

Paper 2A: (WORK IN PROGRESS) Examples of statements of service performance

Staff note to Board: This paper provides extracts from a variety of statements of service performance that have been published in practice. Its purpose is to provide a 'picture' of the descriptions of practices provided in paper 2 *Report on staff research into domestic and international requirements and practices relating to service performance reporting*. It is structured broadly in line with paper 2. Like paper 2, paper 2A is a work in progress.

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SECTION 1.A
NEW ZEALAND: UNIVERSITY OF CANTERBURY
STATEMENT OF SERVICE PERFORMANCE 30 JUNE 2009 QUARTER 2

Statement of Service Performance End-of Second Quarter Report

As at 30 June, 2009

**Prepared by Dr Bob Hall
Director of Planning, Information and Reporting**

Note: This document should be read in conjunction with Profile 2008-2010. Staff with operational responsibility for strategic targets in the Profile were asked to provide an end-of-quarter report on progress to date in 2009. A composite summary report covering all strategic targets was then put together from these progress reports. This process of preparing a quarterly “statement of service performance” report will be repeated throughout the year. Updates on Key Performance Indicators from the Profile will be provided at the end of Quarters Two, Three and Four.

REPORT SUMMARY

First Half Year Achievements

1. The launch of the New Zealand ICT Innovation Institute (NZi3) on April 24
2. Completion of a series of strategic planning workshops led by the Vice-Chancellor and development of a draft statement of strategic intent to guide further discussions
3. Securing \$1.4 million in TEC Priorities for Focus funding for 10 projects (2009-2010)
4. Completing initial preparations for the 2010 Academic Audit by the New Zealand Academic Audit Unit (NZVCC)
5. Development of an internationalisation strategy for the University
6. Appointment of the University's first Professor of Māori Research
7. Introduction of a new professional development programme "Te Reo, Tikanga me Te Tiriti - Māori Language, Customs and the Treaty of Waitangi"
8. On track to meet TAMU key financial indicators
9. Implementation of formal processes for prioritising capital requests
10. In conjunction with the Tertiary Education Commission, implementing a Summer Scholarship scheme to support up to 200 students

Key Risks

Mitigations

1. Shortfall in research, consulting and interest revenues	Off set by savings
2. Public response to the proposal to develop the National Conservatorium of Music at the Arts Centre	Public meetings and consultation
3. Staff responses to the strategic planning process	Staff forums and communication
4. Staff response to the identification and management of research inactive staff	Mitigation through closure
5. Response to the tightening of progression standards for students	Consultation with Academic Board

Key Strategic Area 1

RESEARCH AND CREATIVE WORK

To consolidate and maintain the University's status as a top research-led university¹

1.1: RESEARCH QUALITY

Enhance the quality and impact of University research outputs

Planned activities to achieve this target include implementing the University's PBRF strategy; and implementing strategies to value, reward and celebrate research excellence within Colleges and the University.

The University's PBRF 2012 project team is now in place. This includes PBRF Advisors based in each College. Advisors are meeting with academic staff to inform them of PBRF guidelines and also to ensure that research outputs are maximally recorded for PBRF assessment. Meetings are also being held with College Managers and School administrative staff to keep them abreast of PBRF developments and strategies. The College of Education PBRF evaluation is proceeding according to plan. Five of the six Schools have been evaluated.

Within the College of Education research excellence is celebrated at a monthly morning tea. The PVC acknowledges publications, invitations to deliver keynotes, visiting scholars, PhD completions etc.

Prominence is given to researchers and their achievements on the College of Arts' website. The College's regular newsletter also includes highlights of research achievements, publications and events and is also used to disseminate research opportunities.

The College of Business and Economics has reviewed its policies and introduced a new system to reward publications in A* and A rated journals.

College of Science staff are encouraged to nominate for national and international awards and prizes such as Hope, MacDiarmid and Royal Society of New Zealand awards.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Actual as at June 30	2009 End of year forecast as at June 30	2009 Planned as per revised Profile
Quality assured research publications	2,458	3,009	Available mid-2010 ²	3,200	2,600
Doctoral thesis completions ³	99	129	46	130	135
Masters thesis completions ⁴	207	187	92	185	175

1.2: RESEARCH ACTIVITY

Increase research activity throughout the University

Planned activities to achieve this target include implementing strategies to increase research activity within Colleges; increasing the amount and value of external research grants; continuing to build strong relationships with funding agencies and the private sector; reviewing participation, retention and thesis completion trends for postgraduate students; and implementing strategies to increase these rates.

Within the College of Education a PVC Fund has been established to support research and scholarly activities. The funds are distributed annually to recognise research excellence. A College Conference committee receives applications and awards funding to academic staff to attend conferences that result in quality assured outputs. The College has recently completed a review of initial teacher education programmes with a view to gaining efficiencies and freeing up more staff time for research. An editor has been made available within the College to provide assistance with scholarly publications and funding has been provided to support academic staff to upgrade their qualifications.

Within the College of Arts the PVC and departmental heads emphasise the importance of research activity especially in the context of the Professional Development and Review (PD&R) process. The College is planning to make increased use of Summer Scholarship opportunities to

¹ Strategic targets in this section mirror key aspects of the University's Research Plan.

² The University's Research and Innovation office does not collate research publication information until the middle of the following year. This is done in conjunction with producing the annual Research Report.

³ In this context, 'completion' means that all academic requirements have been completed in the year concerned, even though the candidate may not yet have graduated.

⁴ Masters thesis completions exclude dissertations.

encourage young researchers. The College budget for the internal research grants round has been maintained at \$200,000 for 2009.

The College of Business and Economics has carried out an audit of research productivity for the past three years and is actively managing staff identified as "at-risk" of being classified research-inactive in the 2012 PBRF evaluation.

The College of Engineering is currently recruiting a number of new academic staff. The selection criteria include past research activity and plans for subsequent activity. Departments offer new staff seed funding to encourage the development of research programmes. New staff members are also generally attached to a research group to provide support and mentoring in their area of speciality. Six applicants from the College who have progressed to the second Marsden funding round have been awarded \$5,000 each to develop their proposals.

Relevant initiatives within the College of Science include the establishment of a cross college network of early to mid career researchers; the award of early career research grants for 2009 (15 totalling \$170k); the establishment of additional College PhD scholarships; and reestablishment of the College of Science research committee

In order to increase the amount and value of external research grants the Research and Innovation team are working to provide enhanced services to all staff in relation to Marsden and FRST grant rounds. Renewed emphasis is also being placed on commercialisation opportunities.

The launch of NZi3 has provided a showcase facility to celebrate the University's commercial relationships in the ICT and engineering fields. NZi3 staff continue to develop new relationships in this area. The Deputy Vice-Chancellor has continued to meet regularly with staff from MoRST, FRST and the Royal Society.

The Dean of Postgraduate Studies has been provided with detailed statistics on postgraduate enrolments and discussed these with the Postgraduate Committee in April. The figures are currently being analysed with a view to ensuring that such reports become a regular feature of postgraduate planning. At that April meeting the Postgraduate Committee discussed barriers to postgraduate growth and explored strategies for overcoming these. English proficiency requirements for international postgraduate students have recently been reviewed in light of the fact that the University currently has the highest requirements of all of the New Zealand universities. Given the University's commitment to maintaining standards of academic quality, the decision has been taken to leave the language proficiency requirements as they are.

In the first half of the year the Dean ran a number of training sessions for Postgraduate thesis supervisors in conjunction with UCTL. Topics covered included: different paradigms of supervision; mentoring of supervisors; supervising international students; and international trends in postgraduate education. The sessions were well received. A Deputy Dean of Postgraduate Studies has been appointed to provide back-up for the Dean. In conjunction with the Tertiary Education Commission a Summer Scholarship scheme has been implemented to support up to 200 students. A Memorandum of Understanding on postgraduate studies has recently been signed with the University of Tasmania.

It is expected that the end-of-year targets for total contract value of external research grants awarded and proportion of postgraduate research students will be met.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Actual as at June 30	2009 End of year forecast as at June 30	2009 Planned as per revised Profile
Total contract value of external research grants awarded	\$36.5m	\$37.6m	\$8.8m	\$35m	\$35m
Postgraduate research EFT students as a percentage of total enrolments	5.7%	5.7%	5.8%	5.96%	6.0%

1.3: RESEARCH COLLABORATIONS

Pursue national and international research collaborations with other leading tertiary institutions and research organisations⁵

Planned activities to achieve this target include encouraging and supporting research collaborations with national tertiary institutions and research organisations as well as leading universities and research institutions worldwide; and continuing to ensure that the Erskine Programme is used effectively to develop and maintain links with leading researchers at other universities.

The Deputy Vice-Chancellor continues to lead discussions with Otago and Lincoln Universities on preparing joint bids to TEC for funds such as Encouraging and Supporting Innovation (ESI) and Priorities for Focus (PFF). These efforts have met with some success. He is also working closely with all University Colleges to ensure the best use is made of the KAREN network and to generate support for the proposed High Performance Computing investment.

The College of Education has research collaborations in place with a range of national tertiary institutions and research organisations such as the University of Auckland, Waikato University, Massey University, the Ministry of Education, the Tertiary Education Commission and the Ministry of Health. Social scientists from within the College of Arts continue to collaborate with colleagues in other universities via the BRCSS (Building Research Capability in the Social Sciences) network. New Zealand Schools of Social Work are engaged in exploring options for collaboration on national research projects and bids for funds. Aotahi: School of Māori and Indigenous Studies and the Macmillan Brown Centre for Pacific Studies have both been involved with other regional and national colleagues in successful bids for Priorities for Focus (PFF) funds. The School of Languages is also involved in a PFF collaboration with Victoria University of Wellington.

The College of Engineering offers 25 grants totaling \$121,000 to its staff to assist with the development of research collaboration nationally and internationally. The opening of NZi3 has generated significant interest in collaboration opportunities with projects being developed with Jade, Tait Electronics and Intel at present.

The College of Science is working on the development of formal links with EQC and GNS Science, now acts as host for the COMNAP secretariat (Council of Managers of National Antarctic Programs), has developed formal linkages with two overseas universities and discussions relating to a further linkage are in progress.

The College of Business and Economics ran a series of Marsden grant workshops in the first half of the year which actively promoted joint projects with investigators at other New Zealand tertiary institutions.

In May the Deputy Vice-Chancellor led a University delegation to Canada (University of Waterloo) and the USA. In the United States he had meetings with senior staff and officials from the University of Washington. The DVC continues to support the partnerships with the University of Adelaide including preparations for the visit of its Vice-Chancellor and senior staff in July. The College of Education has international research collaborations with Kansas University, Oxford University and Cambridge University among others. International research connections are encouraged within the College of Arts by means of internal research grants.

The Pro-Vice-Chancellor (International) has been leading a review of the University's internationalisation strategy. In July the University adopted a new strategy which focuses on building deep, long-term research partnerships with a small network of peer universities worldwide.

The Deputy Vice-Chancellor meets with all Erskine visitors and co-hosts a welcome function with the Vice-Chancellor and Staff. All Erskine visitors are now added to the University's alumni database and have been asked to assist with the peer review panel exercise that informs the THE-QS world university ranking survey.

⁵ Figures quoted in this section are GST inclusive.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Actual as at June 30	2009 End of year forecast as at June 30	2009 Planned as per revised Profile
Number and value of NZ industry research contracts	14 \$0.66m	21 \$2.48m	3 \$3.06m	8 \$3.5m	13 \$1.5m
Number and total contract value of research grants with other NZ tertiary institutions	25 \$11.14m ⁶	24 \$2.00m	7 \$0.30m	17 \$1.5m	17 \$1.5m
Number and total contract value of research grants with other NZ research institutions (CRIs)	6 \$0.67m	21 \$2.34m	5 \$0.60m	18 \$1.9m	18 \$1.9m
Number and total contract value of research grants with overseas organisations	23 \$1.51m	16 \$0.82m	8 \$0.63m	13 \$1.0m	13 \$1.0m

1.4: RESEARCH CAPABILITY

Enhance research capability and productivity through investment in current and future researchers

Planned activities to achieve this target include implementing strategies to enhance research capability and productivity within Colleges; and continuing to give emphasis to upgrading scholarship and other support for postgraduate research students.

The Vice-Chancellor has initiated discussions to ensure that all staff are made aware of any shortcomings in their research/creative work productivity through the Professional Development and Review (PD&R) process. In the College of Education, all academic staff complete annual research plans that are reviewed regularly as part of the PD&R process. Within the College of Engineering, Heads have objectives relating to completion of PD&R in their performance agreements and have at-risk payments associated with the achievement of the KPIs. A key part of Professional Development and Review meetings within the College of Business and Economics is ensuring that research and teaching are given equal weight. In the first half of the year the Department of Management introduced a new workload model which is designed to recognise higher degree supervision within the teaching workload allocation.

The University's Postgraduate Scholarship policy was reviewed in the first half of the year and refinements made to postgraduate scholarship administrative processes. It was confirmed by SMT that UC scholarships will continue to be centrally administered but the number of reserved scholarships made available to students from Colleges otherwise under-represented in scholarship awards were increased. This benefitted the College of Education and the College of Business and Economics. Eight new fees scholarships for postgraduate courses in High Performance Computing were created and made available. In line with service provision at other New Zealand universities it has been decided to provide greatly increased internet facilities to postgraduate thesis students at effectively no charge.

End-of-year targets set in relation to research scholarships and internal research grants are likely to be exceeded.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Actual as at June 30	2009 End of year forecast as at June 30	2009 Planned as per revised Profile
Number and value of research scholarships funded by the University	195 \$3.8m	229 \$4.1m	193 \$2.4m	274 \$5.0m	230 \$4.1m
Number and value of internal research grants, including equipment	201 grants \$1.8m	274 grants \$2.389m	204 grants \$0.84m	261 grants \$2.4m	220 grants \$2.2m

⁶ This figure includes contracts for COREs (MacDiarmid and Allan Wilson Centre) that were awarded in 2007.

SECTION 1.B
CANADA: CANADIAN COAST GUARD
ANNUAL REPORT 2007-8
(SECTION 5: MEASURING PERFORMANCE)

5

MEASURING PERFORMANCE



Whether supporting Canadian Coast Guard programs, Fisheries and Oceans Canada, other government departments or agencies, or protecting broader Canadian interests, the goal of the Fleet is to provide safe and secure, effective and efficient services.

While Section 4 examined services by client, Section 5 looks at the accountability and overall performance of the Fleet, with measures endorsed by the Fleet Executive Board (this board is the management and governance authority for the Fleet, consisting of the headquarters Fleet Directors; Regional Directors, Fleet Operational Services; and is led by the Director General, Fleet).

As new evaluation factors are developed, performance measures will evolve to ensure that Fleet has meaningful, timely and accurate information on which to base decisions and report to Canadians.

5.1 ACCOUNTABILITY

Accountable to CCG Senior Management:

Coast Guard Fleet is managed through a clear national accountability structure based on the principles of openness, transparency, and national consistency. The Fleet Executive Board (FEB), a national body led by the Director General, Fleet, is accountable for promoting national consistency and leadership in the management of the fleet and its personnel in such matters as safety, security, operational and capital planning, financial management, performance and operation of CCG vessels and helicopters. FEB meets regularly to ensure effective overall management of the Fleet. The Regional

Directors Operational Services, reporting to their respective regional Assistant Commissioners, to the Commissioner, are accountable for the day to day operations, program delivery and associated financial and operational management, safety, security, overall management and leadership of the Fleet and its personnel.

Accountable to Program Clients:

Fleet is accountable to its clients in the ongoing provision of services primarily through the execution and delivery of its Fleet Operational Plan. More generally, however, accountability for the overall management of the fleet is governed by Coast Guard's comprehensive three-year Business Plan – this includes accountability for the outcomes of special initiatives designed to deliver on the priorities of the Coast Guard in its efforts to enhance its services, support its people, and maximize its efficiency.

Accountable to Canadians and Business Plan commitments:

The following table reflects the outcomes of Fleet 2007-2008 commitments in the CCG 2007-2010 Business Plan. It reflects what has already been reported in the 2007-2008 Business Plan Year-End Report:

- The project or deliverables were completed as planned and/or decision/approval was obtained by April 30, 2008.
- The project or deliverables are substantially incomplete.
- The project or deliverables were not completed as planned due to external factors/or substantial progress has been made but the project or deliverables were not fully completed by April 30, 2008.



2007-2008 Strategic Plan

What was Achieved in 2007-2008

CCG Business Plan Priority: Support for Canada's Maritime Security Agenda

Deliver enhanced Marine Security Enforcement Team (MSET) training to relevant CCG employees.

Complete.
Enhanced Police Defensive Tactics and Law Enforcement Familiarization training, which included RCMP, delivered as planned.

CCG Business Plan Priority: Fleet Renewal

Develop new charging model and performance indicators for internal clients based on the concept of operational readiness

To clearly demonstrate the full cost of having a Fleet capable of responding to Coast Guard needs and the maritime priorities of other government departments:

- the Fleet Operational Readiness program has been developed and approved by the Treasury Board Secretariat.
- a Fleet Financial Framework and national costing model has been introduced;
- a Service Level Agreement (SLA) working group has been established with DFO clients on service commitments, performance indicators, and the new charging model; and
- the timing of the finalization of the SLA will depend on obtaining full agreement of parties external to CCG.

Improve coding and business rules for the Fleet Activity Information System (FAIS) to meet Fleet and Client information requirements.

Complete.

Define requirements of Fleet Mission Readiness.

Complete.

Develop new Enhanced Fleet Planning Process integrated with Business Planning processes.

Complete.

Publish a Fleet Annual Report for 2006-2007 that clearly depicts quantitative and qualitative analysis of the Fleet's performance.

Complete.
To be published annually.

CCG Business Plan Priority: Focus on People

Seagoing Personnel Career Development Initiative – Build capacity and program.

Complete.
The initiative is designed and tested but there are indications that some classification issues may arise during implementation.

Obtain approval of standard regional organizations (SRO) and migration strategy from CCG Management Board (all DGs and ACs are accountable).

➤ The standard regional organizations (SRO) have been approved.

➤ Principles have been developed to guide CCG's migration to the SRO over time.

➤ Next steps are discussions with bargaining agents and communication with staff.

Develop National Model Work Descriptions (NMWDs) for technical and seagoing positions.

➤ Seagoing NMWDs have been developed and submitted to classification.

Develop strategic frameworks for collective bargaining with Ships' Crews.

Complete.
Negotiations ongoing.

Fleet commitments for fiscal year 2008-2009 are reflected in the CCG 2008-2011 Business Plan at <http://www.ccg-gcc.gc.ca/eng/CCG/Home>.

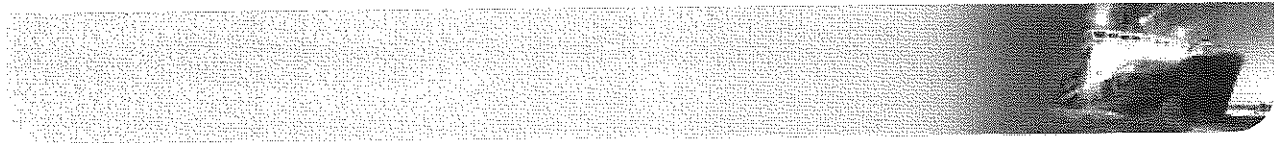
5.2 SAFE AND SECURE DELIVERY

The Canadian Coast Guard Fleet is an organization committed to safety, security and environmental protection in the delivery of quality services to its clients. The fleet operates in a significant risk-based maritime environment with our personnel, vessels, air cushion vehicles, helicopters and small boats conducting operations in some of the world's most remote locations under extreme environmental conditions.

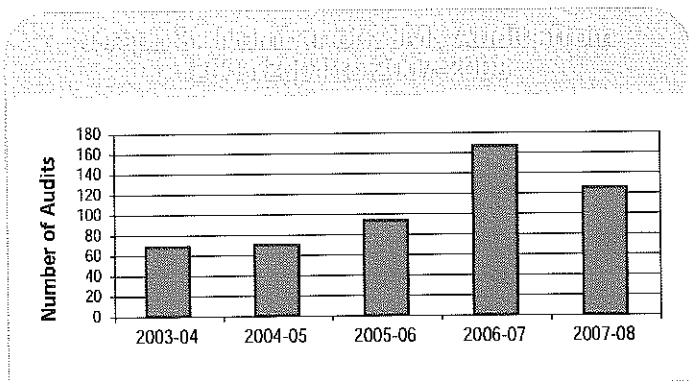
The safety and security of our seagoing personnel, supernumeraries, support staff and scientists is paramount. Fleet manages these risks through its Safety and Security Management System (SSMS). Twenty-five full-time staff are dedicated to work with seagoing and shore-based Fleet personnel to promote a culture that puts safety and security first on a daily basis. These employees work to ensure safe and secure delivery of Coast guard programs through the promotion of a "safety culture" and a rigorous system of audits conducted on board all fleet vessels, monitoring the results of incidents, and developing mitigation policies and systems procedures to protect employees.



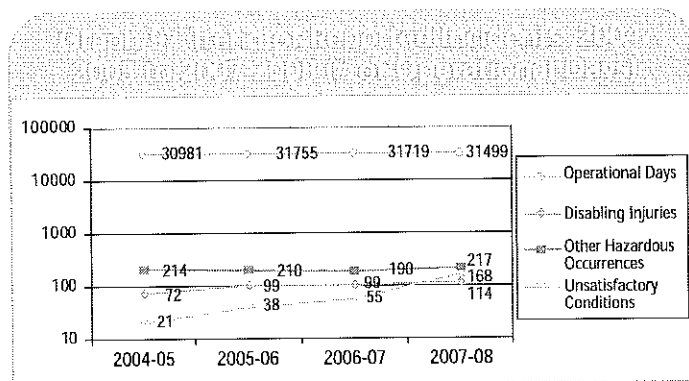
CCGS Jackman, SAR Lifeboat with DND Helicopter.
Photo: HQ & NCC



The number of audits conducted throughout the fleet has increased significantly since 2005, as vessels between 15 and 125 gross tonnes were introduced to the SSMS and vessels above 100 gross tonnes started to comply with the International Ship and Port Security (ISPS) Code. The initial introduction of these vessels resulted in a high number of audits in 2006-2007 as each of these vessels necessitated both a pre-certification audit as well as a certification audit.



Fleet Safety and Security tracks each reported shipboard incident. The number of reported incidents in the fleet increased in F/Y 2007-2008. This increase can be attributed to the introduction of vessels between 15 and 125 gross tonnes. As with the initial introduction of the SSMS onboard vessels above 125 gross tonnes, increased awareness of seagoing personnel of the importance of reporting all incidents leads to an increase in the number of incidents reported and causes an apparent increase in the number of hazardous occurrences. The increase in unsatisfactory conditions can also be attributed to this increased awareness of reporting potential incidents for prevention purposes. Additionally, breakdowns, reflective of an ageing fleet are also included in this category.



A number of initiatives are in progress across the country to reduce accidents and injuries to fleet personnel and better protect all employees. Some of these include:

- A National respiratory protection program has been developed and is being implemented Fleet-wide in 2008. The program, based on the CSA standard, provides mechanisms to reduce exposure to contaminants through improved ventilation, enclosure or isolation, or by substituting a less hazardous process or material and providing personal protective respiratory gear when needed. All Fleet

personnel will receive specialized protective equipment and will be trained in identifying situations where protective gear is required, how to use it safely, and how to care for and maintain this equipment.

Fleet Safety and Security has been working with DFO Occupational Safety and Health to increase awareness of proper lifting techniques to reduce the number of back related injuries to Fleet personnel.

- A survey of the Safety and Security Management System aimed at all seagoing and shore-based employees has been prepared to encourage feedback about the Safety and Security Management system.

- Fleet Safety and Security has been working closely with Integrated Technical Services to ensure that Fleet requirements are fulfilled in the Canadian Coast Guard Fall Protection Program.
- The Fleet Tackle Guide is being updated to reflect regulatory changes as a result of the introduction of *Canada Shipping Act, 2001*, effective 2007.
- A standard crewing profile has been developed for use on all fleet vessels to ensure safe and efficient delivery of all Coast Guard programs. Population of this crewing profile is expected to be completed in 2008.

Each of these initiatives is expected to have a positive impact on the safety and security of Fleet employees.

In light of Coast Guard's evolving role in law enforcement support, a new risk management methodology was developed for non-routine law enforcement boarding operations. The ship's Commanding Officer uses the newly developed procedures to assess the risk and formulate a mitigation strategy to reduce or avoid hazards.

5.3 EFFECTIVE DELIVERY

Effectiveness is used to assess the extent to which an organization is meeting its expected results.

Fleet has developed various measures to assess its effectiveness, two of which are: service delivered compared to service planned, and operational delays.

By comparing the service delivered to what had been planned for 2007-2008, CCG gains an appreciation of the effectiveness of service delivery. Where values exceed 100%, service demands were actually higher than anticipated, and consequently more

L'Acadieu II – a Tragedy

The fleet uses icebreakers and helicopters to support and monitor the annual seal harvest off the east coast of Canada, as well as providing search and rescue services as required. This activity is risk based. Over March 28 and 29, 2008, *L'Acadieu II*, a fishing vessel, broke down in ice. Unfortunately while under tow by the icebreaker *CCGS Sir William Alexander*, the vessel capsized and three of *L'Acadieu II* crew were lost with a fourth missing and presumed lost. CCG has completed a major independent investigation under the leadership of retired Rear Admiral Roger Girouard. CCG also actively supported the investigation by the Transportation Safety Board and a separate investigation by the RCMP. CCG will develop and implement a comprehensive Action Plan to prevent similar incidents in the future. Interim measures are already in place.

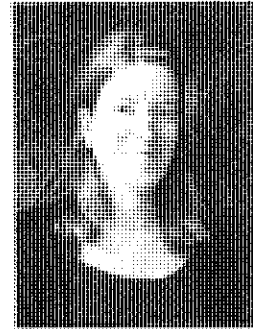
operational days were delivered than had been planned. Where values are less than 100%, fewer operational days were delivered than had been planned. The normal tolerance range is plus or minus 10%, given operational, environmental and program fluidity.



A Day in the Life of a Marine Engineer

After one year at Dalhousie University, Julia Murphy was uncertain about her future. That changed when she heard that the Canadian Coast Guard College was accepting applicants and she decided to apply to the engineering program. It was a perfect fit – she is now one of only a handful of women engineers in Canada with a First Class Marine Engineering Certificate of Competency.

Julia graduated with a Diploma in Marine Engineering and a Bachelor of Technology in Nautical Sciences. She spent six years working in Dartmouth in the Maritimes Region. Her first year was spent on the *CCGS Provo Wallis*, a small buoy tender. During her second year, she moved between the *CCGS Edward Cornwallis* and the *CCGS Terry Fox*, before settling for four years on the *CCGS Sir William Alexander*. In April 2008 she returned to the *CCGS Cornwallis* as Senior Engineer, and has since accepted an assignment at headquarters where she will be implementing a new maintenance management plan for ships across the country.



Marine Engineer
Julia Murphy

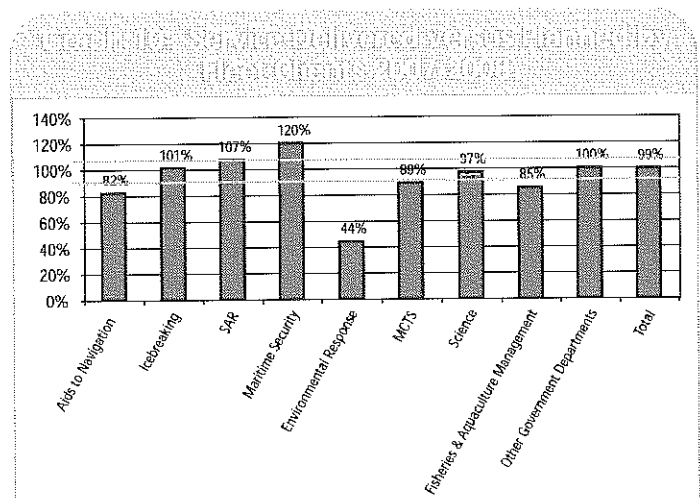
As a Senior Engineer on ships, Ms. Murphy's days started at 6 a.m. when she met with the watch engineer and the engineering staff to discuss and plan the day's events. As higher priorities arise, the engineers adapt their routines. As Murphy says, "There is the plan, and then there is what happens."

Ms. Murphy appreciates the fact that her job is never the same and is always challenging. As many vessel engineering systems are due for inspection every five years she benefits from opportunities, as she states, "to work on something I've never seen torn apart before". Working with others to solve problems to ensure that the ship can continue with its program is truly rewarding to her.

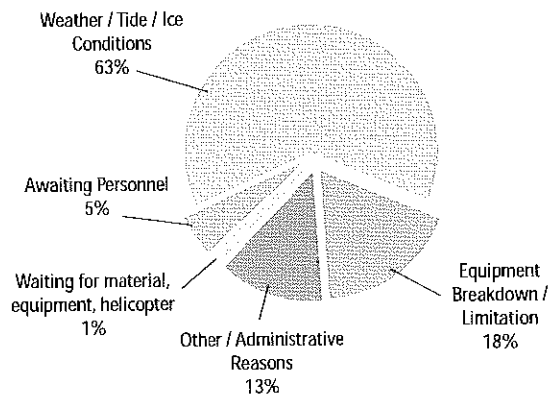
Ms. Murphy is comfortable with the fact that, nine times out of 10, she is the only woman in the engine room. She says Coast Guard presents a great opportunity "the guys are always willing to help and that is who you learn from – far more than from text books – people are my best resource."

As illustrated in Graph 10, across all clients, a service delivery average of 99% was achieved although admittedly with substantive program variability. Services to Icebreaking, SAR, Science and OGD were all within the 10% tolerance range. Where the service was below or over the tolerance zone, reasons are explained in Section 4.

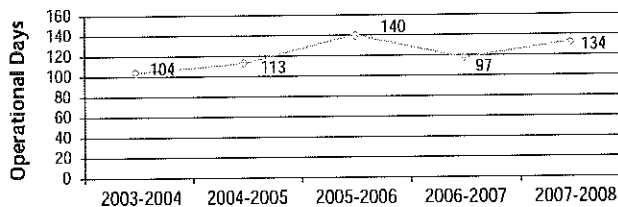
Another means of assessing fleet effectiveness is to measure operational delays, based on the time a vessel is available but experiences delays for reasons such as weather, waiting for equipment or personnel, equipment breakdown, administrative reasons, etc.



In 2007-2008, 820 days have been lost due to delays. The majority of delays were due to uncontrollable factors such as the weather, waiting for a favorable tide and difficult ice conditions (63%). Equipment breakdown accounted for 18% of delays and the remaining 19% were due to the late arrival of material, equipment and helicopter, and other reasons.



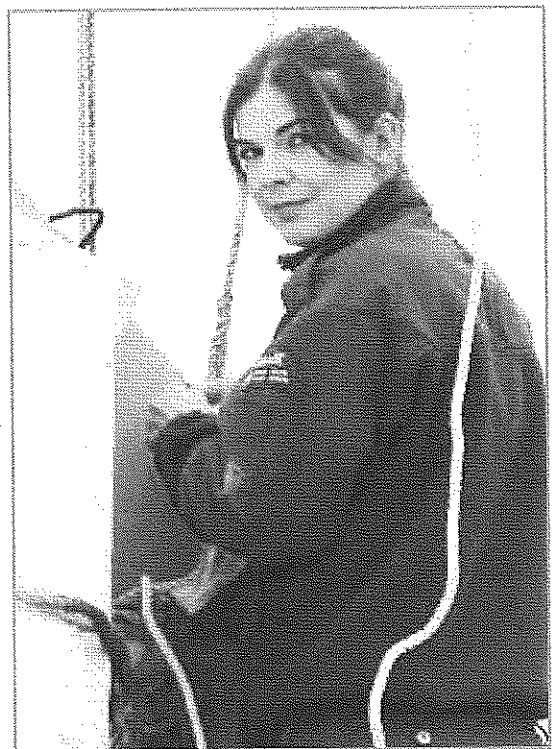
Since 2003-2004, CCG equipment breakdowns have increased by 28.85% reflective of a continually ageing fleet (Graph 12). Significant single ship breakdowns, such as *CCGS W.E. Ricker* in 2005-2006, cause large annual variability in this statistic.



5.4 EFFICIENT DELIVERY

To measure Fleet efficiency, performance measures have been developed, two of which are: vessel availability and multitasking.

A vessel is available when it is ready to be assigned to a mission or client, and is unavailable when in winterization or lay-up, or in extended planned or unplanned maintenance. Vessels in winterization are essentially unavailable for use by clients due to the seasonal nature of the program; this does not mean that CCG Fleet is restricting client access to the vessel, but reflects fleet operations in a northern climate. Similarly, planned and unplanned maintenance is arranged in consultation with program client needs, and also serves to provide confidence to the client that vessels are maintained to the best of CCG's ability, given competing requirements for scarce resources.



Leading Seaman Marlène Charbonneau at work
Photo: S. Julien, Fisheries and Oceans Canada



OPERATIONAL PERFORMANCE AND EFFICIENCY METRICS - 2007-2008

Available					Unavailable				Sub-total	Total
Assigned to client	Unassigned	Planned Maintenance	Sub-total	Lay-up / Winterization	Planned Maintenance	Unplanned Maintenance	Other			
67%	1%	0%	68%	19%	9%	3%	2%	32%	100%	

Similar to last year, in 2007-2008, when available, vessels were predominantly assigned to clients (67%) and rarely unassigned (1%). When vessels were not available, they were most often in lay-up or winterization (19%), having scheduled maintenance (9%), or experiencing breakdowns/unplanned maintenance (3%). Even though vessels were unavailable more often than had been anticipated, the overall plan was effectively delivered to all programs and clients.

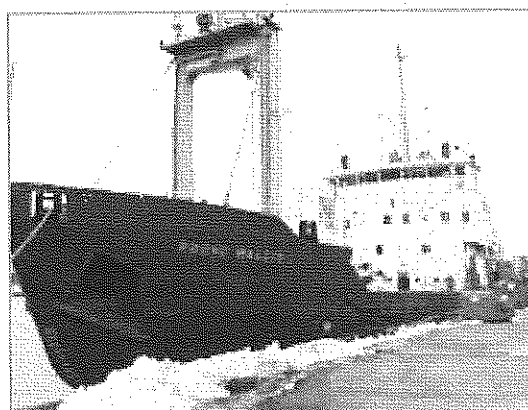
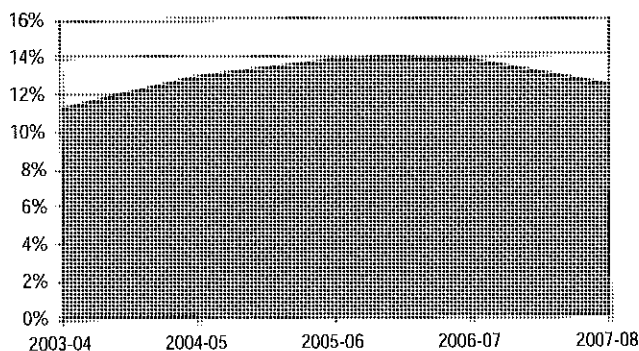
The second relative measure of efficiency is multitasking – when a vessel performs two or more tasks simultaneously. Icebreakers, for example, can provide a number of other services while icebreaking. These include SAR coverage, performing observe, report and record functions, supporting maritime security, or conducting pollution monitoring and/or response. Thus, with one vessel, within the limits of geography, time, availability, and capability, simultaneous missions can often be conducted.

In 2007-08, plans called for 7.2% of days to be spent multitasking; in fact, 12.3% of delivered days involved multitasking. This was in large part due to the impacts of the ice conditions encountered during the seal hunt when the operations of many vessels planned as single program platforms actually had to be redirected towards the escort of over 300 vessels off the northeast coast of Newfoundland.

The multitasking trend had been upward until 2006-2007, with a decrease in 2007-2008. This can be attributed to the dedicated assignments of the *CCGS Amundsen* (to

International Polar Year research) and of the *CCGS Louis S. St-Laurent* (to UNCLOS and IPY), which do not allow for multitasking, and to unplanned maintenance to the *CCGS Limnos*, which was replaced by the *CCGS Griffon*, reducing the time spent multitasking by both vessels.

OPERATIONAL PERFORMANCE AND EFFICIENCY METRICS - 2003-2008



CCGS Prevost Wallis, Medium Endurance Multitasked Vessel
Photo: PA Region

5.5 FINANCIAL RESOURCES

Significant investments in Coast Guard over the past few years have enabled it to maintain service to Canadians and to make important asset re-investments. This will help CCG respond to increasing demands for its services, as more and more often the fleet is being tasked to respond to situations outside of planned programs. As is the case with all operational organizations, rising costs have had a significant impact on our ability to meet client expectations.

During fiscal year 2007-2008, the fleet consumed approximately 63 million litres of diesel fuel. This is reflective of increased programming in the Arctic (IPY and UNCLOS) and heavier than normal ice conditions. As a reference point, the Fleet had consumed, on average, approximately 57 million litres of diesel fuel annually, between 2003-2004 and 2006-2007. This increase over historical average, coupled with unprecedented fuel costs, created enormous financial pressures on Fleet in particular and on CCG as a whole. In 2007-2008 Fleet had planned an average cost per litre of 73¢ but actual cost averaged 83¢. This translated into greater than expected fuel expenditures for Fleet as well as restricting its ability to fuel up at year end due to budget constraints.

The effect of rising fuel costs...

An increase of \$.01 per litre =
\$630,000 per year for the fleet

The basic concepts underlying CCG's financial planning are operational readiness and integrated planning, including a more accurate and refined National Fleet Costing Model.

CCG Fleet Operational Readiness (now a separate program within the CCG Program Activity Architecture approved by Treasury Board Secretariat) has enabled the CCG Fleet to evolve from a narrow, short-term planning approach driven by client needs and an allocation based funding model, to a more holistic and integrated planning methodology reflective of Coast Guard's position as the Government of Canada's civilian fleet that must be ready to respond in times of need. An entirely new Fleet Financial Framework and a new budgeting process were introduced in 2007-2008 with many processes radically changed:

- The Fleet Financial Framework reflects the broader Government of Canada and CCG priorities, as well as those of Fleet clients. Transparency and relationships with clients are further improved by client service agreements, thereby ensuring that financial performance and program delivery are monitored and reported on a regular basis.
- The Fleet Fuel Management Policy introduced fuel forecasting and tools, such as sophisticated fuel inventory monitoring reports, to help Fleet and CCG management make financial decisions related to fuel use.
- Integrated planning means that clients at both the national and local levels are included in the Fleet planning process and are better able to plan their program results and budget more accurately for the services they receive. It also means that the maintenance needs of an ageing fleet are programmed in a more rigorous manner.

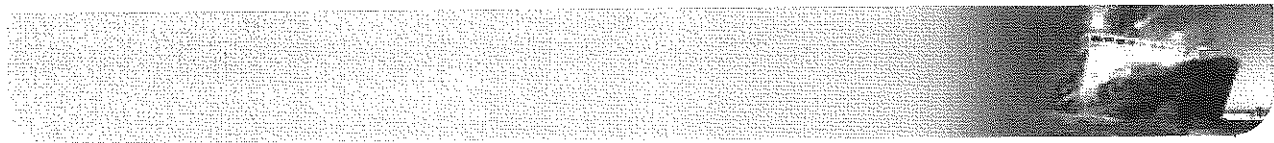


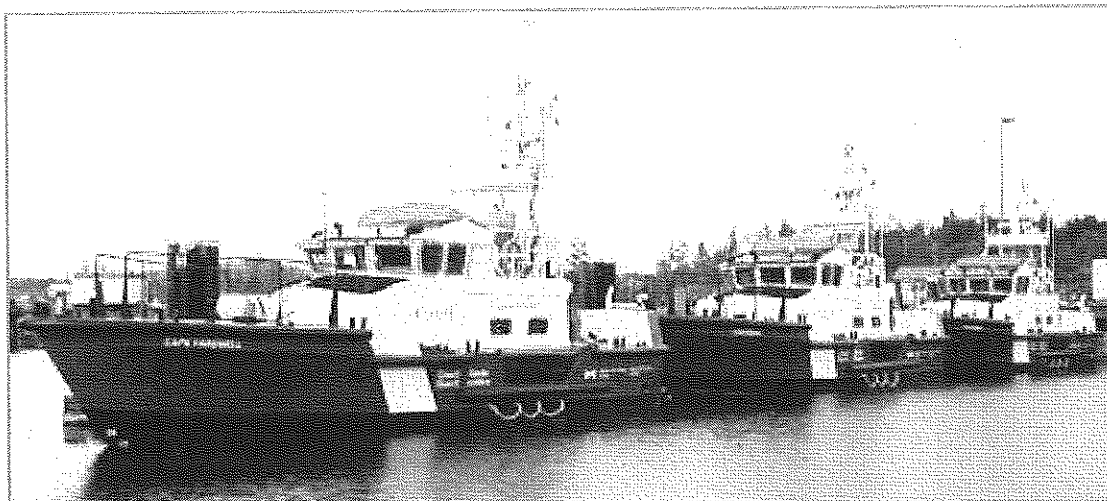
Table 8 shows the budgetary amount of operating dollars provided to CCG in the delivery of those programs that are included in Coast Guard's financial reference levels (which includes Science program and Fisheries and Aquaculture Management

program budgets for vessel use), but does not include additional program support to some government departments which are funded under separate arrangements. (The table below does not include capital funds provided for the refit or replacement of Fleet assets).

	Salaries	O&M	Fuel	Sub Total	Minor Capital	Total
Fleet	143,415	30,243	43,147	216,805	151	216,956
Helicopters	¹	11,818	²	11,818	-	11,818
Sub Total	143,415	42,061	43,147	228,623	151	228,774
Shore	17,795	6,874		24,669	1,046	25,715
Total	161,210	48,935	43,147	253,292	1,197	254,489

¹ Captured in O&M

² Captured in O&M



Three SAR Lifeboats, *Cape McKay, Cape Mudge and Cape Farowell*

Photo: PA Region

SECTION 1.C
UNITED STATES: GOVERNMENTAL ACCOUNTING STANDARDS BOARD
SERVICE EFFORTS AND ACCOMPLISHMENTS REPORT AUGUST 2009



August 2009

Technical Inquiry Activities: Service Efforts and Accomplishments Report for First Half of 2009

How and Why the GASB Produces This Report

In addition to its activities related to developing new and improved standards of accounting and financial reporting and other communications for state and local governments, the GASB staff spends a significant amount of time responding to questions (technical inquiries) about existing GASB standards. This service efforts and accomplishments (SEA) report presents performance information about the technical inquiry activities of the GASB staff during the first six months of 2009, with comparative information for 2005 through 2008.

The GASB reports this performance information to apprise its constituents—the preparers, auditors, and users of state and local government financial reports—of its efforts to assist in understanding and implementing GASB standards. The GASB’s efforts to respond to constituent questions are key to supporting the educational quality of its standards.

At the beginning of each month, the GASB conducts a brief survey of inquirers whose inquiries were completed in the previous month. The GASB staff selects a random sample of 15 inquirers each month, or roughly 10 percent of the inquiries closed. The survey is administered primarily by email or alternatively by telephone if an email address is not available. The response rate approaches 100 percent every month; if an inquirer does not respond to the initial contact or a subsequent reminder, then an additional inquirer is selected randomly to ensure at least 15 respondents every month. The survey poses four questions regarding the inquirer’s satisfaction with the understandability and timeliness of the GASB’s answer, the helpfulness of the staff member, and the overall experience.

Although all reasonable efforts are made to ensure that the information underlying the performance information in this report is accurate, it should be noted that this information has not been independently audited.

Major Goals and Objectives

GASB Goal: Education—Promote the development of informed and competent financial report users, preparers, and auditors. Constituents need assistance in understanding GASB pronouncements, as well as in understanding and using the resulting information in financial reports.

Within the goal of education, the following performance measures assess a part of the GASB’s strategic plan objective to “Guide and educate constituents about the content and value of the GASB’s reporting requirements and proposed standards.”

The GASB equates success toward this objective with achieving a high degree of constituent satisfaction regarding how quickly a response to the inquiry is received, how understandable the

response is, how helpful the staff member handling the inquiry is, and the overall experience of submitting an inquiry and receiving a response.

Key Measures of SEA Performance

Table 1. Inquirer Satisfaction with Understandability, Helpfulness, and Promptness

Measure	1/09– 6/09	GASB Goals	Total 2008	Total 2007	Total 2006	Total 7/05– 12/05
Answers to technical inquiries were understandable or very easy to understand	95.6%	90.0%	97.3%	97.4%	96.8%	96.0%
Person responding to technical inquiry was helpful or very helpful	97.8%	90.0%	98.9%	98.4%	98.4%	97.0%
Person making technical inquiry was satisfied or very satisfied with promptness of response	98.9%	90.0%	98.4%	96.3%	95.8%	94.1%
Overall, person making technical inquiry was satisfied or very satisfied with the experience	96.7%	90.0%	97.8%	97.4%	96.3%	95.0%

Table 2. Time Required to Complete Inquiries

Technical inquiries closed within:	Total 1/09– 6/09	GASB Goals	Total 2008	Total 2007	Total 2006	Total 7/05– 12/05
0–6 days	84.9%	80.0%	85.2%	85.2%	78.7%	85.9%
7–13 days	94.2%	90.0%	92.9%	92.9%	91.2%	91.7%
14–20 days	96.8%	95.0%	95.8%	95.8%	94.9%	96.4%
21–27 days	98.2%	100.0%	97.4%	97.4%	96.8%	98.7%
28+ days	100.0%		100.0%	100.0%	100.0%	100.0%

Table 3. Time Until First Contact Is Made with the Inquirer

First contact with inquirer made within:	Total 1/09–6/09	GASB Goals	Total 2008	Total 2007
1 day	64.3%	60.0%	69.4%	69.7%
2–6 days	89.6%	90.0%	88.8%	91.5%
7 days	92.3%	100.0%	90.8%	93.4%
8+ days	100.0%		100.0%	100.0%
Total				

Discussion and Analysis of Results and Challenges

Constituent satisfaction with the GASB’s technical inquiry activities was well above the GASB’s goals in the first half of 2009. (See Table 1.) The percentage of inquirers surveyed that were satisfied or very satisfied with the understandability, helpfulness of the GASB staff member responding, and promptness of the answer to their inquiry was nearly 96 percent, 98 percent, and 99 percent, respectively. Overall satisfaction was almost 97 percent. These results are close to the 2008 figures, which were the highest satisfaction ratings since the GASB began surveying inquirers in 2005.

The goal of completing all technical inquiries in less than four weeks continues to be elusive. (See Table 2.) However, the percentage of inquiries closed in less than four weeks improved over 2008 to 98 percent, the highest level since the second half of 2005. The percentage of inquiries closed within one, two, and three weeks all exceeded established benchmarks for the first half of 2009.

The length of time required to complete an inquiry often relates to the complexity of the subject matter. The guidance provided in response to technical inquiries is specific to the facts and circumstances of the particular inquiry, which may be difficult to ascertain from the original question. In addition, the current work load of the particular staff member to whom an inquiry is assigned may explain why a small percentage of inquiries take four weeks or more to complete. For instance, the volume of technical inquiries tends to increase noticeably as the effective date of new standards approaches.

Although it may take one to three weeks to provide a final answer to an inquirer, the staff actually responds much sooner in order to acknowledge receipt of the inquiry and to gather additional information. The GASB’s goal is to make initial contact with all inquirers within one week.

First contact was made within one week for 92 percent of the inquiries received in the first half of 2009. (See Table 3.) This is an improvement over 2008, though down from the mark of 93 percent in 2007, when this indicator was first measured.

The benchmarks for making contact within 2 to 6 days 90 percent of the time and within 1 week for all inquiries were not met in the first half of 2009. For nearly 8 percent of inquiries, first contact did not occur until at least a week had passed. Again, this is an improvement over 2008, when over 9

percent of inquirers were not contacted within 7 days, but it falls short of the mark of less than 7 percent in 2007 and also short of the overall goal.

SECTION 1.D
UNITED KINGDOM: DEPARTMENT FOR CULTURE, MEDIA AND SPORT
ANNUAL REPORT AND ACCOUNTS 2009 (PERFORMANCE & DELIVERY)

Departmental Strategic Objectives

This section of the DCMS Annual Report covers:

Departmental Strategic Objectives (DSOs)

Public Service Agreements (PSAs)

Value for Money (VFM)

CSR2007 (Comprehensive Spending Review 2007) introduced new performance measures in the form of DSOs, which are designed to complement and sometimes underpin related PSAs⁴¹.

As described and set out under Departmental aim and objectives on page 7, four DSOs direct the priorities for the DCMS over the period 2008–11. They are comprehensive and represent the fundamental purpose and future direction of the Department.

Further indicators for DSOs 1–3 may be developed in consultation with NDPBs in the light of the McMaster review (Supporting Excellence in the Arts⁴²), Sport England's new strategy⁴³, VisitBritain's strategic review⁴⁴, and the new action plan for the creative industries (New Talents for the New Economy⁴⁵).

The following section sets out:

- DCMS's DSO targets and latest outturn data at March 2009
- the performance indicators used to measure progress⁴⁶
- an up-to-date report on performance against the target.

These terms are used to assess progress against the DSO targets:

- **Strong progress:** where more than 50 per cent of indicators have improved
- **Some progress:** where 50 per cent or less of the indicators have improved
- **No progress:** where no indicators have improved
- **Not yet assessed:** where 50 per cent or more of the indicators are yet to have even first time data produced on progress.

DSO1: Opportunity

Encourage more widespread enjoyment of culture, media and sport

DCMS will aim to widen opportunities for all to participate in cultural and sporting activities. This will include a focus on children and young people to ensure that they have the opportunity to participate in high quality cultural and sporting activities that contribute to their wider outcomes.

Performance summary:

Not yet assessed

Factual assessment:

Not yet assessed

Indicators:

- 1 Increasing the proportion of children and young people participating in culture
- 2 Increasing the proportion of children and young people participating in high quality PE and sport
- 3 Increasing the proportion of adults participating in culture or sport.

Description

The DCMS recognises that opportunities to participate in culture, media and sport are not equal across our society. We want to provide excellent grassroots provision for all groups. The aim of this DSO is to provide a greater range of opportunities across our sectors and narrow the participation gap between different groups.

Through the provision of strategic support and funding for the culture and sport sectors, we have had some significant successes in improving participation in recent years. We aim to build on this with a number of key programmes, such as free swimming and free theatre. We also note the important contribution participation in culture and sport can have on the well-being of the individual as well its role in building active and engaged communities.

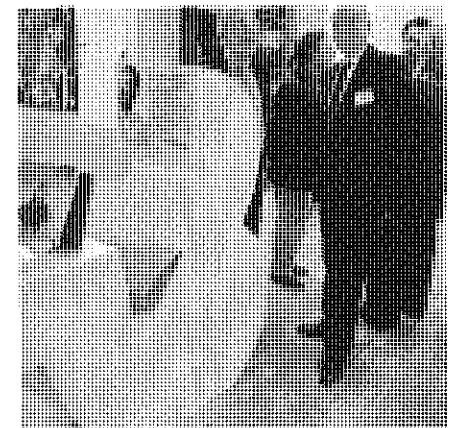
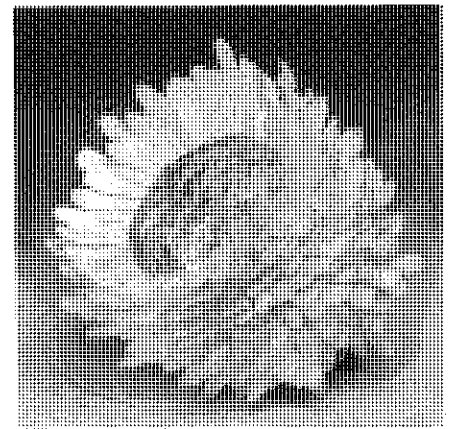
Latest outturn data

Indicator 1: Data collection started in September 2008 using the Taking Part⁴⁷ survey. The baseline will be available in October 2009.

Indicator 2: This indicator also maps onto Indicator 5 in PSA22 ('The creation of a world-class system for PE and Sport' (see page 42)). The measures are still to be finalised but a number of surveys are in place to collect the required data. We expect to publish a baseline in autumn 2009.

Indicator 3: This indicator is similar to Indicator 6 of PSA21 ('Build more cohesive, empowered and active communities' – Indicator 6 aims to increase participation in culture and sport – although recreational walking and cycling are excluded (see page 44 and Sport England's 2008–11 strategy⁴⁸)). Data collection for this indicator started in April 2008 using the Taking Part survey. Interim baseline data of 66.3 per cent was published in April 2009⁴⁹.

A final baseline will be available on our website from August 2009⁵⁰.



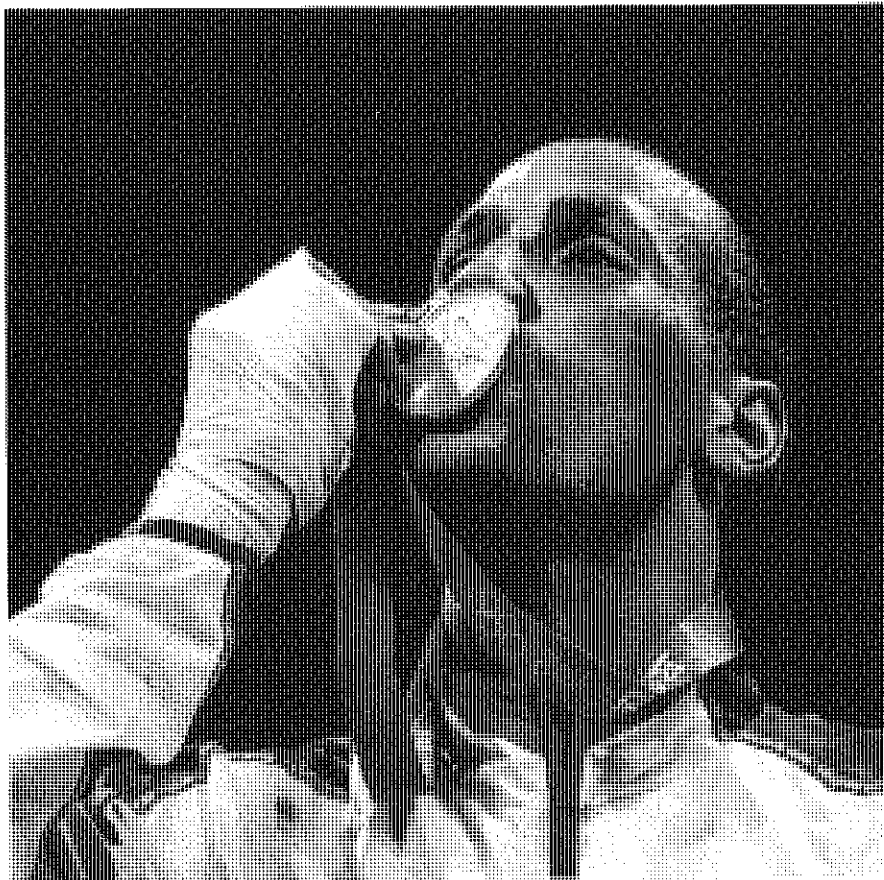
Page 29 top: A young participant at a Connect Festival run by Sadler's Wells Theatre in London.

Left: Following the success of the 2008 UK School Games, the 2009 event will take place in Wales. Venues include the Cardiff International Sports Stadium and the Welsh Institute of Sport

Right: The final *Digital Britain* report includes new proposals to support the delivery of the digital radio upgrade programme by the end of 2015.

This page top: A Silver Organism by Junko Mori, represented at the Crafts Council's event Collect 2009 by Clare Beck at Adrian Sassoon, London.

Bottom: Ambassadors at an event hosted by Creative and Business International Network – C&BInet – in Liverpool.



DSO2: Excellence

Support talent and excellence in culture, media and sport

DCMS will create the conditions for excellence to flourish among top artists and sports stars. The Department will also champion the provision of top-class facilities and services, inspiring everyone – particularly young people – and helping them to realise their talents.

Performance summary:

Not yet assessed

Factual assessment:

Not yet assessed

Indicator:

- 1 Improving the excellence of the arts organisations, museums and galleries supported by the DCMS and its NDPBs.

Description

International culture and sporting successes are among the key components that can inspire national pride and contribute to our standing in the world. DCMS sectors bring pride and prestige to the country. International success stems from a combination of factors. DCMS funding is used to create the conditions for excellence to flourish, such as providing funding for elite athletes to enable them to concentrate on their sport. For cultural bodies, our role focuses on strategic investment in a national infrastructure that means we are well placed to promote excellence e.g. by making sure that our sponsored bodies are excellently run by world-class individuals.



Top: British gold medalist James DeGale poses during the medal ceremony for the Men's Middle (75kg) final at the Beijing 2008 Olympic Games in August 2008.

Bottom: Richard Wilson's piece for the 2008 Folkestone Triennial, 18 Holes.

The provision of top class facilities and services should mean that, in turn, the general population is more inclined to make use of them.

We are considering a range of additional indicators for this DSO and how they can be achieved, and will decide upon the final indicators towards the end of 2009.

Latest outturn data

We are now considering what lessons we can draw from the pilots, both in terms of process and focus, to help inform how to take forward the approach for other museums. A system of self-assessment and peer review has been developed for NDPB museums. [The National Portrait Gallery, the Natural History Museum and Tyne and Wear Museums piloted a system of self assessment and peer review and results were published in March 2009⁵¹](#). We are now considering what lessons we can draw from the pilots, both in terms of process and focus, to help inform how to take forward the approach for other museums.

Arts Council England has two strands of work in place. The first will monitor the percentage of its Regularly Funded Organisations (RFOs) assessed as 'strong' or 'outstanding' in artistic quality (via lead officers), as well as the percentage of people who rate their last arts experience as being of 'high quality' (via the Taking Part survey). The target is to record a statistically significant increase in both measures. The second strand is a system of self-assessment and peer review. Results of the public consultation on this were published earlier in the year and work on organising the pilots is currently underway. The target for this indicator is to roll out artistic activity reports and self-assessment or peer reviews across all RFOs by April 2010.

DSO3:

Economic impact

Realise the economic benefits of the Department's sectors

The DCMS will aim to maximise the economic impact of its investment, improving value for money, taking full advantage of the contribution these sectors make towards the Government's long-term goal of raising productivity and protecting consumers through proportionate and effective regulation.

DCMS is closely involved in the Government's plans to ensure a rapid and sustained recovery from the current economic downturn. To this end, measures to promote the development of the digital communications industries and to provide jobs in the leisure and cultural sectors are part of the Government's wider programmes.

Performance summary:

Strong progress

Factual assessment:

Improvement in both indicators agreed at this stage

Indicators:

- 1** Reducing administrative burdens on business caused by DCMS regulation
- 2** Increasing the proportion of households that have converted to digital television.

Data statement

Indicator 1: Reducing administrative burdens

In the period from May 2005 to April 2008, the DCMS had reduced administrative burdens by 43 per cent from the 2005 baseline of £343.3m. That represented one of the highest levels of reduction across Whitehall, comfortably exceeding the agreed target reduction of 30 per cent which is due by May 2010. [More information about this exercise is set out in the Department's Simplification Plan⁵²](#).

As of April 2008, the DCMS's administrative burden baseline had thus fallen to £187.2m, and further simplification work took place during the reporting year with anticipated savings of £5.2m during 2008–09 (yet to be verified).

Indicator 2: Increasing digital television take-up

Policy background

The 2008 to 2012 digital switchover programme to replace all analogue TV signals with digital signals will continue on a regional basis with support for elderly and disabled people. To continue to receive TV after switchover, viewers will need to have converted or upgraded their TV equipment to receive digital signals.

As noted in the Highlights section of this document, 52,000 homes in the Selkirk area of the Scottish Borders successfully switched over to digital on 20 November 2008. West Country A was the next region to switch, with the Beacon Hill transmitter group serving the Torbay and South Devon area switching on 22 April 2009. This was followed on 20 May 2009 by the Stockland Hill transmitter, which serves Exeter and parts of Devon, Cornwall and Somerset.

At the end of April 2009, 99 per cent of residents of West Country A were aware of switchover, 83 per cent understood what they needed to do for it, and 95 per cent of homes had digital TV on at least one set. The switchover went very smoothly and no significant technical or consumer issues were reported.

The Digital Switchover Help Scheme⁵³ set up by the Government and the BBC offers those aged 75 or over, care home residents, and disabled and visually impaired people practical help to make the switch to digital television on one of their sets. An estimated 7m households will be eligible for help through the switchover period.

The scheme is designed to provide help with converting television equipment to digital – whether terrestrial, satellite, cable or internet television – so that it is accessible by the Help Scheme target groups. For each switchover region there is a competition to provide the basic Help Scheme offer: eligible households can opt for alternative equipment but may need to pay the difference in cost or any continuing subscription.

Progress

The Switchover Programme was subject to an Office of Government Commerce (OGC) Review during March 2009. The Review Team believes the programme to be on track to deliver on time.

- At 31 December 2008, 22.7m households (88.9 per cent) had digital television on their main set and just over 60 per cent of all secondary sets had been converted. See Figure 1.
- There are around 60m television sets in the UK, of which around 25.6m are 'main' sets (which broadly equates to the most-watched set, one in each TV household) and 34.8m are 'secondary' sets (in bedrooms, kitchens, etc).
- The number of TV homes relying solely on analogue terrestrial television for their primary set fell to 2.9m (11.1 per cent). This figure has fallen 2.4 per cent over the year.
- Around 12.5m DTT televisions have been sold, compared to 10.6m in the previous year.
- DTT – or Freeview – is still the most widely-used platform on households' main TV sets, used in around 9.8m homes (38.4 per cent) in the fourth quarter of 2008. The number of homes using DTT on any set in the home reached almost 17.7m (69 per cent in quarter four 2008). See Figure 2.

DSO4: Olympics and sport for young people

The DCMS will deliver a successful and inspirational Olympic and Paralympic Games in 2012 that provide for a sustainable legacy and get more children and young people taking part in high quality PE and sport.

Performance summary:

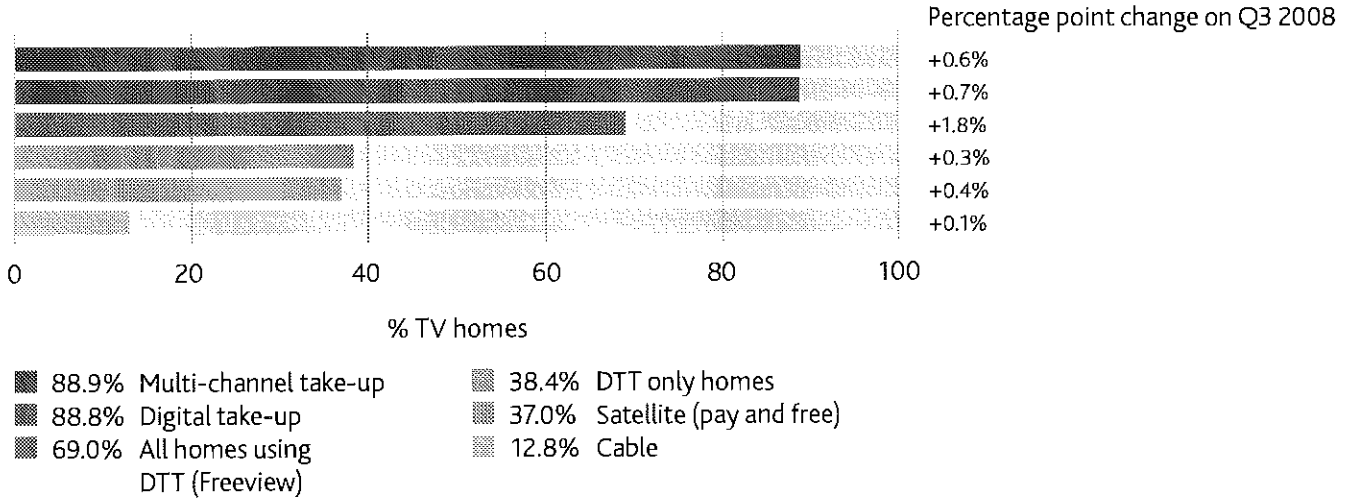
Strong progress

Factual assessment:

Improvement in three out of five indicators, with the remaining two being on track.

The DCMS reports on progress against DSO4, which is almost identically worded to one of the Government's Public Service Agreements (PSA22 – Olympics and PE & School Sport). Both have identical indicators and are reported upon together in the PSA section of this report, which follows.

Figure 1: Multichannel take up at the end of the fourth quarter of 2008
(latest available figures)

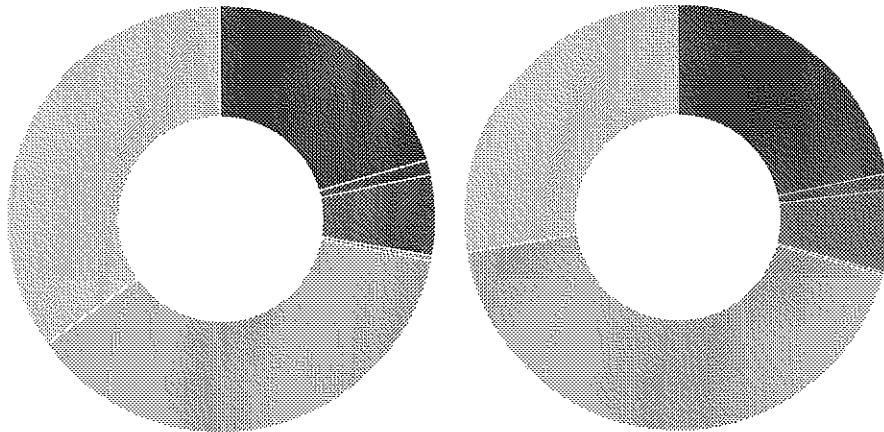


Source: GfK research

Note: TV over ADSL take-up stands at around 0.3%.

ADSL (Asymmetric Digital Subscriber Line) is a system that provides high speed, high bandwidth connections to the Internet, otherwise known as broadband⁵⁴.

Figure 2: Platform shares among all TV sets (latest available figures)
Total TV sets = approximately 60m*



Q4 2007

- 34.9% Analogue terrestrial
- 36.9% Digital terrestrial
- 0.4% ADSL
- 6.1% Cable
- 1.1% Free-to-view satellite
- 20.9% Pay Satellite

Q4 2008

- 27.6% Analogue terrestrial
- 43.1% Digital terrestrial
- 0.1% ADSL
- 6.2% Cable
- 1.2% Free-to-view satellite
- 20.7% Pay Satellite

Source: GfK research for both Q4 2007 and Q4 2008

Note: Figures may not add up to 100% owing to rounding.

*Source: Ofcom digital progress report Q4 2008

Public Service Agreements

PSAs set out the Government's aims, objectives and key outcome-based targets. They are agreed with HM Treasury and form an integral part of the spending plans outlined in any Spending Review.

In October 2007, 30 new PSAs were announced as part of the Comprehensive Spending Review 2007 (CSR2007). They set out the Government's highest priority outcomes for the CSR2007 period, 2008–09 to 2010–11. Each PSA has a lead Department, a number of contributing Departments and a Delivery Agreement that sets out plans for achieving its targets (as measured by supporting indicators) and the role of key partners. Further information on PSAs is published on the HM Treasury website at: http://www.hm-treasury.gov.uk/pbr_csr07_psaindex.htm.

As described and set out under Departmental aim and objectives on page 7, the DCMS is leading on one CSR2007 PSA (PSA22) and contributing to six others over the period 2008–11.

Progress towards those PSA performance targets by the DCMS during the year ended 31 March 2009 is set out in the following section – in appropriate detail, depending upon the extent to which DCMS has a lead role. It sets out:

- the DCMS's PSA targets and the latest outturn data as at March 2009
- the performance indicators used to measure progress
- an up-to-date report on performance against each target.

These terms are used to assess progress against the CSR2007 PSA targets:

- **Strong progress:** where more than 50 per cent of indicators have improved
- **Some progress:** where 50 per cent or fewer of the indicators have improved
- **No progress:** where no indicators have improved
- **Not yet assessed:** where 50 per cent or more of the indicators are yet to have even first time data produced on progress.

Annex 1 (page 164) reports on outstanding PSA performance targets from SR2004.

PSA22

Deliver a successful Olympic Games and Paralympic Games with a sustainable legacy and get more children and young people taking part in high quality PE and sport

The Olympic programme covers four key strands:

- Construction of the Olympic Park and venues and related infrastructure
- Staging – to ensure a successful and safe Games in 2012
- Delivery of Olympic legacy programmes
- Preparation for the transformation of the Olympic Park for use post-Games.

Lead responsibility within Government rests with the Government Olympic Executive (GOE), which is within DCMS but reports to the Rt Hon Tessa Jowell MP, in her capacity as Minister for the Olympics.

PSA22 sets out the Government's key objectives and outcomes for the 2012 Olympic and Paralympic Games and for PE and sport for children and young people. These are measured against progress across five indicators set out in the PSA22 Delivery Agreement published in October 2007:

- 1** Construction of the Olympic Park and other Olympic venues to time and budget
- 2** Maximising the regeneration benefits of the 2012 Games (shared responsibility with CLG)

- 3 The Olympic Park and venues are designed and built according to sustainable principles
- 4 Increasing public participation in cultural, community and sporting activities, both across the UK and internationally
- 5 The creation of a world-class system for PE and Sport (DCMS and DCSF lead responsibility and overseen by a joint DCMS/DCSF Management Board⁵⁵).

Performance summary:

Strong progress

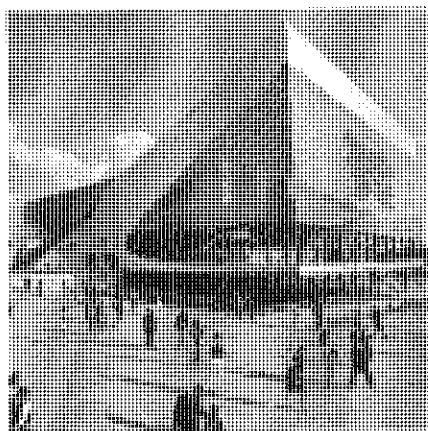
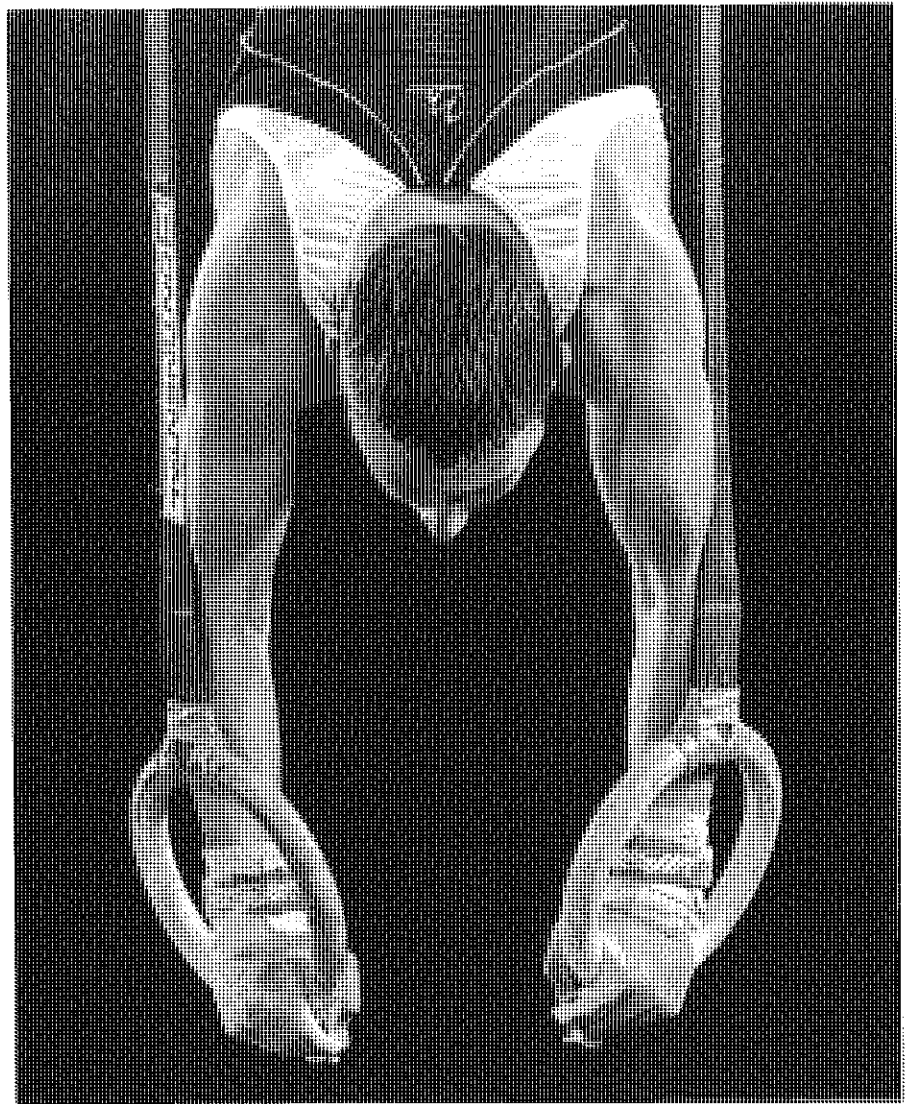
Factual assessment:

Improved performance across three out of five indicators, namely 22.1 (construction of Park and venues), 22.2 (regeneration) and 22.3 (sustainability) – the remaining two indicators are on track.

Overall performance

The build programme is progressing on time and within the agreed public sector budget. As stated, the first key venue (Weymouth and Portland) was completed one month ahead of schedule, in November 2008.

Decisive action has been taken to respond to the changed economic situation by restructuring funding arrangements for the International Broadcast Centre/Main Press Centre (IBC/MPC) and Olympic Village projects to ensure they provide the best value for money. We are well on the way to delivering this major and hugely important construction programme on time and on budget.



Top: A gymnast competing at the UK School Games
 Bottom: An artist's impression of how the Aquatics Centre will look during the London 2012 Games.



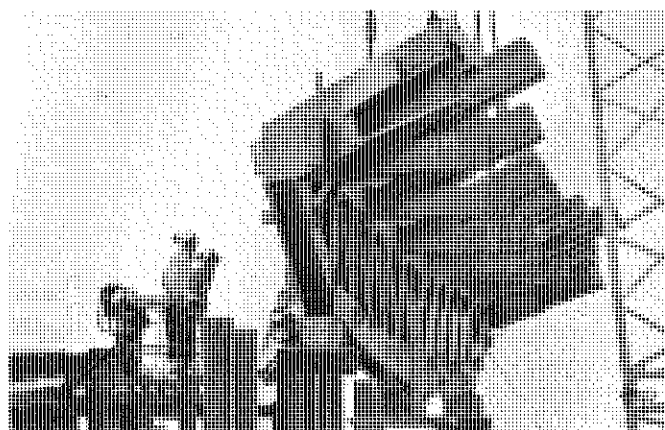
In terms of the work to maximise the 2012 regeneration benefits, we, working with CLG and the GLA, have incorporated the Olympic Park Legacy Company (OPLC) to plan and manage the use of the Park after the Games.

The Legacy Masterplan Framework (LMF) was developed by the London Development Agency (LDA) and public consultations were carried out in Summer 2008 and early 2009. This will be subject to review by the OPLC before the LMF is published.

Performance in terms of sustainability indicators remains strong.

The new PE and Sport Strategy for Young People⁵⁶ is making good progress in delivering against the ambition, announced in August 2007, to increase the number of young people doing five hours of sport per week (three hours for 16–19 year olds).

Performance over the previous CSR period (2005–08) showed a significant improvement in the proportion of children aged 5–16 who do high quality PE and out of hours school sport from 69 per cent in 2004–05 to 90 per cent in 2007–08.



Top: An artist's impression of how the Olympic Village will look during the 2012 Games.

Bottom: The steel cross beam is lifted into place on the Aquatics Centre roof in March 2009

PSA22.1

Construction of the Olympic Park and other Olympic venues to time and budget

Delivery of a world class Olympic Park and associated venues to time and budget is critical to hosting a successful Olympic and Paralympic Games in 2012. The creation of a superb new sporting centre in Stratford will give London the facilities to host the Olympic Games and Paralympic Games in 2012 and will form the core of a sustainable physical Olympic legacy. Much of the construction on the main venues will be completed by 2011 to maximise the time available for testing.

Indicator

Progress is assessed by measuring performance for key construction projects against ODA time milestones and the budget allocations for each project.

Performance

Strong performance in terms of time and budget. All key projects remain on schedule, with the Olympic Stadium and Aquatics Centre ahead of schedule and the power lines project and the sailing venue at Weymouth and Portland both completed on budget and on schedule. Construction of the Olympic Village started in the third quarter of 2008 and work started on the IBC/MPC in Spring 2009. Both projects are on schedule with funding arrangements now in place.

Data source

Monthly reporting to the Olympic Board and Olympic Board Steering Group. GOE provides an assurance and reporting role, monitoring ODA budgets and progress against milestones and controlling access to contingency funding.

PSA22.2

Maximising the regeneration benefits of the 2012 Games

The regeneration of the Olympic site at Stratford provides a unique opportunity to lead the transformation of the heart of East London – an area which includes some of the most disadvantaged boroughs in the UK. One of the key aims of this PSA is to set strong foundations for achieving the long-term objective of regenerating East London.

Indicator

Success as set out in the PSA22 Delivery Agreement means:

- agreeing the Olympic Park management structure by December 2008 and the Legacy Masterplan Framework (LMF) by 2009
- ensuring the LMF plan and programme have identified, and are addressing, the key opportunities which the London 2012 Games present to East London
- ensuring that key infrastructure projects relating to the Olympic Park are completed.

Progress on the key infrastructure projects is measured against milestones and the budget allocations for each project.

Performance

The transport and other infrastructure projects (roads, bridges, power lines etc.) that will transform the site of the Olympic Park for the Games and in legacy are currently on time and budget. The milestones for the development of the LMF – the spatial plan for the development of the Olympic Park legacy – have also been achieved. The OPLC, which will be responsible for planning the Olympic Park legacy, has been incorporated and should be fully operational by Autumn 2009.

Data source (LMF)

Updates from the Park Legacy Team in GOE.

Park Connectivity (measures to enable people to move easily around the Olympic Park and the surrounding area)

Monthly reporting by ODA to the Olympic Board and Olympic Board Steering Group.

PSA22.3

Sustainability

A commitment made as part of London's bid for the 2012 Games was that sustainable principles would be fully incorporated into the design, build and long-term use of the Olympic Park and venues. Many of these measures will be evident in the Olympic Park by 2011.

Consideration of the broad spectrum of sustainability (including climate change, waste, health, bio-diversity and inclusion) at every development stage will mean that the Park will set a precedent for future development schemes across the UK and will showcase the Government's aspirations to design out carbon, minimise waste and water use, generate and efficiently utilise renewable energy, and improve biodiversity and quality of life across the UK for generations to come.

Indicator

As set out in the PSA22 delivery agreement, progress is measured by performance against the five sustainability themes:

Climate change – Progress to achieve a reduction in overall carbon emissions associated with the built environment in the Olympic Park development of 50 per cent by 2013

Waste – Re-use or recycle 90 per cent (by weight) of the materials arising through demolition works on the Olympic Park site

Biodiversity – Minimum target of 45 hectares of new Site of Biological Importance in full Grade 1 equivalent habitat by 2014

Health – The performance rating for this indicator will be based on the ODA target of no fatalities and a rate of one or fewer reportable accidents per million hours worked

Inclusion – Measure, report and track the trends in the changing ODA site workforce for two key groups: black and minority ethnic workers and local workers.

Performance

Strong performance has been made, with progress ahead of the baseline, and a biodiversity sub-indicator (see above) is now in place. The downwards movement in the rating for climate change reflects progress towards the 50 per cent carbon reduction target (which is currently showing a minimum overall 45 per cent reduction in CO₂ emissions). See Figure 3.

Data source (ODA Sustainability Reporting)

Reported on a quarterly basis and reviewed by the new ODA Sustainability Board. The Commission for Sustainable London 2012 (CSL) provides independent assurance of the sustainability of the 2012 Games.

PSA22.4

Increasing public participation in cultural, community and sporting activities, both across the UK and internationally

The Olympic and Paralympic Games will give everyone across the UK the opportunity to take part in a wide variety of Olympic-related events and programmes.

The Government will ensure that everyone, including those in hard-to-reach groups, has the chance to take part in cultural, community and physical activities from 2008 until after the Games are over.

Four of the existing programmes will contribute to this indicator:

- **UK School Games** (DCMS lead) – national annual competition for elite athletes of school age
- **Personal Best** (BIS lead) – targeted at unemployed and hard to reach groups, this programme aims to up-skill participants so that they are equipped to find work, take part in volunteering opportunities, or go on to further training
- **International Inspiration** (DCMS lead) – an international programme to facilitate young people's participation in sport, especially in developing countries
- **Cultural Olympiad** (DCMS lead) – a four year cultural programme celebrating the spirit of the Olympic and Paralympic Games (as described on page 11).

Figure 3: Baseline: RAG status⁵⁷ across the sustainability indicators as at March 2009

Indicator	March 2008	September 2008	March 2009
Climate change	G	G	AG
Waste	G	G	G
Biodiversity	Not rated	Not rated	G
Inclusion	AG	AG	AG
Healthy living	AG	G	G

Figure 4: UK School Games

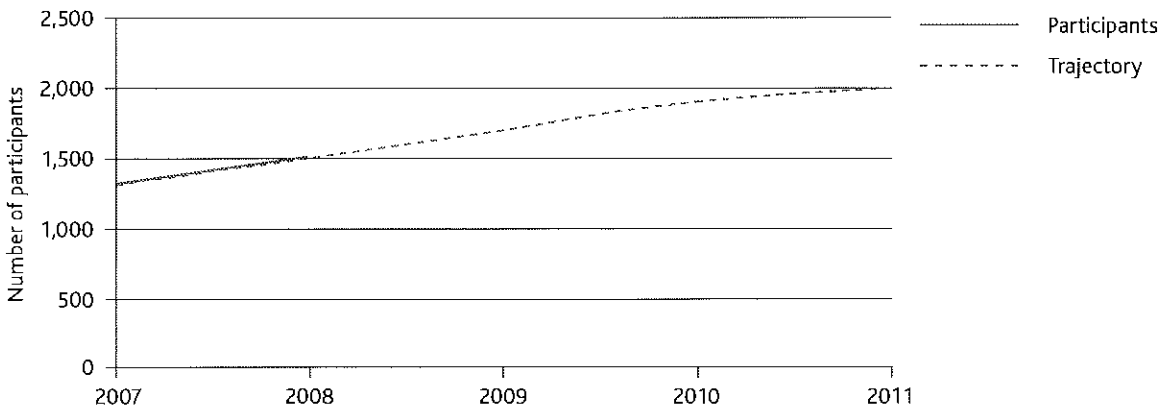
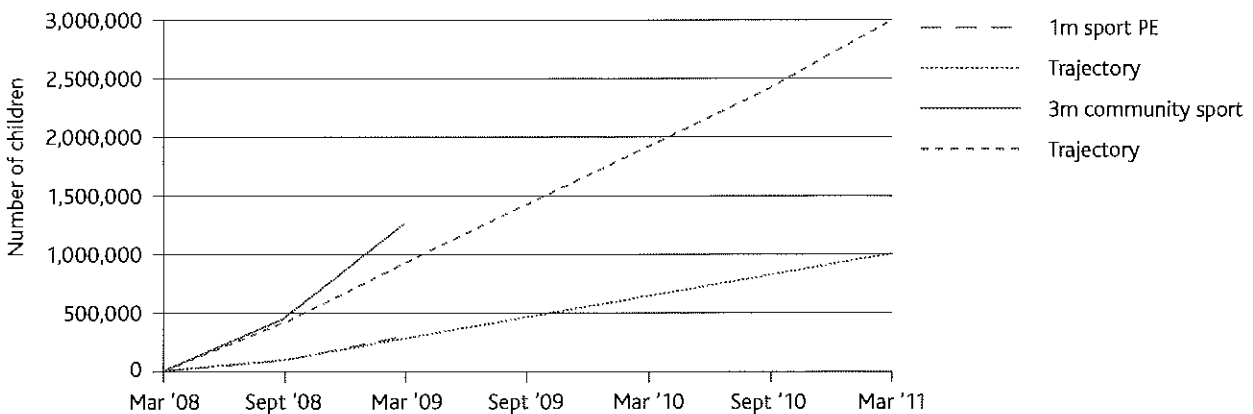


Figure 5: International Inspiration



Consideration will be given to extending the programmes which are reported on through this PSA as the wider legacy participation programmes are developed. This will not, however, cover sports participation which is already measured through PSA21.6 (page 44).

Indicator

Number of people across the UK and in other countries taking part in Government-supported programmes associated with the 2012 Games.

Performance

Some progress made against the success measures, including an increase in participants in UK School Games (see Figure 4, on page 41) and overall 1m children across the world benefitting from the International Inspiration project. See Figure 5, on page 41.

Progress to increasing participation for specific 2012-related activities

UK School Games

Baseline: 2007 performance

Personal Best (London)

Baseline: Nil

Success measure: 20,000 people engaged by 2012

Performance: 875 people engaged, with 844 graduated in 11 boroughs. The Personal Best data reflects performance on the London pilot, conducted in September 2008 by the London Development Agency. The programme is now being rolled out across London and the rest of the country, with launches in North East and South East England later this year. See Figure 4, on page 41.

International Inspiration (Phase 1)

Baseline: Nil

Cultural Olympiad

Baseline: To be developed in the light of participation

Success measure: DCMS and its partners in the Cultural Olympiad are working to define success measures to enable effective evaluation of the programme.

Performance: As mentioned above, the Cultural Olympiad was launched in September 2008, with over 650 events held across the country in celebration. So far, two of the Cultural Olympiad Major Projects (Artists Taking the Lead⁵⁸ and Stories of the World⁵⁹) are underway.

Data sources

Personal Best: LDA

International Inspiration: Delivery Board performance reports against key performance indicators.

PSA22.5

Creation of a world-class system for PE and Sport

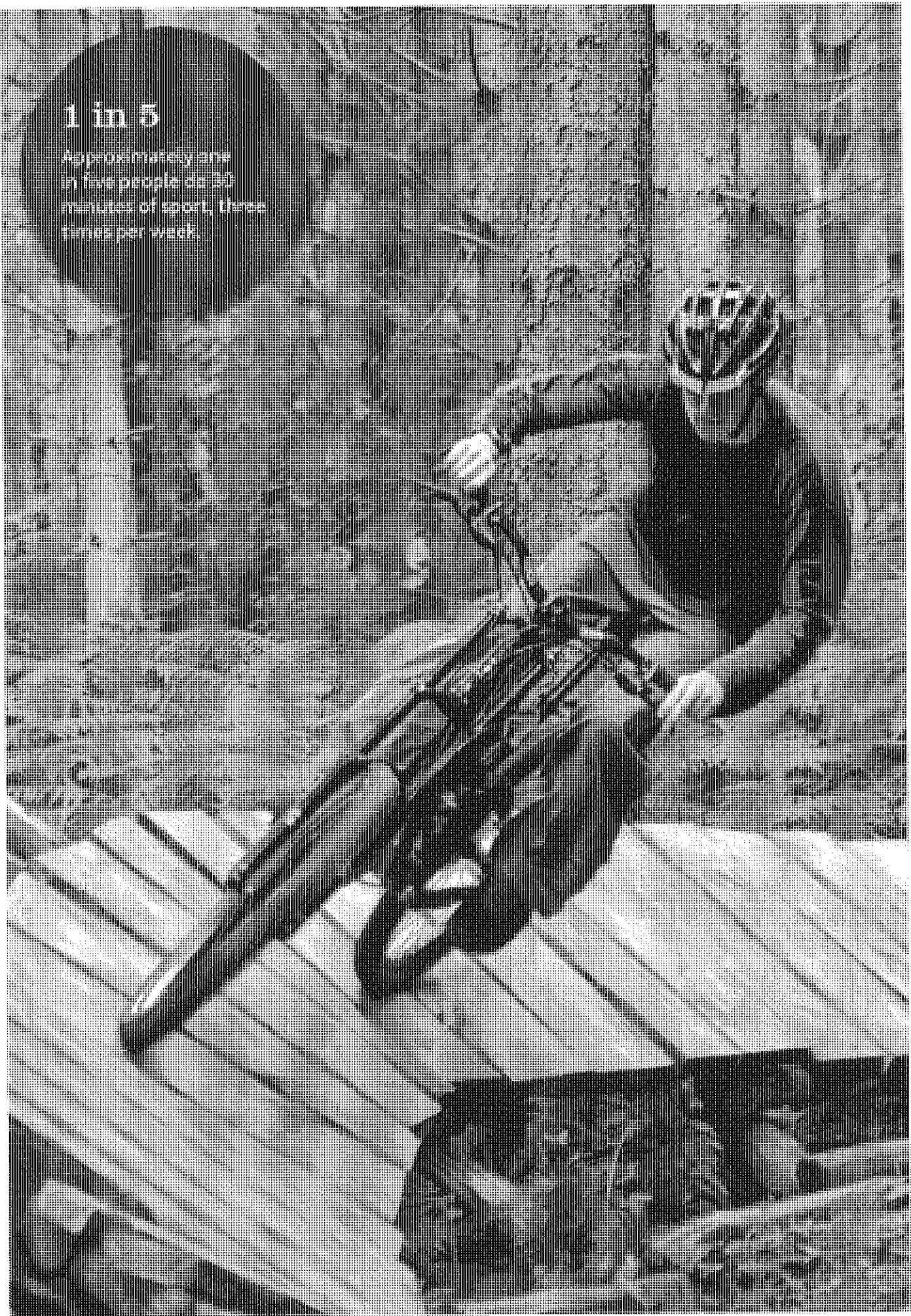
Through the PESSYP programme, the Government aims to improve the quantity and quality of PE and sport undertaken by young people aged 5–19, through schools, further education colleges, clubs and other community providers. Through this strategy, children and young people will be offered up to five hours of quality PE and sport each week to benefit their health and fitness as well as their self-confidence and to improve their wider social skills. The strategy applies to children and young people in England only and is delivered through school sports partnerships supported by the Youth Sports Trust and Sport England.

The new strategy aims to persuade young people (particularly in hard-to-reach groups, such as those with crime/behaviour problems or young people falling outside the education system), to take up the offer and to stay involved long-term. Performance over the previous CSR period (2005–08) shows a rapid increase in the proportion of children aged 5–16 undertaking at least two hours per week of high quality PE and out of hours School Sports from 69 per cent in 2004–05 to 90 per cent in 2007–08.

Opposite: A mountainbiker rides the 'north shore' freeride area in the Forestry Commission's National Pinetum at Beddlesbury, Kent.

1 in 5

Approximately one in five people do not receive at least three times per week.



Indicator

Percentage of 5–16 year old children participating in at least two hours per week of high quality PE and sport at school, and the percentage of 5–19 year olds participating in at least three further hours per week of sporting activities. Our ambition is to continue to raise participation in PE and sport by developing a world-class PE and sport system able to offer all 5–16 year olds five hours of PE and sport per week and all 16–19 year olds three hours of sport per week.

Performance

We have made strong progress, exceeding our targets, against the previous PSA indicators (covering 2005–08), with 90 per cent of children aged 5–16 now doing at least two hours per week of high quality PE and sport.

Data source

DCSF School Sports Survey.

PSA21

Build more cohesive, empowered and active communities

This PSA is led by Communities and Local Government and is about three associated and reinforcing agendas, building cohesive, empowered and active communities:

- which maximise the benefits of diversity rather than fear it
- where individuals are empowered to make a difference both to their own lives and to the communities and wider environment in which they live
- where individuals are enabled to live active and fulfilled lives.

PSA21 is supported by six indicators, of which one (Indicator 6) aims to increase participation in culture and sport.

Active communities are associated with people being able to make the most of their talents and to enjoy the talents of others. The cultural and sporting sectors play a key role in creating active communities, in which people are able to improve their well-being. Participating in culture and sport has a positive effect on community cohesion by enabling people from a broad range of backgrounds to interact on an ongoing and equal basis.

Evidence from the Taking Part survey shows that those people taking part in cultural and sporting events are more likely to know and trust their neighbours. Research has also found that sport and exercise are the single greatest contribution to social participation. The DCMS's recent publication *Lifting People Lifting Places*⁶⁰ discusses this in more detail.

Indicator 6

The percentage of people who participate in culture or sport

We have chosen to define success against this indicator as a statistically significant increase in the percentage of adults engaging in **two or more** different cultural or sport sectors. Engagement has to reach the following sector thresholds:

- 1** Used a **public library service** at least once in the past 12 months
- 2** Attended a **museum, gallery or archive** at least once in the past 12 months
- 3** Engaged in the **arts** at least three times in the past 12 months
- 4** Visited at least two **historic environment sites** in the past 12 months
- 5** Participated in 30 minutes of **sport and active recreation** on three or more days in the past week.

This indicator is delivered through a number of our NDPBs, including:

Sport England focuses on delivering three strands of work: 'grow', 'sustain', and 'excel'. The 'grow' element is specifically aimed at getting a substantial – and growing – number of people across the community playing sport. The commitment is for 1m more people doing sport by 2012–13, much of this will be achieved within the Indicator period. One example of how this will be achieved is through the free swimming programme for the over 60s.

Arts Council England invests in a portfolio of about 880 arts organisations which make up the backbone of the arts in England and account for around 36m attendances at arts events each year. These organisations play an important role in raising levels of engagement in the arts and will deliver programmes such as *A Night Less Ordinary*⁶¹, which will see over 600,000 tickets given away to those aged up to 26.

Museums, Libraries and Archives Council's Renaissance in the Regions programme⁶² is continuing to increase the capacity of regional museums, helping them to raise their standards and deliver results in support of education, learning, community development and economic regeneration. One of the aims of Renaissance is to increase public engagement in museums. *The Library Action Plan 2008–11*⁶³ includes work streams to support library authorities in sustaining and increasing levels of library use.

English Heritage is seeking to increase levels of participation in the historic environment. *One of its projects is Heritage Open Days*⁶⁴, which attracts up to a million visitors each year in response to the offer of free access to properties, which are normally closed to the public or usually charge an admission fee.

The Department will also work with local government and the third sector as they play a crucial role in delivering this indicator, as well as building links with other government departments with supporting agendas – for example working with CLG to understand and build on the contribution participation in our sectors can make to community cohesion.

Performance

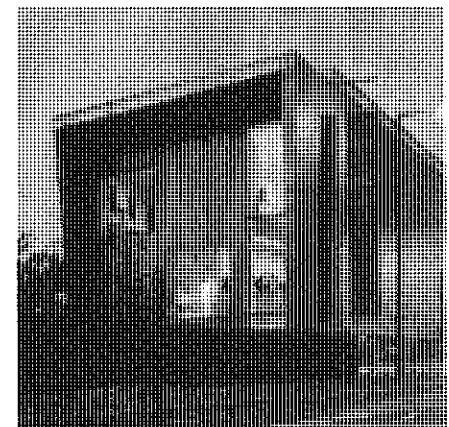
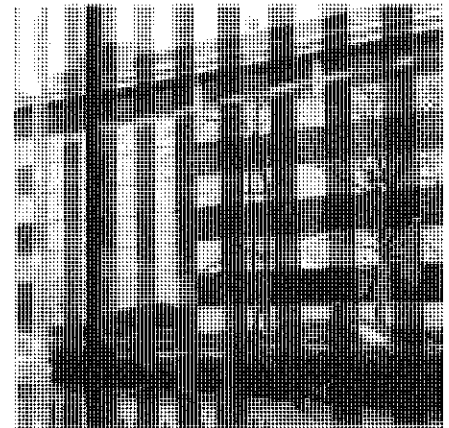
Not yet assessed.

This will be measured by using the level of change recorded by the Taking Part survey, comparing the final baseline set in 2009 with the final survey estimate in 2011. The minimum movement required for a statistically significant change is two percentage points.

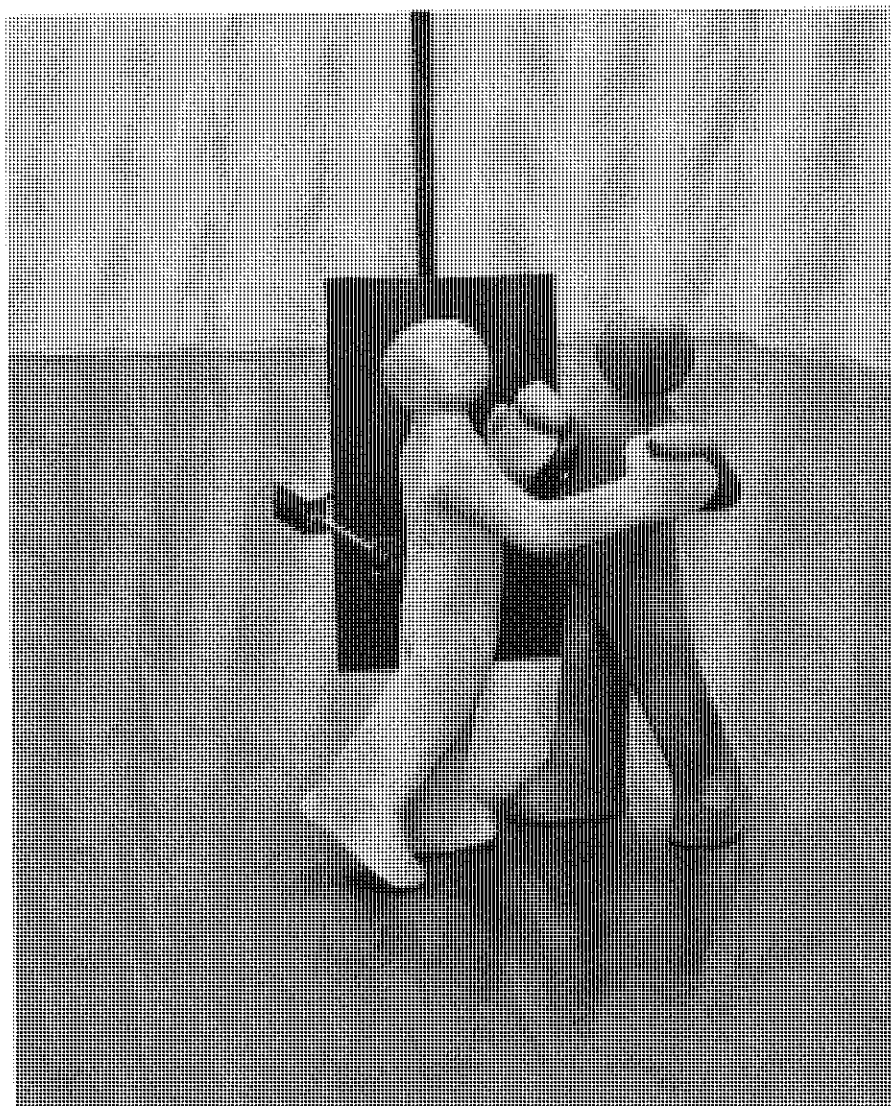
In April 2009 we reported an interim baseline of 66.8 per cent using data collected from the first six months of the baseline period (April–October 2008). Further baseline data was collected during the remainder of 2008–09 and will be published in Summer 2009, when the final baseline will be set. Interim progress will be considered in Summer 2010 with the final assessment published in Summer 2011.

Since this new target was agreed a programme of work has been launched to build the evidence base around engagement. With over three years worth of data now available, the Taking Part survey has become a valuable resource from which to mine evidence. This has included modelling the data to uncover which factors are most influential in raising engagement as well as detailed analysis on the trends and patterns of engagement over time.

Another major success has been getting cultural activities included in the local authority National Indicator Set (NIS)⁶⁵, of which DCMS owns four indicators, three of them cultural: NI 9 (Use of public libraries), NI 10 (Visits to museums and galleries) and NI 11 (Engagement in the arts). In December 2008 the first robust data was published showing levels of cultural engagement at the local level. Work is now ongoing to build on this and increase the number of local authorities including culture as one of their priorities during the next round. This work is central to the success of PSA21 as most engagement happens at a community level.



Top and bottom: The Lightbox in Woking won The Art Fund Prize for museums and galleries in 2008. Marilyn Scott, Director of The Lightbox, said, "Winning is beyond our wildest dreams... but it is incredible how much of an impact The Lightbox has had on the local community and the wider south east..."



The CASE programme is another key development during this period. This is a joint DCMS/NDPB venture which aims to address key issues facing the Department. One of its first projects is a systematic review of the evidence on engagement. The outcome of this will be a conceptual framework on which to build future models and policies of engagement.

Performance on PSA21, Indicator 6 is monitored by a board of senior representatives from across the DCMS and its NDPBs. Meeting quarterly, the board has made significant progress in understanding the challenges and opportunities presented by this target. This includes the board commissioning work to examine potential synergies with local authorities, voluntary bodies and other government departments. One outcome is that we are building our evidence base on the mental health benefits of cultural activities. This can then be used to strengthen relationships, for example with the Department of Health and Strategic Health Authorities.

The Department has also made significant progress in building links for joint working with the CLG who lead on the overall target. The two departments are currently discussing opportunities to join up work on cohesion as well as examine where we might be able to combine efforts at a local level.



Top: Behind-the-scenes at Aardman Studios in Bristol for the making of the Department of Health TV adverts to promote the Change4Life campaign.

Bottom: Free Swimming was launched in April 2009 by the then Secretary of State Andy Burnham, with help from top swimmers Mark Foster and Heather Frederiksen.

Other PSAs

In addition, the DCMS's work contributes to the following PSAs led by other Government departments:

PSA1: Raise the productivity of the UK economy⁶⁶

The Creative Industries make an important contribution to the UK's economy – the creative industries economic estimates⁶⁷ published in January 2009 highlighted that they accounted for 6.4 per cent of the UK's Gross Value Added, or around £60bn, in 2006. In addition to the work done through our NDPBs, DCMS has also led on:

- the implementation of the Creative Britain strategy, a joint strategy with BIS
- the *Digital Britain* report, which seeks to secure Britain's place at the forefront of the global digital economy, also a joint report with BIS.

PSA12: Improve the health and wellbeing of children and young people⁶⁸

The participation of children and young people in physical activity is a key part of improving their health and wellbeing. This also forms a key part of PSA22. The Taking Part Child Survey (2007)⁶⁹ reported that three quarters (75 per cent) of all children had participated in an active sport outside school lessons in the past week – of those, the average number of days on which they had participated for at least an hour was three days. In addition to the work done through our NDPBs to support the anti-obesity programme led by the DH and the DCSF, DCMS has also led on:

- Restricting broadcast advertising of high fat, salt, sugar foods to children and
- Free swimming for young people under the age of 16 in England

PSA14: Increase the number of children and young people on the path to success⁷⁰

Increasing young people's participation in positive activities is one of the indicators for this PSA, and we are key delivery partners for it. Engagement in sports and arts activity makes a significant contribution to providing positive activities for young people and keeping them on the path to success. Our sectors offer a range of cultural opportunities for young people in museums, galleries and arts organisations. In addition, we launched the Find Your Talent Programme⁷¹ earlier this year.

We also work with the DCSF to support the delivery of the PE and Sport Strategy for Young People which aims to create a world-class system of PE and sport for all children and young people aged 5–19.

PSA15: Address the disadvantage that individuals experience because of their gender, race, disability, age, sexual orientation, religion or belief⁷²

The work undertaken and reported earlier in this document under DSO1 (Opportunity) and DSO4 (Olympics) sets out our main contribution to this PSA.

PSA20: Increase long-term housing supply and affordability⁷³

All communities, particularly those experiencing housing-led growth and regeneration, can benefit from cultural and sporting opportunities. DCMS is keen that culture is embedded in the development of our villages, towns and cities alongside other key areas of provision such as healthcare and transport. In addition to the work done through our NDPBs to support the role of culture in communities, we work closely with CLG and lead on:

- Living Places – a programme based on an agreement with five national cultural agencies that aims to ensure that all communities can benefit from cultural and sporting opportunities.
- Sea Change – a programme that aims to drive cultural and creative regeneration and economic growth in seaside resorts (see page 11.)

Value for Money CSR2007

Value for Money Programme 2008–11

Building on the achievements of the SR2004 efficiency programme, the Government has developed a more ambitious and far-reaching Value for Money (VFM) programme for the CSR2007 period (2008–11) – releasing the resources needed to sustain the pace of public service improvement and meet the global challenges of the decade ahead.

DCMS will build on its success in delivering efficiencies by meeting its agreed CSR2007 VFM programme target of £168m by 2010–11⁷⁴. DCMS itself will make annual reductions of 5 per cent in its administration spending. However, as the great majority of DCMS funding is channelled through its NDPBs, most of the VFM savings will be delivered through them.

DCMS has worked closely with its NDPBs to identify suitable savings. All NDPBs in receipt of a resource Grant-in-Aid of more than £3m (as at 2007–08) from DCMS are contributing to delivery of the 3 per cent VFM savings. Relevant NDPBs have VFM plans, setting out how they expect to make savings over the CSR2007 period. These plans are revisited and updated periodically to ensure they remain accurate and realistic.

Performance to date

Achieved: £52.2m as at 31 March 2009

Savings are reported as cash-releasing, calculated net of implementation costs, and are sustainable.

Figure 6 shows the latest progress against the savings target. At this stage of the VFM programme, and in light of plans in place, DCMS is in a good position to meet its cumulative savings target for the CSR2007 period.

Although the DCMS programme is at an early stage, some significant VFM savings have already been achieved. For example:

- Sport England has realised VFM savings of £1.1m following renegotiation of its Leisure Connection contract, which has reduced operating costs; it has also made £350k administrative savings through rationalisation of outsourced contracts and improved cost controls.
- UK Sport has made almost its entire £579k savings by reorganising its corporate services roles (expanding its in-house legal team, merging two senior financial posts and retendering its internal audit function) and by benefiting in kind from the free provision of external research and development technical expertise.

Figure 6: VFM progress against savings target

£m	Savings achieved as at end Q4 2008–09	DCMS agreed target 2008–09
Internal DCMS	–	
Capital savings	–	
NDPBs – of which	50.8	
– museums and galleries	15.2	
– strategic bodies	35.6	
Total savings	50.8	48

Note: The target was for total savings only.

- MLA has reduced the cost of its regional footprint by £2.2m by closing down eight independent agencies and replacing them with its own field team, resulting in savings in operating and administration costs – the saving in administration costs alone came in at £0.8m.
 - The foyer at Imperial War Museum North’s visitor entrance area was reconfigured – this improved the visitor welcome experience, involved relocating the shop and learning areas, and enabled a reduction of two posts; visitor footfall has increased, as have retail takings and profit, with total savings this year assessed at £31k.
 - The Royal Armouries has implemented targeted initiatives stemming from working closely with DCMS and the Carbon Trust – these have reduced electricity consumption by 12 per cent, contributing towards an overall saving of £12k.
 - The National Gallery has generated procurement savings through actively reviewing the market across a range of activities; it has also brought its website hosting in-house and these targeted actions have resulted in savings of £39k.
 - English Heritage has achieved £1.54m savings from various estate management initiatives, such as relocation of staff from London, restructuring its facilities management and reducing rent and rates.
- Future plans**
Following the initial collection of VFM savings data, our NDPBs have considered the next two quarters and now have plans in place to build on progress to date. For example:
- The Imperial War Museum has developed an Environmental Strategy for Sustainable Development, making cash savings particularly through improved energy efficiency and reduced consumption; it will also continue to review procurement (across all goods and services at all branches), and seek where possible to streamline the number of suppliers used.
 - English Heritage is looking to achieve savings through restructuring and rationalisation of Research & Standards working practices and development of IT systems solutions.
 - The organisational restructure in Sport England following its strategic review⁷⁵ (June 2008) is expected to deliver savings over the course of 2009–10.
 - As one part of its VFM Programme the British Library is seeking to make savings in its acquisitions expenditure by cancelling low use journals, moving to e-journals and re-tendering major book contracts.
 - The National Gallery will cut the costs of its exhibition programme by introducing free summer displays in its exhibition space, instead of international loan shows – this will generate significant savings in picture transportation and design and marketing costs.
 - The National Portrait Gallery is looking at sharing storage space with the Tate with the intention of achieving cheaper storage costs.
 - The winding up of the Regional Cultural Consortiums is likely to deliver savings over the course of 2009–10 and beyond.
- The Department will also be working with its NDPBs over the course of the year ahead to review the savings delivered over the first year of the programme. This has the explicit intention of ascertaining and sharing best practice, as well as challenging organisations to be more radical in identifying plans for VFM savings in future years.

Page 50: As part of the European Capital of Culture 2008, Liverpool welcomed *La Princesse*, a 15m high mechanical spider for a weekend in September.

Page 51 left: Engaging Places is a resource to support teaching and learning through buildings and places. Commission for Architecture and the Built Environment (CABE) in partnership with English Heritage, run the initiative for school children, young people and teachers.

Top: Sport England creates opportunities for people of all ages and abilities to play sport in every community.

Bottom: Digital UK is the independent, non-profit organisation set up to lead digital television switchover in the UK – the biggest change in broadcasting since the introduction of colour.

SECTION 1.E
UNITED KINGDOM: CROYDON COUNCIL
ANNUAL REPORT 2008/09

How are we performing?

This part of our annual report summarises how we are performing across our full range of services.

Executive Summary

The Council has performed extremely well this year against the backdrop of the impact of the national economic recession and the new, harder test national performance framework, Comprehensive Area Assessment (CAA). This came into effect from 1 April 2009, replacing the Comprehensive Performance Assessment framework.

The new CAA aspires to be more relevant to local people by focusing on issues that are important to the community providing a joined up and shared approach (between central and local government, health, the police and others) to the challenges facing Croydon, such as crime, community cohesion, environment, public health issues such as obesity and the current economic situation.

The new performance framework is designed to strengthen accountability, provide residents with timely information and the ability to hold the providers of local public services to account.

It clarifies national priorities with a clear mechanism for translating these at a local level through specific local improvement targets agreed through the Local Area Agreement. There is an increasing emphasis on the role of the Local Strategic Partnership (LSP) which encompasses all the main service commissioners and providers in an area.

Within the CAA framework is the National Indicator Set (NIS) which replaces the former Best Value Performance Indicators. From this NIS the LSP working with central government has selected a basket of indicators relevant to Croydon the place and supplemented these with some key local indicators. Our performance in relation to those indicators are reported to you quarterly as Your Croydon Counts.

The CAA has two elements. An organisational assessment looks at each organisation's performance and provides a score out of four. The area assessment focuses on Croydon the place through a narrative and awards green flags for national best practice and red flags where performance is below standard.

Overall for the organisational assessment, which focuses on how we use our resources and manage performance, the Council scored a **three**.

Managing performance	3 out of 4
Use of resources	3 out of 4
Managing finances	3 out of 4
Governing the business	3 out of 4
Managing resources	2 out of 4

This means that as an organisation we exceed minimum requirements and perform well.

In the Area Assessment element of the CAA which focuses on how Croydon the place performs there were no red flags and one green flag relating to economic partnership working.

These results are excellent as the CAA is a harder test in relation to performance which looks at real outcomes for residents and customers.

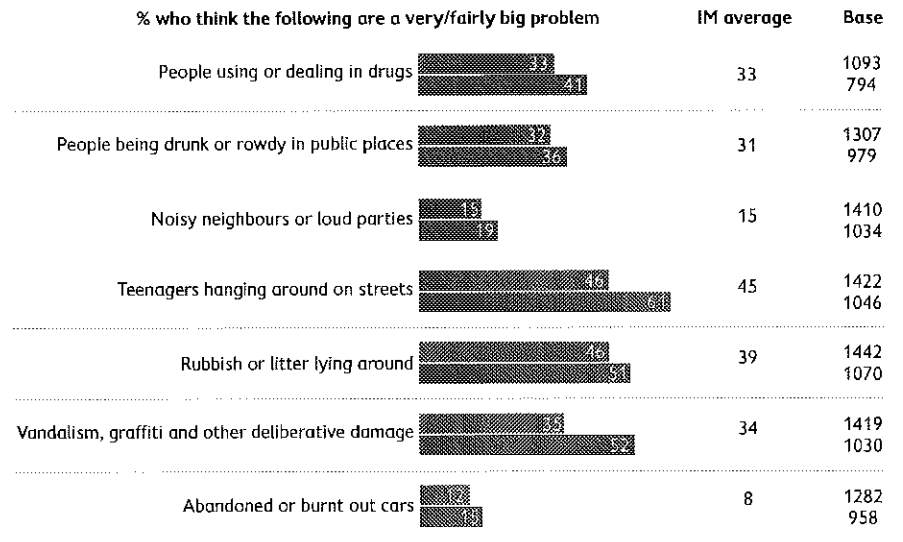


Safer, stronger and more sustainable communities

This year has seen the serious crime rate significantly reduce, driven by the success of borough-wide operations such as SAFE FOR ALL. The Council continues to tackle anti-social behaviour by adopting a multi-agency approach. You have noticed our performance evidenced by the improvements in public perception in relation to anti-social behaviour identified in the national Place Survey 2008.

However, following the national impact of the recession the levels of serious acquisitive crime are rising with increases in domestic burglary and thefts from motor cars. We have been quick to act with the borough-wide operational spotlight reducing the extent of that increase in the last three months of the financial year. We continue to focus on this key area in 2009/10.

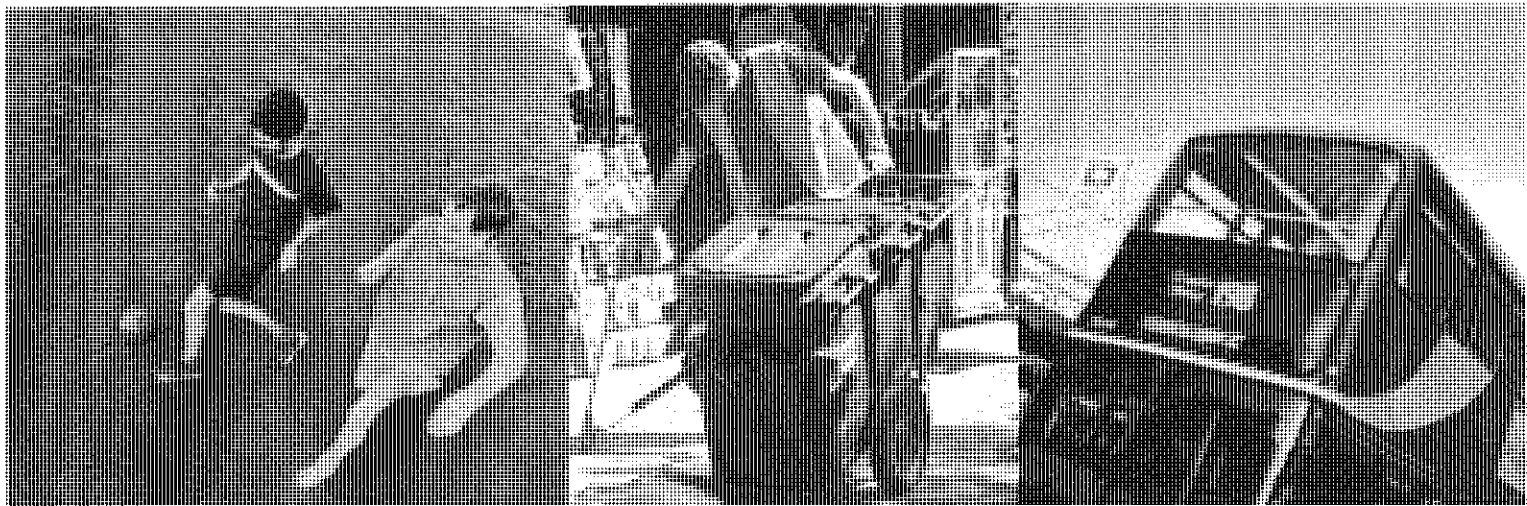
Perceptions of anti-social behaviour: Comparative data



IM: Ipsos MORI

% 2008/09 % BVPI 2006/07

Base: All valid responses



How are we performing?

Achieving better outcomes for children and young people

This has been a key area for us and our focus and investment has paid off with improvements in performance. The Transforming Croydon Schools programme will build on this success to ensure that Croydon schools are the first choice for Croydon students.

Education performance attainment has either met or exceeded targets for the majority of indicators and the performance 'direction of travel' is upwards. The percentage of pupils achieving five or more A* to C GCSE grades including English and Maths increased by 5% between 2006 and 2008, compared with 2% nationally. Provisional statistics from schools for the summer 2009 exams indicate a result of 52.1% which is a 5% increase on the 2008 figure.

There has been an improvement in 40% of the national indicators relating to Children Services assessment and placement and review of children and young people. This includes a superb performance in relation to reducing the number of young people not in education, employment or training at a time of recession. However, teenage pregnancy continues to be a cause for concern and is a key focus of attention of the Children's Trust.

Promoting economic growth and prosperity

In these hard economic times Croydon's "spirit of enterprise" culture is even more important to attract and retain business in our borough. The recession has impacted on performance with an increase in unemployment and greater demand for out of work benefits. However, the Council has ensured a quick reallocation of empty local authority houses, the third year running with a significant reduction in the average re-let time for council housing, bringing this down from 28 days in 2008 to just 25 days in 2009. The Council exceeded the target in relation to the number of clients entering employment and training as a result of the LEGL programme.

The LSP's excellent approach to using economic partnerships to deliver future prosperity has been recognised as national best practice by central government with the award of our beacon status in this area and the Audit Commission with a green flag in the CAA area assessment.

Improving health and well-being

In 2009, the Care Quality Commission judged adult social care services to be delivering excellent outcomes for people using services. This is the sixth

consecutive year in which we have achieved the best possible overall judgement and continues the trend of year-on-year improvement with more individual outcomes being awarded the highest possible judgement than ever before. The service excellence is reflected in key performance targets that have been met or exceeded in relation to drug usage and independent living for the elderly or vulnerable adults.

However, we need to improve the performance in relation to adults who participate in sport and physical activity. The performance in relation to the Active People Survey showed a performance reduction of 5.1%.

Improving the environment

Improving the environment is a key council priority. The extended recycling facilities introduced in previous years and during 2008/09 have resulted in an increase in recycling and composting from 22.71% in 2007/08 to 27.9% in 2008/09. This has resulted with improvements in the satisfaction in relation to refuse collection.

Residents' overall satisfaction with their local area has also significantly improved from 63% in 2006/07 to 72% in 2008/09.



The Council also continues to focus on key local concerns in relation to abandoned vehicles and missed bins. Tough performance targets have been set for service delivery in this area. Although performance has improved the Council continues to focus on achieving those targets.

Delivering high quality public services and improving value for money

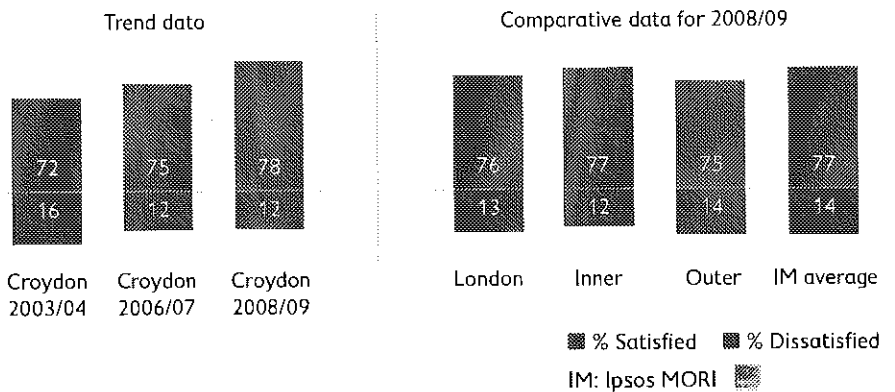
Overall, bucking the national trend for satisfaction with council services reducing, the Council's satisfaction increased. The investment in Access Croydon was also welcomed by our customers with an improved environment and waiting times.

The Council continued its commitment to fight fraud and exceeded the target for savings identified as a result of counter fraud activity. The Corporate Anti-fraud team are national leaders in working across agencies to tackle fraud and working with the Audit Commission in developing the National Fraud Initiative.

The recession did, however, hit our income collection services in relation to Council Tax and Housing rent collection.

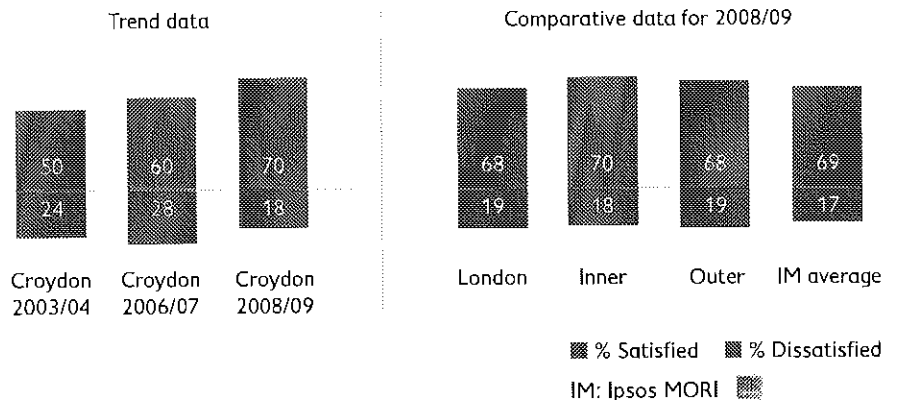
Refuse collections: Contextual data

Q: How satisfied or dissatisfied are you with refuse collection?



Doorstep recycling: Contextual data

Q: How satisfied or dissatisfied are you with doorstep recycling?



Croydon Counts Index

Your Croydon Counts is a selection of indicators that we use to measure our performance. Croydon Counts includes all our Local Area Agreement indicators which are both nationally and locally set. The indicators have been chosen to measure our performance against our values and priorities. We report our Croydon Counts indicators to Cabinet at the end of every quarter.

Safer, Stronger and more Sustainable Communities

Together with our partners in the Safer Croydon Partnership, we want our residents to be able to lead safe, healthy and prosperous lives. We want to build a borough where everyone feels valued as part of their local communities.

Indicator ref.	The Council working for You Indicator	2007/08 outturn	2008/09 target	2008/09 performance	2009/10 target
NI 1*	% of people who believe people from different backgrounds get on well together in their local area	75%	New baseline	75.60%	No survey this year
NI 15*	Serious violent crime rate – crimes per 1000 population	No comparable data	Baseline estab. at 1.27 per 1,000 (433)	1.10 per 1,000 (375 offences) baseline	1.24 per 1,000 (3% reduction on base line of 420)
NI 16*	Serious acquisitive crime rate- crimes per 1000 population	23.01 per 1,000	22.55 per 1,000	23.8 per 1,000 (8,110 offences)	22.09
L1*	Tackling Anti- social behaviour (ASB) in partnership with the community: Number of successful early interventions to prevent ASB	No comparable data	79	88	83
L2 *	Domestic Violence (DV) - Number of sanction detections (proportion of reports of domestic violence that go on to be officially charged)	No comparable data	48%	40.1% (1,069)	48%

Key: * LAA indicator R = Red A/R = Amber/Red A = Amber A/G = Amber/Green G = Green N/K = Not known

Our Future plans for a safer Croydon

The council continues to tackle anti-social behaviour by adopting a multi-agency problem solving approach. For example, several dispersal zones were implemented across the borough last year as well as targeting dwellings being used for drug dealing, reaping significant reductions in incidents and tangible benefits to local residents. Operation Safe for All has been successful in reducing youth crime in the town centre. In 2009/10 a further 10 Neighbourhood Enforcement Officers (NEO) are envisaged to be deployed so that every ward in Croydon will have its own NEO. This will be achieved through our review of street based services.



Cllr Gavin Barwell, Cabinet Member for Community Safety and Cohesion

RAG	DOT	Comments on current performance	Lead Member
G	↑	Indicator is part of national place survey. Question is comparable with previous BVPI satisfaction survey in 2006 and shows no significant change which should be viewed as positive given the risk of additional community tensions caused by the recession and growing levels of unemployment and financial hardship in the Capital. Croydon compares favourably with provisional average for Outer London (74.9%). Final results subject to verification and publication by DCLG.	Gavin Barwell
G	↑	Work has continued with the 5-Borough Alliance which shares knowledge and resources to address gang activity across borough boundaries. Operation Safe for All is also helping to tackle serious violent crime.	Gavin Barwell
R	↑	The serious acquisitive crime rate rose last year due to increases in domestic burglary and thefts from motor vehicles. Operation Spotlight, in the last three months of the year, reduced the extent of the rise in domestic burglary but it is believed that 2009/10 will be a challenging year for this PI due to the economic recession. Offences of robbery and thefts of motor vehicles reduced in 2008/09.	Gavin Barwell
G	↑	Adopting a multi-agency approach based on prevention, intervention, and diversion has reaped tangible results. Working closely with the YISP (Youth Intervention Support Panel – who are part of the Youth Offenders Team) individuals are assessed and personal intervention plans are put in place. Breaches are dealt with appropriately and 'escalate' accordingly.	Gavin Barwell
R	↗	The Family Justice Centre continues to provide access to a unique collaboration of resources including medical and legal services, police officers, probation officers, doctors, counsellors, advocates, social workers, housing providers, benefit advice, education providers, children's services and adult education groups, all from a centralised location. Although the target was not reached performance has improved since 2004/5 when only 456 sanction detections were achieved. Performance dipped in-year but in the last quarter performance has improved with the monthly performance above 48%. Focus will continue on domestic violence being actively pursued by police colleagues via daily domestic violence briefings. The integrated domestic violence court helps by fast-tracking prosecutions. However it should be noted that this indicator is driven entirely by police resources and is only one in a set of complex variables that assists in managing family violence. A proxy indicator will be established to show the other activities that take place on this issue.	Gavin Barwell

Young people and their families in Croydon are committed to working together to enable them lead safe and healthy lives. We will work together to deliver joined up services that are effective, timely and focused on the individual.

Indicator ref:	The Council working for You Indicator	2007/08 outturn	2008/09 target	2008/09 performance	2009/10 target
NI 53*	Prevalence of breast-feeding at 6-8 wks from birth (children totally or partially breastfed as a proportion of infants due for 6-8 weeks check)	53.0% (estimate)	53%	59%	56.40%
NI 55*	Reduce child obesity in Primary school aged children in reception year (% of children in Reception who are obese based on the National Child Measurement Programme)	12% (2007)	13.00%	10.9% (2007/08 academic year, most recent data)	13.30%
NI 63*	Stability of placements of looked after children (percentage of looked after children aged under 16 at 31 March who had been looked after continuously for at least 2.5 years who were living in the same placement for at least 2 years, or are placed for adoption and their adoptive placement together with their previous placement together last for at least 2 years)	71.4% (2007)	72.50%	66.50%	73.00%
NI 69*	Children who have experienced bullying (percentage of children who have experienced bullying at least once or more in the past 4 weeks, based on responses to the TellUs survey carried out on year 6, 8 and 10 pupils in schools)	new indicator	44.40%	Tell us Survey due Autumn 2009	42.00%
NI 72*	Achieve at least 78 points across the Early Years Foundation stage, which is a statutory framework for children's learning and development and welfare from birth to the end of the academic year in which they turn 5.	48.1% (2007)	51.20%	51.8% July 2008	53.20%
NI 73*	Increase pupils who achieve level 4 or above in English and Maths at Key Stage 2 (number achieving as a % of number of pupils at the end of KS2 with valid National Curriculum test results in both English and maths)	69% (2007)	79%	71% (2008)	78%
NI 75*	Achievement of 5 or more A*-C grades at GCSE or equivalent including English and Maths (Threshold) - numbers achieving as a percentage of the number of pupils at the end of Key Stage 4	44.1% (2007)	50.6%	47.6% (2008)	53.30%
NI 80*	Achievement of a Level 3 qualification by the age of 19 (achievers as a proportion of the size of the cohort at academic age 14)	53.4% (2007)	54.10%	54.0%	55.50%
NI 87*	Reduce secondary school persistent absence rate (the number of persistent absentees as a percentage of the total number of local authority maintained secondary school pupil enrolments)	8.1%	6.9%	6.9%	5.31%



RAG	DOT	Comments on current performance	Lead Member
G	↑	Children's centres are offering a range of programmes including "mytime" and breastfeeding sessions run by midwives and health visitors. Mytime offers specific services for parents with 0-6 month and 12-24 month children. Marketing campaign in place to engage parents including encouraging parents to use my time information line. Quarter 3 results indicate that the target has been exceeded. National performance will be graded on quarter 4 data.	Tim Pollard
A-C	↑	Ensuring young people are healthy and safe is important. We are addressing the current high levels of obesity and teenage pregnancy through targeted support and information programmes within our schools. Working with the NHS in our area we record the height and weight of pupils in reception class at primary school and track these against national obesity guidelines. We are developing closer working relationships with our partner agencies and have increased the number of 'Healthy Schools', supporting children and young people in making healthy life choices. Work is targeted in schools and the community to improve participation in sport and physical activity and to promote healthy eating.	Tim Pollard
A-B	↓	Performance improving in year with the implementation of the new senior management structure, but falls short of the ambitious target. There are positive reasons why children in care move placement. We are looking at the detail underlying this indicator to seek to improve performance where placement stability is in the child's best interest.	Tim Pollard
NK		Ensuring Children and Young people have the opportunity to inform us of bullying, allows us to address key issues at an early stage. A school level survey is undertaken each year (TellUS) which provides the statistics for this indicator; the next survey is not scheduled to take place until Autumn 2009. An Anti-bullying strategy for schools was launched in 2008 in support of Tell US results.	Tim Pollard
NK	↑	Validated data not yet available. However, moderation visits for the early years Foundation Stage Profile indicates that children are making good progress and are on line to attain improved standards.	Tim Pollard
A-D	↑	Targets are nationally prescribed and challenging to achieve. 2008 national performance was 73% and Croydon achieved 71% - 2% below national. However, 71% represented a 2% improvement on the previous year. Provisional data for the 2009 cohort will be available in August 2009.	Tim Pollard
A-C	↑	Targets are nationally prescribed and challenging to achieve. Croydon matched the national average for this indicator and was within reach of the ambitious target. The rate of improvement in Croydon schools over the last 2 years has been 5% against 2% nationally and represents very good progress. It is expected that 50% of students in Croydon schools will attain 5 or more A*-C grades including English and Maths in 2009, and the target of 50.6% is also achievable.	Tim Pollard
G	↑	Monitoring of this target on a quarterly basis is not possible as the data is only published annually. It is matched data - based on the achievement of 15 yr olds in all Croydon schools (including independents) matched to their achievement at age 19, wherever they are studying - in different authorities. It is matched nationally and we are then informed. Provisional data for 2008 (released a few weeks ago) on the DIUS/DCFS website (1st statistical release) shows the figure for 2008 to be 54% for level 3 rounded to whole numbers. Our target was 54.1%. However, because the figure has been rounded it could be between 53.5 and 54.4. We will not know whether we have met our target until the results are published showing decimal places - based on provisional data appear to be close to target.	Tim Pollard
G	↑	The existing figure does not include Academy data as the LA does not have access to Academy data regarding attendance. Data is taken from the Autumn Census return. Currently the LA is working towards 100% of schools (not including academies) linked to B2B data exchange software programme so attendance across all schools can be reviewed by LA to continue providing appropriate support and challenge to all schools. The PA (persistent absence) LA Plan includes a variety of strategies to support schools and encourage parents in their responsibility to ensure their children's attendance. The Local Delivery Partnerships are all focusing on improving attendance.	Tim Pollard

Indicator ref:	The Council working for You Indicator	2007/08 outturn	2008/09 target	2008/09 performance	2009/10 target
NI 92*	Narrowing the gap between the lowest achieving 20% in the Early Years Foundation Stage Profile and the rest (defined as the median)	35.7% (2007)	32.2%	32.2%	32.10%
NI 93*	Progression by 2 levels in English between Key Stage 1 and Key Stage 2 (number achieving as a percentage of the number of pupils at the end of KS2 with valid National Curriculum test results)	85.5% (2007)	86.00%	83%	85%
NI 94*	Progression by 2 levels in Maths between Key Stage 1 and Key Stage 2 (number achieving as a percentage of the number of pupils at the end of KS2 with valid National Curriculum test results)	74.5% (2007)	88.00%	78%	85%
NI 99*	Looked after children reaching level 4 in English at Key Stage 2 (number achieving as a percentage of the total number of looked after children who were in care for at least one year who were in year 6 (Key Stage 2))	33% (2007)	35%	42.11%	41%
NI 100*	Looked after children reaching level 4 in mathematics at Key Stage 2 (number achieving as a percentage of the total number of looked after children who were in care for at least one year who were in year 6 (Key Stage 2))	33% (2007)	35%	42.11%	41%
NI 101*	Looked after children achieving 5 A*-C GCSEs (or equivalent) at Key Stage 4 (including English and mathematics) as a percentage of the total number of looked after children who were in care for at least one year who were in year 11	no comparable data	13.0%	15.9%	34.60%
NI 106*	Young people from poorer families going on to higher education (the indicator takes the form of the gap between the proportions of 15 year olds eligible for free school meals (FSM) and those not eligible for FSM progressing to higher education at the age of 18 or 19)	12% (2007)	11.50%	New target for 2009	11%
NI 110*	Young people's participation in positive activities, defined as: the proportion of young people in school year 10 responding 'yes' to the question "In the last 4 weeks, have you participated in any group activity led by an adult outside school lessons (such as sports, arts or a youth group)?" based on the analysis of the weighted TellUs survey data.	No comparable data	New indicator no target for 2008/09 (Baseline Year)	65.4% from Oct 2008 which is baseline.	70.40%
NI 111*	First time entrants to the youth justice system where first time entrants are defined as young people (aged 10-17) who receive their first substantive outcome (relating to a reprimand, a final warning with or without an intervention, or a court disposal for those who go directly to court without a reprimand or final warning) per 100,000	1,910 per 100,000 pop	1,874 per 100,000 pop	See commentary	655 or 1,837 per 100,000 pop

RAG	DOT	Comments on current performance	Lead Member
G	↑	Vulnerable children and children who live in disadvantaged areas are making good progress in learning and standards of attainment are improving. The gap between the lowest and highest attaining children is closing with the rate of closure faster than national and regional figures. The progress children make in their learning is tracked 3 times a year in 50% of our schools where standards are not high enough. These visits are showing that lower attaining children are now making good progress and are on line to attain improved standards. Areas of learning for focus agreed; Moderation schools informed by letter and email and assigned a moderator. Moderators have undertaken 2 out of the three visits for the year and have focused on children who are not likely to meet required standards. 50% of schools not being moderated have been informed outlining the requirement for them to attend a Local Authority (LA moderating) surgery School Improvement Partners (SIPs) engaged with Foundation Stage (FS) profile results with a particular focus on the 50% of schools not being moderated.	Tim Pollard
R	↓	Targets are nationally prescribed and challenging to achieve. Percentage of pupils progressing by 2+ levels in English in 2008 was 83%. This represented a 3% drop on 2007 but was above the national figure of 82%. Progression in Reading was 89% whereas in writing it was 77%. Writing support programmes are in place to narrow this gap. Provisional data for the 2009 Cohort will be available in August 2009.	Tim Pollard
R	↑	Targets are nationally prescribed and challenging to achieve. Percentage of pupils progressing 2+ levels in Maths in 2008 was 78%. This represented a 2% increase on 2007 but was slightly below the national figure of 78.8%. Provisional data for the 2009 cohort will be available in August 2009.	Tim Pollard
G	↑	Croydon's recent performance is higher than 2008/09 target. Validated data from OC2 return. Our Targeted support has made a positive impact on this outcome.	Tim Pollard
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NK	N/A	New baseline and indicator. The current gap between those young people eligible for FSM at age 15 who progress onto H.E. and those without FSM is 12% compared to a national gap of 20%. An Aim higher plan is in place. Targets to be agreed with GOL but future trends may be affected by national drive for Apprenticeships.	Tim Pollard
NK	N/A	This is a new national indicator based on information gathered through the TellUS survey, an online self completion survey of children and young people in years 6,8 and 10 carried out at school. It records participation in the previous 4 weeks by pupils in year 10 in any group activity led by an adult outside school lessons, such as sports, arts or youth groups, including uniformed groups and faith based youth activities. GO prediction green. Significant progress has been made in coordinating and publishing both the councils offer of positive activities by voluntary sector partners, including summer university. Consultation with young people has continued on kinds of activities they want to participate in and where. Work is in progress in Croydon and London-wide to draw together data from VCS and other providers of positive activities to present an increasingly complete picture of take-up.	Tim Pollard
NK	N/A	The Youth Offending Team is waiting for an analysis of the information held on the Police National Computer, which is provided by the Ministry of Justice. Updated performance can only be provided once we have this data. Data will be provided once or twice annually from Ministry of Justice.	Tim Pollard

Indicator ref:	The Council working for You Indicator	2007/08 outturn	2008/09 target	2008/09 performance	2009/10 target
NI 112*	Reduce Teenage Pregnancy: the change in the rate of under-18 conceptions per 1,000 girls aged 15-17 years resident in the area for the current calendar year, as compared with the 1998 baseline rate, shown as a percentage of the 1998 rate	7.62% (2007) reduction on 1998 baseline rate	17.1% reduction on 1998 baseline rate	7.62% (2007) reduction on 1998 baseline rate	Target for 2009: reduction of 30% from 1998 baseline (rate of 41.9)
NI 114*	Reduce rate of permanent exclusion from schools (The number of permanent exclusions from school in the academic year expressed as a percentage of the school population)	0.21% (2007)	0.47%	not available	0.41%
NI 117*	Increasing the number of Young People in employment, education and training (measure: the percentage of 16 to 18 year olds who are not in education, employment or training (NEET).	8.1% (2007)	7.1%	7.10%	6.90%
NI 118*	Take up of childcare by low income families (the number of working families benefiting from the childcare element of Working Tax Credit (WTC) as a percentage of the number of working families receiving more than the family element of Child Tax Credit (CTC))."	24% (2005/06 LAA)	27.00%	26.89%	29%
L4*	Engagement with young people (number of sessions, promotional events, consultations and campaigns for children and young people)	new indicator	3,390 2008/09 baseline	New for 2009	3415

Our Future plans for Education in Croydon

The Croydon Challenge Plan sets out the work streams and activities which will deliver a set of ambitious educational outcomes for children and young people in the authority. Progress is monitored and evaluated at regular meetings of the School Improvement Board. Work is underway to revise the Plan and to align effort with three main educational themes:

Reduce the number of underperforming schools

Narrow the gap between the achievements of pupils on free school meals and those pupils who are not on free school meals

Raise the number of outstanding schools

These themes will parallel those of City Challenge and the National Strategies and strengthen Croydon's capacity to attract additional resources from national programmes.

The Transforming Croydon Schools (TCS) plan is Croydon's highly developed BSF strategy. Croydon has worked in collaboration with the Royal Borough of Kingston upon Thames to build a high calibre team to deliver on BSF in both boroughs simultaneously. The Readiness to Deliver statement was completed and submitted to Partnerships for Schools (PFS) at the end of May, with a response expected in July. The submission clearly identifies the schools which are in greatest need of transformation and fully complies with the PFS criteria. The expectation is that BSF will: raise attainment, adopt a teaching strategy and a curriculum that fully engages and motivates all students, meet the needs of all learners through an effective programme of personalised learning, ensure high quality ICT provision in every school, address inequality and underperformance and ensure that Croydon schools are the first choice for Croydon students and their parents.

RAG	DOT	Comments on current performance	Lead Member
R	→	Croydon rates are relatively high despite good strategies in place. Further targeting of interventions for identified groups will improve performance outcomes. Croydon's teenage conception rate for 2007 was 54.6 per 1000 girls aged 15-17 years of age. This shows an improvement in performance from 2006 (56.9 conceptions per 1000 girls aged 15-17 years of age), with an overall reduction of 7.6% from the 1998 baseline. However despite this improvement in the direction of travel. Reducing teenage pregnancy is a high priority and work is being undertaken through links with the Children's trust to improve performance. Exceptions reporting takes place monthly and progress of this indicator is being comprehensively monitored.	Tim Pollard
NK		Behaviour Task Force (BTF) established and action plan to drive change agreed. A review has been undertaken of Pupil Referral Units (PRU) and other alternative education provision and options for change to secure earlier support for pupils at risk of exclusion. This work is currently being developed in partnership with Headteachers and the School Improvement Board. Data for 2007/08 will be available in late summer 2009. It is likely that the target for 2009/10 will be reviewed to make it more challenging.	Tim Pollard
G	↑	This is a significant turnaround in performance, Croydon having met targets for the first time. This is particularly positive when during the economic downturn NEET figures have been increasing. Focused work on tracking young people Not Known and Not in Education, Employment or Training (NEET) and supporting them into Education, Employment and Training (EET), together with establishing new education and personal and social development provision has secured the delivery of the target.	Tim Pollard
A/E	↑	Family Information Service advisers are working in Children's Centre to support families who have benefited from Childcare Affordability Programme funding; Plus 57 children on the flexible Childcare Affordability Programme. To enable take up for families in need of low cost Childcare and family support. This indicator links to Sure start National programmes and aims to reduce childhood poverty.	Tim Pollard
NK		The children's Trust has been established. CYPL is committed to the engagement of young people and target is set as part of the Children's Trust (CT) arrangements and the Children and Young Peoples Plan (CYPP), increasing engagement with young people through a range of sessions, promotional events, consultations and campaigns.	Tim Pollard

Promoting economic growth and prosperity

RAG

A

“A spirit of enterprise” sums up the culture we want to foster here in Croydon and within the Council. To attract and retain businesses to our borough, we must ensure that local people particularly the economically disadvantaged, are equipped with the necessary skills, training and confidence to secure employment.

Indicator ref.	The Council working for You Indicators	2007/08 outturn	2008/09 target	2008/09 performance	2009/10 target
NI 152*	Measure the progress on reducing the % of the working age population who are claiming out of work benefits	12.2% (2007)	12.50%	11.60%	13.40%
NI 154*	Increasing supply of housing – Net additional homes provided.	1455	903	1520	903
NI 155*	No of Affordable homes delivered	690	601	575	601
NI 162*	Number of learners achieving entry level qualification in numeracy reported for each academic year (absolute number)	274 (2006/07)	277	not yet available	307
NI 164*	Proportion of population aged 19-64 for males and 19-59 for females qualified to at least Level 3 or higher	51.7% (2006)	54.70%	not yet available	56.7% (5% increase from baseline; 2% increase from 2008/09)
NI 171*	New business registration rate	60.1% (average 2005/07)	baseline year	baseline year (57.7)	57.1
NI 172*	Percentage of small businesses in an area showing year-on-year employment growth	9.96% (average 2005/07)	baseline year	baseline year (9.88%)	9.33%
C11	Average time taken to re-let local authority housing (void turnaround) measured in days	28	31	25	24
L5*	Regenerating the Town & District centres: a. No of LEGI supported new businesses.	227	250	225	250
L6*	Businesses assisted by LEGI showing growth	not available	baseline year	373	9.80%
L7*	Total number of clients entering employment and training, plus number of jobs created as a result of LEGI programme.	1,055 (estimate)	1,076	1,873	1,130

Our Future plans for promoting economic growth and prosperity in Croydon

Managing the implementation of the Economic Development Strategy to promote skills and tackle worklessness and support local enterprise, including developing an economic recovery plan. Set up and launch the Economic Development Company. Maintain and develop the vitality and economic viability of our town and district centres. Market and promote the borough to maximise inward investment.

Cllr Dudley Mead
Cabinet Member for Housing



Cllr Steve O'Connell
Cabinet Member for Regeneration and
Economic Development



RAG	DOT	Comments on current performance	Lead Member
A	↑	With the economic downturn there is an increase in unemployment and a greater demand on the service. The Economic Development Partnership is agreeing an employment target taking into consideration the current economic climate.	Steve O'Connell
G	↑	Overall Croydon's supply was 168% of the target whereas in London overall supply on the equivalent target was 99.9% of the target so Croydon outperformed London as a whole. The target is an aggregate target for the period 2007/8 to 2016/17 and currently housing supply is 15 months ahead of the target which is a useful cushion to have as we head into a period of likely reduced supply during the economic downturn.	Dudley Mead/ Steve O'Connell
A	↓	The estimated out-turn for 2008/09 (575) represents a strong performance, against a very challenging target which was increased from 452 to 601, in agreement with the GLA, in January 2009. Overall, the figure puts us well on track to achieve the Mayor's target of 1803 additional affordable homes over the period 2008/11.	Dudley Mead/ Steve O'Connell
NK		Data for 2008/09 has not yet been published and was due to be published in May 2009. Work has started with the LSC to identify a proxy indicator and data set that can be used to monitor progress against this target. This will include establishing a local data collection process on qualifications on behalf of local providers. It is anticipated that this will be presented to the Adult Learners and Skills Partnership in June 2009.	Steve O'Connell
NK		The most recent performance data refers to 2007, data for 2008 will be published in August 2009. Croydon College have recently won a contract for delivering employability skills training which will contribute to the achievement of this target going forward. To address the time lag in available data work has started with the LSC to identify a proxy indicator and data set to monitor progress against this target. Again it is anticipated that this will be presented and agreed at the Adult Learners and Skills Partnership in June 2009.	Steve O'Connell
NK		Baseline and targets have been agreed by GOL. Baseline has been set at 60.1 new business registrations per 10,000 population (2005-2007 average). 2009/10 target has been set at 57.1 new registrations and 2010/11 target has been set at 60.5 new registrations	Steve O'Connell
NK		Baseline and targets have been agreed by GOL. Baseline has been set at 9.95% of small businesses showing year on year employment growth (2005/2007 average). 2009/10 target has been set at 9.33% and 2010/11 target has been set at 9.97%	Steve O'Connell
A	↑	Despite the number of void properties being on the increase, the average turnaround time for re-letting of local authority housing is better than our target for the 2008/09 financial year. This has been the case throughout the year, with an average 25 day turnaround.	Dudley Mead
A	↓	The number of business start ups at the end of quarter 4 is slightly below the annual target of 250. One of the key factors contributing to not achieving this target is the current economic climate, as a number of clients have reported delaying starting a business until the economy improves. However performance should be regarded as positive and has been on an upward trend throughout the year.	Steve O'Connell
NK		Business growth is a new area for reporting and baseline information collecting during this financial year has been used to set targets for the 2009/2011. Performance for quarter 4 has significantly improved compared to the quarter 3 figure of 173.	Steve O'Connell
G	↑	Performance for quarter 4 exceeds the annual target of 1076.	Steve O'Connell

Improving health and well being

RAG

A3

We are continuing to work with our healthy Croydon partners to ensure that everyone who lives in Croydon is offered the right kind of support, at every stage of their lives, to enable them to adopt and lead healthier lives.

Indicator ref:	The Council working for You Indicators	2007/08 outturn	2008/09 target	2008/09 performance	2009/10 target
NI 8*	Participation in sport and physical activity – The percentage of the adult population in a local area who participated in sport and active recreation, at moderate intensity, for at least 30 minutes on at least 12 days out of the last 4 weeks (equivalent to 30 minutes on 3 or more days a week). Proxy indicator – No of people from target groups using leisure centres, Active Lifestyles programme and Croydon Sports development programme.	20.1% (2005/06)	23%	15%	24.10%
NI 11*	Engagement in the arts – The national indicator measures the percentage of the adult population in a local area that has engaged in the arts at least three times in the past 12 months	New indicator	Baseline tbc	44.3%	45.80%
NI 40*	Number of drug users recorded as being in effective treatment	580	621 (a 7% increase on baseline 580)	643 (a 10.86% increase on baseline 580)	9% increase on baseline = 632
NI 123*	Increasing life expectancy 16+ current smoking rate prevalence. Reliable smoking prevalence data is not currently available. Therefore the nationally agreed proxy indicator for the LAA is defined as the rate of self-reported 4-week smoking quitters per 100,000 population aged 16 or over.	475 per 100,000 population (2004/07)	649 per 100,000 population	308 per 100,000 population	665 per 100,000 population
NI 125*	Maintain and improve quality of life for an ageing population: Achieve independence for older people through rehabilitation / intermediate care. % of older people discharged from hospital into rehabilitation or re-ablement services, living in their home 91 days later	new indicator	(provisional baseline 48%)	56.4%	National baseline data available from Autumn 2009
NI 126*	Early Access for Women to Maternity Services. Performance for this indicator is defined as 'the percentage of women receiving services provided in the area who have seen a midwife or a maternity healthcare professional, for health and social care assessment of needs, risks and choices by 12 completed weeks of pregnancy'.	new indicator	50% (base line year)	80%	82%
NI 141*	Supporting vulnerable adults needing care: Number of vulnerable people achieving independent living. (% of people who have moved on from supported accommodation in a planned way)	74.30%	76.00%	83.06%	78%
NI 146	Adults with learning disabilities in employment (% of adults with learning disabilities, known to Adult Services, who are in paid employment)	new indicator	Awaiting baseline data	6.00%	Target to be developed
C21	Enable older or disabled people to get major aids and adaptations to their homes (number of major aids and adaptations delivered).	result not comparable	190	269	190

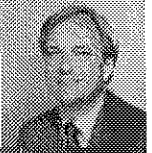
Our Future plans for improving health and well being in Croydon

A sport and green spaces facility demand and supply study has been commissioned in partnership with Sport England. This will provide evidence based data that will ensure facilities meet community needs. It will help to inform the development of sports facilities on school sites as part of the Transforming Croydon schools (Building Schools for the Future) and the review of the Council's Local development Framework (LDF).

Cllr Steve Hollands
Cabinet Member for Culture and Sport



Cllr Lindsay Frost
Cabinet Member for Health and Adult Social Care



RAG	DOT	Comments on current performance	Lead Member
R	↓	This is below the London average of 20%, and shows a reduced performance from 20% scored in 2006. The NI is part of the LAA and there is a delivery plan in place to focus activity on engaging people in sport at the grassroots level through working with sports clubs and our leisure partner, as well as undertaking a strategic planning for sport project. A proxy indicator is in place and shows that 299,000 people in Croydon have taken advantage of the activities offered by leisure centres, Active Lifestyles and Sports Development.	Steve Hollands
NK		Results taken from the Active People Survey. The results are on a par with outer London but slightly below the London average of 49.4%. A proxy indicator will be established to monitor progress for this PI which is included in the LAA.	Steve Hollands
G	↑	The number of Problem Drug Users in effective treatment is increasing and we are exceeding the LAA target. We have set a challenging series of targets for the coming years. It should be noted this improvement in performance has not been sufficient to prevent a reduction in the Drugs Pooled Treatment Budget next year and so we are faced with a £300,000 reduction in budget for 2009/10 which has a further implication for future performance. The figure shown as 2008/09 performance is in fact up to end of third quarter only as the year end figure will not be available until August 2009.	Lindsay Frost
R	↔	The indicator relates only to people receiving support through the NHS stop smoking services. Data are currently reported by the PCT stop smoking service as a cumulative total rather than a figure per 100,000. The rate per 100,000 has been used in this report. The cumulative figure at the end of March 2009 was 833 people. Detailed recovery plans are in place with rigorous performance monitoring to address the shortfall from the target figure.	Lindsay Frost
NK	↑	Current data suggest that 56.4% of older people discharged from hospital into rehabilitation or re-ablement services were living in their home 91 days later. Croydon has tested the collection and collation of information for this indicator, and is confident that the data are robust and meaningful. A discussion is taking place at a national level to ensure a consistent approach to the measurement of this indicator, which may lead us to change the criteria for counting and therefore the performance figure.	Lindsay Frost
NK	↑	Performance for this indicator is defined as 'the percentage of women receiving services provided in the area who have seen a midwife or a maternity healthcare professional, for health and social care assessment of needs, risks and choices by 12 completed weeks of pregnancy'. The target was set as 50% before it was formally decided that this should be a baseline year. We will continue to use the 50% target for our own monitoring purposes. The 2008-09 LAA target was set as 50%. During 2008/09, 80% of women were assessed within 12 weeks of pregnancy so we have exceeded our target.	Lindsay Frost
G	↑	There has been a significant improvement in performance arising from targeted work by Supporting People Contract officers and implementation of the Support Needs Assessment and Placement (SNAP) service. The target has also benefited from the credit crunch in that it appears that private landlords are more willing to let to people moving on from supported housing in the current economic climate. We are pleased to have exceeded our target for the 2008/09 financial year.	Lindsay Frost
NK	↑	Croydon has a successful history of supporting People with Learning Disabilities to access Employment Opportunities within the mainstream community. Moving the Croydon Employment and Support Service to more accessible premises; along with the development of a drop-in service specifically for people with learning disabilities; is expected to increase the number of Learning Disability clients in employment. The initial focus of the 3-year Delivering an Ordinary Working Life (DOWL) project is to increase the numbers of people with learning disabilities accessing employment opportunities (paid employment and work tasters) within the council. As a new indicator which has not been collected before October 2008, this year-end figure of 6% will be used to measure our future progress. Data collection for this indicator has been implemented in a robust fashion with data being collected from 1 October, as per the national reporting requirements.	Lindsay Frost
G	↑	The provision of major aids and adaptations is expected to continue to improve following the introduction of a simple assessment process. Those identified as needing major aids or adaptations are seen quickly by occupational therapists and the complex process of planning and delivering the adaptation is progressed by an administrator. We have exceeded the target of 190 major aids and adaptations delivered to older or disabled people in the borough.	Lindsay Frost

Improving the environment

RAG

A

We want to make Croydon a green and attractive place to live and work, with well-managed streets and green spaces. We want to make it easier for local people and businesses to adopt greener lifestyles and working practices, reduce congestion and the environmental impacts of travel, and improve transport choices.

Indicator ref.	The Council working for You Indicators	2007/08 outturn	2008/09 target	2008/09 performance	2009/10 target
NI 186*	Tackling Climate Change: Per capita reduction in CO2 emissions in LA area - % change against 2005 baseline.	No comparative data	3.16%	Data set provided by DEFRA	Additional 3.16% reduction against baseline (additional 0.17 tonnes)
NI 192*	% Household waste recycled and composted. (Previously BVPI 82 a (i) and 82 a (ii))	22.71%	28%	27.9%	35%
NI 195*	Improved Street and environmental cleanliness. Levels of a) Graffiti b) Litter c) Detritus d) Fly-posting. (% assessed as falling below an acceptable level)	No comparative data	Baseline year	6% graffiti 11% litter 4% detritus 1% flyposting	a = 7% b = 13% c = 17% d = 2%
C13	% of reported abandoned vehicles removed within 24 hours.	No comparative data	80%	74%	85%*
C14	% of missed bins. (Collect 140,000 bins per week)	Na comparative data	0.10%	0.15%	0.10%
L10a	School travel - Number of schools with approved school travel plans	No comparative data	Baseline year		127 (77%)
L10b	Proportion of school travel plans where an annual review was completed	No comparative data	Baseline year		75%
L10c	The proportion of children (age 5-16) in schools with school travel plans who walk or cycle to school	No comparative data	Baseline year		Increase of 1.5% on baseline

Our Future plans for improving the environment in Croydon

Recycling in Croydon is set to rise while the volume of landfill be reduced due to a new contract with Environmental Waste Controls for management of the council's three re-use and recycling centres up to 2022. New recycling bins have been introduced for different types of household waste at each centre - rigid plastics (garden furniture and children's toys); sheet glass; cooking oil; video tapes; CDs; low grade wood (MDF and chipboard); household batteries. Graffiti removal continues to be a priority with a continued standard of offensive graffiti being removed within 24 hours of being reported.

Cllr Jason Perry
Cabinet Member for Planning & Conservation



Cllr Phil Thomas
Cabinet Member Environment & Highways



RAG	DOT	Comments on current performance	Lead Member
NK		Good progress has been made in achieving the 3 years LSPA target for 2008/09 through domestic home energy efficiency improvements. We aim to continue this work in future years subject to provision of resources. Through our Environment and Climate Change Partnership we are also working with schools, businesses, voluntary sector and faith groups to support carbon saving activity.	Jason Perry
G	↑	This measures the proportion of household waste that is sent for recycling and reuse. Final results will not be known until after April 2009. The twin recycling box collection service was extended to an extra 75,000 properties in July bringing the total number of properties having access to this kerbside recycling service to 125,000 properties. The third phase of the estates recycling project is progressing well with recycling bins being introduced following consultation with customers as to agreed locations. In addition, site surveys of potential sites continue on a weekly basis. The final phase of this project started in April 2009 and will end in March 2010.	Phil Thomas
NK		Although not as high as last year this is still a good performance. Streetscene officers monitor cleansing standards on a weekly basis; new bins were installed in busy areas such as the town centre. General graffiti was removed within 2.1 days of being reported and offensive graffiti within 24 hours of being reported.	Phil Thomas
R		There was a change in the way the PI was measured - from removal within 24 hours of being reported to removal within 24 hours of the Expiry of Notice to remove (after 7 days). A change in contractor for the service also affected results. *A new target of investigating 85% of all vehicles within 24 hours of being reported and removing 85% of all vehicles within 24 hours of being legally entitled to remove.	Phil Thomas
R		Each week we collect over 140,000 bins across the borough. Out of 7.3 million scheduled collections in 2008/09, 13200 were missed. Much of this was due to the changes in collection days in July/August when bin collections were aligned to recycling collections - and this has affected the overall annual result. Latest data shows that collection is back on track.	Phil Thomas
NK			Jason Perry
NK			Jason Perry
NK			Jason Perry

Delivering good quality services at the same time as making sure that we provide value for money is central to our agenda. We want to make sure our services meet the needs of local people and are accessible to all sections of the community, particularly those who need them most.

To achieve this we must: improve quality and customer satisfaction with local services
 increase the role and capacity of the third sector
 improve value for money for local public services

Indicator ref:	The Council working for You Indicator	2007/08 outturn	2008/09 target	2008/09 performance	2009/10 target
NI 7*	Environment for a thriving third sector	new indicator	Baseline year	15.9%	No survey
L8*	Improving quality and customer satisfaction with local public services (a) all services, inc council, police and PCT services (b) council services only	Council services only, 42% 2006	Baseline year	(a) 55% (all local public services) (b) 45% (council services only)	No survey
	Contact Centre % of customer requests one and done for Revenues and Benefits	64%	95%	96%	90%
	Access Croydon (all services) seen within 15 minutes	No directly comparable data	80%	89%	90%
L9*	Improving perception of value for money for local public services. (a) Council services (b) all local public services	No directly comparable data	Baseline year	(a) baseline year 27% (b) baseline year 39%	No survey
C1	% Council tax collected	95.84% above median	96.75%	95.35%	97%
C2	Savings identified for collection as a result of counter fraud activity	£1.261m	£0.7m	£0.883 m	£1.0m
C3	% of housing rent collected	98.36% top quartile	98.40%	98.25%	98.20%
C4	£12m efficiency programme on target for delivery	£6.488m	£12m	£11.3m	£9.427m

Our Future plans for delivering quality services and value for money

The council has made substantial progress in achieving this priority. This includes increasing customer satisfaction against a trend in the capital of decline. Improving our front-facing customer services with the launch of ACCESS Croydon. Capital Ambition identified Croydon as one of the top ten most improved councils in terms

of VFM. In addition we have managed to increase the collection of Council Tax and Housing rents against the backdrop of deep economic recession. The council has delivered a balanced budget for 2009/10 with £17.752m of efficiencies identified. A key part of our approach to ensuring value for money is the development of a range

of strategic initiatives over 2009/10. They require strategic vision and a multi-sector approach across sector and borough boundaries. These provide real potential in improving service delivery, from improving transport for vulnerable people, to better support for our residents and customers within the street scene.

CLr Dudley Mead
Cabinet Member for Housing



Cllr Sara Boshford
Cabinet Member for Resources & Customer Services



RAG	DOT	Comments on current performance	Lead Member
NK	↑	This new indicator uses a question in the national survey of third sector organisations. The results show that Croydon is in line with the average for London.	Gavin Barwell
NK	↑	The provisional result for the National Place Survey is shown here. Ongoing progress towards the target can be assessed by performance data for delivery plan milestones which are set out below. The Place Survey shows that satisfaction with Council services has increased from 42% (2006) to 45% in 2008. Ongoing progress towards the target can be assessed by performance data for the delivery plan milestones which are set out below. The Council will be one of only five London councils to improve satisfaction with the majority going down.	Sara Boshford
G	↑	Our performance remains above our targeted level for the year. The definition of one and done will be reviewed for 2009/10.	Sara Boshford
G	↑	We have exceeded our 2008/09 target of 80% with a performance of 89%. Access Croydon facilities will ensure our customers have an even better service that supports their needs and provides accurate performance information. Access Croydon service is providing: <ul style="list-style-type: none"> • an improved queue management system reducing waiting times, • more enquiries resolved at first visit, • recording detailed customer information to manage current and future service delivery • self service facilities to speed responses • an improved environment including children's facilities, better seating and décor and • improved security and CCTV facilities and separate access and circulation routes for customers and staff to improve security. 	Sara Boshford
NK	↔	Achievement for this LAA target is predicated on delivery of key milestones within the delivery plan, including Council Tax collection and efficiency savings. The Amber rating reflects the current performance below target delivery. It is anticipated that the overall perception of VFM within the Capital will decline by 7%, Croydon's decline has been only 4% so a positive direction of travel.	Sara Boshford
A	↑	Year to date collection outturn was below target all last year, but remains the second highest performance ever achieved in Croydon. The current economic environment had a clear impact on performance of this service and we are trying to ensure we balance a tight recovery process with support where our residents require. Targets were set before the impact of the economic recession. Performance in the early part of 2009/10 has improved, which is reflected in the direction of travel.	Sara Boshford
G	→	The council has exceeded its 2008/09 target of £0.7m by 26% (£183k)	Sara Boshford
A	→	The definition of this indicator includes current arrears outstanding at the start of the year as part of the rent due. The year to date charges and collection are cumulative and increase by 1/12 in each monthly report. The outstanding (B/F) arrears have been apportioned to reflect this. The final year end figure includes collection of garage rents. Despite being marginally below our target, within the current financial context we are pleased with performance on this indicator.	Dudley Mead
A	↑	The figure is an improvement on the position achieved in Q3 but not all the anticipated efficiencies were realised during the year given the challenging nature of the programme.	Sara Boshford

Our ongoing efficiencies will enable the continuation of resource and support to the Council key priorities. Further customer engagement work will continue to develop our understanding of residents' priorities and needs and will be used to drive our customer service delivery across the organisation. Through defined standards, staff development and empowerment,

improved access and quality service provision, including the use of customer feedback to drive improvement, we will ensure customer satisfaction is improved. The use of technology will be critical to better manage customer contact, improve accessibility and efficiency and facilitate staff knowledge of services across the organisation.

SECTION 1.F
NEW ZEALAND: WATERCARE SERVICES LIMITED
ANNUAL REPORT 2008

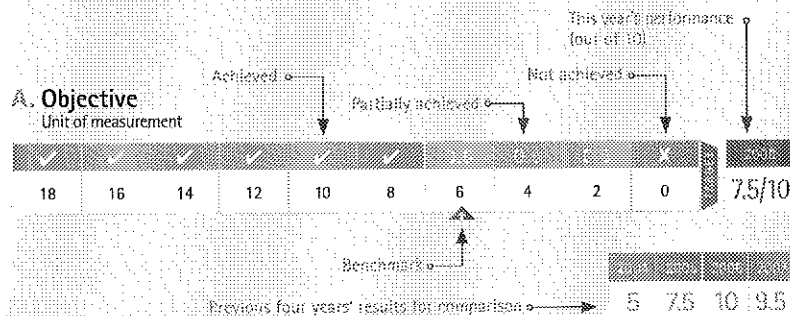
PERFORMANCE MEASUREMENT

Watercare measures its performance against 19 objectives covering six key policy areas:

POLICY 1	ENVIRONMENTAL CARE To minimise the adverse impact of the company's operations on the environment.
POLICY 2	HEALTH, SAFETY AND WELL-BEING To be an industry-best workplace.
POLICY 3	STAKEHOLDER RELATIONSHIPS To be responsive to stakeholder requirements.
POLICY 4	CUSTOMER SERVICE To provide high-quality products and meet customer service level requirements.
POLICY 5	ASSET MANAGEMENT To manage and maintain the long-term integrity of assets.
POLICY 6	ECONOMIC PERFORMANCE To manage the business efficiently at minimum prices.

HOW TO READ THE SUSTAINABILITY PERFORMANCE RULERS (PAGES 21-58)

Watercare uses sustainability rulers to measure achievements against 19 objectives in six key policy areas. These are intended to allow stakeholders to compare our performance against that of previous years. Each ruler comprises 10 units, which are either a measure or an action to be achieved, giving Watercare's performance a score out of 10.



Results in each policy area are summarised at the start of the chapter in which they are covered. This year, for the first time, Watercare is reporting performance over a five-year timeframe against each sustainability objective.

For ease of reading, Watercare's performance against targets in all six policy areas is presented in chart form on page 3.

ATMOSPHERIC EMISSIONS – CARBON REDUCTION

Watercare's focus on reducing atmospheric emissions of carbon has continued. Compared with levels in 1990 the company has now achieved a 78 per cent reduction in carbon dioxide (CO₂) equivalent emissions, largely as a result of improved wastewater treatment processes. The single largest contributing factor since 1990 has been the decommissioning of the oxidation ponds at the Mangere Wastewater Treatment Plant however other company initiatives such as collecting methane for electricity generation and increased hydro-generation at water storage lakes have also led to improved results.

This year, Watercare undertook a review of its approach to measuring greenhouse gas emissions to ensure consistency with best practice. Some emissions previously uncounted are now recorded and the impact of emissions from the biosolids rehabilitation process is now measured rather than estimated. Other factors counted include the company's chemical use, vehicle fleet use, air travel and the purchase of energy from external suppliers.

MANAGEMENT OF CARBON FOOTPRINT

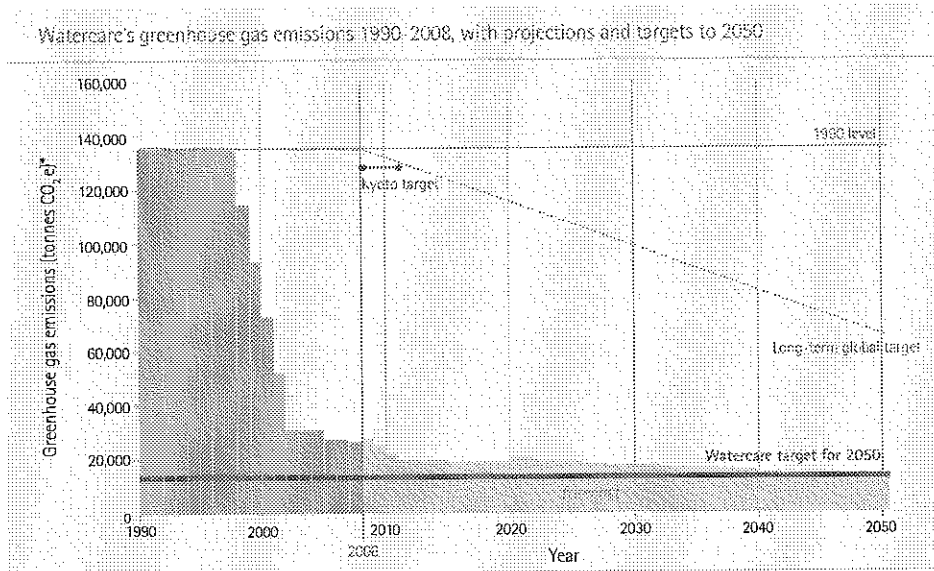
Watercare has this year introduced a ruler to measure its performance against 10 initiatives of practical value to minimise the company's carbon

footprint. Goals achieved to date include verifying the company's carbon accounting practices and working with customers and suppliers in this area. The identification of further operational opportunities and further engagement with staff and external decision-makers are regarded as important future steps. A graph of Watercare's greenhouse gas emissions from 1990 to today, with projections to 2050 and the company's long-term target, is shown below.

BIOGAS UTILISATION

Biogas is a by-product of the wastewater treatment process and is comprised of approximately 65 per cent methane. When captured, it can be used as a substitute for natural gas or electricity. If it escapes into the atmosphere it is 21 times more damaging than CO₂.

At the wastewater treatment plant, biogas is captured and used to run four gas engines that this year met 52 per cent of the plant's energy needs. Watercare is looking to increase the amount of energy produced using biogas. This will be achieved through the construction of biogas holders to reduce the quantity of gas that flares, and by re-roofing of the digesters to reduce fugitive emissions. These initiatives are included in the future capital works programme beyond the year 2010.



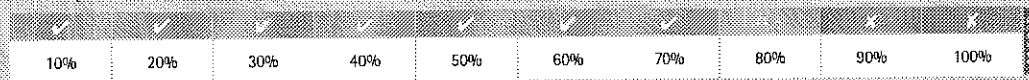
CO₂e is the carbon dioxide equivalent which is the internationally-recognised measure of greenhouse gas emissions. Examples of greenhouse gases are methane, perfluorocarbons and nitrous oxide.

Figures:
 Sustainability measuring method: ISO 26000
 Watercare's greenhouse gas emissions: fig. 11
 Initiatives to reduce greenhouse gas emissions: fig. 12
 Significant process emissions by weight: fig. 13
 Watercare's operational footprint: fig. 14
 Sources of emissions: fig. 15

OBJECTIVE 1 Minimise emissions and reduce carbon footprint

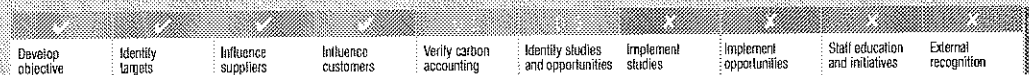
A. Atmospheric emissions – carbon reduction

% CO₂ equivalent reduction from 1990 levels



75/100

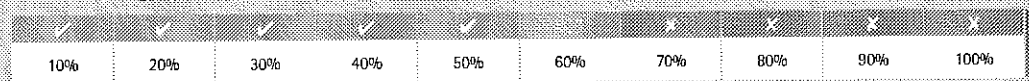
B. Carbon footprint management



5/10

C. Biogas utilisation

% of WTP energy supplied by methane capture



55/100



Impact on key areas:
 Social
 Economic
 Environmental

Minimise emissions and reduce carbon footprint
 Overall performance scores out of 10

6

TRADE WASTE CONTROL

Watercare works with more than 600 customers directly in administering the trade waste bylaw. The company sets out parameters for trade waste to:

- > Preserve safe working conditions in the sewer network and the Mangere Wastewater Treatment Plant
- > Protect the integrity of the wastewater treatment process
- > Ensure the longevity of the sewer network and the reticulation assets
- > Enhance the potential for the reuse of treated biosolids
- > Assist in ensuring that wastewater treatment plant discharges meet consent requirements

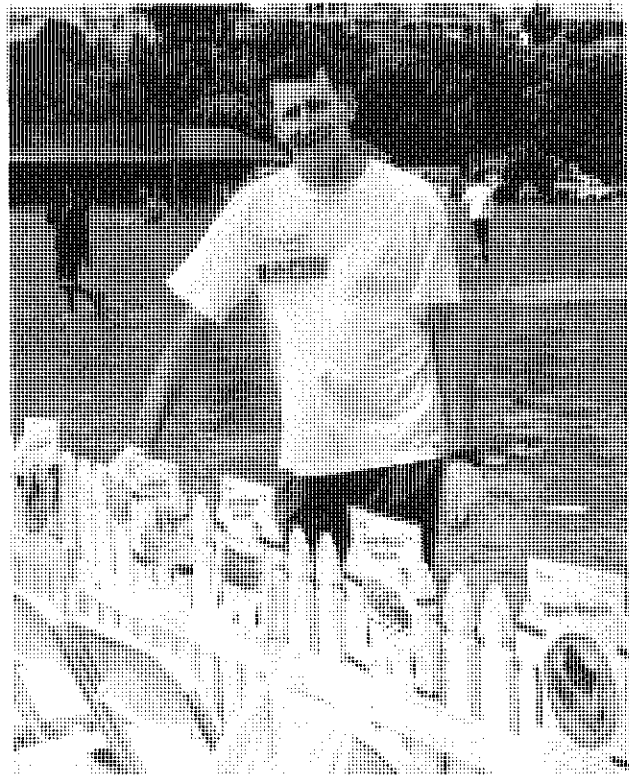
The percentage of customers compliant with consent conditions stabilised in 2007/08 following a period of decline from 2004/05. Watercare is working to increase the level of compliance by helping customers to understand their trade waste discharges and improve their processes. As the regulator, Watercare enforces trade waste compliance where necessary.

RECYCLING

Watercare employees have continued to reduce the quantity of recyclable waste going to landfill. Around 75 per cent of the waste sent to landfill is incapable of being recycled, according to independent analysis by WasteNot Consulting. However 25 per cent of material was suitable for composting or reuse. Watercare has shown continuous improvement in this area since measurement began. This initiative is led by employees who volunteer to participate in the company's Zero Waste programme.

PAPER USE

Watercare has continued to reduce its paper use, with 13.4 reams of paper consumed per office-based employee this year. The company measures its performance against the Ministry for the Environment's benchmark of 11 reams and is investigating technological changes that should further reduce paper use.



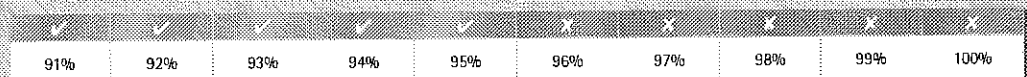
STORPS AND FLETCHER CO-ORDINATOR NOUS SAFFORD ENSURES WASTE IS READY FOR RECYCLING AFTER THE PAPER HAS BEEN PURCHASED. WATERCARE SEPARATES THE TRASH BY SUPPLYING RECYCLING WASTE.

Story:
 Consultant assesses on-site trade waste incidents
 Figures:
 Trade waste compliance, fig. 16
 Trade waste recycling percentage, fig. 17
 Average waste reduction, fig. 18
 Material and chemicals, fig. 19

OBJECTIVE 2: Promote cleaner production to industry and minimise waste

A. Trade waste control

% customer compliance with consent conditions



B. Recycling

% waste going to landfill that could be recycled



C. Paper use

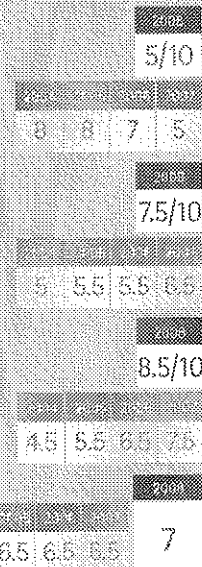
Number of paper reams used per office-based employee



MINISTRY FOR THE ENVIRONMENT BENCHMARK



Promote cleaner production to industry and minimise waste
 Overall performance scores out of 10



BIO-SOLIDS RESEARCH AND DEVELOPMENT

Watercare remains committed to maintaining 100 per cent beneficial and diversified reuse of treated biosolids and an application for consent to undertake a forestry trial has been lodged. Field trials for the use of treated biosolids as a soil conditioner and fertiliser are under way. Results at the field site alongside the Mangere Wastewater Treatment Plant have been favourable.

BIO-SOLIDS MANAGEMENT

Watercare has submitted a resource consent application to use biosolids in the rehabilitation of a former quarry on Puketutu Island, adjacent to the Mangere Wastewater Treatment Plant. Subject to the granting of satisfactory resource and other consents, Watercare has entered into an agreement with the island's owners that will see the island enter public ownership and will lead to the creation of a regional park. The rehabilitation of Pond Two at the wastewater treatment plant with treated biosolids is progressing. The plant produces around 106,000 tonnes of biosolids annually.

EFFLUENT RESEARCH AND DEVELOPMENT

The company continues to work with local industries to investigate further uses for treated effluent in processes, where it could take the place of A-grade drinking water as an industrial coolant. Methods to expand the on-site use of treated effluent have been reviewed and implemented.

MANUKAU HARBOUR HEALTH – METALS AND WATER

The health of the Manukau Harbour – in the area adjacent to the Mangere Wastewater Treatment Plant – has shown significant improvement since the upgrade in 2003. The company continues to meet strict discharge consent conditions and the use of ultraviolet (UV) disinfection means the harbour is safe for recreational use, with the exception of gathering shellfish following extreme storm events. Work is under way to better understand the effectiveness of UV treatment following such instances.

Figures:
 Biosolids metal levels: Fig. 20
 Maximum dissolved oxygen: Fig. 21
 Treated wastewater standards: Fig. 22
 Solids disposed: Fig. 23
 Weight of harmful substances in water: Fig. 24

OBJECTIVE 3 Minimise the impact of treated biosolids and effluent

A. Biosolids research and development

Consider treated biosolids quality in planning	Investigate cost effective options	Meet targets for beneficial use	Maximise onsite use	Implement volume reduction methods	Promote regional solutions	Secure a long term rehabilitation scheme	Promote market diversity	Develop long term markets	Diversify the use of Mangere biosolids
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6.5/10

B. Biosolids management

Consider biosolids quality in planning	Investigate cost effective options	Meet targets for beneficial use	Maximise onsite use	Implement volume reduction methods	Promote regional solutions	Secure a long term rehabilitation scheme	Promote market diversity	Develop long term markets	Diversify the use of Mangere biosolids
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6.5/10

C. Effluent research and development

Preliminary effluent reuse study	Study to maximise effluent reuse at treatment plant	Study to prove effectiveness of ultraviolet dose-based consent	Underlake effluent toxicity monitoring	Thickening trial for primary sludge	Improved dissolved oxygen control	Update effluent reuse study for Auckland Regional Council	Irrigate biofilters	Denitrification optimisation	Onsite reuse implemented
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9/10

D. Manukau Harbour health – metals

Number of sediment samples exceeding ANZECC ISQG low-level value

9	8	7	6	5	4	3	2	1	0
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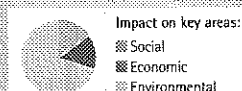
10/10

E. Manukau Harbour health – water

Number of dry weather days when sampling at Nga Kuri e Toru Reef not compliant with Ministry of Health's water quality standards for shellfish gathering

9	8	7	6	5	4	3	2	1	0
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10/10



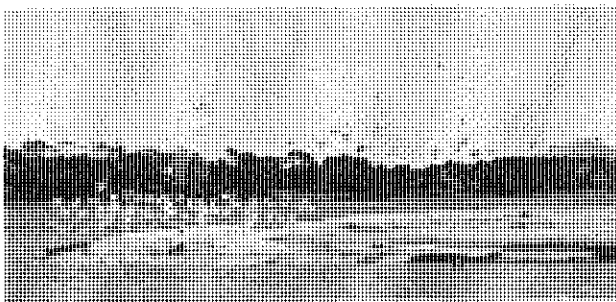
Minimise the impact of biosolids and effluent
 Overall performance scores out of 10

8.5

SPECIES PRESERVATION INITIATIVES

Work is under way on a project to improve the quality of water and aquatic life in the streams below Watercare's water storage dams in the Waitakere Ranges through the provision of compensation and free discharge valves. The compensation valves will enable a continuous flow of water to the downstream environment while the free discharge valves will allow flushing flows to remove any algae build-up in the streams. The free discharge valves will also increase Watercare's ability to control lake levels, including the ability to release water from the dam if an event occurs such as an earthquake. The southern dams in the Hunua Ranges have compensation and free discharge valves.

The results of a joint investigation by the Auckland Regional Council and the National Institute of Water and Atmospheric Research (NIWA) into freshwater ecosystems will be used by Watercare to determine whether or not human-assisted fish passages will improve aquatic life in and below the dams.



ONE OF SEVEN BIRD ROOSTS ADJACENT TO THE MANGERE WASTEWATER TREATMENT PLANT. THE ROOSTS WERE CREATED BY WATERCARE TO ATTRACT THE MIGRATING DUCKS AND LEISER KNIFE FROM SIBERIA AND ALASKA, THE WILBILLS AND OYSTERCATCHERS WHICH BREED IN THE SOUTH ISLAND AND SEVERAL SPECIES OF MARRUBILL AS WELL AS THE LOCAL WATERHOLE BIRDS.

HABITAT IMPROVEMENT SCHEMES

Watercare continues to support the Waikato RiverCare initiative and tree-planting activities for local schools through its sponsorship of the Trees for Survival programme. The company works to enhance the environment around its water supply sources and is undertaking riparian planting around four of its dams. At the Mangere Wastewater Treatment Plant, Watercare maintains 13 kilometres of coastal walkway and associated planting. This area includes significant bird roost areas where more than 30 different species have been observed.

ENVIRONMENTAL MANAGEMENT

Watercare's specialist in-house environmental team is involved in the development of national, regional and local environmental policies. The company, as part of the Waikato River Municipal Users Group, is responding to a variation to Environment Waikato's regional plan with regards to water allocation. The group made a submission and attended hearings to ensure priority is given to domestic and municipal take. The outcome is expected in the second half of 2008.

The in-house team manages the resource consent process on projects and advises colleagues on policies that affect the business to ensure environmental issues are an integral and consistent part of the decision-making process. On Project Hobson – a project to replace the ageing sewer that bisects Auckland's Hobson Bay with a three-kilometre-long tunnel – Watercare and its contractors are reducing the environmental impact of construction by relocating and monitoring trees, controlling site traffic, reducing dust and run-off and minimising noise. The company is also providing ample parking and lighting for the adjacent rugby club on the Orakei Domain site as the construction requires the use of one field.

- ✓ Streams
- ✓ Watercare awarded for commitment to sustainability
- ✓ Staff volunteer for stream maintenance
- ✓ Figures
- ✓ Estimated amount of fish caught and released from 2007 to 2008
- ✓ Estimated amount of fish caught and released from 2007 to 2008

OBJECTIVE 4 Promote the preservation of species and protection of places of significant heritage value impacted by operations

A. Species preservation initiatives

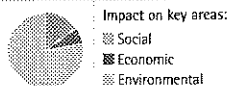
Bird roost management plan	Bird populations monitored	Adequate bird roost capacity	Macro-invertebrate monitoring	Trout management plan	Flushing flow release – southern dams	Fish passages over weirs – southern dams	Fish trap and haul – southern dams	Fish trap and haul – western dams	Flushing flow release – western dams	8/10
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B. Habitat improvement schemes

Rural: Trees for Survival sponsorship	Freshwater: Downstream water quality monitoring – southern dams	Freshwater: Residual flows maintained – southern dams	Freshwater: Downstream water quality monitoring – western dams	Increase in marine diversity	Coastal: Projects complete	Freshwater: Riparian planting programme at dams	Urban: Restoration projects planned (Meola Creek)	Freshwater: Residual flows implemented – western dams	Urban: Restoration projects complete (Hobson Bay)	8/10
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C. Environmental management

Watercare has sought EAG's input on potential impacts of operations	Watercare aims to avoid/minimise environmental impacts	New initiatives employed to minimise environmental impact	Watercare's decision-making reflects consultation with EAG	Watercare's accreditation of environmental management system	Demonstrate proactive approach to the environment	Environmental issues made an integral and consistent part of all decision-making	Strive for continuous improvement in environmental management	Show leadership in management of environmental reporting	Staff trained/exposed to environmental issues	9.5/10
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Promote the preservation of species and protection of places of significant heritage value impacted by operations
 Overall performance scores out of 10

7.5	7.5	8	8	8.5
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WATER ENERGY EFFICIENCY

Watercare aims to use energy efficiently in the treatment and delivery of water. This year, 32 gigawatt hours were used in the production and delivery of around 136.6 billion litres. The measurement used by Watercare is the number of kilowatt hours of energy per cubic metre of water. In 2007/08 this rose slightly from 0.2 to 0.23 kilowatt hours per cubic metre of water. The increase was due to dry weather during spring and summer which required Watercare to pump a greater volume from the Waikato River to conserve lake storage levels. Around two per cent of all energy used by Watercare was sourced from internal hydroelectric generators. Two generators were constructed, bringing the total number of hydroelectric generators to five.

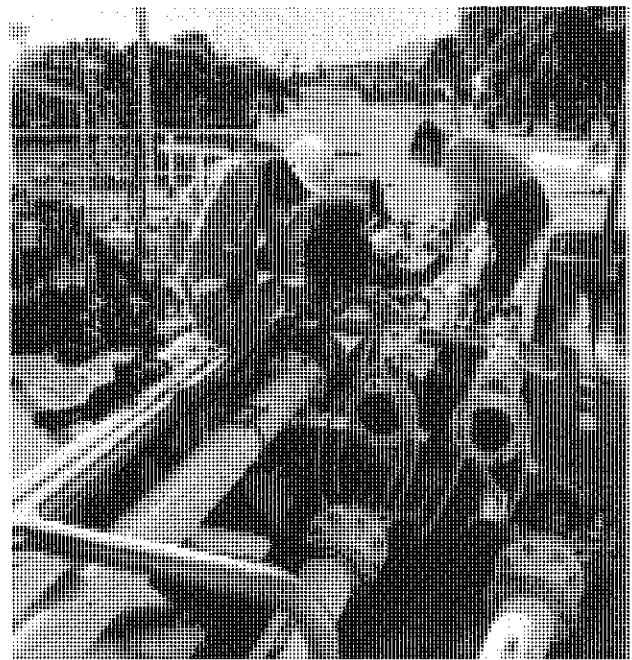
WASTEWATER ENERGY EFFICIENCY

Energy consumption for the collection and treatment of wastewater was 0.74 kilowatt hours per cubic metre, which was better than the target of 0.75. Some 84 gigawatt hours were used to collect and treat 114.3 billion litres of wastewater, with almost 52 per cent of the required energy generated internally.

ENERGY MANAGEMENT PROGRAMME

The Energy Focus programme oversees all energy improvement initiatives throughout Watercare. In 2007/08 this programme included the installation and commissioning of hydroelectric generators at Cosseys and Wairoa dams. These generators are projected to produce 1,500 megawatt hours of electricity annually – which is equivalent to the amount of energy required to power approximately 187 houses annually. It also included the delivery of a pump station efficiency monitoring and control programme – which continues to be rolled out across sites.

The Energy Focus team is reviewing options and technologies for improving the internal generation of electricity. This will include further investment at the wastewater treatment plant to improve the use of biogas. A strategic review of the energy management tools used throughout the company indicated that Watercare is using the best tools available and recommended a path for future investment. Other reviews considered opportunities to utilise real-time tools to optimise energy usage from both an efficiency and cost perspective.



WATERCARE SERVICE ENGINEERIAN BRADLEY HOPKIN (LEFT) AND WITOLD ULJASZCZYK (RIGHT) WORK WITH KENTRACON TO SELECT PIPES AT THE MANHOLE WASTEWATER TREATMENT PLANT. AT THE PLANT ENERGY IS CAPTURED AND USED TO RUN FOUR GAS ENGINES THAT THIS YEAR MET 52 PER CENT OF THE PLANT'S ENERGY NEEDS.

2008

Summary

Energy facts from awards

Support to government plant projects cutting energy

Energy savings to water use

Figures

Electricity used summary (p. 27)

Travel and business (p. 28)

Direct energy consumption by primary source (p. 29)

Indirect energy consumption by primary source (p. 30)

Best new infrastructure (p. 31)

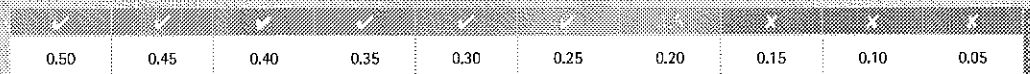
Energy summary (p. 32)

Energy awards (p. 33)

OBJECTIVE 5 Use energy efficiently and, where practical, recover energy from operational activities

A. Water energy efficiency

kWh electricity consumed per cubic metre water delivered



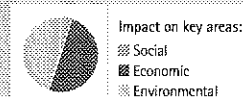
B. Wastewater energy efficiency

kWh electricity consumed per cubic metre wastewater treated



C. Energy management programme

✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Energy management system policies and target	Energy savings opportunities register	External supply is 99.5% renewable	Internal supply 50% of own consumption	Staff training implemented	Energy management system expanded (software)	Energy efficiency criteria standards	Benchmark for energy consumption	Real-time energy optimisation implemented	Energy KPIs optimised



Use energy efficiently and, where practical, recover energy from operational activities

Overall performance scores out of 10



MIDGE COMPLAINTS

Over time, there has been a significant reduction in the number of complaints about midges from neighbours of the Mangere Wastewater Treatment Plant. Mitigation measures, including a control programme designed to manage midge populations, have contributed to this improvement however ongoing monitoring and effective response continues to be required. Climate conditions are also a significant factor, with midges thriving in warm, wet weather. In 2006/07 Watercare received 15 complaints from members of the public. In 2007/08 this reduced to three. A number of locations on sites controlled by other landowners near the wastewater treatment plant have been identified as presenting ideal breeding environments for midges. These fall outside the scope of Watercare's mitigation and management programme.

ODOUR COMPLAINTS AT THE MANGERE WASTEWATER TREATMENT PLANT

There were 11 verified complaints regarding odour from the Mangere Wastewater Treatment Plant during the year, an increase on last year's total of one. Localised weather conditions and greater awareness of Watercare's complaints escalation procedure are likely to have contributed to the increase in calls to the plant. Control measures employed include the use of covers on odorous processes, operation of biofilter odour beds and careful operation of treated biosolids processes.

WASTEWATER OVERFLOWS

The number of dry-weather overflows in Watercare's wastewater network matched the company's best performance in five years. Project Storm 2, the initiative announced last year to identify improvements in Watercare's network model, has been completed and data is being used to identify capacity issues in the network with a view to upgrading the system where required. Watercare continues to invest in the wastewater network to reduce both the number and impact of overflow events. Watercare's short-term target is to have fewer than six overflows annually however the stretch target indicated below is for zero.

COMBINED SYSTEM STORM/WASTEWATER OVERFLOWS

Through the Three Waters strategic planning process, Watercare has established an agreement with its partners to the concept of the central interceptor as a least-cost regional wastewater solution to provide for population growth. The Three Waters strategic planning process involves local and district councils as well as water and wastewater service providers in considering region-wide issues in the management of drinking water, wastewater and stormwater. The central interceptor will take wastewater and wet-weather overflow discharges from central Auckland to the Mangere Wastewater Treatment Plant.

The company is responding to calls from the community to reduce the impact of overflows into Meola Creek following storms. Watercare is working with the Auckland City Council and Metrowater to construct a new walkway above the creek – clear of the flood plain – and is also undertaking planting.

- Figures:
- Overflows from wastewater collection system Fig. 34
- Midge odour complaints at Mangere Fig. 35
- Wastewater network dry-weather overflows Fig. 37
- Sewer overflows Fig. 37

OBJECTIVE 6 Reduce and control odours, overflows, noise and other nuisances

A. Midge complaints
 Number of complaints



2008
9.5/10

B. Odour complaints at the Mangere Wastewater Treatment Plant
 Number of complaints



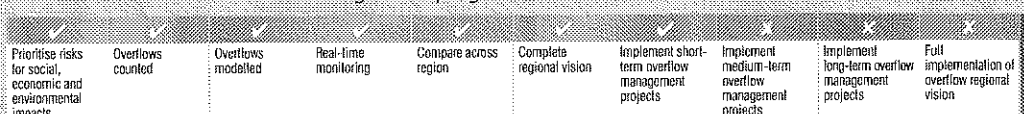
2008
7.5/10

C. Wastewater overflows excluding storms and power failures
 Number of overflows

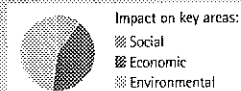


2008
8/10

D. Combined sewer overflow management programme



2008
7/10



Reduce and control odours, overflows, noise and other nuisances
 Overall performance scores out of 10



2. HEALTH, SAFETY AND WELL-BEING

Creating an industry best workplace

Waterbury's team approach to the culture of workplace safety continues, including working with contractors to ensure new projects, staff identity and message consistency; they look out for each other and ensure safe practices are in place before work commences. They also actively participate in the company's Health and Safety Committee work and in the prompt reporting and management of any workplace injuries to ensure best practice outcomes.

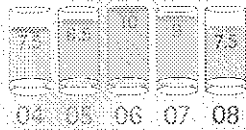
POLICY 2: HEALTH, SAFETY AND WELL-BEING

Overall performance
out of 10

POLICY
2

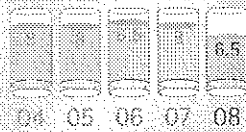
CASE STUDY

OBJECTIVE 7



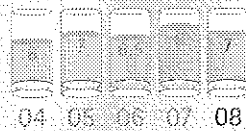
Provide all staff with safe working conditions

OBJECTIVE 8



Maintain a working environment that promotes staff productivity and well-being

OBJECTIVE 9



Develop staff to their full potential



WATERCARE AT WORK:

DEVELOPING OUR WORKFORCE

Watercare's engineering graduates, pictured above, are supporting each other along the path to becoming chartered engineers while also actively raising the company's profile among prospective employees at universities throughout New Zealand.

The employee-led graduate engineering group – which formed in 2007 – has held regular meetings and seminars throughout the year and attended a number of site visits.

Civil Asset Specialist Maria Eliza says she welcomed the opportunity to visit the \$118 million Project Hobson in the Orakei Domain. She says: "The scale of the project is immense. Standing at the bottom of the 35-metre-deep pump station shaft, it was very interesting to listen to Project Manager Mike Sheffield explain the structural work in situ."

This year, group members have become Watercare ambassadors, presenting company information at engineering career expos held at the University of Waikato, University of Auckland, Auckland University of Technology, Massey University, University of Canterbury and Unitec.

Consent Implementation Engineer Suzanne Thomasson says she has enjoyed engaging in conversations with the final-year students. She says: "The opportunity to 'sell' Watercare as a viable career is something I am really excited about. The environmental and sustainability issues are of interest to many graduating engineers and Watercare offers career prospects that complement these interests."

Process Engineer Lance Groves says Watercare's presence is an important human resources tool. He says: "If we want to recruit quality graduates we need to make sure we position ourselves in the market and attend these kinds of events."

Acting Corporate Human Resources Manager David van Deventer has been kept busy with graduate applications since the expos. He says: "Usually we might receive five or six applications. This year I have had 30."

General Manager Asset Management Craig McIlroy says that what the group has achieved is fantastic. He says: "Who better to sell Watercare to the students than the graduates themselves?"

"I think it's really neat that a group of graduate engineers is positive about our company and we didn't have to ask them to do it – they just used their initiative and did it themselves."

PICTURED FROM LEFT: CIVIL ASSET SPECIALIST MARIA ELIZA, GRADUATE ENGINEER CLAUDE PONG, GRADUATE BUSINESS PLANNER LANCE GROVES, ENERGY AND CONTROL SYSTEMS ANALYST KAMAL PATEL, GRADUATE ENGINEER ALBERT TONG, PROJECT ENGINEER MATTHIAS DEITZ, GRADUATE ENGINEER KENNY LEW, GRADUATE ENGINEER HILJIAN TAN, GRADUATE ENGINEER ANAM ABUL AND GRADUATE ENGINEER FERIDA ISM.

LOST TIME

The number of lost-time injuries increased from one in 2007 to four in 2008. In two of these cases, the injuries were minor and the employees returned to work within two days.

LOST-TIME INJURY FREQUENCY RATE

The lost-time injury frequency rate is an industry standard that measures the number of lost-time injuries per million hours worked and allows for comparisons across different industries. Watercare's injury frequency rate remains below the New Zealand Human Resources Benchmark Report (NZHRBR) 2007 benchmark of seven however it has increased from 1.3 in 2007 to five in 2008. This year, the company held 397 health and safety inductions which were attended by 1,692 internal and external people. Additionally, 371 health and safety inspections were completed which is 26 more than the target set for the year. The NZHRBR 2007 was used for setting targets and benchmarks for measuring and comparing performance.

LOST-TIME SEVERITY RATE

The severity rate measures the number of days lost from injury per 200,000 hours worked. Watercare has an injury severity rate of 15.8, which, while higher than the 2006/07 comparative, primarily reflects the increased lost-time injury frequency rate as shown above.



Watercare's focus on health and safety has taken a broad perspective including the company's approach to occupational health through to all staff.

2008
 Figure:
 Lost-time injury frequency rate for 2008
 Health and safety memo, Feb. 2009

OBJECTIVE 7 Provide staff with safe working conditions

A. Lost time

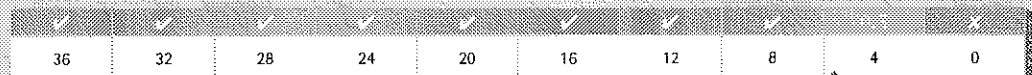
Number of lost-time injuries



2008
 8/10

B. Lost time – injury frequency rate

Number of lost-time injuries per year x 1,000,000/hours worked



2008
 8.5/10

C. Lost time – severity rate

Number of days lost x 200,000/hours worked



2008
 6/10



Provide staff with safe working conditions
 Overall performance scores out of 10



POLICY 1: HEALTH, SAFETY AND WELL-BEING

UNPLANNED ABSENTEEISM

Unplanned absenteeism rose this year to 1.93 per cent however this remains below the NZHRBR benchmark of 2.93 per cent. Absences were due to sick leave and the four recorded absences due to workplace injury. No absences were recorded as a result of industrial action or absence without leave.

STAFF WELLNESS

As a measure of staff wellness, Watercare reports the percentage of staff hours lost through illness. The rise in unplanned absenteeism shown above is reflected in the increased proportion of staff hours lost through illness. This rose from 1.5 per cent in 2006/07 to 1.9 per cent in 2007/08, therefore no longer reaching the NZHRBR benchmark.

Watercare provides a comprehensive occupational health service to all staff. This service includes:

- > Medical consultation. The company's medical team provides a broad range of health checks and consultations for employees
- > Health seminars. Twenty seminars were presented involving 338 staff
- > Influenza immunisation. The company provides free vaccination and immunised 44 per cent of staff. This is considered to be a high uptake. Staff exposed to wastewater in the course of their work receive additional vaccination protection
- > Skin checks. The company provides free skin checks and sunscreen is readily available at all Watercare locations
- > The company offers assistance to employees by providing targeted help to staff suffering hardship in their personal lives

STAFF TURNOVER

Staff turnover increased for the second year in a row which is indicative of a competitive employment market. There is an ongoing, international demand for talent in the water and wastewater industry. Staff turnover was 17 per cent for the year, against an internal target in the range of 10-12 per cent. This deviation of five per cent from the target range is reflected in the performance ruler shown below.

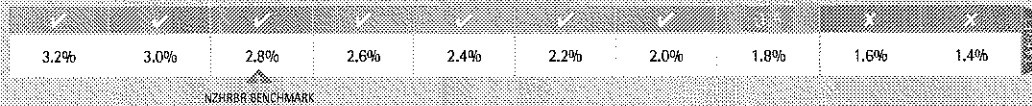
A number of measures have been introduced to reinforce the company's ongoing efforts to recruit and retain the best possible candidates in a job market which is challenging for employers. This year, Watercare signed an agreement with GHD, an engineering consultancy, and McConnell Dowell Constructors Limited to offer civil engineering graduates experience at each of the three companies over a three-year period. It is hoped that this initiative will assist with the career development of newly-qualified engineers, enabling them to obtain a broad range of experience without the need to change employers. The first graduate has been recruited and will start work in January 2009. Watercare has also launched a new careers website listing opportunities within the company. It can be accessed at www.watercare.co.nz by clicking on 'careers centre'.

WATERCARE

Statement
 Environmental Summary
 Watercare's vision and core objectives
 Figures
 Mountain staff turnover for 08
 Time included in report: 01/01/08

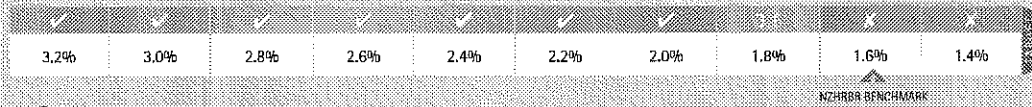
OBJECTIVE 8 Maintain a working environment that promotes staff productivity and wellbeing

A. Unplanned absenteeism
 % of unscheduled hours absent



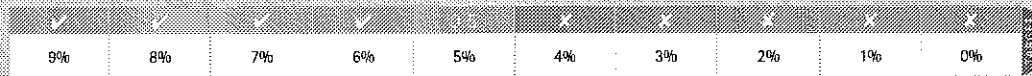
2008
7.5/10

B. Staff wellness
 % of hours absent due to illness



2008
7.5/10

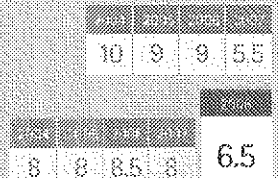
C. Staff turnover
 Voluntary leavers as a % of permanent staff - deviation from target range



2008
4.5/10



Maintain a working environment that promotes staff productivity and wellbeing
 Overall performance scores out of 10



TRAINING

The company invested an average of \$1,622 per employee for educational purposes. Over 1,000 individual training applications were approved and an average of 26 hours of training per employee was completed. This is well above the NZHRBR benchmark of 14 hours per employee. The employee-led Engineering Graduate Group, established in 2007 to enable graduates to support each other in their development to becoming chartered engineers, gained momentum with regular meetings and presentations. Additionally, a fortnightly seminar series was introduced in April 2008 with a full programme of presentations booked until December 2008.

EXTERNAL AND INTERNAL APPOINTMENTS

The way in which appointments are filled – from either external recruitment or internal appointment – is compared year on year. In 2007/08 a total of 77 external appointments and 33 internal staff promotions were made. This is expressed as an external to internal appointment ratio of 2.3, compared with the 2006/07 ratio of 1.7. This change is reflective of the employment market trends described above.

EMPLOYMENT EQUITY AND DIVERSITY

Watercare continues to seek the best candidates for all jobs and has a diverse range of employees. Some 27 different nationalities are represented in the workforce.



WATERCARE STAFF PARTICIPATE IN THE PUSH PAL COMMUNITY CHALLENGE TO DELIVER A 'USE WATER WISELY' MESSAGE 'THE COMPANY MASCOT' - (AND OF THE COMPANY) - WAS MADE UP OF 25 PAIRS OF LEGS AND RAN THE FIVE-KILOMETRE ROUTE

2008

United Nations at Watercare
 Customer support even better
 Investment in our future workforce
 Watercare a vibrant and diverse workforce

Figures:
 Investment in staff for 08
 Staff services in this for 08
 Staff appointments and other data for 08
 Increase staff numbers for 08
 Staff leave by employment type, contract and town for 08

OBJECTIVE 9 Develop staff to their full potential

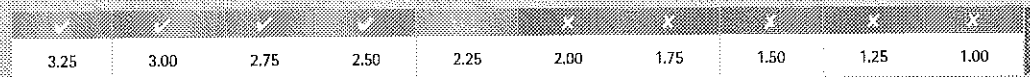
A Training

Training/study hours per employee



B External and internal appointments

Ratio of external/internal appointments

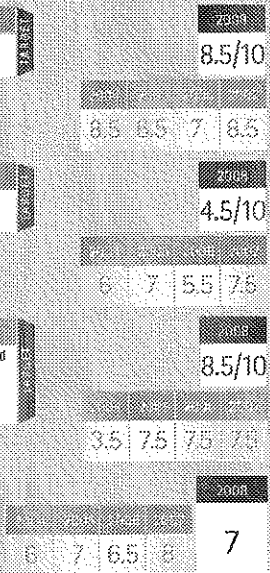


C Employment equity and diversity

Measure and monitor demographic indicators	Accredited employer with NZIS	Freedom of association promoted	Remuneration externally benchmarked	Targeted employee development programmes identified	Exit interview results incorporated into management decision-making	Salaries assessed on performance	Address demographic trends	Targeted employee development programmes in place	Performance and development review PADR extended to all staff
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Develop staff to their full potential
 Overall performance scores out of 10



STAKEHOLDER RELATIONSHIPS



WaterCare engages with the people of Burkina in many ways – from providing free tap water in reusable clay containers at the Annual Beogo the Beogo fair run by encouraging visitors to travel on the Upper Volta Express motor transport on the company's narrow-gauge railway, the Rail Forest Express. WaterCare staff are in regular contact with customers, shareholders, regulators and people who live and work near the sites of the company's projects and operations. Project newsletters, a quarterly magazine and the company website keep the public up to date with latest developments and WaterCare staff meet regularly with local and international advisory groups. Following a dry summer, the company coordinated a public information advertising campaign to promote awareness of rain storage levels and efficient water conservation tips.

WaterCare is committed to providing the highest quality of service to its customers and stakeholders. For more information, please contact us at info@watercare.com or [+229 27 333 3333](tel:+22927333333).

POLICY 3: STAKEHOLDER RELATIONSHIPS

Overall performance out of 10

POLICY 3

3

CASE STUDY

OBJECTIVE 10

04	05	06	07	08
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Maintain open communication with educational institutions and recreational organisations

OBJECTIVE 11

04	05	06	07	08
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Participate in relevant public policy initiatives and consult with the community and stakeholders

OBJECTIVE 12

04	05	06	07	08
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Comply with statutory requirements



WATERCARE AT WORK:

ADOPT A STREAM

This year more than 5,500 pupils from 39 schools took part in Watercare's Adopt A Stream science programme.

Watercare's Project Co-ordinator Sally Smith, pictured top right with pupils from Woodlands Park School in Titirangi, says the programme aims to show pupils how water quality and ecology directly affect their lives.

"Pupils love the hands-on approach to learning," she says. "They are able to visit their local stream and test its turbidity, pH and nitrate levels and temperature. They are also able to hunt for insects and by combining their findings, they are able to determine the health of their stream."

Sally says her pupils are often 'blown away' when she explains the huge volumes of water required to perform various activities.

"Children are amazed to discover that a hamburger combo – burger, coke and fries – takes 5,300 litres of water to make," says Sally. "I encourage children to think about their water consumption and to use the precious resource wisely."

Since its inception in 2000 the programme has developed considerably. Sally says it comes with 10 practical science lessons, posters and a number of other cross-curricular resources. She has also introduced stormwater, drinking water and wastewater lessons as well as a library display.

A number of school groups participating in the programme also chose to ride on the Rain Forest Express – a Watercare-owned-and-operated, narrow-gauge railway in the Waitakere Ranges. The groups combine a school field trip to Upper Nihotupu Dam, the railway's destination, with their water-based lessons.

Sally says: "Not only do the students learn about the dams in the area but they also learn about the environment, which can be directly linked back to their lessons in the classroom."

PROVISION OF INFORMATION CHANNELS

Watercare maintains a wide variety of stakeholder contact mechanisms. These include: the distribution of a quarterly magazine, Interflow, to stakeholders; regular project newsletters to communities affected by the company's projects and operations; communications to media; an annual water quality report to customers; the annual Asset Management Plan; the annual report; and the website www.watercare.co.nz.

Watercare communicates to a key stakeholder group – staff – through a frequent intranet-based newsletter, The Font. Staff participate in industry forums, make presentations to industry seminars and community groups, and guest-lecture at tertiary institutions.

The company runs an education programme – Adopt A Stream – that offers primary and intermediate school pupils lessons about water quality, the water cycle, conservation and the environment. The programme is fully resourced with water quality testing kits, information packs and worksheets, and the co-ordinator, a trained teacher, educates school groups in the field and in the classroom.

During 2008 Watercare published a series of newspaper advertisements publicising lake levels and reinforcing the 'use water wisely' message.

PROVISION OF RECREATIONAL FACILITIES

Watercare continues to provide access to the land adjacent to its facilities in the Waitakere Ranges, the Hunua Ranges and on the Manukau Harbour for the recreational use of the general public. Walking tracks are maintained in both the Waitakere and Hunua ranges and fishing by boat is allowed by permit at Mangatangi and Mangatawhiri dams. The Watercare Coastal Walkway, adjacent to the Manukau Harbour, remains a popular recreational facility. Bird hides have been created on the foreshore and are maintained by Watercare.

This year the company celebrated the 10th anniversary of the public opening of the Rain Forest Express, the narrow-gauge railway built to service the Upper Nihotupu Dam in around 1912. The line, which is still used for dam maintenance, has carried more than 130,000 passengers since it was opened to the public and is a popular attraction for tourists and locals.

During the year, the planting of native trees – including manuka, flax, pohutukawa and nikau – was undertaken on land adjacent to Greenwood Road, Mangere, in preparation for the creation of a walking track close to the wastewater treatment plant. Subject to the granting of satisfactory resource and other consents, Watercare hopes to create and open walking tracks on Puketutu Island in the Manukau Harbour.



TRAIN DRIVERS DAVID BUCHANAN (LEFT) AND JOHN GURNEY DISPLAY THEIR LONG SERVICE CUPS AT THE 10-YEAR CELEBRATION OF THE RAIN FOREST EXPRESS BEING OPEN TO THE PUBLIC. ACCOMPANYING THEM IS THE CHAIRMAN OF THE AUCKLAND REGIONAL COUNCIL MIKE LEE (SECOND FROM LEFT) WHILE POST AND PRESENT STAFF LOOK ON. THEY ARE (FROM LEFT) PATRICK HUGHES, FORTITE CARRIER, SPAN VALVE, IAN JOHNSON, HARVEY SHAWNE, DAN WILSON, CATIE BENTLEY AND ANJOLIA CARPENTER.

Figure 1
Adopt A Stream's Interflow and Rain Forest Express as a secondary Adopt A Stream programme section in 2004
Figure 2
Rain Forest Express passengers and train in 07
Communications with stakeholders in 08
Communications impact assessment in 08

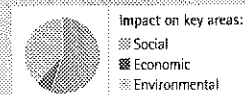
OBJECTIVE 10 Maintain open communication, educational initiatives and recreational opportunities

A. Provision of communication channels

Public liaison	Media liaison	Quarterly external magazine	Internal newsletter	Website	Brochures	Project newsletters	Educational programmes	Public awareness campaign – print	Public awareness campaign – broadcast
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Provision of recreational facilities

Specific event sponsorship	Water For Survival sponsorship	Rain Forest Express	Birdwatching hides	Fishing access	Walking tracks: Western dams	Walking tracks: Southern dams	Walking tracks: Manukau foreshore	Walking tracks: Adjacent to Greenwood Road, Mangere	Walking tracks: Puketutu Island
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Maintain open communication, educational initiatives and recreational opportunities
Overall performance scores out of 10

2008	9/10
2007	8.5/10
2006	8.5/10
2005	8.5/10
2004	9

PARTICIPATE IN POLICY INITIATIVES AND STATUTORY SUBMISSIONS

Watercare continues to be an active participant in the development of relevant legislation and policy initiatives. The company made submissions on:

- » The Walking Access Bill. The bill established a commission to lead and co-ordinate the provision of public access to the outdoors, especially around the coast, lakes and along rivers.
- » The Waste Minimisation (Solids) Bill. The bill put in place provisions to enable households and businesses to decrease their waste disposal. It includes provision for a levy on industrial waste, sets targets for reducing waste in landfills and cleanfills, provides for producer responsibility programmes, and provides for public procurement programmes to spur the development of markets for products and services that result in waste reduction.
- » The review of the National Policy Statement – Coastal. The policy states objectives and policies to achieve the purpose of the Resource Management Act in relation to New Zealand's coastal environment.

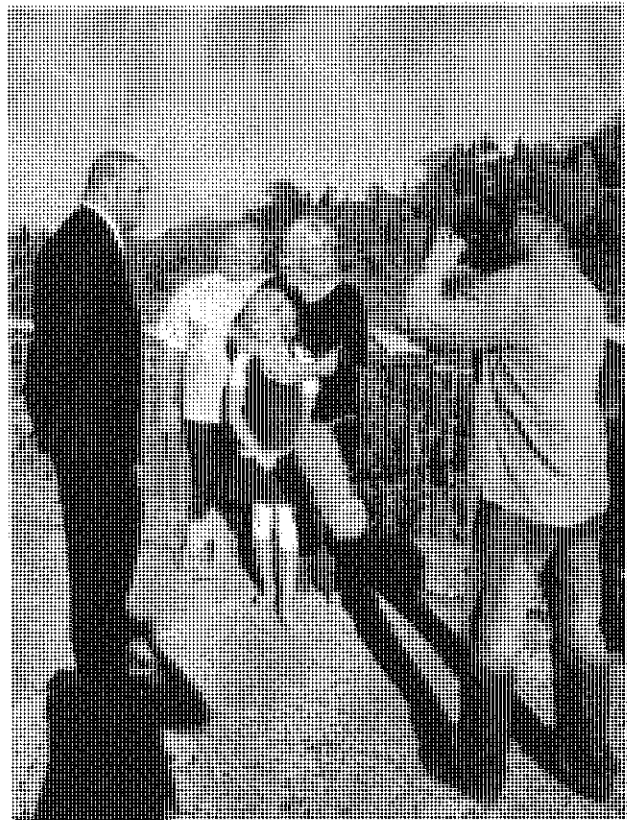
The company has also made submissions on several district and regional plan reviews, and designations.

Watercare was also represented on a Ministerial Advisory Group on water allocation and Ministry for the Environment working groups on standards development.

EXTERNAL CONSULTATION

Watercare meets its retail water and wastewater customers in the Auckland Water Group on a monthly basis to work on issues of mutual interest and to share information. The company continues to work with its industrial trade waste customers through regular visits and through the forum of the Employers and Manufacturers Association.

The company continues to hold meetings with the Project Hobson community liaison group to share information on the project which will replace a 90-year-old pipe with a tunnel under Hobson Bay. Watercare also meets regularly with a community liaison group representing neighbours of the Mangere Wastewater Treatment Plant, and is actively liaising with interested parties regarding a Watercare-led proposal to rehabilitate Puketutu Island near the treatment plant with treated biosolids.

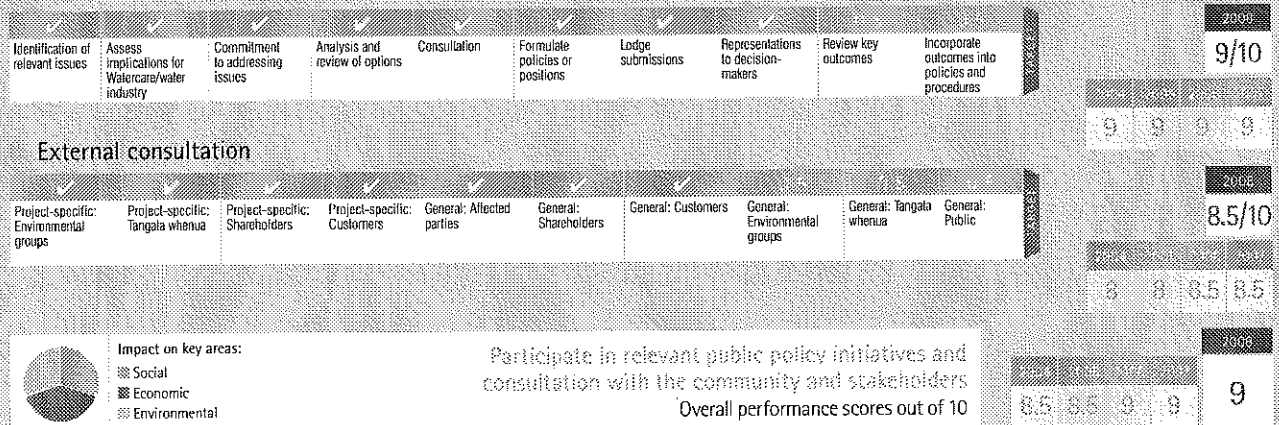


WATERCARE'S MANAGER SHARE CURRICULUM BRIEFING OF THE USE OF EFFER EFFICIENT CAN BY A PIRE CAMERA DREW REGARDING WATER SOURCES

Stories:
 Ministerial Advisory Group on Watercare's Role
 Watercare's Role in the National Policy Statement – Coastal
 Watercare's Role in the National Policy Statement – Coastal
 Figure:
 Public policy participation fig. 20

OBJECTIVE 11 Participate in relevant public policy initiatives and consultation with the community and stakeholders

Participate in policy initiatives and statutory submissions



LEGAL COMPLIANCE

Watercare invests considerable resources in proactively managing its operations to reinforce the company's reputation as a responsible organisation and to avoid the social, economic and environmental consequences of consent breaches. An environmental planning team is charged with developing policies and procedures necessary to achieve compliance. A new Consent Management System has been developed to help Watercare monitor and audit consent compliance.

During 2007/08, the company achieved compliance with statutory obligations specified in all relevant acts. However, Watercare continues to work with Auckland Regional Council to resolve technical non-compliance with the

Resource Management Act 1991 with regard to a small number of its consents.

The company is subject to the Local Government Official Information and Meetings Act 1987. Watercare responded to all requests for information under the terms of the Act.



A GROUP FROM MAI AJIBAI MARKE PERFORM A WAIATA AT A PAKIHI OPEN DAY FEATURING BEPHEKAHINI ON THE PUKIUTU ISLAND, PEHAKIHIATENI, FIJI.

Figure 10
How many consents complied, fig. 10

OBJECTIVE 12 Comply with statutory requirements

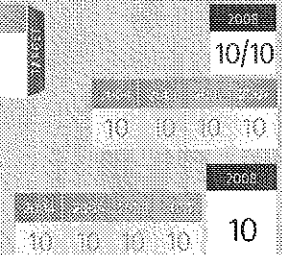
A. Legal compliance

Compliance risk assessment	Compliance monitoring	Compliance comparative performance	Compliance management plan	Compliance assurance	No successful prosecutions against Watercare	All potential legal issues identified	All legal issues effectively managed	All legal issues managed and resolved	No known pending legal issues
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Impact on key areas:
 ■ Social
 ■ Economic
 ■ Environmental

Comply with statutory requirements
 Overall performance scores out of 10



4. CUSTOMER SERVICE

Waterbury supplies B-grade water to its primary customers - the Local Waterworks System (LWS) - who serve it to more than 1.2 million consumers. In a customer satisfaction survey this year, 89 per cent of them rated Waterbury as "very good" or "excellent". Waterbury's inventory services business unit processes more than 13,000 orders per month for a wide range of clients and continues to invest in technology to improve turnaround times. Additionally, the company fulfills a regulatory role in administering the mass water before their collection, the integrity of the wastewater collection system and treatment process.

Waterbury's inventory services business unit processes more than 13,000 orders per month for a wide range of clients and continues to invest in technology to improve turnaround times. Additionally, the company fulfills a regulatory role in administering the mass water before their collection, the integrity of the wastewater collection system and treatment process.

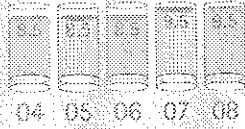
POLICY 4: CUSTOMER SERVICE

Overall performance
out of 10

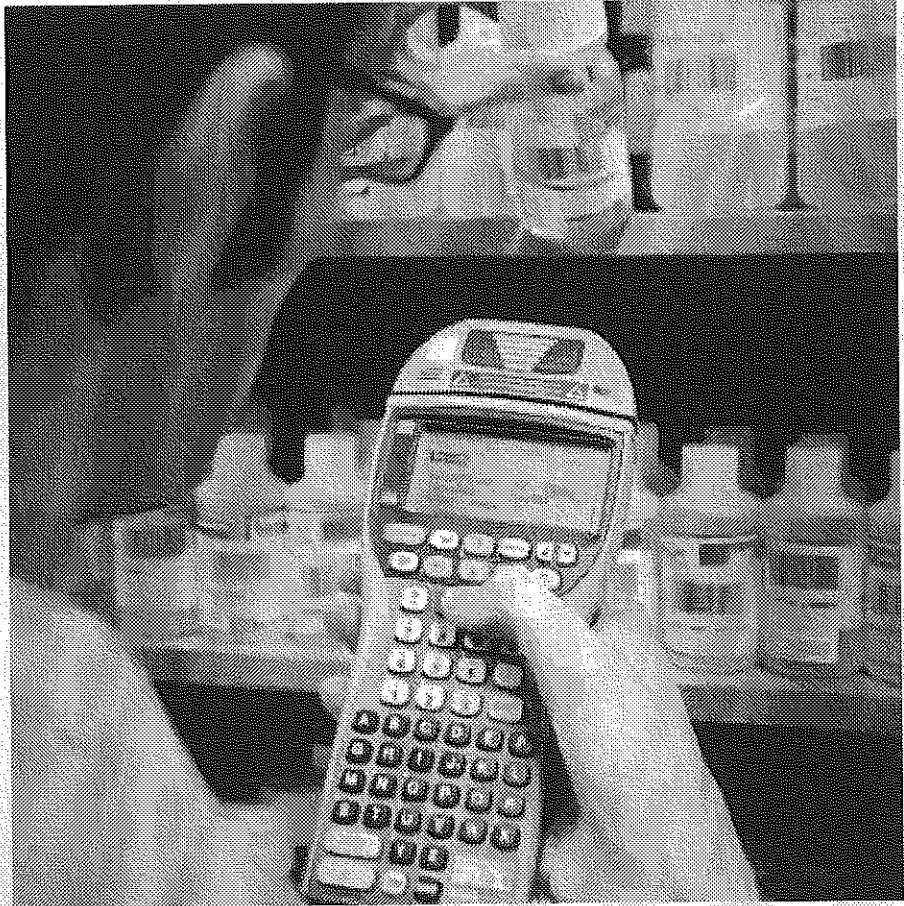


CASE STUDY

OBJECTIVE



Continually improve service delivery to customers



WATERCARE AT WORK

BRIGHT IDEAS IN THE LAB

Staff at Watercare's Laboratory Services strive to provide a high-quality service to customers, introducing innovative technology to allow a faster service turnaround and increased capacity.

The laboratory provides sampling and testing services for the water and wastewater industry across New Zealand, as well as carrying out environmental monitoring.

Laboratory Planner Andrew Maxwell, pictured above, says a handheld scanning facility has been introduced which allows staff to quickly track the thousands of sample bottles handled at the lab each month.

"The scanner reads the barcodes on samples in the same way a supermarket scanner reads groceries," he says.

"Unlike the supermarket scanner however, this is a portable device small enough to be taken to the samples. With one quick scan you can tell the current status of any sample."

Around 13,000 sample bottles are handled at the laboratory each month, with 50,000 individual tests executed.

Andrew says: "With such huge volumes of samples, this system helps us streamline the process of identifying those samples which can be disposed of and those that need further storage."

"It saves time and ensures that we continue to offer a good level of service to our customers."

Extra testing machines and new technology are also improving turnaround on sample testing. Commercial Services Manager Ian Shand says they have increased the number of Gas Chromatograph Mass Spectrometers, as well as purchased their first Liquid Chromatograph Mass Spectrometers.

"This expansion allows the lab to carry out tests with a quicker turnaround as well as increase the range of substances and capacity," he says.

LNO SATISFACTION FEEDBACK

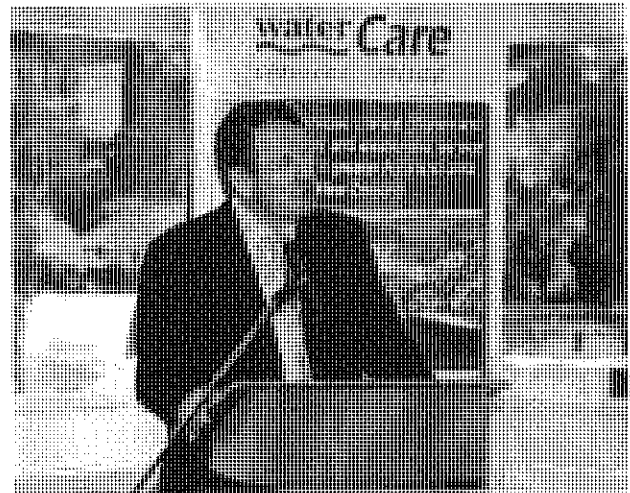
Watercare has a number of formal and informal mechanisms through which the company engages with its customers, the Local Network Operators (LNOs) who onsell its services to the wider public. These include frequent operational meetings and workshops to discuss management tools including Watercare's Asset Management Plan and Funding Plan.

During 2007/08, LNO satisfaction levels were surveyed by TNS Research, a leading market research and information group. TNS found the percentage of LNOs that rate Watercare as 'very good' or 'excellent' increased from 86 per cent in 2007 to 89 per cent in 2008.

LNOs indicated an increase in satisfaction with regard to the availability of Watercare staff by email or phone and also the promptness of responding to specific information requests. The results dipped slightly with regard to problem-solving ability.

The overall score of customers that rate Watercare as 'very good' or 'excellent' – which includes the LNOs, Laboratory and Trade Waste customers – dropped from 75 per cent to 65 per cent. While Watercare's Trade Waste team remains committed to improving customer service levels, its role as regulator in administering the trade waste bylaw (including the option of pursuing prosecution) is likely to impact on its rating.

Despite the drop in overall score, TNS found that when compared with other utility services worldwide, the strength of relationship that Watercare has with its customers remains well above average at an index of 71, compared to the worldwide benchmark index of 54.



HOW JOHN BARRY, CEO, MAYOR OF AUCKLAND CITY, SPEAKS AT THE PUBLIC HEARING

PUBLIC HEALTH GRADING – TREATMENT AND DISTRIBUTION

Watercare continues to meet the existing Drinking Water Standards for New Zealand 2000 and remains committed to working with its customers and the Ministry of Health on the development of the revised standards.

The company also maintains its 'A'-grade rating for its treatment plants and its 'a'-grade rating for its water supply network as agreed with its customers, the LNOs.

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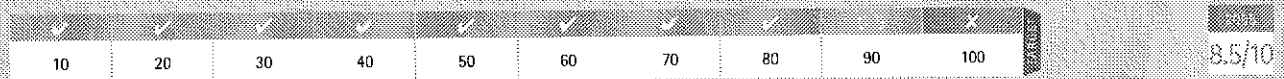
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Publication:
 Annual Water Quality Report 2008

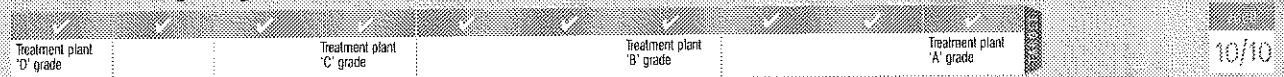
OBJECTIVE 13 Continually improve service delivery to customers

A. Customer satisfaction feedback

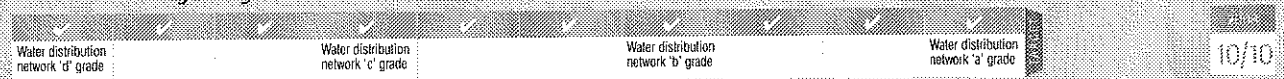
% LNO customers that rate Watercare as 'very good' or 'excellent'



B. Public health grading – treatment



C. Public health grading – distribution



Impact on key areas:
 Social
 Economic
 Environmental

Continually improve service delivery to customers
 Overall performance scores out of 10



Watercare Services Limited
 2008



5. ASSET MANAGEMENT

Watercare remains committed to supplying safe and wastewater treated that meet the needs of its customers while ensuring that these services are economically viable, environmentally sound and socially responsible. The core of our asset management programme and the capital expenditure that drives it are motivated by three factors – growth, asset renewal and service level improvement. Project Horizon, the replacement of an ageing and unreliable sewer collecting Huttum Bay with a three-kilometre-long tunnel, is a visible and high-profile example of that process. The increased capacity of the replacement asset caters for Auckland's continued population growth as well as achieving improved environmental outcomes by virtually eliminating overflows.

Watercare's asset management programme is a long-term, multi-year programme that is designed to ensure that our assets are maintained and replaced in a timely and cost-effective manner. The programme is based on a risk-based approach that takes into account the age, condition and criticality of our assets. This approach allows us to prioritise our capital expenditure and ensure that we are investing in the most critical assets first. The programme also includes a range of other measures, such as condition monitoring and predictive maintenance, to help us to manage our assets more effectively and reduce the risk of failure.

POLICY 5: ASSET MANAGEMENT

Overall performance
out of 10

POLICY
5

CASE STUDY

OBJECTIVE 14



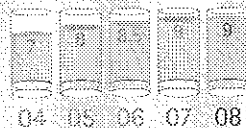
Ensure that regular projects have robust business cases and are delivered to plan

OBJECTIVE 15



Lead the development of an integrated solution for the management of water, wastewater and stormwater services demand

OBJECTIVE 16



Achieve continuous improvement in maintaining assets

OBJECTIVE 17



Achieve continuous improvement in sustainable business performance



WATERCARE AT WORK:

TAKING CARE OF OUR ASSETS

Watercare is using an internationally-recognised framework called Reliability-Centred Maintenance (RCM) to identify the optimum time to maintain or replace assets based on operational performance, cost, health and safety, and the environment.

Watercare's Reliability Engineering Manager Paul Soakell, pictured above, says the Northcote Pump Station on Auckland's north shore was part of a pilot study that focused on rotating equipment.

He says: "We used a thermodynamic method to measure each pump's performance. This involved measuring water temperature as it passed through the pumps – as an increase indicates energy is being wasted and signals a drop in efficiency."

The results of the pilot study showed the pumps were achieving 78.5 to 83.5 per cent efficiency.

Watercare staff combined the results of the study with a number of other factors, including the cost of a pump upgrade, the rate of inflation and the cost of power, in order to determine the optimum time to overhaul the pump.

Paul says: "We developed a chart comparing the cost of interest due to an upgrade, to the cost of energy due to pump deterioration, year on year.

"The point of interception signalled the optimum time to upgrade the pump station – which happens to be in 2014."

Paul says that by gaining an understanding of the performance of each pump and its degradation rate over time, Watercare can reliably maximise the lifespan of the asset and potentially delay expenditure until it is required.

CAPITAL EXPENDITURE VARIANCE WITH ASSET MANAGEMENT PLAN

The Asset Management Plan (AMP) represents indicative expenditure over a 20-year horizon. The plan is published annually and is available from the company's website www.watercare.co.nz.

Capital expenditure in the 2007/08 year was 84 per cent (\$120.2 million) of the planned expenditure in the AMP.

This year's variance of 16 per cent was due to the delay of expenditure on:

- ▶ The company's information system upgrade
- ▶ The company's energy and control systems projects due to internal and external resource and project-related issues
- ▶ The delay of expenditure on water and wastewater network projects due to external factors

Major initiatives in 2007/08 were:

- ▶ Commencing construction on Project Hobson – a major project to replace the 90-year-old sewer bisecting Hobson Bay with a three-kilometre-long tunnel
- ▶ Holding widespread consultation and lodging resource consent applications with local government on the proposal to rehabilitate Puketutu Island with treated biosolids
- ▶ Commencing construction on a new pipeline and upgrade work on existing watermains to improve the security of water supply throughout Auckland's eastern suburbs
- ▶ Constructing and commissioning the Cosseys raw water main to enhance security of supply to Auckland
- ▶ Commencing the modelling and route selection for the Hunua No.4 trunk water main
- ▶ Constructing and commissioning the siphon under the Whau River (Rosebank Road)
- ▶ Constructing and commissioning the Takanini sewer extension in parallel with Papakura's Takanini stormwater upgrade
- ▶ Commencing construction on the extension of the Mangere South branch sewer diversion which will have increased capacity
- ▶ Constructing and commissioning hydroelectric generation facilities at Cosseys and Wairoa dams

OVERALL PERFORMANCE IN WSAA ASSET MANAGEMENT BENCHMARKING

Watercare benchmarks its asset management processes against a framework developed by the Water Services Association of Australia (WSAA). WSAA-accredited auditors conduct a formal audit process every five years. At the conclusion of the 2003 audit, Watercare set itself a short-term target to achieve an overall aggregate score of 70 per cent against a WSAA benchmark of 73 per cent.

In between audit years, the company carries out self-assessments to ensure that it is on track to meeting a long-term target of 84 per cent. This is reviewed by WSAA-accredited auditors. Watercare's 2008 self-assessment indicated an aggregate score of 83 per cent which shows the company is making steady progress towards a long-term target of 84 per cent. This audit was aligned with the formal WSAA audit, with their final results – comparing Watercare to other member organisations – expected in October 2008. The improvements over the past year have principally come from initiatives in maintenance, risk management and planning support.



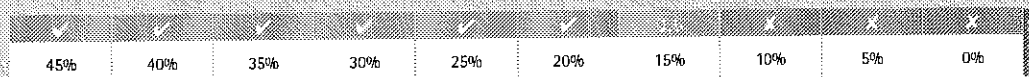
CONCRETE FORMS SET UP ALONG TAKAKI DRIVE PRIOR TO THE START OF A MAJOR CONCRETE POUR ON PROJECT HOBSON'S GRAPE CRAWL SITE. APPROXIMATELY 100 TONS OF REINFORCING BARS WERE SET UP IN A SINGLE POUR TO FORM THE BASE SLAB OF THE NEW PUMP STATION

2008/09

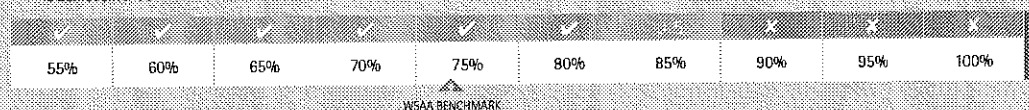
Figures
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 Publication:
 Asset Management Plan 2008

OBJECTIVE 14 Ensure that capital projects have robust business cases and are delivered to plan

A Capital expenditure variance with Asset Management Plan
 % variance

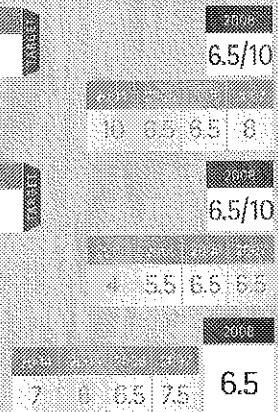


B Overall performance in WSAA asset management benchmarking
 % achievement on WSAA evaluation



Impact on key areas:
 ■ Social
 ■ Economic
 ■ Environmental

Ensure that capital projects have robust business cases and are delivered to plan
 Overall performance scores out of 10



REGIONAL PLANNING

Watercare's capital planning process is driven by the requirements of its customers and the region. The company follows a rigorous asset management planning process in consultation with its customers and incorporates assumptions for population growth, increasing household and industrial demand, the future security of supply and regulatory compliance.

Watercare and the LNOs have shared population forecasts and an integrated computer model of the trunk and local water pipe systems. As a result, Watercare has now developed its preferred long-term master plan to deliver the most cost-effective water supplies. This includes water use projections to 2050 but retains a high level of flexibility, allowing for changes in population and patterns of consumption and conservation.

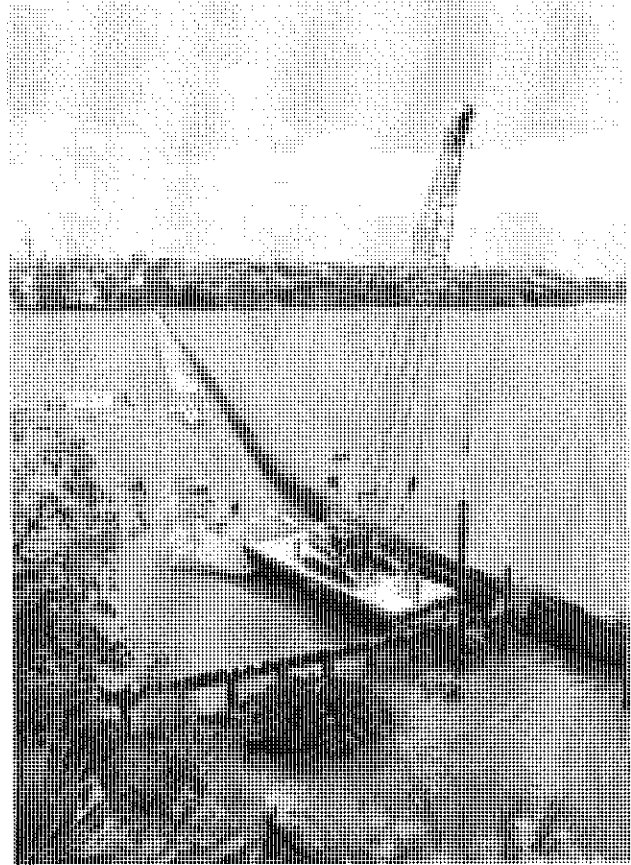
THREE WATERS DEVELOPMENT

Watercare has led and facilitated four stages of the joint planning process to consider a more efficient delivery of drinking water, wastewater and stormwater.

A second draft discussion version of the Three Waters Strategic Plan was distributed to participating organisations: Auckland City Council, Franklin District Council, Manukau City Council, Manukau Water, Metrowater, North Shore City Council, Papakura District Council, Rodney District Council, United Water and Waitakere City Council – along with the Auckland Regional Council, which is involved as an observer to the process. This document is recommending integrated, region-wide thinking in respect of future water service needs as Auckland's population increases and environmental standards continue to rise. The final 2008 version of the plan is scheduled for completion in December.

The Three Waters process aims to create a future in which water is used more efficiently – for example, in which rainwater is beneficially used for non-potable purposes such as for toilet flushing. This is not only in the best interests of the environment but may also delay or defer the need for some capital expenditure.

Population growth will necessitate a growth in wastewater services. Through the Three Waters planning process, it is recommended the region continue to use the Mangere Wastewater Treatment Plant in the short to medium term, maximising the benefits of the recent upgrade in conjunction with a planned central interceptor sewer. Work to date indicates that the existing Rosedale Wastewater Treatment Plant is the preferred choice as the next regional wastewater treatment facility over the medium to long term.



A CULVERT IS CONSTRUCTED ALONGSIDE THE EXISTING SEWER IN HAWSON BAY AS PART OF PROJECT HOBSON. THE COLISEUM (SHARLES CONTRACTORS) TO EXCAVATE DRAFS AT THE BOTTOM OF LORAN TERRACE IN PARNELL AND WYTONA AVENUE IN ROTHERHAM WITHOUT ACCESSING RESIDENTIAL ROADS.

Study
 Growing for Auckland's population growth
 Applying business case studies

OBJECTIVE 15 Lead the development of an integrated solution for the management of water, wastewater and stormwater service demand

Regional planning

Involvement of LNOs in asset management planning	Address all issues raised by LNOs	Agree water demand savings targets	Agree demand savings initiatives	Progress wastewater network consents in an integrated manner	Develop joint water models	Progress joint water source options review	Agree on a regional vision for water, wastewater and stormwater	Develop joint wastewater models	Develop regionally co-ordinated implementation plans
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2008
9/10

Three Waters development

Recognise need for integrated, sustainable water services	Facilitate Three Waters vision	Consultation and enhancement of Three Waters vision	Leading development of Three Waters Strategic Plan	Watercare trunk master plans (water and wastewater)	Pilot integrated regional planning and investment programme	Support development of regional water, wastewater and stormwater master plans	Promote development and implementation of regional land use policies	Complete integrated water, wastewater and stormwater master plans	Implementation of Watercare trunk master plans
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2008
7/10



Lead the development of an integrated solution for the management of water, wastewater and stormwater service demand
 Overall performance scores out of 10

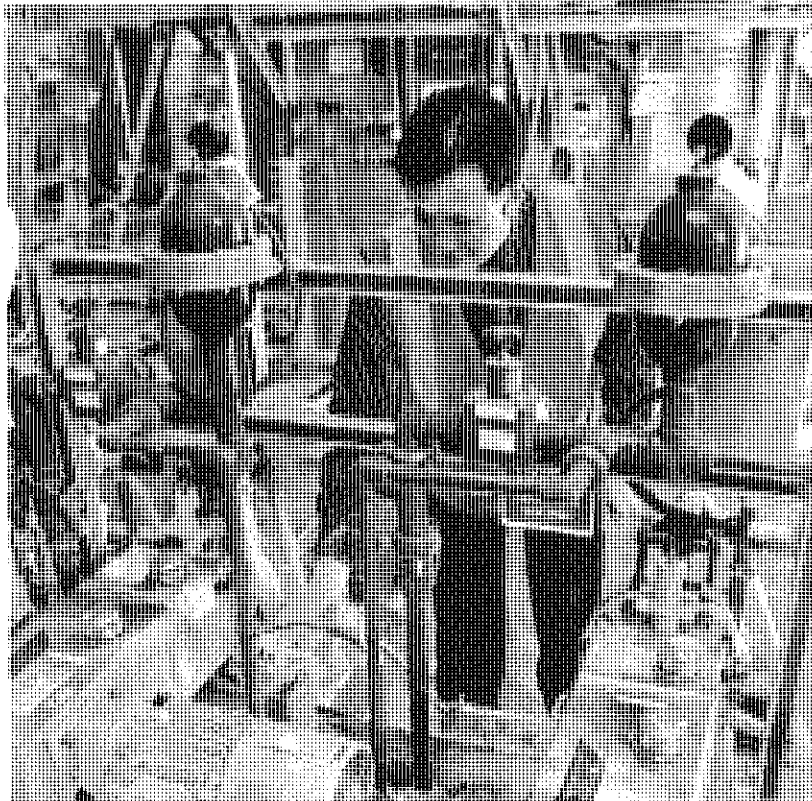
2006
8

MAINTENANCE MANAGEMENT SYSTEMS

Watercare's maintenance team continues to deliver consistent maintenance practices to improve plant performance and minimise costs. A key component of the project – Reliability-Centred Maintenance (RCM) – is now 84 per cent complete. The RCM project bases maintenance on a risk profile developed largely from analysis of previous failures as well as factors such as equipment age, repair time and availability of spares. Critical equipment is likely to receive more maintenance, while less critical equipment will receive less, depending upon the consequence of failure.

MAINTENANCE OPTIMISATION DEVELOPMENT

The Maintenance Optimisation Design (MOD) methodology has been applied across all of Watercare's assets, with the exception of the Mangere Wastewater Treatment Plant where RCM continues to be rolled out. An outcome of successful RCM implementation is having the detailed information required to continually refine the analysis of risk and cost. This detailed information, in the form of RCM plans, is being uploaded on to a maintenance database. Key performance indicators – implemented to monitor performance and to identify further areas for improvement – have been further refined. Watercare is a recognised leader in maintenance disciplines and is frequently asked to present at industry forums.



PROJECT ENGINEER TEAM NOW INSPECTS EQUIPMENT AT THE HEBA WATER TREATMENT PLANT

Success:
 - Deposited at water treatment plant
 - Water River station
 - Taking care of Watercare's assets
 - Low operating costs

OBJECTIVE 16 Achieve continuous improvement in maintaining assets

A. Maintenance management systems

✓ All assets recorded in asset register	✓ Assets register computerised and available to relevant staff	✓ Asset financial information recorded	✓ Key assets have assigned maintenance programmes	✓ Maintenance programmes recorded in asset register	✓ Maintenance programme based on criticality	✓ Maintenance undertaken according to plan	✓ Maintenance history recorded for key assets	✓ Consistent maintenance practices company-wide	✓ Maintenance programme prioritised using RCM
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2008
9.5/10

B. Maintenance optimisation development

✓ Develop maintenance philosophy	✓ Develop action plan	✓ Develop maintenance vision and strategy	✓ Implement maintenance vision and strategy	✓ Establish workflow management	✓ Implement workflow management	✓ Evaluate effectiveness with key performance indicators	✓ 50% of RCM strategy implemented	✓ 100% of RCM strategy implemented	✓ Computerised maintenance management system
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2008
8.5/10



Impact on key areas:
 Social
 Economic
 Environmental

Achieve continuous improvement in maintaining assets
 Overall performance scores out of 10



MANAGEMENT SYSTEMS

Watercare's management systems have been independently audited in the last 12 months.

Certification has been renewed for ISO compliance in appropriate functional areas of the company.

SUSTAINABLE MANAGEMENT OF EXTERNAL SUPPLIERS

Watercare applies sustainable practices to the way in which it procures products and services which comply with the Auditor-General's guidelines. The company is an active member of the New Zealand Business Council for Sustainable Development. A new code of conduct for suppliers has been developed and integrated into the supplier evaluation and selection processes for operational expenditure. A number of Watercare's existing suppliers have been engaged to evaluate their performance against the code of conduct. A plan and targets will be agreed and integrated into review processes to improve performance over the long term. A policy is being written to include the requirement for staff when conducting procurement to consider sustainable outcomes.

CONTINUAL BUSINESS IMPROVEMENT

Business improvement projects completed in 2007/08 include the development of a system for managing resource consents and the roll-out of the Maintenance Optimisation Design (MOD) methodology. Further initiatives to improve business practices include: developing structures and rules to improve the quality of data within the asset database; moving towards a new information systems platform; and implementing systems to enable staff to access technical information in the field using a range of technological solutions such as mobile devices.

The ongoing Continuous Improvement programme continues to mature and deliver benefits. A portable platform, which was developed by a Watercare engineer to make the task of assessing the interior roofs of water reservoirs more straightforward and less hazardous, was a finalist in the Safeguard New Zealand Workplace Health and Safety Awards. The company's Energy Focus project continued to develop hydroelectric energy sources and investigate alternative energy sources. Energy Focus was highly commended in two categories at the Energy Efficiency and Conservation Authority (EECA) Energywise Awards, while a zone-based dissolved oxygen system to improve efficiency at the Mangere Wastewater Treatment Plant was a finalist at the same event and was awarded merit by the Association of Consulting Engineers New Zealand (ACENZ).

TIKANGA MAORI

Quarterly meetings are held with the Maori Advisory Group to advise Watercare management on Tikanga Maori and to offer guidance on Maori language and protocol as reflected in the company's projects and operations. Watercare also continues to maintain relationships with local Maori in the region. There was a large Ngati Whatua o Orakei presence at the launch of the tunnelling phase of Project Hobson, Watercare's construction of a wastewater tunnel to replace the ageing, visible sewer that bisects Hobson Bay. Ngati Whatua o Orakei and the children of Orakei School were involved in the blessing and launch of the purpose-built tunnel-boring machine named *Te Kaha* - The Strength.

OBJECTIVES

Story:

Tikanga Maori was a key focus in 2008/09. Watercare's commitment to sustainable business performance was a key focus in 2008/09. Watercare's commitment to sustainable business performance was a key focus in 2008/09.

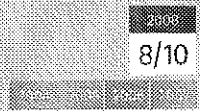
Figures:

Watercare's commitment to sustainable business performance was a key focus in 2008/09. Watercare's commitment to sustainable business performance was a key focus in 2008/09.

OBJECTIVE 17 Achieve continuous improvement in sustainable business performance

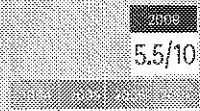
A. Management systems

ISO 9001 and 14001: Trade waste	ISO 17025: Laboratory services	ISO 9001 and 14001: Water headworks, treatment plants and reticulation	ISO 9001 and 14001: Wastewater reticulation	ISO 9001 and 14001: Wastewater treatment plant	ISO 9001 and 14001: Project Delivery Manual	ACC tertiary level for workplace safety management	AS/NZS 4801: 2001 Health and Safety Management System	Company-wide ISO 14001 certification	Company-wide ISO 9001 certification
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B. Sustainable management of external suppliers

Develop a code of conduct for suppliers	Integrate code of conduct into supplier selection process	Trial assessment criteria with selected existing suppliers	Assess all existing top and preferred suppliers	Code adopted by top and preferred suppliers	Review supplier conformance to the code	Implement initiatives to improve conformance	Adoption of sustainable procurement policy	Staff awareness training programme	Procurement policy recognised as industry best
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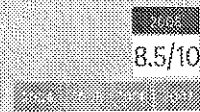
C. Continual business improvement

First-generation projects identified by staff	Formal project governance in place	Staff continuous improvement feedback procedures in place	Business improvement programme in operation	Staff reward initiatives in place	Future-generation projects identified	First-generation projects initiated	Completed project outcomes show demonstrable changes in staff behaviour	Research, development and innovation programme initiated	Future-generation projects initiated
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D. Tikanga Maori (Maori Advisory Group assessment)

Watercare has sought Maori opinion on potential impacts of operations	Watercare aims to avoid/minimise adverse impacts on Maori values	Watercare's decision-making reflects consideration of Maori values	Watercare's adoption of cultural protocols for relevant projects	Watercare demonstrates a proactive approach to Maori issues	Watercare recognises the traditional concept of kaitiakitanga	Watercare seeks tangata whenua guidance in activities	Key staff trained/exposed to Maori values	Maori cultural initiatives actioned/incorporated	Watercare seeks feedback from Maori on its consultative process
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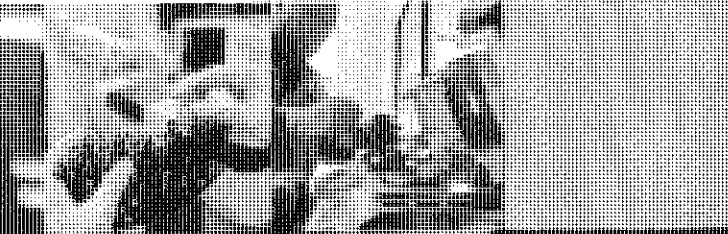


Impact on key areas:
 Social
 Economic
 Environmental

Achieve continuous improvement in sustainable business performance

Overall performance scores out of 10





2008

6. ECONOMIC PERFORMANCE

Our strategy for 2008 focuses on increasing productivity.



Waterbury is known to our customers for its reliability and to its other value proposition: energy water and wastewater services to its customers. The company is required to operate, maintain, replace and develop assets over the long term to meet historical delivery standards and foreseeable future needs at minimum cost. Savings continue to be made through strategic procurement practices and by actively pursuing cost reduction opportunities across the company, both as energy-saving initiatives actively created by Waterbury staff.

Waterbury Services Limited is a public company listed on the Toronto Stock Exchange under the symbol "WTRB". The company's common shares are listed on the Toronto Stock Exchange under the symbol "WTRB". The company's common shares are listed on the Toronto Stock Exchange under the symbol "WTRB".

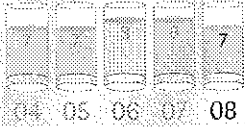
POLICY 6: ECONOMIC PERFORMANCE

Overall performance out of 10

POLICY 6

CASE STUDY

OBJECTIVE 18

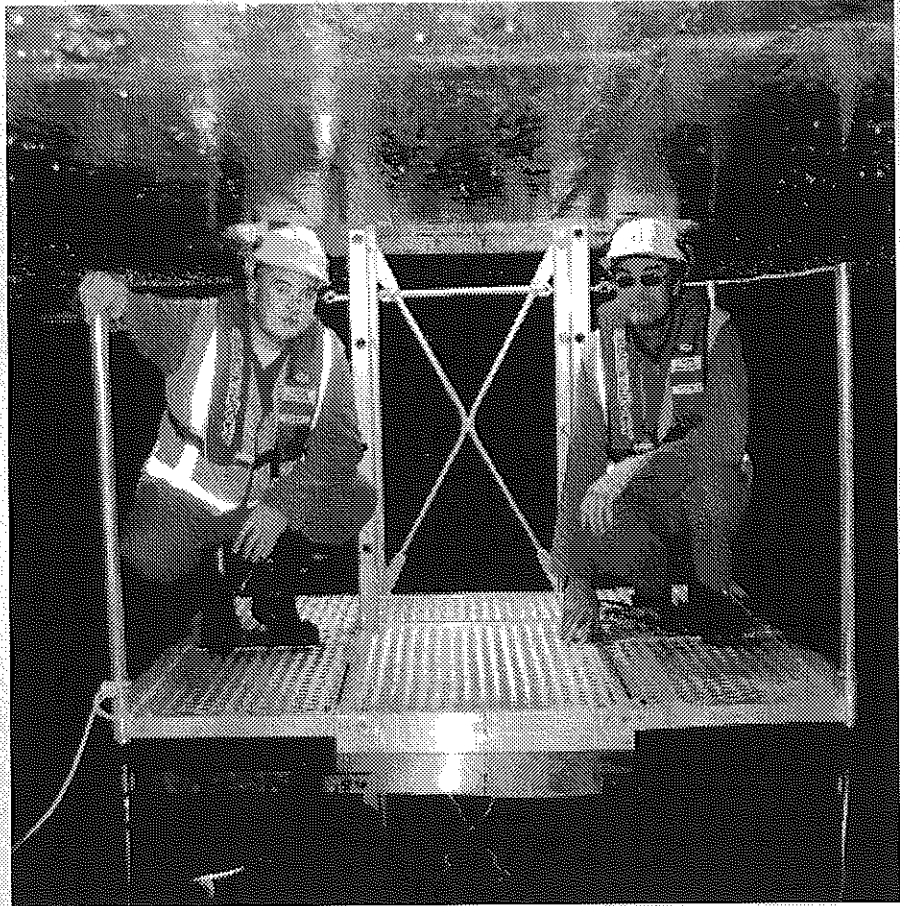


Ensure that financial savings are consistent with the requirements of efficiency, value for money, equity and optimal cost of capital.

OBJECTIVE 19



Ensure that the costs of providing services are consistent with leading practice.



WATERCARE AT WORK:

EFFICIENCY AND IMPROVEMENT



Watercare staff have come up with a range of smart initiatives that save time and money as part of the company's drive for continuous improvement.

The reservoir inspection platform, pictured above being utilised by Reticulation Servicemen Trevor Pimlott (left) and Robert Potter, allows staff to assess the condition of reservoir interior roofs without draining reservoirs of thousands of litres of A-grade drinking water and erecting scaffolding.

The idea, devised by Network Operations Engineer Ian Winson, was among those recognised by Chief Executive Mark Ford under Watercare's Continuous Improvement scheme.

Other award winners include Energy and Control System Analyst Kamal Patel, Property Co-ordinator Suzie Clark and Senior Engineer Chris Rodliffe for their work on identifying and implementing energy savings in the Newmarket office; Engineering Technician Harvey Stewart devising pipeline warning markers; Electrician John Robinson for suggesting sensors are fitted to wastewater wet well doors; and Trade Waste Technician Shawn Durham for developing a sliding drawer for mobile storage boxes to increase the efficiency of trade waste staff when sampling.

PICTURED AT THE CONTINUOUS IMPROVEMENT AWARDS (FROM LEFT) ARE: IAN WINSON, SHAWN DURHAM, HARVEY STEWART, SUZIE CLARK, JOHN ROBINSON, KAMAL PATEL AND WATERCARE CHIEF EXECUTIVE MARK FORD.

CONTRACTS WITH CUSTOMERS

Three-year contracts between Watercare and its customers, the LNOs, for the supply of bulk water and the collection, treatment and disposal of wastewater expired on 30 June 2008. New four-year water contracts and two-year wastewater contracts have been negotiated. The new water contracts include a block tariff arrangement designed to assist the LNOs in encouraging demand management measures including water conservation techniques that offer economic and environmental benefits.

PRICING FOR CUSTOMERS

The customer contracts which covered the three-year period ending June 2008 provided for water and wastewater revenue to be increased at three per cent less than the rate of inflation each year. For the 2007/08 year this saw a decrease of 0.5 per cent in the company's prices.

In the 2007 and 2008 funding plans, the company quantified the cost of growth using a methodology developed by the LNOs. The company funding plans indicated that future water and wastewater prices were expected to be higher than the rate of inflation. This was due to ongoing increases in the cost of planned maintenance, chemicals, energy, capital expenditure and the cost of providing for growth in the Auckland region. Consequently, the new customer contracts – effective from July 2008 – provide for an annual process of determining the water and wastewater prices based on an enduring pricing principle of setting the revenue at a level sufficient to recover all of its costs and provide for an adequate level of debt servicing consistent with the company's obligations under section 707ZZS(1)(a) of the Local Government Act 1974. In 2009 this ruler will be modified to reflect the change in pricing.

CREDIT RATING FROM STANDARD & POOR'S

Watercare maintained its Standard & Poor's long-term credit rating of 'A', and short-term rating of 'A-1' during the year. In July 2008 Standard & Poor's lowered its credit ratings on the company to 'A-/A-2' prior to the signing of a debt guarantee agreement with the Auckland City Council supported by the

other shareholders. Following the signing of this agreement the rating on debt issued by the company was revised to 'AA/A-1+' and the company credit rating was confirmed as 'A-/A-2'.

FUNDS FROM OPERATIONS TO INTEREST RATIO

This ratio was 2.9 times for the year ended June 2008, lower than the target of 3.5 times. The target, set on 1 July 2007, assumed that \$200 million of hybrid equity would be issued. Plans for the issue of hybrid equity became unnecessary when Watercare secured the shareholder guarantee of its debt. This was a better outcome, resulting in lower price increases to customers than would otherwise have been the case. From 1 July 2008 the wholesale price of water charged to Watercare's customers increased by 6 cents per 1,000 litres, compared with 13 cents that would have been the case without the guarantee. The funds from operations to interest ratio will decrease to around 2.5 times next year due to increasing borrowings and interest costs. The guarantee of Watercare's borrowings enables the company to reduce its target ratio to 2.5 while still maintaining a strong credit rating. The establishment of the debt guarantee arrangements and the resulting higher debt levels represents a very significant change in the way the company's expenditure will be funded in the future.

SAVINGS THROUGH EFFICIENT PROCUREMENT

Watercare's improvement in strategic procurement continues, ensuring efficiency and savings through leveraged spend and standardised equipment and by reducing the risk of failure to supply. Reviews of grounds maintenance, treatment chemicals, engineering consumables and hardware products have been completed. To further improve efficiency gains, a best-value policy continues to be implemented using preferred suppliers. The application of 'whole of life' cost principles and the internal reporting of value delivered through strategic procurement require further development.

STEFAN
 Statistix
 80, Queen's Road
 Auckland, New Zealand

OBJECTIVE 18 Ensure that financial strategies are consistent with achieving economic efficiency, inter-generational equity and optimal cost of capital

A. Contracts with customers

No contracts in place or being negotiated	Contracts expire within 12 months and no plans to re-establish	Contracts expire within 12 months and being renegotiated	One-year contracts negotiated	Three-year contracts negotiated	Five-year contracts negotiated	10-year contracts negotiated	Contracts have pricing established on a rolling three-year basis	Contracts have pricing established on a rolling five-year basis	Contracts have pricing established on a rolling 10-year basis
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2008
5/10

B. CPI-X% pricing for customers

CPI-X% pricing researched	Planning commitment to CPI-X%	Included in customer contracts	X=0	X=0.5	X=1.0	X=1.5	X=2.0	X=2.5	X=3.0
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2008
10/10

Long-term credit rating from Standard & Poor's

BBB credit rating	BBB+ credit rating	A- credit rating	A credit rating
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2008
10/10

D. Funds from operations to interest ratio

Ratio	2.6	2.7	2.8	2.9	3.0	3.1	3.2	3.3	3.4	3.5
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2008
4/10

Savings through efficient procurement

Establish spend categories for benchmarking and reporting	Develop and implement a category review plan	Develop procurement systems for market review	Implement process for reviewing and monitoring preferred suppliers	Achieve savings of 0.5% of operating expenditure	Adopt a procurement policy for use of preferred suppliers	Achieve savings of 1% of operating expenditure	Achieve savings of 1.5% of operating expenditure	Achieve savings of 2% of operating expenditure	Recognise top performing suppliers
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2008
6.5/10



Impact on key areas:
 Social
 Economic
 Environmental

Ensure that financial strategies are consistent with achieving economic efficiency, inter-generational equity and optimal cost of capital
 Overall performance scores out of 10

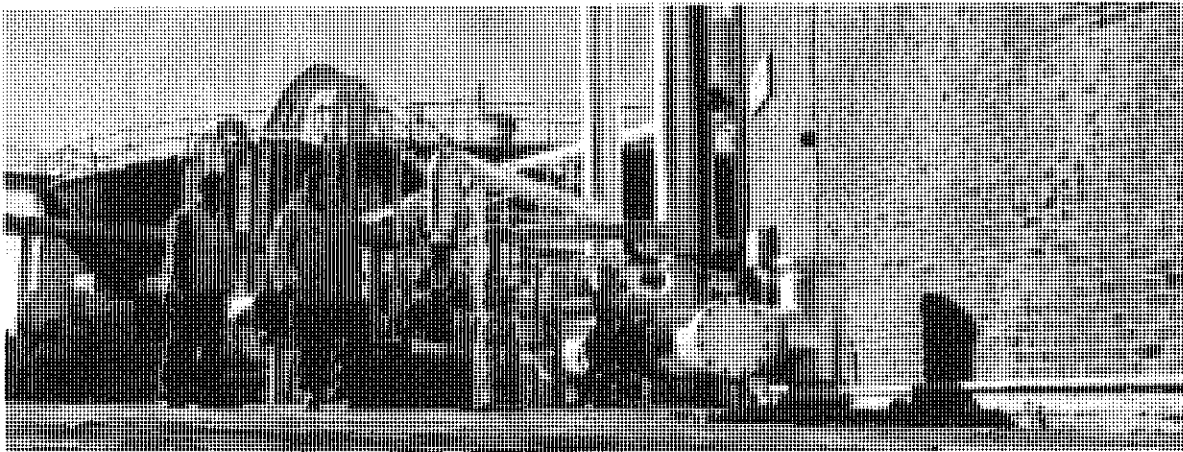
2008
7

INTEREST COST

The company continues to outperform its independently determined interest cost Treasury benchmark. The average interest rate on borrowings was 7.2 per cent, while the benchmark was 7.6 per cent for the year. As a result, Watercare's borrowing costs for the year were \$1.5 million lower than the benchmark.

PERFORMANCE OF ACTUAL OPERATING EXPENDITURE AGAINST BUDGET TARGETS

Operating costs, excluding interest and depreciation, were lower than budget by \$1.9 million. This was a reduction of 2.2 per cent and was a direct result of cost-saving initiatives by management.



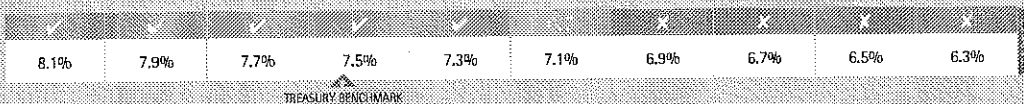
PLANT OPERATORS BEN BRIDGMAN LEFT AND ALE MORTGALL CHECK THE FLOWING SLUDGE EXISTING AT THE MANHOLE WASTEWATER TREATMENT PLANT.

Figures:

- Revenue/cost system for 2008
- Watercare's performance and water retailers' average domestic price for 2008
- Financial implications of climate change for 2008
- Interest rate performance for 2008
- Quality performance comparisons vs actual 2008 for 2008
- Quality performance comparisons vs actual 2008 for 2008

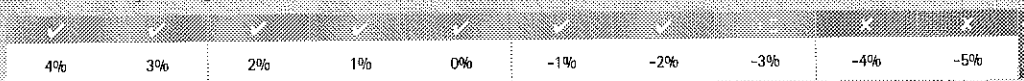
OBJECTIVE 19 Ensure that the costs of providing services are consistent with leading practice

Interest cost
%



2008
5.5/10

Performance of actual operating expenditure against budget targets
% movement against budget



10 9 8 7.5

2008
7.5/10

0.5 0.5 2.5 8.5



- Impact on key areas:**
- Social
 - Economic
 - Environmental

Ensure that the costs of providing services are consistent with leading practice
 Overall performance scores out of 10

2008
6.5

SECTION 1.G
NEW ZEALAND: HAMILTON CITY COUNCIL
2008/09 ANNUAL REPORT

7.0 Service Performance

(NGA WHAKARITENGA MAHI)

7.1 Introduction

This section reports on how Council's 25 significant services performed during 2008/09, both in terms of service delivery and financial results.

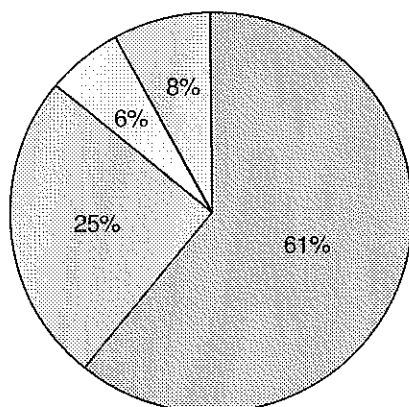
Council's 2006-16 Long-Term Plan includes the key performance measures and targets for each of the 10 financial years covered by the plan. These measures are used to report on how the significant services performed in 2008/09.

The performance measures and targets in the Long-Term Plan take into account the diversity of Council's facilities and services and were developed from a wide range of sources. They measure things such as quality, customer satisfaction, facility usage, meeting legislative requirements, public health and safety, timeliness, etc. They were also independently assessed by Council's auditors, Audit New Zealand.

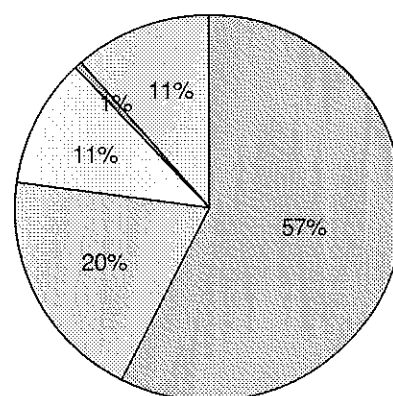
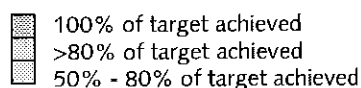
7.2 Summary of Performance Measure Results for 2008/09

In 2008/09 there were 141 performance measures across Council's 25 significant services. The following information shows the overall results for the 2008/09 performance targets against an achievement scale. The pie graphs also provide a comparison with the 2007/08 results.

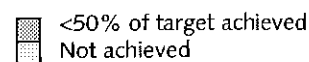
Achievement Scale	Results for 2008/09
100% of target achieved	81 measures (57%)
Greater than 80% of target achieved	28 measures (20%)
50% - 80% of target achieved	15 measures (11%)
Less than 50% of target achieved	1 measures (1%)
Not achieved	16 measures (11%)



2007/08 Overall Results



2008/09 Overall Results



7.3 Residents Survey and Customer Satisfaction Surveys

A number of performance measures and targets include satisfaction scores derived from Council's Residents Survey and Customer Satisfaction Survey Programme.

The Residents Survey, which is completed each quarter, is one of the main methods of obtaining Hamilton residents' views on how effectively Council is operating, particularly in regard to its provision of key facilities and services. This survey has been carried out since 1984 by an independent research company and provides a useful measure of community opinion over time. The survey is conducted by telephone and interviews 175 Hamilton residents each quarter, providing a sample size of 700 respondents annually. The annual results have a margin of error of plus or minus 3.7% at the 95% confidence level.

Council also operates a Customer Satisfaction Survey Programme for a large number of its activities to gain detailed customer feedback on an ongoing basis. This feedback is then used to implement changes that ensure continual improvement of Council's services and facilities. The methodologies for the Customer Satisfaction Survey vary, for example face-to-face interviews and mail return questionnaires, depending on the service characteristics.

The use of customer satisfaction scores allows results to be compared from year-to-year. The scores are based on an 11 point satisfaction scale (0 = very dissatisfied to 10 = very satisfied). Scores from individual survey respondents are then aggregated into a single score out of 100.

The following framework has been developed to interpret the satisfaction scores.

'Customer Choice' Satisfaction Scores	Performance Categories	'No Customer Choice' Satisfaction Scores
84 or higher	Exceptional performance	79 or higher
82 - 83	Excellent performance	77 - 78
78 - 81	Very good performance	73 - 76
73 - 77	Good performance, but with potential for improvement	68 - 72
67 - 72	Fair: Needs improvement	62 - 67
66 or lower	Needs significant improvement	61 or lower

The framework covers two streams of Council provided services, those with 'customer choice' and those where there is 'no customer choice'. Each of these streams has a different satisfaction score interpretation. 'Customer choice' services and facilities would normally expect to receive higher satisfaction scores, as dissatisfied customers can take their business elsewhere. For 'no customer choice' services and facilities, the customer cannot change service provider, therefore dissatisfied customers remain as users, which can result in a lower score.

Examples of 'customer choice' facilities and services include Hamilton Zoo, Waterworld, Hamilton Gardens and Waikato Museum. Examples of 'no customer choice' facilities and services include the water supply, footpaths, building control services and household refuse collection.

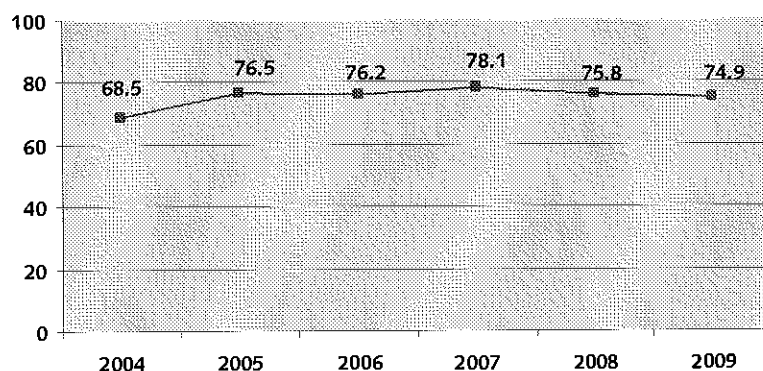
7.4 Residents Survey - Overall Performance of Council in 2008/09

Results from the 2009 Residents Survey Report (for the four quarters during July 2008 to June 2009) show that ratings remain steady compared to 2008, continuing to represent high levels of resident satisfaction for key areas.

	2005	2006	2007	2008	2009
Overall performance of Council	76.5	76.2	78.1	75.8	74.9
Hamilton as a place to live	82.8	81.6	83.8	82.3	83.0
Value from residential rates	70.8	69.5	69.2	68.1	68.6
Quality of Council facilities and services	72.5	71.1	75.6	73.3	72.9
Satisfaction with Council staff	78.7	79.5	79.9	79.6	79.8

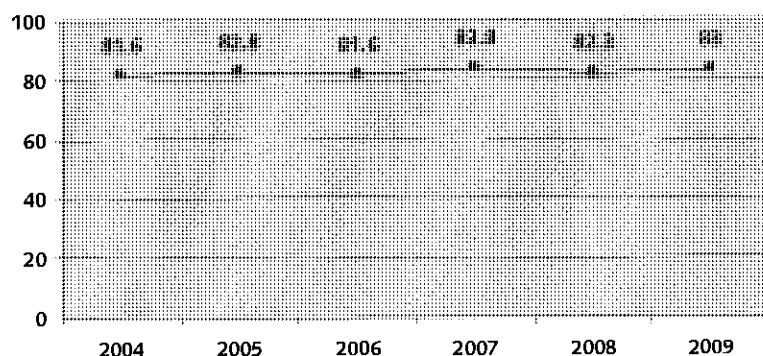
Overall Performance of Council

Residents were asked how they rated Council's overall performance over the 2008/09 year. When answering this question residents take into account Council management and staff, elected representatives, improvements in facilities and services, etc. This year, the overall satisfaction score achieved was 74.9.



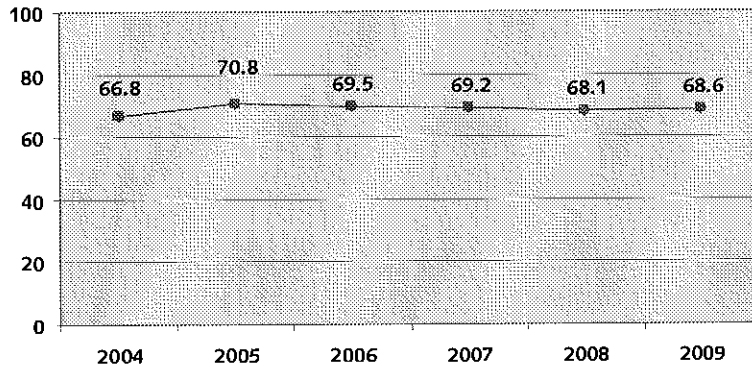
Hamilton as a Place to Live

Respondents were asked how they rated their satisfaction with Hamilton as a place to live. This year's satisfaction score was 83.0, reflecting exceptional customer satisfaction.



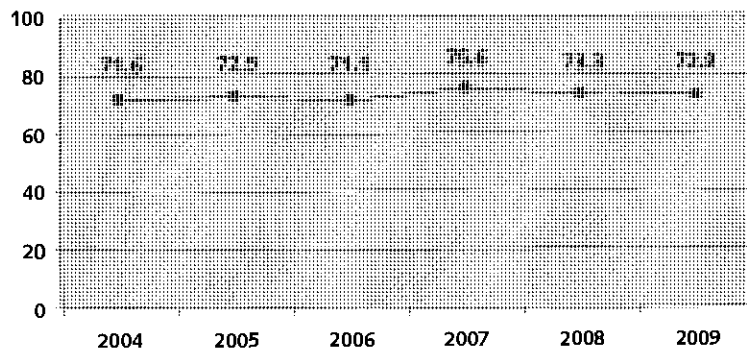
Value from Residential Rates

Respondents who paid residential rates to Council were asked to evaluate the value they received from those residential rates. This year the value index was 68.6, in keeping with the previous year's result of 68.1.



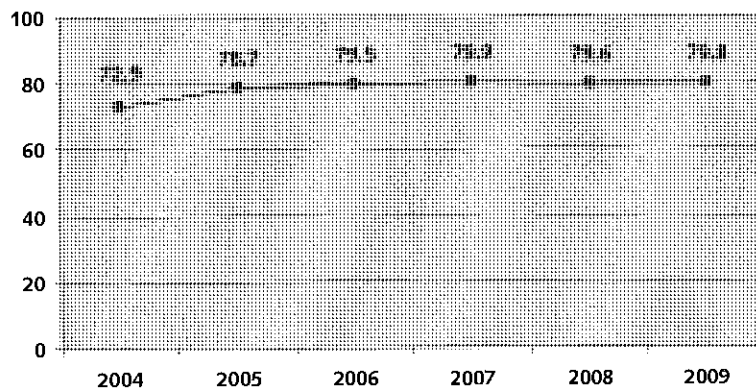
Quality of Council Services and Facilities

Respondents were asked overall how they would rate the quality of Council facilities and services in the past 12 months, with 0 being greatly deteriorated, and 10 being greatly improved. The improvement index for 2009 was 72.9.



Satisfaction with Council Staff

Respondents who had some interaction with Council staff were asked to rate their overall satisfaction with staff over the past 12 months. The majority of respondents are satisfied with staff and the 2009 score remained high at 79.8.



7.5 Significant Services Section Guide

The significant services are grouped under the Strategic Framework's three Statements of Strategic Intent — *Investing In Our People, Creating Identity and Prosperity, and Protecting Our Future*. Each of these three sections contains the following information:

Introductions to each Statement of Strategic Intent:

- **Significant Services**
Lists the significant services that are included under each Statement of Strategic Intent.
- **Council's Contribution to Hamilton's Community Outcomes**
Identifies the Community Outcome that each significant service primarily contributes to.
- **Measuring Progress towards Hamilton's Community Outcomes**
Reports the results of measurements of progress towards a number of Hamilton's Community Outcomes through the monitoring of Community Outcomes Progress Indicators⁵ that Council's significant services influence or contribute to.
- **Summary of Performance Results for 2008/09**
Shows at a glance the overall performance measure results in 2008/09 for the significant services. The results for 2007/08 are also shown as a comparison against the previous year.
- **Significant Acquisitions or Replacement of Assets**
Describes any significant acquisitions or replacements of assets, the reasons for the acquisitions or replacements, and the reasons for any significant variation from that shown in year 3 (2008/09) of the 2006-16 Long-Term Plan⁶ (for capital projects exceeding \$1 million).
- **Cost of Service**
The Cost of Service table shows the cost centre accounts for the significant services, comparing actual expenditure against budget (for 2008/09 as well as 2007/08). The table shows how much revenue and expenditure (budget/actual) there was for each of the operational significant services in the cost centre.

Significant Services:

- **Description of the Significant Service**
Provides a brief description of each significant service.
- **Key Performance Measures and Targets: 2008/09 Results**
Shows the objective, performance measures and targets for the significant service as shown in year 3 (2008/09) of the 2006-16 Long-Term Plan.

Results for the 2008/09 financial year are provided and assessed against an achievement scale (not achieved, < 50% achieved, 50-80% achieved, >80%

⁵ Council is required by Schedule 10, Part 3, Clause 15(c) of the Local Government Act 2002, in relation to each group of activities, to report on the results of any measurement undertaken during the year towards the achievement of the community outcomes.

⁶ Local Government Act 2002, Schedule 10, Part 3, Clause 15(f).

achieved, 100% achieved). The results for 2007/08 are also shown as a comparison against the previous year.

- **Identified Effects on Community Well-being⁷**

Overall, the delivery of Council's services results in positive effects on the well-being of the community. However, Council also recognises that in some cases the services it provides can have negative effects in one form or another, which are minimised or mitigated through a range of mechanisms.

In the reporting for 2008/09, a selection of key positive effects that each of the 25 significant services have had on community well-being are identified.

Council has also identified whether any of the potential or existing significant negative effects outlined in the 2006-16 Long-Term Plan occurred in 2008/09. This reporting is part of ensuring that Council is accountable to the community for its decisions and actions.

Positive Effects - Identifies for each Significant Service up to four examples of key projects/initiatives undertaken in 2008/09 that contributed to a positive effect on community well-being.

Existing or Potential Significant Negative Effects - Reports on the significant negative effects that were identified in the 2006-16 Long-Term Plan. It also reports on whether the effect occurred in 2008/09 and any mitigating measures that Council undertook. The following factors were considered in determining the existing or potential significant negative effects:

- the number of people who could be affected
- the degree to which they could be affected
- the extent to which public health and safety is or could be compromised
- the likelihood of the significant negative effect occurring.

⁷ Schedule 10, Part 3, Clause 15(d) of the Local Government Act 2002 to describe in relation to each of its groups of activities, any identified effects that any activity (significant service) within the group of activities has had on the social, economic, environmental, or cultural well-being of the community.

Strategic Framework A: Investing in Our People

(KAUPAPA RAUTAKI MO TE TAONE NUI A: KO TE IWI)

Significant Services

Strategic Framework A: Investing in Our People comprises the following nine significant services:

- Community Development
- Community Facilities
- Emergency Management
- Partnership with Maaori
- Representation and Civic Affairs
- Environmental Health
- Parks and Gardens
- Sports Areas
- Swimming Facilities.

Council's Contribution to Hamilton's Community Outcomes

The following table shows how each significant service under Strategic Framework A: Investing in our People contributes to Hamilton's Community Outcomes. In most cases a significant service will contribute to a number of community outcomes. However, the community outcomes shown are those that the significant service primarily contributes to.

Significant Service	Primary Community Outcome area	Specific Community Outcome
Community Development	4. Safety and Community Spirit <i>"A safe, friendly city where all people feel connected and valued"</i>	4.5 Builds socially engaged, responsive communities.
Community Facilities	5. Healthy and Happy <i>"Active and healthy people with access to affordable facilities and services"</i>	5.4 Provides access for all people to a range of healthy, affordable, quality housing.
Emergency Management	7. Working Together <i>"Collaborative decision-making and planning are common place"</i>	7.1 Engages all local communities in planning and developing the city's future.
Partnership with Maaori	7. Working Together <i>"Collaborative decision-making and planning are common place"</i>	7.2 Ensures Maaori are respected as a partner in decision-making and have a voice on issues that affect the city.
Representation and Civic Affairs	7. Working Together <i>"Collaborative decision-making and planning are common place"</i>	7.1 Engages all local communities in planning and developing the city's future.
Environmental Health	5. Healthy and Happy <i>"Active and healthy people with access to affordable facilities and services"</i>	No specific outcome.
Parks and Gardens	1. Sustainable and Well-Planned <i>"An attractive city that is planned for the well-being of people and nature, now and in the future".</i>	1.4 Protects and enhances its green spaces and natural environment for everyone to value and enjoy.

Significant Service	Primary Community Outcome area	Specific Community Outcome
Sports Areas	5. Healthy and Happy "Active and healthy people with access to affordable facilities and services"	5.1 Provides opportunities for people of all ages and abilities to access and participate in sport and leisure activities that meet their diverse needs.
Swimming Facilities	5. Healthy and Happy "Active and healthy people with access to affordable facilities and services"	5.1 Provides opportunities for people of all ages and abilities to access and participate in sport and leisure activities that meet their diverse needs.

Measuring Progress towards Hamilton's Community Outcomes

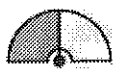
Progress towards Hamilton's Community Outcomes is monitored through a selection of indicators. Indicators provide ways in which we can measure, directly or indirectly, changes to social, environmental, economic and cultural well-being over time. They provide a picture of what is going on around us that we can use to guide our future planning. Indicators can assist in identifying areas where progress is being made toward the Community Outcomes and alert us to areas that require action.

Council is one of numerous organisations whose actions and direction assist in progressing the outcomes and overall community well-being. The following Community Outcomes Progress Indicators (drawn from the full outcome set) are influenced by the significant services in Strategic Framework A: Investing in our People.

Trend Key



Improving /
Favourable



Uncertain / No
Significant Trend



Declining /
Unfavourable

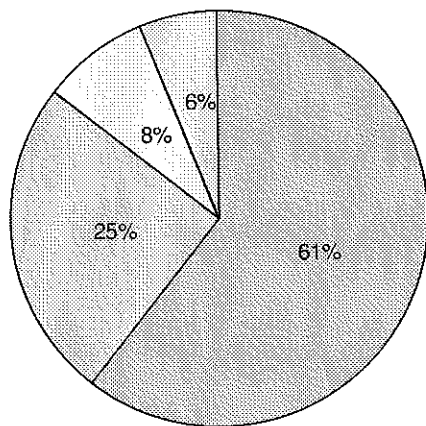
Community Outcomes Progress Indicators	Latest Results	Trend
Resident's perception of the effect of increased diversity of lifestyles and cultures on the community. Source: Quality of Life Survey.	Percentage of people who stated a better or much better place to live. 2004 2006 2008 46% 56% 50%	
Residents' who felt a sense of community within their local neighbourhood. Source: Quality of Life Survey.	Percentage of people who agreed or strongly agreed. 2004 2006 2008 56% 50% 49%	
Residents' agreement that it is important to feel a sense of community with others in their neighbourhood. Source: Quality of Life Survey.	Percentage of people who agreed or strongly agreed. 2004 2006 2008 74% 63% 60%	
Residents rating of graffiti as a problem in the city. Source: Quality of Life Survey.	Percentage of people who rated graffiti as a problem. 2004 2006 2008 45% 66% 80%	

Community Outcomes Progress Indicators	Latest Results			Trend
Residents' satisfaction with the process used by Council for decision-making. Source: Hamilton City Council Residents Survey.	All respondents (satisfaction score).			
	2006	2008	2009	
	71.4	67.2	63.2	
	Maaori respondents (satisfaction score).			
	2006	2008	2009	
	72.8	54.8	57.2	
Residents' satisfaction with the provision of opportunities for community involvement in decision-making. Source: Hamilton City Council Residents Survey.	All respondents (satisfaction score).			
	2006	2008	2009	
	66.9	65.4	60.5	
	Maaori respondents (satisfaction score).			
	2006	2008	2009	
	67.0	68.1	60.3	
Residents' confidence that Council decisions are in the best interests of the city. Source: Quality of Life Survey.	All respondents - percentage of people who agreed or strongly agreed.			
	2004	2006	2008	
	42%	67%	57%	
	Maaori respondents - percentage of people who agreed or strongly agreed.			
	2004	2006	2008	
	43%	66%	56%	
Percentage of voter turnout at general/local authority elections. Source: www.elections.org.nz .	General elections: Hamilton West electorate.			
	2002	2005	2008	
	67%	80%	79%	
	General elections: Hamilton East electorate.			
	2002	2005	2008	
	71%	83%	80%	
Hamilton City Council elections.				
2001	2004	2007		
46.9%	45.1%	33.9%		
Residents' perceptions of safety in the CBD and their neighbourhood. Source: Hamilton City Residents Survey.	CBD (satisfaction score).			
	2007	2008	2009	
	57.0	56.7	61.4	
	Neighbourhood (satisfaction score).			
	2007	2008	2009	
	78.2	77.7	79.5	
Number of confirmed contaminated sites that have been remediated or managed (as at 30 June). Source: Hamilton City Council.	2007	2008	2009	
97	112	130		
Residents' perception of neighbourhood noise. Source: Hamilton City Council Residents Survey.	2007	2008	2009	
	68.8	69.2	70.2	

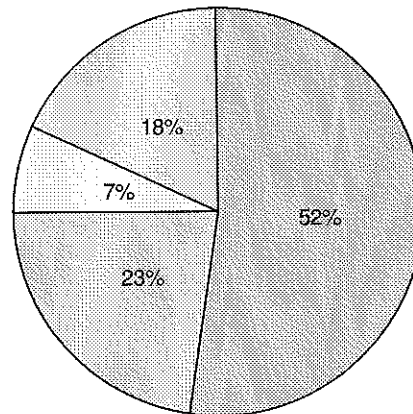
Community Outcomes Progress Indicators	Latest Results			Trend
Area of green space (parks and gardens areas only) in the city per resident. Source: Hamilton City Council.	2007 4.7 ha / 1,000 residents	2008 4.6 ha / 1,000 residents	2009 4.6 ha / 1,000 residents	
Area of green space (sports areas only) in the city per resident. Source: Hamilton City Council.	2007 3.1 ha / 1,000 residents	2008 3.2 ha / 1,000 residents	2009 3.1 ha / 1,000 residents	
Residents' use of Council's sports and recreational facilities. Source: Hamilton City Council Residents Survey.	Sports areas.			
	2007 34.1%	2008 33.7%	2009 33.3%	
	Waterworld.			
	2007 43.2%	2008 49.1%	2009 51.2%	
	Gallagher Aquatic Centre.			
	2007 21.9%	2008 17.7%	2009 16.1%	

Summary of Performance Results for 2008/09

The following graphs show the overall achievement of the performance measures for the Significant Services in Strategic Framework A for year 2 (2007/08) and year 3 (2008/09) of Council's 2006-16 Long-Term Plan.



2007/08 Results



2008/09 Results

■ 100% of target achieved
 ■ >80% of target achieved
 ■ 50% - 80% of target achieved

■ <50% of target achieved
 ■ Not achieved

In 2008/09 there were 44 performance measures⁸ for Investing In Our People. Of these, 23 (52%) were fully achieved, 10 (23%) were over 80% achieved, 3 (7%) were 50% to 80% achieved, none were less than 50% achieved and 8 (18%) were not achieved.

⁸ Six performance measures in *Investing In Our People* did not have targets for 2007/08.

The significant services that follow in this section show the results for each performance measure in detail.

Significant Acquisitions or Replacement of Assets

This section describes any significant acquisitions or replacements of assets, the reasons for the acquisitions or replacements, and the reasons for any significant variation from that shown in year 3 (2008/09) of the 2006-16 Long Term Council Community Plan (LTCCP), for capital projects exceeding \$1 million.

Project/Programme	Actual 2009 (\$000)	LTCCP Approved Year 3 (\$000)	Description
Housing Services			
Housing Upgrade Programme		2,155	A programme to refurbish Pensioner Housing stock. The programme was withdrawn as Council failed to secure funding from Housing New Zealand.
Parks and Gardens			
Land Purchased for Reserves	478	1,425	This land is purchased to provide reserves for active recreation, neighbourhood parks, and other purpose reserves in order to meet the structure plan objective contained in the District Plan. Unspent budget will be carried forward to 2009/10 financial year.
Lake Domain Tearooms	2,390		Replacement of the ice cream bar, tea rooms and reception facilities comprising the Lakeside Tearooms and Reception Centre. The project was due for completion last year but had been delayed. The budget was carried forward from an earlier year.
Swimming Facilities			
North East Sector New Pool	26	1,064	The development of a new pool in the North East sector is an increasingly high priority due to the capacity pressure placed on current facilities, and the rate of city growth. Increasing pressure on pool space at Waterworld is leading to public dissatisfaction and overcrowding. The project has been delayed as growth demand slows. Unspent budget will be carried forward to future years.

Cost of Service for the Year ended 30 June 2009

	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Operating expenditure			
Community development	4,604	3,673	4,167
Community facilities	5,641	5,862	5,435
Emergency management	760	781	882
Partnership with Maaori	265	265	265
Representation and civic affairs	7,132	6,456	6,333
Environmental health	1,984	1,838	1,757
Parks and gardens	12,079	13,057	11,435
Sports areas	3,759	3,105	3,334
Swimming facilities	6,520	6,356	6,269
Total operating expenditure	42,744	41,393	39,877
Less operating revenue			
Community development	323	504	297
Community facilities	2,830	2,959	2,660
Emergency management	336	331	331
Partnership with Maaori	-	-	-
Representation and civic affairs	28	24	224
Environmental health	645	624	622
Parks and gardens	864	899	888
Sports areas	194	134	180
Swimming facilities	2,381	2,124	2,391
Total operating revenue	7,601	7,599	7,593
Net cost of service	35,143	33,794	32,284
Total operating expenditure funded by:			
Operating revenue	7,601	7,599	7,593
Loans (rates)	-	-	-
Other reserves	34	32	238
Rates	35,109	33,762	32,046
Total operating expenditure	42,744	41,393	39,877
Capital expenditure			
Community development	51	-	27
Community facilities	840	312	379
Parks and gardens	4,916	2,354	13,886
Sports areas	499	186	776
Swimming facilities	523	1,332	3,166
Total capital expenditure	6,830	4,184	18,234
Total capital expenditure funded by:			
Loans (development contributions)	1,700	1,762	10,213
Loans (rates)	2,461	511	3,165
Loans (finance lease)	82	-	-
Loans (EECA)	20	-	41
Other reserves	198	237	1,734
Subsidies	-	-	117
Other revenue	359	64	120
Depreciation (rates)	2,003	1,610	2,843
Total capital expenditure	6,830	4,184	18,234

Community Development (NGAA HAAPORI WHAKATUPU)

(Page 84 of Council's 2006-16 LTCCP)

Community Development contributes towards building strong, inclusive and supportive communities within Hamilton to meet identified community needs through the provision of a diverse range of programmes and services. Staff work collaboratively within the community and with other support service agencies to provide employment programmes, implement social strategy and policy, and develop and support community capacity building.

Key Performance Measures and Targets: 2008/09 Results

Performance Measure	Target 2008/09	Results Achieved in 2008/09	Comparison — Results Achieved in 2007/08
1. Administer the following funding, for projects and programmes that contribute to the well-being of people in Hamilton: <ul style="list-style-type: none"> • Recurring Community Grants • The Community Assistance Fund. 	✓	100% of target achieved 25 recurring grants were distributed. The Community Well-being Fund was allocated to 130 groups at an average of \$1,607 per group (\$209,000 in total).	100% of target achieved 25 recurring grants were distributed. The Community Assistance Fund was allocated to 130 community groups at an average of \$1,604 per group (\$209,000 in total).
2. Maintain partnerships with key organisations to provide sustainable funding for employment programmes.	✓	100% of target achieved Partnership maintained with the Ministry of Social Development to fund two employment programmes.	100% of target achieved Partnership developed with the Ministry of Social Development to fund two employment programmes.
3. Achieve effective monitoring and evaluation of Community Development services, projects and activities.	✓	100% of target achieved All social well-being projects are monitored through project plans and project groups, and all measured using the Social Well-being Strategy scorecard indicators and agency interviews. Evaluations completed for <i>Recognyz Youth Awards 08</i> , <i>Treats in the Park 08</i> , <i>Childrens Day 09</i> and funding processes for 2008/09.	100% of target achieved The monitoring process for operational funding provided to Community Houses was continued. An agreement with the University of Waikato was developed to evaluate key projects under the Social Well-being Strategy.

Performance Measure	Target 2008/09	Results Achieved in 2008/09	Comparison — Results Achieved in 2007/08
<p>4. Achieve all projects in the action plans for the:</p> <ul style="list-style-type: none"> • Older Person's Policy • Youth Policy • Child and Family Policy • Disability Strategy. 	✓	<p>Not achieved</p> <p>The implementation of the Social Well-being Strategy has seen these policies superseded with social well-being projects. The exception to this is the Disability Strategy Action Plan, which is currently being monitored and updated to reflect 2009/10 LTCCP resolutions.</p>	<p>50% - 80% of target achieved</p> <p>Staff are working in collaboration with external stakeholders on the delivery of key objectives and action plans.</p> <p>The implementation of the Social Well-being Strategy has proposed key projects for these sectors. The Strategy continues to overarch the policies and social development.</p>
<p>5. Complete ongoing/regular consultation to identify community needs and inform decision-making with:</p> <ul style="list-style-type: none"> • Older persons • Youth • Ethnic groups. 	✓	<p>100% of target achieved</p> <p>Older Persons - The Service Level Agreement with Age Concern and Frankton Dinsdale Rauawaawa Trust provides ongoing feedback. The Council of Elders continue to function as an advisory and advocacy group and is currently reviewing their constitution. AGM's are held in December and meetings are held every month.</p> <p>Youth - There is a strong link and ongoing consultation with the Youth Council. Additional research that explores the needs of young people in Hamilton is being conducted, including the perspectives of youth. The Youth Council meet ten times over the year (excluding Dec and Jan)</p> <p>Ethnic Groups - The annual Ethnic Communities Listening Forum was held with 50 participants attending. A Quarterly Hamilton Ethnic Forum is also held at the Waikato Migrant Resource Centre.</p>	<p>100% of target achieved</p> <p>Older Persons - The Service Level Agreement with Age Concern and Frankton Dinsdale Rauawaawa Trust provides ongoing feedback.</p> <p>Youth - There is a strong link and ongoing consultation with the Youth Council who are representatives for the voices of young people in Hamilton. Additional Research that explores the needs of young people in Hamilton is being conducted. This has included the perspectives of youth.</p> <p>Ethnic Groups — The annual Ethnic Communities Listening Forum was held with 80 participants. A Quarterly Hamilton Ethnic Forum is also held at Waikato Migrant Resource Centre.</p>

Performance Measure	Target 2008/09	Results Achieved in 2008/09	Comparison — Results Achieved in 2007/08
6. Review and update the Community Profiles of the five neighbourhood areas in Hamilton.	✓	Not achieved Community profiles have been discontinued. In conjunction with Families and Community Services the development of the Social Well-being Strategy included a scorecard of Social Well-being across the city. This enables a standardised approach to measure social well-being across the city.	Not achieved Community profiles have been discontinued. In conjunction with Families and Community Services the development of the Social Well-being Strategy included a scorecard of Social Well-being across the city. This enables a standardised approach to measure social well-being across the city.
7. Council receives and considers six-monthly reports, detailing operational costs and performance outcomes, from community houses/centres that receive Council funding.	✓	100% of target achieved Six-monthly reports were received from all community houses and funding was accounted for.	100% of target achieved Six-monthly reports received from all community houses who receive Council funding.

Note: The Community Development significant service is shown in Council's 2006-16 Long-Term Plan as Community Support. The name of this significant service was changed to better reflect the key services delivered by the Community Development Unit. The name change was recorded as a variation in Council's 2007/08 Annual Plan.

Identified Effects on Community Well-being

Well-being Key



Social



Environmental















Economic








Cultural

Positive Effects

Examples of Projects/Key Initiatives in 2008/09	Positive Effect
The 0800 TAGBUSTERS graffiti hotline has had a successful introduction in its first year, with 1,383 callers reporting 3,906 jobs in the year ending 30 June 2009.	Raised awareness within the community that Council provides a graffiti removal service. 
The annual Ethnic Communities Listening Forum was held in June 2009. In addition, quarterly Hamilton Ethnic Forums were held at the Waikato Migrant Resource Centre.	Creates greater ethnic cohesion and acceptance in the community. Eighty participants attended the annual listening forum, and 80 people attended the quarterly forums. 

Examples of Projects/Key Initiatives in 2008/09	Positive Effect
<p>Council's Employment Development Team ran a Youth Placement Programme through 'Forward Focus' (a local youth services provider), from February to December 2008. 'Forward Focus' worked with 15 young people aged 15 - 22, placing 14 participants (93 %) in either fulltime employment or further education.</p>	<p>Programme participants achieved better life outcomes through a structured life-skills programme followed by ongoing support into employment or further education.</p> <p>  </p>
<p>Community FIRST (Flexible Integrated Rehabilitation Support Team)⁹ - Co-ordinated Support for Families is a Social Well-being Strategy flagship project involving co-location with other government/non-government agencies in areas of high need.</p>	<p>Co-locations with the Police have occurred at Richmond Park School, Crawshaw School, Fairfield Hall and Enderley. The relationship with the School, the Police and Council has improved. New programs are being delivered to local residents and youth. Public feedback to date has been positive and agencies are working well together.</p> <p> </p>
<p>Beautifying Bader Day - community clean-up day co-ordinated by Council's Community Advisors in conjunction with the local Community House and Community Constables. Included a recycling component that collected inorganic and metal materials for recycling.</p>	<p>The provision of big skip bins was well received by the community - all were maximised with rubbish and recycling material. Increased the community's sense of pride in their street and living environment. It enabled those who could either not afford to or wouldn't normally dispose of inorganic rubbish to do a good clean-up. Also encouraged participation of residents in streets.</p> <p>  </p>
<p>Campaign for Action on Family Violence - Social Well-being Strategy flagship project. Local marketing and billboard campaign run in conjunction with MSD, CYF, Police in Nov/Dec 2008. Built on the national 'It's Not OK' family violence campaign utilising local known faces and youth to support the anti-violence message.</p>	<p>Raised public awareness to the anti family violence message, making it local within Hamilton. Billboards were displayed around prominent areas over the Christmas period. Feedback that more calls were received by anti-violence groups and services offering counselling and relating services. Has led to a Phase 2 project to increase anti elder abuse and child abuse messages.</p> <p> </p>

⁹ A Hamilton based operation established in 2002 by Presbyterian Support Northern, Waikato District Health Board and the Ministry of Health.

Examples of Projects/Key Initiatives in 2008/09	Positive Effect
<p>Helping Hands Working Bee (March 2009). Council's Community Development Unit joined forces for the second time with the New Zealand Police and members of the Mormon Helping Hands Team to address crime and truancy hotspots and build on environmental projects in the city. This year's Working Bee also brought on board Ontrack in an effort to combat vandalism and graffiti along the city's rail corridors.</p>	<p>Provided an opportunity for the Police, Council and the community to work together to combat vandalism and generate positive neighbourhood activities including (graffiti removal along the length of the Hamilton rail corridor).</p> <p>Other activities on the day included the removal of undergrowth and track clearance at Donny Park as a crime and truancy prevention measure. Native plantings at four key ecological sites including Waiwhakareke, Newstead School, Pukete Farm Park, and Beetham Park.</p> <div style="display: flex; justify-content: space-around; align-items: center;">    </div>
<p>Recognyz Youth Awards (October 2008). The Hamilton Youth Council and Community Development staff held the third Recognyz Youth Awards event for Hamilton. Well attended by 350 people at the Academy of Performing Arts, a number of youth and youth groups were celebrated and awarded for their achievements from community involvement to innovative ideas, music, culture, arts and overcoming adversity.</p>	<p>Young people were celebrated for their contribution to their communities and supported to feel valued as young people in Hamilton. The event is now an annual event on Hamilton's calendar and reflects that the city values its youth, encourages the development of talent and the building of community spirit.</p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>

Existing and Potential Significant Negative Effects

Council has determined that there are no significant negative effects on community well-being as a result of providing the Community Development significant service.

Community Facilities (NGAA WHARE-AA-IWI)

(Page 87 of Council's 2006-16 Long-Term Plan)

Council aims to provide and maintain affordable facilities for the residents of Hamilton that meet the needs of a wide range of people and groups. Community Facilities encompasses the cemeteries and crematorium, housing for older people, community centres, public toilets and community halls and leased buildings for community groups.

Key Performance Measures and Targets: 2008/09 Results

Performance Measure	Target 2008/09	Results Achieved in 2008/09	Comparison — Results Achieved in 2007/08
1. Achieve the following CSI score for the cemeteries and crematorium as measured by Council's customer satisfaction survey programme: <ul style="list-style-type: none"> Stakeholder groups Next of kin. 	92 CSI	>80% of target achieved <ul style="list-style-type: none"> 87 CSI (stakeholders) 91.5 CSI (next of kin). 	>80% of target achieved <ul style="list-style-type: none"> 88.9 CSI (stakeholders) 89.6 CSI (next of kin).
2. Stocks of cemetery plots on hand cater for a minimum of 5 years usage based on current consumption.	✓	100% of target achieved New ash and burial interment area completed. Stock on hand now caters for a minimum of 5 years.	50% - 80% of target achieved For some interment services, stock is now less than five years supply. Plans are underway to achieve 100% forward capacity by June 2009.
3. Achieve the following CSI score for housing tenants, as measured every two years by Council's customer satisfaction survey programme.	No target for 2008/09	Not applicable, as the survey was not scheduled for 2008/09.	>80% of target achieved 88.1 CSI (target for 2007/08 was 95 CSI) (The survey focus changed to consider maintenance rather than staff as has previously been the case).
4. The booking system for the hireage of all halls and leased buildings is clear and efficient.	✓	100% of target achieved No concerns with the booking system were identified by customers or staff.	100% of target achieved. No concerns with the booking system were identified by customers or staff.
5. All requirements for halls and leased buildings (license requirements, warrant of fitness, fire protocols) are met.	✓	100% of target achieved	100% of target achieved
6. Achieve the following CSI score for public toilets, as measured by Council's Annual Residents Survey.	73 CSI	>80% of target achieved 68.5 CSI	>80% of target achieved 66.8 CSI

Identified Effects on Community Well-being

Well-being Key



Social



Environmental



Economic



Cultural

Positive Effects

Examples of Projects/Key Initiatives in 2008/09	Positive Effect
Ongoing provision of community facilities such as cemeteries and crematorium, public halls and public toilets.	The community are able to access facilities for use as and when required.

Existing and Potential Significant Negative Effects

Significant Negative Effect	How Council Mitigates the Effect	Did the Effect Occur in 2008/09?
Leachate to groundwater from burial grounds. 	Development of new burial lawns is undertaken only after assessments of groundwater tables and proximity of waterways are carried out. The latest assessment suggests this risk is low.	Groundwater testing conducted 10 July 2009 revealed acceptable levels of mercury.
Discharge to air from cremator unit. 	Planned maintenance regimes as per manufacturers guidelines are undertaken as are testing of soils and water as required by resource consent. The latest assessment suggests this risk is low.	Maintenance programme on major cremator completed in 2008/09.
No cremation service available through a major cremator breakdown. 	Approval was sought for a second cremator unit as part of Council's 2006-16 Long-Term Plan.	No cremator breakdowns have occurred. Second cremator installed and functional since October 2008.
The use of halls and leased buildings may be a nuisance for adjoining residents. 	The allocation of halls and leased buildings to community groups (including hours of use) is managed to ensure there is no nuisance created for adjoining land owners.	No complaints received by Council.
The location of a public toilet on a park may create security and privacy issues for nearby residents and the wider community. 	Public toilets are located, designed and constructed in a manner that has regard to public safety.	No complaints received by Council.

Emergency Management (ROOPIU WHAKAHAERE OHORERE)

(Page 91 of Council's 2006-16 Long-Term Plan)

Emergency Management focuses on developing and maintaining an appropriate level of planning and support to ensure that the Waikato Valley Emergency Operating Area (WVEOA) can respond to and recover from any disaster event. Council works with many sectors of the community to develop and implement public awareness programmes, training and welfare systems that underpin and support the community's response to disasters.

Key Performance Measures and Targets: 2008/09 Results

Performance Measure	Target 2008/09	Results Achieved in 2008/09	Comparison — Results Achieved in 2007/08
1. Achieve the following CSI scores from key stakeholders, as measured by Council's customer satisfaction survey programme.	78 CSI	Not achieved The customer satisfaction survey was not carried out as the Regional Role was being transferred to Environment Waikato during this period.	>80% of target achieved 77 CSI (up 8.5 CSI points from the last survey in 2005/06).
2. Assist with the review and ongoing development of the Civil Defence Emergency Management (CDEM) Group Plan (every five years).	No target for 2008/09 ¹⁰	Not applicable.	Not applicable.
3. Annually review the Waikato Valley Emergency Operating Area (WVEOA) Service Level Agreement.	✓	100% of target achieved The WVEOA Service Level Agreement was reviewed by staff prior to the 20 March 2009 meeting and did not require changing.	100% of target achieved The WVEOA Service Level Agreement was last reviewed in October 2006. The new agreement is in place for five years and will be reviewed annually as required.
4. Develop in 2006/07 and then review annually, a service level agreement for the regional support and coordination role.	✓	100% of target achieved With the decision in December 2008 to move the Regional Support and Coordination role to Environment Waikato on 1 July 2009 all work flows changed to accommodate this. All targets to December 2008 were achieved 100%.	100% of target achieved Where additional background work was requested, three targets in the service level agreement were extended, to be reviewed in 2008/09. All other targets were met and reported to the Coordinating Executive Group of the Waikato CDEM Group in July 2008.

¹⁰ The next five-yearly review of the CDEM Group Plan is scheduled for 2009/10.

Performance Measure	Target 2008/09	Results Achieved in 2008/09	Comparison — Results Achieved in 2007/08
5. Volunteer training programme and mock exercise undertaken annually to continually assess preparedness for a disaster event.	✓	100% of target achieved Training and mock exercises were completed. Mock exercises were completed in October 2008 and March 2009.	100% of target achieved Training and mock exercises were completed. Mock exercises were completed in March and June 2008.
6. Develop a contingency plan for the city in 2006/07 to prepare for the possibility of a pandemic and review every three years.	No target for 2008/09 ¹¹	Not applicable.	Not applicable.

Identified Effects on Community Well-being

Well-being Key



Social



Environmental







Economic



Cultural

Positive Effects

Examples of Projects/Key Initiatives in 2008/09	Positive Effect
Discussions with Red Cross have developed into working together to create opportunities for integrated Welfare Response Teams to man Welfare Centres in an emergency.	This has brought a new level of working cooperation between the organisations that had previously been confined to Welfare Registration.  
Collaboration of the rolls of Emergency Manager and Local Controller.	The appointment of the Emergency and Community Safety Manager as the Hamilton City Council Local Controller has allowed a seamless integration of Monitoring and Responding for a Civil Defence Emergency.  

Existing and Potential Significant Negative Effects

Council has determined that there are no significant negative effects on community well-being as a result of providing the Emergency Management significant service.

¹¹ The next three-yearly contingency plan is scheduled for 2009/10.

Partnership with Maaori (HONONGA KI TE IWĪ MAAORI)

(Page 94 of Council's 2006-16 Long-Term Plan)

Council is committed to the principles of the Treaty of Waitangi and its partnership relationship with Maaori. Council also recognises the importance of Kiingitanga in the Waikato, and values the distinct contribution and complementary roles of both mana whenua¹² and maataa waka¹³ within the city.

Key Performance Measures and Targets: 2008/09 Results

Performance Measure	Target 2008/09	Results Achieved in 2008/09	Comparison — Results Achieved in 2007/08
1. Achieve all performance targets set in annual service level agreements between TeROK, NaMTOK, and Hamilton City Council.	✓	<p>100% of target achieved Council only requested 59 out of the 93 services available under these contracts. All requested services were fully delivered.</p> <p>NaMTOK - 30 services requested and provided out of 55 available.</p> <p>TeROK - 29 services requested and provided out of 38 available.</p>	<p>>80% of target achieved Of the 58 performance targets in the NaMTOK service level agreement, 24 were 100% achieved, six showed achievement of between 50-80%, three showed achievement of between 5-50% and Council did not require 25 of the services this year.</p> <p>Of the 22 performance targets in the TeROK service level agreement, 18 were 100% achieved, one was partially achieved and Council did not require three of the services this year.</p>
2. Te Ruunanga o Kirikiriroa Trust (Inc) Joint Subcommittee meetings held on a regular basis and reported to Council.	✓	<p>Not achieved The Joint Subcommittee did not meet in 2008/09.</p>	<p>Not achieved The Joint Subcommittee did not meet in 2007/08. A comprehensive review of Council's relationships with Maaori organisations (including governance relationships) was undertaken in 2007/08 and 2008/09.</p>
3. NaMTOK advice incorporated into notified resource consent applications.	✓	<p>100% of target achieved Advice included in nine Resource Consent applications.</p>	<p>100% of target achieved</p>

¹² Mana whenua: Maaori who are tied to the area/land by whakapapa (genealogy) whose ancestors have lived and died there. As a result they are kaitiaki (guardians) of that area of land.

¹³ Maataa waka: Maaori of different tribal affiliations who are living within the area/land of the mana whenua group, i.e. Maaori living outside their own tribal boundaries. Te Ruunanga o Kirikiriroa also represents Pacific Island people in Kirikiriroa/Hamilton under a broad application of this concept.

Performance Measure	Target 2008/09	Results Achieved in 2008/09	Comparison — Results Achieved in 2007/08
4. Undertake annually the following number of bicultural workshops for Council staff.	2 workshops	Not achieved No specific bicultural workshops were conducted during 2008/09. However, new staff were provided with basic protocol guidance at their orientation days and a waiata training series was provided for senior management.	Not achieved No bicultural workshops were conducted. A Kapa Haka group was established and met fortnightly from February to June 2008.
5. TeROK prepare and undertake a Treaty training programme for the elected members and senior management staff following each triennial election.	No target for 2008/09	Not applicable as the latest Council triennial election was held in October 2007. The next election will take place in October 2010.	100% of target achieved TeROK provided cultural support and advice to all elected members before the October 2007 election. TeROK were also available on request to provide support and protocol advice to all elected members after the election.

Identified Effects on Community Well-being

Well-being Key



Social



Environmental











Economic



Cultural

Positive Effects

Examples of Projects/Key Initiatives in 2008/09	Positive Effect
Council's ongoing service contract with Te Ruunanga o Kirikiriroa includes specific grant funding provision of \$80,000 for a Maaori and Pacific Project Fund.	This funding has enabled a number of Maaori organisations to build Maaori community capacity in various key areas such as Maaori health welfare, youth services and to promote cultural awareness (e.g. Waitangi Day celebrations). Thirty two Maaori organisations accessed grants from the Maaori and Pacific Project Fund in 2008/09.
	   

Examples of Projects/Key Initiatives in 2008/09	Positive Effect
<p>Council's ongoing service contract with Nga Mana Toopu o Kirikiriroa (NaMTOK) ensures that matters of significance to Maaori are considered where appropriate e.g. notified resource consent applications.</p>	<p>Maaori heritage and cultural values are considered as part of various Council and private development projects. For example, various matters of significance to Maaori were considered as part of the conditions for the nine notified resource consent applications that NaMTOK assessed in 2008/09.</p> <div style="display: flex; justify-content: space-around; align-items: center;">     </div>

Existing and Potential Significant Negative Effects

Council has determined that there are no significant negative effects on community well-being as a result of providing the Partnership with Maaori significant service.

Representation and Civic Affairs (MANATUU MAANGAI WHAKATINANA)

(Page 97 of Council's 2006-19 Long-Term Plan)

Representation and Civic Affairs enables democratic local decision-making in order to promote the current and future social, cultural, economic and environmental well-being of Hamilton and its residents. The Mayor and twelve City Councillors make decisions on policy contained in the city's umbrella documents, e.g. the Long-Term Council Community Plan, Annual Plan and District Plan. Elected members are also responsible for monitoring Council's performance and representing the interests of Hamilton.

Key Performance Measures and Targets: 2008/09 Results

Performance Measure	Target 2008/09	Results Achieved in 2008/09	Comparison — Results Achieved in 2007/08
1. Council, committee and subcommittee meetings are held in accordance with the provisions of the Local Government Official Information and Meetings Act 1987.	✓	100% of target achieved	100% of target achieved
2. Achieve the following CSI scores, as measured by Council's Annual Residents Survey: <ul style="list-style-type: none"> • Opportunities Council provides for community involvement in decision-making • Residents' contact with elected members. 	<ul style="list-style-type: none"> • 60 CSI • 76 CSI 	>80% of target achieved <ul style="list-style-type: none"> • 60.5 CSI • 70.6 CSI 	>80% of target achieved <ul style="list-style-type: none"> • 65.4 CSI • 72.8 CSI
3. Council meets legislative requirements and receives an unqualified audit report from Audit New Zealand for the Long-Term Plan, Annual Plan and Annual Report.	✓	100% of target achieved Annual Report for 2007/08 and 2009-19 LTCCP (proposed and final) completed with unqualified audit reports.	100% of target achieved
4. No complaints received under the Local Government Official Information Meetings Act 1987 are upheld.	✓	100% of target achieved No complaints received or upheld.	100% of target achieved
5. Council submissions prepared in response to key issues/proposals that could significantly impact on Council's operations and/or the city's development.	✓	100% of target achieved 24 submissions were made to various external organisations.	100% of target achieved 34 submissions were made to external organisations.

Performance Measure	Target 2008/09	Results Achieved in 2008/09	Comparison — Results Achieved in 2007/08
<p>6. Triennial election results are confirmed as follows:</p> <ul style="list-style-type: none"> • Preliminary results are declared on polling night • Final results (including special votes) are confirmed one week later. 	No target for 2008/09	Not applicable as the latest Council triennial election was held in October 2007. The next election will take place in October 2010.	100% of target achieved Preliminary results were declared on polling night (13 October 2007), with final results (including special votes) confirmed one week later (20 October 2007).

Identified Effects on Community Well-being

Well-being Key



Social



Environmental














Economic




Cultural

Positive Effects

Examples of Projects/Key Initiatives in 2008/09	Positive Effect
Council made 24 submissions to a range of external organisations on various documents (including draft LTCCPs, discussion papers and government Bills).	<p>A number of documents that have the potential to impact on Hamilton's development and/or Council's operations were altered (to the city's and/or Council's advantage) as a result of Council submissions. Key submissions made in 2008/09 included submissions to the Waikato-Tainui Raupatu Claims (Waikato River) Settlement Bill and the Resource Management (Simplifying and Streamlining) Amendment Bill.</p> <p>   </p>
An Expo style information day was held in April 2009 for Council's Proposed 2009-19 LTCCP.	<p>This initiative (now in its third year) promotes greater awareness and community involvement in the LTCCP and Annual Plan process. Attendance increased between 2006/07 (350 people) and 2007/08 (408 people) but then declined in 2008/09 (218 people).</p> <p>  </p>
Building on an extensive Enquiry by Design process undertaken on city growth Council developed and consulted on the Hamilton Urban Growth Strategy over October and November 2008. The final strategy adopted in December 2008 was a key input into development of Council's 2009-19 LTCCP.	<p>The thorough consultation process included a series of public meetings and widespread distribution of the draft strategy enabled members of the public/affected parties to be fully informed of the impacts of the strategy and engaged in the decision-making process.</p> <p>   </p>

Existing and Potential Significant Negative Effects

Significant Negative Effect	How Council Mitigates the Effect	Did the Effect Occur in 2008/09?
<p>Decisions made through the democratic process have the potential to impact negatively across all four well-beings.</p> 	<p>In addition to using formal and informal consultation, Council relies on a range of information and inputs to inform decision-making. The Local Government Act 2002 guides Council on how to conduct consultation in an open and transparent manner. Council's Consultation Policy also outlines processes that ensure that consultation with the community is meaningful, transparent, fair and honest. In decisions that do not require consultation, Council uses a range of information sources, e.g. previous Council decisions, resident feedback from Council's Quarterly Residents Survey and institutional knowledge of elected members and Council staff. Council seeks to make sound, balanced decisions that maximise the community's well-being and minimise negative effects.</p>	<p>No decisions made by Council impacted negatively on community well-beings, as demonstrated through the following examples:</p> <ul style="list-style-type: none"> • No complaints received under the Local Government Official Information Meetings Act 1987 were upheld. • The CSI score for overall satisfaction with elected members of Council was 70.6 for 2008/09. • The CSI score for the overall performance of Council was 74.9 for 2008/09.

Environmental Health (TE WHAIAO HAUORA)

(Page 100 of Council's 2006-16 Long-Term Plan)

Environmental Health provides protection and promotion of public health by undertaking the monitoring, inspection, registration and enforcement of standards in relation to food businesses, premises licensed for the sale of liquor, hairdressers and other regulated businesses (under the Health Act 1956) and the monitoring of recreational water quality (including swimming pools).

Under the Central City Safety function, Council engages with crime prevention partners to develop and implement initiatives that effect a reduction in crime and improve people's safety in the central city.

Key Performance Measures and Targets: 2008/09 Results

Performance Measure	Target 2008/09	Results Achieved in 2008/09	Comparison — Results Achieved in 2007/08
1. Achieve the following CSI scores, as measured every two years by Council's customer satisfaction survey programme: <ul style="list-style-type: none"> • Food Safety • Liquor Licensing • Noise Control. 	No target for 2008/09	Not applicable, as the surveys were not scheduled for 2008/09.	100% of target achieved <ul style="list-style-type: none"> • Food - 78 CSI. • Liquor - survey results not yet available. • Noise - not applicable, no survey undertaken in 2007/08.
2. Achieve the following CSI scores, as measured by Council's Annual Residents Survey: <ul style="list-style-type: none"> • Residents' perception of safety in central city area at night • Night patrol in the central city. 	<ul style="list-style-type: none"> • 68 CSI • 77 CSI 	>80% of target achieved <ul style="list-style-type: none"> • 61.4 CSI • 77.5 CSI 	>80% of target achieved <ul style="list-style-type: none"> • 56.7 CSI • 75.5 CSI
3. Complete 1,500 inspections of food premises per year in accordance with regulations under the Health Act 1956 and monthly inspection schedules.	✓	50% - 80% of target achieved 809 inspections completed. Shortfall due to vacant positions and increasing focus on implementing the new Food Control Plans in food businesses.	50% - 80% of target achieved 1,139 inspections were completed. Shortfall due to staff training and participation in trials for the new regulatory framework.
4. Complete 200 inspections of licensed premises per year in accordance with regulations under the Sale of Liquor Act 1989 and monthly inspection schedules.	✓	100% of target achieved 335 inspections were completed.	100% of target achieved 341 inspections were completed.

Performance Measure	Target 2008/09	Results Achieved in 2008/09	Comparison — Results Achieved in 2007/08
5. Investigate 100% of the complaints received regarding excessive noise within 30 minutes.	✓	>80% of target achieved 95% of complaints were investigated within 30 minutes. The remaining 5% occurred when noise complaints temporarily exceeded resources to investigate.	>80% of target achieved 95% of complaints were investigated within 30 minutes. The remaining 5% occurred when noise complaints temporarily exceeded resources to investigate.
6. City Night Patrol Team to achieve one business contact per hour per team and 10 public contacts per hour per team.	✓	100% of target achieved 2.59 business contacts per hour (total of 10,296 business contacts). 14.5 public contacts per hour (total of 47,268 public contacts).	100% of target achieved 2.56 business contacts per hour (total of 8,223 business contacts). 14.58 public contacts per hour (total of 47,271 public contacts).

Identified Effects on Community Well-being

Well-being Key



Social



Environmental





Economic













Cultural

Positive Effects

Examples of Projects/Key Initiatives in 2008/09	Positive Effect
Ongoing operation of the CitySafe programme in partnership with the Police, community and business groups. Initiatives include enforcement of the alcohol bylaw and Alcohol Accord, and the Central City Night Patrol Team.	Central city safety has increased. Residents perception of Council's Night Patrol team has increased over the past three years (from a CSI of 74.9 in 2006/07, 75.5 in 2007/08, and 77.5 in 2008/09). Residents perception of safety in the central city at night has improved from a CSI of 56.7 in 2007/08 to a CSI of 61.4 in 2008/09.
Work continued to identify, remediate/manage contaminated sites.	Reduced risk to the environment and people's health through planning and building consent processes.
Ongoing monitoring and enforcement of noise control standards. Input into roading projects and community-based projects (through planning processes) in relation to mitigation of effects from road traffic noise.	Noise levels in the city from a range of activities are kept to an acceptable level. Residents' perception of noise being a problem in their neighbourhood has improved (from an index of 68.9 in 2006/07, 69.2 in 2007/08 and 70.2 in 2008/09).

Examples of Projects/Key Initiatives in 2008/09	Positive Effect
Promoting the uptake of Food Control Plans by food businesses in the food service and catering sector.	Operators of food businesses taking a more proactive approach in food safety and handling.
	 

Existing and Potential Significant Negative Effects

Significant Negative Effect	How Council Mitigates the Effect	Did the Effect Occur in 2008/09?
Potential for adverse outcomes to arise if compliance monitoring of regulated businesses is not completed to set standards.  	Use of standard operating procedures coupled with quality assurance practices such as auditing to ensure best practice. There is ongoing staff training in this area.	No recorded instances.
Potential civil disorder by noisemakers following the investigation of complaints in relation to excessive noise.  	Council provides for comprehensive staff training in the purpose and objectives of the noise control service and in relating these to the people responsible for making the noise. Customer confidentiality is maintained at all times.	No recorded instances.
Potential adverse reactions by noisemakers towards affected parties following the investigation of unreasonable noise. 	Process management — Council ensures that the people responsible for making the noise are fully aware of and understand the effects of the noise on the affected parties. Customer confidentiality is maintained at all times.	No recorded instances.
Potential financial and health impact on owners of contaminated land if remediation or active management is required.   	Advice is provided on requirements at an early stage of the process to minimise any adverse impacts.	No recorded instances.
Potential adverse publicity where significant action is required to abate nuisance or adverse effects.  	Council liaises with the relevant media to ensure clear lines of communication are maintained. Standard operating procedures are followed to ensure consistency.	No recorded instances.

Parks and Gardens

(WAAHI PAAKA ME NGAA MAARA)

(Page 104 of Council's 2006-16 Long-Term Plan)

Parks and Gardens provide open space for recreation (ranging from small neighbourhood parks to key city parks such as Hamilton Gardens and Hamilton Lake Domain). They enhance Hamilton's urban ecology through the development of a green network, city beautification areas, trees and fountains. Parks and Gardens also maintain plantings within open spaces, parks, streets and traffic islands.

Key Performance Measures and Targets: 2008/09 Results

Performance Measure	Target 2008/09	Results Achieved in 2008/09	Comparison — Results Achieved in 2007/08
1. Provide 8 hectares of open space per 1,000 residents.	✓	>80% of target achieved 7.9 hectares per 1,000 residents.	100% of target achieved
2. Provide one neighbourhood playground within 500m of every home.	✓	Not achieved <ul style="list-style-type: none"> • Programme in place toward meeting target in future. • New playgrounds were provided at Moonlight Drive Reserve and Brymer Glen Reserve. • The existing playground at Pygmalion Place Reserve was upgraded. 	100% of target achieved <ul style="list-style-type: none"> • New playgrounds were provided at Elliott Park and Pountney Park. • New equipment was installed at Chelmsford Park and Caernarvon Park. • The existing playgrounds at Tawa Park and Dominion Park were upgraded. • Fairfield Park had both new equipment installed and an upgrade to existing equipment.
3. Provide one walkway within 500m of every home.	✓	Not achieved <ul style="list-style-type: none"> • Programme in place toward meeting target in future. • New walkway linkages developed across Inwood Place Reserve, Cranmer Close Reserve, and Farrington Avenue Reserve. • Walkways started at Te Awa O Katapaki Esplanade and Fairfield Esplanade. 	100% of target achieved New walkway linkages developed across Dominion Park (640m long and 2.5m wide).

Performance Measure	Target 2008/09	Results Achieved in 2008/09	Comparison — Results Achieved in 2007/08
4. Achieve the following number of out-of-city visitors to Hamilton Gardens, as measured by annual visitor surveys and vehicle counts.	370,000 out-of-city visitors	Not achieved The visitor Survey undertaken in November 2008 measured customer satisfaction - not visitor numbers. Next survey to measure visitor numbers is planned for 2011/12. Although no formal measure in place, evidence suggests over the past year vehicle counts have remained constant and Information Centre visits have increased substantially suggesting that out of city visitor numbers are not declining.	100% target achieved The Visitor Survey undertaken in November 2005 showed that over 600,000 out-of-city visitors had been to Hamilton Gardens in 2005/06. Anecdotal evidence (e.g. Gardens staff have observed increased numbers of overseas bus tour groups) suggests that the 2007/08 target of 360,000 has been exceeded.
5. Achieve the following CSI Scores, as measured by Council's Annual Residents Survey: <ul style="list-style-type: none"> • Parks and Gardens • Hamilton Gardens • Hamilton Lake Domain • Neighbourhood Parks • Children's Playgrounds • City Beautification • Walkways. 	<ul style="list-style-type: none"> • 85 • 92 • 88 • 85 • 79 • 79 • 82 	>80% of target achieved <ul style="list-style-type: none"> • 79.0 CSI • 87.4 CSI • 79.1 CSI • 70.3 CSI • 62.2 CSI • 76.6 CSI • 78.6 CSI 	>80% of target achieved <ul style="list-style-type: none"> • 81.0 CSI • 88.3 CSI • 79.8 CSI • 72.2 CSI • 69.5 CSI • 78.1 CSI • 81.6 CSI

Identified Effects on Community Well-being

Well-being Key



Social



Environmental






Economic






Cultural



Positive Effects

Examples of Projects/Key Initiatives in 2008/09	Positive Effect
The new Hamilton Gardens Information Centre is now open 7 days a week, 363 days a year from 9am - 5pm (instead of 10am - 4pm, 5 days a week). Visits to the Information Centre have increased significantly (from 39,030 in 2007/08 to the old Information Centre to 135,287 in 2008/09 for the new Centre). There has been an even larger increase in general tourist enquiries and local tourist brochure turnover.	Provides a comprehensive information service to the Gardens visitors. 

Examples of Projects/Key Initiatives in 2008/09	Positive Effect
Redevelopment of Lake Domain Café and Function Centre - design phase completed and demolition of existing building commenced in June 2008. Facility was completed in June 2009.	The newly designed facility (which features sustainable design elements) will be more in keeping with the local environment. 
Ongoing operation of Council's Community Planting programme. This involves schools, service clubs, ethnic groups, church groups, community houses, family members, sports clubs, environmental and resident groups. Planting takes place on public land, including gullies, park boundaries, native bush restoration sites, undeveloped reserves, and river banks.	This initiative beautifies and improves the city's environment through the planting of native trees and shrubs. The planting revegetates the city to encourage native bird life, and increases biodiversity for current and future generations. Participants learn about native plants and ecology, and have the opportunity to have an enjoyable day out. Thousands of trees and shrubs have been planted by community groups in Hamilton. 

Existing and Potential Significant Negative Effects

Significant Negative Effect	How Council Mitigates the Effect	Did the Effect Occur in 2008/09?
Use of parks may create security, privacy and noise issues for park neighbours. 	Park layout, planting and fencing minimise any negative effects on nearby residents as a result of the park being used. Noise levels are required to comply with District Plan requirements and potential effects are taken into consideration during the design of new parks.	Three complaints were received regarding Porritt Stadium sound amplification.
Use of a park may create traffic problems in the vicinity of the park. 	Plans to manage traffic are developed for affected parks and potential effects are considered during the design of new parks.	Traffic problems were experienced at Grosvenor Park, Pukete Farm Park, Minogue Park and Elliott Park.
Chemical use on parks and gardens (e.g., spraying for weeds) may affect nearby residents and visitors. 	Signage is used to inform visitors of the chemical use regime, and precautions are taken to ensure chemical use is conducted in optimum weather conditions. Public notices are published in local newspapers to inform the public of spraying programmes.	100% compliance with the No Spray Notification Register.

Significant Negative Effect	How Council Mitigates the Effect	Did the Effect Occur in 2008/09?
<p>Chemical use may have negative effects on adjoining water bodies.</p> 	<p>Fertiliser and spray regimes are kept to the minimum necessary to maintain standards. Where possible, drainage systems bypass sensitive aquatic areas.</p>	<p>No recorded instances.</p>
<p>Street trees may have negative effects on residents and road users, e.g., overhanging branches or dropping leaves.</p> 	<p>Street trees are managed (e.g., trimmed) within City Beautification Guidelines, and Council operates a request for service system for residents to use. Council operates a regular leaf sweeping/collection programme for streets identified as high leaf drop areas. Council also operates a request for service system where leaf drop is excessive.</p>	<p>Council's street tree pruning programme continued throughout 2008/09 and responded to public requests for the city's street trees to be maintained.</p>

Sports Areas (WAAHI HAAKINAKINA)

(Page 108 of Council's 2006-16 Long-Term Plan)

Sports areas are developed and maintained to meet the community's active leisure needs. They fit into three broad levels — national level venues (e.g. Waikato Stadium), senior code headquarters parks (e.g. Minogue Park and Porritt Stadium) and community parks located around the city. Sports areas are complemented by participant and general public facilities such as grandstands, clubrooms, changing rooms and public toilets.

Key Performance Measures and Targets: 2008/09 Results

Performance Measure	Target 2008/09	Results Achieved in 2008/09	Comparison — Results Achieved in 2007/08
1. Provide a ratio of one playing field per 2,000 residents.	✓	100% of target achieved 1 playing field per 1,236 residents.	100% of target achieved
2. Achieve the following CSI score for sports areas, as measured by Council's Annual Residents Survey.	79 CSI	>80% of target achieved 70.7 CSI	>80% of target achieved 72.1 CSI
3. Achieve the following usage for sports areas, as measured by Council's Annual Residents Survey.	47%	50% - 80% of target achieved 33.3%	50% - 80% of target achieved 33.7%. Discussions with representatives from the sporting codes have indicated that participation rates in most codes are static or in decline.
4. The amount of time each sports field is unable to be used due to inclement weather totals no more than six times per season.	✓	100% of target achieved No field closures were recorded.	100% of target achieved Only one field closure was recorded.
5. Achieve the following CSI score for Porritt Stadium, as measured by Council's Annual Residents Survey.	69 CSI	100% of target achieved 75.3 CSI	100% of target achieved 73.6 CSI

Identified Effects on Community Well-being

Well-being Key



Social



Environmental







Economic








Cultural

Positive Effects

Examples of Projects/Key Initiatives in 2008/09	Positive Effect
Ongoing provision of sports areas for organised sports and active recreation.	Increased health and fitness levels of participants. Sports areas also contribute significantly to Hamilton's open space network.
	   

Existing and Potential Significant Negative Effects

Significant Negative Effect	How Council Mitigates the Effect	Did the Effect Occur in 2008/09?
Use of sports areas in the evening may create lighting issues for nearby residents. 	Council ensures that lighting provisions comply with the District Plan and that potential negative effects are taken into consideration during the design of new sports areas.	No recorded instances.
Use of sports areas may create noise issues for nearby residents. 	Noise levels are required to comply with the District Plan. Potential effects of noise are taken into consideration during the design of new sports areas.	3 complaints were received regarding Porritt Stadium sound amplification.
Use of sports areas may create security and privacy issues for nearby residents. 	Park layout, planting and fencing minimise any negative effects on nearby residents as a result of the park being used.	No complaints received.
Use of sports areas may create traffic problems for nearby residents. 	Traffic Management Plans are developed for existing affected parks and potential traffic issues are considered during the design of new sports areas.	Traffic problems were experienced at Grosvenor Park, Pukete Farm Park, Minogue Park and Elliott Park.
Chemical use in the management of sports areas may leach into nearby water bodies. 	Fertiliser and spray regimes are kept to the minimum necessary to maintain standards. Where possible, sports park drainage systems bypass sensitive aquatic areas.	No recorded instances.

Swimming Facilities (WAAHI KAUKAU)

(Page 112 of Council's 2006-16 Long-Term Plan)

Council provides swimming facilities for the community at Waterworld and at the Gallagher Aquatic Centre. In addition, the Municipal Pool (at the Southern end of Victoria Street) is operated under contract to the Hamilton Amateur Swimming Club, and partner pool grants are provided to the University of Waikato, Hillcrest Normal School, Te Rapa Primary School and Fairfield College.

Swimming facilities encourage an appreciation of water safety education through Swim Safe programmes, while also addressing intergenerational needs through health and fitness programmes. Swimming facilities cater to the water recreation needs of the general community, sporting groups, societies and schools.

Key Performance Measures and Targets: 2008/09 Results

Performance Measure	Target 2008/09	Results Achieved in 2008/09	Comparison — Results Achieved in 2007/08
1. Achieve a CSI score for usage of Waterworld and the Gallagher Aquatic Centre of 80, as measured by Council's customer satisfaction survey programme.	✓	100% of target achieved <ul style="list-style-type: none"> • Waterworld = 83.7 CSI • Gallagher Aquatic Centre = 87.0 CSI 	100% of target achieved 87.9 CSI
2. Achieve a usage measure for: <ul style="list-style-type: none"> • Waterworld of 50% • Gallagher Aquatic Centre of 20% as measured by Council's Annual Residents Survey.	✓	>80% of target achieved <ul style="list-style-type: none"> • Waterworld = 51.2% • Gallagher Aquatic Centre = 16.1% 	>80% of target achieved <ul style="list-style-type: none"> • Waterworld = 49.1% • Gallagher Aquatic Centre = 17.7%
3. Achieve 800,000 visits annually across all of the Council funded pools.	✓	50% - 80% of target achieved 629,207 visitors	>80% of target achieved 735,279 visits ¹⁴
4. Achieve no non-compliances at Waterworld and Gallagher Aquatic Centre, to PoolSafe Audits conducted by New Zealand Recreation Association.	✓	>80% of target achieved Gallagher Aquatic Centre had three non-compliance issues - Supervision Guidelines, Emergency Action Plan and Water Quality. These have all been rectified and PoolSafe accreditation maintained.	100% of target achieved No non-compliances were recorded.

¹⁴ The calculation of visitor numbers takes into consideration members of the public who swim at Waterworld, the Gallagher Aquatic Centre and the five partner pools that Council funds to open to the public over the summer. In the past, school pools have included student swimmers in their calculation of patronage numbers. From 2007/08 only members of the public who swim at the facility were recorded and this has resulted in a reduced figure. However, it gives a more accurate indication of public visitor numbers at Council funded pools. The targets have been reviewed as part of the 2009-19 LTCCP.

Identified Effects on Community Well-being

Well-being Key



Social



Environmental







Economic






Cultural

Positive Effects

Examples of Projects/Key Initiatives in 2008/09	Positive Effect
Installation of the Centaman System, which manages customer transactions and bookings.	<p>Enables Swimming Facilities to have one system that covers a wide range of services (point of sale, Learn to Swim, crèche and gym needs). Centaman has provided:</p> <ul style="list-style-type: none"> • Greater financial accountability • More accurate recording of patronage • A comprehensive reporting system • A user friendly booking system.
	 
Installation of CCTV at Gallagher Aquatic Centre and Waterworld.	<p>Has improved overall security and recording accountability for patrons and the Police.</p>
	 

Existing and Potential Significant Negative Effects

Significant Negative Effect	How Council Mitigates the Effect	Did the Effect Occur in 2008/09?
<p>The potential for a drowning to occur at either Waterworld or Gallagher Aquatic Centre.</p> 	<p>Council ensures that staff receive comprehensive training and that all life-guards are certified. The standard operating procedures for pool supervision are endorsed by Pool Safe Accreditation (New Zealand Recreation Association and Water Safety New Zealand accreditation). Health and safety protocols are in place. Staff are trained in first aid procedures.</p>	<p>No drownings occurred.</p>
<p>The potential for swimmers to have infectious diseases that may be passed on through contamination of the pool water.</p> 	<p>Council ensures that staff are trained and certified in the correct chemical dosing procedures for pools. Health and safety protocols are in place. Communication links are also maintained with the Department of Health.</p>	<p>No cases of infectious diseases occurred that were attributable to Waterworld or the Gallagher Aquatic Centre.</p>

Significant Negative Effect	How Council Mitigates the Effect	Did the Effect Occur in 2008/09?
<p>The use and storage of dangerous chemicals on site.</p> 	<p>Council ensures that staff are trained and certified in the correct dosing and handling procedures for chemicals. The standard operating procedures for chemical handling are endorsed by Pool Safe Accreditation (New Zealand Recreation Association and Water Safety New Zealand accreditation). Chemicals are stored in secure facilities and health and safety protocols are in place.</p>	<p>No issues arose.</p>