan contains maximum limits for noise which ensures the community is not subject to excessive noise throughout the day). The Animal Services Activity controls wandering dogs and places additional responsibility on owners of dogs which are aggressive and dangerous. Premises where food and alcohol are served are verified to ensure businesses provide the services in a safe and responsible manner.

The enforcement of legislation and Council policies can be viewed by some members of the community as having a negative impact on their lifestyle. For example, the owner of a dangerous or menacing dog may feel that it is an imposition to adequately fence their property, desex their dog, or for the dog to wear a muzzle in public. Likewise, the manager of a licensed premises may feel that the imposition of closing hours may have a negative impact on their business's profitability.

## Environmental

Minimum environmental design standards for development are detailed in the Building Act. The District Plan promotes sustainable development through a range of methods such as containment of stormwater in rural areas for domestic irrigation, the promotion of renewable energy sources and the protection of indigenous biodiversity. A significant discussion is occurring in the Central Business District about the sustainability of heritage buildings given increasing building maintenance costs, and the potential need to strengthen masonry buildings against earthquake damage.

Developers may feel that adherence to legislation may slow the progress of their development and incur additional costs that they feel are not value for money. For example, a development may require a resource consent because it does not comply with the car parking environmental standard. The ongoing need for a current Warrant of Fitness for a commercial building to ensure that all life safety systems have been regularly checked and maintained can also be seen as a procedural as well as a financial impediment.

## Economic and Financial

Regulatory Services is funded both via rates and through user charges.

The philosophy for Regulatory Services is for the ratepayers to fund the development of policies and plans and the resourcing of customer enquiries. Fees and charges have been structured to enable applicants to pay the full cost of the processing and inspection of their applications. A higher proportion of rates are likely to be needed to assist funding the Environmental monitoring work, and the expense of the digitisation project as these have direct benefits to the community as a whole and are not simply part of the user pays model.

## Risk

Council is committed to managing risks that may impact on the delivery of its activities and services, and/or the ability to meet its legal obligations.



Council is exposed to many risks on a daily and ongoing basis. Risk is inherent across all of Council's operations including, but not limited to, procurement, contract management, employment, health and safety, regulatory and enforcement, management, financial, service delivery, emergency management, and business continuity.

In order to achieve the objectives for the Regulatory Services Activity there are some common risks across this Activity:

- Securing and maintaining a work force who have the appropriate technical, professional and customer service attributes. This risk is experienced by some smaller local authorities but is not our current experience.
- The move to greater utilisation of technology is unable to be realised either through a lack of resourcing or the unavailability of corporate computer systems such as Council's website. Corporate support services are available to enable the website to be regularly updated and applications to be lodged electronically.
- Adherence to legislation. The employment of an in-house solicitor reduces the risk associated with officers undertaking functions beyond their responsibilities under legislation and reduces the risk of inadequate investigations.

### Risk Framework/Standard

Council is committed to acting in a manner that enables it to reliably achieve objectives, address uncertainty, and act with integrity.

To support these outcomes Council is developing an approach which provides integrated governance management and assurance of performance, risk and compliance.

The approach taken by Council is set out in the Risk Management Framework – Policy and Process.

Council manages the strategic risks associated with the assumptions identified in the preparation of the Long-term Plan.

Council also manages a range of other risks, including Health and Safety. These risks are managed through its risk management register as contained in Process Manager.

### Summary of Key Risk Issues

The key risk for Regulatory Services is the adequate resourcing of the activity to enable the service to provide the levels of service, detailed in this Activity Plan, and to respond to any significant changes to legislation.

## Possible Approaches to Risk Mitigation

**Table 11**

*Possible Approach to Risk mitigation*

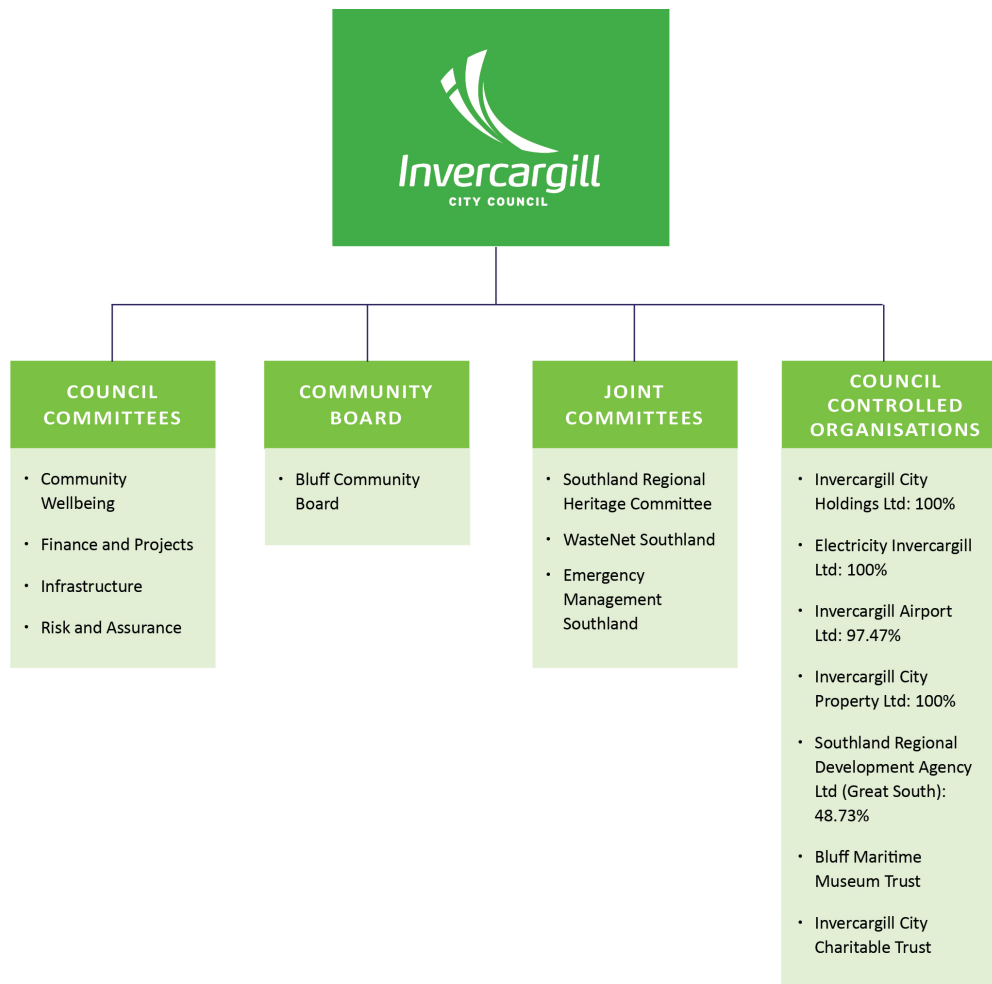
<b>Risk Caused By</b>	<b>Current Practice</b>	<b>Recommended Actions</b>
Changes to legislation	Undertake the development of responses in-house	To engage external consultants when the demand exceeds in-house resource capacity
Significant increase in applications lodged	To engage external consultants or other territorial authorities to assist with processing of applications	No change to current practice

## 4. How we'll manage what we do

Responsibility and Resourcing

# Council Structure

## Te hanganga kaunihera



## Operation Strategy

Regulatory Services are currently provided by a mix of in-house staff and contractors. It is expected that this will continue during this Long-term Plan.

However, there will be change in how the community and customers engage with Council. It is likely there will be a reduction in hard-copy applications being lodged, and an increase in online and electronic means. This process is already well underway, and being appropriately supported will increase with the corresponding improvements in service.

This does not mean that the art of interacting with people will be lost or the ability for meetings to be held impacted. Rather much of the day to day running can be completed by non-paper means. This has positive efficiency outcomes and environmental outcomes.

Property file digitisation is a major strategy that will come to its fruition in the lifetime of this Long-term Plan. This is a major piece of work that will have a marked impact on the Regulatory Group and will greatly increase the efficiency in processing applications and LIMs, as well as being able to process property file requests, improving the use of this information to the public. This project will be delivered by a mix of in-house staff, contractors (external) and fixed term staff.

The Regulatory Services Activity is delivered by the Consenting and Environment Group. There is the Group Manager, two managers (Planning and Building Services and Environmental Services.) and six team leaders (Building Services, Planning, Environmental Health, Animal Control, Parking and Environmental Compliance and Property Records.

## Operation Standards and Specifications

**Table 12**

*Standards and regulations that support Regulatory Services*

<b>Standard or Regulation</b>	<b>Application</b>
Section 39B Resource Management Act 1991	Hearings Panel members and Chairs are accredited and accreditation renewed.
Building (Accreditation of Building Consent Authorities) Regulations 2006	IANZ accreditation maintained.
Food verification, Section 35 of the Food Act 2014	Notice of Recognition by Ministry for Primary Industries obtained and retained.
Animal Welfare (Dogs) Code of Welfare 2018 Temporary Housing of Companion Animals Code of Welfare 2018	Processes have been developed to ensure adherence to the Code.
Public Records Act 2005/ Section 229 Contracts and Commercial Law Act 2017	Level to which records must be kept- including property files.

## Managing the condition and performance of our assets

With respect to assets, the Regulatory Services Activity relies on the wider Council for the provision of the customer services and assets that are required for this Activity to be delivered.

Technical tools<sup>23</sup> are all owned, maintained and calibrated by the managers and team leaders who requires those items.

The Compliance team (part of Environmental Services) operate the Animal Care Facility. The Property team are responsible for the buildings and maintenance, and this includes improvements. Issues relating to this have already been noted earlier.

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<sup>23</sup> For example noise monitors, moisture meters, camera, animal control equipment

## 5. How we'll fund it

**Table 13**

*Funding for Regulatory Services*

Activity	Source of Funding				
	User Charges / Fees	Subsidy	General Rate	Targeted Rate	Loans
Operational	✓		✓		
Capital			✓		✓

**Table 14**  
Regulatory Services Total Expenditure OPEX and CAPEX 10 years

	2023/24 Annual Plan (\$'000)	2023/24 Forecast (\$'000)	2024/25 LTP (\$'000)	2025/26 LTP (\$'000)	2026/27 LTP (\$'000)	2027/28 LTP (\$'000)	2028/29 LTP (\$'000)	2029/30 LTP (\$'000)	2030/31 LTP (\$'000)	2031/32 LTP (\$'000)	2032/33 LTP (\$'000)	2033/34 LTP (\$'000)
<b>OPERATING</b>												
Rates revenue	1,225	1,080	843	912	989	(982)	(1,043)	(1,097)	(2,002)	(2,103)	(2,198)	(2,989)
Subsidies and grants (Capital)	-	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants (Operational)	-	-	-	-	-	-	-	-	-	-	-	-
Direct charges revenue	4,514	3,964	6,239	6,510	6,827	7,204	7,521	7,890	8,322	8,696	9,126	9,626
Rental revenue	-	-	-	-	-	-	-	-	-	-	-	-
Finance revenue	13	5	5	6	8	11	27	51	83	100	124	158
Dividends	-	-	-	-	-	-	-	-	-	-	-	-
Fines	475	733	1,519	1,553	1,589	1,698	1,735	1,772	1,890	1,928	1,965	2,092
Other revenue	(21)	361	379	387	396	424	433	442	471	480	489	522
Internal charges and overheads recovered	-	55	57	58	59	61	62	63	65	66	67	68
<b>Total revenue</b>	<b>6,206</b>	<b>6,198</b>	<b>9,042</b>	<b>9,426</b>	<b>9,868</b>	<b>8,416</b>	<b>8,735</b>	<b>9,121</b>	<b>8,829</b>	<b>9,167</b>	<b>9,573</b>	<b>9,477</b>
Employee expenses	3,597	3,591	3,548	3,671	3,781	3,894	4,011	4,131	4,253	4,380	4,509	4,643
Administration expenses	281	391	399	407	418	426	435	447	453	462	471	480
Grants & subsidies expenses	155	487	387	387	387	387	387	387	387	387	387	387
Operational expenses	2,398	2,272	2,697	2,782	2,820	2,913	2,948	3,042	3,070	3,114	3,191	3,233
Utilities expenses	47	149	73	75	77	79	81	82	84	86	87	89
Repairs & maintenance expenses	23	40	48	49	51	52	53	54	55	56	57	58
Depreciation and amortisation	18	65	1,136	776	532	368	260	185	135	104	81	66
Finance expenses	62	98	181	120	67	-	-	-	-	-	-	-
Internal charges and overheads applied	-	225	232	237	243	248	254	259	264	269	274	280
<b>Total expenses</b>	<b>6,581</b>	<b>7,318</b>	<b>8,701</b>	<b>8,504</b>	<b>8,376</b>	<b>8,367</b>	<b>8,429</b>	<b>8,587</b>	<b>8,701</b>	<b>8,858</b>	<b>9,057</b>	<b>9,236</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>	<b>(375)</b>	<b>(1,120)</b>	<b>341</b>	<b>922</b>	<b>1,492</b>	<b>49</b>	<b>306</b>	<b>534</b>	<b>128</b>	<b>309</b>	<b>516</b>	<b>241</b>
<b>CAPITAL EXPENDITURE - Funded</b>												
• to meet additional demand	-	-	-	-	-	-	-	-	-	-	-	-
• to improve the level of service	-	-	-	-	-	-	-	-	-	-	-	-
• to replace existing assets	458	890	-	-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>458</b>	<b>890</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-	-

**Table 15**

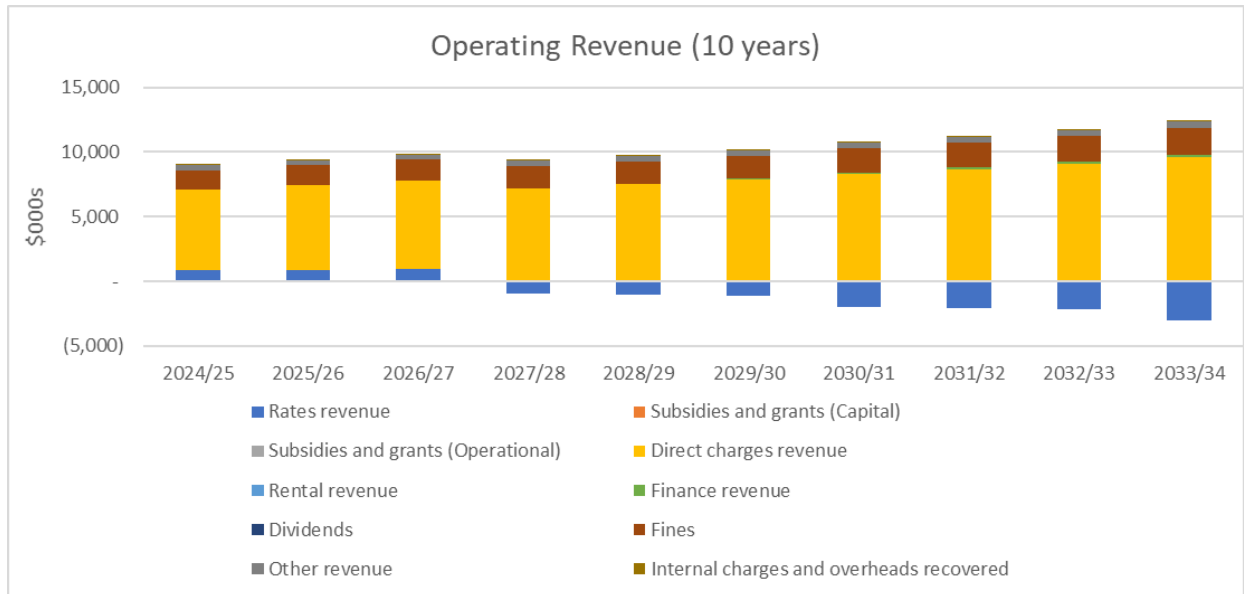
*Regulatory Services Total Expenditure OPEX and CAPEX 30 years*

	2025 - 2029	2030 - 2034	2035 - 2039	2040 - 2044	2045 - 2049	2050 - 2054
	LTP	LTP	LTP	LTP	LTP	LTP
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
<b>OPERATING</b>						
Rates revenue	719	(10,389)	(16,589)	(19,703)	(23,401)	(27,793)
Subsidies and grants (Capital)	-	-	-	-	-	-
Subsidies and grants (Operational)	-	-	-	-	-	-
Direct charges revenue	34,301	43,660	55,851	71,280	90,974	116,109
Rental revenue	-	-	-	-	-	-
Finance revenue	57	516	875	990	1,128	1,298
Dividends	-	-	-	-	-	-
Fines	8,094	9,647	11,107	12,264	13,540	14,949
Other revenue	2,019	2,404	2,772	3,061	3,379	3,731
Internal charges and overheads recovered	297	329	364	401	442	490
<b>Total revenue</b>	<b>45,487</b>	<b>46,167</b>	<b>54,380</b>	<b>68,293</b>	<b>86,062</b>	<b>108,784</b>
Employee expenses	18,905	21,916	25,366	29,361	33,990	39,349
Administration expenses	2,085	2,313	2,548	2,814	3,106	3,429
Grants & subsidies expenses	1,935	1,935	1,935	1,935	1,935	1,935
Operational expenses	14,160	15,650	17,163	18,948	20,919	23,097
Utilities expenses	385	428	474	525	579	641
Repairs & maintenance expenses	253	280	309	342	377	417
Depreciation and amortisation	3,072	571	225	163	171	171
Finance expenses	368	-	-	-	-	-
Internal charges and overheads applied	1,214	1,346	1,485	1,639	1,810	1,998
<b>Total expenses</b>	<b>42,377</b>	<b>44,439</b>	<b>49,505</b>	<b>55,727</b>	<b>62,887</b>	<b>71,037</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>	<b>3,110</b>	<b>1,728</b>	<b>4,875</b>	<b>12,566</b>	<b>23,175</b>	<b>37,747</b>
<b>CAPITAL EXPENDITURE - Funded</b>						
• to meet additional demand	-	-	-	-	-	-
• to improve the level of service	-	-	-	-	-	-
• to replace existing assets	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Gross proceeds from sale of assets	-	-	-	-	-	-



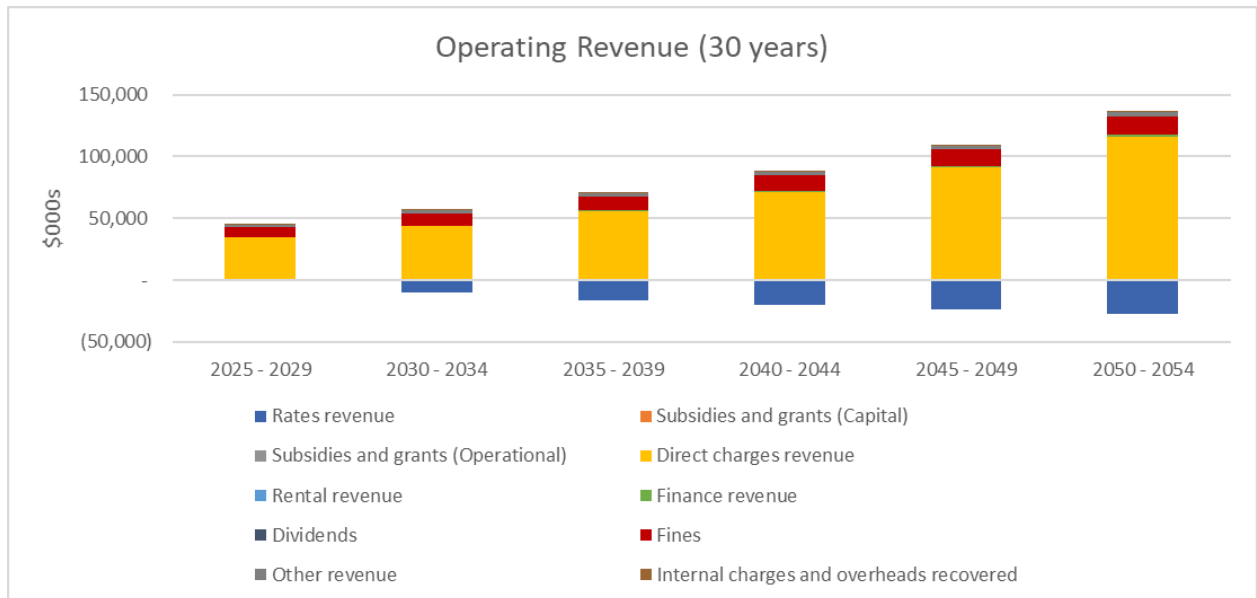
**Figure 3**

*Regulatory Services Operating Revenue – 10 Years*



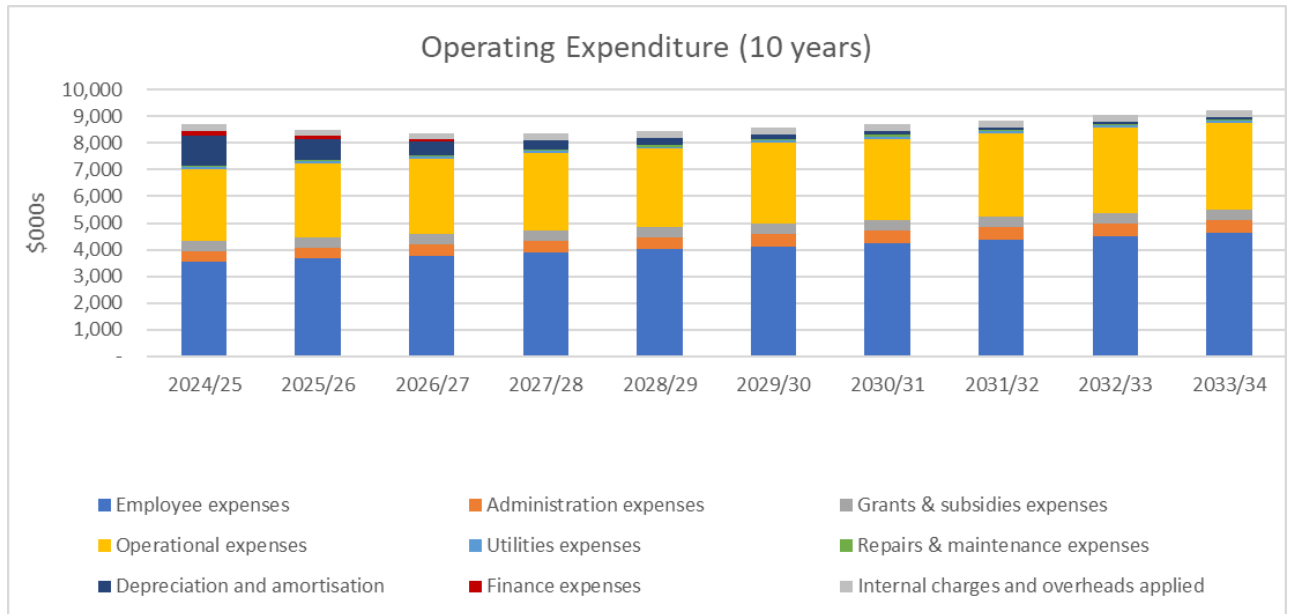
**Figure 4**

*Regulatory Services Operating Revenue – 30 Years*



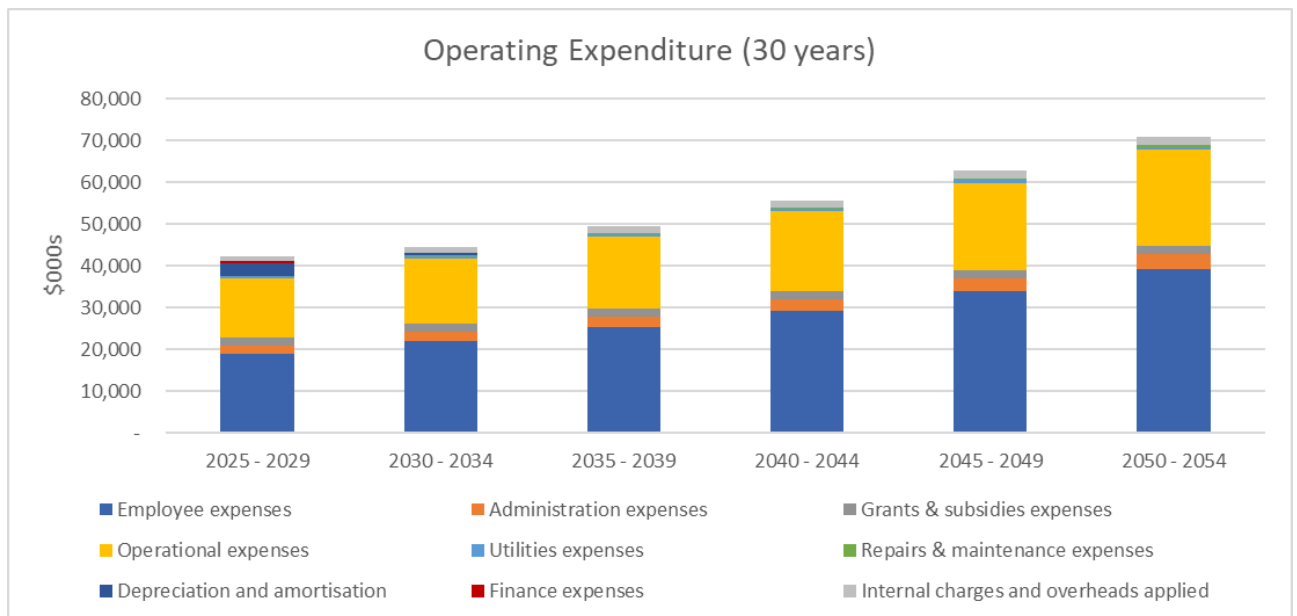
**Figure 5**

*Regulatory Services Operating Expenditure – 10 Years*



**Figure 6**

*Regulatory Services Operating Expenditure – 30 Years*



**Table 16**

*Regulatory Services Assets – Planned to be delivered vs required - 10 years*

	2023/24 Annual Plan (\$000)	2023/24 Forecast (\$000)	2024/25 LTP (\$000)	2025/26 LTP (\$000)	2026/27 LTP (\$000)	2027/28 LTP (\$000)	2028/29 LTP (\$000)	2029/30 LTP (\$000)	2030/31 LTP (\$000)	2031/32 LTP (\$000)	2032/33 LTP (\$000)	2033/34 LTP (\$000)
<b>Capital expenditure required based on age</b>												
• to meet additional demand	-	-	-	-	-	-	-	-	-	-	-	-
• to improve the level of service	-	-	-	-	-	-	-	-	-	-	-	-
• to replace existing assets	610	1,113	-	-	-	-	-	-	-	-	-	-
<b>Total capital expenditure required based on age</b>	<b>610</b>	<b>1,113</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital expenditure planned to be delivered</b>												
• to meet additional demand	-	-	-	-	-	-	-	-	-	-	-	-
• to improve the level of service	-	-	-	-	-	-	-	-	-	-	-	-
• to replace existing assets	458	890	-	-	-	-	-	-	-	-	-	-
<b>Total capital expenditure planned to be delivered</b>	<b>458</b>	<b>890</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 6. How we'll know we're delivering

### How we'll manage improvements

Council operates on a four-weekly cycle with meetings being on a Tuesday of each week, Week One – Infrastructure Committee, Week Two - Community Wellbeing Committee, Week Three Finance and Projects Committee with the Risk and Assurance Committee held every quarter and Week Four being Council. The Committees and Council monitor and consider reports on levels of services for activities and assets alongside monthly financial accounts for each department. Members question these reports with Managers present to answer any questions that arise from the reports.

The information for these reports is entered into various software systems. 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 and performance monitored quarterly.

### 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. These are measured and reported quarterly in the Council meetings. The Annual Report is a holistic overview of their performance.