

2013/14 QUARTERLY REPORT: QUARTER ONE (1 JULY – 30 SEPTEMBER 2013)

1. Purpose of Report

This report outlines progress towards the delivery of the 2013/14 Annual Plan as at 30 September 2013.

2. Recommendations

That the Governance, Finance and Planning Committee:

- 1. Receive the information.*

3. Background

Quarterly reports keep councillors informed on performance progress against the annual plan, and also ensure the Annual Report does not contain any unexpected and significant variances from performance.

This report is being presented to the first meeting of this Committee following the election. In future, the report will be provided closer to the end of the quarter it relates to.

3.1 Quarterly Report format

Following Councillors' feedback earlier this year, the format has been refreshed to provide a more concise and targeted report of performance results. The updated structure and content is outlined in Table 1 below. Officers will continue to make incremental improvements to the design of the document to improve readability and enhance its utility. For example, for the next report, the Key Programmes will be structured to align with the new subject-based committees. Councillor feedback on the design is welcome.

Table 1: Quarterly Report Structure and Content

Current Format	Content
Appendix 1: Overview (page 1) <ul style="list-style-type: none">• How are we performing?	Provides a "traffic light" approach to describing the key indicators of organisational performance (financial and non-financial)

Current Format	Content
<ul style="list-style-type: none"> Financial Snapshot 	Outlines actual, budgeted and forecast income and expenditure for the quarter, and describes current performance against borrowing and treasury policies.
Appendix 1: Key Programmes (page 2&3)	Denotes key milestones from the quarter, and planned activities for future periods.
Appendix 2: Summary of Performance by Activity Grouping	Identifies the key highlights and significant variances (greater than 10%) to performance by Annual Plan activity group.

It should be noted that councillors will continue to receive all performance information, as previously provided, through the Quarterly Report with the exception of the City Vitals data. The Annual Report and Quarterly Economic Update will now contain those outcome and economic indicators.

Table 2: Comparison of Quarterly Report Content – Previous and Current Format

Previous Format	Current Format	Comment
City Vitals	--	The City Vitals section discussed the results of outcome indicators. This information is usually annual data, and is seldom available on a quarterly basis. Information on outcome indicators will now be reported through the Annual Report, and economic indicators will be provided through the Quarterly Economic Update.
City Progress	Key Programmes (page 2&3)	The Key Programmes section continues to outline progress against priority initiatives and programmes of work.
Key Variances	Significant Variances in Performance	Significant Variances (greater than 10%) are discussed in Summary of Performance by Activity Grouping
Consolidated Financial Overview	Overview - Financial Snapshot	The financial overview is now presented on the Quarterly Report: Overview – Financial Snapshot.
Schedule 1: Strategy Areas	Summary of Performance by Activity Grouping	Performance highlights and exceptions in each activity group area continues to be reported in Summary of Performance by Activity Grouping
Schedule 2: Expenditure by Strategy Area	Overview – Financial Snapshot & Summary of Performance by Activity Grouping	Expenditure by Strategy Area is shown in the Overview, as well as detailed in Summary of Performance by Activity Grouping at the activity component level

4. Discussion

2013/14 Quarterly Report: Quarter One results

The attached Quarterly Report (Appendix 1&2) outlines the Council's progress against planned, or budgeted performance for:

- Income
- Operational expenditure
- Capital expenditure
- Service Delivery (KPI performance)
- Compliance with Treasury Policy
- Key programmes

Overall, quarter one performance met expectations and is on track to meet year-end targets. Exceptions were largely due to delays in capital expenditure.

Significant variances are explained, by activity group, in Appendix 2 of the Quarterly Report. Officers have taken a graduated approach to considering variances. In quarter one, a variance is explained when it is greater than 10% of the targeted performance. In quarter two and quarter three, significance will be assessed as anything with more than a 5% variation. We are taking this approach because there is an expectation that as the year progresses, actual performance will be closer to target.

In line with the new governance structure, councillors are able to raise questions relating to specific, topical performance issues in the subject-based committees.

Water Conservation and Efficiency Plan Annual Report 2012-13

Appendix 3 provides a report to Council on water consumption trending and the progress of the Water Conservation and Efficiency Plan (WCEP) activities for 2012-13.

5. Conclusion

The attached Quarterly Report outlines performance for 1 July – 30 September 2013, which is largely on-track to meet year-end expectations. It adopts a new format, which seeks to provide councillors with a more concise and meaningful view of progress and performance. The Water Conservation and Efficiency Plan Annual Report is also attached for councillors' consideration.

Contact Officer: *Martin Rodgers; Manager, Research, Consultation and Planning*

SUPPORTING INFORMATION

1) Strategic fit / Strategic outcome

This report outlines progress against the planned projects, spending and service levels indicated in the Annual Plan.

2) LTP/Annual Plan reference and long term financial impact

This report outlines progress against the planned projects, spending and service levels indicated in the Annual Plan.

3) Treaty of Waitangi considerations

Not applicable

4) Decision-making

This is not a significant decision. The report provides a result and a process for delivery of the council's quarterly performance.

5) Consultation

a) General consultation

Not applicable

b) Consultation with Maori

Not applicable

6) Legal implications

Not applicable. This report outlines progress towards the Annual Plan and Annual Report, which are legislative requirements.

7) Consistency with existing policy

Not applicable