

## 7. RESULTS OF THE 2001/02 NATIONAL WATER SUPPLY INDUSTRY REVIEW

<b>Officer responsible</b> City Water and Waste Manager	<b>Author</b> Andrew Nichols, Planner Asset Management DDI 941 8274
------------------------------------------------------------	------------------------------------------------------------------------

The purpose of this report is to inform Councillors of the results of the sixth 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 New Zealand Water and 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. This year for the first time Christchurch was one of the Councils that was prepared to allow individual Councils data to be published. This forms a new appendix to the published report.

Three levels of review, (Bronze, Silver and Gold), corresponding to an increasing depth of financial analysis are offered. Christchurch participates in the Gold review in a group of 11 water supply authorities.

	<b>Number of Customers</b>
Christchurch	128,971
North Shore City Council	68,414
Manukau Water	89,239
Franklin District Council	10,934
Tauranga District Council	42,058
Western Bay of Plenty District Council	12,276
New Plymouth District Council	24,732
Wanganui District Council	16,743
Palmerston North City Council	28,694
Kapiti Coast District Council	18,694
Hutt City Council	36,784

Once again Christchurch is the only South Island authority taking part.

### RESULTS FOR YEAR ENDING 30 JUNE 2002

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.

As with previous years, a degree of care is needed in the interpretation of some positive results, notably with water treatment costs/volume delivered, where Christchurch's extremely pure water source gives this Council a huge comparative cost advantage (something that perhaps should be publicised more in attracting business to Christchurch). In the few areas where it would appear at first glance that the Christchurch system performs unfavourably, such as costs of customer service/customer, analysis of the spending shows that it is investment in service improvement that has caused a rise in costs and not a decline in efficiency.

### CARRY OVER IMPROVEMENT TASKS

Last year it was promised to conduct some long term trend analysis and develop some KPI's from the benchmarking compatible with the Annual Plan so that improvement opportunities might properly be identified. It is now proposed to conduct this as part of the ongoing review of Levels of Service in the Water Supply Asset Management Plan.

## **SUMMARY**

The results of the most recent benchmarking review for our water supply are pleasing. The strategic planning done by staff is focussed on forecasting future internal and external challenges to maintaining a quality water supply in Christchurch and this benchmarking provides valuable insights on how to enhance the water supply system. Associated KPI's from this confirming work are being developed for inclusion into the City Water and Waste Units section of the Annual Plan and Asset Management Plan

### **Chairman's**

**Recommendation:** That the information be received.