

Report 13.9
Date 28 January 2013
File WRS/09/01/01

Committee Wellington Regional Strategy
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Genuine Progress Index and Full Cost Account Report

1. Purpose

To update the Committee on the Genuine Progress Index (GPI) project and present the Full Cost Account (FCA) Report on Physical Inactivity.

2. The decision-making process and significance

Officers have considered the significance of the matter, taking into account the Council's significance policy and decision-making guidelines. Officers recommend that the matter be considered to have low significance.

Officers do not consider that a formal record outlining consideration of the decision-making process is required in this instance.

3. Background

At its workshop on 14 December 2012 the Committee was advised by the WRS Office of the proposed monitoring programme of work. This included continuation of the GPI project and presenting a full cost accounting report on physical inactivity.

4. Comment

4.1 Genuine Progress Index

The next GPI report is due in the second half of this year. It would use datasets and information to the year December 2012. However the first census since 2006 is being conducted in March, although any useful data at a regional level is not forecast to be available until late 2013/early 2014. Thus there is a risk of publishing the GPI this year in the absence of some more up-to-date data.

Officers recommend that the next GPI be published in 2014 when new census data will be available, in conjunction with year 2013 figures for other statistical datasets.

In the interim non-census datasets are maintained and information is released. These datasets are made available on the GPI website so parties have access to them.

4.2 Full Cost Account on Physical Inactivity

The GPI project under the Wellington Regional Strategy (2007) consisted of two parts. Firstly, the indicator framework that assessed progress and trends over time. Secondly, a set of accounts to assess the economic value of non-market social, cultural and environmental assets. The first GPI was published in 2011 followed by progressing the FCA component. Because Auckland Council and Waikato Regional Council were also undertaking GPI exercises, it was agreed to jointly develop a FCA. Physical inactivity was selected as a common interest topic because of its negative indicators in the respective GPIs.

The accounting component of the GPI has the greatest potential to influence policy more so than the indicators. This is mainly due to the reality that the policy arena is largely dominated by concerns over budgets, costs, and savings, and that an expression of results in dollar terms reaches a much wider audience than an expression in units specific to a particular indicator. Traditional methodologies might determine the costs of unemployment, say, as public investment in related programmes and benefit payments. However other personal and societal costs associated with unemployment (e.g. health, crime) are not considered.

The final FCA report on physical activity is appended as **Attachment 1**.

Key findings are:

- in 2010 the cost of physical inactivity for Wellington was assessed at \$141 million
- in 2009 there were 246 premature deaths related to inactivity
- NZ is ranked 27th out of 122 countries as most inactive
- in Wellington \$74 million in direct costs is accorded to avoidable disease associated with inactivity

Further consideration of the future use of the GPI and how the Committee wishes to progress the findings from the FCA report, and the application of the methodology for other activities will be the subject of the April workshop of this Committee. Future FCA topics will likely relate more directly to agreed objectives in the refreshed WRS.

In the interim the three councils will be investigating ways that they can use this material, for example, through transports activities and sharing information with the public health sector.

5. **Communication**

It is proposed that, in conjunction with Auckland Council and Waikato Regional Council, the report be published. A press release will also be issued with key messages on the findings and how these might be applied in monitoring and advocacy activities.

6. **Recommendations**

That the Committee:

1. ***Receives** the report.*
2. ***Notes** the contents of the report.*
3. ***Agrees** to delay the next Genuine Progress Index Report until 2014 following the availability of 2013 Census sub-regional datasets.*
4. ***Agrees** to release the Full Cost Account Report jointly with Auckland Council and Waikato Regional Council.*

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Attachment 1:

The Costs of Physical Inactivity: Toward a regional full cost accounting perspective