

Chairperson and Committee Members
CORPORATE BUSINESS COMMITTEE

19 FEBRUARY 2015

Meeting Status: **Public**

Purpose of Report: For Decision

ACTIVITY REPORTS: 1 OCTOBER TO 31 DECEMBER 2014

PURPOSE OF REPORT

- 1 This report provides the Corporate Business Committee with a quarterly performance overview for the second quarter of the 2014/15 financial year for each Activity published in the 2012-32 Long Term Plan.

DELEGATION

- 2 The Corporate Business Committee has delegated authority to consider this report under the following two delegations in the Governance Structure:

Section B.3.7:

Annual Planning

7.3 Authority to monitor Annual Plan implementation.

Financial and Asset Management

7.5 Authority to monitor performance of the Council's financial activities, including income, operating and capital expenditure against budgets, remissions, key financial indicators and investment and debt/borrowings management.

BACKGROUND

- 3 The Corporate Business Committee is responsible for monitoring the Council's performance against the Long Term Plan and related Annual Plans. This report covers the Council's year to date performance during the 2014/15 financial year, and reports against the 2014/15 Annual Plan and Year Three of the 2012-32 Long Term Plan.
- 4 The first section of this report covers key result highlights across all activities. The second section reports performance across each activity, both in terms of KPI results and progress on significant projects.
- 5 Further and more detailed information is included in the following appendices:
 - Appendix A provides a status list of the major projects included in the Activity Reports.
 - Appendix B provides the detailed Activity Reports which present an overview of the service and financial performance of each of the Activities.

- 6 The performance results in Appendix B are presented in the following format:
- **Key Results Highlights:**
These provide an overview of key results for the year to date for each activity.
 - **Key Performance Indicators:**
Report on results for the year against the Levels of Service performance measures and targets set out in the 2012-32 Long Term Plan.
 - **Capital Expenditure Projects \$250,000 and above:**
Provide the status to date and budget of each major project over \$250,000; a comment on the upcoming milestones and critical activities; an explanation of any risks/issues being managed; and notes on any funding details.
 - **Additional Significant Projects:**
The status of these additional projects is monitored due to the significant impact they have on the development of the District and community. The expenditure involved may be either operational and/or capital, and does not relate to the \$250,000 capex threshold/policies.
 - **Capital Expenditure Projects:**
This table provides a summary total for both minor capital expenditure projects (under \$250,000) and major capital expenditure projects (over \$250,000) for each Activity.
 - **Statement of Cost of Activity:**
This table provides a summary of the service delivery cost and funding for each Activity.

CONSIDERATIONS

Section 1: Key Result Highlights

- 7 This section is presented by the four activity cluster groupings that have been agreed for the 2015 Long Term Plan (LTP). The four activity clusters are:
- Infrastructure: Access and Transport; Coastal Management; Solid Waste; Stormwater Management; Wastewater Management; and Water Management.
 - Community Services: Community Facilities; Economic Development; Libraries, Arts and Museums; Parks and Open Space; and Supporting Social Wellbeing.
 - Planning and Regulatory Services: Building Control and Resource Consents; Environmental Protection; Development Management.
 - Governance and Tāngata Whenua: this is a stand-alone activity.

Note: 'Supporting Environmental Sustainability' is included as a stand-alone activity in this report. It will be embedded across all activities in 2015/16.

Infrastructure

Access and Transport

- 8 The Kāpiti Road/Milne Drive/Te Roto Drive junction safety improvement project was commissioned at the end of October 2014.
- 9 The annual reseal programme generated out of the RAMM (Road Assessment and Maintenance Management) system has been validated by on-site inspections. Pre-seal repairs have commenced and will be completed by the end of January 2015, with surfacing to be completed early April 2015.

Coastal Management

- 10 Geotechnical investigations have been completed on the Paekākāriki Seawall. The design options have been refined and cost estimates completed. The results were reported back to the Paekākāriki Community Board in November 2014.
- 11 A request was made to Greater Wellington Regional Council (GWRC) to defer the consent process on the Marine Parade revetment to allow for the formation of the Coastal Advisory Group as per the recommendation of the Proposed District Plan review. Initial feedback from GWRC is that this is not acceptable and a consent will be required as soon as practicable.

Solid Waste

- 12 A new 20 year resource consent was issued for the operation of Ōtaki Resource Recovery Centre by GWRC.
- 13 The annual waste levy funding round for 2014/15 was advertised for community projects as well as business and innovation projects. At its meeting on 20 November 2014 the Grants Committee approved \$16,026 to fund nine community projects.

Stormwater Management

- 14 The Council has entered into negotiations with the landowner whose resistance resulted in the Waikākāriki Stream Gravel Extraction project being put on hold last year. It is hoped that agreement will be reached by February 2015.
- 15 Ecological monitoring for the Wharemauku stream has been completed. The monitoring results are all positive.
- 16 Completed flood modelling to determine the extent and type of riparian planting possible along the banks of six streams without increasing the risk of flooding.

Wastewater Management

- 17 The Milne Drive and Te Roto Rising Main and Pump Station Upgrade project was completed in September 2014 with the delivery of the last new pumps for the project. In addition to the initial budget savings of \$249,674 made in the contract award a further \$234,371 budget surplus was achieved during the contract execution.

- 18 The drilling of the wastewater pipe at Pehi Kupa Street, Waikanae, was completed in December 2014. The final works are to recommence in January following the holiday works embargo on the state highway and be fully completed in March 2015.

Water Management

- 19 The River Recharge with Groundwater (RRwG) project is progressing well. The installation of environmental monitoring equipment throughout the district was completed in November 2014. Monitoring commenced in December 2014 to meet Councils monitoring obligations under the RRwG consents.
- 20 Works on the Waikanae Water Treatment Plant Upgrade are also progressing well. New electrical switchboards were installed and are operational, the installation of new chemical dosing equipment is well progressed and construction of the new Powdered Activated Carbon building was completed and equipment is being installed.

Community Services

Community Facilities

- 21 A total of 50,000 visits to the Coastlands Aquatic Centre were recorded in the second quarter of 2014/15. This is down on the 69,000 visits in the same quarter last year.
- 22 A total of 14,000 visits to the Ōtaki Pool were recorded in the second quarter (23,000 for the year to date). This compares well to the 29,321 visits in the 2013/14 year but the pool was closed for two months last year which makes direct comparison difficult.
- 23 The occupation rate in the Council's Older Person's Housing was 99.86%. The waiting list on 31 December 2014 was 95 persons (a 17% increase on the 81 people on the waiting list on 30 September 2014).

Economic Development

- 24 The Economic Development Strategy for 2015-2018 was adopted by Council in December 2014 and subsequently endorsed by the Kapiti Chamber of Commerce. Work has now begun on the Strategy Implementation Plan.
- 25 As part of the Summer Tourism Promotion Campaign, the Kāpiti visitor guide and summer events programme were released in mid-December 2014. Kāpiti content was also included in the 2015 Wellington Visitor Guide and the Kapiti Company liaised with local operators to host journalists from the Christchurch Star and Kia Ora magazine.

Libraries, Arts and Museums

- 26 A nationwide contract for shared purchasing of library materials and services has been signed. Processing requirements have been established with the supplier. The first books are due to arrive in January 2015.
- 27 Spydus (Library Management System) upgrade went well in October 2014 and there were no problems or concerns.

- 28 eBook purchasing for the new platform is well underway, and will be launched to the public in January 2015. This will deliver a substantial increase in the number of titles available, easier software, and a collection better suited to our community than previously.

Parks and Open Spaces

- 29 The draft Reserve Management Plan for the Howarth Block (Otaihanga East Riverside Reserve) was adopted by the Council in December 2014. The Council decided to name the reserve 'Otaraua Park'. Submitters were informed in December of the Councils decision to formally adopt the plan.
- 30 The adopted Otaraua Park Management Plan is available on the Councils website. A Development Plan will be completed by end of June 2015 for Council consideration. This plan will guide the timing and cost of projects to be included in future Annual and Long Term Plan funding considerations.
- 31 Tenders were called in October 2014 to complete the restoration and redevelopment of the Paraparaumu Domain War Memorial. This work has started and will be completed in February 2015, well before the ANZAC Day commemorations in April 2015.

Supporting Social Wellbeing

- 32 The public consultation period for the Local Approved Products Policy has been extended to Wednesday 18 February 2015, giving the public the opportunity to have their say on the draft policy about the sale of legal highs in the District.
- 33 The annual Shout Out Awards showcased the extraordinary talents, skills and abilities within the Kāpiti youth community. This flagship event celebrated nine young people's leadership and innovation.
- 34 International author and expert in community based development, Jim Diers, facilitated a session on community connectedness, resilience and innovation at Te Newhanga, Kāpiti Community Centre. This Council-sponsored workshop was part of the *Communities Leading Change* series. Over 30 people attended the workshop throughout the day.

Planning and Regulatory Services

Building Control & Resource Consents

- 35 A total of 488 of 517 building consents (94.4%) were processed within statutory timeframes in the first half of the year. There was a significant improvement in the second quarter of the year and it is expected that this will continue over the remainder of the year and the 95% target for the year will be achieved.
- 36 All 2,944 site inspections were completed within time in the first half of the year, and all 408 LIMs were processed within the statutory timeframe of 10 working days. The LIM numbers continue to rise and are up 14% for the first half of this year compared to the same period last year.
- 37 Resource consent numbers continue to be up on previous years, with 55 in the second quarter (up 37.5% on a year earlier) and a total of 104 in the year to date (up 32% on the previous year). As a result of this increased workload only 52 of the 55 resource consent applications in the second quarter were processed within statutory timeframes. The year to date result was 101 (97%)

out of 104 consents. This is below the target of 100%, due both to the high number of applications and the additional time required in applying a caring, dynamic and effective approach to responses.

Development Management

- 38 Work has progressed further in the second quarter on implementing Option 4 as recommended by the independent reviewers of the Proposed District Plan, and according to the implementation plan endorsed by the Council. This planning work has included:
- appointment of independent chair and independent commissioner to the PDP hearings panel;
 - formation and ongoing meetings with the Rural Issues Group;
 - full submission and further submission analysis and beginning to redraft PDP chapters;
 - preparation of Council's submission to the Draft Natural Resources Plan of Greater Wellington Regional Council.
- 39 Consultation on preliminary concept designs for Waikanae town centre and Paraparaumu town centre has concluded with the Council's acceptance of the Rank Options Report. Public engagement with interested groups, community boards, iwi, business and land owners has continued.

Environmental Protection

- 40 Environmental Health targets continue to be impacted by the lack of resourcing in the alcohol licensing area.

Governance and Tāngata Whenua

- 41 Twenty-nine Council, Committee and Subcommittee meetings were held in the second quarter, along with 17 briefings and 8 workshops
- 42 The Council received 66 requests under the Official Information Act in the second quarter, totalling 117 for the year to date.
- 43 Council appointed a Māori representative to the Environment and Community Development Committee.

Supporting Environmental Sustainability

- 44 The 'Energise Ōtaki' community initiative won the project category at World Wildlife Fund's inaugural Conservation Innovation Awards on 3 November 2014. The \$25,000 prize will be used to fund new Energise Ōtaki related projects.
- 45 The Council hosted the Local Government Carbon and Energy Management Forum on 21 November 2014 at its offices, which attracted over 30 delegates from around the country.
- 46 The fourth 'Spring Series' of lectures was held on four consecutive Wednesdays from 12 November to 3 December. Topics included community gardens and community energy.

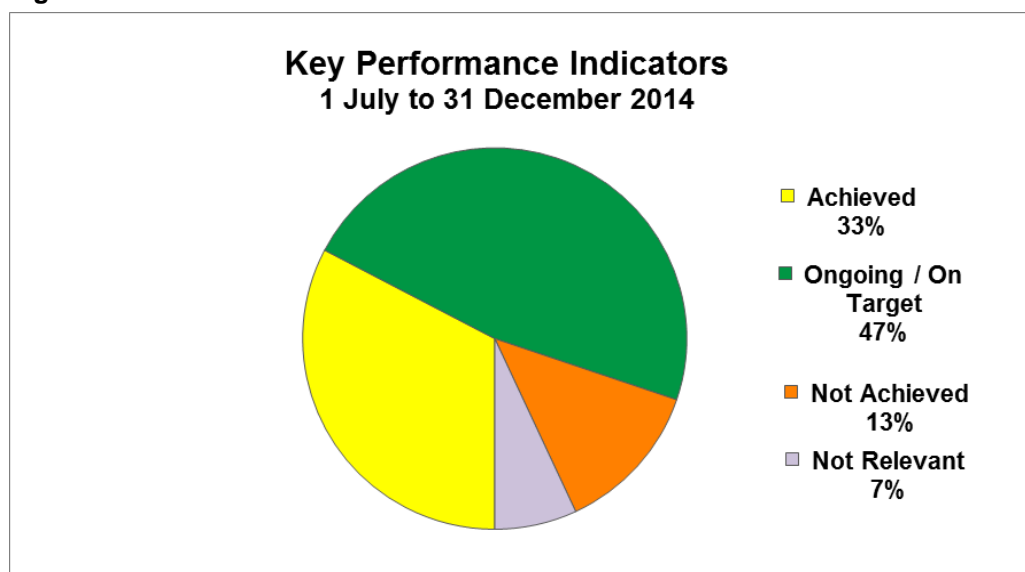
- 47 The provisional emissions result for the Council’s corporate carbon footprint in the first quarter 2014/15 is 2,113 tonnes of CO₂ equivalent. This is 19 per cent higher than in the third quarter of 2013/14 but 32 per cent below the baseline (2009/10). The increase is due to use of wood and green waste at Otaihanga landfill as a mixing agent for wet sludge while the sewage drier was upgraded.

Section 2: Summary of Performance across all Activities

Summary of Key Performance Indicators: Level of Service Measures

- 48 There are 101 Key Performance Indicators (KPIs) for the 2014/15 year. Performance is shown in Figure 1 below:

Figure 1



Achievement Category	Second Quarter Outcome 31 December 2014
Achieved	33
Ongoing / On target	48
Not achieved	13
Total Relevant Measures	94
Not relevant this reporting period	7*
Total Level of Service Measures	101**

*One KPI is not relevant in this reporting period due to the changes around the PDP (see the Development Management Activity Report). Another is not relevant due to changes in the strategy around tenanting the Innovation Hub (see Economic Development Activity Report). Five others are not relevant as they are not programmed to be surveyed this year (see individual activity reports).

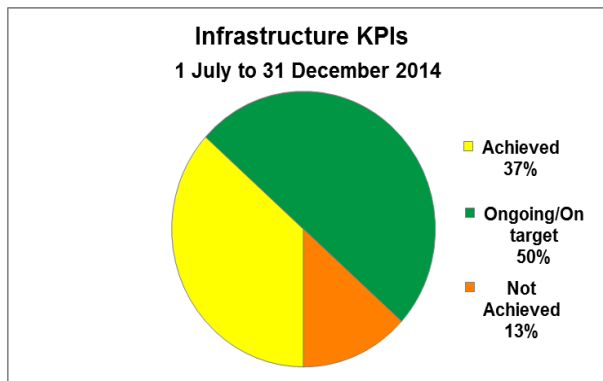
**Solid Waste KPIs were reviewed in 2012/13 and reduced by one following the change in service delivery (cancellation of Council’s kerbside pick-up service).

KPI results by Activity Cluster

Infrastructure

49 In this cluster there are 34 KPIs. Only 30 of these are relevant in the 2014/15 financial year.

Figure 2



50 26 of the 30 relevant KPIs (87%) were either achieved or ongoing/on target at the end of the second quarter 2014/15.

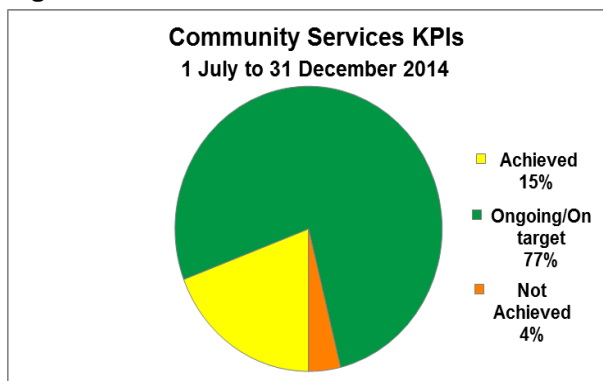
51 Four KPIs were not achieved in this quarter. Two of the not achieved KPIs are in the Solid Waste activity and are attributed to ongoing issues with the KPI measures which will be addressed during the 2015 LTP process.

52 The other two not achieved KPIs fall in the Water Management activity. One is due to higher unplanned interruptions, which have continued despite the completion of the water meter installation project and one is because only 77 of 85 (91%) planned interruptions were resolved in under four hours (the target is 95%).

Community Services

53 In this cluster there are 28 KPIs, of which 25 are relevant in this financial year.

Figure 3



54 25 of the 26 relevant KPIs (96%) were either achieved or ongoing/on target in the second quarter.

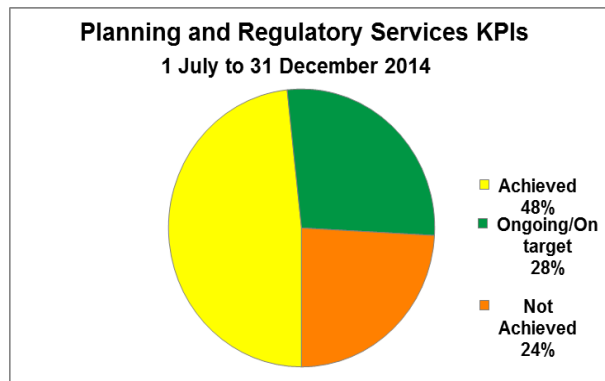
55 The one KPI not achieved in the second quarter was in the Libraries, Arts and Museums activity and relates to the target for digitisation of heritage items. Now that the platform to be used to do this work has been confirmed it is

expected that the result in the second half of the year will see the target for the year achieved.

Planning and Regulatory

- 56 In this cluster there are 30 KPIs, 29 of which are relevant in the 2014/15 year.

Figure 4



- 57 22 of the 29 relevant KPIs (76%) were either achieved or ongoing/on target at the end of the second quarter.
- 58 Seven KPIs were not achieved in this period. Four of these KPIs fall in the Building Control and Resource Consents activity. All are attributable to the continuing high demand for services in this area. However, for one of these KPIs it is expected that performance will improve over the second half of the year which will result in its 95% target being achieved. For two of the others the target is a strict 100% and so cannot now be achieved. For the remaining KPI the current outcome is probably too far behind its 95% target for that to be achieved by year end.
- 59 The other three not achieved KPIs fall in the Environmental Protection activity. Two of these were due to the ongoing impact of administration for the implementation of the Sale and Supply of Alcohol Act 2012. The third was the inspection of private pools KPI which was not achieved because the focus remains on working with residents to achieve compliance for their pools, rather than just issuing non-compliance notices.

Governance and Tāngata Whenua

- 60 There are four KPIs in this stand-alone activity. All four were either achieved or ongoing/on target in the second quarter.

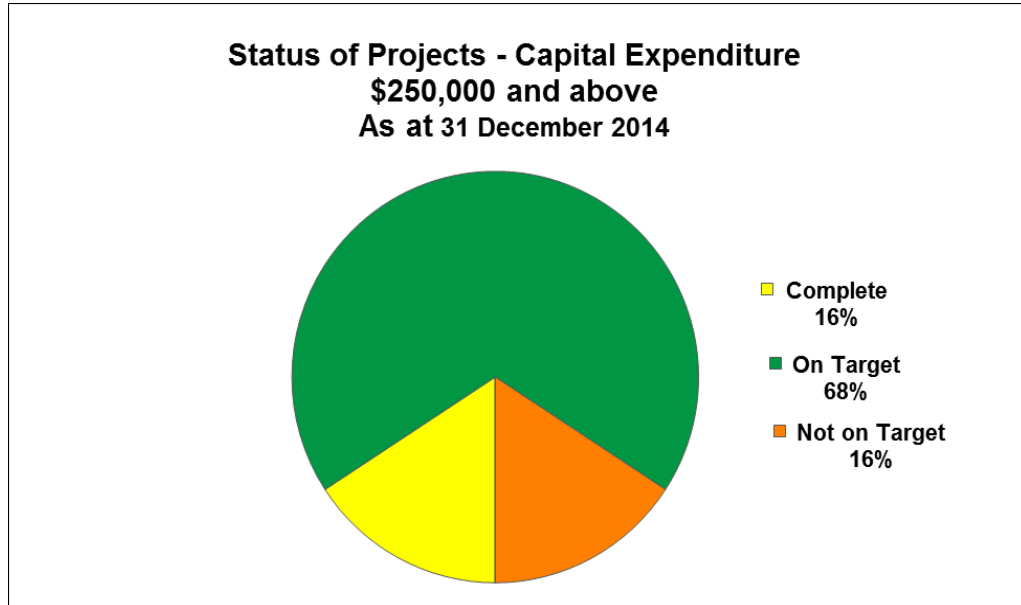
Supporting Environmental Sustainability

- 61 There are five KPIs in this activity, which is to be embedded across the organisation under the new structure from 2015/16. Four were either achieved or ongoing/on target in the second quarter. One KPI, the carbon emissions reduction target, was not on target and is currently not expected to be achieved by year end.

Summary of Projects – Capital Expenditure \$250,000 and above

62 There were 19 Capital Expenditure Projects with a value of \$250,000 and above scheduled for the 2014/15 financial year (down from 27 last year). The graph at Figure 5 below provides a performance summary of these projects to the end of the 2013/14 year.

Figure 5

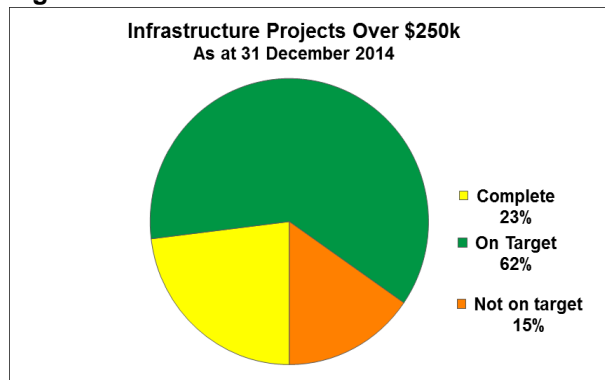


63 Of the 19 projects, three are complete and thirteen are on target (84%). Three are not on target. The status of projects is discussed in more detail below by activity cluster.

Infrastructure

64 There are 13 Infrastructure projects with a value of \$250,000 and above.

Figure 6



65 Three of these 13 projects are complete and eight are on target (85%).

66 The remaining two projects are not on target. One of these is a Stormwater Management project (Waikākāriki Stream Gravel Extraction) which has been delayed by protracted access negotiations with the property owner. It is hoped that agreement will be reached in February 2015.

- 67 The second is a Wastewater Management project (Pehi Kupa Street Renewal) that was held up by technical issues last year. With the engagement of a new contractor the lodged drill head was recovered in the first quarter and the drilling of the wastewater pipe was completed in December 2014. The final works recommenced in January 2015 and will be completed by March.

Community Services

- 68 There are three Community Services projects with a value of \$250,000 and above. All three projects are on target. These projects are the Libraries Reconfiguration Project, the Otaraua Park Development in Otaihanga east, and the Kāpiti Youth Development Centre.

Planning and Regulatory Services Projects

- 69 There are two Planning and Regulatory Services projects with a value of \$250,000 and above. Both projects are on target. These projects are the Town Centre Development Project, which is progressing well, and the Strategic Land Purchase project which will only become active when a strategically significant property comes onto the market.

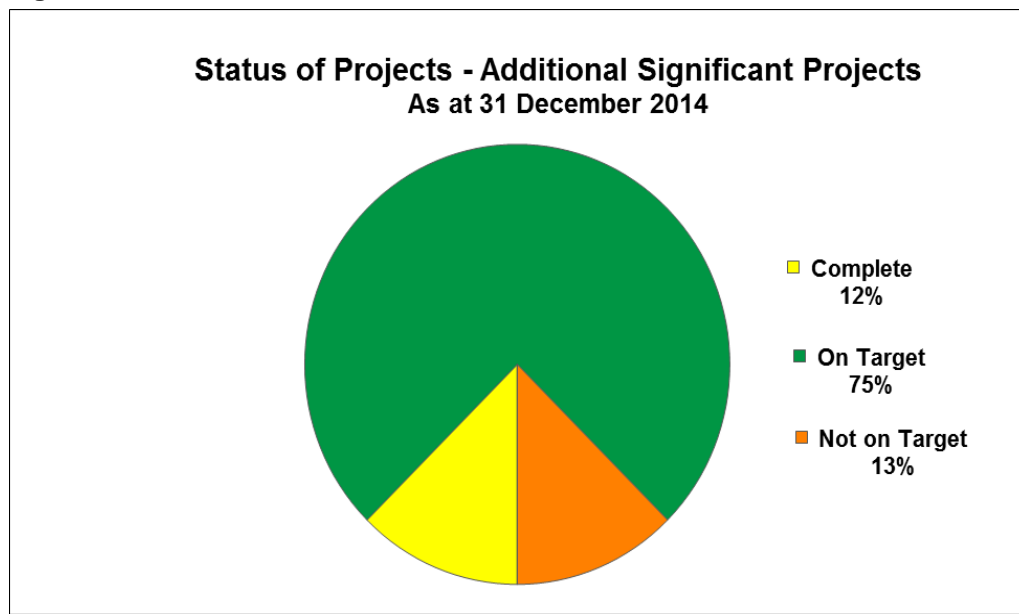
Governance and Tāngata Whenua

- 70 There is one Governance and Tāngata Whenua project with a value of \$250,000 and above.
- 71 This project (Software Systems Upgrade) is not on target. Stage 2 of this project was slowed down to focus on the Windows 7 rollout and allow development of forms for the water meter project. These delays do not cause any delivery risk but will result in project completion being delayed until 2015/16.

Summary of Projects – Additional Significant

- 72 An Additional Significant Project is a project that has a significant impact on community interests, but has a budget of less than \$250,000 which may be comprised of capital expenditure and/or operating expenditure.
- 73 The graph at Figure 7 below is a summary of performance as at 31 December 2014 for the eight Additional Significant Projects (down from nine last year).

Figure 7



- 74 Of these eight projects, one is complete and six are on target (87%).
- 75 One project is not on target. This is a Parks and Open Space project (Pharazyn Reserve). The review of the reserve management plan has recommenced. This is due to be reported back to Council by March 2015 once the Management Plan is finalised.

Financial Considerations

- 76 A summary (as at 31 December 2014) of budget details for each Activity is provided in the Activity Reports attached as Appendix B to this Report SP-14-1453.

Legal Considerations

- 77 Under the Local Government Act 2002, the Council has a legislative responsibility to monitor and report on the Council's organisational performance.

SIGNIFICANCE AND ENGAGEMENT

78 This matter has a low level of significance under Council policy.

RECOMMENDATION

79 That the Corporate Business Committee notes the performance results for the first quarter of 2014/15 contained in the Activity Reports attached as Appendix B to this Report SP-14-1453.

Report prepared by:

Approved for submission by:

Terry Creighton

Stephen McArthur

Wayne Maxwell

**Corporate Monitoring
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**Group Manager
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ATTACHMENTS:

Appendix A – Summary List of Projects

Appendix B – Activity Reports

Appendix A - Summary List of Projects

First Quarter 2014/15 Projects – Capital Expenditure \$250,000 and above		
Activity	Project Name	Status Category
Access and Transport	Kāpiti Road at Milne Drive, Te Roto Drive Intersection	YELLOW
	Major Bridge Repairs (NZTA)	GREEN
	Sealed Road Resurfacing	GREEN
Building Control and Resource Consent	None	
Coastal Management	Coastal Protection Paekākāriki	GREEN
Community Facilities	None	
Development Management	Strategic Land Purchase	GREEN
	Town Centre Development	GREEN
Economic Development	None	
Governance and Tāngata Whenua	Software Systems	ORANGE
Libraries, Arts and Museums	Library Reconfiguration	GREEN
Parks and Open Space	Howarth Block Development	GREEN
Stormwater Management	Tilley Road Upgrade	GREEN
	Waikākāriki Stream Gravel Extraction	ORANGE
	Ōtaki Beach Pump Station	GREEN
Supporting Social Wellbeing	Kāpiti Youth Centre	GREEN
Wastewater Management	Pehi Kupa Street Renewal	ORANGE
	Paraparaumu Wastewater Treatment Plant Drier replacement	YELLOW
	Milne Drive Wastewater Pumping Station Upgrade	YELLOW
	Ōtaki Wastewater Treatment Plant oxidation lagoon desludging	GREEN
Water Management	Additional Water Supply – Recharge River with Groundwater (RRwG)	GREEN
	Water Treatment Plant Renewal	GREEN

Status Category	
YELLOW	Project complete
GREEN	Project on target
ORANGE	Project not on target ⁽¹⁾
RED	Project has failed
BLUE	Project on hold

(1) Note these are reporting against the 2012 Long Term Plan and the interruption of many of the projects is due or partly due to deliberately slowing down projects and not attempting to reach targeted timelines to reduce the impact on the 2014/15 financial year.