

Building Policy

Activity Management Plan

Long Term Plan 2015–2025

As amended through the Annual Plan 2017/18

1 July 2017

Quality Assurance Statement

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Table of Contents

Table of Contents.....	i
List of Tables	ii
1 Key Issues for the Building Policy Activity	1
1.1 Community Outcomes	1
1.2 Effects of growth, demand and sustainability	1
Growth and Demand.....	1
Sustainability.....	1
1.3 Key Challenges and Opportunities for Building Policy	1
2 Proposed changes to activity	3
3 Activity description	4
3.1 Focusing on what we want to achieve	4
3.2 How we will know we are achieving the outcomes.....	4
3.3 What services we provide	4
3.4 Benefits and Funding Sources.....	4
3.4.1 Who Benefits?	4
3.4.2 Who Pays?	5
3.5 Our key customers	5
3.6 Key legislation and Council strategies.....	5
4 Levels of service and performance measures	6
5 Review of cost effectiveness - regulatory functions and service delivery.....	14
6 Significant Effects	16
7 Operations Strategy	17
8 Summary of Cost for Activity.....	18

List of Tables

Table 1-1: Key Issues for the Building Policy Activity.....	2
Table 2-1: Key Changes.....	4
Table 6-1: Levels of service and performance measures.....	15
Table 8-1 Significant Negative Effects.....	17

1 Key Issues for the Building Policy Activity

The Building Policy activity includes services to maintain and administer Council's Earthquake Prone, Dangerous and Insanitary Buildings Policy, Building Consent Authority (BCA) registration and accreditation, administration of Council's Development Contribution Policy, and responding to Building Act related claims. This latter service includes Weathertight Homes Resolution Services (WHRS) claims, incorporating the Government's Financial Assistance Package (FAP) Scheme, where Council along with the Crown contribute towards remediation. The sharing of advice collected about buildings with CERA is also an essential part of maintaining earthquake prone building records and property information of commercial buildings in the City.

1.1 Community Outcomes

Everything that the Council does in its day-to-day work is focused on contributing to community outcomes. All activities outlined in this plan aim to deliver the results required to achieve these outcomes, contribute to Council strategies and meet legislative requirements. Likewise, all Council capital and operating expenditure is directed towards a level of service that moves the community closer to these outcomes now or at some future point.

The effective management for Christchurch means contributes to the community outcomes that:

- Christchurch has good quality housing
- Injuries and risks to public health are minimised
- Statutory obligations are met by the Council

Section 4 shows how these outcomes flow down into and influence the Council's activities and levels of service in relation to Building Policy.

1.2 Effects of growth, demand and sustainability

Describe how our population growth and demand effects the decisions Council will make in delivering services to ensure that they are sustainable and will meet the needs of the people of Christchurch into the future.

Growth and Demand:

Following the Canterbury earthquake sequence the Building Control Group has faced unprecedented demand for services. The devastating nature of the seismic events meant a rebuild was inevitable. As a result a large number of properties both residential and commercial require regulatory approval either by a building consent, Building Act exemption or certificate of acceptance.

Building Control Group's forecasting has provided comfort, in so much the centric spikes in demand are being managed now and into the future. The modelling has a number of assumptions contained within it and the Council is still susceptible to spikes that are out of the control of the Building Control Group.

Sustainability:

The Local Government Act 2002 requires local authorities to take a sustainable development approach while conducting its business. Sustainable development is the fundamental philosophy that is embraced in Council's Vision, Mission and Objectives, and that shapes the community outcomes. The levels of service and the performance measures that flow from these inherently incorporate the achievement of sustainable outcomes.

1.3 Key Challenges and Opportunities for Building Policy

In working towards the community outcomes and influenced by population growth and 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. The key challenges and opportunities that have been priorities by Council are below in Table 2-1.

Table 1-1

Key Issue	Discussion
Financial Assistance Package	<p>The Financial Assistance Package (FAP) is a partnership between Central Government (Crown) together with the Council to share the cost of remediating 'leaky buildings'. This cost sharing arrangement is based on the Crown and Council each contributing 25% + 25% = 50% of all reasonable cost for eligible claims. With the owner meeting the balance of the 50% of those costs.</p> <p>The program will stop accepting new applications as of August 2016. Whilst this will result in no further new applications being accepted all accepted claims will still need to be managed through the construction cycle. This is likely to take 2-4 years depending on the urgency the timeframes homeowners act within.</p>
General Claims	<p>Claims against the Council are more commonly know as 'Weathertightness'. More accurately the claims against the Council have become more general in nature involving a more general cross section of the New Zealand Building Code. As a general trend this is similar to that seen to that of Wellington and Auckland.</p>
Building Consent Authority Accreditation	<p>There has been a significant focus and effort directed towards regaining accreditation, which is anticipated to be by the end of 2014. The Building Control Group fully recognises the importance of maintaining accreditation and significant changes have been made to the operational area required to achieve and maintain this.</p>
Earthquake Prone Buildings	<p>At present the Council currently maintains it's own Earthquake Prone building policy, however major legislative changes are proposed and currently being consulted on by central Government that will likely result in the repeal of local policy and replaced by a national policy.</p>

2 Proposed changes to activity

Table 2-1 summarises the proposed changes for the management of the Building Policy activity since the Three Year Plan 2013-16 Activity Management Plan.

Table 2-1 Proposed changes to activity

Key Change	Reason	Level of significance? What investigations are needed?	Options for consultation and engagement
Proactive Earthquake Prone building identification	Anticipated legislative changes		
Operational Policy	Applying quality assurances and continuous improvement methodologies through all Building Control Group processes.		

3 Activity description

3.1 Focusing on what we want to achieve

Council undertakes activities in order to deliver on the community outcomes for Christchurch. The outcomes that relate most directly to the management of the city's building policy are:

- Christchurch has good quality housing
- Injuries and risks to public health are minimised
- Statutory obligations are met by the Council

3.2 How we will know we are achieving the outcomes

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

- **Building accreditation is achieved and maintained**
- **A building policy is developed that is robust and meets legislative requirements** and supports best practice
- **Building claims**, including weathertight related matters, within relevant forums or resolved with regards positive outcome for the Council.

The activities that follow in section 4 and the levels of service within them are all linked to the above results to ensure Councils stays focused on moving towards the community outcomes. This link aims to confirm why we are doing the activities – that they will realistically move us closer to our goals – and that service delivery remains relevant to strategic direction.

3.3 What services we provide

- Building accreditation review
- Building policy development
- Claim management – building – related
- Weathertight claims resolution

We provide these services:

- To input into the development and implementation of building policy nationally and ensure the Council's building policies align with the Building Act
- To ensure Council building operations align with the requirements of the Building Act and the BCA Accreditation regulations
- To resolve building claims in accordance with Council's legal and insurance obligations and in the future to limit, protect and reduce Council's exposure, liability and contribution
- To resolve weathertight claims in accordance with the Weathertight Homes Resolution Services Act and meeting our legal obligations. This includes using the Financial Assistance Package (FAP) scheme to assist this resolution

There are no assets associated with this activity.

A complete description of the assets included in the Building Policy activity is in Appendix B.

3.4 Benefits and Funding Sources

3.4.1 Who Benefits?

Who benefits?	
Individual	
Identifiable part of the community	
Whole community	Full

Key:
Full
Majority
Some

Building Policy in context of the Building Control Group provides benefit not only to the individual applicant but to the wider community as a whole. The functional benefits are both tangible and intangible having effects wider than those associated with an initial building consent. The effective delivery of Building Policy is centric to the safe delivery of fit-for-purpose and safe buildings and a cornerstone for the Christchurch community.

3.4.2 Who Pays?

Funding - Fees / User Charges	Other revenue Grants & Subsidies	General rate	Targeted rate
9%	0%	91%	0%
Some		Majority	

Note, Funding Split % is derived from the 'Summary of Cost for Activity' (section 13).

Key:		Typically
Full	All or almost all the cost is funded from that source. If the comment is made in the general or targeted rate columns it does not preclude making minor charges for the service but indicates that the charges are a negligible part of the fund.	95%+
Majority	The majority of the activity is funded from this source.	50%+
Some	Some revenue is derived from this source.	<50%

Building Policy is the foundation stone of the Building Control Group. In association the Building Control Group applies the notion of user pays or 'polluter pays' principle. This is represented to the customer by way of fees previously that have been agreed to by Council. In context, Building Policy is not a revenue generating function within the Group, rather an assurance monitoring activity.

As an example: Building Policy also provides service for the 'public good' that are the result of statutory function such as the Earthquake Prone Building Policy. This function is mandated in legislation and provided by the Council on behalf of the wider community. As a result, Building Policy functions acting on behalf of the wider community are not cost recoverable.

3.5 Our key customers

Customers include builders, developers, planning consultants, architects, surveyors, building and property owners, housing companies, plumbers and drain layers, sign writers, hire companies, real estate, engineers, lawyers, property purchasers, walk in customers, the Building Control Group and Council. The community as a whole.

3.6 Key legislation and Council strategies

Building Act 2004 and associated regulations (including Building Consent Authority Regulations 2007)

Canterbury Earthquake Recovery Act 2011

Weathertight Homes Resolution Act 2006

Resource Management Act 1991

Local Government Official Information and Meetings Act 1987

Local Government Act 2002

4 Levels of service and performance measures

Table 4-1 summarises the levels of service and performance measures for the Building Policy activity. Shaded rows are the levels of service and performance measures to be included in the Long Term Plan. Non-shaded rows are non-LTP management level measures, agreed with and reported to Council but not included as part of the community consulted document.

Table 4-1

Performance Standards Levels of Service (we provide)	Results (Activities will contribute to these results, strategies and legislation)	Method of Measurement (We will know we are meeting the level of service if.....)	Current Performance	Benchmarks	Future Performance (targets)			Future Performance (targets) by Year 10 2024/25	
					Year 1	Year 2	Year 3		
					2015/16	2016/17	2017/18		
Building accreditation review									
9.3.1	Building Consent Authority status is maintained		Statutory requirement to comply with Council BCA Accreditation Regulations 2007.	<i>BCA status not achieved.</i>	<i>Ministry of Business, Innovation and Employment (MBIE)/IANZ approval. 'Building Consent Authority' status is the benchmark</i>	'Building Consent Authority' status is achieved	'Building Consent Authority' status is maintained	'Building Consent Authority' status is maintained	'Building Consent Authority' status is maintained
Building policy development									
9.3.4	CCC building policy meets Building Act requirements			<i>At all times</i>	<i>Policy to meet requirements of Building Act</i>	CCC building policy meets Building Act requirements at all times	CCC building policy meets Building Act requirements at all times	CCC building policy meets Building Act requirements at all times	CCC building policy meets Building Act requirements at all times

Performance Standards Levels of Service (we provide)		Results (Activities will contribute to these results, strategies and legislation)	Method of Measurement (We will know we are meeting the level of service if.....)	Current Performance	Benchmarks	Future Performance (targets)			Future Performance (targets) by Year 10 2024/25
						Year 1	Year 2	Year 3	
						2015/16	2016/17	2017/18	
9.3.5	Maintain a public register of earthquake-prone buildings in Christchurch.		<i>The Minister of Building and Construction announced that legislative change will be introduced in 2013 to change the way earthquake-prone buildings are managed in New Zealand.</i>	<i>Initiated</i>	<i>To be determined by the Ministry of Business, Innovation and Employment</i>	<i>Interim LOS is: Update the proposed Earthquake Prone Building Register whenever the Council becomes aware of a change of a building's earthquake-prone status.</i>	<i>Interim LOS is: Update the proposed Earthquake Prone Building Register whenever the Council becomes aware of a change of a building's earthquake-prone status.</i>	<i>Interim LOS is: Update the proposed Earthquake Prone Building Register whenever the Council becomes aware of a change of a building's earthquake-prone status.</i>	<i>Interim LOS is: Update the proposed Earthquake Prone Building Register whenever the Council becomes aware of a change of a building's earthquake-prone status.</i>
9.3.6	9.3.6.1 Provide input into development of national building legislation, standards and Codes		<i>The Canterbury Earthquakes Royal Commission's recommendations are to be incorporated into legislation and guidance material. They will include a system for managing earthquake-prone buildings and access and facilities for people with disabilities.</i>	<i>Submissions on Building Act amendments, Canterbury Royal Commission's recommendations and development of implementation strategies.</i>	<i>Submissions are prepared, considered and ratified by the Council to meet timeframes requested by the Government</i>	<i>Agree programme of policy review including timeframes with the appropriate Committee/ Council annually by 31st May.</i>	<i>Agree programme of policy review including timeframes with the appropriate Committee/ Council annually by 31st May.</i>	<i>Agree programme of policy review including timeframes with the appropriate Committee/ Council annually by 31st May.</i>	<i>Agree programme of policy review including timeframes with the appropriate Committee/ Council annually by 31st May.</i>

Performance Standards Levels of Service (we provide)	Results (Activities will contribute to these results, strategies and legislation)	Method of Measurement (We will know we are meeting the level of service if.....)	Current Performance	Benchmarks	Future Performance (targets)			Future Performance (targets) by Year 10 2024/25	
					Year 1	Year 2	Year 3		
					2015/16	2016/17	2017/18		
Claim Management – building-related									
9.3.2	Notify relevant building related claims to insurer		<i>This relates only to claims that are covered under the relevant insurer's policy wording and is generally an administrative function.</i>	2013/14: 95% within 10 working days	Broker / insurer policy requirement: notification as soon as practicable.	Notify 100% of building-related claims to brokers within 10 working days	Notify relevant building related claims to insurer within relevant Financial Year	Notify relevant building related claims to insurer within relevant Financial Year	Notify relevant building related claims to insurer within relevant Financial Year

Performance Standards Levels of Service (we provide)		Results (Activities will contribute to these results, strategies and legislation)	Method of Measurement (We will know we are meeting the level of service if.....)	Current Performance	Benchmarks	Future Performance (targets)			Future Performance (targets) by Year 10 2024/25
						Year 1	Year 2	Year 3	
						2015/16	2016/17	2017/18	
9.3.7	9.3.7.1 Manage the processing of building related claims under the appropriate forum		Resolution of general negligence (building related) claims falling outside WHRS Act 2006 and not involving any weathertight defects. This may include claims of negligence under the RMA, LGOIMA, LGA, etc.	All matters that are part of a formal process are being managed in conjunction with Council's legal partners	Council complies with District Court, High Court and Dispute Tribunal rules, including meeting acceptable standards of evidence, timeframes, and representation.	Processing the general negligence (building related) claims to agreed timeframes to settle or remove Council as a party.	Processing the general negligence (building related) claims to agreed timeframes to settle or remove Council as a party.	Settlement contributions are agreed in accordance with Financial Delegation Authority prior to attending negotiations.	Processing the general negligence (building related) claims to agreed timeframes to settle or remove Council as a party.
	Non-LTP Settlement contributions are agreed in accordance with Financial Delegation Authority prior to attending negotiations.					Non-LTP Settlement contributions are agreed in accordance with Financial Delegation Authority prior to attending negotiations.	Non-LTP Settlement contributions are agreed in accordance with Financial Delegation Authority prior to attending negotiations. Discontinued	Non-LTP Settlement contributions are agreed in accordance with Financial Delegation Authority prior to attending negotiations. Discontinued	
	9.3.7.2		Council has previously approved the Financial Delegation Authority		Financial Delegation Authority will be reviewed in accordance with other TA's				

Performance Standards Levels of Service (we provide)		Results (Activities will contribute to these results, strategies and legislation)	Method of Measurement (We will know we are meeting the level of service if.....)	Current Performance	Benchmarks	Future Performance (targets)			Future Performance (targets) by Year 10 2024/25
						Year 1	Year 2	Year 3	
						2015/16	2016/17	2017/18	
9.3.8	<p>9.3.8.1 Review the causes of settled claims and recommend steps to be implemented to limit future events</p> <p>9.3.8.2</p>		<p>Recommend operational policies to manage claims for historical building practices no longer in use.</p> <p><i>The policies identify operational measures, including additional training, reviews of competency and supervision to prevent future claims. This includes all weathertightness + general negligence claims collectively.</i></p>	<p><i>This is being delivered through training to staff directly</i></p>	<p><i>For each claim and summarise annually.</i></p>	<p><i>Identify and report, with appropriate recommendations, on the contributing factors in claims that have settled in this Fund Year.</i></p> <p><i>Ensure that the outcomes of annual reviews lead to updating of policies, where and if required, to reduce the number of new general negligence (building related) claims.</i></p>	<p><i>Identify and report, with appropriate recommendations, on the contributing factors in claims that have settled in this Fund Year.</i></p> <p><i>Ensure that the outcomes of annual reviews lead to updating of policies, where and if required, to reduce the number of new general negligence (building related) claims.</i></p>	<p><i>Identify and report, with appropriate recommendations, on the contributing factors in claims that have settled in this Fund Year.</i></p> <p><i>Ensure that the outcomes of annual reviews lead to recommendations for updating policies.</i></p>	<p><i>Identify and report, with appropriate recommendations, on the contributing factors in claims that have settled in this Fund Year.</i></p> <p><i>Ensure that the outcomes of annual reviews lead to updating of policies, where and if required, to reduce the number of new general negligence (building related) claims.</i></p>

Performance Standards Levels of Service (we provide)	Results (Activities will contribute to these results, strategies and legislation)	Method of Measurement (We will know we are meeting the level of service if.....)	Current Performance	Benchmarks	Future Performance (targets)			Future Performance (targets) by Year 10 2024/25	
					Year 1	Year 2	Year 3		
					2015/16	2016/17	2017/18		
Weathertight claims resolution									
9.3.9	9.3.9.1 Manage the processing of weathertight-related claims under the appropriate forum		<i>Resolution of all weathertight-related claims, excluding the Financial Assistance Package (FAP) scheme, but including those that are combined with non-weathertight defects e.g. structure as a result of the earthquakes.</i>	<i>All matters that are before the court are being managed in accordance with best practices</i>	<i>Council complies with WHRS, WHT, District Court, High Court rules, including meeting acceptable standards of evidence, timeframes, and representation. To be managed in conjunction with Councils Legal Partners. Legal Partners to report quarterly.</i>	Progress the resolution of weathertight-related claims with the best possible resolution for the Council.	Progress the resolution of weathertight-related claims with the best possible resolution for the Council.	Progress the resolution of weathertight-related claims with the best possible resolution for the Council. Discontinued	Progress the resolution of weathertight-related claims with the best possible resolution for the Council. Discontinued
	9.3.9.2		<i>Council has previously approved the Financial Delegation Authority</i>	<i>Financial Delegation Authority will be reviewed in accordance with other TA's</i>	<i>Settlement contributions are agreed in accordance with Financial Delegation Authority prior to attending negotiations.</i>	<i>Settlement contributions are agreed in accordance with Financial Delegation Authority prior to attending negotiations.</i>	Settlement contributions are agreed in accordance with Financial Delegation Authority prior to attending negotiations. Discontinued	Settlement contributions are agreed in accordance with Financial Delegation Authority prior to attending negotiations. Discontinued	

Performance Standards Levels of Service (we provide)		Results (Activities will contribute to these results, strategies and legislation)	Method of Measurement (We will know we are meeting the level of service if.....)	Current Performance	Benchmarks	Future Performance (targets)			Future Performance (targets) by Year 10 2024/25
						Year 1	Year 2	Year 3	
						2015/16	2016/17	2017/18	
9.3.10	9.3.10.1 Review the causes of settled weathertight-related claims and put steps in place to limit future events		<i>The policies identify operational measures, including additional training, reviews of competency and supervision to prevent future weathertight-related claims.</i>	<i>This is being delivered through training to staff directly</i>	<i>For each claim and summarise annually.</i>	Identify and report on the contributing factors in weathertight-related claims that have settled in this Fund Year with appropriate recommendations	Identify and report on the contributing factors in weathertight-related claims that have settled in this Fund Year with appropriate recommendations	Identify and report on the contributing factors in weathertight-related claims that have settled in this Fund Year with appropriate recommendations Discontinued	Identify and report on the contributing factors in weathertight-related claims that have settled in this Fund Year with appropriate recommendations Discontinued
	9.3.10.2		<i>Develop operational policies that reflect critical areas that might lead to future weathertight-related claims.</i>			Ensure that outcomes of annual reviews lead to updating of appropriate policies to reduce the number of new weathertight-related claims	Ensure that outcomes of annual reviews lead to updating of appropriate policies to reduce the number of new weathertight-related claims	Ensure that outcomes of annual reviews lead to updating of appropriate policies to reduce the number of new weathertight-related claims Discontinued	Ensure that outcomes of annual reviews lead to updating of appropriate policies to reduce the number of new weathertight-related claims Discontinued

Performance Standards Levels of Service (we provide)		Results (Activities will contribute to these results, strategies and legislation)	Method of Measurement (We will know we are meeting the level of service if.....)	Current Performance	Benchmarks	Future Performance (targets)			Future Performance (targets) by Year 10 2024/25
						Year 1	Year 2	Year 3	
						2015/16	2016/17	2017/18	
9.3.3	Manage the resolution of Weathertight Homes Resolution Services (WHRS) Financial Assistance Package (FAP) Scheme claims		<i>Contracts have been agreed with Ministry of Business, Innovation and Employment (MBIE). These are expected to expire in 2016.</i>	<i>Meeting requirements for timeframes set out in Ministry of Business, Innovation and Employment (MBIE) FAP contracts with all participating TA</i>	<i>The Council will consider and address 100% of all known issues as part of the FAP program</i>	Assess and process 95% of Weathertight Homes Resolution Service (WHRS) Financial Assistance Package (FAP) claims within timeframes stipulated in the Ministry of Business, Innovation and Employment (MBIE) FAP contracts	Assess and process 95% of Weathertight Homes Resolution Service (WHRS) Financial Assistance Package (FAP) claims within timeframes stipulated in the Ministry of Business, Innovation and Employment (MBIE) FAP contracts	Assess and process 95% of Weathertight Homes Resolution Service (WHRS) Financial Assistance Package (FAP) claims within timeframes stipulated in the Ministry of Business, Innovation and Employment (MBIE) FAP contracts	To be advised

5 Review of cost effectiveness - regulatory functions and service delivery

The Local Government Act requires local authorities to review the cost effectiveness of current arrangements for delivering its services and regulatory functions

A review need not be undertaken if

- Delivery is governed by legislation, contract or other binding agreement that cannot be reasonably altered in the next two years.
- The benefits to be gained do not justify the cost of the review.

A review must be undertaken

- In conjunction with the consideration of any significant change to service levels
- Within two years before the expiry of any legislation, contract or other binding agreement affecting the service
- Not later than 6 years after any previous review.

A review must consider each of options 1 to 9 in the table below. Option 10 is discretionary.

Governance	Funding	Delivery	Option
CCC	CCC	CCC	1
CCC	CCC	CCO (CCC sole shareholder)	2
		CCO (CCC one of several shareholders)	3
		Other local authority	4
		Other person or agency	5
Joint Committee / Shared Governance	Joint Committee / Shared Governance	CCO (CCC sole shareholder)	6
		CCO (CCC one of several shareholders)	7
		Other local authority	8
		Other person or agency	9
Other arrangement	Other arrangement	CCC or other arrangement	10

Building Policy has been under review under supervision of the Crown Manager. The development completed is being reviewed by International Accreditation New Zealand Limited (IANZ). Additional review has been undertaken by Ministry of Business Innovation and Employment (MBIE). As a result there is little benefit from addition review.

Financial Assistance Package sits on the cusp of the two year threshold noted above. As part of the wider project work being undertaken within the Building Control Group. Processes supporting FAP are now being developed moving FAP from a manual processes into a fully integrated process. Whilst a review can be justified such a review will yield little benefit until the development work has been completed and implemented.

General Building related claims and weathertightness, this area has recently been review by Audit New Zealand. The results of the audit process have not raised any concerns that need to be addressed.

Service: Building Policy

Current Arrangements			
Governance	Funding	Delivery	Estimated Cost
CCC	CCC	CCC	Not applicable
General litigation and Weathertightness Claims	This is joint exercise blending The business owner, Legal Services Unit and Finance	Processes are managed through the necessary and appropriate legal forum. Internally this area is under constant review. The program of work represents a partnership with Councils legal providers. Review into Delegated Authority pending.	(1) Internal review no cost

Arrangements that cannot reasonably be changed in next two years			
Governed by Legislation	Contract or binding agreement	Not cost effective to review	Option
Financial Assistance Package (FAP)	Weathertight Homes Resolution Act 2006 Contract for Service 2011	This area is under development, for maxim benefit process development needs to be completed. Process will be reviewed and audited as part of regular assurance processes.	No review necessary at this time

Arrangements that cannot reasonably be changed in next two years			
Governed by Legislation	Contract or binding agreement	Not cost effective to review	Option
Building (Policy) Control Functions	Building Act 2004 and associated Regulations	In conjunction with the Crown manager, IANZ and MBIE this area is under review Process will be reviewed and audited as part of regular assurance processes.	No review necessary at this time

6 Significant Effects

The significant negative effects are listed below in Tables 6-1.

Table 6-1 Significant Negative Effects

Effect	Council's Mitigation Measure
Building Control Policy	The Building Control Group fully recognises the importance of maintaining accreditation and significant changes have been made to the operational area required to achieve and maintain this, including setting up a dedicated unit to maintain accreditation and Continuous Improvement Processes
Financial Assistance Package	Developing a new process management tool to provide a functional delivery model to the Council and the public.
General Litigation and Claims	Database enhancements to deliver greater facility for claims management. Technical experts from areas of weathertightness and general claims litigation will be providing training modules to staff in the near future.

7 Operations Strategy

The Key deliverable for Building Policy is to deliver buildings into the Christchurch environment that are fit for purpose and safe of occupy.

The operational strategy to deliver this key deliverable is based in sound and prudent management of inspection and consenting functions within the community.

Assurances and effectiveness of the delivery model are derived by training. Together with the involvement of competency and supervision based control mechanism, supported by the accreditation systems. Lessons learnt form litigation and claims involving Council, will be delivered to operational policy holder and converted into key training requirements. This will be facilitated by industry experts and Council legal partners.

8 Summary of Cost for Activity

Table 8.1

REGULATION AND ENFORCEMENT - BUILDING POLICY					Funding splits exclude EQ Costs from all calculations					
	<u>Funding Caps in 2015/16 Dollars</u>								Period of Benefit (years)	Comments
	2014/15 Annual Plan	2015/16	2016/17	2017/18	Funding - User Charges	Other revenue	General rate	Targeted rate		
	000's									
Operational Budget										
Building Accreditation	461	438	370	432						
Policy Development	265	166	1,052	983						
Claim Management - Building Related	865	868	852	835						
Claim Management - Planning Related	-	-	-	-						
Weathertight Claims Resolution	2,873	2,883	2,830	457						
Activity Costs before Overheads	4,464	4,356	5,103	2,707						
Earthquake Response Costs	-	-	-	-						
Corporate Overhead	238	224	261	132						
Depreciation	-	-	-	-						
Interest	-	-	-	-						
Total Activity Cost	4,702	4,579	5,365	2,839	9% Marginal	0%	91% Residual	0%		
Funded By:										
Fees and Charges	400	412	412	412						
Grants and Subsidies	-	-	-	-						
Earthquake Recoveries	-	-	-	-						
Total Operational Revenue	400	412	412	412						
Net Cost of Service	4,302	4,168	4,953	2,428						
Funded by:										
Rates	4,302	4,168	4,953	2,428						
Earthquake Borrowing	-	-	-	-						
	4,302	4,168	4,953	2,428						
Capital Expenditure										
Earthquake Rebuild										
Renewals and Replacements										
Improved Levels of Service										
Additional Demand										

