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**DRAFT ANNUAL PLAN 2007/08 MEASUREMENT  
FRAMEWORK (INCLUDING ACTIVITY PERFORMANCE  
MEASURES ALIGNED TO CLUSTERS)**

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**1. Purpose of Report**

This report outlines Council outcome indicators and activity performance measures and targets for the Draft Annual Plan 2007/08. Also described within the report are the activity performance measures and targets as they will be aligned under the new activity clusters.

**2. Executive Summary**

A comprehensive review of the LTCCP (Annual Plan) measurement framework was carried-out in 2006, which included an exhaustive audit assessment.

The measurement framework has been assessed by officers this year, to test for continued appropriateness. The focus of this work has been to ensure continued effective monitoring of Council's progress toward its outcomes (Council outcome indicators) and assessment of levels of service (activity performance measures/targets).

This report outlines the recommended measurement framework for the Draft Annual Plan.

**3. Recommendations**

It is recommended that the Committee:

1. *Receive the information.*
2. *Note that a full review of the LTCCP (Annual Plan) measurement framework was carried-out in 2006.*
3. *Agree to the Draft Annual Plan 2007/08 activity performance measures and targets as outlined in appendix 1.*
4. *Agree to the Draft Annual Plan 2007/08 Council outcome indicators as outlined in appendix 2.*

## **4. Discussion**

### **4.1 LTCCP and Annual Plan measurement relationship**

The measurement framework set out within the Long Term Council Community Plan 2006/07-2015/16 (LTCCP) clearly defines Council outcome indicators for the 10-year period, and activity performance measures/targets in detail for the first three years and in outline for the 10-year period.

In effect, the LTCCP defines the measurement framework to be used during interim years for annual plans.

As part of the LTCCP development in 2006, the measurement framework was subject to substantial development by Council officers and audit review to ensure:

- there is a framework for the assessment of achievement of service levels
- the service level measures themselves provide a useful way of measuring performance and understanding performance achievement
- the targets and estimates are reasonable and based on sound information.

The measurement framework stated in the LTCCP provides the basis for defining Council outcome indicators and activity performance measures/targets for the Draft Annual Plan.

### **4.2 Measurement review and testing**

The measurement framework recommended for the Draft Annual Plan has been assessed by officers for continued appropriateness. The focus of this work was to ensure continued effective monitoring of Council's progress toward its outcomes (Council outcome indicators) and rigorous assessment of levels of service (activity performance measures/targets).

This work included testing for: relevance, currency, comparability, robustness, availability and the ability to be understood.

No changes are recommended to the measurement framework as a consequence of review and testing.

### **4.3 Clustering activities**

A report discussing 'clustering activities in the Draft Annual Plan' was presented to the Draft Annual Plan Councillor Workshop on 14 February<sup>1</sup>. This report outlined how information would be presented in the Annual Plan.

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<sup>1</sup> Clustering activities for the Draft Annual Plan will also be discussed at the Audit and Risk Management subcommittee on the 2 March 2007.

It was prepared in response to discussions at the Audit and Risk Management Subcommittee with an aim to ensure that the Council's activities are presented in a clear and succinct way.

The Council currently describes its work at the strategy, activity and project level. The detail provided is more than that of other local authorities, and means that some 'like' activities are presented in a disparate way. It is argued that greater clarity and understanding of the Council's work would occur if these like activities were clustered together.

It is important to note that the new clustering relates only to the commentary within the Draft Annual Plan. The level of accountability will remain unchanged as activity performance measures/targets will continue to be reported at the activity level. Also of note, is that Council outcomes will also remain unchanged as a result of the clustering process. Consequently, Council outcome indicators will remain unchanged.

The activity performance measures/targets as they will be aligned under the new activity clusters are outlined in appendix 1.

#### **4.4 New initiative assessment for performance measures/targets**

All new initiatives have been reviewed to assess their suitability for Draft Annual Plan activity performance measures and targets. No new initiative activity performance measures and targets are recommended for the Draft Annual Plan 2007/08.

The vast majority of the new initiatives will require performance measures to be developed as part of the quarterly report measurement framework and within business unit reports. This work will be carried-out by relevant Council officers.

Performance measurement assessment for the new initiatives is outlined in appendix 3.

## **5. Conclusion**

This report makes recommendations on the continued relevance of the LTCCP (Annual Plan) measurement framework. It outlines both Council outcome indicators and activity performance measures/targets for the Draft Annual Plan 2007/08.

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## **Supporting Information**

**1) Strategic Fit / Strategic Outcome**

*The seven activities that have been reviewed are aligned to the Council's strategic outcomes.*

**2) LTCCP/Annual Plan reference and long term financial impact**

*This covers all Annual Plan Activities.*

**3) Treaty of Waitangi considerations**

*Not applicable*

**4) Decision-Making**

*N/A*

**5) Consultation**

**a) General Consultation**

*A consultation and communication plan for the 2007/08 draft annual plan was adopted by the strategy and policy committee.*

**b) Consultation with Maori**

*See above.*

**6) Legal Implications**

*Council's lawyers have been consulted during the preparation for the 2007/08 Draft Annual Plan*

**7) Consistency with existing policy**

*Not applicable*