

Chairs report, May 2017

Finance & Performance Committee

Welcome all to the Finance & Performance Committee meeting for May 2017.

Council continues to be holding a strong financial position heading into the financial year end. Thanks go to all Management staff in keeping financial prudence at the forefront of their decision making.

Long term overdue rates continue to decrease which is pleasing to see. A combination of property sales and sound debt management is contributing to these results. I look forward to the presentation from Debt Management Central this morning on their processes and dealings with some of our overdue rates.

The Residents Survey high level overview shows some pleasing results within most areas that were canvassed. However, the public toilets will always continue to be a 'thorn in our side'.

The Youth Awards Scheme last year was a success for our Council. There has been some recommendations to improve the processes and criteria for this coming year and I hope this committee will support it. I strongly believe that we need to promote the fantastic attitudes and abilities of these young people.

Nigel Belsham

Finance & Performance Committee Chair

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Tabled at Finance Performance
on 25 May 2017.

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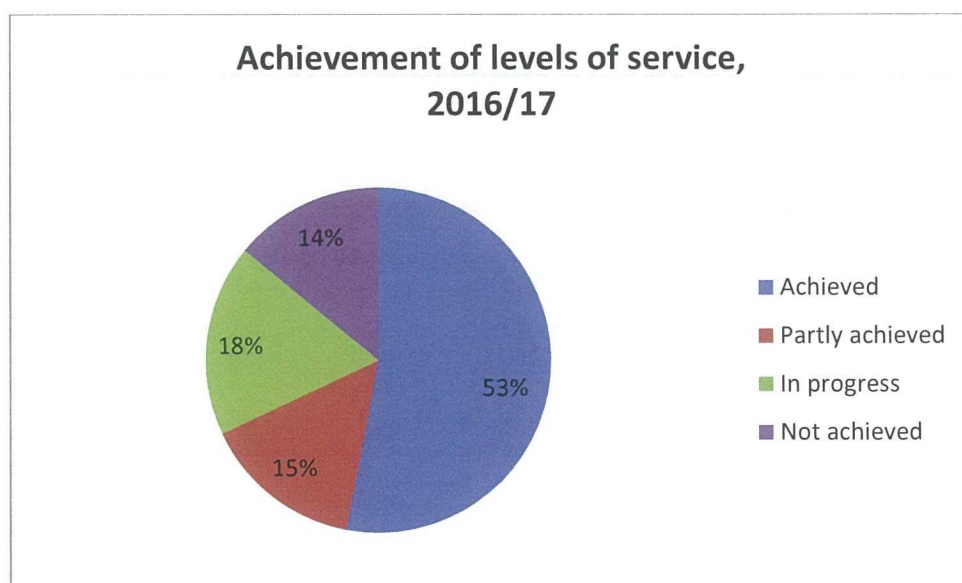
Tabled at Finance/Performance

on 25 May 2017.

Statement of Service performance

Nine months ending 31 March 2017

Trends



Where has performance improved?

- Remetalling of unsealed roads
- Footpath condition (partly a reflection of a more rigorous condition survey)
- Road safety : no fatal crashes or serious injury accidents
- Roading callout responsiveness (partly a reflection of a more rigorous documentation)
- Customer satisfaction with potable water service (complaints per 1000 connections)
- Fewer dry weather wastewater overflows

Where has the level of performance remained 'achieved'?

- Drinking water – no incidents of non-compliance with part 4 (bacteria compliance criteria)
- Fault response time – water callouts
- No abatement/infringement notices enforcement orders or convictions relating to wastewater discharges
- Customer satisfaction with wastewater service (complaints per 100 connections)

- Customer satisfaction with stormwater service (complaints per 100 connections)
- Waste diversion
- Timeliness of processing for regulatory functions
- The three indicators of success in the Rangitikei Growth Strategy

Where has there been a reduction in performance?

- Compliance with water resource consents – water backwash and aluminium sludge in Marton
- Slower response times for wastewater faults
- More tonnage to landfill than projected.
- A small reduction in timeliness in responding to animal control and environmental health requests (mostly noise) but an improved timeliness in completing them.
- Number of unplanned water supply disruptions – four so far this year, none last year.
- Percentage of real water loss – this may change at end of year with the more accurate data measurement

What has continued to be ‘not achieved’?

- Drinking water – unable to demonstrate compliance with part 5 of the drinking water standards (protozoa compliance)

What could get a better end-of-year result?

- Completion of road condition assessment
- SCADA calculation of water loss
- Final calculation of potable water consumption per person per day
- Completion of reaccreditation as a building consent authority
- Results from annual stakeholder survey (now being undertaken)

The following sheets contain amendments:

page 3	Calculations now take into account carry-forwards approved so far.
page 6	Unplanned water disruptions – not achieved in comparison with last year.
page 13	Swimming pools have achieved target – more than 10% believed it better than last year
page 14	Taihape Pool usage added.

<p>Completion of capital programme</p>	<p>80% of planned capital programme expended; all network utilities groups of activities to achieve at least 65% of planned capital expenditure.</p> <p>Note: This table <u>excludes</u> expenditure on the emergency repairs to the roading network following the June 2015 rainfall event.</p> <p><i>In 2015/16, 59% of the planned capital programme was expended. Roding achieved 78%; water achieved 52%, sewerage and the treatment and disposal of sewage achieved 27% and stormwater achieved 44%; community and leisure assets achieved 31%.</i></p>	<p>Partly achieved (pro rata)¹</p> <p>Total capital expenditure for the first nine months was \$10,836,544 from a total (pro rata) budget of \$14,695,839 i.e. 74%</p> <p><i>The initial approved full-year budget is \$31,892,265</i></p> <p>Roding - achieved</p> <p>Total capital expenditure for the first nine months was \$8,428,700 from a (pro rata) budget of \$8,796,881 (i.e. 96%)</p> <p><i>The initial approved full-year budget is \$11,729,174</i></p> <p>Water supply – not achieved</p> <p>Total capital expenditure for the first nine months was \$1,394,951 from a budget of \$3,705,904 (i.e. 38%)</p> <p><i>The initial approved full-year budget is \$7,761,255.</i></p> <p>Sewerage and the treatment and disposal of sewage – not achieved</p> <p>Total capital expenditure for the first nine months was \$445,012 from a pro rata budget of \$1,088,514 (i.e. 41%)</p> <p><i>The initial approved full-year budget is \$6,556,115.</i></p> <p>Stormwater drainage – not achieved</p> <p>Total capital expenditure for the first nine months was \$152,825 from a pro rata budget of \$510,420 (i.e. 30%)</p> <p><i>The initial approved full-year budget is \$1,150,560.</i></p> <p>Community and Leisure Assets (cemeteries, halls, housing, libraries, parks and reserves, public toilets and swimming pools) – not achieved</p> <p>Total capital expenditure for the first nine months was \$396,638 from a pro rata budget of \$1,348,724 (i.e. 29%)</p> <p><i>The initial approved full-year budget is \$5,701,298.</i></p>
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¹ Takes into account the carry-forwards approved into the 2017/18 Annual Plan.

Water supply

Level of Service		
Provide a safe and compliant supply of drinking water		
Measure	Target for 2016/17	Actual July 2016 - March 2017
<p><i>*Safety of drinking water</i> The extent to which the Council's drinking water supply complies with</p> <p>(a) part 4 of the drinking water standards (bacteria compliance criteria)⁴</p> <p>(b) part 5 of the drinking water standards (protozoa compliance criteria)⁵</p>	<p>No incidents of non-compliance</p> <p><i>There were no incidents in 2015/16</i></p> <p>No incidents of non-compliance</p> <p><i>In 2015/16 UV treatment was been installed at Bulls, Marton, Hunterville, Mangaweka and Hunterville, but has not been fully operational. The Drinking Water Assessor will be providing details and a plan to get all plants compliant as soon as possible in 2016/17 is being developed.</i></p>	<p>Achieved (pro rata) No incidents of non-compliance</p> <p>Not achieved Throughout December 2016 some plants were unable to demonstrate protozoa compliance due purely to issues establishing the correct UV treatment monitoring regime. This regime is currently in the process of being established to ensure ongoing monitoring</p>
Compliance with resource consents	<p>No more than one incident of non-compliance with resource consents</p> <p><i>In 2015/16, non-compliance was reported at Hunterville (excessive abstraction)</i></p>	<p>Not achieved (pro rata) Backwash and aluminum sludge discharge to settling ponds exceeded consent limits at the Marton Water Treatment Plant. A new consent application was filed in August 2016 and will in-part address the aluminum sludge discharge issue.</p>

Level of Service		
Provide reliable and efficient urban water supplies		
Measure	Target for 2016/17	Actual July 2016 - March 2017
Number of unplanned water supply disruptions affecting multiple properties	<p>Fewer unplanned water supply disruptions affecting multiple properties than in the previous year</p> <p><i>In 2015/16, there were no unplanned water supply interruptions.</i></p>	<p>Not achieved (pro rata) There were 4 unplanned water interruptions during the reporting period (two in Marton, one in Taihape and one in Hunterville) affecting 63 properties.</p>
<p><i>*Maintenance of the reticulation network</i> The percentage of real water loss from the Council's networked reticulation system⁶</p>	Less than 40%.	<p>Not achieved (pro-rata) Estimated water loss for the year-to-date, using Minimum Night Flow calculations, is currently 48%. However the actual end of year bench loss figures is expected be lower due to the more</p>

⁴ Currently measured by weekly sampling and testing through Environmental Laboratory Services in Gracefield.

⁵ Measured through Water Outlook.

⁶ A description of the methodology used to calculate this must be included as part of the report.

properties connected to the Council's stormwater system.		4.6/1000
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Community and leisure assets

Level of Service		
Provide a "good enough" range of community and leisure assets at an appropriate proximity to centres of population		
Measure	Target for 2016/17	Actual July 2016 - March 2017
"Report card" produced during April/May each year from a postal survey of residents. ¹⁰	<p>A greater proportion (than in the previous year) or more than 10% of the sample believes that Council's service is getting better.</p> <p>NOTE 1: Changes in the methodology of sampling has increased the total response rate and provided a more representative sample of residents. This may have affected the comparability of results. Further analysis will be done before the 12 month SSP.</p> <p>NOTE 2: The question relating to Community Housing was dropped from the survey in 2017. This is because the number of residents with any knowledge or opinion about community housing meant that the sample size was too small to be meaningful. More feedback has been sought from tenants themselves to provide information on satisfaction with the services.</p>	<p>Public libraries - achieved In 2016/17, 11% believed it was better than last year (10% in 2015/16), 70% about the same (78% in 2015/16), 2% worse than last year (3% in 2015/16) and 14% did not know (9% in 2015/16)</p> <p>Swimming pools – achieved In 2016/17, 16% believed it was better than last year (23% in 2015/16), 54% about the same (59% in 2015/16), 6% worse than last year (5% in 2015/16) and 23% did not know (13% in 2015/16)</p> <p>Sports fields, parks and reserves - achieved In 2016/17, 18% believed it was better than last year (12% in 2015/16), 63% about the same (66% in 2015/16), 2% worse than last year (6% in 2015/16) and 16% did not know (16% in 2015/16)</p> <p>Public toilets – partly achieved In 2016/17, 7% believed it was better than last year (10% in 2015/16), 66% about the same (51% in 2015/16), 11% worse than last year (10% in 2015/16) and 17% did not know (30% in 2015/16)</p> <p>Community buildings – achieved In 2016/17, 4% believed it was better than last year (3% in 2015/16), 74% about the same (65% in 2015/16), 6% worse than last year (6% in 2015/16) and 16% did not know (26% in 2015/16)</p>

¹⁰ It is intended to take the sample from the electoral roll for residents. During the previous three years the sample was taken from Council's ratepayer database.

Community and leisure assets - continued

Level of Service		
Secure high use of staffed facilities		
Measure	Target for 2016/17	Actual July 2016 - March 2017
Number of users of libraries	<p>An increase in use compared with the previous year</p> <p><i>In 2015/16 the software providing this information was not functioning properly for most of the reporting period.</i></p>	<p>Not available <i>(no comparable data for last year)</i></p> <p>Bulls – 8,901 (21 days unrecorded) Marton – 18,198 (8 days unrecorded) Taihape – 23,819 (13 days unrecorded)</p>
Number of users of pools	<p>An increase in use compared with the previous year:</p> <p><i>2014/15 season totals</i> <i>Marton.....20,123</i> <i>Taihape.....11,323</i></p>	<p>Partly achieved (pro rata) Marton – 13,306¹¹</p> <p>Taihape – 11,177</p>

Rubbish and recycling

Level of Service		
Make recycling facilities available at waste transfer stations for glass, paper, metal, plastics, textiles and greenwaste. Special occasions for electronics (e-waste).		
Measure	Target for 2016/17	Actual July 2016 - March 2017
Waste to landfill (tonnage) ¹²	<p>4,250 tonnes to landfill</p> <p><i>In 2015/16, 4,242 tonnes went to the landfill.</i></p>	<p>Not achieved (pro rata) 4,265 tonnes went to the landfill, equating (on a pro rata basis) to 33% increase of the target volume</p>
Waste diverted from landfill (tonnage and (percentage of total waste)) ¹³	<p>Percentage of waste diverted from landfill 14%</p> <p><i>In 2014/15, a total of 598 tonnes (or 14.3%) of waste was diverted.</i></p>	<p>Achieved: 17% of waste was diverted during the nine months ending 31 March 2017</p>

¹¹ Excludes schools, swim school and lane hire – these figures will be included in the 12-month report.

¹² Calibrated records maintained at Bonny Glen landfill.

¹³ Records maintained at waste transfer stations

Proposed additional carry-forwards to 2017/18 (for inclusion in the adopted Annual Plan)

This is in addition to the carry-forwards approved by Council on 26 January and 23 February 2017 (noted as an annotated appendix to the minutes of 26 January)

Stormwater

Project	2016/17 budget	Proposed carry-forward to 2017/18	Reason
No additional proposals	0	0	
TOTAL	\$0	\$0	

Wastewater

Project	2016/17 budget	Proposed carry-forward to 2017/18	Reason
Capital			
Ratana wastewater	1,419,000	10,000	Work not commenced ¹
Renewals			
Ratana wastewater	526,595	156,932	Delays in defining the conditions of the new consent applications ²
TOTAL	\$1,945,595*	\$162,932	

*These sums were included in the 26 January 2017 carry-forward proposal so are excluded from the grand total below

Water

Project	2016/17 budget	Proposed carry-forward to 2017/18	Reason
No additional proposals	0	0	
TOTAL	\$0	\$0	

¹ This is the balance not carried forward at Council's meeting on 26 January 2017 (\$1,409,000).

² This is in addition to \$369,263 approved to carry-forward at Council's meeting on 26 January 2017.

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Tabled at Finance Performance
on 25 May 2017 ¹

Community & leisure assets

Project	2016/17 budget	Proposed carry-forward to 2017/18	Reason
Marton civic centre	220,000	167,000	Opus assessment of options completed (\$53,000) -later start than envisaged.
Mangaweka campground upgraded ablution./toilet block	90,000	90,000	Slower than projected to finalise design and consenting requirements. No tender submitted
TOTAL	\$310,000	\$257,000	

Roading and footpaths

Project	2016/17 budget	Proposed carry-forward to 2017/18	Reason
Turakina Valley Road repairs	\$300,000	\$300,000 FAR is 100% Local share is nil	Outstanding project from June 2015 storm event
Other areas of network	\$200,000	\$200,000 FAR is 87% Local share is \$26,000	Ditto
Repairs to damage from Debbie event April 2017	\$322,000	\$322,000 FAR is 63% Local share is \$119,400	Cyclone Debbie damage
TOTAL	\$822,000	\$822,000 FAR is \$676,860 Local share is \$145,140	

Miscellaneous

Project	2016/17 budget	Proposed carry-forward to 2017/18	Reason
None proposed			
TOTAL	0	0	

GRAND TOTAL (in addition to previous approvals)	\$1,132,000	\$1,241,932 FAR is \$676,860 Net funding is \$565,072	
Previously approved	\$13,977,347	\$12,297,813	
FINAL TOTAL	\$15,109,347	\$13,539,745	