

Notice of Meeting:

I hereby give notice that an ordinary Meeting of Hamilton City Council will be held on:

Date: Tuesday 28 June 2016
Time: 2.00pm
Meeting Room: Kauri Room
Venue: Municipal Building, Garden Place, Hamilton

Richard Briggs
Chief Executive

Civil Defence and Emergency Management Subcommittee OPEN AGENDA

Membership

Chairperson Cr L Tooman
Members Cr D Macpherson
Cr A O'Leary

Quorum: Two members

Meeting Frequency: Quarterly

Becca Brooke
Committee Advisor

22 June 2016

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Terms of Reference:

- Ensure Hamilton is performing to the highest standard in the area of civil defence and emergency management.
- Ensure Hamilton City Council compliance with its obligations under the Civil Defence Emergency Management Act 2002.
- Monitor Hamilton's Civil Defence Emergency Management Plan.
- Monitor the performance of Hamilton's civil defence and emergency management response against the Act including completion of Government requirements and independent reports, and ensure that all the recommendations made are implemented.

Special Notes:

- The sub-committee may request expert advice through the Chief Executive when necessary.
- The Chairperson of this sub-committee will represent Hamilton City Council on the Waikato Civil Defence and Emergency Management Group Joint Committee.

Power to recommend:

- The sub-committee may make recommendations to the Strategy and Policy Committee.

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1 Apologies

2 Confirmation of Agenda

The Committee to confirm the agenda.

3 Declaration of Interest

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as an elected representative and any private or other external interest they might have.

Committee: Civil Defence and Emergency Management Subcommittee **Date:** 28 June 2016

Report Name: Civil Defence and Emergency Management Subcommittee - Open Minutes - 17 March 2016 **Author:** Becca Brooke

Status	<i>Open</i>
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Recommendation

That the Subcommittee confirm and adopt as a true and correct record the Open Minutes of the Civil Defence and Emergency Management Subcommittee Meeting held on 17 March 2016.

1. Attachments

2. Attachment 1 - Civil Defence and Emergency Management Subcommittee - Open Minutes - 17 March 2016

Civil Defence and Emergency Management Subcommittee

OPEN MINUTES

Minutes of a Meeting of the Civil Defence and Emergency Management Subcommittee held in Karaka Room, Municipal Building, Garden Place, Hamilton on Thursday 17 March 2016 at 3.35pm.

PRESENT

Chairperson	Cr L Tooman
Members	Cr D Macpherson Cr A O'Leary

In Attendance:	Blair Bowcott - Executive Director Special Projects Kelvin Powell – City Safe Unit Manager Lee Hazlewood – Group Manager/Coordinator, Waikato Region, CDEM Group
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Committee Advisor:	Ms B Brooke
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The Chairperson welcomed Lee Hazlewood (Group Manager/Coordinator, Waikato Region, CDEM Group) to the Meeting and thanked him for his attendance.

1. Apologies

There were no apologies.

2. Confirmation of Agenda

Resolved: (Crs O'Leary/Tooman)

That the Agenda be confirmed.

3. Declarations of Interest

No members of the Subcommittee declared a Conflict of Interest.

4. Civil Defence and Emergency Management Subcommittee Open Minutes 26 August 2015

Subcommittee Members noted an error in the Apologies section of the Minutes pertaining to Blair Bowcott being an apology; This would subsequently be amended.

Resolved: (Crs O'Leary/Macpherson)

That the Subcommittee confirm and adopt as a true and correct record the Open Minutes of the Civil Defence and Emergency Management Subcommittee Meeting held on 18 November 2015, noting the error in the apologies section of the Minutes be amended.

Cr Macpherson joined the Meeting (3.37pm) during the above Item. He was present when the matter was voted on.

5. Civil Defence and Emergency Management Subcommittee Action List

Resolved: (Crs Tooman/Macpherson)

That the Report be received.

6. Emergency Management Update

Executive Director Special Projects spoke to the staff Report, summarising the main sections of the Report, and responded to questions from Subcommittee Members concerning:

- **The appointment of the City Safe Unit Manager as the second Controller for Hamilton City.** It was noted that the City Safe Unit Manager would be attending upcoming Controller training in Wellington and that there were also a pool of backup Controllers based at the University of Waikato. An update concerning Controller training across regions would be provided at the next CDEM Subcommittee Meeting.
- **The role of the Recovery Manager. It was noted that the role still needed to be filled.** Staff were considering suitable internal candidates. In the Interim, the Recovery Manager role would be covered by the two appointed Hamilton City Controllers. The role of the Recovery Manager looked after the clean up/rebuild process after an initial emergency management tasks had been dealt with in the event of an emergency/disaster.
- **The arrangement entered into with Waikato Region's CDEM Group.** It was explained that in the interim of the Crisis Manager resigning, Lee Hazlewood (Waikato Regional Council's CDEM Group) would be contracted to Hamilton City Council for the next six months to provide oversight and direction of Hamilton's emergency management activities. This arrangement would be in place until a suitable Recovery Manager was found or another option/model was agreed on. Lee would also be conducting an evaluation of the current emergency management work programme which would form the basis of a proposal for a permanent arrangement, which would be presented to the next CDEM Subcommittee Meeting for consideration.
- **The current Waikato District Emergency Management Model and how it worked.** Lee Hazlewood provided a brief explanation of the Model as outlined in the staff Report.
- **Red Cross Emergency App.** The App was still being developed but had been well received so far. The App enabled users to access real time information concerning various weather or emergency events in their area. Subcommittee Members raised concern over what would happen if cell phone towers were out of action in an emergency. It was explained that telecommunication organisations have plans in place to deal with emergencies, but that there was always a risk with Apps that various issues may occur. Red Cross were open to feedback regarding improving the App. The App was not designed to be a solution to all emergency communication issues.
- **Increasing community resilience in the event of an Emergency.** Subcommittee Members discussed the need for increasing awareness and knowledge on how to deal with an emergency or disaster within the wider community.

Resolved: (Crs O'Leary/Macpherson)

That the Report be received.

The Meeting was declared closed at 4.30pm.

Committee: Civil Defence and Emergency Management Subcommittee
Date: 28 June 2016

Report Name: Civil Defence and Emergency Management Subcommittee - Open Action List - 28 June 2016
Author: Becca Brooke

Status	<i>Open</i>
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Recommendation

That the Report be received.

1. Attachments

- Attachment 1 - Civil Defence and Emergency Management Subcommittee - Open Action List - 28 June 2016

CIVIL DEFENCE AND EMERGENCY MANAGEMENT

Action List - 2013-16

OPEN

Ref.	GM Responsible	Action	DUE DATE for reporting back	Status (relative to due by date)	Notes
1	Executive Director Special Projects	A further workshop is provided to Councillors to run a full Civil Defence exercise.		Deferred by Committee	Deferred until after Council Elections in late 2016 due to a review of Civil Defence/Emergency Service processes.

Committee: Civil Defence and Emergency Management Subcommittee

Date: 28 June 2016

Report Name: Emergency Management Update

Author: Kelvin Powell

Report Status	<i>Open</i>
Strategy, Policy or Plan context	<i>Hamilton City Civil Defence and Emergency Management</i>
Financial status	<i>There is budget allocated as a function of the Risk and Emergency Management Unit</i>
Assessment of significance	<i>Having regard to the decision making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance</i>

1. Purpose of the Report

- To update the Civil Defence and Emergency Management Subcommittee on progress made and future activities of the Hamilton City Emergency Management Team.

3. Executive Summary

- Kelvin Powell has attended and completed the National Civil Defence Controller Development Course in Wellington.
- Kelvin Powell has assumed organisational responsibility within Council for the discharge of Councils legal obligations in terms of the delivery of Civil Defence Emergency Management.
- A review of how the Civil Defence Emergency Management Activity is delivered is the subject of a separate report on the agenda.
- The new draft Waikato CDEM Group plan has been approved for public consultation following endorsement by the Joint Committee.
- The Joint Committee also agreed to recommend that Waikato Regional Council should look to establish the Group Emergency Coordination Centre at the new seismically strengthened Genesis Energy building.
- The CDEM Group Manager will be in attendance for the discussion of this report.

10. Recommendation from Management

That the Report be received.

11. **Attachments**

12. There are no attachments for this report.

13. **Hamilton City Controller Update**

14. Kelvin Powell, City Safe Unit Manager completed the National Civil Defence Emergency Management Controller Development Course in Wellington between 22 and 27 May.

15. **Council Civil Defence Responsibility**

16. In addition to his Controller role, Kelvin Powell has also now assumed responsibility and accountability for discharging the Councils legal obligations under s64 of the CDEM Act 2002 to “plan and provide for civil defence emergency management within its district.” This responsibility, previously held by David Bryant GM Corporate, falls into two principle parts:

- Building internal capability to be able to respond and control emerging and crisis events as they occur and to lead the city through response into a recovery phase, and
- To engage in readiness and reduction activities with communities and to build resilience within those communities to be able to better cope and respond in crisis and hazard events

17. As reported in the 17 March 2016 update to the Civil Defence and Emergency Management Subcommittee, the CDEM Group (GEMO) have been providing oversight and direction of HCC Emergency Management activities. At the same time, an evaluation of different service delivery options has been completed and a recommendation for a shared service arrangement with CDEM Group is outlined in a separate report to this Subcommittee.

18. **Group Plan**

19. The Waikato CDEM group is currently developing a new Group Plan which will provide strategic direction and organisational approach for its members over the next five years. The document is critically important for CDEM delivery and has gone through an extensive consultation process over the last 18 months. After an elected officials workshop the Joint Committee approved the document for public consultation at its last meeting.

20. A copy of the draft group Plan for public consultation is available at the Waikato CDEM Group website www.waikatocivildefence.govt.nz.

21. It is not necessary for HCC to separately submit on the draft plan as we have been part of the group developing this document and approved the draft via the Joint Committee. Any further changes (if required) can be proposed via the Joint Committee directly.

22. **GEMO Relocation**

23. The Joint Committee agreed at their last meeting to recommend the Waikato Regional Council that they should look to establish the Group Emergency Coordination Centre (GECC) at the new Genesis Energy building for a 6-year term, with the right to renewal, to address the current GECC accommodation issue. This item will go before the Waikato Regional Council on 30 June 2016.

24. The move will provide an importance level 4 (IL4 e.g. seismic strength for survivability and service redundancies for continued normal operations) rated facility that provides reassurance that regional emergency coordination can continue through and after a major event. This decision will bring the region in line with 12 of the other 15 regions across New Zealand.
25. Additionally, the location provides for more integration with other responding organisations and greater cost sharing opportunities. There is opportunity for HCC consider whether such a co-location option would add value to their plans for future CDEM delivery. This option is currently being evaluated, with our initial thoughts being that co-location will bring significant benefits for HCC.
26. Regardless of the above, GEMO will have to vacate their current premises in Victoria Street in September this year and will initially relocate to the Deloitte's building in Anzac Parade, before moving to the Genesis Energy building mid-2017.

27. CDEM Conference

28. This year's CDEM conference was hosted by MCDEM in conjunction with the Australasian Natural Hazards conference. It took place over two days with additional workshops addressing specific focus areas the day prior and the day after. Highlights included an opening address by Hon. Nikki Kaye in which the Waikato was the only region identified by name for its efforts in public outreach.
29. This year's conference was more strategic in nature which reflects the trend in civil defence emergency management as the expectations on it become broader and more complex. The conference closed with a discussion on the re-branding of CDEM to better represent what it now does.
30. The conference had an excellent representation from the region with at least 13 attendees from Waikato and included two from HCC.
31. It should be noted that the efforts of Waikato Group Controller Lee Hazelwood were formally acknowledged with a Ministers Award presented by Civil Defence Minister Nikki Kaye. The citation that accompanied the award read that Lee had made "an invaluable and lasting impression" on the civil defence sector in New Zealand through the establishment and leadership of a new national integrated training framework which had replaced a somewhat 'ad hoc' system. We join all other groups in acknowledging Lee's accomplishments at both a local and national level in the civil defence arena.

32. Exercise Tangaroa

33. As noted in the last subcommittee report, Exercise Tangaroa is a national (Tier 4) exercise under the National CDEM Exercise Programme and the first full exercise held under the Interagency National Exercise Programme and takes place over three days 31 August, 14 September and 28 September.
34. It is based on a regional source tsunami scenario and will test New Zealand's preparations for, response to, and recovery from, a national tsunami impact.
35. Day 1 of the exercise will focus on the initial response to a tsunami warning, along with the time surrounding the tsunami impact. Day 2 will consider the longer term response issues that are expected following a tsunami impact on New Zealand, with a transition into recovery on Day 3.
36. HCC will be participating in the response phase of the national exercise and this will result in the activation of the EOC.

37. Hamilton City Emergency Management Activations

38. Since the previous report Hamilton has only suffered some minor weather related incidents that have not caused any major disruption. There have been no activations of the Emergency Operations Centre during this period.

39. Work Programme

40. The CDEM Work Programme is currently under review as a result of the wider review of contract provisions around the delivery of Emergency Management services by GEMO.

41. The transition of organisational responsibility has also resulted in a change of focus. The immediate work programme has been based around:

- Capability development
- Incident Management Team training and development

Signatory

Authoriser	Blair Bowcott, Executive Director Special Projects
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Committee: Civil Defence and Emergency Management Subcommittee

Date: 28 June 2016

Report Name: Service Delivery Review - Civil Defence Emergency Management Activity

Author: Hannah Windle

Report Status	<i>Open</i>
Strategy, Policy or Plan context	<i>Hamilton City Civil Defence and Emergency Management</i>
Financial status	<i>There is budget allocated as a function of the Risk and Emergency Management Unit, but there is a budget shortfall with the recommended proposal.</i>
Assessment of significance	<i>Having regard to the decision making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance</i>

1. Purpose of the Report

- To provide the CDEM sub-committee with an update on, and seek approval for a proposal to enter into a shared service arrangement with Waikato Regional Council (WRC) to deliver Hamilton City's Civil Defence Emergency Management (CDEM) activity.

3. Executive Summary

- A service delivery review of Hamilton City Council's (HCC) CDEM activity has been carried out.
- The review has determined that a shared service model with WRC is the most cost-effective option to deliver on HCC's levels of service.
- A shared service model is the most effective option because it provides for the development and sustainment of CDEM services and programmes by professional operational staff, dedicated to HCC but supported by experienced technical specialists at the Group level.
- The shared service model is based on an existing successful initiative between WRC and Waikato District Council.
- The arrangement provides for greater flexibility at times of increased need while maintaining staff levels at the minimum required for effective sustained delivery of HCC's agreed work programme.

9. Recommendations from Management – Recommendation to Council

That:

- a) the report be received;
- b) Council approves a shared service arrangement with Waikato Regional Council (WRC) for delivery of Hamilton City Council’s (HCC) Civil Defence and Emergency Management (CDEM) activity;
- c) Council approves the Chief Executive to negotiate an appropriate contract with Waikato Regional Council (WRC) to deliver a shared service arrangement; and
- d) Council notes that the details of the final contract will be reported to the Finance Committee for its approval.

10. Attachments

- 11. Attachment 1 - Civil Defence Emergency Management Activity - Service Delivery Review - 20 June 2016

12. Background

- 13. As reported to the CDEM Subcommittee on 17 March 2016, the CDEM Group (GEMO) has been providing oversight and direction of HCC Civil Defence and Emergency Management activities. During this time, an evaluation of different service delivery options has been completed, with a particular focus on a suitable model for the long term, similar to that in place between CDEM Group and Waikato District Council.

14. Options

15. Scope of Options

- 16. Three options have been considered for the ongoing delivery of CDEM at HCC:
 - a. Maintaining the status quo;
 - b. Increasing HCC in-house staff capacity to deliver on the levels of service required for the CDEM activity;
 - c. Entering into a shared service arrangement with the WRC to deliver the CDEM service on behalf of HCC.

17. Analysis of Options

- 18. The cost effectiveness (including financial implications), advantages and disadvantages, and risk associated with each of the options have been considered.
- 19. Cost effectiveness in the context of a service delivery review is defined as delivering on council’s agreed levels of service in a way that is best value for its customers. This is not the same thing as ‘least cost’ and also includes looking at benefits such as efficiency gains, improvements in services, and/or improving relationships with other local authorities or groups.

20. A more detailed report on the analysis of each option is included in Attachment 1. A summary analysis of each option is as follows:
- Option 1: Maintaining the status quo is not cost effective as the current level of staffing is inadequate to deliver on HCC's legislative obligations and agreed levels of service for CDEM.
 - Option 2: Increasing in-house staff capacity is not the most cost effective option. Although HCC is able to recruit for additional staff to deliver the CDEM activity, doing so does not provide the collaborative benefits and technical skills that come with entering into a shared service arrangement with WRC (CDEM Group). It is likely that this option will have higher costs over the long-term than a shared service model.
 - Option 3: Entering into a shared service agreement with WRC (CDEM Group) is the most cost effective solution to deliver on HCC's agreed levels of service for CDEM because the arrangement provides for greater flexibility, offers opportunities for the development of CDEM services by professional operational and specialised technical staff, and offers sustainability over the long-term. With the colocation of HCC and GEMO staff significant synergies are developed and collegial support can be obtained. This option is likely to have lesser costs over the long-term.

21. Financial and Resourcing Implications

22. Summary of cost for the three options:

	Option 1: Status quo	Option 2: Enhanced in-house	Option 3: Shared Service
Operating Costs	\$255,000 - \$275,000 pa 2.5FTE	\$430,000 - \$465,000 pa Yr 1 & 2 - 4.5 FTE \$400,000 - \$435,000 pa Yr 3 onwards - 3.5 FTE	\$ 445,000- \$510,000 pa Yr1 & 2 – 3.7 FTE \$305,000- \$350,000 pa Yr 3 onwards - 2.4 FTE
CAPEX Costs	N/A	Vehicle and equipment upgrade	Vehicle and equipment upgrade

23. When the above table is calculated over a 6 year contract, option 3 offers between \$250,000 to \$350,000 savings over option 2 over the term of the contract. Note a 6 year term is the period over which the LGA requires the service delivery to be reviewed.
24. Option 3 includes \$25,000 pa. of costs (asset ownership costs) which will continue to be incurred directly by HCC, it does not however include stranded overheads of \$14,000 pa.
25. Option 1 costs have not been fully budgeted for in 2016/17. In order to have an effective CDEM additional funding will be required. This will be addressed in a subsequent report to the Finance Committee and will be placed on risk and opportunities for 2016/17.

26. Cost Effectiveness Summary

27. Each option has been evaluated in terms of its cost effectiveness. A summary is below:

	Option 1: Status Quo	Option 2: Enhanced In-house	Option 3: Shared Service
Ability to meet legislative requirements	No	Yes	Yes
Cost	Low	High	High – Medium
Time to achieve improvements in service delivery	Long-term	Medium-term	Medium-term
Risk	High	Medium	Low
On-going sustainability	Low	Medium	High
Efficiency (sharing of knowledge, collaboration, economies of scale)	Low	Medium	High
Preferred Option	3	2	1

28. Conclusion

- 29. The most cost-effective service delivery model for HCC’s CDEM activity is to enter into a shared service arrangement with WRC to provide and manage a local CDEM team tasked with the development, delivery and sustainment of the City’s CDEM programme, funded by HCC.
- 30. This arrangement provides an enhanced delivery platform that is more effective and will, over time, provide for greater efficiencies for the council.

31. Risks

- 32. The risks of the preferred option are considered low. Full details of the risks associated with each option are included in Attachment 1.

33. Next Steps

- 34. The next step is to finalise a contract with WRC for the provision of these services, and bring this to the Finance Committee for approval. At the same time, appropriate employment discussions and consultation need to occur with the HCC affected staff member.
- 35. It is the intention that this contract would run for a 6 year term with a start date commencing as soon as possible.

Signatory

Authoriser	Blair Bowcott, Executive Director Special Projects
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Service Delivery Review

Civil Defence & Emergency Management

June 2016

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1. Review purpose and scope

In January 2016, HCC approached the Waikato Civil Defence Group Emergency Management Office (GEMO) requesting an independent review of Council's capability to deliver on their Civil Defence and Emergency Management (CDEM) obligations under the CDEM Act 2002 and the Waikato CDEM Group Plan.

This request was borne in part to address the Local Government Act 2002 requirement to deliver cost effective public services to households and businesses, and coincided with the departure of Council's Risk and Emergency Manager.

The Waikato CDEM Group Controller was asked to assume the daily management of the HCC CDEM activity for an interim period of six months, during which time the GEMO could carry out a review of the current service delivery model.

At the end of this period, GEMO was asked to present a proposal for the most cost-effective method of delivery of local CDEM services for consideration by HCC.

June 2016

2. Methodology

The methodology for the review was as follows:

Subject matter experts from within the GEMO assessed areas of the HCC CDEM programme. These included:

- Welfare (planning and services)
- Operations (EOC, training, response provisions, plans, SOPs, etc.)
- Community engagement (social media, community response planning and education)
- Recovery

Each subject matter expert carried out a review of existing documentation. Relevant individuals were also interviewed to provide insight to each area.

Upon completion of the review, each expert was debriefed by the Group Controller on their findings for purposes of moderation. In addition, the existing HCC CDEM employee and other key roles supporting CDEM were interviewed by the Controller on general matters of management and culture. The emergency services were also approached for their observations.

June 2016

3. Review findings

The review identified a number of positive aspects about what the HCC CDEM programme has achieved over time and, in particular, the efforts of certain individuals engaged. It also identified a number of opportunities for improvement to bring the HCC CDEM activity in line with best practice and lower Council's risk in the event of a civil defence event.

The review identified that HCC requires focus in three areas of CDEM delivery; welfare services, community engagement/education and operational response effectiveness. Additional staff resourcing and engagement is recommended along with changes to roles and responsibilities between existing HCC functions. Some of these changes can be addressed in the short term with others requiring a sustained effort over the long term.

The key review findings are outlined below:

Staffing

- Delivery constraints due to limited staffing were identified in various assessments. There are a number of HCC documents that have been reviewed which show a staff of up to 3 FTEs plus admin support and management. This does not align with the current state. This has not been by design, but the impact of operating at this level for an extended period has the potential to result in performance issues.

Operations

- Improvements to the arrangements for duty officer coverage were identified, with current issues arising from having only 1 fulltime CDEM staff member. It was also recommended that policies regarding duty cover should be amended to include the provision of an appropriately equipped and assigned response vehicle.
- Engagement with the wider emergency service and other aligned partners was identified as an area for improvement to support effective response. External engagement could also be afforded a higher priority in the work programme.
- The need for administration support was identified, as was the need to upgrade or replace the current equipment.

Welfare

- Opportunities to more clearly define the welfare responsibilities of CDEM professionals and other HCC staff were identified, and the need to ensure that the welfare manager engages with key CDEM staff and stakeholders.
- Membership of the Local Welfare Committee should be revisited, to ensure it is fit-for-purpose.
- The Local Welfare Plan needs to be progressed (as it has been on hold) and associated policies and procedures integrated.

Community resilience

- There are opportunities to increase the use of specialist communication as social media and similar channels are becoming increasingly critical in CDEM.
- There is scope to improve community response planning. This needs to be revisited and adequately resourced.
- The public education programme needs to be specifically targeted to the correct demographic for Hamilton. HCC could also engage the services of a market research consultant to inform the direction of the CDEM public education strategy.

June 2016

Recovery review

- HCC has developed a Recovery Plan however there have been no aspects of integration completed to date. This Plan should be reviewed in alignment with the Group Recovery Plan review required due to pending changes to the CDEM Act (2016-17 FY).

Internal culture review

- There appears to be general support of CDEM through the management tiers of the organisation, although this is not reflected in the number of staff available for exercises. Staff that are engaged are committed and should be recognised for it.
- The fire service would like to see enhanced situational awareness developed and views CDEM being the best mechanism to make this happen.

Overall it is clear from the review findings that there are opportunities for HCC to improve its delivery of welfare services, community engagement/education and its operational response effectiveness.

Changes to operational readiness are relatively straightforward and can be addressed in the short to medium term with adequate resourcing. The challenges surrounding welfare are more significant and rely on sustained relationship building over the long-term and a concerted focus on planning for the near term. Community education and engagement requires extensive work across more than just CDEM but is a national challenge faced by all large cities in New Zealand. This will require a long-term sustained effort that should be viewed as a BAU function of CDEM.

June 2016

4. Current state

Legislative context

HCC is obligated by S.64 of the CDEM Act 2002 to "...plan and provide for civil defence emergency management within its district." Any contract entered into to change the method of service delivery does not release HCC of its obligation and accountability for the implementation and integration of civil defence.

National and regional context

For benchmarking purposes the following information has been provided:

City	Population	Staff
Wellington	190,959	3 FTE (plus management time and admin) dedicated to city from within Group structure.
Hamilton	141,612	Current: 2.5
Dunedin	120,249	3 FTE (2 EMOs 1 Mgr.)
Tauranga	114,789	4 FTE (plus management time and admin) servicing district and city under new Group model.

Nationally, there are varying service delivery models for civil defence. Some councils have decided to join together to deliver civil defence across multiple areas, while others operate within their local council boundaries.

- In 2012, the 9 councils in the Wellington Region formed the Wellington Regional Emergency Management office to deliver emergency management services on behalf of the Wellington Region.
- Nelson and Tasman also deliver civil defence on a joint basis as the Nelson Tasman Civil Defence Emergency Management (CDEM) Group.
- The 3 territorial authorities and regional council on the West Coast have joined together to form the West Coast Civil Defence Emergency Management Group.

Within the Waikato region, Waikato District Council has successfully adopted a local CDEM delivery model provided by the Waikato GEMO through a service level agreement. The rationale for this model was that it would "provide better access to professional CDEM experience and resources, as well as help develop better alignment between local, group and national level strategies."

Furthermore, during a major emergency, the more direct relationship between the Local CDEM staff and the Group Controller, as their manager, would help enhance coordination.

The current practice used in the arrangement with Waikato District Council has proved very effective.

Other councils within the region deliver civil defence in-house, with Thames Coromandel, Matamata-Piako and Hauraki District Councils working together as the Thames-Valley Combined Civil Defence Emergency Management Group, and Waipa, Waitomo, Otorohanga, South Waikato and Taupo district councils all delivering their own civil defence activity.

June 2016

HCC Current State

Since the departure of the Risk and Emergency Manager in January of 2016, there is 1 full time CDEM staff member in HCC in the role of Emergency Management Advisor, temporarily managed by the Group Manager Waikato GEMO. Existing Council CDEM documents show organisational charts with a minimum of 2 full time equivalent Emergency Management Advisors. In addition to these roles, a full time Emergency Coordinator and a shared administration resource are also identified.

The 1 full time CDEM staff member is currently covering the vacant role of Emergency Management Advisor- Engagement in addition to his substantive role as Emergency Management Advisor – Operational Readiness.

June 2016

5. Scope of options for future delivery

Three options for the on-going delivery of CDEM at HCC have been considered;

1. Maintain the status quo;
2. Increase in-house staff capacity to deliver on the levels of service required for the CDEM activity;
3. Enter into a shared service arrangement with WRC to deliver the CDEM service on behalf of HCC.

When selecting the appropriate service delivery model, HCC must consider its obligations under S.64 of the CDEM Act 2002 and demonstrate that the council is planning and providing for civil defence emergency management within its district in the most cost-effective way.

Cost effectiveness in the context of a service delivery review is defined as delivering on council's agreed levels of service in a way that is best value for its customers. This is not the same thing as 'least cost' and also includes looking at benefits such as efficiency gains, improvements in services, and/or improving relationships with other local authorities or groups.

The cost effectiveness (including financial implications), advantages and disadvantages, and risk of each of these options have been considered.

June 2016

6. Analysis of options

Option 1: Status quo

This option involves HCC continuing to deliver its CDEM activity with the existing level of internal resource of 1 current FTE Emergency Management Advisor, and 1.5 vacant FTE positions.

Risks

This model poses significant risks for council in responding to a civil defence emergency as current resourcing is inadequate to deliver the required levels of service and statutory obligations for CDEM for a city of Hamilton's size.

Cost effectiveness

Although lowest cost financially, this option does not offer any efficiency gains or potential to improve service delivery. There are no opportunities to improve relationships or share knowledge and experience with other local authorities or groups.

This option is unsustainable, inefficient and not feasible for HCC to meet its obligations under the CDEM Act 2002.

Option 2: Enhancing Hamilton City Council's in-house capability

This option involves increasing HCC's internal staff capacity to deliver on the levels of service required for the CDEM activity.

In terms of staffing, this includes 3 FTE Emergency Management Advisors, a 0.5 FTE administration resource, and a 1 FTE management resource for years 1 & 2 dropping to 2 FTE Emergency Management Advisors, a 0.5 FTE administration resource, and a 1 FTE management resource for years 3 onwards. In addition, the purchase of a dedicated CDEM vehicle is required and current equipment needs to be upgraded.

Risks

It is likely that this model will achieve the required levels of service to meet HCC's legislative compliance over time; however HCC's risk profile will be high in terms of responding to a Civil Defence emergency until this is achieved.

Cost effectiveness

This option has the highest on-going financial cost as it requires HCC to employ additional staff to meet the required levels of service for CDEM, as well as capital costs associated with the purchase and operation of a dedicated utility vehicle and upgrading of equipment. Providing the CDEM activity in-house does not provide the collaborative benefits and technical skills that come with entering into a shared service arrangement.

Providing CDEM in-house leaves HCC slightly more vulnerable to changes in staffing, and limits the ability for staff to up-skill and collaborate with other CDEM professionals as would be possible through a shared service arrangement with the Waikato GEMO.

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Option 3: Shared service arrangement with WRC

This option requires the Waikato CDEM Group Emergency Management Office to provide and manage a local CDEM team tasked with the development, delivery and sustainment of the city’s CDEM programme.

In terms of staffing, this includes 3 FTE Emergency Management Advisors, a 0.5 FTE administration resource, and 0.2 of a management resource for years 1 & 2, dropping to 2 FTE Emergency management Advisors, a 0.2 FTE administration resource, and 0.2 of a management resource for Years 3 onwards¹. This team would be co-located with the Waikato GEMO. In addition, the purchase of a dedicated CDEM vehicle is required and current equipment needs to be upgraded.

Risks

This option is low risk for HCC as the Waikato GEMO is an existing and high-performing civil defence team who have the resources to deliver the service required. There is risk around internal staff accountability and the responsibilities undertaken by the CDEM Group. The contract with WRC would introduce clear accountability and monitoring frameworks to mitigate this risk.

Cost effectiveness

This option will allow HCC to achieve its legislative obligations and agreed levels of service in the shortest time possible therefore limiting Council’s risk in the event of a civil defence emergency. It achieves economies of scale in terms of staffing costs from year 3 onwards, and allows for collaboration and sharing of knowledge across a group of specialist civil defence staff.

Financial Implications

	Option 1: Status quo	Option 2: Enhanced in-house	Option 3: Shared Service
Operating Costs	\$255,000 - \$275,000 pa 2.5FTE	\$430,000 - \$465,000 pa Yr 1 & 2 - 4.5 FTE \$400,000 - \$435,000 Yr 3 onwards - 3.5 FTE	\$ 445,000- \$510,000 pa Yr1 & 2 – 3.7 FTE \$305,000- \$350,000 pa Yr 3 onwards - 2.4 FTE
CAPEX Costs	N/A	Vehicle and equipment upgrade	Vehicle and equipment upgrade

When the above table is calculated over a 6 year contract, option 3 offers between \$250,000 to \$350,000 savings over option 2 over the term of the contract. Note a 6 year term is the period over which the LGA requires the service delivery to be reviewed.

Option 3 includes \$25,000 pa. of costs (asset ownership costs) which will continue to be incurred directly by HCC, it does not however include stranded overheads of \$14,000 pa.

¹ Further information on the shared service option is included in Appendix 1.

Option 1 costs have not been fully budgeted for in 2016/17. In order to have an effective CDEM additional funding will be required. This will be addressed in a subsequent report to the Finance Committee and will be placed on risk and opportunities for 2016/17.

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7. Preferred Option

	Option 1: Status Quo	Option 2: Enhanced In-house	Option 3: Shared Service
Ability to meet legislative requirements	No	Yes	Yes
Cost	Low	High	High – Medium
Time to achieve improvements in service delivery	Long-term	Medium-term	Medium-term
Risk	High	Medium	Low
On-going sustainability	Low	Medium	High
Efficiency (sharing of knowledge, collaboration, economies of scale)	Low	Medium	High
Preferred Option	3	2	1

CDEM experts have reviewed the analysis above, and determined that the most cost-effective option is to enter into a shared service agreement with WRC to provide and manage a local CDEM team tasked with the development, delivery and sustainment of the city's CDEM programme, funded by HCC.

CDEM is becoming more complex, far reaching and technical by nature. Expectations of the public regarding the council's ability to respond to emergencies are becoming higher along with a demand for more expedient and informative communications. In addition, national initiatives require CDEM professionals to be more strategic in their approach, looking at issues that have significant long-term financial and social implications across all of council and its partners. Trying to find this variety of skill sets in one small team is not realistic.

Combining local operationally skilled staff with more strategically skilled GEMO staff allows HCC to have direct access to a far broader range of CDEM professionals to address its needs. In addition, the partners Council is required to engage with during emergencies are already engaged with the GEMO at a regional command level. Tapping into these existing relationships will greatly enhance the overall effectiveness of the CDEM response during an emergency.

Due to the unpredictable nature of emergencies, CDEM programmes often face downsizing challenges. It is critical that any CDEM programme be sustainable over the long-term term and this can only occur when it is recognized that there will be times of high demand and low capacity versus periods of low BAU activity. The proposed shared service model allows for flexibility in staffing to address these differences.

From an infrastructure perspective, sharing facilities and other resources (e.g. ICT, equipment) also demonstrates a more sensible approach to ensuring the required minimum response coordination capability necessary to support a civil defence emergency.

Lastly, co-locating HCC GEMO staff at the one location provides purchasing efficiencies for expensive assets. In addition, the sharing of key facility needs makes more sense than utilising a council room for long-term but low impact events or dedicating a large area that may be needed on an irregular basis.

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Overall, the proposed shared service arrangement provides an enhanced delivery model that is more effective and will, over time, provide for greater efficiencies for the council.

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Appendix 1: Additional detail on Shared Service option

Staffing

To meet the expected level of service required, the proposed level of staffing is 3.7 FTE's in the first two years dropping to 2.4 FTE's by year 3. The breakdown is as follows:

Role	FTE	Comment
Operational Readiness Coordinator	1.0	Permanent
Community Resilience and Welfare Coordinator	1.0	Permanent
Planning Coordinator	1.0	Fixed term (2 years)
Administration	0.5	Reduced to 0.2 FTE after 6 months
Management	0.2	Existing GEMO resource
TOTAL	3.7	

HCC will still be obligated to provide the following positions (as are required of all councils within the CDEM group).

- Public Information manager (PIM)
- Recovery Manager
- Welfare Manager
- Local Controller (and alternate Controller)

Integration

Integration is the most critical aspect to the success of the proposed service delivery model and requires a full understanding before any decision is made to adopt it. Effective integration will allow HCC to meet its obligations through demonstrating its compliance to an independent third party. This will be achieved through its active role in the integration and oversight of the work programme across all elements of its organisation. To achieve this, *accountability* for integration will rest at the executive level, albeit that *responsibility* may rest elsewhere.

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