

Strategic Performance Framework

Overview

The strategic performance framework is a list of Key Performance Indicators (KPIs), which enable the Council to report how successful it has been in delivering its outcomes and defined levels of service. The KPIs included are considered relevant to the matters on which the public judges the Council's performance.

The Annual Plan 2014/15 consulted on a revised performance framework and consequently the number of performance measures was reduced to just 44. The Council has measured performance against the new framework for a year to understand whether the KPIs are specific, measurable, achievable, relevant and timely. Subsequently, some minor changes have been made to improve transparency and reporting, and ensure the KPIs work as intended.

The strategic performance framework can be found through Part 2 of this plan and is broken down by outcome and activity. The final strategic performance framework contains:

- 44 Council Key Performance Indicators (KPIs);
- 18 Department of Internal Affairs (DIA) mandatory measures for infrastructure and finance;
- 7 Otago Regional Performance Improvement Framework benchmarking measures (see below).

Targets

Targets for all KPIs have been set for the first three years of the plan, and are based upon current or 'baseline' performance (as at June 2014). The Council has not set ten year targets as these cannot be reasonable based on estimates derived from current performance data. Given the requirement under the Local Government Act to review the 10 Year Plan every three years, the Council will consider and set targets at this time.

Benchmarking

The amendments to the Local Government Act in 2014 included the provision for a set of mandatory performance measures for all Territorial Authorities. The measures apply to infrastructure activities (water supply, sewerage, storm water and roading and footpaths) and finance. The purpose of these measures is to benchmark performance for all Territorial Authorities against these measures, and therefore no standards (targets) are set in this plan.

In late 2014, all Councils in Otago signed up to a joint performance framework with the purpose of:

1. Providing communities with better context to assess the performance of their Council across the region;
2. Enabling better support and collaboration to drive improvement across Otago;

3. Helping to drive standards for future local government reforms;
4. Providing consistent performance information that allows closer scrutiny of efficiency and effectiveness.

A working group, inclusive of representatives from all Councils, was formed to develop the framework. The group mapped existing benchmarking activities and identified where benchmarking performance would add value and contribute to the performance story for the region. Seven key performance indicators are included in each Council's performance framework and will be benchmarked annually.

Core Infrastructure and services

The outcome we want to achieve is to deliver high performing infrastructure and services that meet current and future user needs; are fit for purpose; are cost effectively and efficiently managed on a full life basis, and are affordable to the district.

We will deliver this outcome through the provision of the following key activities:

- Water supply
- Sewerage
- Storm water
- Roads and Footpaths
- Refuse and recycling

Water supply

The level of service our community can expect from this activity:				
<i>The council provides reliable drinking water that is safe to drink.</i>				
How we'll measure our performance...	Baseline performance (how we perform now) <i>As at June 2014</i>	Target (how we aim to perform)		
		Year 1 2015/16	Year 2 2016/17	Year 3 2017/18
Annual cost per cubic metre of water supplied	\$0.80	<\$0.90*	<\$0.92*	<\$0.94*

Notes

*Increased costs are attributed to water treatment.

Sewerage

The level of service our community can expect from this activity:				
<i>The council provides reliable wastewater collection and treatment services that protect public health and the environment.</i>				
How we'll measure our performance...	Baseline performance (how we perform now) <i>As at June 2014</i>	Target (how we aim to perform)		
		Year 1 2015/16	Year 2 2016/17	Year 3 2017/18
Median response time to attend to sewage overflows resulting from blockages or other faults of a municipal sewerage system*: a) between the time of notification and the time when service personnel reach the site; and b) Between the time of notification and resolution of the blockage or other fault.	a) 60 minutes b) 3.9 hours	a) <60mins b) <4 hours	a) <60mins b) <4 hours	a) <60mins b) <4 hours
Annual cost per cubic metre of wastewater collected and treated	\$2.15	<\$2.25**	<\$2.27**	<\$2.30**

Notes

* Also a Department of Internal Affairs mandatory measure.

**Increased costs allow for Project Shotover coming online from 2016/17, and the expected increases in bio solids disposal charges.

Storm water

The level of service our community can expect from this activity:

The council provides storm water drainage services that protect public health and private properties.

How we'll measure our performance...	Baseline performance (how we perform now) <i>As at June 2014</i>	Target (how we aim to perform)		
		Year 1 2015/16	Year 2 2016/17	Year 3 2017/18
Number of flooding events each year to habitable floors per 1000 properties resulting from overflows from a municipal storm water system *	0.5 per 1000 connections	<2 per year	<2 per year	<2 per year

Notes

*Also a Department of Internal Affairs mandatory measure

Roads and footpaths

The level of service our community can expect from this activity:

The Council provides a road and footpath network that accommodates seasonal and future growth.

How we'll measure our performance...	Baseline performance (how we perform now) <i>As at June 2014</i>	Target (how we aim to perform)		
		Year 1 2015/16	Year 2 2016/17	Year 3 2017/18
Sealed road closures (planned and unplanned) that exceed the Council's service standard (<i>one per month, no longer than 8 hours and not during peak demand times</i>)	0.83	Not more than 1 per month	Not more than 1 per month	Not more than 1 per month
Annual cost per km to maintain and operate a) sealed roads b) unsealed roads	a) \$129 per km b) \$85 per km	a) <\$129 b) <\$85	a) <\$129 b) <\$85	a) <\$129 b) <\$85

Notes

*We will aim to keep costs static to demonstrate efficiencies; however we anticipate 1.5% for inflation

- New Zealand Transport Authority (NZTA) is currently developing performance targets for the road network. The measures and targets will determine how the categories and levels of service translate into specific operational and investment decisions. If the measures are to be adopted by Council into the performance framework, then the community will be consulted through the Annual Plan.

Waste and recycling

The level of service our community can expect from this activity:

The council provides waste and recycling services that protect public health and the environment.

How we'll measure our performance...	Baseline performance (how we perform now) <i>As at June 2014</i>	Target (how we aim to perform)		
		Year 1 2015/16	Year 2 2016/17	Year 3 2017/18
Kilograms of residential waste to landfill per head of population*	150kg	<165kg	<160kg	<155kg

Notes

*Waste and recycling KPI to include a breakdown of commercial waste and waste diverted from landfill (recycling).

Overarching measures of infrastructure performance

In addition to measuring performance against the core infrastructure activities the Council will also measure performance against budget, requests for service across all activities and satisfaction with street cleaning.

How we'll measure our performance...	Baseline performance (how we perform now) <i>As at June 2014</i>	Target (how we aim to perform)		
		Year 1 2015/16	Year 2 2016/17	Year 3 2017/18
Percentage variance from original budget for a) capital expenditure b) operational expenditure	New measure to be reported from 2015	a) Range of 0% and -10% b) Range of 0% and -5%	a) Range of 0% and -10% b) Range of 0% and -5%	a) Range of 0% and -10% b) Range of 0% and -5%
Percentage of Requests for Service (RFS) resolved within specified timeframe	3 Waters: 98.6% Solid waste: 96.7% Roading: 95.6% Internal: 95.6% Pollution: to be recorded from 2015	>95%	>95%	>95%
Percentage of ratepayers who are satisfied with street cleaning	74.8%	>75%	>80%	>85%

Otago Regional Performance Framework – benchmark measure for infrastructure

How we will benchmark performance with other Councils in Otago...

Percentage of the Council's budgeted capital works programme, including renewals, completed annually.

Department of Internal Affairs mandatory measures for infrastructure

How the Department of Internal Affairs (DIA) will measure our performance for drinking water...

Compliance of each municipal water supply with the New Zealand Drinking Water Standards for protecting public health, specifically:

- a) bacteriological compliance; and
- b) protozoal compliance.

Percentage of water lost from each municipal water reticulation network.

Median response time to attend to urgent issues resulting from municipal water reticulation network faults and unplanned interruptions:

- a) between the time of notification and the time when service personnel reach the site; and
- b) between the time of notification and resolution of the fault or interruption

Number of complaints per 1000 connections to a public water reticulation network about:

- a) the clarity of drinking water; and
- b) the taste of drinking water; and
- c) the odour of drinking water; and
- d) the pressure or flow of drinking water; and
- e) the continuity of supply of drinking water; and
- f) the way in which a local government organisation responds to issues with a water supply.

Average consumption of water per person per day.

How the Department of Internal Affairs (DIA) will measure our performance for sewerage...

Annual number of dry weather overflows from a municipal sewerage system per 1000 sewerage connections.

Compliance with resource consents for discharge to air, land, or water from a municipal sewerage system, measured by the number of:

- a) abatement notices; and
- b) infringement notices; and

- c) enforcement orders; and
- d) successful prosecutions.

Median response time to attend to sewage overflows resulting from blockages or other faults of a municipal sewerage system:

- a) between the time of notification and the time when service personnel reach the site; and
- b) between the time of notification and resolution of the blockage or other fault.

Number of complaints per 1000 properties connected to a municipal sewerage system about:

- a) odour; and
- b) faults (including blockages).

How the Department of Internal Affairs (DIA) will measure our performance for storm water...

Number of flooding events each year to habitable floors per 1000 properties resulting from overflows from a municipal storm water system

Compliance with resource consents for discharge from a municipal storm water system, measured by the number of:

- a) abatement notices; and
- b) infringement notices; and
- c) enforcement orders; and
- d) successful prosecutions.

Median response time between the time of notification and the time when service personnel reach the site when habitable floors are affected by flooding resulting from faults in a municipal storm water system.

Number of complaints per 1000 properties connected to a municipal storm water system about:

- a) faults (including blockages) with a municipal storm water system.

How the Department of Internal Affairs (DIA) will measure our performance for roads and footpaths...

The annual change in the number of fatalities and serious injury crashes on the local road network.

The average quality of ride on a sealed local road network, as measured by the Smooth Travel Exposure Index.

Percentage of a sealed local road network that is resurfaced annually.

Percentage of a local footpath network that is part of a local road network that falls within a local government organisation's level of service or service standard for the condition of footpaths.

Percentage of customer service requests responded to within a specified time frame.

Notes

The Council will not report against any flood protection measures as it does not own any major flood protection or control works.

Community services and facilities

Long term outcome: *The District's parks, libraries, recreational and other community facilities and services are highly valued by the community*

We will deliver this outcome through the provision of the following key activities:

- Sports and recreation facilities (pools and gyms)
- Community facilities and venues
- Libraries
- Parks and trails

Sports and recreation facilities (pools and gyms)

The level of service our community can expect from this activity:

The council provides pools and gyms that are clean, safe and enjoyable places to visit.

How we'll measure our performance...	Baseline performance (how we perform now) <i>As at June 2014</i>	Target (how we aim to perform)		
		Year 1 2015/16	Year 2 2016/17	Year 3 2017/18
*Percentage of residents who are gym members (based on the Wakatipu population within the age range 15-69)	11.35%	12.5%	12.5%	12.5%
*Percentage of residents who use their local pool at least once a month for a) Alpine Aqualand b) Wanaka Pool (Based on Wakatipu population and Wanaka population)	a) 15% b) 8%	c) 15% d) 8%	a) 15% b) 8%	a) 15% b) 8%
Net direct cost per pool admission (Alpine Aqualand)**	\$2.12 (2014 Yardstick facilities benchmark report)	<\$2.12 or within the top 50% of pools nationally	<\$2.12 or within the top 50% of pools nationally	<\$2.12 or within the top 50% of pools nationally
Number of serious incidents per 10,000 pool admissions (Alpine Aqualand and Wanaka Pool)	0.17 (2014 Yardstick facilities benchmark report)	<0.17 or within the top 50% of pools nationally	<0.17 or within the top 50% of pools nationally	<0.17 or within the top 50% of pools nationally

Notes

*Reporting will take into account population growth.

**The net direct operating cost is calculated from the direct operating costs (energy, staff, chemicals, water supply, building maintenance, plant and equipment maintenance) minus the operating revenue received from admissions. This figure is then divided by the total number of admissions. Excludes capital, depreciation and interest costs.

Community facilities and venues

The level of service our community can expect from this activity:				
<i>The Council provides facilities and venues for community activities and events.</i>				
How we'll measure our performance...	Baseline performance (how we perform now) <i>As at June 2014</i>	Target (how we aim to perform)		
		Year 1 2015/16	Year 2 2016/17	Year 3 2017/18
Average occupancy rate for community facilities: <ul style="list-style-type: none"> - Queenstown Events Centre (including indoor and outdoor courts, playing fields, oval and meeting room) - Lake Hayes Pavilion - Queenstown Memorial Centre - Arrowtown Community Hall - Wakatipu Grounds - Lake Wanaka Centre - Wanaka parks and sports fields 	60%	>60%	>65%	>70%
Variance from budget on property expenditure (commercial and community) for: <ul style="list-style-type: none"> a) capital expenditure b) operational expenditure 	New measure to be reported from 2015	a) Range of 0% and - 10% b) Range of 0% and - 5%	a) Range of 0% and - 10% b) Range of 0% and - 5%	a) Range of 0% and - 10% b) Range of 0% and - 5%

Libraries

The level of service our community can expect from this activity:

The Council provides library facilities for the community to access a wide range of resources for information, leisure and cultural enjoyment.

How we'll measure our performance...	Baseline performance (how we perform now) <i>As at June 2014</i>	Target (how we aim to perform)		
		Year 1 2015/16	Year 2 2016/17	Year 3 2017/18
Percentage of residents who are library members and borrow at least once a month (average across all library facilities)	16%	>20%	>20%	>20%

Parks and trails

The level of service our community can expect from this activity:

The Council provides well maintained green space, trails and cycle ways for the community to enjoy sports and leisure activities.

How we'll measure our performance...	Baseline performance (how we perform now) <i>As at June 2014</i>	Target (how we aim to perform)		
		Year 1 2015/16	Year 2 2016/17	Year 3 2017/18
Cost per hectare to maintain and manage the district's parks and reserves	\$1967 per hectare	<\$1967	<\$1960	<\$1955
Average daily use of trails	New measure to be recorded from 2015	No target**	No target**	No target**

Notes

*The Council maintains 1465 hectares of parks and reserves (including sports fields) across the district. Maintenance costs are inclusive of staff salaries. Annual savings will be as a result of efficiency savings and not changes in the level of service.

**To report an average count of people using the Queenstown trail.

Resident and ratepayer satisfaction

The level of service our community can expect from this activity:				
<i>The Council provides community services and facilities that users, residents and ratepayers say they are satisfied with.</i>				
How we'll measure our performance...	Baseline performance (how we perform now) <i>As at June 2014</i>	Target (how we aim to perform)		
		Year 1 2015/16	Year 2 2016/17	Year 3 2017/18
Percentage of community services and facilities users who are satisfied with: a) Sports facilities b) Libraries c) Parks d) Community venues and facilities	New measure to be recorded from 2015	85%	85%	85%
Percentage of ratepayers who are satisfied with: a) Toilets b) Playgrounds c) Trails	a) 71.9% b) 85% c) 90.2%	a) 75% b) 85% c) 92%	a) 80% b) 90% c) 95%	a) 85% b) 90% c) 95%

Otago Regional Performance Framework – benchmark measure for community services and facilities

How we will benchmark performance with other Councils in Otago...
Percentage of residents and ratepayers who are satisfied with the quantity and quality of community facilities (including percentage of ratepayers who have used a community facility in the last 12 months?)

Regulatory functions and services

Regulatory requirements and services delivered by the Council:

- a. Encourage compliance;
- b. Are user friendly;
- c. Protect the interests of the District;
- d. Are cost effective; and achieve the regulatory objectives.

Planning and building services

The level of service our community can expect from this activity:				
<i>The Council provides efficient and cost effective processing of resource and building applications that are considered for environmental impact.</i>				
How we'll measure our performance...	Baseline performance (how we perform now) <i>As at June 2014</i>	Target (how we aim to perform)		
		Year 1 2015/16	Year 2 2016/17	Year 3 2017/18
Percentage of total resource consents made by the owner as applicant (non-professional)	36%	>40%	>45%	>50%
Median charge per resource consent (including levied and incurred cost) by: a) Notified b) Non-notified	New measure to be recorded from 2015	a) <\$12,000 b) <\$1,500	a) <\$12,000 b) <\$1,500	a) <\$12,000 b) <\$1,500
Percentage of consents processed within statutory timeframes: a) Resource consents b) Building consents	a) 100% b) 93%	a) 100% b) 100%	a) 100% b) 100%	a) 100% b) 100%
Percentage of applicants who are satisfied with the consenting process	New measure to be recorded from 2015	100%	100%	100%

Regulatory services

The level of service our community can expect from this activity:				
<i>The Council provides effective and appropriate enforcement and control of activities to minimise the potential harm to the public.</i>				
How we'll measure our performance...	Baseline performance (how we perform now) <i>As at June 2014</i>	Target (how we aim to perform)		
		Year 1 2015/16	Year 2 2016/17	Year 3 2017/18
Percentage of urgent requests responded to (between time of notification and personnel arriving on site) within two hours for a) animal control b) water safety	New measure to be reported from 2015	100%	100%	100%
Percentage of very high and high risk liquor* premises inspected at least <u>quarterly</u>	New measure to be reported from 2015	25% quarterly/100% annually	25% quarterly/100% annually	25% quarterly/100% annually
Percentage of registered food premises that are grading inspected at least annually	95%	100%**	100%**	100%**
Percentage of ratepayers who are satisfied with Council management of enforcement activity for: a) Freedom camping b) Noise complaints c) Dog control d) Harbourmaster	a) New measure to be recorded from 2015 b) 52.3% c) 50.8% d) New measure to be recorded from 2015	a) 50% b) 55% c) 55% d) 50%	a) 55% b) 60% c) 60% d) 55%	a) 60% b) 65% c) 65% d) 60%

Notes

*The framework for determining very high and high risk liquor premises can be found on the Council's website. The framework weights premises according to their type, latest alcohol sales time and number of enforcements within the last 18 months.

**the new Food Act may amend the inspection requirements for food premises and therefore affect this target

Otago Regional Performance Framework – benchmark measure for regulatory functions and services

How we will benchmark performance with other Councils in Otago...

Percentage of building and resource consents issued within statutory times, and average building and resource consent processing days

Environment

The District's natural and built environment is high quality and makes the District a place of choice to live, work and visit.

The level of service our community can expect from this activity:

The Council takes all practicable steps to protect the environment.

How we'll measure our performance...	Baseline performance (how we perform now) <i>As at June 2014</i>	Target (how we aim to perform)		
		Year 1 2015/16	Year 2 2016/17	Year 3 2017/18
Percentage of ratepayers who are satisfied with the steps Council is taking to protect the environment	New measure to be reported from 2015	50%	55%	60%
Percentage of pollution related Requests for Service (RFS) resolved within specified timeframes*	New measure to be reported from 2015	100%	100%	100%

Notes

*Pollution relates to discharges to land and water. Discharges to air are dealt with by the Otago Regional Council.

Economy

The District has a resilient and diverse economy.

The level of service our community can expect from this activity:				
<i>The Council facilitates economic growth in the district.</i>				
How we'll measure our performance...	Baseline performance (how we perform now) <i>As at March 2014</i>	Target (how we aim to perform)		
		Year 1 2015/16	Year 2 2016/17	Year 3 2017/18
<i>Percentage of commercial ratepayers satisfied with how the tourism promotion rate is being used to market the district TBC</i>	New measure to be reported from 2015	50%	55%	60%
<i>Growth in new and emerging sectors TBC</i>	New measure to be reported from 2015			

Local Democracy

The community is well informed and engaged in the activities of Council.

The level of service our community can expect from this activity:				
<i>The Council ensures the community has a 'voice'.</i>				
How we'll measure our performance...	Baseline performance (how we perform now) <i>As at June 2014</i>	Target (how we aim to perform)		
		Year 1 2015/16	Year 2 2016/17	Year 3 2017/18
Percentage of ratepayers who are satisfied with Council consultation	53.9%	55%	60%	65%
Percentage of ratepayers who are satisfied with Elected Members	59.3%	80%	80%	80%

Otago Regional Performance Framework – benchmark measure for local democracy

How we will benchmark performance with other Councils in Otago...	
Percentage of ratepayers who are satisfied with overall Council performance	
Percentage of ratepayers who are satisfied with Council communications	

Financial support and services

Council expenditure is cost-effective and sustainable; and

The Council is trusted and respected for its customer service and stewardship of the District.

Customer service

The level of service our community can expect from this activity:				
<i>The Council handles customer communications efficiently and competently.</i>				
How we'll measure our performance...	Baseline performance (how we perform now) <i>As at June 2014</i>	Target (how we aim to perform)		
		Year 1 2015/16	Year 2 2016/17	Year 3 2017/18
Percentage of customer calls that meet the service level (answered within 20 seconds)	New measure to be recorded from 2015	80%	80%	80%
Percentage of communication is responded to within specified timeframes: a) Official Information Act Requests within 20 days b) Councillor enquiries within 5 days	a) 97% b) 61%	a) 100% b) 95%	a) 100% b) 95%	a) 100% b) 95%
Percentage of rates invoices that are sent via email	10.65%	Trend towards 100%		
Percentage of ratepayers who are satisfied with dealings with Council staff	66.9%	80%	80%	80%

Financial services

Council expenditure is cost-effective and sustainable.

The level of service our community can expect from this activity:				
<i>The Council follows a financial strategy that balances the need for growth and debt servicing.</i>				
How we'll measure our performance...	Baseline performance (how we perform now) <i>As at June 2014</i>	Target (how we aim to perform)		
		Year 1 2015/16	Year 2 2016/17	Year 3 2017/18
Weighted average interest rate	5.44%	<6%	<6%	<6%
Debt servicing to rates revenue	New measure to be recorded from 2015	<15%	<15%	<15%
Percentage of debt owing 90days plus	New measure to be recorded from 2015	<30%	<30%	<30%
Rates as a percentage of household income	3%	<3%	<3%	<3%
Capex to depreciation ratio	New measure to be recorded from 2015	1	1	1

Otago Regional Performance Framework – benchmark measure for financial support and services

How we will benchmark performance with other Councils in Otago...
Rates per ratepayer as a percentage of household income
Cost of Administrative and Support Services as a percentage of organisational (the Councils) running cost

Department of Internal Affairs mandatory measures for financial support and services

How the Department of Internal Affairs (DIA) will measure our performance for finance...
Rates income complies with the limits set in the financial strategy (Affordability benchmark/rates benchmark)
Debt complies with the limits set in the council's financial strategy (Affordability benchmark/debt benchmark)
Rates per rating unit
Net debt per rating unit
Revenue (excluding income from development and financial contributions, revaluations and vested assets) exceeds operating expenditure (Sustainability benchmark/balanced budget benchmark)
Capital expenditure on the five network infrastructure services equals or exceeds depreciation on those five services (Sustainability benchmark/balanced budget benchmark)
Borrowing costs are less than 10% of operating revenue (or 15% for those with projected growth at or above NZ average) (Sustainability benchmark/ Debt servicing benchmark)
Net cash flow from operations equals or exceeds budget (Predictability benchmark/operations control benchmark)
Net debt is less than or equal to forecast net debt in the local authority's long term plan (Predictability benchmark/Debt control benchmark)