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Committee Council  
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## Summary report for the third quarter 2016/17

### 1. Purpose

To present *Highlights from the third quarter of 2016/17 (Attachment 1)*, a summary of GWRC's achievements from 1 January to 31 March 2017.

### 2. Background

The summary report provides an overview of key results in third quarter. The quarterly reports from each Group are on the Councillor's portal.

The report includes:

- highlights under high level outcomes/goals
- a cross-organisation financial summary and summary by Group
- an overview of Health and Safety
- a major project dashboard
- key metrics.

### 3. Comment

Good progress continued to be made on the work programme and performance results during the quarter. A few programmes and projects had delays due to a variety of factors including unfavourable weather, changed timeframes, and reprioritisation of resources. However, this is not expected to impact on the delivery of the annual work programme.

Most performance targets were met, or are on track to be achieved by the end of the year. The following are exceptions:

- The target for responding, investigating and enforcing reported environmental incidents within statutory timeframes was not met. The

result was 95.5% against a target of 100%. Seven incidents reported to the Environmental Hotline were not investigated and concluded within four months. The reasons included complexity of cases, and earthquake disruptions preventing documents being issued.

- There were 23 known active total control sites located with reproductively active pest plants against a target of nil.

#### **4. Highlights from the quarter**

##### *Financial Summary*

The Council's operating surplus for year to date March 2017 is \$7.1m favourable.

Operational revenue is close to budgeted levels. Forecast revenue for the full year is lower than budget due to the removal of CentrePort dividend (\$3.7m), partially offset by additional interest and consenting revenue.

Operational expenditure is below budget. This is due to the timing of expenditure on the Public Transport transformation programme, integrated fares and ticketing, lower rail and bus costs, wetland restoration and biodiversity programmes. Forecast expenditure for the full year is close to budget with some additional costs reflecting extra resource required to support consenting activity.

Capital expenditure is \$13.6m favourable to budget at quarter end. This is primarily due to lower than planned expenditure for Public Transport (\$4.3m), timing of Flood Protection planned programmes (\$3m) including RiverLink's acquisitions, timing of Environment's planned programmes (\$3m) including improvements to Queen Elizabeth Park, Collaborative Modelling Project and the Baring Bridge replacement, and slower than planned expenditure on the core system refresh. Forecast capital expenditure for the full year is \$9.7m favourable to budget.

##### *Health and Safety*

Tertiary accreditation was achieved in our ACC Workplace Safety Management Practices Audit. This is the highest level of accreditation and means GWRC will receive a 20% discount on its ACC levy until February 2019.

##### *Major Projects*

The number of major projects increased from 10 to 13 over the quarter. This is the result of the ELT recognising the criticality of a number of activities that historically would have been treated as business as usual (BAU). Providing this new level of visibility across a wider range of activities ensures that the ELT and Council are aware of the overall performance of all major projects or BAU activities that are identified as being critical.

Four projects have experienced a decline in overall status from the previous quarter with budget and scheduling becoming more of an issue as the end of the financial year nears and tasks and their associated costs become more

defined. There are also a number of emerging risks and issues that are currently being managed within projects.

### *Trends*

#### Fresh water quality

All four sites in the Ruamahanga, Te Awakairangi/Hutt and Wainuiomata rivers had median nitrogen concentrations below the Australian and New Zealand dissolved nitrogen guideline level of 0.444 mg/L for low land rivers and considerably lower than those observed for quarters one and two.

However, care must be taken when interpreting these results as trends/interpretations that are based on only three data points can be easily skewed/biased.

#### Public transport services on time

The results for public transport services on time again showed improvement on the same period in 2015/16. In the year to date March 2017, 87.8% of scheduled rail services across the network were on time to five minutes using the new measure (this would have been over 97% under the old measure). In the year to date March 2017, 99.9% of scheduled bus services were on time.

## **5. Communication**

Matters in the report have been communicated through a variety of channels as relevant during the quarter.

## **6. Consideration of climate change**

GWRC's Climate Change Consideration Process is designed to ensure that taking action on climate change becomes an integral part of GWRC's work. This is achieved by requiring a climate change assessment to be conducted during the development of all new initiatives and for any relevant matters in Council and Committee reports. Climate change issues will also be considered as part of the Long Term Plan activities review (May to August 2017).

It is therefore not appropriate to conduct a climate change assessment against the Quarterly Performance Report itself as this would duplicate the processes described above.

When relevant, climate change related activity occurring across the organisation is addressed in the appropriate section of the summary or Group reports.

## **7. The decision-making process and significance**

No decision is being sought in this report.

## **8. Engagement**

Engagement on this matter is unnecessary.

## 9. Recommendations

*That the Council:*

1. *Receives the report.*
2. *Notes the content of the report.*

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**Attachment 1:** Highlights from the third quarter of 2016/17