Date: **Wednesday, 24 April 2024**
Time: **12:30 pm**
Meeting room: **Council Chamber**
Venue: **Level 2**
20 Don Street
Invercargill

Finance and Assurance Committee
OPEN ATTACHMENTS

ATTACHMENTS UNDER SEPARATE COVER

TABLE OF CONTENTS

Environmental Services

2024-2034 Activity Management Plan

Table of Contents

Quality Assurance Statement				
Draft AMP Template				
Southland District Council	Version:		Record No:	R/23/4/15547
15 Forth Street	Status:	draft		
Invercargill 9840	Project Manager:			
Telephone				
0800 732 732	Prepared By:	Julie Conradi		
Fax	Reviewed By:	Ana Bremer		
0800 732 329	Approved for issue:	Adrian Humphries		

Executive Summary

The 2024 Environmental Services Activity Management Plan (AMP) is a combined Building Solutions, Resource Management and Environmental Health/Animal Control Activity Management Plan. These functions primarily provide a regulatory function stemming from legislation, Bylaws, and council policy.

The Environmental Services Group ensure communities are undertaking activities (such as constructing new buildings, developing land, undertaking business activities, and managing animals) in a way that maintains the safety of the public and sustainably manages the environment.

During the development of this AMP and reflecting on observations during the current LTP cycle, the functions performed by the Environmental Services are likely to be impacted by legislative change.

In December 2023, the Central Government began a process to implement significant legislative changes for Resource Management. Central Government repealed the Natural and Built Environment Act (NBA) and the Spatial Planning Act (SPA) and several changes to national directions as part of the Government's 100-day plan.

To date, the Resource Management Act, 1991 (RMA) is the main operative piece of legislation that sets out how we should manage our environment. National directions have not changed; however, the current government is seeking amendments to several legislative documents. New workstreams and priorities are required to understand and meet legislative requirements. Significant work will be required to connect nationally driven changes to our communities and businesses, so they can understand and adapt to the changing regulatory environment.

Lifting of auditing and quality assurance is anticipated to continue moving forward. IANZ accreditation, food verifications and practices within the Environmental Services group will see a continual improvement process and broadening of focus with future audits. A coordinated and consistent approach to improving the quality of our work and the effectiveness of our functions is essential.

Building capability, capacity, knowledge, and partnerships across sectors and the community will enable the group to be agile and adaptable to meet the anticipated challenges ahead.

Financial Summary

This activity uses a mix of user pays (fees and charges) and rates to support the services described in the Environmental Services AMP.

Purpose of the Activity Management Plan

This AMP describes the strategies and works programmes for the Environmental Services activity to deliver the required level of service (LOS) for the Southland District. This AMP informs Council's Long Term Plan (LTP) and contributes to the goals and objectives Council aims to achieve, to achieve community outcomes. The AMP covers:

- a description of the activity, including the rationale for Council involvement and any significant negative effects of the activity
- the strategic context for the activity, the key activity management strategies and policies adopted within this environment and the main issues identified for the activity
- a statement of the intended LOS and performance targets.

This AMP covers 10 years commencing 1 July 2024. The focus of the analysis is the first three years, during which specific projects have been included in more detail. Beyond this period, work programmes are based on trends or predictions and are indicative only. All expenditure is based on unit costs as of 1 July 2024.

Plan Limitations

The AMP intends to address and manage the most significant environmental services issues in the District. It is a living document which will undergo a formal review every three years to make amendments to reflect changes in LOS, demand, risks, issues, or financial information.

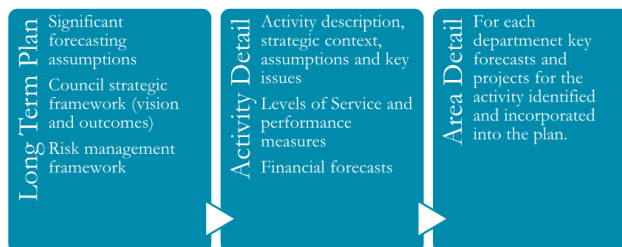This AMP was developed with the following fundamental limitations:

- risks and issues have been identified and scheduled based on the best information available at the time

- budgets for the activity have been assessed based on the best information available at the time

- the RMA is under a new review. The Central Government repealed the Natural and Built Environment Act (NBA) and the Spatial Planning Act (SPA) as part of the Government's 100-day plan. To date, the Resource Management Act, 1991 (RMA) is the main operative piece of legislation that sets out how we should manage our environment and national directions have not been changed; however, the government is seeking amendments to several legislative documents.

- national guidance, policy or legislation in relation to Natural hazards, decision-making and climate adaptation are anticipated.

Plan Framework

The strategic context, significant forecasting assumptions, and any activity-specific issues are documented in the main body of this AMP. Information on locally funded activities and services is included in the appendices. The AMP framework is illustrated below.

The key points are:

1. forecasting assumptions have been included
2. Levels of Service will be incorporated into any new contracts associated with activities
3. the legislative requirements and customer expectations have an impact on how services are delivered.

Long Term Plan
- Significant forecasting assumptions
- Council strategic framework (vision and outcomes)
- Risk management framework

Activity Detail
- Activity description, strategic context, assumptions and key issues
- Levels of Service and performance measures
- Financial forecasts

Area Detail
For each departmenet key forecasts and projects for the activity identified and incorporated into the plan.

Activity Description

What we do

Environmental Services is responsible for delivery of all the Council's key regulatory statutory functions under the Resource Management Act 1991, the Building Act 2004, the Health Act 1956, the Dog Control Act 1996, the Sale and Supply of Alcohol Act 2012, the Freedom Camping Act 2011, the Food Act 2014, and other ancillary legislation.

The group also currently has a close relationship with Te Ao Mārama Inc, the Ngāi Tahu ki Murihiku authorised agency which provides iwi input into Council processes under the Resource Management Act 1991and the Local Government Act 2002.

The Environmental Services teams are responsible for:

- Resource Consents
- Environmental Strategy (RMA policy, climate change and ecology)
- Environmental Health/Animal Control
- Building Solutions
- Legal and compliance.

With a focus on keeping people, property, and the environment safe, legislation compliance is a key focus of these services. Regular and customer-centric involvement with our community helps Council effectively engage with affected parties to implement legislation. Doing this well will enable customers and affected parties to achieve their goals while ensuring legislative compliance.

Why we do it

The Environmental Services Activities focus on promoting and protecting public health, maintaining a safe environment, and the overall amenity of the district.

The Environmental Services Group has an important kaitiakitanga (guardianship) role in ensuring that the Council delivers its statutory regulatory obligations regarding the built and natural environment. The Group is tasked with maintaining and enhancing the District's environment for future generations.

The Group undertakes this role to achieve the requirements under specific legislation and meet the community's expectations as expressed through community outcomes.

Strategic Considerations

Council has adopted a Strategic Framework that identifies where Council wants to be in the future (vision) and the outcomes it aims to achieve to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions (community outcomes). The framework also outlines how it will achieve these (mission and approach) along with the key challenges it faces in doing so and its resulting strategic priorities.

STRATEGIC FRAMEWORK COMPONENT	PROPOSED 2021-2031 STRATEGIC FRAMEWORK
MISSION	**Together, with our people, for our future, it's our Southland**
VISION	Working together for a better Southland
COMMUNITY OUTCOMES	Social – Communities which are connected and have an affordable and attractive lifestyle
	Cultural – Communities with a sense of belonging for all
	Environmental – communities committed to the protection of our land and water
	Economic – Communities with the infrastructure to grow
STRATEGIC PRIORITIES	Connected and resilient communities
	Ease of doing Business
	Providing equity
	Thinking strategically and innovatively
	Robust Infrastructure

The framework guides staff, informs future planning and regulatory direction and forms the basis for the performance framework. It outlines how the environmental services activity contributes to the Council's community outcomes. The full levels of service and performance management framework is presented below.

Activity – Environmental services				
Outcomes	**Activity contributions**	**Outcome objective**	**Benefit**	**Levels of Service (LoS) and Key Performance Indicators (KPI)**
Activity Objective: Enhance the health, safety, and well-being of the community and kaitiakitanga of the environment through the effective implementation of a range of public health, building and environmental-related legislation				
Connected and resilient communities	The activity improves community, and environmental wellbeing and resilience by supporting our communities through change. In a legislative sense, national and regional regulations establish a number of outcomes to protect health, have safe buildings, prepare for the impacts of climate change, and ensure that our environment can sustain the needs of future generations. By working with our communities, the activities can build awareness, understanding, capacity and tools to enable them to be resilient and adaptive to regulatory requirements and changes while also achieving the broader outcomes they are seeking to achieve.	Communities have everything they need Timely and accurate service delivery	More sustainable and well-planned communities that are prepared for the future	**LoS 9.0: Enhance the health, safety and well-being of the community and environment through the effective implementation of a range of legislation**	
			Improved health and safety	KPI 9.1: Percentage of non-notified resource consents processed within statutory timeframes	KPI 9.4 Number of serious injuries to the public from dog attacks
			Improved efficiency	KPI 9.2 Percentage of building consents applications processed within statutory timeframes	KPI 9.3 Percentage of code of compliance certificate applications processed within statutory timeframes
			Higher quality services	KPI 9.5: Percentage of non-working dogs subject to the responsible owner category	KPI 9.6 Percentage of complete applications for food and alcohol to be processed and issued within 30 working days.
			Communities get good service.	KPI 9.7: On-site Building Warrant of Fitness audits completed in the community – 33%	KPI 9.8: Number of incidents of foodborne illness believed to be caused by food sold at a Council-verified business
Communities with a sense of belonging for all	Environmental services integrate community views where possible where possible when making decisions and implementing strategies.	People can enjoy a safe and fulfilling life.	People are connected and understand what is needed	KPI 9.9 Average time to respond to request for services (RFS)	
Communities with the infrastructure to grow	Environmental services integrate community views where possible where possible when making decisions and implementing strategies.	We communicate and provide the necessary tools needed to get work done			

Activity – Environmental services			
Communities committed to the protection of our land and water	Environmental services facilitate robust outcomes by balancing individual benefits with wider community benefits along with legislation and costs.	Communities are aware, adaptable and doing the right thing.	Increased social wellbeing

2024 Strategic Priorities in italics below

Strategic Priorities ▶	*Connected and Resilient Communities*	*Ease of doing Business*	*Providing Equity*	*Robust Infrastructure*	*Thinking strategically and innovatively*
Contribution Area ▼					
What will be done in the long term (next 10 years)	Promote further collaboration with other councils and agencies Creation of consistent systems and processes across the Group Continuation of technology rollout across the Group, including systems and databases.	Active monitoring and analysis of data to identify trends and patterns Clear, understandable guidance for regulatory processes readily available online Residential zone review to enable the development of new land Active monitoring of legislative amendments and reviews to ensure ongoing compliance.	Deliver legislative requirements and bring communities on the journey Implement Regional Spatial Strategy.	Education and engagement with industry, community, and stakeholders.	Education and engagement with industry, community, and stakeholders Delivering legislative requirements Adaptive planning, including the potential of managed retreat conversations with communities.
What will be done in the short term (next 3 years)	Review and implement a Quality assurance framework Technology: Improving reporting and business intelligence work Mobile technical solutions for all fieldwork, which	Complete building related IANZ Accreditation Audit, implementing any identified improvement opportunities Communicate with the sectors to educate, along with providing	Socialise implications from the legislative changes. Identify and prioritise work needed to meet legislative requirements. Develop a group-wide enforcement	Continue to build on existing partnership relationships with Iwi Monitoring Strategy developed to enable feedback on the outcomes of the Environmental Services Group.	Spatial Strategy Technology: Online services – all applications can be completed online, including payments Virtual appointments with staff

Strategic Priorities ▸	Connected and Resilient Communities	Ease of doing Business	Providing Equity	Robust Infrastructure	Thinking strategically and innovatively
	uploads to Council's processing systems Engage with communities early so that we can understand their needs and desires.	necessary tools and support to help bed in future changes Focus on customers and improve on how we do business to achieve this Investigate competitive procurement E-planning project completed by 2024.	and prosecution policy/guidelines Continual review and alignment of services and practice to industry standards Body-worn cameras and dashcam project to increase health and safety of staff.		Remote checks/ verifications Publicly viewable online maps.

Strategic Context

The purpose of the Southland District Council Long Term Plan 2024-2034 is to:

- provide a long term focus for Council decisions and activities

- provide an opportunity for community participation in planning for the future

- define the community outcomes desired for the district

- describe the activities undertaken by Council

- provide integrated decision-making between Council and the community

- provide a basis for performance measurement of Council.

Strategic direction setting encompasses Council's high-level goals, particularly the vision for the District, what the outcomes for the community may be, and what the strategic priorities will be for delivering work to the community.

Representation framework

The community representation structure was amended prior to the 2018 triennial elections. There are now nine community boards that provide representation across the District. These are:

Ardlussa	Fiordland	Northern	Ōraka Aparima	Oreti
Stewart Island/Rakiura	Tuatapere Te Waewae	Waihōpai Toetoe	Wallace Takitimu	

It is important that Council is seen as a leader in environmental management and community wellbeing in the district and through this AMP, provides efficient and effective regulatory management of activities and within the community. Doing so enables Council to provide and deliver quality professional services to the ratepayer that meet anticipated outcomes.

Council aims to have a high level of engagement with its communities and elected members to ensure that the minimum levels of service set out in this document represent their expectations.

Council will go through a representation review in the first year of this AMP, which may change the representation framework.

Key Risks, Issues and Assumptions for the Activity

The most important issues for the environmental services activities over the next 10 years are:

- Amendments to the Resource Management Act will drive significant changes to the operative District Plan (policy), consenting system and enforcement
- Adequately resourcing the activity to achieve legislative requirements
- Building and maintaining relationships to work collaboratively across the region and beyond
- Enabling decision-making to be based on quality information supported by technology
- Meeting the challenge of maintaining compliance with legislative requirements collaboratively with communities, while balancing risk

- Meeting customer expectations for increased online services and interactive technology
- MBIE-led review of the building consenting system will create 'disruptive change' for Council, the community, and the industry. It is anticipated that the way industries are required to operate will change
- Collaboration within our cluster of Councils has commenced and is a critical component of how we evolve. It must be 'together' and in alignment. This will require governance-level conversations along the way if meaningful and sustainable alignment is to be achieved
- Organisational and regional net zero goals and timeframes are not yet confirmed. However, Council will need to plan to meet these goals through changes across a variety of activities.

Key risks

Risk Event	Treatment Details
Failing to provide LOS	Established procedures, training, effective tracking and reporting through information systems and KPIs concerning quality of service.
Failing to comply with legislation	Established procedures and training, sufficiently resourced teams, staff who meet statutory qualifications, being bold.
Health and Safety risks to staff	Maintain a strong focus on health and safety, both in terms of the legislative framework applicable and risk management within the team.
Difficulty in recruitment	Strengthen the pathway for career development within the building and resource management teams, with a focus on cadetship and grow your own staff development programmes.
Volume and magnitude of legislation change	Adequately resource functions with necessary resources (eg money, staff, skills, and technology) to adapt to new legislation. This includes ensuring prompt impact analysis on changes made and following through with education and engagement with the relevant industries regarding effective application of that change with Council.
Loss of accreditation	Ensure ongoing technical training is provided. Perform regular internal audits against legislation and guidance provided by the Ministry of Business, Innovation and Employment.
Decision-making based on inadequate information	Develop and implement a system/programme to identify and monitor key indicators. Be transparent with key assumptions and risks considered by Council.
Customer dissatisfaction	Transitioning into a customer-centric approach takes time, staff training and consistent delivery at a high level of quality to achieve sustainable change. Advising that this is our intention and working with customers at the start of the journey may highlight the current challenges, increasing dissatisfaction in the short term.

Key issues

Key strategic issues	Discussion
Resource Management	
The key issues below primarily relate to changes in the Resource Management Act (RMA) and national directions and the processes for achieving legislative requirements. Implementing amendments to the RMA and national directions requires a significant lift in the regulatory bar, which will be complex and expensive from a policy drafting perspective. Furthermore, it will increase the volume and complexity of resource consent applications received by the Council. Another impact on the District Plan is an anticipated increase in non-compliance, and enforcement of new rules will be required. Accordingly, as regulation beds in, it is expected that staff resources will need to be scaled to ensure that applications are processed on time, complaints are followed up in a timely manner, and illegal activities are promptly investigated and resolved. These are all elements for achieving goals and the Business Improvement Plan. Specific components of the new legislative direction which need specific comment are outlined below.	
Regional Spatial Planning	Regional Spatial Planning under the repealed Spatial Planning Act is no longer a legislative requirement. At the regional level, the relevance of a regional spatial strategy is an excellent practice for achieving adequate arrangements of planning and environmental needs for our communities. Recent changes in central government direction, and the removal of the mandate for regional spatial planning has created uncertainty regarding the regional approach to spatial planning.
District Plan sections Review	Councils are legally required to undertake a full review of their District Plan every 10 years. The current District Plan was made operative in 2018. Therefore, the following District Plan review will commence in 2028. At least, the Council decided to initiate the process before 2028. Given the process of reforming RMA over the last couple of years, the decision has been made not to initiate the District Plan review until the government provides more direction. However, it is recognised that a new regulatory plan will still be needed within the next ten years of the coming LTP. Additionally, background work needs to be completed to inform the LTP process. Several areas of the District Plan will require policy work and review independently of government directions. These are spatial planning, environmental hazards, implementation of the National Planning standards, private plan change requests, and landscapes, which are underway.
National Policy Statement for Indigenous Biodiversity	This was gazetted in July 2023. It requires a national approach to identifying, protecting, and enhancing significant indigenous vegetation. The Central Government plan for the current legislative period is to remove the Council's obligation to map SNA (this process has not been implemented yet). However, the National Policy Statement for Indigenous Biodiversity requires Councils to implement other provision in the national direction in the 10-yearly plan review (2028), including a new set of policies Implementing this national direction requires a significant shift in SDC's policy approach and will require establishment and implementation processes within the community. An opportunity exists to partner with Environment Southland to undertake a joint process for the whole region.

Key strategic issues	Discussion
Water Reforms	As a result of the national water management review, new responsibilities will need to be established and regulated within the District Plan and the future Subdivision, Land Use & Development Code of Practice. Amendments to the District Plan and the Code will be required.
Landscapes	A review of the Landscape chapter of the District Plan is underway. This work has been initiated because SDC has not yet assessed our landscapes and protected them from inappropriate subdivision, use, and development, which is a requirement in the RMA. Additionally, significant land use change is occurring across the region as whole farms are being converted from agricultural use to other uses. This change will have an adverse impact on how our landscapes look, biodiversity, biosecurity, and water yields. Reviewing our Landscape section of the District Plan would protect outstanding landscapes from change.
Climate change and natural hazard management	Council has recently received modelling of coastal inundation risks and anticipates updated climate projections and natural hazards risk modelling will be issued. In addition, we anticipate new central government guidance, policy and/or legislation in relation to natural hazards decision-making and climate adaptation. Review of the District Plan and regulatory services functions will consider this information. It will be necessary to consider organisational, regional, and national emissions reduction goals in Council's Environmental Services activities.
Community engagement	Communities must join the Council on the journey to adopt resource management changes. Ease of doing business can only be achieved by ensuring the community has the proper engagement, education, guidance, and support to achieve the needed outcomes.
Building Services	
Natural disasters are increasing	When these include damage to buildings in or around our district, the team is diverted from their daily tasks and required to complete 'rapid assessments.' This can be required anywhere in the country – the team were on 'standby' last year at the request of MBIE to undertake 'rapid assessments' in the North Island and again early this year to undertake assessments at blue cliffs. The statutory requirements on daily tasks do not change; the clock is not paused. Recovering from an occurrence like this, such as the 2020 Southland floods, can take many months.
A system replacement is imminent	In 2020, the building team transitioned from paper-based to fully electronic. At the time, it was anticipated that an electronic system should have a lifespan of 7 – 10 years, at a minimum. Three years later, we are told that the system implemented will be unavailable, and we will be forced to transition to a new system within the next 12-18 months for both the customer lodgement portal for consents (implemented March 24) and staff processing of consents (likely in 2026). This will have a significant capacity impact and will feel disruptive to our community and the industry alike.
An MBIE-led review of the building consenting system is underway	This review is likely to create 'disruptive change' for Council, the community, and the industry in the near future. The way industries are required to operate is likely to change and the role of Council also may change. When paired with the future for local government review and talks to consolidated Council's, there will be competing priorities creating

Page | 14

Key strategic issues	Discussion
	ongoing change for the next 30 years. Applying the skills and capabilities recently obtained to assist our community through navigating this change will be critical.
Licensed Building Practitioner shortages continue	Changes to legislation implemented to date increase reliance on Licenced Building Practitioners, a skillset expected to remain in high demand. An inability to procure licensed building practitioners is more likely to increase illegal and sub-standard building work which, if not monitored carefully, may undermine the safety and durability of our buildings for future generations.
The Carbon Zero 2050 goal is having an effect	Via the implementation of an emissions reduction plan, New Zealand's Carbon zero target is already having a tangible effect on the building industry, with building code H1 changes already in place – including changes to insulation and window design, and construction requirements for new builds. This impact will continue with further building code changes currently proposed by government. These changes will have an 'ongoing change effect' for the full period of the LTP and beyond so it is critical that Council make staff available to support the industry through these change via a collaborative approach.
MBIE increasing scrutiny of Territorial Authority functions	MBIE has been delivering on their intention to implement greater scrutiny regarding the monitoring and enforcement functions of Council.
	A similar accreditation audit review process as is required for the Building Control Authority (BCA) functions is incrementally being implemented for these additional Territorial Authority (TA) functions performed by Council. The increase in auditing of TA's and their functions requires existing TA functions to be performed more frequently and with greater accountability. This creates a greater impact to the community and to staff asked to increase the volume of work they undertake.
Influencing a change in mindsets is critical	It is evident that the community and industry alike look to Council to simplify the consenting process even as legislation and regulation change create greater complexity.
	While the systems and processes themselves are not within Council's control, walking the journey alongside our affected parties and providing education in a tailored way can result in simplification through understanding and creating the ability to 'work with' the system, rather than fight it. This is the goal of the Building Solutions Team during this LTP period. We have a shared goal, let's share our knowledge.
Staff Safety	There is increased aggression towards Council staff observed across New Zealand. Enhancing compliance team staff safety with body-worn cameras, dashcams and staff panic buttons/audio transmission in aggressive situations will bring this Council into alignment with staff safety methods already practiced by most Councils in New Zealand.
Environmental Health	
Quality assurance	Process mapping and incorporating quality assurance into Environmental Health functions will improve service delivery.
Funding of services	There is an ongoing funding challenge inherent in the delivery of regulatory services (benchmarking against industry standards required)
Food and Health	There has been increase of enquiries and applications for mobile trading and home-based occupation. Individuals are looking at options to

Key strategic issues	Discussion
	diversify their incomes and bring business to their communities. As Council we need to encourage growth while meeting regulation, consenting requirements, and expectations.
Alcohol Licensing	We have a greater awareness of a lack of knowledge and understanding in the community when it comes to alcohol licensing. This provides the team with opportunities to be more visible in the communities, have an educational approach and working through legislation and regulation to get better outcomes.
Staff Safety	There is an increase in aggression towards Council staff observed across New Zealand. Enhancing compliance team staff safety with body-worn cameras, dashcams and staff panic buttons/audio transmission in aggressive situations will bring this Council into alignment with staff safety methods already practiced by most Councils in New Zealand.
Legal and Compliance	
Freedom camping	Covid reduced the number of freedom campers; however, numbers are increasing again. Some communities may want to change their local Bylaw rules under the Freedom Camping Bylaw 2015. The next review of the Freedom Camping Bylaw 2015 will be in 2025.
Dog attack prevention	Dog attack prevention continues to be a key focus of dog control. Work streams include: • Identification of unregistered dogs • Monitoring of higher-risk properties (dogs, owners) • Effective responses • Education of dog owners.
Staff safety	There increased aggression towards Council staff observed across New Zealand. Enhancing compliance staff safety with body worn cameras, dashcams and staff panic buttons/audio transmission in aggressive situations will bring this Council into alignment with staff safety methods already practiced by most Councils in New Zealand.

Summary of Key Assumptions

Key Assumptions for the Group	Discussion
Demographics	An aging population and change in ethnic diversity will change the nature of demand for services within the Group. The district's total population is likely to remain static over the LTP period, and any resulting land use development and growth will be incremental. It is likely to result in an increase in smaller housing, aged care and community facilities and different development styles. Additionally, it is anticipated that development and growth will occur around our larger towns and remain stagnant in smaller towns.
Tourism	The future for tourism in the district is rebuilding in a climate-neutral way. A significant impact has been felt on the district's tourism industry, and with tourism-related businesses closing due to the pandemic, rebuilding in this space

Key Assumptions for the Group	Discussion
	will take time. This will likely impact Te Anau and surrounding areas the most within the district. There will likely be a slight drop in environmental health-related approvals (food businesses and alcohol licencing) in the short to medium term.
	In the short and medium term, domestic tourists are expected to visit Southland, and the experiences they seek are likely to be more eco-friendly and self-guided, which may increase demand for remote and freedom camping areas.
	It is recognised that the period immediately post Covid-19 provided opportunity for cashed up businesses and investors to proactively prepare for the re-generation of tourism in Southland. Creating greater capacity at existing facilities for tourism, such as Milford Sound, Catlins and various other spots, will keep the Environmental Services Group focused on protecting our natural resources at the same time as 'showing them off.'
	The industry is projected to return to a level of vibrancy near the end of this 10-year period, which will result in an increase in demand for the activities this Group provides.
Climate Change	Changes to legislation and policy pertaining to climate change are anticipated within the coming three years which will impact Council's activities. This includes in relation to natural hazards decision-making and climate adaptation. Greater consideration of greenhouse gas emissions is required.
	Council will adopt best practice approaches and follow government guidance by using mid- and high-range emissions scenarios for its planning, based on the International Governmental Panel on Climate Change (IPCC) Shared Socioeconomic Pathways (SSPs) and Representative Concentration Pathways (RCPs).
Environmental standards, resource consents and land use	Significant change has been signalled with incoming environmental legislation. This will have system-wide impacts, including an increase in mandatory requirements that significantly raise the bar on existing regulations.
	The changes will impact the District Plan, building materials used, water delivery models, and the way Council conducts its business (ie, the climate change).
	There will be an increase in Council engagement activities with communities, technical reports to support regulatory changes, Mana whenua participation and other complementary methods to address the amendment in the Resource Management Act.
	Education, monitoring, compliance, and enforcement will need to scale as changes are made.
Ease of doing business	Environmental services require a customer-centric approach to business. The s17A-LGA review has outlined that the Environmental Services Group needs to continue focusing on ease of doing business through education, guidance, and culture changes, and a Business Improvement Plan has been developed to progress this. Most of this plan has already been actioned.

Activity Specific Assumptions

Assumption Type	Assumption	Discussion
Council functions	That the Government will not create or remove functions for councils – ie	A change in legislated functions for the council would

Assumption Type	Assumption	Discussion
	Hazardous Substances and New Organisms Act 1996 review, Resource Management reform, Building Act 2004 review.	fundamentally change the nature of what the Environmental Services Group is required to provide to the community.
Environmental Health		
Policy and Bylaw Reviews	The Policy and Strategy team will complete environmental health-related policy and Bylaw reviews, with technical support from the team where required.	Should this change additional policy and legal support will be required to be budgeted for in terms of staff time and legal reviews.
Legal Highs Legislation	That there will continue to be no approved products under this legislation.	Should this change additional policy and legal support will be required to be budgeted for in terms of staff time and legal reviews.
Increased compliance monitoring is required	An increase in monitoring under the Sale and Supply of Alcohol Act is required to regulate those in the industry and special events.	Creates a level playing field for industry, accountability and reduce potential harm in the community.
Mobile trading	That there has been increase in applications for mobile trading and home-based business occupation.	We are starting to see more enquiries and communities looking at encouraging mobile trading operational review of the Trading in Public places Bylaw.
Climate change	Climate change impacts are not expected to significantly change how the environmental health and licensing team operate during this AMP period.	Future climate change impacts are predicted to result in increased pest problems and biosecurity threats to the region. This may result in challenges for food operators and impact our environmental health teams. It is not possible to predict how and when these impacts might be experienced.

Organisational emissions reduction activities are not anticipated to significantly change environmental health and licensing team's operations. |
Legal and Compliance		
Furever Homes	That Furever Homes will continue to be available to function as rehoming facilitator.	Council's rehoming rate is 100%, with only dogs considered unsuitable for rehoming being euthanised by a vet.
Dog Welfare	Council has welfare functions regarding dogs. It is assumed that the SPCA will continue to be resourced locally.	If SPCA reduce resourcing, Council may have to investigate more welfare incidents.

Assumption Type	Assumption	Discussion
Policy and Bylaw Reviews	The Policy and Strategy team will complete Freedom Camping and Dog Control Bylaw reviews, with technical support from the team where required.	Should this change additional policy and legal support will be required to be budgeted for in terms of staff time and legal reviews.
Increased compliance activity required	A significant increase in enforcement activities under Noise and RMA is forecast.	Two new Enforcement Officers have been employed.
Freedom Camping Law Changes	No significant changes to the way Council operates will be realised from the changes to freedom camping rules which were implemented from July 2023 and become fully mandated in 2025. A full review of this function will be undertaken prior to summer 24/25.	Four of the twenty-one freedom camping locations across Southland that permit freedom camping are in coastal areas that may be impacted by sea level rise and extreme sea level events in the future.
Climate Change	No changes to the role legal and compliance team officers operate is expected during this AMP period.	No budget has been allocated in this activity to adjust the way services are delivered.
Building		
Consenting system review	Changes to the consenting system being consulted on, including creating an efficient consenting system that is responsive to change and continuous improvement will be fit for purpose and well supported by MBIE. It is assumed that MBIE powers remain as currently legislated Increase in auditing of TA's and their functions do not create additional TA functions to be performed, simply greater accountability to the existing functions. No new shared services are established	Concern: How can a consenting system that is responsive to change also be predicable for users?
Collaboration	While it is not expected that a new shared service will be established for building functions, it is expected that a collaboration tool allowing Councils to share skills and capacity which will create efficiency and effectiveness will be implemented.	Should the BCA functions of Council be working towards a shared services arrangement, considering that the TA functions must remain within each Council? Or is it better to collaborate closely while remaining separate entities?
Customer Centric	It is assumed that the right 'risk balance' will be achieved as Council moves into a customer centric approach to the way we do business. Community confidence that Council will not make doing business easy at	Our community would prefer to be guided through a safe and sustainable method of achieving their building dreams, even if it costs more time and money. It must be noted, however, that all customers are affected by our

Assumption Type	Assumption	Discussion
	the expense of safe buildings for future generations is critical.	actions, eg those that are exposed to unnecessary risk if we do not regulate those that require it.
Building Warrant of Fitness (BWOF) audit KPI changes	After the Loafers Lodge fire, MBIE have sent strong signals that high risk, transient accommodation buildings are required to be audited annually, medium risk to be audited three yearly and low risk to be audited five yearly.	The high risk, every year audit is not legislated and creates an onerous impact on property owners. An overall target of 33% allows Council to demonstrate application of this prioritisation, however, does not exceed the legislated requirement.
Resource Management		
Regional Relationships continue to strengthen.	Strong and meaningful regional relationships will continue	Strong relationships across local government and Iwi will be needed to facilitate the implementation of incoming regulatory changes.
Regional priorities to meet legislative requirements remain	Regional partners prioritise meeting legislative requirements.	Lack of buy-in, investment or alterative priorities can impact upon delivery.
Activity wide	Customer dissatisfaction Health and Safety Retention of staff	

Regulatory Considerations

Environmental Services is required to provide certain regulatory services under various enactments, being:

- Health Act 1956
- Camping Ground Regulations 1985
- Health (Burial) Regulations 1946
- Health (Hairdressers) Regulations 1980
- Keeping of Animals Bylaw 2010
- Dog control act 1996
- Food Act 2014
- Food Regulations 2015
- Local Government Act 2002
- Trading in Public Places Bylaw 2023
- Alcohol Control Bylaw 2022
- Hazardous Substances and New Organisms Act 1996
- Freedom Camping Act 2011
- Freedom Camping Bylaw 2015
- Building Act 2004
- Litter Act 1979
- Psychoactive Substances Act 2013
- Combined Local Approved Products Policy

- Gambling Act 2003
- Gambling Venue Policy, reviewed in 2016
- TAB Venue Policy, reviewed in 2016
- Sale and Supply of Alcohol Act 2012
- Alcohol Control Bylaw 2022
- Alcohol Licensing Fee-Setting Bylaw 2015 revoked
- Combined Local Alcohol Policy
- National Environmental Standards for Air Quality
- Resource Management – National directions
  - National Planning Standards
  - National Policy Statement for Highly Productive Land 2022
  - New Zealand Coastal Policy Statement 2010
  - National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health Regulations 2011
  - National Environmental Standard for Commercial Forestry 2023
- Pouhere Taonga Act 2014
- Ngāi Tahu Settlement Act 1998
- Southland Land Drainage Act 1935

SDC Bylaws that are administered by the Group are:

- Keeping of Animals Bylaw 2010
- Dog Control Bylaw 2015
- Trading in Public Places Bylaw 2023
- Alcohol Control Bylaw 2022
- Freedom Camping Bylaw 2015

Related policies include:

- Combined Local Approved Products Policy
- Local Alcohol Policy
- Gambling Venue Policy
- TAB Venue Policy
- Combined Local Alcohol Policy
- Dangerous Affected and Insanitary Buildings Policy
- Alfresco Dining Policy
- Smoke/Vape Free Open Spaces Policy
- Easter Sunday Trading Policy

There are reviews proposed for several Bylaws and policies outlined above.

Demand Management Strategies

Monitoring and Compliance

It is possible that additional resource will be required to be invested to align existing monitoring and compliance activities with best practice and increased legislative requirements. This will impact on existing resources across all activities within the Group. Monitoring forms the important feedback loop in the development of policy and practice and is essential in delivering relevant and effective services and anticipated levels of service for the community.

Page | 21

Resource Management

There are two key components driving the demand of the resource management function:

- meeting technical needs of what the legislation requires
- building the communities understanding of what the legislation requires.

These two components apply across policy development, consenting, monitoring/enforcement, climate change and spatial features mapping. The organisation may face risk if the components are done poorly.

The availability of skilled workers to achieve the technical requirements is important to ensure that the work being produced is good quality and fit for purpose. Good quality work protects ratepayers and our direct customers from poor and ineffective outcomes. Similarly, taking an ease of doing business approach to doing work will make sure customers are able to do the right thing or know how to do the right thing. Education, good customer service and access to information will help meet customer needs.

Building

Southland District has seen the volume of building work remain consistently high during the past 3 years. There is indication of a possible slow down ahead while the industry adapts their plans to the land use regulation changes. However, Southland offers many opportunities for development through its spatial planning proposals and there is no reason to believe that ongoing development will slow down significantly.

The availability of skilled workers in the construction industry and impact that Central governments focus of key projects in the main centres and other rebuilding activities in areas of the country recently devastated by natural disasters will be the key indicator for Southland as we attract and source our own skilled workforce from overseas or realise the benefit from many skilled workers in New Zealand making a lifestyle change and relocating away from these areas into Southland.

Despite the driver, the key strategy being implemented by Council is to retain and utilise its skilled workforce during any downturn that may be realised to clear historical backlogs of work, refine complex processes, and educate our community to easily work through the ongoing changes we face, enabling the retention and availability of skilled resource within Council when we return to a high demand for service.

Environmental Health

Council expect that demand on the activity will gradually increase, particularly considering legislation changes which can make work more complex and time consuming.

Covid did not result in a decrease in work. The impacts of Covid saw a change in Government direction and increased licensee enquiries. Remote verifications were introduced that did not prove more efficient than site visits.

Opportunities of business diversity in communities has seen an increase in food registrations for mobile vendors and home-based occupation.

Alcohol licensing work remains consistent with renewals and new applications being issued. There has been an increase in new manager applications and special licenses.

The hospitality industry has experienced a reduced ability to get skilled staff. The number of voluntary suspensions for food has increased. This is due to the seasonal nature of the businesses.

Key Projects

Project	Description
Review specific sections of the District Plan 2018	Review of the Southland District Plan 2018 to meet legislative requirements and best practice including: • Landscapes. • National Planning standard, including electronic version of the District Plan. • Implementation of the Code of Practice in the District Plan. • Set up a process for private plan changes. • Spatial Planning. • Natural hazards. • Alignment of District Plan with SDC policy documents (LGA). • Implementation of the National Policy Statement for Indigenous Biodiversity. • Implementation of National Policy Statement for Highly Productive Land.
Policy and Plan Effectiveness Monitoring	• Improve the process for reporting the annual request for the State of the Environment (SOE). • Make public the Monitoring of the efficiency and effectiveness of policies report by 2025. The analyses include the assessment of resource consents from mid-2020 to date.
Regional spatial plan	Southlands Council have agreed to delay the conversation and to wait for more clarity from the Central Government.
Dog attack monitoring strategy	Development of a monitoring strategy
Enforcement and prosecution policy or guidelines	Develop enforcement and prosecution policies or guidelines. Policy has been developed and is yet to be considered by staff. Standard Operating Procedures will be produced to support implementation of the policy statements.
Quality assurance framework for food safety	Develop and implement a quality assurance framework, including mapping of processes.
Education and engagement	education and engagement with the community
Delivery of services review	Section 17A of the LGA 2002 requires Council to review the cost-effectiveness of current arrangements for meeting the needs of communities within the District for good-quality local infrastructure, local public services, and performance of regulatory functions (due 2023). Most recommendations have been met.
Technology projects	• online lodgement and electronic processing • mobile technology for fieldwork • improving reporting and business intelligence tools • electronic District Plan (ePlan)

Project	Description
	• use of body-worn cameras, dashcams & body-worn audio alert systems to be pursued • Building consent processing system replacement – supplier mandated • Remote Inspections • Investigate the potential use of AI.
Climate change	Participation in regional collaborative climate change responses in partnership with Southland councils and stakeholders. Development of a Council emissions reduction plan and climate action plan.

Other Considerations for the Activity

Along with exploring new shared services, the environmental services group will also look for collaboration opportunities.

The environmental services group will endeavour to achieve the use of alignment where possible, in using the same electronic process for similar cross-team processes and meeting with neighbouring Councils for collaboration driven discussions to actively seek alignment wherever it can be found.

Our Levels of Service

Levels of Service, Performance Measures and Targets

LOS, performance measures and targets form the performance framework for the activity detailing what the Council will provide and to what level or standard:

Regulatory Compliance: What LoS we provide	LoS 9: Enhance the health, safety and well-being of the community and environment through the effective implementation of a range of legislation				
How we measure performance	Current Performance (19/20)	Future Performance Targets			
		Yr 1 (24/25)	Yr 2 (25/26)	Yr 3 (26/27)	Yr 4-10 (27-34)
KPI – 9.1 Percentage of non-notified resource consents processed within statutory timeframes	100%	100%	100%	100%	100%
KPI – 9.2 Percentage of building consent applications processed within statutory timeframes	100%	100%	100%	100%	100%
KPI – 9.3. Percentage of code compliance certificate applications processed within statutory timeframes	100%	100%	100%	100%	100%
KPI – 9.4 Number of serious injuries to the public from dog attacks[1]	0	0	0	0	0
KPI – 9.5 Percentage of non-working dogs subject to the responsible owner category[2]	Annual Average (AA) 90%	(AA) 90%	(AA) 90%	(AA) 90%	(AA) 90%
KPI – 9.6 Percentage of complete applications for food and alcohol to be processed and issued within 30 working days	New measure	50%	70%	80%	100%

1. *This KPI is not intended to capture injuries from dog bites within a home environment*
2. *This KPI is reported on quarterly and has an annual average, for the 24/25 year council is moving to a one tag for life system.*

Environmental Services: What LoS we provide	LoS 9: Enhance the health, safety and well-being of the community and environment through the effective implementation of a range of legislation			
How we measure performance	**Current Performance (20/21)**	**Future Performance Targets**		
		Yr 1 (21/22)	**Yr 2 (22/23)**	**Yr 3 (23/24)**	**Yr 4-10 (25-31)**
KPI 9.7: On-site Building Warrant of Fitness audits completed in the community	20%	33% of buildings audited	33% of buildings audited	33% of buildings audited	Continue 5-year cycle of audits. 33% of buildings annually
KPI 9.8: Number of incidents[1] of foodborne illness believed[2] to be caused by food sold at a Council-verified business	0	0	0	0	0
KPI 9.9 Average time (48 hrs) to respond to request for service (RFS)	New measure	95%	95%	95%	95%

1. *"Incident" means illness arising from a common food source that has made one or more people ill and includes an outbreak (more than two people ill).*
2. *"Believed" means that there is strong evidence suggesting the cause is the business concerned. The term 'suspected' would be used when there is weak evidence linking a food business to the incident.*

Financial Summary

10 Year Financial Forecast

The following graphs/table summarise the financial forecasts for the activity over the ten years.

As of 29/11/23 budget numbers are still in draft and subject to change.
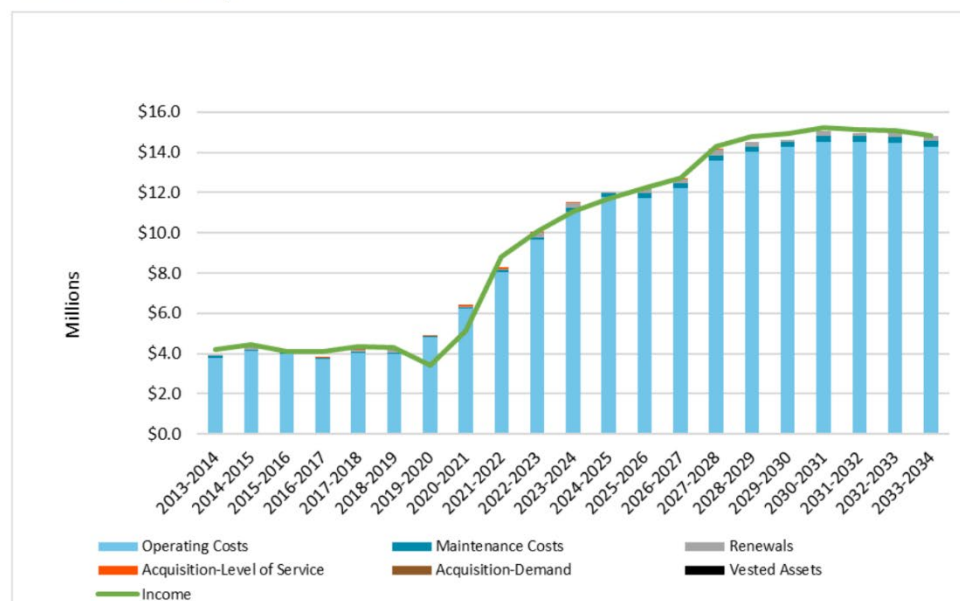
Financial Summary

Figure 0-1: Environmental services total expenditure
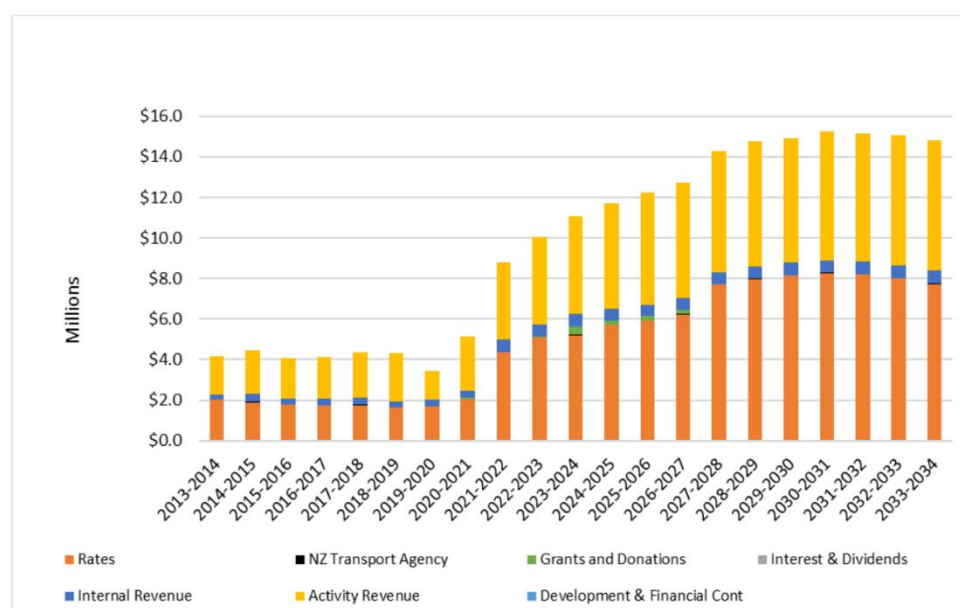
Total Income

Figure 0-2: Environmental services total income

Financial Forecasting

Most of the costs for environment services is operational based around staff providing the services. Where the costs relate to the provision of a service, the costs are recovered as activity revenue; where the service relates to the public good or delivery of the district plan, the costs are recovered through rates.

Environmental services have limited capital expenditure; primarily relating to vehicles to enable the service to be provided across the district.

Environmental Services	2024/2025 LTP ($000)	2025/2026 LTP ($000)	2026/2027 LTP ($000)	2027/2028 LTP ($000)	2028/2029 LTP ($000)	2029/2030 LTP ($000)	2030/2031 LTP ($000)	2031/2032 LTP ($000)	2032/2033 LTP ($000)	2033/2034 LTP ($000)
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	6,145	6,364	6,691	8,184	8,489	8,679	8,835	8,780	8,628	8,397
Targeted rates	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	210	214	219	11	11	11	11	12	12	12
Fees and charges	4,864	5,064	5,276	5,499	5,730	5,772	5,813	5,855	5,895	5,936
Internal charges and overheads applied	610	621	634	648	661	670	678	687	696	704
Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infingement fees, and other	302	315	330	346	362	369	376	383	390	397
Total operating funding	**12,130**	**12,578**	**13,150**	**14,687**	**15,254**	**15,501**	**15,714**	**15,716**	**15,620**	**15,446**
Applications of operating funding										
Payments to staff and suppliers	7,525	7,304	7,494	8,658	8,979	9,128	9,330	9,252	9,095	8,874
Finance costs	14	10	6	2	0	-	-	-	-	-
Internal charges and overheads applied	4,454	4,656	4,976	5,176	5,294	5,401	5,456	5,539	5,648	5,697
Other operating funding applications	473	496	521	547	574	602	632	663	696	730
Total applications of operating funding	**12,465**	**12,466**	**12,996**	**14,382**	**14,846**	**15,130**	**15,418**	**15,454**	**15,438**	**15,300**
Surplus (deficit) of operating funding	**(335)**	**112**	**153**	**305**	**407**	**371**	**295**	**262**	**183**	**146**
Sources of capital funding										
Subsidies and grants for capital purposes	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	25	128	73	133	101	28	142	81	147	111
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**25**	**128**	**73**	**133**	**101**	**28**	**142**	**81**	**147**	**111**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	-	2	2	-	-	-	-	-	-
- to replace existing assets	53	258	159	269	220	58	286	176	297	243
Increase (decrease) in reserves	(122)	222	305	367	487	541	351	366	233	214
Increase (decrease) in investments	(240)	(240)	(240)	(200)	(200)	(200)	(200)	(200)	(200)	(200)
Total applications of capital funding	**(310)**	**239**	**226**	**439**	**508**	**399**	**437**	**343**	**330**	**257**
Surplus (deficit) of capital funding	**335**	**(112)**	**(153)**	**(305)**	**(407)**	**(371)**	**(295)**	**(262)**	**(183)**	**(146)**
Funding balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Funding Principles

Section 102(4) (a) of the Local Government Act 2002 requires each Council to adopt a Revenue and Financing Policy. This Policy must state the Council's policies in respect of the funding of both capital and operational expenditure for its activities.

Funding for the Environmental Services is a combination of District-wide funding and user pays fees and charges.

Further information is in Council's Revenue and Financing Policy.

Fees and Charges

Fees and charges are developed alongside the AMP and reviewed each year through the annual plan process. To view the fees and charges for this activity, please refer to the Council Fees and Charges booklet.

Emergency Management
2024 -2034 Activity Management Plan

Southland District Council
Te Rohe Pōtae o Murihiku

PO Box 903
15 Forth Street
Invercargill 9840

0800 732 732
sdc@southlanddc.govt.nz
southlanddc.govt.nz

Table of Contents

Quality Assurance Statement				
Draft AMP Template				
Southland District Council	Version:	1	Record No:	R/23/10/50412
15 Forth Street	Status:	draft		
Invercargill 9840	Project Manager:	Simon Mapp		
Telephone	Prepared By:	Simon Mapp		
0800 732 732				
Fax	Reviewed By:	Robyn Laidlaw, Jane Edwards		
0800 732 329	Approved for issue:	Michael Aitken		

Executive Summary

This activity is a statutory requirement for all councils under the Civil Defence and Emergency Management (CDEM) Act 2002.

The activity ensures people are safe and connected in an emergency and helps build community resilience by preparing, responding and recovering effectively from emergency events.

A key focus of this activity is to increase community engagement and grow community connections, awareness and resilience in relation to managing emergency events, including what people can do to be as prepared as possible on an individual and household level.

Southland District Council's (Council) emergency management functions are delivered under a shared service model, Emergency Management Southland (EMS).

EMS was created slightly over a decade ago, and the joint agreement between the four councils for this was reviewed updated and re-authorised by each of the four councils in 2019. The reviewed joint agreement is in place for 10 years and will be reviewed again in 2029.

In late 2019, following a government review, the Ministry of Civil Defence Emergency Management became the National Emergency Management Agency (NEMA). The current Southland CDEM Group, 'Group Plan' (which is a statutory requirement), expired in 2022. This Group Plan is currently being re-worked. The Emergency Management Bill is before the Select Committee and will create a new legal framework within which EMS will need to operate in while preparing, executing and recovering from regional and local events.

EMS is managed by a group controller/group recovery manager and EMS staff are officially employed by Environment Southland (ES), which also provides financial and administration support services.

Financial Summary

As part of the shared service agreement EMS is funded by the four councils on the following percentage basis:

Environment Southland:	34.05%
Southland District Council:	28.27%
Invercargill City Council:	28.27%
Gore District Council:	9.42%

EMS is co-located with ES and they are the administering authority for the Southland CDEM Group. Support costs are paid to ES on an agreed basis for each Long Term Plan (LTP) cycle. The Southland Civil Defence Joint Committee sets out the direction and approves the budget for EMS, which is then ratified by each council.

Purpose of the Activity Management Plan

This activity management plan (AMP) describes the strategies and works programmes for the emergency management activity so as to meet the objective of delivering the required level of service (LOS) for the Southland District. This AMP informs Council's LTP and contributes to the goals and objectives Council aims to achieve, in order to achieve community outcomes. The AMP covers:

Page | 3

- a description of the activity, including the rationale for Council involvement and any significant negative effects of the activity.

- the strategic context for the activity, the key activity management strategies and policies adopted within this environment and the main issues identified for the activity.

- a statement of the intended LOS and key performance targets (KPIs) that are measured and reported on within the annual planning cycle.

This AMP covers a period of 10 years commencing 1 July 2024. The main focus of the analysis is the first three years and for this period, specific projects have been identified in more detail. Beyond this period work programmes are generally based on trends or predictions and should be taken as indicative only. All expenditure is based on unit costs as at 1 July 2024.

Plan Limitations

The intent of the AMP is to address and manage the most significant emergency management issues in the District. It is a living document which will undergo a formal review every three years to make amendments to reflect changes in LOS, demand, risks, issues, or financial information.

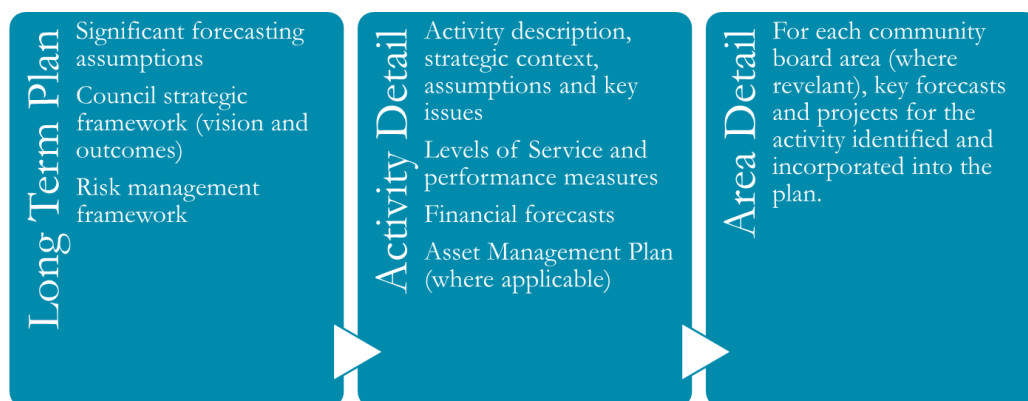This AMP has been developed with the following key limitations:

- risks and issues have been identified and scheduled based on the best information available at the time

- budgets for the activity have been assessed based on the best information available at the time

Plan Framework

The AMP framework as illustrated in below. The strategic context, significant forecasting assumptions and any activity-specific issues are documented in the main body of this AMP.

The key points are:

1.   forecasting assumptions have been included.
2.   new KPI's have been developed and will be reported on within the corporate reporting cycle.
3.   the plan sits within the EMS joint agreement for emergency management in Southland.

Long Term Plan
- Significant forecasting assumptions
- Council strategic framework (vision and outcomes)
- Risk management framework

Activity Detail
- Activity description, strategic context, assumptions and key issues
- Levels of Service and performance measures
- Financial forecasts
- Asset Management Plan (where applicable)

Area Detail
- For each community board area (where revelant), key forecasts and projects for the activity identified and incorporated into the plan.

Activity Description

What we do

This activity focuses on communities being prepared, responding to and recovering from emergencies when they happen.

EMS has been formed by a joint committee of the four Southland councils and co-ordinates Council's Civil Defence Emergency Management work across the 4Rs (Reduction, Readiness, Response and Recovery).

It has involved creating community and agency response plans. These plans are on a continuing review, update and maturity model of review. The activity has also developing communication networks, carrying out planning and education so people can better understand the risks and training to increase the community's readiness to respond.

The Southland CDEM Group Plan 2017-2022 (currently being updated) sets out the context and goals for this activity and has been prepared to meet the requirements of Section 48-57 of the Civil Defence and Emergency Management Act

Why we do it

EMS seeks to enable the effective and efficient management of those significant hazards and risks for which a co-ordinated approach is required. The overall goal of this activity is to develop and support safer, strong communities.

An informed and prepared community is more able to adapt to significant unforeseen change and ensure the overall health and wellbeing of people is maintained, even under extreme situations.

A community that understands and has been engaged in determining how they will manage their hazards ensures ownership and responsiveness in all parts of the management and response process.

Strategic Considerations

The three most significant hazards for Southland identified in the Group Plan are earthquake (Alpine Fault), flooding and tsunami risk, and it is likely that these will remain a priority work area for EMS in the future.

A significant body of work called AF8 [Alpine Fault magnitude eight] has been led by EMS with South Island-wide involvement around preparing for a magnitude eight rupture on the Alpine Fault. Historic geological records show that these events occur approximately every 300 years and the last event of this magnitude was now slightly over 300 years ago. This AF8 work is crucial for community resilience and will continue during this LTP cycle. Considerable central government and other external funding has been received for the project and it has attracted international interest.

A regional flood response plan was developed in 2019 and put into use during the September 2023 floods. Incorporating lessons learnt from September 2023, and previous flooding such as February 2020, builds a stronger response relationship across all stakeholders, iwi and communities. This work ensures assets are improved and maintained, while considering and planning around the changing climate as key pieces of work are identified for LTP 2024-34.

In 2020, funding was agreed between the four Southland councils to provide Light Detection and Ranging (LiDAR) height data for the Southland region. This data was to allow EMS to re-do tsunami modelling,

considering the latest scientific information and then to refresh our current limited evacuation planning for tsunami. While the LiDAR flights and modelling for the coastal areas has been completed, the cost of modelling tsunami events is prohibitive.

The work undertaken to prepare communities to respond to emergencies has been successful with all regions in Southland having a Community Response Group and Plan. The EMS focus will continue on community engagement, enhancing individual and community readiness, and re-engaging with community groups (including community boards) to develop plans for large scale responses such as the Alpine Fault rupture.

Currently, there is a national level review of how emergency management is delivered. While the establishment of NEMA in December 2019 is making progress in planning and responding to events, the agency is still evolving. It is uncertain, at time of writing, the extent to which this could affect the current EMS delivery model but this, along with an increase in severity and frequency of emergencies (including the state of national emergency declared for the North Island severe weather events in 2023) has highlighted a pressing need to modernise and update the current model. Regardless of model there will be a need to respond effectively locally so the status quo in terms of structure has been assumed for the purpose of this LTP.

The National Disaster Resilience Strategy came into effect on 10 April 2019, and replaces the previous National Civil Defence Emergency Management Strategy. It will last for 10 years, although it can be reviewed before then if necessary.

The Emergency Management Bill, currently before Select Committee, will create the new legal framework within which Aotearoa New Zealand can prepare for, deal with, and recover from local, regional and national emergencies.

The National Civil Defence Emergency Management Plan must be reviewed every five years to ensure that the arrangements within it are robust, current and well understood by the agencies responsible for their delivery. The current plan's operative period closed on 30 November 2020, but the Plan continues to be in force until it is replaced.

Council has adopted a Strategic Framework that identifies where Council wants to be in the future (vision) and the outcomes it aims to achieve to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions (community outcomes). The framework also outlines how it will achieve these (mission and approach) along with the key challenges it faces in doing so and its resulting strategic priorities.

STRATEGIC FRAMEWORK COMPONENT	2024-2034 STRATEGIC FRAMEWORK
VISION	Together - with our people, for our future, it's our Southland
MISSION	Working together for a better Southland
COMMUNITY OUTCOMES	Social Communities which are connected and have an affordable and attractive lifestyle
	Cultural Communities with a sense of belonging for all
	Environmental Communities committed to the protection of our land and water
	Economic Communities with the infrastructure to grow
STRATEGIC PRIORITIES	Connected and resilient communities

Page | 6

STRATEGIC FRAMEWORK COMPONENT	2024-2034 STRATEGIC FRAMEWORK
	Ease of doing business
	Providing equity
	Thinking strategically and innovatively
	Robust infrastructure

The framework guides staff, informs future planning and policy direction and forms the basis for the performance framework. It outlines how the emergency management activity contributes to the Council's community outcomes. The full levels of service and performance management framework is presented below.

Community Outcomes

When engaging with communities across Southland, EMS works with the local community boards to ensure they are briefed on our process and the development of a local plan. Any Community Response Plans are held locally and often the community board is the natural place for these plans to be held and maintained.

As has been seen in response, the leadership provided by community board members can be crucial in an emergency situation.

Activity – Emergency Management

Outcomes	Activity Contribution	Outcome Objective	Benefit	Levels of Service (LoS) and Key Performance Indicators (KPI)	
Activity Objective: Safer, strong communities understanding and managing their hazards					
Social Communities which are connected and have an affordable and attractive lifestyle	The activity involves ensuring communities are prepared for emergencies and that they are able to respond to and recover from these when they do happen. This involves establishing plans to ensure people are connected and safe in an emergency. Specific actions include public education and ensuring a pool of trained personnel are in place to support the community in the events and, in particular, coordinate and manage. The activity involves building capacity to effectively prepare, respond to, and recover quickly from emergency events. Coordinated planning and community awareness building reduces the potential for damage in emergencies and a speedy response mitigates the effects of damage where practicable.	People have everything they need to live, work, play and visit People can enjoy a safe and fulfilling life	Improved health and safety Increased social wellbeing Enhanced responsiveness	LoS 10: Build community resilience to emergency events	
				KPI 10.1: there are 26 community plans, eight of those plans will be enhanced and reviewed on an annual basis	KPI 10.2 : increase the percentage of surveyed households that have an emergency plan (written or verbal) from 55% - 60%
Cultural Communities with a sense of belonging for all **Economic** Communities with the infrastructure to grow **Environmental** Communities committed to the protection of our land and water		People are well-connected People have everything they need to live, work, play and visit People can enjoy a safe and fulfilling life in our unique and natural environment	More self-sufficient communities More healthy communities Reduced impact of disaster		

Strategic Priorities ▸ Contribution Area ▾	1. Make doing business with and within Council easier	2. Creating connected and resilient communities	3. Planning for robust infrastructure	4. Providing equity	5. Thinking strategically and innovatively
What will be done in the long-term (next 10 years)	EMS operates across the '4Rs'; Reduction, Readiness, Response and Recovery as outlined in the Group Plan. A successful work programme will build resilience and meet Council's vision of, 'safer, strong communities understanding and managing our hazards'.	The EMS focus will continue on community engagement and enhancing individual and community readiness. Recent surveys show that individuals have recognised the importance of being prepared for an emergency event (81%) but SDC showed that only 65% felt that they are prepared	EMS leads the Southland Lifelines Committee which brings together lifeline utilities as specified in the CDEM Act to understand vulnerabilities and build infrastructure resilience. EMS will realise the impending changes to lifelines (Critical Infrastructure) through changes to the Emergency Management Bill and the makeup of central government. Lifting resilience of New Zealand's critical infrastructure and adapting processes to suit the new demands of this legislation.	EMS community engagement will identify and work with disproportionately impacted parts of the community to increased emergency preparedness.	Develop innovative way of connection to youth and young families to increase preparedness. Work with stakeholders and in partnership with Māori
What will be done in the short-term (next 3 years)	EMS will continue its successful community engagement work and will ensure that Community Response Plans are up to date and	EMS will work to assist and encourage people's resilience and their feeling of being prepared by re-engaging	EMS will work to identify the vulnerability of critical infrastructure.	EMS will collaborate with stakeholders in aged care, former refugees and other members of the communities including	EMS will explore innovative messaging to increase preparedness with identified areas of the community that are not as well prepared as

Strategic Priorities ▶ Contribution Area ▼	1. Make doing business with and within Council easier	2. Creating connected and resilient communities	3. Planning for robust infrastructure	4. Providing equity	5. Thinking strategically and innovatively
	that it is re-engaging across Southland.	with communities across Southland.		those who are culturally and linguistically diverse (CALD) increasing preparedness	other (those with young families) as identified in the preparedness survey. Provide funding for a Mana Whenua Emergency Facilitator – co funded project with Ngai Tahu and EMS Work with Council identifying staff that can be deployed with minimal notice in a state of emergency.
Key Actions and Projects	AF8 programme will continue to build resilience to the next Alpine Fault earthquake, through the accessibility of scientific modelling, coordinated response planning, and specific earthquake community engagement. AF8 is administered and run by EMS on behalf of the six South Island CDEM groups, NEMA, EQC and QuakeCore. It is an award-winning programme which is a collaboration with	Ensuring that EMS is able to respond effectively 24/7 to any emergency will require ongoing training, exercising and the provision of up-to-date equipment and facilities. Ongoing community engagement is critical to the success of EMS.	Tsunami inundation zones will be updated as budget allows and will concentrate on areas with high populations. EMS will deliver a critical infrastructure vulnerability report for areas of Southland that service the denser populated areas of Southland.	EMS will provide education to the disproportionally impacted communities by attending Former Refugee inductions, Field Days 2024, presenting at Aged Care residential facilities.	Development of Council staff for instant and staggered deployment in a state of emergency.

Strategic Priorities ▶ Contribution Area ▼	1. Make doing business with and within Council easier	2. Creating connected and resilient communities	3. Planning for robust infrastructure	4. Providing equity	5. Thinking strategically and innovatively
	leading Alpine Fault scientists and emergency management practitioners. EMS will lead the Fiordland Hazards Working Group, which works closely with tourism and other stakeholders for the effective identification and mitigation of natural hazards in the Fiordland area. EMS will be an active participant in the Milford Opportunities Project.				
Related strategies / plans / policies	EMS is currently working on updating the Group Plan. This will be a high-level document that describes how EMS works with partners and the community to prepare for, respond to, and recover from disasters. The Plan also sets the direction for the EMS work programme for the next five years.	EMS will look at enhancing the community plans and including more of the community in their design through local community surveys and community's adoption of Antenno.	Attend National Lifelines forum. Identify Lifelines Utilities coordinators from Council to assist EMS during response. Organise and run three Lifelines meetings and one Southland forum per year.		Develop a Council staff call out list allowing instant deployment of staff during a declared state of emergency.

Strategic Context

The purpose of the Southland District Council Long Term Plan 2031 is to:

- provide a long-term focus for Council decisions and activities

- provide an opportunity for community participation in planning for the future

- define the community outcomes desired for the District

- describe the activities undertaken by Council

- provide integrated decision-making between Council and the community

- provide a basis for performance measurement of Council.

Strategic direction setting encompasses Council's high-level goals, particularly the vision for the District, what the outcomes for the community may be, and what the strategic priorities will be for delivering work to the community.

Representation framework

Community representation was amended prior to the 2018 triennial elections. There are now nine community boards that provide representation across the District. These are:

Ardlussa	Fiordland	Northern	Oraka Aparima	Oreti
Stewart Island/Rakiura	Tuatapere Te Waewae	Waihopai Toetoe	Wallace Takitimu	

It is important that Council is seen as a leader in emergency management and community wellbeing in the District and through this AMP, provides efficient and effective regulatory management of activities and within the community. Doing so enables Council to provide and deliver quality, professional services to the ratepayer that meet anticipated outcomes.

Council aims to have a high level of engagement with its communities and elected members to ensure that the minimum levels of service set out in this document represent their expectations.

Council will go through a representation review in the first year of this AMP which may change the representation framework.

Key Risks, Issues and Assumptions for the Activity

The most important risks/issues for the emergency management activity over the next 10 years are:

Risk/Issue	Treatment Details
Failing to provide LOS	Established procedures, training, effective tracking and reporting through information systems and KPIs concerning quality of service.
Failing to comply with legislation	Established procedures and training, sufficiently resourced teams, staff who meet statutory qualifications.

Page | 12

Risk/Issue	Treatment Details
Health and Safety risks to staff	Maintain a strong focus on health and safety, both in terms of the legislative framework applicable and risk management within the team.
	Although EMS is administered by ES and abides by their Health & Safety policy, it also maintains its own Health & Safety policy reflecting its role as a shared service for the four Southland councils. This is reported through CEG and the Joint Committee.
Decision making based on inadequate information	Develop and implement a system / programme to identify and monitor key indicators. Be transparent with key assumptions and risks considered by Council

Key Assumptions relevant to Emergency Management Southland

Southland will continue to attract returning New Zealanders, migrants, and refugees, and consequently the population will diversify requiring new engagement strategies for EMS. Data provided by Informetric is predicting an increase in the population that will be over 65 years of age. The European population is ageing and is not replacing itself while the Maori population is younger and more children are being born. A strong partnership with Iwi will help guide and support our work with communities across Southland.

The Beyond 2025 report identifies tourism numbers returning to pre-pandemic level and increasing. Southland's housing issue is impacting on the ability to service the increased level of tourism; however, the numbers are still increasing in Fiordland, Stewart Island and the Catlins.

The changing climate will likely produce more frequent emergencies for EMS to respond to, as coastal inundation and weather events become more severe over time. Existing infrastructure and response plans are on a review schedule and at any time a plan can be reviewed in light of an event.

The Group Plan review is currently underway.

Recent events around New Zealand, and in Southland, highlights the need for Council staff to be trained, exercise and response ready, with EMS able to coordinate relationships with all key stakeholders.

EMS has a reputation for innovative and effective use of technology, however recognises the need for robust alternative solutions for when power and communication are impacted. The AF8 planning work has shown a need for reliable radio and satellite communications and EMS will continue to improve the existing systems and networks currently in place.

Activity Specific Assumptions

The Southland Joint Agreement on Civil Defence was renewed in 2019 and the shared service model worked well with the large responses in 2020 and 2023. It is assumed that this model will continue.

Although there may be legislative changes, there is an assumption that the CDEM Group model will continue, with councils meeting their legislative responsibility with this shared service arrangement.

Regulatory Considerations

The key driver for the emergency management activity is the Civil Defence Emergency Management Act 2002. It outlines the sustainable management of hazards, encouraging and enabling communities with risk management, and the planning, preparation, recovery and response to emergencies. This legislation also requires the development of a Civil Defence Emergency Management Group Plan.

Page | 13

Demand Management Strategies

All Council staff have a role supporting CDEM in times of an emergency. Specific staff receive training to allow them to attend the Emergency Coordination Centre and assist with a response. All staff should receive induction training for CDEM and access to an online foundation module.

EMS coordinates any requests for staff, either to assist in Southland or to provide support to other regions when they have need. EMS also maintains relationships with key stakeholders to provide and receive support in times of need.

Key Projects

Project	Description
AF8 [Alpine Fault magnitude 8]	The AF8 programme strategy highlights three strategic focus areas being - • raising awareness • coordinating intelligence • networking and collaboration *Emergency management and science working together to enable informed decision-making and increase Te Waiponamu our South Island's readiness and response capability for the next Alpine Fault earthquake*
Tsunami risk planning	Improving understanding of the tsunami risk for Southland involves new modelling as budget allows, evacuation planning and socialisation of the risk with coastal communities.
Radio network	Having built a network of community response groups, linked to the Southland Community Boards, EMS will work to roll out a radio network and training to these local communities to enable resilient communication in a large-scale emergency.
Enhancing Community Board Plans	Enhancing community board plans to include more community design, surveys and community's adoption of the Antenno App *(Antenno is a mobile app and backend web portal for two-way engagement between Council and community. It allows Council to send alerts, information and notification posts to the community in a manner that makes it more likely these posts will be relevant to the recipient, and given attention).*
Milford Opportunities Project hazard management	EMS will continue to work with the Milford Opportunities Project to ensure that hazard management is a key part of Southland's tourist strategy.
Health sector relationships	EMS will continue to build a solid working relationship with Te Whatu Ora Southern and community health providers concentrating on disproportionately impacted parts of the community
Legislative changes to the CDEM Act	Incorporating any changes to the Emergency Management Bill into the Group Plan. Ensuring that the Group Plan will guide the work programme through 2024 to 2029

Page | 14

Our Levels of Service

Levels of Service, Performance Measures and Targets

What LoS we provide	LoS 10: Build community resilience to emergency events				
How we measure performance	Current Performance (23/24)	Future Performance Targets			
		Yr 1 (24/25)	Yr 2 (25/26)	Yr 3 (26/27)	Yr 4-10 (27-34)
KPI 10.1 there are 26 community plans, eight of those plans will be reviewed and enhanced on an annual basis	All communities are covered with a plan.	8 per year	8 per year	8 per year	Maintain up-to-date community plans
KPI 10.2 increase the percentage of surveyed households that have an emergency plan (written or verbal) from 55% to 60%	55%	56%	58%	60%	> 60%

Financial Summary

As part of the shared service agreement EMS is funded by the four councils on the following percentage basis:

Environment Southland: 34.05%
Southland District Council: 28.27%
Invercargill City Council: 28.27%
Gore District Council: 9.42%

EMS is co-located with ES and it is the administering authority for the Southland CDEM Group. Support costs are paid to ES on an agreed basis for each LTP cycle. The Southland Civil Defence Joint Committee sets out the direction and approves the budget for EMS, which then has to be ratified by each council.

Funding Principles

Section 102(4) (a) of the Local Government Act 2002 requires each Council to adopt a Revenue and Financing Policy. This Policy must state the Council's policies in respect of the funding of both capital and operational expenditure for its activities.

Further information can be found in Council's Revenue and Financing Policy.

10 Year Financial Forecast

The following graphs/table summarise the financial forecasts for the activity over the 10 years.

Financial Summary

| Emergency Management	2024/2025 LTP ($000)	2025/2026 LTP ($000)	2026/2027 LTP ($000)	2027/2028 LTP ($000)	2028/2029 LTP ($000)	2029/2030 LTP ($000)	2030/2031 LTP ($000)	2031/2032 LTP ($000)	2032/2033 LTP ($000)	2033/2034 LTP ($000)
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	459	482	506	531	558	586	616	647	679	713
Targeted rates	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	4	4	4	4	4	4	4	4	4	4
Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infingement fees, and other receipts	-	-	-	-	-	-	-	-	-	-
Total operating funding	**462**	**486**	**510**	**535**	**562**	**590**	**620**	**651**	**683**	**717**
Applications of operating funding										
Payments to staff and suppliers	-	-	-	-	-	-	-	-	-	-
Finance costs	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-
Other operating funding applications	462	486	510	535	562	590	620	651	683	717
Total applications of operating funding	**462**	**486**	**510**	**535**	**562**	**590**	**620**	**651**	**683**	**717**
Surplus (deficit) of operating funding	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Sources of capital funding										
Subsidies and grants for capital purposes	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	-	-	-	-	-	-	-	-	-
- to replace existing assets	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Surplus (deficit) of capital funding	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Funding balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Figure 0-1: Emergency management total expenditure

Total Income

To be completed

Figure 0-2: Emergency management total income

Financial Forecast Summary
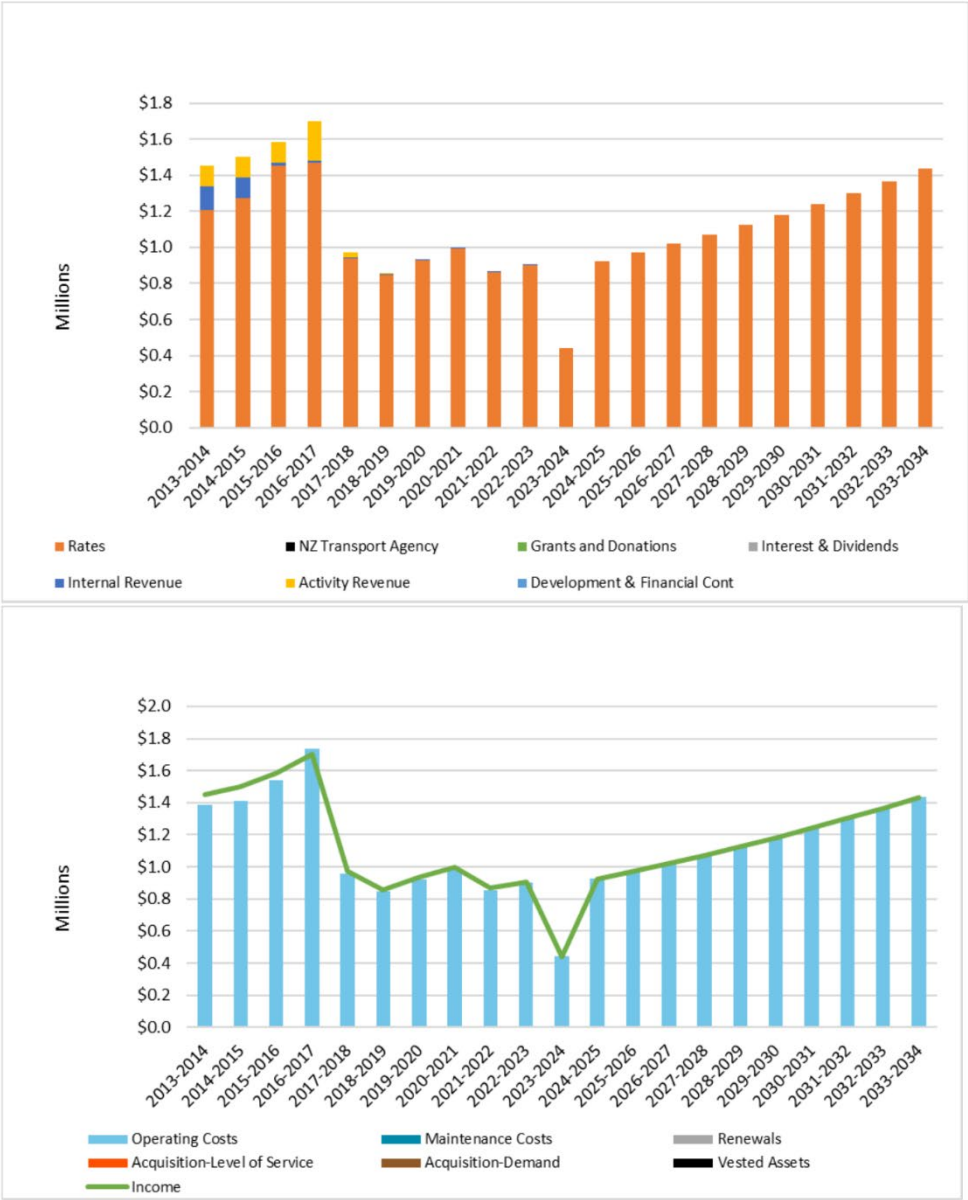
This service is primarily provided by Emergency Management Southland and is funded directly from rates

Financial Implications for LTP

						Long Term Plan						
Inflation Adjustment	5%											
	Draft actuals	Annual Plan 2024										
	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34
GDC	147,873	146,752	154,090	161,794	169,884	178,378	187,297	196,662	206,495	216,820	227,661	239,044
SDC	443,777	440,411	462,432	485,553	509,831	535,322	562,088	590,193	619,703	650,688	683,222	717,383
ICC	443,777	440,411	462,432	485,553	509,831	535,322	562,088	590,193	619,703	650,688	683,222	717,383
ES	534,510	530,456	556,979	584,828	614,069	644,773	677,011	710,862	746,405	783,725	822,911	864,057
Total	**1,569,937**	**1,558,030**	**1,635,932**	**1,717,728**	**1,803,614**	**1,893,795**	**1,988,485**	**2,087,909**	**2,192,305**	**2,301,920**	**2,417,016**	**2,537,867**
op cost	289,457	298,141	313,048	328,700	345,135	362,392	380,512	399,537	419,514	440,490	462,515	485,640
Contractor (Mana whenua rep)			90,000	90,000	90,000							
staff	619,824	638,419	670,340	703,857	739,050	776,002	814,802	855,543	898,320	943,236	990,397	1,039,917
Proposed staff changes			125,000	131,250	137,813	144,703	151,938	159,535	167,512	175,888	184,682	193,916
ES SUPPORT COSTS	360,500	371,315	389,881	409,375	429,844	451,336	473,902	497,598	522,477	548,601	576,031	604,833
NEW PROJECTS	100,000	50,000	52,500	55,125	57,881	60,775	63,814	67,005	70,355	73,873	77,566	81,445
Total	**1,369,781**	**1,357,875**	**1,640,769**	**1,718,307**	**1,799,723**	**1,795,209**	**1,884,969**	**1,979,218**	**2,078,178**	**2,182,087**	**2,291,192**	**2,405,751**
Impact on reserve	100,000	100,000	50,000	50,000								
Funding to AF8 (below)	100000	100,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Total allocated		1,557,875	1,710,769	1,788,307	1,819,723	1,815,209	1,904,969	1,999,218	2,098,178	2,202,087	2,311,192	2,425,751
Balance	156	155	-74,837	-70,579	-16,108	78,587	83,516	88,692	94,126	99,833	105,824	112,115
GDC	9%		- 7,035	- 6,634	- 1,514							
SDC	28%		- 21,156	- 19,953	- 4,554							
ICC	28%		- 21,156	- 19,953	- 4,554							
ES	34%		- 25,482	- 24,032	- 5,485							

AF8 Budget

AF8 funding Local Council's		100,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
NEMA		200,000	200,000	200,000								
6 Groups		100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Other		80,000	80,000	80,000	80,000							
		480,000	400,000	400,000	200,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Expenditure												
Travel		20,000	21,000	22,050	23,153	24,310	25,526	26,802	28,142	29,549	31,027	32,578
Contractors		15,000	15,750	16,538	17,364	18,233	19,144	20,101	21,107	22,162	23,270	24,433
General Exp		15,000	15,750	16,538	17,364	18,233	19,144	20,101	21,107	22,162	23,270	24,433
Staff costs		220,476	231,500	243,075	255,229	267,990	281,389	295,459	310,232	325,743	342,031	359,132
		270,476	284,000	298,200	313,110	328,765	345,204	362,464	380,587	399,616	419,597	440,577
Reserves		50,000	50,000	50,000	- 100,000	- 50,000						
Balance		159,524	66,000	51,800	- 13,110	- 158,765	- 225,204	- 242,464	- 260,587	- 279,616	- 299,597	- 320,577

Community Leadership

2024-2034 Activity Management Plan

Table of Contents

Quality Assurance Statement				
Draft AMP Template				
Southland District Council	Version:		Record No:	R/23/7/29896
15 Forth Street	Status:	Draft		

Quality Assurance Statement		
Invercargill 9840	Project Manager:	Robyn Laidlaw
Telephone **0800 732 732**	Prepared By:	Robyn Rout and Jared Cappie
Fax	Reviewed By:	Fran Mikulicic
0800 732 329	Approved for issue:	Michael Aitken

Executive summary

Community leadership is part of the core functions of Southland District Council (Council) and contributes to building a strong local government system to support communities through the challenges and opportunities ahead, and helps to embed intergenerational wellbeing and local democracy.

Key aspects of this activity are to support community-led development, regional development, engagement and representative leadership.

Community leadership is integral in advancing the thinking and actions towards a District-wide approach to strengthen Council's focus on wellbeing, while supporting the importance of people, culture, places, heritage, and spaces.

This activity is responsible for enabling and supporting collective action both within Council and community boards, and within our communities; understanding and sharing power and responsibility at all levels to serve community priorities, and recommending policy to support this.

Purpose of the activity management plan

The purpose of this activity management plan (AMP) is to provide:

- an overview of the scope of the activity
- why Council delivers the service
- levels of service/performance measures
- the outcomes anticipated from this service
- information on projects
- expenditure that will be required to provide the activity and how the management of the activity is funded
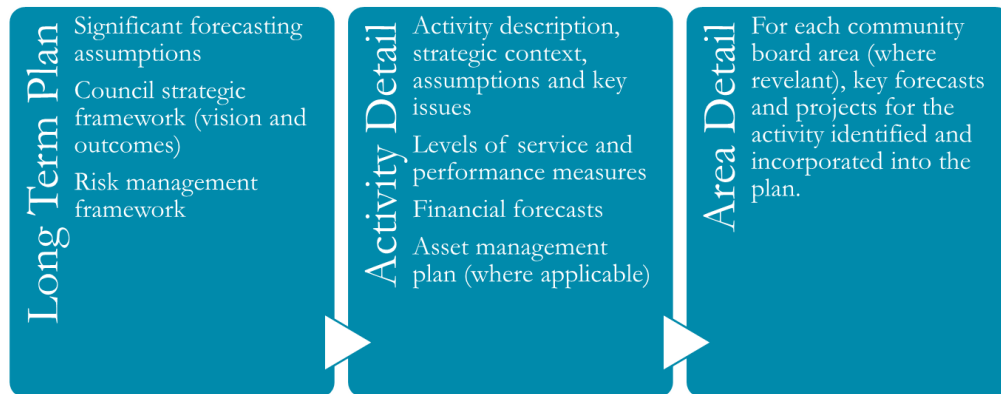- issues and risks involved in undertaking the activity.

Plan limitations

This plan is being developed based on the current structure and legislative framework of local government. Staff are aware the sector is in a state of flux and that new initiatives may be required as changes within the sector occur. Significant themes are currently being discussed in the sector including:

- setting wellbeing goals and priorities each term and measuring wellbeing outcomes
- honouring and giving full effect to Tiriti-based partnerships between local government and Māori
- climate change
- local government and communities being empowered to build local solutions for national-level problems, with collaboration and funding from central government
- the reorganisation of local government including reviewing the operating models and structures of councils
- broadening citizen participation through democratic tools such as participatory and deliberative democracy processes
- changing local government elections, including to allow Te Tiriti-based appointments to councils
- providing even greater support and training to elected members.

Page | 4

Council will need to be dynamic, transparent and agile in order to best serve its communities in this rapidly changing environment, and at the same time empower communities with the right tools to deliver the best outcomes.

Plan framework

Long Term Plan	**Activity Detail**	**Area Detail**
Significant forecasting assumptions Council strategic framework (vision and outcomes) Risk management framework	Activity description, strategic context, assumptions and key issues Levels of service and performance measures Financial forecasts Asset management plan (where applicable)	For each community board area (where revelant), key forecasts and projects for the activity identified and incorporated into the plan.

Scope of the activity

What we do

Community leadership is a core function of Council and contributes to building a strong local government system to support communities and help embed intergenerational wellbeing and local democracy. Intergenerational wellbeing is about lifting people's quality of life.

This activity strengthens Council's focus on community wellbeing by taking a strengths-based approach to the District, and its communities. This means focusing on individual, whanau and communities' strengths including personal strengths, and social and community networks. This is holistic and multidisciplinary to promote wellbeing.

This activity focuses on building strong networks and relationships with new and existing partners, agencies/stakeholders, iwi and communities. It is also about understanding the aspirations of mana whenua and where relationships and partnerships are appropriate. Through these relationships Council can help address a wide range of issues, challenges and opportunities, in order to improve and protect wellbeing through planning, investment, decision making, and agreed actions.

The community leadership activity advances the thinking and actions towards a District-wide approach to strengthen Council's focus on wellbeing, while supporting the importance of people, culture, heritage, places and spaces, and building the capacity and capability for communities to have greater resilience to change. This activity also facilitates regional development.

This activity includes providing assistance to the many volunteer museums in Southland, connecting people to the stories hidden in history all over Southland.

Services

This activity encompasses four key services to facilitate intergenerational wellbeing and help Council focus on local priorities and solutions:

- community-led development - supporting collaborative partnerships and building strong relationships with community, iwi, and key agencies/stakeholders

- community planning - planning with the community, iwi and key agencies/stakeholders effectively

- community engagement – connecting with the community effectively to ensure Council has the 'full picture' and can be truly community-centred in its approach

- community representation – enabling democratic decision making by, and on behalf of, communities, including being an advocate.

Components of the activity

The components of the community leadership activity are:

Community leadership (community development, engagement and planning)

Council supports collaborative partnerships with local community organisations and local community development opportunities, as well as key national and regional agencies/stakeholders that support the District's communities and add value to residents' quality of life and visitor experiences.

Regional development

Council invests in regional development initiatives through Great South who focus on economic development, attracting business, and providing and promoting quality visitor experiences. In addition, Council provides support, community connection, voices and insights, and feedback into the development of the Regional Long-Term Plan.

Community assistance (grants and donations)

Council assists a number of groups by providing funding for a range of projects and activities that promote community wellbeing, such as:

- The Community Partnership Fund which supports an array of local initiatives and projects. The District's nine community boards are responsible for approving grants from their respective funds, and each has developed individual criteria for applications. Epitomising the concept of community-led development, the funds have a positive impact in the community, for the community.

- The District Initiatives Fund is available to support the development and implementation of initiatives within the Southland District area that are either at a scale that provides benefits to the District as a whole, or, are of benefit to at least two community board areas.

- Long Term Plan (LTP) grants are contributions to community groups and organisations that are paid in a three-year cycle to align with the LTP. Council's policy is that any grant funding over $10,000 requires the organisation to provide an outcome report annually.

- District Heritage Fund, which is used to support Southland District's museums with operational funding through an annual operating payment.

- The Stewart Island Rakiura Visitor Levy - although Stewart Island/Rakiura has a small resident population, it is a destination for a large number of short-term visitors. This creates a unique funding challenge for Council. Council sets and collects levies and obtains revenue from visitors to Stewart Island/Rakiura. Funds must be used to better provide services, facilities, amenities for Island visitors, or mitigate environmental effects.

Representation and advocacy

Council encourages decision-making at a range of levels – centrally by Council, and at local levels through community boards and other subcommittees.

Council also seeks input from young people in the District through the Youth Council, and supports other representative groups such as the Milford Community Trust, the South Catlins Charitable Trust and Predator Free Rakiura.

Council plays a strong advocacy role in representing local interests by way of submissions, deputations and lobbying to regional and central government and other relevant agencies.

Council is proactive in ensuring there is appropriate representation on national working parties and organisations so that a southern and/or rural voice is heard.

Key aspects of the activity include providing meeting support, delivering three-yearly local government elections and six-yearly representation reviews to determine the representation structure.

Why we do it

This activity encourages collaboration, partnerships, and strong relationships so communities can achieve more, but also strengthens community connections, leadership, understanding and self-reliance. This in turn helps embed intergenerational wellbeing and local democracy.

Legislative framework

This activity is undertaken to facilitate intergenerational wellbeing and to enable local democracy.

The legislative framework this activity operates within is largely outlined in:

- the Local Government Act 2002
- the Local Government Official Information and Meetings Act 1987
- the Local Electoral Act 2001.

Strategic considerations

Strategic direction setting encompasses Council's high-level goals, particularly the vision for the District, what the outcomes for the community may be, and what the priorities will be as Council works with its communities.

Council currently has a draft strategic framework that identifies where Council wants to be in the future. Council's draft vision is 'together, with our people, for our future, it's our Southland'. The draft strategic framework also identifies four key pillars of doing business (we care, we give our best, we work together and we do what's right), and four desired community outcomes (connected communities, ease of doing business, resilient communities and robust infrastructure).

STRATEGIC FRAMEWORK COMPONENT	2024-2034 STRATEGIC FRAMEWORK
VISION	Together, with our people, for our future, it's our Southland
MISSION	Working together for a better Southland
COMMUNITY OUTCOMES	Communities which are connected and have an affordable and attractive lifestyle (Social)
	Communities with a sense of belonging for all (Cultural)

STRATEGIC FRAMEWORK COMPONENT	2024-2034 STRATEGIC FRAMEWORK
	Communities committed to the protection of our land and water (Environmental)
	Communities with the infrastructure to grow (Economic)
STRATEGIC PRIORITIES	Connected and resilient communities
	Ease of doing business
	Providing equity
	Thinking strategically and innovatively
	Robust infrastructure

Community Board Plans

The community leadership activity is a critical factor in connecting communities with Council, with community boards and Council activities, in order to develop the social, cultural, economic and environmental wellbeing of the communities across the District.

Each of the nine community boards have prepared a three-year plan (community board plan), which was developed in consultation with the wider community. Community board plans guide the community boards in their decision-making processes with each plan having unique visions, outcomes and actions to be achieved. The outcomes led to community wellbeing, for example, some of the plans seek to achieve:

- a progressive and thriving economy creating opportunities for growth and development
- a healthy, safe community with access to quality facilities, amenities and services
- infrastructure that is efficient, cost effective and meets current and future needs
- a natural and built environment that is clean, healthy and attractive
- a community that attracts businesses, people and visitors resulting in economic growth
- a healthy, safe and connected community with access to quality services and facilities
- a community that celebrates and protects its history and heritage

The intention behind creating the plans was to have a living document that guides the community board, assists with funding and expenditure decisions, and helps to inform each community board's annual work programme and delivery of locally funded activities for the duration of the three-year period the plan covers (aligned with the LTP).

Climate change considerations

Climate change is increasing the frequency and severity of weather events, which will create a range of challenges and opportunities for Southland District communities. Council is undertaking analysis of the risks arising from climate change, so that it can develop plans to manage these risks. In addition, Council is using the results of its baseline greenhouse gas emissions inventory to identify opportunities for reducing emissions. Within the community leadership area, steps are being taken to reduce emissions by:

- providing flexibility for staff to work from home when appropriate
- embracing changes in the vehicle fleet, such as using electric vehicles or hybrids
- only travelling when necessary and travelling with others where possible

Page | 8

- using electronic documents where possible
- using online learning and meeting options.

Council's communities are at the centre of climate adaptation planning and action. The community leadership team's relationships and connections across the region will be key.

The community leadership team will play a vital role in community engagement activities in relation to climate adaptation through reviewing community board plans and engaging with the community on them, liaising with community groups, and being communication network between communities and Council.

Staff in the community leadership team will be able to support emission reduction and engagement activities within current budgets.

Levels of service/performance measures/targets

Levels of service

The levels of service for this activity are:

- Council makes decisions in an open and transparent manner
- Council supports partnerships with key stakeholders in the district and wider region

Council making decisions in an open and transparent manner means:

- transparent - this means that the public will be able to access official information such as agendas and reports so they can be aware of Council business
- involving Māori/mana whenua in Council business and local decision making.

Supporting partnerships with key stakeholders in the district and wider region means that staff within the community leadership activity will support:

- community-led development – build strong relationships with the community, iwi, agencies/ stakeholders and support communities to achieve their aspirations which includes grants and donations
- community planning – guide, monitor and implement community outcomes
- community engagement – inform, engage, consult with, and collaborate and empower the community.

Performance measures/targets

Level of Service	LOS: 1.0 Council makes decision in an open and transparent manner				
Level of Service	LOS:1.1 Council supports partnerships with key stake holders in the district and region				
Key performance indicator (KPI)	Current Performance – 2023/24	Future Performance Targets			
		2024/25	2025/26	2026/27	2027-34
KPI 1.0.1: All agendas are out on time [1]	New KPI	100%	100%	100%	100%

KPI 1.0.2: A recommendation is included in each report being withheld from the public about what (if anything) will be released to the public, and when	New KPI	75%	80%	80%	85%
KPI 1.0.3: Proportion of agenda items held in an open meeting	93%	90%	90%	90%	90%
KPI 1.1.1: Percentage of community board meetings where residents and rate payers are in attendance	81%	50%	50%	50%	50%
¹ – This refers to agendas for Council, Council committees, Council subcommittees, community boards and joint committees administered by Council.					

Outcomes of the activity

The table below gives an overview of how the community leadership activity supports the community outcomes contained in the draft strategic framework:

Outcome	How activity contributes
Connected and resilient communities	• building strong relationships with new and existing partners, agencies/stakeholders, iwi, and communities • ensuring communities have access to elected representatives • supporting and developing community leadership at all levels • helping communities to connect with agencies that can help them at a local, district, regional and national level • supporting and celebrating art and heritage activities/services, and their importance to cultural identity, and to a sense of belonging • supporting the development of each place or local community • being an intermediary and communication channel between community boards and Council • supporting economic, social, environmental, and cultural growth and events
Ease of doing business	• facilitating grant funding processes • relationship building • fostering community-led development • supporting Southland's regional tourism organisations, regional initiatives, and government-funded contracts that pave the way for regional development • work with other teams in Council to ensure community views are considered in Council projects and decisions are explained to the public
Providing equity	• ensuring a variety of communication techniques are used so information reaches people • making it possible for a variety of people to be able to stand as a candidate to be an elected member • provision of a customer service approach to people in the District and to stakeholders • undertaking community planning to identify risks and development opportunities

Page | 10

	• supporting collaborative partnerships and building strong relationships • partnering with iwi through Te Ao Māori and mātauranga Māori which includes extending Council's own knowledge and understanding • supporting and developing community leadership at all levels in the community • supporting a Newcomers' Welcome Plan – for people who are new to the District.
Robust infrastructure	• working alongside project working groups (internal and external partners) and holding the 'helicopter view' • ensuring the community are part of the process and informed throughout • support communities in community led project scoping, prioritisation, and delivery • providing support to ensure decisions are made following correct process.
Thinking strategically and innovatively	• completing the representation review looking towards the future of the District and wider region • having community board plans to focus Council work on wellbeing outcomes for its communities • implementing change to be more efficient and effective.

Projects

Projects for this activity group include:

- working with boards to review community board plans - this will include undertaking community engagement and making updates.
- working to implement actions in community board plans and ensuring LTP projects align with desired board outcomes
- wellbeing related projects to encourage social connection and intergenerational wellbeing such as pump tracks and activating open spaces and places
- Project Ark – to help Southland museums to digitalise, catalogue and pack their collections
- running the representation review prior to the 2025 local government elections
- focussing on wellbeing and measuring the impact Council services have on wellbeing outcomes
- working internally to develop the relationships and information flow leading to better outcomes, and stronger relationships with community boards
- delivering local government elections in 2025 and supporting the induction process
- developing an Arts and Heritage Strategy
- continue to build community leadership, capability and capacity through workshops with community stakeholders
- continue to support the delivery of the 'Better Off' funding projects identified for each of the nine community boards.

Funding the activity

The majority of costs for the community leadership activity are operational and are based around staff providing services and the provision of community assistance such as grants and funding. These costs are primarily recovered through rates with some recovery from other activities (internal income).

Community leadership has limited capital expenditure, primarily relating to vehicles which enable the service to be provided across the District.

The community leadership activity is seeking additional investment to advance the thinking and actions towards a District-wide approach to strengthen Council's focus on wellbeing, while supporting the importance of people, culture, heritage, places and spaces.

Community leadership

The total community leadership district business unit budget is set at $1,046,000 for the 23/24 year.

Community futures - areas where additional funding is being proposed

Compared to funding in the 2023-24 financial year, staff are proposing additional funding for the following areas.

General projects (activating communities)

The current budget as per the 2023/24 year is set at $30,000 and staff propose to increase this budget by $101,470 for the proposed 2024/25 year. A detailed description of the general projects is below:

General projects	Proposed budget	Description
Activating communities' projects and initiatives (in existing 2023/24 budget)	$30,000	- helping to activate community-led and/or community projects/initiatives - gaining insights and connection with communities through community engagement methods - events and workshops (community leadership team and community boards) - working together internally-enhancing collaboration development and implementation - coordination of the water treatment course for community swimming pools.
Arts and Heritage Strategy implementation	$25,000	- Council is currently working with a consultant to create the strategy with the aim to be finalised and adopted mid-2024 - there is currently no budget for implementation and with the strategy currently being developed, staff have estimated costs in line with Invercargill City Council's implementation budget of their newly adopted Arts, Heritage and Culture Strategy.
Newcomers' Welcome Plan	$15,000	Council's Newcomers' Welcome Plan is in final draft and will be taken to Council shortly. Based on the recommended actions for implementation, staff believe a budget of $15,000 per annum is needed.

Southland District Leadership Academy- community leaders	$16,000	• in recent years Council partnered with the Southland Business Chamber, community funder Community Trust South (CTS), and communities to enable community leaders across the communities to partake in a leadership academy in the District which is centric to our communities. • the Academies have been a great success and there is high interest and support to enable this to happen across the district on a regular basis. This is partnered and funded by Council, the business chamber, and CTS.

Community board plans, support, engagement, and stationery	$10,000	• there is currently no budget for community board plan reviews and updates beyond the current 2021-2024 plans. This budget would allow this to take place, so Council can re-engage with communities, run workshops, and cover professional printing and associated costs.
		• this budget would support community boards to do wider community engagement to share community board plans with their communities, and wider engagement concerning issues, challenges, opportunities, and community led-development.
		• to support these outcomes, and the community boards maintaining and developing strong relationships with communities, partners and agencies, general stationery costs will be utilised. This will include items such as,
		  - printing, and delivery of flyers for community drop in sessions/meetings to engage with and inform communities.
		  - general stationery and printing key documents.
		• these costs to date have been picked up by existing budgets allocated by the Group Manager Democracy and Community.

Community service awards	$7, 470	• this budget has been transferred to the community leadership team as they currently coordinate the awards, and having another team/manager approving the budget adds another layer of complexity. Staff have increased the budget due to:
		  • the increase in food costs through inflation over the past two years.
		  • the cost to run the award ceremony, gifts, certificates, and the potential for more than one award for each community board.

Measuring impacts on wellbeing	$12,000 (2025/2026) $8,000 (2026/2027)	• this project is to enhance how Council identifies the aspects of community wellbeing impacted by its services

		• this project is also to investigate if Council services are positively impacting aspects of community wellbeing.

The increase in the general project budget for the 2024/25 year will reduce in subsequent years once the strategies and the plan are implemented, and will fluctuate in costs across years based on the number of Southland District Leadership Academy courses held.

Community Leadership– other information about funding needs

Community Partnership Fund

The Community Partnership Fund supports an array of local initiatives and projects. The Southland District's nine community boards are responsible for approving grants from their respective funds, and each has developed individual criteria for applications. Epitomising the concept of community-led development, the funds have a positive impact in the community, for the community.

As in the 2023/24 year, the funded total amount across all nine community boards is $168,126 with $72,722 coming out of District funding and the remaining balance funded by local community board rates or local community board reserves.

Holiday programme

Active Southland delivers the holiday programme on behalf of Council with $32,224 allocated for the 23/24 year.

Community assistance (grants and donations)

The LTP is used as the main mechanism for discussing and confirming grants and funding that Council will provide to a range of activities for the next three years. The current grants and contributions in place as part of community assistance are:

The District Initiatives Fund

This fund is available to support the development and implementation of initiatives within the Southland District area that are at a scale that provides benefits to the District as a whole, or are of benefit to at least two community board areas. Currently, $64,497 is allocated to the District Initiatives Fund for the 2023/24 year.

Scholarships

The following scholarships are part of the community assistance part of this activity:

- two centennial bursaries, valued at $2,000 each
- two Eric Hawkes Memorial Outward-Bound scholarships, valued at $8,000 in total
- the Valmai Robertson Arts Scholarship, valued at $2,500
- debating competition $800

The District Heritage Fund

This fund supports museums in the Southland District with operational costs with $75,849 allocated in the 2023/24 year.

Government schemes

The following funding is allocated as part of Government schemes.

- Creative Communities NZ with $26,730 allocated for the 2023/24 year

- Sport NZ rural travel fund with $18,749 allocated for the 2023/24 year. For the LTP 2024/25 year and beyond we have the budget set at $13,889 (current contract budget), as an additional $4860 was added through a variation in contract for the 2022/23 year and 2023/24 year.

Emergency Management Southland

In the 2023/24 financial year, $440,411 was provided to Emergency Management Southland.

Other funds/grants/allocations

This activity also includes:

- the Stewart Island/Rakiura Visitor Levy Fund provides grants to support activities and facilities used by, or for the benefit of, visitors to Stewart Island; and activities and facilities that mitigate the adverse effects of visitors on the environment of Stewart Island/Rakiura. There is $273,305 allocated for the 2023/24 year, and $315,000 allocated for the 2024/25 year, based on expected visitor numbers of 39,000.

- Predator Free Rakiura Project grants $10,000 to Environment Southland

- the Ohai Railway Fund ($55,000 allocated 2023/24 year)

- the John Beange Fund ($5,000 allocated 2023/24 year),

- Northern Southland Development Fund ($9,825 allocated in the 2023/24 year).

- museum services - this covers the roving museums officer with $117,000 allocated for the 2023/24 year. This includes $75,000 from the Southland Regional Heritage Committee, $15,000 CTS, with the remaining balance covered by District rates.

- the regional heritage rate will generate $676,751 in the 2023/24 financial year which is provided to the Regional Heritage Committee to support museum/heritage services.

- iwi funding - $189,851 is being allocated in the 2023/24 financial year.

- LTP grants paid to specific organisations

Organisation	amount received per year
Active Southland – Swim Safe Programme	$23,000 + GST
Southland Indoor Leisure Centre Trust (Stadium)	$75,000 + GST
Warm Homes Trust	$35,000 + GST

Environment Southland – Waituna Partnership	$25,000 + GST
Environment Southland – Toimata Foundation/Enviroschools	$10,000 + GST
Hollyford Conservation Trust	$10,000 + GST
Around the Mountain	$30,000 + GST

Regional Development

Great South is committed to driving economic, social and cultural growth, and has a clear mandate to leverage opportunities for Southland in the areas of economic and business development, tourism and events. Great South has been allocated $1,385,000 for the 2023/24 year and presented its funding proposal for the next three years in September 2023.

Representation and advocacy

The total cost to operate the representation and advocacy component of the community leadership activity is $2,960,000 in the 2023/24 financial year. The areas included in this budget include community boards, Council and councillors, elections, the governance team and the chief executive. The budget is not proposed to change substantially from the 2023-24 budget. A minor change proposed is to put the elected member induction budget into this budget area, rather than have it sit elsewhere.

Funding principles

Section 102(4) (a) of the Local Government Act 2002 requires each Council to adopt a Revenue and Financing Policy. This policy must state the Council's policies in respect of the funding of both capital and operational expenditure.

Further information can be found in Council's Revenue and Financing Policy.

Financial Summary

Community Leadership	2024/2025 LTP ($000)	2025/2026 LTP ($000)	2026/2027 LTP ($000)	2027/2028 LTP ($000)	2028/2029 LTP ($000)	2029/2030 LTP ($000)	2030/2031 LTP ($000)	2031/2032 LTP ($000)	2032/2033 LTP ($000)	2033/2034 LTP ($000)
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	8,351	8,593	8,849	9,065	9,253	9,434	9,518	9,676	9,804	9,906
Targeted rates	1,264	1,289	1,311	1,330	1,348	1,367	1,384	1,402	1,420	1,437
Subsidies and grants for operating purposes	302	116	116	116	116	116	116	116	116	116
Fees and charges	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	479	476	482	489	496	504	511	519	526	534
Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infingement fees, and other	401	540	562	563	614	566	568	621	571	572
Total operating funding	**10,797**	**11,014**	**11,319**	**11,562**	**11,827**	**11,986**	**12,097**	**12,334**	**12,436**	**12,565**
Applications of operating funding										
Payments to staff and suppliers	4,037	4,159	3,974	4,086	4,396	4,240	4,333	4,658	4,443	4,572
Finance costs	2	1	1	-	-	-	-	-	-	-
Internal charges and overheads applied	3,558	3,424	3,650	3,768	3,857	3,944	3,974	4,031	4,109	4,128
Other operating funding applications	3,668	3,700	3,786	3,802	3,826	3,851	3,875	3,899	3,922	3,946
Total applications of operating funding	**11,265**	**11,285**	**11,410**	**11,656**	**12,080**	**12,036**	**12,182**	**12,588**	**12,475**	**12,646**
Surplus (deficit) of operating funding	**(468)**	**(271)**	**(91)**	**(94)**	**(253)**	**(50)**	**(85)**	**(254)**	**(38)**	**(81)**
Sources of capital funding										
Subsidies and grants for capital purposes	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	25	87	-	21	63	22	68	29	24	39
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**25**	**87**	**-**	**21**	**63**	**22**	**68**	**29**	**24**	**39**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	2	2	2	2	2	2	2	2	2	2
- to replace existing assets	50	214	-	53	174	56	170	69	59	120
Increase (decrease) in reserves	(254)	(160)	147	72	(166)	115	11	(96)	125	37
Increase (decrease) in investments	(240)	(240)	(240)	(200)	(200)	(200)	(200)	(200)	(200)	(200)
Total applications of capital funding	**(443)**	**(184)**	**(91)**	**(73)**	**(190)**	**(27)**	**(17)**	**(225)**	**(15)**	**(42)**
Surplus (deficit) of capital funding	**468**	**271**	**91**	**94**	**253**	**50**	**85**	**254**	**38**	**81**
Funding balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Issues and risks involved in undertaking the activity

Strategic issues/risks	Impact on the management of the activity	Staff recommendation
Demographics • **varying levels of growth** • **aging population** • **anticipated negative growth in the 2040s**	• changing demographics across the District in both accelerating and declining areas may result in an increased demand for community assistance grants • the aging population may require more support and assistance to connect to key agencies and services • employers may need support to source workers • the volunteer network may increase and people may have more ability to give back to their communities	• staff will monitor the demand for grants and propose adjustments where necessary • continue approach to build relationships and partner with other iwi/stakeholders/agencies • continue to provide regional development services • continue to foster community led development • initiatives to welcome people to the region should be supported
The need to deliver wellbeing priorities and measure wellbeing outcomes	• a stronger focus on delivering wellbeing priorities • the need to map how aspects of this activity, such as grant funding, align with desired wellbeing priorities • producing evidence that wellbeing outcomes are altered through the delivery of the activity.	• that staff maintain focus on wellbeing priorities • that there is a clear link between work undertaken in this activity and wellbeing priorities • that impacts on wellbeing outcomes are measured.
Climate change, and changes in rural communities to respond	• preparing communities for impacts by working across Council to enable effective and efficient communication around climate change and environmental standards through linkages and relationships with community boards, other external stakeholders, and the wider community • building and maintaining strong links with the District's diverse communities will be important, as will having connections with Emergency Management Southland • internal practice to support a low emissions economy, such as changes to travel and training practices	• staff will work with communities to inform and prepare them for the impacts of climate change and other associated changes • a focus on using low emissions travel, meeting and training opportunities • ensuring there are strong relationships and collaboration between iwi/parties/stakeholders etc

Strategic issues/risks	Impact on the management of the activity	Staff recommendation
Te Tiriti based partnerships	• there will be even more focus on acting in partnership with Māori and on strengthening authentic relationships in the local exercise of kāwanatanga and rangatiratanga • increasing need to engage effectively with Māori • an increasing need to prioritise and invest in developing and strengthening capability and capacity in the areas of Te Tiriti o Waitangi, te ao Māori values, mātauranga Māori, tikanga, andwhakapapa in order to make Council a better Te Tiriti partner	• staff will collaborate and build strong relationships with Māori • staff will connect and engage with Māori effectively • there may be a need to increase staff capability and capacity in the areas of Te Tiriti o Waitangi, te ao Māori values, mātauranga Māori, tikanga, and whakapapa
System renewal – reoganisation of local government	• at some point in the future Council may need to re-organise (such as having different structure in place in the region) to be able to respond to challenges and opportunities and to set local government up for a more complex future • it is likely staff will have to develop relationships with new central government agencies and new sector stewardship organisations	• consideration could be given to possible re-organisation options and where possible the representation review should future-proof Council • there will be a need to be at the table and to advocate and provide advice • ensuring there are strong relationships and collaboration between iwi/parties/stakeholders etc • new relationships will have to be formed • staff will have to remain agile and responsive
Strengthening local democracy and leadership	• participatory and deliberative democracy processes may become expected or required • elections may be run differently, for example, there may a central agency running them, there may be younger voters and a longer electoral term • Māori wards or Te Tiriti appointments to Council • greater need for adaptive leadership capability	• staff continue to focus on local and placed-based decision making • staff will have to remain agile and adaptive to changes • there may be a need for skill development in change and system renewal, valuing civic leadership and public service, partnership and collaboration, innovation and experimentation.
Social polarisation	• associated with very high levels of engagement • requires a lot of staff capacity/time • highlights the need for high levels of communication and transparency.	• staff continue to communicate and build strong relationships with communities and stakeholders • staff continue to be as open and transparent as possible.

Water Facilities Activity Management Plan

2024-2034

Table of Contents

Quality Assurance Statement				
Draft AMP Template				
Southland District Council	Version:		Record No:	R/23/5/19394
15 Forth Street	Status:			
Invercargill 9840	Project Manager:	Mark Day		

Quality Assurance Statement		
Telephone	Prepared By:	Lance Spence
0800 732 732	Reviewed By:	Mark Day, Robyn Laidlaw
Fax	Approved for issue:	Sam Marshall
0800 732 329		

Executive summary

Southland District Council (Council) manages a variety of assets that come under the water facilities activity. These assets provide access to rivers, lakes and the sea for both commercial and recreational opportunities throughout the district. They range from jetties/wharves, boat ramps, navigation aids, swimming pontoon and retaining/sea walls.

These assets have been inherited by Southland District Council from previous local authorities through the Local Government reorganisation, harbour boards and an energy company. Historically they have received minimal investment and maintenance has largely been reactionary.

Since 2018, Council has invested significantly in identifying the current condition of its water facilities assets. Engineering assessments have been undertaken of all assets which have provided up to date information of their condition, future maintenance requirements and an estimate of their remaining life. This information has provided a baseline to help resolve issues of moving this activity from primarily reactive maintenance to a proactive programmed maintenance state.

In the 2021-2031 LTP staff included funding to allow for annual maintenance and renewals. Southland District Council has renewed four of the assets over the previous three years and installed one new asset.

One of the major issues with this activity is the ability to fund the level of investment to meet the Council's agreed levels of service (LOS), and operational and legislative requirements. Council's funding for this activity is determined by the governance structure. The assets are termed as being locally funded which means that local Community Boards have the delegated authority to determine how the funding will be allocated. In the case of Stewart Island Rakiura there is a limited population base to support the activity. This creates issues when trying to provide sufficient funding to support the level of maintenance on ageing infrastructure.

To address this, Council has involved the community boards in the planning process so that they are made fully aware of the implications of the costs and alternative options that are available to meet the identified LOS. This may entail a combination of replacing/renewing assets, not replacing assets at end of life, divestment, investing in alternative options when renewing assets or securing different funding options.

The latter of these options is being researched by Council in conjunction with the community boards and commercial operators to determine a sustainable method of generating revenue that will provide a portion of the funding that is needed to support the activity. In addition, the current method of fully local based funding may need to be reviewed. This may result in the activity being funded by levies and local and district rates which will potentially ease the burden on small communities.

The measures identified above have been put in place to work towards lifting the level of management of this activity. Council is at the start of this process and with continued improvement of the data (both condition and financial), and potential changes to the funding mechanism, it is envisaged that by the next AMP review the funding gap identified may not be as high as indicated in this AMP.

Financial summary

The rental from the Riverton Harbour Endowment land is collected as income for the maintenance of the Riverton Harbour. It is transferred into the Riverton Harbour General Reserve and held specifically for work associated with the harbour. The leases for the endowment land were reviewed in 2022 and have been increased which will provide more income for this activity. Additional funding is collected from the other wharves in the form of lease payments.

The water facilities on Stewart Island Rakiura have struggled to get sufficient funding to undertake maintenance. The capital projects that have been identified rely on funding from grants or loans which means that they may or may not go ahead. There is a heavy reliance of the Stewart Island Visitor Levy to fund any work associated with the water facilities. The ability to fund maintenance and renewals on these structures for the Stewart Island Rakiura community has been identified as a risk.

The remaining water structures on the Waiau River have had budgets allocated and saw considerable investment from MBIE in the 2022/2023 financial year therefore the current LOS will be maintained.

Purpose of the activity management plan

This AMP describes the strategies and works programmes for the water facilities activity so as to meet the objective of delivering the required LOS for the Southland District (the District). It will be reviewed every three years. This AMP informs the Council's Long-Term Plan (LTP) and contributes to the goals and objectives Council aims to achieve in order to achieve community outcomes. The AMP covers:

- a description of the activity, including the rationale for Council involvement and any significant negative effects of the activity

- the strategic context for the activity, the key activity management strategies and policies adopted within this environment and the main issues identified for the activity

- a statement of the intended levels of service and performance targets.

This AMP covers a period of 10 years commencing 1 July 2024. The main focus of the analysis is the first three years and for this period specific projects have been identified in more detail. Beyond this period work programmes are generally based on trends or predictions and should be taken as indicative only. All expenditure is based on unit costs as at 1 July 2024.

Plan limitations

This AMP is a minimum 'core' Plan and is intended to set out how Council manages its water structures in a way that is appropriate for a broader readership including Council's executive management, elected members, interest groups, commercial operators associated with the management and/or use of the water structures and the general community.

A key difference between the previous AMP and this one is that it is based on current condition assessment information.

The AMP does not make assumptions or plan for a scenario other than what would have been expected, regardless of national events.

This AMP attempts to address significant water facilities asset management issues in the District. It is a living document which will undergo a formal review every three years to make amendments to reflect changes in LOS, demand projections, risk profile, lifecycle information, or financial information.

This AMP has been developed with the following key limitations:

- projects have been identified and scheduled based on the best information available at the time.

- budgets for these projects have been assessed based on the best information available at the time.

- projects towards the end of the 10-year period are flagged that work is likely to be needed but it is very much at the concept phase. Options and detailed estimates will be carried out closer to the time.

- if an asset fails earlier than planned then emergency works may be required and these will be funded through unbudgeted expenditure
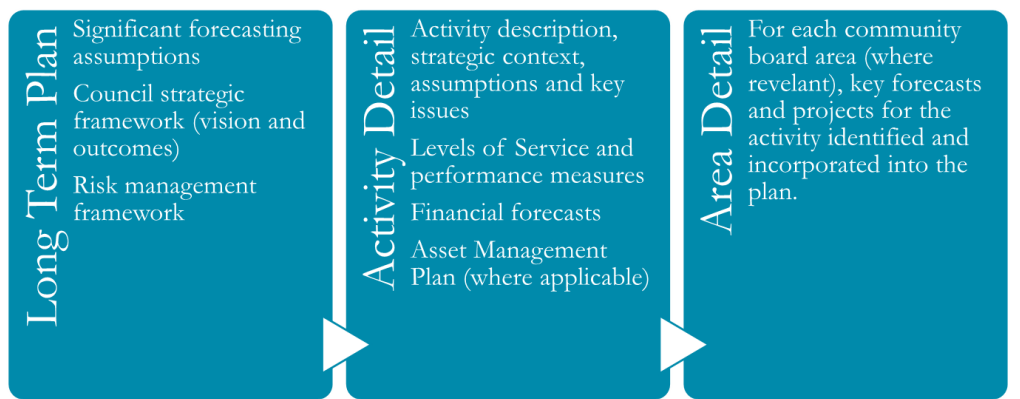
The completion of projects is limited to resourcing of both Council staff and external engineering support.

Plan framework

The AMP framework is illustrated in the figure below. Strategic context, significant forecasting assumptions and any activity-specific issues are documented in the main body of this Plan. Information on locally funded activities and services are included in the Appendices to this Plan.

The key points are:

- Forecasting assumptions have been included and amended to include impacts of Covid-19.
- New levels have been developed and will be incorporated into any new contracts associated with activities.

Long Term Plan	Activity Detail	Area Detail
Significant forecasting assumptions Council strategic framework (vision and outcomes) Risk management framework	Activity description, strategic context, assumptions and key issues Levels of Service and performance measures Financial forecasts Asset Management Plan (where applicable)	For each community board area (where revelant), key forecasts and projects for the activity identified and incorporated into the plan.

Activity description

What we do

The table below illustrates the number and diverse range of water facility assets that Council manages throughout the District:

Wharf/Jetty 10	Boat Ramp 10	Navigation Aid 5	Swimming Pontoon 1	Retaining Wall 2	Viewing Platform 1

The major water structures are located at Stewart Island Rakiura and Riverton/Aparima. Some assets have been inherited by default in the past and do not necessarily add value to Council's asset portfolio.

Council's intention is to maintain the water facilities assets at a base level that meets the needs of the community and ensure that they are safe to use and meet the appropriate resource consent standards and other regulatory requirements.

Why we do it

Water infrastructure like boat ramps, jetties, wharves and navigation aids enable recreational and commercial access to waterways as well as the ability for residents and visitors to access services where the only available access is by water. The activity also supports the environment by having stop banks and marine walls which protect the environment from flooding as well as safety via aids which improve navigation.

The infrastructure also supports commercial and tourist ventures especially in Riverton and Stewart Island Rakiura. Furthermore, the Stewart Island Rakiura community have identified that the water facilities on the island are critical infrastructure that form an extension to the roading network and the tourism industry is reliant on them.

Strategic considerations

Strategic framework

Council has adopted a strategic framework that identifies where Council wants to be in the future (vision) and the outcomes it aims to achieve to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions (community outcomes). The framework also outlines how it will achieve these (mission and approach) along with the key challenge it faces in doing so and its resulting strategic priorities.

STRATEGIC FRAMEWORK COMPONENT	2024-2034 STRATEGIC FRAMEWORK
VISION	Together, with our people, for our future, it's our Southland
MISSION	Working together for a better Southland
COMMUNITY OUTCOMES	Communities which are connected and have an affordable and attractive lifestyle (Social)
	Communities with a sense of belonging for all (Cultural)
	Communities committed to the protection of our land and water (Environmental)
	Communities with the infrastructure to grow (Economic)
STRATEGIC PRIORITIES	Connected and resilient communities
	Ease of doing business
	Providing equity
	Thinking strategically and innovatively
	Robust infrastructure

The strategic framework guides staff and informs future planning and policy direction and forms the basis for the performance framework. It outlines how the water facilities activity contributes to the Council's community outcomes.

The full levels of service and performance management framework is presented in the table below.

Activity – Water facilities

Activity Objective: Provide facilities communities need and support the community to participate in a range of recreational, educational, sporting, commercial and social/cultural activities

Community Outcomes	Activity contributions	Outcome objective	Benefit	Levels of Service (LoS) and Key Performance Indicators (KPI)		
Communities committed to the protection of our land and water (Environment)	Water structures provide access to water for both recreational and commercial purposes, which in turn contributes to sustaining our local communities. By providing facilities that enable easy access to the water and coast, water structures also help to prevent damage to sensitive water and coastal environments. Water facilities provide the opportunity for communities to tap into tourism opportunities that are key to the lifestyle of the district. The district is seen as a destination where water-based activities abound and are easily accessible to locals, local and international tourists.	A sustainable impact on the environment Planning for the future	Improved health and safety More sustainable environments	LoS 13: Council provides safe and well-maintained water facilities to enable public enjoyment and access to the district's rivers, lakes and sea		
				KPI 13.1: Water facilities requests for services are completed within specified timeframes		
Communities with a sense of belonging for all (Culture)		People are well connected	Better connectedness			
Communities which are connected and have an affordable and attractive lifestyle (Social)		People have everything they need to live, work, play and visit	Increased social wellbeing			
		People can enjoy a safe and fulfilling life	Improved health and safety			
Communities with the infrastructure to grow (Economic)		Strong communities	Increased economic wellbeing			

Strategic Priorities ▶ Contribution Area ▼	1. Connected and resilient Communities	2. Ease of doing business	3. Providing equity.	4. Robust Infrastructure	5. Thinking strategically and innovatively
What will be done in the long-term (next 10 years)	Assets will be maintained to the current level of service	Ensure that the needs of customers that use these structures and the implications of a loss of control are fully considered when investigating divesting assets to community or other groups where they are not deemed to be strategic infrastructure	Investigate the funding mechanism for water structures. Consider the possibility of district funding in this activity (with the actual amount yet to be determined subject to Council agreeing to a component of District funding).	Ensure regular asset condition assessments are carried out and the recommendations acted on. Assets need to be able to capable of coping with sea level rise and other extreme weather events but still meet Councils legislative and operational requirements	Replace assets with eco-friendly renewable materials where they meet building and engineering requirements. Look at installing solar and other new technologies such as wave generators where electricity is required in remote locations as part of any new installations, where that is cost effective.
What will be done in the short-term (next 3 years)	The necessary capital and maintenance investment to bring assets up to the required standards and ensure they meet their expected service life.	Work with community groups to reduce the cost of capital works	Ensure the needs of the varied coastal communities are properly understood when making provision decisions for water structures.	Focus on ensuring at least the minimum level of maintenance to ensure these assets remain serviceable to meet the levels of service and to fulfil their vital transportation role. Ensure regular asset condition assessments are carried out and the recommendations acted on.	Explore new methods of generating revenue to offset the operating and development costs of water structures.

Strategic Priorities ▸ Contribution Area ▾	1. Connected and resilient Communities	2. Ease of doing business	3. Providing equity.	4. Robust Infrastructure	5. Thinking strategically and innovatively
				Assets need to be able to capable of coping with sea level rise and other extreme weather events but still meet Councils legislative and operational requirements	
Key Actions and Projects	Replace strategic assets when they come to end of life Divest assets to are not deemed to be strategic after a full investigation to determine that.	Build better relationships with communities and stakeholders	Review the asset portfolio to determine if we are providing the appropriate level of service to our communities	When assets are replaced they need to be able to capable of coping with sea level rise and other extreme weather events but still meet Councils legislative and operational requirements	Consider the cost and complexity associated with desiging, consulting, consenting and constructing new structures when making decisions to divest of existing structures.
Related strategies / plans / policies	These are listed below under regulatory Considerations				

Strategic context

The purpose of the Southland District Council Long Term Plan 2024 - 2034 is to:

- provide a long-term focus for Council decisions and activities

- provide an opportunity for community participation in planning for the future

- define the community outcomes desired for the district

- describe the activities undertaken by Council

- provide integrated decision-making between Council and the community

- provide a basis for performance measurement of Council.

Strategic direction setting encompasses Council's high-level goals, particularly the vision for the District, what the outcomes for the community may be, and what the strategic priorities will be for delivering work to the community.

Representation framework

Community representation was amended prior to the 2018 triennial elections. There are now nine community boards that provide representation across the district. These are:

Ardlussa	Fiordland	Northern	Oraka Aparima	Oreti
Stewart Island/Rakiura	Tuatapere Te Waewae	Waihopai Toetoe	Wallace Takitimu	

It is important that Council is seen as a leader in service delivery across the district and through this AMP, will ensure its water facilities are fit purpose, in appropriate locations and managed cost effectively. Doing so enables Council to provide and deliver quality, professional services to the ratepayer.

Council aim to have a high level of engagement with its customers and elected members to ensure that the minimum levels of service set out in this document represent their expectations.

Council will go through a representation review in the first year of this AMP which may change the representation framework.

Key issues and assumptions for the activity

The most important issues relating to the Council's Water Facilities activity for the next ten years are shown below:

Key Issue	Context, Options and Implications
Future of water facilities	*Context:* To assess the long-term affordability of the water facilities throughout the district. Changes to the budgets associated with the maintenance of these assets was identified in the previous LTP. *Options:* • status quo • investment

Key Issue	Context, Options and Implications
	• rationalisation.
	Implications:
	There has to be the appropriate level of funding identified to at least maintain the facilities so that they are legally compliant.
	Rationalisation of the number of assets over a period of time would enable the communities to fund the priority assets to the appropriate level of service.
Climate change	*Context:*
	Changes in Southland's climate over the coming decades are expected to create a range of challenges for Council's Water Facilities activities. The impacts that will be experienced within the coming LTP period are difficult to anticipate.
	Options:
	Continue SDC's participation in Regional Climate Change Working Group to develop collaborative pathways for a regional climate response, including climate adaptation and mitigation activities, supported by a regional science and information pathway.
	Use the best available science and information to identify and plan for climate change impacts.
	Water Facilities staff participate in the staff climate change working group and input into preparation of an organisational climate action plan to support a collaborative and integrated climate change response across all parts of the Council's business.
	Water Facilities staff contribute to preparation of an organisational emissions reduction plan and support its implementation.
	Implications:
	Climate change-related extreme weather events may disrupt planned activities, increase costs, and impact levels of service.
	Planning will need to be increasingly adaptive and flexible over time to respond to changes.
	Increased technical input may be needed to support climate resilience of assets.
	Decarbonisation measures may increase project costs.

Key Risks

It is noted that the key issues and risks for the water facilities activity align closely with a number of key strategic risks identified at a corporate level the most relevant ones being:

- inaccurate data leading to bad decisions/asset failure
- underinvestment in infrastructure
- over-commitment leads to inability to deliver agreed work programme
- meeting legislative and operational requirements when renewing assets

Key Risk	Context and Implications
Affordability of water facilities	*Context:* The water facilities throughout the district are all aging with some having reached end of life. They have suffered from under investment and only reactive maintenance. There has been a shift away from this over the past three years with the inclusion of budget in the last LTP and additional funding sourced through the Ministry of Business, Innovation and Employment (MBIE). *Implications:* The biggest risk for water facilities is the ability of the community to fund the appropriate level of funding for maintenance and renewal. This is particularly relevant to the water facilities on Stewart Island Rakiura where any major investment has been from grants with a heavy reliance on the Stewart Island Visitor Levy. The reliance on this type on funding is not sustainable moving forward.

Regulatory Considerations

Legislation, regulation and Council's existing strategies and policies mandate or influence some of the LOS and performance targets we set, as illustrated in the table below for the water facilities activity. A full description of the Council policy and planning framework impacting AMPs is included in the LTP.

Of particular impact on this activity are the regulations relating to seismic activity and earthquake strength of water structures, legislative and operational requirements in particular for proposed new structures. Over time these regulations will require Council to further consider the state/standard of these structures, as being fit for purpose.

Legislation / Regulation / Planning Documents	How it affects levels of service and performance standards Outline any changes (implemented or pending) which is impacting the activity
Resource Management Act	Environment Southland (ES) can grant consent for structures in the Coastal Marine Area to Council enabling licences to be granted by Council to jetties/structures owners.
Regional Coastal Plan	The plan sets out a wide range of rules for all activities in the coastal area.
Ngai Tahu Claims Settlement Act 1998	Schedule 15 defines the Aparima river and estuary, the Oreti, Waiau and Mataura rivers as statutory acknowledgement areas. Also defines Lords river and Port Adventure (Stewart Island Rakiura) as acknowledgement areas (although these are not currently in use as jetty locations).
Maritime NZ Manual	One section of the manual sets out requirements for buoys and beacons. Also, more recently covered in the Maritime NZ 'New Zealand's Systems of Buoys and Beacons'.
Building Act	Sets standards for building construction.
Health and Safety at Works Act (HSWA)	The HSWA aligns responsibility to PCBU and ownership of facilities with levels of responsibility for users, included facilities in public spaces.

Legislation / Regulation / Planning Documents	How it affects levels of service and performance standards Outline any changes (implemented or pending) which is impacting the activity
Maritime Safety Regulations	Compliance and regulation of types of vessels and marine activity can utilise certain water facilities.

Demand Management Strategies

This section describes how demand for water facilities is likely to change over the ten-year period of the LTP, the impact any changes is likely to have and whether Council is planning to make any changes to the activity as a result.

- The tourist demographic post COVID has shifted to older retired people magnifying the access issues to these facilities.
- the Waiau Basin boat ramps are primarily used by local (Southland) and holidaying recreational boaties. Some commercial boat use occurs. The level of recreational use is not expected to change significantly during the term of this AMP. These facilities have been scheduled for remedial maintenance work that was identified in a condition assessment undertaken in 2020. Some of this work has been completed and this work will continue on a regular cycle.
- the Pearl Harbour retaining wall protects the activities of primarily commercial boat operations based at Pearl Harbour, but also recreational boat use. This was replaced in 2023.
- the Stewart Island Rakiura facilities have high seasonal use due to the summer tourist season. Outside of this they are mainly used for recreational purposes to access the wider recreational opportunities provided on the island.
- the Riverton harbour facilities are generally for commercial use with the boat ramp being primarily used by recreational boaties.

Key Projects

There are a number of projects currently identified in the 2021-2031 LTP that will be carried through to the new plan. However, the following projects will have a significant impact on the Stewart Island Rakiura and Riverton communities.

Project	Description
Ulva Island wharf	Replacement of the Ulva Island wharf.
Golden Bay wharf	Replacement of the Golden Bay wharf and on shore infrastructure.
Halfmoon Bay Wharf	Potential transfer from SouthPort to SDC
Riverton Harbour T Wharf	Replacement of the T Wharf.
Improved Asset Management System	Increasing regulatory pressures on an aging asset portfolio, likewise increases the need to continuously improve how Council manages its assets. Preliminary work on introducing the Infor Property Management system has been completed. This transition will occur during the term of this AMP.

Other Considerations for the Activity

The water facilities are required to comply with the conditions of their coastal permits. There is an annual compliance fee that needs to be factored into the operational budgets to cover these costs. There are also costs associated with obtaining condition assessments that have to be supplied to the consenting authority as per the requirements of the coastal permit.

The Stewart Island Rakiura community have identified their water facilities as critical assets to the island but there are substantial costs associated with the ongoing maintenance and renewal. It would be appropriate to revisit this conversation with the community to see if this is still the case and whether or not there is any appetite to rationalise the number of structures that are critical to the viability of the island.

Apart from the Ulva Island and Golden Bay wharves which access onto legal road, the remainder of these assets do not access onto council owned land. The future of retaining all of these facilities is a conversation that is worth having with the community considering the future capital investment that is required.

The resource consent compliance for the facilities within the Riverton harbour is managed by Council on behalf of the lessees. This was an interim solution to bring all of the facilities up to resource consent compliance levels. The future of this arrangement should be reviewed with the Riverton Harbour Board Committee when the resource consent is up for renewal.

Our Levels of Service

Levels of Service, Performance Measures and Targets

LOS, performance measures and targets form the performance framework for the activity detailing what the Council will provide, and to what level or standard.

LOS are the outputs that are expected to be generated by the activity. They demonstrate the value being provided to the community or reflect how the public use or experience the service. A key objective of activity planning is to match the LOS provided with agreed expectations of customers and their willingness to pay for that level of service.

- *Performance measures* are quantifiable means for determining whether a LOS has been delivered.
- *Performance targets* are the desired levels of performance against the performance measures.

The levels of service provide the basis for the management strategies and works programmes identified in the AMP. By clarifying and defining the LOS for the activity (and associated assets), Council can then identify and cost future operations, maintenance, renewal and development works required of the activity (and associated assets) to deliver that service level. This requires converting user's needs, expectations and preferences into meaningful LOS.

Any reduction in funding will almost certainly require a reduction in the amount of work to be delivered, which will in turn result in a potential decline in levels of satisfaction over time. All possible avenues for minimising LOS decline are being examined in order to ensure that optimum value for money is achieved for the community.

What LoS we provide	LoS: Council provides safe and well-maintained water facilities to enable public enjoyment and access to the district's rivers, lakes and sea	
How we measure performance		Future Performance Targets

	Current Performance (22/23)	Yr 1 (24/25)	Yr 2 (25/26)	Yr 3 (27/28)	Yr 4-10 (29-34)
KPI – Water facilities requests for services are completed within specified timeframes	88%	80%	85%	90%	95%

Plans Programmed to meet the Level of Service

Ulva Island wharf has reached end of life and is programmed for replacement. Scoping work and community consultation have been completed and a resource consent has been applied for through Environment Southland. The Ulva island wharf will be closed at the end of June 2024.

The Golden Bay wharf is in a similar position although prior to becoming a Council asset remedial work was undertaken to extend the life of the facility. However ultimately the facility will need to be replaced. A master plan for the development of the Golden Bay area and its connection with Halfmoon Bay is currently in progress and will inform future work in this area. Funding has been included in the LTP that is based on rough order of costs in the master plan document.

The remainder of the water facilities on Stewart Island Rakiura and in the Riverton harbour will require ongoing maintenance to meet resource consent requirements and levels of service.

The water facilities in the Waiau basin are have been assessed to determine the operational and capital investment that is required over the period of this plan. A number of these assets have been renewed and or had remedial work completed. The remainder have been scheduled in over the life of this plan.

Activity and Asset Management

Overview of Management

An asset lifecycle is the series of stages involved in the management of an asset. It starts with the planning stages when the need for an asset is identified and continues all the way through its useful life and eventual disposal.

The importance of any given asset lifecycle is determined by a number of factors, including how costly the asset to replace is, how crucial it is to the community or commercial business, and the overall reliability of the asset in question. The other key factor investigated at the beginning of the lifecycle are whether other nearby facilities private or public could provide the same LoS. Ongoing maintenance costs are also calculated to ensure the whole of life of the asset is assessed.

When properly maintained, asset lifecycles can make the process of maintaining and managing valuable assets much easier for everybody concerned.

The goal of infrastructure asset management is to identify the levels of service required by stakeholders and then manage the asset portfolio to provide those service levels at the least lifecycle cost and in a sustainable manner. Good asset management practices mean that the right work is done at the right time for the right cost. The key features of the Water Facility asset management are:

• a whole-of-life asset management approach

• planning for a defined level of service

• long-term strategies for cost-effective asset management

- performance monitoring
- meeting the impact of growth through demand management and infrastructure investment
- managing risks associated with asset and service failures
- sustainable use of physical resources
- continuous improvement in asset management practices

Delivery Strategies

Continuing to deliver services primarily using third party contractors is seen as the most effective and efficient way. Initial work has been undertaken during the previous AMP term to reduce the number of contractors with the aim of having an available contractor work force that has capacity to act with greater flexibility while providing District wide coverage.

Council will continue to explore and provide options that provide for all contractors (including local contractors) to bid for and potentially secure work on the assets associated with this activity.

All contractors need to meet increasing regulatory requirements, particularly Health and Safety.

Council has identified in its strategic assumptions that due to the aging demographic of the workforce and the increased demand on existing contractors, it may be difficult to deliver some existing services using traditional service providers. An alternative to this is to use Council's internal resource to cover more isolated areas that are not attractive to the larger contractors.

Council staff have reviewed the delivery process and will now schedule projects and the budgets over two financial years. All planning, consultation and due diligence will happen in the first year with deliver in the second year. This is an interim step towards aligning the current delivery approach to that which the transport team operate.

Community Board Area Context

In the Water facilities space the key question facing Community Boards is to consider the need for all assets of a particular type within the community board's catchment.

Such consideration needs to look at all the societal changes since these facilities were first constructed, including, for example, population, access (roading and vehicles), use, operational costs and community views.

Community boards will need to look at how best to do this and to choose the appropriate LOS that will allow them to provide consistency throughout their area of responsibility.

Asset Management Planning

Asset management planning is undertaken to ensure all parties involved in Council's asset management are working with the same information and towards the same objectives and outcomes. Such clarity is required to deliver services with efficiency and meet the LOS required.

Infrastructure asset management is the tactical decision-making that links strategic objectives with the operational delivery of physical works. Asset management planning is the organisational activity used to produce the operational forward works plans that deliver the strategic objectives.

Asset Management Systems

Over recent years, water facility assets have not necessarily been managed under a recognised industry system. This is now being addressed with Community Facilities assets being brought under the Infor property services management system (IPS).

The Infor system is internationally recognised and used by a number of New Zealand local government authorities and Australian counterparts.
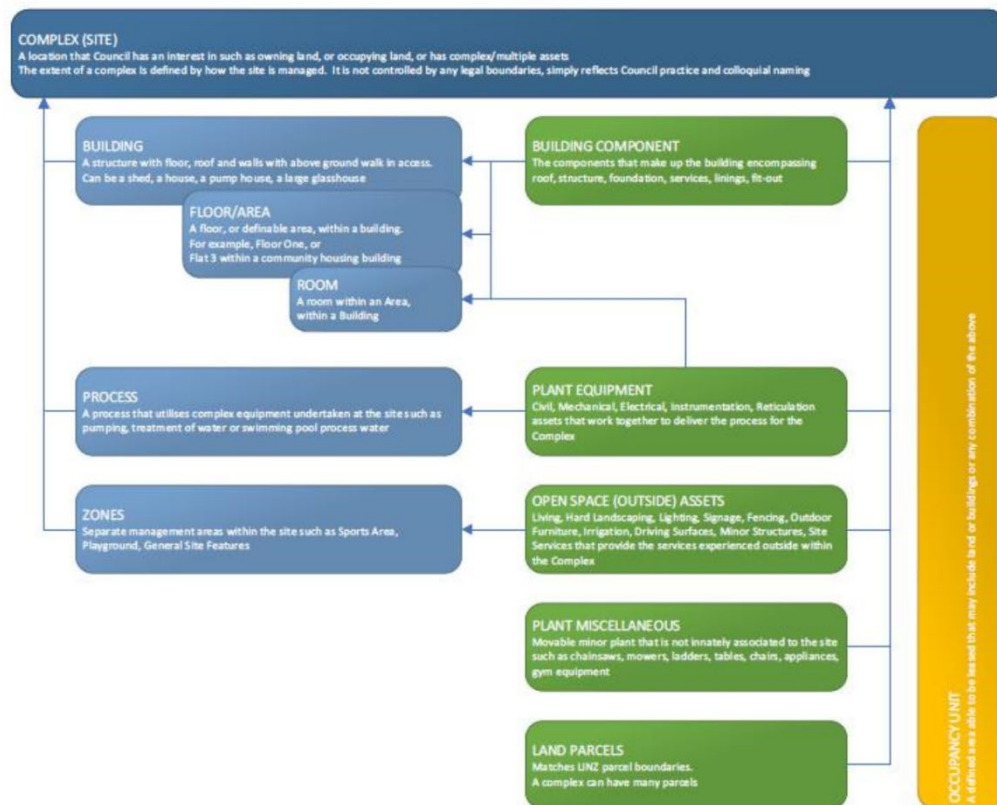
Asset Management Hierarchy

An asset hierarchy is a framework for segmenting an asset base into appropriate classifications. The asset hierarchy can be based on asset function; asset type or a combination of the two.

One of the main purposes of an asset hierarchy is to group assets that are treated in a particularly way together. Important or high visibility assets for example may receive a higher level of service than less important or low visibility assets and this is reflected in the asset hierarchy.

A well thought out asset hierarchy also makes navigating to a particular asset or asset component within an asset management software system easier.

Following is a diagram to represent the physical hierarchy of the assets captured within the Site Based Asset Feature Class. The blue lines represent the associations that will exist between the records. The term 'Site Based' is used to reflect those assets that are contained within a site within the community as opposed to reticulation or network assets such as water pipes that cover a vast geographic area.

Asset Management Improvement

Council intends to import the water facilities assets into Infor along with the associated condition, age, use and financial data that it has collected. The intention is to have a high level of data available to inform the next LTP and move from a 'basic' to 'core' level of activity management in the Asset Management Maturity Index.

Task	Task	Responsibility	Resources Required	Timeline
1	Improve data in the INFOR asset management system	Community Facilities Team	Asset Manager	1st year
2	Improve the confidence in the data identified in table 7.5.2 of this plan	Community Facilities Team	Asset Manager	1st – 3rd
3	Create Renewal Priority Ranking Criteria	Community Facilities Team	Asset Manager	2nd year

4	Create Acquired Assets Priority Ranking Criteria	Community Facilities Team	Asset Manager	2nd year
5	Review Useful Lives	Community Facilities Team	Asset Manager	3rd year
6	Improve confidence in operational and maintenance costs	Community Facilities Team	Asset Manager	1st – 3rd year
7	Secure future funding sources	Community Facilities Team	Asset Manager and Corporate Teams	3rd year
8	Define better levels of service	Community Facilities Team	Asset Manager and Corporate Teams	2nd year
9	Improve the confidence levels in the financial data	Community Facilities Team	Asset Manager and Finance Team	1st – 3rd year

Financial Summary

10 Year Financial Forecast

The following graphs/tables summarise the financial forecasts for the activity over the ten years of this plan.

Past trends, particularly on Stewart Island Rakiura indicate that work has been undertaken on water structures only when maintenance was identified. There had not been a specific operations and maintenance budget available for the Stewart Island wharves or the Waiau River boat ramps. This was rectified in the previous LTP (2021 – 2031).

The main projects in the 2024-2034 plan are the replacement of the Golden Bay wharf and on shore infrastructure, pile renewal at Millars Beach wharf and replacing the T Wharf in Riverton harbour. Additional operating and maintenance has been budgeted for over the next ten years of the plan. There has been no allowance made for the purchase and whole life costs of any additional assets.

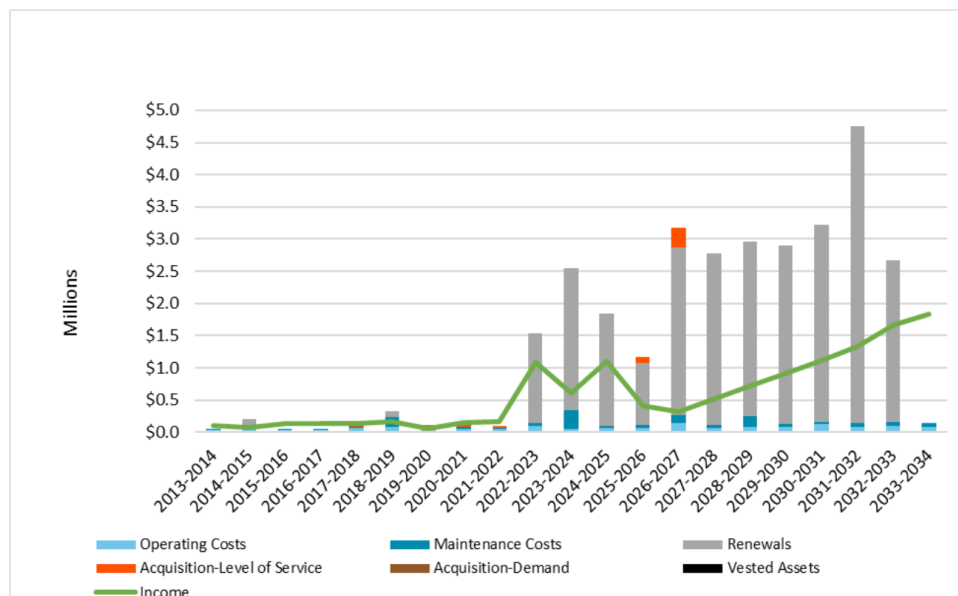As of 29/11/23 budget numbers are still in draft and subject to change.

Figure 0-1: Water facilities financial summary excluding depreciation

Income to fund projects for the Stewart Island Rakiura facilities has historically been from the collection of contributions, licence fees charged to commercial operators (activity revenue) and applications to the Stewart Island Visitors Levy allocations committee. It has been proposed that future income will be derived through a user pays mechanism and a contribution from the Stewart Island community board rate to ensure that there is a sustainable revenue stream in order to undertake planned maintenance for the jetties and wharves.

Over the last few years, applications to the Stewart Island Visitor Levy Fund (SIVLF) have specifically been to fund the Ulva Island wharf renewal. The reliance on grants to fund this activity is not sustainable moving into the future. Alternative sources of funding need to be identified to allow Council to maintain and renew these facilities if the current level of service is to be maintained. Capital projects in the future will need to funded by a combination of grants, donations and loans.

The Riverton Harbour wharves are funded from the leased Harbour Endowment land and the licence fees charged for each of the berths occupied by private operators. The leases have been reviewed and additional income will be available to assist with the work that has been identified. The wharf licence fees should be reviewed when they come up for renewal.
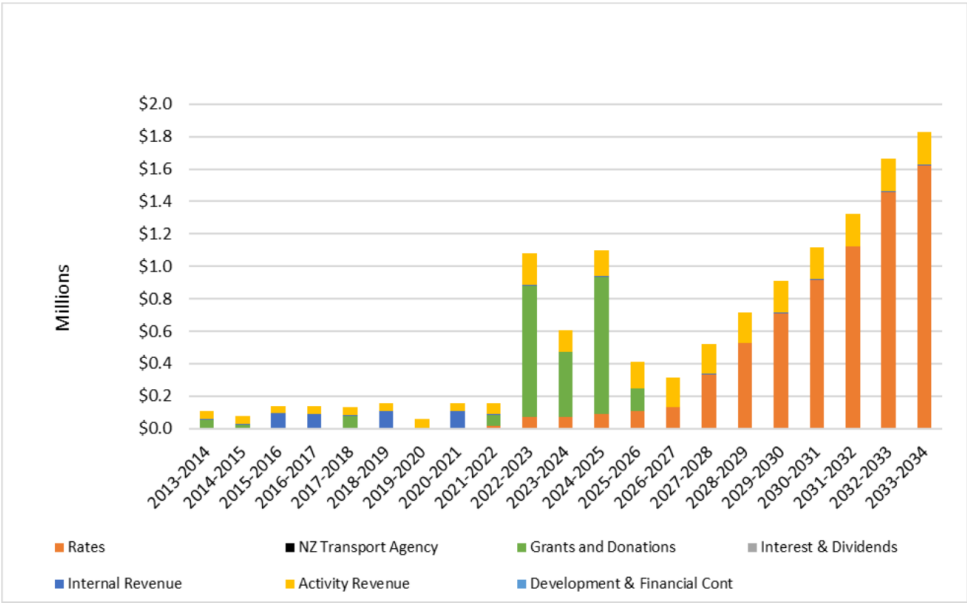
Figure 0-2: Water facilities total income
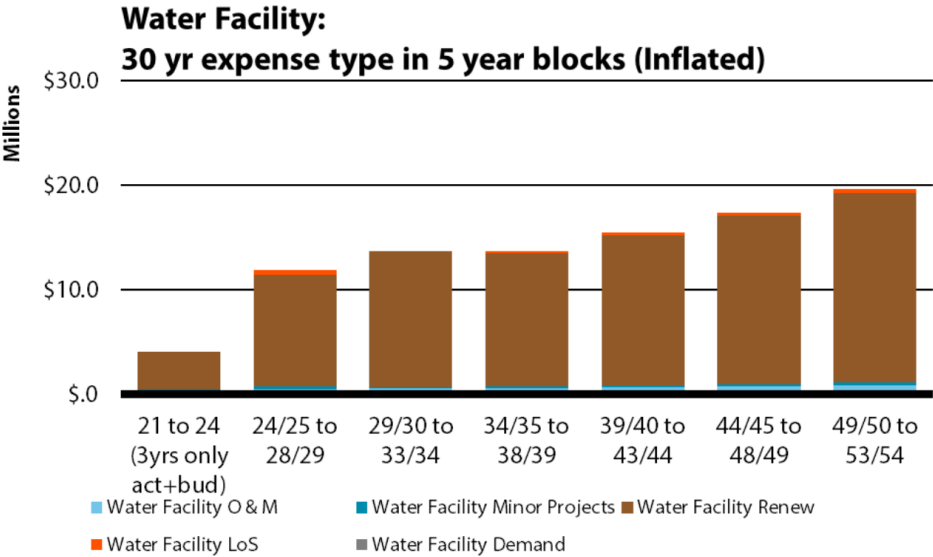
Figure 0-3: Water Structures 30 Year Expenditure Forecasts (from Infrastructure Strategy)

Financial Forecast Summary

The table below details the 10-year forecast for the wharves, jetties and boat ramps owned by Council.

Standard maintenance costs have been increased to include assets that previously didn't have a budget assigned to them. General projects have been included in repairs and maintenance to align with the recommendations from the water structure assessment review.

Asset renewals are for the Ulva island, Golden Bay, Te Anau Downs boat ramp, a floating wharf at the Te Anau main boat ramp, replacement of the Te Anau swimming pontoon and potentially the T Wharf projects. No provision for replacement is made for future renewals and these will be funded by way of loans.

Water Facilities	2024/2025 LTP ($000)	2025/2026 LTP ($000)	2026/2027 LTP ($000)	2027/2028 LTP ($000)	2028/2029 LTP ($000)	2029/2030 LTP ($000)	2030/2031 LTP ($000)	2031/2032 LTP ($000)	2032/2033 LTP ($000)	2033/2034 LTP ($000)
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-
Targeted rates	90	106	129	333	524	712	915	1,119	1,458	1,621
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	5	3	4	4	4	3	4	4	5	5
Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infingement fees, and other receipts	161	162	181	185	190	194	198	200	201	203
Total operating funding	**255**	**271**	**314**	**523**	**718**	**909**	**1,118**	**1,323**	**1,664**	**1,829**
Applications of operating funding										
Payments to staff and suppliers	91	99	253	104	240	115	157	133	146	138
Finance costs	54	67	118	289	435	582	729	890	1,137	1,260
Internal charges and overheads applied	4	4	4	4	4	4	4	4	4	4
Other operating funding applications	1	1	1	1	1	1	1	1	1	1
Total applications of operating funding	**149**	**171**	**376**	**397**	**680**	**701**	**891**	**1,028**	**1,287**	**1,403**
Surplus (deficit) of operating funding	**106**	**101**	**(62)**	**125**	**38**	**208**	**226**	**295**	**376**	**426**
Sources of capital funding										
Subsidies and grants for capital purposes	846	139	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	245	932	3,056	2,663	2,719	2,776	3,053	4,622	2,519	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**1,091**	**1,071**	**3,056**	**2,663**	**2,719**	**2,776**	**3,053**	**4,622**	**2,519**	**-**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	102	313	-	-	-	-	-	-	-
- to replace existing assets	1,742	969	2,606	2,663	2,719	2,776	3,053	4,622	2,519	-
Increase (decrease) in reserves	(545)	101	75	125	38	208	226	295	376	426
Increase (decrease) in investments	-	-	0	-	0	0	-	-	-	-
Total applications of capital funding	**1,197**	**1,172**	**2,994**	**2,789**	**2,757**	**2,984**	**3,279**	**4,917**	**2,895**	**426**
Surplus (deficit) of capital funding	**(106)**	**(101)**	**62**	**(125)**	**(38)**	**(208)**	**(226)**	**(295)**	**(376)**	**(426)**
Funding balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Table 0-1: Water facilities financial forecasts

Summary of Key Financial Assumptions

The assumptions made in respect to Council owned water structures are:

- That these types of facilities will still be required within the District;

- That funding for this activity is at a local level as opposed to District; and

- That these assets will continue to be managed by local governance groups.

Significant investment in planning and OPEX/CAPEX expenditure is required to try and rectify a significant period of underinvestment in this activity.

Scenarios that could significantly affect Council's water structures forecasts include climatic conditions, e.g. storm damage, and structural damage caused by wharf users. Also, the planned condition assessment could result in significant change to the programmed works required.

Valuation Approach

Assets are valued at carrying amount or depreciated cost for the Water Facilities activity.

Funding Principles

Section 102(4) (a) of the Local Government Act 2002 requires each Council to adopt a Revenue and Financing Policy. This Policy must state the Council's policies in respect of the funding of both capital and operational expenditure for its activities.

Funding for the water structures is as follows:

- Wharf fees - both Stewart Island jetties and Riverton wharves.

- Endowment land lease rentals - Riverton wharves.

- Local as opposed to District funding.

Neither the Stewart Island Jetties nor the Riverton Wharves receive rates funding. The Stewart Island Structures Review is looking at a sustainable funding model. Funding from the Stewart Island Visitor Levy Fund is seen as central to this, however is potentially not sustainable.

Riverton Harbour structures receive revenue from Riverton Harbour Endowment Leases.

The Riverton Focal Point is funded from the Riverton Community Board, with the lift being District funded.

Fees and Charges

The fees and charges for Water Facilities are set by the Community Boards and approved by Council. These are documented in Councils Schedule of Fees and Charges each year.

Page | 26

Appendix

These include assets such as:

- 5 Jetties – Stewart Island Rakiura
- 2 Boat ramps – Stewart Island Rakiura
- 8 Boat ramps – Waiau Catchment & Riverton Harbour
- 4 Wharves – Riverton Harbour
- 1 Viewing Platform – Riverton Harbour
- 1 Marine Wall – Riverton Harbour
- 5 Navigation lights – Riverton Harbour
- 1 Swimming pontoon – Lake Te Anau
- 1 Retaining (sheetpile) wall – Pearl Harbour, Manapouri

Water Services

2024-2034 Activity Management Plan

Southland District Council
Te Rohe Pōtae o Murihiku

PO Box 903
15 Forth Street
Invercargill 9840

0800 732 732
sdc@southlanddc.govt.nz
southlanddc.govt.nz

Table of Contents

Table of Figures

Table of Tables

Quality assurance statement				
Draft AMP template				
Southland District Council 15 Forth Street Invercargill 9840 Telephone 0800 732 732 Fax 0800 732 329	Version:	R0.1	Record No:	R/24/2/5446
	Status:	Draft for Review		
	Project Manager:	Grant Isaacs		
	Prepared By:	Hugh Blake-Manson (Waugh Infrastructure Management Ltd) Jendi Paterson		
	Reviewed By:	Grant Isaacs - Southland District Council Jendi Paterson		
	Approved for issue:	Fran Mikulicic		

Page | 4

Executive Summary

This Activity Management Plan (AMP) provides an overview of how the Council intends to manage the Water Supply activity and associated assets in an effective, cost efficient and sustainable manner. The plan outlines key issues, goals, objectives, and the levels of service that the Council will provide to its communities. The plan provides information on new projects and expenditure that are required to meet future demand as well as detail about life cycle management and maintenance. It provides an overview of costs and how the Water Supply activity is funded. The risks and uncertainties involved in undertaking the activity and how we manage those are also outlined in the plan.

The return of the water assets to Council budgets has meant slowing down what we are doing and making sure we get the balance of doing what needs to be done – what is right, with the affordability of rates increases for ratepayers. The capital programme for water services, taking into consideration the affordability to ratepayers, debt level and the ability to deliver, and are putting two options forward for you to tell us what you think.

The first option is to carry out the work that is planned and projected across the 10 years - this will cost $322 million - $221 million on sewerage, $66.5 million on water and $34.5 million on stormwater.

The second option is to spread the timeframe out for doing the work needed and putting off some pro-active work. If we smooth the timing of upgrades, which relies on Environment Southland allowing us to extend the current consents for up to five years, the pressure is taken off borrowing limits and resource constraints for delivery internally and externally, along with reducing the size of the rate increase. All wastewater consent renewals would be still completed by the end of 2034. This would be a cost of $259 million - $176 million on sewerage, $48.5 million on water and $34.5 million on stormwater.

Under the smoothing, $63 million has been removed from the capital programme for the 10 years - $45 million in sewerage and $18 million in water supply. In the wastewater area, underground pipes make up $17 million of this and this means more of that work would continue into the next 10-year period. Other savings include deferral of improvements to levels of service with treatment aerators and inlet screens pushed out beyond 2034 ($5 million), deferring the extension of schemes and building in capacity to beyond 2034 ($10 million), delaying improvements to switchboard and pump replacements, reducing resilience and increasing the risk of reactive maintenance ($3 million) and looking at different solutions for planned projects ($10 million).

In the water supply activity, the $18 million is made up by deferring renewals of underground pipes ($2 million), deferring resilience work around replacement of water storage ($3 million), delaying the increase in capacity with additional bores for Te Anau by allowing for one instead of two ($3 million) and deferring treatment improvements for nitrates and other elements ($7 million).

The adjustments to the renewal programmes increase the risk for the need of reactive maintenance over the 10-year period and more active asset management to ensure the assets with the greatest risk of failure are prioritised for renewal. There is a risk of change in regulatory requirements meaning some of the projects deferred may need to be brought forward into the 10-year capital programme. The deferral of the capital programme will create a bow wave of capital requirements 2034 and beyond.

SDC's Waters Services

SDC is responsible for 14 drinking water supplies, seven untreated rural water schemes, 20 wastewater schemes and 24 stormwater schemes across its district. It holds 32 consents for water supplies and 23 consents for wastewater schemes.

Strategic Priorities and The Right Debate

SDC has identified that its strategic priorities are as follows:

i)   Connected and resilient communities
ii)   provide robust infrastructure
iii)   equity for all
iv)   the ease of doing business
v)   thinking strategically and innovatively.

To achieve these priorities, SDC should focus its discussion on how to provide the right level of capital investment and human resources to deliver ongoing compliance in its Waters treatment processes. Other areas for discussion include SDC's response to climate change, and the Southland Water and Land Plan.

Risks and Uncertainties

There are a number of key risks with associated uncertainties, which could materially impact on the ability to deliver the projects and programme. These are:

i.   The Water Services Acts Repeal Bill, which was promised as part of the coalition's 100-day plan, was passed by 23 February 2024. Specifically, the Bill repeals the Water Services Entities Act 2022, Water Services Legislation Act 2023, and Water Services Economic Efficiency and Consumer Protection Act 2023, with other water legislation (the Water Services Act 2021 and Taumata Arowai–the Water Services Regulator Act 2020) to remain in place for the time-being. The Government will then implement its new plan, branded 'Local Water Done Well' ('LWDW'), which retains council ownership and control of water services, as well as the responsibility for delivery. In contrast, Labour's 'Affordable Water' plan (originally 'Three Waters') would have passed the responsibility of managing and financing three waters infrastructure onto 10 council-owned entities.
Local Water Done Well will be implemented by progressing two bills through Parliament. The first bill is intended to be passed by the middle of 2024 and will set out provisions relating to council service delivery plans and transitional economic regulation. The bill will also provide streamlined requirements for establishing council-controlled organisations under the Local Government Act 2002, enabling councils to start shifting the delivery of water services into more financially sustainable configurations should they wish to do so. This gives councils the option to separate out their water services into council-controlled organisations ('CCOs').
The second bill, to be introduced in December 2024 and passed by the middle of 2025, will provide for the long-term replacement regime. This bill will set out provisions relating to long-term requirements for financial sustainability, provide for a complete economic regulation regime, and a new range of structural and financing tools, including a new type of financially independent council-controlled organisation.
Regulatory backstop powers will also be built into the legislation, to be used when required to ensure effective delivery of financially sustainable and safe water services. While few details are currently available and the plans are likely still in development, this appears to allow central government to step in if local councils (or CCOs) are not fulfilling their requirements.
The details and impacts for SDC of the proposed Local Water Done Well plan, are unknown at the time of writing this document.

ii.   Climate change. National, regional and organisational emissions reductions plans may seek changes to Water Services activities to achieve net zero goals. Changes to Southland's climate will create a range of challenges for Waters Services. Increased frequency and severity of extreme weather events may result in diversion of resource to emergency response and recovery and make it challenging to maintain levels of service. Designing and building for climate resilience is likely to increase project costs.

iii.   Inability to fund works. Compliance and consent-based works are imposing a significant cost given the technologies, processes and resulting uplift in operations and maintenance costs required.

iv.   People – capability and capacity. There is a high level of uncertainty in the waters sector given the changes being expressed by central Government. This can make it challenging to retain staff and employ suitably qualified replacements. Without a complementary team, delivery of work at the required cadence can therefore be very challenging.

Financial Projections

The financial projections cover continuation of the 2021/2031 Long Term Plan (LTP) programme and new projects with the total projected costs for the Waters Services provided in the figure and table below.

Compliance and consent driven works have major new projects including those introduced through legislation such as potential fluoridation, and improvements from drinking water safety plan review.

Having completed a number of wastewater treatment plant upgrades, adjustments to estimates for subsequent treatment plant upgrades have been made.

Programmed Years	Previous LTP 21/31	New Projects	Grand Total
24/25	$43,156	$10,240	$53,396
25/26	$29,298	$20,219	$49,517
26/27	$4,155	$10,157	$14,312
27/28	$1,421	$9,609	$11,030
28/29	$1,757	$4,664	$6,421
29/30	$1,201	$3,609	$4,810
30/31	$500	$41,700	$42,200
31/32	$500	$32,545	$33,045
32/33	$500	$2,900	$3,400
33/34	500	0	500

Capital

SDC's proposed Waters capital programme is provided in the following figure. Achieving levels of service requirements dominate SDC's capital programme.
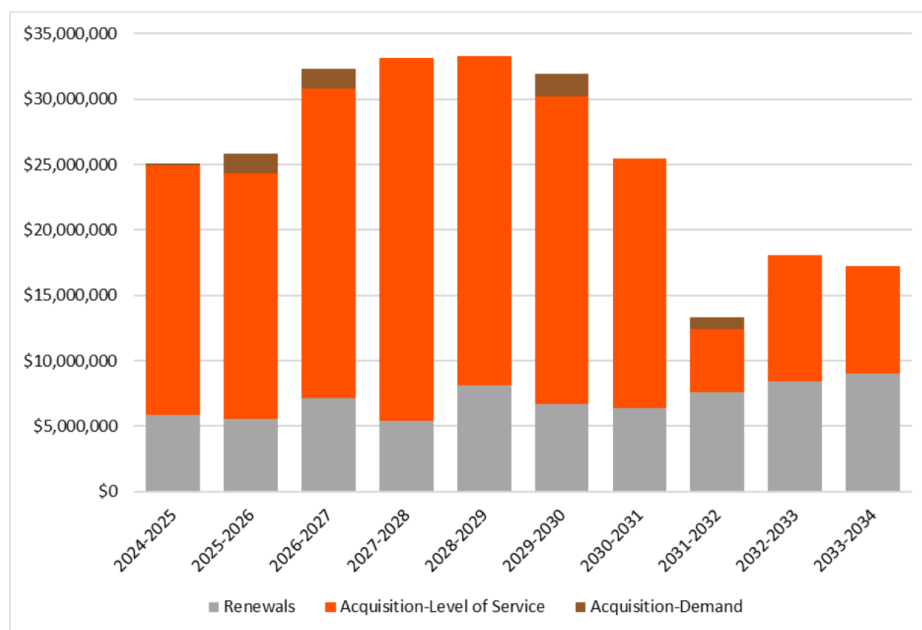
For the period 2024/25 to 2025/26, water projects account for $15.8M and wastewater projects $63M.

Renewals

Renewals profile data and values, sourced from SDC's 2023 Valuation identify an annual smoothed funding requirement of $2M per year for both water and wastewater assets. In response, it is proposed that $1.4M continue to be funded as per the 21/31 LTP for water renewals and a new project be added at $2M for wastewater renewals. This includes consolidation of a number of township network projects.

Council's Waters staff have a prioritised programme of works across the applicable townships, particularly to replace network pipe assets.

Operations and Maintenance

Operations costs are directed by planned and reactive works, with rates agreed via the Maintenance Contract CN23/1.

1   Purpose of the Activity Management Plan

1.1   Purpose

The purpose of this activity management plan is to outline and to summarise in one place, the Council's strategic management and long-term approach for the provision and maintenance of its Water Supply activity. This is achieved through the planned management of assets, compliance with regulatory requirements, and the funding needed to provide the appropriate levels of service. The provision of water supply services is a core function of local government and is something that the Council has always provided. The service provides many public benefits, and it is considered necessary and beneficial to the community, that Council undertakes the planning, implementation and maintenance of water supply services in the district.

Territorial authorities have numerous responsibilities relating to the supply of water. A key responsibility under the water regulations are the obligations to improve, promote, and protect public health within the district.

This document outlines and summarises the Council's strategic and long-term management approach for the provision and maintenance of water supplies to properties connected to its network throughout the district. It should be noted that a large number of properties throughout the district have their own supply or are connected to a scheme not owned or operated by Council, and this plan does not cover water supply to these properties.

1.1.1 Supporting Information

The Appendices contains significant detailed budgets and additional information.

1.1.2 Exclusions

The following exclusions apply to this summary and the Appendices:

i. Legislation before parliament may change the requirements.
ii. Private water, wastewater and stormwater schemes are not considered in this document. In accordance with the Local Government Act 2002 s128, a drinking water, wastewater, and sanitary services assessment is underway.
iii. Projects have been identified and scheduled based on the best information available at the time.
iv. Budgets for these projects have been assessed based on the best information available at the time.
v. Projects towards the end of the 10-year period are flagged that work is likely to be needed but it is very much at the concept phase. Options and detailed estimates will be carried out closer to the time. The final 20 years of the 30-year period are for information/assessment only.
vi. If an asset fails earlier than planned, then emergency works may be required. These will be unbudgeted expenditure.
vii. The completion of projects is limited to resourcing of both SDC staff and external engineering support.

1.2 Outline of Waters Assets

The table below outlines what we do and why we do it:

What We Do	
Drinking Water	Water is a valuable resource in Southland District and Southland District Council (SDC) strives to provide a reliable and adequate supply. By doing this, communities have a consistent water supply that is clean and safe to drink which supports the public health and well-being of residents.
	Council's supply of water is essential for both personal and operational use across the district. It meets firefighting requirements, which in turn, leads to the increased safety of residents across the district.
	The district's water supply consists of 14 drinking-water supplies, as well as seven untreated water supplies for rural (stock) consumption.
	Urban and rural areas serviced by public water supplies
	Ten townships within the district are reticulated, providing potable water via SDC owned and maintained infrastructure; two treated rural water supplies and nine untreated rural water schemes.
	Rural water supplies have a different level of service and require customers to have a storage tank (two days capacity) on their property into which they receive a trickle-feed

	supply. Untreated rural supplies are provided for stock water only and the use of water for domestic purposes is prohibited. It is known that several of the users on rural schemes are using these as a source of drinking water. Options for managing this significant problem will be investigated in the first three years of this LTP. The types of infrastructure assets used to deliver this service include: • water sources (bores and river intake) • water treatment facilities • water storage reservoirs • booster pumping stations • trunk mains and distribution pipes • service connections • valves and fire hydrants • water meters. For urban supplies the water supply point of service is the toby or water shut-off valve on the boundary of each property. SDC owns and maintains all water supply pipelines and other parts of the water supply system up to and including the toby. All pipes, plumbing and fittings beyond the toby are owned by and are entirely the responsibility of the property owner. For rural supplies the point of service is the ball cock on the consumer's tank. **Rural areas and isolated towns** A number of isolated rural communities have individual private supplies, and other small establishments have private community water supplies (schools, townships, halls, marae, accommodation, campgrounds etc). Current rural schemes will stay as rural schemes however some work will be undertaken to determine how much, if any, of the water is used for domestic purposes. • The water supply plan does not cover private water supply systems or those not owned by Council eg Milford Sound.
Wastewater	Nineteen towns within the district are reticulated with SDC owned and maintained wastewater infrastructure. Council is the legal entity for the ownership of the asset being responsible for ensuring all conditions of appropriate resource consents are met. These public wastewater systems are intended to carry out two main functions: • The collection, treatment and disposal of wastewater from residential properties, business properties and from public sanitary facilities in Southland District. • The collection, treatment and disposal of industrial and commercial liquid wastes (often known as trade wastes) from industry in Southland District. The local wastewater reticulation to which each serviced property is connected consists of an extensive network of relatively small diameter pipes (mostly 150 mm) which discharge into a system of trunk sewers of larger sizes (ranging up to 525 mm in diameter). The trunk sewers convey wastewater to treatment plants, which use a range of processes including screening, sedimentation (settlement of suspended material), biological stabilisation of the organic material in the wastewater and disinfection using ultraviolet light to deactivate micro-organisms (typically bacteria and viruses) in the effluent. Treated effluent is typically discharged into the environment as directed by individual resource consents administered by Environment Southland (ES). Several isolated rural townships have individual private schemes which are not included within the Wastewater Activity Management Plan. Council owned and provided facilities are Balfour, Browns, Edendale/Wyndham, Gorge Road, Lumsden, Manapouri, Monowai, Nightcaps, Ohai, Riversdale, Riverton, Stewart Island, Te Anau, Tokanui, Tuatapere, Otautau, Wallacetown and Winton.

A further treatment plant recently installed at Curio Bay in the Catlins currently services a Council reserve and is considered under the appropriate Parks and Reserve Activity Management Plan.

Council's schemes are operated and maintained by Downer NZ with all capital work planned and programmed by Council's Water and Waste Services department. Council staff also provide technical and planning advice to ratepayers, consultants and contractors on any issues related to the wastewater activity.

Rural areas and isolated towns

The Southland District is predominantly a rural area. Properties in rural areas and small isolated towns usually have private individual wastewater disposal systems which generally comprise conventional septic tanks with soak holes or on-site effluent disposal fields.

It is not usually practical to provide a reticulated wastewater service in rural areas because of the lengths of the networks required and the inability to spread the cost of the infrastructure required (pipes, pumps, treatment facilities, operation and maintenance, management) across a sufficient number of consumers. Reticulated wastewater systems are provided when the land use in these areas change, or they are developed for normal residential housing with sections too small to provide adequate on-site treatment, or where there is public health or environmental risks associated with current private wastewater disposal facilities.

Stormwater	**Urban areas serviced by public stormwater system**
	There are 25 towns in the district that are reticulated with SDC owned and maintained infrastructure as highlighted in the following map. In a number of smaller communities, the infrastructure provided is limited with a focus on minimising the risk of road flowing. Infrastructure is limited to sumps, soak holes, and/or open ditches. More extensive reticulation exists in larger townships. These public stormwater systems are intended to carry out three main functions:

Protection of property, public safety and access by the interception of surface and groundwater flows generated by rainfall run-off, conveying a point of discharge and the containment of flood flows within natural and man-made watercourses, using:

- surface channels and swales
- sumps and inlets
- pipes, culverts and open drains
- secondary flow paths
- stop banks (more a function of the regional council).

Protection of public health by controlling the level of pollutants and sediment in stormwater discharged into receiving waters used for recreational and food gathering activities, using:

- grass swales
- soakage systems
- constructed wetlands.

Creation of productive land by managing the level of the natural water table, using:

- open drains
- sub-soil drains.

A number of other smaller towns have partial services, and Council manages open watercourses in several rural catchments.

In managing the stormwater activity, Council also undertakes:

- planning and building controls such as restrictions on building in high flood risk areas and minimum floor heights for residential buildings
- public education programmes intended to minimise the entry of pollutants to the stormwater system, and a variety of traps in the stormwater system designed to reduce the quantities of debris that can be conveyed in the stormwater drains.

It is impractical to provide a primary stormwater system with the capacity to fully accommodate the run-off from all possible storms. The historic design standard for most of the primary Council stormwater system was to transport run-off resulting from a storm with a 10-year return period or with a 10% chance of being exceeded in any year. It is inevitable that the parts of the piped system will be overloaded to varying degrees whenever rainfall with a return period more than 10 years occurs.

Rural areas and isolated towns

In small towns and rural areas, it is not as practical to provide piped stormwater systems because of the inability to spread the cost of the infrastructure required across enough customers. On-site stormwater disposal is usually acceptable in these areas due to the low density of development. Reticulated stormwater systems are provided when the land use in these areas changes, and they are developed for urban housing.

Council versus landowner role

The point of service for stormwater drainage is the junction connection on the Council stormwater main. Where a property is serviced by a pipeline draining to the road kerb, the point of service is the road kerb. Council owns and maintains all stormwater pipelines and public drains up to and including the point of service.

All stormwater drains, pipework and plumbing upstream of the point of service and

	private watercourses within private property are owned by and are the responsibility of the property owner. This AMP does not cover private stormwater systems.

Why We Do It	
Drinking Water	By supplying safe and clean water to residents, communities can lead healthy lives. Safe and clean water is also important for many businesses and industry which set up within the district. It also contributes to community safety through the firefighting capability of the water supply system.
	As such, the provision of a water supply aligns to the outcome of building Proud, connected communities that have robust infrastructure which prepares our district for the future. Water supplies are part of creating a place where people have everything they need to live, work, play and visit; where they are connected to each other, the environment, and the world outside Southland; and where they can enjoy a safe and fulfilling life in our unique natural environment.
	Objectives of the water supply activity
	The water supply activity in the Southland District is focused on providing reliable water supplies that are safe to drink and have adequate supply for use.
	• Urban supplies have an additional focus on providing adequate pressure and flow for firefighting and rural water supplies have focus on continuous supply and sufficient capacity for stock.
Wastewater	The activity helps to maintain public health by preventing the spread of disease and helps protect the environment by treating wastewater prior to discharge to the environment. It also supports the needs of businesses and industry that operate in the district. Wastewater contributes to Southland's communities being desirable places to live, work and play in. The wastewater infrastructure Council provides in the district aligns with the community outcome of "supporting our communities". It also contributes to and encourages economic growth within communities served by Council infrastructure.
	Objectives of the wastewater activity
	The wastewater activity in Southland District (SDC) is focused on the achievement of the following objective:
	• To provide reliable wastewater collection and treatment services that protect public health and the environment.
	More information about level of services is in the section: Our Levels of Service.
Stormwater	Stormwater networks are provided to reduce the impact of flooding due to rainfall. The activity protects people's property, improves road safety and mitigates against accessibility/safety issues which may otherwise be caused during flooding events.
	The collection, treatment and disposal of stormwater also helps to protect public health and controls the level of pollutants in stormwater discharged to waterways.
	Objectives of the stormwater activity
	The stormwater activity in Southland District (SDC) is focused on the achievement of the following objective:
	• To provide a reliable stormwater system with adequate capacity, to protect people and property from flooding and to ensure that the roading network is managed is as safe and efficient manner as possible, and that the impact of discharges on the receiving environment is minimised.
	The standard to which this objective will be delivered is outlined in the section: Our

Levels of Service.

Figure 1-1: 3 Waters Service Locations
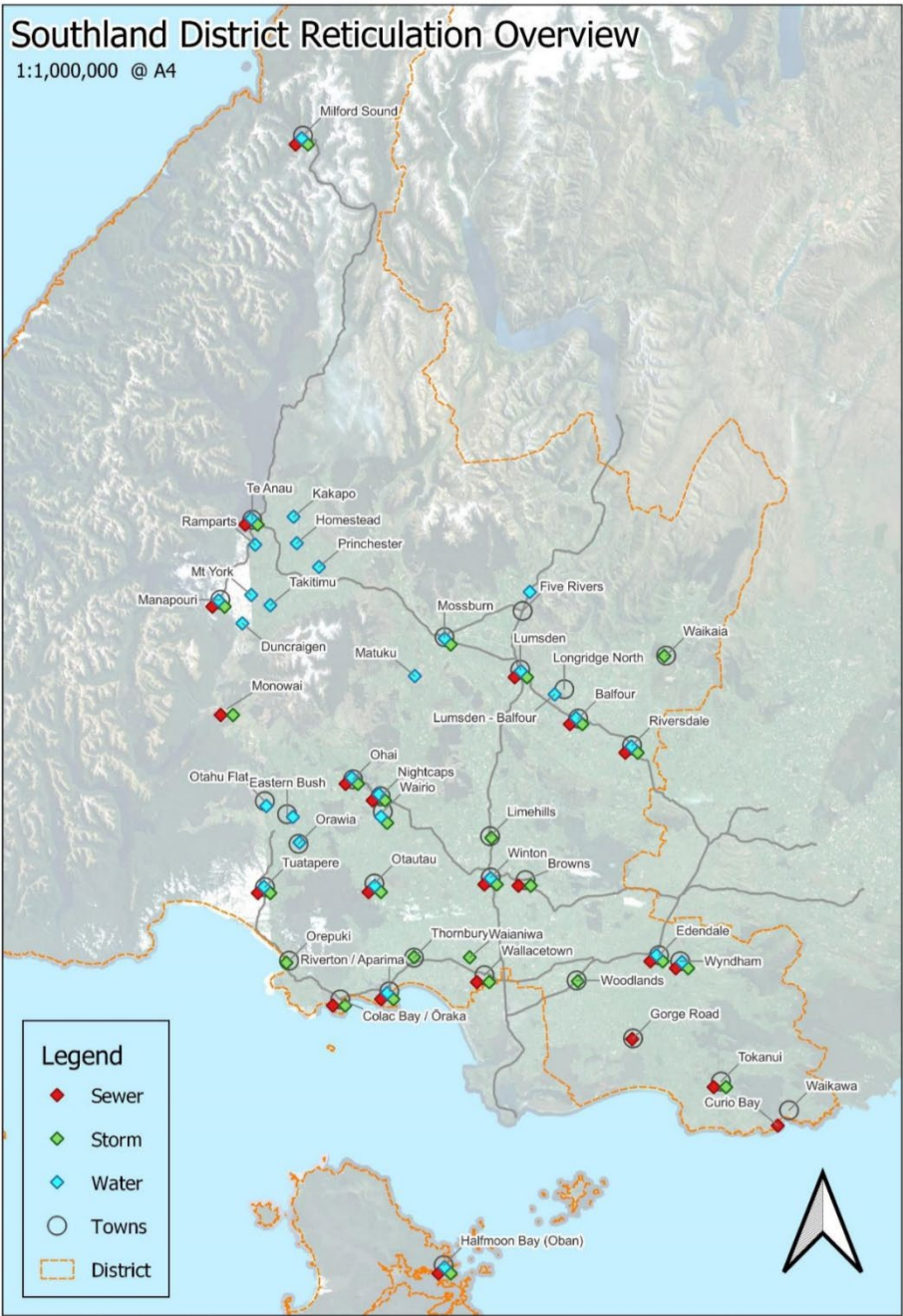
Table 1-1: Outline of SDC 3 Waters Services

Drinking Water & Untreated Stock water	Wastewater	Stormwater
12 of: drinking-water supplies **Nine of:** untreated water supplies for rural (stock) consumption. • Ten townships within the district are reticulated, providing potable water via SDC owned and maintained infrastructure; two treated rural water supplies; and nine untreated rural water schemes. Rural water supplies have a different level of service and require customers to have a storage tank (two days capacity) on their property into which they receive a trickle-feed supply. Untreated rural supplies are provided for stock water only and the use of water for domestic purposes is prohibited.	**19 of:** reticulated wastewater schemes. Balfour, Browns, Edendale/Wyndham, Gorge Road, Lumsden, Manapouri, Monowai, Nightcaps, Ohai, Riversdale, Riverton, Stewart Island, Te Anau, Tokanui, Tuatapere, Otautau, Wallacetown and Winton.	**25 of:** stormwater schemes Balfour, Browns, Colac Bay, Dipton, Edendale, Limehills, Lumsden, Manapouri, Monowai, Mossburn, Nightcaps/Wairio, Ohai, Otautau, Riversdale, Riverton, Stewart Island, Te Anau, Thornbury, Tokanui, Tuatapere, Waikaia, Wallacetown, Winton, Woodlands and Wyndham. There are 25 towns in the district that are reticulated with SDC owned and maintained infrastructure as highlighted in the map. In a number of smaller communities, the infrastructure provided is limited with a focus on minimising the risk of road flowing. Infrastructure is limited to sumps soak holes and/or open ditches. More extensive reticulation exists in larger townships.

1.3   Waters – Strategic Framework

The strategic framework under which waters services are provided to meet current and future needs of the communities they serve are described below:

Table 1-2: Strategic Framework

STRATEGIC FRAMEWORK COMPONENT	2024-2034 STRATEGIC FRAMEWORK
VISION	**Together, with our people, for our future, it's our Southland**
MISSION	Working together for a better Southland
COMMUNITY OUTCOMES	Communities which are connected and have an affordable and attractive lifestyle (Social)
	Communities with a sense of belonging for all (Cultural)
	Communities committed to the protection of our land and water (Environmental)
	Communities with the infrastructure to grow (Economic)
STRATEGIC PRIORITIES	Connected and resilient communities
	Ease of doing business

STRATEGIC FRAMEWORK COMPONENT	2024-2034 STRATEGIC FRAMEWORK
	Providing equity
	Thinking strategically and innovatively
	Robust infrastructure

1.4 Water Services - Strategic Context

Council has identified five priority areas in response to the key strategic challenges facing Council and the community to achieve the vision and community outcomes. The contribution that the activity makes to these strategic priorities are shown in Table 1-3. Note (1)=Stormwater Only (2)=Drinking Water Only, (3)=Wastewater Only

Table 1-3: 3 Waters - Strategic Priorities

STRATEGIC PRIORITIES 4 CONTRIBUTION	1. Connected and Resilient communities	2. Robust Infrastructure	3. Thinking strategically and innovatively	4. Ease of doing business	5. Equity
WHAT WILL BE DONE IN THE LONG-TERM (NEXT 10 YEARS)	(2), (3) Installation of energy efficient pumps and blowers as they are renewed Contribute introduction of appropriate technology to improve how best to deliver service for example mobile field working	Ensure compliance with appropriate national and regional plans	Manage upgrades and renewals in a structured, prioritised programme that can demonstrate value for money (2), (3) Further understand implications of community futures work on renewal strategy Understand options for management of the water supply activity in such communities	Applications for new subdivisions will be considered with encouragement for developers to consider a range of measures for management of stormwater	Understand options for management of the water supply activity in such communities Manage upgrades and renewals in a structured, prioritised programme that can demonstrate value for money (2) Monitor and trend flow and consumption in areas of known demand, particularly Te Anau and Winton
WHAT WILL BE DONE IN THE SHORT-TERM (NEXT 3 YEARS)	Review and improve systems and procedures around data capture, management and storage Understand and implement business case	Understand implications of the Proposed Water and Land Plan, and how these impacts on the service we provide (1) Review contractual arrangements	Review and improve systems and procedures around data capture, management and storage Consider appropriate funding models that will best deliver improvements	Applications for new subdivisions will be considered with encouragement for developers to consider a range of measures for management of stormwater	Consider appropriate funding models that will best deliver improvements Understand implications of the Proposed Water and Land Plan, and how

STRATEGIC PRIORITIES 4 CONTRIBUTION	1. Connected and Resilient communities	2. Robust Infrastructure	3. Thinking strategically and innovatively	4. Ease of doing business	5. Equity
	approach during project development	(2), (3) Understand implications of climate changes to our communities and how this will impact on the service we deliver

Map critical processes | (2), (3) Undertake increased planned maintenance as a surrogate to planned renewals in communities with limited growth/no growth pending development of policies around how this issue will be managed | (2), (3) Monitor and trend flow and consumption in areas of known demand, particularly Te Anau and Winton | this impacts on the service we provide

2), (3) Monitor and trend flow and consumption in areas of known demand, particularly Te Anau and Winton |
| KEY ACTIONS AND PROJECTS | (1), (3) Continued development of draft wastewater Strategy document with key stakeholders and look at benefits of incorporating stormwater discharges as well

Continue embedding Infor (IPS) IPS | (1) Regional stormwater consents now operative

(2) Riverton Water treatment Upgrade Eastern Bush/Otahu Flat Water Treatment Upgrade

(3) Te Anau wastewater treatment upgrade

(4) Riversdale wastewater upgrade

(5) Winton wastewater upgrade | (1) Develop proposals around future funding arrangements for the stormwater activity

(2), (3) None identified | (1), (3) None identified | (1) Develop proposals around future funding arrangements for the stormwater activity |
| RELATED STRATEGIES / PLANS / POLICIES | (1), (3) Draft wastewater strategy

(2) Individual Water Safety Plans Stage 2 Havelock North Inquiry report | (1), (3) Proposed Water and Land Plan

(1), (3) National policy statement for freshwater management

(2) Individual Water Safety Plans | (1) Draft wastewater strategy as a reference starting point

(2), (3) None identified | Subdivision and Land Development Bylaw 2012

(2), (3) None identified | (2) Individual Water Safety Plans |

1.4.1   Representation

Community representation was amended prior to the 2018 triennial elections. There are now nine community boards that provide representation across the district. These are:

ARDLUSSA	FIORDLAND	NORTHERN	ORAKA APARIMA	ORETI
STEWART ISLAND/RAKIURA	TUATAPERE TE WAEWAE	WAIHOPAI TOETOE	WALLACE TAKATIMU	

It is important that Council is seen as a leader in service delivery across the district and through this AMP, will ensure its stormwater services are fit purpose, in appropriate locations and managed cost effectively. Doing so enables Council to provide and deliver quality, professional services to the ratepayer.

Council aims to have a high level of engagement with its customers and elected members to ensure that the minimum levels of service set out in this document represent their expectations.

Community Boards play a vital role planning, prioritising and assisting in robust future infrastructure development for their communities. Southland has vastly different environments, demographic and social areas. The knowledge and connection Community Board members have with their representative areas and understanding of projected growth and high priority areas is an asset to operational and strategic staff resourcing.

1.5   Waters Services – Objectives and Functions

The objectives and functions of the Water Services are outlined in the below table.

Note that management of all or part of these services is subject to central Government regulation.

Table 1-4: Summary of Water Services Activities

Drinking Water	Wastewater	Stormwater
Objectives		
To provide reliable water supplies that are safe to drink and have adequate supply for use Urban supplies have an additional focus on providing adequate pressure and flow for firefighting and rural water supplies have focus on continuous supply and sufficient capacity for stock.	To provide reliable wastewater collection and treatment services that protect public health and the environment.	To provide a reliable stormwater system with adequate capacity, to protect people and property from flooding and minimises the impact of any discharges on the environment.
Functions		
These public water systems are intended to carry out three main functions: - Provide clean safe drinking water - Provide water for firefighting purposes	These public wastewater systems are intended to carry out two main functions: - The collection, treatment and disposal of wastewater from residential properties, business properties and from public	These public stormwater systems are intended to carry out three main functions: - Protection of property, public safety and access - Protection of public health - Creation of productive land.

Page | 19

- Provide water for stock needs.	sanitary facilities in Southland District - The collection, treatment and disposal of industrial and commercial liquid wastes (often known as trade wastes) from industry in Southland District.	

1.5.1 Levels of Service, Performance Measures and Targets

Levels of service, performance measures and targets form the performance framework for the activity detailing what Council will provide, and to what level or standard:

- Levels of service (LOS) are the outputs that are expected to be generated by the activity. They demonstrate the value being provided to the community or reflect how the public use or experience the service. A key objective of activity planning is to match the level of service provided with agreed expectations of customers and their willingness to pay for that level of service
- performance measures are quantifiable means for determining whether a LOS has been delivered
- performance targets are the desired levels of performance against the performance measures.

The LOS provide the basis for the management strategies and works programmes identified in the AMP. By clarifying and defining the LOS for the activity (and associated assets), Council can then identify and cost future operations, maintenance, renewal and development works required of the activity (and associated assets) to deliver that service level. This requires converting user's needs, expectations and preferences into meaningful LOS.

The main points covered in the LOS below are:

- minimise impact of urban flooding
- promote the environment by using sustainable services
- provide a reliable, efficient stormwater service.

Over the next 10 years, Council's intention for this activity is generally to maintain the current performance in relation to flooding complaints and improve performance in the following areas:

- the delivery of projects
- understanding implications of resource consent conditions and prioritising any upgrades in a sustainable manner that deliver best environmental outcomes in an affordable manner.
- Response to customer requests (current low performance in this area is mainly attributable to closing out of service requests in the customer service system).
- Compliance with resource consent conditions as required by Environmental Southland's Discharge Plan. (As the overall cost of meeting this compliance is not fully understood it is only being forecasted to meet 70% compliance by the end of this 10-year period as Council must also consider affordability issues for some of these communities. Agreement will be reached with ES over timing and prioritisation of improvement works).

The below tables outline the levels of service, performance measures and performance targets for the water activities. The tables set out Council's current performance and the targets it aims to achieve within the next three years and by the end of the next 10-year period.

Levels of Service: Water Supply

WATER SUPPLY: The level of service (LoS) we provide	LoS xx: Our water supply network provides safe, reliable, and adequate supply of water.				
How we measure performance	**Current Performance (23/24)**	**Future Performance Targets**			
		Yr 1 (24/25)	**Yr 2 (25/26)**	**Yr 3 (26/27)**	**Yr 4-10 (27-34)**
KPI 15.1: **Fault response times** – Where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured: (a) attendance for urgent call-outs[1]: from the time Council receives notification to the time that service personnel reach the site	a) 15 minutes	a) ≤ 1 hour	a) ≤ 1 hour	a) ≤ 1 hour	a) ≤ 1 hour
(b) resolution of urgent call-outs[1]: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption	b) 4 hours, 52 minutes	b) ≤ 6 hours	b) ≤ 6 hours	b) ≤ 6 hours	b) ≤ 6 hours
(c) attendance for non-urgent call-outs[1]: from the time that Council receives notification to the time that service personnel reach the site	c) 1 hour, 1 minute	c) ≤ 4 hours	c) ≤ 4 hours	c) ≤ 4 hours	c) ≤ 4 hours
(d) resolution of non-urgent call-outs[1]: from the time the Council receives notification to the time that service personnel confirm resolution of the fault or interruption.	d) 20 hours, 20 minutes	d) ≤ 24 hours	d) ≤ 24 hours	d) ≤ 24 hours	d) ≤ 24 hours
KPI 15.2: **Customer satisfaction** – The total number of complaints received by Council about any of the following: (a) drinking water clarity (b) drinking water taste (c) drinking water odour (d) drinking water pressure or flow (e) continuity of supply (f) the way Council responds to any of these issues expressed per 1000 connections to Council's networked reticulation system.	16 per 1,000 connections	≤10 per 1,000 connections	≤10 per 1,000 connections	≤10 per 1,000 connections	≤10 per 1,000 connections
KPI 15.3: **Drinking water safety** – The extent to which the Council drinking water supplies complies with: (a) drinking water standards (bacteria compliance criteria)	a) 82%	a) 100%	a) 100%	a) 100%	a) 100%
(b) drinking water standards (protozoal compliance criteria).	b) 82%	b) 100%	b) 100%	b) 100%	b) 100%
KPI 15.4: **Maintenance of the reticulated network** – The percentage of water lost from the Council's networked reticulation system[2]	19.30%	≤25%	≤25%	≤25%	≤25%
KPI 15.5: **Demand management** – The average consumption of drinking water per day, per resident within the territorial authority district.	889 litres	≤ 850 litres per person per day	≤ 850 litres per person per day	≤ 850 litres per person per day	≤ 850 litres per person per day
1 - Attendance means from the time that the Council receives notification to the time that service personnel reach the site. Resolution means from the time that the Council receives notification to the time that service personnel confirm resolution of the fault or interruption. "Urgent" is considered complete loss of drinking-water to an urban drinking water supply. "Non-urgent" includes all other fault/interruptions to an urban drinking water supply. *2 - The water loss calculation is the weighted averaged percentage loss reduction per urban drinking water supply.*					

Levels of Service: Wastewater

What LoS we provide	LOSxx: Provide reliable wastewater (sewerage) collection and treatment services that protects public health and the environment				
How we measure performance	**Current Performance (23/24)**	**Future Performance Targets**			
		Yr 1 (24/25)	**Yr 2 (25/26)**	**Yr 3 (26/27)**	**Yr 4-10 (27-34)**
KPI 14.1: **System and adequacy** – The number of dry weather[1] wastewater (sewerage) overflows from the territorial authority's wastewater (sewerage) system, expressed per 1000 wastewater (sewerage) connections to that wastewater (sewerage) system.	<1	≤1	≤1	≤1	≤1
KPI 14.2: **Response to wastewater (sewerage) system faults** - Where the Council attends to wastewater (sewerage) overflows resulting from a blockage or other fault in the Council's wastewater (sewerage) system, the following median response times[2] measured: (a) Attendance time: from the time of notification to the time when service personnel reach the site (b) Resolution time: from the time of notification to this time that service personnel confirm resolution[1] of the blockage or other Fault.	a) 18 minutes b) 2 hours 20 minutes	a) ≤1 hour b) ≤6 hours	a) ≤1 hour b) ≤6 hours	a) ≤1 hour b) ≤6 hours	a) ≤1 hour b) ≤6 hours
KPI 14.3: **Customer satisfaction** – The total number of wastewater (sewerage) system complaints about any of the following: (a) wastewater (sewerage) odour (b) wastewater (sewerage) system faults (c) wastewater (sewerage) system blockages (d) the Council's response to issues with its wastewater (sewerage) system, expressed per 1,000 connections to the Council wastewater (sewerage) system.	7 per 1,000 connection	≤8 per 1,000 connections	≤8 per 1,000 connections	≤8 per 1,000 connections	≤8 per 1,000 connections
KPI 14.4: **Discharge compliance** - Compliance with resource consents for wastewater (sewerage) discharges, measured by the total number of:					
(a) Abatement notices	0	0	0	0	0
(b) Infringement notices	0	0	0	0	0
(c) Enforcement orders	0	0	0	0	0
(d) Convictions received in relation to the resource consents.	0	0	0	0	0
KPI 14.5: Percentage of monitoring results that show compliance with resource consent conditions.	93%	100%	100%	100%	100%
1 - "Dry Weather" is defined as a period of 24 hours prior to an event of no catchment rainfall. *2 - In accordance with operations and maintenance contract timeframes.*					

Figure 1-5.3: Levels of Service: Stormwater

STORMWATER: The level of service (LoS) we provide	LoS xx: Provide a reliable stormwater system that protects public health and the environment			
How we measure performance	Current Performance (23/24)	**Future Performance Targets**		
		Yr 1 (24/25)	Yr 2 (25/26)	Yr 3 (26/27)	Yr 4-10 (27-34)
KPI 11.1: **System adequacy** - Overflows resulting from the stormwater system that result in the flooding of a habitable floor[1] a) The number of "flooding events" that occur within the district b) For each flooding event, the number of habitable floors affected (expressed per 1000 properties connected to the council stormwater system).	a) 0 b) 0	a) ≤ 5 b) ≤ 1	a) ≤ 5 b) ≤ 1	a) ≤ 5 b) ≤ 1	a) ≤ 5 b) ≤ 1
KPI11.2: **Response to stormwater issues** - The median response time between the time of notification and the time when service personnel reach the site when habitable floors are affected by flooding resulting from faults in the stormwater system.	≤ 2 hours	≤ 2 hours	≤ 2 hours	≤ 2 hours	≤ 2 hours
KPI 11.3: **Customer satisfaction** – The number of complaints received about the performance of the Council's stormwater system, expressed per 1000 properties connected to the stormwater system.	a) 15 per 1000 properties	a) ≤ 15 per 1000 properties	a) ≤ 15 per 1000 properties	a) ≤ 15 per 1000 properties	a) ≤ 15 per 1000 properties
KPI 11.4: **Discharge compliance** - Compliance with the resource consents for discharge from the stormwater system, measured by the number of: (a) abatement notices (b) infringement notices (c) enforcement orders (d) successful prosecutions, received in relation to those resource consents.	a) 0 b) 0 c) 0 d) 0	a) 0 b) 0 c) 0 d) 0	a) 0 b) 0 c) 0 d) 0	a) 0 b) 0 c) 0 d) 0	a) 0 b) 0 c) 0 d) 0
KPI 11.5: Percentage of monitoring results that show compliance with resource consent conditions.	85%	100%	100%	100%	100%
1 - Habitable floor refers to a floor of a building (including a basement) but does not include ancillary structures such as stand- alone garden sheds or garages. A flooding event means an overflow of stormwater from a territorial authority's stormwater system that enters a habitable floor.					

1.6   Growth, Demand and Capacity

Growth, capacity and demand drivers as reported by Infometrics show it is not likely there will be significant growth demand across Southland. Population projections suggest continued immigration, aging and declining European population (28% aged 65+from 2030, higher than the national average).

The Beyond 2025 Southland Regional Long Term Plan suggests some growth in townships closer to Invercargill (Wallacetown, Riverton, Edendale and Winton) if new industry is encouraged in Southland.

Growth patterns across the rest of Southland District show softer growth is projected in more agriculturally focused and remote settlements, reflecting the weaker outlook for employment in agriculture.

Growth projections for townships are as follows:

- Tuatapere, Riversdale and Otautau are projected to decline over 2034-2054

- Winton is projected to fare slightly better, reflecting its scale gives it a degree of critical mass despite the strong influence of agriculture on the town

- Te Anau's population is projected to grow 0.9%pa over 2022-2034

- Manapouri is projected to grow 1.5%pa over 2022-2034

- Towns which are proximate to Invercargill, such as Edendale/Wyndham and Wallacetown are also projected to fare better, reflecting the availability of jobs nearby with a relatively strong employment outlook for Invercargill City

- Winton is buoyed with a strong established commuting pattern into Invercargill, as well as a degree of critical mass, particularly compared to some of the district's smaller rural towns

- Riverton is projected to continue growing steadily, reflecting established commuting patterns into Invercargill, strong recent historical growth, and intentions to move there (noted in the housing survey).

1.6.1   Demand Drivers

Demand for Water Services is likely to change over the 10-year period of the plan. Changes in demand, and whether Council is planning to make any changes, will impact the activity as a result.

The factors influencing demand for Council's water services are summarised in Figure 1-2 below.

Figure 1-2: Demand Drivers – Water Services

DEMAND DRIVER	IMPACT ON FUTURE DEMAND (1) Stormwater (2) Water (3) Wastewater
CLIMATE CHANGE	(1) Changes in rainfall extremes (intensity or duration) likely to increase capacity demand on stormwater systems. (2) Increased demand for freshwater (including potable water) may be experienced due to heatwaves and droughts, increasing pressure on water supply services. (3) Water usage restrictions, drought conditions and/or changes in rainfall patterns may increase pressure on wastewater treatment plants.
DEVELOPMENT **Applies to 3 Waters**	(1) Increase in impermeable surfaces cause increase in stormwater run-off and is considered the greatest driver in towns such as Te Anau where there is steady growth. An identified future area of improvement around changing land use and development lies in understanding and protecting secondary overland flow paths to avoid risk of flooding of property. This information will be more readily available following the LIDAR survey of the region.
ECONOMY - CHANGE	Current economic conditions have resulted in a downturn in development. This is anticipated to continue for the short to medium term.
GROWTH - **POPULATION**	(1) (2) Growth projected in urban areas can create the need for extensions to the stormwater reticulation however given low growth projections this is not seen as a significant driver. (2) Expect water consumption to increase in proportion to population and subdivision growth – although this has slowed down in recent years. (3) Expect wastewater volumes to increase in proportion to population and in areas of new sub-development.
GROWTH - TOURISM	(2) Expect water consumption to increase in proportion to tourism especially in areas such as Te Anau and to a lesser extent Riverton.

LAND USE CHANGE	(2) Quality of water affected due to soil nitrification caused by increased dairying as seen in areas around Balfour and Edendale. (3) Expect wastewater volumes to increase in proportion to the amount of land development.
NETWORK CONDITION	(3) Anticipate wastewater volumes to increase in areas where there is an ageing network, and/or high levels of groundwater which can influence levels of infiltration for example Winton.
POPULATION	(3) Expect wastewater volumes to increase in proportion to population and in areas of new sub-development.
REGULATION - CHANGE	(2) Expect future applications for water takes will include a comprehensive demand management strategy highlighting steps to be taken to reduce consumption.
RESTRICTIONS – FUTURE WATER ABSTRACTION	(2) There are restrictions in the availability of raw water sources to meet future demands in some areas where aquifers are deemed to be over-allocated.
STORMWATER CROSS CONNECTIONS	(3) Expect wastewater volumes to increase in areas where there are unknown stormwater cross connections during times of heavy rainfall.
TECHNOLOGY - CHANGE	(2) Two trends which reduce the demand for water from the reticulated water supply system are: • dual water supply systems, where the use of water from the reticulated water supply for potable purposes is supplemented using rainwater collected from impervious surfaces such as roofs for purposes such as garden irrigation, and toilet flushing • the use of "grey water" (water from washing machines, showers etc) for garden watering. Council's Subdivision and Land Development Bylaw promotes consideration of such 'low impact' technologies on new developments although there has been no uptake of them to date.

1.6.2   Capacity

Given the limited nature of Council infrastructure and the limited expected growth it is not anticipated that a specific programme will be required to manage people related growth. Further work will be undertaken in the upcoming three years to more fully understand the impact of climate change related demand.

1.7   Risks, Issues and Uncertainties

1.7.1   Key Risks

Key risks are summarised in Table 1-5. Issues and risks are broadly similar across all water services activities and align closely with Council corporate risks the most relevant being:

- inaccurate data leading to bad decisions/asset failure

- underinvestment in infrastructure

- investment to meet governments regulatory and mandated service level changes

- infrastructure not fit for purpose to withstand climate change and natural hazards eg AF8 event

- natural or biosecurity event impacts the wellbeing of the district

- health and safety controls fail to protect staff and contractor safety

- difficulty retaining or recruiting staff affects service levels, potentially resulting in service level failures

- over-commitment leads to inability to deliver agreed work programme

Table 1-5: Key Risks – Water Services

Risk Event	Applies to:			Current Treatment	Proposed Treatment Details
	DW	WW	SW		
Event - natural disaster causing short term disruption to service provision.	x	x	x	Identification of alternative short-term response and recovery arrangements	Council and contractor to develop business continuity plans to cover natural disasters
Event - natural disaster causing widespread unavailability of activity staff.	x	x	x	Temporary or agency staff either from within Council or through external resourcing	Council and contractor to develop contingency plans to cover natural disasters
Natural disaster causes significant widespread damage to council assets and infrastructure.	x		x	As Council assets are widespread across the district the risk of significant widespread damage is relatively low however the impact on those areas can be relatively high	Identify strategic sites at risk and develop plan for their maintenance and return to service Development of wider emergency management plan Understand location of vulnerable landfill sites and develop plan for their future management
Funding of activities will result in significant rates increases impacting on community affordability.	x	x	x	Decisions made with based on a trade-off between 'sweating' assets and targeting investments. Has potential to result in a large number of unbudgeted projects required through the course of the planning cycle	Development of a well-informed capital works programme based on known condition and performance of assets
Risk to public health as a result of council activity.	x		x	Installation of multi-barrier protection on all community water supplies along with review and updating of Water Safety Plans. Wastewater and stormwater risks are mitigated through achieving compliance with discharge consent conditions and any investigations that may arise as a result	As current along with any further requirements that may arise following formation of new drinking water regulator
Health and safety risks (to staff, contractors and public) associated with operation of council activity.	x	x	x	All Council sites are secure, fenced off and have appropriate signage warning of multiple risks. Higher risk sites have recently been identified and	Further review of fencing and security arrangements will require additional expenditure through future planning cycles

Risk Event	Applies to:			Current Treatment	Proposed Treatment Details
	DW	WW	SW		
				expenditure approved for increasing security	
Breakdown in relationship/communication between council and contractor.	x	x	x	Regular communications and partnering approach	More frequent partnering meetings Review stakeholder management arrangements through new contract. Possible opportunity to develop Alliance type approach
Failure of co-operation with other councils that may impact on future potential service delivery arrangements.	x		x	New risk that may arise following requirement for councils to work together to review and consider future potential service delivery arrangements	Agree working protocols among councils and ensure early and regular engagement with elected members to ensure consistent messaging is being fed through to all councils
Lack of resourcing impacts on ability to deliver services through failure to attract appropriately trained staff into the sector.	x	x	x	This is an issue of concern nationally and is currently not one that is well managed. On a local level Council have participated in careers events that succeeded in attracting some graduates into the organisation	Continue to support local careers-based events while pushing at a more national level (eg through Water NZ) for a co-ordinated approach to help attract appropriately skilled people into the sector
Loss of organisational knowledge due to sudden loss of key activity staff resulting in inefficient or inadequate management or operation.	x	x	x	Staff training and succession planning will mitigate risk of frequent staff turnover	Identify individual staff needs and formulate appropriate training, in conjunction with consultant assistance until skills at appropriate level Detailed succession planning to ensure institutional knowledge is retained

1.7.2 Key Issues

Key issues, options and implications proposed treatments are outlined here:

KEY ISSUES	Applies to:			OPTIONS	IMPLICATIONS
	DW	WW	SW		
Compliance with requirements of discharge consents and understanding the implications of the proposed water and land plan for southland			X	Limited options are available given the regulatory requirement, however there may be scope available to prioritise timings of required upgrades and improvements	Four consents covering 17 townships have now been issued and conditions around monitoring, auditing and reporting are being met. At this stage implications are still not fully understood however it is extremely likely that upgrades will be required across several locations. It is widely understood that there will be a need to undertake improvements to discharges from industrial areas such as Winton and Te Anau and as a result, allowances have been made in the budgets. Improvements to soak holes in Mossburn and Riversdale have also been budgeted for
Impact of climate change	X	X	X	*Context:* Changes in Southland's climate over the coming decades are expected to create a range of challenges for the delivery of Water Services. The impacts that will be experienced within the coming LTP period are difficult to anticipate. *Options:* Continue SDC's participation in Regional Climate Change Working Group to develop collaborative pathways for a regional climate response, including climate adaptation and mitigation activities, supported by a regional science and information pathway. Use the best available science and information to identify and plan for climate change impacts in infrastructure and asset management decisions. Water Services staff participate in the staff climate change working group and input into preparation of an organisational climate action plan to support a collaborative and integrated	Maintenance requirements and costs are likely to increase, impacting levels of service. Planning will need to be increasingly adaptive and flexible over time to respond to changes. Increased technical input will be needed to support climate resilience of assets. Decarbonisation measures may increase project costs.

| | | | climate change response across all parts of the Council's business.

Water Services staff contribute to preparation of an organisational emissions reduction plan and support its implementation. | |

KEY ISSUES	Applies to:			OPTIONS	IMPLICATIONS
	DW	WW	SW		
Ageing infrastructure approaching of life likely to require extensive renewals across several townships.	X	X	X	*Context:* Some of the pipe networks in the district are approaching the end of their useful life certainly within the 30-year LTP window. Maximising the economic life of the assets and determining the optimal time for replacement are important challenges. *Options:* 1. Continue with renewals when assets expire (subject to further condition assessments). 2. Rely on increased planned/unplanned maintenance activity in communities with limited growth and accept increased operational costs as result. Council's preferred option is 1; Council will undertake condition assessment CCTV survey of assets to help determine the optimal time for replacement. Undertake renewal (subject to further condition assessment) or defer renewal and manage assets through increased maintenance activities.	There is likely to be significant renewals costs associated which will have impact on rates which are reflected in the latest capital programme and a driver towards moving to a district funded model.

KEY ISSUES	Applies to:			OPTIONS	IMPLICATIONS
	DW	WW	SW		
Funding of the activity		X	X	Funding options are based around either locally funded or district funded models. Where there is a requirement for compliance with regional or national standards there is certainly more of an argument that this justifies the move to district funding. *Context:* Council has identified several communities where themes such as ageing populations, declining communities or low decile communities raise issues in the way services are delivered, especially in relation to how renewal of infrastructure may impact overall affordability for the delivery of the service. *Options:* 1. Do nothing. 2. Plan infrastructure renewals based on age and condition survey among all communities. 3. Identification of key communities where this issue is most relevant and manage the issue by deferring capital work while relying more on planned and reactive maintenance on the infrastructure. Council's preferred option is 3.	District funding will help spread the burden of potentially significant upgrades across a wider rating base, however irrespective of funding models the overall implications of the upgrades need to consider the overall benefit to communities relative to the costs these will incur. This is likely to result in a different level of service between communities however Council needs to think carefully about how this is managed into the longer term, especially in a manner that avoids non-compliance with resource consents.

KEY ISSUES	Applies to:			OPTIONS	IMPLICATIONS
	DW	WW	SW		
Proposed Water and Land Plan for Southland		X		*Context:* The proposed Southland Water and Land Plan is now largely operative while some elements are still under appeal and being considered by the Environment Court. This plan sets the framework around how water will be managed across the region. It also sets the scene for the introduction of catchment limit setting across a series of Freshwater Management Units (FMUs). There is limited direction as to how the limit setting process will be implemented but is expected that significant upgrades of wastewater treatment plants are likely to be required, and where possible move towards land-based discharges especially in areas where background water is already degraded as a result of human influence. *Options:* 1. Plan for upgrades at all sites when consents are due for renewal – without understanding the implications of the limit setting process on Council. 2. Do nothing until further information on limit setting process is available. Target key upgrades at several key plants that would be seen as delivering the biggest environmental wins within the course of this LTP knowing that further upgrades will be required at other sites in the future. Delivery of upgrades at Te Anau and Winton would for example be seen as the biggest wins while. further upgrades at Riversdale and Nightcaps will be undertaken because of recent resource consent decisions.	Changes within national and regional planning frameworks now indicate a strong preference for discharges to land over discharges to water from Council's wastewater treatment plants. From a Southland perspective the impact of this may be significant in terms of ability to discharge to land under all conditions. It is also likely to require significantly large areas of land to allow discharge to occur particularly from larger schemes such as Te Anau and Winton.

KEY ISSUES	Applies to:			OPTIONS	IMPLICATIONS
	DW	WW	SW		
Strategic direction	X	X	X	While change around how the sector is managed is anticipated the AMP has been developed based on building on the previous AMP rather than trying to understand the implications of ongoing reviews and inquiries.	It is difficult to anticipate what changes are likely to arise following the national water services review. At this stage it is understood that the greater impact will be on the water supply and wastewater activities. In anticipation of the outcome of the reviews the AMP adopts a 'holding pattern' while also noting the need to significantly invest in both operational and capital budgets to maintain current level of service.
Asset data knowledge	X	X	X	While Council has asset registers and many digital systems, processes, and records, however, we do not have complete knowledge of the assets under our ownership. To varying degrees Council has incomplete knowledge of asset location, asset condition, remaining useful life and asset capacities. This shortfall requires assumptions to be made on the total value of the assets owned, the time at which assets will need to be replaced and when new assets will need to be constructed to provide better service.	Council considers these assumptions and uncertainties constitute risk and proposes to address this by introducing an annual budget for condition assessment of assets to improve knowledge around age and condition of stormwater assets. As levels of understanding improve, a better forecast of capital expenditure will be incorporated into future forecasts.
Stormwater discharge quality			X	The current documentation on discharge water quality and receiving environment quality is variable and not collated as sampling in support of consent requirements has only commenced very recently. The quality required of stormwater discharges to at least maintain the existing conditions in receiving waters is therefore not yet fully understood	Money has been allocated for retrofitting stormwater quality devices however in several towns, the quantity and spread of the programme will need to be reassessed, along with monitoring results increased. As such the budget allocation for water quality improvements is sufficient until this level of reporting further develops.

1.8   Regulatory Considerations

The water quality regulator - Taumata Arowai was provided with a mandate from November 2021 to identify key areas of water safety risk, focussing on standards and guidelines and engaging with the sector. Taumata Arowai is also responsible for performance monitoring of wastewater and stormwater networks Waters – targeted legislation

Reform in the waters sector has been progressing since 2020 and was a high priority for the previous government.

Following the October 2023 elections and a new Government, the intent is to introduce and pass the following legislation:
- Introduce legislation to repeal the Water Services Entities Act 2022 in first 100 days. https://assets.nationbuilder.com/nationalparty/pages/18468/attachments/original/1701229692/100_Day_Plan.pdf?1701229692
- The Act is to be replaced with the **Local Water Done Well** plan which will:
  1. restore council ownership and control, but with stronger central government oversight
  2. set strict rules for water quality, and for investment in infrastructure
  3. ensure water services are financially sustainable so that future generations don't inherit outdated or failing infrastructure.
- Financial sustainability has been defined and communicated by government to mean there is enough money coming in, either from rates or from user-pays, to cover the maintenance and depreciation of infrastructure and investment in new assets. Government will require councils to ringfence money for water infrastructure, instead of spending it on other services. New infrastructure is expensive but has a long life so it's appropriate that it's funded by debt, and paid back over time out of rates or user revenues https://www.national.org.nz/local_water_done_well
- Replace the National Policy Statement for Freshwater Management 2020 and the National Environmental Standards for Freshwater https://assets.nationbuilder.com/nationalparty/pages/18466/attachments/original/1700778597/NZFirst_Agreement_2.pdf?1700778597

  Replace the National Policy Statement for Freshwater Management 2020 to allow district councils more flexibility in how they meet environmental limits and seek advice on how to exempt councils from obligations under the National Policy Statement for Freshwater Management 2020 as soon as practicable

  https://assets.nationbuilder.com/nationalparty/pages/18466/attachments/original/1700778592/National_ACT_Agreement.pdf?1700778592

Other regulations, plans, bylaws and policies have been outlined below – see Table 1-6 and refer to "Key regulatory and statutory drivers" – particularly regarding how these affect levels of service and performance standards.

Table 1-6: Key regulatory and statutory drivers

Legislation / Regulation / Planning Documents	Applies to:		
	DW	WW	SW
Civil Defence Emergency Act 2002	x	x	x
Climate Change Response Act 2002	x	x	x
District Plan 2018	x	x	x

Page | 35

Legislation / Regulation / Planning Documents	Applies to:		
	DW	WW	SW
Drinking Water Safety Plans	x		
Environmental Protection Authority Act 2011	x	x	x
Epidemic Preparedness Act 2006	x	x	x
Fire and Emergency New Zealand Act 2017	x		
Hazardous Substances and New Organisms Act 1996	x	x	x
Health Act 1956	x	x	x
Health (Fluoridation of Drinking Water) Amendment Act 2021	x		
Health and Safety at Work Act 2015	x	x	x
Heritage New Zealand Pouhere Taonga Act 2014	x	x	x
Infrastructure Strategy			
Land Drainage Act 1908	x	x	x
Local Government Act 2002	x	x	x
Local Government (Financial Reporting and Prudence) Regulations 2014	x	x	x
Local Government (Rating) Act 2002	x	x	x
National Adaptation Plan 2022	x	x	x
National Policy Statement for Freshwater Management	x		x
New Zealand Coastal Policy Statement 2010	x	x	x
New Zealand Standard for Land Development and Subdivision Infrastructure (NZS 4404:2010)	x	x	x
Ngāi Tahu ki Murihiku Natural Resource and Environmental Iwi Management Plan 2008	x	x	x
NZ water industry national asset grading standards and international infrastructure management manual	x	x	x
Ozone Layer Protection Act 1996	x	x	x
Pipe Inspection Manual		x	x
Proposed Water and Land Plan			x
Public Works Act 1981 and Public Bodies Contracts Act 1959	x	x	x
Regional Coastal Plan for Southland 2013			x
Regional Policy Statement 1997 (RPS) Environment Southland	x		x
Regional Water Plan for Southland 2010 (Environment Southland)	x		x
Resource Management Act 1991	x	x	x
SNZ PAS 4509:2008 NZ firefighting Code of Practice	x		
Stormwater Drainage Bylaw 2017			x
Subdivision & land development Standards Bylaws 2012	x	x	x
Trade Waste Bylaw 2008 with 2018 revision	x		x
Utilities Access Amended Act 2010	x	x	x
Wastewater Drainage Bylaw 2017		x	
Wastewater strategy (draft)		x	
Wate Services Act 2021	x	x	x

Page | 36

1.9   Financial Summary

The basis for renewals funding is valuation data which primarily relies on age-based replacement at unit rates for specific locations.

The basis for capital works is existing tendered contracts. Where this is not appropriate a staff estimate is provided with a margin of error.

The basis for operations data is the contract budget with inflation.

1.9.1   Options for Water Service Delivery

The return of the water assets to Council budgets has meant a big change around the work that had been done to transfer the assets to an entity. Many of our ratepayers disagreed with the three waters programme. The new government made getting rid of the three waters project an election issue and has now repealed the acts setting up the entities and process for transferring the assets.

Water services are back now being funded from our small ratepayer base and we need to make sure we get the balance of doing what needs to be done – what is right environmentally, culturally and socially, with the affordability of rates increases for ratepayers. The costs to renew the assets have increased markedly in the past few years because of regulation to protect the environment, inflation and the reform changes. We also need to consider the assets within an intergenerational framework otherwise ratepayers today will be paying for the use of the service now, both operational and capital, and also for the use of it in the future through depreciation.

So, we have reviewed the capital programme for water services, taking into consideration the affordability to ratepayers, debt level and the ability to deliver, and are putting two options forward for you to tell us what you think.

The first option is to carry out the work that is planned and projected across the 10 years - this will cost $322 million - $221 million on sewerage, $66.5 million on water and $34.5 million on stormwater.

The second option is to spread the timeframe out for doing the work needed and putting off some pro-active work. If we smooth the timing of upgrades, which relies on Environment Southland allowing us to extend the current consents for up to five years, the pressure is taken off borrowing limits and resource constraints for delivery internally and externally, along with reducing the size of the rate increase. All wastewater consent renewals would be still completed by the end of 2034. This would be a cost of $259 million - $176 million on sewerage, $48.5 million on water and $34.5 million on stormwater.

Under the smoothing, $63 million has been removed from the capital programme for the 10 years - $45 million in sewerage and $18 million in water supply. In the wastewater area, underground pipes make up $17 million of this and this means more of that work would continue into the next 10-year period. Other savings include deferral of improvements to levels of service with treatment aerators and inlet screens pushed out beyond 2034 ($5 million), deferring the extension of schemes and building in capacity to beyond 2034 ($10 million), delaying improvements to switchboard and pump replacements, reducing resilience and increasing the risk of reactive maintenance ($3 million) and looking at different solutions for planned projects ($10 million).

In the water supply activity, the $18 million is made up by deferring renewals of underground pipes ($2 million), deferring resilience work around replacement of water storage ($3 million), delaying the increase in capacity with additional bores for Te Anau by allowing for one instead of two ($3 million) and deferring treatment improvements for nitrates and other elements ($7 million).

Page | 37

All these adjustments increase the risk for reactive maintenance and so unbudgeted spending in the next 10 years. It may also cause a bow wave of capital requirements beyond 2034.

The table on the following page outlines the two options, risks, effects on rates and effects on debit.

Option	Description	Risks	Effect on rates	Effects on Debit
Option 1 : carry out the work as it falls due	In this option, wastewater treatment plants and treated water supplies will be renewed as and when their consent falls due. Taking treated waste from being discharged to water and putting onto land will be part of the renewals. This option includes carrying out proactive resilience works, treatment improvements and building capacity in our infrastructure. Six wastewater treatment plants and xxx water supplies are due for renewal in the 10 years of this LTP. The risks surrounding this option include the affordability of the work for the ratepayers, the ability of staff and contractors to deliver on all the work and whether we can borrow enough to do the work	• Resourcing risk for availability of contractors and internal staffing • Risk of higher quantity of unbudgeted expenditure if failures need capex for resolution or risk of carryforward as may not want to commit full renewals budget in case needed for reactive works • Need for higher level of asset management - staffing levels to manage the competing needs of different towns on district budget (as have removed the target township pipe renewals) • Cost of ES consent extensions • Regulatory requirement changing ie deferral of nitrates and fluoridation • Extended unplanned outages of our plants	• In the first year, the rates to provide three waters will be $1,769.36 per rating unit, increasing to $4,799.98 in year 10.	• In the first year of the LTP, the loan balance (including existing loans), sits at $66,286,978, and goes up to $254,938,474 in year 10.
Option 2: Do the work, but slow it down (preferred option)	In this option, the renewals of wastewater treatment plants and treated water supplies will be carried out on a smoothed basis, where we try to extend the consents out for a longer time. This is dependent on Environment Southland agreeing on extensions to the plants' consents. It also puts off proactive works, which will increase the risk of reactive maintenance and unbudgeted expenditure. Other risks include increased operational costs, more carry forwards of budgets from one year to the next, as dates could be fluid,	• Reduced risk of deliverability with staff and contractor resourcing • Reduced borrowing • Risk regulatory does not approve of consenting approach. • Risk of damage to regulator relationship • Risk of damage to Iwi relationship and partnership development • Risk of premature failure • Risk of additional unforeseen maintenance costs due to premature failure	• In the first year, the rates to provide three waters will be $1,791,31 per rating unit, increasing to $4,310.26 in year 10.	• In the first year of the LTP, the loan balance (including existing loans), sits at $66,124,715, and goes up to $198,980,511 in year 10.

Page | 39

	more staff needed to manage the competing needs of assets, the costs of Environment Southland consents extensions and the possible refusal to extend the consents, regulatory standards changing and Council not keeping up, extended unplanned outages of our plants, lower resilience, increased customer dissatisfaction and a bow wave of capital work after 2034.	• Deferral of upgrading the waste water treatment plants and disposal incurs the risk of increased compliance level needing to be met for consent requirements (Nitrates, Ammonia) • Bow wave of capital requirements 2034 onwards		

1.9.2   Asset Condition and Performance Statements

Lifecycle asset management means considering all asset management options and strategies to deliver the agreed level of service and to inform decision-making for asset renewal, replacement, upgrade and disposal. Effective lifecycle planning is about making the right investment at the right time to ensure that the asset delivers the desired level of service over its full-expected life, at the minimum total cost. This section explains the approach for:

- Providing new or upgraded assets to improve service levels, providing for growth and demand
- Operating and maintaining assets
- Renewing or replacing assets
- Disposing of assets at the end of their useful life.

Information relating to remaining asset lives is available through the Infor (IPS) database and summarised in Council's annual valuation report.

The following assumptions and methodology have been made in the preparation of the valuations:

- That all asset data has been reviewed and updated

- That all replacement costs are based on Modern Equivalent Value

- Land and Resource Consents are excluded from the Valuation

- Three Waters assets that are privately owned or owned by other departments, such as stormwater sumps are owned by Land Transport, are excluded from the valuation

1.9.3   Assets – Replacement Cost and Depreciation

The scheme values and depreciation information – see Table 1-7 is based on Councils 2023 valuation analysis. Where there is more than one service in a township eg water and wastewater, the individual values are combined.

Table 1-7: 3 Waters Services - Asset Values and Depreciation

Town	Replacement Cost ($)	Depreciated Replacement Cost ($)	Annual Depreciation ($)
Water			
Balfour Total	$2,646,056	$1,329,895	$29,976
Duncraigen Total	$412,113	$139,550	$8,079
Eastern Bush Total	$3,373,649	$1,392,818	$41,448
Edendale/Wyndham Total	$16,887,579	$14,278,707	$202,506
Five Rivers Total	$630,974	$318,499	$6,934
Homestead Total	$2,833,638	$1,220,187	$42,668
Invercargill Total	$104,351	$38,915	$3,783

Page | 41

Kakapo Total	$4,730,125	$2,227,131	$62,470
Lumsden-Balfour Total	$21,431,546	$13,402,788	$263,579
Lumsden Total	$5,437,623	$3,193,852	$74,578
Manapouri Total	$5,790,491	$2,672,965	$86,690
Matuku Total	$1,058,877	$421,482	$17,351
Mossburn Total	$5,041,787	$2,010,761	$78,435
Mt York Total	$3,213,957	$1,470,849	$43,288
Nightcaps/Wairio Total	$165,664	$57,476	$2,113
Ohai Total	$1,601,394	$700,172	$40,853
Ohai/Nightcaps/Wairio Total	$14,236,994	$5,289,961	$192,021
Orawia Total	$866,172	$549,710	$17,795
Otahu Flat Total	$3,729,863	$1,868,846	$43,038
Otautau Total	$10,505,333	$2,578,117	$162,226
Princhester Total	$705,538	$193,716	$13,983
Ramparts Total	$6,735,244	$3,438,825	$82,784
Riverton Total	$30,294,348	$13,986,393	$485,916
Takitimu Total	$3,670,693	$2,033,505	$52,074
Te Anau Total	$41,902,868	$28,801,631	$568,958
Tuatapere Total	$10,109,231	$4,385,568	$178,177
Wallacetown Total	$1,015	$693	$34
Winton Total	$25,665,644	$17,340,751	$364,903
Wastewater			
Balfour Total	$3,235,990	$885,493	$50,440
Browns Total	$1,139,535	$732,786	$22,519
Curio Bay Total	$1,959,383	$1,750,720	$37,303
Edendale/Wyndham Total	$24,649,377	$20,570,241	$322,945
Gorge Road Total	$2,046,718	$1,477,361	$29,761
Lumsden Total	$11,018,253	$3,832,346	$167,610
Manapouri Total	$11,446,835	$5,120,057	$154,649
Monowai Total	$673,128	$260,095	$9,313
Nightcaps/Wairio Total	$8,117,091	$4,956,562	$94,656
Ohai Total	$10,243,343	$1,032,014	$146,052
Otautau Total	$16,457,373	$11,315,620	$217,671
Riversdale Total	$8,077,987	$3,054,114	$117,836
Riverton Total	$40,620,766	$24,482,064	$494,611
Stewart Island Total	$38,002,878	$26,658,467	$558,389
Te Anau Total	$97,380,603	$68,258,285	$1,564,911
Tokanui Total	$2,577,020	$1,103,621	$36,173
Tuatapere Total	$14,025,427	$11,402,962	$175,783
Wallacetown Total	$9,940,763	$8,140,129	$111,858
Winton Total	$30,040,888	$9,147,076	$418,396

Page | 42

Stormwater			
Balfour Total	$1,112,016	$265,786	$12,488
Browns Total	$388,162	$171,645	$4,202
Colac Bay Total	$221,248	$118,546	$2,447
Dipton Total	$269,380	$140,219	$3,002
Edendale Total	$1,685,335	$1,168,907	$19,175
Limehills Total	$365,072	$220,930	$4,304
Lumsden Total	$2,049,928	$645,732	$22,929
Manapouri Total	$4,183,353	$2,235,502	$47,466
Monowai Total	$222,063	$127,090	$2,467
Mossburn Total	$122,667	$45,403	$1,364
Nightcaps/Wairio Total	$3,554,525	$1,735,441	$39,419
Ohai Total	$2,839,200	$438,610	$33,847
Otautau Total	$2,643,377	$531,364	$29,803
Riversdale Total	$952,719	$292,344	$11,018
Riverton Total	$6,705,281	$3,761,279	$77,632
Stewart Island Total	$2,576,327	$1,838,763	$28,776
Te Anau Total	$29,161,928	$17,625,605	$337,047
Thornbury Total	$272,481	$87,170	$3,212
Tokanui Total	$233,688	$62,440	$2,652
Tuatapere Total	$2,315,430	$915,197	$26,829
Waianiwa Total	$342,175	$322,173	$3,513
Waikaia Total	$894,090	$431,412	$10,912
Wallacetown Total	$2,159,501	$1,387,763	$23,453
Winton Total	$22,124,442	$9,142,610	$253,476
Woodlands Total	$60,965	$8,256	$717
Wyndham Total	$7,193,774	$612,154	$80,317
Grand Total	**$650,085,248**	**$373,856,118**	**$8,980,004**

1.9.4   Approach to Operations and Maintenance

The purpose of this section is to outline the broad operations and maintenance philosophies for the assets, understand any underlying issues and trends, and set the basis for the O&M financial forecasts.

Operation and maintenance (O&M) of the stormwater network is carried out by two different mechanisms and administered through roading contract managers and Water and Waste team engineers:

- district funded roading contracts
- future district funded stormwater maintenance budgets.

In places there is limited information available on stormwater assets with a need to invest if future condition assessment programmes to help inform future capital works renewals.

Specific information regarding operation and maintenance trends is discussed in the scheme sections. Page | 43

There are three road maintenance contracts in operation covering the entire Council road network:

- north-west contract (Waimea Alliance) covering the Mararoa-Waimea Ward and parts of the Waiau- Aparima Ward.
- central area contract (Central Alliance) covering the Winton-Wallacetown Ward and parts of the Waiau-Aparima Ward.
- south-eastern area contract (Foveaux Alliance) covering the Waihopai-Toetoes Ward and the Stewart Island Rakiura Ward.

The road maintenance contracts allow for a sump cleaning schedule in order to protect the roading assets.

Pipework maintenance currently tends to be more reactive in response requests for service and generally arises following flooding events. It is noted that a reliance in reactive maintenance is no longer a sustainable option (especially as more assets approach the end of their asset life) and that maintenance budgets will be increased to develop a planned maintenance schedule based on the output from condition assessment work.

Table: Approach to Operations and Maintenance

Approach	APPLIES TO"			COMMENTS
	W	WW	SW	
Asset performance monitoring			X	Information relating to the physical assets are stored in Infor (IPS) and displayed spatially on GIS. An exercise is currently under way to evaluate the integrity of the data within each system and identify critical areas where this can be improved. Information relating to customer service requests (RFS) are recorded in the Infor Pathways system. Requests for Service are updated by the maintenance contractor once actioned. Information supplied by the contractors will help identify any follow up work required.
				Stormwater: O&M is primarily reactive, responding to flooding incidents and other requests for service. Generally, this just involves clearing obstructions such as pipe or sump blockages or cleaning open drains. There are several areas that may have a planned maintenance schedule where a local contractor will routinely inspect and clear problem areas for example desilting of outfalls in Riverton.
				Maintenance response time may vary depending on the level of flooding severity or where a risk to public safety (for example from displaced manhole covers) has been identified.
				There has been an increase in CCTV inspections to date to several communities, with associated condition reporting, with work undertaken at Wyndham, Riverton, Nightcaps, and Ohai. Generally, CCTV work has indicated that the pipework is in a condition consistent with the age of the network.
CCTV		X		Close Circuit Television is used to help identify the cause of blockages and visual structural condition. CCTV inspections are crucial when there are problems in drains. Drains block for many reasons and it is essential to really see the problem before taking the next step. CCTV is carried out in areas where there are suspected high levels of infiltration, and prior to upcoming renewals work to help target expenditure to those areas where it is required the most.
Condition Assessments	X	X		The O&M contract puts particular emphasis on collecting operational information from detailed inspection schedules. As new improved information comes to hand, it is added to the Infor (IPS) IPS data base to allow for better decisions to be made on the (in particular) timeliness of capital expenditure.
				The most recent round of condition inspections is undertaken jointly by Council staff and Downer operations and asset management staff. These latest inspections indicate that plant and equipment is being maintained as per previous inspections.
IPS and Reporting	X	X	X	Information is stored against each asset in an IPS database including: - work Orders (WO) and maintenance records (asset failure and developing an expenditure history), - customer Service (water supply and wastewater) (SR), - condition reports (recorded by operation and maintenance contractor, critical assets are routinely - system performance monitoring (flooding, etc.), - facility/equipment parameters, - estimated design life, - valuation information, - any operator comments.

Page | 45

Approach	APPLIES TO"			COMMENTS
	W	WW	SW	
				The O&M contractor has live access to IPS. Their performance is monitored in real-time by NAG and monthly using Crystal reports to interrogate SR and WO response and resolution times.
				Other information stored in scheme working folders or SDC's electronic document management system (RM8) includes:
				• flow monitoring and network modelling
				• demand forecasts.
				Existing asset information has been transferred from hard copy records and supplemented with specific capture projects over the last few years. The asset register is now believed to be 90% complete. An internal audit for accuracy has not yet been carried out.
				• condition reports (critical assets are routinely inspected visually and using a variety of invasive and non-invasive surveys with limited CCTV)
				• maintenance records (asset failure and expenditure history)
				• water quality monitoring at various sites [undertaken by Environment Southland]
				• request for service records
				• demand forecasts.
Leak Detection	X			Council has instigated Water Balance and Water Loss Strategies for Urban Water Schemes in 2014 and will progressively be carrying out leak detection to achieve its three-year goal of an Infrastructure Leakage Index (ILI) of less than three.
				It is likely that leak detection and demand management will become more important in the future as consents for water takes come up for renewal and there will be an increased focus on demonstrating efficiency and active conservation management. In preparation and expectation, all new water plant upgrades have been fitted with modern electronic water meters.
				O&M work is required to be in accordance with best practice and comply with the Subdivision and Land Development Standards 2012.
				The location of electrical, telecommunications, and gas services is obtained during contract preparation as part of the professional services contract. It is the responsibility of contractors to verify the location of services as a condition of contract.
Operations And Maintenance Strategy	X		X	**Stormwater:** Typically, the level of maintenance carried out on stormwater assets is low. Local stormwater systems are funded through local rates at present. Roading stormwater systems (not in townships) are funded through the roading rate (refer to the Roading and Transport section). Rates are used for both capital and operating expenditure, loans and reserves may also be used.
				Operating costs increase in through the life of the plan. This is in response to the need for an increased level of planned maintenance and investigation work to help develop a fuller understanding of the age and condition of stormwater assets.
Other Applications	X			**Hilltop** - used for stores and analysing SCADA data.
				Hinekorako the national database is used for storing data water quality data at a national level.
				System critical incidents such as water leaks and sewer blockages are particularly noted. Evidence of increasing numbers (trending up) are further analysed to see if the events are extraordinary and higher than would be normally expected. Such trending and analysis will form the basis of future capital programmes. Recent examples of this include replacement of watermains in Winton and Otautau.
				Costs of operation and maintenance have increased each year for several years. These price increases are partially due to inflation, legislation, and ageing assets that require more maintenance to keep going.

Approach	APPLIES TO" COMMENTS			COMMENTS
	W	WW	SW	
SCADA	X	X		Every water and wastewater facility are equipped with telemetry (SCADA Supervisory Control and Data Acquisition). Station RTU's (Radio Transmitter Units) transmit data either on a change in state or on a 60-minute polling rate to the base-station at SDC Head Office Invercargill. There are two SCADA systems in operation running on two dedicated computers: **Datran system:** QTech software (Datran RTU) was installed in 1990. In 2004, SDC were becoming frustrated with the poor service and lack of prompt supply of Datran parts **Kingfisher system:** Citect software (Kingfisher RTU) was initially installed as part of the Stewart Island Wastewater Upgrade and is now being installed in all new stations. All radio traffic from the mainland is received to the SDC base station via the Mid-Dome repeater site leased from Jackson & Wills Limited. Traffic from Stewart Island is received via the SDC owned Peterson's Hill repeater site. The computers manage the information and page any station alarms via the cellular network. Alarms are set to local operators first and escalate if they are not acknowledged. After hours alarms are monitored by Council's Answer Service.
Treatment Plant Inspections	X	X		Treatment plants are visited by contract staff at intervals that are appropriate to the system criticality of the process going on there. In this respect, water treatment plants are inspected three times a week and oxidation ponds are inspected once a week. At least one joint inspection will take place every year. Rural supplies are inspected at varying frequencies; less in winter but more frequently in summer to manage to monitor frequency of removal of restrictors.
Unplanned (Reactive) Operations and Maintenance Strategy	X			All unplanned maintenance expenditure below $5,000 is covered within the O&M contract. Costs for unplanned maintenance above the $5,000 threshold are covered by District funding. Where repeated breakdowns occur on an asset, the contractor, in agreement with Council, will replace the asset to reduce both the risk and cost associated with unplanned maintenance. In addition, where Council defers renewals in favor of increased renewals costs for reactive repairs and increased inspections will be agreed between Council and contractors.

1.9.5   Renewal Strategy

Renewal is the replacement (or rehabilitation) of an existing asset without changing its capacity or level of service beyond the original design.

Historically there has been some reluctance to fund significant upgrades with communities citing affordability reasons or a desire to keep local rates as low as possible. This has resulted in a renewals backlog which cannot continue in the same vein.

The ongoing replacement or rehabilitation of the stormwater network is carried out as they reach the end of their useful lives and following condition survey. The remaining life and valuation data are stored in the Infor (IPS) database and is used for budgeting purposes. At present the Infor (IPS) database does not adjust the remaining life to reflect condition and performance so decisions for renewal are made by SDC staff following based on staff and contractor local knowledge

Assets are considered for renewal as they near the end of their effective lives, where the cost of maintenance becomes uneconomical, or when the risk of failure of assets is sufficiently high.

Assets that have reached their predicted expiry date as per Infor (IPS) asset lives but are still serviceable will not be automatically replaced without a detailed condition survey. They may continue to be operated with a greater inspection frequency to ensure they remain fit for purpose.

Renewal decisions are made by asset managers based on the performance and condition of existing assets, the economics of renewing the asset, and their assessment of the acceptability of the risk of asset failure. Renewal decisions are supported by the maintenance contractor based on their knowledge of the systems. The theoretical life expectancies and replacement costs of asset components are used for financial projections.

Non-performing assets are identified by the monitoring of asset reliability, capacity and efficiency during planned maintenance inspections, operational activity and investigation of customer complaints. Indicators of non-performing assets include:

- structural failure
- repeated asset performance failure
- overflows
- ineffective and/or uneconomic operation
- insufficient treatment.

The management of assets and in particular the replacement/renewal of existing assets is a complex issue that is influenced by many factors. An asset renewal can be simply triggered by its age, but this approach would not provide the most economic or best solution. Important factors influencing the replacement of an asset are:

- the condition of an asset (which can sometimes correlate to its age)
- the performance of the asset, can it deliver the required level of service, in some situations the asset condition may be satisfactory but it does not have required capacity or performance

Page | 48

- the type of activity or the criticality of an asset will also influence the potential timing of an asset replacement, for example a critical asset within a water treatment process cannot be left until it fails, as the consequence is a potential failure in the level of service provided to the community or perhaps breaching national water quality standards. Similarly, a failure of an asset at the airport leading to the airport not being able to operate. Therefore, these types of assets require systematic and planned replacement before the level of service is impacted
- conversely assets like local pipework within a supply system may suffer several failures over a few years before replacement is considered. This may result in some local inconvenience or short-term loss of service, but can normally be rectified within a reasonable period.
- having a dedicated resource to take responsibility for the day-to-day management of the asset information systems and developing and enhancing asset management practices across all infrastructure assets will be important for the future

Renewals/Replacement Decision Chart
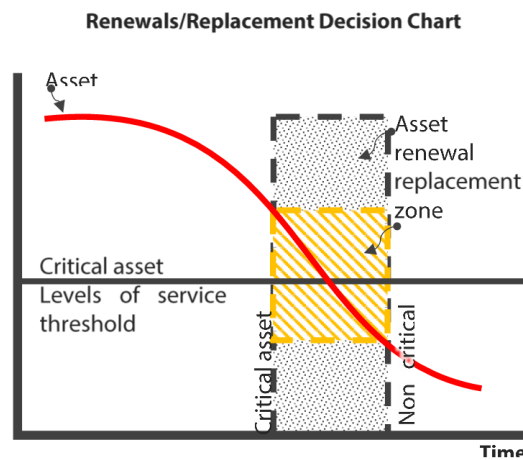
1.9.6   Stormwater

The Council has small but dispersed stormwater systems, improving the asset information was highlighted as a priority in the last infrastructure strategy to enable improved planning of future maintenance and renewals programmes, this continues to be a key priority.

COMPONENT	STRATEGY
New assets	- to construct or take over vested assets which are required to meet growth as identified in the councils 2023 Annual Plan and future Long Term Plans - to construct new assets to maintain levels of service to existing customers. - To construct new assets to meet new levels of service, existing and new regulatory/ resource consent standards

Page | 49

COMPONENT	STRATEGY
Asset renewals	- to complete renewals planned in the Councils 2023 Annual Plan and future Long Term Plans - ensure that pumped stormwater assets are included in future renewals programmes. - Ensure that future renewals programmes take account on future resource consent renewal timeframes - to take account of climate change predictions and its potential impact on stormwater infrastructure to increase resilience when planning asset renewals this should include stormwater design and material specifications.
Asset maintenance	- to continue to undertake essential maintenance to maintain levels of service as included in the councils 2023 Annual Plan and future Long Term Plans - that the maintenance and repair of open channel water ways is included in future maintenance programmes to ensure that they remain fit for purpose and provides the required functionality.
Asset operations	- to continue to operate assets to maintain levels of service as included in the councils 2023 Annual Plan and future Long Term Plans
Asset data	- continue to improve and update asset information, adding information relating to open channels that form part of the stormwater system and all assets that form part of pumped systems. - continue to review and update critical storm water infrastructure and prepare options for implementation to manage identified risks

1.9.7 Water Supply

The Council is responsible for relatively small community potable water supplies, treated rural supplies and untreated rural supplies which are located across the Southland region. Achieving the required water quality to meet the National water standards is the key priority. In the last infrastructure update some improvement works were identified in order to continue to meet these standards. The Council also signalled that some underground assets were either in poor condition or appear to have a higher deterioration rate and that investment in renewals programmes was necessary, this update confirms this approach.

The current untreated rural water supply arrangements provide some ongoing risks to Council, given this situation, it is prudent that the Councils continued involvement in the provision of these services is discussed with effected communities to agree a way forward into the future.

COMPONENT	STRATEGY
New assets	- to construct or (take over vested assets constructed by others) which are required to meet growth, as identified in the councils 2023 Annual Plan and future Long Term Plans - to construct new assets to maintain levels of service and as identified in the councils 2023 Annual Plan and future Long Term Plans - to construct new assets to meet current and future water quality standards or future resource consent conditions
Asset renewals	- to complete renewals planned in the councils 2023 Annual Plan and future Long Term Plans - initiate and develop an inspection and testing regime for valves and hydrants to confirm operability and to inform on-going renewals. - ensure that water supply structures are fully covered in future asset renewals programme - ensure that new membrane treatment systems are also included in future renewals schedules - initiate and develop a well/ borehole replacement programme so that water supply

Page | 50

COMPONENT	STRATEGY
	sources remain secure and able to deliver the required capacity - ensure that ancillary infrastructure assets such as power and control cables that support water services are included in future asset renewals programmes - to take account of climate change predictions and its potential impact on water supply infrastructure to increase resilience when planning asset renewals this should include water supply design and material specifications.
Asset maintenance	- to continue to undertake essential maintenance to maintain levels of service as included in the councils 2023 Annual Plan and future Long Term Plans - ensure that all water services structures are included in future maintenance schedules - ensure that new membrane treatment systems are fully included in future maintenance programmes - ensure that all ancillary assets that support water services are included in future maintenance programmes - ensure that any standby operational sites are covered in future maintenance contracts
Asset operations	- to continue to operate assets to maintain levels of service as included in the councils 2023 Annual Plan and future Long Term Plans - include future operational costs of new membrane treatment systems - review status of current non-operational sites and prepare plans to either safely abandon or if they are to remain as a standby asset for emergency purposes - continue to develop and enhance operational automation and control systems - review the requirement for Council to continue to take responsibility for the provision of untreated rural water supply schemes
Asset data	- continue to update and improve asset information, particularly adding all water supply structures, new membrane treatment systems, and ancillary assets that support water supply services - continue to review and update critical water supply infrastructure and prepare options for implementation to manage identified risks

Wastewater

The Council has 19 relatively small wastewater community schemes. The previous infrastructure strategy concluded that the asset conditional and performance was generally satisfactory and that remains unchanged within this strategy update. Meeting discharge consent conditions remains the key priority.

COMPONENT	STRATEGY
New assets	- to construct or take over vested assets which are required to meet growth for as identified in the councils 2023 Annual Plan and future Long-Term Plans - to construct new assets to maintain levels of service as identified in the councils 2023 Annual Plan and future Long Term Plans - to construct new assets to meet current or future resource consent conditions
Asset renewals	- to complete renewals planned in the councils 2023 Annual Plan and future Long Term Plans and the programmes are considered alongside future resource consent renewals - ensure that all waste water structures (including key manholes), new membrane filtration systems, ancillary assets supporting waste water services are included in future renewals programmes - ensure that future renewals programme also includes for existing land-based discharge systems - to take account of climate change predictions and its potential impact on waste water infrastructure to increase resilience when planning asset renewals this should include

Page | 51

COMPONENT	STRATEGY
	waste water systems design and material specifications.
Asset maintenance	- to continue to undertake essential maintenance to maintain levels of service as included in the councils 2023 Annual Plan and future Long Term Plans - ensure that all waste water structures, new membrane treatment systems and ancillary infrastructure assets supporting waste water services are included in maintenance contracts
Asset operations	- to continue to operate assets to maintain levels of service as included in the councils 2023 Annual Plan and future Long Term Plans - continue to improve and enhance operational automation and control systems
Asset data	- continue to update and improve asset information, particularly adding all waste water structures (including key manholes), new membrane treatment systems, and ancillary assets that support waste water services - continue to review and update critical waste water infrastructure and prepare options for implementation to manage identified risks - review the status of larger waste water ponds to ensure that they are not subject to any additional legislative or regulatory conditions

Page | 52

1.10   Financial Forecast Summary

To ensure the long-term sustainability of a number of these schemes future renewals will be planned and prioritised on the basis of age and condition and known issues. As a matter of priority renewals will be planned for the Wyndham and Winton townships – those being the oldest networks.

The following assumptions have been made in the preparation of this activity plan:

1.   That information held in the INFOR (IPS) asset register is of a level of accuracy that does not fully allow a programme of works to be established and also relied on staff and contractor knowledge and experience.

2.   That all communities strive to achieve the LOS set out within this document.

3.   That the options for addressing issues identified during the course of the AMP process should be assessed and that the respective community would prefer the most economically efficient option to be shortlisted against the "do nothing" option. The most economically efficient option was therefore included in the financial programmes.

4.   That there will be no material price increases or price increases due to any other industry demands.

5.   That legislation will not change during the 10-year planning period.

Longer term, renewal requirements will continue to rise as the networks age and level of service expenditure is likely to increase as consent conditions are imposed and more users are required to connect to the system, this is illustrated in the graph below. The graph gives an indicative cost of renewals and LOS based on information related to asset life and capacity predictions. All renewal works will be subject to prior condition assessments and also any other available information including local knowledge.

Given that funding of stormwater improvements is via a local rate, and that some of the communities have a low population base the long-term affordability and sustainability of some these schemes is a high risk to Council.

Future funding options for the delivery of the stormwater activity will be considered through the 2021 LTP and will look at a full range of options from fully locally funded through to fully district funded.

1.10.1   Renewal Forecast

Where appropriate aged assets will continue to remain operational beyond end of life as a means of deferring significant capital expenditure. This is certainly seen as a prudent strategy in areas with static or declining populations. Where renewals are required, consideration will be given to use of 'no dig' technologies including structural liners and pipe bursting.

Table: 3 Waters Asset Ages Assigned Bands

Asset Type	Sewer	Storm	Water
Channel		80	
Hydrant			50
Main	60 - 100	60 - 100	40 - 100
Manhole	75	85	
Meter			35
Culvert		85	
Odour Vent	40		
Pumpout Point	80		
Soak Hole		85	
Soak Pit	85		
Service Line	80 - 100	70 - 100	80
Valve	50		50

Based on these projected lives an indication of expected remaining lives of all network infrastructure and each of the three services are provided in the following figures.

This is based on 2023 valuation data. Subject to approval an inflation adjusted budget of $1.4m (water) and separately $2M per year will be provided for renewals.

1.10.2   Operations and Maintenance

Water Operations, repairs and maintenance costs have shown an upward trend since 2010/11 largely as a result of new schemes becoming operational (Edendale Wyndham, Lumsden Balfour, and Ohai Nightcaps), existing schemes receiving upgrades most recently Winton, Te Anau Otautau, Mossburn and Riverton, and inflation increases and the move to a new O&M contract. While savings have been realised in a number

of areas for example electricity (following change of supplier) the general trend is still increasing. Further upgrades to Eastern Bush Otahu Flat and Manapouri scheme will see further increases in future operating costs largely due to increased power requirements. Increases relate to inflationary increases and increased operational costs associated with LOS upgrades.

1.10.3   Future improvement

There has been an inclusion made in the LTP for ongoing condition assessment and investigation projects. This will be funded as a district wide project to ensure its viability and continued inclusion in future budgets. Assessment and investigation of the condition of Council owned stormwater assets is viewed as a strategic investment to ensure more thorough and correct data is available to enable future stormwater projects to be properly prioritised.

It is further expected that a number of improvements to discharge arrangements to meet consent requirements.

OPEX FORECASTS (2024-2034)

Figure 1-3: 3 Waters Combined OPEX Forecast
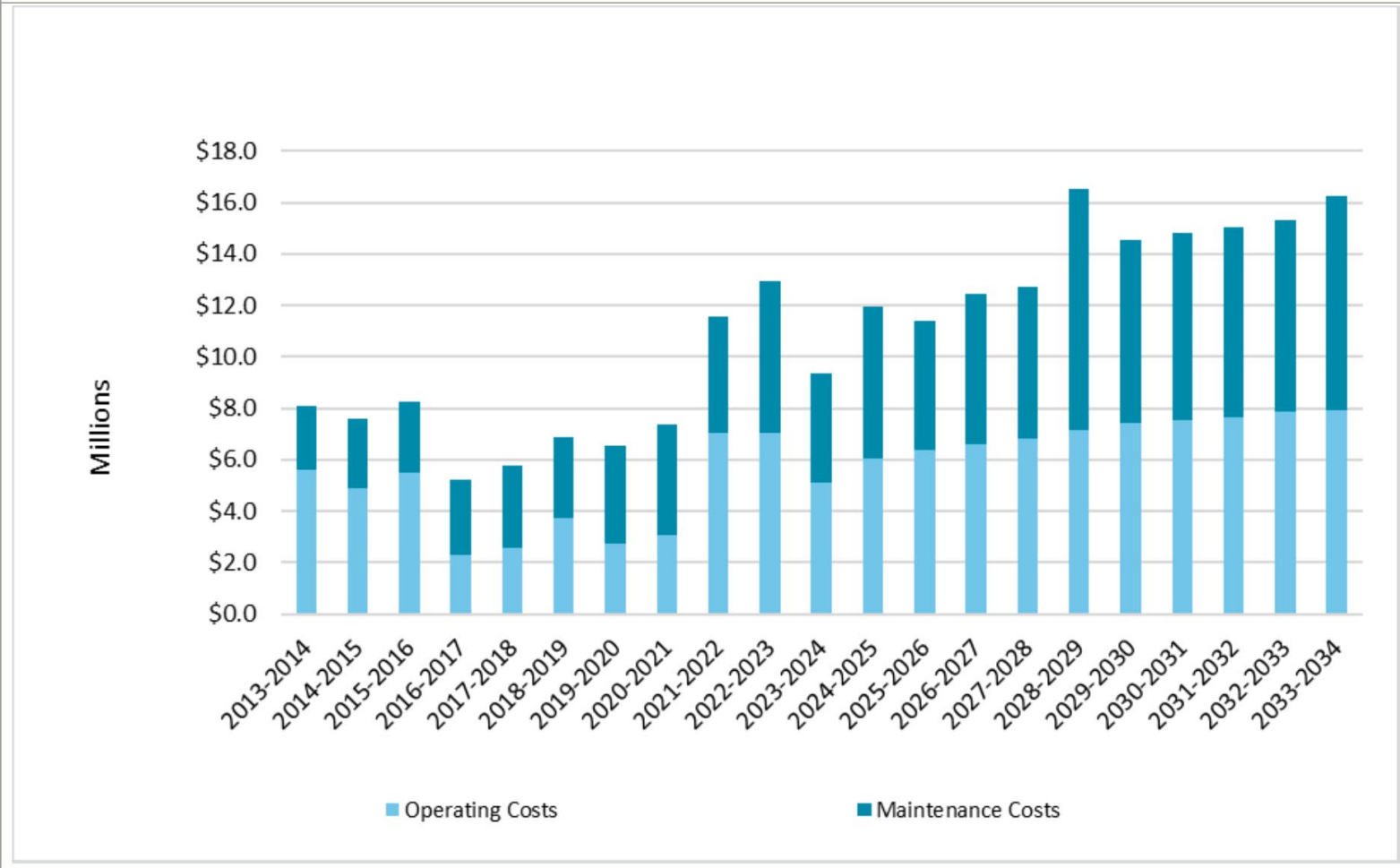
1.10.4 Capital Forecast

Capital works are driven by achieving compliance with drinking standards – water treatment plants, and wastewater discharges – to land. A number of wastewater discharge consents expire from 2024 onwards with resulting treatment plant upgrades required to obtain new consents.

CAPITAL FORECASTS (2024-2044) BY LOS, DEMAND and GROWTH

Figure 1-4: Water Capital Forecast	*Figure 1-5: Wastewater Capital Forecast*	*Figure 1-6: Stormwater Capital Forecast*
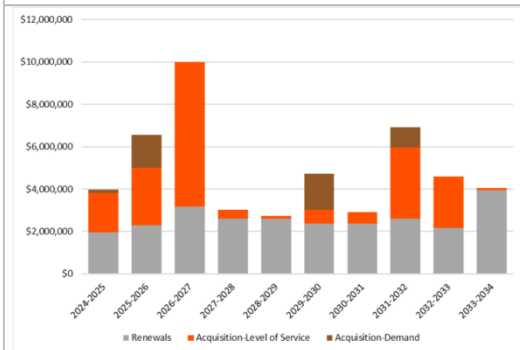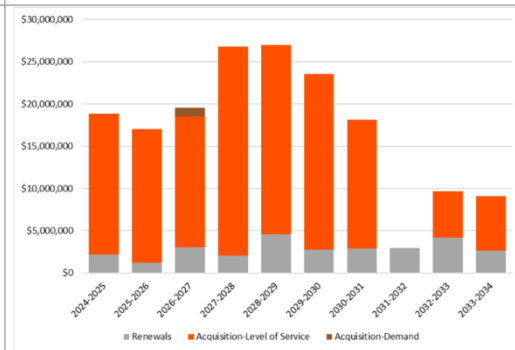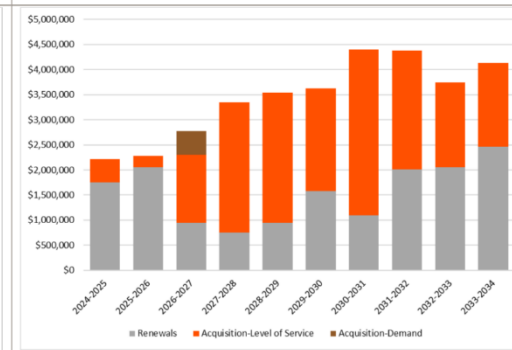
Table 1-8: Capital Projects by Driver

2024-2034	Water Yr 1-3 ($)	Water Y4-10 ($)	Wastewater Yr 1-3 ($)	Wastewater Y4-10 ($)	Stormwater Yr 1-3 ($)	Stormwater Y4-10 ($)
Growth	$602,467	$0	$0	$0	$666,219	$0
Demand	$5,717,955	$5,251,130	$13,605,837	$29,016.879	$6,157,314	$3,500,000
LoS	$16,265,505	$190,000	$68,096,685	$60,448,000	$6,111.641	$3,000.000
sub ($)	$22,585.927	$5,441.130	$81,702,522	$89,464,879	$12,935.174	$6,500.000
($)	$28,027,057		$171,167,401		$19,435,174	

1.10.5 Key Projects

Key Projects over the period 2024/25 to 2034/35 are listed in Table 1-9. The projects over $1m in value only for each of water, wastewater and stormwater are provided below:

Table 1-9: Key 3 Waters Projects - 2024-2034

Project Description	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	Total
SCADA to all water schemes		$51,250	$87,372	$162,007	$166,057		$115,856			$617,148	$1,199,690
Replacement of AC pipe - end of life - District Wide	$1,600,000	$1,537,500	$1,579,013	$1,620,067	$1,660,568	$1,698,762	$1,737,833	$1,776,065	$1,813,363	$1,851,443	$16,874,614
Water Treatment Plant - Riverton	$150,000	$1,537,500									$1,687,500
Water Treatment Plant - Riverton	$150,000	$1,537,500									$1,687,500
Additional bores (2) - Te Anau						$1,698,762		$947,235			$2,645,997
Treatment plant relocation out of flood zone - Tuatapere								$2,368,087	$2,417,817		$4,785,904
Water Supply Upgrade		$512,500	$3,684,363								$4,196,863

Project Description	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	Total
District wide wastewater network renewals	$1,000,000	$1,025,000	$1,052,675	$1,080,045	$1,107,046	$1,132,508	$1,158,555	$1,184,044	$1,208,909	$1,234,296	$11,183,078
Consent renewals for townships			$315,803	$324,013	$332,114	$339,752		$177,607			$1,489,289
Consent Renewal Treatment upgrade - Balfour WWTP	$547,142		$5,263,375	$5,400,223							$11,210,740
Improvement of land disposal system or pump to Winton - Browns							$1,737,833				$1,737,833
Treatment and land disposal improvements - Gorge Road				$2,160,089							$2,160,089
Manapouri Wastewater treatment upgrade	$1,000,000	$4,036,450	$6,947,655								$11,984,105
Treatment upgrade and land disposal investigation at Nightcaps WWTP								$2,960,109	$4,835,634	$4,937,182	$12,732,925
Treatment plant upgrade - Ohai						$9,060,062	$4,634,222				$13,694,284
Rising Main Bridge Pipework renewal - Riverton				$27,001				$29,601	$1,208,909		$1,265,511
Infiltration and Inflow - Riverton			$526,338		$553,523		$579,278				$1,659,139
Completion of oxidation pond desludging	$1,000,000										$1,000,000
Switchboards, Cabinets and pumps for Stewart Island WW PS			$5,263	$27,001	$27,676	$28,313	$231,711	$236,809	$362,673	$370,289	$1,289,735

Page | 58

Project	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	Total
Wetwell chamber replacement - Stewart Island					$1,107,046	$1,132,508					$2,239,554
Luxmore Subdivision - pump station or gravity system upgrade			$1,052,675								$1,052,675
Treatment Plant Upgrade - Tokanui										$1,234,296	$1,234,296
Winton WWTP upgrade	$13,500,000			$16,200,668	$22,140,913	$11,325,077	$8,689,165	-$4,440,164			$67,415,659
Stormwater infiltration project - Winton wastewater network			$526,338		$553,523		$579,278		$604,454		$2,263,593
Treatment Plant Sludge Removal - Winton					$1,660,568						$1,660,568
Consent Renewal treatment upgrade - Edendale/Wyndham WWTP	$1,500,000	$11,275,000	$2,105,350								$14,880,350

Project Description	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	Total
Edendale/Wyndham stormwater main/manhole renewal and subsoils	$1,143,000	$1,200,275									$2,343,275
Reticulation upgrade	$463,000			$540,022	$553,523					$123,430	$1,679,975
Stormwater investigations and renewals - Ohai		$227,550	$131,584		$138,381		$289,639	$296,011	$302,227	$123,430	$1,508,822
Investigations and stormwater renewals - Otautau						$283,127		$592,022	$302,227	$308,574	$1,485,950
Taramea Bay - outfall improvement investigation								$1,184,044			$1,184,044
Riverton Stormwater reticulation improvements					$110,705	$566,254	$579,278			$123,430	$1,379,667
Investigate and design treatment solutions for the Riverton littoral outfalls			$526,338	$540,022	$830,284	$849,381	$868,917	$888,033		$123,430	$4,626,405
Investigate and design treatment solutions for the Stewart Island littoral outfalls				$540,022	$553,523						$1,093,545
Stormwater discharge improvements to surface water Te Anau Lakefront		$227,550	$10,527				$579,278		$604,454	$123,430	$1,545,239
Investigation and replacement of storm main - Winton	$500,000	$512,500	$526,338	$540,022	$553,523	$566,254	$579,278	$592,022	$604,454	$617,148	$5,591,539
Investigate and design treatment solutions for Winton's stormwater discharge prior to discharge into the Oreti River.			$526,338	$540,022	$553,523	$566,254					$2,186,137

An overview of past and future funding is provided – see Table 1-10.

Table 1-10: Funding Overview by Service

As of 5/2/24 budget numbers are still in draft and subject to change

Drinking Water	Wastewater	Stormwater		
Depreciated Replacement Cost ($,000)				
128,955	209,679	45,608		

Figure 1-7: Drinking Water Financial Summary (excluding depreciation)	*Figure 1-8: Wastewater - Financial Summary (excluding depreciation)*	*Figure 1-9: Stormwater - Financial Summary (excluding depreciation)*

Operating Expenditure (OPEX) - Summary

		Has been consistently low. Implementation of the Land and Water Plan is driving increased consent based operational cost. Opex is also increasing due to interest costs from network replacement eg Winton from 2018-2019

Figure 1-10: Drinking Water - Income Summary	*Figure 1-11: Wastewater - Income Summary*	*Figure 1-12: Stormwater - Income Summary*

Capital Expenditure (CAPEX)- Summary

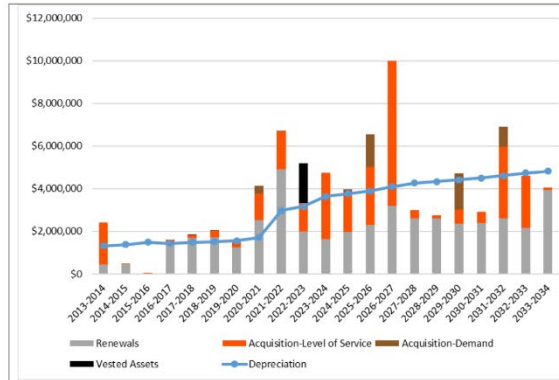| Increasing costs due to compliance with water quality standards and rules	Increasing costs due to consent compliance – moving to land based treated and disposal	Increasing due to resource consent requirements (discharge quality).

Page | 60

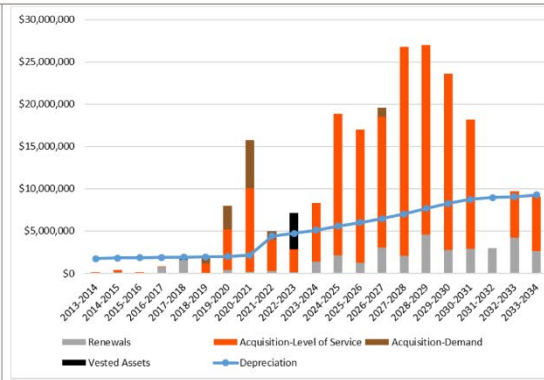Figure 1-13: Wastewater Capex Depreciation Comparison

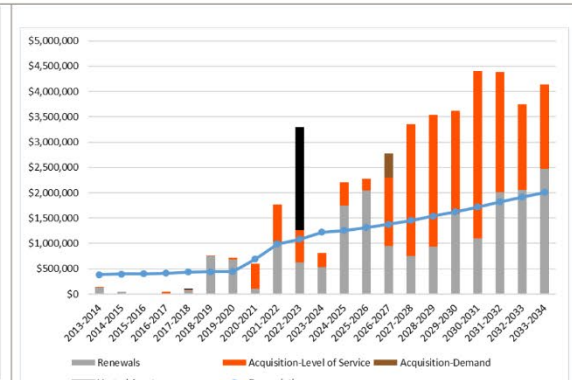Figure 1-14: Wastewater Capex Depreciation Comparison

Figure 1-15: Stormwater Capex Depreciation Comparison

Page | 61

Financial Summary

Significant issues impacting on stormwater budgets across the life of this plan include:

- there have been significant increases in both opex and capex budgets to allow development of a condition assessment programme to help better understand condition and performance of the networks as well as an increased level of routine maintenance

- it is also proposed to increase the current district funded budget from $33k per year to $100k per year to allow further data quality improvements to be undertaken

- opex budgets also include funding to undertake auditing and investigation of networks where consent monitoring indicates potential non-compliances

- capex budgets have been increased where performance and age profiling indicate that the networks have reached or are close to reaching end of their useful asset lives.

1.11   Ten year financial forecast

The following graphs/table summarise the financial forecasts for the activity over the ten years.

Figure 1-19: Stormwater budgets

Stormwater	2024/2025 LTP ($000)	2025/2026 LTP ($000)	2026/2027 LTP ($000)	2027/2028 LTP ($000)	2028/2029 LTP ($000)	2029/2030 LTP ($000)	2030/2031 LTP ($000)	2031/2032 LTP ($000)	2032/2033 LTP ($000)	2033/2034 LTP ($000)
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	432	449	476	504	518	534	538	548	561	562
Targeted rates	1,153	1,322	1,598	1,909	2,159	2,422	2,681	3,004	3,327	3,605
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	41	41	41	42	42	42	42	42	43	43
Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infingement fees, and other	-	-	-	-	-	-	-	-	-	-
Total operating funding	**1,626**	**1,811**	**2,116**	**2,454**	**2,719**	**2,998**	**3,261**	**3,594**	**3,930**	**4,210**
Applications of operating funding										
Payments to staff and suppliers	533	510	620	731	739	748	756	764	772	780
Finance costs	226	348	472	621	801	988	1,177	1,407	1,631	1,814
Internal charges and overheads applied	850	902	937	962	984	1,006	1,017	1,034	1,054	1,063
Other operating funding applications	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	**1,608**	**1,760**	**2,029**	**2,314**	**2,524**	**2,742**	**2,950**	**3,205**	**3,457**	**3,658**
Surplus (deficit) of operating funding	**18**	**51**	**87**	**140**	**195**	**256**	**311**	**389**	**472**	**552**
Sources of capital funding										
Subsidies and grants for capital purposes	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	2,214	2,279	2,774	3,348	3,543	3,624	4,403	4,381	3,748	4,135
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**2,214**	**2,279**	**2,774**	**3,348**	**3,543**	**3,624**	**4,403**	**4,381**	**3,748**	**4,135**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	-	-	474	-	-	-	-	-	-	-
- to improve the level of service	463	228	1,353	2,592	2,602	2,039	3,302	2,368	1,692	1,666
- to replace existing assets	1,751	2,051	947	756	941	1,586	1,101	2,013	2,055	2,469
Increase (decrease) in reserves	66	99	135	180	235	296	351	429	512	592
Increase (decrease) in investments	(48)	(48)	(48)	(40)	(40)	(40)	(40)	(40)	(40)	(40)
Total applications of capital funding	**2,232**	**2,330**	**2,861**	**3,488**	**3,738**	**3,880**	**4,713**	**4,770**	**4,220**	**4,687**
Surplus (deficit) of capital funding	**(18)**	**(51)**	**(87)**	**(140)**	**(195)**	**(256)**	**(311)**	**(389)**	**(472)**	**(552)**
Funding balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Figure 1-20: Sewerage budgets

Sewerage	2024/2025 LTP ($000)	2025/2026 LTP ($000)	2026/2027 LTP ($000)	2027/2028 LTP ($000)	2028/2029 LTP ($000)	2029/2030 LTP ($000)	2030/2031 LTP ($000)	2031/2032 LTP ($000)	2032/2033 LTP ($000)	2033/2034 LTP ($000)
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	937	965	1,014	1,053	1,078	1,107	1,112	1,128	1,151	1,087
Targeted rates	7,776	8,791	12,191	13,881	16,606	19,152	20,874	22,142	22,175	22,296
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	269	273	278	283	287	292	297	301	306	311
Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infingement fees, and other	118	119	120	121	122	123	124	125	127	128
Total operating funding	**9,101**	**10,149**	**13,603**	**15,338**	**18,094**	**20,674**	**22,408**	**23,697**	**23,759**	**23,821**
Applications of operating funding										
Payments to staff and suppliers	3,860	3,134	3,311	3,394	6,572	4,358	4,367	4,520	4,587	4,680
Finance costs	1,484	2,430	3,228	4,034	5,205	6,480	7,365	7,895	7,732	7,562
Internal charges and overheads applied	1,642	1,739	1,805	1,842	1,883	1,928	1,949	1,981	2,020	2,037
Other operating funding applications	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	**6,987**	**7,302**	**8,345**	**9,270**	**13,661**	**12,766**	**13,681**	**14,396**	**14,339**	**14,279**
Surplus (deficit) of operating funding	**2,114**	**2,847**	**5,258**	**6,068**	**4,433**	**7,908**	**8,727**	**9,302**	**9,419**	**9,543**
Sources of capital funding										
Subsidies and grants for capital purposes	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	17,410	15,048	15,350	22,059	24,279	17,809	11,907	-	-	1,259
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**17,410**	**15,048**	**15,350**	**22,059**	**24,279**	**17,809**	**11,907**	**-**	**-**	**1,259**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	-	-	1,053	-	-	-	-	-	-	-
- to improve the level of service	16,706	15,798	15,474	24,733	22,418	20,838	15,235	(947)	5,501	6,418
- to replace existing assets	2,176	1,230	3,037	2,064	4,589	2,746	2,920	2,990	4,195	2,654
Increase (decrease) in reserves	737	962	1,140	1,410	1,786	2,213	2,559	7,339	(196)	1,809
Increase (decrease) in investments	(96)	(96)	(96)	(80)	(80)	(80)	(80)	(80)	(80)	(80)
Total applications of capital funding	**19,523**	**17,895**	**20,608**	**28,127**	**28,712**	**25,717**	**20,634**	**9,302**	**9,419**	**10,801**
Surplus (deficit) of capital funding	**(2,114)**	**(2,847)**	**(5,258)**	**(6,068)**	**(4,433)**	**(7,908)**	**(8,727)**	**(9,302)**	**(9,419)**	**(9,543)**
Funding balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Figure 1-22: Water Supply budgets

Water Supply	2024/2025 LTP ($000)	2025/2026 LTP ($000)	2026/2027 LTP ($000)	2027/2028 LTP ($000)	2028/2029 LTP ($000)	2029/2030 LTP ($000)	2030/2031 LTP ($000)	2031/2032 LTP ($000)	2032/2033 LTP ($000)	2033/2034 LTP ($000)
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	814	843	893	933	958	988	994	1,011	1,034	1,034
Targeted rates	7,123	7,377	9,371	10,094	10,843	11,171	11,703	11,935	12,296	12,499
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	127	128	130	131	133	134	136	137	139	140
Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infingement fees, and other	27	26	27	28	28	29	29	30	31	31
Total operating funding	**8,091**	**8,375**	**10,420**	**11,186**	**11,962**	**12,322**	**12,861**	**13,113**	**13,499**	**13,704**
Applications of operating funding										
Payments to staff and suppliers	3,387	3,300	3,900	3,890	4,403	4,502	4,718	4,695	4,797	5,575
Finance costs	1,124	1,230	1,480	1,864	1,837	1,792	1,824	1,773	1,888	1,886
Internal charges and overheads applied	1,688	1,800	1,867	1,904	1,947	1,992	2,013	2,047	2,086	2,103
Other operating funding applications	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	**6,199**	**6,330**	**7,247**	**7,658**	**8,187**	**8,285**	**8,556**	**8,514**	**8,771**	**9,563**
Surplus (deficit) of operating funding	**1,892**	**2,045**	**3,174**	**3,528**	**3,775**	**4,037**	**4,306**	**4,600**	**4,728**	**4,141**
Sources of capital funding										
Subsidies and grants for capital purposes	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	2,418	4,999	7,396	274	-	1,415	-	2,993	1,018	1,142
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**2,418**	**4,999**	**7,396**	**274**	**-**	**1,415**	**-**	**2,993**	**1,018**	**1,142**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	150	1,538	-	-	-	1,699	-	947	-	-
- to improve the level of service	1,853	2,711	6,811	405	138	651	550	3,363	2,418	123
- to replace existing assets	1,966	2,300	3,182	2,603	2,602	2,367	2,375	2,605	2,176	3,937
Increase (decrease) in reserves	437	591	673	875	1,115	815	1,461	758	1,232	1,302
Increase (decrease) in investments	(96)	(96)	(96)	(80)	(80)	(80)	(80)	(80)	(80)	(80)
Total applications of capital funding	**4,310**	**7,044**	**10,570**	**3,802**	**3,775**	**5,452**	**4,306**	**7,592**	**5,746**	**5,283**
Surplus (deficit) of capital funding	**(1,892)**	**(2,045)**	**(3,174)**	**(3,528)**	**(3,775)**	**(4,037)**	**(4,306)**	**(4,600)**	**(4,728)**	**(4,141)**
Funding balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

1.12   Summary of Key Financial Assumptions

This plan has been developed on the assumption that forecast renewals within the ten-year period will be subject to additional condition surveys and detailed investigations.

Future changes to operating costs will be influenced by changes to inflation and as a result of scheme upgrades (LOS) to meet resource consent requirements as identified by ES.

Future demand is likely to remain unchanged.

In places there is limited information available on stormwater assets, hence the proposal for at district funded stormwater investigation budget to fund future investigation work to allow improvement in information and thus improve the quality of data in certain areas.

Through the development of the 2024-34 and future LTPs there is an opportunity to review the funding model for the stormwater activity and potentially move more towards a district funded model.

1.13   Valuation Approach

Council revalue their assets in accordance with PBE IPSAS 17 (Public Benefit Entity Standard 17 Property, Plant and Equipment). This allows for assets to be valued either on a cost model or revaluation model. SDC have opted into the revaluation model.

Council have also chosen to undertake revaluations annually.

The lives are generally based on NZ Infrastructure Asset Valuation and Depreciation Guidelines, or where appropriate, a new life is adopted based on the opinion of the valuer or the Council.

The component level of the assets is appropriate to calculate depreciation separately for those assets that have different useful lives and the unit rates for these reflect the current market value for the district conditions.

The most recent revaluation was undertaken as at 30 June 2023.

1.14   Funding Principles

Section 102(4) (a) of the Local Government Act 2002 requires each Council to adopt a Revenue and Financing Policy. This Policy must state Council's policies in respect of the funding of both capital and operational expenditure for its activities.

In summary, for stormwater, operational and capital expenditure will be funded as follows:

Local stormwater systems are funded through local rates. Roading stormwater systems (not in townships) are funded through the roading rate (refer to the Roading and Transport section). Rates are used for both capital and operating expenditure, loans and reserves may also be used. Changes to the 2021 Revenue and Financing Policy have resulted in funding for the stormwater activity to move from a local rate to a district rate with a full charge for serviced areas and un-serviced areas paying a quarter charge.

New developments may also contribute to capital works, or financing costs, through financial or development contributions where applicable. Council's policy around development contributions currently only covers Te Anau, however the policy is currently in remission.

Page | 65

Community Services
2024-2034 Activity Management Plan

Table of Contents

Quality Assurance Statement				
Draft AMP Template				
Southland District Council	Version:		Record No:	R/23/5/19006
15 Forth Street	Status:			
Invercargill 9840	Project Manager:	Mark Day		
Telephone				
0800 732 732	Prepared By:	Mark Day, Rod McIntyre, Kevin McNaught		
Fax	Reviewed By:	Theresa Cavanagh, Robyn Laidlaw, Jendi Patterson		
0800 732 329	Approved for issue:	Sam Marshall		

Executive Summary

Community Services is a community facing activity combining cemeteries, community housing and library services across the district. Providing these services promotes Council's responsibility to social connection, community wellbeing and a sense of belonging for all.

Community Services are supported across five teams within Council, each team has a specific responsibility within this activity, and each team works in collaboration with other teams to get the job done. The community facilities team are responsible for the provision and maintenance of the assets (Community houses, offices and Libraries). The property services team are responsible for the tenanting of the community housing units and the overview of cemetery activities. The knowledge management team keep the records for cemeteries, and the communication team look at the memorial boards in cemeteries the customer support team are responsible for the library services.

Community Housing

As part of the principal of providing community housing in the Southland district there will be no cost to the rate payer for this service other than the administrative tasks associated with tenancies. To remain a self-funding activity an incremental increase in weekly rentals will need to be included in LTP 34, and the possibility of increases of up to a maximum of 80% of market rents over time has been considered. However moving to a rental level of 80% of market rent will result in significant rent increases for SDC community housing tenants and such an approach will be subject to consultation in a future LTP. Given the constrained financial environment in which the AMP is being prepared, the focus in this activity will be to complete necessary maintenance, achieve health homes compliance and deliver improvements in a cost effective manner.

By increasing the weekly rental amount, some SDC tenants will be able to access additional supplementary income from the Ministry of Social Development (MSD), therefore increasing income for Council at limited cost to the tenants. However, it is important not to rely on Central Government accommodation related policies as a primary driver of rental setting given the relatively high likelihood that such policies can change based a change in governmental direction.

The current Level of Service (LoS) set for Community Housing is that Council will provide and maintain the property until it comes to the end of its life. For LTP 34 the budgets will reflect that LoS. The community housing activity is currently under review, with a report scheduled in the 2024 to identify future needs and considerations within this activity. The budgets set in this plan assume that Council will continue to provide community housing, therefore the planned maintenance and capital works have been allowed for within the budget for LTP 34.

Prior to the preparation of this activity management plan (AMP) there has been a significant investment in understanding the current condition of the assets. Condition assessments have been undertaken on all of the assets, providing up to date information of the condition, future maintenance requirements and an estimate of the remaining life of offices, and community houses. This is the baseline for working through moving this activity from primarily reactive maintenance to a proactive programmed maintenance state.

Cemeteries

Council is required by law to provide appropriate burial sites across the region, taking into consideration the health and well-being of residents along with understanding the cultural needs of the SDC communities.

As part of the principal of providing cemeteries within the Southland district there will be no additional cost to ratepayers for the service of an internment. This is funded through the fees and charges applied to this activity and can be found in the fees and charges document on Councils website.

Cemeteries will continue to be maintained in all aspects as part of the Councils maintenance contracts throughthe community facilities team. This is a district funded cost.

Libraries

Southland District Council offers a library service reaching into our communities via offices, libraries and the mobile bus service.

The mobile library bus service has been reviewed and a new mobile van service will be relaunched in 2024. The buildings that house the library services will continue to be maintained to ensure they remain fit for purposed to provide welcoming places for customers to access library services and to ensure our library collections and associated assets are well protected Council will continue to provide library services, including the provision of physical resources (such as books), develop our digital accessibility along with increased library based community programme delivery. Libraries are funded through district rates.

Financial Summary

This activity has a mix of local and district funded assets and services. The management and maintenance of the facilities that support the services are described in the Community Facilities AMP.

The three activities that make up Community Services are funded by rates (Library Services), 'fees and charges' and rates (Cemeteries) and 'fees and charges' (Community Housing). Cemetery internments and community housing are expected to be self funding with no input from rates.

Purpose of the Activity Management Plan

This AMP describes the strategies and works programmes for the Community Services activity so as to meet the objective of delivering the required LOS for the Southland District (the District). This AMP informs Council's Long Term Plan (LTP) and contributes to the goals and objectives which will help to achieve community outcomes. The AMP covers:

• a description of the activity, including the rationale for Council involvement and any significant negative effects of the activity.

• the strategic context for the activity, the key activity management strategies and policies adopted within this environment and the main issues identified for the activity.

• a statement of the intended LOS and performance targets.

This AMP covers a period of 10 years commencing 1 July 2024. The main focus of the analysis is the first three years and for this period specific projects have been identified in more detail. Beyond this period

work programmes are generally based on trends or predictions and should be taken as indicative only. All expenditure is based on unit costs as at 1 July 2024.

Plan Limitations

This plan is developed based on the current structure and legislative framework of local government. Staff are aware the sector is in a state of flux and that new initiatives may be required as changes within the sector occur. Significant themes are currently being discussed in the sector including.

- setting wellbeing goals and priorities each LTP cycle and measuring wellbeing outcomes
- honouring and giving full effect to Tiriti-based partnerships between local government and Māori
- climate change
- local government and communities being empowered to build local solutions for national-level problems, with collaboration and funding from central government
- the reorganisation of local government including reviewing the operating models and structures of councils
- broadening citizen participation through democratic tools such as participatory and deliberative democracy processes
- changing local government elections, including to allow Te Tiriti-based appointments to councils
- providing even greater support and training to elected members.

Council will need to be dynamic, transparent and agile in order to best serve its communities in this rapidly changing environment, and at the same time empower communities with the right tools to deliver the best outcomes.

This AMP has the following limitations:

Cemeteries

Acquiring land to cater for future requirements is complex and can be expensive. There is likely to be requirements for land use consents as well as any consents required by Environment Southland under their Land and Water Plan.

Community housing

Internal refurbishment and maintenance of units is difficult to accurately programme and cost, as the best time to undertake this work is when a unit has been vacated. However, when this isn't possible and there is required or urgent work to be completed, staff will balance the needs of the tenant along with the management of the asset. The cost of work is reflected in the economic climate at the time, staff have put estimates into the budget

Library services

Maintaining an appropriate level of service while ensuring prudent management of costs in the network will be a strategic challenge for the district library and office service. As the service moves towards more digital options the budget for the purchase of physical books may be reduced based on the needs of our customers and their feedback.
Our facilities are ageing, not fully accessible and at risk of closing when major defects occur. These facilities are also challenging to reconfigure to deliver other services required by modern community infrastructure (such as young adult engagement spaces).

Significant distances between sites causes additional costs associated with travel and can impact services being open when no cover is available – Stewart Island and Wyndham are regularly impacted due to this isolation.

Plan framework

The AMP framework is illustrated to the right. The strategic context, significant forecasting assumptions and any activity-specific issues are documented in the main body of this AMP. Information on locally funded activities and services are included in the Appendices to this AMP.

Long Term Plan	Activity Detail	Area Detail
Significant forecasting assumptions Council strategic framework (vision and outcomes) Risk management framework	Activity description, strategic context, assumptions and key issues Levels of Service and performance measures Financial forecasts Asset Management Plan (where applicable)	For each community board area (where relevant), key forecasts and projects for the activity identified and incorporated into the plan.
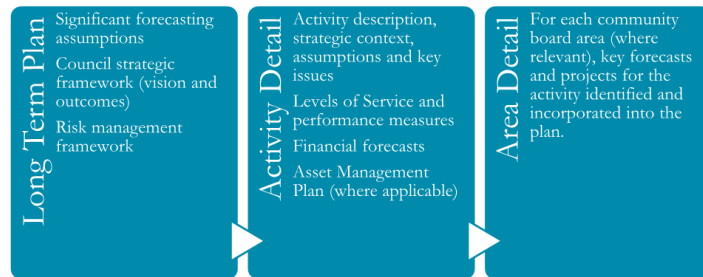
Activity description

What we do

Community services provide the community and visitors with access to Council services and activities.

Cemeteries 22	Libraries 7	Community Housing Units 69

Cemeteries

Council owns and manages 22 cemeteries in the District, with 15 still in use. The others are either closed or not in use. There are also approximately 12 cemeteries which are managed by cemetery trusts in Southland, and numerous other standalone graves or burial sites.

Included in this activity is the overall maintenance of cemeteries (lawns, trees and driveways) beam provision and managing the digging and backfilling of graves. Not included is the maintenance of the monuments and head stones, as these are the responsibility of the families of the interred.

The process around interment administration (processing and approving warrants and invoicing) is managed by the property services manager but the day to day administration of the process is undertaken by Council's customer support team working with funeral directors, contractors and other staff.

Cemetery and interment records are the responsibility of the knowledge management team.

<u>Community housing</u>

Council provides 69 individual housing units for rent within 10 towns in the District. The units offer good quality, affordable housing to groups with specific needs - mainly elderly residents. To provide, where possible, the ability for people to remain living in their local community. Council has undertaken condition assessments of the units, which form the base of the current maintenance programme and are based on a conservative assessment model. The units are all being upgraded to meet the healthy homes requirements, with this work expected completion date of January 2025.

The locations are as follows:

Township	Number		Township	Number
Edendale	11		Riversdale	2
Lumsden	4		Riverton	12
Nightcaps	6		Tuatapere	8
Ohai	5		Winton	6
Otautau	5		Wyndham	10

<u>Library services</u>

Across the district, Council offer a mobile app, website, seven physical sites and a mobile bus service. Overall the District is provided with free access to:

- 89,000 physical collection items
- over 5000 eAudio and eBook items (digital collection)
- a variety of online databases, both via the website and the physical location
- access to wi-fi and digital devices
- access to the nationwide Te Puna interloan network
- library programming across the District for all ages
- access to daily local newspapers and selection of periodicals
- access to customer support functions such as payments, lodging a request for service, or access to council agendas
- a free safe community space
- community run services and groups
- assistance with technology

Funding is also provided to three community libraries in Gropers Bush, Waiau and Manapouri. Through the shared service SouthLib consortia, all Southland District members have access to membership at any of the libraries in the following local authorities' areas: Waitaki, Clutha, Queenstown Lakes/Central Otago, Gore District Councils, Dunedin and Invercargill City Council areas.

Why we do it

<u>Cemeteries</u>

Cemeteries protect public health in the District by providing appropriate facilities for interments. They also offer a record of a community's history and heritage, as well as information for people interested in their ancestry.

Council manages the cemetery infrastructure in a cost-effective way that meets legislative requirements. This includes mowing and keeping the cemeteries looking aesthetically pleasing for the benefit of the families and communities.

<u>Community housing</u>
Community housing means residents can remain living in their local community, where possible, when changes in their circumstances may have otherwise meant they could no longer do so. Council has a responsibility to ensure rental units meet Healthy Homes Standards, and are safe and fit for residents to live in.

<u>Library services</u>

Libraries provide freely accessible resources to meet community needs in relation to literacy, knowledge, information, creativity, research and study as well as recreational and leisure activities. They encourage social interaction and community wellbeing providing a safe space for all in our community. Community services maximise the service by offering customer support functions at our sites so our customers have a face to face channel without ratepayers having to pay for another council office or staff members.

Strategic Considerations

Strategic framework

Council has adopted a Strategic Framework that identifies where Council wants to be in the future (vision) and the outcomes it aims to achieve to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions (community outcomes). The framework also outlines how it will achieve these (mission and approach) along with the key challenges it faces in doing so and its resulting strategic priorities.

STRATEGIC FRAMEWORK COMPONENT	PROPOSED 2024-2034 STRATEGIC FRAMEWORK
VISION	**Together – with our people, for our future, it's our Southland**
MISSION	Working together for a better Southland
COMMUNITY OUTCOMES	Communities which are connected and have an affordable and attractive lifestyle (Social)
	Communities with a sense of belonging for all (Cultural)
	Communities committed to the protection of our land and water (Environmental)
	Communities with the infrastructure to grow (Economic)
STRATEGIC PRIORITIES	Connected and resilient Communities
	Ease of doing business
	Providing equity.
	Thinking strategically and innovatively
	Robust Infrastructure

The strategic framework guides staff, informs future planning and policy direction and forms the basis for the performance framework. It outlines how the community services activity contributes to the Council's community outcomes.

The full levels of service and performance management framework is presented in the table below.

Activity – Community services including cemeteries, community housing, library services, heritage and culture					
Activity Objective: Provide facilities communities need and support the community to participate in a range of recreational, educational, sporting, commercial and social/cultural activities					
Community Outcomes	**Activity contributions**	**Outcome objective**	**Benefit**	**Levels of Service (LoS) and Key Performance Indicators (KPI)**	
Communities which are connected and have an affordable and attractive lifestyle **(Social)**	The activity provides a range of services, including Council libraries, community housing and cemeteries, supporting heritage and culture, developing solutions for community activities and needs. Regular checks ensure that Council facilities are safe to use.	People have everything they need to live, work, play and visit	More socially connected Reduced environmental impact Healthier, more active communities Better customer service	**LoS 3 Facilities are fit for purpose, to enable healthy grieving and memorialisation for the community**	
				KPI 3.1 To meet family expectation that the burial plots are prepared by the time required.	
				LoS 4 - Facilities are fit for purpose, in the appropriate locations and cater for future needs	
Communities committed to the protection of our land and water **(Environment)**		A sustainable impact on the environment Planning for the future	Improved natural environment Reduced environmental impact Increased recreation opportunities	KPI 4.1: All available units are occupied.	KPI 4.2 Percentage of people who meet priority criteria
				LoS 5 Council provides a library service for the district including a mobile service	
				KPI 5.1 the library network will increase the digital proportion of lending year on year	KPI 5.2 the library and service network will increase programme participation numbers year on year
Communities with a sense of belonging for all **(culture)**		People are well-connected	More connected Better history and heritage preservation		
Communities with the infrastructure to grow **(Economic)**		Strong communities	Stronger business sector and local / regional economy More opportunities for economic growth		

Strategic Priorities ▸ **Contribution Area** ▾	1. Connected and resilient Communities	2. Ease of doing business	3. Providing equity.	4. Robust Infrastructure	5. Thinking strategically and innovatively
What will be done in the long-term (next 10 years)	Until a decision is made on the future of community housing the activity will continue to be managed at the current level of service. Investigation of library and office infrastructure in our small communities to ensure Council delivers a financially sustainable service.	Ensure long term customer delivery projects provide an appropriate and efficient service to the Southland Community – investigate and present technology solutions to service challenges. Seek to understand and consider the importance (to communities) of locally based services to communities when reviewing future service delivery.	Consider the broader importance of library and community housing facilities to the ongoing sustainability of small communities alongside the financial sustainability considerations. Consider options to generate revenue or achieve cost savings	Ensure future service infrastructure investment has life of building costs below our current levels of long-term service delivery cost.	Look at automated access to small community infrastructure – enabling Council to viably offer social infrastructure (libraries/offices/other facilities) that is financially sustainable and adds value to our communities.
What will be done in the short-term (next 3 years)	Until a decision is made on the future of community housing the activity will continue to be managed at the current level of service. Libraries and offices will measure and improve community access to library and community programmes, and improve level of accessible digital outreach.	Continue to provide face to face (staffed) Council offices/libraries in our communities on at least the same basis as the current service provision as at the 2023/24 year level. Invest in service technology that allows for the capture and measurement of calls/emails/tickets, and the customer	Community Housing - continue to maintain and make available 69 community housing units. Align future planning, maintenance and development of community housing with any changes made by Council.	Community housing – ensure healthy homes compliance is achieved within timeframes required by the Residential Tenancies and any other Act(s) Any future investment in new housing units would provide modern fit for purpose units.	Investigate and implement tools/technology to deliver a real time customer satisfaction feedback system for SDC. Look at options that would reduce the carbon footprint of providing this activity.

Strategic Priorities ▶ / Contribution Area ▼	1. Connected and resilient Communities	2. Ease of doing business	3. Providing equity.	4. Robust Infrastructure	5. Thinking strategically and innovatively
		satisfaction of these interactions. Ensure consideration of accepted industry standards for collection sizes/provision when reconfiguring library spaces to encourage more diverse activities are delivered in our library spaces.			
Key Actions and Projects	Report to council detailing the potential options for the future of the community housing activity, including options for rental setting	Purchase and deploy Purecloud cloud service and email queue and measureement tool (or similar eqvivalents)		Otautau Library and Service Centre – carry out internal/external maintenance and improvements.	Consider options to generate some revenue or to reduce building related operational costs associated with Council Service Centres/Libraries.
Related strategies / plans / policies	Community housing policy				

Strategic Context

The purpose of the Southland District Council Long Term Plan 2024 - 2034 is to:

- provide a long term focus for Council decisions and activities

- provide an opportunity for community participation in planning for the future

- define the community outcomes desired for the district

- describe the activities undertaken by Council

- provide integrated decision-making between Council and the community

- provide a basis for performance measurement of Council.

Strategic direction setting encompasses Council's high-level goals, particularly the vision for the District, what the outcomes for the community may be, and what the strategic priorities will be for delivering work to the community.

Representation framework

There are nine community boards that provide representation across the district. These are:

Ardlussa	Fiordland	Northern	Oraka Aparima	Oreti
Stewart Island/Rakiura	Tuatapere Te Waewae	Waihopai Toetoe	Wallace Takitimu	

It is important that Council is seen as a leader in property/facilities management in the District and through this AMP, will ensure its community services are fit purpose, in appropriate locations and managed cost effectively. Doing so enables Council to provide and deliver quality, professional services to the ratepayer.

Council aim to have a high level of engagement with its customers and elected members to ensure that the minimum levels of service set out in this document represent their expectations.

The Community Services activity provides essential services to our communities and works alongside community boards in the decision making process of those services, including the level of service being provided.

Key Issues and Assumptions for the Activity

The most important issues relating to the Council's community services activity for the next ten years are shown below.

Key Issue	Context, Options and Implications
Climate change	*Context:* Changes in Southland's climate over the coming decades are expected to create a range of challenges and opportunities for Council's community services activities. The impacts that will be experienced within the coming LTP period are difficult to anticipate. *Options:*

Key Issue	Context, Options and Implications
	Continue SDC's participation in Regional Climate Change Working Group to develop collaborative pathways for a regional climate response, including climate adaptation and mitigation activities, supported by a regional science and information pathway.
	Use the best available science and information to identify and plan for climate change impacts.
	Community services staff participate in the staff climate change working group and input into preparation of an organisational climate action plan to support a collaborative and integrated climate change response across all parts of the Council's business.
	Community services staff contribute to preparation of an organisational emissions reduction plan and support its implementation.
	Implications:
	Climate change-related extreme weather events may disrupt planned activities, increase costs, and impact levels of service.
	Planning will need to be increasingly adaptive and flexible over time to respond to changes.
	Increased technical input may be needed to support climate resilience of assets.
	Decarbonisation measures may increase project costs.
Cemetery Management	*Context:*
	Council currently uses a manual paper-based process to administer the internment process. This involves a number of internal staff and contractors. It is a low volume activity but high reputational risk if the process goes wrong. The a-spatial and spatial records are not kept in the same application. Council is in the process of implementing an electronic cemetery management system
	Options:
	1. status quo. 2. continue to implement an electronic cemetery management application.
	Implications:
	The status quo will mean that the burials will continue to be managed manually making it difficult to share data with Councils customers. Having data stored in multiple repositories means that there is no single source of truth.
	Council staff are continuing to work towards implementing a Cemetery management system.
Land availability	*Context:*
	Appropriate amount of land available, or used in such a way, to continue providing the cemetery activity within the relevant communities.
	Options:
	1. Continue to acquire land as and when required. Additional land is to be acquired at Riverton to meet future burial demand. 2. Encourage the use of the memorial walls at cemeteries as opposed to using up either full or ash's plots for the provision of a memorial plaque only. 3. Review the current policy of allowing the purchase of plots as an exclusive right of burial.
	Implications:
	If the land is not efficiently managed and used, then this will bring forward the requirement to purchase additional land and trigger the issues of this as identified above.

Key Issue	Context, Options and Implications
Community Housing	*Context:* The current stock of community housing units were built in the 1970's to 1990's and were not designed to provide quality elderly housing. However the units provide affordable and healthy homes compliant (in 2024) accommodation for those customers that may otherwise struggle to find an afford other permanent housing. The aging demographic and low socio-economic status of some areas where the units are located mean that Council is fulfilling an important role that would normally be provided by the retirement village model. *Options:* 1. status quo, maintaining existing level of service and meeting healthy homes requirements 2. increasing the level of service – comprehensive refurbishment of the units to meet modern standards and regulations i.e. double glazing 3. investigate the future of community housing. *Implications:* 1. The units may deteriorate and beno longer fit for purpose (however improvements in management and maintenance have been implemented in the last three years) 2. Increased maintenance, funding and compliance costs which need to be balanced against the customers ability to pay 3. Council can carry out a wider review of its future provision of community housing.
Community Housing rental	*Context:* The current way that rentals are set is based on the activity being cost neutral. This does not provide for costs over and above what has been identified in the AMP. *Options:* 1. status quo. 2. implement a change using a % of a pre-determined bassline e.g. market rate or superannuation or some other approach. *Implications:* Some tenants will have the opportunity to access subsidies and there will be additional funding available to invest in the facilities.
Non-Hub Library & Office Facilities (sustainability & value delivery)	*Context:* While our hub library facilities (Winton and Te Anau) provide reasonable infrastructure to deliver an appropriate level of service (such as children's activity areas, social gathering areas, technology access, other programme delivery areas), our non-hub library/office spaces (Lumsden, Otautau, Riverton, Wyndham and Stewart Island) have more limited space and options to deliver wider social infrastructure services. Some of these facilities are housed in older buildings with rising maintenance costs, where the costs of large-scale refurbishment and/or reconfiguration can be high if not carefully managed. If Council were to invest in reconfiguring these facilities to be able to offer services and infrastructure more in line with best practice nationally (and internationally), this needs to be considered against the option of new builds. In the short term (the first three years of the LTP) given funding constraints, focus will be given to addressing deferred maintenance on these community facilities. In the longer term a reviewof these non-hub facilities may be investigated with the goal of clearly defining the levels of service they may provide, and the value they deliver to their communities.

Key Risks

Key Risk	Context and Implications
Compliance with New Zealand Regulations	*Context:* Council facilities are required to meet all of the appropriate building, healthy homes and seismic regulations. The facilities within this portfolio are generally old and complying with these regulations comes at an increasing cost. Also, there is an increase in the level of compliance with central government regulations. *Implications:* Non-compliance with New Zealand Regulations is the main risk to this activity. The cost to meet changing regulations is increasing due to the age of the facilities and it will get to a point where it is no longer economical to continue to do this under the current funding model.
Cemetery	*Context:* The current manual based administration of the internment process has the potential for error. *Implications:* The reputational risk to council of a mistake during this emotional time for families is difficult to quantify but will expose council to public scrutiny around its processes.

Regulatory Considerations

Changing regulations will require Council to further consider the state/standard of its buildings, with decisions required about tenants, staff and the public occupying these spaces. Issues such as personal working space, ventilation and healthy buildings will need to be addressed.

Cemeteries

Legislation / Regulation / Planning Documents	How it affects levels of service and performance standards Outline any changes (implemented or pending) which is impacting the activity and describe how
Burial and Cremation Act 1964	Sets out the requirement for local authorities to provide sufficient cemeteries within the District. Includes provisions on the establishment, maintenance, regulation and closure of cemeteries.
	Changes: The act was subject to a consultation review in 2020 and is currently stalled. The implications of the review are unknown at the time of writing this plan.
Health Act 1956	Sets out general responsibility of local authorities to improve, promote, and protect public health including the provision of sanitary works (including cemetery and crematoria).
Infrastructure Strategy	The Infrastructure Strategy sets out Councils approach to the management of its infrastructure for the next 30 years
Cemetery Bylaw 2016	Sets out the criteria and rules relating to the management and operations of Council controlled cemeteries throughout the Southland District.

Legislation / Regulation / Planning Documents	How it affects levels of service and performance standards Outline any changes (implemented or pending) which is impacting the activity and describe how
Cemetery Policy 2016	To ensure effective and consistent management of Council controlled cemeteries throughout the Southland District.
Financial Strategy	The Financial Strategy was under preparation at time of writing this AMP.

Community housing

Legislation / Regulation / Planning Documents	How it affects levels of service and performance standards
Building Act 2004	Sets Building Code standards to provide a safe environment for tenants.
Residential Tenancies Act 1986	Sets out the obligations and rights of both Council as the landlord, and the residents as the tenants.
Inclusive Community Strategy	Sets Council's strategy to enable all people to fully participate in life within the Southland District including people with impairments or from ethnic communities.
SDC Procurement Policy	To ensure transparent and efficient use of funds, whilst delivering quality services.
SDC Community Housing Policy	Guides the overall delivery of Council's housing activity
Healthy Homes Standards 2019	The Residential Tenancies (Healthy Homes Standards) Regulations 2019 commenced on 1 July 2019, with the aim of addressing issues with cold, damp, drainage and draughts in rental properties, guiding Councils upgrade of properties programme with a completion date of January 2025.

Libraries

Legislation / Regulation / Planning Documents	How it affects levels of service and performance standards
Local Government Act 2002	To ensure the effective stewardship of assets on behalf of all communities while promoting the current and future interests of District as a whole.
Copyright Act 1994	This Act has implications for every area of Southland District Libraries' operation, impacting on collection management, the use of the internet and new electronic technologies.
Privacy Act 1993	All operations of the libraries are covered by this Act, and it has significant implications for the collection and disclosure of information relating to individuals (both staff and customers). In particular, policy relating to records management, collection development, customer service, and marketing must take account of the Act.
Vulnerable Childrens Act 2014	To ensure our buildings remain safe community spaces
Health and Safety at Work Act 2015	Requirements for managing health and safety of employees, and other people at work or affected by the work of other people. This is an important issue for the library service in terms of both customer and staff safety. There have been occasional altercations and security

Legislation / Regulation / Planning Documents	How it affects levels of service and performance standards
	issues in some libraries and it is important that there are appropriate processes in place to deal with these.
Public Records Act 2005	Southland District Libraries are required to create and maintain full and accurate records of their business in order to ensure accountability and integrity, and to protect our documentary heritage. Record keeping activities, systems, and practices should be monitored and assessed regularly.

Demand Management Strategies

Southland has a widely dispersed population. The *Infometrics Southland Region Forecasting Scenarios 2023* report highlighted that our population is aging and is projected to remain stable overall in future decades, but those communities that have a strong tourism outlook and are commutable to Invercargill are projected to experience growth. New builds and improvement of the existing stock are required to facilitate this growth.

Cemeteries

The overall strategy is to meet demand as and when it occurs. With an ageing demographic in the District, it is anticipated that there will be an increasing demand on cemeteries. The Te Anau/Manapouri and Winton communities are considered to generate demand above the District average.

Riverton cemetery is the only one expected to need to expand within the next 30 years. Actions have commenced to find additional land with the acquisition being completed during the term of this plan.

There is a growing demand to provide some form of memorial provision at cemeteries where ashes/bodies are not buried there, but have been scattered/buried somewhere else.

To deal with this changing demand, memorial walls have been erected at all Council administered cemeteries, this will allow for better record management and space allocation of plots.

While some information kiosks have been erected at Council cemeteries over the last few years, there is an expectation that these will be available at all cemeteries in due course, as well as the updating of the existing boards.

These actions are both undertaken in conjunction with the local communities and community groups primarily through Council's communications team.

In the first three years of the plan, continued consultation with iwi and communities will be undertaken regarding appropriate services at each cemetery, with projects being identified and prioritised for the future. Funding has been allocated in year two for some projects with any work identified at cemeteries already supplied with water for example being undertaken out of existing maintenance budgets.

Pending issues that will also be investigated in the first three years of the plan are:

1. Identification of priority and timing of cemetery access tracks and road upgrades to incorporate into future budgets
2. Discussions with Council around the balance between a community service versus optimal land/space management with the continued service of advanced plot purchases (exclusive rights of burial)

Community housing

Page | 19

Where there is a waiting list and a unit becomes available, the property team tenant the units initially from those on waiting lists based on priority of age (over 60), a local resident, and most in need at that particular point in time. Where vacancies cannot be filled by elderly people (over 60), units can be rented by non-priority persons at an increased rental to fill the gap.

Council does not intend to increase the total number of units if demand increases. The strategy is to maintain the current housing portfolio until they reach the end of life and any increased demand due to an ageing population is expected to be met by alternative providers such as rest homes.

An investigation into the options for Council involvement in the provision of this activity will be undertaken and presented to Council. At that time Council will be asked to decide on the future of the activity.

Libraries

The challenge with this activity is to align the facilities with the demographic spread. To this end Council could look to provide multi-purpose facilities that would cater for all demographics at the one site.

Libraries have a strong connection with the people of our District. How Council meet the demands of changing technology trends, access to creative activities, social inclusion and welcoming new residents and their families will be the drivers for what the library service delivers. To meet these community needs the library service must provide well-trained staff, modern facilities and resources within them.

Key Projects

Project	Description
Community housing	In achieving the current level of service for housing units, ensure regular communication with tenants, prompt response to requests for maintenance and ensure contractors deliver high quality service when undertaking programmed project work. The latter ensures tenants will be going into an inviting, clean unit. Council has requested a business case outlining the future of the provision of community housing.
Cemetery management application	Continue to develop and refine the cemetery management system that manages the burial process and the a-spatial and spatial cemetery data.
Land Acquisition	Acquire land to cater for future demand at the Riverton cemetery (2024)
Cemetery projects	Information Kiosk provision and board updating.
Cemetery investigations	Identification of need and provision of services like water at Council cemeteries. Identification of access track/roads upgrading timelines Discussions regarding the continuation of providing exclusive right of burial
Improved asset management system	Increasing regulatory pressures on an ageing property portfolio, likewise increases the need to continuously improve how Council manages its assets. Preliminary work has already been done on introducing the Infor Property Management system. This transition will occur during the term of this AMP.

Community Libraries	Continue to support (through for example the provision of grants and facilities) community libraries. Explore options to share knowledge, expertise and resources across both community and district libraries.
Mobile library service	Complete the implementation of the new van based mobile library and council services approach that supports and enhances the physical libraries located throughout the district.
Network service provision review	At a District level, it is planned to assess and review how customers choose to interact with Council. This includes all the different avenues available for customers at present and potentially in the future. The principles guiding this review are the future provision of services that reflect the needs of our customers, flexibility of spaces, equity of provision not equality of provision and assisting communities to be the benefactors of future best practice provision of community spaces. Part of this may include rebranding from being "libraries and area offices" to something that identifies the community space where a broader service is implemented – Te Papa is not restricted to be a museum, Tūranga in Christchurch is more than books and mortar. To tatou wāhi means "our space" - to tatou wāhi Murihiku
Young adult activation plan (district libraries)	Currently our district library service has little space or resource for the engagement of young adults. Council has some space and programmes catering to children and preschoolers, but have a gap retaining and engaging our young adult population. Council proposes to review the spaces and collection size / configuration with the goal of creating space, infrastructure and programmes which engage our young adult population (our next generation of readers and social participants). Council will engage with our young adult population to determine what is needed in this space.

Other Considerations for the Activity

Our Levels of Service

Levels of Service, Performance Measures and Targets

LOS, performance measures and targets form the performance framework for the activity detailing what Council will provide, and to what level or standard:

- *LOS* are the outputs that are expected to be generated by the activity. They demonstrate the value being provided to the community or reflect how the public use or experience the service. A key objective of activity planning is to match the LOS provided with agreed expectations of customers and their willingness to pay for that LOS.
- *Performance measures* are quantifiable means for determining whether a LOS has been delivered.
- *Performance targets* are the desired levels of performance against the performance measures.

The LOS provide the basis for the management strategies and works programmes identified in the AMP. By clarifying and defining the LOS for the activity (and associated assets), Council can then identify and cost future operations, maintenance, renewal and development works required for the activity (and

associated assets) in order to deliver that service level. This requires converting user's needs, expectations and preferences into meaningful levels of service.

Whilst the LOS is not necessarily in question, the increasing costs of meeting LOS needs to be addressed. Is it realistic to keep increasing expenditure? Or would a less costly LOS be acceptable? Or is a rationalisation/reduction of assets required?

Cemeteries

The performance framework for the Cemeteries AMP is largely unchanged and centres around two aspects. The first one relates to Councils policy that interments are to be self funding i.e. that the actual costs of interments are not borne by ratepayers. This is reported through the financial reporting systems within Council. The second one is to ensure the ease of process for families and funeral directors by ensuring that the plot is prepared before the families arrive at the cemetery.

Cemeteries: What LoS we provide	LoS 3 Facilities are fit for purpose, to enable healthy grieving and memorialisation for the community				
How we measure performance	Current Performance (23/24	Future Performance Targets			
		Yr 1 (24/25)	Yr 2 (25/26)	Yr 3 (26/27)	Yr 4-10 (27/34)
KPI 3.1: To meet family expectations that the burial plots are prepared by the time required.	100%	100%	100%	100%	100%

Table 0-1: What we plan to do and our levels of service (LoS)

Community housing

The performance framework has been amended following the last LTP period. The LOS has been amended to include catering for future needs. In terms of KPIs, the occupancy rate remains as a KPI and a new measure to include the percentage of occupants who meet the priority criteria has been included to reflect the purpose for which the housing was originally developed.

Community housing: What LoS we provide	LoS 4: Facilities are fit for purpose, in the appropriate locations and cater for future needs				
How we measure performance	Current Performance (23/24)	Future Performance Targets			
		Yr 1 (24/25)	Yr 2 (25/26)	Yr 3 (26/27	Yr 4-10 (27/34
KPI 4.1: Community housing occupancy rate	94%	80%	80%	80%	80%
KPI 4.2: Percentage of people who meet priority criteria	80%	80%	80%	80%	80%

Table 0-2: What we plan to do and our levels of service (LoS)

Libraries

The fundamental principles and core role of public libraries in society have stayed constant over time. What is changing is delivery of service methods as libraries strive to meet the needs of their communities and focus on resources that match those needs.   Over the next few years libraries will experience change in how to access library resources as new technologies and media will develop at an ever-increasing rate, and there will be continued pressure on budgets. To support the transition of book-based services to online and mobile, libraries must also retain existing technology while being mindful of the need to convert into digital formats. The focus is no longer on books alone, the community visits libraries now to seek an experience, for face to face social connectedness, guidance and expertise. To adjust to these changes our measures of service will be reassessed as Council continually adapt to library trends.

Libraries: What LoS we provide	LoS: 5 Council will provide a library service for the district including a mobile service

How we measure performance	Current Performance	Future Performance Targets			
		Yr 1 (24/25)	Yr 2 (25/26)	Yr 3 (26/27)	Yr 4–10 (27/34)
KPI 5.1 the library network will increase the digital proportion of lending year on year	New measure + baseline	5%	5%	5%	5%
KPI 5.2 the library and service network will increase programme participation numbers year on year	New measure + baseline	Yes/no	Yes/no	Yes/no	Yes/no
*Library basics include public computers, wi-fi, public catalogue, self-issue machines					

Plans Programmed to meet the Level of Service

Council has started a programme of asset data capture so that it is in a position to use an asset management application to manage the activity and make sure that the appropriate level of funding is available. This has started with condition assessments of all Council buildings and structures and the integration of data into Infor, as part of its core system review of its information management business unit. The condition assessments contain all components necessary to enable Infor to deliver an effective long-term asset management system. Infor will deliver lifecycle information for capital and operational projects, as well as tenancy data.

These condition assessments would contribute to decisions on whether or not facilities met the LOS and ultimately the need to retain or replace, or remove them.

Cemeteries

- Current operational activities, with the aim to provide a cemetery with a pleasing amenity feel to it will continue as in the past. This is primarily grass mowing, hedge trimming, plot levelling, signage and access road maintenance. This will include the ongoing monitoring of any contractual arrangements to provide these services.

- Both standard and ashes beam extensions will continue on an as required basis. This is determined simply by demand.

- The continuation of the provision of information kiosks and board updating at cemeteries is still anticipated by Council, in conjunction with local community groups like Lions who normally initiate the projects.

- Continue investigations into the need and provision of services at each Council cemetery.

- Identification of access track/roads upgrading requirements, timing and costs

- Consideration of the balance between community service versus optimal land management with the continuation of the exclusive right of burial service. In context, this relates to plots being booked in advance which results in some but not all of these plots being used and the unused ones being left vacant in older parts of the cemetery.

Community housing

- The key to maintaining LOS with the housing units is regular communication with the tenants, prompt response to requests for maintenance etc and ensuring contractors deliver high quality workmanship when undertaking programmed project work. The latter ensures tenants will be going into an inviting, clean unit.

Libraries

Deliver second storywalk location. After the success and continuing positive feedback of the Te Anau storywalk, Council believe there is room for one more storywalk location in the Southland district. Locations and cost options will be investigated this year.

Ensure that in the short the medium terms that all library facilities across the District are maintained to ensure they are safe, functional spaces for out customers and to ensure our library collections and other associated library assets are protected.

General review of our district library/office space utilisation – to ensure Council are delivering the best community and service outcomes with the current infrastructure. This will include a review of our book collection sizes using accepted industry standards to help inform decision making and our rates of community engagement.

Transitioning our district library network to shelf ready books is underway. These are books which require no processing or preparation to be put on library shelves – traditionally a newly purchased book needs to be covered, RFID stickered, bar coded and catalogued. This will bring us in line with best practice for rural library networks, streamline our library administration processes and use the best technology to manage our collection and purchasing process. The library team will assess changes to purchasing practices for cost effectiveness and appropriate collection management, and make changes to ensure overall Council library goals are met.

Activity and Asset Management

Overview of Management

An asset lifecycle is the series of stages involved in the management of an asset. It starts with the planning stages when the need for an asset is identified and continues all the way through its useful life and eventual disposal.

The asset lifecycle can be tracked in different ways and is generally monitored in some way at every organisation, even if it's not a formalized process. The importance of any given asset lifecycle is determined by a number of factors, including how costly the asset is to replace, how crucial it is to the community or commercial business, and the overall reliability of the asset in question.

When maintenance is neglected, it can result in unexpected breakdowns, long delays, and emergency maintenance. When properly maintained, asset lifecycles can make the process of maintaining and managing your valuable assets much easier for everybody concerned.

Finally, each cycle is going to vary, depending on the asset in question. For example, a comprehensive wrench set will have a very different asset lifecycle than a large piece of machinery that has a comparatively shorter lifespan. However, the stages of the lifecycle stay the same, no matter what it's being applied to and the same principles can be applied to most assets.

The goal of infrastructure asset management is to identify the LOS required by stakeholders and then manage the asset portfolio to provide those service levels at the least lifecycle cost and in a sustainable manner. Good asset management practices mean that the right work is done at the right time for the right cost. The key features of the community services infrastructure asset management are:

• a whole-of-life asset management approach

• planning for a defined level of service

• long-term strategies for cost-effective asset management

• performance monitoring

• meeting the impact of growth through demand management and infrastructure investment

Page | 24

- managing risks associated with asset and service failures
- sustainable use of physical resources
- continuous improvement in asset management practices

Cemeteries

By nature of their existence timeline, most cemeteries are "old", however Riverton cemetery is the only one with a life expectancy of less than 30 years based on historical demand and remaining area available. Actions were identified and commenced in the previous AMP for new land to be acquired for future cemetery needs at Riverton.

Even when a cemetery is closed for burials it remains open to the public and Council has a legal obligation to maintain these properties in good condition. There is also a legal obligation for closed cemeteries not to be sold or disposed of.

Maintenance will as above, continue on the basis of providing the open cemeteries to a level of surrounds that provide a pleasing amenity feel.

Asset provision for ashes and standard beam extensions will be as and when required being driven by demand. Memorial walls are already in existence and will be extended as and when required based on demand.

Community Housing

The community housing portfolio was constructed over a 20-year period from 1970 to 1990. With a stated asset life of 80 years, the portfolio has a remaining lifespan of approximately 25 to 45 years (2050 to 2070).

Current Council policy is that no further housing units will be provided. Therefore, Council has a primarily operational and maintenance role for the remaining life of these units. Council may however choose to review this and invest in improvements to existing units and/or develop new units as the demand for community housing changes over time. Legislative change such as the introduction of the healthy homes legislation will require Council to remain responsive to be able to make changes to how it manages the portfolio based on such changes.

Libraries

New collection items

The purchasing of new collection items is made, whenever possible, with consideration to the best data available for that item. For a book it is considered how many issues previous books from the author have had. The history of each item is considered to make sure it has been circulated fairly amongst our libraries and look for patterns of increasing or decreasing readership. Some distributors also provide the levels of marketing that a title will receive which will help guide our purchasing decision, especially if it's a new author to our shelves.

Replacements of collection items

Council assesses collection items whenever they are returned to the library by our members. Any item that is considerably worn is then passed onto our technical librarian team and a replacement copy is ordered once its popularity or importance to the collection is determined. Most items will be reviewed on issue count but for books of local or New Zealand importance they are viewed through the lens of community value.

Removal of collection items

Our quarterly reports are run though CollectionHQ and allow us to determine which collection items are not working for our collections. Whenever possible items are rotated through various libraries to see if they appeal to different communities. When items hold no appeal for our members they are selected for discard. Worn item are either destroyed, or those that are still shelf-ready are donated to local charities and

clubs. There is a risk to consider in flooding your collections with unwanted items as it makes browsing collections a lot harder and frustrating for library members.

Donations of collection items

Donations are only taken from the donator once they understand that they will have to pass our item assessment process before being added to our collection. Items that fail our assessment are either donated in turn or destroyed. Council records the numbers and perceived value of donated items so their value can be added to our collection at the end of the financial year.

Depreciation

We currently use depreciation to manage the wear of our collection's assets. Collection items depreciate over a 10 year period based on the assumption that an item will on average last for those 10 years. In the case of a reduction to our collection spending then we will also need to look at reducing our depreciation timeline.

Asset Management

Furniture and fittings management will be setup and monitored using our Council's asset management tool, Infor. This will allow us to effectively budget for the consistent replacement and upgrade of our library assets.

Delivery Strategies

Southland District Council spends significant amounts of money on the maintenance and development of its community facilities. Council has indicated a desire to see local contractors in the various settlements across the District given equitable opportunity to secure and deliver services. Staff will ensure all contractors (including smaller local contractors) are given fair opportunity to secure work on behalf of SDC. All contractors need to meet minimum health and safety standards to complete work on behalf of SDC.

Cemeteries

Receiving, processing and approving burial warrants, as well as administration and record keeping for the cemetery activity is undertaken internally by staff.

The sexton activity as well as the digging and filling of graves is undertaken by experienced contractors in the field. Other operation activities like mowing, and hedge trimming are also contracted in to provide this service.

As a goodwill service for the district, Council periodically receives updated burial records from trust run cemeteries and makes these available electronically, thus providing the same service for Council run cemeteries. This manages the risk of the records related to trust cemeteries and allows researching to happen electronically, irrespective of the individual cemetery administration.

Community Housing

Continuing to deliver services primarily using third party contractors is seen as the most effective and efficient way of doing so. Council will continue to ensure it has the resources necessary to achieve its maintenance and development of the housing portfolio across the District,and meet allregulatory requirements, particularly Health and Safety.

Council has identified in its strategic assumptions that due to the ageing demographic and the increased demand on existing contractors it may be difficult to deliver some existing services using traditional service providers. An alternative to this is to use Council's internal resource to cover more isolated areas that are not attractive to the larger contractors.

Libraries

<u>Removing barriers</u>

For our library service to increase its usage and perceived value by the community we have to determine the barriers that are keeping many from that community from enjoying the service. Internationally, a major barrier that libraries have singled out to accessing library services are late/overdue fees. By removing overdue fees, we stop the penalisation of young families and of those in our community who can least afford to pay. As a replacement for the removal of fees we will implement a restriction on loans till the late items are returned. This allows for library members to continue using our service once the items have been returned instead of cutting ties with the library due to the accumulated fees on their account that they may be unable to pay.

Southland District Libraries are now fee free which removes barriers and ensures the accessibility of our service, bringing us in line with best practice NZ wide.

Community Board Area Context

The representation review has brought a different perspective to how community boards now need to look at the locally funded assets they have within their area. They have moved from a localised focused approach to now having to take a holistic approach when planning the governance of the assets.

With community services, this means considering the need for all assets and services of a particular type within the Board's catchment. Are they all needed? Such consideration needs to look at all the changes in society since these services were provided, including; population, access (roading & vehicles), use, operational cost and community views. There are two community boards (Fiordland and Stewart Island Rakiura) that do not have any community housing units.

Council need to look at how best to do this and choosing the appropriate levels of service that will allow them to provide consistency throughout their area of responsibility.

Asset Management Planning

Asset management planning is undertaken to ensure all parties involved in Council's asset management are working with the same information and towards the same objectives and outcomes. Such clarity is required to deliver services with efficiency and meet the LOS required.

Infrastructure asset management is the tactical decision-making that links strategic objectives with the operational delivery of physical works. Asset management planning is the organizational activity used to produce the operational forward works plans that deliver the strategic objectives.

Asset Management Systems

Over recent years, community services assets have not necessarily been managed under a recognised industry system. This is now being addressed with community services assets being brought under the Infor management system.

The Infor system is internationally recognised and used by a number of New Zealand local government authorities and Australian counterparts.

Infor bought out the Hansen business management system, that Council has used for many years to manage its Three Waters programmes. Bringing the community services assets under the same management system umbrella will provide greater consistency and improved knowledge and skill base within Council.

Page | 27

<u>Libraries</u>

Infor is the Southland District Councils current asset management software. This is our recommended system for managing library assets like furniture and fittings.

Symphony is a library management system that Council uses to manage its physical collections and member database. It is the chosen platform by the Kotui consortium which Council is a part of.

CollectionHQ is a collections management system that in conjunction with Symphony helps us maintain a more precise collection. It is a report-based system that helps facilitate and automate the maintenance of the collection.

Asset Management Hierarchy

An asset hierarchy is a framework for segmenting an asset base into appropriate classifications. The asset hierarchy can be based on asset function; asset type or a combination of the two.

One of the main purposes of an asset hierarchy is to group assets that are treated in a particular way together. Important or high visibility assets for example may receive a higher LOS than less important or low visibility assets and this is reflected in the asset hierarchy.

A well thought out asset hierarchy also makes navigating to a particular asset or asset component within an asset management software system easier.

Following is a diagram to represent the physical hierarchy of the assets captured within the Site Based Asset Feature Class. The blue lines represent the associations that will exist between the records. The term

Page | 28

'site based' is used to reflect those assets that are contained within a site within the community as opposed to reticulation or network assets such as water pipes that cover a vast geographic area.

Asset Management Improvement

Council is inputting all of the community services asset data into the corporate asset management application Infor system. There has been significant work undertaken to identify assets, their condition and utilisation over the previous annual plan period.

Council is building up the set of data for the community services assets. This is critical to set up Infor with the correct data in the system, and enable strategic asset management decisions to be made that are based on factual information.

This data is necessary to inform the community boards of the level of funding that will be required to maintain these assets. Council intends to import the community facilities assets into Infor along with the associated condition, age, use and financial data that it has collected. The intention is to have a high level of data available to inform the next LTP and move from a 'basic' to 'core' level of activity management in the Asset Management Maturity Index.

Task	Task	Responsibility	Resources Required	Timeline
1	Improve data in the information asset management system	Community Facilities Team	Asset Manager	1st year
2	Improve the confidence in the data and align with NAMS Grading System	Community Facilities Team	Asset Manager	$1^{st} – 3^{rd}$ year
3	Create Renewal Priority Ranking Criteria	Community Facilities Team	Asset Manager	2nd year
4	Create Acquired Assets Priority Ranking Criteria	Community Facilities Team	Asset Manager	2nd year
5	Review Useful Lives	Community Facilities Team	Asset Manager	3rd year
6	Improve confidence in operational and maintenance costs	Community Facilities Team	Asset Manager	$1^{st} – 3^{rd}$ year
8	Define better LOS	Community Facilities Team	Asset Manager and Corporate Teams	2nd year
9	Improve the confidence levels in the financial data	Community Facilities Team	Asset Manager and Finance Team	$1^{st} – 3^{rd}$ year

Libraries

Page | 29

Historically, Council has not effectively managed our library assets as the only asset management tool that we have to utilise is the asset register kept by our finance department. By utilising purposely designed software to record purchase date, value and item type we will be able to plan and forecast for the eventual replacement of fixtures and furnishings within our library service.

Financial Summary

10 Year Financial Forecast

The following graphs/tables summarise the financial forecasts for the activity over the ten years.

Figure 1: Community services total expenditure

Financial Summary

Cemeteries

The forecast is business as usual for operating and maintenance costs with the Riverton capital acquisitions in 2024-2025 as identified by Council.

Community Services	2024/2025 LTP ($000)	2025/2026 LTP ($000)	2026/2027 LTP ($000)	2027/2028 LTP ($000)	2028/2029 LTP ($000)	2029/2030 LTP ($000)	2030/2031 LTP ($000)	2031/2032 LTP ($000)	2032/2033 LTP ($000)	2033/2034 LTP ($000)
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	1,446	1,466	1,499	1,573	1,612	1,591	1,612	1,540	1,675	1,706
Targeted rates	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	1	1	1	1	1	1	1	1	1	1
Fees and charges	162	166	170	173	171	174	178	181	184	187
Internal charges and overheads applied	17	18	18	18	18	18	19	19	19	20
Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infingement fees, and other receipts	665	700	735	769	838	908	977	1,029	1,064	1,115
Total operating funding	**2,291**	**2,351**	**2,422**	**2,535**	**2,640**	**2,693**	**2,786**	**2,770**	**2,943**	**3,030**
Applications of operating funding										
Payments to staff and suppliers	1,438	1,558	1,553	1,669	1,750	1,523	1,688	1,655	1,649	1,599
Finance costs	43	59	78	83	99	112	113	131	146	150
Internal charges and overheads applied	579	591	602	635	670	675	688	701	708	715
Other operating funding applications	5	5	5	5	5	5	5	5	5	5
Total applications of operating funding	**2,065**	**2,212**	**2,238**	**2,392**	**2,524**	**2,316**	**2,494**	**2,492**	**2,508**	**2,469**
Surplus (deficit) of operating funding	**227**	**139**	**184**	**142**	**116**	**377**	**293**	**278**	**435**	**560**
Sources of capital funding										
Subsidies and grants for capital purposes	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	35	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	326	416	167	364	332	135	456	430	271	430
Gross proceeds from sale of assets	-	-	-	-	-	14	-	12	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**361**	**416**	**167**	**364**	**332**	**149**	**456**	**441**	**271**	**430**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	226	-	-	-	-	-	-	-	-	-
- to improve the level of service	9	9	9	9	26	9	10	10	10	10
- to replace existing assets	377	475	236	408	267	300	507	558	417	662
Increase (decrease) in reserves	6	72	106	90	156	217	232	152	279	317
Increase (decrease) in investments	(29)	-	-	-	-	-	-	-	0	0
Total applications of capital funding	**588**	**555**	**351**	**507**	**449**	**526**	**749**	**719**	**706**	**990**
Surplus (deficit) of capital funding	**(227)**	**(139)**	**(184)**	**(142)**	**(116)**	**(377)**	**(293)**	**(278)**	**(435)**	**(560)**
Funding balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Page | 32

In the first year of this LTP a capital expenditure amount has been allowed for the purchase of additional land for the Riverton cemetery. This expenditure has been moved out from the 2023/2024 year.
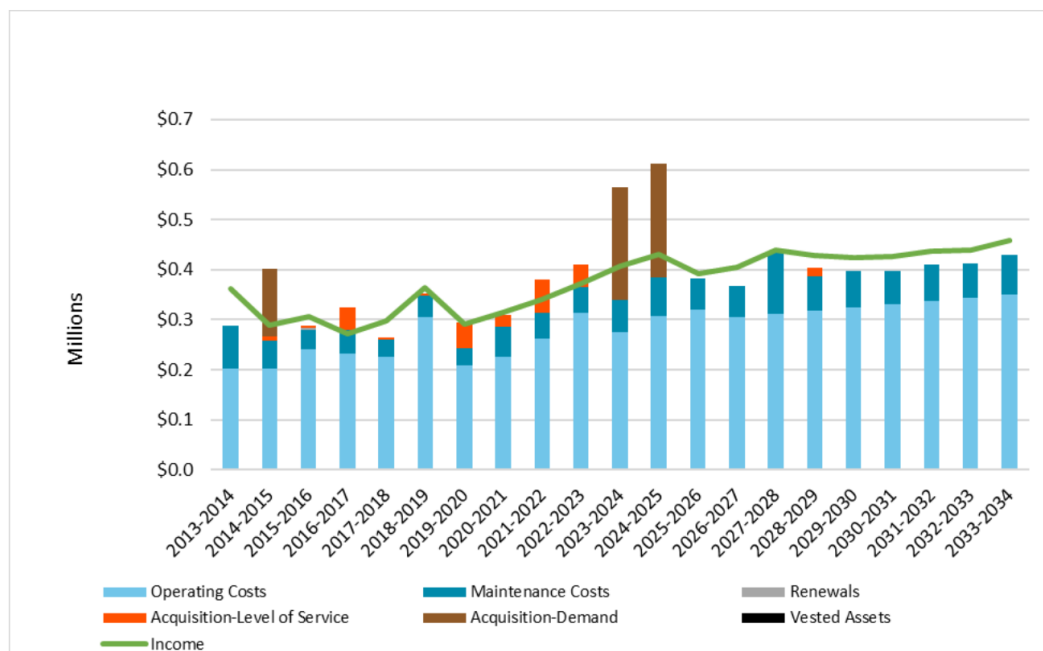
Figure 2: Cemeteries Financial Summary (District-wide) excluding Depreciation

Community housing

Income will be less than the operational costs, but rentals are expected to increase to cover the operational, maintenance and loan repayment costs. The level of rental increases do not generate any surplus funds.

The majority of costs comprise of operational and maintenance expenditure which include:

- insurance
- rates
- property management and overheads.
- planned maintenance, reactive maintenance and general projects.

The increase in maintenance costs in 2023-2024 is for a repaint of the community housing in Riverton.

Renewals in the context of this activity refers to replacing, roofs, windows, kitchens, bathrooms, heat pumps and distribution boards. As indicated on page 4 "Council will provide and maintain the property until it comes to end of life".
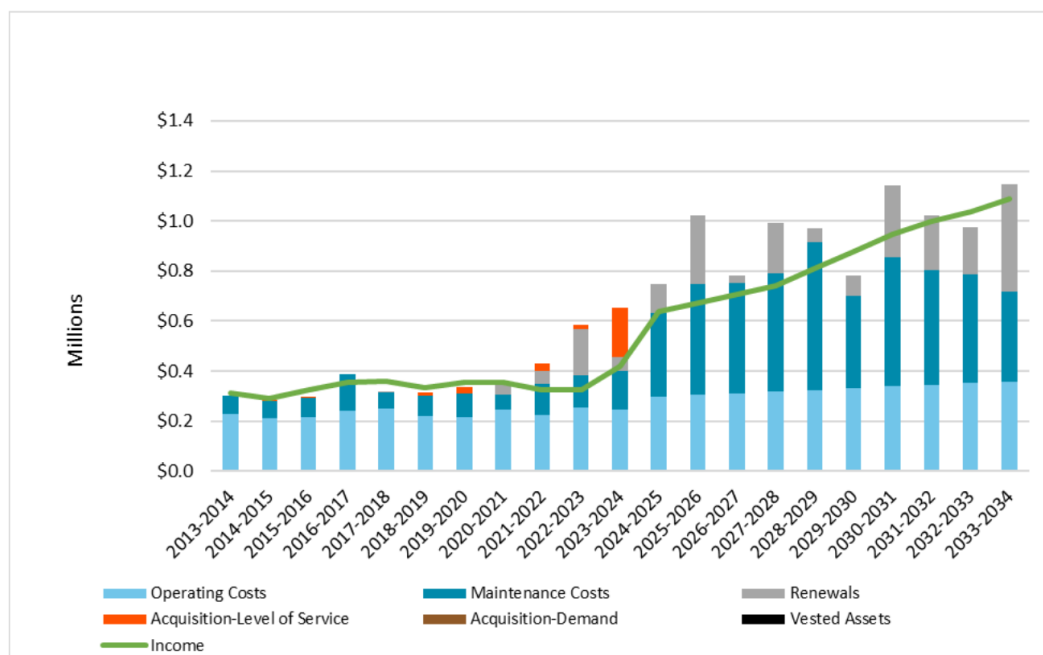
Figure 3: Community Housing Financial Summary (excluding depreciation)

Library services

Most costs within library services are funded through income each year; this includes the consistent renewal of library books. Income is higher in 2022/2023 onwards with debt being repaid on one off capital expenditure in earlier years.
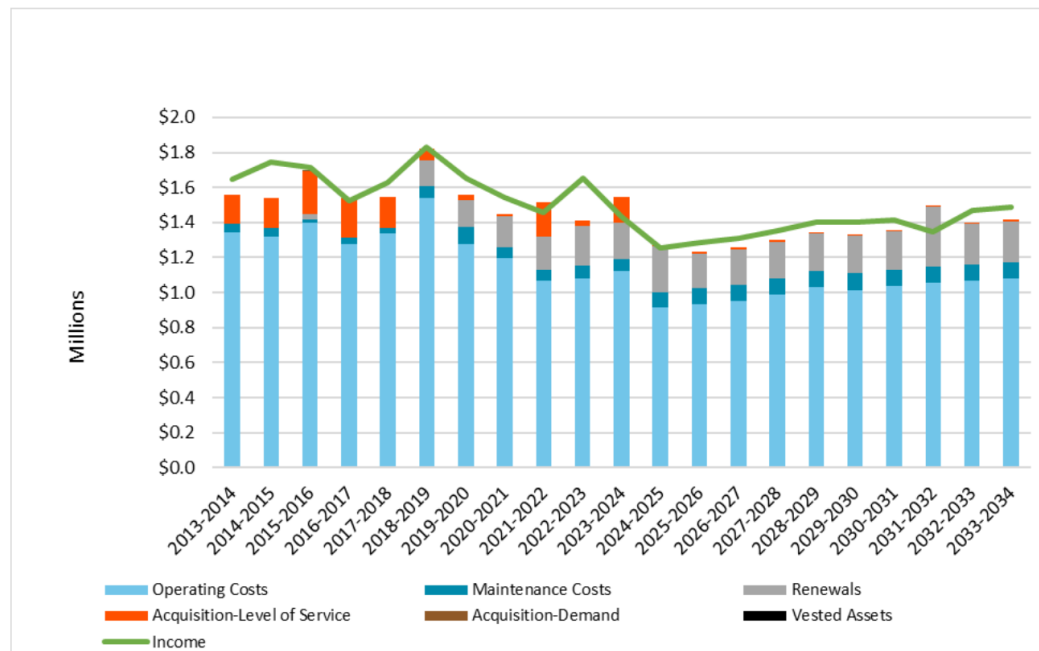
Figure 4: Library Services Financial Summary (excluding depreciation)

Total Income

<u>Cemeteries</u>

Prior to the 2021-2031 LTP cemeteries were funded through local targeted rates (both from ward rates and community board/community development area rates) Where the ward rate provided a contribution to the township it was shown as internal revenue. How Council rates was revised for the 2021-2031 LTP so that all rates are collected through district rates with no contribution from other rate types. This is the reason for the change to a combination of direct rates revenue and internment income.
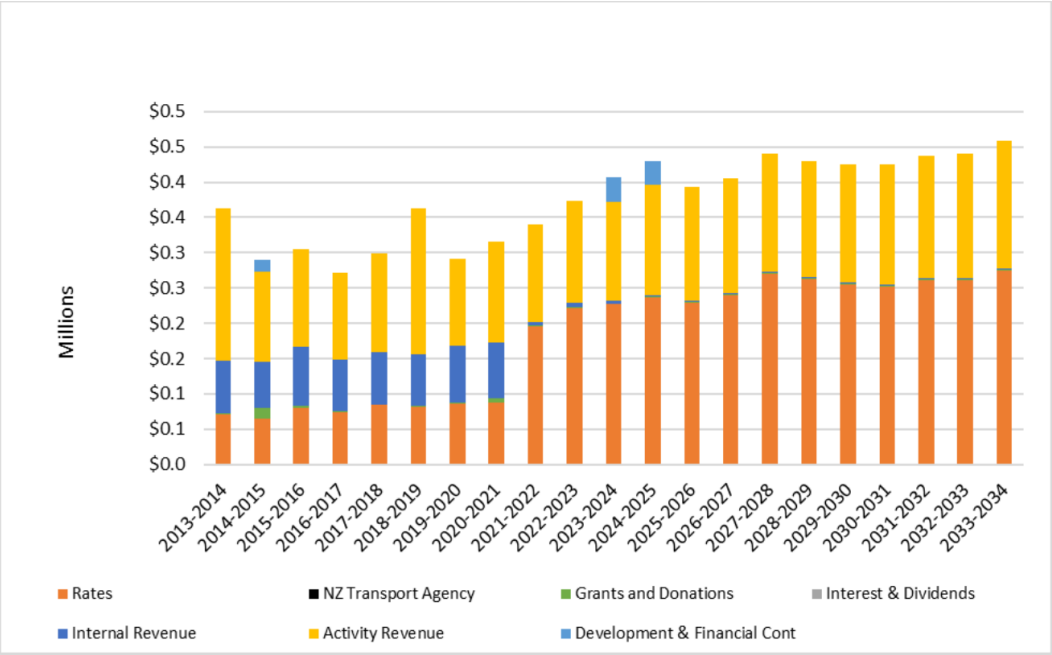
Table 0-1: Cemeteries Total Income

<u>Community housing</u>

Historically a minor component of the income was collected from rates to assist in the funding of this activity. This is used for the administration associated with the management of the tenancies.

Activity revenue consists of rentals collected from tenants that have been set to meet the ongoing costs of this activity over the 10 year period of the plan.
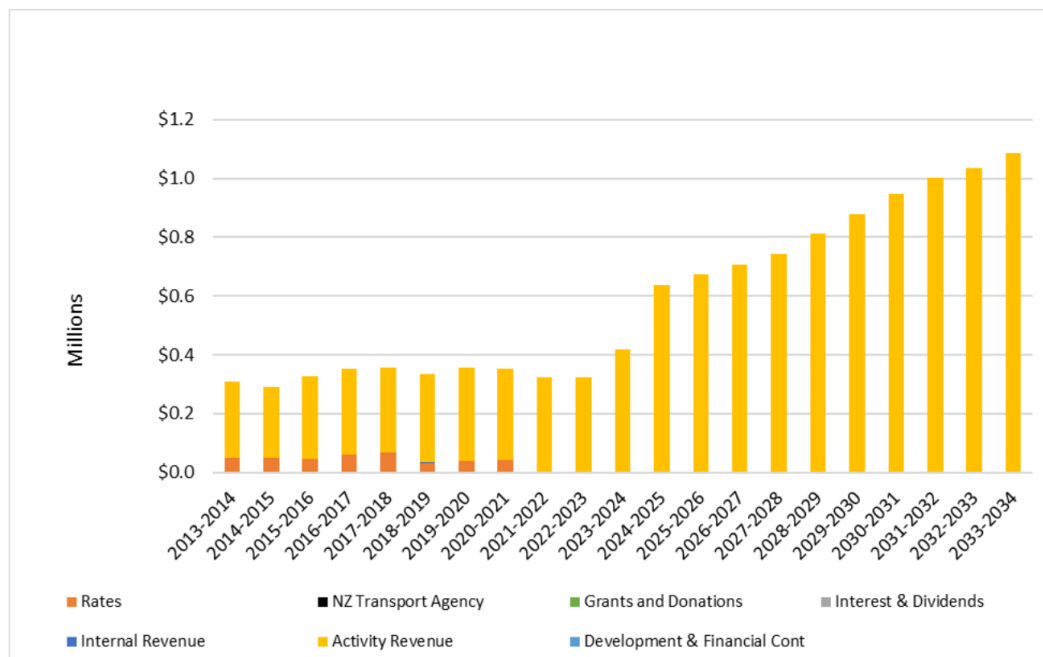
Table 0-2: Community Housing Total Income

<u>Library services</u>

Historically the library service was funded through local and district rates; where the District provided internal revenue to the community services. This was changed in the 2018-2028 LTP with the accounting system processes remaining in place; this was revised for the 2021-2031 LTP which resulted in the change to predominately rates revenue.

Table 0-3: Libraries Total Income

Financial Forecast Summary

The table below represents the LTP budget for the cemeteries across the District. **To be updated**

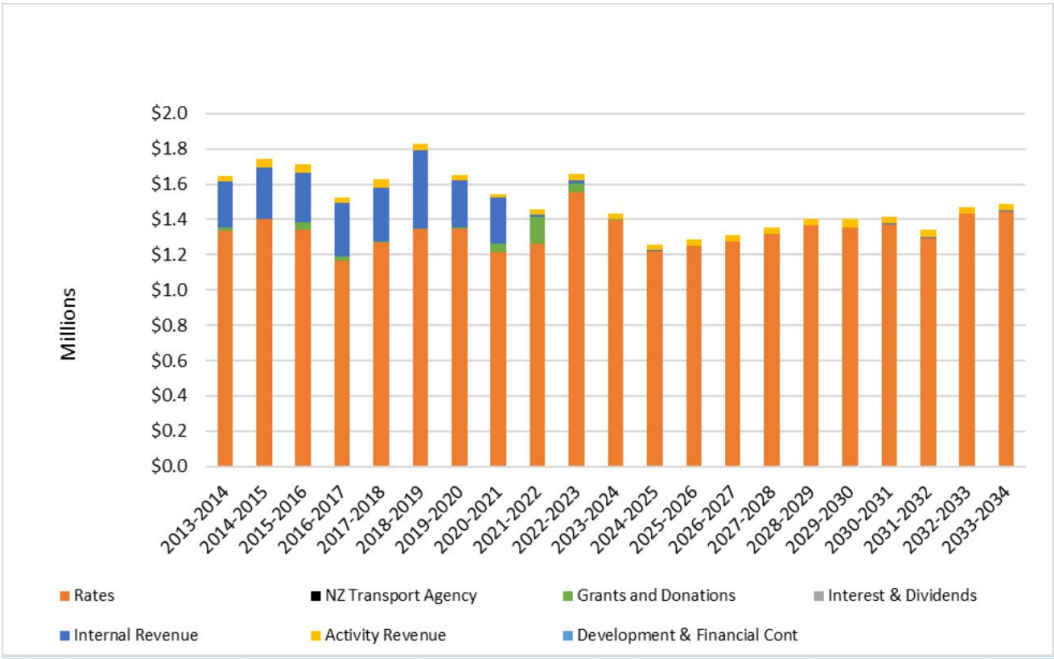| Cemeteries	2017/2018 Actual ($000)	2018/2019 Actual ($000)	2019/2020 Actual ($000)	2020/2021 Annual Plan ($000)	2021/2022 LTP ($000)	2022/2023 LTP ($000)	2023/2024 LTP ($000)	2024/2025 LTP ($000)	2025/2026 LTP ($000)	2026/2027 LTP ($000)	2027/2028 LTP ($000)	2028/2029 LTP ($000)	2029/2030 LTP ($000)	2030/2031 LTP ($000)
Sources of operating funding														
General rates, uniform annual general charges, rates penalties	-	-	-	88	196	221	248	243	259	285	282	273	289	287
Targeted rates	84	82	87	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Fees and charges	136	148	121	133	100	114	116	118	121	123	126	129	132	134
Internal charges and overheads applied	74	74	81	79	6	5	5	4	4	4	4	4	4	4
Local authorities fuel tax, fines, infingement fees, and other receipts	3	59	1	1	1	1	1	1	1	1	1	1	1	1
Total operating funding	**298**	**363**	**291**	**303**	**303**	**342**	**371**	**367**	**386**	**415**	**414**	**408**	**427**	**428**
Applications of operating funding														
Payments to staff and suppliers	254	275	233	275	360	283	316	311	334	347	362	351	379	370
Finance costs	-	-	-	-	-	6	6	8	7	6	5	5	4	3
Internal charges and overheads applied	6	15	11	13	13	14	14	14	15	15	15	16	16	17
Other operating funding applications	-	58	-	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	**260**	**348**	**244**	**288**	**373**	**303**	**337**	**333**	**355**	**369**	**382**	**372**	**399**	**390**
Surplus (deficit) of operating funding	**38**	**16**	**47**	**14**	**(70)**	**39**	**34**	**35**	**31**	**46**	**32**	**37**	**28**	**38**
Sources of capital funding														
Subsidies and grants for capital purposes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	35	-	-	-	-	-	-	-
Increase (decrease) in debt	0	-	0	-	313	37	109	5	20	-	10	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**0**	**-**	**0**	**-**	**313**	**37**	**144**	**5**	**20**	**-**	**10**	**-**	**-**	**-**
Applications of capital funding														
Capital expenditure														
- to meet additional demand	-	-	-	-	-	-	232	-	-	-	-	-	-	-
- to improve the level of service	4	4	51	-	270	62	-	-	7	-	-	-	-	-
- to replace existing assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	35	11	(4)	14	27	14	24	40	44	46	42	37	28	38
Increase (decrease) in investments	-	0	-	-	-	-	(29)	-	-	-	-	-	-	-
Total applications of capital funding	**38**	**16**	**47**	**14**	**243**	**76**	**178**	**40**	**52**	**46**	**42**	**37**	**28**	**38**
Surplus (deficit) of capital funding	**(38)**	**(16)**	**(47)**	**(14)**	**70**	**(39)**	**(34)**	**(35)**	**(31)**	**(46)**	**(32)**	**(37)**	**(28)**	**(38)**
Funding balance	**-**	**-**	**0**	**-**	**-**	**0**	**0**	**-**	**-**	**-**	**0**	**-**	**0**	**0**

Table 0-3: Cemeteries Financial Forecasts (District-wide)

Operating cost increases are mainly inflationary adjustments. CAPEX budgets allow for refurbishment of houses (around three-five per year) and a roof and exterior repainting across the portfolio of housing units.

Community Housing	2017/2018 Actual ($000)	2018/2019 Actual ($000)	2019/2020 Actual ($000)	2020/2021 Annual Plan ($000)	2021/2022 LTP ($000)	2022/2023 LTP ($000)	2023/2024 LTP ($000)	2024/2025 LTP ($000)	2025/2026 LTP ($000)	2026/2027 LTP ($000)	2027/2028 LTP ($000)	2028/2029 LTP ($000)	2029/2030 LTP ($000)	2030/2031 LTP ($000)
Sources of operating funding														
General rates, uniform annual general charges, rates penalties	68	33	37	42	0	0	0	0	0	0	0	0	0	0
Targeted rates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	0	0	0	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	1	0	0	5	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infingement fees, and other receipts	288	300	318	308	363	380	414	449	483	483	483	518	552	552
Total operating funding	**357**	**333**	**355**	**355**	**363**	**380**	**414**	**449**	**483**	**483**	**483**	**518**	**552**	**552**
Applications of operating funding														
Payments to staff and suppliers	103	125	145	166	241	220	230	261	242	259	330	245	314	359
Finance costs	-	-	-	-	-	1	2	2	5	7	7	9	11	11
Internal charges and overheads applied	211	176	164	183	170	175	180	196	201	206	212	230	237	243
Other operating funding applications	0	(0)	0	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	**314**	**300**	**309**	**349**	**412**	**397**	**412**	**459**	**448**	**472**	**548**	**485**	**561**	**613**
Surplus (deficit) of operating funding	**43**	**33**	**46**	**6**	**(49)**	**(17)**	**2**	**(10)**	**36**	**11**	**(65)**	**33**	**(9)**	**(60)**
Sources of capital funding														
Subsidies and grants for capital purposes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	-	-	-	-	50	72	-	141	173	40	140	123	77	116
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**-**	**-**	**-**	**-**	**50**	**72**	**-**	**141**	**173**	**40**	**140**	**123**	**77**	**116**
Applications of capital funding														
Capital expenditure														
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	13	28	-	-	-	-	-	-	-	-	-	-	-
- to replace existing assets	6	-	-	4	51	79	54	94	180	26	43	116	8	8
Increase (decrease) in reserves	37	20	18	2	(50)	(23)	(52)	37	29	25	32	40	60	48
Increase (decrease) in investments	(0)	(0)	-	-	-	-	-	-	-	-	-	-	0	-
Total applications of capital funding	**43**	**33**	**46**	**6**	**1**	**55**	**2**	**131**	**208**	**51**	**75**	**156**	**68**	**56**
Surplus (deficit) of capital funding	**(43)**	**(33)**	**(46)**	**(6)**	**49**	**17**	**(2)**	**10**	**(36)**	**(11)**	**65**	**(33)**	**9**	**60**
Funding balance	**-**	**0**	**(0)**	**0**	**-**	**0**	**0**	**0**	**-**	**0**	**-**	**0**	**0**	**-**

Table 0-5: Community Housing Financial Forecasts (District-wide)

Library Services	2017/2018 Actual ($000)	2018/2019 Actual ($000)	2019/2020 Actual ($000)	2020/2021 Annual Plan ($000)	2021/2022 LTP ($000)	2022/2023 LTP ($000)	2023/2024 LTP ($000)	2024/2025 LTP ($000)	2025/2026 LTP ($000)	2026/2027 LTP ($000)	2027/2028 LTP ($000)	2028/2029 LTP ($000)	2029/2030 LTP ($000)	2030/2031 LTP ($000)
Sources of operating funding														
General rates, uniform annual general charges, rates penalties	1,045	1,346	1,346	1,210	1,259	1,471	1,453	1,512	1,568	1,594	1,624	1,662	1,695	1,722
Targeted rates	222	-	-	1	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	5	4	5	4	215	4	4	4	4	5	5	5	5	5
Fees and charges	30	24	13	26	14	14	15	15	16	16	16	17	17	18
Internal charges and overheads applied	308	444	269	294	11	12	12	12	12	13	13	13	14	14
Local authorities fuel tax, fines, infingement fees, and other receipts	21	17	18	4	18	18	18	19	19	19	19	20	20	20
Total operating funding	**1,631**	**1,835**	**1,651**	**1,537**	**1,517**	**1,520**	**1,502**	**1,562**	**1,619**	**1,646**	**1,678**	**1,717**	**1,750**	**1,779**
Applications of operating funding														
Payments to staff and suppliers	817	854	684	1,106	865	767	731	739	753	769	785	803	822	841
Finance costs	-	-	-	-	8	12	11	12	11	9	8	6	5	3
Internal charges and overheads applied	549	749	685	627	385	449	461	494	531	537	545	560	568	570
Other operating funding applications	5	3	2	4	5	5	5	5	5	5	5	5	6	6
Total applications of operating funding	**1,371**	**1,606**	**1,372**	**1,737**	**1,261**	**1,233**	**1,208**	**1,251**	**1,300**	**1,320**	**1,343**	**1,374**	**1,400**	**1,420**
Surplus (deficit) of operating funding	**260**	**229**	**280**	**(200)**	**255**	**287**	**294**	**312**	**319**	**326**	**334**	**342**	**351**	**359**
Sources of capital funding														
Subsidies and grants for capital purposes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	-	-	-	383	269	-	127	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	0	-	-	-	-	0	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**-**	**-**	**-**	**383**	**269**	**-**	**127**	**0**	**-**	**-**	**-**	**-**	**0**	**-**
Applications of capital funding														
Capital expenditure														
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	178	67	31	-	20	21	148	22	22	23	23	24	25	25
- to replace existing assets	1	148	158	178	468	205	209	214	220	225	231	236	243	249
Increase (decrease) in reserves	81	14	91	5	36	62	63	76	77	79	80	82	84	85
Increase (decrease) in investments	0	0	0	-	-	(0)	(0)	(0)	(0)	(0)	-	0	0	0
Total applications of capital funding	**260**	**229**	**280**	**183**	**524**	**287**	**420**	**312**	**319**	**326**	**334**	**342**	**351**	**359**
Surplus (deficit) of capital funding	**(260)**	**(229)**	**(280)**	**200**	**(255)**	**(287)**	**(294)**	**(312)**	**(319)**	**(326)**	**(334)**	**(342)**	**(351)**	**(359)**
Funding balance	**-**	**0**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Table 0-6: Library services forecasts (district-wide)

Summary of Key Financial Assumptions

<u>Community housing</u>

Assumptions made in respect to the community housing activity are:

- Council has requested a report on the future of community housing

- until Council determines the future of community housing it will continue to be involved in this activity

- rental income will fund all operational costs for the activity (excluding depreciation)

- rentals will be increased every year primarily based on the cost of the activity and the activity breaking even (for example to cover the cost of maintenance, renewals and administrative costs) or an alternative approach should Council determine it wishes to alter the method of rent setting

- the units will not be replaced when they come to the end of their life

- there will be no significant population increases in the District

- while the population will be ageing, the increase in alternative providers like rest homes will result in demand for the community housing activity remaining relatively constant. Te Anau is a recent example of this.

- Significant investment in planning and OPEX/CAPEX expenditure is required to try and rectify a significant period of underinvestment in this activity.

Issue: Reduced demand by priority persons (those over 60 primarily):

Response: Council policy allows for the units to be rented by non-priority persons at an increased rental to fill a vacancy. If, however, demand reduces in either a specific location or across the whole activity, to a level where the viability of the activity becomes questionable, then Council has the option to look at divesting either some or all the units.

Issue: Operating costs increase beyond rental income:

Response: Council has the option of increasing rentals or, as above, divesting all or some of the units.

Valuation Approach

Assets are valued for insurance purposes either annually, three yearly, or five yearly depending on the reinstatement value. The terms are as follows:

- Annually   1,500,000

- Three yearly   >750,000 - <$1,500,000

- Five yearly   <$750,000

Funding Principles

Section 102(4)(a) of the Local Government Act 2002 requires each Council to adopt a Revenue and Financing Policy. This policy must state the Council's policies in respect of the funding of both capital and operational expenditure.

Further information can be found in Council's Revenue and Financing Policy.

The funding principles for the buildings are driven by whether the benefit is either District or local and they are funded accordingly either through local community rates or district rates.

Fees and Charges

The fees and charges for community housing is set by Council. These are documented in Councils Schedule of Fees and Charges each year.

Libraries

- removal of late fees
- fee for replacement of lost collection item
- APNK Printing
- photocopying

Appendix

Cemeteries

Council provided cemeteries are located

Cemeteries (In Use)	Approximate Date of first Burial
Calcium/Isla Bank	1891 to present
Centre Hill	1906 to present
Dipton	1879 to present
Edendale	1915 to present
Halfmoon Bay	1882 to present
Lumsden	1882 to present
Lynwood	1974 to present
Otautau New	1912 to present
Riverton	1861 to present
Wairio	1885 to present
Wallacetown New	1891 to present
Winton East	1951 to present
Woodlands	1883 to present
Wreys Bush	1891 to present
Wyndham	1867 to present
Cemeteries (Not In Use)	**Approximate Date of first Burial**
Horseshoe Bay	1878 No longer in use
Mokoreta	1890 No longer in use - Closed
Otautau Old	1879 No longer in use - Closed
Single (Wairaki - Blackmount)	Unknown
Tararua Acre	1881 No longer in use

Cemeteries (In Use)	Approximate Date of first Burial
Wallacetown Old	1862 No longer in use
Winton Old	1875 No longer in use

Community housing

Council provides 69 community housing units throughout the District focused on achieving the following objectives:

• to provide good quality affordable housing to a group with specific needs (primarily over 60s)

• to provide, where possible, the ability for people to remain living in their local community.

Township	Number		Township	Number
Edendale	11		Riversdale	2
Lumsden	4		Riverton	12
Nightcaps	6		Tuatapere	8
Ohai	5		Winton	6
Otautau	5		Wyndham	10

Table 0-1: Community Housing Locations

Community Facilities
2024-2034 Activity Management Plan

Table of Contents

Quality Assurance Statement				
Draft AMP Template				
Southland District Council	Version:		Record No:	R/23/5/17911
15 Forth Street	Status:			

Quality Assurance Statement		
Invercargill 9840	Project Manager:	Mark Day
Telephone **0800 732 732**	Prepared By:	Lance Spence
	Reviewed By:	Mark Day, Robyn Laidlaw
Fax **0800 732 329**	Approved for issue:	Sam Marshall

Executive Summary

Community Facilities supports the social and economic infrastructure of our district by overseeing district assets and services. The team's portfolio combines the management, maintenance and service provision of the district toilets, halls, offices and libraries.

The facilities managed through this activity play a vital role in connecting Council to its communities and providing the facilities within which our customers can undertake varied activities. At times halls, offices and or libraries may be the sole remaining community facility therefore providing communities with the opportunity to access services, activities, interact socially and making doing business with council easier.

Some of these facilities were originally designed as single use facilities (many of which were built in the 1950's) however to move Council owned facilities into the future, these assets are likely to need to accommodate a multitude of varying services.

We will consider options for providing facilities to our communities by assessing the purpose, need and potential use of the current assets. This may result in solutions that vary across the district to suit the needs of our different communities – as not all communities will have the same needs. For example, the actions we take (after engaging with our communities) could include; modernising existing buildings/facilities, making alterations to create multipurpose spaces within existing buildings or the design and construction of new purpose-built facilities. In some cases where there is no longer a desire or need to retain assets in communities, we will consider disposal or sale options. To support informed decision making, work has commenced to collect usage data of some facilities such as halls.

As a guiding principle in delivering services within this activity, we intend to continue to support the provision of services through providing well maintained, secure and fit for purpose buildings.

libraries.

Over time there has been a general trend of growing demand on facilities such as public toilets therefore over the past three years a significant programme of works and investment has been undertaken to improve the public toilets throughout Southland and identify clear and appropriate maintenance and renewal plans.

Financial Summary

Council will need to invest in this activity over the period of the plan. Both the Invercargill and Otautau offices have been identified as requiring work to bring them up to standard and modernise them. Initial options have been presented to Council in relation to these offices, however we intend to explore new options and present these to Council in the first two years of the LTP. All options will require some more investigation and could include the use of community hubs and a change of office in Invercargill.

A new or refurbished building to house all staff within the one location is likely to cost in the order of $10-$20 million. Therefore, all options that may provide a solution need to be carefully considered.

The revised earth quake standards have financial implications for all of Council facilities. We are working through the process of obtaining Detailed Seismic Assessments (DSA) of all of the facilities to better understand what this will mean in terms of the cost to make sure that they are compliant with all regulations and standards.

Condition assessments were commissioned in 2022 on these facilities and the budget required to address maintenance issues that were identified have been factored into this plan.

Council offices, buildings and toilets are district funded. The community centres and halls are locally funded.

Purpose of the Activity Management Plan

This Activity Management Plan (AMP) describes the strategies and works programmes for the Community Facilities activity so as to meet the objective of delivering the required level of service for the Southland District. This AMP informs the Council's Long-Term Plan (LTP) and contributes to the goals and objectives Council aims to achieve, in order to achieve community outcomes. The AMP covers:

- A description of the activity, including the rationale for Council involvement and any significant negative effects of the activity.

- The strategic context for the activity, the key activity management strategies and policies adopted within this environment and the main issues identified for the activity.

- A statement of the intended levels of service and performance targets.

This AMP covers a period of 10 years commencing 1 July 2024. The main focus of the analysis is the first three years and for this period specific projects have been identified in more detail. Beyond this period work programmes are generally based on trends or predictions and should be taken as indicative only. All expenditure is based on unit costs as at 1 July 2024.

Plan Limitations

This plan is developed based on the current structure and legislative framework of local government. Staff are aware the sector is in a state of flux and that new initiatives may be requires as changes within the sector occur. Significant themes are currently being discussed in the sector including:'.

- setting wellbeing goals and priorities each term and measuring wellbeing outcomes
- honouring and giving full effect to Tiriti-based partnerships between local government and Māori
- climate change
- local government and communities being empowered to build local solutions for national-level problems, with collaboration and funding from central government
- the reorganisation of local government including reviewing the operating models and structures of councils
- broadening citizen participation through democratic tools such as participatory and deliberative democracy processes
- changing local government elections, including to allow Te Tiriti-based appointments to councils
- Providing even greater support and training to elected members.

Council will need to be dynamic, transparent and agile in order to best serve its communities in this rapidly changing environment, an at the same time empower communities with the right tools to deliver the best outcomes.

Plan Framework

The AMP framework is illustrated in the figure below. The strategic context, significant forecasting assumptions and any activity-specific issues are documented in the main body of this Plan. Information on locally funded activities and services are included in the Appendices to this Plan.

The key points are

1. Forecasting assumptions have been included in the planning of this AMP
2. New levels have been developed and will be incorporated into any new contracts associated with activities

Long Term Plan
- Significant forecasting assumptions
- Council strategic framework (vision and outcomes)
- Risk management framework

Activity Detail
- Activity description, strategic context, assumptions and key issues
- Levels of Service and performance measures
- Financial forecasts
- Asset Management Plan (where applicable)

Area Detail
- For each community board area (where relevant), key forecasts and projects for the activity identified and incorporated into the plan.

Activity Description

What we do

Community Facilities includes buildings and structures which are used by the community to participate in a range of activities and access Council services.

The activity includes:

Community Centre's and Halls 32	Offices and Libraries 8	Amenity Buildings 19	Toilets 70	Dump Stations 7

The majority of our halls were built in the 1950's and our offices from 1921 – 1990. The Council buildings were acquired from the previous local authorities at the time of the local government amalgamation in 1989. Various additions and alterations have occurred since.

The age of the facilities creates an increasing challenge to manage them at the required level of service, for the changing needs of communities since their original construction. Management decisions will increasingly require consideration of the age and seismic strength of facilities. In some cases, the level of maintenance necessary to maintain buildings at an appropriate standard has not been carried out – therefore bringing our maintenance standards back up to appropriate levels will be an area of focus in the first three years of the LTP.

Why we do it

This activity enables the communities to be more socially connected and active, and makes Southland a desirable place to live. The buildings provide a local hub where residents and tourists can access services or engage in social activities. The activity endeavours to cater for the changing demand on Councils assets in this activity.

Community Centres contribute to making Southland a great place to live providing accessible facilities for communities, clubs, organisations and individuals to enjoy sporting, social, cultural, educational and recreational pursuits. Community Centres contribute to community pride forming the physical heart of a community and serving as a record of the community's achievements. Additionally, they provide safe public places for children and families as well as contributing to healthy lifestyles by hosting active recreational pursuits.

Council offices and buildings contribute to making it easier to do business in Southland by support Council's operational activities as well as those local buildings that support particular sporting and social activities in the relevant communities.

Council provides safe, clean accessible public toilets and waste dump stations across the District for residents and visitors. This service supports benefits to the environment and public health in the District by reducing the likelihood of human waste impacting on the environment and raising community appreciation (and use) of our facilities.

Strategic Considerations

Strategic Framework

Strategic direction setting encompasses Council's high-level goals, particularly the vision for the District, what the outcomes for the community may be, and what the priorities will be as we work with our communities.

Strategic Framework Component	2024-2034 Strategic Framework
VISION	**Together, with our people, for our future, it's our Southland**
MISION	Working together for a better Southland
Community Outcomes	Communities which are connected and have an affordable and attractive lifestyle (Social)
	Communities with a sense of belonging for all (Cultural)
	Communities committed to the protection of our land and water (Environmental)
	Communities with the infrastructure to grow (Economic)
Strategic Priorities	Connected and resilient communities
	Ease of doing business
	Providing equity
	Thinking strategically and innovatively
	Robust infrastructure

Outcomes	Activity contributions	Benefit	Levels of Service (LoS) and Key Performance Indicators (KPI)
Activity objective: Provide facilities communities need and support the community to participate in a range of recreational, educational, sporting, commercial and social/cultural activities			
Communities with a sense of belonging for all. (Cultural)	The activity provides a range of facilities, including Council offices, libraries, halls/community centres, sports clubrooms, sports field grandstands, medical and maternity centres, miscellaneous buildings and public toilets, that support community activities and needs. Regular checks ensure that facilities are safe to use.	Healthier, more active communities Improved natural environment Increased recreation opportunities More socially connected	LoS 2: Council owned facilities are fit for purpose
Communities which are connected and have an affordable and attractive lifestyle (Social)	Community Centres enable communities to be more socially connected, and by fostering healthier, more fulfilled and more active communities. This activity also helps provide people with the things they need to live, work and play in the District.	More socially connected Stronger local identity and connection	KPI 2.1 Council owned halls are fit for purpose[1] [1]Halls are clean, booking is easy, customer would book again
Communities with the infrastructure to grow (Economic)	Community centres enable communities to have a stronger local identity and connection, and by fostering the social, cultural and economic wellbeing of our communities.	Better history and heritage preservation Stronger local identity and connection More opportunities for economic growth	
Communities committed to the protection of our land and water. (Environmental)		Improved natural environment	

Strategic Priorities ▶ Contribution Area ▼	1. Connected and resilient communities	2. ease of doing business	3. thinking strategically and innovatively	4. Robust infrastructure	5. Providing equity
What will be done in the long-term (next 10 years)	Investigate the provision of new facilities to support connected and resilient communities across the District.	Ensure our facilities provided are fit for purpose and support the provision of varied council and community services to our communities as needs change.	Utilise all sources including electronic data systems, staff and communities to gather relevant information. Complete cost benefit analysis of using solar panels and/or other alternative energy sources to power halls and other community buildings	Ensure buildings remain fit for purpose and: - are maintained to a high level - can be adapted to cater for changing technology	Recognise the changing demographics of our customers (including an aging population) and consider this in the design, construction and management of our facilities. Ensure we understand the needs of our various communities in the planning and provision of future facilities.
What will be done in the short-term (next 3 years)	Improving the cost-effectiveness and efficiency of core services and processes.	Ensure our buildings/facilities particularly our Council offices/libraries to ensure we provide safe, functional and welcoming spaces for our customers and staff.	Continue to improve quality of information facility that is gathered and used to inform decision-making.	Addressing deferred maintenance of buildings/facilities particularly our Council offices/libraries to ensure we provide safe, functional and welcoming spaces for our customers and staff. Deliver programmed works within timeframes and budget.	Continue to provide library and Council office facilities in our settlements that we currently service
Key Actions and Projects	Ensure compliance with seismic requirements across the portfolio.	Investigate cost effective options to improve/maintain the facilities that house our	Investigate the option of a community hub including but not limited to a museum, library and	Investigate and implement a solution to house the majority of staff in one building.	Continue to investigate and implement digital options that allow customers to provide

Strategic Priorities ▶ Contribution Area ▼	1. Connected and resilient communities	2. ease of doing business	3. thinking strategically and innovatively	4. Robust infrastructure	5. Providing equity
		libraries and service centres including Wyndham, Lumsden, Otautau and community operated libraries.	service centre in the Wyndham/Edendale area.		customer satisfaction feedback on our facilities.
Related strategies / plans / policies	Asset Management Policy		Beyond 2025 regional long-term plan	Infrastructure Strategy	

Community Outcomes (and community board outcomes where applicable)

Following the last representation review nine community boards provide representation across the district. These are:

Ardlussa	Fiordland	Northern	Oraka Aparima	Oreti
Stewart Island/Rakiura	Tuatapere Te Waewae	Waihopai Toetoe	Wallace Takatimu	

It is important that Council is seen as a leader in property/facilities management in the District and through this AMP, will ensure its community facilities are fit for purpose, future focused, in appropriate locations and managed cost effectively. Doing so enables Council to provide and deliver quality, professional services to the ratepayer.

Council aims to have a high level of engagement with its customers and elected members to ensure that the minimum levels of service set out in this document represent their expectation

Identified in the community board plans, opportunities for Community Facilities team to support our communities are:

- Investigating work on the community hub idea as an option alongside investment in addressing deferred maintenance to bring our existing facilities up to an appropriate standard.
- Discussions with Community boards for the future requirements and ownership models for halls.
- Linking in with boards that are looking to develop museums' and/or heritage trails.

Strategic Context

The purpose of the Southland District Council Long Term Plan 2024 - 2034 is to:

- provide a long-term focus for Council decisions and activities

- provide an opportunity for community participation in planning for the future

- define the community outcomes desired for the District

- describe the activities undertaken by Council

- provide integrated decision-making between Council, iwi and the community

- provide a basis for performance measurement of Council.

Strategic direction setting encompasses Council's high-level goals, particularly the vision for the District, what the outcomes for the community may be, and what the strategic priorities will be for delivering work to the community.

Page | 12

Key Issues and Assumptions for the Activity

The most important issues relating to the Council's Community Facilities activity for the next ten years are shown below.

Key Issue	Context, Options and Implications
Climate change	*Context:* Changes in Southland's climate over the coming decades are expected to create a range of challenges and opportunities for Council's Community Facilities activities. The impacts that will be experienced within the coming LTP period are difficult to anticipate. *Options:* Continue SDC's participation in Regional Climate Change Working Group to develop collaborative pathways for a regional climate response, including climate adaptation and mitigation activities, supported by a regional science and information pathway. Use the best available science and information to identify and plan for climate change impacts. Community Facilities staff participate in the staff climate change working group and input into preparation of an organisational climate action plan to support a collaborative and integrated climate change response across all parts of the Council's business. Community Facilities staff contribute to preparation of an organisational emissions reduction plan and support its implementation. *Implications*: Climate change-related extreme weather events may disrupt planned activities, increase costs, and impact levels of service. Planning will need to be increasingly adaptive and flexible over time to respond to changes. Increased technical input may be needed to support climate resilience of assets. Decarbonisation measures may increase project costs.
Future of Councils Offices	*Context:* To assess long term workplace requirements of Council and to confirm if the current building is able to meet these needs with refurbishment, or if new premises are needed to ensure council is able to operate at the desired level. *Options:* Status quo. Substantial upgrade/renovation. New premises - either build or rent. *Implications:* Doing nothing will negatively impact on Councils ability to provide quality services to its customers due to having its functions and staff accommodated in three different locations within Invercargill. A new or appropriately fitted out existing building would enable staff, elected members and the associated supporting infrastructure to be housed in one location, albeit at significant cost. The cost associated with a new facility to house Council operations is likely to/may cause some concern within the community in relation to its cost. Council still considering preferred option.

Key Issue	Context, Options and Implications
Seismic issues with various Council buildings	*Context:* A number of Council building currently have a low Seismic rating as per current building regulations. *Options:* 1. Status quo. 2. Adapt usage and/or address (through for example strengthening work) the associated limitations that come with less than the required percentage of NBS seismic standards. 3. Disposal, demolition or recycling of building(s) as per engineer recommendations. 4. Sell property – either the building or the land and building depending on community/council needs. *Implications:* Individual building options to be determined upon receipt of Engineers recommendations.
Public Toilets	*Context:* Council has systematically been replacing the old concrete block toilets that failed seismic assessment. This will require continued investment to bring all of these toilets up to the appropriate standard. *Options:* 1. Continue work programme and projects as planned in the previous LTP. 2. Investigate providing a lower level of service in some areas, reduce pan numbers when replacing toilets. *Implications:* 1. Costs to maintain the current level of service have increased. 2. A reduction in pan numbers may provide a reduction in some ongoing maintenance costs.
Resourcing	*Context:* The community facilities team is currently under resourced to deliver the agreed levels of service. *Options:* 3. Continue with the current level of resourcing. 4. Reduce the level of service. 5. Increase the level of resource by two FTE. *Implications:* 3. The operational and capital works programme will not be able to be delivered. 4. Communities will not receive the agreed level of service and asset maintenance will be impacted. 5. Agreed levels of service will be able to be meet and the operational and capital works programme will not be able to be delivered.
Aging Infrastructure	*Context:* The facilities that we are managing are requiring more maintenance and are not necessarily fit for purpose or fully utilised. *Options:* 1. Status quo. 2. Invest in the basic maintenance required to maintain our facilities and, in some cases, replace with new. 3. Rationalisation of the facilities across the district. *Implications:* 1. The maintenance costs of these facilities will continue to increase and the quality of the facilities will decline.

Page | 14

Key Issue	Context, Options and Implications
	2. Existing facilities will be maintained to a level that ensures they are fit for purpose. Where an appropriate service and/or financial benefit can be achieved, new facilities may be built which could include provision of multi-use facilities. 3.

Key Risks

Key Risk	Context and Implications
Compliance with New Zealand Regulations	*Context:* Council facilities are required to meet all of the appropriate building, healthy homes (for residential homes only) and seismic regulations. While noting the recent investment in some facilities such as public toilets and community centres such as in Winton, some facilities within this portfolio are generally older and complying with these regulations comes at an increasing cost. *Implications:* Non-compliance with New Zealand regulations is a significant risk to this activity. The cost to meet changing regulations is increasing due to the deferral of maintenance, the age of some facilities. The cost of repairing and operating some aged facilities will increase over time, particularly if the necessary levels of maintenance and renewals are not carried out.
Resourcing	*Context:* The ability to deliver levels of service is directly related to the amount of resource (both internal and external) available. The current economic environment has had an impact on the resource that is required to meet Councils levels of service. *Implications:* Without the appropriate level of resourcing we will not be able to meet agreed levels of service.
Aging Infrastructure	*Context:* The portfolio of assets that we currently manage are requiring an increased level of maintenance and some are no longer fit for purpose. The age of the facilities also means that they are sometimes difficult to modernise, however this can often be mitigated through good advice and design that creates new are appropriately altered spaces. Changes in society have occurred that impacts on utilisation of some facilities. A good example is (some) community halls that are no longer utilised at a level that justifies their continued provision and associated costs. *Implications:* Council will continue to have to maintain facilities that are underutilised and are not meeting the modern demands of our communities. Where demand exists, Council may wish to place greater focus (and spend as proposed in this LTP) on ensuring that maintenance of existing facilities is carried out at a level that ensures their functionality and appropriate life expectancy is achieved.

Regulatory Considerations

Changing regulations will require Council to further consider the state/standard of its buildings.

There will likely be a range of outcome options from status quo, to moving out and finding replacement buildings. Prudence suggests that a district wide feasibility study should be undertaken to determine what "Fit for Purpose" would look like to meet community requirements.

Legislation / Regulation / Planning Documents	How it affects levels of service and performance standards. Outline any changes (implemented or pending) which is impacting the activity and describe how
NZS 4219:2009 – Seismic performance of engineering systems in buildings	Seismic activity and earthquake strength of buildings can determine if a building is safe to work in.
Building Regulations 1992	The standard to which buildings are required to meet. The objective of the regulation is to ensure that a building will throughout its life continue to satisfy the other objectives of the code.
FENZ	Industry standards to make sure a building is compliant with fire and evacuation standards
Health and Safety	Industry standards for personal working space and ventilation
Healthy Buildings	Industry standards for maintaining a healthy building

Demand Management Strategies

Southland has a widely dispersed population and ageing demographic. In relation to population growth there are signs of a renewed interest in living and working in the District and some growth is projected to occur (albeit at levels that are relatively low when compared to high growth areas in New Zealand).There are three communities that have been identified in the Housing Needs Assessment that are projected to have higher levels of demand, these being Winton, Te Anau and Riverton.

The challenge with this activity is to align the provision of facilities with customer demand, affordability while also recognising the different demographics and needs across our communities. In some cases the provision of Council facilities are important to the ongoing sustainability of settlements given their role in housing some of the few remaining services for smaller rural communities.

Offices, Libraries and Buildings

With the exception of the Invercargill Head Office, demand management activities for Council Offices and Buildings is more around monitoring existing use and more efficient use of the current assets, as opposed to acquiring, or building more. If the demand requires additional assets then these are managed on a case-by-case scenario. If demand for the assets is clearly reducing, or no longer required, rationalisation and disposal of some assets is considered and processed if approved.

Interim decisions have been made to accommodate the SDC main office with 5-year leases entered into for two central city offices and continuing the use of the tower block in the Forth Street building. Final decisions on the long-term location of Councils main office will be made during the term of this AMP.

Public Toilets

With around two thirds of the users of public toilets being overseas tourists, Council was expecting continuing growth of tourist numbers and was looking to make significant capital investment in its public toilet portfolio, to cater for this.

The country wide lock downs removed international tourists for a period of time however the tourist numbers have come back and are close to pre-lock down numbers.

Community Centres and Halls

Demand management is focused on increasing demand and utilisation (rather than managing excessive demand). Promotional activities to increase demand are the responsibility of the community board or hall group.

Some halls/community centres are underutilised. Some community boards are attempting to promote usage through for example by offering halls with up to a 100% discount on fees. The hall booking system has an additional function of being able to record usage which can help inform future decision-making. It is anticipated this information will inform the basis of a rationalisation conversation with some communities.

Key Projects

Project	Description
Addressed deferred maintenance on existing facilities/buildings.	We will recognise the importance of maintaining our existing assets to ensure they remain functional for their intended purpose and we will maximise the service life of such assets.
Future of Invercargill Office	Invercargill based Council staff and operations have been temporarily relocated due to seismic issues with the Forth Street main office until a new permanent location is available. In the first three years of this LTP it will be determined where Council's main office function will be located. It is intended that Council will have a building that will enable the latest technology and equipment to be installed, allowing staff and elected members to deliver services to the District in the most efficient and professional way possible.
Public Toilet Renewal Programme Continues	Continue the public toilet renewal programme and works to improve the public toilet standards throughout Southland. Upgrades and renewals outlined in specific budget lines
Building Seismic Capacity	Continue the work to obtain updated seismic assessments for all of the facilities by Council. This will inform the subsequent upgrade or renewals programme.
Improved Asset Management System	Increasing regulatory pressures on an aging property portfolio, likewise increases the need to continuously improve how Council manages its assets. Preliminary work has already been done on introducing the Infor Property Management system. This transition will occur during the term of this AMP.
Multiuse facility investigation	Investigate the feasibility of establishing a pilot multiuse facility in the district that would be designed to cater for the future demands of our communities. However, this will not be to the exclusion of carrying out maintenance in our existing facilities and will be subject to affordability constraints.

Other Considerations for the Activity

Our Levels of Service

Levels of Service, Performance Measures and Targets

Levels of service (LOS), performance measures and targets form the performance framework for the activity detailing what the Council will provide, and to what level or standard:

LOS are the outputs that are expected to be generated by the activity. They demonstrate the value being provided to the community or reflect how the public use or experience the service. A key objective of activity planning is to match the level of service provided with agreed expectations of customers and their willingness to pay for that level of service.

Performance measures are quantifiable means for determining whether a LOS has been delivered.

Performance targets are the desired levels of performance against the performance measures.

The levels of service provide the basis for the management strategies and works programmes identified in the AMP. By clarifying and defining the levels of service for the activity (and associated assets), Council can then identify and cost future operations, maintenance, renewal and development works required of the activity (and associated assets) to deliver that level of service. This requires converting user's needs, expectations and preferences into meaningful levels of service.

Whilst the Level of Service is not necessarily in question, the increasing costs of meeting these needs to be addressed. Is it realistic to keep increasing expenditure? Or would a less costly Level of Service be acceptable? Or a rationalisation/reduction of assets?

What LoS we provide	LoS 2: Council owned facilities are fit for purpose				
How we measure performance	Current Performance (23/24)	Future Performance Targets			
		Yr 1 (24/25)	Yr 2 (25/26)	Yr 3 (26/27)	Yr 4-10 (27-28)
KPI 2.1: Council owned halls are fit for purpose definition • ease of booking • Cleanliness of kitchen and toilets • Would you book again (a)	New measure	baseline data	10%	20%	30%

Plans Programmed to meet the Level of Service

A renewed focus will be given to ensuring basic levels of facility related maintenance are carried out to ensure our existing facilities are welcoming, fit for purpose and remain in an appropriate condition to house the services provided within them.

Council has started a programme of asset data capture so that it is in a position to use an asset management application to manage the activity and make sure that the appropriate level of funding is available. This was started with condition assessments of all Council buildings and structures as part of the integration into the Infor property management system. The condition assessments contain all

components necessary to enable Infor to deliver an effective long term asset management system. Infor will deliver lifecycle information for capital and operational projects.

These condition assessments would contribute to decisions on whether or not facilities met the LOS and ultimately, they help inform decisions on the need to retain, renew, or remove them.

The role of the Department of Corrections sourced labour within the Work Scheme team is due for review The team has a dual function in that it also provides members of the public who have to undertake community work as directed by Corrections the ability to meet their obligations.

The financial contribution from the Corrections to Council has reduced considerably over time. The unreliability of the resource over period that this agreement has been in place means that it is no longer providing a positive value to the activity.

The team provides a valuable service to communities and carry out work that is not included in any of the maintenance contracts that are currently in place. Providing additional full-time resource to this team and removing the requirement to be cost recoverable would increase the ability of the community facilities team to meet the levels of service expected by our communities.

Activity and Asset Management

Overview of Management

An asset lifecycle is the series of stages involved in the management of an asset. It starts with the planning stages when the need for an asset is identified and continues all the way through its useful life and eventual disposal.

The asset lifecycle can be tracked in different ways and is generally monitored in some way, including the less formal process of observation and conversation with those using the asset. The importance of any given asset lifecycle is determined by a number of factors, including how costly the asset to replace is, how crucial it is to the business or company, and the overall reliability of the asset in question.

When maintenance is neglected, we have to struggle with the resulting unexpected breakdowns, long delays, and emergency maintenance. When properly maintained, asset lifecycles can make the process of maintaining and managing your valuable assets much easier for everybody concerned.

Finally, each cycle is going to vary, depending on the asset in question. For example, a new building will have a very different asset lifecycle than a 50 year old building that has a comparatively shorter lifespan. However, the stages of the lifecycle stay the same, no matter what it's being applied to and the same principles can be applied to most assets.

The goal of infrastructure asset management is to identify the levels of service required by stakeholders and then manage the asset portfolio to provide those service levels at the least lifecycle cost and in a sustainable manner. Good asset management practices mean that the right work is done at the right time for the right cost. The key features of community facilities infrastructure asset management are:

- A whole-of-life Asset Management approach
- Planning for a defined level of service
- Long-term strategies for cost-effective asset management
- Performance monitoring

Page | 19

- Meeting the impact of growth or decline through demand management and infrastructure investment
- Managing risks associated with asset and service failures
- Sustainable use of physical resources
- Continuous improvement in asset management practices

Delivery Strategies

Continuing to deliver services using third party contractors is seen as an effective and efficient way to deliver maintenance of our facilities. However, given the dispersed nature of our settlements and the fact that we manage the largest land area of any local authority in New Zealand, alternative options that provide opportunities for all contractors (including local contractors and community organisations where they can meet necessary regulatory and safety requirements) to successfully bid for and provide services to Southland District Council will be considered.

In early 2023 an open tender went to market for general maintenance of our facilities. This tender asked for one or a number of suppliers to provide annual maintenance to our community facilities to prevent the less structured reactive maintenance that has occurred. Two main contracts were awarded with those contractors utilising local specialist services from townships and rural areas. These contracts have ensured staff are maintaining assets to a consistent LOS and assisting in a proactive extension of the asset lifecycle.

Council has identified in its strategic assumptions that due to the aging demographic and the increased demand on existing contractors, it may be difficult to deliver some existing services using traditional service providers. An alternative to this is to use Council's internal resource to cover more isolated areas that are not attractive to the larger contractors. However, as discussed above the future role of this team and the arrangement council has with the Corrections Department needs to be fit for purpose.

A further option to address the above issue is to provide for flexibility in our procurement and contract management processes that encourages a variety of suitably qualified contractors to bid for and potentially provide services to council.

Community Board Area Context

The representation review has brought a different perspective to how Community Board's now need to look at the locally funded assets they have within their area. They have moved from a localised focused approach to now having to take a holistic approach when planning the governance of the assets.

Previously they may have only had one reserve and one playground to fund, now they are likely to have multiple reserves and playgrounds to fund the maintenance of.

With Community Facilities, this means considering the need for all assets of a particular type within the Board's catchment. Are they all needed? Such consideration needs to look at all the changes in society since these facilities were constructed, including; accessibility (human), population, access (roading & vehicles), use, operational cost and community view.

Asset Management Planning

Asset Management Planning is undertaken to ensure all parties involved in Council's asset management are working with the same information and towards the same objectives and outcomes. Such clarity is required to deliver services with efficiency and meet the Levels of Service required.

Infrastructure asset management is the tactical decision-making that links strategic objectives with the operational delivery of physical works. Asset management planning is the organisational activity used to produce the operational works plans that deliver the strategic objectives into the future.

Work over the duration of this LTP needs to allow for decisions on some of our built assets and whether they still preform the service and purpose the community needs or wants. A Community facilities asset strategy that is specific to each community board area that sets out principles and objectives for investment, divestment and in some cases, disposal will be worked through over the next three years.

Asset Management Systems

Over recent years, Community Facility assets have not necessarily been managed under a recognised industry system. This is now being addressed with Community Facilities assets being brought under the Infor Property Services (Infor) management system.

The Infor system is internationally recognised and used by a number of New Zealand local government authorities and Australian counterparts.

Asset Management Hierarchy

An asset hierarchy is a framework for segmenting an asset base into appropriate classifications. The asset hierarchy can be based on asset function; asset type or a combination of the two.

One of the main purposes of an asset hierarchy is to group assets that are treated in a particularly way together. Important or high visibility assets for example may receive a higher level of service than less important or low visibility assets and this is reflected in the asset hierarchy.

A well thought out asset hierarchy also makes navigating to a particular asset or asset component within an asset management software system easier.

Following is a diagram to represent the physical hierarchy of the assets captured within the Site Based Asset Feature Class. The blue lines represent the associations that will exist between the records. The phrase "Site Based" is used to reflect those assets that are contained within a site within the community as opposed to reticulation or network assets such as water pipes that cover a vast geographic area.
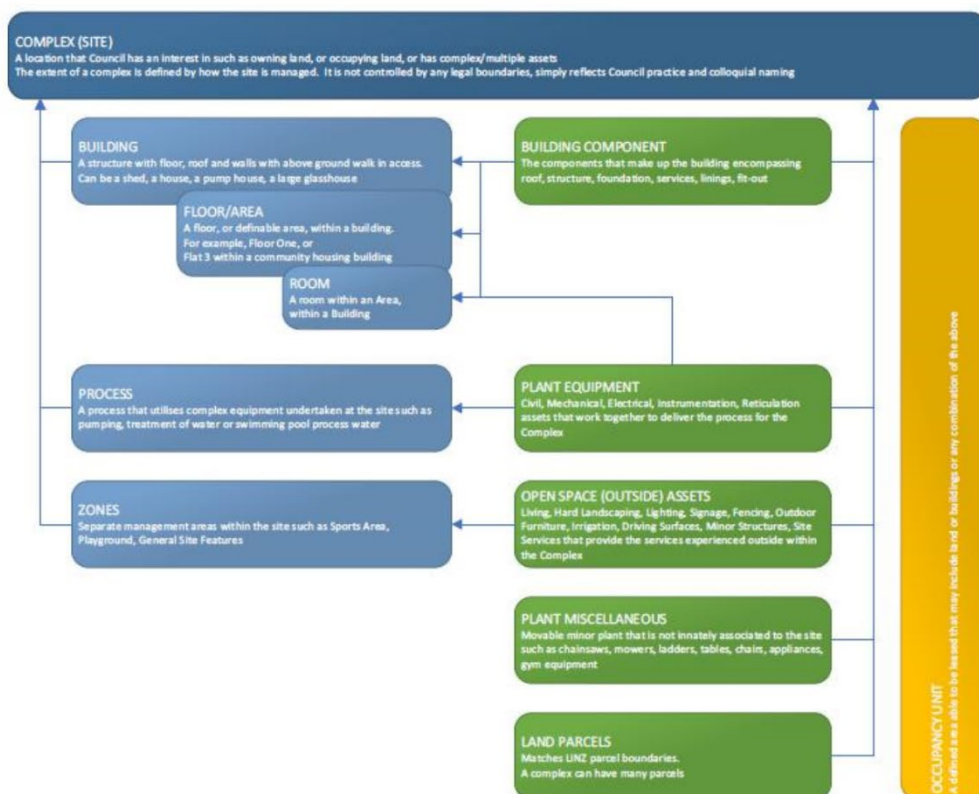
Asset Management Improvement

Council has to get all of the community facilities asset data into the corporate asset management application Infor property services management system (IPS). There has been significant work undertaken to identify assets, their condition and utilisation over the previous annual plan period.

Council is building up the set of data for the community facilities assets. This data is critical to setting up the Infor property services management system (IPS). With the correct data in the system, strategic asset management decisions will be able to be made that are based on factual information. All of the main assets are now in IPS, however we are still finding assets on Council land that were not originally identified in any documentation. This will be on ongoing process as minor assets such as fences, seats, picnic tables etc that were not included in the original data entry process are located.

This data is valuable in informing both staff and elected members of the level of funding that will be required to maintain these assets. The intention is to have a high level of data available to inform the next Long-Term Plan and move from a Basic to Core level of activity management in the Asset Management Maturity Index.

Financial Summary

10 Year Financial Forecast

The following graphs/table summarise the financial forecasts for the activity over the ten years.

Community Facilities	2024/2025 LTP ($000)	2025/2026 LTP ($000)	2026/2027 LTP ($000)	2027/2028 LTP ($000)	2028/2029 LTP ($000)	2029/2030 LTP ($000)	2030/2031 LTP ($000)	2031/2032 LTP ($000)	2032/2033 LTP ($000)	2033/2034 LTP ($000)
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	4,361	4,386	4,634	5,084	5,279	5,425	5,524	5,634	5,718	5,596
Targeted rates	439	508	585	683	778	866	946	1,043	1,074	1,145
Subsidies and grants for operating purposes	77	153	-	-	-	-	-	-	-	-
Fees and charges	34	34	35	36	36	37	38	38	39	40
Internal charges and overheads applied	2,082	2,339	2,923	2,898	2,947	2,939	2,931	2,916	2,904	2,881
Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infingement fees, and other receipts	148	150	153	155	157	160	162	165	167	169
Total operating funding	**7,140**	**7,570**	**8,330**	**8,855**	**9,198**	**9,427**	**9,601**	**9,796**	**9,902**	**9,831**
Applications of operating funding										
Payments to staff and suppliers	3,220	3,126	3,682	2,855	2,993	2,785	2,876	2,889	3,179	2,834
Finance costs	359	739	1,085	1,521	1,566	1,554	1,538	1,510	1,473	1,431
Internal charges and overheads applied	3,696	3,533	3,567	3,652	3,732	3,815	3,861	3,924	3,998	4,038
Other operating funding applications	21	21	22	22	22	22	22	23	23	23
Total applications of operating funding	**7,296**	**7,420**	**8,355**	**8,050**	**8,314**	**8,176**	**8,298**	**8,345**	**8,673**	**8,326**
Surplus (deficit) of operating funding	**(156)**	**150**	**(25)**	**805**	**884**	**1,250**	**1,303**	**1,451**	**1,229**	**1,505**
Sources of capital funding										
Subsidies and grants for capital purposes	-	268	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	1,880	6,717	8,420	1,776	926	974	868	824	670	761
Gross proceeds from sale of assets	908	931	759	208	267	217	221	226	230	295
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**2,788**	**7,916**	**9,178**	**1,985**	**1,193**	**1,191**	**1,089**	**1,049**	**900**	**1,055**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	654	468	-	-	-	-	-	14	-	84
- to replace existing assets	931	7,003	8,321	1,952	1,054	1,185	986	1,028	153	756
Increase (decrease) in reserves	1,287	835	1,072	1,038	1,223	1,457	1,607	1,658	2,176	1,920
Increase (decrease) in investments	(240)	(240)	(240)	(200)	(200)	(200)	(200)	(200)	(200)	(200)
Total applications of capital funding	**2,632**	**8,066**	**9,153**	**2,790**	**2,077**	**2,442**	**2,393**	**2,501**	**2,129**	**2,560**
Surplus (deficit) of capital funding	**156**	**(150)**	**25**	**(805)**	**(884)**	**(1,250)**	**(1,303)**	**(1,451)**	**(1,229)**	**(1,505)**
Funding balance	-	-	-	-	-	-	-	-	-	-

Page | 23

1.1.1. Financial Summary
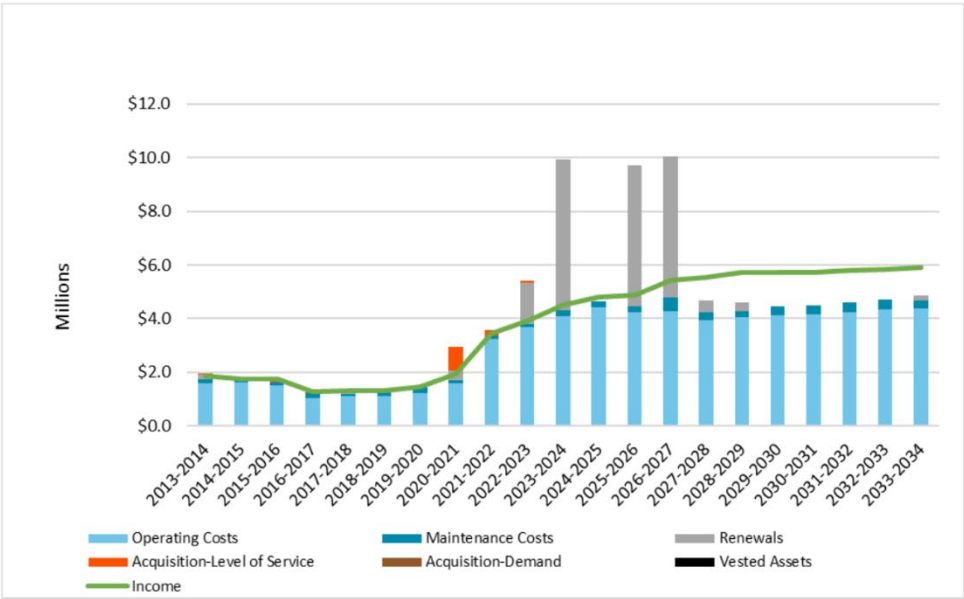
Table 0-1: Council Offices and Buildings Total Expenditure (District-wide)
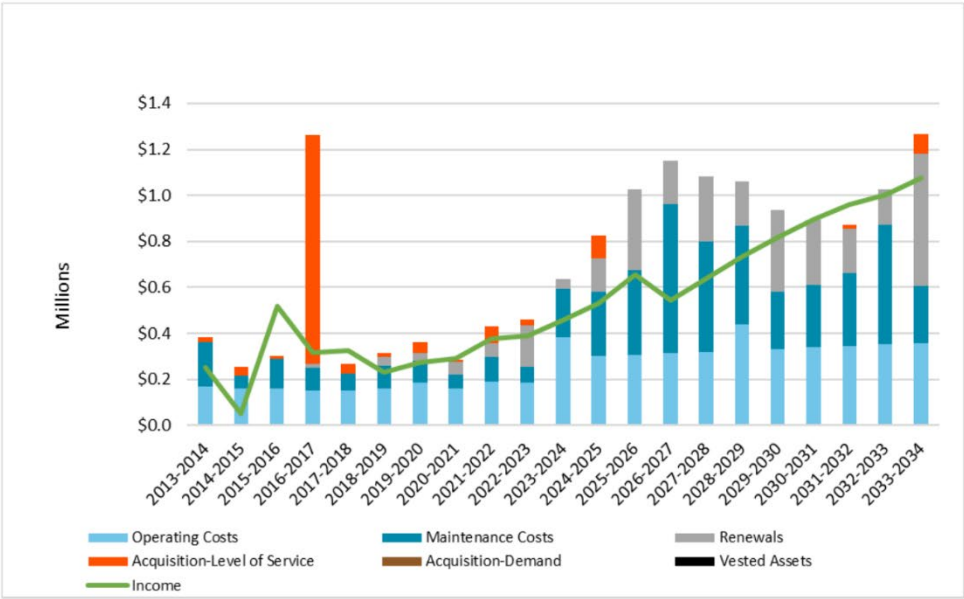
*Figure 0**Error! Use the Home tab to apply AMP H1 to the text that you want to appear here.**-1: Community Centres Financial Summary (excluding depreciation)*
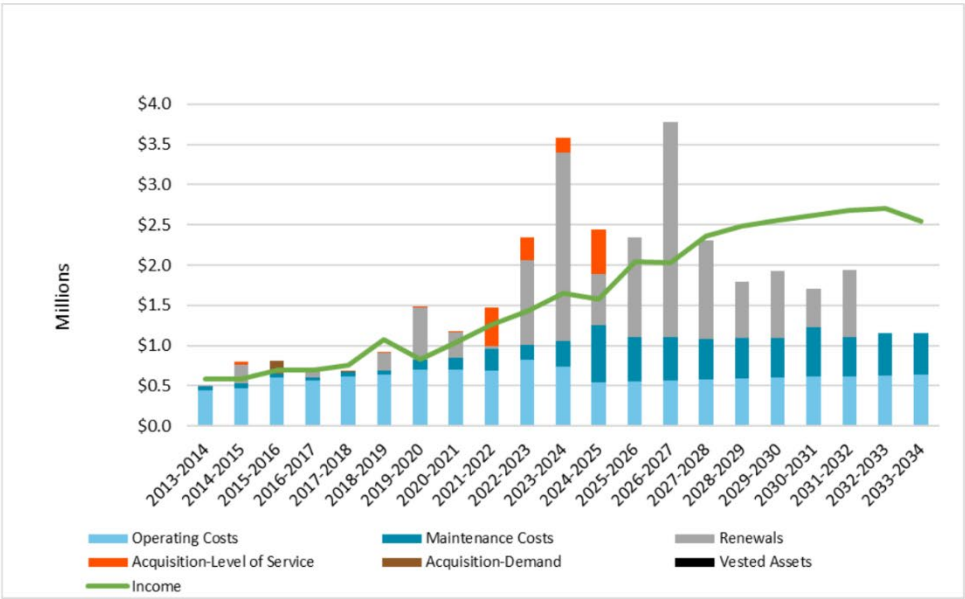
Table 0-2: Public Toilets Financial Summary (District-wide) excluding Depreciation

1.1.2. Total Income

Forecast Internal rental income increases after 2022 to fund the additional costs associated with a new building in Invercargill. Other staff are currently accommodated in a leased property with rentals paid to an external property owner. Furthermore, annual inflation has been applied to the internal rental charges.
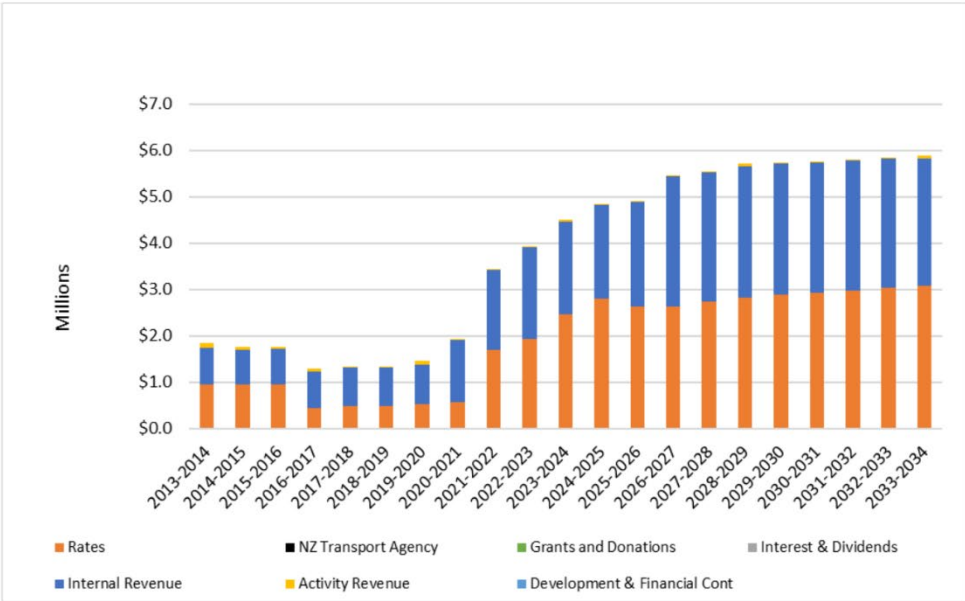
Table 0-3: Council Offices and Buildings Total Income

The main funding for halls is derived from local community rates. The forecast is relatively constant over the 10-year plan with inflation applied to the rates. There are still some hall groups that collect hall hire income and save this into their own bank account. This needs to be addressed so that the income comes back to Council to offset expenditure. No provision has been made for consolidation or rationalisation of the community halls which may impact on the revenue streams if this occurs.
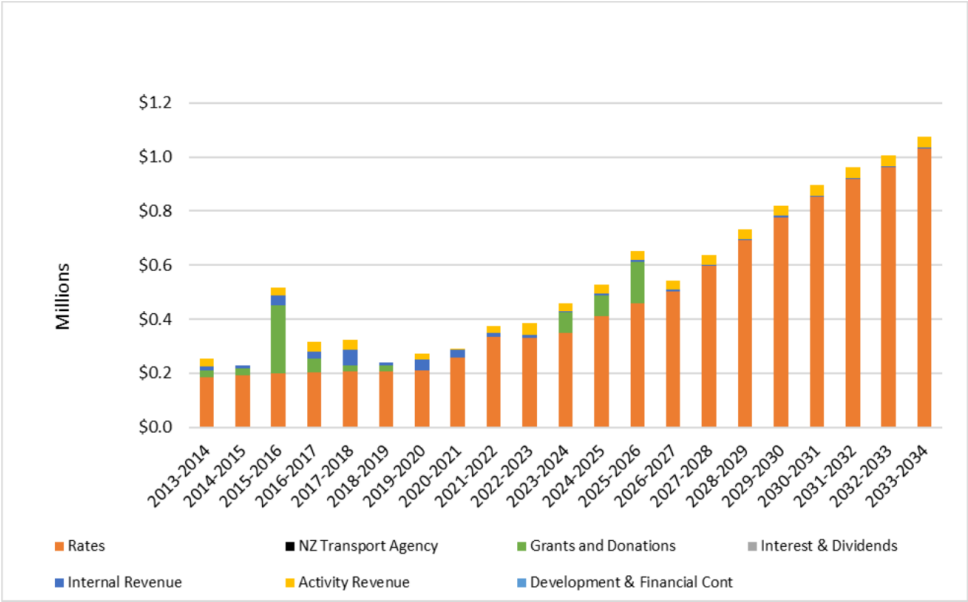
*Figure 0***Error! Use the Home tab to apply AMP H1 to the text that you want to appear here.***-4: Community Centres Total Income*

Income is derived from user pay levies, rates and government grants. Income has inflation applied over the forecast ten years with government grants expected in 2018-2019 for the capital renewal projects.

Table 0-4: Public Toilets Total Income

Financial Forecast Summary

Future costs are projected to increase as shown in Table 0-5, inflationary increases have been applied and planned maintenance projects. This is partly offset by a reduction in repairs and maintenance costs which are expected to be lower associated with the 2 buildings upgrades. **To be Updated**

Council Facilities

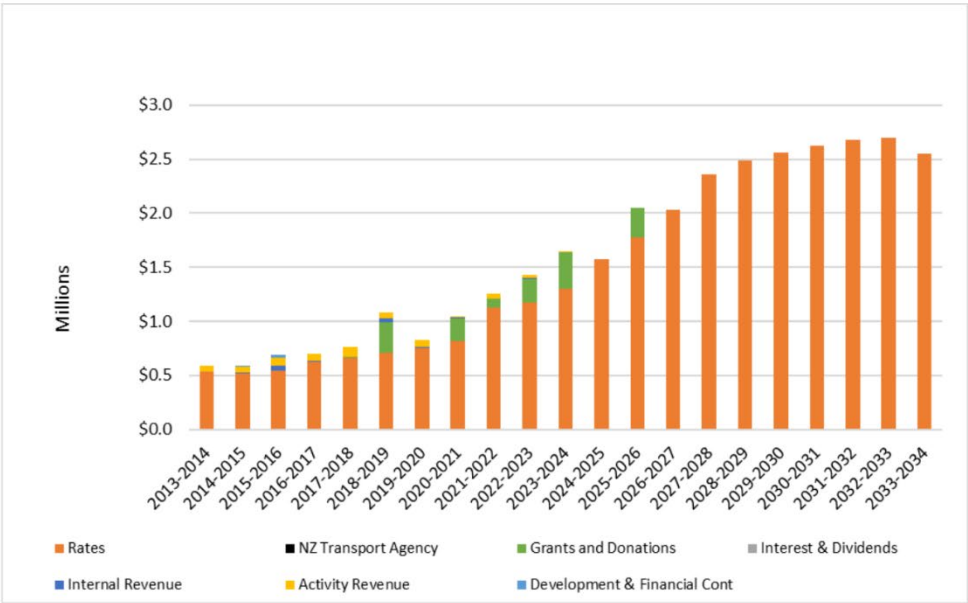|	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
Operations and Maintenance										
Operating Costs	1,153,111	1,191,548	1,225,535	1,219,711	1,257,190	1,522,077	1,760,929	1,773,405	1,790,261	1,808,499
Repairs and Maintenance	137,348	122,953	169,478	154,209	264,929	180,504	173,758	142,657	147,214	151,003
Depreciation	258,629	270,575	290,497	296,630	357,036	487,824	550,663	548,237	545,280	521,814
	1,549,088	1,585,076	1,685,510	1,670,550	1,879,155	2,190,405	2,485,350	2,464,299	2,482,755	2,481,316
Asset Programme										
Renewals	370,000	180,507	-	-	5,733,075	5,948,945	-	-	-	-
Acquisition-Level of Service	-	51,100	483,178	-	-	-	-	-	-	-
	370,000	231,607	483,178	-	5,733,075	5,948,945	-	-	-	-
Funding Programme										
Rates	(135,091)	(135,758)	(136,440)	(136,176)	(136,923)	(137,712)	(138,552)	(144,288)	(145,209)	(143,649)
Internal Revenue	(1,248,690)	(1,341,136)	(1,407,627)	(1,430,903)	(2,020,872)	(2,415,417)	(2,083,499)	(2,062,750)	(2,087,425)	(2,117,380)
Transfers to Reserves	207,396	209,860	190,697	192,560	152,320	247,103	196,780	231,416	193,385	196,543
Transfers from Reserves	(240,114)	(86,307)	(150,139)	(152,662)	(448,712)	(635,954)	(502,618)	(531,871)	(490,611)	(470,318)
Loans Repaid	6,165	42,846	79,306	91,008	95,315	179,154	222,984	195,979	205,253	212,381
Loans Raised	(200,000)	(231,607)	(483,178)	-	(5,034,086)	(5,153,137)	(23,125)	-	-	-
Non Cash Expenditure	(165,446)	(150,230)	(135,890)	(107,870)	(91,600)	(72,107)	(27,078)	(26,630)	(25,053)	(24,253)
Activity Revenue	(143,308)	(124,351)	(125,418)	(126,507)	(127,672)	(151,280)	(130,242)	(126,155)	(133,095)	(134,640)
	(1,919,088)	(1,816,683)	(2,168,688)	(1,670,550)	(7,612,230)	(8,139,350)	(2,485,350)	(2,464,299)	(2,482,755)	(2,481,316)
Summary of Council Facilities	-	-	-	-	-	-	-	-	-	-

Table 0-5: Council Offices and Buildings Financial Forecasts (District-wide)

The table below shows the forecast 10-year plan.

Operating costs remain constant with inflationary increases. Minor maintenance projects result in a number of fluctuations in repairs and maintenance. Depreciation is not funded for this activity.

There are a number of renewal projects to repaint halls. These are funded by way of loans where there are insufficient community hall reserves.

Community Centres

	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
Operations and Maintenance										
Operating Costs	459,099	467,098	479,982	493,327	509,326	519,753	533,148	548,531	561,459	576,320
Repairs and Maintenance	80,232	124,078	87,974	63,219	45,019	91,856	50,592	83,280	77,189	29,871
Depreciation	108,534	109,158	107,612	108,132	108,004	106,011	102,241	99,575	98,833	97,802
	647,865	700,334	675,568	664,678	662,349	717,620	685,981	731,386	737,481	703,993
Asset Programme										
Renewals	71,000	15,330	52,224	106,746	-	27,956	62,978	-	-	-
	71,000	15,330	52,224	106,746	-	27,956	62,978	-	-	-
Funding Programme										
Rates	(442,643)	(452,058)	(469,439)	(486,701)	(504,168)	(518,996)	(529,869)	(553,098)	(567,666)	(584,205)
Internal Revenue	(12,177)	(11,510)	(11,196)	(11,279)	(11,352)	(11,311)	(11,122)	(11,189)	(11,438)	(11,683)
Transfers to Reserves	10,277	9,109	9,209	8,785	8,786	7,425	7,043	7,220	7,327	7,578
Transfers from Reserves	(78,780)	(41,119)	179	(13,960)	(21,569)	(41,885)	(10,929)	(32,533)	(505)	(889)
Loans Repaid	2,183	6,691	12,150	16,383	21,741	22,771	26,048	31,722	34,292	36,960
Loans Raised	(45,265)	(72,772)	(83,559)	(129,765)	-	(48,685)	(77,836)	(22,630)	(48,074)	-
Non Cash Expenditure	(108,534)	(109,157)	(107,611)	(108,132)	(108,003)	(106,011)	(102,240)	(99,574)	(98,833)	(97,802)
Activity Revenue	(43,926)	(44,848)	(45,791)	(46,755)	(47,784)	(48,884)	(50,053)	(51,304)	(52,584)	(53,952)
Grants and Donations	-	-	(31,734)	-	-	-	-	-	-	-
	(718,865)	(715,664)	(727,792)	(771,424)	(662,349)	(745,576)	(748,959)	(731,386)	(737,481)	(703,993)
Summary of Community Centres	-	-	-	-	-	-	-	-	-	-

*Figure **Error! Use the Home tab to apply AMP H1 to the text that you want to appear here.**-2: Community Centres Financial Forecasts (District-wide)*

Public Toilets & Dump Stations

	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
Operations and Maintenance										
Operating Costs	609,692	649,440	669,288	699,732	709,268	725,751	740,656	749,669	757,237	769,354
Repairs and Maintenance	72,293	70,672	72,228	76,328	82,133	77,270	79,134	81,120	83,159	90,512
Depreciation	89,407	102,611	108,892	116,980	118,075	123,082	126,146	125,338	123,118	123,526
	771,392	822,723	850,408	893,040	909,476	926,103	945,936	956,127	963,514	983,392
Asset Programme										
Renewals	806,844	279,907	525,306	80,636	214,344	188,825	56,276	-	36,126	-
	806,844	279,907	525,306	80,636	214,344	188,825	56,276	-	36,126	-
Funding Programme										
Rates	(709,366)	(778,519)	(818,674)	(884,557)	(911,693)	(942,490)	(977,691)	(1,001,611)	(946,453)	(975,499)
Internal Revenue	(203)	(203)	(203)	(203)	(203)	(203)	(203)	(203)	(203)	(203)
Transfers to Reserves	(3,149)	-	-	-	-	-	-	-	-	-
Transfers from Reserves	(32,039)	(51,306)	(65,335)	(81,886)	(94,460)	(110,774)	(126,146)	(125,338)	(123,118)	(123,526)
Loans Repaid	87,009	118,521	137,361	168,700	180,495	199,672	218,049	231,025	166,260	175,836
Loans Raised	(579,344)	(279,817)	(525,306)	(80,636)	(214,344)	(188,825)	(56,221)	-	(36,126)	-
Non Cash Expenditure	(53,644)	(51,306)	(43,557)	(35,094)	(23,615)	(12,308)	-	-	-	-
Activity Revenue	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)
Grants and Donations	(227,500)	-	-	-	-	-	-	-	-	-
	(1,578,236)	(1,102,630)	(1,375,714)	(973,676)	(1,123,820)	(1,114,928)	(1,002,212)	(956,127)	(999,640)	(983,392)
Summary of Public Toilets & Dump Stations	-	-	-	-	-	-	-	-	-	-

Table 0-6: Public Toilets Financial Forecasts (District-wide)

Summary of Key Financial Assumptions

The assumptions made in respect to Council owned community facilities are:

- Facilities that are well maintained and fit for purpose will be required to deliver agreed levels of service.

- That these assets will continue to be funded through local or district funding.

Significant investment in planning and OPEX/CAPEX expenditure is required to try and rectify a significant period of under investment in this activity.

Valuation Approach

Assets are valued for insurance purposes either annually, three yearly or five yearly depending on the reinstatement value. The terms are as follows:

- Annually   1,500,000
- Three yearly   >750,000 - <$1,500,000
- Five yearly   <$750,000

Funding Principles

Section 102(4) (a) of the Local Government Act 2002 requires each Council to adopt a Revenue and Financing Policy. This Policy must state the Council's policies in respect of the funding of both capital and operational expenditure.

Further information can be found in Council's Revenue and Financing Policy.

The funding principles for the buildings are driven by whether the benefit is either District or local and they are funded accordingly either through local community rates or district rates.

Fees and Charges

The fees and charges for community centres are set by the Community Boards and approved by Council. These are documented in Councils Schedule of Fees and Charges each year.

Appendix

- 31 Council offices, libraries or amenity buildings – with a wide range in building age, the ability to service the modern office/library demand requiring consideration in some cases.
- 32 Community Centres and Halls – many of these buildings date back to the 1940's and earlier, with their condition and ability to meet changing community demand requiring consideration.
- 71 public toilets and 7 dump stations
  Toilets are in both rural and urban areas and the type of facilities provided, range from multi-pan facilities for men and women, plus showers, to single pan Norski toilets in more remote areas. Services associate with public toilets (e.g. cleaning, maintenance) are managed by Council and carried out by contractors.

Name	Location		Name	Location
District Funded			**Locally Funded**	
Office	Invercargill		**Changing Shed**	Otautau
Office/Library	Lumsden		**Plunket Rooms**	Otautau
Office/Library	Riverton		**Sports Pavilion**	Te Anau
Office/Library	Winton		**Railway Station**	Lumsden
Office/Library	Wyndham		**Old post Office**	Garston
Office/Library	Otautau		**Grandstand**	Winton
Library	Te Anau		**Grandstand**	Riverton
Library	Tuatapere		**Maternity Centre**	Winton
Depot	Waikiwi (2 buildings)		**Medical Centre**	Winton
Depot	Te Anau (2 buildings)		**Museum**	Wyndham
Depot	Riverton			
Depot	Waikaia (4 buildings)			

Name	Location	Name	Location	Name	Location
Athol - Toilet	Athol	Manapouri Frasers Beach North - Toilet	Manapouri	Riverton T Wharf - Toilet	Riverton
Balfour Plunket Rooms - Toilet	Balfour	Manapouri Frasers Beach South - Toilet	Manapouri	Riverton Taramea Bay - Toilet	Riverton
Blackmount (Swimming Pool) - Toilet	Blackmount	Manapouri Pearl Harbour - Toilet	Manapouri	Te Anau Ivon Wilson Park - Toilet	Te Anau
Clifden Historic Bridge - Toilet	Rural	Monkey Island - Accessible Toilet	Monkey Island	Te Anau Boat Harbour - Dump Station	Te Anau

Colac Bay Boat Ramp - Toilet	Colac Bay	Monkey Island - Toilet	Monkey Island	Te Anau Boat Harbour - Toilet	Te Anau
Colac Bay Foreshore (Surfies) - Toilet	Colac Bay	Monowai Village Reserve - Toilet	Monowai	Te Anau Kiwi Country - Toilet	Te Anau
Colac Bay Play Ground - Toilet	Colac Bay	Mossburn - Toilet	Mossburn	Te Anau Lions Park (Waterfront) - Toilet & Shower	Te Anau
Cosy Nook - Toilet	Cosy Nook	Nightcaps - Toilet	Nightcaps	Te WaeWae Lagoon - Toilet	Te WaeWae Lagoon
		Oban Bathing Beach - Toilet	Oban	Thornbury Bridge - Toilet	Thornbury Bridge – Aparima River
		Oban Braggs Bay Motorau Gardens - Toilet	Oban	Thornbury Playground - Accessible Toilet	Thornbury
		Oban Community Centre - Toilet	Oban	Thornbury Playground - Toilet	Thornbury
Curio Bay Campground Main -Toilet	Curio Bay	Oban Golden Bay - Toilet	Oban	Tokanui - Toilet	Tokanui
Dipton - Toilet	Dipton	Oban Horseshoe Bay - Toilet	Oban	Tokanui Dump Station	Tokanui
Dunsdale Reserve - New Toilet	Hedgehope	Oban Traill Park - Toilet	Oban	Tuatapere - Toilet	Tuatapere
		Ohai - Toilet	Ohai	Tuatapere Domain Camping (Urinal) - Toilet	Tuatapere
Edendale Kamahi Scenic Reserve -Toilet	Edendale	Orepuki Hall - Toilet	Orepuki	Tuatapere Domain Camping (WC) - Toilet	Tuatapere
Edendale Recreation Reserve - Dump Station	Edendale	Otautau Arboretum - Toilet	Otautau	Waikaia - Toilet	Waikaia

Edendale Recreation Reserve - Toilet	Edendale	Otautau Dump Station (Beside Public Toilets)	Otautau	Waikawa - Toilet	Waikawa
Edendale Seaward Rd - Toilet	Edendale	Otautau Main Street - Toilet	Otautau	Wallacetown Garage - Toilet	Wallacetown
Fortrose - Toilet	Fortrose	Riversdale - Toilet	Riversdale	Weirs Beach - Toilet	Weir Beach - Catlins
Garston - Toilet	Garston	Riverton - Gummies Bush (Whitebaiters) - Toilet	Gummies Bush Aparima River Bridge	Winton Dump Station	Winton
Gorge Road Hall - Toilet	Gorge Road	Riverton Howells Point - Toilet	Riverton	Winton John Street Toilet	Winton
Lumsden - Toilet	Lumsden	Riverton Mores Reserve - Toilet	Riverton	Winton Main Street- Toilet	Winton
Lumsden Dump Station (South end Railway Station)	Lumsden	Riverton Pilot Reserve - Toilet	Riverton	Winton Moores Reserve - Toilet	Winton
Manapouri - Dump Station	Manapouri	Riverton Princess Street - Toilet	Riverton	Wyndham Balaclava Street - Toilet	Wyndham
Manapouri Flying Fox Toilet	Manapouri	Riverton Rocks Bunker - Toilet	Riverton	Wyndham Camp Ground - Dump Station	Wyndham
Manapouri Frasers Beach Central - Toilet	Manapouri	Riverton Rugby Ground - Toilet/Change rooms	Riverton		

Open Spaces
2024-2034 Activity Management Plan

Table of Contents

Quality Assurance Statement					
Draft AMP Template					
Southland District Council	Version:			Record No:	R/23/5/19395
15 Forth Street	Status:	Draft			
Invercargill 9840	Project Manager:	Mark Day			
Telephone	Prepared By:	Mark Day			
0800 732 732	Reviewed By:	Jendi Patterson,			
	Approved for issue:	Sam Marshall			

Executive Summary

The Open Spaces Activity Management Plan (AMP) is a core community facing activity that reflects the green, grey and blue infrastructure council supports as part of providing for our communities' wellbeing.

Green
- Undeveloped natural areas
- Esplanades
- Bush stands
- Natural vegetation
- Reserves, parks
- Sports fields

Grey
- Town squares
- Streetscapes
- Infrastructure
- Playgrounds
- Developed or formal areas
- Paths, cycleways

Blue
- Creeks/streams
- Connection and access to waterways
- Connection to private/commercial land
- Key part to stormwater network

The Open Spaces AMP helps to identify, develop, maintain and repurpose the spaces around Southland that make this district a great place to live. There has been a significant investment in understanding the condition of the assets associated with this activity. Assessments of Councils open spaces assets have been completed which provide up to date information of the condition, future maintenance requirements and an estimate of the remaining life. This information provides a baseline which helps to resolve issues and moves this activity from reactive maintenance to proactive programmed maintenance. This now gives us the information that we require to set strategic direction and priorities that reflect our communities vision for our open space network.

A range of documents have been produced that have set the direction and the asset priorities in our open spaces, including the 'Open Spaces Strategy '2014 ' and 'Open Space Priority Settings 2017'. The key delivery focus in the Open Spaces Activity in the first three year of the LTP will be refreshing our strategic priorities and supporting documentation which meet our legislative requirements and determine how we maintain and enhance our open spaces assets in the future.

Community boards have been involved in the decision-making process from the planning stage and are aware of the implications of the costs and alternative options that are available to meet the Levels of Service (LoS) that have been identified. This may be a combination of not replacing assets at end of life, divestment, investing in alternative options when renewing assets and/or securing different funding options.

The measures identified above have been put in place to lift the level of management of this activity. This is the start of this process and with continued improvement in the data, (condition and financial) and the

potential changes in funding it is expected that at the next review of the AMP the funding gap identified may not be as high as indicated in this AMP.

Council has a large number of open spaces that are potentially under-utilised. The Southland Open Space Priority Settings document provides suggestions on how these can be enhanced in line with the Open Spaces Strategy and the Regional Places and Spaces Strategy.

For Council to deliver well-designed spaces that are family friendly, accessible and encourage children, young people, adults and older adults to gather and socialise in different ways the current reserve management plans will need to be reviewed and aligned with the change in the way open spaces are used. Demographic data indicates that we have an aging population however, our current spaces generally cater for the other end of the age spectrum.

Open spaces need to be developed to cater for all ages, be accessible and be available for events. This may mean that the current assets such as playground equipment is rationalised or enhanced so that all ages and abilities can enjoy these spaces.

Financial Summary

One of the major issues with this activity is the ability to fund the level of investment to meet the agreed LoS locally. Council's funding approach for this activity is determined by the revenue and financing policy. Open space assets (with the exception of eight district funded reserves) are locally funded which means that local community boards determine how the funding will be allocated. Challenges can arise when trying to provide sufficient funding to support the level of maintenance required on aging infrastructure and to ensure that levels of service are consistent.

Purpose of the Activity Management Plan

This AMP describes the strategies and works programmes for the Open Spaces activity so as to meet the objective of delivering the required LOS for the Southland District. This AMP informs Council's Long-Term Plan (LTP) and contributes to the goals and objectives Council aims to achieve, in order to meet community outcomes. The AMP covers:

- a description of the activity, including the rationale for Council involvement and any significant negative effects of the activity.
- how the activity is funded
- the strategic context for the activity, the key activity management strategies and policies adopted within this environment and the main issues identified for the activity.
- issues and risks involved in undertaking this activity
- a statement of the intended LOS and performance targets.
- outcomes anticipated from this service.

This AMP covers a period of 10 years commencing 1 July 2024. The main focus of the analysis is the first three years and for this period specific projects have been identified in more detail. Beyond this period work programmes are generally based on trends or predictions and should are indicative only. All expenditure is based on unit costs as at 1 July 2024.

Plan Limitations

This plan is developed based on the current structure and legislative framework of local government. Staff are aware the sector is in a state of change and that new initiatives may be required as changes within the sector occur. Significant themes are currently being discussed in the sector including:

- setting wellbeing goals and priorities each term and measuring wellbeing outcomes
- honouring and giving full effect to Tiriti-based partnerships between local government and Māori
- Climate change
- local government and communities being empowered to build local solutions for national-level problems, with collaboration and funding from central government (noting that funding from central government for this and other council activities is likely to become less available)
- the reorganisation of local government including reviewing the operating models and structures of councils
- broadening citizen participation through democratic tools such as participatory and deliberative democracy processes
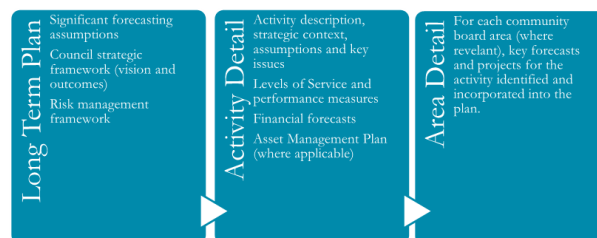- increased communication with communities, moving to community led decision making

Council will need to be dynamic, transparent and agile in order to best serve its communities in this rapidly changing environment, and at the same time empower communities with the right tools to deliver the best outcomes.

Planning Framework

The AMP framework is illustrated in the figure below. The strategic context, significant forecasting assumptions and any activity-specific issues are documented in the main body of this AMP. Information on locally funded activities and services are included in the appendices to this AMP.

The key points are:

1. forecasting assumptions have been included in the development of this AMP.
2. Any new levels of service that have been developed will be incorporated into any new contracts associated with this activity

Long Term Plan
Significant forecasting assumptions
Council strategic framework (vision and outcomes)
Risk management framework

Activity Detail
Activity description, strategic context, assumptions and key issues
Levels of Service and performance measures
Financial forecasts
Asset Management Plan (where applicable)

Area Detail
For each community board area (where revelant), key forecasts and projects for the activity identified and incorporated into the plan.

Activity Description

What we do

Southland District Council owns and manages open spaces/reserves, varying in size, use, location and classification, as well as a number of beautification areas within towns. These, usually smaller, open spaces may not have formal protection, but have an amenity value which add to the appearance and vitality of communities.

Beautification features are provided to enhance the visual appeal of a town. Parks, reserves, and open spaces provide areas for people to enjoy passive and active recreation. They may or may not have any physical assets associated with the space.

District Reserves 7	Local Reserves 148	Playgrounds 40	Sports Fields 24	Pool 1

The key strategy for this area is the Open Spaces Strategy (which guides the strategic approach and delivery of how we look after our open spaces. It also guides the strategic relationships and partnerships that allow Council to adopt a collaborative approach.

Reserve Management Plans prepared under the Reserves Act 1977 set out specific management policies and approaches to the network of reserves spread across the District.

Why we do it

The purpose of this activity is to provide, develop and maintain the facilities and spaces within which people can engage in activities that enhance their cultural, social, mental and physical wellbeing.

A key priority that has been identified by Council is the need to take a more strategic approach to the way that open spaces (including parks and reserves and physical assets) are managed and developed.

Open space/parkland facilities are an important part of the community network of spaces and places for both residents and visitors to enjoy.

The district offers almost boundless opportunities for recreation and leisure activities through our geographic makeup and the spaces and facilities Council provide are ripe for improvement or reinvention, or the establishment of entirely new opportunities.

Council does not participate in this activity alone, we have working relationships with Iwi, Active Southland, Central Government, Great South, Community Boards, other local Councils, environmental and ecological groups and our wider community.

The below diagram outlines our internal strategic framework, legislation that guides and governs open spaces and strategies owned by other local organisations that have an impact on our collaborative delivery:
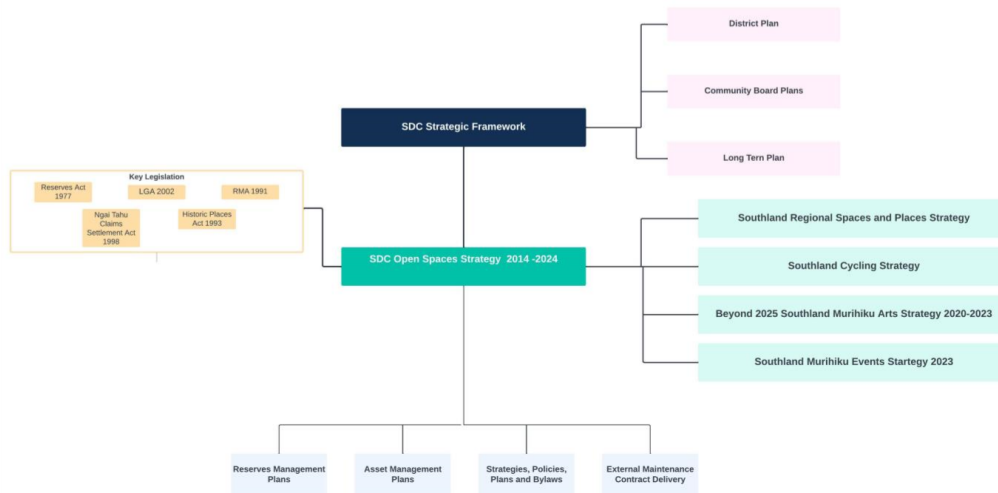
Strategic Considerations

Council has adopted a Strategic Framework that identifies where Council wants to be in the future (vision) and the outcomes it aims to achieve to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions (community outcomes). The Open Spaces Strategies and supporting partnerships align and deliver on the governments four wellbeings. The framework also outlines how it will achieve these (mission and approach) along with the key challenges it faces in doing so and its resulting strategic priorities.

STRATEGIC FRAMEWORK COMPONENT	2024-2034 STRATEGIC FRAMEWORK
VISION	Together, with our people, for our future, it's our Southland
MISSION	Working together for a better Southland
COMMUNITY OUTCOMES	Communities which are connected and have an affordable and attractive lifestyle (Social)
	Communities with a sense of belonging for all (Cultural)
	Communities committed to the protection of our land and water (Environmental)
	Communities with the infrastructure to grow (Economic)
STRATEGIC PRIORITIES	Connected and resilient communities
	Ease of doing business
	Providing equity
	Thinking strategically and innovatively
	Robust infrastructure

The strategic framework guides staff, informs future planning and policy direction and forms the basis for the performance framework. It outlines how the Open Spaces activity contributes to Council's community outcomes.

The full levels of service and performance management framework is presented in the table below.

Activity – Open Spaces					
Activity Objective: A network of open spaces and facilities that celebrate and enhance our natural environment that can be appreciated and enjoyed by current and future generations					
Community Outcome	**Activity contribution**		**Outcome objective**	**Benefit**	**Levels of Service (LoS) and Key Performance Indicators (KPI)**
Communities which are connected and have an affordable and attractive lifestyle (Social)	The activity supports improving community and social wellbeing through partnerships with other agencies (Active Southland, Recreation Aotearoa and other local authorities) to manage open spaces for community wellbeing. Free access to parks, reserves and open spaces is important and they are recognised as a key part of life in Southland and continue to be a service which residents' value. Some reserves protect areas of natural and ecological significance and the use of native plantings can provide for restoration and a level of conservation.		People have everything they need to live, work, play and visit	Enhanced responsiveness	LoS 6.1 Council provides safe, well maintained open spaces
			People can enjoy a safe and fulfilling life	Improved health and safety	KPI 6.1: 1 All SDC playgrounds will meet NZ standards over the next 3 years
Communities committed to the protection of our land and water (Environmental)	These areas and other open spaces can help to raise community awareness and appreciation of natural areas. A number of open spaces are also destinations in their own right, attracting visitors to the area to enjoy the scenery and unique environment.		A sustainable impact on the environment Planning for the future	More sustainable environments	KPI 6.2 Open spaces requests for service are completed within specified timeframes
Communities with a sense of belonging for all (Cultural)	Open spaces are managed to provide areas where the community can engage in active or passive recreational opportunities that enhance their health and wellbeing. A significant portion of the activity is about maintaining the open spaces and equipment so that they meet New Zealand Standards and some reserves protect areas of natural and ecological significance and the use of native plantings can provide for restoration and a level of conservation.		People are well connected	Better connectedness	KPI 6.1.3 Council collaborates in partnership with a minimum of three community groups in the biodiversity/ecological or environmental space.
Communities with the infrastructure to grow (Economic)	These areas and other open spaces can help to raise community awareness and appreciation of natural areas. A number of open spaces are also destinations in their own right, attracting visitors to the area to enjoy the scenery and unique environment.		Strong communities	Increased economic wellbeing	

Strategic Priorities ► Contribution Area ▼	1. Connected and resilient Communities	2. Ease of doing business	3. Providing equity.	4. Robust Infrastructure	5. Thinking strategically and innovatively
What will be done in the long-term (next 10 years)	Building resilience throughout our communities by delivering the four well beings.	Align our Council policies and processes with community and Iwi outcomes.	Ensure all residents and ratepayers have access to affordable, well maintained open spaces within their community board area	Meet and maintain New Zealand standards and good practice, for example with our tree maintenance, and provision of playgrounds	Enhance collaborative relationships, consider usage and resource and maintain. Utilisation of planting to enhance our environments and biological diversity. Work with contractors on environmentally sustainable practices.
What will be done in the short-term (next 3 years)	Review of reserve management plans, strategic framework.	Utilising appropriate data and continue working relationship with Active Southland on data collection and activations of our open spaces. Collaborate with Iwi and appropriate community groups.	Planning and principle development for next LTP iteration to assist with clarity of our open spaces use and conditions.	Ensure the infrastructure provided in open spaces aligns with community needs and planned future provision.. Consider alternative ways to enhance open spaces rather than traditional assets.	Develop a communication strategy with the community and Council to highlight and showcase the Open Spaces activity.
Key Actions and Projects	Reserve Management Plan (RMP) reviews and development. masterplans for key reserves including strategies, plans and policies associated with these	Work with existing partners and organisations that have a vested interest in our district's environment and open space delivery.	The review of RMP's and strategic documents will assist in improving maintenance contracts and refining LoS across the district.	In partnership with community boards, review and where agreed consolidate assets on our parks and reserves within local and district areas. Construct new assets in our open spaces in line with long term plan proposals to enhance	Open spaces are community spaces, work with our community and Mana Whenua on their priorities and values. In partnership with Community Boards, consider and implement where appropriate new revenue generation opportunities to offset

Strategic Priorities ▶ Contribution Area ▼	1. Connected and resilient Communities	2. Ease of doing business	3. Providing equity.	4. Robust Infrastructure	5. Thinking strategically and innovatively
				our customers enjoyment of these areas.	the cost of open spaces provision.
Related strategies / plans / policies	As above to be reviewed, amended and replaced where appropriate. Ensure consideration of Community Board Plans in relation to open space decisions that impact upon communities.	Southland Regional Places and Spaces, Te Tangi A Tauira – The Cry of the People.	Maintenance contract due for renewal next LTP.	Appropriate asset management plans and maintenance schedules.	Review of Open Spaces Strategy and policies and plan.

Strategic Context

The purpose of the Southland District Council Long Term Plan 2024 - 2034 is to:

- provide a long-term focus for Council decisions and activities

- provide an opportunity for community participation in planning for the future

- define the community outcomes desired for the district

- describe the activities undertaken by Council

- provide integrated decision-making between Council and the community

- provide a basis for performance measurement of Council.

Strategic direction setting encompasses Council's high-level goals, particularly the vision for the District, what the outcomes for the community may be, and what the strategic priorities will be for delivering work to the community.

This AMP recognises and aims to contribute to the achievement of (in an open spaces context) the Southland District Councils 2024 – 2034 Strategic Framework. The importance of managing our open space assets in a manner that contributes to the strategic framework is recognised, as is the role that community boards can play in first assisting SDC to understand the needs of the varied communities across Southland and second in the scoping and delivery of projects for those various communities.

Feedback from community boards, Iwi, the Youth Council, and from our communities generally (both informally and formally) has been used to develop open spaces priorities. This work has helped develop a plan for the actions proposed within the LTP that will contribute to providing communities with a "treasured network of open spaces that can be appreciated and enjoyed by current and future generations"..

The open spaces delivery plan gained approval from Council in January 2022. This delivery plan was created as a new targeted approach to deliver priorities in our open space network alongside general business as usual work and contract management.

The 2022 delivery plan for open spaces were split into two key areas/streams and these streams included work to be be carried out in the open spaces sphere as we move into the 24/34 LTP period. The general principles of this plan will provide guidance alongside other relevant documents including Community Board Plans; areas of focus include:

- **Activation and management**
  This area is the focus of planning (driven internally), resourcing (internally and sustainable relationships), community activation and promotion (through the Active Southland contract), as well as planned co-design/partnership with Iwi (see recommendation e).
- **Strategic projects**
  Strategic projects include the celebration and promotion of local history, interpretive signage at key locations, pest control, riparian margins protection and the development of strategic open space destinations that provide a point of difference. These unique locations that have proven to provide experiences and destination sites to visitors from within the district or outside (such as Lumsden, Taramea Bay, Curio Bay, Te Anau lakefront). The first three years of the plan will focus of reviewing the reserve management plans, policy and strategy. From this work future projects will be developed and scoped for inclusion in the 2027/2037 Long Term Plan.

Representation framework

There are nine community boards that provide representation across the District. These are:

Ardlussa	Fiordland	Northern	Oraka Aparima	Oreti
Stewart Island/Rakiura	Tuatapere Te Waewae	Waihopai Toetoe	Wallace Takitimu	

It is important that Council is seen as a leader in open space delivery and opportunities in the district and through this AMP, provides safe, well-maintained open spaces for the community. Doing so enables Council to provide and deliver quality, professional services to the ratepayer.

Council aims to have a high level of engagement with its communities and elected members to ensure that the levels of service set out in this document meet their expectations.

Council will go through a representation review in the first year of this AMP which may change the representation framework.

The open spaces team will work closely with community boards to investigate projects identified in Community Board Plans over the first three years of the LTP, including:

- Developing and improving quality walkways
- Establishing a heritage trail that could include spaces of significance in the district.
- Developing environmental management plans for areas of significance in the district.
- Completing beautification plans for identified townships
- Supporting forest trails and campsites as identified in community board plans

Key Issues and Assumptions for the Activity

The most important issues relating to the Council's Open Spaces activity for the next ten years are shown below.

Key Issue	Context, Options and Implications
Climate change	*Context:* Changes in Southland's climate over the coming decades are expected to create a range of challenges and opportunities for Council's Open Spaces activities. The impacts that will be experienced within the coming LTP period are difficult to anticipate. *Options:* Continue SDC's participation in Regional Climate Change Working Group to develop collaborative pathways for a regional climate response, including climate adaptation and mitigation activities, supported by a regional science and information pathway. Use the best available science and information to identify and plan for climate change impacts. Open Spaces staff participate in the staff climate change working group and input into preparation of an organisational climate action plan to support a collaborative and integrated climate change response across all parts of the Council's business.

Key Issue	Context, Options and Implications
	Open Spaces staff contribute to preparation of an organisational emissions reduction plan and support its implementation.
	Implications:
	Climate change-related extreme weather events may disrupt planned activities, increase costs, and impact levels of service.
	Planning will need to be increasingly adaptive and flexible over time to respond to changes.
	Increased technical input may be needed to support climate resilience of assets.
	Decarbonisation measures may increase project costs.
Level of Service	*Context:* To continue to establish appropriate, affordable levels of service across the district's communities in conjunction with community boards.
	Options: Status quo (above) or agreed alternative levels of service.
	Moving to a district wider minimum level of service with additional variations determined and funded by community boards.
	Implications:
	Continuing with the status quo while continuing to work with community boards to set levels of service relevant to communities is proposed. Having an agreed district wide funded minimum level of service could mean that there is a clear understanding of what will be delivered on a standardised basis using a set of criteria across the district. However, Council has not modelled the implications of such an approach and this change is not proposed.
	This would not preclude community boards from investing to increase the level of service within their community board area. However, this will be funded locally.
Open Spaces	*Context:* The strategy, policy and reserve management plans relating to open spaces all need to be reviewed.
	Options: Status quo or future investment.
	Implications:
	The status quo approach of not reviewing reserve management plans will continue to create a situation where the policy framework for reserves is out of date. The Open Spaces Strategy is also due to be reviewed in 2024. Reserve management plans need to be reviewed to ensure Council has up to date guiding documents for the open spaces activity.
	These documents are pivotal to being able to manage our open spaces appropriately and will require investment. Reserve Management Plans are a legislative requirement under the Reserves Act 1977 and a requirement for Council to undertake.
Sportsfields	*Context:* Currently there is no maintenance plan for the renewal of sports fields or playing surfaces. There are ad hoc arrangements in place where sports clubs undertake a level of maintenance however this is not always documented or part of a lease agreement. As sport continues to evolve, club sustainability remains challenging and sports field use and maintenance will need to be monitored by staff. Active Southland has undertaken some initial work in this space in partnership with all Southland Councils.
	Options: Status quo, an enhanced status quo
	Implications: Continue with the status quo with additional management input to reduce the risk that council may end up with fields that are no longer fit for purpose.

Key Issue	Context, Options and Implications
	Work with sports clubs and develop partnerships (for example via memorandum of understanding) that set out clear responsibilities for clubs and Council in relation to sports field management which may incur some additional cost.
Resourcing	*Context:* The ability to deliver the outcomes of the Open Spaces Strategy and maintain our levels of service is not sustainable with the current resourcing. *Options:* Status quo or future investment in additional resource. *Implications:* Doing nothing will mean the gains that have been made in the open space environment towards meeting NZ Standards will stagnate. Additional resource will mean that we can meet our requirements under the four well beings and continue to improve our management and development of the Districts open spaces. Should resourcing needs not be meet, objectives and deliverables will either need to be scaled back or external resourcing such as consultants will need to be used.

Key Risks

Key Risk	Context and Implications
Compliance with New Zealand Standards	*Context:* Council has identified that some of the playground equipment across the District does not meet New Zealand Standards. Inspections and auditing had not been undertaken to make sure that equipment is kept up to standard. Inconsistent levels of service and under investment in maintenance, renewals and a lack of asset management has meant that Council is now faced with a considerable renewals programme. *Implications:* Non-compliance with New Zealand Standards is the biggest risk to this activity. An initial playground audit in 2019 recommended investment over the next ten years of $200,000/pa. Over the past three years staff have progressively improved the standard of playgrounds across the district. Subsequent playground audits have indicated that the playgrounds are getting closer to meeting the New Zealand Standards. There is still a reasonable level of investment required before the playgrounds are all compliant. If funding that is required to bring playgrounds up to the New Zealand Standards is not available then a reduced level of service or rationalisation will need to be implemented.
Key Risk	Context and Implications
Strategy, Policy and Reserve Management Plans	*Context:* Council has identified that the Open Spaces Strategy, policy and reserve management plans are either up for renewal or out of date. *Implications:* These documents are required by legislation and set the direction for the appropriate management of our open spaces.

Key Risk	Context and Implications
Resourcing-Open Spaces **(2 FTE)**	*Context:* Council has two current positions to manage its Open Spaces network. One of these is solely responsible for delivering the open spaces strategic framework and the other is a planning role. The current level of staff resourcing is not adequate to allow for quality, sustainable asset maintenance, planning and future development to occur. The addition of two FTEs is proposed to be located in the Community Facilities team to create an adequate level of resourcing to deliver management of the Councils open spaces assets. It is noted that the Southland District makes up 11% of New Zealand's total land area with open spaces assets being geographically spread out, the assets are varied in nature and have been through a period of lower levels of maintenance and management planning than is optimal in terms of good management in this area of Councils operations. *Implications:* The ability to deliver the agreed level of service will be compromised and will be limited to essential work only. The addition of two extra FTEs will provide the resource required to achieve the outcomes identified in the Four Well Beings.
Enhancement of Task Force Team **(2 FTE)**	*Context:* The role of the Work Scheme team within community facilities needs to be reviewed. This team was set up to provide a service to communities outside of the alliance contracts that were originally set up through the Transport team. The team has a dual function as it also oversees those undertaking community work as directed by the Corrections Department The financial contribution from the Corrections Department to Council has reduced considerably and the unreliability of the resource over the period that this agreement has been in place means that it is no longer providing a positive value to the activity. The Works Scheme team provides a valuable service to communities and carry out work that is not included in the maintenance contracts that are currently in place. Providing additional full-time resource to this team and removing the requirement to be cost recoverable would increase the ability of the community facilities team to meet the levels of service expected by our communities. *Option:* Increase resourcing of Taskforce Team by two permanent FTE to replace the Corrections labour which is no longer considered appropriate for the requirements of the open spaces activity. This would allow the overall Taskforce Team to consist of one supervisor (existing) and one worker/labourer creating two teams of two people. This would have a strongly beneficial effect in ensuring a properly trained, regular and reliable labour force. Some roles and tasks that would be completed include: gardening, community housing outside areas maintenance, weeding (small areas), basic carpentry, painting, cleaning, mowing and other tasks. Should additional resources be approved, the opportunity will then exists to bring work currently contracted out back 'in house' for example playground inspections and maintenance that are currently contracted to externalcontractors. *Implications:* The existing works cannot continue to be delivered under the current operating model. Increasing the FTE would allow for two teams of two people that would be mobile to complete maintenance and other works across the District. Effectively a 'green' team

Key Risk	Context and Implications
	and a 'grey' team. The green team would work in open spaces and areas that would not be cost efficient to contract out, and the 'grey' team would complete minor repair works on buildings such as community housing, public conveniences, service centres and halls.

Regulatory Considerations

Council's open spaces and play grounds need to be managed in line with the New Zealand Standards and guidelines. The Recreation Aotearoa provide guidelines for the management of assets within the open spaces environment.

Legislation / Regulation / Planning Documents	How it affects levels of service and performance standards Outline any changes (implemented or pending) which is impacting the activity
Reserves Act 1977	Legislation covering the administration of land classified under this Act.
NZS 5828:2015 - Playground equipment and surfacing	Describes the safety requirements for the playground equipment and associated soft fall that need to be maintained at to comply with the standard.
NZS 5826:2010 - Water Quality Standards	The standard to which the water in the pool needs to be maintained at to comply with the standard.
Poolsafe Quality Management Scheme	Guidelines for the safe management of a pool facility
Quality Pool Management Programme	Guidelines for the safe management of a pool facility
Recreation Aotearoa	Industry standards for recreational activities
Local Government Act	Delivers on the four wellbeing's
National Policy Statement for Indigenous Biodiversity	Tree Canopy coverage recommendations for urban settlements
Ngai Tahu Claims Settlement 1998	Guidelines for land stewardship
Resource Management Act	Land use guidelines and regulations
Reserve Management Plans	Guidance on use and development of reserves throughout district

Demand Management Strategies

Southland has a widely dispersed population. The *Infometrics Southland Region Forecasting Scenarios 2023* report highlighted that our population is aging and is projected to remain stable overall in future decades, but those communities that have a strong tourism outlook and are commutable to Invercargill are projected to experience growth. New builds and improvement of the existing stock are required to facilitate this growth.

The challenge with this activity is to align the facilities with the demographic spread. To this end, Council would look to provide multi-purpose accessible facilities that will cater for all demographics at the one site.

Key Projects

Project	Description	Cost	Year
Playground management and development	Implement recommendations from playground audit and maintain levels of service	Funding has been allocated based on previous inspection reports. This varies from playground to playground. *(add in the amount allocated please)*	Yr1-3
Reserve Management Plans – Master plans	Prepare masterplans to inform the review of the reserve management plans.	$40,000 per reserve	Yr1-3
Reserve Management Plans	Review and renew reserve management plans	$60,000	Yr1-3
Regional Places and Spaces Strategy works	Ongoing data collection, collaboration and rationalisation in open spaces and facilities throughout Southland	$80,000	Yr1-3
Active Southland Holiday Programme	Affordable holiday programme for junior school aged children run throughout district in school holidays	$32,300	Yr1-3
Active Southland District Regional Activator	Open spaces activations	$80,000	Yr1-3

Other Considerations for the Activity

Council needs to continue to gather data on these assets and more specifically usage. This is required so that all of this information is available to the activity manager and elected members to make informed decisions.

Council has locally funded and district funded reserves with the main approach being local funding of open spaces in local areas given the primarily local benefit. There is some limited district funding within the activity and a district funding approach is applied to eight reserves across the district, these are:

Mores Scenic Reserve

Edendale Scenic Reserve

Dunsdale Recreation Reserve

Page | 18

Curio Bay Recreation reserve

Kowhai Reach Esplanade Reserve

Lynwood Historic Reserve

Frasers Beach Recreation Reserve

Ivon Wilson Park

The District Wide Reserve Management Plan states in section 1.6.3 "Certain reserves in Southland District have been identified as having significant features, values or management issues which require specific policy". Because of their significance a separate Reserve Management Plan will be maintained for each of these eight reserves.

More detail on the funding approach for open spaces can be found in the Revenue and Finance Policy.

Our Levels of Service

A key priority that has been identified by Council is the need to take a more strategic approach to the way that open spaces (including parks and reserves) are managed and developed. In 2019 Council staff had new minimum LOS prepared for all activities within the Community Facilities portfolio. These have been included into the new maintenance contracts that were implemented in 2020. The contracts are due for renewal at the end of June 2024 and any changes in the levels of service will need to be approved by the community boards before retendering.

Levels of Service, Performance Measures and Targets

LOS, performance measures and targets form the performance framework for the activity detailing what the Council will provide, and to what level or standard:

- *LOS* are the outcomes that are expected to be generated by the activity. They demonstrate the value being provided to the community or reflect how the public use or experience the service. A key objective of activity planning is to match the LOS provided with agreed expectations of customers and their willingness to pay for that LOS.
- *Performance measures* are quantifiable means for determining whether a LOS has been delivered.
- *Performance targets* are the desired levels of performance against the performance measures.

The LOS provide the basis for the management strategies and works programmes identified in the AMP. By clarifying and defining the LOS for the activity (and associated assets), Council can then identify and cost future operations, maintenance, renewal and development works required of the activity (and associated assets) to deliver that service level. This requires converting user's needs, expectations and preferences into meaningful LOS.

What LoS we provide	LoS xx: The Council provides safe, well-maintained open spaces for the community to enjoy sports and leisure activities				
How we measure performance	Current Performance (23/24)	Future Performance Targets			
		Yr 1 (24/25)	Yr 2 (26/27)	Yr 3 (28/29)	Yr 4-10 (30-31)
KPI 6.1: 1 All SDC playgrounds will meet NZ standards over the next 3 years	New measure	80%	85%	90%	95%

KPI 6.2 Open spaces requests for service are completed within specified timeframes	89%	90%	95%	98%	98%
KPI 6.3 Council collaborates in partnership with a minimum of three community groups in the biodiversity/ecological or environmental space.	New measure Set MOU with community groups 3 per year	3	3	3	3

Plans Programmed to meet the Level of Service

Council has over the last three years undertaken a programme of asset data capture so that it is in a position to use an asset management application to manage the activity and make sure that the appropriate level of funding is available. This has started with a playground and green asset assessment and will continue so that all assets will have condition, age and utilisation data captured in Council's activity management application, Infor property services management system (IPS).

An open spaces planner will be engaged to assist with the review of Open Spaces Strategy, Policy and Reserve Management Plans and the implementation of the recommendations from the Southland Open Space Priority Settings document. Additional resource is required within the community facilities team to effectively manage the levels of service associated with this activity. A business case for additional FTE has been submitted as part of the LTP process. The roles are summarised below:

Project Coordinator

The Community Facilities Project Coordinator would have a significant forward works programme for the group. This includes:

- Liaising with Iwi
- Liaising with the project delivery team
- Consultation and collaboration with Community Partnership Leaders andCommunity Boards
- Reserve Management Plan review and data collaboration
- Assisting and remediating Request for Service (RFS) and providing support when staff are away
- Identify outcomes of RMP for Recreation Planners to update and develop plans
- Contract management of cleaning contracts across community facilities managed by the CF team
- Working with third parties supporting the delivery of council's objectives for the district.
- Develop and implement guidelines for volunteer groups working on SDC land
- Create a portfolio of volunteers and skills to benefit the district and increase partnerships and collaborations
- This role also provides a clear succession planning resource in a team historically working in siloed portfolios

Graduate Planner

The Graduate Open Spaces Planner would have a significant forward work programme for the group. This includes:

- Liaising with Iwi
- new facilities planning
- new parks management and development plans
- Reserve Manage Plan review and data collaboration
- open space regulation and design
- programme and participation initiatives
- pricing policy review and development

- working with third parties supporting the delivery of council's objectives for the city.

Further, there are requirements to provide input into consenting processes either as an affected party or when receiving assets. At present, the team is focused on managing land information to support use and occupation.

The resourcing increase will allow the focus to shift to completing frameworks for decision making, development, programme delivery in conjunction with key stakeholders and building working relationships with community groups.

Summer Interns

Continue to engage summer interns over the summer season to assist the open spaces team and build the relationship Council has with universities.

Activity and Asset Management

Overview of Management

An asset lifecycle is the series of stages involved in the management of an asset. It starts with the planning stages when the need for an asset is identified and continues all the way through its useful life and eventual disposal.

The asset lifecycle can be tracked in different ways and is generally monitored in some way at every organisation, even if it's not a formalised process. The importance of any given asset lifecycle is determined by a number of factors, including how costly the asset is to replace, how crucial it is to the community or commercial business, and the overall reliability of the asset in question.

When maintenance is neglected, it can result in unexpected breakdowns, long delays, and emergency maintenance. When properly maintained, asset lifecycles can make the process of maintaining and managing valuable assets much easier for everybody concerned.

Finally, each cycle is going to vary, depending on the asset in question which emphasises the need for robust strategic planning and future site and asset specific collaboration. For example, rather than looking at a single park bench in a reserve, that park bench needs to be considered how it adds values to the whole area and the larger open space asset. We need to ensure appropriate planning to prevent looking at singular sub assets in isolation and missing how they connect to each other through the asset lifecycle.

The goal of community infrastructure asset management is to identify the levels of service required by stakeholders and then manage the asset portfolio to provide those service levels at the least lifecycle cost and in a sustainable manner. Good asset management practice means that the right work is done at the right time for the right cost. The key features of the Open Spaces asset management are:

- a whole-of-life asset management approach
- planning for a defined LOS
- long-term strategies for cost-effective asset management
- performance monitoring
- meeting the impact of growth through demand management and infrastructure investment
- managing risks associated with asset and service failures

- sustainable use of physical resources
- continuous improvement in asset management practices

Delivery Strategies

Continuing to deliver services primarily using third party contractors is seen as the most effective and efficient way. Initial work has been undertaken during the previous AMP term to reduce the number of contractors with the aim of having an available contractor work force that has capacity to act with greater flexibility while providing District-wide coverage. All contractors need to meet Council's increasing regulatory requirements, particularly Health and Safety.

Council has identified in its strategic assumptions that due to the aging demographic of the workforce and the increased demand on existing contractors, it may be difficult to deliver some existing services using traditional service providers. An alternative to this is to use Council's internal resource to cover more isolated areas that are not attractive to the larger contractors, however the internal work scheme resourcing is limited in relation to the large land extent of the district to cover and the amount of assets to be maintained. Given the unique challenges of the Southland District (for example with dispersed assets spread over 11% of New Zealand's land area) it is important to maintain working relationships with local contractors.

The Open Spaces team will actively work to engage local contractors to utilise their services where value, appropriate health and safety practices and expertise are identified following appropriate procurement processes.

Community Board Area Context

The representation review in *(add year)* resulted in the reduction in the number of groups representing the communities across the district and resulted in community boards needing to look carefully at the locally funded assets they have within their area and their cost. Community Boards have moved from a locally focused approach to a broader holistic approach when planning the management of open space assets.

Previously community boards may have only had limited assets to govern for example one reserve and one playground to fund. Post the representation review often community boards are likely to have multiple reserves. Playgrounds and other assets to govern and fund.

With Open Spaces, this means considering the need for all assets of a particular type within the community board's catchment. Are they all needed? Such consideration needs to look at all the societal changes since these parks and reserves were first constructed including, for example, population, access (roading and vehicles), use, operational costs and community views.

Community boards can look at how best to do this and choose the appropriate LOS that will support the provision of services appropriate to the communities needs within the boundaries of affordability throughout their areas of responsibility.

Asset Management Systems

Over recent years, Opens Spaces assets have not necessarily been managed under a recognised industry system. This is now being addressed with Open Spaces assets being brought under the Infor management system.

The Infor system is internationally recognised and used by a number of New Zealand local government authorities and Australian counterparts.

Infor bought out the Hansen business management system, that Council has used for many years to manage its three waters assets. Bringing the Open Spaces assets under the same management system umbrella will provide greater consistency and improved knowledge and skill base within Council.
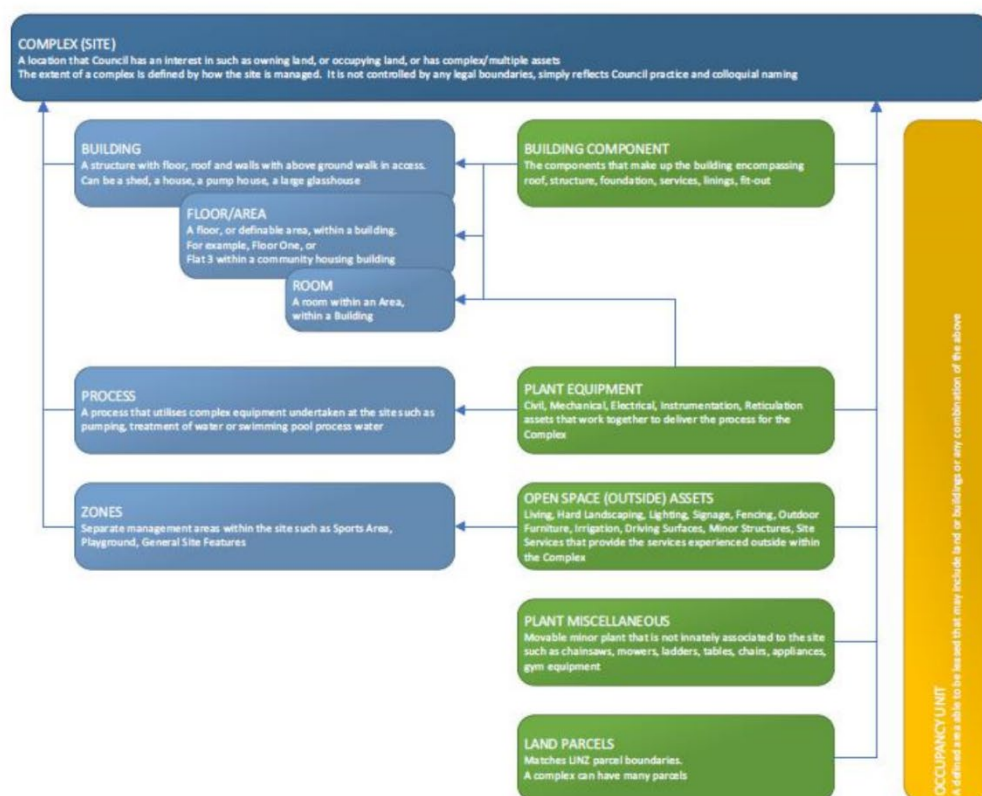
Asset Management Hierarchy

An asset hierarchy is a framework for segmenting an asset base into appropriate classifications. The asset hierarchy can be based on asset function, asset type or a combination of the two.

One of the main purposes of an asset hierarchy is to group assets that are treated in a particular way together. Important or high visibility assets for example may receive a higher LOS than less important or low visibility assets and this is reflected in the asset hierarchy.

A well thought out asset hierarchy also makes navigating to a particular asset or asset component within an asset management software system easier.

Following is a diagram to represent the physical hierarchy of the assets captured within the Site Based Asset Feature Class. The blue lines represent the associations that will exist between the records. The term 'Site Based' is used to reflect those assets that are contained within a site within the community as opposed to reticulation or network assets such as water pipes that cover a vast geographic area.

Asset Management Improvement

Council is inputting all of the community facilities asset data into the corporate asset management application Infor. There has been significant work undertaken to identify assets, their condition and utilisation over the previous annual plan period. A review of the playground equipment throughout the district was completed in 2019 to set the baseline and inform the works programme moving into the next Long-Term Plan. Subsequent assessments have been undertaken in 2020 and 2022.

This data is necessary to help inform Community Boards in determining the level of funding that will be required to maintain assets within their board areas. Council intends to import the open spaces water assets into Infor along with the associated condition, age, use and financial data that it has collected. The intention is to have a high level of data available to inform the next Long Term Plan and move from a 'basic' to 'core' level of activity management in the Asset Management Maturity Index.

Task	Task	Responsibility	Resources Required	Timeline
1	Improve data in the Infor asset management system	Community Facilities Team	Asset Manager	1st year

2	Improve the confidence in the data and align with NAMS Grading System	Community Facilities Team	Asset Manager	$1^{st} - 3^{rd}$ year
3	Create Renewal Priority Ranking Criteria	Community Facilities Team	Asset Manager	2nd year
4	Create Acquired Assets Priority Ranking Criteria	Community Facilities Team	Asset Manager	2nd year
5	Review Useful Lives	Community Facilities Team	Asset Manager	3rd year
6	Improve confidence in operational and maintenance costs	Community Facilities Team	Asset Manager	$1^{st} - 3^{rd}$ year
8	Define better levels of service	Community Facilities Team	Asset Manager and Corporate Teams	2nd year
9	Improve the confidence levels in the financial data	Community Facilities Team	Asset Manager and Finance Team	$1^{st} - 3^{rd}$ year

Financial Summary

10 Year Financial Forecast

The following graphs/tables summarise the financial forecasts for the activity over the ten years of the LTP.

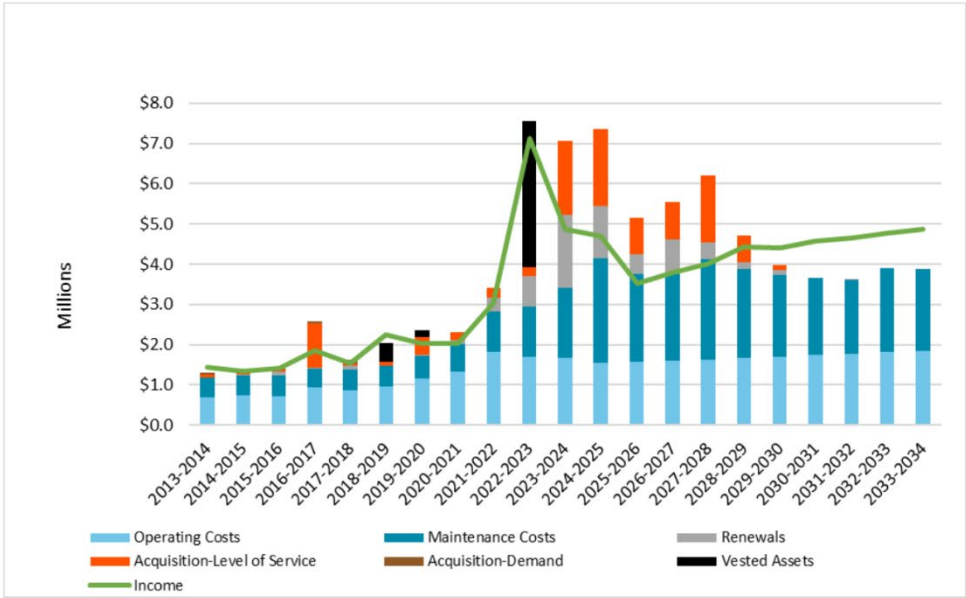This is funded both locally and district wide.

Figure -1: Open spaces financial summary (excluding depreciation)

What we can achieve is dependent on the revenue collected through rates. The increase in capital work from 2021/2022 is being funded through debt with repayments from 2022/2023. Past income has fluctuated in line with operating and maintenance costs. Income derived from reserve contributions for demand type work is expected to remain constant with an inflationary adjustment year on year to rates to fund this activity.
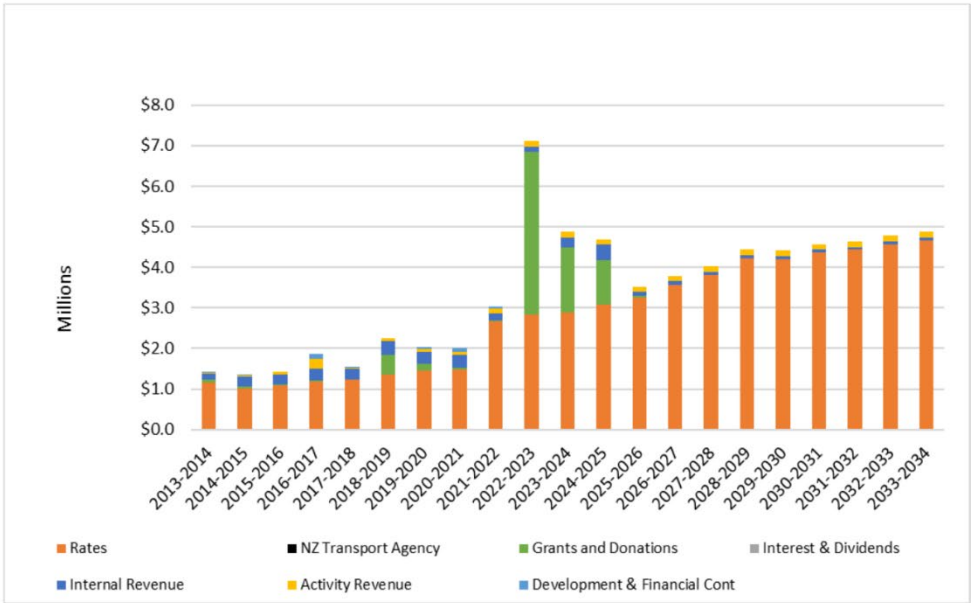

Figure -2: Open spaces total income

Financial Forecast Summary

- Operating and Maintenance costs have an inflationary adjustment year on year. In addition, there are consultancy costs for the open spaces and additional mowing and maintenance in the communities

- Renewal CAPEX over the 10-year period. The majority of CAPEX spend is allocated to the open spaces strategy which will be funded through loans raised. Reserves Financial Forecasts (District-wide)

Open Spaces	2024/2025 LTP ($000)	2025/2026 LTP ($000)	2026/2027 LTP ($000)	2027/2028 LTP ($000)	2028/2029 LTP ($000)	2029/2030 LTP ($000)	2030/2031 LTP ($000)	2031/2032 LTP ($000)	2032/2033 LTP ($000)	2033/2034 LTP ($000)
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	948	930	963	1,009	1,012	1,026	1,062	1,082	1,100	1,179
Targeted rates	2,115	2,296	2,585	2,776	3,188	3,145	3,274	3,322	3,446	3,463
Subsidies and grants for operating purposes	260	51	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	400	110	104	101	100	99	99	99	98	98
Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infingement fees, and other receipts	134	135	136	136	137	137	138	138	139	139
Total operating funding	**3,856**	**3,522**	**3,787**	**4,022**	**4,436**	**4,408**	**4,573**	**4,641**	**4,783**	**4,880**
Applications of operating funding										
Payments to staff and suppliers	3,744	3,345	3,336	3,701	3,431	3,281	3,194	3,151	3,424	3,397
Finance costs	129	176	248	344	471	511	512	490	462	433
Internal charges and overheads applied	294	294	301	307	314	320	327	334	340	346
Other operating funding applications	115	117	119	122	124	126	128	131	133	135
Total applications of operating funding	**4,282**	**3,933**	**4,004**	**4,473**	**4,339**	**4,238**	**4,162**	**4,105**	**4,359**	**4,311**
Surplus (deficit) of operating funding	**(426)**	**(411)**	**(216)**	**(451)**	**98**	**170**	**412**	**535**	**424**	**569**
Sources of capital funding										
Subsidies and grants for capital purposes	832	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	928	1,383	1,872	2,513	1,070	450	68	16	-	16
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**1,760**	**1,383**	**1,872**	**2,513**	**1,070**	**450**	**68**	**16**	**-**	**16**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	1,914	893	924	1,675	653	133	-	-	-	-
- to replace existing assets	1,286	502	865	414	194	122	-	16	-	-
Increase (decrease) in reserves	(1,866)	(422)	(134)	(28)	321	364	480	535	424	585
Increase (decrease) in investments	(0)	-	(0)	-	-	-	0	(0)	0	-
Total applications of capital funding	**1,334**	**973**	**1,655**	**2,062**	**1,168**	**620**	**480**	**552**	**424**	**585**
Surplus (deficit) of capital funding	**426**	**411**	**216**	**451**	**(98)**	**(170)**	**(412)**	**(535)**	**(424)**	**(569)**
Funding balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Table-1: Parks and Reserves Financial Forecasts (District-wide)

Summary of Key Financial Assumptions

The assumptions made in respect to Council owned open spaces are:

- that these types of facilities will still be required within the District.

- that these assets will continue to be funded by local community board areas or by the District for district reserves.

Significant investment in planning and OPEX/CAPEX expenditure is required to rectify a significant period of under investment in this activity.

Valuation Approach

Assets are valued at carrying amount or depreciated cost for the open spaces activity.

Funding Principles

Section 102(4) (a) of the Local Government Act 2002 requires each Council to adopt a Revenue and Financing Policy. This Policy must state the Council's policies in respect of the funding of both capital and operational expenditure for its activities.

Funding for the Parks and Reserves assets is a combination of local and District-wide funding, depending on how the benefits are assessed as being received.

Further information can be found in Council's Revenue and Financing Policy.

Waste Services
2024-2034 Activity Management Plan (AMP)

Southland District Council
Te Rohe Pōtae o Murihiku

PO Box 903
15 Forth Street
Invercargill 9840

0800 732 732
sdc@southlanddc.govt.nz
southlanddc.govt.nz

Table of Contents

Quality Assurance Statement				
Draft AMP Template				
Southland District Council	Version:		Record No:	R/23/8/35842
15 Forth Street	Status:			
Invercargill 9840	Project Manager:	Grant Issac		
Telephone **0800 732 732**	Prepared By:	Grant Issac		
Fax	Reviewed By:	Robyn Laidlaw, Jendi Paterson		
0800 732 329	Approved for issue:	Fran Mikulicic		

Executive Summary

The Services Provided

Southland District Council (Council) has a legal requirement to provide Solid Waste Management Services (Health Act 1956, Resource Management Act 1991, Local Government Act 2002 and the recently updated Waste Minimisation Act 2008).

In order to fulfil these legal obligations Council provides the following services:

- kerbside collection of recyclables and residual waste to all townships and those along collection routes in rural areas (optional)
- operation and maintenance of seven waste transfer stations
- operation and maintenance of 11 recycling only drop-off centres
- operation and maintenance of two greenwaste only sites
- promotion of waste minimisation activities and other education initiatives.

Council is part of WasteNet Southland, a shared services arrangement between Southland District Council, Gore District Council (GDC) and Invercargill City Council (ICC), which manages the collection and recyclables contracts, and actively promotes and advocates waste minimisation initiatives. In addition WasteNet Southland has overall responsibility for setting the strategic direction of the three Councils in matters relating to Waste Management.

The rationale for Councils involvement in the Solid Waste Activity, and ownership of the associated assets is contained in:

- the Health Act 1956, which requires Council to provide sanitary works, the definition of which includes the collection and disposal of refuse
- the Waste Minimisation Act 2008 (WMA), which requires Council to promote effective and efficient waste management and minimisation. It also requires the Council to prepare and review (at no more than 6-year intervals) a Waste Management and Minimisation Plan (WMMP). The government is reviewing its current plans and strategies and updates are expected throughout 2023 and 2024.

Council maintains a 'hands-on' approach to this Activity, as it believes that solid waste can be most effectively and efficiently managed by local authorities, where the long term social, cultural, economic and environmental factors can be balanced for the benefits to the wider community. Given these legislative requirements, under the shared services banner of WasteNet Southland the Council, Gore District Council and Invercargill Cuty Council have developed a strategic Waste Management and Minimisation Plan (WMMP) to ensure:

- A holistic approach to waste management and minimisation – a common vision and direction
- Consistent policy across the Councils
- Simplified consultation with stakeholders and the Community
- Strengthened collaboration between Councils.

The Southland Waste Management and Minimisation Plan 2020-2026 has the target - "as a result of our actions by 1 July 2026, Southland will maintain a materials discarded per capita figure of 650 kilograms comprising 40 percent diverted materials." The next review for this Plan is scheduled for 2025.

What We Aim to Achieve

The aim of the waste services management activity is to protect public health and reduce environmental impacts through waste collection, disposal, reduction, reuse and recycling. A key goal of the activity is the promotion of waste minimisation practices in line with the requirements of the Waste Minimisation Act 2008.

Through this activity Council aims to deliver the levels of service (LOS) illustrated in the following table. It is noted that customer satisfaction with the wheelie bin service remains consistently high following feedback from Wastenet. A review of how performance can continue to be improved will be undertaken as part of the asset management improvement plan.

Waste services: What LoS we provide	LoS 8: Provide convenient and reliable rubbish and recycling services that minimise the amount of waste going to landfill				
How we measure performance	Current Performance (22/23)	Future Performance Targets			
		Yr 1 (24/25)	Yr 2 (25/26)	Yr 3 (26/27)	Yr 4-10 (27-34)
KPI 8.1: Amount of waste: (a) diverted from landfill (tonnes) as a percentage of total waste¹ (b) maximum per property disposed of to landfill (kilograms)	34% 585kg per propertyR	40% 650kg per property	40% 650kg per property	40% 650kg per property	40% 650kg per property
1 - Total waste diverted by weight includes material from drop-off centres, (yellow) recycling wheelie bins, greenwaste sites and scrap metal. Weight calculations are estimated based on the number of collection containers processed multiplied by an average weight for different material types					

Managing Future Demand

Waste volumes being disposed to landfill have steadily declined since the introduction of the new recycling and rubbish collection contracts in 2011. This activity management plan (AMP) assumes continuation of current levels of waste disposal, however this will be subject to ongoing monitoring and review of waste and recyclable volumes. Through the Southland Waste Management and Minimisation Plan (Appendix 1) the goal is to have a figure of no more than 650 kg of waste per person per year going to landfill. The plan outlines the programmes and projects that WasteNet will implement to help achieve this goal. Although there has been steady uptake of the service since its introduction it is still capable of being serviced by the current arrangements.

Lifecycle Asset Management

Council endeavours to ensure that waste disposal and recycling services provided meet standard industry practice and health and safety standards.

The overall strategy is to maintain existing waste disposal and recycling facilities to current standards and to promote the use of the kerbside recycling service and other waste minimisation practices to be determined as part of the WasteNet Southland Waste Management and Minimisation Plan while looking forward to improvement in key areas such as health and safety. The key initiatives in the current Waste Management Plan include community initiatives, promotional activities such as school education programmes and management of the regional waste services contract. The Waste Management Plan reflects the current practices while taking account of any strategies developed to address a number of key requirements as will be identified by the through a series of workshops with Councils and key stakeholders. Areas of significance include hazardous waste, organics, construction materials and

packaging. The group will consider a range of initiatives that can be implemented at a local level as well as taking a lead in lobbying, promotion and advocacy activities.

Council has undertaken a review of all existing landfill sites throughout the district located where scour or erosion could result in fugitive discharge of landfill material to the environment. As part of the asset lifecycle six landfills are proposed to be closed through the duration of this AMP, further specific details are provided in the risk section. All currently close landfills will continue on the monitoring programme of being checked every two years to ensure ongoing compliance with regulations and legislation.

Glass Recycling

Government legislation requires councils to recycle glass separately to other recyclables by 2027 and Wastenet, our shared waste management service with Invercargill City Council and Gore District Council, is recommending we do this now to not only meet legislative requirements but also to improve the way we manage our waste. By taking glass out of the mixed recycling bin the impact of contamination from broken glass in that bin will be reduced. At the moment this contamination is causing extra waste being sent to landfill, which costs more.

The councils are also facing increased costs around waste from the Government, including emission trading scheme costs and waste level charges. Wastenet also wants to increase the amount it invests in education.

The options are either to collect a new glass recycling bin monthly or fortnightly. In 2024/25 bins will be bought and distributed and the new collection process will begin in 2025/26

The current methodology is a commingled recycling collection process for Invercargill City Council (ICC) and SDC where households disposes of all recycling into their mixed recyclables bin, rather than collecting glass separately in its own bin. Glass is a major part of the contamination in the commingled recycle bin. Separating glass ensures that about 90% of the glass can be reused. The potential for glass separation at the kerbside starting 1 July 2025, there will be new blue glass collection bins or glass bottle banks depending on the strategy chosen by council.

Financial Summary

Operations and maintenance (O&M) expenditure (OPEX) on this activity has increased for this activity over the last five years from $3.6 million to $4.3 million largely as a result of inflation and increasing Emissions Trading Scheme fees.

Over the next 10 years, operational expenditure increases are primarily relating to inflationary increases. The significant capital expenditure included in the 10 year plan period is based on the requirement to close six landfills and replacement wheelie bins as they end there useful life. These replacements are captured in operating budgets. Additional new bins will be required for glass collections and potentially future organic collection, the scope of both these potential new collections will be a decision for Wastnet to propose to Council as it will affect levels of service. However, legislative changes from the government may remove some decision making powers available to Council.. Key factors that may influence these forecasts (and which have not been budgeted for) include:

- Demand for future glass, green waste/organics collection service and/or expansion of the kerbside collection service. Council will require a balance in this area by providing collection stations or kerbside collections.

- Significant increase in transportation costs (dependant on oil and diesel prices); and

- Environment Southland expectations on the management of discharges from closed landfills.
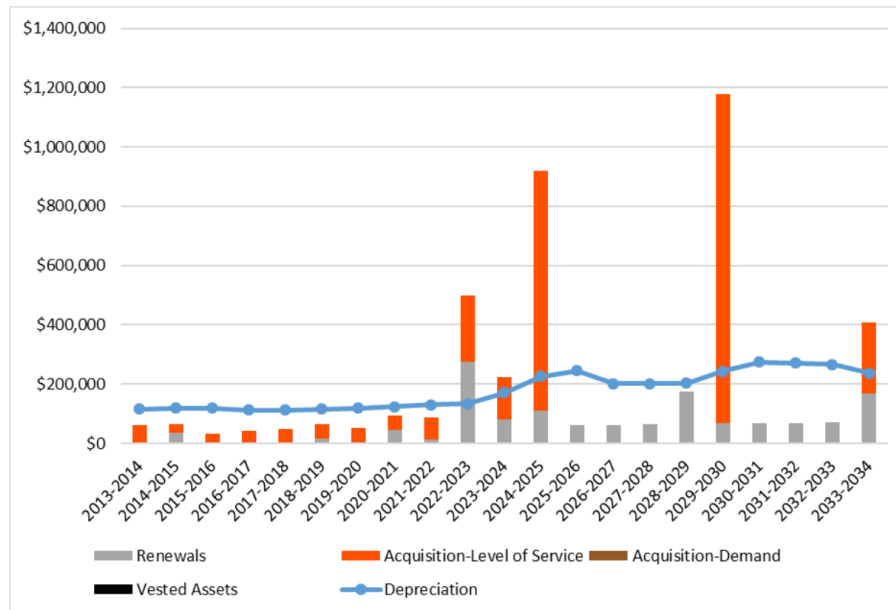- Risk identified through landfill vulnerability study.

Figure 1 - Capital expnditure vs depreciation

The graph above compares the capital expenditure to depreciation. There are a number of years where the depreciation is greater than the capital work being completed. The significant capital item included in this activity is the wheelie bins required as part of the fortnightly rubbish/recycling service.

Purpose of the Activity Management Plan

This AMP describes the strategies and works programmes for the Waste Services activity so as to meet the objective of delivering the required LOS for the Southland District. This AMP informs Council's Long Term Plan (LTP) and contributes to the goals and objectives Council aims to achieve, in order to achieve community outcomes. The AMP covers:

- a description of the activity, including the rationale for Council involvement and any significant negative effects of the activity
- the strategic context for the activity, the key activity management strategies and policies adopted within this environment and the main issues identified for the activity
- a statement of the intended LOS and performance targets.

This AMP covers a period of 10 years commencing 1 July 2024. The main focus of the analysis is the first three years and for this period specific projects have been identified in more detail. Beyond this period work programmes are generally based on trends or predictions and should be taken as indicative only. All expenditure is based on unit costs as at 1 July 2024.
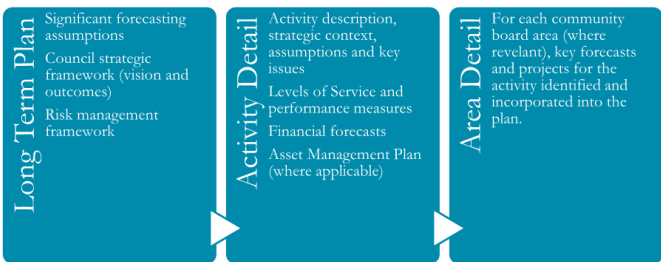
Plan Limitations

Council has reviewed its overall AM Policy and clarified the level of asset management which should be carried out for each activity, taking into account its overall significance on the Council's operations. The target for the waste services activity is 'core' status (ref International Infrastructure Management Manual).

The rationale behind achieving 'core' status is that the activity is deemed to be a relatively low impact associated with failure of assets however; this is a service that is evolving with changes to regulation, and more of a focus on the regional approach.

Plan Framework

The AMP framework is illustrated in below. The strategic context, significant forecasting assumptions and any activity-specific issues are documented in the main body of this AMP. Information on locally funded activities and services are included in the appendices to this AMP.

The key points are:

1. forecasting assumptions have been included
2. new levels have been developed and will be incorporated into any new contracts associated with activities

Long Term Plan
- Significant forecasting assumptions
- Council strategic framework (vision and outcomes)
- Risk management framework

Activity Detail
- Activity description, strategic context, assumptions and key issues
- Levels of Service and performance measures
- Financial forecasts
- Asset Management Plan (where applicable)

Area Detail
- For each community board area (where revelant), key forecasts and projects for the activity identified and incorporated into the plan.

Activity Description

The purpose of this plan is to document Council's management practices and achieve an optimised lifecycle strategy for the Waste services infrastructure for the next 10 years.

This is a long term planning document. It represents the aspirations of Council and will be reviewed every three years. The budgets and timeframes provided in this plan will be recommended to Council for adoption through the LTP and Annual Plan process.

What we do

Council provides weekly kerbside collection for rubbish and recycling in all urban areas and some rural areas as well as waste transfer stations, recycling services, and greenwaste sites. The basic service comprises weekly collection of one wheelie bin for rubbish and one wheelie bin for recycling on alternative weeks. Residents have the option of taking additional rubbish or recycling bins at an additional cost per unit. Currently there are over 11,000 each bin in the district.

Council is part of Wastenet Southland, WasteNet Southland is a shared solid waste service for the Gore District Council, Invercargill City Council and Southland District Council. Their mission is to provide the co-ordinated delivery of solid waste services within Southland in line with their sustainability goals. Our

focus is on working towards zero waste through effective education, waste prevention, minimisation and resource stewardship

Rubbish and recycling options are available for households, business and industry (including on Stewart Island). Council provides a kerbside collection service for rubbish and recyclables to all townships as well as running seven transfer stations, 11 recycling depots and two greenwaste sites around the District. Stewart Island has weekly kerbside rubbish pick up, recycling and food scrap collection on a demand basis.

The rubbish and recycling services include ongoing waste minimisation and educational initiatives which are administered by WasteNet Southland - a joint committee of the Southland District Council, Invercargill City Council and Gore District Council. Education it's a vital park of the waste minimilisation objectives throughout Southland and is the key tool to combate contamination. After robust and wide education is exhausted, another tool to minimilise contamination is infringement.

Why we do it

The management of waste and provision of recycling services in the District communities helps to reduce the impact waste disposal has on the environment by managing the volume of waste that goes to landfill.

Diversion of waste from landfill also helps lower operating costs following the introduction of additional costs on top of the landfill gate fee, specifically the Waste Minimisation Levy and the Emissions Trading Scheme levy.

Recycling and reusing material that would otherwise be disposed of enables people to become good custodians of the environment. People living here now and in the future can grow and prosper without compromising the District's natural resources.

Provision of efficient and effective waste management services also reduces the risk of fly tipping of rubbish on Council / private land.

The Waste service activity in Southland District (SD) is focused on the achievement of the following objectives:

- Reduce the amount of materials entering the waste stream
- Reuse or repurpose materials so it has life before recycling or disposal
- Reduce the amount of materials sent to final disposal by maximising recycling opportunities
- Make the best use of recoverable waste as a renewable resource
- Appropriate treatment and disposal of waste for the protection of our health and environment.

Add in the significant negative effects of the activity

Strategic Considerations

Council has adopted a Strategic Framework that identifies where Council wants to be in the future (vision) and the outcomes it aims to achieve to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions (community outcomes). The framework also outlines how it will achieve these (mission and approach) and its resulting strategic priorities.

Strategic Framework Component	2024-2034 Strategic Framework
VISISON	**Together – with our people, for our future, it's our Southland**
MISION	Working together for a better Southland
Community Outcomes	Communities which are connected and have an affordable and attractive lifestyle (Social)
	Communities with a sense of belonging for all (Cultural)
	Communities committed to the protection of our land and water (Environmental)
	Communities with the infrastructure to grow (Economic)
Strategic Priorities	Connected and resilient Communities
	Ease of doing business
	Providing equity.
	Thinking strategically and innovatively
	Robust Infrastructure

The framework guides staff and informs future planning and policy direction and forms the basis for the performance framework. The table below outlines how the waste services activity contributes to Council's community outcomes using a benefits mapping diagram. The full levels of service and performance management framework is presented in a further section later in the document.

Activity – Waste services

Activity Objective: Protect public health and reduce environmental impacts through waste collection, disposal, reduction, reuse and recycling.

Outcomes	Activity contributions		Outcome objective		Benefit		Levels of Service (LoS) and Key Performance Indicators (KPI)
Communities committed to the protection of our land and water (Environmental)	Promote the principle of Kaitiakitanga/Stewardship. All residents are responsible for looking after the environment, and for the impact of products and wastes they make, use and discard. Kaitiakitanga expresses an integrated view of the environment and recognises the relation between all things. It represents the obligation of current and future generations to maintain the life sustaining capability of the environment for present and future generations.		A sustainable impact on the environment

Planning for the future | More sustainable environments

Improved health and safety | LoS: Provide rubbish and recycling services that minimise the amount of waste going to landfill | | |
| | | | | | KPI 8.1: The amount of waste diverted from landfill (tonnes) as a percentage of total waste[1] | KPI 8.2: The maximum amount of waste per property disposed of to landfill (kilograms) | |
| **Communities with a sense of belonging for all (Cultural)** | The activity can also help to reduce the risk of disease from waste incorrectly disposed of. | | People are well connected | Better connectedness

Improved quality of life | | | |
| **Communities with the infrastructure to grow (Economic)** | The delivery via Wastenet (a single regionally coordinated waste and recycling collection service between Southland councils), helps to ensure the service is cost effective (through economies of scale) and also convenient and accessible. | | Strong economies | Increased economic wellbeing | | | |
| **Communities which are connected and have an affordable and attractive lifestyle (Social)** | Waste management helps to reduce impacts of waste disposal on the environment by ensuring waste is appropriately disposed of. In addition, kerbside recycling services, recycling drop-off centres and other waste minimisation initiatives help to make it | | People have everything they need to live, work, play and visit | Improved public safety

Reduced environmental impact | | | |

Strategic Priorities ▶ Contribution Area ▼	1. Connected and resilient Communities	2. Ease of doing business	3. Providing equity.	4. Robust Infrastructure	5. Thinking strategically and innovatively
What will be done in the long-term (next 10 years)	Review efficiency of services through first contract rollover period and again prior to the potential final contract expiry in 2027. Continued lobbying of Central Government on national matters related to waste including issues around container glass, used tyres, low grade plastics etc.	Review of contract arrangements in run up to tendering for new contracts	Build on current WasteNet shared services arrangements and relationships	Monitor uptake of current services to determine as early as possible if further resources are going to be required to enable delivery of service.	Continuing to look nationally and globally to look at innovative ways of dealing with waste and achieving target reductions. Being open to different ways and ideas for delivery and disposal.
What will be done in the short-term (next 3 years)	Continued review and improvements of health and safety operations in relation to the activity following recent fatalities and serious harm incidents in other parts of New Zealand. Importance on ensure contractors follow appropriate procedures. This area also includes theeducation element to our community to ensure appropriate	Section 17 A Review indicated current service and practices are being delivered appropriately and efficiently. Continue to lobby Central Government of matters of significance within the waste sector including amendment to Waste Levy rate and standardisation of kerbside collections.	Use Sec 17A review as a starting point for intermediate contract review. Add in education regarding proposed new bin services to the public Increased cost of green waste per tonne?	Monitor uptake of current services to determine as early as possible if further resources are going to be required to enable delivery of service	Collaboration with other territorial authorities in Southland, community groups and organisations and commercial operations where possible to achieve waste minimisation goals.

Strategic Priorities ▶ Contribution Area ▼	1. Connected and resilient Communities	2. Ease of doing business	3. Providing equity.	4. Robust Infrastructure	5. Thinking strategically and innovatively
	vessels and materials are used for recycling and general disposal. Continued education, followed by the three strike policy to manage contamination				
Key Actions and Projects	Delivery of the WasteNet Management Annual Plan underpinned by the Southland Waste Management and Minimisation Plan.	Delivery of revised Waste Management and Minimisation Plan	Develop framework for Contract Reviews	None Identified	Ongoing delivery of the WasteNet model and delivery of the capital programme. Working with Environmental South on old landfill remediations and removals where applicable.
Related strategies / plans / policies	Solid Waste Bylaw Southland Waste Management and Minimisation Plan	Waste Management and Minimisation Plan	None identified	None Identified	Working with Wastenet and partnering Councils on innovative ways to promote reducing general waste and increasing recycling. Education materials and programme to enhance knowledge and buy in throughout Southland

Strategic Context

The purpose of the Southland District Council Long Term Plan 2024- 2034 is to:

- provide a long term focus for Council decisions and activities

- provide an opportunity for community participation in planning for the future

- define the community outcomes desired for the District

- describe the activities undertaken by Council

- provide integrated decision-making between Council and the community

- provide a basis for performance measurement of Council.

Strategic direction setting encompasses Council's high-level goals, particularly the vision for the District, what the outcomes for the community may be, and what the strategic priorities will be for delivering work to the community.

Key Risks, Issues and Assumptions for the Activity

The most important issues and key risks relating to the Waste services activity for the next ten years are shown in the following tables

Key Issues

The following key issues associated with the activity are outlined in the following table:

Key Issue	Context, Options and Implications
Climate change	*Context:* Changes in Southland's climate over the coming decades are expected to create challenges for the delivery of Waste Services. The specific impacts that will be experienced within the coming LTP period are difficult to anticipate. *Options:* Continue SDC's participation in Regional Climate Change Working Group to develop collaborative pathways for a regional climate response, including climate adaptation and mitigation activities, supported by a regional science and information pathway. Use the best available science and information to identify and plan for climate change impacts. Waste Services staff participate in the staff climate change working group and input into preparation of an organisational climate action plan to support a collaborative and integrated climate change response across all parts of the Council's business. Waste Services staff contribute to preparation of an organisational emissions reduction plan and support its implementation. *Implications:*

Page | 14

Key Issue	Context, Options and Implications
	Climate change-related extreme weather events may disrupt planned activities, increase costs, and impact levels of service. Planning will need to be increasingly adaptive and flexible over time to respond to changes. Increased technical input will be needed to support climate resilience of assets. Decarbonisation measures may increase project costs.
Collection contract expires 2027	*Context:* In 2011 Contracts were awarded for the provision of collection and transfer station services and for access and operation of Recycle South. Both Contracts were awarded for a period of 8 years plus 8 years. The kerbside collection contract was rolled over in 2019 for the second period but this will expire requiring a new contract. The shape of this contract will largely depend on the outcome of a number of issues including outcomes from procuring an alternative recycling processing arrangement and moves to standardise recycling across the country and could result in provision of a service that differs from current arrangements. *Options:* It is expected that options will be underway by the adoption of the 2024-2034 Long Term Plan *Implications:* Wheelie bins are replaces as and when required. There is currently an allowance in the budget to cover these costs.
Waste Minimisation Plan to be reviewed and updated	*Context:* Councils are required to develop a Waste Management and Minimisation Plan and to review and update these on a six-yearly basis. The previous plan was adopted by WasteNet Councils in 2020. Work will commenced on the review in 2025 and is expected to be complete by the middle of the year 2026. *Options:* Review and update of the Plan is a requirement under the Waste Minimisation Act 2008. Government legislation is regularly changing in this space and requires Council staff and WasteNet staff to be adaptive and responsive. *Implications:* The review is being funded through WasteNet and will be undertaken in consultation with individual Councils and other identified key stakeholders including the Southern Health.
Management of contamination in recycling bins	*Context:* Contamination levels in recycling bins is increasing and currently it is estimated to sit at around 15%. *Options:* 1. status quo. 2. education and publicity. Used previously however there were no direct enforcement opportunities to tackle persistent offenders. 3. 'three strikes' policy *Implications:* The introduction of the 'three strikes' policy can only occur once consistent education is complete by WasteNet. The 'three strikes policy' provides a means of dealing with

Key Issue	Context, Options and Implications
	persistent offenders through the removal of the recycling service for a fixed period, or until they can demonstrate a change in behaviour. This policy remains in place and provides an additional tool to Council to help manage contamination.
Changes to global recyclables market	*Context:* Since 2018 there has been significant changes to the global recyclables processing market with a number of countries no longer accepting product. In addition product previously capable of being recycled is no longer suitable for processing, in particular lower grade plastics and paper. *Options:* 1. status quo 2. removing product no longer capable of being recycled. A number of Councils are now removing these products from their recycling bins opting instead to send to landfill until longer term solutions are found with a greater reliance on on-shore markets. *Implications:* In 2019 the central government announced a review of the Waste Levy and proposed to increase from $10 per tonne to $60 per tonne by 2023/24. One of the main drivers behind the proposal is the provision of infrastructure to enable on shore processing capability. Allowance has been made in budgets to accommodate this increase.
Move to more standardised collection contracts	*Context:* The Ministry for the Environment has engaged WasteMINZ to prepare a report on the standardising kerbside collections in New Zealand. WasteMINZ has set up a project team which has reviewed the research and is currently in consultation with the waste sector on their preferred options for materials and collection methods. The project considers what products can be recycled and how they should be presented. *Implications:* While this is considered timely it does have potential financial implications for Council as it becomes more apparent that removal of glass from the recycling stream is preferred by MRF operators and is highly likely to become the norm across the country. A separate glass collection would therefore be required. In addition other changes to collection services are likely to be driven by changing MFR operators and more Councils consider a more regional approach to recycling processing. This has been considered and allowed for in current budgets.

Key Risks

The following key risks associated with the activity are outlined in the following table:

The most important issues and key risks relating to the Waste services activity for the next ten years are shown in the following tables

It is noted that the key issues and risks for the waste management activity align closely with a number of key strategic risks identified at a corporate level the most relevant ones being:

CHANGE AND REFORM	Risk that Council has inadequate planning adaptability to respond to a continuously changing environment
CLIMATE CHANGE	Risk that Council fails to adapt to, or mitigate the effects of, climate change impacts
COMPLIANCE AND FRAUD	Risk that Council is unable to adapt to the impacts of fraud and increasing compliance standards on the organisation
CYBER SECURITY	Risk that Council's systems are vulnerable to cyber-attack and/or error
DATA AND SYSTEMS	Risk of ineffective and inefficient use of information in Council's decision-making
DISASTER EVENT	Risk that Council is unable to respond to the consequences of a natural or human-induced event impacting the District
HEALTH, SAFETY AND WELLBEING	Risk of health, safety and wellbeing harm to staff, contractors and community
PUBLIC HEALTH	Risk that Council exposes the community to a public health emergency
RELATIONSHIPS & REPUTATION	Risk that Council fails to manage its local, regional and national relationships
	Risk that Council suffers reputational damage because of service delivery failure
RESOURCE AND DELIVERY	Risk of non-performance/delivery of committed outcomes and meeting expectations
STRATEGY AND DIRECTION	Risk of poor or ineffective decision-making due to lack of strategic integration and alignment

The following key risks associated specifically with the activity are outlined in the following table:

Risk Event	Current Treatment Details	Proposed Treatment Details
External - Non-Controllable		
Reliance on overseas recyclable processing markets	Manage contamination and unrecyclable products by sending to landfill	Understand what products are likely to be suitable for long term recycling and establish capability in New Zealand for further processing.
Event - natural disaster causing short term disruption to service provision.	Identification of alternative short term collection and disposal options	Contractor to develop contingency plans to cover natural disasters.
Event causing unplanned permanent long term landfill closure resulting in requirement to dispose of waste in alternative location (outside region).	Short term disposal.	Contractor to develop contingency plans to cover natural disasters.
Event eg natural disaster causing widespread unavailability of activity staff.	Temporary or agency staff.	Contractor to develop contingency plans to cover natural disasters.
Natural disaster causes significant widespread damage to Council assets and infrastructure.	As Council assets are widespread across the District the risk of significant widespread damage is relatively low however the impact on those areas can be relatively high.	Identify strategic sites at risk and develop plan for their maintenance and return to service. Development of wider emergency management plan. Understand location of vulnerable landfill sites and develop plan for their future management.
Internal - Controllable		
Breakdown in relationship/communication between Council and landfill owners.	Regular communications and partnering approach.	More frequent partnering meetings.

Page | 17

Risk Event	Current Treatment Details	Proposed Treatment Details
		Investigate opportunities for bringing in other waste streams from out of the area.
Failure to achieve an appropriate balance between user fees and general rates resulting in inappropriate waste disposal (burning/fly tipping).	Rates aligned with neighbouring authorities.	Research into and alignment of user fees with neighbouring authorities. Education into alternatives to waste disposal eg recycling, composting etc.
Failure of co-operation with other WasteNet Councils and/or current contractors	Regular participation in WasteNet meetings and workshops. Joint Heads of Agreement Document. Sign up to WasteNet Action Plan.	Heads of Agreement document has been signed. Quarterly meetings between three WasteNet councils and staff. Additional Waste Management group meetings. Development of amended Southland Waste Management and Minimisation Plan. Councils pursue individual short and longer term options for recycling provision arrangements
Loss of organisational knowledge due to sudden loss of key activity staff resulting in inefficient of inadequate management or operation. Including the impact of proposed Water Reform	Staff training and succession planning will mitigate risk of frequent staff turnover.	Identify individual staff needs and formulate appropriate training, in conjunction with consultant assistance until skills at appropriate level. Detailed succession planning to ensure institutional knowledge is retained, with key information and activities documented through systems such as Promapp.
Failure to secure a further long term contract with AB Lime.	Maintaining relationship with AB Lime and Environment Southland to understand likely issues and roadblocks to granting a future consent	Unknown at this stage but it is highly unlikely that Council would wish to establish an alternative landfill so an option would be the transport of rubbish to an alternative 'out of region' landfill

Regulatory Considerations

Legislation, regulation and Council's existing strategies and policies mandate or influence some of the LOS and performance targets we set, as illustrated in the table below for the Waste services activity. The New

Zealand Waste Strategy was updated in 2023 and aligns with legislation to provide direction to Council's on their role in waste minimilisation.

The table below provides specific detail about the legislation and regulations that are specific to waste services. The table also includes relevant bylaws and policies linked to the activity. More historic legislation places a sound emphases on public health while more recent legislation extends the focus (local, nationally and internationally) to include sustainability. Incentives intended to change behaviour, to improve sustainability, through charges and funding are beginning to emerge.

Legislation/Regulation	How it affects levels of service and performance standards
Health Act 1956	Gives Territorial Authorities (TAs) obligations to provide sanitary works for the collection and disposal of refuse, for the purpose of public health protection. Reforms through the Public Health Bill are currently progressing through Parliament but it contains similar provisions for sanitary services to those currently contained in the Health Act 1956.
Local Government Act 1974 and 2002	Gives TAs responsibility for 'efficient and effective' waste management and the preparation of waste management plans in their localities. Includes authority to enact bylaws relating to roles and responsibilities for waste management. This includes the ability to set levies to cover any costs incurred in the administration of these functions.
Resource Management Act 1991	Plans and consents issued through the RMA define minimum standards for the effects from the storage and discharge of Waste services. Regional Waste services Plan 1996 sets policies, rules and regulations for land use and resource use in the region. This is under review and is likely to be merged with the Regional Water Plan in the future. Tightening environmental standards for onsite waste disposal, such as on farms, may place greater demand on Council services.

Legislation/Regulation	How it affects levels of service and performance standards
Hazardous Substances and New Organisms Act 1996 **(the HSNO Act)**	Provides minimum national standards that may apply to the disposal of a hazardous substance. However, under the RMA a Regional Council or TA may set more stringent controls relating to the use of land for storing, using, disposing of or transporting hazardous substances. Hazardous substances commonly managed by TAs include used oil, asbestos, agrichemicals, LPG and batteries.
Climate Change Response Act 2002	Established New Zealand's Emissions Trading Scheme (ETS) set up guidelines around which sectors are liable for payment.
Waste Minimisation Act 2008	The Act encourages a reduction in the amount of waste we generate and dispose of in New Zealand. It also encourages the better use of materials throughout the product life cycle and puts a levy on all waste disposed of to landfill to generate funding to help develop initiatives aimed specifically at Waste Minimisation. The Act also requires that TLAs develop, review and update a Waste Management and Minimisation Plan every 6 years.
New Zealand Waste Strategy 2023	Strategic framework provide direction to local government, businesses (including the waste industry), and communities on where to focus their efforts in order to deliver environmental, social and economic benefits to all New Zealanders. The goals are: reduce the harmful effects of waste; and improve the efficiency of resource use.
Proposed Southland Water and Land Plan	The purpose of this plan is to promote the sustainable management of Southland's rivers, lakes, groundwater and wetland resources and enable the management of contaminants across a number of Freshwater Management Units (FMU's) through a catchment limit setting process. The Plan as notified contains rules around the management of closed landfill which could potentially impact on the activity by requiring certain closed landfills to have resource consent.
Solid Waste Bylaw 2011	Sets local rules to help: • ensure that household waste is collected and disposed of in the interests of public health and in an efficient and cost effective manner; • provide for the efficient collection and recovery of recyclable waste; and • ensure that the obstruction of streets and roads by waste for collection is minimised; and • manage waste management facilities for the optimum disposal or recycling of waste. •
Southland Waste Management and Minimisation Plan 2020	Requirements for the sustainable management of Southland's resources through the utilisation of the concepts of resource stewardship and waste minimisation.

New Waste Legislation

The New Zealand Waste Strategy 2023, outlined the intention of new waste legislation. It will create the legal frameworks, powers and obligations needed to drive change for Governments 2023 goals. The intention is for it to be in force in 2025. Some of the legislative changes will come into effect immediately, while others will be phased in

over time. For example, regulation of waste management activity is likely to be phased in between 2025 and 2030. The new laws will create powers or regulatory systems to support an ongoing pipeline of more detailed regulations, such as phasing out problematic materials and introducing more regulated product stewardship schemes.[1]

The proposed legislation will embed a system of strategic planning and reporting on waste for central and local government. Precise timing is still to be determined, but the central government cycle would look something like the outline given below.

Te-rautaki-para-Waste-strategy.pdf (environment.govt.nz)

Te Rautaki para – waste strategy (ministry for the Environment. 2023) Vision for 2050

By 2050, Aotearoa New Zealand is a low-emissions, low-waste society, built upon a circular economy.

We cherish our inseparable connection with the natural environment and look after the planet's finite resources with care and responsibility

This strategy included the development and implementation of a circular economy principles, providing high level direction. The next steps are foe the wast management sectore and others to develop a first action and investment plan. (AIP)

Demand Strategies   **Management**

This section describes how demand for waste services is likely to change over the period of the plan, the impact any changes are likely to have and whether Council is planning to make any changes to the activity as a result.

---

[1] It is proposed that the new legislation uses a wider extended producer responsibility framework to replace the product stewardship provisions in the current legislation.

Predicting Future Demand for the Service

Demand Drivers

The factors influencing demand for the service are summarised in the table below. The Council has prepared corporate wide assumptions/projections for growth drivers (population, land use, dwellings, tourism) which have been used as the basis for assessing future demand for the service.

Demand Driver	Impact on Future Demand
Population	Expect volumes of materials discarded to increase or decrease in proportion to population, all other factors remaining constant.
Tourism/holidaymakers	Expect solid waste along main tourist routes and in holiday season at popular destinations to reduce following Covid-19 pandemic and resultant controls which will have a positive impact on waste generated.
Economic Growth	Expect solid waste to increase or decrease in proportion to ups and downs of economic cycles and in light of current Covid-19 pandemic.
Alternative Disposal Options	Changes in consumer access to alternatives will impact on the demand for Council provided services. Significant amounts of solid waste are, thought to be, disposed of in farm tips. Changes to Regional Plans and or enforcement techniques may restrict this alternative. In addition changes to the global recycling markets will likely have an impact on traditional disposal routes
Affordability	Central government has introduced financial mechanisms (landfill levies) to help promote waste minimisation and reduce waste to landfills. Government recently consulted on proposed increases to the levy with an ultimate proposed levy of between $50 - $60 per tonne increasing from the current $10 per tonne. Other financial mechanisms under the Emissions Trading Scheme are also being considered.
Availability	The extent to which Waste management services are conveniently available to consumers impacts on the historic demand for the services. This is especially relevant in rural areas where ratepayers are required to bring their bins to collection routes between townships. It is noted that to extend the current collection routes will incur significant costs as collection contractors would be required to provide additional resources to service these areas ie additional collection trucks and drivers).

Demand Forecasts

Taking into account the key drivers for this activity above it is assumed that:

Population changes will have minimal impact on future Waste services demand;

- There is likely to be a noticeable increase from tourism/holidaymakers in popular destinations such as Te Anau (including Milford), Riverton and Stewart Island as a result of previous LTP travel restrictions removed. We are now back to pre pandemic.
- Static to slight increase from economic growth most likely in the short to medium term with small chance of significant increase if a large scale regional initiative such as energy resources takes off;
- Moderate increase in demand for recycling and diversion waste management services resulting from affordability drivers on landfills and as the availability improves.

Analysis of data from the previous ten years indicates that total tonnages of waste being disposed of to landfill is increasing. Volumes to landfill in the 2022/2023 year show slight increases but remains down below tonnages recorded prior to the introduction of kerbside recycling. Typically the tonnages to landfill have been on average close to 6000 tonnes per year however it is noted that the 2022/2023 year this figure increased to 6397 tonnes. This increase likely relates to an additional 2000 wheelie bins that have procured for collection over the past three years.

Overall, it is anticipated that demand for the service will remain relatively static in the short to medium term with the potential for moderate increased demand in the collection services (increase in the numbers of bins). This has been the case since 2012 and is unlikely to change within the next three years based on census figures.

Implications of Growth/Demand

Existing facilities including the privately operated regional landfill site are expected to have the capacity to cope with demand for at least 30 years, given that demand is expected to remain relatively static.

If significant unexpected increase in demand occurred either across the board (such as stopping farm landfills) or to specific aspects of the waste management services (such as demand for organics/composting) then structural changes to the current waste management services would be required. None are currently planned.

It is also expected that a number of contractors who provide similar services would look to build or extend their business around these changes allowing Council to focus on the core reason for providing the service ie the provision of domestic rubbish and recycling services.

The historic landfills noted in this AMP for closing will not affect the growth or demand of waste services.

Demand Management Strategies

Territorial Authorities are legally required to adopt a Waste Management and Minimisation Plan (plan) as per the Waste Minimisation Act 2008 (WMA). The plan documents the strategic direction (vision, goals and objectives), actions and funding policy for the councils to meet both public health protection issues and the legal requirements to promote effective and efficient waste management and minimisation.

Given this legislative requirement, under the joint committee banner of 'WasteNet Southland' the Gore District, Invercargill City and Southland District Councils have developed this joint Plan for the region.

This plan considers diverted materials and waste as defined by the WMA, while excluding animal waste, emissions, sewage and stormwater as these waste streams are covered in other Council planning documents.

The plan will be reviewed at least every six years or when significant changes warrant a full review under special consultative procedure. The current plan is is set for review in 2026.

As per section 44 of the WMA, a Southland Waste Assessment was undertaken. Councils must have regard to this assessment when developing the plan. The key findings of the 2020 Waste Assessment include:

• Southlanders discarded 65,900 tonnes of materials in the base year 2018/2019. This represents 676 kilograms per person. Slightly over a quarter (27%) of the discarded materials is made up of diverted materials (greenwaste, cleanfill, scrap metal, recyclables), with just under three quarters (73%) is made up of waste disposed to Southland Regional Landfill (SRL)

- 18,000 tonnes of materials were diverted from landfill. This represents 130 kilograms per person. Conversely 47,900 tonnes of waste was sent to Southland Regional Landfill (SRL), this represents 520 kilograms per person

- less than half (46 %) of the waste going to SRL is sourced from kerbside rubbish collection, with 32 % sourced from the Industrial/Commercial/Institutional (ICI) sector. The Residential and Construction and Demolition sectors both account for 10%

- Southland's distance from national and global commodity markets and key infrastructure can hinder waste reduction initiatives. A specific example relates around glass disposal given the distance and associated cost of transporting to recycling plants in the upper North Island

- the councils have good control and management of waste services in Southland, with 83% of waste to landfill going through the Councils' transfer stations.

Data indicates that councils need to further investigate hazardous waste quantities and waste flows within the region.

The projected material volumes indicate that Council needs to ensure that they have infrastructure in place to meet the demand for diverted materials (specifically greenwaste) and that there is no major landfill capacity issues in the region.

The key issues and challenges facing Southland include:

- lack of information from private sector with regard to quantities and composition of diverted materials.

- focus on 'end of pipe' solutions.

- variable community commitment.

- Southland's unique character and distances from key national infrastructure ie glass and tyre recycling facilities.

- limited incentives to reduce waste.

- improving the quantity and quality of recyclables – this is currently being addressed through the enforcement of a 'three strike' rule whereby services will be withdrawn from persistent offenders.

- limited product stewardship schemes due to manufacturers being located offshore.

- lack of community infrastructure for better reducing and minimisation waste to landfill.

This plan sets out challenging goals for Southland, our vision is clear: *the effective and efficient stewardship of waste as a resource with a residual value, to protect our health and environment.* Southland's vision is to become a region that is a minimum waste producer, with businesses and individuals maximising opportunities to reuse, recycle and recover our resources.

Three goals underpin this vision:

- Working together to improve the efficient use of resources

- Use the waste hierarchy to guide decision making

- Reduce the harmful effects of waste on our health and environment.

As a result of our actions, by 1 July 2024, Southland will maintain a materials discarded per capita figure of 650 kilograms, comprising 40% diverted materials.

Five key strategic objectives further support our vision, goals and target:

- Reduce the amount of material entering the waste stream.
- Reuse or repurpose material so it has a life before recycling or disposal.
- Reduce the amount of material sent to final disposal by maximising recycling.

- Moving to ensure glass and organics can be disposed appropriately
- Make the best use of recoverable waste as a renewable resource.
- Appropriate treatment and disposal of waste for the protection of our health and environment.

The general policies of the plan are based on the following guiding principles: global citizenship; kaitiakitanga/stewardship; extended producer responsibility; full-cost pricing; life-cycle principle and the precautionary principle.

Council's role in waste management and minimisation is to oversee, facilitate and manage the range of programmes and actions to achieve our vision, meet the legislative requirements and protect our health and environment.

As a result of the WasteNet Southland - Waste Management Plan, a number of key priorities and actions for waste management programme have been identified.

It is expected that education, promotion and tailoring of waste management services will continue to drive demand for waste minimisation services and in turn reduce relative demand for disposal services. However to satisfy public health drivers while we still have waste, on the path to zero, provision of disposal services will remain a central and critical element of the wider waste management services.

Asset Management Strategies to Manage Demand

The current WasteNet Waste Service Contracts retain flexibility and unit rate price stability for changes in demand for the collection services (wheelie bins) as does the long term (35 year) 2004 WasteNet Regional Landfill Service Contract. Council owned assets at transfer stations have demonstrated adequate historic capacity. If unexpected significant increased demand occurred then a number options exist for managing this increase including revised/longer opening hours. Capital capacity upgrades are unlikely to be required at transfer stations and   not currently planned for. This will be monitored and reviewed as demand projections change.

The recycling drop-off centres are modular (shipping containers) and can be easily relocated to response to changes in demand and demographics which will be monitored and reviewed over time. No current assets or services are considered redundant.

Sustainability

The Local Government Act 2002 requires local authorities to take a sustainable development approach while conducting its business, taking into account the current and future needs of communities for good-quality local infrastructure, and the efficient and effective delivery of services.

At the Waste services activity level, a sustainable development approach is demonstrated by the following:

- Promotion of waste minimisation activity and in particular the use of the minimisation hierarchy ie Reduce; Reuse/Repurpose; Recycle; Recover
- Targeted education in particular to schools, youth groups etc to ensure the right messages and culture is promoted at an early age
- Continued use of joint education/enforcement strategy to manage contamination levels in recycling bins.

The Waste services Activity is strongly influenced by sustainability, being lead from the top with Central Governments Waste Minimisation Act 2008 and the New Zealand Waste Strategy 2023.

The purpose of the Waste Minimisation Act 2008 (section 3) is to "encourage waste minimisation and decrease waste disposal in order to protect the environment from harm; and to provide environmental,

social, economic and cultural benefits". The key tools for achieving this vision include the National Waste Disposal Levy Emissions Trading Levy and Product Stewardship schemes.

The National Waste Disposal Levy is a financial disincentive to dispose of waste to landfill. For every tonne of waste disposed to landfill, a $60 plus GST charge is paid by Landfill operators to the Ministry for the Environment. The levy is used to fund waste minimisation projects as it will be partly (50%) distributed to territorial authorities on a population basis, with the rest provided to a contestable Waste Minimisation Fund. It is expected that the levy will be increased to $60 per tonne by 2024 This brings it in line with other such international initatives and will help fund more on-shore processing opportunities.

Add in waste disposal strategy info see https://environment.govt.nz/what-government-is-doing/areas-of-work/waste/aotearoa-new-zealand-waste-strategy/

The government recently launched a national waste strategy. The strategy includes the phasing out of hard to recycle and single use plastics, improving household recycling and food scrap collections, reducing food waste, a beverage container return scheme, product stewardship and the waste disposal levy.

The waste disposal levy will:

- Progressively increasing over four years the levy rate for landfills that take household waste from the $10 per tonne set in 2009 to $60 per tonne as of July 2024.
- Expand the waste levy to cover additional landfill types, including construction and demolition fills. At present the waste levy only applies to municipal landfills that take household waste, with no levy on the remaining almost 90 per cent of landfills throughout the country.
- Collect better data about the waste we are creating, and how we are disposing of it, so our waste can be better managed.
- Investing the additional revenue from the waste levy in initiatives that support waste reduction, such as building New Zealand-based recycling infrastructure

Product Stewardship describes the process through which those involved in the lifecycle of a product or service (designers, manufacturers, retailers, consumers) all take responsibility for the health, safety and environmental impacts produced by the good or service. The Southland Waste Management and Minimisation Plan vision is that "waste is a resource". Beneath this vision are three goals:

- Work together to improve the efficient use of resources.
- Use the waste hierarchy to guide decision making.
- Reduce the harmful effects of waste to our health and environment.

Social and Cultural Considerations

The key social and cultural drivers for the Waste services Activity are:

- Meeting the obligations of the Health Act 1956 and Health & Safety at Work Act 2015
- Provide behaviour change programmes to increase participation in waste minimisation initiatives and inform customers on how to use services
- Promote the principle of Kaitiakitanga/Stewardship – all Southlanders are responsible for looking after the environment, and for the impact of products and wastes they make, use and discard Kaitiakitanga expresses an integrated view of the environment and recognises the relation between all things. It represents the obligation of current and future generations to maintain the life sustaining capability of the environment for present and future generations.

Environmental Considerations

The Southland Waste Management and Minimisation Plan identifies five key strategic objectives:

- Reduce the amount of material entering the waste stream
- Reuse or repurpose material so it has a life before recycling or disposal
- Reduce the amount of materials sent to final disposal by maximising recycling
- Make the best use of recoverable waste as a renewable resource.
- Appropriate treatment and disposal of waste for the protection of our health and environment.

Under each of these objectives, actions have been developed to achieve the objective, resulting in movement towards achieving the overarching vision – waste is a resource. At the time of writing the plan is under review however it is likely that this will still remain as an overarching vision.

Economic and Financial Considerations

Waste services is a significant infrastructural activity that looks to provide the desired LOS in the most cost-effective manner while meeting the health, safety, social, cultural and environmental interests. We do this by:

- Recognising the consumption of assets and appropriately funding it
- Categorising capital versus operational expenditure and understanding how each influences the community
- When procuring goods and services, take into account market sustainability, best practice and smart buying processes
- Reporting on financial performance
- Where appropriate and practicable apply full-cost pricing/user pays principle e.g. the environmental effects for disposal of goods is consistently costed and charged as closely as possible to the point they occur
- Undertaking projects which are affordable and justified under the better business case
- Work collaboratively with WasteNet Councils and other Territorial Authorities/Organisations to reduce cost and achieve shared objectives.

Key Projects

The following table lays out the key projects that will be undertaken in support of the Waste services activity through the ten years of the 2024/34 plan.

Project Description	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	Total
Otautau Closed landfill protect in place	$998,000										**$998,000**
Riverton rocks closed landfill removal			$228,523			$1,999,061	$2,265,602	$2,310,914			**$6,804,100**
Bayswater closed landfill removal					$108,775	$111,059		$1,090,289			**$1,310,123**
Lumsden transfer station shed maintanence	$15,000										**$15,000**
Otautau transfer station shed maintanence							$16,992				**$16,992**
Stewart Island RRC regravel	$10,000										**$10,000**
Stewart Island RRC new 20ft burn bin	$5,000										**$5,000**
Pad Strengthening and shed refurbishment	$50,000										**$50,000**
Te anau transfer station shed maintanence				$15,981							**$15,981**
Winton transfer station weighbridge										$239,956	**$239,956**
Winton transfer station hook bin redevelopment										$95,983	**$95,983**
Winton transfer station shed maintanence						$16,659					**$16,659**
Wyndale transfer station greenwaste tidy up	$30,000										**$30,000**
Wyndale transfer station shed maintanence			$15,637								**$15,637**
Total	**$1,108,000**		**$15,637**	**$244,504**	**$108,775**	**$2,126,779**	**$2,282,594**	**$3,401,203**	**$17,661**	**$335,939**	**$9,641,092**

Our Levels of Service

This section outlines why Council is involved in this activity and the key drivers for levels of service, including customer expectations, legislative/regulatory requirements and Council outcomes. The next section details what LOS will be provided and the performance measures and targets which will be used to monitor performance.

Levels of Service, Performance Measures and Targets

This section outlines the levels of service (LOS), performance measures and targets from the performance framework for the activity detailing what Council will provide, and to what level or standard:

- LOS are the outputs that are expected to be generated by the activity. They demonstrate the value being provided to the community or reflect how the public use or experience the service. A key objective of activity planning is to match the LOS provided with agreed expectations of customers and their willingness to pay for that LOS.
- Key Performance Indicators (or performance measures) are quantifiable means for determining whether a LOS has been delivered and are generally broken into customer measures (which focus on how the public uses or experiences the service) or technical measures (which tend to be used internally to track performance or measure what the organisation does).
- Performance targets are the desired levels of performance against the performance measures.

The levels of service provide the basis for the management strategies and works programmes identified in the AMP. By clarifying and defining the levels of service for the activity (and associated assets), Council can then identify and cost future operations, maintenance, renewal and development works required of the activity (and associated assets) to deliver that service level. This requires converting user's needs, expectations and preferences into meaningful levels of service.

The table below the levels of service, performance measures and performance targets for the Waste services activity. The table sets out the Council's current performance and the targets it aims to achieve within the next three years and by the end of the next 10 year period.

WASTE SERVICES: What LoS we provide	LoS 8: Provide convenient and reliable rubbish and recycling services that minimise the amount of waste going to landfill				
How we measure performance	Current Performance (23/24)	Future Performance Targets			
		Yr 1 (24/25)	Yr 2 (25/26)	Yr 3 (26/27)	Yr 4-10 (27-34)
	LOS 15: Minimise the amount of waste going to landfill				
KPI 8.1 Amount of waste: (a) diverted from landfill (tonnes) as a percentage of total waste[1] (b) maximum per property disposed of to landfill (kilograms)	34% 585Kg per property	40% 650kg per property	40% 650kg per property	40% 650kg per property	40% 50kg per property
1 - Total waste diverted by weight includes material from drop-off centres, (yellow) recycling wheelie bins, greenwaste sites and scrap metal. Weight calculations are estimated based on the number of collection containers processed multiplied by an average weight for different material types					

Table 0-1: Waste services Performance Management Framework

Changes to the performance framework

The levels of service and key performance indicators have been reviewed following a benefits mapping exercise to ensure Council's performance framework is focussed on measuring the activity benefits at the outcome and objective level. There has been no amendments to Levels of Service through this plan period.

Water and Waste staff have reviewed the measures within the previous version of the AMP and consider these appropriate to allow inform staff, elected members and customers how well we are performing.

Plans Programmed to Meet the Level of Service

The agreed levels of service with contractors are largely around response times and efficiency of the service. These are monitored through WasteNet and reported back at individual Council levels.

Levels of service around waste minimisation are set out in the Southland Waste Minimisation and Management Plan 2020-2026. This Plan will begin a review in 2025.

The agreed levels of service with contractors are largely around response times and efficiency of the service. These are monitored through WasteNet and reported back at individual Council levels.

Levels of service around waste minimisation are set out in the Southland Waste Minimisation and Management Plan 2020-2026. This Plan will begin a review in 2025.

Separate Glass Collection Service

Government legislation requires councils to recycle glass separately to other recyclables by 2027 and Wastenet, our shared waste management service with Invercargill City Council and Gore District Council, is recommending we do this now to not only meet legislative requirements but also to improve the way we manage our waste. By taking glass out of the mixed recycling bin the impact of contamination from broken glass in that bin will be reduced. At the moment this contamination is causing extra waste being sent to landfill, which costs more.

The councils are also facing increased costs around waste from the Government, including emission trading scheme costs and waste level charges. Wastenet also wants to increase the amount it invests in education.

The options are either to collect a new glass recycling bin monthly or fortnightly. In 2024/25 bins will be bought and distributed and the new collection process will begin in 2025/26

The current methodology is a commingled recycling collection process for Invercargill City Council (ICC) and SDC where households disposes of all recycling into their mixed recyclables bin, rather than collecting glass separately in its own bin. Glass is a major part of the contamination in the commingled recycle bin. Separating glass ensures that about 90% of the glass can be reused. The potential for glass separation at the kerbside starting 1 July 2025, there will be new blue glass collection bins or glass bottle banks depending on the strategy chosen by council.

With this new level of service, glass items will no longer be permitted in yellow bins and will be considered a contaminated item.

Option	Description	Level of Services	Financial implication
Option 1 :Introduce a new 140-litre glass recycling bin monthly collection service – our preferred option	Residents with the rubbish and recycling service will receive a new blue 240-litre bin for glass. This will be a cost of $807,950 excluding GST for the purchase of 11,000 bins. The glass bin will alternate fortnightly with the yellow recycling bin - meaning each will get collected once a month. Wastenet estimates under this system about 90% of glass would be able to be reused within aggregate products such as road surface and there will be reduction contamination. There will be improvements in health and safety for people processing the waste and improved sustainability from less waste being sent overseas.	The reduction of recycling collection to once a month can be seen as a reduction of service, but because glass is being taken out of the recycling bin and being collected the alternate fortnight, there is still a fortnightly recycling collection and could be seen as an increase in the level of service as it enables better use of recyclables.	On rates: $7.17 rate increase On debt: $807,960
Option 2 : Introduce a new 140-litre glass recycling bin fortnightly collection service	This option will mean a new bin for every property which currently receives recycling services. This will be a cost of $807,950 excluding GST for the purchase of 11,000 bins. In addition, the cost of the service will need to cover the new trucks needed to collect waste from three bins, costed out at $966,165.48. Wastenet estimates under this system about 90% of glass would be able to be reused within aggregate products such as road surface and there will be reduction contamination. There will be improvements in health and safety for people processing the waste and improved sustainability from less waste being sent overseas.	This will be an increase in the level of service for recycling as it enables better use of recyclables.	On rates: $10.01 increase On debt $807,950

Activity and Asset Management

Overview of Management

Lifecycle asset management means considering all asset management options and strategies to deliver the agreed LOS and to inform decision-making for asset renewal, replacement, upgrade and disposal. Effective lifecycle planning is about making the right investment at the right time to ensure that the asset delivers the desired LOS over its full-expected life, at the minimum total cost.

This section explains the approach for:

- providing new or upgraded assets to improve service levels,
- providing for growth and demand
- operating and maintaining assets
- renewing or replacing assets
- disposing of assets at the end of their useful life.

Kerbside Collection Service

Approach to Operations and Maintenance

Mainland

Council provides a fortnightly kerbside collection for rubbish and recyclables through a twin wheelie bin service to townships and voluntary refuse collections to properties on collection vehicle travel routes. The service will uplift rubbish bins fortnightly and recycling bins on the alternative week.

Council provides a minimum of two bins per household for the service. The bins have a volume of 240 litres, although larger 360 litres and smaller 140 litres bins are also available. In order to distinguish between them the rubbish bin has a red lid while the recycling bin has a yellow lid. Recycling is currently co-mingled with all products presented within the one bin. Collections are undertaken by The Contractor who have a contract to undertake kerbside collections through to 2027 which is sub contracted through Invercargill City Council.

Collected rubbish is disposed of at the regional landfill outside of Winton. This is a private site operated by AB Lime, however the WasteNet councils do have a 35 year contract for the disposal of rubbish. As Council does not own or operate a landfill site their risk in respect of the complete Waste services activity is significantly less than other authorities.

The current collection contract is for a period of eight plus eight years with the renewal period being 2019. WasteNet has now rolled this contract over until June 2027.

Rakiura Stewart Island

Rakiura/Stewart Island - All properties containing residential dwellings or business premises in Oban (on a serviced road network) receive a weekly kerbside prepaid refuse bag and collection service for residential type recyclables and refuse. A resource recovery centre has also been established at Horseshoe Bay.

Council provide a weekly household kerbside waste management collection through a 60 litre recycling crate, and one per week degradable residual waste bag.

Users put out their bin, and bag on their designated day. The contractor (SIESA) empties the containers and transports the collected material to the Rakiura Resource Recovery Centre for further processing. Opportunities exist and will be investigated for organic and worm farms which exist at the local school.

This activity is funded locally through a Uniform Annual Charge (UAC), while the transfer station activity is a district funded activity.

Asset Information

All bins and kerbside receptacles within the District are owned by Council. Responsibility for repair and maintenance of bins lies with the contractor. The Water and Waste Services team hold a database of information relating to the numbers and locations of all bins within the District, of which there are currently over 11,000 of each.

Council is the owner of the wheelie bins with the contractor responsible for any maintenance on them. Based on previous experience it is anticipated that the bins will have a life of approximately 15 years which aligns the proposed life of the current contract arrangements.

Given that the current contract is for a period of eight years plus eight years it is expected that the bins will require replacing around 2027, which falls within the 2028/2031 LTP period. An allowance has been made in the LTP for replacement bins. Allowance has also been made for additional bins based on the expectation that glass will be removed from the current recycling stream.

Operations and Maintenance Forecasts

The significant changes to the operations and maintenance forecasts over the next 10 years relate to expected increases in Levy payments as well as expected increase when new contracts are procured post 2027. Other increases over the 10 years are due to inflation.

Approach to Renewals

Renewal is the replacement (or rehabilitation) of an existing asset without changing its capacity or LOS beyond the original design.

Renewal Strategy

Council owns wheelie bins which are main asset in relation to kerbside collection service. These bins will last the duration of the current contract with a budget included in the plan for replacement at end of life.

The other main assets that Council own in relation to the activity are the recycling drop off containers. These are inspected annually by Council staff and contractors and any maintenance agreed between all parties. None of the containers have reached end of life so there is currently no plan for their replacement however they will all require a degree of maintenance to extend their useful life.

Renewal Forecasts

The only significant renewal forecasted in this plan is for the replacement of wheelie bins in 2026/2027 of $1.79 million. This is based on continuing service provision arrangements.

Refuse Transfer Stations

Approach to Operations and Maintenance

The District is serviced by Council owned and maintained transfer stations at Lumsden, Otautau, Riverton, Rakiura/Stewart Island, Te Anau, Winton and Wyndham. These public waste management facilities carry out three main functions:

- the collection of residual waste for disposal to the regional landfill – from members of the public, commercial premises and in some instances transhipping of materials collected through the kerbside collection service
- the collection and transportation of recyclable material to various businesses for recycling.
- the collection and distribution of reusable items (second-hand items) and mulched greenwaste to members of the community.

All waste collected at transfer stations is transported by road (or in the case of Stewart Island, partially sea-freighted) to the regional sanitary landfill in Winton for final disposal.

Council endeavours to ensure that waste disposal and recycling services provided meet standard industry practice and health and safety standards.

This AMP does not cover private waste disposal systems including cleanfill sites.

The following table provides an overview of the transfer stations and expected throughput:

TRANSFER STATION LOCATIONS			
Lumsden	(Open top4	~	252 tpa1)
Otautau	(Open top4	~	158 tpa1)
Riverton	(Open top4	~	746 tpa1)
Oban (Stewart Island)	(Compaction5	~	200 tpa1)
Te Anau	(Compaction5	~	3735tpa1)
Winton	(Compaction5	~	977 tpa1)
Wyndale	(Open top4	~	520 tpa1)

1   Expected Annual Waste Tonnage in 24/25.
2   Proportion of waste from wheelie bin service in 24/25.
3   Approximately 1/3 of waste received is from wheelie bin collections.
4   Open Top = containers that are open topped and waste is not compacted (lower facility capital and operating cost).
5   Compacted = Compaction equipment used to compact waste into container (improves transport efficiencies).

Asset and Site Information

A. Lumsden Transfer Station and 24/7 Recycling Drop-off Centre

Address:

35 Oxford Street, Lumsden

Opening Hours:

Location	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Oxford Street				4.00 pm - 5.30 pm			3.30 pm - 5.30 pm

Current Issues:

There are currently no issues with this site, although strengthening work on the concrete pad is likely required by the end of the 10 year period. Within the 30 year window it is likely that the reuse shed will require replacement or refurbishment.

General Description of Activity:

- customers enter the site at the north end and can either follow the chipped sealed road up on to the elevated tipping face to dispose of residual waste or they can go straight ahead on to the gravel track passed the hazardous waste shed and used oil recovery facility, then to the greenwaste pit. The gravel track meets up with the chipped sealed road as it comes down off the elevated tipping head. Where the gravel track meets the sealed road is the recycling/reuse shed and scrap metal area and the site exit.

- open top uncompacted hooker containers are utilised to receive residual waste which is hauled to the regional landfill. There is no weighbridge on site. There is no mechanical compaction or materials handling equipment permanently on site. Waste is tipped or pushed from the customers' vehicle on elevated tipping head directly into the container/s below. There is room for two containers on a concrete slab below the tipping head. Removable safety barriers and wheelie stops together with the container wall projecting between 200 mm and 400 mm above the tipping head pavement surface help mitigate the risk of fall injuries.

- customers can use the drop-off recycling centre 24/7. The container is located within the fence, with the slots facing the road. Customers do not need access to the site. The road has been widened for parking and turning.
- The Contractor use the site for trans-shipment of rubbish to the regional landfill site, and of recyclables to the Recycle SouthFacility Facility.

Current Consents:

No discharge consent is currently held or required. The site is designated in the Southland District Plan as follows "No. D109 Lumsden Refuse Site (Proposed)."

B. Otautau Transfer Station

Address:

5 Bridport Road - off Otautau Drummond Highway.

Opening Hours:

Location	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Otautau Drummond Highway		10.00 am -12.00 noon		Winter Hours 10.00 am - 12.00 noon Daylight Saving Hours 6.00 pm - 8.00 pm		10.00 am - 12.00 noon	10.00 am - 12.00 noon

Current Issues:

The site currently has limited capacity for the storage of green waste. Council has agreed to progress with negotiations with ES in relation to disposal at a suitable closed landfill site. Within the 30 year window it is likely that the reuse shed will require replacement or refurbishment.

History of the Site:

The site was previously in-filled riverbed.

General Description of Activity:

- customers entering the site come into a reception area which includes the hazardous waste shed, and used oil recovery facility. Customers either go straight through on the chipped seal road to the elevated tipping head where they can disposal of residual waste, or to the left to the recycling/reuse shed and then on to the gravelled track to the greenwaste area and then to the scrap metal pile.
- open top uncompacted hooker containers are utilised to receive residual waste which is hauled to the regional landfill. There is no weighbridge on site. There is no mechanical compaction or materials handling equipment permanently on site. Waste is tipped or pushed from the customers' vehicle on elevated tipping head directly into the container/s below. There is room for two containers on a concrete slab below the tipping head. Removable safety barriers and wheelie stops together with the container wall projecting between 200 mm and 400 mm above the tipping head pavement surface help mitigate the risk of fall injuries.

- The Contractor use the site for trans-shipment of rubbish to the regional landfill site, and of recyclables to the Recycle South Facility.

Current Consents:

The site has a designation to operate as a transfer station.

C. Riverton Transfer Station and 24/7 Recycling Drop-off Centre

Address:

1 Havelock Street, Riverton.

Opening Hours:

Location	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Havelock Street	3.00 pm - 5.00 pm		3.00 pm - 5.00 pm		3.00 pm - 5.00 pm	11.00 am - 1.00 pm	3.00 pm - 5.00 pm

Current Issues:

The site currently has limited capacity for the storage of green waste. A project will be developed within the upcoming three years to consider options for removing the stockpile and disposing oft on Council's closed landfill sites.

Strengthening work on the concrete pad is likely to be required by the end of the 10 year period. Within the 30 year window it is likely that the reuse shed will require replacement or refurbishment.

History of the Site:

The site is part of an old landfill and sewerage disposal complex. The transfer station site was not part of the landfill filling area.

General Description of Activity:

- customers enter the site at the north end and initially come to the hazardous waste shed, then they can either follow the chipped sealed road up on to the elevated tipping face to dispose of residual waste or go straight through on to the gravel track then to the greenwaste pile and then to the scrap metal area. The gravel track meets up with the sealed road as it comes down to the south off the elevated tipping head. Customers leave the site at the south end after passing the recycling/reuse shed.
- open top uncompacted hooker containers are utilised to receive residual waste which is hauled to the regional landfill. There is no weighbridge on site. There is no mechanical compaction or materials handling equipment permanently on site. Waste is tipped or pushed from the customers' vehicle on elevated tipping head directly into the container/s below. There is room for two containers on a concrete slab below the tipping head. Removable safety barriers and wheelie stops together with the container wall projecting between 200 mm and 400 mm above the tipping head pavement surface help mitigate the risk of fall injuries.
- customers can use the drop -off recycling centre 24/7, the container is located within the fence, with the slots facing the road. Customers do not need access to the site. The road has been widened for parking and turning. This allows recycling to occur at anytime regardless of if the transfer centre is open or not.
- The Contractor use the site for trans-shipment of rubbish to the regional landfill site, and of recyclables to the Recycle SouthFacility Facility.

Current Consents:

No discharge consent is currently held or required. The site is designated in the Southland District Plan as follows "No. D125.2 - Riverton Refuse Site".

D. Stewart Island Transfer Station (Rakiura Resource Recovery Centre)

The Rakiura Resource Recovery Centre was opened in December 2003 and is currently been operated by SIESA.

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Horseshoe Point Road	1.30 pm - 4.30 pm		1.30 pm - 4.30 pm	1.30 pm - 4.30 pm	1.30 pm - 4.30 pm	8.00 am - 12.30 pm	

The purpose of the transfer station (Resource Recovery Centre) is to provide a way for residents and visitors to safely and appropriately dispose of their waste. The centre acts as a hub for the management of domestic materials including the rubbish and recyclables collected weekly and also as a drop-off centre for those who wish to bring in their own recycling and waste, and also for waste and recyclables collected from commercial premises.

The site consists of:

- two sheds with 3-phase power, roller doors, concrete floors and an office. A 'horizontal composting unit has been constructed, and a concrete shed to be used to store hazard waste is on site.
- one shed houses the compactor and the balers. Residents unload rubbish and recyclables at this shed enabling it to be quickly sorted (recycling), or be compacted waste materials.
- the second shed houses the site vehicles and has space for second-hand goods and materials. There is a gravel yard below which acts as an additional storage area for both glass and bulky scrap metals.

Glass:

Glass collected at the kerbside is offloaded into the bulk bays at the gravel yard. Glass collected in solid bins (plastic/steel) is tipped into the bays using the forklift. The centre has recently purchased a glass crusher which allows for the more efficient storage and disposal of glass. The crusher will require some significant upgrades to meet current safety standards.

The crushed glass product for use in roading walking tracks, soakage pits, and as drainage material.

Paper and Cardboard:

Paper and cardboard at the centre is sorted into appropriate grades. Old corrugated cardboard and newsprint will be sorted and baled for transport back to Invercargill for recycling.

Lower grade, wet and soiled paper will be sorted for use in the composting system. As most compost systems need added carbon this appears to be an ideal way to utilise this material and will help control costs. Used hand towels and serviettes can be added into any food waste composting system.

Plastics Coded 1 and 2, Steel and Aluminium Cans:

Plastics are sorted into:

- Milk bottles
- Clear polyethylene terephthalate
- Coloured polyethylene terephthalate
- Household commodity bottles
- Steel and aluminium cans will be sorted and handled the same way.

Sorted materials are stored in bulk bags or woolsacks and each material accumulated by type until there is a large enough volume to be baled. Once baled it will then transported to Invercargill for recycling.

Scrap Metal:

Scrap metals, including cars, will be stripped and sorted to a level that meets the criteria of the scrap metal merchant who will be accepting the materials and is also economic. It is planned to palletise some materials if this shows to be an advantage.

Customers arriving at the WRC with cars or bulky items will be directed to the lower storage area where cars and appliances will be stockpiled until they are transported to the wharf by trailer for transport to Bluff. Once in Bluff they will be offloaded on to a truck or trailer and be taken to the scrap yard.

Storage on the wharf at either end is to be avoided and all parties will need to be well coordinated if this is to be avoided.

E. Te Anau Transfer Station

Address:

237 Manapouri Te Anau Highway

Opening Hours:

Location	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Manapouri Te Anau Highway	WH 2.00 pm - 4.00 pm LE 2.00 pm - 6.00 pm	WH 2.00 pm - 4.00 pm LE 2.00 pm - 6.00 pm	WH 2.00 pm - 4.00 pm LE 2.00 pm - 6.00 pm	WH 2.00 pm - 4.00 pm LE 2.00 pm - 6.00 pm	WH 2.00 pm - 4.00 pm LE 2.00 pm - 6.00 pm	WH 2.00 pm - 4.00 pm LE 2.00 pm - 6.00 pm	WH 2.00 pm - 4.00 pm LE 2.00 pm - 6.00 pm

LE = Labour Weekend to Easter

WH- Winter Hours

Current Issues:

No current issues at this site. Within the 30 year window it is likely that the reuse shed will require replacement or refurbishment. Within the 30 year period the waste compactor will also require replacement

General Description of Activity:

- customers enter the access road site off the Manapouri Te Anau Highway. As they proceed to the east along the access road they come to the drop-off recycling centre where they can unload recycling. The drop-off centre is intended for domestic users but does occasionally get used by others. Customers can then move along the access road, passed the entrance to the neighbouring cleanfill/gravel pit on the left, to the fenced off transfer station complex and into the reception area passing the hazardous waste shed, oil recovery facility and then the recycling/reuse shed. The customers follow the road around to the elevated tipping head. When leaving the elevated tipping head the customers turn right and out through the gate on to the gravel loop road where they can unload greenwaste, metals, tyres etc. Large loads are backed in and tipped directly into the lower concrete push pad area.
- The Contractor currently operates out of the recycling reuse shed for the compaction of the recyclables from its private (mostly commercial customers).

- the refuse on the concrete pad below the elevated tipping face is pushed by a loader along the pad and into the hopper and drops into the compactor and is then pushed by compactor ram into a hooker bin. Enclosed hooker bins are currently utilised to receive residual waste through the compactor, and are then stored on the site before being hauled to the regional landfill. The compactor was recently refurbished and expected to have a life beyond the duration of the current plan.
- empty hooker bins are stored to the east of the compactor on the concrete slab. Full hooker bins are pulled straight out of the compactor to a storage area to the south using a loader. When full bins are already in storage additional full bins are pushed for the last few meters into position. Rail tracks to match the current hooker bin frame and wheel configurations have been used to extend the storage area for full bins to the south. Empty hooker bins are wheeled into position on the compactor using a loader.
- wheel stops together with a reduced height tipping head wall mitigate the risk of fall injuries.
- The Contractor use the site for trans-shipment of rubbish to the regional landfill site, and of recyclables to the Recycle SouthFacility.

Current Consents:

No discharge consents are currently held or required. The site is designated in the Southland District Plan as follows "No. D125.1 - Te Anau Refuse Site."

F. Winton Transfer Station

Address:

193 Florence Road.

Opening Hours:

Location	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Florence Road	2.30 pm - 5.30 pm		2.30 pm - 5.30 pm		12.00 noon - 5.30 pm	WH 1.00 pm - 5.00 pm 11.00 am - 5.00 pm DSH	WH 2.00 pm - 5.00 pm 1.00 pm - 5.00 pm DSH

WH= Winter Hours

DSG= Daylight Saving Hours

General Description of Activity:

- customers enter the site from the north and either go straight through past a reception area, then passed an agriculture-container recovery area and then to the elevated tipping head for residual waste disposal, or the customer can turn right past the hazardous waste shed then past the recycling/reuse shed then on to the greenwaste disposal area
- closed top compactor hooker bins are utilised to receive residual waste which is hauled to the regional landfill. The refuse on the concrete pad below the elevated tipping face is pushed by a loader into the hopper and into the compactor and then into the bin. There is no weighbridge on site
- the bins are placed into position on the compactor using a hooker truck loader over the concrete slab
- Wheel stops together with a reduced height tipping head wall help to mitigate the risk of fall injuries.

Current Consents:

No discharge consents are currently held or required. The site is designated in the Southland District Plan as follows "No. D116 - Winton Refuse Site."

G. Wyndale Transfer Station

Address:

190 Edendale Wyndham Road, Edendale (on the south east corner of Edendale and Wyndham Road and Island Edendale Road).

Opening Hours:

Location	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Wyndham Edendale Highway	Closed	Closed	DSH 4.00 pm - 6.00 pm WH 3.00 pm – 5.00pm	DSH 6.00 pm - 7.00 pm WH Closed	DSH 4.00 pm - 6.00 pm WH 3.00 pm – 5.00 pm	1.30 pm – 5.00 pm	1.30 pm – 5.00 pm

WH= Winter Hours

DSH= Daylight Saving Hours

General Description of Activity:

- customers entering the site come into a reception area then passed a hazardous waste shed, oil recovery facility and then a recycling/reuse shed. Customers can then either turn to the right into the elevated tipping head at the residual waste disposal area or carry on ahead to an area when green waste and metals can be placed in a gravel area off a loop road. Containers including wool fades and drums are used to store recyclable materials.
- open top uncompacted hooker containers are utilised to receive residual waste which is hauled to the regional landfill. There is no weighbridge on site. There is no mechanical compaction or materials handling equipment permanently on-site. Waste is tipped or pushed from the customers' vehicle on elevated tipping head directly into the container/s below. There is room for two containers on a concrete slab below the tipping head. Removable safety barriers and wheelie stops together with the container wall projecting between 200 mm and 400 mm above the tipping head help mitigate the risk of fall injuries.
- The Contractor use the site for trans-shipment of rubbish to the regional landfill site, and of recyclables to the Recycle SouthFacility Facility.

Current Consents:

No discharge consents are currently held or required. The site is designated in the Southland District Plan as follows - Wyndale Refuse Site designation number D111.

Approach to Renewals

Renewal is the replacement (or rehabilitation) of an existing asset without changing its capacity or LOS beyond the original design.

Renewal Strategy

Given the relatively low number of significant assets the basic strategy of agreement of condition and performance rating during routine inspections is considered appropriate at this stage.

Renewal Forecasts

An allowance for minor works is included in the operational budgets and is expended as required. Currently planned is painting the building at Stewart Island Transfer Station and strengthening of concrete pads at Lumsden, Otautau, Riverton and Wyndale.

Council staff and The Contractor organise procurement of any necessary renewals. No major capital work will be carried out without a recommendation from the Council to proceed.

As detailed it is likely that reuse sheds at all transfer stations will be replaced towards the end of the 30 year period as well as a replacement compactor at the Te Anau Transfer Station.

Capital Investment Forecasts - LOS and Demand

Council staff have reviewed usage information for recycling drop-off centres and assessed that no additional centres are required. Monitoring of usage will be reviewed periodically to determine if the centres are still in the most appropriate locations. Council staff will organise procurement of any necessary upgrades which are generally contracted out. There is currently no planned capital expenditure within the 10 year plan.

Drop-Off Recycling Centres

Approach to Operations and Maintenance

Recycling drop-off centres are provided for the collection of specific recyclable material and are intended for non-commercial-domestic use. The collected materials are mostly transported to Invercargill for bailing and then sold to recycling markets. The exception to this is glass which is land banked while alternative uses are investigated.

The recycling drop-off centres are owned and operated by Council and provided at the following locations:

DROP-OFF CENTRE LOCATIONS	
1	Garston
2	Lumsden (as part of the Transfer Station)
3	Manapouri
4	Mokotua
5	Mossburn
6	Ohai
7	Riversdale
8	Riverton (as part of the Transfer Station)
9	Te Anau (as part of the Transfer Station)
10	Tokanui
11	Tuatapere

DROP-OFF CENTRE LOCATIONS	
12	Woodlands (pending)
13	Wyndale (pending)

The drop-off recycling centres are accessible 24 hours a day, seven days a week.

Te Anau and Stewart Island townships have additional recycling drop-off centres that are community funded. Te Anau and Stewart Island's additional centres are in the form of wheelie bins. These centres are serviced by local service providers.

The drop-off recycling centres consist of modified 40 foot shipping containers with nine holes down one side. The nine holes are for the sorting of recyclable material into the following categories.

(a)   Aluminium (empty and flattened);

(b)   Tin/Steel (washed and flattened);

(c)   Cardboard (flattened);

(d)   Paper;

(e)   Glass (empty);

(f)   Plastic (all types washed and flattened).

The holes are only large enough to put the recyclable material through and no larger, enabling people to only put in recyclable materials and not household rubbish. Recyclables are collected in wheelie bins and the centres are serviced on the kerbside collection day for recycling. The centres are operated and maintained by The Contractor with all recycled materials taken to the Recycle South Facility).

All recycling centres will be painted and receive new signage on a 20 year cycle or as and when required.

Approach to Operations and Maintenance

Transfer stations and recycling centres are audited on an annual basis. This is a joint audit between Council and The Contractor. During this audit process outstanding maintenance issues are discussed and agreed along with responsibility for carrying out the work.

The contractor requirements at the drop-off recycling centres include:

- no less than once a fortnight recycling is removed from the container and taken to the recycling facility.
- no litter or recycling is left to accumulate around the site.
- receptacles is changed out before they become over full so there is always room for the public to place their recycling in the receptacles.

Council will replace the signage at the end of the life (20 years) plus repaint. Any damage caused to the signs prior to replacement is the contractor's responsibility.

Council will add new gravel every three years around the container and the contractor shall maintain the gravel area in a tidy state (free of weeds and pot holes).

These activities are funded through routine O&M budgets.

Usage will continue to be monitored to allow decisions to be made regarding to future servicing of these centres. Currently there has not been a significant drop off in usage of the centres following the introduction of the kerbside recycling service.

Operations and Maintenance Forecasts

There are no significant changes to the operations and maintenance forecasts over the next 10 years. The increases over the 10 years is due to inflation. Government regulations and legislation changes have the potential to cause contract and disposal increases but at present there are no known costs not allowed for in this AMP.

Approach to Renewals

Renewal is the replacement (or rehabilitation) of an existing asset without changing its capacity or LOS beyond the original design.

Renewal Strategy

All centres will be painted and receive new signage during the life of this AMP.

Renewal Forecasts

There is very little renewal work required. This is on an ad-hoc basis. An allowance for minor works is included in the operational budgets. No major works have been identified as being needed over the planning period, although all sites will require replacement signage and painting. As noted above, bins are replaced when required.

Council staff organise procurement of any necessary renewals which are generally contracted out.

Capital Investment – LoS and Demand Forecasts

There is no capital investment in forecasts for demand or LOS. Bins for glass collection in some of our townships and are proposed as part of this 2024-2034 LTP .

Greenwaste Sites

Approach to Operations and Maintenance

The greenwaste and cleanfill (cleanfill are materials which are natural soils such as clay,soil, rocks and some manufactured materials such as concrete and bricks) sites service the local area for the collection of greenwaste and cleanfill. The collected greenwaste is stockpiled and mulched on an annual or as required basis and the cleanfill is appropriately placed a spread out, or may be removed and used as fill where required.

Council owns and operates two greenwaste sites one at Wallacetown and one at Riversdale and one cleanfill site at Braggs Bay Rakiura/Stewart Island.

A cleanfill site is provided on Rakiura/Stewart Island due to the absence of any commercial cleanfill site on the Island and the community benefit of having cleanfill available for reuse on the Island. This site was re-consented in 2019/2020. Council is not otherwise in the business of providing cleanfill sites elsewhere in the District.

Each greenwaste site has an attendant (private contractor) who accepts payment via tokens and audits material for disposal. Access to the cleanfill site is by specific application to council and is controlled on site by a Council contractor.

The green waste sites only accept green waste that is separated clean greenwaste. This excludes soils, flaxes, and branches over 150 mm diameter and tree stumps. Greenwaste accepted for disposal is

stockpiled, when there is sufficient quantity the material is mulched. The mulched end product is available for reuse in the community, however because the product may not be totally void of noxious weeds and viable seeds there is no charge and is offered on an 'as is' basis. Typically the greenwaste will be mulched on site roughly twice a year.

There is currently no planned renewal, LOS or demand projects planned at greenwaste sites over the upcoming 10 year period.

This Activity Plan does not cover private greenwaste sites.

Closed Refuse Sites

Council is responsible for the management of 56 closed District refuse sites in the District. These sites were closed in response to developments in legislation and environmental awareness and Council have proactively undertaken studies to determine which of these sites present significant risks to the environment.

Historically in Southland waste disposal was decentralised, with most townships having one or more local tip sites to meet their community's needs. When the Resource Management Act 1991 came into effect, many of these small local landfills closed rather than obtain resource consent to continue operation.

Post closure, Southland District Council became responsible for these local landfill sites either as current landowner or the successor of the local authority who allowed the landfill originally. Since 2000 there has been multiple reports prepared and presented on these sites, with little action following their recommendations. Golder Associates 2002, Golder Associates 2005, MWH NZ 2012, Tonkin & Taylor 2020 and Environment Southland 2021 have all completed studies to identify environmental risks associated with these sites. In 2022 E3 Scientific was engaged by Council to complete a report on all 56 sites identified, summarising previous reports, complete field investigations and to provide recommendations for remedial action.

Following this report and its recommendations, E3 scientific prepared 19 site specific management plans for locations deemed most high risk of environmental consequences from the closed landfill.

The landfills not identified for remedial works will continue to be monitored for compliance against current regulations and legislation bi-annually.

These management plans identified five sites alongside waterways that required a suitably qualified river engineer to assess channel dynamics and provide recommendations for protect in place/removal.

The finalised report from E2 Environmental provided an overview of the sites, engineering reasoning to protect in place/removal recommendations at these locations and approximate costings to implement these options with regard to Councils risk in future.

Costs have been allowcated for the following close landfills:

Landfill	Year	Cost	Remediation
Otautau	2024/2025	$1,000,000	Protect in place
Riverton	2031/2032	$6,000,000	Remove
Bayswater	2030/2031	$450,000	Remove
Wreys Bush	2040/2041	$700,000	Remove
Thornbury	2040/2041	$850,000	Protect in Place

Council continues to monitor and maintain, where appropriate in accordance with best practice guidelines known closed community refuse sites that this may include visual inspections, surface and ground water sample recovery and analysis and programming remedial work to caps or fencing and maintenance of any tree plantation cover.

Regional Landfill

Due to demand for high environmental standards a category 'A' regional scale landfill has been established at AB Lime's Kings Bend lime quarry. This landfill is privately owned and is contracted to exclusively provide disposal services through the group of councils known as WasteNet. All waste under Council's control goes to this landfill.

Contractual operational procedures are in place to collect the necessary information for Council to accurately report trends in waste management. Monthly figures are entered and reported on quarterly to the community. This information (ie, tonnages, number of users to transfer stations) is reviewed on a regular basis and assists Council in tracking progress on meeting the required LOS.

Both Councils contract with AB Lime and their resource consent have been set at 35 years. While their expiry is outside the life of the current 10 year AMP it does fall within the duration of the current 30 year infrastructure strategy. At this stage a key assumption of the strategy will be that a further consent will be granted to AB Lime for 35 years, and that Council will also enter into a similar long term contract. This is also now included in the risk management section of this plan.

Community Board Area Context

The provision of waste services is a district funded activity and as such have not been raised with individual Community Boards. The Boards however will have the opportunity to consider and submit on any significant waste services related activity through the 2024-2034 Long Term Plan.

Financial Summary

The following section contains financial information for the activity which has been generated from the Council's budget platform. All of the financial shown includes inflation (unless otherwise stated). The costs associated with the Waste services activity are included in the Waste services activity statement in the Council's LTP.

Key issues impacting on operational expenditure over the period of the plan are listed as follows

- Inclusion of $500K for management of closed landfill sites identified as vulnerable to erosion and washout
- New collection contract will result in likely increase in contract price
- Increased consultancy costs to manage resource consenting activities across closed landfills

Key issues impacting on capital expenditure over the period of the plan are listed as follows

- Purchase of new bins for future rubbish and recycling collection
- Landfill closures and remediation (protection in place)

- Minor upgrades to concrete pads and functions at transfer stations
- Winton Trsfer station weighbridge , bin hook development and shed maintenance.

10 Year Financial Forecast

The following graphs/table summarise the financial forecasts for the activity over the ten years.
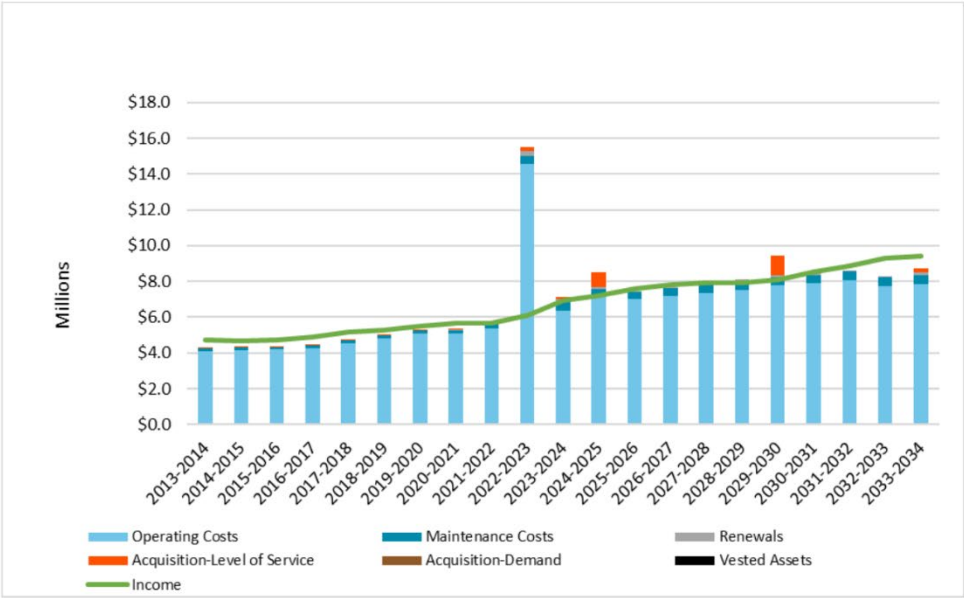
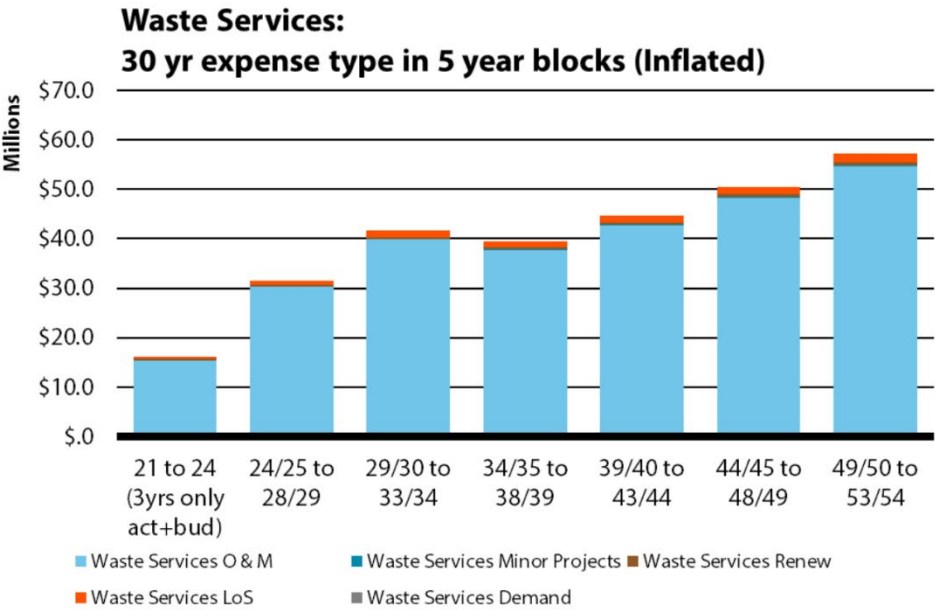## Financial Summary

Figure 0-1: Waste services total expenditure

Waste Services:
30 yr expense type in 5 year blocks (Inflated)

Figure 0-22: 30 Year Expenditure Forecasts (from Infrastructure Strategy)
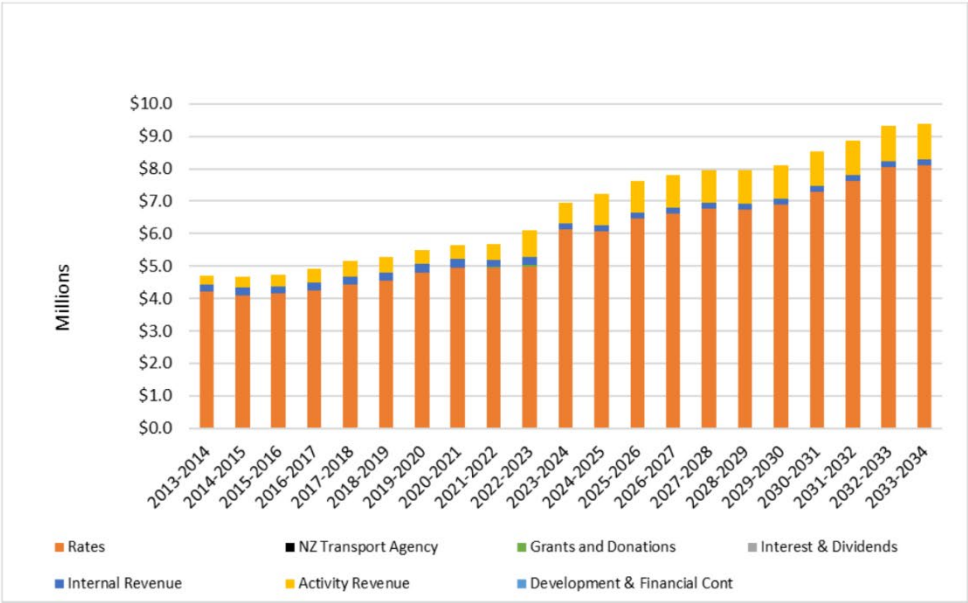
Total Income

Figure 0-33: Waste services total income

Financial Forecast Summary

Future costs are forecast to increase as shown in the table through inflation and timing of increases to Levy funding, new collection contracts and changes to collection arrangements with a separate glass collection as a minimum.

Waste Services	2024/2025 LTP ($000)	2025/2026 LTP ($000)	2026/2027 LTP ($000)	2027/2028 LTP ($000)	2028/2029 LTP ($000)	2029/2030 LTP ($000)	2030/2031 LTP ($000)	2031/2032 LTP ($000)	2032/2033 LTP ($000)	2033/2034 LTP ($000)
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	1,831	2,054	2,107	2,142	2,202	2,239	2,447	2,678	2,997	2,972
Targeted rates	4,175	4,334	4,442	4,538	4,455	4,565	4,751	4,849	4,946	5,036
Subsidies and grants for operating purposes	380	380	380	380	380	380	380	380	380	380
Fees and charges	520	531	542	554	566	578	589	601	613	624
Internal charges and overheads applied	246	251	257	262	268	274	279	285	290	296
Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infingement fees, and other receipts	70	71	73	75	76	78	79	81	82	84
Total operating funding	**7,222**	**7,621**	**7,801**	**7,951**	**7,948**	**8,113**	**8,526**	**8,874**	**9,309**	**9,392**
Applications of operating funding										
Payments to staff and suppliers	6,511	5,667	5,807	6,163	6,152	8,286	8,565	9,809	6,547	6,653
Finance costs	98	188	169	152	146	149	324	439	613	589
Internal charges and overheads applied	1,330	1,368	1,430	1,451	1,486	1,525	1,541	1,567	1,600	1,610
Other operating funding applications	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	**7,938**	**7,223**	**7,407**	**7,767**	**7,784**	**9,960**	**10,429**	**11,815**	**8,760**	**8,853**
Surplus (deficit) of operating funding	**(716)**	**398**	**395**	**185**	**163**	**(1,847)**	**(1,903)**	**(2,941)**	**549**	**540**
Sources of capital funding										
Subsidies and grants for capital purposes	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	1,858	-	16	245	218	3,237	2,283	3,401	18	336
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**1,858**	**-**	**16**	**245**	**218**	**3,237**	**2,283**	**3,401**	**18**	**336**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	808	-	-	-	-	1,111	-	-	-	240
- to replace existing assets	110	61	63	64	174	67	68	69	71	168
Increase (decrease) in reserves	224	337	348	365	207	213	311	390	496	468
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	**1,142**	**398**	**410**	**429**	**381**	**1,390**	**379**	**460**	**567**	**876**
Surplus (deficit) of capital funding	**716**	**(398)**	**(395)**	**(185)**	**(163)**	**1,847**	**1,903**	**2,941**	**(549)**	**(540)**
Funding balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Summary of Key Financial Assumptions

The forecasts have been developed on the assumption that the current services provided will remain unchanged certainly through the remaining life of current contracts. It is also assumed at this stage that the current contract will roll over to its second eight year term. Future changes to operating costs will be influenced by changes to inflation.

Key factors that may influence future operating costs that have currently not been budgeted for include: .

- Demand for expansion of kerbside collection service to areas currently not covered. This may unlikely to change before the introduction of new contractual arrangements in 2027
- Significant increase in transportation costs. Transportation costs are recalculated on a quarterly basis as part of the escalations process for re-base lining contract costs. Increases in transport costs are largely dependent on oil and diesel prices which are outside council control. Currently budgeted operational costs allow for an increase based largely on historical trends.
- The impact of approaches to management of discharges from closed landfills and vulnerable closed sites could have a significant impact on costs depending on future operating costs which have not been fully budgeted for. A risk assessment matrix has been developed but will require further consideration to fully understand future liabilities.
- Longer term (outside of the ten year window but within the thirty year term of the infrastructure strategy) costs and LOS could be influenced the requirements on the landfill site to gain a new resource consent.
- Medium term (within the ten year window and around the time)

Valuation Approach

Council does not currently value any assets utilised for the Waste services activity, largely because of the limited number of assets required for the service to operate. At this stage this is not considered necessary as part of future activity plans for the waste services activity.

Funding Principles

Section 102(4) (a) of the Local Government Act 2002 requires each Council to adopt a Revenue and Financing Policy. This Policy must state the Council's policies in respect of the funding of both capital and operational expenditure.

Further information can be found in Council's Revenue and Financing Policy. A summary of how operational and capital expenditure will be funded is detailed below.

The rubbish and recycling kerbside collection services are funded from targeted rates (UTR) levied on those who must receive or elect to receive the kerbside collection services.

Other operating expenditure under this activity are funded:

- 40-75% funded through the Waste Management rate levied District-wide based on a targeted uniform annual charge per rateable unit and a capital value rate; and
- 25-60% user charges via transfer station charges, these charges are standardised across the District.

Proposed transfer station charges are shown in the fees and charges table in the following section.

Capital expenditure (such as land acquisition) is funded from reserves or loans, as appropriate.

Waste Minimisation Levy

Under the Waste Minimisation Act 2008, a $10 per tonne (excluding GST) levy on all waste sent to landfill has been imposed since 1 July 2009. The purpose of the levy is to create funding opportunities for waste minimisation initiatives and provide an economic incentive to polluters to change their behaviour. Following direction from MfE the levy payment has incrementally increased to $60 per tonne in 2024.

The levy will be charged at facilities where waste (including household waste) is disposed of and which operate, at least in part, as businesses which dispose of waste.

Territorial authorities currently receive 50% of the total levy money collected and these payments are paid out on a population basis. Payments are made quarterly and must be spent on promoting or achieving waste minimisation and in accordance with waste management and minimisation plans.

A waste minimisation fund has been set up with the remaining levy money, minus administration costs, to fund waste minimisation projects. Projects will be assessed according to a set of criteria established in consultation with the Waste Advisory Board. The Minister for the Environment has final approval on project funding.

Based on current figures Council budgets to receive an annual income of $80K - 120K from the Waste Minimisation Levy.

Previously the income was used to pay off the loan taken out to purchase the recycling bins. This has now been paid off and the funding is currently being used to off-set some of the costs of the recycling service which meets MfE guidelines.

SIESA
2024 - 2034 Activity Management Plan

Southland District Council
Te Rohe Pōtae o Murihiku

PO Box 903
15 Forth Street
Invercargill 9840

0800 732 732
sdc@southlanddc.govt.nz
southlanddc.govt.nz

Table of contents

Quality Assurance Statement					
Draft AMP Template					
Southland District Council	Version:			Record No:	R/23/11/52340
15 Forth Street	Status:				
Invercargill 9840	Project Manager:	Stuart O'Neil			
Telephone	Prepared By:	Stuart O'Neil			
0800 732 732	Reviewed By:	Simon Moran, Robyn Laidlaw, Jane Edwards			
Fax	Approved for issue:	Fran Mikulicic			
0800 732 329					

Executive summary

This activity management plan is for the generation and supply of electricity to consumers on Stewart Island, by the Stewart Island Electrical Supply Authority (SIESA).

The Electricity Supply activity involves the generation and supply of electricity to consumers on Stewart Island by the Stewart Island Electrical Supply Authority (SIESA). There are 431 permanent electricity consumers (as at start of June 2023) connected to a network powered by diesel generators. This activity also undertakes waste collection, ownership and operation of the Rakiura Resource Recovery Centre.

Council contracts PowerNet Limited, an electricity network management company, to manage, operate and maintain the Stewart Island electricity supply network. This management contract was renewed in 2020 for a five plus five year term and utilises a standard form NZS 3917 contract, appropriate for fixed term contracts. PowerNet's scope includes development of an asset management strategy, plan and annual works programme.

As part of the management agreement, asset management strategy, a planning and annual works programme will be developed. The asset management strategy and plan will inform the content of the annual works programme.

The annual works programme will capture all maintenance and capital renewals required in a given year and will be submitted to staff for discussion ahead of the Council annual planning process. The strategy will include sizing the works programme to ensure full utilisation of PowerNet management contract resource and relatively consistent budgets between years, while ensuring spending on asset maintenance and renewals is sustainable. Work scope will be instructed as a variation to the PowerNet management contract.

Financial summary

The following section contains financial information for the activity which has been generated from the Council's Fulcrum budget platform as at June 2023. All of the financial data shown includes inflation (unless otherwise stated).

Figure 0-1 and Figure 0-2 present the financial forecasts for the Electricity Supply Activity over the next 10 years until financial year 2034.

Increases in operating costs have been primarily related to the price of diesel and additional inflationary adjustments, and general maintenance costs. Fuel costs have been forecast to increase in line with domestic and global trends and fuel consumption proportional to electricity sales. With significant increases in fuel prices, there is less confidence that SIESA will remain financially sustainable long-term.

Capital expenditure across the LTP focuses primarily on asset renewals to maintain the current modern generator setup. Significant capital expenditure includes:

- generator sets renewals (gensets)
- engine renewals
- continual network renewal and upgrade projects over the 10-year period to ensure the distribution network is reliable and efficient.

Purpose of the Activity Management Plan

The purpose of this activity management plan (AMP) is to document Southland District Council's (Council) asset management practices and achieve an optimised life-cycle strategy for Stewart Island Electricity Supply Authority (SIESA) infrastructure for the next 10 financial years until 2034.

This is a long-term planning document. It represents the aspirations of Council and will be reviewed every three years. The budgets and timeframes provided in this AMP will be recommended to Council for adoption through the Long Term Plan (LTP) and Annual Plan process.

Plan Limitations

This AMP is a living document which will undergo a formal review every three years to make amendments to reflect changes in levels of service, demand projections, risk profile, lifecycle information, or financial information.

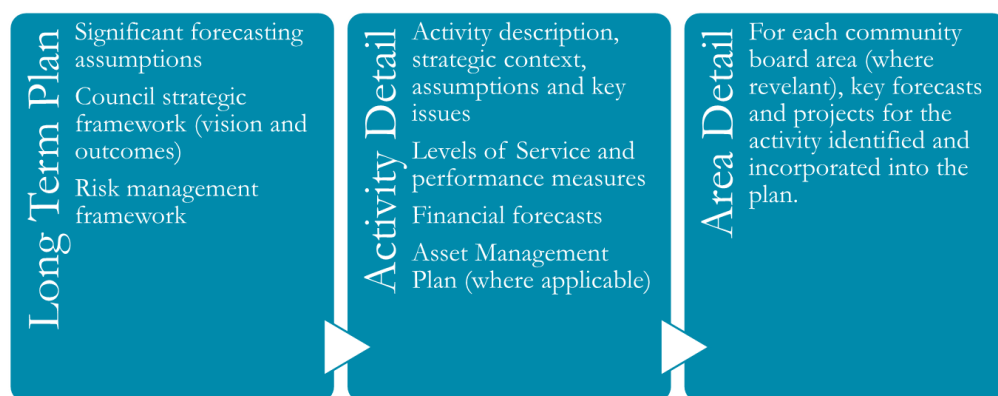The following limitations have been identified:

- for the purpose of long-term planning and budgeting, a capital works programme has been sized on the basis of replacement cost and expected useful life of the supply network assets. Once the detailed plan and works programme has been developed, individual projects will be developed and incorporated within the programme.
- based on size of capital works programme, it is assumed that the power station/network operators have enough capacity to deliver renewals demand on a sustainable basis, excluding specialist resource. Programme scope will be adjusted annually to reduce excess workload or utilise spare capacity as appropriate.
- the AMP assumes that the current distribution network and generation configuration will continue for the plan period (ten years). However, nothing Council does will limit the ability to further invest in a renewable energy source which could be commissioned within that timeframe. Investigations into network improvements for renewable energy, is also part of the renewed management scope and there may be reason to modify Council's approach within the plan period based on the results of such investigations.

Plan Framework

The AMP framework is illustrated below. The strategic context, significant forecasting assumptions and any activity-specific issues are documented in the main body of this AMP. Information on locally funded activities and services are included in the appendices to this AMP.

The key points are:

1. forecasting assumptions have been included
2. new levels have been developed and will be incorporated into any new contracts associated with activities

Long Term Plan
- Significant forecasting assumptions
- Council strategic framework (vision and outcomes)
- Risk management framework

Activity Detail
- Activity description, strategic context, assumptions and key issues
- Levels of Service and performance measures
- Financial forecasts
- Asset Management Plan (where applicable)

Area Detail
For each community board area (where revelant), key forecasts and projects for the activity identified and incorporated into the plan.

Activity Description

What we do

The Electricity Supply activity involves the generation and supply of electricity to consumers on Stewart Island by the Stewart Island Electrical Supply Authority (SIESA). There are 431 permanent electricity consumers (as at July 2023) connected to a network powered by diesel generators. This activity also undertakes waste collection, ownership and operation of the Rakiura Resource Recovery Centre.

As the successor to the Stewart Island County Council, under the 1989 local government reform legislation, Council succeeded the functions, duties and powers conferred by the Stewart Island County Council Electricity Supply Licence 1987. Council's status as electricity operator under the Electricity Act 1992 is derived from this succession. It should be noted that SIESA is not a separate legal entity and while some elements such as accounts are managed separately to other Council business, SIESA is effectively a trading name only.

Many schemes have been investigated over time for the supply of electricity to Stewart Island. This includes a hydroelectric station, wave generation and cable. A survey was undertaken for a new scheme and government grants funded the construction, as well as land purchase and commencement of building works. Mobil donated two 16,000L fuel tanks and the first feeder was livened, enabling the scheme to officially open in 1988.

The scheme is now operated by PowerNet under a contract with SIESA.

Recent electrical reticulation statistics are outlined in the following table:

Network component	Quantity
High Voltage Overhead line	14.56km
High voltage underground cable	25.19km
Low voltage overhead line	14.4km
Low voltage underground cable	21.7km
Streetlighting cable	0.35km
Distribution transformers - Ground Mount	32

Distribution transformers - Pole Mount	11
Step up transformers	3
Earthing transformers	3
Air break switches	6
ICPs (total)	431 (Aug 2023)
ICPs Residential	342
ICPs Industrial	38
ICPs Commercial	51

Why we do it

The Electricity Supply activity is focused on the achievement of the following objectives:

- to meet the electrical demands of consumers connected to the SIESA electricity supply

- to provide one reliable electricity supply at the lowest sustainable cost which improves the environment and aesthetic values within the supply area whilst supporting the local economy.

The standard to which these objectives will be delivered is outlined by the Levels of Service (LOS) section.

Strategic Considerations

Council has adopted a Strategic Framework that identifies where Council wants to be in the future (vision) and the outcomes it aims to achieve to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions (community outcomes). The framework also outlines how it will achieve these (mission and approach) along with the key challenges it faces in doing so and its resulting strategic priorities.

STRATEGIC FRAMEWORK COMPONENT	PROPOSED 2024-2034 STRATEGIC FRAMEWORK
VISION	**Together, with our people, for our future, it's our Southland**
MISSION	Working together for a better Southland
COMMUNITY OUTCOMES	Communities which are connected and have an affordable and attractive lifestyle (Social)
	Communities with a sense of belonging for all (Cultural)
	Communities committed to the protection of our land and water (Environmental)
	Communities with the infrastructure to grow (Economic)
STRATEGIC PRIORITIES	Connected and resilient communities
	Ease of doing business
	Providing equity
	Thinking strategically and innovatively
	Robust infrastructure

The framework guides staff, informs future planning and policy direction and forms the basis for the performance framework. It outlines how the SIESA activity contributes to the Council's community outcomes. The full levels of service and performance management framework is presented below.

Activity - SIESA				
Activity Objective: To meet the electrical demands of consumers connected to the SIESA electricity supply.				
Outcomes	Activity contributions	Outcome objective	Benefit	Levels of Service (LoS) and Key Performance Indicators (KPI)
Communities with the infrastructure to grow (Economic)	To provide one reliable electricity supply at the lowest sustainable cost which improves the environment and aesthetic values within the supply area whilst supporting the local economy.	Communities are aware, adaptable and doing the right thing	More sustainable environments Increased economic wellbeing Improved quality of life	LoS: 7 Council provides a sustained reliable, electricity supply to Stewart Island that meets current and future needs KPI: 7.1 Number of unplanned point of consumer supply interruptions to Stewart Island electricity supply
Communities which are connected and have an affordable and attractive lifestyle (Social)		Timely and accurate service delivery	Communities get good service	
Communities with a sense of belonging for all (Cultural)		We communicate and provide the necessary tools needed to get the work done	People are connected and understand what is needed	
Communities committed to the protection of our land and water (Environmental)		People have everything they need to live, work, play and visit People can enjoy a safe and fulfilling life	Increased social well being	

Strategic Priorities ▶ Contribution Area ▼	Connected and resilient communities	Ease of doing business	Providing equity	Robust infrastructure	Thinking innovatively and strategically
What will be done in the long-term (next 10 years)	Promote further collaboration with other councils and key stake holders such as Department of Conservation and Māori. Ensure the SIESA activity management develops with a strategic cognisance of te ao Māori in support of sustainable asset management practices. SIESA governance continues to represent the outcomes of SIESA. Deliver on national, regional and organisational emissions reduction commitments. Plan for climate resilience. Plan for long term infrastructure renewals and monitor progress. Provide relief from energy poverty. Provide a scalable renewable energy system	Further improve the SIESA applications and queries process. Further refine operational customer facing policies. Adapt the functionality of the SIESA website to connect the consumer to the activity.		Transition to renewable energy generation system and to reduce carbon emissions and insulate SIESA from fuel price rises. Further inspection, monitoring and analysis to determine long term renewal impacts. Optimise renewals to increase the efficiency of the network. Develop and improve distributed generation opportunities.	Renewable electricity option are being investigated.

Strategic Priorities ▶	Connected and resilient communities	Ease of doing business	Providing equity	Robust infrastructure	Thinking innovatively and strategically
Contribution Area ▼					
	that is financially self-sustaining.				
What will be done in the short term (next 3 years)	Develop and commission an improved SIESA website

Develop a reporting and education programme in the website to inform customers of the SIESA improvements

Engage with communities early to understand their needs and desires

Engage with communities in conversations regarding decarbonisation and climate resilience activities.

Actively monitoring and analyse demand data to identify long term trends and pattern implications to demand and renewals.

Monitor the LCOE to ensure energy poverty is minimised in the community | Further improve the SIESA applications and queries process

Further refine operational customer facing policies

Provide clear and understandable guidance for SIESA activities online

Adapt the functionality of the SIESA website to connect the consumer to the activity

Focus on customers and improve on how we do business | | Develop the use of financial models to improve decision making processes

Improve asset knowledge and analysis to better inform activity management practices.

Introduce smart meters to ensure asset data can inform governance on network stability with alternative generation

Further refine the Annual works programme and optimise resources. | |

Strategic Context

The purpose of the Southland District Council Long Term Plan 2034 is to:

- provide a long term focus for Council decisions and activities

- provide an opportunity for community participation in planning for the future

- define the community outcomes desired for the district

- describe the activities undertaken by Council

- provide integrated decision-making between Council and the community

- provide a basis for performance measurement of Council.

Strategic direction setting encompasses Council's high-level goals, particularly the vision for the District, what the outcomes for the community may be, and what the strategic priorities will be for delivering work to the community

Representation framework

There are nine community boards that provide representation across the District. These are:

Ardlussa	Fiordland	Northern	Oraka Aparima	Oreti
Stewart Island/Rakiura	Tuatapere Te Waewae	Waihopai Toetoe	Wallace Takitimu	

As a locally funded activity, Stewart Island/Rakiura is the relevant community board for SIESA. Council aim to have a high level of engagement with its communities and elected members to ensure that the minimum levels of service set out in this document represent their expectations.

Key Risks, Issues and Assumptions for the Activity

This AMP is based on the premise that electricity will be generated, reticulated and retailed to the residents of Stewart Island using a relatively consistent approach as it has been for the life of the activity.

Options of alternative energy generation have been assessed and will continue to be assessed over time to determine other viable financial options.

This AMP is based on principles of operating, maintaining and renewing the existing infrastructure in the most efficient way, practical to supply electricity to residents. The electricity business is highly regulated and the service levels mandated so there is no potential for offering varying or optional levels of service.

Key Issue	Context, Options and Implications
Climate change	*Context:* Climate change is expected to create a range of challenges and opportunities for SIESA in the coming decades. The specific impacts

	that will be experienced within the coming LTP period are difficult to anticipate.
	Options:
	Continue SDC's participation in Regional Climate Change Working Group to develop collaborative pathways for a regional climate response, including climate adaptation and mitigation activities, supported by a regional science and information pathway.
	Use the best available science and information to identify and plan for climate change impacts.
	SIESA staff participate in the staff climate change working group and input into preparation of an organisational climate action plan to support a collaborative and integrated climate change response across all parts of the Council's business.
	SIESA staff contribute to preparation of an organisational emissions reduction plan and support its implementation. Continue to work on decarbonization of electricity generation for Rakiura Stewart Island.
	Implications:
	Climate change-related extreme weather events may disrupt planned activities, increase costs, and impact levels of service.
	Planning will need to be increasingly adaptive and flexible over time to respond to changes.
	Increased technical input may be needed to support climate resilience of assets and activities.
	Decarbonisation measures may increase project costs.
Volatility in fuel price	The price of fuel per litre has risen significantly in the previous triennium.
	The implications are that the SIESA reserve was used to fund the additional operational costs of diesel above what the current sales could provide. Additionally, the price to the customer has increased 26 percent to recover the increased volatility of diesel prices.
	The cost of electricity for Kw/H for the customer will need to be a function of both the price of diesel, and, carbon omissions pricing. Adjustments are likely to be made quarterly to ensure reserves are not impacted.
Long term affordability of renewals	Significantly improved asset inspections and asset renewal planning has identified significant expenditure in the 50-year timeframe.
	The implications are that the SIESA reserve and forward estimates of depreciation place a risk of capital renewals not being able to be undertaken.
	The options for SIESA are to; reduce overall operating expenditure with longer term investment in renewable energy initiatives, adjust the method of depreciation and amount of depreciation to allow for renewals; make decisions of future renewals funding plans based on intergenerational equity.
	It is anticipated that SIESA will need to transition to a renewable energy generation system in the future and to reduce greenhouse gas emissions

Transitioning to renewable energy generation	in order to meet national, regional and organizational commitments to become net zero by 2050.
	SIESA produces 1,853 tonnes of Co2 or 4.54 tonnes per kwh per capita, this is five times the New Zealand average of 0.9 tonnes per capita.
	Transitioning to renewable energy generation. It makes economic sense in the long term, to consider a renewable generation system that could include a wind/solar/diesel hybrid generation system possibly supplemented by a centralized battery system.

Regulatory Considerations

Planning Framework

Legislation, regulation and Council's existing strategies and policies mandate or influence some of the levels of service and performance targets set.

SIESA aims to comply with all relevant legislation and regulations.

Legislation / Regulation / Planning Documents	How it affects levels of service and performance standards Outline any changes (implemented or pending) which is impacting the activity and describe how
Ngāi Tahu ki Murihiku Natural Resource and Environmental Iwi Management Plan 2008	Continue to partner with Te Ao Mārama Inc to facilitate mana whenua engagement and consultation on SIESA's activities in accordance with Te Tiriti o Waitang, including in relation to any renewable energy initiatives.
Resource Management Act 1991	Under current regulatory settings, the development of a renewable energy site will require consents. A new fast-track consenting bill is open for consultation which may provide an alternative consenting pathway.
Climate Change Response Act 2002	Provides a framework by which New Zealand can develop and implement clear and stable climate change policies which SIESA would need to consider in its activities. It provides a framework for reducing emissions by 2050 and achieving a climate resilient future. This is orientating SIESA to a renewable generation system.
Emissions Reduction Plan 2022	Incorporates climate change mitigation into planning and infrastructure investment decisions and will be required for transitioning to renewable energy. It incentivises engagement with communities and mana whenua to help inform decisions on land use, resource management, infrastructure funding and servicing.
National Adaptation Plan 2022	Collaborate with central and local government to build climate resilience against risks and costs of adapting to climate change.
Southland Murihiku Energy Strategy	Used to provide regional strategic context to renewable energy.
Electricity Act 1992	Licensing of electrical workers, restrictions on electrical work, discipline, appeals, and the electrical code of safety practice.
Electricity Industry Act 2010	Regulation of SIESA as member of the electricity industry.
Electricity (Hazards from Trees) Regulations 2003	Protects security of supply and safety of public by providing rules around safe distances of power lines from trees. SIESA is currently

Legislation / Regulation / Planning Documents	How it affects levels of service and performance standards Outline any changes (implemented or pending) which is impacting the activity and describe how
	developing a system for vegetation management so that it will be compliant with this act.
Electricity (Safety) Regulations 2010	Regulates that SIESA must have a safety management system in place to determine risks from the operation and maintenance of its electricity network.
Consumer Guarantees Act 1993	Ensures that consumers have certain guarantees when acquiring services from SIESA, and that they also have rights of redress if those services fail to comply with a guarantee.

Table 0-1: Planning Framework

Demand Management Strategies

This section describes how demand for SIESA is likely to change over the period of the AMP, the impact any changes are likely to have, and whether Council is planning to make any changes to the activity as a result.

Predicting Future Demand for the Service

The factors influencing demand for the service are summarised in the Table 0-2 . Council has prepared corporate wide assumptions/projections for growth drivers (population, land use, dwellings, tourism) which have been used as the basis for assessing future demand for the service. These projections are detailed in the Assumptions section of the LTP.

The overall impact of the drivers explained in the table below is a slow growth rate for maximum demand on SIESA's network of 1.5-2.0% per annum. SIESA's total maximum demand is forecast to increase from approximately 430 kW in 2024/25 to about 530kW in 2034/35.

Demand for the SIESA service can be measured in terms of kWh of energy generated on the Island and peak kVA, the maximum demand for electricity during the year.
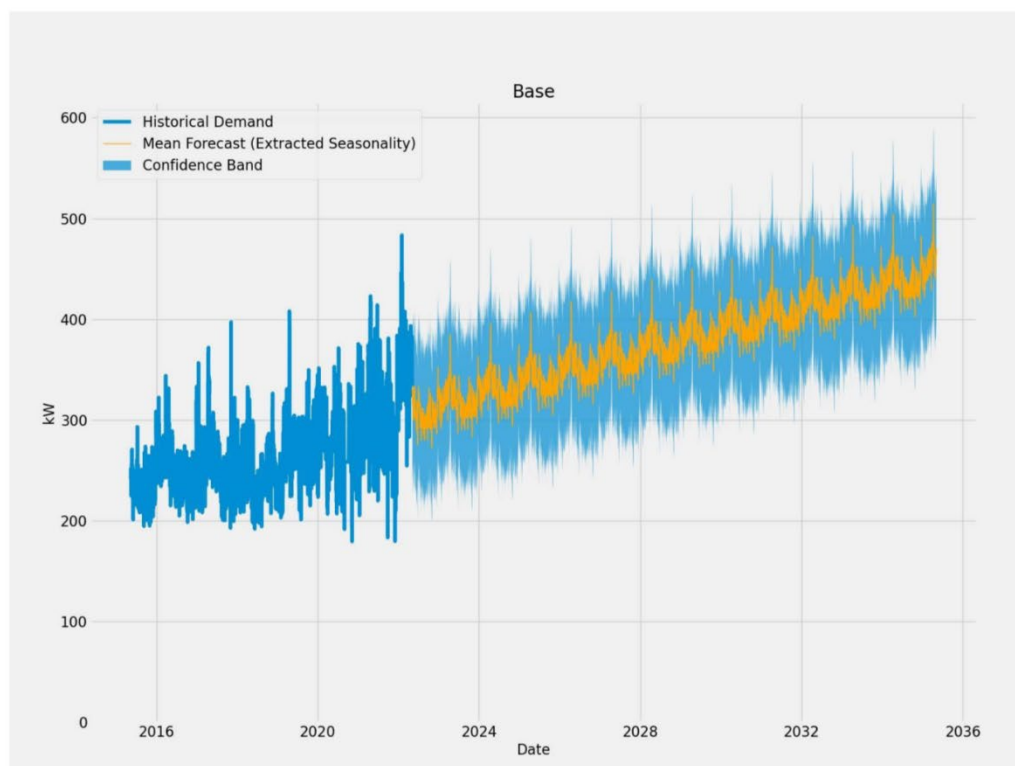
Figure 0-1: Projected Electricity demand over the LTP term

Demand Driver	Impact on Future Demand
Population growth and decline	Population projection statistics are not available at the level of Stewart Island. Expect energy consumption to increase or decrease in proportion to population, all other factors remaining constant.
Increasing energy use per customer	The new connection uptake is forecast to be less than 2% over the 10-year time frame, whereas load growth has been tracking approximately 2% year on year from 2015 to 2022. SIESA expects this trend to continue year on year to 2034 due to customers choosing to electrify certain aspects of their households, such as heating and cooking.
Convenience of electrical heating	Electrical heating has become popular due to convenience and less reliance on extra logistics to support other fuels in Stewart Island. Heat pump technology has become more efficient, the conversion trend from electrical heating to heat pump technology will likely increase. Heat pump technology uses three to four times less power than a traditional electrical heater.
Electricity affordability	There is a higher risk in electricity affordability due to volatility of global fuel prices. Global fuel prices are expected to increase as the world moves towards a decarbonised future. This means electricity prices for residents in Stewart Island will continually increase in line

Demand Driver	Impact on Future Demand
	with global fuel prices and could lead to a drop-in demand due to electricity affordability.
Removal of coal as heating	National, regional and organisational emissions reduction activities, alongside clean air standards, are leading to the phase out of coal, which is expected to result in increased electricity demand for heating.
Energy conservation Initiatives	Customers are responding to energy efficient products to reduce their consumption. Considered a significant driver of demand contraction. Energy savings are likely to increase to some degree estimated at 0.5% (demand contraction) over the next ten years.
Increasing average ambient temperature	Increasing ambient temperatures are predicted as a result of climate change, which could lead to an increase in electricity demand for cooling and reduction in electricity demand for heating. Demand peaks may be reduced and network utilisation may increase.
Wider range in weather variations	Potential impact on maximum demand and worsening load factor. Some impact on network reliability.
$NZD variation & commodity cycles	The improving economy will support the growth initiatives discussed in population growth and lifestyle. Recent foreign exchange developments have not been favourable to the NZD, resulting in higher import prices for fuel and materials.
Major industry continuance or growth	Southern Seafood is one of the largest connected customers to the network. The electricity power cost and the extra cost of operating on the Island have made the cost of their production on Stewart Island to have a very minimal competitive advantage over the mainland. Therefore, the loss of this business could significantly impact the local economy and the growth of SIESA's network. It is considered most likely Southern Seafood will continue to operate unchanged in the short to medium term; therefore, no change to growth forecasts has been made. A medium to long-term view is more difficult to predict and will be assessed as future developments unfold.
Electrical vehicles	Negligible for the planning period.
Distributed generation	Generation system tends not to coincide with network peak demand therefore the effect on network peak demand is expected to be negligible. There are low numbers of distributed generation installations on Stewart Island at the current stage. Smart meter monitoring will be crucial here to monitor the impacts of these systems on the LV network.
Energy storage (residential and domestic)	Not expected to have a significant presence within the ten-year planning horizon and therefore negligible effect on network demand.
Energy efficiency	Improving energy efficiency has been a government strategy for several years (energy conservation initiatives). It is also desired by customers as a means of keeping their power bills down. More efficient appliances, lighting and heating are being developed to meet this demand. Other initiatives such as subsidies for home insulation are also helping customers to use energy more efficiently.

Demand Driver	Impact on Future Demand
Tourism	Expect maximum demand (peak kVA) to increase proportional to tourist numbers.
Increasing energy use per customer	The new connection uptake is forecast to be less than 2% over the 10-year time frame, whereas load growth has been tracking approximately 2% year on year from 2015 to 2022. SIESA expects this trend to continue year on year to 2034.
Heat source substitution	May increase or decrease demand for electricity depending on whether heat source is switching to, or away from electricity. There are recent reports of heat source substitution toward heat pumps.
Solar hot water heating	Reduce consumption of electricity as solar heating provides most of water heating requirements.
House types	New houses tend to be larger and higher in electricity demand than older houses.

Table 0-2: Demand Drivers for Electricity

Demand Forecasts

The overall impact of the drivers explained above is a slow growth rate for maximum demand on SIESA's network of 1.5-2.0% per annum. SIESA's total maximum demand is forecast to increase from approximately 430 kW in 2022/23 to about 530kW in 2034/35.

Southland population projections were completed by Business and Economic Research Limited (BERL) in 2023. This report projected relatively low growth in the Stewart Island population of 440 people in the year 2023 to 515 people in the year 2050.

Considering the key drivers for this activity above, the information suggests that:

- population growth is slowly increasing as such energy consumption (kWh) is expected to increase. It is expected that the population on the Stewart Island will increase by 3.0% to 453 by 2033 from its 2023 value (440) with an upper bound of 7.5% (476) and a lower bound of -2% (432). Furthermore, similar to other areas in New Zealand, the population is going through significant aging.

- a significant change in electricity demand could occur if an industrial change occurs. This could be a reduction due to an industry close down or transition to improve self-sustaining energy technology. Or it could be a step increase in demand due to an industry start up. No such changes are anticipated in this AMP.

The SIESA provision of electrical power has to be sufficiently robust and economical to meet the low demand required overnight at the lowest point in the year, but still be able to meet the highest demand at peak time in the highest usage time of the year, such as mid-summer when there are a lot of tourists and holidaymakers visiting the island.

Implications of Growth/Demand

Generation

The generation plant has a firm capacity of 500kVA with a historical maximum demand of 430kVA. There is the capacity for growth within the 10-year planning horizon based on the growth rate estimate, and in some occasions, two generators would be required to meet the short-duration peak demand.

Distribution Network

There are no constraints on the distribution network that could prevent the generation plant capacities being utilised.

Distributed Generation

Distributed generation at a small scale (household) level is expected to have little consequence with network peak demand, and therefore will have little impact on network configuration within the 10-year planning horizon.

Asset Management Strategies to Manage Demand

Actual future demand for existing customers may depart from the short term forecast, however, they are more predictable in the long term 10-year period which is expected to be in the range of 2%. The significant challenge, however, is that future load management from that demand will become more complex as alternative energies and renewable energies are developed.

Improvements in alternative generation technologies are likely to see their increasing integration into the system in the future. These developments will have to be closely monitored as there is a limit to the amount of alterative generation which can be added to the system without affecting overall stability. Therefore, SIESA will require adjustments in SIESA resourcing and/or work scheduling to be able to respond. Grid stability analysis will be undertaken to determine if the system can maintain stability with alternative energy load management.

Ongoing consideration will also have to be given to the viability of buying energy from generating consumers. Currently, generating consumers inject power into the grid at times of low demand. Should technologies in battery storage become more economical this would allow usage to be shifted to peak times and reduce peak load on the LV network. However, these additional power inputs into the grid could potentially increase the problems with the destabilisation of the system.

An applications and engineer review process has been implemented for household distributed generation systems to ensure the network safety and reliability risks (particularly safety and voltage) associated with an increase or contraction in demand is managed.

Plans Programmed to Meet Growth/Demand Changes

This AMP is based on the premise that growth over the plan period will be low. Given the spare capacity within the current system no growth specific projects have been allowed for. Should unexpected growth arise as the result of a step increase in demand, the existing capacity will handle it in the medium term (1-10 years). The future asset management strategy will need to incorporate that new unplanned demand increase.

Sustainability

The Local Government Act 2002 requires local authorities to take a sustainable development approach while conducting its business, considering the current and future needs of communities for good-quality local infrastructure, and the efficient and effective delivery of services.

At the SIESA level, a sustainable development approach is demonstrated by:

- a drive for ever increasing efficiency from mechanical plants such as engines and generators.

- network improvements to achieve 100% reliability and transmission efficiency.

- transitioning to renewable energy generation to reduce greenhouse gas emissions and deliver on national, regional and organisational emissions reduction commitments.

- reducing costs to ensure the activity is self-sustaining, minimise the effect of energy poverty and improve community well being

Renewable Energy Generation and SIESA's Carbon Emission Profile

This section describes SIESA's Carbon Emission profile and how SIESA may futureproof the Island with affordable sustainable and resilient renewable electricity supply over the period of the AMP.

SIESA's Emissions Profile

New Zealand generates around 82% of its electricity from renewables whereas energy use on Stewart Island comes primarily from the combustion of diesel (for electricity and general energy needs), LPG (for general energy use) or solid fuels (for general energy use).

This means that the supply of energy on Stewart Island results in particularly high levels of carbon dioxide emissions. The current diesel generation system produces 2 GWh annually and uses 550,000 litres of fuel in the process. This is the equivalent of 1,853 tonnes of Co2 or 4.54 tonnes per capita (excluding emissions from transportation of the fuel from the mainland).

By comparison, in 2020, the New Zealand electricity system emits 0.90 tonnes CO_2 per capita. This means that SIESA generates carbon at a rate of five times the rest of New Zealand.

Planning for Renewable Energy Generation

New Zealand has established a target to reduce carbon emissions to net-zero by 2050. Key targets set by the Climate Change Response (Zero Carbon) Amendment Act 2019 and roadmap recommended by the Climate Change Commission will drive a transition to (as close to as practical) 100% renewable energy. The Climate Change Commission advises that transition to a low emissions society can be economically affordable and socially acceptable. However, the ongoing use of diesel to generate electricity in Stewart Island is in contradiction with those outcomes.

A project steering group to determine the future of generation in SIESA has been established. The group will address the high cost of electricity which presents a material constraint on business growth and personal wellbeing on Stewart Island. An end-to-end delivery of a new generation system will likely take the form of a three-stage process of a project establishment phase, a design and procurement phase, and a construction phase. This programme will occur within the term of this LTP.

Drivers for change addressed by this group will be that electricity is very expensive, the existing system is fragile and exposed to volatile fuel prices, that funding for depreciation renewals or growth is not affordable for the community; and that electricity supply is a major emitter of carbon from Stewart Island, and therefore leading to an inability to contribute to national carbon emissions reduction targets.

The steering group will need to commission a robust technical feasibility study which in turn will need to conclude the preferred options for a new generation scheme. The scheme will need to be the minimum necessary to provide a robust and resilient generation supply that can be further expanded in the future to respond to demand growth. The scheme will need to also be the lowest cost solution available that can provide a material switch to renewable energy.

The impact of addressing this matter will ensure that the scheme is more affordable, insulated against fuel price rises and carbon emission pricing as well as addressing relief to intergenerational energy poverty. Overall, the impact will support community wellbeing by improving the affordability of energy bills in low-income homes and will have a measurable effect on improving physical and mental well-being and preventing illness.

Reducing and suppressing exposure to diesel price volatility will have a major and sustainable impact on the Island's economy. Any savings could lead to more consumers connecting to the scheme, stimulating business growth that in turn will increase network throughput and utilisation of new generation and further spread costs over a larger sales volume, enabling costs to reduce and lead to greater economic activity and improved community wellbeing.

Renewable Generation Opportunities

High level modelling using SIESA load data shows there is opportunity for renewable energy generation mix in Stewart Island. This is mainly driven by the long-term higher cost of diesel for the Island. Because of the lower cost of electricity of energy for solar and wind generation, it makes economic sense in the long term, to consider a renewable generation system that could include wind or solar diesel hybrid generation system possibly supplemented by a centralised battery system.

Key Projects

Projects can be considered according to risk. Some projects are required to maintain a minimum LOS in the provision of electricity to consumers. Other projects, will improve the LOS over the longer term and will provide benefits such as improved resiliency, reduced cost or increase in capacity.

Allowance has been made in the LTP for maintenance and renewal programmes of work to ensure continuation of LOS. This is a bare minimum level of expenditure required to continue the activity status quo.

PowerNet is engaged to support development of asset management planning and strategy which will be discussed further in the relevant section. Should projects be identified through this process that are in addition to strict asset renewals/replacements, these will be incorporated into the capitals works programme on a case-by-case basis.

Our Levels of Service

Levels of Service, Performance Measures and Targets

Key drivers for LOS include customer expectations, legislative/regulatory requirements and Council outcomes which drive operating, maintenance and investment strategies. This enables Council to forecast budgets and judgements around community outcomes.

Customer expectations

Understanding customer expectations is vital. The table below details key customer groups, expectations and issues raised for this activity.

Users of the Electricity Supply activity have been segmented by broad customer type. For each of these customer types, the services provided are set out in the following table. Objectives (based on feedback) are to achieve cheaper power, use renewable solutions and to reduce the amount and length of outages when they do occur.

Type	Current services provided
Domestic customers	Supply of electricity for domestic use by both resident and non-resident customers.

Type	Current services provided
Commercial customers	Supply of electricity to a small number of industrial users who have significant usage above 35,000 units p.a. and/or have a three-phase supply.
Industrial customers	Supply of electricity for the operation of other infrastructural assets such as sewerage and street lighting.
Infrastructure providers	Supply of electricity for the operation of other infrastructural assets such as sewerage and street lighting.
Developers/ Builders	Advice on servicing of developments.

Table 0-1: Customer Groups

Customer stakeholder group	How we understand their requirements	Specific Interests Expectations and key issues.
Stewart Island Community Board	Bi-monthly Community Board meetings.	Price of electricity, safety, supply quality, compliance.
Connected customers	Direct feedback to contractor, feedback via community board. Feedback through SIESA website.	Price of electricity, safety, supply quality.
Contracted Manager (PowerNet)	Management contract.	Safety, supply quality, compliance.
Staff and contractors	Regular meetings between Council and contractor.	Safety, compliance, asset management.
General public (residents and visitors)	Community Board meetings, direct public feedback on services.	Safety.
Ministry of Economic Development	Legislation, regulations.	Safety, compliance.
Commerce Commission	Information requests, regulations.	Supply quality, compliance.
Electricity Authority	Legislation, regulations.	Compliance.

Table 0-2: Customer Expectations and Issues

Levels of service, performance measures and targets

- LOS are the outputs that are expected to be generated by the activity. They demonstrate the value being provided to the community or reflect how the public use or experience the service. A key objective of activity planning is to match the LOS provided with agreed expectations of customers and their willingness to pay for that LOS.

- performance measures are quantifiable means for determining whether a LOS has been delivered and are generally broken into customer measures (which focus on how the public uses or experiences the service) or technical measures (which tend to be used internally to track performance or measure what the organisation does).

- performance targets are the desired levels of performance against the performance measures.

Changes to the performance framework

There is no change proposed to the current performance framework for SIESA. The activity is heavily controlled by legislation and regulations. Council manages this activity in accordance with those regulations.

- frequency is an electrical product which is specific to the reticulation of the specific network. In New Zealand, the frequency is delivered and maintained at 50 Hz with a fluctuation factor between 49.5 Hz and 50.75 Hz which is maintained at normal operations. Voltage standards (in New Zealand) are to be maintained within 6% of 235 volts delivered to the consumer. Deviations from the frequency and voltage standard occur when an electrical incident interferes with delivery of either the generation or the distribution of the electrical supply. Recording of the frequency and voltage is available within the powerhouse in the Supervisory Control and Data Acquisition (SCADA).

- frequency is recorded and maintained between 49.5 Hz and 50.75 except for momentary fluctuations.

- voltage is maintained within 6% of 235 Volts except for momentary fluctuations.

Customer complaints are managed at two levels. Standard Requests for Service (RFS) are logged through Council's RFS system. The actions required are carried out by PowerNet if it is an electrical problem or by Council if it is an administrative issue such as an account query or a connection request.

The second level of complaint management is through the Utilities Disputes Ltd. Utilities Disputes (formerly The Office of the Electricity and Gas Complaints Commissioner, or EGCC) provides a free and independent dispute resolution service for electricity and gas complaints, and disputes about access to shared property for fibre installations. Utilities Disputes operates the approved Energy Complaints Scheme under the Electricity Industry Act 2010, and the Gas Act 1992.

This service is used for customers who are not satisfied with the way in which their complaints have been handled by SIESA. Customers can lodge a complaint with Utilities Disputes and they will assist with resolution of that complaint.

SIESA: What LoS we provide	LoS xx: Council provides a reliable, electricity supply to Stewart Island that meets current and future needs				
How we measure performance	Current Performance (19/20)	Future Performance Targets			
		Yr 1 (21/22)	Yr 2 (22/23)	Yr 3 (23/24)	Yr 4-10 (25-31)
KPI: 7.2: Number of unplanned point of consumer supply interruptions to Stewart Island electricity supply	5	≤6	≤6	≤6	≤6

Table 0-3: What we plan to do and our levels of service

Plans Programmed to meet the Level of Service

The list below details any projects, initiatives, programmes or expenditure that Council is planning to undertake to ensure that the LOS is achieved and/or to address any gaps between the targets and current performance. Additionally, where there are capital works projects related to improving or maintaining LOS.

The LOS is currently achieved a high percentage of the time. The key to continuing to deliver this LOS is programmed maintenance and renewal of assets. The key areas are:

- motor and generator renewals: to ensure improvements in technology and decrease likelihood of mechanical failure

- additional undergrounding of critical network: to duplicate conductors and install additional underground cables to decrease the likelihood of a network failure, as well as making conductors safe from branches and wind damage. This is typically co-ordinated with civil works projects in relevant locations, to reduce cost.

- pole replacement: reduces likelihood of an unplanned outage and replacement with concrete poles to ensure a more durable life.

- vegetation management: to ensure that vegetation encroaching on the line does not cause arcing and outages, as well as impact health and safety.

- further development of the business continuity plan: to ensure the LOS can continue in the event of any serious business interruption, i.e. improving network operating plans as a contingency for major outages on the SIESA network.

Activity and Asset Management

Overview of Management

Council contracts PowerNet Limited, an electricity network management company, to manage, operate and maintain the Stewart Island electricity supply network. This management contract was renewed in 2020 for a five plus five-year term and utilises a standard form NZS 3917 contract, appropriate for fixed term contracts.

PowerNet's scope includes development of an asset management strategy, asset management plan and annual works programme. The asset management strategy and asset management plan are updated on a three-year basis. The annual works programme is delivered on an annual basis.

SIESA and PowerNet are in regular contact throughout the year to ensure the successful implementation of the annual works programme. Through this consultation the costs and resources for the desired work in the year ahead are estimated. The process tends to be iterative with a level of trade-off reached between what is considered an optimal level of works against realistic expectations of the work force available.

Approach to Operations and Maintenance

Operations, maintenance and renewals are all managed by PowerNet under the management contract with Council. Three operators are stationed on the Island mostly full time, enabling them to provide 24-hour cover for network or generator faults. PowerNet is a specialist lines company that maintains electric distribution networks across Southland and Otago. They have the necessary skills and experience and resources to operate the SIESA scheme. They also operate a dedicated SIESA fault service, and are able to respond to peak demands when needed. A business continuity plan is in place and ensures knowledge is carried forward. Resources and mechanical plant renewals are shipped from the mainland, including approximately 550,000L of diesel annually.

Delivery Strategies

Operations and maintenance strategy

The strategy is to maintain and upgrade the electricity supply network to a good industry standard as components reach the end of their useful life and require replacement. Generally, components will be

replaced while maintaining the existing configuration. However, as PowerNet reviews and develops a revised asset management strategy, in consultation with Council, there may be enhancements to the approach.

The legacy approach to generator replacement has been to rationalise the number of generators to three and consider replacement of the unit at the end of useful life. Typically, it has been uneconomic to overhaul the gensets in comparison with replacement at the end of their useful life. Whole of life costs with respect to generator replacement will be considered as part of any revised strategy.

Unplanned (reactive) operations and maintenance strategy

Reactive maintenance costs are driven by the number of repairs to faults on the electricity distribution network. Reactive maintenance decisions are made by PowerNet in response to customer requests and in the event of distribution equipment faults on the Island. These requirements are prioritised by PowerNet based on discussions with Council. Reactive maintenance need is primarily caused by vegetation growth, deterioration of LV fuses and HV insulator failure.

Planned (scheduled) operations and maintenance strategy

Maintenance requirements are prioritised by PowerNet based on discussions with Council.

Operations and maintenance activities are focused on improving fuel efficiency, reducing network losses and improving network reliability.

Typical maintenance activities are summarised in the following table:

Asset Category	Sub Category	Frequency
Generation Station	Diesel Generators	Minor servicing - daily and every 250/400 hours Major servicing every 6,000, 12,000 and 18,000 Hours
	Distributed Voltage Switchgear (ABSs)	Condition monitoring - 3 and 6 yearly
	Low Voltage Switchgear	Testing and Corrective maintenance - monthly and 5-yearly
	Step-up & Earthing Transformers	Condition inspections – 3 and 7 year intervals
	Other (Buildings, Structures, RTU, Relays, Batteries, Meters)	Inspections and testing - monthly, 3 monthly and 5 yearly
Distribution Network	O/H	Condition assessment and inspection – 3-5-year intervals
	U/G	Testing and run to failure and repair
	Distributed Distribution Voltage Switchgear	Condition monitoring and visual inspection 1- 6 years
Distribution Substations	Distribution Transformers	Condition inspections – 1, 5 and 10 year intervals
	Distribution Voltage Switchgear (RMUs)	Yearly and 5 year (Oil) 10 year (Gas)
sLV Network	O/H	Condition inspections 5 yearly
	U/G	Inspection and testing Reactive run to failure and repair
	Link and Pillar Boxes	External inspection 5 yearly, run to failure and repair
Other	SCADA & Communications	Inspection and testing with reactive run to failure and repair
	Dist. Earths	Visual inspections 2 years and testing 5 years
	Vegetation	Inspection annually with maintenance & remedial actions

Table 0 1: Planned Maintenance Regime

Typical operational tasks:

- transport fuel from the wharf to the station tanks
- installation and maintenance of diesel engines and generation plant
- installation and maintenance of network plant
- vegetation control
- commissioning and maintenance of control systems, SCADA, fuel transfer systems and generator controls
- maintenance and security of station buildings, plant, fuel tanks
- meter reading
- installation and maintenance of SIESA equipment at consumers' premises
- maintenance of station log and initial compilation of reports
- liaison with SIESA over day-to-day operations

Renewal strategy

As part of the management agreement, asset management strategy, planning and annual works programming will be developed. The asset management strategy and plan will inform the content of the annual works programme.

The annual works programme will capture all maintenance and capital renewals required in a given year and will be submitted to staff for discussion ahead of the Council annual planning process. The strategy will include sizing the works programme to ensure full utilisation of PowerNet management contract resource and relatively consistent budgets between years, while ensuring spending on asset maintenance and renewals is sustainable. Work scope will be instructed as a variation to the PowerNet management contract.

In case alternative technologies for electricity generation such as wind, solar or hydro technologies become more applicable and financially viable for the use at the SIESA power station, there will still be the need for a reliable backup technology for power generation - such as diesel generator sets. The investment in more modern and more efficient generator sets and engines now is therefore not in vain and is an investment into a robust and reliable 'best practice' future operation.

Financial Summary

10 Year Financial Forecast

The following graphs/table summarise the financial forecasts for the activity over the ten years. At the time of writing, the forecasts do not reflect an alternative energy capital project, preliminary development work or associated funding.

Financial Summary

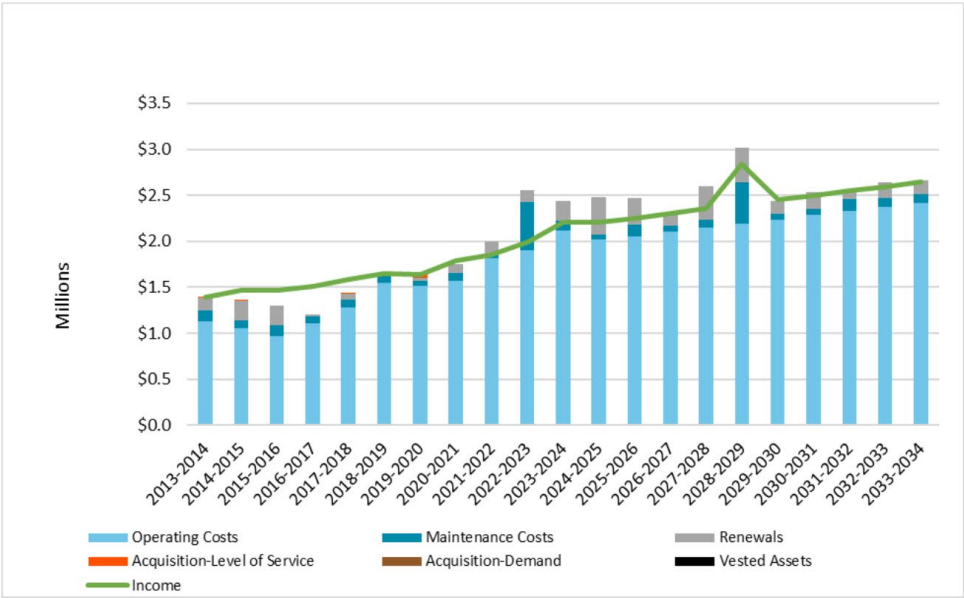As of 29/11/23 budget numbers are still in draft and subject to change.

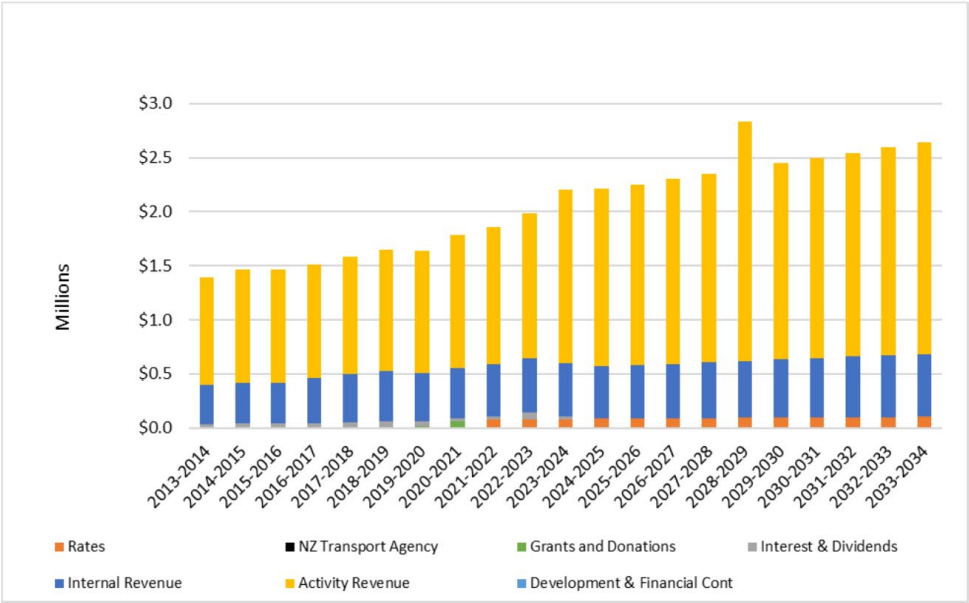*Figure 0-1: SIESA Total Expenditure (District-wide)*

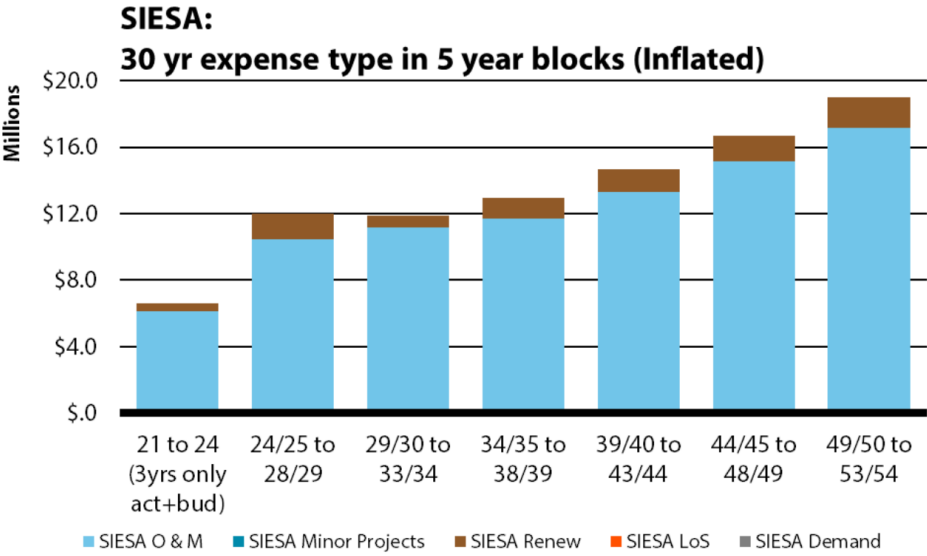## Total Income

Figure 0-2: SIESA Total Income

Figure 0-3: 30 Year Expenditure Forecasts (from Infrastructure Strategy)

Financial Forecast Summary

Siesa	2024/2025 LTP ($000)	2025/2026 LTP ($000)	2026/2027 LTP ($000)	2027/2028 LTP ($000)	2028/2029 LTP ($000)	2029/2030 LTP ($000)	2030/2031 LTP ($000)	2031/2032 LTP ($000)	2032/2033 LTP ($000)	2033/2034 LTP ($000)
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-
Targeted rates	85	87	89	91	92	94	96	98	100	102
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
Fees and charges	1,613	1,645	1,681	1,718	2,190	1,790	1,825	1,860	1,895	1,931
Internal charges and overheads applied	485	494	505	516	527	538	549	560	571	581
Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infingement fees, and other receipts	26	26	27	27	27	27	27	27	27	27
Total operating funding	**2,209**	**2,252**	**2,302**	**2,352**	**2,836**	**2,449**	**2,497**	**2,545**	**2,593**	**2,641**
Applications of operating funding										
Payments to staff and suppliers	1,906	2,013	1,999	2,057	2,462	2,117	2,168	2,266	2,270	2,313
Finance costs	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	158	162	166	170	175	178	181	185	189	193
Other operating funding applications	6	6	6	6	7	7	7	7	7	7
Total applications of operating funding	**2,070**	**2,181**	**2,171**	**2,234**	**2,643**	**2,302**	**2,356**	**2,459**	**2,466**	**2,514**
Surplus (deficit) of operating funding	**139**	**71**	**131**	**118**	**193**	**147**	**141**	**86**	**127**	**128**
Sources of capital funding										
Subsidies and grants for capital purposes	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	-	-	-	-	-	-	-	-	-
- to replace existing assets	407	288	127	361	369	135	178	84	172	152
Increase (decrease) in reserves	(268)	(217)	4	(243)	(176)	12	(37)	2	(46)	(24)
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	**139**	**71**	**131**	**118**	**193**	**147**	**141**	**86**	**127**	**128**
Surplus (deficit) of capital funding	**(139)**	**(71)**	**(131)**	**(118)**	**(193)**	**(147)**	**(141)**	**(86)**	**(127)**	**(128)**
Funding balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Operating cost increases are primarily fuel costs, inflationary adjustments and general maintenance costs. Fuel costs have been forecast to increase in line with short term historic trends which are well above longer term historical costs. The volatility of fuel prices remains an area of financial uncertainty in future years.

Capital expenditure across the LTP focuses primarily on asset renewals to maintain the current modern generator setup.

Significant capital expenditure includes:

- generator sets renewals
- engine renewals
- continual network renewal and upgrade projects over the 10 year period to ensure the distribution network is reliable and efficient.

The asset renewal programme budget is based on the following estimated asset lives:

- diesel engines: 24,000 hours
- generators: 48,000 hours
- cables: 70 years
- transformers: 50 years
- poles: 45-65 years

Summary of Key Financial Assumptions

Key assumptions made in preparing the 10 year forecasts include:

- the estimates include an allowance for price level changes (inflation) which is a financial reporting requirement. For the plan, inflation has been assumed at between **(New Berl data to be included X.X - X.X) % per annum)**

- electricity unit sales have been projected based on a linear trend of historic actual sales from 2010.

- Management Fee costs are based on the latest management and service contract with Powernet Ltd, commencing October 2020. This contract has a provision for cost fluctuation adjustment in line with the electricity sector labour cost index published by Statistics New Zealand.

- fuel prices have been assumed to increase more than the rate of inflation, based on records of real diesel prices published by MBIE.

- carbon emissions pricing is expected to increase over the 10-year period in order to comply with initiatives of Zero Carbon by 2050

- fuel consumption has been assumed to increase in line with our forecast trend in electricity demand at a conversion rate of 4.1kWh/l which is slightly conservative based on current generator configuration and fuel consumption.

Valuation Approach

Valuation and depreciation were based on a historical cost. Council needs to confirm the methodology and then apply that across the discounted cash flow model using fair value.

Council should consider the merits of a Depreciated Replacement Cost (DRC) method being used as an estimate of the fair value of the assets because the fair value cannot be reliably determined using market evidence.

Funding Principles

Section 102(4) (a) of the Local Government Act 2002 requires each Council to adopt a Revenue and Financing Policy. This policy must state the Council's policies in respect of the funding of both capital and operational expenditure. Further information can be found in Council's Revenue and Financing Policy. The SIESA costs are expected to be fully recovered through user charges. Renewable energy development requires central government support.