

18. RESULTS OF THE 2000/2001 NATIONAL WATER SUPPLY INDUSTRY REVIEW

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The purpose of this report is to inform Councillors of the results of the fifth Price Waterhouse Coopers survey of the Council's performance in the delivery of water supply service compared with other supply authorities in New Zealand.

BACKGROUND

Benchmarking of water supply and wastewater services in New Zealand was initially undertaken for the 1996/97 year by Coopers Lybrand for the NZ Water & Waste Association. Christchurch has participated in the survey every year and the results are reported to this Committee. Participation in the survey is voluntary and each participant receives a report comparing its performance with the average of all participants, which ensures confidentiality.

Three levels of review, (Bronze Silver and Gold), corresponding to an increasing depth of financial analysis are offered. Christchurch participates in the Gold review along with the following 13 other water supply authorities.

Ecowater Solutions	Rodney District Council
Kapiti Coast District Council	Tauranga District Council
Manukau Water	United Water International
Metrowater	Wanganui District Council
New Plymouth District Council	Wellington Regional Council
North Shore City Council	Western Bay of Plenty District Council
Palmerston North City Council	

It is interesting that

- eight of these authorities have been involved for four years or more,
- a private service provider, United Water International makes a first appearance, and
- Christchurch is still the only South Island authority taking part.

RESULTS FOR YEAR ENDING 30 JUNE 2001

A copy of the full report is tabled and available to Councillors.

A summary of the key findings of the report showing how Christchurch compares with the survey average over the chosen criteria is shown on Attachment A. Specific comments are given on Attachment B.

SUMMARY

As with previous years, a degree of care is needed in the interpretation of some results, notably with water treatment costs/volume delivered, where Christchurch's extremely pure water source gives this Council a huge comparative cost advantage. Given this, Christchurch still performs very well as a water supplier.

Over the next year, two tasks will be undertaken to make better use of this survey.

- Trend analysis - It is proposed to examine trends since 1996 in the annual key performance indicator results. This will be presented in next years report to Councillors along with the raw results.
- Development of better KPIs – The unit is currently examining the key performance indicators to produce a more meaningful list that will provide a way of identifying improvement opportunities in the way the system is managed. The list examined in the national benchmarking exercise will provide some of these. It will also be necessary to align these KPIs up with those that go into the Council's Annual Plan document.

TRIPLE BOTTOM LINE AUDIT

	Condition	Meets Condition	How it Helps Meet Condition
The Natural Step			
N4	People needs met fairly and efficiently	✓	Monitors performance and financial management of water supply.
The People Step			
P1	Basic needs met	✓	Monitors performance and financial management of water supply.
P5	Governance and participatory democracy strengthened	✓	Provides useful Key Performance Indicators.
The Economic Step			
E1	Effective and efficient use of all resources	✓	Monitors performance and financial management of water supply
E3	Financial sustainability	✓	Monitors performance and financial management of water supply.
✓✓	Significant positive impact (Project aiming to have positive impact in area)	- Neutral	x Negative impact
✓	Positive impact		xx Significant negative impact (project aiming opposite direction to condition)

Chairman's Recommendation: That the information be received.