

**REPORT 5**  
*1215/52/IM*

**PERFORMANCE MEASUREMENT FRAMEWORK FOR  
 THE DRAFT ANNUAL PLAN 2005/06: HEALTH CHECK**

**1. Purpose of Report**

This report details the proposed performance measurement framework of the Draft Annual Plan 2005/06. It highlights those measures that require further development.

**2. Executive Summary**

This report details the recommended Draft Annual Plan 2005/06 performance measurement framework. A comprehensive review of measurement framework was carried-out in 2004. This year, a ‘health check’ of the measurement framework has been undertaken by officers to ensure city indicators and activity performance measures continue to effectively and efficiently contribute to the monitoring of outcomes.

Four new performance measures have been developed to further enhance the framework. The ‘health check’ has also highlighted a small number of measures that require further development and investigation.

**3. Recommendations**

It is recommended that the Committee:

1. *Receive the information.*
2. *Note a full review of the Annual Plan performance measurement framework was carried out in 2004.*
3. *Agree that the following new measures be included in the Draft Annual Plan 2005/06:*

<b>New measures</b>
<b>2.6.2 Community development</b> The number of people attending community forums
<b>8.1.4 Pedestrian network</b> The kilometres of pedestrian network renewed and upgraded during the year
<b>9.3.1 Citizen information</b> 1. The number of telephone calls answered within 30 seconds at the Call Centre. 2. The number of public customers served at Archives

4. *Agree to the Draft Annual Plan 2005/06 performance measurement framework as outlined in appendix one.*
5. *Note that CCOs and Trusts performance measures will be confirmed as part of their Statements of Intent and they will be included in the final Annual Plan.*

## **4. Background**

A comprehensive review of the Annual Plan performance measurement framework was undertaken in early 2004. The overarching aim of that review was to improve the strategic alignment between city indicators and performance measures, and the outcomes to which they relate. Measures were reviewed against criteria that tested their:

- relevance
- completeness
- ability to be easily understood
- measurability
- comparability.

A key component of the review was to streamline the Annual Plan measurement framework. This was achieved by rationalising measurement contained within the Annual Plan and Quarterly Report (business unit/project level). Annual Plan measurement was tasked with retaining a comprehensive set of high level city indicators, and an essential set of activity performance measures. The Quarterly Report measurement framework was tasked with 'lower level' business unit and project level reporting. To ensure valuable monitoring information was not lost, all measures deemed superfluous to the Annual Plan, were then evaluated for their appropriateness for inclusion in the Quarterly Report.

The Council will develop its Long Term Council Community Plan in the coming year. This exercise will review all of Council's existing outcomes. Consequently this will require a review of the measurement framework to ensure effective monitoring of outcome achievement. This review will be presented to Council for agreement.

## **5. Discussion**

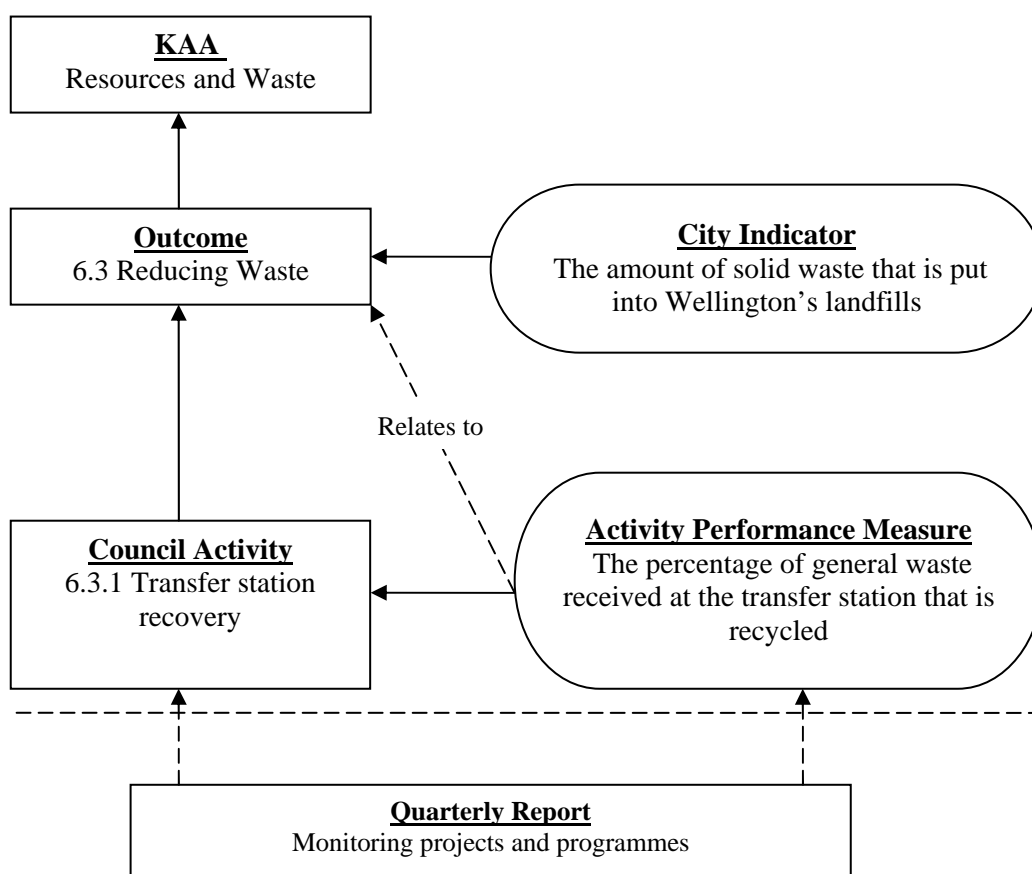
### **5.1 Annual Plan measurement framework**

For the 2003/04 Council Plan (Long Term Council Community Plan), Council adopted a measurement framework using two distinct types of measurement:

1. **City Indicators** – are linked to outcomes, and measure our progress in accomplishing the outcomes the community wants. City indicators provide high level measurement information for the city as a whole. Therefore, in most examples city indicators will be influenced by the actions of many, including the Council, but also residents, businesses, central government, and many other people and groups.

2. **Activity Performance Measures** – are linked to activities, and measure council activity performance and their contribution to achieving outcomes. Typically, activity performance measures are influenced more strongly by Council, or are under Council control.

Functioning in a complementing capacity to the Annual Plan, the Quarterly Report monitors organisational performance on a quarterly basis. The framework is illustrated below, with an example:



## 6. Process

### 6.1 Measurement framework 'health check' process

A 'health check' of the measurement framework has been undertaken to ensure that all current and proposed city indicators and activity performance measures are effectively and efficiently contributing to the monitoring of outcome achievement. The 'health check' assessment also included testing measures for relevance, currency, comparability, robustness, information availability, and their ability to be understood.

Four new measures have been developed following the 'health check' process, and are detailed below (these are also contained within appendix one):

New measure	Rationale
<b>2.6.2 Community development</b> The number of people attending community forums	There was previously no Annual Plan performance measure associated with this activity. This performance measure will monitor community participation in community forums (e.g. Ethnic Forum, Pacific Forum, Disability Forum, etc.).
<b>8.1.4 Pedestrian network</b> The kilometres of pedestrian network renewed and upgraded during the year (measured against the programmed work schedule)	This change in performance measure reflects comments from Audit New Zealand, that advised against an over reliance on resident survey information for activities under the Transport KAA. This new measure provides tangible information regarding performance under this activity.  This measure replaces: The percentage of residents who feel that the pedestrian network allows easy, comfortable and safe movement around the city.
<b>9.3.1 Citizen information</b> 1. The percentage of telephone calls answered within 30 seconds at the Call Centre. 2. The number of public customers served at Archives	9.3.1 Citizen information was a new activity to the Annual Plan framework in 2004/05. This new performance measures will monitor the Council provisions for information availability.

A small number of measures have also been highlighted as requiring further development and investigation. Such measures and their development are dependant on reviews of policy and strategy currently underway, these include the grants review and the Draft Built Heritage Strategy. Measures requiring further development and investigation will be reported to the Annual Plan Deliberations 23-24 June 2005. These activities are highlighted in appendix one.

### 6.3 Audit New Zealand discussions

As part of the annual Audit New Zealand review of the Annual Plan performance measurement framework, areas have been highlighted where on-going development is recommended. Audit New Zealand recognises the evolving processes behind the measurement framework and continues to monitor and provide feedback in this area.

### 6.4 Council Controlled Organisations and Trusts performance measurement

Confirmation of Annual Plan measurement regarding CCOs and Trusts will be confirmed following sign-off of their Statements of Intent. These measures will be included in the final Annual Plan.

## 7. Conclusion

This report makes recommendations on the continued relevance of the Annual Plan performance framework. It details both city indicators and activity performance measures for the Draft Annual Plan 2005/06.