

Long Term Plan 2024-34

Joint development briefing

Nov 21, 2023

Long Term Plan 2024-34

- This briefing is one of a series held as part of the development of the Long Term Plan 2024-34.
- **All discussions involve draft material and reflect a position on the day.**
- Decisions will be set out in the draft Long Term Plan, which will be adopted for consultation in February 2024.
- This recording is intended to provide residents with an overview and understanding of the big picture issues, and therefore may not include all detail and matters discussed at the briefing.

Long Term Plan 2024-34 Activity Plan

Digital

- *Technology Enablement*
- *Information and Records Management Services*
- *Asset and Infrastructure Management*
- *Information Technology Support Services*
- *Cyber Security Services*
- *Smart Christchurch*

Adopted XX and XX June 2024

1. What this activity delivers

The Digital Unit's primary function is to enable better experiences and outcomes for the citizens, staff, elected members, and organisations that interact with Council. These outcomes are captured within the Digital Strategy. Existing digital services are maintained, managed, supported, and protected to meet the service level expectations and legislative requirements for services delivered across Council or direct to the community. Digital transformation is a priority to achieve the outcomes needed to meet service and legislative demands.

The Digital Unit ensures that technology infrastructure and applications are aligned with Council's business goals and objectives, and that the technology and data is reliable, secure, and effective in supporting the organization's operations.

Information is taonga (treasure) and provides the foundation for intelligent decision-making. Data capture, quality, ownership, guardianship, and governance is key to be able to support the organisation.

Cyber-Security is a focus area, ensuring that citizens and our people are protected by the way that digital services and personal data is managed.

Smart Christchurch explores new technology, innovative approaches, and a range of solutions to help make our city a smarter, safer place to live, work and play, with the projects aligned with Council's priorities and designed to create a better Christchurch for everyone. Smart Christchurch helps the organisation move towards the future by piloting and testing concepts.

Where we came from

In 2010, Council moved to a more managed service environment. This involved outsourcing management and maintenance of our core infrastructure assets, using Infrastructure as a Service (IaaS) agreements, with the addition of Software as a Service (SaaS), Telecommunications as a Service (TaaS) and a range of cloud-based enterprise solutions driven by the need to move to modern future-focused technology and to reduce the reliance on ageing technology.

Increased use of public cloud platforms (PaaS) is the next step change to ensure our Digital platform(s) and solution(s) are evergreen and resilient. Digital solutions will move to take advantage of the public cloud offerings that provide the ability to scale services, achieve high availability, mobility, and manage costs, while boosting productivity and operate services sustainably. This requires partnering with the right vendor(s) and applying a sound considered approach to cyber security to protect our data and information in the public cloud. This move also shifts the funding model with more weighting on operational spend as the investment needed to renew the hardware is wrapped into the "as a service" subscription offering.

The last three years have been focused on the Digital Unit commencing the journey of "Let's get Digital". The significant milestones from the last three years are a) the Covid response where the unit mobilised solution(s) to support remote working b). Delivery of the modern workplace and c). delivery of customer experience initiatives like the Customer and Bookings solution for Recreation, Sports and Events, Service Request enhancements to improve citizen's ability to interact with Council as well as the soon to be released citizen identity portal. The delivery of "Let's get Digital" continues with the planning and investment needed to replace aging technology and reduce risk, transform services to meet citizen and staff needs as well as innovate and collaborate with vendor partners to harness the digital technology opportunities for the council.

This activity includes the following services:



Technology Enablement – a range of digital and technology services are provided to support the operation of Council including payment of rates and fees, access to information, applying for permits and licenses, mapping and planning tools, engagement and consultation, online access to libraries and online customer service. Technology services are provided to run the day-to-day operations of Council business units. The Digital Portfolio ensures continuous improvement and innovation to maximise value from the technology.



Information and Records Management Services – Responsible for the effective and efficient management of Council's information and data assets, including both physical and digital records and archives. Key functions include Information governance, Records management, Information management, Spatial Information, Data Management, Business Intelligence reporting, Archival services and promotion of information management policies and best practice. "The more we enrich our data with meaning and context, the more knowledge and insights we get out of it so we can make better, informed and data-based decisions."



Asset and Infrastructure Management – Responsible for management of the Council's assets and technology infrastructure including the data network, capacity planning and availability, end user devices, software and licence management, upgrades to hardware and software as well as the renewals and replacement programme for assets.



Information Technology Support Services – Responsible for service desk and end-user support (customer support and technical assistance to Council staff), incident and problem management (monitoring systems, identifying issues, restoring services, and reducing downtime), change management (managing and controlling changes to the digital environment) to ensure effective operation and maintenance of digital services.



Cyber Security Services – As kaitiaki (guardians) of citizen data and Council systems, we all play a role in understanding the threats and using good cyber security practices. Digital's Cyber Security Service helps protect our services and the data and privacy of our ratepayers and citizens in the ever-changing environment. The service includes security operations (monitor and detect), incident response (respond and remediate), security awareness and training, electronic discovery and compliance with regulations and standards.



Smart Christchurch – Established to achieve the goal of promoting Ōtautahi-Christchurch as an open and connected city. Smart Christchurch is a connector, focusing on opportunities to collaborate across the region. By tapping into the collective genius around us, we can help to inform and accelerate our city's key strategies to support our community.

A snapshot of provision and use for 2022/23:

Digital maintains, improves, manages, and supports all business units of Council with technology solutions and digital services to meet the service level expectations and legislative requirements for services delivered across Council or direct to the community. Below is a snapshot of the depth and breadth of Council services supported.

- ✓ Website visits – over 12m visits (ccc.govt.nz, Newsline, Akaroa Museum, and Greater Christchurch websites)
- ✓ Website device statistics – 72% accessed on a mobile device (up 16% on previous year),
Christchurch Bin mobile app 75,000 users and 29,000 new users registered annually, with the app being rated as informative and useful.
- ✓ Cyber security - Zero breaches or incidents since September 2022. Protecting over 7,500 devices and 5,800 Staff identities.
- ✓ Cyber Security Awareness training (all staff) exceeds 95% completion rate, with 4% of staff at risk of phishing compromise (benchmark is 7% nationally)
- ✓ Over 25m digital records stored, over 28,000 cartons of hard copy files plus 1600 metres of archives shelved.
- ✓ Requests for service from citizens (over 250,000 requests)
- ✓ Citizen and Customer services (over 630,000 interactions)
- ✓ Consents – over 4500 consents issued (residential and commercial buildings), over 3000 resource consents issued, and over 20,000 public advice enquiries.
- ✓ Water meters – over 130,000 metered connections across the city, with an Excess Water billing solution to support changing behaviour for water use.
- ✓ Libraries -over 4m books borrowed / returned alongside a 11% increase in use of digital content, over 2.75m visits to libraries, with over 6.3m visits to library websites, catalogue, and social media.
- ✓ Over 900 LGOIMA requests responded to including 700 Council meetings supported by meeting technologies.
- ✓ Recreation, Sport, and events – over 5.8m visits to facilities, including over 100,000 swim lessons supported by partner organisations for those who find cost a barrier, supported by technology that moved membership and classes online in July 2023
- ✓ Smart Christchurch stats – 320,558 views of SmartView data sharing application and 148,307 log-in requests on Christchurch Free Wi-Fi network.



Digital ecosystem and partnership to deliver on technology and digital services. (Image copyright Datacom.)

What our community is saying

Who our key customers are

Christchurch City Council staff and elected Members, citizens of Christchurch and users of Council digital services.

Who our key stakeholders are

Christchurch City Council staff and elected Members.

What we do

Provision of digital services and technology to our Christchurch City Council staff and Elected Members, citizens of Christchurch and users of Council digital services including innovation for the city via Smart Christchurch.

What you think

Response to Cyber-security incidents, 100% responded to within 3 hours.

What you say

“Always a great team to deal with and they don't belittle those with inferior understanding of computers which is very much appreciated - I am definitely a 'computer dummy'. I appreciate that my call is always handled immediately.”

IT Satisfaction Scorecard : Department Report / Christchurch City Council

EFFECTUS

INFO-TECH

Satisfaction By Department



Satisfaction score by department - CIO Business Vision Survey 2022.

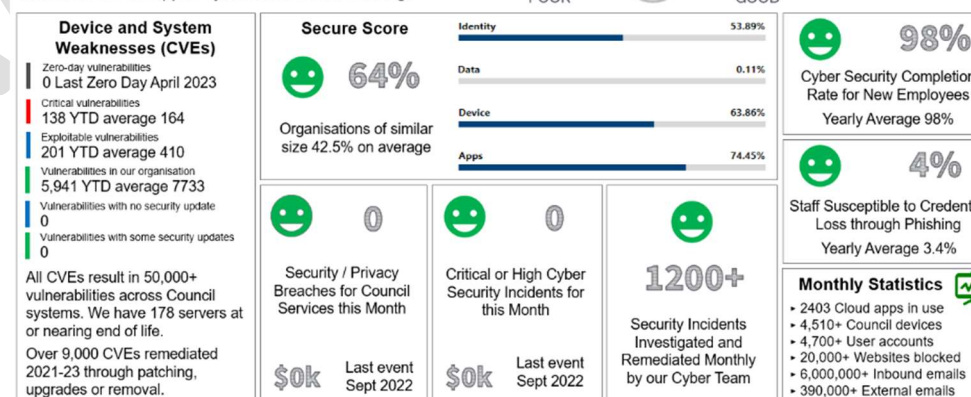
Our Cyber Security Strength

Our cybersecurity posture is the collective status of all software, hardware, services, networks, information, vendors and service providers. The good news is that we are now seeing consistent numbers; but data classification and the number of out of support system in use is increasing.



Ki te Matihiko! Karawhiua! Let's get DIGITAL


Cyber Security









Cyber Security Dashboard – June 2023

2. Why we deliver this activity

2.1. Community Outcomes: How this activity contributes

Community Outcomes	Contribution*	Key contributions to achieving our community outcomes
 <p>A collaborative confident city Our residents have the opportunity to actively participate in community and city life, have a strong sense of belonging and identity, and feel safe</p>	★★★★	<p>Key statement of how this activity contributes to this outcome</p> <ul style="list-style-type: none"> • Citizens can actively participate in their community and wider society through access to civic and government information, including access to data and information for decision making. • Cyber security practices are applied to protect citizen and personal data. • Identity services are in place to connect citizens and staff to Council services.
 <p>A green, liveable city Our neighbourhoods and communities are accessible and well-connected, supporting our goals to reduce emissions, build climate resilience and protect and regenerate the environment, especially our biodiversity, water bodies and tree canopy</p>	★★	<p>Key statement of how this activity contributes to this outcome</p> <ul style="list-style-type: none"> • Climate change data is captured and made available to support climate change initiatives. • Digital operations and services are managed applying sustainability principles and practices. • Digital services are under transformation to give citizens greater choice in how, when and where they interact with Council e.g., reduction of unnecessary travel to connect with services. • Innovation and piloting of new technologies to increase understanding of the environment e.g., water quality, air quality and fire detection sensors.
 <p>A cultural powerhouse city Our diverse communities are supported to understand and protect their heritage, pursue their arts, cultural and sporting interests, and contribute to making our city a creative, cultural and events 'powerhouse'</p>	★★★★	<p>Key statement of how this activity contributes to this outcome</p> <ul style="list-style-type: none"> • Community identity and memory is strengthened and preserved through the collection and curation of archival and heritage content. • Council records (physical and digital) are captured, stored, protected, and made accessible. • Technology services enable the provision of services for our art gallery, museum, libraries, and recreation, sport, and events facilities.
 <p>A thriving prosperous city Our city is a great place for people, business, and investment where we can all grow our potential, where enterprises are innovative and smart, and where together we raise productivity and reduce emissions</p>	★★★★	<p>Key statement of how this activity contributes to this outcome</p> <ul style="list-style-type: none"> • Promotion of Ōtautahi-Christchurch as an open and connected city via Smart Christchurch acting as a connector, focusing on opportunities to collaborate across the region. • Innovation and piloting of new technologies and approaches to increase understanding and learning. • Support local innovators through hackathons, city challenges, and the annual Innovation Expo.
<p>*Level of contribution – what this means</p> <p>★★★★ This activity is critical to the Council's contribution to achieving this community outcome – we measure our impact with specific levels of service</p> <p>★★★ This activity strongly supports the Council's contribution to achieving this community outcome – we measure our impact with specific levels of service for some elements</p> <p>★★ This activity supports the Council's contribution to achieving this community outcome – we measure our impact with specific levels of service if practicable</p> <p>★ This activity may provide incidental support to achieving this community outcome – it's not cost-effective to measure our impact</p>		

2.2. Strategic Priorities - How this activity supports progress on our priorities

Strategic Priorities		Contribution*	How our strategic priorities influence the way we work
	Be an inclusive and equitable city which puts people at the centre of developing our city and district, prioritising wellbeing, accessibility, and connection	★★★★	<ul style="list-style-type: none"> • Designing systems for secure and easy access, including a renewed focus on digital identity, using co-design to develop services. • Provide opportunities for people to interact with the Councils Archive collection. • Support business services through enablement of technology, including development of identity services and initiatives to increase inclusion and access to information for our communities. • Protect citizens in the way that digital services and personal data are managed.
	Champion Christchurch and collaborate to build our role as a leading New Zealand city	★★★	<ul style="list-style-type: none"> • Act as a promotor for Ōtautahi-Christchurch as an open and connected city • Share exemplars of local and regional innovation through Smart Christchurch Innovation Expo • Enter Council led initiatives and collaborations into Local Government and Industry awards. • Work closely with Christchurch NZ to support their Cluster sectors and local start-up ecosystem
	Build trust and confidence in the Council through meaningful partnerships and communication, listening to and working with residents	★★	<ul style="list-style-type: none"> • Connectivity, for all, to digital services where basic mobile or broadband falls short • Designing systems for easy access, including a renewed focus on digital identity • Integrating digital and other service channels, including essential face-to-face support • Avoiding unintentional bias in a 'digital first' model, including in democratic processes • Joining up digital services around citizen's needs so that they are easier to use
	Reduce emissions as a Council and as a city, and invest in adaptation and resilience, leading a city-wide response to climate change while protecting our indigenous biodiversity, water bodies and tree canopy	★★	<ul style="list-style-type: none"> • Management of digital and technology services applying sustainability principles and practices • Reducing the need to travel by providing ways for residents to access council services online. • Support the climate resilience and goals of Council and the city through access to data, technology innovation and reporting. • Through innovation and piloting of new technologies help to increase understanding of our environment e.g., through use of sensors and real time data collection. • Use the Council procurement sustainability framework to procure technology services that improve and help Council achieve its climate outcomes
	Manage ratepayers' money wisely, delivering quality core services to the whole community and addressing the issues that are important to our residents	★	<ul style="list-style-type: none"> • Use Council procurement processes to optimise value from Contracts for technology services. • Partner to drive the best value and outcomes for Council. • Utilize co-design and human centred design to develop services. • Trial innovative solutions that deliver efficiencies, savings, and better community outcomes.
	Actively balance the needs of today's residents with the needs of future generations, with the aim of leaving no one behind	★	<ul style="list-style-type: none"> • Maintain an awareness of digital and technology trends and design for future customer use and service needs. • Provide archive and an information and records management service. • Avoiding unintentional bias in a 'digital first' model, including in democratic processes • Distribution of end-of-life devices to community to help bridge digital inequity


***Levels of contribution – what this means**

- ★★★★ This activity is critical to the Council's contribution to achieving this community outcome – we measure our impact with specific levels of service
- ★★★ This activity strongly supports the Council's contribution to achieving this community outcome – we measure our impact with specific levels of service for some elements
- ★★ This activity supports the Council's contribution to achieving this community outcome – we measure our impact with specific levels of service if practicable
- ★ This activity may provide incidental support to achieving this community outcome – it's not cost-effective to measure our impact

DRAFT

2.3. Climate Resilience Goals: How this activity supports climate resilience goals


Net zero emissions Christchurch

	<p>Key sources of greenhouse gas emissions from this activity includes:</p> <ul style="list-style-type: none"> • The generation of electricity to power devices used in the provision of service. • Manufacture and transportation of electronic devices and components • Data centres and servers through the consumption of electricity and use of cooling systems • End of life disposal or recycling of devices and hardware 	
	<p>Digital are taking the following actions to reduce greenhouse gas emissions:</p> <p>Operational/embedded greenhouse gas emissions:</p> <ul style="list-style-type: none"> • Use of the Council procurement framework to ensure contracts have sustainability built in • Wherever possible applying circular economy practices such as reuse, repair, refurbishment, and recycling of end-of-life devices. • Procuring low power use devices and applying policies and practices to reduce electricity consumption. • Sourcing equipment locally (or within region) and reuse of devices e.g., donation of hardware to community groups at end of life, refurbishment of headsets for reuse • Moving services as appropriate to cloud to help us achieve sustainability outcomes. • Use of the electric vehicle fleet to travel (if in person support is required at sites remote from the service desk) as well as remote support technologies used first (reduction of travel) • Remote and hybrid working in place for staff 	<p>Greenhouse gas emissions by users of Digital:</p> <ul style="list-style-type: none"> • Application of policies and practices to reduce electricity consumption e.g., power saving policies on devices. • Providing services online which reduce the need for residents to travel to service centres. • Source of equipment locally (or within region) e.g., donation of hardware to community groups at end of life, refurbishment for of headsets for reuse • Raising awareness and visibility of climate action via dashboards, reporting and information on our websites • Council's print solution enabled follow-me printing which saves approx. 85 trees per years and saves 133 reams of paper per year from being consumed by printing

We understand and are preparing for the ongoing impact of Climate change

	<p>Key climate risks for the Digital activity includes:</p> <ul style="list-style-type: none">• Business and technology disruption caused by extreme weather events and natural disasters e.g. storms, flooding, or heatwaves.• Business and technology disruption caused by pandemic. <p>Other impacts on assets and infrastructure (most of the detail in the Asset Management Plan is captured with the activity management plan)</p>
	<p>Options being considered to reduce the risks to the Digital activity and the community posed by those climate risks include:</p> <ul style="list-style-type: none">• Establishing partnerships that increase the resilience of where technology solutions are located e.g., a primary data centre with a secondary data centre geographically separated.• Business continuity plans in place for Digital, aligned to business continuity plans for the other business units of Council.• Enabling our people to work from anywhere, creating resilience to being unable to work if travel to the workplace is disrupted, or the workplace is not accessible.

We are guardians of our natural environment and taonga

	<p>Please describe a pilot project you will undertake in the next three years to increase understanding of emissions reduction options and building resilience to climate risks relevant to your activity.</p> <ul style="list-style-type: none"> • We will be undertaking a pilot project in the next three years to further support moving services to the cloud. This will help us to form partnerships that provide services that have a lower carbon footprint and help us operate more sustainably. We are looking at a project that will strengthen our unified comms presence and enable our staff to maintain connectivity. We are monitoring opportunities like carbonclick (within SAP solutions) where we can give opportunities for climate action at
--	--

	<p>the point of payment or through our print solution where we can engage with a tree planting initiative to offset paper (trees) consumed by printing. Additionally, we are seeing vendors moving toward climate change reporting within software solutions which we will take advantage of, as appropriate.</p> <ul style="list-style-type: none">• Smart Christchurch plan to continue to pilot new technologies that provide rich data about our environment e.g., air quality sensors, water quality readers in waterways and sensors for fire detection.
	<p>Please explain any levels of service changes in this LTP, or that may be required in the future because of climate change.</p> <ul style="list-style-type: none">• This activity has no level of service changes that may be required because of climate change.



Asset Sustainability Summary

Christchurch are on the right procurement path to **further** increase their Sustainable Certification of Assets

- Sustainable TCO Certification:

83% of Laptops | 78% of Desktop

- Christchurch estate is largely made up of Manufacturers and models such as Dell that work closely with TCO to ensure sustainable development of laptops and desktops
- 388 TCO Certified & 643 Previously Certified Dell Desktops out of a total 1248 (217 not certified)
- 60 TCO Certified & 1757 Previously Certified Dell Laptops out of a total 2167 (350 not certified)
- 33% Not Certified Desktops are over 3 years old whilst 7% of laptops are.
- Christchurch work with the Manufacturers who are voted 'Middle' for their use and management of Toxic Minerals (Dell, Microsoft & VMWare)

snow*

Image from the Council sustainability report (from the snow monitoring software) showing the percentage of devices that are sustainably certified across our fleet.

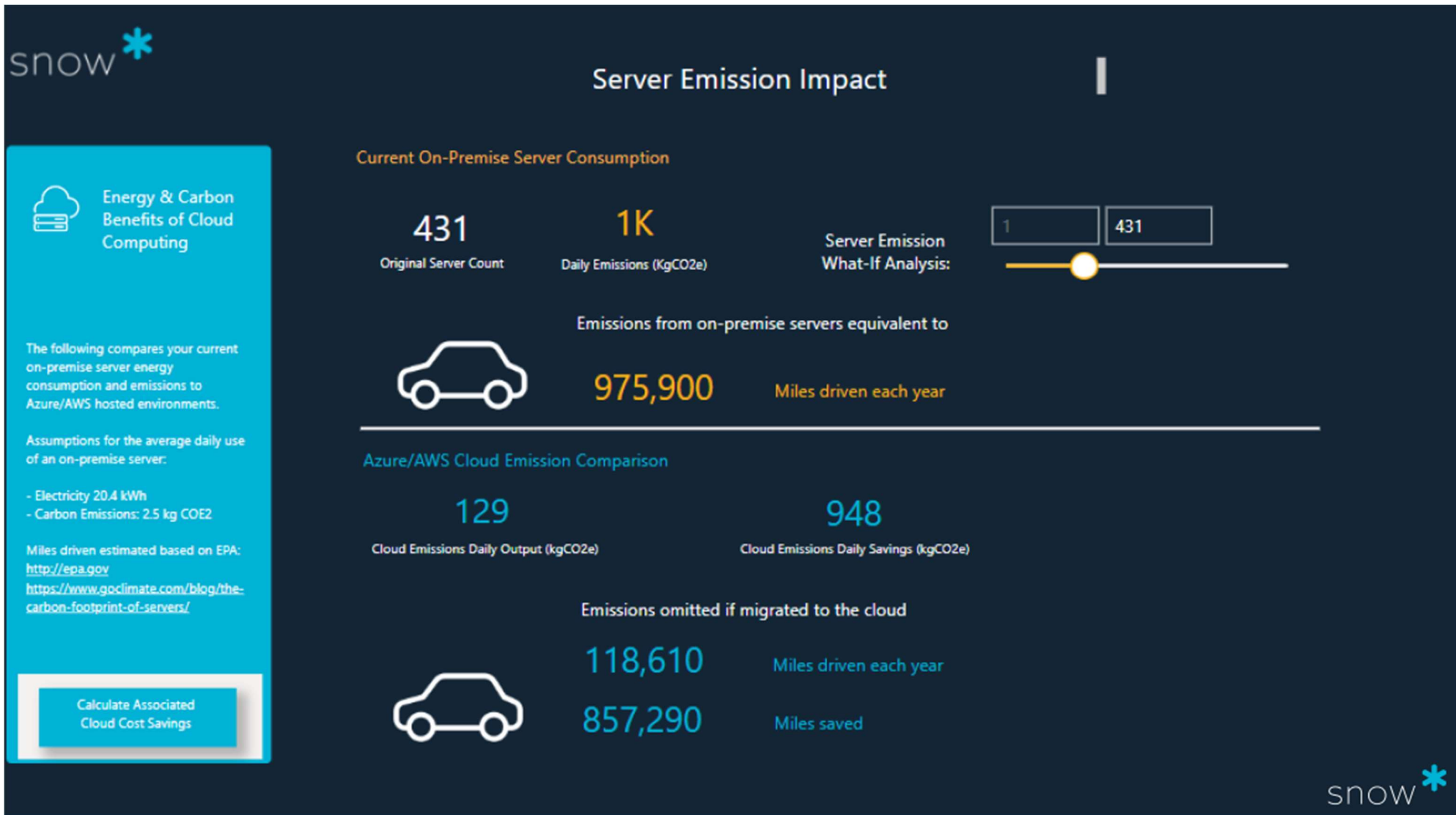
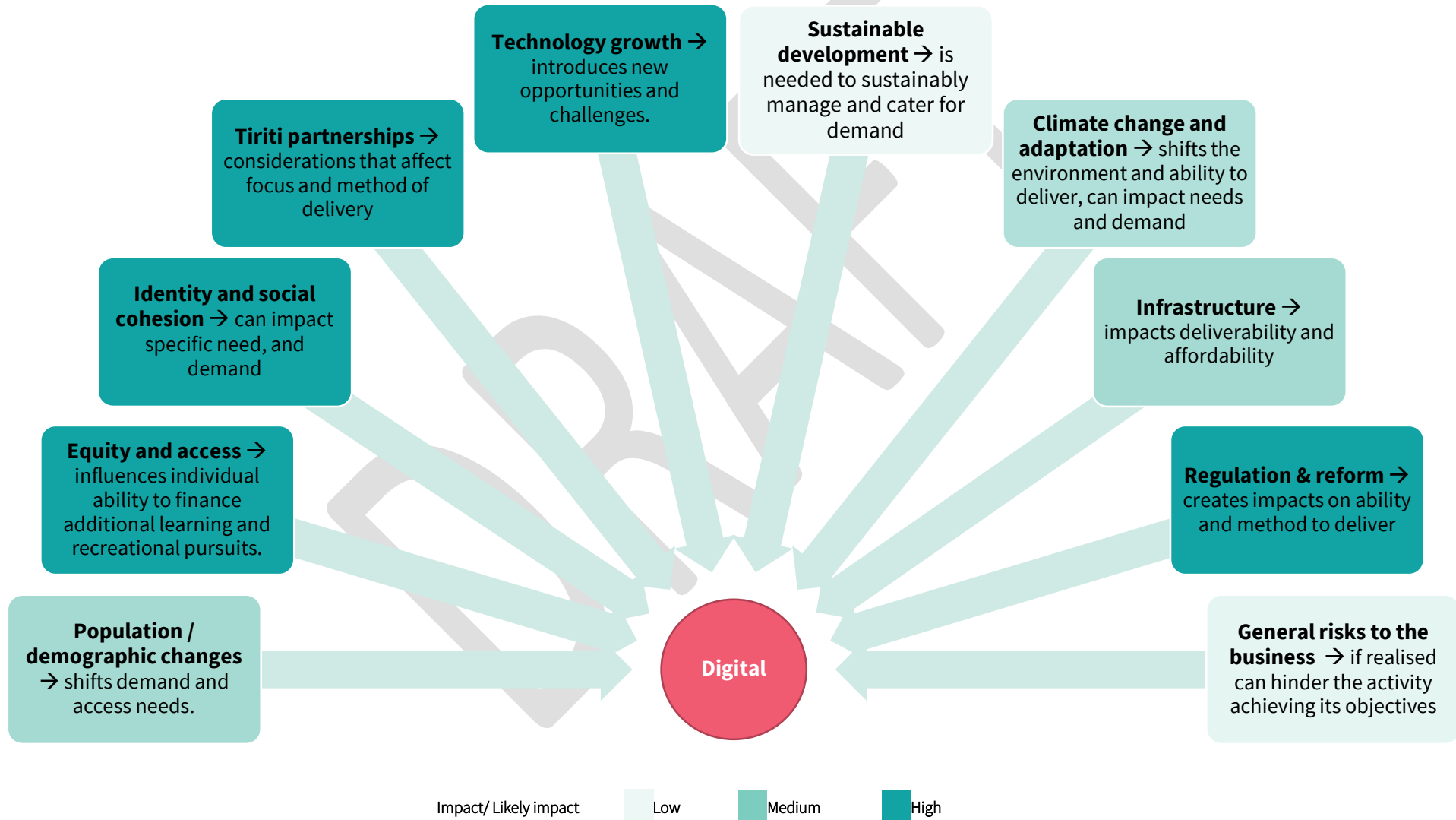


Image from the Council sustainability report (from the snow monitoring software) showing the impact of moving servers to the public cloud (reduction of emissions).

3. How we are planning for future impacts

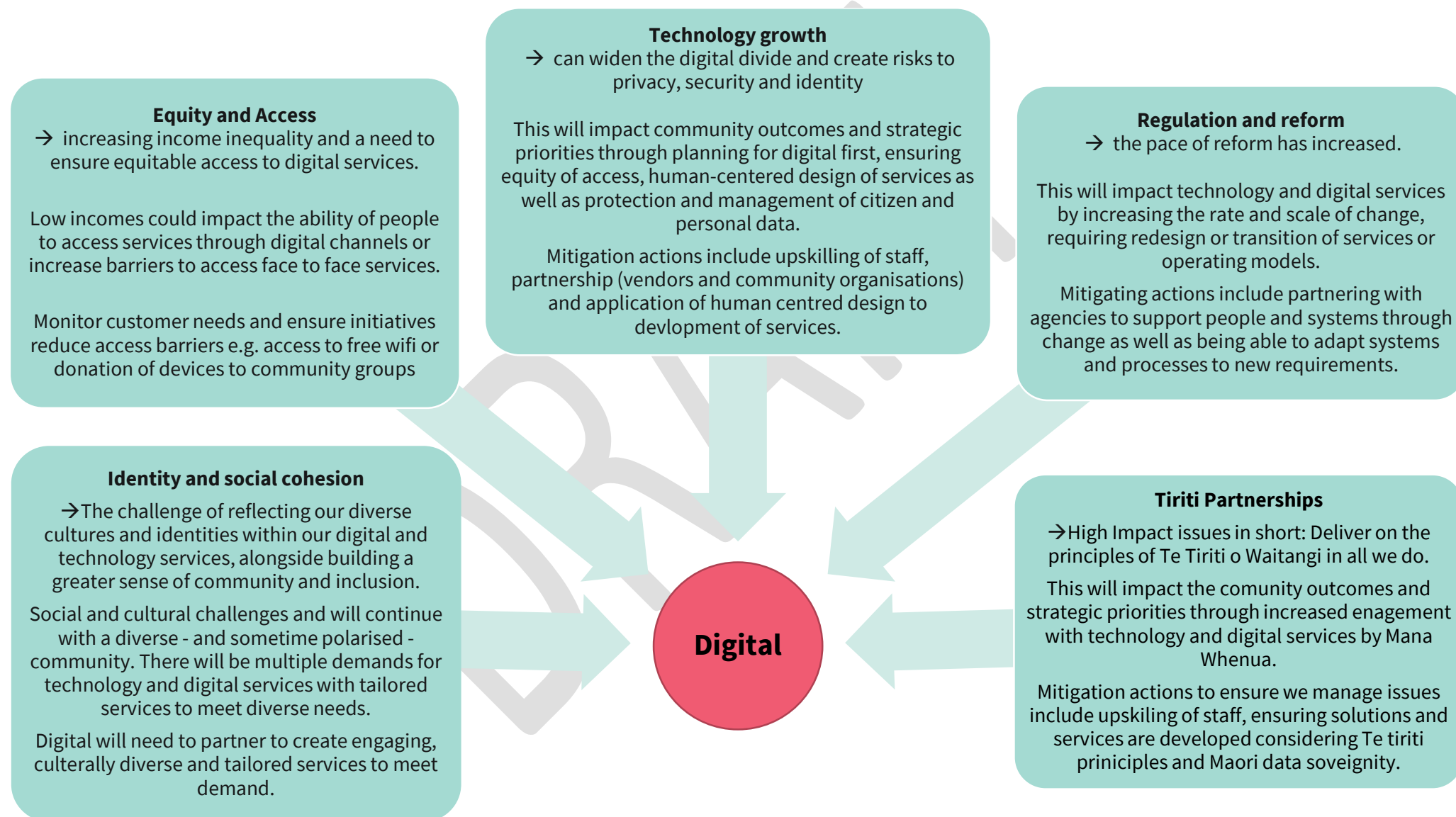
There are various factors influencing current and future demand for Council library facilities and the ability to deliver them. These are listed below.

3.1. Issues impacting current and future activity demand and deliverability



3.2. The high impact issues and mitigations planned

The more prominent ones that in particular effect our Community Outcomes or Strategic Priorities are summarised on this page. For further details on issues, including the current status, future projections, likely impact and mitigations please see Appendix B.









4. Our levels of service

Council's Levels of Service (LoS) measures enable us to monitor and report against our outcomes and service performance. See Appendix A: Levels of Service Details for more detail.

Services & Levels of Service measurements

- ➔ *Digital has **0 Community (C) Levels of Service.** (These LOS community facing and will be published in our Statement of Service Provision)*
- ➔ *Digital has **14 Management (M) Levels of Service.** (These are LOS that are measured in the organisation to ensure service delivery)*

 Technology Enablement		 Information & Records Management Services	
Service contributes to: <ul style="list-style-type: none"> A collaborative confident city A cultural powerhouse city <p>This is by generally maintaining the targets of the levels of service promised.</p>	Levels of Service <ul style="list-style-type: none"> The annual Digital Portfolio and Digital Investment Roadmap are aligned to Digital Strategy outcomes Digital Projects are well managed to support wider business led changes (Time) Digital Projects are well managed to support wider business led changes (Budget) Digital Projects are well managed to support wider business led changes (Scope) Digital Resource capacity plan approved by governance annually Council internal Customer Satisfaction To build trust and an emotional connection to Digital by promoting positive internal customer experiences Council internal Customer Satisfaction To build trust and an emotional connection to Digital by promoting positive internal customer experiences Digital enables effective and efficient business led change Enablement of services to become digital (to improve citizen's access to services) 	Service contributes to: <ul style="list-style-type: none"> A collaborative confident city A cultural powerhouse city <p>This is by generally maintaining the targets of the levels of service promised.</p>	Levels of Service <ul style="list-style-type: none"> Manage Council's Corporate Records to Public Records Act (PRA) requirements to plan Manage Council's Corporate Records to Public Records Act (PRA) requirements to executive approved plan

 Asset and Infrastructure Management		 Information Technology Support Services	
Service contributes to: <ul style="list-style-type: none"> • A collaborative confident city • A cultural powerhouse city <p>This is by generally maintaining the targets of the levels of service promised.</p>	Levels of Service <ul style="list-style-type: none"> • Digital Infrastructure asset management: Asset lifecycle compliance • Software and applications: Renewal policy compliance and cycles 	Service contributes to: <ul style="list-style-type: none"> • A collaborative confident city • A cultural powerhouse city <p>This is by generally maintaining the targets of the levels of service promised.</p>	Levels of Service <ul style="list-style-type: none"> • IT Operational Resilience (Availability) • IT Operational Resilience (Return to Operation) • Provide a safe and secure network – Network devices fully patched and up to date
 Cyber Security Services (3xM)		 Smart Christchurch	
Service contributes to: <ul style="list-style-type: none"> • A collaborative confident city • A cultural powerhouse city <p>This is by generally increasing the targets of the levels of service promised.</p>	Levels of Service <ul style="list-style-type: none"> • Provide a safe and secure network – efficient response to cyber security incidents. • Provide a safe and secure network – Cyber security awareness is improved through training and communication to staff (and elected members) • Provide a safe and secure network – Cyber security awareness is improved through training of staff and phishing simulation. 	Service contributes to: <ul style="list-style-type: none"> • A thriving prosperous city • A green, liveable city <p>This is by generally maintaining the targets of the levels of service promised.</p>	Levels of Service <ul style="list-style-type: none"> • Trial technologies and approaches that enhance and stimulate innovation for improved community outcomes. • Support and advice for organizations on resource efficiency and greenhouse gas emission measurement or reduction

5. How assets will be managed to deliver the services

Managing our assets

The Asset Management Plan helps the Digital unit to manage our assets in a planned and organized way, following Council asset management principles. The plan outlines various initiatives aimed at addressing the growing demand for digital services, improving resilience, enhancing communication, and better management of assets.

One of the initiatives focuses on meeting the increased demand for digital services by the implementation of a new data network. This achieves better monitoring and management of the network environment which our systems are connected to and providing reliable connectivity for customers to access Council systems securely and efficiently.

To enhance resilience, we plan to leverage cloud-based services and solutions provided by vendors specializing in Software as a Service (SaaS). This brings the benefits of economies of scale, minimizing the Council's risk of business disruption while maximizing the ability to deliver services with built-in resilience applied. Communication is crucial to ensure that customers and citizens are aware of the council's activities and that all stakeholders have a voice. Changes in digital services will improve both internal and external communication capabilities.

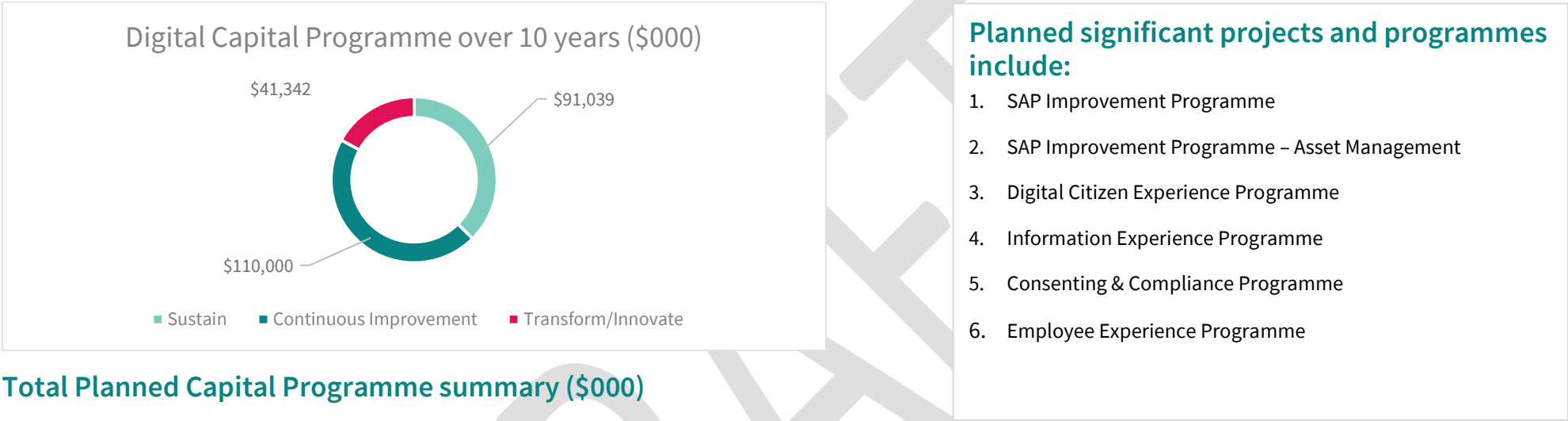
The Digital Asset Management team is on a journey to implement best practice for Asset Management. This includes understanding what assets the Digital Unit owns, their location, who uses them, when and what for. We are aiming to ensure that the right tools are utilized, fit for purpose, and modern including addressing ageing technologies. Sustainable renewal programs are being implemented, with consideration to device lifecycles.

The Digital Asset management team has a goal of fiscal responsibility, demonstrating that our assets are well-managed, in a financially prudent manner and provide value for money.

Please refer to the [Digital Asset Management Plan](#) for more information on these assets.

6. Capital expenditure and key capital projects

To ensure the continued ability to deliver on our activities and services, and contributing to our community outcomes and strategic priorities, projects have been planned and budgeted for the next 10 years.



Total Planned Capital Programme summary (\$000)



7. Financial resources needed

7.1. Resources needed

Indicative budgets are based on the 2023/24 Annual Plan projections for the balance of the current LTP. They are subject to year-end capital carry forwards, and further refinement of inflation and other assumptions for the new LTP

Digital

000's	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Activity Costs Before Overheads by Service											
Asset & Infrastructure Management	893	10,376	10,835	11,101	11,371	11,647	11,928	12,199	12,475	12,756	13,042
Information & Records Mgmt Services	4,263	3,704	3,902	4,021	4,143	4,266	4,393	4,514	4,638	4,765	4,893
IT Support Services	18,976	13,468	13,968	14,257	14,551	14,851	15,157	15,472	15,772	16,078	16,390
Technology Enablement	3,015	4,305	4,271	4,398	4,588	4,782	4,979	5,170	5,361	5,558	5,762
	27,147	31,853	32,976	33,777	34,654	35,547	36,456	37,355	38,247	39,157	40,087
Activity Costs by Cost Type											
Direct Operating Costs	7,827	5,820	6,019	6,133	6,249	6,369	6,490	6,606	6,725	6,846	6,969
Direct Maintenance Costs		582	601	613	624	636	648	660	672	684	697
Staff and Contract Personnel Costs	6,585	10,152	10,537	10,912	11,354	11,804	12,262	12,725	13,174	13,633	14,103
Other Activity Costs	13,221	15,827	16,365	16,676	16,993	17,316	17,645	17,962	18,285	18,615	18,950
Overheads, Indirect and Other Costs											
Depreciation											
Debt Servicing and Interest											
Total Activity Cost	27,632	32,381	33,522	34,333	35,220	36,125	37,045	37,954	38,856	39,778	40,719
Funded By:											
Fees and Charges	50	52	54	55	56	57	58	59	60	61	62
Grants and Subsidies											
Cost Recoveries											
Other Revenues											
Total Operational Revenue	50	52	54	55	56	57	58	59	60	61	62
Net Cost of Service	27,582	32,329	33,468	34,278	35,164	36,068	36,987	37,895	38,796	39,717	40,656
Funding Percentages											
Rates	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Fees and Charges	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Grants and Subsidies	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Cost Recoveries	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Other Revenues	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Capital Expenditure											
Improved Service Levels	15,249	18,142	16,000	16,000	16,200	15,000	14,000	14,000	14,000	14,000	14,000
Increased Demand											
Renewals & Replacements	11,267	7,889	11,000	11,000	10,150	9,000	9,000	9,000	8,000	8,000	8,000
Total Activity Capital	26,516	26,031	27,000	27,000	26,350	24,000	23,000	23,000	22,000	22,000	22,000

7.2. Funding consideration and outcome

Section 101 Local Government Act 2002 – Funding Consideration. The following tables are based on the financials from the previous page.

Council funds the Digital activity predominately through the general rate. This means that most funding comes from ratepayers, mostly on the basis of capital value, with benefits mostly received in the same year as the expenditure is incurred.

- **Operating expenditure:** All operational costs for the Digital activity are allocated out to the external activities by way of Corporate Overhead. For explanation of how each external activity funds Corporate Overhead please refer to section 7.2 of those Activity Plans.
- **Capital expenditure:** is largely funded from rates in the year the expenditure occurs as the capital expenditure is mostly on service level improvements and asset renewals.

This funding approach is based on applying the following main funding principles to determine the funding policy.

Funding of *net* capital expenditure

Net means after specific capital grants/subsidies/funding

Category of capex	How it is funded initially – Refer also to Financial Strategy	Proportion*
Renewal/replacement	Mix of rates and debt, but mostly rates – because the renewal / replacement programme is continuous. In future years, debt repayment is funded by rates.	High
Service improvement	Debt – because the benefits of capital expenditure on service improvement are received in future periods. In future years, debt repayment is funded by rates.	Low
Growth	Development contributions and debt – because the benefits of capital expenditure relating to growth are received in future periods. In future years, debt repayment is funded by a mix of development contributions and rates.	Low

Outcome: Initial funding for capital

Initial funding source	Proportion of capex funded*
Rates	High
Borrowing	Low
Development Contributions	-
Grants and Other	-

* Low = this source provides 0%-25% of the funding for this Activity, Medium = this source provides 25%-75% of the funding for this Activity, High = this source provides 75%-100% of the funding for this Activity

More information on the Council's Finance and Funding Policies can be found in the [Financial Strategy](#) and the [Revenue and Financing Policy](#)

8. Possible significant negative impacts on wellbeing



This activity does not expect any significant negative effects on social, economic, environmental, or cultural wellbeing of the local community, now or in the future.

DRAFT

Questions