



# Mackenzie District Council

## GOVERNANCE AND CORPORATE SERVICES

### Activity Management Plan

2021 – 2031

Today's  
choices,  
tomorrow's  
Mackenzie.

Long Term Plan 2021-2031

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**MACKENZIE**  
DISTRICT COUNCIL



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## 1 INTRODUCTION

The purpose of this Activity Management Plan is to outline the Council's approach to delivering Governance and Corporate Services activities over the period 2021-2031.

The Governance activity is made up of three sub-activities:

- District Council;
- Community Boards;
- Elections.

Corporate Services is made up of the following sub-activities:

- Customer Services
- Information Technology Department;
- Finance;
- Chief Executive Department;

## 2 KEY ISSUES

Working towards community outcomes and being influenced by population growth and changing demand, Council faces the challenge of making decisions that prioritise resources to deliver the best mix of services at the right level and in a sustainable way.

Key challenges and opportunities for Governance and Corporate Services are below:

Key Issue	Discussion / Logic
Customer Services Charter	Implementing the Customer Services Charter and providing a method of delivery and mechanisms to measure success of service levels.
Complaints Register	Management of Council's Complaints Register ensuring customers receive the attention required in a measured timeframe.
Service Requests	Creating and assigning Service Requests in a manner which ensures customers receive the attention of the correct department and therefore the earliest possible response.
Enquiry Resolution	Customer enquiries are resolved at first point of contact.
Team Structure	Population and geographic residential growth within Mackenzie impacts on numbers of requests for assistance received. The Customer Services team structure requires regular review to ensure the quality of service levels are maintained and enhanced where possible.
Increasing Customer Expectations	Customers expect more than ever before – with global research highlighting the demand for personalised, single-point service with compressed timeframe tolerances. Customer Services Officers need to be agile, prioritise to optimise response times and escalate requests to the correct technical expert ensuring the first point of contact provides the answer or service required.

Key Issue	Discussion / Logic
Accessible Council	<p>As engagement and interaction with the Council increases, there is a need to ensure that the processes, language and channels are easy to understand and accessible to as many people as possible.</p> <p>The community must feel that they can have a say in what the future of the Mackenzie looks like through the multiple channels open to them, either directly or through their elected representatives.</p>
Reduced numbers of engagement and participation	<p>Community apathy remains problematic and requires Council to look at alternative mechanisms for engaging with their communities, which incorporate the trend towards using social media, online broadcasting and online polls or petitions to deliver key messages.</p>
Growing expectations of interaction	<p>There is a growing demand for the Council to communicate, interact and engage in ways that best meet the needs of the residents. With modern technology, public expectations also increase due to their increased levels of awareness of what is possible. For rural councils this is exacerbated by the desire of the community to have the same levels of service as provided in metropolitan areas with a larger rating base.</p>
Protection of privacy of Information	<p>While providing greater transparency of information with New Zealand Open Data standards and an increase in online services, it is critical to retain the privacy of citizen specific data and protection of commercially sensitive information.</p>
Increased demand for enterprise mobility	<p>Enterprise mobility provides the staff with the ability to securely access and update information from any location, not only providing effectiveness and cost efficiencies, but an improved experience by being able to resolve issues at the initial point of contact. Added to this there are new “work from home” options expediated by the recent pandemic.</p>
Maintaining IT assets in a changing digital world	<p>The pace of change of today's digital world is moving at a rate that exceeds the current pace for MDC. Modernisation of IT assets is required to support the Council to be a Modern Mobile and Agile organisation, improving our public services and customer engagement, while allowing our staff to work more remotely and more effectively, accessing information applications and communicating with colleagues, partners and customers.</p> <p>The present level of funding for IT Asset Renewal/Replacement has resulted in large proportion of IT assets that are not up-to date. Without a change to increase the funding for keeping ICT assets current, the transformational changes and adoption of new technologies to deliver business outcomes will be impeded.</p>
Increased legislation	<p>Central Government mandates and drives change regularly, resulting in legislative changes in laws pertaining to local bodies such as the Local Government Act 2002 &amp; Resource Management Act 1991.</p> <p>These legislative changes often require an adaptive response from councils to either change or increase their levels of service and can heavily influence the decision-making of elected members.</p>

## 3 ACTIVITY DESCRIPTION

### 3.1 What we do

#### District Council

The Local Government Act 2002 requires a territorial authority to have a governing body consisting of members and a mayor. That body is responsible and democratically accountable for the decision making of the local authority. In the case of Mackenzie District, the Council comprises a Mayor elected at large and six Councillors elected from two wards: Pukaki and Opuha.

#### Community Boards

The Local Government Act 2002 provides for the establishment, membership, powers and roles of Community Boards. While Community Boards are not compulsory, the District has been served over many years by Community Boards or their equivalents representing Fairlie, Lake Tekapo and Twizel. Community Boards provide representation and advocacy for local communities. The Boards have some delegated decision-making power and provide an important link between communities and Council.

#### Elections

The Local Electoral Act 2001 requires members of the Council and the Community Boards to be elected. Elections are held in accordance with the Local Electoral Act 2001.

#### Corporate Services

The Corporate Services Department provides managerial and administrative support for all other activities undertaken by the Council. It is generally not practical for a particular activity to individually manage and administer its affairs, therefore this work is carried out by the Corporate Services Department.

### 3.2 Governance

#### District Council

The District Council comprises of the Mayor and six Councillors. The Mayor is elected by the District at large and the Councillors are elected by way of wards:

- Opuha Ward (3 Councillors); and
- Pukaki Ward (3 Councillors).

#### Council Meetings

Council meetings are held every six weeks. In addition extraordinary meetings may be called from time to time to deal with important issues that arise.

#### Standing Committees

The Council reviews its committee structures after each triennial election. The Council has established the following standing committees:

- Audit and Risk Committee
- Chief Executive Performance Committee
- Commercial and Economic Development Committee

- Engineering and Services Committee
- Planning and Regulations Committee
- Strategy Committee

The main standing committees meet on a six weekly cycle with the exception of the Audit & Risk Committee which meets quarterly. The Mackenzie Forestry Committee and Pukaki Airport Board Committee meet less frequently.

We also operate several joint committees with other Councils for various functions, including water management and civil defence.

### Community Boards

The Mackenzie District has three Community Boards:

- Fairlie – elected by the electors of the Fairlie community boundary;
- Tekapo – elected by the electors of the former Tekapo Ward; and
- Twizel – elected by members of the Twizel Township.

Each Board comprises of four elected members and one appointed Councillor.

While community boards are not compulsory any decision for changes to this structure would need to be undertaken as part of a representation review.

### Elections

Under the Local Electoral Act 2001, the District must hold an election for the Mayor, Councillors and Community Board Members every three years. If any elected member is unable to complete their term of office (in terms of Part 1 of Schedule 7 of the Local Government Act 2002) it creates an extraordinary vacancy. Most extraordinary vacancies are required to be filled by way of a by-election. An exception is for a Community Board, where the vacancy can be filled by appointment if it is less than 12 months until the next triennial election.

The Council appoints an Electoral Officer, who is delegated duties and responsibilities under the Local Electoral Act 2001. These include responsibility for conducting the triennial election and any by-elections.

## 3.3 Corporate Services

### Customer Services

Customer Services is the face of Mackenzie District Council. Customer Services provides the Ratepayers, Elected members, Children, Businesses, Runanga, Contractors, and visitors to Mackenzie with front line support and assistance to get answers to their enquiries and requests for service. If the Customer Services Officer does not know the answer to the request, customers are transferred to a technical expert within Council.

Currently there are a variety of channels available to customers:

- Face to face (at either office)
- Over the phone and also via our after hours 0800 685 8514 service.
- Email or via Council website

The Mackenzie District Council Customer Service Charter requires all council officers to be competent, approachable and courteous at all times.

## **Information & Engagement**

Information and Engagement comprises the following activities;

- Information Communication and Technology strategy and operations
  - Formulating the I&E strategic direction that encompasses the holistic view of Council strategies, emergent customer demand and the realisation of business outcomes, now and in the future. Ensuring that the ICT tools and systems provided by Council are operating effectively, that systems are available, secure and reliable, meet users' expectations and kept up to date.
- Information Management (Records)
  - Ensuring that Council records are captured, stored, accessible, retained as long as required, and then disposed of or archived, in accordance with legislative requirements.
- Geospatial Information Services (GIS)
  - Ensuring that the use of geospatial information technologies for appropriate business functions is promoted and adds value to all aspects of Council. Ensuring that GIS services are available to the citizens to enhance their experience when engaging with Council.
- Communications
  - Providing the community with a variety of opportunities to engage with Council. Promoting the wellbeing of our community so that they are informed about Council's activities, progress, and can express their views on Council's proposals.
- Governance
  - Supporting the council and committees with planning and decision-making processes associated with its local democratic functions. Managing the representation and election processes and reporting on them. Providing advice to elected members and staff on governance matters and understanding the governance and decision-making framework.

## **Finance**

The key functions of the finance sub-activity include:

- Preparation of and leading the budgetary process
- Setting and collection of rates
- Reporting on financial position and performance to Council, Community Boards and management
- Providing financial input into key documents for the community as required under legislation. These include the Annual Plan, the Long Term Plan and the Annual Report.
- Preparation and collection of other Council revenue.
- Payment of staff and suppliers to ensure continuity of Council services.

It is considered most appropriate in terms of efficiency, accountability and effectiveness that these services continue to be delivered and resourced internally.

## **Chief Executive Department**

Under Section 42 of the Local Government Act 2002, a local authority must appoint a Chief Executive Officer. As a result, we cannot contract out of the responsibilities of having a Chief Executive Department. The Chief Executive department provides executive support to the Mayor and CEO.

### **3.4 Why we do these activities**

Customer Services actively participates in community outcomes as the first point of contact with our Community - facilitating access to Council services, supporting connection to Council and elected representatives, and communicating information and updates.

We act on feedback to continuously improve and connect with our Customers. We are ambassadors for the Council through our first point of contact interactions. We build safe and health communities by managing the first point of contact for service request, working closely with teams and stakeholders to ensure critical issues are responded in a timely manner and our communities are kept safe.

Finance has fiscal responsibility to effectively manage public funds and to report outcomes to Council, Management and Customers. The collection of rates and payment of staff and suppliers ensures the continuity of Council operations.

Council has a heavy reliance on technology and information services to be able to operate and provide services to its ratepayers and customers. The I&E team is tasked with providing Council with an effective and efficient yet fit-for-purpose platform from which to operate and deliver on the Council Long-Term Plan (LTP) objectives. Council has certain legislative requirements that are outlined within the Local Government Act, Local Government Rating Act, and the Public Records Act. These requirements are supported by the I&E Team as well as by enterprise applications which are used by the various teams within Council.

### **3.5 Contribution to Community Outcomes**

Governance and Corporate Services contribute to the Council's strategic direction and community outcomes as demonstrated on the next page.

# OUR STRATEGIC VISION

Using our guiding values as a solid foundation whilst looking through the lens of our vision and mission statements, Mackenzie District Council along with the community, will work together to discover our southern cross stars, our community outcomes. We remain focussed on our community outcomes as our goal for our district and everything we do.

**VISION** To empower our communities and treasure our environment  
**MISSION** Strengthening our communities

## GUIDING VALUES

- |                            |                                |
|----------------------------|--------------------------------|
| Be fair to everyone        | Act with respect and trust     |
| Strive for a better future | Protect our peace and serenity |
| Dare to be different       |                                |

## OUR COMMUNITY OUTCOMES

### A TREASURED ENVIRONMENT

- We recognise that our outstanding environment plays a vital role in sustaining our district.
- We manage our environment and natural resources sustainably to ensure they can be enjoyed now and by future generations.
- We have sustainable, efficient and well-planned infrastructure, services and community facilities.

### RESILIENT, SUCCESSFUL COMMUNITIES

- Our communities have access to facilities and networks which enable people to enjoy positive, healthy lifestyles.
- Our communities are engaged, connected and are given the opportunity to influence local outcomes and decisions.
- Our communities have a 'sense of place' that makes people proud to live here.
- Our communities are resilient and provide for inter-generational wellbeing through networks that care for all ages.

### STRONG AND INNOVATIVE ECONOMY

- We value the role that our District's environmental, social and cultural assets play in supporting economic development.
- We are a welcoming, enabling and business friendly district that encourages creative local economic development.
- We recognise and manage the effects of economic growth and actively support our communities and environment while striving for prosperity.

### EMBRACE HERITAGE AND DIVERSITY

- We embrace our partnership with ngā rūnanga and support mana whenua traditions and relationships with their ancestral lands, waterways, wāhi tapu and other taonga.
- We are proud of and celebrate the heritage and diversity of our District and our people.
- We respect each other and what we contribute to the District through our traditions and culture.
- Our communities are given the opportunity to celebrate and explore their heritage, identity and creativity.

## 4 LEVELS OF SERVICES AND PERFORMANCE MEASURES

### 4.1 What we are trying to achieve

Council undertakes numerous activities in order to deliver on the community outcomes.

The outcomes that relate most directly to the management of the District's Customer Services team are:

- People have the information and skills to enable them to participate in society.
- Council's goals, objectives and activities are clearly communicated to the community.

The outcomes that relate most directly to MDC's Information & Engagement team are:

- Services that support the efficient running of the Council's business, its delivery of information to the community, and thus contribute to all community outcomes.
- Services that provide easy access to insights for solving major business challenges.
- Activities that help promote the wellbeing of our community so that our communities are informed about Council's activities and can express their views on Council's proposals.
- Community engagement that builds trust and understanding in the Council's decision-making processes, while also increasing the Council's awareness of issues in the community.
- Services that provide funding and advice to assist and support the development of communities, and the non-profit work that organisations undertake within our communities.

This is achieved by being creative in how we adapt the Information and Engagement department to enable insightful decision-making and empowering the business to connect to MDC data, platforms, systems and process, at an acceptable level of risk and cost.

As the Council and the wider community grapple with the costs associated with recovering from the COVID-19 pandemic, leveraging our investments in Information Technologies will be a key component of delivering more efficient and cost-effective services to the Community.

**Table 4-1 Levels of Service and performance measures**

Service Levels	Logic	Actual Performance	Future Performance (targets)			Future Performance (targets) by Year 10 2030/31
			Year 1	Year 2	Year 3	
		2019/20	2021/22	2022/23	2023/24	
<b>Customer Services</b> Customer expectations for service response meet customer demand and are delivered in a timely manner	Council provides a centralised service point (via face to face, phone and e-mail) for all customers.	<b>Achieved</b>	Two to three service centres operating Monday to Friday 8:30am to 5pm providing first point of contact customer service via face to face, phone and e-mail. Number of service centres, and hours operated to be informed by performance statistics, population growth, demand and customer feedback			
<b>Customer Services</b> Customer expectations of the quality of the service received at the first point of contact	Council meets customer satisfaction levels at the first point of contact.	<b>Achieved</b> (Less than 1% of calls received by council were recorded as official complaints)	At least 85% of customers are satisfied or very satisfied by the quality of the centralised customer service received at the first point of contact. Measured by annual customer satisfaction survey and quality monitoring.			
<b>Governance</b> Supporting Council	Supporting the council and committees with planning and decision-making processes associated with its local democratic functions	Not a performance measure for 19/20	100% of meeting agendas published on the website within statutory deadlines			
		Not a performance measure for 19/20	Implement functionality to allow live streaming of Council meetings	Council meetings being live streamed ≥ 40%	Council meetings being live streamed ≥ 60%	Council meetings being live streamed ≥ 85%
<b>Communications</b> Engaging the Communities.	Providing the community with a variety of opportunities to engage with Council, to be aware of its progress and activities, and to express their views on Council’s proposals. Promoting community wellbeing	Not a performance measure for 19/20	Establishing the new Website and brand for Council.	Reports show >5% searches are unsuccessful	Reports show 2.5% searches are unsuccessful	Reports show >1% searches are unsuccessful
		Not a performance measure for 19/20	Establish “Lets Talk” as the sole platform for digital Engagements	Reports shows Increased registrations and active participation.	Higher conversion rate between registered, interested and engaged	Optimal levels of engagement achieved on majority of engagements.
<b>Council</b> Prepare key accountability documents in accordance with good practice.	The annual report is prepared within statutory timeframes and with an unmodified audit opinion.	<b>Achieved</b>	The annual report is prepared within statutory timeframes and with an unmodified audit opinion.	The annual report is prepared within statutory timeframes and with an unmodified audit opinion.	The annual report is prepared within statutory timeframes and with an unmodified audit opinion.	The annual report is prepared within statutory timeframes and with an unmodified audit opinion.

Service Levels	Logic	Actual Performance	Future Performance (targets)			Future Performance (targets) by Year 10 2030/31
		2019/20	Year 1	Year 2	Year 3	
			2021/22	2022/23	2023/24	
Prepare key accountability documents in accordance with good practice.	The annual plan is prepared within statutory timeframes.	<b>Achieved</b>	The annual plan is prepared within statutory timeframes	The annual plan is prepared within statutory timeframes	The annual plan is prepared within statutory timeframes	The annual plan is prepared within statutory timeframes
Represent and govern the district on behalf of the community	The percentage of residents across the district who say they are satisfied with the performance of the councillors and Mayor in the annual ratepayer survey.	<b>Achieved</b> 89%	60% or above	60% or above	60% or above	60% or above
Build strong iwi relationships and encourage Maori to contribute to the decision-making process	Number of face-to-face meetings held each year between council representatives and ngā Papatipu Rūnanga, or Te Rūnanga o Ngāi Tahu.	<b>Achieved</b> 2	2 or more	2 or more	2 or more	2 or more
Provide opportunities for the community to engage with elected members	Number of public forums held each year with communities and groups	<b>Achieved</b> 64	40 or more*	40 or more*	40 or more*	40 or more*
<b>Finance</b> Reporting	Provide financial reports to Council meetings to enable timely decisions to be made	<b>Achieved</b>	Financial reports included in Council meeting agendas for every meeting			
<b>Finance</b> Revenue collection and management	Collect rates revenue for Council managing funds to ensure availability for Council requirements	<b>Achieved</b>	Issue rates invoices by no later than twenty calendar days prior to invoice due date every quarter and ensure collection procedures followed to maximise prompt payments			
<b>Finance</b> Payments management	Ensure that staff and suppliers are paid on a timely basis to ensure continuity of Council operations	<b>Achieved</b>	Process payroll fortnightly and creditors payments no later than the 20 <sup>th</sup> of the following month - to ensure timely payment			

## 4.2 How will we know if we are achieving?

We will know we are achieving the above outcomes when we see the following results:

- Customers have ready access to information and Council services, facilities and activities through a range of channels that enable them to fully participate in the life of the district. These channels range from face-to-face, phone, email and online and are focussed on meeting customer needs.
- Customers and local communities are supported to be well-connected and informed via a range of communication channels, to gain information about Council strategies, services and facilities, raise issues and request services.
- Customers (Citizens, ratepayers, those who rely on MDC services and business partners) can access and use the services they need – how and when they need them. The main customer channels such as the MDC website and the technologies that support the Customer service Department continue to meet or exceed their availability targets.
- The tools and technologies that underpin the organisation's services (Desktop, Network, Infrastructure, and business applications) are delivered and available to levels that meet or exceed their targets.
- Geospatial Information Services are optimized and integrated through most platforms, add value to the organization, and enhances the community engagement experience.
- The Council is approachable and engaging, and apathy is replaced with enthusiasm. This may well be through social media, online broadcasting and online polls or petitions, but also through in-person interactions. The citizens feel that they can have their say and have a good understanding of what the future of the Mackenzie looks like.
- Communications are regular, consistent and have the correct tone for the targeted audience. Feedback shows that Comms is of a good quality and that the community and media are well informed / kept up to date.
- Records are available and secure. The privacy of citizen specific data as well as commercially sensitive information is protected. Information is reviewed regularly and either retained or disposed of in a secure way, as per the Retention and Disposal schedule / policy.

## 5 CHANGES HAPPENING

### 5.1 Legislative changes

The Privacy Act of 1993 was amended, and the new Privacy Act of 2020 officially came into effect on 1 December 2020. All of these changes reflect the changes in society since New Zealand's original privacy legislation was passed in 1993. The key changes in the Privacy Act 2020 are:

- If an agency experiences or is likely to experience a serious privacy breach, it must notify both the Privacy Commissioner and the individuals affected.
- The Privacy Commissioner will be given the power to issue compliance notices that require an agency to take action.
- The power to make binding decisions on access to information complaints will be passed from the Human Rights Review Tribunal to the Privacy Commissioner (although the Commissioner's decisions can be appealed to the Tribunal.)
- Agencies must take steps to ensure that the personal information of NZ citizens is protected by comparable privacy standards when sent overseas. If a New Zealand agency engages an overseas service provider, it must comply with New Zealand privacy laws.

- It will be a criminal offence to mislead an agency in a way that affects someone else's information, and to destroy documents containing personal information if a request has been made for it.
- The Privacy Commissioner can shorten the timeframe in which an agency must comply with investigations at any time, and fines will apply in cases of non-compliance.

These significant changes mean that MDC needs to do a full review of all of its processes to ensure that possible breaches are prevented, and in this, protect the organisation from litigation.

## **5.2 Growth and demand**

Currently, the Council serves a population of 5420 citizens who interact with us across a large number of services – ranging from regulatory services, property information and recreational memberships. Every day, citizens engage with the Council, either face-to-face, by phone, email or online. Today the Council's service delivery remains primarily through traditional channels (phone, face to face and email) – the customer services team handle a multitude of interactions through these traditional channels every year. Such channels are more expensive and less responsive than online options. Similarly, the Mackenzie population growth will directly affect demand for services that are provided by other Council business units. This increase in demand will in turn drive each of the lines of business to look for improvements in I&E process, information, technologies, and platforms which will in turn impact I&E. With the increased focus for Council and Community on 'Going Digital', there will be an increased demand for I&E services; storage for digitisation of assets, evidence or records, and delivery of new I&E systems that support online collaboration, engagement and self-service.

## **5.3 Environmental change**

Climate change is the biggest environmental challenge of our time. It is already affecting our agriculture, native ecosystems, infrastructure, health, and biosecurity. If left unchecked, it will have broad social and economic impacts.

As we look at mechanisms to manage the effects of environmental change, the demand for more and improved I&E services will increase. MDC has started reducing its carbon footprint by virtualising the server infrastructure as well as gradually virtualising software applications. Further steps are to replace personal computers and laptops with low energy equivalents when it is time to renew.

This approach along with the gradual roll-out of more mobile technologies for staff will enable staff to utilize home and public workspaces and put less pressure on Council to acquire additional facilities.

Investments in technologies for collaboration, conferencing, mobility will reduce the need to travel and combined with improvements in inspections, scheduling and booking, will reduce overall carbon emissions. Fleet GPS, Navigation and pool booking have already reduced the impact from vehicles. Provision of citizen and community online services will reduce the need to visit Council offices to do business with Council. Yet further reducing the communities collective carbon footprint.

## 6 KEY PROJECTS

### [Initiatives to deliver]

- ICT Strategy Action Plan
- Supplier relationship management
- Service agreement for new user set-up
- SCADA Architecture documentation
- Disaster Recovery Plan
- Business Continuity Plan
- Business Unit reporting
- Council Branding Review / Change
- Governance
  - Representation review
  - Annual Council Meetings Plan
  - Live streaming Council Meetings
- GIS Action Plan
- Records management
  - Digitisation phase 2
  - Public Records Act compliance
- Communications
  - Comms Plan & strategy cascaded across MDC
  - New website development and changeover
  - Engagement platform adoption
  - Social Media

### [Removing Barriers to Success]

- Team structure, capacity & capability review
- ICT governance
- Reporting and escalation
- Supplier relationship management
- Project management capability
- Aligning Open Data with Privacy
- Community Boards demands on staff time
- Impact of short notice from hiring managers
- Grants process is cumbersome
- Need additional IT person to deliver workload
- Improved induction/onboarding process

## **7 MANAGEMENT OF GOVERNANCE & CORPORATE SERVICES**

### **7.1 Capital works programme**

Besides maintaining the existing levels of service, we need to initiate improvement projects to not only upgrade processes and services, but also implement new services, and to cater for future growth. These capital funded projects are integral to the future of The Mackenzie District Council.

To be able to deliver on all of these initiatives and at the same time to be able to “keep the lights on”, MDC would need to increase the staff complement within the IT Department.

The Manager – Information and Engagement needs to focus on delivering these projects and keeping the staff involved from the onset to ensure maximum systems adoption across Council.

The present IT support analyst will not be able to take on much more work than he is presently doing. This leaves a large gap which needs to be filled by an experienced 3<sup>rd</sup> level IT analyst.

The following initiatives have been identified:

#### **[Hardware replacement]**

- Installation of new Wireless Access points in Community Facilities, as required.
- Replacement of existing Wireless devices in Council Offices
- Large Digital displays
- Replacement of mobile phones
- Replacement of Computer screens
- Replacement of end-user computing devices. (PC's and tablets)
- Installation of Teams Headsets
- Installation of safety cameras in Council Offices

#### **[Software & Software Development]**

- Website development – transition to new platform.
- Ongoing, ad-hoc Web development support
- App development linked to all platforms.
- Council ERP system upgrade to Cloud Solution.

#### **[Projects (Not Hardware or Software) - Consultancy / Labour costs]**

- Updated aerial imagery for Geospatial platforms.
- GoGet service migration and SIMPLI integrations.
- Recurring Invoices – automating the process to reduce time wasted on mundane tasks.

### **7.2 Operational maintenance**

Numerous activities need to be executed as part of the “Business as Usual” (BAU) model to maintain the present levels of service. This “keeping the lights on” approach, gives us the foundation from which to initiate process and service improvements. This includes software licensing, subscriptions, and once-off purchases. Ad-hoc purchasing of parts to maintain the existing computing devices to maintain continuity.

The following expenses have ongoing commitments:

#### [Hardware]

- Photocopier and Printing costs
- Mobile Telephone and data expenses
- Materials purchased

#### [Software]

- Software Licenses and Subscriptions
- Software Support

#### [Other]

- Contractor labour costs
- Internal vehicle charges
- Infrastructure & leases

### 7.3 Significant Effects

**Table 7.3.1 – Significant Negative Effects**

Effect	Council's mitigation measure
Information Security	Proactive steps to be taken to ensure that all reasonable measures are in place to protect the security and integrity of Customer information from unintended access or use. <i>(Refer to section 7.5 for details of security risk.)</i>
Business Continuity	As Customers adopt interacting with the Council via on-line channels and services, they will rapidly develop an expectation that they will be able to access these services whenever they want. The Council will need to focus on engineering these services to ensure that availability targets are met.

**Table 7.3.2 – Significant Positive Effects**

Effect	Council's mitigation measure
Increased community engagement through online services	Council intends to progressively increase the range of services that are available on-line with a view to making it quicker and easier for customers to interact with us in their manner of choice.
Mobile, "connected" workforce	Systems and technologies that enable MDC employees and contractors to work more productively away from their desks and have access to necessary tools and information where and when needed and deliver better, more timely services to Customers

## 7.4 Assumptions

### GROWTH ASSUMPTIONS

Assumption	Level of Uncertainty (High/Medium/Low)			Risk	Impact of variation to assumption	Management of risk
	H	M	L			
<p><b>Population Growth</b></p> <p>It is assumed that growth in the district's population will generally be consistent with the medium projections developed for Mackenzie District Council in 2020.</p> <p>These indicate a growth rate of around three percent year on year, with population projections of 6,561 in 2030 and 9,050 in 2050.</p>		✓		<p>Population change occurs within the district at a higher or lower rate than predicted.</p>	<p>A significant, consistent decline in population may adversely affect Council's ability to set rates at a level affordable to the community.</p> <p>A significant, consistent increase in population could adversely affect Council's ability to meet some service levels.</p>	<p>Council will continue to monitor population measures within the district and respond to meet needs where possible.</p>
<p><b>Demographic Changes</b></p> <p>Most population growth within the District is expected to be at older ages (55+ years), with the proportion of over 65s living in the district projected to be slightly higher than the NZ average.</p> <p>Twizel and Fairlie have a higher proportion of older people (65+) than other areas in the district and this is not expected to change over the life of the plan.</p> <p>Younger workers (20-30 years) will make up a considerable portion of the</p>		✓		<p>Demographic changes occur at a higher or lower rate than expected.</p>	<p>Changes to the projected demographics may place pressure on some Council services due to increasing demand, which may lead to a lower level of service in these areas or a requirement for additional investment.</p>	<p>Council will continue to monitor demographic changes within the district and respond to meet needs where possible.</p>

Assumption	Level of Uncertainty (High/Medium/Low)			Risk	Impact of variation to assumption	Management of risk
	H	M	L			
population employed in the tourism market.						
<b>Household Changes</b> It is anticipated that changes to household numbers and composition will generally reflect population projections and forecast changes to demographics (that is, an ageing population). This is not expected to create any significant impact on demand for infrastructure and services, given the relatively small increase in total population projected to occur.		✓		Household changes across the district occur at a higher or lower rate than expected.	A slower rate of household growth may mean that some service activities have overinvested in infrastructure (too much capacity too soon).	Council will continue to monitor household changes within the district. Where rapid growth occurs, this is likely to be within existing subdivisions where servicing provision has already been made or, where growth requires additional infrastructure, developers can be required to meet this demand through the payment of financial contributions.
<b>Dwelling Numbers</b> It is assumed that growth in dwelling numbers will primarily be driven by demand for short-stay visitor and holiday accommodation due to year-on-year increases in both domestic and international visitor numbers to the district.  Growth in demand for private holiday accommodation is predicted to have an impact on the availability of residential housing. However, the large proportion of unoccupied dwellings in the district, particularly in Tekapo (60%) and Twizel (52%), is not anticipated to change or increase significantly.		✓		Dwelling changes across the district occur at a higher or lower rate than expected.	A higher or lower rate of dwelling growth may impact on provision of services, such as the issue of resource and building consents.	Council will continue to monitor dwelling growth in the district and adjust provision of supporting services as required.

Assumption	Level of Uncertainty (High/Medium/Low)			Risk	Impact of variation to assumption	Management of risk
	H	M	L			
<b>Distribution of development across the district</b> The pattern of growth will be consistent with the spatial planning used to inform the District Plan Review The pattern of growth will be guided by the next generation district plan which will be operative in 2022. Understanding of the growth pattern will be sufficient for infrastructure planning		✓		Development will be more focused in one area than another  Growth will occur at a rate that differs from infrastructure planning and provision	Provision of infrastructure will not align with development	Guide development through the district plan, and track development levels
<b>Tourism Numbers</b> It is assumed that visitor numbers will return to pre-COVID-19 numbers around 2022/23, and from that point visitors to Mackenzie District will be at least equivalent to the growth level experienced pre-COVID-19.  It is also assumed growth in domestic visitors to Mackenzie District will be significantly higher than pre-COVID-19 while international travel is limited.		✓		Change to tourism numbers and composition occurs at a rate significantly above or below the growth levels assumed.	Increases in projected visitor numbers may place pressure on supporting services and infrastructure. Conversely, a drop in tourism to the district may mean that service activities have overinvested.	Council will continue to monitor tourism numbers to the country and district and respond to meet needs where possible.
<b>COVID-19</b> Borders will remain closed to tourists/casual travellers for a further twelve months, at which point limited tourism will resume. From 2021 to 2030 tourism activity will progressively return to 2020 levels		✓		Borders will remain closed for a significant period,	Economic activity and international migration will be limited, affecting population and business growth.	Council will continue to track trends and provide for the wellbeing of the community.  Investment will be advanced to support employment and prepare infrastructure for the future.

## ECONOMIC AND FINANCIAL ASSUMPTIONS

Assumption	Level of Uncertainty (High/Medium/Low)			Risk	Impact of variation to assumption	Management of risk
	H	M	L			
<b>Economic activity, income levels and affordability</b> It is assumed that there will sufficient economic activity and incomes within the district to support Council activities		✓		Service provision becomes unaffordable	If there is insufficient economic activity and incomes of district residents are businesses are strained, it would be difficult for Council to fund the range of activities it is responsible for	Economic activity is tracked and the funding impact strategy is reviewed in line with the economic circumstances
<b>Inflation</b> To develop a consistent approach for local government to account for inflation, the Society of Local Government Managers (SOLGM) contracted Business and Economic Research Limited (BERL) to construct forecasts for inflation. It is assumed that long term inflation will be consistent with BERL's Local Government Cost Index (LGCI) forecasts.		✓		Inflationary costs in some areas may increase at a rate different to that forecast.  Local Government Cost Adjustor Forecasts Three scenarios	If inflation rates are higher than forecast in the financial model this will mean that either additional money will be required, or planned work is reduced to fit the fiscal envelope. If the work is not reduced this could mean using additional reserves, increasing debt or increasing rates.	In preparing the LTP, Council is required to use best estimates in determining the level of costs to be budgeted and to account for the effect of price changes or inflation expected over the ten year period.  Council has endorsed the 'mid-scenario' rates produced by BERL (September 2020) as the assumption for accounting for inflation for the preparation of the LTP.  Some types of costs (eg roading and transport costs) have been subject to fluctuations in recent years, so it is inherently difficult to predict trends with accuracy. However, these costs will be mitigated through the annual

Assumption	Level of Uncertainty (High/Medium/Low)			Risk	Impact of variation to assumption	Management of risk
	H	M	L			
plan process where the annual adjustment can be made.						
<b>Interest Rates and Borrowing</b> Borrowing costs are assumed to be as included in Financial Forecasts.  Council assumptions on interest rates are based on the Official Cash Rate (OCR) plus an appropriate margin. For the life of the LTP the borrowing rate is assumed to range from 1.7% to 2.4%. That rate will be used for calculating interest rates and will be adjusted annually.		✓		Forecast interest rates are higher or lower than forecast.  The movement in interest rates has a wide ranging effect on the Council. The Council’s cash investments have derived interest at the market rates and the Council’s internal financing policy bases the interest paid to or charged to individual communities on the Official Cash Rate.  The level of works and services rates levied is dependent in part on the interest rate used in Council’s internal funding policy.	Any exposure to borrowing interest movement will be managed by a preference for a higher percentage of fixed term rates.	
<b>Waka Kotahi (NZTA) Financial Assistance</b> The Long Term Plan assumes that the subsidy from New Zealand Transport Agency will be 51% across all activities for the life of the Long Term Plan, and that these subsidy rates will remain at this level until the Funding Assistance Rate is reviewed.		✓		Council’s risk is the roading programme may reduce due to a number of factors. These include 1. a further change in subsidy rates and/or size of the programme in years 4-10. This plan assumes Council will maintain or expand its spend through  The roading programme could be reduced from what is shown, due to limitations on the amount of work NZTA is prepared to financially support. Expenditure may differ in any year from that forecast.  If Council wanted to continue its roading programme, other	The Council will consider the impact of any change as part of the annual budget process and consider the funding implications of any cost changes.	

Assumption	Level of Uncertainty (High/Medium/Low)			Risk	Impact of variation to assumption	Management of risk
	H	M	L			
				additional unsubsidised work. 2. the NZTA subsidisable programme may differ from what has been assumed, which may impact the Council's spend in future years..	funding sources such as rates would need to be utilised.	
<b>Dividends received – Alpine Energy Ltd</b> It has been forecast that the dividend based on Council's shareholding will be \$123,000 per year. This value could change from year to year based on Alpine Energy decisions.		✓		The dividend could be less than that anticipated,	A lower dividend would reduce this funding source, meaning greater reliance on other revenue sources or reduction in expenditure.	While a level of funding is expected, the financial strategy will consider if this revenue stream is lost
<b>Development and Financial Contributions</b> Costs associated with growth will be partially funded through development and/or financial contributions		✓		Council does not recoup costs associated with meeting infrastructure costs associated with growth	The ability to fund infrastructure costs will fall on ratepayers alone.	Council will review its Development Contributions and Financial Contributions policy as part of the Long Term Plan/Infrastructure Strategy process.
<b>Waste levy</b> The waste levy will be progressively increased to \$60/tonne, at the same time opportunity to receive funding for waste minimisation education and initiatives will increase			✓	That the cost and revenue associated with the change is inappropriate	That increased waste levy costs will discourage responsible disposal of waste, and illegal dumping will increase  That funding of programmes will not be available for waste minimisation education and initiatives in Mackenzie district.	Sufficient explanation to the community about the costs and benefits

Assumption	Level of Uncertainty (High/Medium/Low)			Risk	Impact of variation to assumption	Management of risk
	H	M	L			
<b>Sale or Transfer of Assets</b> It is assumed throughout this plan that we will retain ownership of our significant assets and continue with the current Council Departments.			✓	That the objectives whether financial or non-financial of holding strategic assets are not achieved.	Should specified returns not be attainable, we would review our investment. Such a review may have a financial impact.	Any decision to sell or partially sell would be significant. A proposal with options would be provided to the community for feedback as part of a special consultation process.
<b>Sources of Funds for the Future Replacement of Assets</b> It is assumed that funding for the replacement of existing assets will be obtained from the appropriate sources as detailed in Council's Revenue and Financing Policy.			✓	A particular funding source is not available.	Depreciation funds renewals funded mainly through rates and user charges. Should other sources of capital funding such as subsidies or development / financial contributions differ from levels forecast in a particular activity, Council is able to access borrowings through its central treasury function.	
<b>Timing &amp; Level of Capital Expenditure</b> The Long Term Plan assumes that the timing and cost of capital projects and associated operating costs are as determined through the Council's activity management planning process.		✓		<p>There is a risk that capital projects may not occur as planned, or actual costs may vary from the forecast therefore may have an impact on the costs.</p> <p>Transport projects seeking subsidy will need a Business Case approach to NZTA which may change originally anticipated outcomes.</p>	<p>If projects do not occur as planned, capital expenditure may differ from forecast. Delays may change the cost of individual projects and defer planned borrowing. This will impact on rates increases. Delayed renewals could lead to an increase in maintenance costs.</p> <p>Any significant delay will have a negative Impact on the delivery of future capital</p>	<p>The Council will consider the impact of any change as part of the annual budget process and consider the funding implications of any cost changes.</p> <p>High level of vigilance over capital delivery to Executive level, resulting in timely corrective actions if required</p> <p>Regular reporting to Council on the programme so Council has full visibility of programme, milestones, and tracking</p>

Assumption	Level of Uncertainty (High/Medium/Low)			Risk	Impact of variation to assumption	Management of risk
	H	M	L			
					programme due to a limited number of resources Council has available to deploy in any one year.	Programme is prioritized by vulnerability and criticality to ensure projects that would lead to loss of service or additional costs are top of the list Regular market assessments undertaken including critical supply chains to ensure programme is realistic and deliverable Council have the ability to value engineer the project if it exceeds estimates. In addition, the Council has contracted external project managers to oversee the programme and project management and delivery of key 3 Water projects.
<b>Asset Revaluations</b> Council has a policy of revaluing its buildings, land and infrastructural assets on a three yearly basis. The LTP assumes that the book values of the relevant assets as at the revaluation dates will be increased by inflation rates as per the inflation assumption.			✓	Inflationary costs in some areas may be different from that forecast. The condition of the assets may be different to that assumed and the value of the asset may differ accordingly.	There may be a higher or lower asset value and a lower or higher depreciation charge.	The Council will consider the impact of any change as part of the annual budget process and consider the funding implications of any cost changes.
<b>Planning Horizons and Asset Lifecycles</b> It is assumed that the planning horizon for growth (30-45 years) and asset lifecycles (30 years plus) are sufficient to inform the ten year forecasts included in the LTP.			✓	The planning horizon for growth and asset life services differ from that assumed.	There is insufficient planning to guide decision making and investment	LTP and IS are thoroughly developed relevant to District issues

Assumption	Level of Uncertainty (High/Medium/Low)			Risk	Impact of variation to assumption	Management of risk
	H	M	L			
<b>Useful Lives of Assets</b> The useful lives of assets have been assumed as set out in the following table, which matches the depreciation policy under the Statement of Accounting Policies:		✓		Assets last longer than the lives assumed, or assets deteriorate at a faster rate than the lives assumed.	Assets require replacement earlier or later in their life cycle.	Ongoing assessment of the quality of assets means this information is updated regularly and work programmes adjusted to minimise the chance of asset failure. In the event of assets wearing out earlier than anticipated, capital projects could be brought forward. This may affect borrowing and depreciation expenses. Negative impacts are likely to be at least partially offset by some assets lasting longer than estimated. Mitigation may also involve reprioritisation of the capital expenditure programme.

Assets	Depreciation method	Life (years)
Buildings	Straight line	13-80
Computer hardware	Straight line	3-10
Computer network cabling	Straight line	10
Furniture and fittings	Straight line	10
Heritage assets	Straight line	60-150
Land	Not depreciated	-
Motor vehicles	Straight line	5
Office equipment	Straight line	5-10
Light plant and machinery	Straight line	10-25
Plant and machinery	Straight line	10-25
Resource recovery parks	Straight line	10-33
Flood protection and control works	Not applicable	-
Landfills	Straight line	30-50
Village projects	Straight line	5-80

Assets	Depreciation method	Life (years)
Stormwater		
Lines	Straight line	60-150
Manholes	Straight line	150
Open drains	Not depreciated	-
Wastewater		
Mains	Straight line	60-80
Pumps	Straight line	15
Oxidation ponds	Not depreciated	-
Box culverts	Straight line	100
Manholes	Straight line	80

Assets	Depreciation method	Life (years)
Alps 2 Ocean cycleway	Straight line	50
Formation	Not depreciated	-
Surfacing	Straight line	0-17
Land under roads	Not depreciated	-
Roads and footpaths	Straight line	6-80
Formation	Not depreciated	-
Sub-base	Not depreciated	-
Base course	Straight line	75-100
Surfacing	Straight line	0-17
Kerb and channelling	Straight line	10-10
Street signs	Straight line	13
Street lighting	Straight line	20-40
✕ Bridges	Straight line	80-100
Resource consents	Straight line	10-33

Assets	Depreciation method	Life (years)
Water supplies		
Piping mains	Straight line	60-80
Pumps	Straight line	25
Service lines	Straight line	80-100
Hydrants	Straight line	80
Valves and air valves	Straight line	80
Meters	Straight line	25
Reservoirs	Straight line	80

## GOVERNMENT, LEGISLATION AND REGULATION ASSUMPTIONS

Assumption	Level of Uncertainty (High/Medium/Low)			Risk	Impact of variation to assumption	Management of risk
	H	M	L			
<p><b>Legislative Change and Regulatory Reform</b></p> <p>As an organisation that is created and derives its powers from statute, changes to legislation have a direct impact on the way we conduct our business. The speed and scale of legislation review depends largely on the policy direction and priorities of the government of the day. Reform of the Resource Management Act 1991 will proceed in 2021-22. A new legislative framework will include the Natural and Built Environments Act, the Climate Change Adaptation Act, and the Strategic Planning Act. The Strategic Planning Act is intended to integrate functions under the RMA, Local Government Act 2002, Land Transport Management Act 2003 and the Climate Change Response Act 2002 so changes are also expected with those Acts. It also assumes the Council will remain an independent unit of local government during the next 10 years.</p>		✓		<p>The impact of government legislation is more or less than expected.</p> <p>New legislation is enacted that alters the activities Council undertakes or provides.</p>	<p>Unrealised impacts of legislative changes may create greater impacts on Council operations, including operating budgets, workloads, time and resource availability. These pressures may lead to additional costs for ratepayers.</p> <p>Where legislative changes require Council to provide additional services or increased levels of services, this may impact fees and charges for cost-recovery activities.</p>	<p>Most changes to legislation are known in advance, giving councils the ability to prepare for implementation. Council will monitor existing and potential legislative changes as they move through parliamentary process. Where appropriate, Council will submit on legislation to encourage reduced or improved impacts on Council operations and limit costs to ratepayers.</p> <p>Historical trends have been for services transferred from central government to local government. The cost and impact on our activities as a result of future legislative changes cannot be quantified at this stage as it would be dependent on the specific services affected by the legislative change. Financial uncertainty in this area would generally impact the cost of introducing changes, and the mechanisms required to fund any new services.</p>

Assumption	Level of Uncertainty (High/Medium/Low)			Risk	Impact of variation to assumption	Management of risk
	H	M	L			
<b>Legislation Reform – Water Services</b> While it is assumed that there will be change to the ownership and delivery of Three Waters in the next ten years, Council is not able to predict with absolute certainty what those changes will be. It is unlikely that details will be known earlier than mid-to-late 2021. This LTP has been developed on a business-as-usual basis for the delivery of Three Waters; but the change is very likely to occur over the mid-term (3-5 years). The replacement value of all Three Waters assets total \$90.7 million (as of 30 June 2020). Planned capital projects will be valued at \$52.6m at the end of the LTP. The major capital projects are the \$4.8m sewerage reticulation upgrade and \$18.1m waste water treatment plant upgrade. In addition currently underway we have \$7.4m water treatment projects underway (20/21 and 21/22). <sup>1</sup>				Legislation changes under urgency in parliament that must be implemented and transitioned to over a period of time	Changes are required to be implemented more quickly than anticipated and the changes are mandatory rather than voluntary.	Council closely monitors any and all developments, and responds accordingly
<b>Resource Consents</b> It is assumed that the conditions of resource consents held by Council will not be changed significantly and that the Council will be able to renew and obtain the necessary resource consents for its planned projects.				Resource consents are changed through reviews, or applications for Council projects are not approved or have significant compliance or monitoring costs.	Projects will cost more if compliance requirements are significant, or may not proceed as planned if consents are not obtained.	The Council will consider the impact of any change as part of the annual budget process and consider the funding implications of any cost changes.

<sup>1</sup> All values are inflated values

## ENVIRONMENT ASSUMPTIONS

Assumption	Level of Uncertainty (High/Medium/Low)			Risk	Impact of variation to assumption	Management of risk
	H	M	L			
<p><b>Climate Change</b></p> <p>Climate change is already impacting how our communities live and function and these impacts are expected to increase in magnitude and extent over time.</p> <p>Impacts include increases to mean temperature, with corresponding reductions in snow and frost days. We anticipate an increase in the frequency and severity of extreme weather events.</p>		✓		<p>There is a risk that climate change effects are not understood and appropriate action taken.</p> <p>There is a risk that Council actions will not be consistent with community opinion.</p>	<p>If climate change happens more quickly or in a different way to that projected; Council may need to carry out work on its infrastructure assets.</p> <p>Council's business units may not recognise climate change in the delivery of their services. Decisions made now without this consideration may have intergenerational effects on land use decisions, environmental policy and infrastructure decisions e.g. relying on undersized assets and resources in highly vulnerable areas.</p>	<p>Climate change assumptions are factored into Council strategies and plans including the District Plan Review and Infrastructure Strategy. Council activities will build appropriate mitigation responses into resilient infrastructure development including the improved water storage in Fairlie, water metering, the establishment of the emergency operations centre reserve fund and Council's risk management work through the Canterbury Emergency Management Group.</p> <p>Council will continue to monitor climate change science and the response of central government and adapt its response where required.</p>
<p><b>Natural Hazards / Local Natural Disasters</b></p> <p>The district is at risk from natural hazards such as flooding, earthquake, and storms. These events can occur at any time, without warning.</p>		✓		<p>A major adverse event occurs resulting in a significant impact on the district and Council's services.</p>	<p>A disaster has the potential to cause significant, unbudgeted impact on the Council and the community.</p>	<p>Council seeks to mitigate this risk through its Civil Defence, Risk Management and Insurance Policies.</p>

Assumption	Level of Uncertainty (High/Medium/Low)			Risk	Impact of variation to assumption	Management of risk
	H	M	L			
<p>It assumed that there will be no major adverse events during the period covered by this Long Term Plan beyond Council, Regional and National capabilities.</p> <p>While events may occur at any time, Council's planning will focus on operational resilience and Emergency Management.</p>					<p>In the event of a major disaster, Council has assumed additional central government support will be forthcoming.</p> <p>Council would need to borrow additional funds to make repairs and meet the costs of restoration</p>	<p>Council keeps appropriate levels of cash reserves (\$3.0m) and sufficient head room in its borrowings to enable it to undertake any repairs on its underground assets.</p> <p>Central government has a role in disaster recovery after a natural disaster.</p> <p>Council will progressively build a reserve to fund the local share of Emergency Works applications to NZTA</p>
<p><b>Civil Defence and Emergency Management</b></p> <p>CDEM functions will continue to be provided across the district, via the Canterbury Regional Group</p>		✓		<p>CDEM structures and planning are not appropriate for application to Mackenzie</p>	<p>The response to an event would not be suitable</p>	<p>Ongoing involvement in CDEM planning and governance</p>
<p><b>Insurance</b></p> <p>Council will hold a reserve fund of at least \$3 million to respond to emergencies and that this will be adequate for immediate requirements</p>			✓	<p>A major event will have significant financial implications that are beyond Council's ability to fund</p>	<p>It is assumed this will be adequate to meet the portion Council needs to fund – this is highly variable</p>	<p>A review is proposed on the insurance of assets and the suitability of a reserve fund as 'self-insurance'</p>
<p><b>Earthquake prone buildings</b></p> <p>There are no earthquake prone buildings affecting strategic transport routes</p> <p>There are no unknown earthquake risks associated with Council owned buildings. Council's building control responsibilities can be delivered through normal management and operational processes</p>			✓	<p>Actions required by Council have not been allowed for</p>	<p>Processes are required, that would put additional workload on staff</p>	<p>Actions assigned to staff</p>

## LEVELS OF SERVICE AND SERVICE DELIVERY ASSUMPTIONS

Assumption	Level of Uncertainty (High/Medium/Low)			Risk	Impact of variation to assumption	Management of risk
	H	M	L			
<b>Level of Service</b> It is assumed the level of service expectations of the community will remain similar to current level, or change progressively over time.		✓		That there is a rapid change in expectations	Service provision may not be able to be adapted quickly to meet changes	On going customer satisfaction assessment is undertaken and consultation over service levels occurs through the LTP and Annual Plan processes
<b>Service Delivery Modes &amp; Contracts</b> It is assumed that there will be no significant changes to current modes of service delivery for each service area or variations in terms of contract prices (above inflation and inventory adjustments) for current operations and maintenance contracts.  Council will continue to consider collaboration opportunities and assess changes to service delivery on a case by case basis.			✓	Maintenance contracts may be re-tendered during the plan period. If maintenance and service contracts are consolidated and/or re-tendered there is a possibility contract prices will be higher than anticipated.	This would require Council to either increase rates and/or operating revenue if efficiencies cannot be found or it may consider reducing levels of service.	

## OTHER ASSUMPTIONS

Assumption	Level of Uncertainty (High/Medium/Low)			Risk	Impact of variation to assumption	Management of risk
	H	M	L			
<b>New Technologies</b> There will be no new technologies deployed within the period covered by the Long Term Plan that will significantly change the demand for or provision of services.			✓	Technologies may become available which significantly change the demand for or provision of services.	Inefficient or ineffective provision of services in the traditional manner when other alternatives may be available.	Council will regularly monitor existing and proposed technologies as they relate to service provision.
<b>Collaboration and Shared Services</b> Opportunities for joint initiatives will continue to be explored (e.g. Waste Management Service Delivery, Aoraki Roding Collaboration, Water Services review). District and Community Board Autonomy will remain similar to the current level.		✓		Council is not sufficiently represented in decision making	Council is unable to provide services that are fit for purpose or efficiently	Council will engage in and commit to combined initiatives for the benefit of Mackenzie residents.
<b>Te Rūnanga o Ngāi Tahu and ngā papatipu rūnanga</b> Council has established and enduring relationships with Te Rūnanga o Ngāi Tahu (TRoNT) and the three papatipu rūnanga whose rohe (area) include the Mackenzie District: Te Rūnanga o Arowhenua, Te Rūnanga o Waihao, and Te Rūnanga o Moeraki.			✓	Engagement and consultation is not effective and appropriate for the relationships	Decision making does not include Maori as required under legislation; or as is appropriate for the wider Mackenzie community	There is ongoing dialog with Te Rūnanga o Ngāi Tahu and ngā papatipu Rūnanga

## 7.5 Risk Management

Risk Description	Current Control	Proposed Control	Level
Insufficient Data	Assumptions are made, duplications and double handling	Customer Relationship Management and Call Monitoring.	Medium
Process failure / inconsistencies	Assumptions, manual processing and cross checking to get it right.	Consistent streamlined processes that make full use of technology to reduce the change of error and increase the likelihood of a successful outcome.	Medium
Lack of adaption to new technologies and channel choice of customers.	Only able to offer what we have today.	Customer Relationship Management tools able to adapt to new or emerging technologies in Customer Service.	Medium
Unauthorised external access to MDC systems and data	Policy, Security audits, moderate IT controls	Policy, Security audits Improved IT controls though hardening of solutions, improved detection, monitoring and response	High
Privacy of citizen data	Reliant upon policy and individual actions to protect private information	Policy, Security Audits, improve information governance, security classification, access control and technology approaches to protect information	High
Reliability of Legacy Applications	Applying 'plaster' approach to keep legacy solutions operational	Investment to migrate from legacy applications to new cloud-based solutions where possible	High

## 7.6 Key stakeholders for Governance and Corporate Services

Customers (including citizens, ratepayers, business, elected members, internal staff, and business partners) are any stakeholders who utilise Services from the Mackenzie District Council.

Stakeholder	Role
Elected representatives	<ul style="list-style-type: none"> <li>• Represent needs of community/shareholders</li> <li>• Allocate resources to meet Council's objectives in providing services while managing risks</li> <li>• Ensure organisation is financially sustainable</li> <li>• Custodians of the assets and services, providing the interface with the community related to levels of service and good governance / management practices</li> </ul>
Treaty partners	<ul style="list-style-type: none"> <li>• Ensure representation from rohe in the Mackenzie – Te Runanga o Arowhenua, Te Runanga o Moeraki and Te Runanga o Waihao</li> </ul>
CEO	<ul style="list-style-type: none"> <li>• Manage operational activities and future strategic planning direction</li> </ul>
Council Staff	<ul style="list-style-type: none"> <li>• End user of internal services</li> </ul>
Community & Ratepayers	<ul style="list-style-type: none"> <li>• End user of public facing services</li> </ul>

## 7.7 Key legislation & Council Strategies

- Health and Safety at Work Act 2015
- Employment Relations Act 2000
- Local Government Official Information and Meetings Act 1987
- Local Government Act 2002
- Public Records Act 2005
- Privacy Act 2020
- Official Information Act 1982
- Intelligence & Security Act 2017
- Telecommunications Information Privacy Code 2020
- Government ICT Strategy and Action Plan to 2017 ([ict.govt.nz](http://ict.govt.nz))
- Strategy for a Digital Public Service ([digital.govt.nz](http://digital.govt.nz))
- Information and records management standard
- MDC - ICT Strategy 2020-2023

## **8 IMPROVEMENT PROGRAMME**

### **8.1 Process overview**

This section identifies any future improvements that have been identified as needed for the Activity Management Plan in the future.

- No improvements to the process itself are required.

### **8.2 Improvement actions**

No specific improvements to this AMP are planned.

## 9 SUMMARY OF COST FOR ACTIVITY

Governance and corporate activities	Annual Plan										
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/2030	2030/31
						(thousands)					
General rates, uniform annual general charges, rates penalties	3,490	4,188	4,730	5,164	5,290	5,455	5,674	5,862	5,898	6,431	6,397
Targeted rates	34	34	34	35	35	36	36	36	37	37	38
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	167	172	176	179	183	187	192	196	200	205
Internal charges and overheads recovered	823	840	898	941	945	956	1,004	988	1,004	1,055	1,036
Local authorities fuel tax, fines, infringement fees, and other receipts	340	374	383	392	401	410	419	428	437	447	457
<b>Total Operating Funding (A)</b>	<b>4,687</b>	<b>5,603</b>	<b>6,217</b>	<b>6,708</b>	<b>6,850</b>	<b>7,040</b>	<b>7,320</b>	<b>7,506</b>	<b>7,572</b>	<b>8,170</b>	<b>8,133</b>
Payments to staff and suppliers	5,695	6,158	6,525	6,891	6,734	6,841	7,236	7,053	7,162	7,607	7,403
Finance costs	0	5	17	17	20	22	21	25	24	23	23
Internal charges and overheads applied	-917	-820	-627	-508	-216	-101	-225	138	92	251	413
<b>Total applications of operating funding (B)</b>	<b>4,778</b>	<b>5,343</b>	<b>5,915</b>	<b>6,400</b>	<b>6,538</b>	<b>6,762</b>	<b>7,032</b>	<b>7,216</b>	<b>7,278</b>	<b>7,881</b>	<b>7,839</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>-91</b>	<b>260</b>	<b>302</b>	<b>308</b>	<b>312</b>	<b>278</b>	<b>288</b>	<b>290</b>	<b>294</b>	<b>289</b>	<b>294</b>

## Governance and corporate activities

	Annual Plan 2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/2030	2030/31
	<i>(thousands)</i>										
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	0	1,046	-41	-36	139	-55	-5	-30	-48	8	-21
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
<b>Total sources of capital funding (C)</b>	<b>0</b>	<b>1,046</b>	<b>-41</b>	<b>-36</b>	<b>139</b>	<b>-55</b>	<b>-5</b>	<b>-30</b>	<b>-48</b>	<b>8</b>	<b>-21</b>
<b>Capital expenditure</b>	0	0	0	0	0	0	0	0	0	0	0
To meet additional demand	0	0	0	0	0	0	0	0	0	0	0
To improve the level of service	0	116	11	50	3	28	54	3	4	57	32
To replace existing assets	202	1,170	173	96	385	100	102	125	107	109	134
Increase (decrease) in reserves	-293	20	77	126	63	95	127	132	135	131	107
<b>Total applications of capital funding (D)</b>	<b>-91</b>	<b>1,306</b>	<b>261</b>	<b>272</b>	<b>451</b>	<b>223</b>	<b>283</b>	<b>260</b>	<b>246</b>	<b>297</b>	<b>273</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>91</b>	<b>-260</b>	<b>-302</b>	<b>-308</b>	<b>-312</b>	<b>-278</b>	<b>-288</b>	<b>-290</b>	<b>-294</b>	<b>-289</b>	<b>-294</b>
<b>Funding Balance ((A-B) +(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>