

Chairperson and Committee Members
CORPORATE BUSINESS COMMITTEE

14 AUGUST 2014

Meeting Status: **Public**

Purpose of Report: For Decision

ACTIVITY REPORTS: 1 JULY 2013 TO 30 JUNE 2014

PURPOSE OF REPORT

- 1 This report provides the Corporate Business Committee with a quarterly performance overview of each Activity published in the 2012-32 Long Term Plan.

SIGNIFICANCE OF DECISION

- 2 The Council's significance policy is not triggered by this report.

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 performance during the 2013/14 financial year, and reports against the 2013/14 Annual Plan and Year Two of the 2012-32 Long Term Plan.
- 4 There is a new section that reports *Key Result Highlights*.
- 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 with a value of less than \$250,000:**
This section provides a summary of smaller capital expenditure for each Activity.
- **Statement of Cost of Activity:**
This table provides a summary of the service delivery cost and funding for each Activity.

CONSIDERATIONS

Key Result Highlights

7 This new section is an alphabetical list by activity of key result highlights up to the fourth quarter 2013/14.

7.1 Access and Transport

The design of the Milne Drive/Te Roto Drive intersection has been modified to widen the off-road shared cycleway path on the southern side of Kapiti Road. Work is now scheduled to conclude in August/September 2014.

Minor road safety improvements throughout the District and a range of school safety activities were undertaken.

7.2 Building Control & Resource Consents

The workload in this area has increased significantly in 2013/14 compared to 2012/13 including increases in building and resource consents issued, site inspections and the number of LIM requests processed.

7.3 Community Facilities

A strong start for the Coastlands Aquatic Centre with a total of 217,877 visits in the 10½ month period of operation until the end of June 2014.

Outstanding customer survey results at both Coastlands Aquatic Centre and Ōtaki Pool.

7.4 Development Management

The Coastal Experts Panel reviewed the coastal erosion science underpinning LIMs and the coastal hazard provisions in the Proposed District Plan and presented their final report to the Council on 24 June 2014.

The independent reviewers of the Proposed District Plan presented their draft report to the Council on 2 April 2014 and a final report on 24 June 2014.

7.5 Economic Development

The review of the Economic Development Strategy has commenced. A working party combining the Council and key business interests has been established to progress the strategy.

A successful Careers for the Future Expo was held.

The process of tenanting the new Innovation Hub building in Ōtaki formally started with the employment of the Property Group to conduct the work on the Council's behalf.

7.6 **Environmental Protection**

Environmental Health staff have continued to up-skill to keep in line with new legislative requirements. However some other targets (especially food and health licensing inspections and other Environmental Health work) have been impacted as a result.

Community Response Plans (CRP) have now been completed in Ōtaki/Te Horo, Paekākāriki and Waikanae which have been well received and a number of projects have commenced to further build community capacity to respond to and recover from a disaster.

EOC staff training has started in earnest with 44 council staff undergoing at least one of the four sessions delivered.

7.7 **Governance and Tāngata Whenua**

The annual Maramataka was launched at Raukawa marae by the Council and the three iwi of the District, Te Āti Awa, Ngāti Raukawa and Ngāti Raukawa ki te Tonga.

The Council gave in-principle support to the concept of establishing a Wellington Regional Economic Development Agency.

7.8 **Parks and Open Spaces**

The draft reserve management plan for the Howarth Block/Turf Farm has been released for community consultation. Submissions close in early August 2014.

Ground works on the Howarth Block have been completed with preparation for up to eight playing fields, four of which have since been in use for junior football.

7.9 **Solid Waste**

An agreement was finalised in May 2014 with a local contractor to provide the full volume of clay type capping material required for the final cap construction at Otaihangā Landfill. This provides major cost savings for the Council.

7.10 **Stormwater Management**

Design and Construction for an upgrade to local stormwater networks in Paraparaumu Beach to alleviate frequent flooding issues was completed.

The relationship building process with key stakeholders to clarify water quality issues and potential ecological improvements for the Te Puka and Wainui Streams is progressing well.

7.11 **Supporting Environmental Sustainability**

The Council won the Community, and Public Sector categories in the 2014 EECA Awards, and was highly commended in the Energy Management category at the Auckland Museum on Wednesday 28 May 2014.

Council also won the ‘Reducing Our Greenhouse Gas Emissions’ Category at the Green Ribbon Awards in Wellington on 16 June 2014. This was for work relating to energy saving and carbon reduction both within the council and in the wider community

The Council remains on track for its target of a 45% reduction in greenhouse gas emissions by 2014/15.

7.12 **Supporting Social Wellbeing**

Council staff working on the Youth Pathways to Employment project helped facilitate the successful agreement by parties involved to proceed with the proposed training facility in the former Helipro offices at Kāpiti Airport. The training programme aims to train local people for jobs on the Expressway and Transmission Gully projects.

7.13 **Wastewater Management:**

The upgrade of the Rauparaha Pumping Station has been completed, and the final cost of the project remains within budget. This project delivers increased capacity for the station in preparation for the duplicate rising main and Waikanae’s future growth needs.

The Milne Drive and Te Roto Rising Main and Pump Station Upgrade project has been substantially completed.

A 32kW peak solar PV system has been purchased for the Paraparaumu Waste Water Treatment Plant. The system components will be installed over the 2014/15 financial year. The solar array will generate an estimated 42,000 kWh per year, has an expected life of over 20 years and will pay for itself in reduced electricity costs in approximately 10 years.

7.14 **Water Management**

Works on the Waikanae Water Treatment Plant Upgrade and River Recharge with Ground Water (RRwG) Contract are well underway. The ground water pipelines are substantially complete and testing is underway.

The RRwG Project has won Infrastructure Project of the year at the Local Government New Zealand Excellence Awards at the inaugural conference in July 2014. The title is awarded to the Council whose infrastructure project has led to improved efficiencies for local businesses, residents and visitors, and has contributed to an economic or environmental benefit for their region.

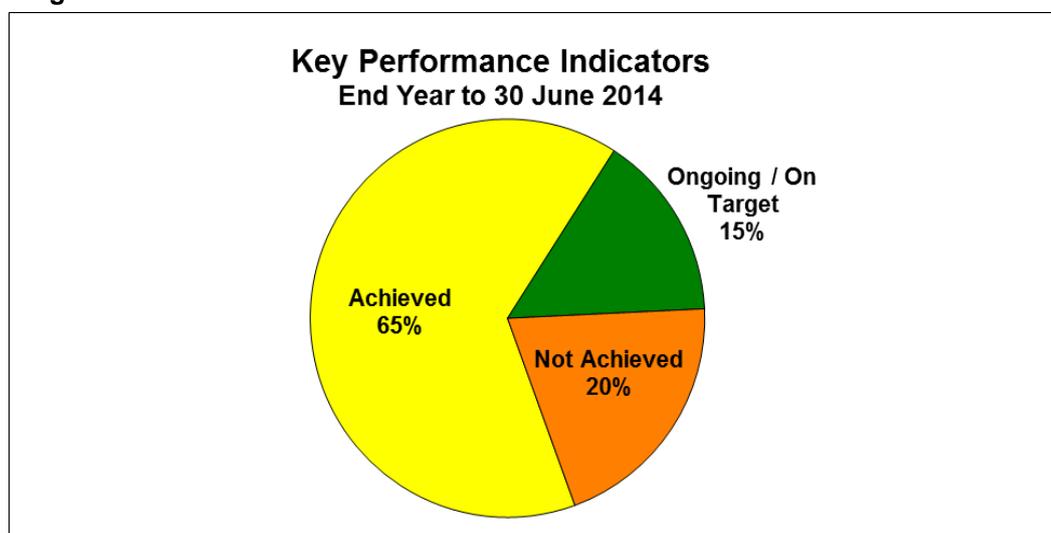
In excess of 23,105 water meters have been installed to the end of June 2014. The construction quality checking of installations is ongoing to identify any minor works defects for the contractor to rectify.

The installation and commissioning of the new Paekākāriki Water Supply Bore was completed and is now operational. Final easement and land transfers were prepared for Council approval.

Summary of Key Performance Indicators: Level of Service Measures

- 8 There are 101 Key Performance Indicators (KPIs) for the 2013/14 year. Performance against the 99 relevant KPIs is shown in Figure 1 below:

Figure 1



Achievement Category	Fourth Quarter Outcome 30 June 2014
Achieved	62
Ongoing / On target	18
Not achieved	19
Total Relevant Measures	99
Not relevant this reporting period	2*
Total Level of Service Measures	101**

*Two KPI are not relevant in this reporting period due to the changes around the PDP (see the Development Management Activity Report).

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

Performance Indicators Achieved and On Target

- 9 Of the 99 relevant KPIs, 80 are either Achieved or Ongoing / On target. This is a simple success rating of 80.8%.

Key Performance Indicators Not Achieved

- 10 Nineteen KPIs were not achieved at the end of the 2013/14 year.

Three KPIs fall in the Building Control and Resource Consents activity and are due to the high volume of work together with staff vacancies. Additional staff have been employed to manage this and performance has improved as a result.

A further KPI in the Libraries, Arts and Museums activity was due to outstanding training requirements for the archival software.

Four KPIs fall in the Environmental Protection activity and are due to requirements for additional inspections and customer liaison reporting regarding fencing of swimming pools and administration for the implementation of the Sale and Supply of Alcohol Act 2012.

Six KPIs were reported outcomes of surveys, five of which were results from the Resident Opinion Survey May 2014. The remaining surveyed KPI was recorded in the Economic Development activity for the annual survey of business support services and recorded dissatisfaction due to a resourcing issue.

Three KPIs (two in the Solid Waste activity and one in the Wastewater Management activity) attributed to issues with the KPI measure which will be addressed during the 2015 LTP process.

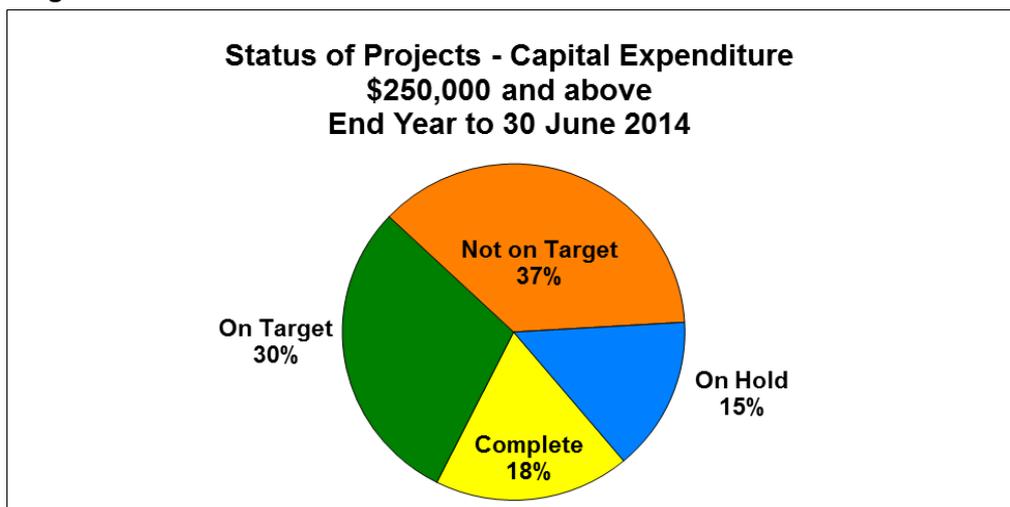
The final two KPIs were due to outside factors; one in the Economic Development activity and resulted from the fall in tenants using the Clean Technology Centre building over the year due to a change in approach and support from Grow Wellington and one in the Water Management activity where the number of unplanned water service outages was above the target as a result of the water meter installation programme.

A review of all KPIs will be undertaken during the 2015 LTP process.

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

- 11 There were 27 Capital Expenditure Projects with a value of \$250,000 and above scheduled in the 2013/14 financial year. The graph at Figure 2 below provides a performance summary of these projects to the end of the 2013/14 year.

Figure 2



- 12 Of the 27 projects, five are complete, seven are on target, four are on hold and 11 are not on target set against 2012 LTP measures.

Three out of the four projects on hold are to defer expenditure and restrain rates increases - indirectly in the case of the Kākāriki Stormwater upgrade, as deferring the project will allow integration with the SH1 revocation and will reduce costs. The fourth project on hold is the Library Reconfiguration project as the scope of the project is under review.

11 projects are currently not on target. Four of those projects have been held back by consenting issues or constraints (three of which are due to complete by original target date); two projects have been held up by technical issues and one project, the Aquatic Centre, was delayed due to Mainzeal’s receivership. The remaining four are explained in detail in the activity reports.

The Council has made decisions to deliberately slow progress or place projects on hold to reduce the financial impact to the 2014/15 financial year.

Summary of Projects – Additional Significant

13 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.

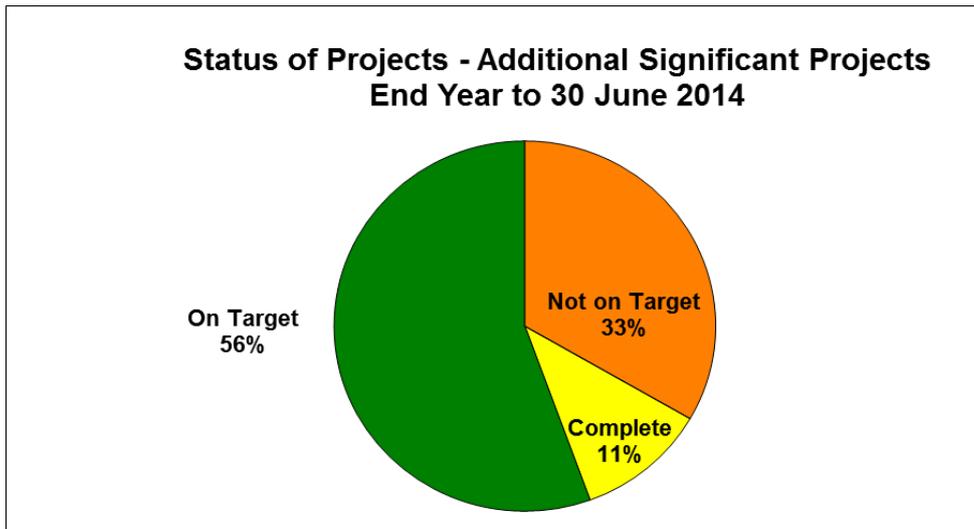
The graph at Figure 3 below is a summary of performance to 30 June 2014 for the nine Additional Significant Projects. One of these projects is complete and five are on target.

Three projects are not on target. One of these is a Development Management project (the District Plan Review) which has been delayed due to a review of the District Plan process which is now complete and has enabled a modified District Plan process to recommence.

Another is a Parks and Open Spaces project (Pharazyn Reserve) which was delayed due to the facilitator taking up another position with Council. A replacement facilitator has been engaged for this project and it is underway again.

The last is in the Water Management activity (Districtwide Water Meters Installation Project). This is practically complete but there are a limited number of ongoing service location issues and meter installations outstanding.

Figure 3



Financial Considerations

- 14 A summary (as at 30 June 2014) of budget details for each Activity is provided in the Activity Reports attached as Appendix B to this Report SP-14-1265.

Legal Considerations

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

Delegation

- 16 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.

RECOMMENDATION

- 17 That the Corporate Business Committee notes the performance results for the 2013/14 financial year contained in the Activity Reports attached as Appendix B to this Report SP-14-1265.

Report prepared by:

Approved for submission by:

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ATTACHMENTS:

Appendix A – Summary List of Projects

Appendix B – Activity Reports

Appendix A - Summary List of Projects

End year 2013/14 Projects – Capital Expenditure \$250,000 and above		
Activity	Project Name	Status Category
Access and Transport	Kāpiti Road at Milne Drive, Te Roto Drive Intersection	ORANGE
	Major Bridge Repairs (NZTA)	ORANGE
	Sealed Road Resurfacing	YELLOW
Coastal Management	Coastal Protection Paekākāriki	GREEN
Community Facilities	Coastlands Aquatic Centre	ORANGE
	Coastlands Aquatic Centre – Second Hydroslide	BLUE
	Raumatī Pool Closure and Building Reuse	BLUE
	Ōtaki Replace Roof Over Pool	YELLOW
Development Management	Strategic Land Purchase	GREEN
	Town Centre Development	GREEN
Economic Development	Clean Technology Development	ORANGE
Libraries, Arts and Museums	Library Reconfiguration	BLUE
Parks and Open Space	Howarth Block Development	GREEN
Stormwater Management	Kākāriki SH1 and Awanui Upgrades	BLUE
	Paraparaumu Beach Local Catchments Upgrade	YELLOW
	Waikākāriki Stream Gravel Extraction	ORANGE
	Ōtaki Beach Pump Station	ORANGE
Supporting Social Wellbeing	Kāpiti Youth Centre	GREEN
Wastewater Management	Pehi Kupa Street Renewal	ORANGE
	Rauparaha Wastewater Pump Station Emergency Storage – Stage 2	YELLOW
	Paraparaumu Wastewater Treatment Plant Drier replacement	ORANGE
	Milne Drive Wastewater Pumping Station Upgrade	GREEN
	Ōtaki Pumping Station renewals	YELLOW
	Ōtaki Wastewater Treatment Plant oxidation lagoon desludging	GREEN
Water Management	Additional Water Supply – Recharge River with Groundwater (RRwG)	ORANGE
	Water Treatment Plant Renewal	ORANGE
Other Corporate Support	Council Software Systems	ORANGE

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.