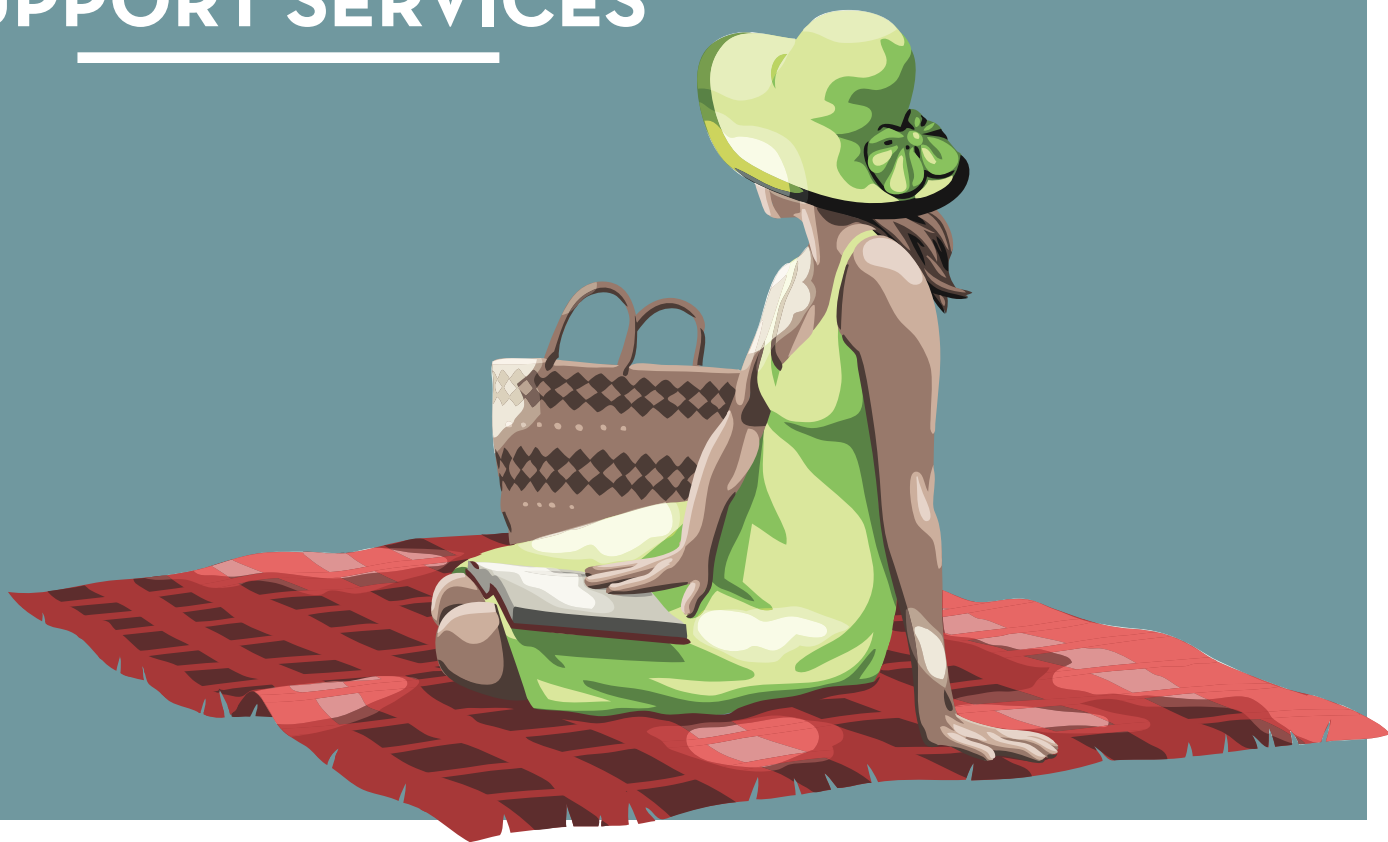


# SUPPORT SERVICES



# SUPPORT SERVICES

## OVERVIEW

A number of internal corporate services support the delivery of services and activities to the community. The Long Term Plan contains strategies that determine the activities Council provides to serve our community, for example water supply and transportation. Our Corporate Plan contains strategies for our support services. Corporate support activities have a crucial part to play in enabling staff to produce their best work and deliver the highest standards of service to customers. The key strategic approach for each of the corporate support activities is broadly described below:

CORPORATE SUPPORT ACTIVITY	WHAT THIS ACTIVITY DOES	STRATEGIC APPROACH
Customer services	Ensure customers receive timely, accurate and user friendly information, service and advice.	Focus on understanding the diversity of customers, and their needs and respond to them more effectively.
Communications	Ensure customers and communities are kept informed.	Provide communications that are targeted to identified customer needs.
Relationship management	Maintain effective relationships with residents and key communities of interest.	The purpose of the relationships is clearly understood, diversity is recognised and our obligations to Māori under the Treaty of Waitangi are fulfilled.
Human resources	Manage workforce capability and capacity.	Future workforce needs are understood so that staffing levels, skills and competencies are retained to deliver the agreed services to the community.
Information management	Ensure data is accessible, clear and secure.	Information is managed to ensure it is easily accessible and the integrity of the data is maintained
Information technology	Ensure information systems are integrated, secure and responsive to business needs.	Smart use of technology to achieve agreed strategic initiatives and optimise the customer experience.
Financial management	Provide comprehensive financial planning and monitoring services.	Timely, accessible and reliable information is available to inform decision-making, both for staff and elected members.
Corporate assets	Sustainably manage Council's corporate buildings, equipment, vehicles and land.	Assets, planning and property staff work together to enable the sustainable development of infrastructure.
Procurement	Ensure services purchased provide the best value for money, are sustainable and environmentally responsible.	Sustainable purchasing practices that demonstrate value for money and are environmentally responsible.
Risk management	Identify, minimise or mitigate risks.	Integrated risk management information to inform decision making and ensure continuity of Council services.
Quality management	Document and review key processes to ensure knowledge is maintained and opportunities for improvement identified.	Documentation of key processes secures knowledge and facilitates opportunities for improvement.

We have identified a number of issues and trends that will affect our organisation over the next five to ten years and our Corporate Plan sets out how we intend to respond to these.

For many years we have followed a philosophy of continuous improvement; there are many opportunities to improve the way support services are delivered. We aim to find smarter ways of doing things and to demonstrate the value-for-money we provide to our customers. Smart use of technology, working effectively with others and making the most of the information we already have are three ways we can look for improvements in what we do each day.

We also need to keep an eye on changes that are likely to affect us, prepare for them and if possible, use them to advantage. This means taking a more strategic, questioning look at things that may have previously been considered routine or straightforward.

### LOCAL DECISION-MAKING

Over the last few years, legislators and opinion-shapers have been concerned with how best to achieve effective local democracy. Legislation change has made it easier to alter the form of local government through amalgamations and creating new governance structures. The key question is how to get people interested in taking part in local decision-making, whatever the structures or process. Without effective engagement of our citizens we cannot be confident we are delivering value-for-money services.

Research suggests that getting citizens more involved early on, using collaborative approaches and varied communication tools, is more effective than seeking feedback on well-formed ideas. Citizen “buy-in” up front counts for a lot.

Recent changes to legislation mean we can be more flexible about how we involve people in many key decisions, so we have more opportunities to try new approaches. Reflecting on what works (and what doesn't) will help us develop more effective ways to engage our communities

### WORKING WITH OTHERS

As communities and other organisations become more deeply involved in our planning and decision-making, our skills in working with others will be put to the test. If we are to make the most of innovative community-driven solutions, or consider new ways of doing things, we need to have the tools, capacity and skills to work cooperatively. Key to this is being transparent and having a shared understanding of our partners' and our own situations, goals and aspirations. This in turn is dependent on good communication and coherent, consistent messaging.

### DIGITAL EXPECTATIONS

As technology evolves, our customers will increasingly expect to transact and interact with us digitally - in their own time - wherever they are. As a major provider of essential services, we need to carefully consider how we can meet these expectations, while maintaining responsive services to those who choose to use traditional communication channels. This is an area of exciting possibility, with potential for greater efficiency and more responsive services.

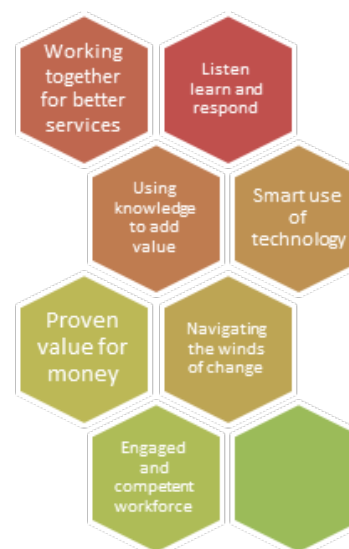
The roll-out of rural broadband means more of our residents can access reasonable internet speeds, which gives weight to increased use of our website as a primary source of information. It also presents opportunities for us to share public information we hold about communities and places in our district, at very little cost.

### CHANGING DEMOGRAPHICS

Throughout New Zealand and much of the developed world the average age of workers is increasing. Good workforce planning is important to ensure skills and knowledge are retained by the organisation. A well-engaged work force is also a result of good workforce planning and practice which includes training and career development, effective reward and recognition programmes, equal opportunity, fair treatment and family friendliness.

### VALUE FOR MONEY

Our organisation has a strong track record of continuous improvement, quality management and process innovation, but it is important that we become more transparent in using benchmarks, statistics and other hard facts to demonstrate the value for money we provide



## SUMMARY FINANCIAL FORECAST

### SUPPORT SERVICES

All information from 2017-2025 includes an annual adjustment for inflation

FOR THE YEARS ENDED 30 JUNE	ACTUAL	BUDGET	_FORECAST									
	\$'000	\$'000	\$'000									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Analysis of expenditure by activity</b>												
Support services	1,221	1,487	1,420	1,160	925	779	795	818	839	870	898	924
Corporate assets	3,539	1,763	1,447	1,426	1,410	1,426	1,405	1,497	1,482	1,465	1,446	1,426
Treasury	(2,152)	1,806	1,359	1,615	1,538	1,097	1,170	1,273	1,103	1,066	1,285	1,542
<b>Total operating expenditure</b>	<b>2,607</b>	<b>5,056</b>	<b>4,226</b>	<b>4,200</b>	<b>3,873</b>	<b>3,302</b>	<b>3,370</b>	<b>3,588</b>	<b>3,423</b>	<b>3,400</b>	<b>3,630</b>	<b>3,892</b>
<b>Analysis of expenditure by class</b>												
Direct costs*	14,621	13,407	13,450	13,519	13,799	13,821	14,254	14,988	15,253	15,786	16,544	16,894
Overhead recoveries	(10,136)	(10,702)	(10,885)	(11,400)	(11,825)	(11,945)	(12,206)	(12,708)	(12,962)	(13,390)	(14,023)	(14,210)
Interest**	(2,903)	1,424	680	816	607	61	(17)	(76)	(414)	(630)	(608)	(559)
Depreciation	1,025	928	982	1,266	1,292	1,365	1,340	1,384	1,546	1,634	1,717	1,768
<b>Total operating expenditure</b>	<b>2,607</b>	<b>5,056</b>	<b>4,226</b>	<b>4,200</b>	<b>3,873</b>	<b>3,302</b>	<b>3,370</b>	<b>3,588</b>	<b>3,423</b>	<b>3,400</b>	<b>3,630</b>	<b>3,892</b>
<b>Revenue</b>												
Targeted rates	750	241	(229)	(147)	(191)	(219)	(253)	(293)	(336)	(372)	(411)	(452)
General rate	2,688	3,433	2,062	1,882	2,628	3,259	3,606	4,185	4,385	4,897	5,333	6,069
User fees	17	1	14	14	14	14	14	14	14	14	14	14
Interest**	1,911	1,029	1,100	1,183	1,276	1,379	1,496	1,625	1,771	1,854	1,952	2,056
Other income	1,137	921	892	914	937	963	990	1,018	1,050	1,094	1,131	1,171
<b>Total revenue</b>	<b>6,503</b>	<b>5,625</b>	<b>3,838</b>	<b>3,845</b>	<b>4,663</b>	<b>5,396</b>	<b>5,851</b>	<b>6,549</b>	<b>6,884</b>	<b>7,487</b>	<b>8,019</b>	<b>8,858</b>
<b>Net cost of service - surplus/(deficit)</b>	<b>3,896</b>	<b>568</b>	<b>(388)</b>	<b>(355)</b>	<b>790</b>	<b>2,094</b>	<b>2,481</b>	<b>2,961</b>	<b>3,460</b>	<b>4,087</b>	<b>4,390</b>	<b>4,966</b>
<b>Capital expenditure</b>	<b>1,091</b>	<b>1,270</b>	<b>1,376</b>	<b>1,099</b>	<b>1,489</b>	<b>1,153</b>	<b>1,313</b>	<b>1,249</b>	<b>1,901</b>	<b>1,489</b>	<b>1,485</b>	<b>1,412</b>
<b>Vested assets</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total other funding required</b>	<b>2,804</b>	<b>(702)</b>	<b>(1,764)</b>	<b>(1,454)</b>	<b>(699)</b>	<b>941</b>	<b>1,168</b>	<b>1,712</b>	<b>1,559</b>	<b>2,598</b>	<b>2,904</b>	<b>3,554</b>
<b>Other funding provided by</b>												
Debt increase/(decrease)	116	(70)	(75)	(80)	(84)	(89)	(95)	-	-	-	-	-
Proceeds from sale of assets	257	85	85	87	89	92	94	97	100	104	107	111
Reserves and future surpluses	(3,178)	687	1,754	1,447	694	(944)	(1,168)	(1,810)	(1,659)	(2,702)	(3,012)	(3,665)
<b>Total other funding</b>	<b>(2,804)</b>	<b>702</b>	<b>1,764</b>	<b>1,454</b>	<b>699</b>	<b>(941)</b>	<b>(1,168)</b>	<b>(1,712)</b>	<b>(1,559)</b>	<b>(2,598)</b>	<b>(2,904)</b>	<b>(3,554)</b>

\* Net direct cost of support services after overhead recoveries

\*\* Net interest income/expense after internal interest recoveries

## COUNCIL'S ADDITIONAL ASSET REQUIREMENTS

### SUPPORT SERVICES

All information from 2017-2025 includes an annual adjustment for inflation

CAPITAL EXPENDITURE	\$'000									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
To meet additional demand (capacity for future residents - growth)	69	71	72	74	76	79	81	84	86	89
To improve the level of service	832	588	813	620	638	656	1,264	699	724	750
To replace existing assets (renewals)	475	440	604	458	599	514	556	706	675	573
<b>Total capital expenditure</b>	<b>1,376</b>	<b>1,099</b>	<b>1,489</b>	<b>1,153</b>	<b>1,313</b>	<b>1,249</b>	<b>1,901</b>	<b>1,489</b>	<b>1,485</b>	<b>1,412</b>

## WHERE THE MONEY COMES FROM

### SUPPORT SERVICES

#### DISCUSSION / RATIONALE

##### Internal services

The users of this activity are other Council functions or departments. As a result there are no public benefits identified.

The users of these services are identifiable. Where particular costs can be allocated to specific departments on a user-pays basis they can be charged through internal recovery of direct costs.

Where it is not possible to identify specific departments costs can be allocated to departments and functions in a fair and consistent manner through the overhead allocation process.

When overheads are allocated to activities that are funded by fees or targeted rates there may be a consequential increase or decrease in fees required to fund that activity.

Land has an infinite life and the life or remaining corporate assets will depend on their composition and purposes. This could range from 10 to 75 years.

#### FUNDING APPROACH

##### Internal services

All costs are recovered on a user-pays basis, through overhead allocation and allocation of the General Rate.

## Funding sources - Support services 2015/16

