

Date: Tuesday, 18 March 2025
Time: 2.00pm
Meeting Room: Room 1, Level 26
Venue: Te Wharau o Tāmaki - Auckland House
135 Albert Street
Auckland

**Komiti mō te Moni Whiwhi, mō te Whakapaunga
me te Uara /
Revenue, Expenditure and Value Committee
OPEN MINUTE ITEM ATTACHMENTS**

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17/03/2025

Item 8


Options for supply, maintenance and distribution of refuse and recycling bins



Revenue Expenditure and Value Committee 18 March 2025

Attachment A

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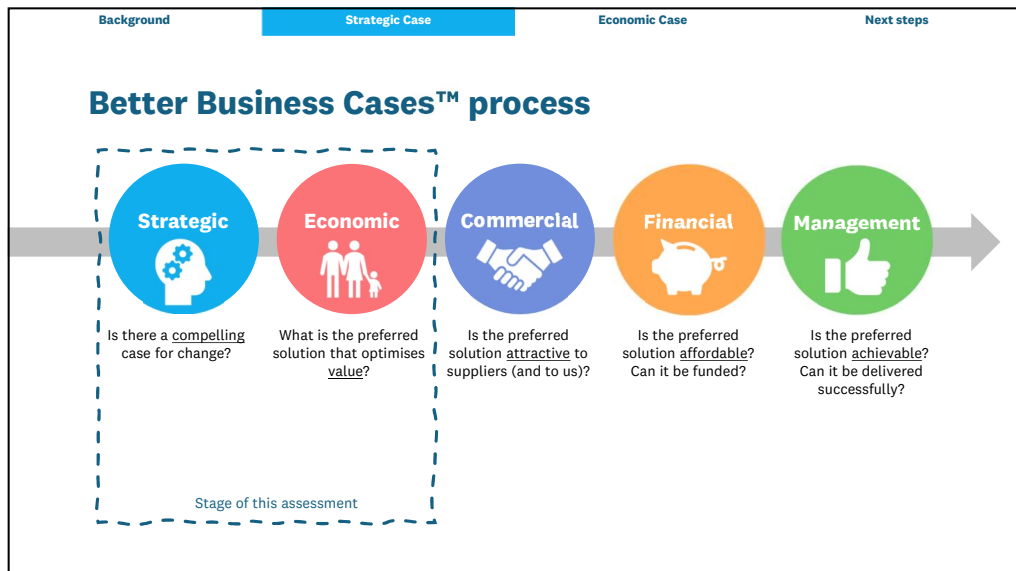
Background	Strategic Case	Economic Case	Next steps
<div style="background-color: #004a7c; color: white; padding: 5px; text-align: center; font-weight: bold;">Background and Executive Summary</div> <ul style="list-style-type: none"> 1M+ kerbside wheelie bins managed under a centralised contract since 2015 Contracts expire 30 June 2026. <div style="text-align: center; margin-top: 20px;">  </div>			
		<div style="background-color: #004a7c; color: white; padding: 5px; text-align: center; font-weight: bold;">Recommendations</div> <p>That the Revenue, Expenditure and Value Committee:</p> <ol style="list-style-type: none"> a) tuhi tipoka / note that by 2026 46 per cent of refuse bins will be over 30 years old and 6 per cent of recycling bins will be over 24 years old, well beyond the typical lifespan recommended by manufacturers b) tuhi tipoka / note contract expiry provides an opportunity to explore better ways of delivering services consistent with section 17A of the Local Government Act 2002 c) tuhi tipoka / note a decision on whether to move to fortnightly collections will not impact supply, maintenance and distribution options d) tuhi tipoka / note that staff have evaluated a broad range of potential contract options and developed a shortlist which will be tested as part of the procurement approach. 	

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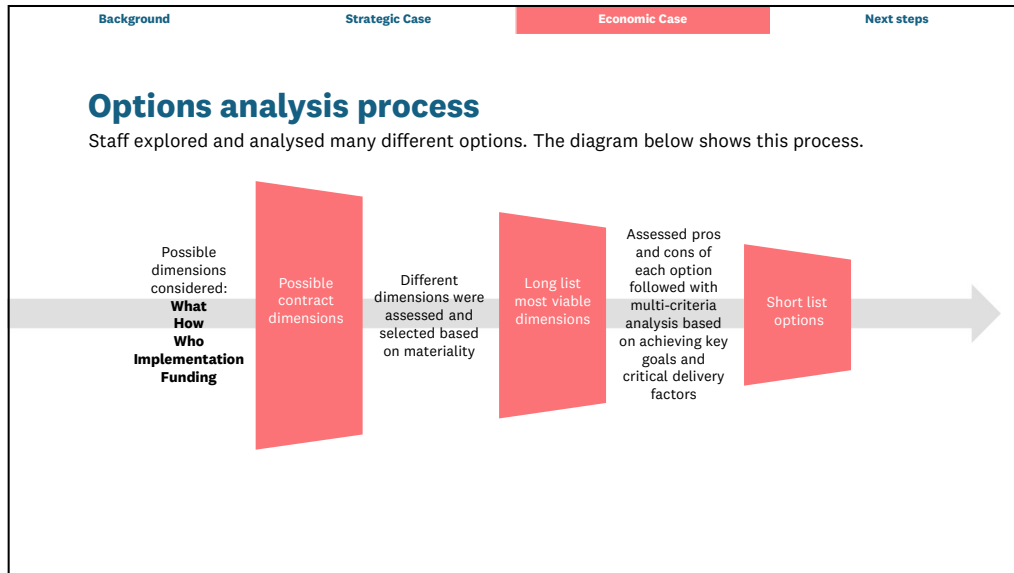
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Current state, challenges and risks									
<table border="1"> <thead> <tr> <th>Current State</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> • One contract to a manufacturer who subcontracts bin maintenance • Bins are ageing • Bins are replaced as customer reports a failure. </td> </tr> </tbody> </table>	Current State	<ul style="list-style-type: none"> • One contract to a manufacturer who subcontracts bin maintenance • Bins are ageing • Bins are replaced as customer reports a failure. 	<table border="1"> <thead> <tr> <th>Challenges</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> • Manual data processing negatively impacts customer experience • Lack of bin condition data and lack of bin asset management plans make it challenging to support renewals • Only a single bin manufacturer in New Zealand. </td> </tr> </tbody> </table>	Challenges	<ul style="list-style-type: none"> • Manual data processing negatively impacts customer experience • Lack of bin condition data and lack of bin asset management plans make it challenging to support renewals • Only a single bin manufacturer in New Zealand. 	<table border="1"> <thead> <tr> <th>Potential Mitigation Options</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> • Implementation of technology and enhanced processes • Test options for the bin renewal programme and update asset management plans • Wider competitive procurement. </td> </tr> </tbody> </table>	Potential Mitigation Options	<ul style="list-style-type: none"> • Implementation of technology and enhanced processes • Test options for the bin renewal programme and update asset management plans • Wider competitive procurement. 	
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<p>Risks: Provisional items If the fortnightly decision is delayed it may necessitate the renewal program's earlier implementation, which could lead to costly rework or inefficiencies.</p>									

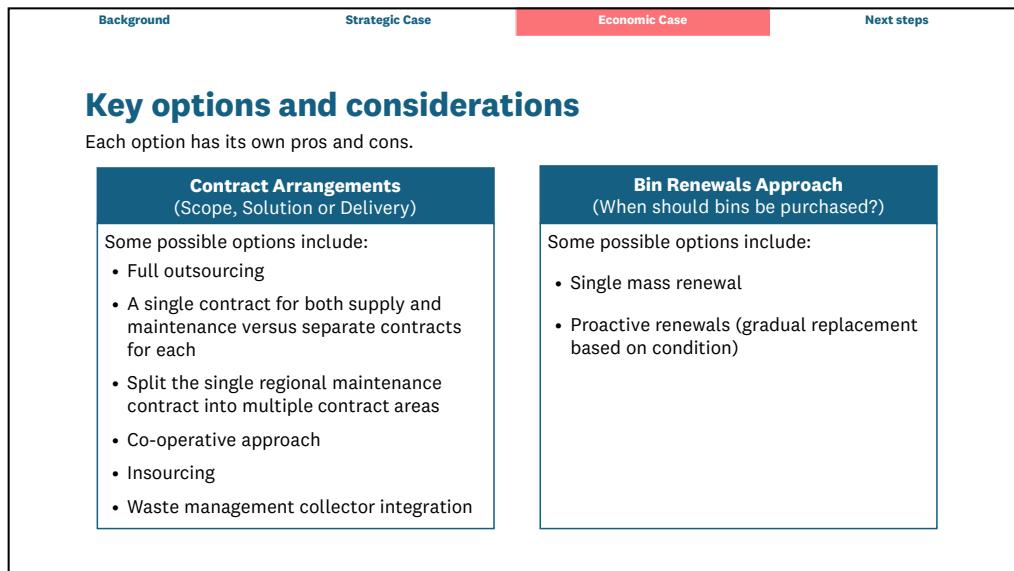
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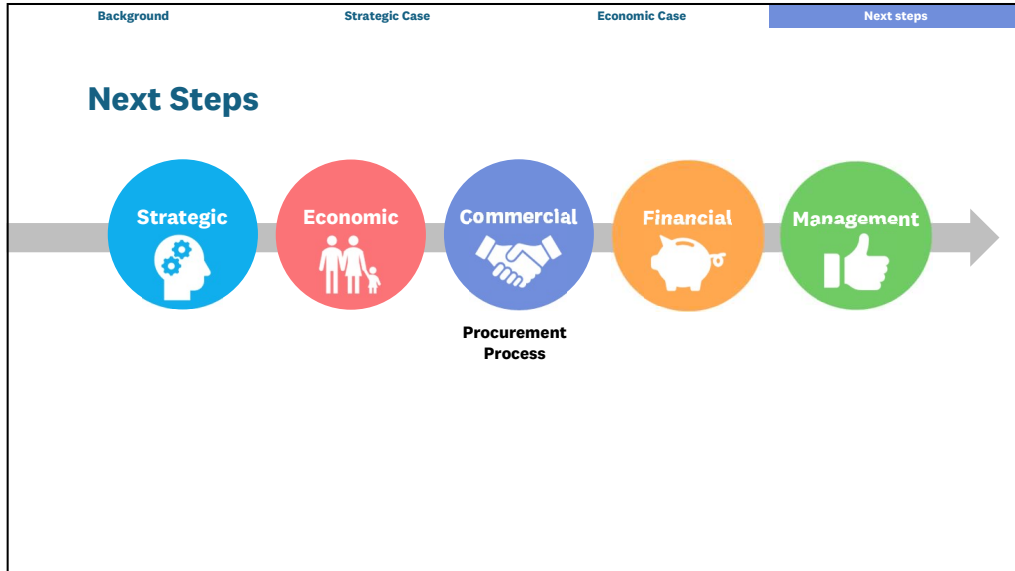


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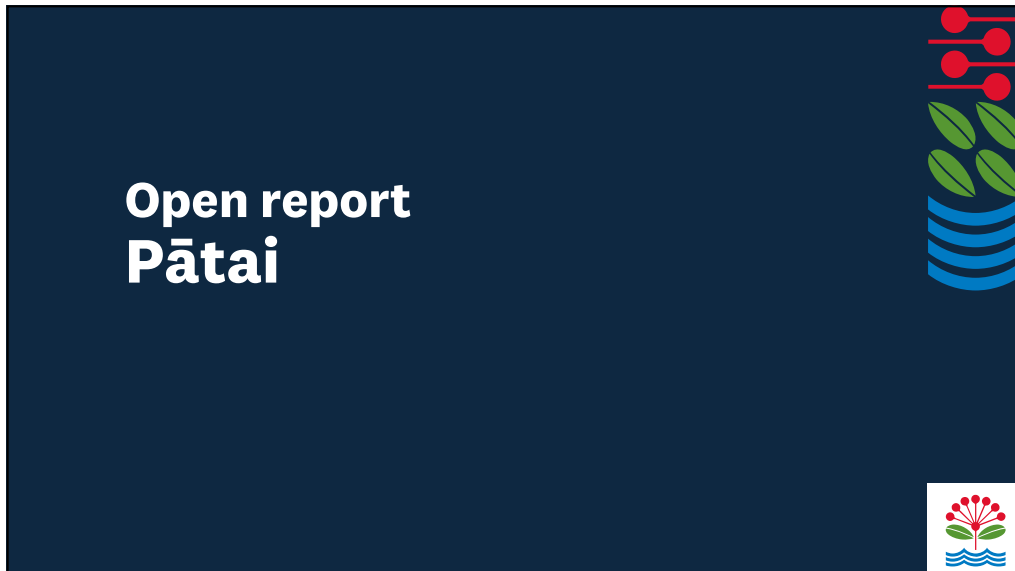
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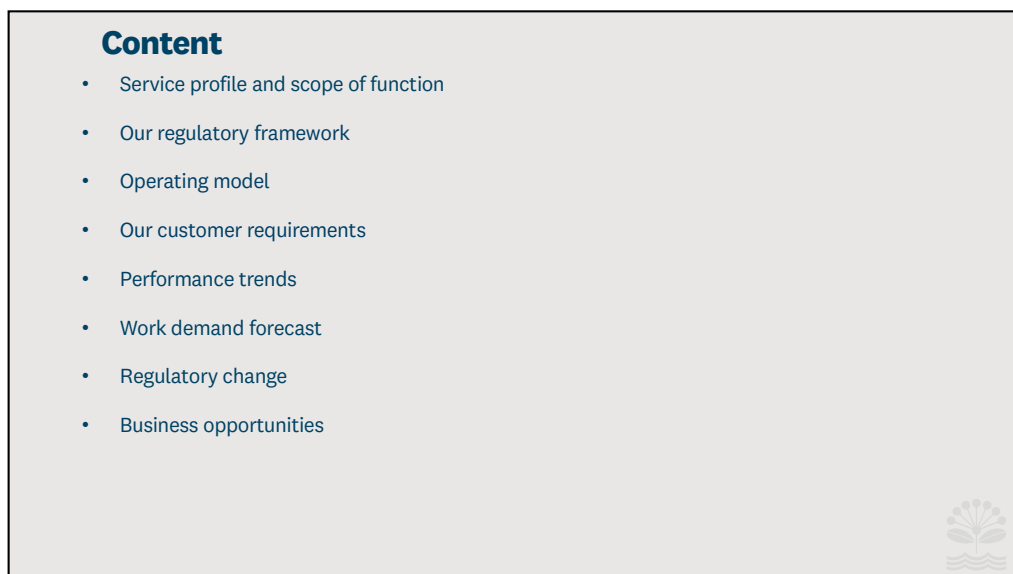
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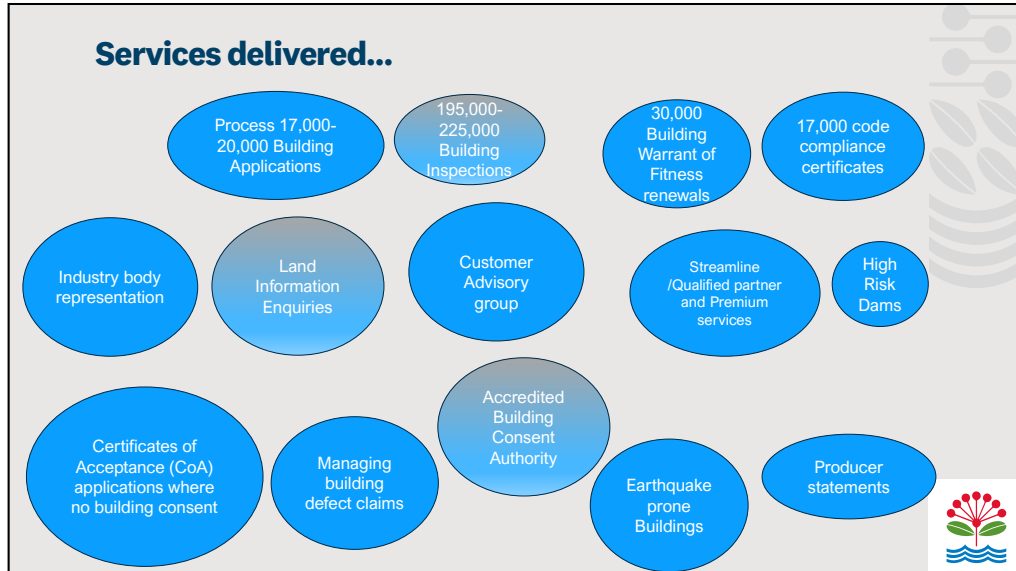
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Regulatory Framework

1. Our regulatory responsibilities may be found in both the Building Act, Local Government Act and Local Government Official Information and Meetings Act.
2. The Building Code sets out the requirements that building work must attain.
3. Regulations define how building consent authorities will discharge their duties.
4. MBIE guidance documents, issued on an ad hoc basis, further refine how requirements and regulatory provisions should be interpreted.
5. Our Duty of Care continues to be defined through judicial decisions and MBIE determinations.

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Building Consent Authority Regulatory Requirements

- The entity that grants building consents and code compliance certificates [CCC's] is termed a 'Building Consent Authority' [BCA] and is required to have, and maintain, accreditation as a BCA.
- MBIE has commissioned International Accreditation New Zealand [IANZ] to accredit BCAs and audit their continued compliance with applicable regulations.
- These requirements are prescriptive and include:
 - All persons making technical decisions in relation to granting a consent, inspecting building works or granting a CCC must have a relevant qualification, and demonstrated technical competency to make decisions on work of a given complexity.
 - The deployment of a robust QA system.
 - Documentation of all technical decisions in relation to applications.
 - Maintenance of sufficient resources.
 - Regular technical audits of all technical staff, accuracy of performance reporting and process adherence conducted by our capability unit, our financial integrity unit, IANZ, Audit NZ and MBIE (compliance schedules and BWOF.)



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Operating Model

1. We work closely with our internal building consent partners (based in other departments) who supply specialist services: planning, development engineering and structural engineering checks.
2. We have an in-house service delivery model to better manage costs, quality and liability. We use contractors and other BCAs to provide overflow services.
3. We operate a user pays service and set our fees and charges to recover our costs.
4. We maintain a fully digital service for application submission. Customers can track application progress through our portal.
5. We have a digital self-booking building inspection tool with automated route optimised inspection allocation, and digital inspection recording
6. We have a robust technical development regime to ensure our technical capabilities match the complexity of Auckland's work. We supply these services to other BCAs at cost.



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How we work

1. Work closely with MBIE on building design-construction system improvement initiatives.
2. Work collaboratively with, and through, professional affiliations, cross-industry working groups, and standards committees to improve the system.
3. Work with other BCAs to enable greater consistency and knowledge sharing.











The department management team's industry engagement/ involvement includes:

- Building Advisory Panel 'Chair'
- Metro Sector Group 'Chair'
- BRANZ Board
- BRAC Committee
- BOINZ Board
- Professional Advisory Committee (BCA Accreditation) 'Chair'
- CPENG Board
- Fire Safety Review Stakeholder Group
- Institute of Fire Engineering (immediate past President and Global Leader of International IFE Forum)

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Customer service - understanding customer needs

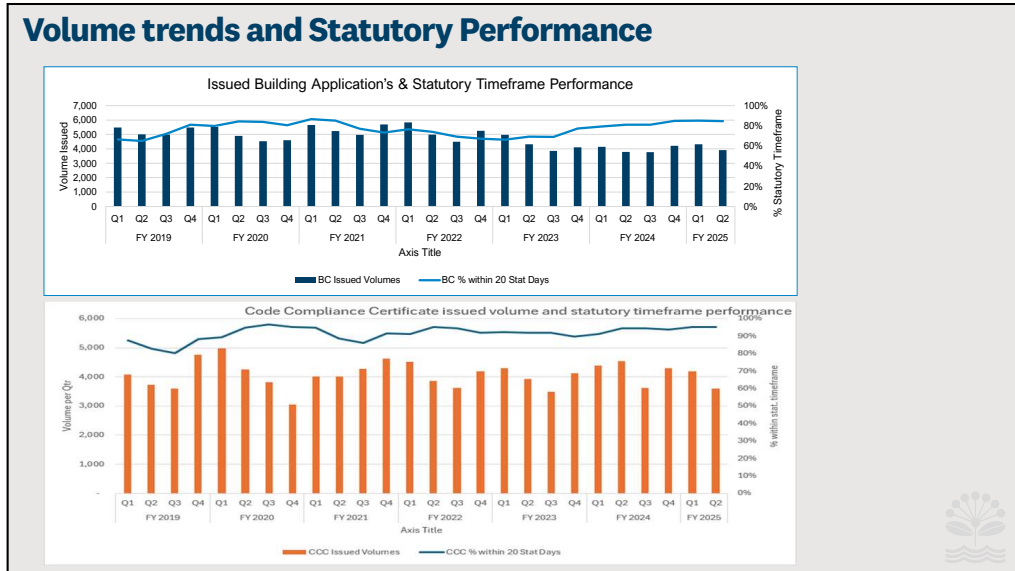
1. Our focus is to **'enable sustainable, compliant development'**. We recognise that:
 - Our building stock needs to be safe and perceived to be so, AND
 - Our consenting systems need to be transparent and predictable to attract investment, and ensure sustained economic prosperity for Auckland and the nation.
2. To understand customer needs we have the following mechanisms in place:
 - Customer segment based consenting streams i.e. streamlined, qualified partner.
 - Customer Advisory Group Forum (18 reps across the building sector) meet bi-monthly.
 - Our monthly customer satisfaction survey.
 - Our extensive industry networks and communication programme.
 - Direct Customer feedback.



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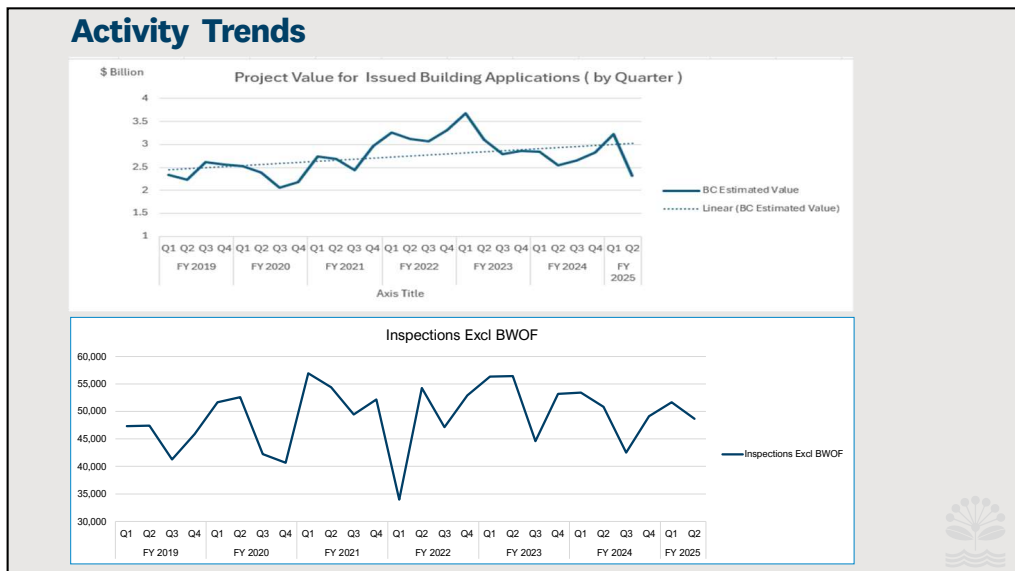
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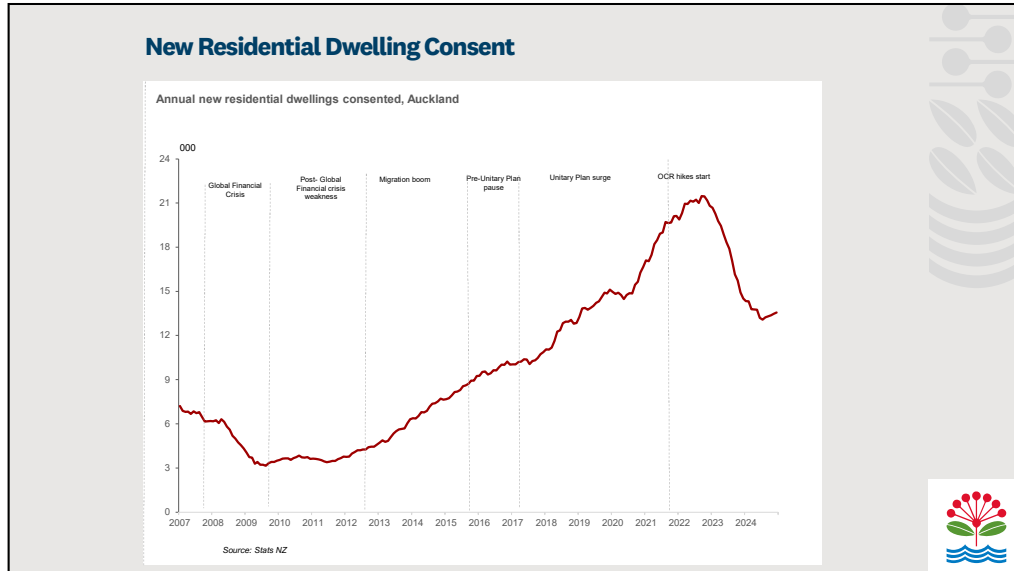
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Staff Levels

Resourcing (FTE) numbers	Jun-20	Jun-21	Jun-22	Jun-23	Jun-24	Jan-25
Building Consents Mgt	8	8	8	9	8	9
Building Consents Capability (Includes Graduates)	31	27	24	31	32	29
Field Surveying	215	208	238	242	248	250
Premium Services	34	33	35	44	46	45
Project Assessment : South, Central, North West	157	155	156	160	148	147
Regulatory Support	147	129	121	109	109	110
Total	593	560	583	594	591	590

Competency Levels (highest level per person)

Highest Competency Level	Residential			Commercial		
	R1	R2	R3	C1	C2	C3
BC Processors	17	24	44	17	11	18
BC Inspectors		2	91	7	15	27
CCC Processors		3	23	5	6	6
Total	17	29	158	29	32	51

Competency Level	Expected time to develop Technical Competency against National Framework	
	Building Consent Processing	Building Inspections
Residential 3	24 months	6-9 months
Commercial 2	5 years	3 years

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Work Demand Forecast

- Each trimester, we engage with our Chief Economist, industry contacts across the sector and lead indicators such as resource consent application levels and LIMs to understand demand over the coming 6 months and 2 months.
- Our forecast process leads us to anticipate a gradual rise in both residential and commercial consent lodgement over the next 12 months.
- We need to have the capability to meet increased demand and work complexity, through more effective training programmes, recruitment, technology enhancements and design-construction system enhancements



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Regulatory Change

The Government has been exploring a number of improvement opportunities. These include:

1. Granny Flats.
2. Remote Inspections.
3. Warranty's, Insurance and Liability framework revision.
4. BCA structural organisation.
5. Self-certification.

We continue to be heavily committed to supporting these initiatives, working to develop or advancing pilots in these areas, along with other areas outside the current government work programme.



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