

3.3. Asset Information

The 46 units are of varying age. All flats are equipped with electric ranges, curtains and floor coverings.

Asset Condition

The assets are dated but in very good condition and are comfortable. The major assets included in this activity include:

Address	Age	Description	Condition
26 Gibson St, Ross	7	Concrete block and horizontal fibre-cement cladding. Aluminium joinery. Corrugated iron roof.	Very good.
84 Sewell St, Hokitika	28	Fibre-cement cladding and aluminium joinery. Corrugated iron roof.	Good.
199 Revell St, Hokitika	37	Concrete block construction with some horizontal fibre-cement cladding. Aluminium window frames. Corrugated iron roof.	Basic standard and internally in good condition.
205 Revell St, Hokitika	48	Concrete block with mostly timber window joinery. Corrugated iron roof.	Basic standard and layout is not contemporary. Condition is good but not very good.
97 Tancred St, Hokitika	35	Fibre-cement cladding and aluminium joinery. Corrugated iron roof.	Good.

Asset Capacity and Performance

There is only a small waiting list and turnover is low. The assets have been performing well. Generally, each unit is renewed and redecorated when one of the tenants leaves.

The Council has not identified a need for more flats. Occupancy rates are high.

Year	Hokitika flats	Ross flats
2006/7	94.4%	97%
2007/8		

Asset Valuations

Valuations have been undertaken to establish fair market value in accordance with the accepted practice¹.

Asset Group	Current Value	Annual Depreciation	Life Remaining (years)
Operational Hokitika	1,655,800	33,116	20
Operational - Ross	405,400	8,108	20

Asset Maintenance

The maintenance of the grounds of the units is managed by Council's contractors, while local trade contractors are employed to do repairs and undertake the maintenance requests.

The buildings are regularly maintained to preserve and maintain forecast asset life.

Asset Renewal

The assets are anticipated to meet council needs for the next 20 years provided routine regular maintenance is undertaken. The financial forecast for this Business Plan provides for this level of maintenance. However, all complexes other than Ross need modernising with the renewal of standard fixtures and appliances such as stoves, sanitary fittings and kitchen units.

As occupants leave each unit is generally renewed and Council looks at that time whether there is any need to encompass alterations for those with disabilities or energy efficiency improvements

Asset Disposal

There is no provision in the current plans to dispose of any elderly housing stock.

Criticality of Assets

The assets included in this activity are not considered critical.

Asset Management Approach

Council keeps manual records of maintenance and renewal for each unit and each block of units.

¹ Institute of Chartered Accountants of New Zealand – New Zealand Equivalent to Accounting Standard 16 and New Zealand Equivalent to international financial Reporting Standard 5. Also Property institute of New Zealand – International Valuation Application 1 and New Zealand Valuation Guidance Note 1.

Operations

Council staff looks after the allocation of the units and ensure suitable tenants are allocated to the flats.

Day to day maintenance is carried out by contractors with all major work being contracted out.

3.4. Current Costs and Funding Policy

Current and future operating and capital costs are included in Appendix 2.

Renewals expenditure will be funded from rental income and depreciation reserves.

Benefits Identified from Activity	Description	Funding Source & Mechanism	Any Implications for Future Funding Source/ Mechanisms
Public			
Private	Rentals	100% from rentals	

3.5. Key partners/stakeholders

Stakeholder/ Partner	Role/Contribution
Various Contractors	Contractual arrangements for maintenance and renewals
Tenants with disabilities	On going facilitation of care.

3.6. Assumptions

The following list contains corporate assumptions that underpin the preparation of this Business Plan.

Corporate assumptions that all plans are prepared under

- Inflation will occur as forecast
- Interest rate changes will occur as forecast
- The state of the international, national or local economy will be consistent with forecast
- No natural events in any year
- Demographic change will occur as predicted by the growth model
- Environmental standards will increase over time
- The current rate and pattern of urban development will continue

This Business Plan has been prepared under the following assumptions specific to this activity;

- There are no unforeseen maintenance costs
- Demand level will be constant.
- That flats will be renovated as tenants move out
- That they continue to be self funding
- That the political body supports the activity

3.7. Risk Management

Potential risks for this activity are summarised in the following table along with risk management actions. The methodology supporting this approach is contained in Appendix 3

Activity Risks

Risk	Probability	Impact	Risk Priority	Response/mitigation
Similar provider builds additional units that are more attractive	1	1	1	Review for possible sale of Council older units
Use and demand declines in preference to "own home".	1	1	1	Review for possible sale of Council older units

3.8. Negative effects

There have been no negative effects identified for this activity

4. Where we want to be

4.1. Growth

The growth projections for Westland are summarised in appendix???.

These projections suggest a small increase in population growth over the planning period of the plan. The model also predicts a small but steady increase in non residential growth. Neither of these forecasts is likely to impact on required levels of service, demand and asset requirements for the activity???

Impact of increased older population demographics.

"The region has an aging population but there is sufficient stock per capita that demand is unlikely to increase further for the units. Council may have to introduce eligibility criteria

Trends

It is likely that the location of support services will determine demand for the units. It is unlikely any further units will be built in rural towns as this would not be near hospital and medical care facilities or other community facilities.

These factors do not provide clear direction for a change to the current level of service.

The Council will continually monitor these trends and adjust levels of service accordingly

5. How we plan to get there

5.1. Options/ Choices and Implications

Hokitika has provided a high percentage of units for its population but there is no more elderly in the district than elsewhere and there is no strong demand as indicated by a long waiting list.

Council	Units	Population	Population/unit
Gisborne	120	45758	381
Southland	74	32000	432
Hauraki	57	17190	301
Westland	46	8403	183

Although Westland provides the greatest number of elderly units per population from the above example there is no provision or current plans to dispose of any major assets in this activity.

Council is also starting to look at the formation of a CCO to look after its property assets and the pensioner flats could be better managed by a CCO. There has been insufficient discussion at this stage to determine a clear way forward so the status quo prevails for this plan. Should this change then the community would be consulted with.

Council could also look at partnering with St Mary's Parish for the future provision. No discussions have been entered into at this stage and St Mary's Parish has only a small number of units for the elderly.

Each of the above options has different implications for the business strategy, levels of service and financial forecasts. As there is insufficient data to support and define in detail options other than the status quo no change in levels or service are proposed. Therefore there are no significant implications for Council in terms of this Business Plan.

6. Improvement Plan

- Review the criteria for eligibility to the elderly housing units so there is some guidance as to who will be considered and take priority
- Review complaints procedure as there is currently no comprehensive recording of complaints or formal management of them.

Appendix 1 – Levels of Services and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	What information will we use to measure success	Current Performance 2007/08	Target 2009-2011	Target 2012-2019
Tenants Health & Safety	The units are safe to live in	Maintenance program is completed each year	Excel spreadsheet (AMP)	AMP under development and completed		
Tenants Quality	The units are clean and comfortable	% of satisfaction of tenants with living conditions		Not currently measured		
Tenants Responsiveness	Tenants receive prompt responses to their requests	% of requests for maintenance or complaints dealt with within acceptable timeframes		Not currently measured		
Council Asset utilisation	Hokitika Flats	Flats tenanted at 95% occupancy	Tenancy records	Hokitika 94%	95%	95%
	Ross Flats			Ross: 97%	95%	95%

NB. Consider Core values of Accessibility, Affordability, Community Involvement, Customer Service, Health & Safety, Quantity, Reliability, Responsiveness, Sustainability

Appendix 2 – Financial Information

Statement of the Financial Performance for FUNCTIONAL AREA for the next 10 years

	2006/ 2007	2007/ 2008	2008/ 2009	2009/ 2010	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014	2014/ 2015	2015 /2016
Activity Income										
Activity Expenditure										
Net Cost(Surplus) of Activity										
Capital Expenditure										
Renewals Expenditure										
Loan Principal Repayments										
Total Funds Required										
Funded by:										
General Rates										
Targeted Rates										
Depreciation										
Loans Raised										
Transfers from(to) Reserves										
Total Source of Funds										

Capital Works Program

Key Capital Project	(R) Renewal (I) Increased LOS (G) Growth	\$000s	Period	Explanation
None identified				

Appendix 3 – Risk Management

Risk Management Approach

Managing activities or assets bring with it an element of risk. Even in the most thoroughly-planned activities there is the possibility that an unexpected event can occur that has a negative impact on the service delivery. Despite this, the majority of risks are identifiable and therefore able to be managed.

Risk management starts with the identification and assessment of risks. In its simplest form it is a process of asking:

What things could go wrong?

How likely is it that these things will happen?

What are the potential impacts to the project and/or Council if they do happen?

When looking at risk treatment consider the following ways of dealing with each risk when putting the risk register together:

1. **Prevent/Reduce** – Eliminate the threat by eliminating the cause through the scope of the project, although this is often too hard to do without reducing the level of success to be achieved. Alternatively, implement controls that reduce the probability of the event occurring.
2. **Monitor** – reduce the impact of the risk by monitoring the project in a manner that ensures the risks are identified early and have sufficient contingency plans in place to manage the risk if it occurs.
3. **Accept** – often the fact needs to be accepted that the event may occur and the options are to either do nothing or react with appropriate plans once the risk does occur.

A standard way of prioritising risks is by applying the following table:

Risk Response

Risk priorities 4, 6 & 9
(Prevent/Reduce)

- Adopt preventative measures
- Re-plan if necessary to avoid
- Apply risk reduction tools

	Impact		
Probability	Low	Med	High
High	3		
Med	2		
Low	1	2	3

Risk priority 3 (Monitor)

- Monitor
- Develop contingencies

Risk priorities 1 & 2 (Do nothing)

- Do nothing
- Accept
- React

Probability

- High – a greater than 65% chance of occurring
- Medium – a 35-65% chance of occurring
- Low – a less than 35% chance of occurring

Impact examples

- High – Potential death or serious injury, significant health risk, major financial loss, Statutory non compliance, major public relations issues
 - Medium – Multiple injury potential, a risk to health, or significant financial loss, moderate public relations issues
- Low – small injury and health risk, financial loss, unlikely to be of significant public concern

Identify and priorities the potential activity risks in the following table. Transfer any significant risks and mitigation actions to a discussion in section 4.7

Westland District Council Inspections and Compliance

Business Plan

Version	Description of change	Date	Initial

TABLE OF CONTENTS

1.	What we do	2
1.1.	Activity Description	2
2.	Why we do it	2
2.1.	Activity Rationale	2
2.2.	Strategic Environment	2
3.	Where we are now	3
3.1.	How the activity has developed	3
3.2.	Levels of Service	4
3.3.	Asset Information	4
3.4.	Operations	4
3.5.	Current Costs and Funding Policy	4
3.6.	Key partners/stakeholders	5
3.7.	Assumptions	5
3.8.	Risk Management	6
3.9.	Negative effects	6
4.	Where we want to be	6
4.1.	Growth	6
4.2.	Trends	6
5.	How we plan to get there	7
5.1.	Options/ Choices and Implications	7
6.	Improvement Plan	7
	Appendix 1 – Levels of Services and Performance Measures	8
	Appendix 2 – Financial Information	9
	Capital Works Program	10
	Appendix 3 – Risk Management	11

1. What we do

1.1. Activity Description

The Council's role is principally in the nature of approval, licensing and registration, consents and surveillance. The inspection and compliance function is based on health and safety, community and environmental standards.

This activity comprises:

- Building Inspection and control
- Environmental Health
- Liquor licensing
- Noise Control
- Enforcement
- Onsite effluent disposal for new properties (as delegated by the Regional Council)

2. Why we do it

2.1. Activity Rationale

The Council has a statutory requirement to undertake these activities.

This activity contributes to the following Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
1. Health: <i>Healthy communities with access to quality facilities and services.</i>	Public health standards are maintained and improved. Building performance standards are achieved.
3. Safety: <i>A region that is a safe place to live.</i>	Development and environmental standards are met.
5. Environment: <i>The distinctive character of the environment is appreciated and retained.</i>	Environmental standards are protected.

2.2. Strategic Environment

There are a number of general and specific strategies, policies and statutory requirements that guide the delivery of this service. This Business Plan has been prepared to ensure compliance with the current strategic environment.

Strategies, policy, and statutory requirement that form this strategic environment include:

- *Local Government Act 2002*
- *Sale of Liquor Act 1989*
- *Building Act 2004*
- *Health Act 1956*
- *Food Act 1981*
- *The Resource Management Act 1991*

In addition there are various Council bylaws which are required to be enforced:

- *Wildfoods and other Events Bylaw (To be reviewed by February 2009)*
- *Liquor Bans Bylaw 2005 (To be reviewed by September 2010)*
- *Liquor Bans Bylaw 2007 (To be reviewed in January 2009 and required to be reviewed by September 2010)*
- *Liquor Bans Bylaw (To be reviewed by September 2010)*
- *Traffic and Parking Bylaw 1999 (Reviewed 19 June 2008)*
- *Trading in Public Places Bylaw 2008 (Reviewed 19 June 2008)*
- *Jackson Bay Wharf Bylaw 2001 (Reviewed 19 June 2008)*
- *Refuse Bylaw 1992 (Reviewed 19 June 2008)*
- *Speed Limits Bylaw 2006 (Reviewed 19 June 2008)*

Policy documents include:

- *Sale of Liquor Strategy Statement (April 2000)*
- *Westland Building Consent Authority Quality Manual.*

3. Where we are now

3.1. How the activity has developed

The Council gained accreditation and became a Registered Building Consent Authority in June 2008. In order to maintain accreditation an additional charge needs to be made on every building consent application to fund the additional costs of primarily having experts aid in the maintenance of the Quality Manual, its development and with Regulation 17 of the Building (Accreditation of Building Consent Authority) Regulations 2006 which covers management processes and procedures.

It has been a significant task to educate the public about the new Building Act provisions. However, the level of the public's knowledge is now increasing on the changes in standards and inspection requirements.

All enforcement is done internally and on a part time basis.

All food premises are inspected on an annual basis. Council has been approved by the New Zealand Food Safety Authority to administer Food Control Plans under the provisions of the NZFSA Volunteer Implementation Programme.

The Westland District Licensing Agency strategy on liquor requires review.

Year	Number of Building Consents	% of building consents issued within timeframes	% of PIMS issued within timeframes	% of LIMs issued within timeframes
2003/04	518	96%	97%	100%
2004/05	429	84%	83%	96%
2005/06	380	62%	67%	100%
2006/07	392	63%	66%	100%
2007/08	477	68%	71%	100%
2008/09				

A key issue the Council has with regard to the Building Consent Authority is to put in place the requirements of Regulation 17 of the Building (Accreditation of Building Consent Authority) Regulations 2006 which has still to be analysed to see how much work this entails for the Council.

There are also significant potential changes in the food industry. Council wants to get involved in the voluntary food control program. To do this the Environmental Health Officer needs to be accredited as an auditor. There will also need to be a public education program so that food premises operators understand their responsibilities.

3.2. *Levels of Service*

Levels of service for this activity determine the quality of service, how the activity operates and subsequently, once defined, the cost of delivering this service. Appendix 2 details the Levels of Service and the performance measures.

3.3. *Asset Information*

There are no assets used in this activity apart from vehicles and computers which are depreciated and replaced according to Council policy .

Minor specialist equipment used by Building Inspectors when carrying out their duties

3.4. *Operations*

The activity is managed and delivered by Council staff with assistance from external contractors and consultants as necessary. Control is exercised through a series of delegations.

Council staff provides building inspection services and general inspections and licensing.

There is a management contract in place for all food premises inspections and environmental health services.

After hours noise complaints are dealt with by a contractor.

The Westland District Licensing Agency has adopted a Sale of Liquor Strategy Statement. This strategy needs to be updated.

3.5. *Current Costs and Funding Policy*

Current and future operating and capital costs are included in Appendix 2.

Fees and charges recover costs from applicants, consent holders and direct users of the Council Inspection and Compliance Service. Costs of District-wide activities such as establishing Building Consent Authority accreditation, monitoring/surveillance and providing an equitable service across the whole District are more appropriately met from General Rates.

There is no capital expenditure identified for this activity

Benefits Identified from Activity	Description	Funding Source & Mechanism	Any Implications for Future Funding Source/ Mechanisms
Public	UAGC General Targeted	30% from General Rates	
Private	Fees Fines	60% from user charges	Any reduction in District development will result in fewer consent applications, a drop in income and no change to fixed costs.

3.6. Key partners/stakeholders

Stakeholder/ Partner	Role/Contribution
District Environmental Health Services Ltd	There is a management contract in place for all food premises inspections and environmental health services.
Hokitika Security Ltd	After hours noise complaints are dealt with by a contractor.
IANZ	Approves accreditation for registration as a Building Consent Authority.

3.7. Assumptions

The following list contains corporate assumptions that underpin the preparation of this Business Plan.

Corporate assumptions that all plans are prepared under

- Inflation will occur as forecast
- Interest rate changes will occur as forecast
- The state of the international, national or local economy will be consistent with forecast
- No natural events in any year
- Demographic change will occur as predicted by the growth model
- Environmental standards will increase over time
- The current rate and pattern of urban development will continue

This Business Plan has been prepared under the following assumptions specific to this activity;

- Council will maintain accreditation as a Building Consent Authority.

3.8. Risk Management

Potential risks for this activity are summarised in the following table along with risk management actions. The methodology supporting this approach is contained in Appendix 3.

Activity Risks

Risk	Probability	Impact	Risk Priority	Response/mitigation
There may be additional costs being a Food Safety Authority that are not recoverable	2	1	2	Revenue not easy to interpret however will submit to government should there be issues with this role
Appropriately skilled staff may not be able to be retained.	2	2	2	In the absence of appropriately skilled staff, consultants may be available.

3.9. Negative effects

No negative effects have been identified for this activity;

4. Where we want to be

4.1. Growth

The growth projections for Westland are summarised in appendix???

These projections suggest a small increase in population growth over the planning period of the plan. The model also predicts a small but steady increase in non residential growth. Neither of these forecasts is likely to impact on required levels of service, demand and asset requirements for the activity.

It is anticipated that there will be continued population growth in the Glacier region and continued land development throughout the District.

4.2. Trends

There are no significant or emerging trends that may impact on the activity.

Central government is constantly improving building standards which places pressure on staff and Council's operating systems.

In summary none of these factors provide clear direction for a change to the current level of service.

The Council will continually monitor these trends and adjust levels of service accordingly

5. How we plan to get there

5.1. *Options/ Choices and Implications*

Council intends to maintain the status quo with regard to this activity. The changes in the food safety sector do not have any implications for changes to levels of service.

Each of the above options has different implications for the business strategy, levels of service and financial forecasts. As there is insufficient data to support and define in detail options other than the status quo no change in levels or service are proposed. Therefore there are no significant implications for Council in terms of this Business Plan.

6. Improvement Plan

Accreditation as a Building Consent Authority will result in continuous improvement.

Appendix 1 – Levels of Services and Performance Measures

Customer Group	Levels of Service	Performance Measure	What information will we use to measure success	Current Performance 2007/08	Target 2009-2011	Target 2012-2019
Consent applicants Responsiveness	Process all applications lodged under the building Act within the timeframes specified within the Act	% of Building consents processed within 20 working days	Monthly reports	95%		
	Process all applications lodged under the building Act within the timeframes specified within the Act	% of PIMs processed within 20 working days	Monthly reports	95%		
	Process all applications lodged under section 44A of the Local Government Official Information and Meetings Act 1987 within the timeframes specified within the Act	% of LIMs processed within 10 working days % of fast-track LIMs processed within 3 working days	Monthly reports	100% 100%		
Residents Quality	Provide day to day advice and assistance regarding proposals and applications	% of walk in customers satisfied with advice	Not currently measured	N/A		

NB. Consider Core values of Accessibility, Affordability, Community Involvement, Customer Service, Health & Safety, Quantity, Reliability, Responsiveness, Sustainability

Appendix 2 – Financial Information

Statement of the Financial Performance for FUNCTIONAL AREA for the next 10 years

	2006/ 2007	2007/ 2008	2008/ 2009	2009/ 2010	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014	2014/ 2015	2015 /2016
Activity Income										
Activity Expenditure										
Net Cost(Surplus) of Activity										
Capital Expenditure										
Renewals Expenditure										
Loan Principal Repayments										
Total Funds Required										
Funded by:										
General Rates										
Targeted Rates										
Depreciation										
Loans Raised										
Transfers from / - Reserves										
Total Source of Funds										

Capital Works Program

Key Capital Project	(R) Renewal (I) Increased LOS (G) Growth	\$000s	Period	Explanation
Key Operating Project		\$000s	Period	Explanation
Training Environmental Health		10000		Additional requirements of a food control authority
Public Education		5000	2009,2010	Additional requirements of a food control authority

Detailed Budget Expenditure for each Activity

Appendix 3 – Risk Management

Risk Management Approach

Managing activities or assets bring with it an element of risk. Even in the most thoroughly-planned activities there is the possibility that an unexpected event can occur that has a negative impact on the service delivery. Despite this, the majority of risks are identifiable and therefore able to be managed.

Risk management starts with the identification and assessment of risks. In its simplest form it is a process of asking:

What things could go wrong?

How likely is it that these things will happen?

What are the potential impacts to the project and/or Council if they do happen?

When looking at risk treatment consider the following ways of dealing with each risk when putting the risk register together:

1. Prevent/Reduce – Eliminate the threat by eliminating the cause through the scope of the project, although this is often too hard to do without reducing the level of success to be achieved. Alternatively, implement controls that reduce the probability of the event occurring.
2. Monitor – reduce the impact of the risk by monitoring the project in a manner that ensures the risks are identified early and have sufficient contingency plans in place to manage the risk if it occurs.
3. Accept – often the fact needs to be accepted that the event may occur and the options are to either do nothing or react with appropriate plans once the risk does occur.

A standard way of prioritising risks is by applying the following table:

Risk Response

Risk priorities 4, 6 & 9 (Prevent/Reduce)

- Adopt preventative measures
- Re-plan if necessary to avoid
- Apply risk reduction tools

Risk priority 3 (Monitor)

- Monitor
- Develop contingencies

Risk priorities 1 & 2 (Do nothing)

- Do nothing
- Accept
- React

Probability	Impact		
	Low	Med	High
High	3		
Med	2		
Low	1	2	3

Probability

- High – a greater than 65% chance of occurring
- Medium – a 35-65% chance of occurring
- Low – a less than 35% chance of occurring

Impact examples

- High – Potential death or serious injury, significant health risk, major financial loss, Statutory non compliance, major public relations issues
- Medium – Multiple injury potential, a risk to health, or significant financial loss, moderate public relations issues

Low – small injury and health risk, financial loss, unlikely to be of significant public concern

Identify and priorities the potential activity risks in the following table. Transfer any significant risks and mitigation actions to a discussion in section 4.7

Westland District Council Resource Management

Business Plan

Version	Description of change	Date	Initial

TABLE OF CONTENTS

1. What we do.....	2
1.1. Activity Description.....	2
2. Why we do it.....	2
2.1. Activity Rationale	2
2.2. Strategic Environment	3
3. Where we are now	3
3.1. How the activity has developed	3
3.2. Levels of Service	4
3.3. Asset Information.....	4
3.4. Operations	4
3.5. Current Costs and Funding Policy	4
3.6. Key partners/stakeholders	5
3.7. Assumptions.....	5
3.8. Risk Management.....	5
3.9. Negative effects.....	6
4. Where we want to be	6
4.1. Growth.....	6
4.2. Trends	6
5. How we plan to get there	7
5.1. Options/ Choices and Implications.....	7
6. Improvement Plan	7
Appendix 1 – Levels of Services and Performance Measures	8
Appendix 2 – Financial Information.....	9
Capital Works Program	10
Appendix 3 – Risk Management	11

1. What we do

1.1. Activity Description

Day to day activities include:

- District Plan development, policy and planning.
- Processing Resource Consents
- Issuing Land Information Memoranda (LIM)
- Answering general enquiries
- Ensuring activities within the District comply with the Resource Management Act and the District Plan.
- Monitoring Resource Management requirements.
- Performing environmental monitoring.

2. Why we do it

2.1. Activity Rationale

Council has to fulfil these functions under the Resource Management Act. It also has a desire to create an environment for Westland that reflects the needs, values and aspirations of the District.

This activity contributes to the following Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
1. Health: <i>Healthy communities with access to quality facilities and services.</i>	Additional recreational activities are funded and improved through financial contributions.
2. Education: <i>A region that values and supports learning with accessible, relevant education and training opportunities.</i>	Heritage values are protected.
3. Safety: <i>A region that is a safe place to live.</i>	Development standards are adopted.
4. Economy: <i>A thriving, resilient and innovative economy creating opportunities for growth and employment.</i>	Opportunities and certainty given to developers.
5. Environment: <i>The distinctive character of the environment is appreciated and retained.</i>	Environmental standards are protected.
6. Identity: <i>A happening region with a strong community spirit and distinctive lifestyle.</i>	Notified Resource Consents and changes to the District Plan are public participatory processes.

2.2. Strategic Environment

There are a number of general and specific strategies, policies and statutory requirements that guide the delivery of this service. This Business Plan has been prepared to ensure compliance with the current strategic environment.

Strategies, policy, and statutory requirement that form this strategic environment include;

- *Local Government Act 2002*
- *Resource Management Act 1991*
- *The District Plan gives effect to National Policy Statements and the Regional Policy Statement and Regional Plans*

3. Where we are now

3.1. How the activity has developed

Council has a District Plan which became operative in June 2002. There have been six Plan Changes. Since that date Westland has had increasing growth and this has highlighted aspects of the Plan that need to be altered to reflect this.

Several issues have emerged:

- Rural/residential subdivisions have resulted in more dwellings being used by non-resident ratepayers. Such dwellings do not readily sustain the communities in which they are located as they are principally for holiday and occasional use.
- Resource consents have been increasing. A new staff member has been taken on but still the processing times have been slowed down as the applications are more complex. There is more demand for larger developments than was originally anticipated by the Plan.
- Preliminary discussions on any resource consent are now a significant part of the consent. This applies not only to the applicant but also to the general public who make enquiries as to their rights

It has been a challenge with current staff to look at policy. Council is now starting to look at what areas of the District Plan may need to be addressed and plan for amended policy to be developed for discussion with the community.

Year	No. of Consents: Subdivision	No. of Consents: Land use	% non-notified processed within statutory timeframes
2003/04	47	100	84%
2004/05	99	69	55%
2005/06	88	68	58%
2006/07	68	114	46%
2007/08	106	65	27%
2008/09			

3.2. Levels of Service

Levels of service for this activity determine the quality of service. How the activity operates and, subsequently once defined, the cost of delivering this service. Appendix 2 details the Levels of Service and the performance measures.

3.3. Asset Information

There are no assets used in this activity apart from vehicles and computers which are depreciated and replaced according to Council policy

3.4. Operations

Day to day activities are provided by Council staff. Where particular expertise is required, specialist consultants are used to undertake the function. The Council's preferred consultant has been engaged since 1992 to aid with either policy or consents work.

Control is exercised through a series of delegations except for high level decisions which remain with Council.

Council does employ appropriately qualified planning staff. However, it only undertakes limited environmental monitoring. Work is undertaken with the existing staff however it may be necessary to contract out some work so there is no further detrimental impact on meeting statutory requirements.

3.5. Current Costs and Funding Policy

Current and future operating and capital costs are included in Appendix 2.

Benefits Identified from Activity	Description	Funding Source & Mechanism	Any Implications for Future Funding Source/ Mechanisms
Public	UAGC General Targeted	70%	N/A
Private	Fees Fines	30%	N/A

Formatted: Bullets and Numbering

Key partners/stakeholders

Stakeholder/ Partner	Role/Contribution
Consultants	Provide additional aid to Council
NZ Transport Agency	Advocate for safety of State Highway
NZ Historic Places Trust	Advocate for heritage values
Department of Conservation	Advocate for environmental values
Papatipu Runanga	Advocate for cultural values

Formatted: Bullets and Numbering

3.6. Assumptions

The following list contains corporate assumptions that underpin the preparation of this Business Plan.

Corporate assumptions that all plans are prepared under:

- Inflation will occur as forecast
- Interest rate changes will occur as forecast
- The state of the international, national or local economy will be consistent with forecast
- No natural events in any year
- Demographic change will occur as predicted by the growth model
- Environmental standards will increase over time
- The current rate and pattern of urban development will continue

This Business Plan has been prepared under the following assumptions specific to this activity;

- There are no major legislative changes to the RMA.

Formatted: Bullets and Numbering

3.7. Risk Management

Potential risks for this activity are summarised in the following table along with risk management actions. The methodology supporting this approach is contained in Appendix 3.

Activity Risks

Risk	Probability	Impact	Risk Priority	Response/mitigation
Inability to meet customer demand due to changes in expectations	2	2	4	Use consultants where practical and ensure communication is good about what and when they can expect some reply to their consent
Inability to attract qualified staff	2	2	4	Contract work out

3.8. Negative effects

The activity may create the following significant negative effect;

- The District Plan can be seen to limit development opportunities.
- The District Plan can be seen to be less than responsive to environmental concerns.

4. Where we want to be

4.1. Growth

The growth projections for Westland are summarised in appendix???

These projections suggest a small increase in population growth over the planning period of the plan. The model also predicts a small but steady increase in non residential growth. Neither of these forecasts is likely to impact on required levels of service, demand and asset requirements for the activity.

4.2. Trends

There are trends that may impact on the activity.

Changes to the District Plan may be promulgated by increased numbers of resource consents. While there appears to be a recent decrease in subdivisions as a result of a market decline there is still an increasing trend in land use consent applications.

In addition to the above trends there are several other factors that may directly or indirectly affect the demand for consent applications.

- A growing desire for land that is classed as rural land being used for residential purposes.
- The impact of the dairy boom has created more vegetation clearance consents. Although dairy conversion has little impact for the District in terms of consent numbers, it does have implications for regional consents.
- Council has an obligation to identify areas of significant indigenous vegetation and significant habitats of indigenous fauna and has commenced the process of assessing its statutory obligations in this regard.

None of these factors provide clear direction for a change to the current level of service.

The Council will continually monitor these trends and adjust levels of service accordingly

5. How we plan to get there

5.1. *Options/ Choices and Implications*

The following options will need to be considered in the future:

- Maintain the status quo but accept detriment in processing timeframes
- Contract out some work to private practice so that Council can meet or at least keep to current processing timeframes
- Demand Management- Manage customers expectations so that expectations are lowered and feedback is still acceptable

Each of the above options has different implications for the business strategy, levels of service and financial forecasts. Council would prefer to contract out some work so that processing consents does not fall further behind statutory timeframes. No change in levels of service is proposed. Therefore there are no significant implications for Council in terms of this Business Plan.

6. Improvement Plan

No improvements to management of assets or this activity are proposed.

This year a work plan will be devised for the review of the District Plan.

Appendix 1 – Levels of Services and Performance Measures

Customer Group	Level of Service	Performance Measure	What information will we use to measure success	Current Performance 2007/08	Target 2009-2011	Target 2012-2019
Core Value Resource Consent Applicants	Process RC within statutory timeframes	% of non notified Resource Consents processed within the timeframes of the Act	Monthly report	27%	40%	80%
	Provide day to day advice and assistance regarding Resource Consents and the District Plan	% those customers satisfied with advice	Not currently measured	N/A		90%
Responsiveness	Public complaints relating to environment are investigated and responded to in a timely manner	Complaints investigated within standard Council timeframes	Monthly Report	100%	100%	100%
	Provide and maintain District Plan which is reflective of the community	Work plan is developed on changes required to the District plan and these are effected	Workplan developed and updated annually	No workplan	30 June 2010	Annually reviewed
Quality						

55 / 59

NB. Consider Core values of Accessibility, Affordability, Community Involvement, Customer Service, Health & Safety, Quantity, Reliability, Responsiveness, Sustainability

--	--

Appendix 2 – Financial Information

Statement of the Financial Performance for FUNCTIONAL AREA for the next 10 years

	2006/ 2007	2007/ 2008	2008/ 2009	2009/ 2010	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014	2014/ 2015	2015 /2016
Activity Income										
Activity Expenditure										
Net Cost(Surplus) of Activity										
Capital Expenditure										
Renewals Expenditure										
Loan Principal Repayments										
Total Funds Required										
Funded by:										
General Rates										
Targeted Rates										
Depreciation										
Loans Raised										
Transfers from/to(-)										
Reserves										
Total Source of Funds										

Capital Works Program

Key Capital Project	(R) Renewal (I) Increased LOS (G) Growth	\$000s	Period	Explanation
Key Operating Project		\$000s	Period	Explanation
Increased Contract work		30000 50000	2009 onwards 2012 onwards	To keep up with demand and complexity of consents. Additional costs anticipated
Review of District plan		30000	2009 onwards	Increased consultation and policy costs

Appendix 3 – Risk Management

Risk Management Approach

Managing activities or assets bring with it an element of risk. Even in the most thoroughly-planned activities there is the possibility that an unexpected event can occur that has a negative impact on the service delivery. Despite this, the majority of risks are identifiable and therefore able to be managed.

Risk management starts with the identification and assessment of risks. In its simplest form it is a process of asking:

What things could go wrong?

How likely is it that these things will happen?

What are the potential impacts to the project and/or Council if they do happen?

When looking at risk treatment consider the following ways of dealing with each risk when putting the risk register together:

1. **Prevent/Reduce** – Eliminate the threat by eliminating the cause through the scope of the project, although this is often too hard to do without reducing the level of success to be achieved. Alternatively, implement controls that reduce the probability of the event occurring.
2. **Monitor** – reduce the impact of the risk by monitoring the project in a manner that ensures the risks are identified early and have sufficient contingency plans in place to manage the risk if it occurs.
3. **Accept** – often the fact needs to be accepted that the event may occur and the options are to either do nothing or react with appropriate plans once the risk does occur.

A standard way of prioritising risks is by applying the following table:

Risk Response

Risk priorities 4, 6 & 9
(Prevent/Reduce)

- Adopt preventative measures
- Re-plan if necessary to avoid
- Apply risk reduction tools

Risk priority 3 (Monitor)

- Monitor
- Develop contingencies

Risk priorities 1 & 2 (Do nothing)

- Do nothing
- Accept
- React

Probability	Impact		
	Low	Med	High
High	3		
Med	2		
Low	1	2	

Probability

- High – a greater than 65% chance of occurring
- Medium – a 35-65% chance of occurring
- Low – a less than 35% chance of occurring

Impact examples

- High – Potential death or serious injury, significant health risk, major financial loss, Statutory non compliance, major public relations issues
- Medium – Multiple injury potential, a risk to health, or significant financial loss, moderate public relations issues
- Low – small injury and health risk, financial loss, unlikely to be of significant public concern

Identify and priorities the potential activity risks in the following table. Transfer any significant risks and mitigation actions to a discussion in section 4.7