

Chairperson and Committee Members
CORPORATE BUSINESS COMMITTEE

14 MAY 2015

Meeting Status: **Public**

Purpose of Report: For Decision

ACTIVITY REPORTS: 1 JANUARY TO 31 MARCH 2015

PURPOSE OF REPORT

- 1 This report provides the Corporate Business Committee with a quarterly performance overview for the third 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; Libraries, Arts and Museums; Parks and Open Space; Economic Development; 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 annual reseal programme generated out of the RAMM (Road Assessment and Maintenance Management) system was completed on 2 April 2015.
- 9 The Otaihangā Road retaining wall construction has commenced and will be completed in May 2015.
- 10 A successful Council Sustainable Transport tent at the recent Sustainable Home and Garden show saw strong interest in the electric bikes on display, with considerable interest in the potential use of these for our older population.

Coastal Management

- 11 Concept designs are completed for the most preferred seawall option (a mixture of concrete, timber and rock) in consultation with the community design group. The preferred option, together with the cost estimates, was presented to the Paekākāriki Community Board and the Council in February/March 2015 and gained approval to be included in the 2015-35 Long Term Plan.
- 12 Council is carrying out an assessment of various options for the Marine Parade Revetment (Paraparaumu Beach) to present to the wider community to help select a preferred option. Greater Wellington Regional Council confirmed that Council can proceed with this work without waiting for the formation of the Coastal Advisory Group.

Solid Waste

- 13 A second land lease was signed between Council and M2PP for the lease of the M2PP pre-cast yard located on Council-owned land adjoining the south west of the landfill.
- 14 On 24 March 2015 the Grants Allocation Committee approved a total of \$80,000 in waste levy funding for both of the business/innovation applications put forward during the 2014/15 funding round. Both applicants will receive \$40,000 each to conduct a biosolids composting trial.

Stormwater Management

- 15 The physical works tender for the Otaki Beach pump station stormwater upgrade project was advertised in early March 2015 and four tenders were received. Tender evaluation is in progress.
- 16 Council is currently in the process of reaching an agreement with the landowner whose resistance resulted in the Waikākāriki Stream Gravel Extraction project being put on hold last year. A Resource Consent application has been submitted to Greater Wellington Regional Council.
- 17 An alternative design option has been developed for the Tilly Road stormwater upgrade as the option to install new pipes was found not to be cost effective in achieving the desired outcome.

Wastewater Management

- 18 The renewal of the wastewater pipe at Pehi Kupa Street, Waikanae, and all associated reinstatement works have now been completed.
- 19 Desludging of the secondary ponds at the Otaki Wastewater Treatment Plant commenced in August 2014 and the budgeted amount of sludge removal was completed in November 2014. Additional desludging of the secondary ponds is programmed for the fourth quarter using the budget surplus from the Milne Drive project. This will increase the long term performance of the ponds.

Water Management

- 20 The construction of the River Recharge with Groundwater (RRwG) project is substantially complete with all bores, pipelines and treatment plant works in place to allow bore water to be discharged into the river. In April 2015, on completion of the first baseline monitoring season, ground water may be discharged to the river in limited amounts.
- 21 Works on the Waikanae Water Treatment Plant Upgrade are also well progressed. The completion of the Lime and Powdered Activated Carbon dosing installations and ancillary works will see the construction substantially completed. Testing and commissioning of the last systems will be completed in the fourth quarter.
- 22 The replacement of sections of the asbestos cement water mains along Ames Street Paekākāriki (412m) and Manly Street (563m) Paraparaumu was completed this quarter.

Community Services

Community Facilities

- 23 A total of 53,715 visits to the Coastlands Aquatic Centre were recorded in the third quarter of 2014/15. This is down on the 68,000 visits in the same quarter last year.
- 24 A total of 15,296 visits to the Ōtaki Pool were recorded in the third quarter (38,000 for the year to date). This is up on the 14,038 visits in the same quarter last year. Waikanae Pool saw 33,226 visits in the quarter, up from 24,256 in the same quarter last year.
- 25 The occupation rate in the Council's Older Person's Housing was 99.64% at the end of the third quarter, with five flats becoming available during the quarter. The waiting list on 31 March 2015 was 89 persons, a 12% increase on the 79 people on the waiting list on 1 July 2014.

Libraries, Arts and Museums

- 26 Significant numbers of books have been arriving over the past quarter following the earlier signing of the nationwide contract for shared purchasing of library materials and services. More ordering is underway.
- 27 The second Spydus (Library Management System) upgrade went well in March 2015 and there were no problems or concerns.

- 28 The development of a Learning Centre at Paraparaumu Library is underway. From 1 July 2015 ten PCs, a 3D printer and software will be available for digital training initiatives, digital clubs and workshops.

Parks and Open Spaces

- 29 The Otaraua Park Development Plan is in process but is not expected to be completed by end June 2015. This will guide the timing and cost of projects to be included in future Annual and Long Term Plan funding considerations.
- 30 The first stage of irrigation has been installed and commissioned on the existing sports fields at Otaraua Park.
- 31 Redevelopment of the Paraparaumu Domain War Memorial. was completed in January 2015. A successful unveiling was held on 14 February and the memorial played a key role in the recent Anzac Day commemorations.

Economic Development

- 32 The Council decided in October 2014 to close the Ōtaki i-SITE from 30 June 2015, with a seamless transition of services from the i-SITE. Work to enable this commenced in late December and an implementation plan was endorsed by Council in March 2015.
- 33 As part of the Summer Tourism Promotion Campaign Kāpiti featured in Kia Ora magazine and other journalists working for Air New Zealand visited Kapiti during February and March 2015. Summer visitor numbers in the district reflected the improved national figures.

Supporting Social Wellbeing

- 34 Youth Fest 2015 involved the participation of over 80 young people (including the youth council) in running activities, managing stalls and performing. The event, held in March 2015 at Paraparaumu Beach, attracted over 2,000 people.
- 35 The 'Over the fence cuppa' initiative took place in March for the second year. The annual event encourages connections across the district during National Neighbours Day weekend with around 35 neighbourhoods in Kāpiti participating.
- 36 An age friendly community forum was held on 14 April 2015 at the Meadow Church. Guest speakers included Hon Maggie Barry and Dr Brasher from COTA Australia (originally *Council on the Ageing*, but now known simply as COTA Australia).

Planning and Regulatory Services

Building Control & Resource Consents

- 37 A total of 696 of 725 building consents (96%) were processed within statutory timeframes in the year to date. There has been a gradual improvement over the past two quarters and this KPI is now meeting its 95% target.
- 38 All 1,268 site inspections were completed within time over the third quarter (100% of 4,212 over the year to date). However, of 183 LIMs processed during the third quarter one was not processed within the statutory timeframe of 10 working days. This contributed to a total of 590 of 591 LIMs processed on time over the year to date (a result of 99.8% against a target of 100%).

- 39 All 46 resource consents in the third quarter were processed within statutory timeframes. This resulted in a total 148 of 151 (98%) processed within time over the year to date (the target is 100%). This is comparable with the percentage completed within time over the same period last year, despite the total number of applications being up 22% on last year.

Environmental Protection

- 40 The focus on the Food Licensing area is having a significant effect, with results improving over the past quarter, from only 13% achieved, to reach 52%.
- 41 Additional resources for inspecting 'other licensed premises' has seen 37 of the required 57 inspections conducted over the year to date (65%), a substantial increase from the result at the half year mark.

Development Management

- 42 Work has progressed further in the third quarter on implementing Option 4 as recommended by the independent reviewers of the Proposed District Plan (PDP), and according to the implementation plan endorsed by the Council. This planning work has included:
- Formation and ongoing meetings with the Rural Issues Group and its sub-committee the Pilot Study Group and other submitters on various issues;
 - 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; and
 - Working with Greater Wellington Regional Council to ensure consistency between the Draft Natural Resource Plan and the PDP; and
 - The redrafted PDP is on track for release as an "engagement draft" to submitters by mid June.
- 43 Cost estimates for the individual projects based on the Council's accepted Rank Options Report for Waikanae and Paraparaumu town centres have been completed. Public engagement is continuing through the 2015-35 Long Term Plan formal consultation process.

Governance and Tāngata Whenua

- 44 Eighteen Council, Committee and Subcommittee meetings were held in the third quarter, along with 16 briefings and 5 workshops.
- 45 The Council received 63 requests under the Official Information Act in the third quarter, totalling 181 for the year to date.
- 46 A new Online Submissions system (encouraging greater online submissions) and a dedicated Long Term Plan website were introduced as part of the consultation on the 2015-35 Long Term Plan.

Supporting Environmental Sustainability

- 47 A town centre display was set up at the Sustainable Home and Garden Show and was the culmination of the efforts of over 60 Lego builders of all ages. It was supported by Coastlands, Farmers, Beca and Menzshed. A series of five

Saturday afternoon workshops helped builders learn about sustainability and the work of Council, which was reflected in the final result.

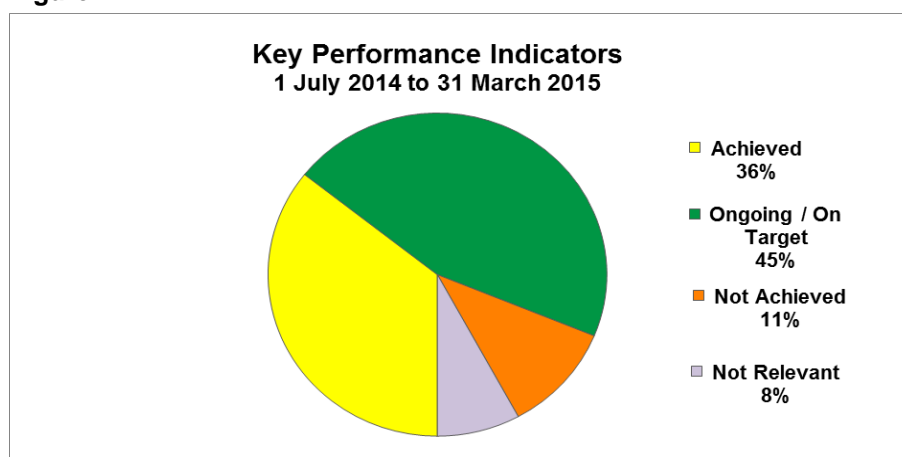
- 48 The Council hosted a 'Greener Neighbourhood' tent at the Sustainable Home and Garden Show and a dozen volunteers from the streets brought in their biodigesters, home-grown produce, and compost bins and talked about the results of their eco-design advice with the public.
- 49 The Eco Design Advisor (EDA) completed 36 full 2 hour home consultations, 50 short appointments (phone, email and home visits less than 30 mins), and 60 contacts/networking events. Ninety-eight per cent of requests were responded to within time. At the Sustainable Home and Garden Show, the EDA picked up more than 40 requests for home visits.
- 50 The Council passed its 'carbon audit' with Enviro-Mark Solutions for its CEMARS accreditation for 2013-14. The Council's emissions for the year were 6,387 tonnes of CO₂ equivalent, 49% below baseline.

Section 2: Summary of Performance across all Activities

Summary of Key Performance Indicators: Level of Service Measures

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

Figure 1



Achievement Category	Third Quarter Outcome 31 March 2015
Achieved	36
Ongoing / On target	46
Not achieved	11
Total Relevant Measures	93
Not relevant this reporting period	8*
Total Level of Service Measures	101**

*One KPI is not relevant in this reporting period due to the changes around the PDP, another is not relevant due to changes in the strategy around tenanting the Innovation Hub and six others are not relevant as they are not programmed to be surveyed this year (see activity reports).

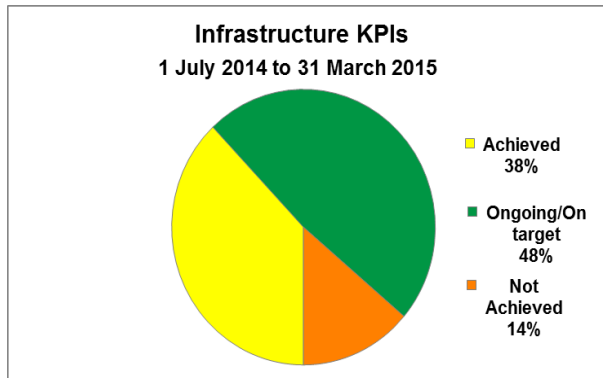
**Solid Waste KPIs were reviewed in 2012/13 and reduced by one following the change in service delivery (cancellation of Council's kerbside pick-up service).

KPI results by Activity Cluster

Infrastructure

52 In this cluster there are 34 KPIs. Only 29 of these are relevant in the 2014/15 financial year.

Figure 2



53 Twenty five of the 29 relevant KPIs (86%) were either achieved or ongoing/on target at the end of the third quarter 2014/15.

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

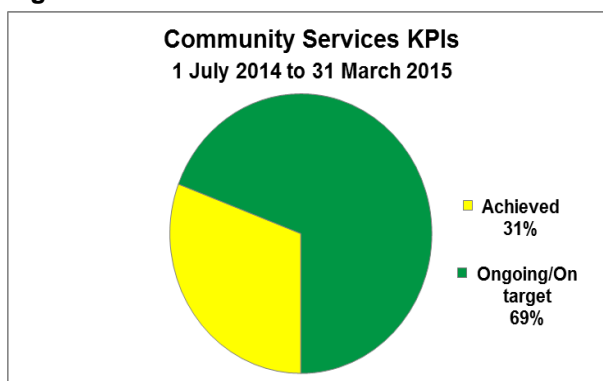
55 A further two not achieved KPIs fall in the Water Management activity. One is due to higher unplanned interruptions, which have continued despite the completion of the water meter installation project, and one is because only 52 of 59 (88%) planned interruptions were resolved in under four hours (the target is 95%).

56 The last not achieved KPI is in Wastewater Management and is related to resolution of reported blockages and spills, with 63 of 67 incidents (94%) resolved within four hours. The target is 95%. It is expected that this will be achieved by year end.

Community Services

57 In this cluster there are 28 KPIs, of which 26 are relevant in this financial year.

Figure 3



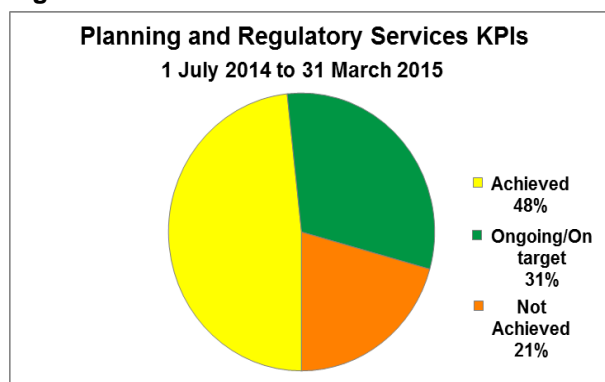
58 All 26 relevant KPIs (100%) were either achieved or ongoing/on target in the third quarter.

- 59 There had been one KPI not achieved in the second quarter in the Libraries, Arts and Museums activity relating to the target for digitisation of heritage items. With the platform to be used to do this work confirmed late in the second quarter, there has subsequently been a substantial catch-up with that work and it has now been achieved.

Planning and Regulatory

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

Figure 4



- 61 Twenty three of the 29 relevant KPIs (79%) were either achieved or ongoing/on target at the end of the third quarter. Six KPIs were not achieved in this period.
- 62 Four of the not achieved KPIs fall in the Building Control and Resource Consents activity. Most are attributable to the high demand for services in this area. Contract planners were engaged to help deal with the high workload and there has been improved performance across most KPIs over the third quarter. Indeed performance on one of the KPIs previously not achieved (processing building consents within statutory timeframes) has improved to the extent that it is now on target. However, three of the KPIs not achieved have strict 100% targets and cannot now be achieved regardless of how good performance is over the last quarter.
- 63 Continued improvement in the Environmental Protection activity has meant that only two of 13 KPIs remain not achieved at the end of the third quarter. Increased resourcing has allowed a substantial catch up on inspections in the 'other licensed premises' KPI, which is now on target. Of the two remaining not achieved KPIs in this activity one is inspections of food premises which, again as a result of increased resourcing, has seen a substantial improvement from 13% of a required 303 premises inspected at the end of the second quarter to 52% of premises by the end of the third quarter. The additional resourcing may yet see the target achieved for the year although that remains uncertain at present. The other KPI not achieved was the inspection of private pools which was 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

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

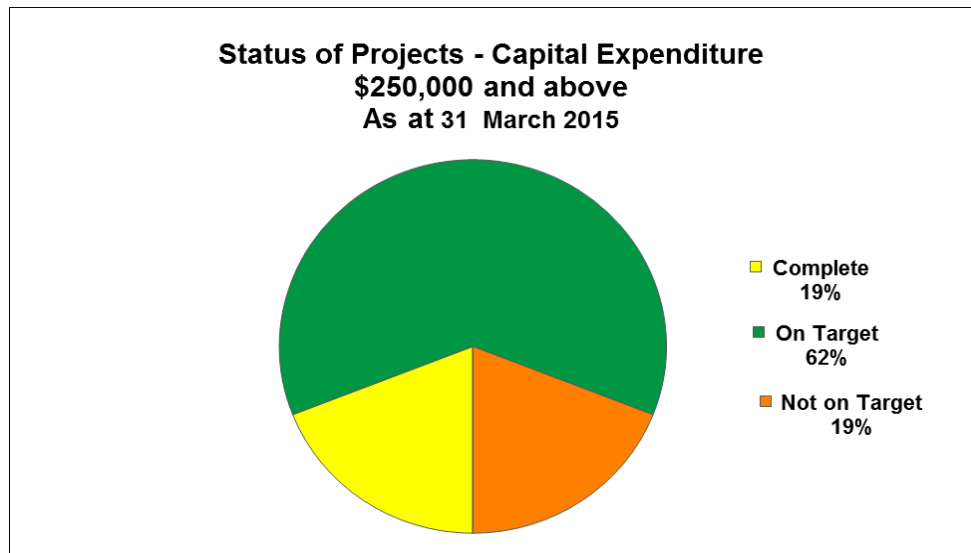
Supporting Environmental Sustainability

65 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

66 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). That has now increased to 21 projects from the third quarter with the addition of Solid Waste’s *Otaihanga Landfill Capping* project and Water Management’s *Water Main Renewal* project. The graph at Figure 5 below provides a performance summary of these projects as at 31 March 2015.

Figure 5

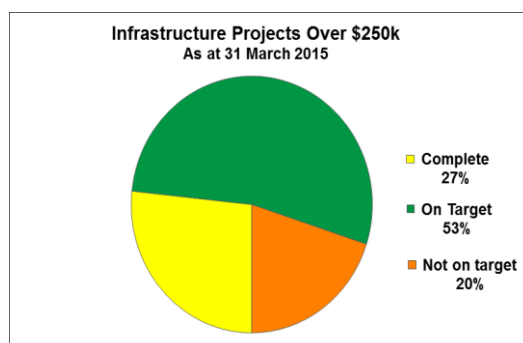


67 Of the 21 projects, four are complete and thirteen are on target (81%). Four are not on target. The status of projects is discussed in more detail below by activity cluster.

Infrastructure

68 There are 15 Infrastructure projects with a value of \$250,000 and above.

Figure 6



- 69 Four of the 15 projects are complete and eight are on target (80%).
- 70 Three projects are not on target. One of these (Waikākāriki Stream Gravel Extraction) has been delayed by protracted access negotiations with the property owner. This is in the process of reaching agreement.
- 71 The second project is the Ōtaki Beach Pump station project. There was a significant delay in the start date due to staff changes this year and land ownership issues which needed resolving.
- 72 The third project not on target is the Water Main Renewal Project which will overspend its initial budget for the year. That will be funded from under spend on other water capital projects to complete an increased length of AC water mains renewals.

Community Services

- 73 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

- 74 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.

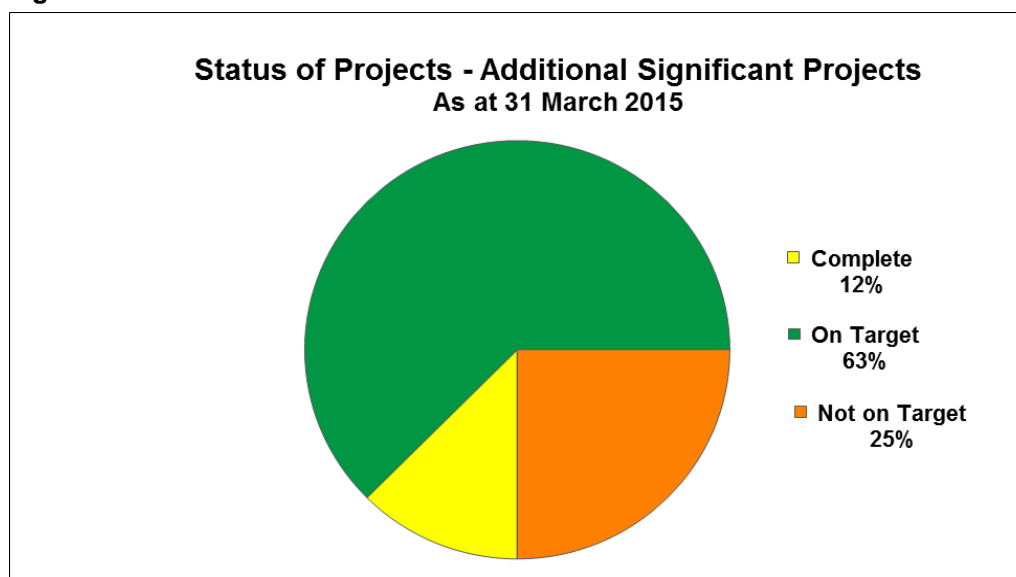
Governance and Tāngata Whenua

- 75 There is one Governance and Tāngata Whenua project with a value of \$250,000 and above.
- 76 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. It has now been completed and Stage 3, implementation of Mobile Inspections, started in April 2015.

Summary of Projects – Additional Significant

- 77 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.
- 78 Figure 7 below is a summary of performance as at 31 March 2015 for the eight Additional Significant Projects (down from nine last year).

Figure 7



- 79 Of these eight projects, one is complete and five are on target (75%).
- 80 Two projects are not on target. One of these is a Parks and Open Space project (Pharazyn Reserve). The review of the Reserve Management Plan has recommenced. This was due to be reported back to Council by March 2015 however there has been a delay while legal advice is sought.
- 81 The second project not on target is a Supporting Environmental Sustainability project on Energy Efficiency. A significant proportion of this project has been postponed indefinitely.

Financial Considerations

- 82 A summary (as at 31 March 2015) of budget details for each activity is provided in the Activity Reports attached as Appendix B to this Report SP-15-1568.

Legal Considerations

- 83 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

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

RECOMMENDATION

- 85** That the Corporate Business Committee notes the performance results for the first three quarters of 2014/15 contained in the Activity Reports attached as Appendix B to this Report SP-15-1568.

Report prepared by Approved for submission Approved for submission

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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
Solid Waste	Otaihanga Landfill Capping	GREEN
Stormwater Management	Tilley Road Upgrade	GREEN
	Waikākāriki Stream Gravel Extraction	ORANGE
	Ōtaki Beach Pump Station	ORANGE
Supporting Social Wellbeing	Kāpiti Youth Centre	GREEN
Wastewater Management	Pehi Kupa Street Renewal	YELLOW
	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
	Water Main Renewals	ORANGE

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

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