



Discussion paper

Local government:
Examples of better
practice in setting
local authorities'
performance
measures

Office of the Auditor-General
PO Box 3928, Wellington 6140

Telephone: (04) 917 1500
Facsimile: (04) 917 1549

Email: reports@oag.govt.nz
www.oag.govt.nz

Local government: Examples of better practice in setting local authorities' performance measures

This is a discussion paper produced
under section 21 of the Public Audit
Act 2001.

June 2010

ISBN 978-0-478-32655-0 (print)
ISBN 978-0-478-32656-7 (online)

Contents

Auditor-General’s overview	5
Part 1 – Introduction	7
Objective and background	7
Long-term council community plans	7
Review of the 2006-16 LTCCPs	8
Scope of our review	9
Review of the Local Government Act 2002	9
Part 2 – How we reviewed local authorities’ performance measures	11
Selecting the local authorities	11
Selecting the activities	12
Selecting the performance measures	12
Part 3 – Overall observations from our review	13
Community outcomes	13
Group of activities	14
Use of satisfaction surveys	15
Cost-effectiveness/value-for-money assessment	16
General observations on the performance measures	16
Source data and information systems	17
Part 4 – Roading services	19
What are the services that the roading group of activities generally provides?	19
What are the typical features of service levels and performance measurement?	19
Other services that the roading group of activities provides	22
Other potential areas for consideration	24
Part 5 – Water supply services	25
What are the services that the water supply group of activities generally provides?	25
What are the typical features of service levels and performance measurement?	25
Part 6 – Wastewater services	31
What are the services that the wastewater group of activities generally provides?	31
What are the typical features of service levels and performance measurement?	31
Part 7 – Building control services	35
What are the services that the building control group of activities generally provides?	35
What are the typical features of service levels and performance measurement?	36
Other potential areas for consideration	38
Part 8 – Library services	39
What are the services that the library group of activities generally provides?	39
What are the typical features of service levels and performance measurement?	39
Other potential areas for consideration	41
Figures	
1 – Local authorities featured in this discussion paper	11
2 – Community outcomes for the selected activities	13

Examples of better performance measures

1 – Better performance measures for faults, complaints, and repair requests	20
2 – Better performance measures for crashes, injuries, and fatalities	21
3 – Better performance measure for congestion	21
4 – Better performance measures for access to public transport	23
5 – Better performance measure for parking services	23
6 – Better performance measure for water quality responsiveness	26
7 – Better performance measures for the quality of water supplies	26
8 – Better performance measures for service responses, interruptions to supply, and water pressure	28
9 – Better performance measures for fire fighting services	29
10 – Better performance measures for wastewater service requests	32
11 – Better performance measures for resource consents	33
12 – Better performance measures for building consent processing	36
13 – Better performance measures for assessing inspection and compliance services	37
14 – Better performance measure for building enforcement	38
15 – Better performance measures for library membership	40
16 – Better performance measures for library items	41

Auditor-General's overview

This paper discusses the examples of better practice that we saw in performance measures within local authorities' 2009-19 long-term council community plans (LTCCPs). We have prepared this discussion paper to promote discussion about improvement rather than be a technical guide on performance measures for various activities.

Performance measures play an important part in accountability documents because they are the basis for assessing whether levels of service have been achieved.

I have a significant interest in improving public management and, within this, how performance information is used both internally and externally for assessing performance and used for making decisions. In my view, there is a clear link between improving service performance information and reporting, and improving effectiveness and efficiency in the public sector – both in actual performance and in demonstrating that performance through better accountability. Through the LTCCP and annual report audit processes, my auditors have been encouraging local authorities to improve how they report on the services they provide to their communities.

Although performance information has improved since the 2006-16 LTCCPs, its quality could be higher. As a consequence, in the 2012-22 LTCCP audits, we will continue to focus on forecast service performance information and the performance measures within this.

I consider that better performance information and reporting can help us understand and address the public sector's current and ongoing challenges. Providing relevant and understandable performance information will contribute towards building a relationship of trust and confidence between local authorities and their communities. Likewise, providing community members with meaningful information gives them a greater opportunity to understand and take an interest in their local authority and the city or district in which they live.

In preparing this discussion paper, we saw a wide range of performance measures and management approaches. This was expected, given the breadth of services that local authorities provide and the diversity of their communities and their needs. This paper discusses commonly used performance measures within common activities identified for selected local authorities.

There were other examples of well-developed performance measures but, on the whole, performance measures could be of a higher quality – more appropriate and more meaningful. I would also like to emphasise that it is the quality of the performance measures that matter, not the quantity.

Parliament is currently considering changes to the Local Government Act 2002. The proposals suggest streamlining the present system of non-financial performance reporting to focus more on major issues and changes to levels of service, and to start benchmarking common performance measures for certain important services. If adopted, the proposals will significantly affect the local government sector. I hope this paper will also stimulate discussion and debate about the nature and type of activities and information that may be usefully benchmarked, and what we may need to understand about the basis for, and results of, benchmarking.

I have high expectations that, given the opportunity, time, and guidance, local authorities will rise to the challenge of enhancing the quality of performance information in their accountability documents. I look forward to seeing that improvement reflected in future LTCCPs, annual plans, and annual reports.

A handwritten signature in black ink, appearing to read 'Lyn Provost', written in a cursive style.

Lyn Provost
Controller and Auditor-General

15 June 2010

Part 1

Introduction

Objective and background

- 1.1 Our intention in preparing this discussion paper is to identify better practices in common performance measures from the 2009-19 long-term council community plans (LTCCPs), and suggest improvements for local authorities to incorporate when preparing their 2012-22 LTCCPs.
- 1.2 The LTCCP is one of the accountability documents that local authorities produce to set out their purpose, goals, and objectives, and the services they plan to provide to the community.
- 1.3 The Local Government Act 2002 (the Act) requires local authorities to include in the LTCCP a statement of intended levels of service for each group of activities. This includes the performance targets and other measures that actual levels of service can be meaningfully assessed against. The performance framework covers the local authority's objectives, aims, operating intentions, activities and service levels, and performance measures and targets.
- 1.4 Performance information in LTCCPs provides a good starting point for communities to understand what sort of services and levels of service they can expect to receive from their local authority. Therefore, the performance measures and targets should be directly related to each local authority's community outcomes and long-term aspirations.
- 1.5 The examples in this paper provide an insight into the progress local authorities have made in developing performance measures to measure levels of service. We hope our findings will promote discussion about a number of matters, including the development of more appropriate and meaningful performance measures.

Long-term council community plans

- 1.6 In most cases, the 2009-19 LTCCP was the third ten-year plan that local authorities have prepared under the Act. Appointed auditors are required to issue an audit opinion on behalf of the Auditor-General on both the LTCCP Statement of Proposal (draft LTCCP) and the final LTCCP. A local authority adopts the final LTCCP after it has considered the results of the community consultation on its draft LTCCP.
- 1.7 Presently under the Act, for both the draft and final LTCCP, the Auditor-General is required to report on:
 - the extent to which statutory requirements have been complied with;
 - the quality of information and assumptions underlying the forecast information; and

- the extent to which the forecast information and proposed performance measures will provide an appropriate framework for a meaningful assessment of the actual levels of service provided.

- 1.8 The Act requires local authorities to decide what activities they will carry out to achieve community outcomes and well-being, and how they will carry out those activities. The Act promotes the accountability of local authorities to their communities, and the LTCCP is specifically intended to enable this accountability.
- 1.9 In its LTCCP, a local authority's performance information for each group of activities sets out the rationale for the local authority's involvement in each activity, the planned levels of service for the next three years, and outline information for the subsequent seven years. The information on levels of service includes performance targets against which actual levels of service can be meaningfully assessed (as reported at the end of each financial year in an annual report). An LTCCP contains activity information about assets and finances, and provides an aggregated view of the local authority's activities.
- 1.10 A report on changes between the 2004-14 and 2006-16 LTCCPs stated:
*The performance framework needs to provide clarity and a sense of direction on what the local authority plans to achieve in the short term and an indication of its plans and performance over the longer term. It provides the mechanism through which the local authority informs local people about the range, quality, quantity, and impact of services it intends to provide and demonstrate the choices made by the local authority in relation to its services.*¹
- 1.11 The Society of Local Government Managers recently completed a survey on local authorities' experiences with the 2009-19 LTCCPs. Of the respondents, 29% identified performance management as the most common weakness in the 2009-19 LTCCPs.²

Review of the 2006-16 LTCCPs

- 1.12 The appropriateness of performance measures and targets for selected levels of service can be assessed only if the local authority sets out the rationale for its activities clearly and logically. The selection of levels of service and performance measures and targets should reflect this rationale, the local authority's main strategies and objectives, and any associated risks.

¹ *Report of expert reviewers on changes between the 2004-14 and 2006-16 Long-Term Council Community Plans*, (June 2007), commissioned by the Controller and Auditor-General.

² *LTCCP 2009: The good, the bad and the ugly – results of a survey of local government experiences with the 2009-19 long-term council community plans*, January 2010.

- 1.13 In our 2007 discussion paper, *Matters arising from the 2006-16 Long-Term Council Community Plans*, we stated that more than 65% of local authorities had performance measure shortcomings to varying extents. The intentions for the groups of activities were unclear, and there was often no identifiable measure to assess achievement against. These shortcomings most commonly related to:
- the relevance of measures to the rationale for the activity;
 - describing the context of the environment and risks within which the activity operated; and
 - the reasonableness of the 10-year performance targets (that is, whether these were reasonably based best estimates).

Scope of our review

- 1.14 The performance framework is made up of a number of components that together demonstrate the rationale for, and the relationships among, the elements in that framework (such as the outcomes and impacts, performance measures, and performance targets).
- 1.15 This paper specifically discusses the quality and nature of the performance measures in performance reports from local authorities, excluding regional councils. Performance measures are the criteria or means used to measure performance. We have not focused our review on performance targets because targets reflect each local authority's priorities, historical achievement trends, and future intentions. We have assessed the performance measures of selected activities rather than all the activities in particular LTCCPs. Part 2 sets out our process and rationale for selecting those activities.
- 1.16 In addition, we reviewed the relationship between performance measures and the community outcomes to which they contribute, and made observations about the data collection and reporting systems (if they were disclosed in the LTCCP).

Review of the Local Government Act 2002

- 1.17 The Local Government Act 2002 Amendment Bill (the Bill), introduced into Parliament on 29 April 2010, proposes a number of changes to the Act. One of the principles underlying the changes is that local authorities should focus on core activities.
- 1.18 The Bill would require the Secretary for Local Government to make rules specifying performance measures with which local authorities must comply in delivering certain key activities.³ The key activities are:
- water supply;
 - sewerage and the treatment and disposal of sewerage;

³ See explanatory note to the Local Government Act 2002 Amendment Bill, May 2010.

- storm water drainage;
- flood protection and control works; and
- the provision of roads.

- 1.19 If the Bill is enacted, local authorities will have to include in their LTCCP the performance measures that the Secretary for Local Government specifies for the five key activities listed above. A local authority will also set any other performance measures it considers will enable the public to assess the level of service it has provided for major aspects of groups of activities. Each local authority will remain responsible for setting targets for the performance measures.
- 1.20 The measurement system for non-financial performance is complex and a long lead time is required. Accordingly, a deadline of 30 June 2012 is proposed for implementing the measurement system.⁴ This means that local authorities will not be required to comply with any of the changes until the next LTCCP (2012-22), and annual plans for the years beginning on 1 July 2010 and 1 July 2011 will also not need to be compliant with the consequential amendments in the Bill. The mandatory performance measures are scheduled to be completely developed by 30 June 2014 for use in the 2015-25 LTCCPs.
- 1.21 The Bill proposes to remove sections of the Act relating to the audit of forecast service performance information requiring the appointed auditor to comment specifically in the audit opinion on the appropriateness of the local authorities' proposed performance framework (including the measures and targets in the LTCCP). However, the Bill proposes retaining the requirement for the auditor to report on legislative requirements about the LTCCP (including the forecast information requirements).

⁴ Paragraph 182, *Improving Local Government Transparency, Accountability and Financial Management – Regulatory Impact Statement*, April 2010, Department of Internal Affairs.

Part 2

How we reviewed local authorities' performance measures

Selecting the local authorities

- 2.1 The 85 local authorities comprise 16 city councils, 57 district councils, and 12 regional councils (before changes in the Auckland governance arrangements take effect).
- 2.2 For the purposes of this discussion paper, we excluded regional councils because these councils were carrying out their own process to identify common performance measures when our work began.
- 2.3 We selected 15 local authorities that we considered would be reasonably representative. Each selected local authority has aspects of a reasonable performance framework for an entity of its size and nature. The selected local authorities covered a range of small to large local authorities; were metropolitan, provincial, and rural; and were from the North and South Islands. Figure 1 lists the local authorities we selected.

Figure 1
Local authorities featured in this discussion paper

Local authority	Size*	Metropolitan/ provincial/ rural**	North/South Island
Carterton District Council	1	Rural	North
Christchurch City Council	6	Metropolitan	South
Gisborne District Council	3	Provincial	North
Gore District Council	2	Rural	South
Hurunui District Council	3	Rural	South
Kapiti Coast District Council	4	Provincial	North
Manukau City Council	6	Metropolitan	North
Marlborough District Council	4	Unitary***	South
Matamata-Piako District Council	4	Provincial	North
New Plymouth District Council	5	Provincial	North
Queenstown Lakes District Council	2	Provincial	South
Rotorua District Council	5	Provincial	North
Tauranga District Council	5	Metropolitan	North
Thames-Coromandel District Council	3	Provincial	North
Western Bay of Plenty District Council	4	Provincial	North

* We established these size groupings when we were working on local authorities' LTCCP self-assessments. Size 1 councils are typically the smallest and mostly rural councils, while size 6 councils are typically the largest regional and city councils.

** The Local Government New Zealand Council Classification, Department of Internal Affairs.

*** A territorial authority that has the responsibilities, duties, and powers of a regional council conferred on it under (a) the provisions of any Act; or (b) an Order in Council giving effect to a reorganisation scheme (see Local Government Act 2002, section 5).

Selecting the activities

- 2.4 We identified the common activities in the LTCCPs of the 15 local authorities, in order of prevalence, as:
- roading (land transport);
 - community facilities (swimming pools, toilets, and parks and reserves);
 - environmental compliance/regulatory activities (building control, animal control, and liquor and food premise licensing);
 - wastewater;
 - water supply;
 - solid waste;
 - stormwater; and
 - library services.
- 2.5 In Part 3, we review the overall performance measures used for five of these activities. Parts 4 to 8 discuss each of the five in turn. We chose those five activities because they were broadly representative of the wider group. We reviewed three asset-based activities – roading, wastewater, and water supply. The other two activities we selected were libraries and building control, to represent community services and regulatory activities respectively.

Selecting the performance measures

- 2.6 Some local authorities deliver services that are not necessary in other local authorities, so naturally there will be a range of performance measures. For example, a metropolitan local authority is more likely than a small rural local authority to provide services to deal with road congestion.
- 2.7 To identify the commonly used and better performance measures, we took into account contextual information, including the community outcomes sought and the levels of service:
- The appropriateness of selected levels of service and their associated performance measures and targets can be assessed only if the local authority sets out the rationale for its activities clearly and logically.⁵*
- 2.8 We acknowledge that there will be well-developed performance measures in other local authorities' LTCCPs that we have not included in this discussion paper.

⁵ *The Auditor-General's observations on the quality of performance reporting* (June 2008), paragraph 4.8..

Part 3

Overall observations from our review

Community outcomes

- 3.1 The Act defines community outcomes as the outcomes for that district or region that are identified as priorities, for the time being, through a process under section 91 (process for identifying community outcomes). Community outcomes include any additional outcomes subsequently identified through community consultation as important to the current or future social, economic, environmental, or cultural well-being of the community.⁶
- 3.2 Each of the local authorities in our sample had many community outcomes. Although each community outcome appeared to be distinct, there were similarities in their descriptions or aspirations. The local authority's goals and objectives determine which outcome(s) an activity contributes to. Figure 2 sets out, at a high level, the community outcomes that the five selected activities contribute to.

Figure 2
Community outcomes for the selected activities

	Community outcomes					
	Safety	Environment	Economic impact	Health	Skills and education	Sustainable infrastructure and services
Roading	√		√	√		
Water supply	√	√		√		√
Waste-water		√		√		
Libraries				√	√	
Building control	√			√		

- 3.3 The descriptions of the community outcomes provide some context for what they mean to the local authorities:
- Safety: “Safe places in a caring society that is free from crime” (Gore District Council).
 - Environment: “Quality landscapes, and natural environment and enhanced public access” (Queenstown Lakes District Council).
 - Economic impact: “A vibrant and prosperous economy” (Carterton District Council).
 - Health: “A district that provides a safe, healthy, and friendly place to live, work, or visit” (New Plymouth District Council).

⁶ Local Government Act 2002, section 5.

- Skills and education: “A city of lifelong learning” (Christchurch City Council).
- Sustainable infrastructure and services: “A community that is served by a strong infrastructure or essential services, where daily life and business is able to be conducted safely and easily” (Marlborough District Council).

3.4 Community outcomes, strategic direction, and the goals and objectives significantly influence the performance measures a local authority sets. For example, the use and number of available parking spaces could be interpreted as good or bad depending on the local authority’s objective. A high number of vacant parking spaces could mean that people are using alternative transport such as buses, walking, or cycling rather than using private motor vehicles. Alternatively, it may suggest something about the cost to users of that parking area.

3.5 In another example, some people prefer a fast flow of water from the tap. However, from a water conservation point of view, fast flowing water may lead to higher water consumption and consequently a higher amount of wastewater disposed of.

3.6 Overall, although it is desirable for comparability and transparency reasons to prescribe a standard set of measures for all local authorities to report against, the performance measures that each local authority adopts should reflect its operating intentions and the relevant community outcomes. Providing relevant and understandable performance information will contribute towards building a relationship of trust and confidence between a local authority and its community. Likewise, providing members of the community with meaningful information gives them a greater opportunity to understand and take an interest in their local authority and the city or district in which they live.

Group of activities

3.7 The Act does not prescribe the number of individual activities that local authorities should include within a group of activities. The Act defines a group of activities as “one or more related activities provided by, or on behalf of, a local authority or council-controlled organisation”.⁷ It is expected that activities within a group of activities will have a common theme, such as a service output. As a result, local authorities have flexibility over the composition of the group of activities. For example, the parking activity could be included within the roading group of activities to reflect the relationship to road use, or within the regulatory group of activities to reflect the relationship to monitoring enforcement services.

3.8 We found that most local authorities had a vast range of individual activities. We also found that the activity structure of many LTCCPs reflected the local authority’s current management structure and how those activities are managed

⁷ Local Government Act 2002, section 5.

internally. To be usable, the LTCCP should give balanced information without overwhelming the reader.

- 3.9 We suggest that related activities should be aggregated, particularly where they have similar objectives and service provision. Aggregating the activities will also reduce the amount of repetitive information and performance compliance reporting for related activities included in the LTCCP, annual plan, and annual report.

Use of satisfaction surveys

- 3.10 Satisfaction surveys and related performance measures were a common feature in LTCCPs.
- 3.11 The value of user and community feedback should not be underestimated. Surveys can be a useful and effective way to collect feedback on a range of aspects, such as service quality, responsiveness, and value. Where surveys are used, they should form part of the information that management and governors of an entity use to understand what is sought from services and to make improvements.
- 3.12 Satisfaction surveys are relevant and appropriate for measuring performance where the questions focus on what respondents can reasonably be expected to have a view on.
- 3.13 Surveys may not provide a complete view of performance on their own, and consideration should be given to whether there are other dimensions of performance that should also be included to provide a complete description of service performance. For example, a resident could be expected to have a view on how water tastes, but not on whether the water is fit to drink – the Council should already be ensuring, and know, that the water supplied is potable.
- 3.14 The purpose of survey questions should be clearly described – for example, to understand what needs to change and what to keep doing. The use of survey results are more powerful when interpreted alongside results from previous years or other comparative information so that trends can be identified.

Cost-effectiveness/value-for-money assessment

- 3.15 A report by expert reviewers on changes between the 2004-14 and 2006-16 LTCCPs stated:
- Engaging with communities over the levels of service is a key process underlying the development of an effective LTCCP, with cost being one aspect underpinning decision-making on levels of service. While an area of challenge, the performance information in the LTCCPs should include measures indicating cost-effectiveness, in relation to both strategic choices and at the lower level of specific service performance.⁸*
- 3.16 Within the 15 selected local authorities, some measures were included that might have been intended to give insight about cost-effectiveness or value for money – for example, “Maintenance and capital budgets are managed within budget as approved by Council” and “Operating expenditure is managed to within a range of [+x% or -x%] of budget”. However, cost-effectiveness relates costs to service delivery and impacts or outcomes. Including simple measures of spending does not add any useful additional information.
- 3.17 Including performance measures, such as unit cost or operating cost per length of the roading network or operating cost of water services per household, allows the community to assess the value for money of services they receive. This type of performance measure is useful only if there are comparisons available – for example, with a neighbouring local authority. We would like to see more performance measures that assess value for money and cost-effectiveness.

General observations on the performance measures

- 3.18 Local authorities that included definitions and/or contextual information to support technical words made the intended levels of service more understandable to the lay reader. Translating technical information into simple terms will be more effective in engaging the community.
- 3.19 A large number of performance measures were often included in each activity. It is the quality of the performance measures that matter and not the quantity:
- In selecting performance measures to report, entities should consider the characteristics of performance that:*
- *are of greatest importance to stakeholders;*
 - *reflect the financial significance of the activity; and*
 - *reflect both the objectives for carrying out the activity and any (external or internal) risks needed to be managed in achieving those objectives.⁹*

⁸ Report of expert reviewers on changes between the 2004-14 and 2006-16 Long-Term Council Community Plans, (June 2007), commissioned by the Controller and Auditor-General.

⁹ The Auditor-General's observations on the quality of performance reporting, paragraph 6.43.

- 3.20 The performance measures that a local authority chooses should provide a balanced picture of the important aspects of the levels of service that it provides and the purpose of that activity.
- 3.21 Many measures capture only one dimension of performance. To describe levels of service more effectively and reduce volume, local authorities could consider combining some of the performance measures to measure more than one dimension of performance. For example, “[x]% road signs found missing during [x] monthly safety inspections are repaired within [x] working days.”
- 3.22 Some performance measures reflect internal activities and processes rather than goods and services provided to third parties. For example, reviewing an asset management plan is an internal quality assurance process and not a service to the community. However, the community may reasonably take comfort from a robust review of assets that confirms that the local authorities’ asset management plans are appropriate and implemented, and as a result be reassured that assets are maintained and developed as needed. In general, internal activities and processes should be excluded from performance measures.
- 3.23 Some performance measures are part of a process and not results oriented. The performance measure “water supply network is inspected for leaks” is inadequate because it describes activity rather than results. However, it could be made more meaningful by including other information – such as the basis for carrying out an inspection, the response and response time if a leak is found, or the number of leaks identified.

Source data and information systems

- 3.24 Local authorities need appropriate and reliable systems to gather information to report on their achievements against performance measures and targets. The Act does not require local authorities to disclose their source data and information systems in the LTCCP, so relatively few local authorities had included such information. However, describing the system for gathering information can help the community to better understand the service delivery and how that delivery is assessed.
- 3.25 Other performance information may come from external agencies. For example, local authorities enter data about the condition of their roads into their roading assessment and maintenance management (RAMM) system. The New Zealand Transport Agency (NZTA) then collates and presents the road smoothness/roughness data to local authorities. In these instances, local authorities still need to assure themselves that the information NZTA provides is consistent with the data in their RAMM.

Part 4

Roading services

What are the services that the roading group of activities generally provides?

- 4.1 In the roading group of activities, the built road network is the main activity provided by local authorities, and rural local authorities were generally unlikely to identify any other additional activities. The built road network largely comprises sealed roads and unsealed roads but also includes bridges, footpaths, kerb and channel systems, street lighting, signs, and furniture such as cycle stands and seats. Many local authorities also have a network development programme of building new roads and related assets, which is included in their asset management programmes. The services provided by local authorities were largely focused on road safety, congestion, road smoothness, and maintenance of the roading assets.
- 4.2 The primary aim of the roading group of activities is to provide a safe and efficient roading network that facilitates the movement of people and goods. Lighting, for example, enhances safety, and aids navigation for all road users. Street corridors provide access for power, telecommunications, water supply, and waste disposal facilities.
- 4.3 The service of managing the built road network involves activities such as maintaining and renewing the roads and associated assets, such as traffic signs and lights. A range of monitoring activities can be carried out to plan for asset renewal and to develop outcomes such as road safety, ease of passage on travel routes, and travel continuity.

What are the typical features of service levels and performance measurement?

Faults, complaints, and repair requests

- 4.4 It is essential that the transport network is reliable and operates so that travel time is reasonably predictable. The road network and its facilities need to be in good condition and “fit for purpose”. Local authorities record information on deficiencies (such as a destroyed traffic sign, a hazard (a land slip, for example), or a pot hole) using either their own resources or those of roading contractors. However, such monitoring can only be periodic, and local authorities also rely on the community to report faults and repair needs.
- 4.5 Many local authorities include measures for faults, complaints, and repair requests. The better performance measures are set out in Example 1.

Example 1**Better performance measures for faults, complaints, and repair requests**

[x]% compliance with maintenance contract response times.

Repairs to road surface. Time taken to investigate/undertake repairs to carriageway surfaces, once problem is known or reported.

Percentage requests for service resolved within target timeframes (road service defects, streetlights, parking in the [central business district]).

The percentage of request for service and complaints (for example, streetlight failures, pot holes, pavement markings) dealt within contractually specific response times.

The percentage of minor faults on footpaths repaired within [x] working days of detection.

All routes are to be made accessible within [x] hours of an emergency closure – cleared or detour provided.

- 4.6 For those performance measures that refer to response times or target timeframes, including brief descriptive information would be helpful to better describe the standard of service provided. For example, “pot holes are repaired within [x] hours, parking repairs within [x] hours.” Other types of performance measures for service requests could include incidence of failures (by location) or frequency and recurrence of faults.

Smoothness/roughness

- 4.7 There were several performance measures of road smoothness/roughness, which also give an insight into the standard of maintenance. Most such measures were expressed against the roughness index – that is, National Association of Australian State Road Authorities (NAASRA) counts. Although this measure provides an appropriate basis for measuring the quality of roads, it is technical and a reader may have difficulty understanding what it conveys. For example, is a roughness index of “90-110 NAASRA counts” a good or poor target or result?
- 4.8 Technical requirements are relevant considerations in measuring and assessing performance. However, to make the information useful for the reader, the local authority could describe what the road is like under various scenarios or NAASRA counts. Another option is to provide measures referenced to baseline performance over time or benchmarked against other councils, so readers can focus on understanding the performance trend. Hurunui District Council included the following benchmarking performance measure in its LTCCP: “Roading (RAMM) survey data for Hurunui roads compares favourably with other rural Councils similar to Hurunui District”.

Crashes, injuries, and fatalities

- 4.9 The transportation network is designed and managed for safe use, and low crash and injury rates. As a result, performance measures should reflect services carried out to ensure safety. We found that performance measures were primarily impact measures – for example, the total number of crashes, injuries, and fatalities – and were indicators of the local authority’s community outcomes.
- 4.10 Impact measures allow inferences to be made about service quality. They can be a useful part of assessing service delivery, particularly where direct quality may be difficult to assess. However, crashes are caused by a range of factors, among which the built road is only one, and the results of such measures are not directly within a local authority’s control. Example 2 shows the performance measures that were both common and better.

Example 2

Better performance measures for crashes, injuries, and fatalities

Injury crashes per [x] million vehicle kilometres travelled over [x] years.
Number of vehicle crashes per year involving injury where contributing factor is “road conditions”.

- 4.11 There were no preventative-type performance measures. This could be an area for development – for example, reducing the number of crashes at identified “accident black spots”.

Congestion

- 4.12 The metropolitan local authorities often included performance measures on congestion. Congestion may reflect an inefficient transport system. Transport networks help people access and participate in a wide range of activities and services. Lack of access and impaired mobility can reduce a person’s ability to participate in the community and take advantage of social and economic opportunities.
- 4.13 Example 3 shows a better performance measure for congestion.

Example 3

Better performance measure for congestion

Congestion travel index (CGI) which is the minutes of delay per km of travel on key [city] routes. A CGI of zero represents uncongested free-flowing conditions. Therefore, the higher the indicator, the greater the degree of congestion.

- 4.14 Other congestion performance measures were based on satisfaction surveys – that is, satisfaction with the ability to drive around quickly, easily, and safely, or satisfaction that it is easy to move around in the city or district (see also paragraphs 3.10-3.14). Local authorities could consider developing congestion performance measures based on, for example, the number of vehicles and/or alternative travel routes.

Other services that the roading group of activities provides

- 4.15 Metropolitan and some larger provincial local authorities often identified additional services within the roading group of activities, reflecting an emphasis on developing a more sustainable transport system and consideration of other modes of transport such as walking, cycling, buses, and ferries.

Provision of cycle and pedestrian facilities

- 4.16 Local authorities see cycle and pedestrian facilities as creating opportunities. Walking and cycling are sustainable alternative travel options compared with private vehicles. They also promote a healthy lifestyle.
- 4.17 Despite the identification of cycle and pedestrian facilities as an activity, the only performance measures on these matters were satisfaction survey measures. If the availability and maintenance of cycle and pedestrian facilities is important to the community, then performance measures about availability and maintenance should be available for those seeking it. However, the absence of information suggests that the activity does not require or receive significant management by local authorities. Therefore, it may not need to be specifically emphasised as an activity in general purpose information such as the LTCCP and annual report.
- 4.18 This does not mean that the local authority should be disinterested in the activity. The local authority needs to decide the level at which it should aggregate information, balancing public interest and the cost of preparing external information (see paragraphs 3.9 and 3.15-3.17).

Provision of public transport assets

- 4.19 Regional councils are usually primarily responsible for public transport. This includes investigating public transport needs, giving effect to regional transport policies, promoting transport services, and monitoring the performance of contracted passenger providers. City and district councils contribute by providing public transport assets such as bus stops and shelters, bus priority systems, and signage. Public transport services help to reduce the number of motor vehicles on roads, contributing towards efficient transport flows, providing public access to a range of destinations, and reducing adverse environmental effects.

- 4.20 Local authorities typically had measures for passenger numbers (which reflect uptake of public transport) and access to public transport. Example 4 shows some of the both common and better performance measures.

Example 4

Better performance measures for access to public transport

The number of bus passengers per annum.
 The percentage of properties in the [x] area within 700 metres of a bus stop.
 [x]% of public bus services run on time.

- 4.21 Some performance measures could be improved by indicating the direction of change the local authority wants to see – for example, “an increase in”. Other performance measures could be expanded. For example, using the “public bus services run on time” performance measure, and stating what an acceptable or tolerable delay is, will help the community interpret the intended level of service.

Parking services

- 4.22 Parking services can involve:
- providing access to businesses and recreational destinations through car parking facilities; and
 - monitoring and enforcing the conditions of use for these facilities, including parking time limits and charges. Regular patrols of parking areas on urban streets ensure regular turnover of public car parking spaces and ensure that appropriate enforcement action is taken where required in an effective, timely, correct, and considerate manner.
- 4.23 Overall, the performance measures provided were not clear about intended service levels and how the achievement of these services was being assessed. There were several performance measures about the number of parking spaces available or that a citywide patrol service was available for a specified number of hours per day per week. Because local authorities provide parking services to manage access, it was unclear how the number of spaces and hours of patrol provided a basis for measuring the performance of parking services.
- 4.24 One local authority included a better performance measure to assess parking access (see Example 5).

Example 5

Better performance measure for parking services

% of average parking availability ([x] in [x] spaces available between [x]am and [x]pm, as measured by survey). A number of blocks are surveyed each year in response to feedback from parking enforcement officers or queries from retailers and shoppers.

- 4.25 The major aspect of a local authority's parking service from the perspective of its management effort is its parking monitoring and enforcement work. Of the 15 local authorities included in our review, 13 included the car parking activity in their roading group of activities. Queenstown Lakes District Council and Western Bay of Plenty District Council were the only exceptions. They included their car parking enforcement activity in the regulatory services group of activities.
- 4.26 Local authorities may wish to consider whether there are similarities between regulatory service levels and measures, and parking services. For example, local authorities could consider including performance measures for action(s) taken where parking restrictions have not been adhered to, to reflect the enforcement service, and performance measures about the safety of parked vehicles.

Other potential areas for consideration

- 4.27 Overall, the performance measures for roading services lacked links to financial and asset management information. There is potential for development of ratio indicators, such as the average cost of maintenance per roading network kilometre, carrying out scheduled asset maintenance and renewal work (see also paragraph 4.6), road safety, public transport, walking and cycling, and congestion. We understand that NZTA publishes each year cost per kilometre data for each local authority, and this could be used for benchmarking.

Part 5

Water supply services

What are the services that the water supply group of activities generally provides?

- 5.1 Because water is a basic survival need, the water supply network needs to be reliable, available, and of high quality, and must meet the needs of domestic, commercial, and industrial consumers. Water supplies should also be managed in a manner that is sustainable for future generations, and does not have adverse effects on the environment.
- 5.2 Local authorities own, provide, and maintain the public water supplies (reticulation and treatment) assets and services. Water supply assets include buildings, land, structures (reservoirs), pipes, and mechanical and electrical equipment. These are managed through asset management and activity maintenance plans.
- 5.3 Water is predominantly sourced from rivers, lakes, and bores. Water for the remainder of the population is sourced from private community schemes, private wells, stockwater, and rainwater tanks.
- 5.4 Local authorities are also responsible for providing water supplies for fire fighting capacity in urban areas. The New Zealand Fire Service Fire Fighting Water Supplies Code of Practice 2009 prescribes the guidelines for water pressure, flow, and volume for fire fighting needs.

What are the typical features of service levels and performance measurement?

Potable water

- 5.5 Local authorities are required to have water supplies that comply with the Health (Drinking Water) Amendment Act 2007 and the Drinking Water Standards New Zealand 2005 (DWSNZ). The purpose of this legislation is to protect public health by improving the quality of drinking water to communities.
- 5.6 Consumers expect to receive quality potable (safe to drink) water. Many local authorities are consulting or have consulted with their communities about adding fluoride to the water supplies to assist in preventing tooth decay. Opponents of fluoride find the idea of consuming that chemical problematic because of its perceived potential health risks.
- 5.7 Contaminants like cryptosporidium and giardia can be found during the extraction, reticulation, and treatment processes. They will negatively influence taste and quality, and can cause sickness.

- 5.8 Local authorities' regular water quality monitoring procedures will detect contaminants and other water quality issues. However, local authorities also rely on the community to report issues.
- 5.9 We found very few performance measures for water quality responsiveness other than satisfaction survey measures. We expected that performance measures such as "issue boil water notices within [x] time of a detected or notified health and safety risk" would be more common. We identified only one such performance measure (see Example 6).

Example 6

Better performance measure for water quality responsiveness

% of urgent requests for service responded to within one day. (Dirty, cloudy, smelly or bad tasting water or no water at all).

- 5.10 Most local authorities had performance measures for water quality and compliance with the DWSNZ. Example 7 shows the better performance measures of compliance with microbiological criteria and quality of the water supply schemes of a local authority.

Example 7

Better performance measures for the quality of water supplies

Compliance with microbiological criteria of DWSNZ: no detectable E-coli in water leaving water treatment plant; and no E-coli in [x]% of the distribution sample.

% compliance with E-coli criteria for priority one bacteriological determinant of DWSNZ. As measured by the number of samples required by the DWSNZ.

Council supplies drinking water that meets the Ministry of Health Aa water quality standards to all customers.

- 5.11 Definitions should be included for criteria used in the performance measure – for example, describing the characteristics of water that is of an "Aa" rating. While supplementary information was sometimes included in the activity information to support the performance measures, this was not always the case.

Continuous supply

- 5.12 Economic development prospects are enhanced by an affordable and reliable water supply. Other than for human consumption, water is provided for recreation needs (swimming pools), city development (garden and landscaping), and commercial and industrial purposes.
- 5.13 A number of factors can disrupt water supplies. These include but are not limited to water leaks, no water or low pressure, and water restrictions that limit

supply. The effect of these issues can be particularly severe on some parts of the community – for example, hospitals and fire fighters. As a consequence, local authorities need to have good systems to plan for emergencies and respond to them.

- 5.14 Local authorities are responsible for providing and maintaining reticulation assets, and treatment plants and equipment. Appropriately skilled local authority staff and/or contractor companies carry out regular inspections and maintenance planned in the asset management and asset maintenance programmes.
- 5.15 Some local authorities acknowledge that there are assets with unknown conditions, especially underground reticulation assets that have been in operation for decades. Asset information and records should improve over time as assets are replaced and/or new reticulation assets are implemented. Local authorities are also taking steps through surveys and modelling to understand their assets as part of better asset management practice. Therefore, newer assets and asset systems, and better understanding of the state of assets, should enable local authorities to provide cost-effective services that meet the community's needs now and in the future.
- 5.16 We saw common performance measures relating to service responses, interruptions to supply, and water pressure. Example 8 shows some better performance measures for water supply issues.
- 5.17 For technical performance measures, we expect there to be accompanying information to explain their meaning.

Example 8**Better performance measures for service responses, interruptions to supply, and water pressure**

[x]% of repairs and system failures responded to within 4 hours.

Compliance with the following response times for water reticulation faults and emergencies:

- [x] hours for emergency
- Major urban leak – [x] hours
- Major rural leak – [x] hours
- Minor leaks – within [x] days.

% of service interruptions responded to within:

- [x] minutes of major loss of supply creating a situation causing or likely to cause damage to persons or property.
- [x] minutes for substantial leaks not falling into the first priority.

% of supplies restored to customers affected by an interruption within [x] hours of notification.

Flow rate meets stated levels of service for each customer group. Flow rate is to exceed specified minima, measured by the percentage of properties with greater than the target flow rate at the point of supply, not including interruptions to supply. Minimum flow rates are:

- Urban [x]L/minute
- Rural [x]L/minute (on demand)
- Rural [x]m³/day (restricted flow).

Pressure exceeds specified minima for each customer group. This is measured through an annual survey and calculated as a percentage of properties surveyed having greater than the minimum pressure for [x]% of the time at the point of supply. The minimum pressures are:

- Urban properties: [x]kPa
- Rural properties: [x]kPa.

Water conservation

- 5.18 The amount of water that enters the public reticulation system and private water supplies is dependent on the weather. As a consequence, in many districts, there is a need to conserve water to ensure a continuous supply. Consumers with their own water storage tanks may need supplements from local authorities if their own supplies run out in dry weather. Other consumers, such as those in the horticultural and agricultural industries, will consume more water than the general residential household. In addition, in times of economic growth and development, the demand for water escalates.

- 5.19 Most local authorities mentioned a need to conserve water through reduced consumption, although water is also lost through leaking pipes. Consumers typically need incentives to conserve water, and also require education on water conservation practices.
- 5.20 Apart from performance measures for repairs to leaking pipes, there were relatively few service performance measures on water conservation. Performance measures such as “consumption reduces by [x]% per annum” is more of an outcome measure, and a local authority does not necessarily have control over performance measures such as “peak water consumption of not more than [x] litres per person per day”.
- 5.21 Local authorities should consider developing performance measures to measure the effectiveness of water conservation – for example, the number/percentage participating in water conservation programmes, and participant satisfaction with education programmes.

Fire fighting

- 5.22 Local authority fire fighting equipment typically comprises fire hydrants and other small plant, which needs to be regularly maintained and tested. At a minimum, fire fighting supplies need to comply with the New Zealand Fire Service Fire Fighting Water Supplies Code of Practice 2009. This covers appropriately located pressured connections and water volume from fire hydrants.
- 5.23 Example 9 shows the better performance measures for fire fighting service levels.

Example 9

Better performance measures for fire fighting services

[x]% of compliance with minimum fire fighting pressures at not less than [x] randomly selected fire hydrants tested annually.

The water reticulation system shall be able to provide the following fire fighting flows from hydrants except in [x] and [x] township:

- Residential zone: [x]L/second
- Commercial zone: [x]L/second
- Industrial zone: [x]L/second.

% of residential properties that have a proximity to fire hydrants as required by the New Zealand Fire Service Fire Fighting Water Supplies Code of Practice (currently two hydrants within a [x]m radius).

- 5.24 We did not identify any performance measures that measured the quantity (volume) of water delivered from fire hydrants, even though it is an essential element required for fire fighting. The water pressure from fire hydrants is dependent on the amount of water available, and it would be a concern if there was limited water to fight fires.

Part 6

Wastewater services

What are the services that the wastewater group of activities generally provides?

- 6.1 Local authorities are obliged to provide efficient wastewater collection and disposal systems where public wastewater systems are in place. The wastewater group of activities involves wastewater collection from drains and sewerage pipes, wastewater treatment, and wastewater disposal.
- 6.2 Most domestic wastewater is disposed through reticulated systems (into ocean outfalls), while the remainder is disposed through septic tank systems and soakage through the ground.
- 6.3 Wastewater assets comprise pipe reticulation and fittings, pump stations, manholes, and wastewater treatment plant and equipment. Asset management and asset maintenance plans set out schedules for planned asset replacement, renewals, and maintenance work. Daily operational work is done using a combination of local authorities' own resources, council-controlled organisations, or private companies.
- 6.4 The primary purpose of the wastewater group of activities is to minimise health risks (pollution, disease) from waste and waste by-products, and the secondary purpose is environmental protection.

What are the typical features of service levels and performance measurement?

Service requests

- 6.5 As part of managing assets, local authorities should have adequate facilities, equipment, and staff to respond to breakdowns, blockages, shutdowns, overflows, and odours, to prevent and/or minimise health risks to the public.
- 6.6 Assets are monitored and inspected on a cyclical basis, but local authorities also rely on the community to report issues. Example 10 shows the better performance measures for wastewater service requests.

Example 10**Better performance measures for wastewater service requests**

[x]% of repairs and system failure responded to and reinstated within [x] hours.
 All shutdowns and pipe breakages are repaired within [x] hours of notification.
 [x]% of blockages, breaks and overflows are responded to within [x] hours.
 [x]% of all repairs are effected within [x] hours.
 Percentage of toilet facilities restored to all customers affected by unplanned interruptions within [x] hours of notification or alternative facilities provided.
 All affected customers receive at least [x] hours notice of any planned service interruption.
 [x]% of the time contractors are on site within [x] hours of notification of a blockage or overflow.
 [x]% of the time, wastewater services will be restored within [x] hours.

- 6.7 There were many performance measures for overflow phrased “the number of [or less than x] overflows per year”. This type of measure indicates how well local authorities are managing their wastewater scheme(s), as well as the quality of the local authorities’ services. Reporting against this performance measure in the annual report would be more informative if local authorities described the number of blockages and/or overflows that occur at the same location over a particular period of time.

Safe discharge of wastewater

- 6.8 Local authorities stated that resource consents deal with safe wastewater treatment and discharge. Therefore, service delivery is measured by the number and type of breaches of resource consent conditions. Wastewater is treated so it can return to the environment as safe liquid waste and because untreated wastewater can cause outbreaks of disease and environmental pollution. Local authorities are responsible for ensuring that liquid waste does not have significant risks to, and effects on, the natural environment.
- 6.9 Local authorities are responsible for monitoring and ensuring resource consent compliance for wastewater quantity, quality, and sampling. Performance measures that refer to consent conditions provide more context and information than those phrased “compliance with resource consent conditions”. Examples of consent conditions may include:
- Discharge of [x] cubic metres of excess wet weather treated wastewater from sewerage plant to land.
 - Discharge contaminants to air including odour and aerosols from an aerated wastewater treatment pond.

- 6.10 Although it would be useful for the performance measures to measure more than one aspect of performance – for example, by including the proposed response to identified issues – the better resource consent performance measures are set out in Example 11.

Example 11**Better performance measures for resource consents**

Trade waste discharges comply with the Trade Waste Bylaw 2008 based on a minimum sampling of [x] trade waste per discharge.

Sewerage disposal complies with sanitary standards. [Name of local authority] notices of non-compliance are followed up upon receipt.

Percentage of total flow treated to discharge through outfall for dispersal to receiving water in accordance with resource consent conditions.

Part 7

Building control services

What are the services that the building control group of activities generally provides?

- 7.1 The building control group of activities is a regulatory function, and the main activity is processing building consent applications. Other activities include monitoring and compliance services – for example, providing planning information memorandums and land information memorandums, and carrying out compliance inspections.
- 7.2 There are two purposes for building control services. Local authorities manage and promote economic activity by regulating building consents. At the same time, building control services protect public health and safety by ensuring that buildings are fit for purpose. Local authorities are ultimately responsible for adverse consequences.
- 7.3 There is a strong correlation between the number of building consents granted and the level of economic activity. An increase in the number of building consents indicates economic growth and positive migration of people into the city or district.
- 7.4 Thames-Coromandel District Council's 2009-19 LTCCP stated:
Building control services aim to protect people and communities through ensuring people are safe from faulty building practices. Through the building control activity, people building houses are provided a high degree of assurance over the process and quality of construction (i.e. materials used, structural integrity, weather tightness etc) in turn contributing to the protection of public health and safety.
- 7.5 The Building Act 2004 sets out local authorities' responsibilities for building services and activities. Local authorities become registered as building consent authorities through a comprehensive process. The building consent authority status allows local authorities to carry out responsibilities associated with granting and issuing building consents. Section 48 of the Building Act prescribes the time limits for processing, considering, and issuing building consents.

What are the typical features of service levels and performance measurement?

Building consent processing

- 7.6 Local authorities set out to receive and consider building consent applications, and to grant and issue building consents within the prescribed statutory timeframes. However, some local authorities have set timeframes that exceed those prescribed. Some local authorities have stated that the Building Act has given them additional responsibilities that affect their ability to comply with the statutory timeframes. A shortage of adequately trained and qualified building officers also contributes towards local authorities not meeting statutory timeframes. In these instances, local authorities need to be clear about how they intend to work towards achieving the statutory timeframes.
- 7.7 Example 12 shows the better performance measures for building consent processing.

Example 12

Better performance measures for building consent processing

Building consent applications are processed within the statutory [x] day maximum timeframe.

% of building consent applications processed within [x] working days.

% of applications processed within [x] working days of receipt.

All new buildings in [city] for which building consent has been issued comply with the NZ Building Code (includes approval of building plan, as well as confirmation that the resulting building matches the approved plans). The steps to NZ Building Code compliance are:

- Issue of a planning information memorandum
- Issue of a building consent
- Site inspection for code compliance
- Issue of a code compliance certificate.

Inspections and compliance

- 7.8 Other important services in the building control activity include issuing property information memorandums, land information memorandums, code of compliance certificates, compliance schedules, and building warrants of fitness. The last three activities are carried out after the building consent is issued.
- 7.9 Ensuring that buildings are safe is an important process, but we saw only two better performance measures that assessed inspection and compliance services (see Example 13).

Example 13**Better performance measures for assessing inspection and compliance services**

[x]% of all new residential buildings are audited each year to ensure they comply with consented building plans (particularly the bulk and location aspects of the District Plan, or relevant conditions of a resource consent where applicable).

[x]% of building under construction inspected to ensure that code compliance is achieved.

- 7.10 Performance measures such as “percentage of complaints regarding unsafe and unsanitary buildings are immediately investigated” and “percentage of complaints regarding unconsented works and non-compliance with the district plan, resource and building consents investigated within [x] days” are to a large extent reactive work. It is also not enough for local authorities to advise “building owners/occupiers of the expiry date of their warrant of fitness one month before the expiry date”. Regular inspections before the warrant of fitness expiry date and time limits to remedy any identified issues would be useful subjects for performance measures.
- 7.11 Performance measures such as “All site inspections are completed within [x] hours” or “[x]% of building warrant of fitness are audited annually” could be enhanced if they stated what quality standard or requirements buildings were assessed against.
- 7.12 In our view, there should be more emphasis on measuring services that provide assurance on construction quality and building maintenance. Apart from the two performance measures in Example 13, there were very few performance measures that measured building quality. While it is important that consent applications are processed on time, it is essential to know that buildings are safe to use and at minimal risk of subsequent events such as leaky home issues.

Enforcement

- 7.13 The building consent, inspection, and compliance processes attempt to avoid, mitigate, and remedy adverse effects from building development. Most issues should be identified during the formal consent processing and inspections process. In practice, there is no guarantee that all of those issues can be anticipated, but there is an expectation that issues should be remedied promptly where they are detrimental to health and safety. It is the role of local authorities’ to apply the appropriate enforcement action to breaches of the Building Act.
- 7.14 We found only two enforcement performance measures, and assessed one as better because it included a timeframe for investigating illegal activities and unauthorised work (see Example 14).

Example 14**Better performance measure for building enforcement**

[x]% of all illegal activity/unauthorised work complaints investigated within three working days.

Other potential areas for consideration

- 7.15 Many local authorities included performance measures that they will maintain their building consent authority status or that staff are trained to Building Accreditation Standards. Maintaining a professional membership is not strictly a level of service. The community expects a local authority and its staff to comply with the minimum standards to allow the local authority to carry out its role in a professional manner.

Part 8

Library services

What are the services that the library group of activities generally provides?

- 8.1 Gore District Council's 2009-19 LTCCP stated:
- Libraries are viewed as a community asset and a “living room away from home” – a place not only to find a good book to read or find information, but a safe meeting place in which to spend quality learning time. Customer expectations are growing and increasingly there is demand for more sophisticated delivery of library services, programmes and events. Libraries are expected to embody competence, to be confident about their areas of expertise and deliver excellence.*
- 8.2 Libraries provide the community with access to recreational and learning material, resources for lifelong learning, and spaces to use. Libraries also preserve heritage and historical material. Technological developments are changing the way people want to view and obtain information, and libraries are responding accordingly through initiatives such as internet facilities and off-site catalogue access.

What are the typical features of service levels and performance measurement?

Users' perception

- 8.3 Libraries are promoted as a safe and welcoming place to spend time, with opportunities for learning and access to a large range of materials. People expect libraries to be clean and comfortable.
- 8.4 A library's location and opening hours should reflect the community's needs. In parts of the country, mobile libraries are provided to cater for people and/or parts of the community that have difficulty getting to their library.
- 8.5 The only performance measures that assessed the physical library environment were satisfaction survey measures. The use of satisfaction survey measures for this activity provides meaningful information about why people use the libraries and what attracts them to the library services. On the other hand, if people are dissatisfied with or do not use the library, then local authorities need to understand why. There could be a range of reasons – for example, a lack of access or space for disabled users and children's pushchairs, safety, or the cleanliness and comfort of the library environment.

Membership

- 8.6 The Act stipulates that, if a library is provided in a district or region, “the residents in the district or region are entitled to join the library free of charge”.¹⁰ Therefore, there is no financial barrier to residents becoming a member of a library. The membership of residents and others in the community indirectly demonstrates the demand for this community facility and service. We saw two better performance measures (see Example 15).

Example 15

Better performance measures for library membership

A minimum of [x]% of customers have used their library card at least bi-annually.

Number of registered members as a percentage of total population Library and Information Association of New Zealand Aotearoa (LIANZA) standard, [x]% of total population.

Library items

- 8.7 People go to libraries because of the variety of items available. The library collection generally includes children’s and adult fiction, reference books, books in large print, magazines, talking books, reference and special books, collections, foreign language books, CDs and DVDs, and newspapers.
- 8.8 Libraries need to have a large range and number of items. The type of items read and borrowed has evolved with changes in technology. Some local authorities have responded to technological expectations by offering enhanced services through their websites and providing free internet and wi-fi access. Those services are in high demand because, increasingly, the community is relying on libraries for free (internet) access to electronic information.
- 8.9 The quality of library items may be indicated by the condition, nature, or content of an item. The replacement frequency and number of times an item is borrowed are also indicators of service quality. For example, magazines deteriorate quicker than a hard cover book and will therefore need to be replaced more often. Likewise, highly demanded items will also deteriorate faster because they are handled more. As a result, expenditure on the library activity is typically on purchasing new or replacement items rather than on maintenance.
- 8.10 Example 16 shows the better performance measures for different aspects of library items.

¹⁰ Local Government Act 2002, section 142.

Example 16**Better performance measures for library items**

There is a minimum of [x] items per capita within the collection.

Meet the LIANZA standard of [x] new items per [x] population added to the collection yearly.

[x]% of books requested, not currently available, provided within [x] days.

Frequency of books being taken out (turnover rate).

Other potential areas for consideration**Library programmes**

- 8.11 Many local authorities included performance measures on the number of education programmes provided. However, none of those performance measures looked at the quality aspect of the programmes. Assessing the number of programmes, number of attendees, and satisfaction with the programmes will assess whether programmes provide value for money as well as their quality.

Service request

- 8.12 We consider that the following sentence from Gore District Council's 2009-19 LTCCP applies to library services around the country:
- There has been an explosion of information available to consumers, accessible through an ever increasing array of modes and channels. This has resulted in customers requiring the skills of library staff to help them evaluate and find their way through the maze of information now available.*
- 8.13 However, we identified only one better performance measure that assessed service requests: “[x]% of books requested, not currently available, and provided within five days”. We consider that “The library undertakes to respond to [channels for suggestions, comments and complaints] within [x] working days of receipt” could be used as a performance measure. Response times to email and phone queries could also be measured. There is value in assessing requests and responsiveness because a library is a people-based activity and the services provided are more transparent to the community than many other activities.
- 8.14 Many local authorities have web-based services that allow users to, for example, search catalogues, reserve a book, and download audio books. The performance measure “percentage year-on-year growth in users accessing library services electronically” indicates the demand for that type of access to library information and services. A satisfaction survey would also be useful for measuring users’ perceptions about the quality of the information systems and services provided.

Library asset management

- 8.15 The library building, mobile libraries, furniture and fittings, and library items make up the library assets. When it came to discussing asset management in the LTCCPs, local authorities focused more on managing the physical library building and less on managing library items, although library items were recognised as part of asset renewals and replacements.
- 8.16 We consider that the performance measure “at least [x]% of the collection is no more than [x] years old (by date of acquisition) excluding local history titles” is one way of providing an informative assessment about how well a local authority manages its library items asset.

Publications by the Auditor-General

Other publications issued by the Auditor-General recently have been:

- Local government: Results of the 2008/09 audits
- Statement of Intent 2010–13
- Performance audits from 2008: Follow-up report
- Effectiveness of arrangements for co-ordinating civilian maritime patrols
- Draft annual plan 2010/11
- Auditor-General's inquiry into certain types of expenditure in Vote Ministerial Services – Part 1
- Local authorities: Planning to meet the forecast demand for drinking water
- Central government: Results of the 2008/09 audits
- Auckland City Council: Management of footpaths contracts
- Investigation into conflicts of interest of four councillors at Environment Canterbury
- Effectiveness of arrangements to check the standard of services provided by rest homes
- Ministry of Justice: Supporting the management of court workloads
- How the Thames-Coromandel District Council managed leasing arrangements for Council land in Whitianga
- Auditor-General's decision on parliamentary and ministerial accommodation entitlements
- Ministry of Education: Managing support for students with high special educational needs
- Ministry of Social Development: Changes to the case management of sickness and invalids' beneficiaries
- Annual Report 2008/09
- How the Ministry of Education managed the 2008 bus tender process

Website

All these reports are available in HTML and PDF format on our website – www.oag.govt.nz. Most of them can also be obtained in hard copy on request – reports@oag.govt.nz.

Mailing list for notification of new reports

We offer a facility for people to be notified by email when new reports and public statements are added to our website. The link to this service is in the Publications section of the website.

Sustainable publishing

The Office of the Auditor-General has a policy of sustainable publishing practices. This report is printed on environmentally responsible paper stocks manufactured under the environmental management system standard AS/NZS ISO 14001:2004 using Elemental Chlorine Free (ECF) pulp sourced from sustainable well-managed forests. Processes for manufacture include use of vegetable-based inks and water-based sealants, with disposal and/or recycling of waste materials according to best business practices.

Office of the Auditor-General
PO Box 3928, Wellington 6140

Telephone: (04) 917 1500
Facsimile: (04) 917 1549

Email: reports@oag.govt.nz
www.oag.govt.nz