



**MACKENZIE DISTRICT COUNCIL**

**Activity Management Plan For  
Regulatory Services  
2015-2025**

**February 2015**

# 1. INTRODUCTION

## 1.1 Background

### **Environmental Management**

The planning department is responsible for administering the council's functions under the Resource Management Act 1991. The key planning document is the District Plan, which sets out the issues facing the district and then manages the effects of those issues by setting objectives, policies and rules to achieve the purpose of the Resource Management Act, enabling sustainable management of the district's natural and physical resources.

Other functions of the planning department include:

- Resource consents processing;
- Processing plan changes
- Monitoring and enforcement of resource consents and activities permitted by the District Plan;
- Review of the District Plan

### **Building Control**

The building control department is responsible for administering the council's functions under the Building Act 2004. This involves processing building consent applications, monitoring the construction of buildings, and issuing code compliance certificates upon the completion of building.

The council is an accredited Building Consent Authority.

### **Other Regulatory Services**

The council has responsibilities under the Dog Control Act 1996 to manage dog control. Responding to and investigating dog complaints and incidents is contracted, but the administration of dog control is managed by staff.

The council is responsible under the Civil Defence Emergency Management Act 2002 to ensure the council and community are prepared and able to respond in the event of a civil defence emergency.

The council has responsibilities under the Food Act 2014 and Sale and Supply of Alcohol Act 2012 which is managed by a contract with Timaru District Council.

The council also has responsibilities under the Forest and Rural Fires Act 1977. Mackenzie District Council is part of the South Canterbury Rural District, an enlarged rural fire authority that is a joint venture between Mackenzie, Timaru and Waimate district councils, in conjunction with a forestry owners group, the Department of Conservation, and the New Zealand Fire Service.

## 1.2 Community outcomes to which the Activity Contributes

- An attractive and highly valued natural environment.
- A thriving economy
- A fit and healthy community.
- A safe, effective and sustainable infrastructure

Keeping the District Plan up to date with the changing pressures that are facing the district will ensure that development that occurs in the district does not have a detrimental impact on the amenity of the district. Managing the effects of activities through resource consents and monitoring activities within the district also contribute to this. Well planned and managed development is seen by the community as an important outcome.

Support for recreational activities through appropriate recreational and special purpose zoning in the District Plan will also support these outcomes.

New building and alterations provide economic prosperity for local architects and builders involved in these projects within the district. New building also adds capital value to the district which is important for growth and helps to encourage other commercial investment opportunities.

Inspection of building work will ensure that builders comply with the building plans provided to, and approved by Council, and that safety and sanitary standards specified in the Building Code are met.

Controlling the nuisance effects of dogs will ensure that people who use footpaths and recreation areas for health/fitness and general enjoyment will be safe and will be able to continue with their personal fitness and wellbeing.

Maintaining our readiness and volunteer groups for civil defence and rural fire events will ensure that our communities are prepared and if necessary evacuated during an event.

Ensuring that food is prepared safely and that alcohol is sold responsibly, helps provide for a safe and vibrant community.

### **1.3 Activity Goals**

- To enhance the safety of those who live in and visit the Mackenzie District by undertaking a range of regulatory activities.
- To protect and enhance the natural environment by regulating development in a manner that is environmentally sensitive, well planned and positively contributes to the maintenance and enhancement of the district's natural and scenic landscape.
- To ensure that all new buildings and alterations in the district are constructed in a manner which promotes the health, safety and wellbeing of the community, and which complies with all relevant statutes and codes.

### **1.4 Principal Objectives**

#### **Resource Management**

To provide a customer focused approach to resource management planning.

#### **Building Control**

To provide a customer focussed building control service

#### **Animal Control**

To effectively manage dog control.

## Civil Defence

For the Council and the community to be prepared to respond to a civil defence emergency.

## Rural Fire

To provide a capable response to rural fires.

## Health and Liquor

To ensure that food sold is safe to consume, and that alcohol is sold responsibly.

## 2. PERFORMANCE MEASURES

Level of Service	Measure of Service	Target
To effectively manage environmental issues within the District.	80% or greater of those surveyed are satisfied by the belief that the Council are adequately managing resource management issues in the District.	80% positive feedback to a customer survey.
To provide a customer focused service for processing resource consents while achieving our obligations under the Resource Management Act 1991.	Non-notified consents are processed within the statutory timeframe of 20 working days.  80% or greater of those applying for resource consents are satisfied with the quality of the service they receive.	95% compliance.  80% positive feedback to a customer survey.
To provide a customer focussed building control service that achieves our obligations under the Building Act 2004.	Building consents are processed within the statutory timeframe of 20 working days.  80% or greater of those applying for building consents are satisfied with the quality of the service they receive.	95% compliance  80% positive feedback to a customer survey.
To provide a safe environment for dogs and the public to co-exist.	80% or greater of those surveyed believe the Council is adequately managing dog control issues in the District.	80% positive feedback to a customer survey.
For the Council to be prepared to respond to a civil defence emergency.	Council staff and volunteers are familiar with their roles and are adequately trained.	Training is attended as required, and the Council will participate in one training exercise per year.
For the public to be adequately prepared for a civil defence emergency.	80% or greater of the community surveyed believe that they are adequately prepared for a civil defence emergency.	80% favourable response from a customer survey.

To manage fire risk and to be able to provide a ready and capable response to rural fires.

The Council has a capable and well equipped rural fire response teams across the Mackenzie District.

All volunteer rural fire teams are trained to industry standards.

80% or greater of the community surveyed believe that the Council is adequately prepared to respond to rural fires.

80% favourable response from a customer survey.

### 3. THE EXISTING SITUATION DESCRIBED

#### Resource Management

Policy planning in relation to the District Plan and other policy documents is managed by a part-time senior policy planning position, as well as a fixed term full-time policy position. Where necessary the council uses external consultants to support this role, but where possible this work is undertaken internally in order to provide a more efficient service to the community.

The same applies to processing resource consents. The council has one full-time planning position dedicated to resource consent processing. The timeframes for processing of resource consents are governed by legislation, and where those timeframes are not met, the council is now required to apply a discounting policy. In order to provide a customer focused service the council endeavours to process resource consents internally, but where work load or complexity does not enable it to do so, external consultants are used.

#### Building Control

The council is an accredited building control authority and employs three full-time building control officers, one acting as manager, as well as a full-time building administrator.

The timeframe for processing building consent applications is set by legislation. Building consents are processed internally, but can be contracted out where required. Building inspections are also undertaken by staff, maintaining a sound customer relationship with the building industry, as well as minimising costs to the customer.

## **Regulatory Services**

The council has two dog control contractors, one based in Twizel, and the other based in Fairlie. While at times resources are stretched when responding to dog control incidents, the council's aim is to respond to all complaints within a timely manner.

With regard to health and liquor services, the council has a long standing contract with Timaru District Council. The council has entered into a joint local alcohol policy (LAP) with Timaru and Waimate District Councils, providing a consistent approach to how the sale of alcohol is managed in these parts of South Canterbury.

## **4. MAINTENANCE AND OPERATING**

### **4.1 Operational Matters and Issues.**

#### **Resource Management**

The continuing project over the term of this LTP is the review of the Council's District Plan. The plan became operative in May 2004 and the Resource Management Act specifies that no parts of a district plan can be more than 10 years old. Reviewing the plan is a significant undertaking. The project work is being undertaken by both staff and consultants, but is being managed internally to achieve our goal of providing a customer-focused outcome.

Resource consent processing is very much business as usual. The Council may adapt its processing depending on work load and any legislative processes during the term of the LTP.

Plan changes are funded over a ten year period. The costs are met from the general rate, and are repaid over a 25 year period. This is to smooth the burden, as significant plan changes can be costly and would have a significant rating impact if the costs were met by rates in the year that the costs were incurred. Plan changes have a life of 10 years by statute, and this is the reason for rate funding the costs over that period.

Council is yet to complete Plan Change 13. This is currently before the Environment Court and is potentially subject to an appeal to the Court of Appeal. Once all the matters are back before the Environment Court council hopes to complete the plan change within the next three years. A budget of \$400,000 over the next three years is proposed to meet the costs of this, however we do not know what the final amount will be.

#### **Building Control**

It is likely that over the term of the LTP the Government will continue to amend the Building Act 2004 and make changes to the Building Code. It is important that the council is able to adapt to those changes as they occur in order to provide an effective service to the local community.

The council continues to work closely with other building control authorities. In particular the council is part of a Southern Building Control Group, made up of eleven South Island councils. It is likely that over the term of the LTP we will see the amalgamation of some building control authorities, or a greater focus on collaboration. However, regardless of that outcome, the council's focus is to provide a customer based service by retaining its own building control officers that can undertake all necessary building inspections during construction work.

## **Regulatory Services**

Dog control is always a challenge and is a balance between providing a suitable level of service and the cost to the council. The intention is to continue using contractors to provide this service with council staff acting as backup where necessary.

Civil defence relies heavily on volunteers to assist the council in responding to any emergency situation. The council intends to continue working with the community to encourage volunteers and to ensure that all volunteers, as well as council staff, are adequately trained for their roles.

The council's ability to fight rural fires depends on its equipment and volunteers. A capital works programme is in place to ensure that ageing equipment is replaced in an organised and affordable manner. Being part of an enlarged rural fire district has huge benefits for this council in that the cost of employing a highly qualified principal rural fire officer is spread across four organisations, enabling more funds to be dedicated to equipment such as tankers.

The maintenance cost for rural fire tankers is funded annually through the rural works and services rate.

The council intends to continue with its contract with Timaru District Council to provide health and liquor services.

## **5. FUTURE DEMAND**

Population growth is likely to increase slightly over the next 20 years, from 4300 (2013 census) to 4762 in 2033. It is not anticipated that there will be a significant change in demand over the term of the LTP.

The biggest demand is in building control with building activity increasing over the period of the previous LTP. High demand in this area is expected to continue for the next three years, although further increases are not expected. We expect a continuation of the current elevated level of building activity.

## **6. CAPITAL EXPENDITURE**

### **6.1 Proposed Future Capital Works Programme.**

Only rural fire activity has capital expenditure proposed. This is for two new replacement tankers. Fairlie (2015/16) and Twizel (2017/18).

### **6.2 Funding of Capital Works**

Funded through depreciation.

Capital Expenditure Report		Annual Plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
For the 30 Years to 30 June 2045		Budget	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10
		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
		(000)	(000)	(000)	(000)	(000)	(000)	(000)	(000)	(000)	(000)	(000)
<b>Regulatory</b>												
<b>Regulatory Capex</b>												
0108925. Plant and Equipment												
		2	25	-	-	-	-	-	-	-	-	-
0108999. Transfer to Assets												
		-	-	-	-	-	-	-	-	-	-	-
0698925. Plant and Equipment												
		-	-	-	-	-	-	-	-	-	-	-
0698999. Transfer to Assets												
		-	-	-	-	-	-	-	-	-	-	-
0838925. Plant and Equipment												
		-	6	8	8	9	9	9	9	10	10	10
0838930. Vehicles												
		20	55	-	58	-	-	-	-	-	-	-
0838999. Transfer to Assets												
		-	-	-	-	-	-	-	-	-	-	-
<b>Total Capex</b>		<b>22</b>	<b>86</b>	<b>8</b>	<b>66</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>10</b>	<b>10</b>	<b>10</b>
<b>Total Regulatory</b>		<b>22</b>	<b>86</b>	<b>8</b>	<b>66</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>10</b>	<b>10</b>	<b>10</b>
<b>Total Regulatory</b>		<b>22</b>	<b>86</b>	<b>8</b>	<b>66</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>10</b>	<b>10</b>	<b>10</b>

## 7. FUNDING THE ANNUAL NET COST

### 7.1 A statement of financial performance

#### *Planning and Regulatory Services:*

Council sets a range of fees and charges to meet the proportion of the total costs of these services that it believes should be funded from the user of the service provided. However, it is not always able to determine accurately its level of cost recovery for a couple for reasons. The maximum fee may be set by statute and the number of licenses or permits issued may vary from year to year. An example of this is the liquor licence fees which are set by statute.

### 7.2 Council's funding policy

Council Policy for funding regulatory services is broken down as follows:

#### *Resource Management*

- Resource consent processing 100% through fees and charges
- District planning 100% general rate levied on capital value

#### *Building Control*

- 100% through fees and charges

#### *Dog Control*

- 90% through fees and charges; and
- 10% general rate levied on capital value;

#### *Civil Defence*

- 100% general rate levied on capital value.

#### *Rural Fire*

- 100% levied through rural works and services rate.

#### *Sale of Alcohol and Environmental Health*

- 100% through fees and charges



The funding split between user charges and rate funding reflects the Council's judgements on how much the user should fund an activity versus the public good which is rate funded.

## **8. SIGNIFICANT NEGATIVE EFFECTS**

Providing for sustainable management under the Resource Management Act is a balancing act between providing for community wellbeing through growth and development while managing the state of the environment. Previously in the Mackenzie Basin the council had uncontrolled development of rural land which was causing a negative impact. However, measures introduced to better manage that development still have the potential to have a negative impact by introducing tighter controls that inhibit development and introduce additional compliance costs to the council. Resource management planning straddles a fine line.

However, generally the provision of regulatory services is prescribed by legislation and this activity is very much business as usual for the council.

## **9. SIGNIFICANT FORECASTING ASSUMPTIONS, UNCERTAINTIES AND RISK MANAGEMENT**

### **9.1 Assumptions and Uncertainties**

The assumptions used in the preparation of the Activity Management Plan for regulatory services are as follows:

#### **Price Changes/Inflation**

In preparing the budget for the 2015-2025 period the Council has used price change adjustors, as developed by Business and Economic Research Limited (BERL), to account for the effect of inflation. As the BERL figures are based on best estimates there is a risk that these predicted figures may change over the term of the Plan.

### **9.2 Risk Management**

The Council's judgement is that no risk management plan for regulatory services is required.

## **10. OTHER LEGISLATION**

Civil Defence and Emergency Management Act 2002  
Dog Control Act 1996  
Health Act 1956  
Food Act 2014  
Sale and Supply of Alcohol Act 2012  
Forest and Rural Fires Act 1977  
Gambling Act 2003

## 11. PLAN REVIEW / PUBLIC CONSULTATION

Consultation will occur as part of the LTP process.

## 12. FUNDING IMPACT STATEMENT

Mackenzie District Council											
Funding Impact Statement for 10 Years to 30 June 2025 for Planning and Regulation											
	Annual Plan	LTP Year 1	LTP Year 2	LTP Year 3	LTP Year 4	LTP Year 5	LTP Year 6	LTP Year 7	LTP Year 8	LTP Year 9	LTP Year 10
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	276	406	409	402	502	512	520	572	525	543	552
Targeted rates (other than a targeted rate for water supply)	155	165	175	158	163	165	164	168	175	177	183
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees, charges, and targeted rates for water supply	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	1	1	-	-	1	1	1	1	1	1	1
Local authorities fuel tax, fines, infringement fees, and other receipts	532	625	640	656	672	695	713	734	756	778	802
<b>Total operating funding (A)</b>	<b>964</b>	<b>1197</b>	<b>1224</b>	<b>1216</b>	<b>1338</b>	<b>1373</b>	<b>1398</b>	<b>1475</b>	<b>1457</b>	<b>1499</b>	<b>1538</b>
<b>Applications of operating funding</b>											
Payments to staff and suppliers	1,242	1,268	1,290	1,261	1,156	1,185	1,215	1,248	1,273	1,321	1,361
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	53	97	102	103	106	112	113	112	111	107	105
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>1295</b>	<b>1365</b>	<b>1392</b>	<b>1364</b>	<b>1262</b>	<b>1297</b>	<b>1328</b>	<b>1360</b>	<b>1384</b>	<b>1428</b>	<b>1466</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>-331</b>	<b>-168</b>	<b>-168</b>	<b>-148</b>	<b>76</b>	<b>76</b>	<b>70</b>	<b>115</b>	<b>73</b>	<b>71</b>	<b>72</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	120	120	120	120	40	40	40	40	40	40	40
Increase (decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>120</b>	<b>120</b>	<b>120</b>	<b>120</b>	<b>40</b>	<b>40</b>	<b>40</b>	<b>40</b>	<b>40</b>	<b>40</b>	<b>40</b>
<b>Applications of capital funding</b>											
<b>Capital expenditure</b>											
to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
to improve the level of service	-	-	-	-	-	-	-	-	-	-	-
to replace existing assets	22	86	8	66	9	9	9	9	10	10	10
Increase (decrease) in reserves	-233	-134	-56	-94	107	107	101	146	103	101	102
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>-211</b>	<b>-48</b>	<b>-48</b>	<b>-28</b>	<b>116</b>	<b>116</b>	<b>110</b>	<b>155</b>	<b>113</b>	<b>111</b>	<b>112</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>331</b>	<b>168</b>	<b>168</b>	<b>148</b>	<b>-76</b>	<b>-76</b>	<b>-70</b>	<b>-115</b>	<b>-73</b>	<b>-71</b>	<b>-72</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>