

2.0 What We Aim to Deliver

2.1 Introduction

This section sets out the Level of Service (LoS) for the Water Supply activity and the basis for their selection.

Defining the activity and the associated service standards enables:

- The community to understand the Water Supply services they can expect and the standards that the SDC is working to achieve.
- The community to assess the value (being a combination of quality and cost) of the Water Supply services they receive.
- Service standards that are more responsive to customer needs, and more closely aligned with customer expectations to be identified.
- The SDC to identify any service gaps between what the community expects and what is currently delivered.
- The effectiveness of management strategies in closing service gaps to be monitored and requirements for new strategies to be identified.
- Monitoring of the performance of SDC contractors involved delivering services.
- Planning asset management strategies to deliver the required service standards.

2.2 Reason for Providing a Water Supply Service

An adequate supply of water suitable for drinking is a fundamental requirement for the health and general wellbeing of the community. In urban areas this is best achieved through a reticulated (piped) community water supply.

The SDC urban water supplies supports the health of the community, community safety through the fire fighting capability of the water supply system and commercial and industrial activity in the township. Rural water supplies are provided to support the rural community by providing untreated water for stock. This water is not suitable for drinking and not permitted for irrigation.

The existing water supply systems have been developed and built up over many years as a public system to serve the needs of the community.

The rationale for continued Council involvement in the water supply activity and ownership of assets is contained in the;

- Local Government Act 2002 (section 130) which requires Council to continue to provide water services and maintain its capacity to do so, and
- Health Act 1956, (section 25) which requires Council to provide 'sanitary works', the definition of which includes "waterworks".

The activity makes an important contribution to the social, economic and environmental wellbeing's of the community.

2.3 Our Customers

Users of the Water Supply services have been segmented by broad customer type. For each of these customer types the services provided are set out in the following table.

Table 2 – Our Customers

Type	Current services provided
Residential users	<ul style="list-style-type: none"> • Provision of a good quality, safe and reliable water supply at suitable pressure for household use with limited supply for garden watering.
Commercial and Industrial users	<ul style="list-style-type: none"> • Provision of a continuous reliable supply at a flow suitable for commercial and industrial needs and at a quality equal to domestic supply and provision of advance notice of unavoidable disruptions.
Untreated rural users	<ul style="list-style-type: none"> • Provision of a trickle-feed to onsite storage for stock water use only. Provision of advance notice of unavoidable disruptions of greater than two days.
Treated rural users	<ul style="list-style-type: none"> • Provision of a trickle-feed to onsite storage of a good quality, safe and reliable water for stock water and domestic purposes. Provision of advance notice of unavoidable disruptions of greater than two days.
NZ Fire Service	<ul style="list-style-type: none"> • Provision of a flow and hydrant locations suitable for fire-fighting.
All users	<ul style="list-style-type: none"> • Provision of responsible environmental management of water sources.
Developers	<ul style="list-style-type: none"> • Advice on servicing of developments

2.4 Customer Research and Expectations

2.4.1 Customer Research

SDC engage an independent firm to undertake the annual the survey as it is viewed as important that the survey is executed in an objective and credible manner.

The objectives of the survey are to:

- Identify the communities' perception of Council services and activities.
- Provide a cost-effective means of performance measurement for some activities where other performance measures would be expensive or impractical.
- Identify areas where improvements in service delivery may be required.
- Allow comparison with performance of other Councils.

The 2008 Survey¹² was carried out by Polson Higgs. Two questions were asked regarding satisfaction with the Water Supply Activity with results displayed in the figures below:

¹² Residents' Opinion and Satisfaction Survey – Results - March 2008 – Polson Higgs

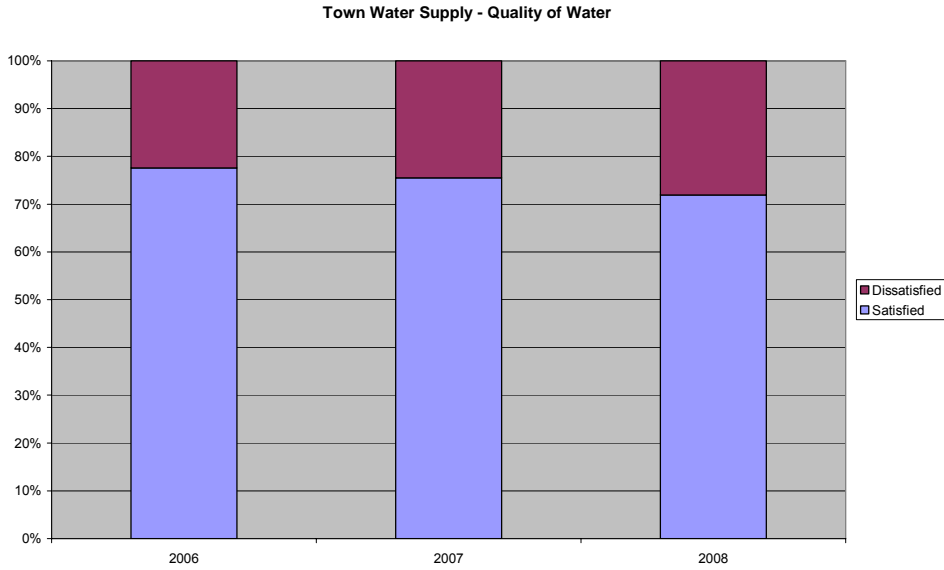


Figure 2- Satisfaction with Quality of Water

Source: Residents' Opinion Survey 2008

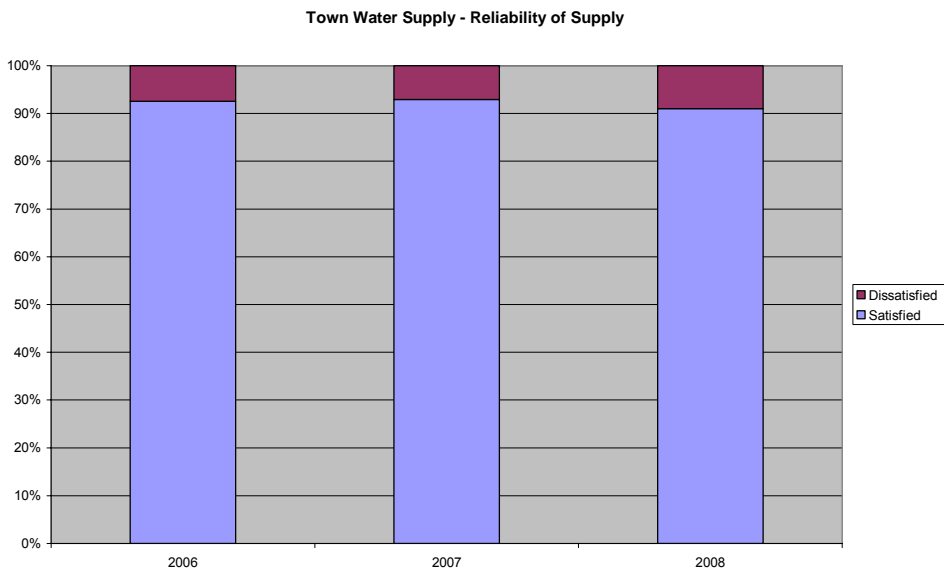


Figure 3- Satisfaction with Reliability of Supply

Source: Residents' Opinion Survey 2008

The results showed that 28% of all residents surveyed were dissatisfied with the quality of town water supply. Residents surveyed from the Riverton (Riverton supply), Tuatapere (Tuatapere and Orawia supplies), and Toetoes (no public supplies) wards were the most dissatisfied.

The majority of residents surveyed (90%) were satisfied with the reliability of the town water supply. Residents surveyed from the Toetoes (no public supplies), Waihopai (no public supplies), Tuatapere (Tuatapere and Orawia supplies), and Wallace (Otautau and Ohai-Nightcaps-Wairio supplies) wards were the most dissatisfied.

2.4.2 Customer Expectations

The following points capture changing expectations noted over the past three years:

- The current level of public satisfaction with public water supplies is trending downwards indicating a desire for a higher standard of supply in some towns.
- In recent years there has been an increase in the use of domestic water consuming devices, resulting in small increases in households' water consumption.
- There is now an increasing public awareness that water is a valuable resource which should be conserved.
- Companies are becoming more aware of increasing costs and the need to conserve resources such as water.
- Consumers are becoming less tolerant of supply interruptions, despite statements in the bylaw.

2.5 Key Relationships

SDC has overall responsibility for public water supply services in the District. This includes setting policy, service standards, ensuring the required outcomes are achieved as efficiently as possible and quality assurance. In providing the water supply service the Council works with a number of key business partners including contractors, consulting engineers and specialist service providers.

Key stakeholders include:

- The Ministry of Health has statutory responsibility for public health issues in New Zealand including health related aspects of water supply services. The Act specifically requires consultation with the Medical Officer of Health over the content of Water Services Assessments. The Ministry of Health is also responsible for the grading of public water supplies, the setting of Drinking-Water Standards for New Zealand and monitoring compliance with these standards
- Environment Southland, the operating name of the Southland Regional Council, has an environmental regulatory and monitoring role under the Resource Management Act that includes the management of resource consents issued for the extraction of water and the discharge of wastes from water treatment processes to receiving waters.
- Te Ao Marama Incorporated is the management organisation representing the interests of four Maori councils in Southland: Te Rūnanga o Awarua, Te Rūnanga o Oraka/Aparima, Te Rūnanga o Hokonui and, Te Rūnanga o Waihōpai. The collective, Ngāi Tahu ki Murihiku, recently produced a Natural Resource and Environmental Iwi Management Plan in 2008 "Te Tangi a Taurira". The kaupapa is From the Mountains to the Sea.

Other stakeholders in the water supply activity are:

- Southland communities, including residents and ratepayers
- Residential and commercial property owners
- Community and cultural groups
- NZ Fire Service
- Local industry
- Meridian Energy (Te Anau and Manapouri)
- Guardians of Lakes Manapouri, Monowai, and Te Anau
- Visitors to Southland District
- The Council's Councillors, senior managers and staff.

Southland District Council adjoins areas administered by Queensland Lakes District, Gore District District, Clutha District, Central Otago District and Invercargill City Councils. Although there are no water supply services provided to or received from other Councils, the Council maintains relationships with water supply staff of the other Councils to facilitate the exchange of information, management practices and to facilitate a joint approach to water supply issues where this is beneficial.

2.6 Strategic and Corporate Goals

2.6.1 Strategic Framework

The SDC has developed a vision, mission and guiding principles that to steer its actions and decisions. A compelling vision provides inspiration and direction to both those within and outside the organisation and aligns and energises people to achieve a common purpose. A mission statement is designed to convey why The SDC exists and guiding principles are developed to help define best practice and provide clear benchmarks.

Vision: Thriving, healthy communities whose economic, cultural, and social wellbeing and opportunities are supported by excellent infrastructure, services and amenities within a high quality environment.

Mission: Working together for a better Southland.

Guiding principle:

- People First - Serving Communities Together.**
- Promote social, economic, environmental and cultural wellbeing**
- Effective representation**
- Open and accessible**
- Progressive and innovative**
- Local involvement**
- Exceeding expectations**

2.6.2 Planning Framework

The following diagram shows the linkages between the various plans the SDC produces, and in particular, the Community Outcomes Report and Activity Management Plans which are the key components for the development of the Long Term Council Community Plan.

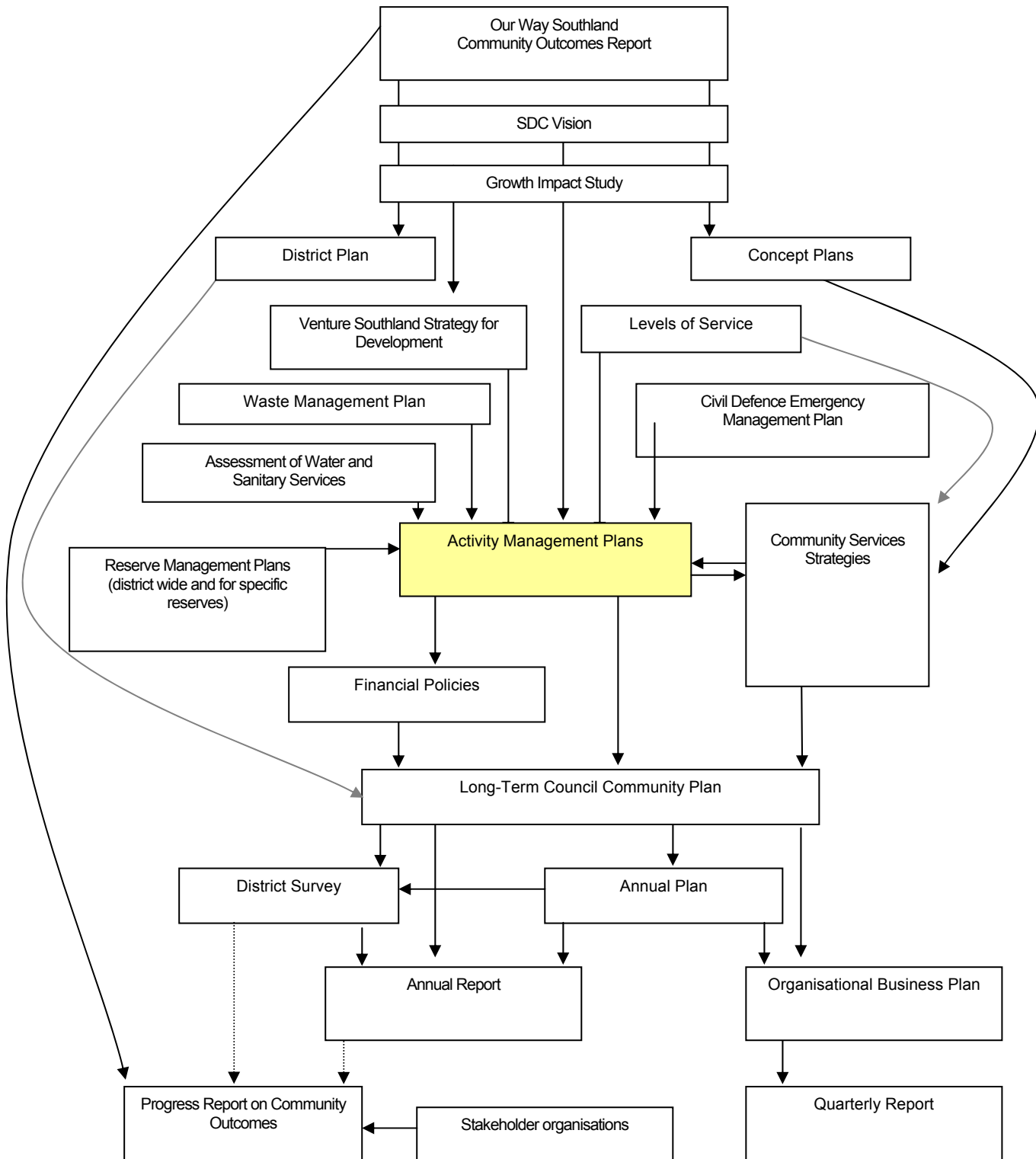


Figure 4 – Planning Framework

Source: SDC

2.6.3 A Vision for Southland - Community Outcomes

Southland residents have identified their priorities and goals for the community. These outcomes were developed through Our Way Southland, a regional consultation process. The outcomes have been categorised into seven themes with specific outcomes and intermediate outcomes. These are:

Table 3 – Our Way Southland Outcomes

Outcome 1	Southland is a great place to live (<i>Lifestyle and Culture</i>)
Intermediate Outcomes 1 (IO1)	<ul style="list-style-type: none"> 1.1 We value our history and heritage 1.2 We have a choice of quality places to go and things to do 1.3 We embrace and respect a diverse community 1.4 We are proud to be Southlanders 1.5 We live in a creative place
Outcome 2	A diverse economy built from our strengths growth and prosperity for growth and prosperity (<i>Economy & Employment</i>)
Intermediate Outcomes 2 (IO2)	<ul style="list-style-type: none"> 2.1 We have a quality infrastructure with potential for growth 2.2 We have an innovative and vibrant culture that supports business 2.3 We have a business friendly environment in which to operate 2.4 We have an economy built on our competitive advantage 2.5 We have full employment and rewarding careers 2.6 We retain and build on our skills base 2.7 We keep the things about living here that we value
Outcome 3	Safe places in a caring society that is free from crime (<i>Law and Order</i>)
Intermediate Outcomes 3 (IO3)	<ul style="list-style-type: none"> 3.1 We have safe roads 3.2 We have safe homes 3.3 We have public places safe for children and families 3.4 We apprehend and hold law breakers appropriately accountable 3.5 We support the victims of crime
Outcome 4	We are healthy people (<i>Health & Wellbeing</i>)
Intermediate Outcomes 4 (IO4)	<ul style="list-style-type: none"> 4.1 We are able to live healthy lifestyles 4.2 We have good quality affordable housing 4.3 We live in a compassionate caring community 4.4 We have equity of access to health services
Outcome 5	Strong, effective leadership taking us into the future (<i>Leadership</i>)
Intermediate Outcomes 5 (IO5)	<ul style="list-style-type: none"> 5.1 Citizens and communities are inspired, motivated and empowered 5.2 Decisions are progressive, forward looking and robust 5.3 The community has confidence in its leaders
Outcome 6	A treasured environment which we care for and into the future and which supports us now (<i>Environment</i>)
Intermediate Outcomes 6 (IO6)	<ul style="list-style-type: none"> 6.1 We have an informed community 6.2 We have a healthy, safe and accessible built environment 6.3 We have an environment protected from the negative effects of human activities
Outcome 7	A well-educated and skilled community continually seeking further opportunities to learn (<i>Education and Training</i>)
Intermediate Outcomes 7 (IO7)	<ul style="list-style-type: none"> 7.1 We have accessible learning opportunities 7.2 We have high quality learning opportunities available to meet community needs and demands 7.3 We deliver innovative, integrated and effective learning programmes 7.4 We have a culture of continuous learning

Source: Our Way Southland Project

2.6.4 Southland District Council Strategic Goals

The SDC manage the water supply activity to produce outputs that support the achievement of strategic goals. Outputs from the water supply activity contribute to the achievement of the following Community Outcomes, see table below. Outcome 4: “We are healthy people” is the primary outcome.

Table 4 – Contribution to Community Outcomes

Outcome	Intermediate Outcome (IO)	Activity's Contribution
1. Southland is a great place to live		
	1.2 We have a choice of quality places to go and things to do	In reticulated areas, water is available to support both recreation, such as swimming pools and access to drinking fountains/public toilets, and to improve amenity in areas through use of water for water gardens or for water features.

2. A diverse economy built from our strengths for growth and prosperity		
	2.1 We have a quality infrastructure with potential for growth	The potential for growth of an area is strongly linked to the availability of water. Reticulated water supplies are convenient and generally have a secure and reliable source. Without access to reticulated supplies, residential, industrial and commercial development may not be as viable and may face additional difficulties obtaining sufficient water for their operations, particularly given the increasing demand for water which is placing pressure on limited water resources. Rural water supplies which provide water for stock provide key infrastructure needed for such farming operations. The various supplies must also comply with consent requirements which place restrictions on the amount of water which can be extracted. Compliance with these conditions helps to ensure that water use is sustainable and will be available for the future. In addition, by providing water to multiple properties in an area, the reticulated service is able to provide economies of scale by sharing the costs over many users.
	2.4 We have an economy built on our competitive advantage	Rural water supplies provide water for stock in farming operations, which helps to support this traditional aspect of the Southland economy.

3. Safe places in a caring society that is free from crime		
	3.2 We have safe homes	The fire fighting capability of the water supply supports helps improve the safety of people in their homes. Without an adequate water supply, the fire fighting service would be unable to do their jobs and public health and safety would be at risk.
	3.3 We have public places safe for children and families	The fire fighting capability of the water supply supports a safe community. Without an adequate water supply, the fire fighting service would be unable to do their jobs and public health and safety would be at risk.

Outcome	Intermediate Outcome (IO)	Activity's Contribution
4. We are healthy people		
	4.1 We are able to live healthy lifestyles	The water supply activity provides safe water for drinking as well as water to be used for sanitary services such as showers, toilets, washing and food preparation. Water is an essential resource for human life and the provision of a reticulated supply in urban areas is an essential life supporting service which also makes peoples lives easier and more convenient.

6. A treasured environment which we care for and which supports us now and into the future		
	6.2 We have a healthy, safe and accessible built environment	The health and safety of urban built areas is improved by the availability of a reliable and sufficient water supply which is used to provide sanitary systems. In addition, a water supply also provides fire fighting capability with helps to protect people and property from fire. Without an adequate water supply, the fire fighting service would be unable to do their jobs and public health and safety would be at risk.
	6.3 We have an environment protected from the negative effects of human activities	The provision of reticulated supplies helps to protect the environment by ensuring that a significant part of overall water extractions of water resources comply with consent conditions. Reticulated supplies also prevent the need for multiple sources of extraction in one geographical area, reducing the likelihood of overuse of water resources and/or breaches of consent conditions. As reticulated supplies are capable of being modified to apply conservation and demand management tools (water meters, flow restrictors, financial incentives), they also provide the ability to forcibly reduce demand were required.

2.7 The Legislative Environment

2.7.1 Current Legislation

The following tables outline the statutory, regional and local requirements relating to the provision of water supply services.

Table 5 – Acts of Parliament

Acts	Relevance
Biosecurity Act 1993	<ul style="list-style-type: none"> • Compliance with national or regional pest management strategies
Building Act 2004	<ul style="list-style-type: none"> • Sets standards for building construction including requirements for water supply. • Compliance with building consents and warrant of fitness issued under the act and relevant regulations and standards
Civil Defence Emergency Management Act 2002	<ul style="list-style-type: none"> • A local authority must plan and provide for civil defence emergency management within its district and maintain services to the fullest extent possible

Acts	Relevance
Construction Contracts Act 2002	<ul style="list-style-type: none"> Set out requirements relating to payment provisions for construction contracts and dispute resolution.
Fencing Act 1978	<ul style="list-style-type: none"> Responsibilities in relation to mutual boundary fences
Hazardous Substances and New Organisms Act 1996	<ul style="list-style-type: none"> The purpose of this Act is to protect the environment, and the health and safety of people and communities, by preventing or managing the adverse effects of hazardous substances and new organisms.
Health Act 1956	<ul style="list-style-type: none"> Sets out general responsibility of local authorities to improve, promote and protect public health including identification and management of potential health risks associated with water supply. Regulation and protection of public health in the district Requirement to provide sanitary works Requirement to take all practicable steps to meet DWS2005.
Health and Safety in Employment Act	<ul style="list-style-type: none"> Requirements for managing health and safety in workplaces. Allows employees an opportunity to participate in the improvement of health and safety at work
Local Government Act 1974	<ul style="list-style-type: none"> Deals with the organisational structure of Councils and responsibilities at local and regional level for matters relating to roads and water races.
Local Government Act 2002	<ul style="list-style-type: none"> Provisions to maintain public ownership and control of public water supply services Requirement to make Water supply Assessments Levels of Service and Performance Targets in LTCCP Consultation requirements Development Contributions
Local Government (Rating) Act 2002	<ul style="list-style-type: none"> The funding companion to the LGA 2002 Permits councils to strike a rate or charge for any activity they choose to get involved in
The Local Government Official Information & Meetings Act 1987	<ul style="list-style-type: none"> Sets out requirements concerning disclosure of information.
Public Works Act 1981	<ul style="list-style-type: none"> Acquisition or disposal of land required for public works
Resource Management Act 1991	<ul style="list-style-type: none"> Promotes the sustainable management of natural and physical resources. Regulates land use and subdivisional activity. Regulates discharges to land, air and water. Recognises the principles of the Treaty of Waitangi Compliance with district and regional plans

Table 6 – Regional Planning Documents

Regional Planning	Relevance
Regional Policy Statement 1997 (RPS)	<ul style="list-style-type: none"> This document provides an overview of the resource management issues of Southland. It sets out how natural and physical resources are to be managed in an integrated way with the aim of sustainable management. This means providing for the needs of current and future generations, aiming to improve the quality of the environment.

Regional Planning	Relevance
Transitional Southland Regional Plan 1991	<ul style="list-style-type: none"> This plan addresses sustainable management of natural resources in the Southland Region.
Proposed Regional Water Plan for Southland 2008	<ul style="list-style-type: none"> The purpose of this Plan is to promote the sustainable management of Southland's rivers, lakes, groundwater and wetland resources. The plan is aimed at enabling the use and development of fresh water where this can be undertaken in a sustainable way, providing a framework for activities such as discharges to water, taking and using water, and structures and bed disturbance activities in river beds.
Regional Coastal Plan for Southland 2007	<ul style="list-style-type: none"> Fundamental principles in the management of the CMA are set out and then sections of the plan deal with specific matters including estuaries, coastal water, air, occupation, the seabed and foreshore, structures in the coast, coastal processes and protection works, cruise ships and other ships in internal waters, recreational activities, marine farming, surface water activities, financial contributions and bonds to be made.
He Huarahi mō Ngā Uri Whakatupu (A Pathway for the Generations Coming Through) 2003	<ul style="list-style-type: none"> Charter of Understanding between Environment Southland, Invercargill City Council, Southland District Council, Gore District Council and Te Ao Marama Incorporated.
Te Tangi a Tauira (Cry of the People) 2008	<ul style="list-style-type: none"> Ngāi Tahu ki Murihiku Natural Resource and Environmental Iwi Management Plan based on the Charter of Understanding (above).

Table 7 – Local Planning Documents

Local Planning	Relevance
District Plan 2001	<ul style="list-style-type: none"> Requirement of RMA 1991 Sets out the Council's resource management strategy, including how the Council will control the effects of activities and development on natural and physical resources.
LTCCP 2006-16	<ul style="list-style-type: none"> Requirement of LGA 2002 Identifies community outcomes and how they will be achieved Provides information and performance measurement criteria for activities, services and assets Sets out long term financial projections (10 years)
Annual Plans	<ul style="list-style-type: none"> Requirement of LGA 2002 Identifies the annual works and financial programmes for the years between the LTCCP cycle.

The following bylaws enacted by Council are relevant to water supply management:

Table 8 – Relevant SDC bylaws and Local Acts

SDC Bylaws	Relevance
Subdivision & Land Development Standards Bylaws 2005	<ul style="list-style-type: none"> Specifies Councils minimum requirements for subdivision and land development while promoting sustainable development.
Trenching Bylaw 2002	<ul style="list-style-type: none"> Prescribes the conditions and specification requirements for excavation and reinstatement works undertaken within the road corridors controlled and managed by the SDC.

SDC Bylaws	Relevance
Water Supply Bylaw 2008	<ul style="list-style-type: none"> Requires all persons to make application before connecting to the water supply network and outlines conditions for taking water.

Table 9 – Other Relevant Documentation

Standards and Guidelines	Relevance
NZWWA New Zealand Infrastructure Asset Grading Guidelines 1999	<ul style="list-style-type: none"> Provides guidelines on asset grading.
SNZ HB 2002:2003 Code of Practice for Working in the Road	<ul style="list-style-type: none"> Provides roles and responsibilities of Road Controlling Authorities, principal providers, utility operators and contractors; consents and work approvals; and details of construction requirements; for the purpose of installation and maintenance of utilities within the road corridor.
AS/NZS 4360:2004 - Risk Management	<ul style="list-style-type: none"> This standard promotes the use and benefits of good risk management practices across all stages in the life of an activity, function, project, product or asset.
SNZ PAS 4509:2008 - New Zealand Fire Service Fire Fighting Water Supplies Code of Practice	<ul style="list-style-type: none"> Provides direction on what constitutes an adequate supply of water for fire fighting in urban Fire Districts. This includes areas covered by any agreements under section 38 or 39 of the Fire Service Act.
NZS 3910:2003 - Conditions of contract for building and civil engineering construction	<ul style="list-style-type: none"> Provides a standard form of general conditions of contract written in plain English for incorporation into construction contract documents
Drinking Water Standards of New Zealand 2005 (Ministry of Health)	<ul style="list-style-type: none"> Prescribe the maximum allowable values (MAVs) for determinands of public health significance and compliance criteria. Allows small supplies to have a Public Health Risk Management Plan in place in order to reduce compliance requirements provided risk is well managed.
National Environmental Standard for sources of human drinking water 2007 (MFE)	<ul style="list-style-type: none"> It requires regional councils to ensure that effects on drinking water sources are considered in decisions on resource consents and regional plans. Specifically, councils will be required to: <ul style="list-style-type: none"> - decline discharge or water permits that are likely to result in community drinking water becoming unsafe for human consumption following existing treatment - be satisfied that permitted activities in regional plans will not result in community drinking water supplies being unsafe for human consumption following existing treatment - place conditions on relevant resource consents requiring notification of drinking water suppliers if significant unintended events occur (e.g. spills) that may adversely affect sources of human drinking water.
Proposed national environmental standard for metering of water takes (MFE)	<ul style="list-style-type: none"> The standard will set minimum requirements for the installation and operation of new water measuring and recording devices, and for the transfer of data to regional councils.

2.7.2 Changing Regulatory Requirements

The Health (Drinking Water) Amendment Act was enacted by the Government in 2007. Compliance with the new act is staggered with smaller neighbourhood supplies not required until 2013. Different water supply categories have been developed as follows with differing timeframes for compliance, see Table 10:

Table 10 – Drinking Water Compliance

Supply Category	Population Supplied¹³	Compliance Timeframe¹⁴
New	Any	1 July 2009
Large	More than 10,000 people	1 July 2009
Medium	Between 5,001 – 10,000 people	1 July 2010
Minor	Between 501 – 5,000 people	1 July 2011
Small	Between 101 – 500 people for at least 60 days per year (and not a neighbourhood supply)	1 July 2012
Neighbourhood	Between 25 – 100 for at least 60 days per year (or < 6,000 person days)	1 July 2013
Rural Agricultural¹⁵	Between 25 – 100 for at least 60 days per year (or < 6,000 person days)	1 July 2013

2.8 The Standards We Aim to Achieve

2.8.1 Service Level Development

LoS are described as “the defined quality for a particular activity or service area against which performance may be measured. ‘Levels of Service’ usually relate to quality, quantity, reliability, responsiveness, environmental acceptability and cost”.

In 2004/05 SDC, assisted by MWH, reviewed the LoS and sought SDC staff and community input regarding desired LoS and relevant performance monitoring criteria. Legislative and policy requirements in terms of LoS have also been identified and considered.

Proposed Levels of Service are displayed in the following table.

¹³ Drinking-water Standards for New Zealand 2005 (Revised 2008)

¹⁴ Health Act 1956 (as at 1 July 2008)

¹⁵ Any supply where water is supplied primarily for agriculture or horticulture purposes but will also be used for drinking. The supply must supply at least 75% for commercial agriculture. These supplies are still being considered by the MOH at the time of writing.

Table 11 – Full Levels of Service

Level of Service Category	Level of Service (Customer LoS)	KPI (Technical LoS)	Source Information
Access	<ul style="list-style-type: none"> Provide water supplies to communities who want and will pay for the costs of that service. 	<ul style="list-style-type: none"> Supply is available as identified in the Annual Plan. 	<ul style="list-style-type: none"> Report from in TRIM (correspondence records)
	<ul style="list-style-type: none"> Provide communities with technical and administrative support to assess new water supplies and/or upgrades. 	<ul style="list-style-type: none"> Budgets and resources assigned through the Annual Plan process when applicable. 	<ul style="list-style-type: none"> Report from in TRIM (correspondence records)
	<ul style="list-style-type: none"> Manage water supplies in accordance with best current practice. 	<ul style="list-style-type: none"> 100% compliance with statutory requirements for assessment of water services, asset management planning, and reporting. This will include unserved communities. Maintain 90% customer overall satisfaction rating for water supplies of not less than Satisfactory. 	<ul style="list-style-type: none"> Check compliance with LGA, completion of Activity plan. Annual customer survey.
	<ul style="list-style-type: none"> Meet all legal obligations for water takes, to maintain access to a source of water. 	<ul style="list-style-type: none"> All work is undertaken in accordance with water permits or permitted activity rules and associated conditions. 	<ul style="list-style-type: none"> SCADA records and plant sheets.
Quality	<ul style="list-style-type: none"> Urban water supplies to comply with NZ Drinking Water Standards by 2015. 	<ul style="list-style-type: none"> Monitor all urban water supplies to the extent required by NZ Drinking Water Standards. 100% compliance with NZ Drinking Water Standards in 10 years, or earlier if set by legislation. 	<ul style="list-style-type: none"> SCADA records and physical monitoring results. WINZ database.
	<ul style="list-style-type: none"> Drinking water quality is acceptable to users. 	<ul style="list-style-type: none"> Less than 5 complaints per scheme per year about drinking water quality. 90% resident satisfaction with the quality of urban water supplies. 	<ul style="list-style-type: none"> Report from HANSEN (complaints) Annual customer survey
Quantity	<ul style="list-style-type: none"> Provide an adequate quantity of water for daily use 	<ul style="list-style-type: none"> Make available 200 litres/person/day of water to residential properties on Urban supplies. Residential properties on Urban supplies receive a minimum rate of flow of 25 litres/minute and minimum pressure of 300kPa under normal conditions. 	<ul style="list-style-type: none"> Report from HANSEN (no water) Report from HANSEN (low flow or pressure)

Level of Service Category	Level of Service (Customer LoS)	KPI (Technical LoS)	Source Information
		<ul style="list-style-type: none"> • Properties on Rural supplies receive an agreed amount of water based on the specific allocation for that property. • Less than 10 complaints per year about supply quantity and pressure. • 80% resident satisfaction with the pressure and flow of urban water supply. 	<ul style="list-style-type: none"> • Report from HANSEN (no water) • Report from HANSEN (complaints) • Annual customer survey
	<ul style="list-style-type: none"> • Provide a water supply adequate for fire fighting in urban areas. 	<ul style="list-style-type: none"> • Provide a minimum of W3 grade for all urban areas with a water supply (25 litres/sec at 100kPa from 2 hydrants within 270m). • Provide a minimum of W4 grade for all commercial and industrial areas with a water supply (50 litres/sec at 100kPa from 2 hydrants within 270m). 	<ul style="list-style-type: none"> • Report from HANSEN (hydrant testing). Consult NZFS. • Report from HANSEN (hydrant testing). Consult NZFS.
Reliability	<ul style="list-style-type: none"> • Provide a daily supply of water under normal operating conditions in urban supplies, and a supply in rural supplies consistent requirements for storage on serviced properties. 	<ul style="list-style-type: none"> • Less than 5 days when restrictions on water use are ordered on any single supply. • Less than 5 instances per year per supply of connections failing to meet the minimum flow of 25 litres/minute and minimum pressure of 300kPa under normal conditions. • No shutdown on a rural scheme to exceed 2 days duration. • No shutdown on an urban scheme to exceed 6 hours duration. • No more than 25 non-notified shutdowns per year by 2007. • 90% resident satisfaction with the reliability of water supply. 	<ul style="list-style-type: none"> • Report from in TRIM (water restriction notices) • Report from HANSEN (low flow or pressure). • Report from in TRIM (water restriction notices) • Report from in TRIM (water restriction notices) • Report from in TRIM (water restriction notices) • Annual customer survey
Responsiveness	<ul style="list-style-type: none"> • Prompt response to complaints. 	<ul style="list-style-type: none"> • Advise expected response and resolution time. • Respond to and resolve complaint within time set in Asset Management Plan for type of problem. 	<ul style="list-style-type: none"> • Report from HANSEN (complaints). • Report from HANSEN (complaints).

Level of Service Category	Level of Service (Customer LoS)	KPI (Technical LoS)	Source Information
	<ul style="list-style-type: none"> • Prompt action on applications for connection. 	<ul style="list-style-type: none"> • Issue decision on application within 10 days of application. • Complete new connection within 20 days of granting application. 	<ul style="list-style-type: none"> • Report from in TRIM (correspondence) • Report from HANSEN (new connections).

As part of the preparation of the Activity Management Plans, staff have reviewed the MWH work and prioritised the Levels of Service in terms of those considered to be most important to the community. It was considered that it was not in Council's or the readers best interest to include all KPI's identified by MWH in the Long Term Council Community Plan because of the sheer number of measures and the resources that would be required to gather data to measure and monitor all indicators.

As a result Council has identified those service levels and targets most important from a community perspective and undertaken some work to re-format these into clear key performance indicators with targets and a source of measurement as shown in the following section.

2.8.2 Proposed Levels of Service

Outlined in Table 12 are the proposed Levels of Service to be recommended to Council for adoption during the LTCCP2009-19 process.

Table 12 – Proposed Levels of Service

Primary Outcome: “We are healthy people”									
Intermediate Outcome: “We are able to live healthy lifestyles”									
What Council will provide		How Council will measure the service provided							
Category	Level of Service	Key Performance Indicator	Actual	Target	Plan Targets				Source
			07/08	08/09	09/10	10/11	11/12	2012-19	
Quality	Provide urban water supplies that are safe and promote public health.	Percentage of urban water supply tests that meet the requirements of the NZ Drinking Water Standards 2005.	93.9	100%	100%	100%	100%	100%	WINZ ¹
		Percentage of urban water supplies that are capable of meeting the requirements of the NZ Drinking Water Standards 2005 ²	0%	20%	10%	65%	80%	>80%	WINZ ¹
	Drinking water quality is acceptable to users.	Percentage of customers satisfied with the quality of urban water supplies.	71.9%	90%	90%	90%	90%	90%	Survey – Resident
		Number of complaints about drinking water quality across all schemes. ³	15	Less than 65	Less than 65	Less than 65	Less than 65	Less than 65	Quarterly Report
Quantity	Provide an adequate quantity of water for daily use.	Number of complaints about supply quantity and pressure per scheme. ³	519	Less than 130	Less than 130	Less than 130	Less than 130	Less than 130	Hansen IMS
	Provide a water supply adequate for fire fighting in urban areas.	Percentage of urban fire hydrant tests that meet SNZ PAS 4509:2003 ⁵	New	New	70%	80%	90%	100%	Hansen IMS
Reliability	Provide a reliable water supply.	Percentage of resident satisfaction with the reliability of water supply.	91.0%	90%	90%	90%	90%	90%	Survey – Resident
		Total number of non-notified shutdowns across all urban schemes. ³	26	New	20	20	20	20	Hansen IMS
Responsiveness	Prompt response to complaints.	Percentage of complaints responded to within required timeframes. ⁴	82.7%	90%	80%	85%	90%	90%	Hansen IMS

1) Water Information New Zealand (WINZ) is a national database of all community drinking-water supplies used to determine the public health grading. WINZ is managed by ESR on behalf of the MOH.

Primary Outcome: “We are healthy people”

Intermediate Outcome: “We are able to live healthy lifestyles”

What Council will provide		How Council will measure the service provided							
Category	Level of Service	Key Performance Indicator	Actual	Target	Plan Targets				Source
			07/08	08/09	09/10	10/11	11/12	2012-19	
2)		Capability to meet the standards is assessed through carrying out public health risk assessments which identify any capital work needed or operational processes which need to be put in place to minimise any risks to the public health. Council is yet to assess its water supplies against the NZ Drinking Water Standards 2005 using the process outlined. The targets aim at reaching 100% compliance by 1 July 2013.							
3)		Council has 13 water supplies that are treated for drinking (11 urban schemes and two rural schemes). The target is a total across all schemes, 5 complaints per scheme for quality and 10 complaints per scheme for quantity and pressure.							
4)		Response times are set out in contract conditions and vary according to the type of problem.							
5)		Minimum flow from a hydrant must be 12.5 litres per second							

Gaps between current performance and the adopted KPIs are intended to be addressed in each scheme in the management, operations, maintenance, renewal and capital development programmes set out in Section 5.0. The financial statements in Section 6.0 show how expenditure will be funded.

2.9 Past Performance

Performance measured in the Annual Report for the last three years is detailed in the table below where 😊 means the target was achieved, 😞 means the target was not achieved, ☹️ means the indicator was not measured.

Table 13 – Past performance

Category	Level of Service	Key Performance Indicator	Actual		
			05/06	06/07	07/08
Quality	Provide urban water supplies that are safe and promote public health.	Percentage of urban water supply tests that meet the requirements of the NZ Drinking Water Standards 2005.	😞 98%	😞 99% (2260/2283)	😞 93.9% (1229/1309)
		Percentage of urban water supplies that are assigned a Public Health Grading of Bb or greater ¹⁶ .	😞 0%	😞 0%	😞 0%
	Drinking water quality is acceptable to users.	Percentage of customers satisfied with the quality of urban water supplies.	😞 77.6%	😞 75.5%	😞 71.9%
		Number of complaints about drinking water quality across all schemes.	☹️	😊 3	😊 15
Quantity	Provide an adequate quantity of water for daily use.	Number of complaints about supply quantity and pressure per scheme.	☹️	😊 117	😞 ¹⁷ 519
		Percentage of scheme improvement projects completed in order to maintain safe and adequate supply to customers.	☹️	😞 8.6%	😞 5.8%
Reliability	Provide a reliable water supply.	Percentage of resident satisfaction with the reliability of water supply.	😊 92.6%	😊 92.9%	😊 91.0%
Responsiveness	Prompt response to complaints.	Percentage of complaints responded to within required timeframes.	☹️	😞 80%	😞 82.7%

2.10 District-Wide Issues

In order to meet the proposed levels of service outlined above SDC need to improve performance in the following service areas:

- Quality drinking water
- MOH Grades
- Customer satisfaction
- Project completion

¹⁶ Supplies are currently ungraded by MOH.

¹⁷ Reporting method was changed to count the total number of complaints rather than the number of problems the complaints referred to.

- Response times

Additional issues not represented in these service levels are:

- Protecting public health in unserved areas
- Maintaining fire flows
- Protecting the environment

Solutions have been developed and are outline below in general terms. Scheme specific issues and solutions are detailed by township in Section 5.0.

2.10.1 Quality of Drinking Water

Many supplies are suffering from changing raw water condition brought about by changing environment, e.g. increase in algae (didimo), changing landuse practices (higher sediment load) which have upset treatment processes that have been in place for many years.

The recent adoption by the government of the Drinking Water Amendment Bill into the Health Act has also

2.10.2 MOH Grades

The recent adoption by the government of the Drinking Water Amendment Bill into the Health Act has

2.10.3 Customer Satisfaction

The main reason given for customer dissatisfaction with the quality of the water was the smell and taste. This is related to the quality of raw water available to be treated. Changing raw water conditions has meant an increase in chemicals needed to treat the water to make sure it is safe to drink. There are a number of projects planned to improve the quality of raw water by upgrading or renewing intake infrastructure.

2.10.4 Project Completion

Project completion has been addressed in by prioritising capital projects based on availability of MOH funding and risk. This has reduced the number of projects to be completed each year while still meeting the agreed levels of service.

The W&WS team has also expanded in numbers based on a Morrison Low review¹⁸. The team has also built strong relationships with local engineering consultants and contractors to assist in completing work programmes.

2.10.5 Complaint Response Time

Response time is governed by specifications in the Operations and Maintenance Contract currently held by Fulton Hogan Ltd. A designated Operations and Maintenance Engineer has been employed to focus on the contract and ensure (among other things) the response and resolution times are met.

2.10.6 Protecting Public Health in Unserved Areas

Several towns were identified in the Assessment of Water and Sanitary Services¹⁹ (AWSS) as having water supplies with a risk to public health due to a lack of treatment processes. The assessment was based on a Health Risk Assessment from a Report to Council 12 December 2002 which considered the following factors:

¹⁸ Morrison Low report 2008

¹⁹ SDC Assessment of Water and Sanitary Services 2005

- Whether a township had a sewerage scheme or on-site disposal (septic tanks).
- Whether a township had a reticulated water supply or onsite collection (roof, bore, spring)
- Whether a township had any localised constraints such as poor drainage, or small sections.
- Whether a township had any nuisance complaints about sanitation
- Whether a township had any issues with water contamination

Where the Health Risk Assessment was incomplete assumptions were made at the time of AWSS. With funding available from the Ministry of Health under the Drinking Water Assistance Programme the SDC plan to construct the new reticulated water supplies listed in Table 14 below.

2.10.7 Fire Fighting Capacity

At present all the communities on reticulated urban supplies strive to meet the same fire fighting standard across the district. That is a minimum of W3 grade equal to 25L/s at 100kPa from two hydrants within 270m. To meet these standards many communities will require major upgrade works to increase mains capacity at a large cost. In some areas lower standards may be appropriate and acceptable to the NZFS.

2.10.8 Protecting the Environment

2.10.8.1 Water Allocation

Many aquifers (particularly confined aquifers) in Southland are now fully allocated. This may make it more difficult to secure water permits in the future as the impact on the integrity of the aquifers is threatened.

2.10.8.2 Water conservation orders

These orders aim to recognise the outstanding amenity or intrinsic values that specific waters provide, in either a natural or modified state. Water conservation orders can be used to preserve that natural state or protect characteristics such as:

- a water body's value as a habitat or fishery
- its wild and scenic nature
- its value for recreational, historic, spiritual, cultural or scenic purposes.
- a water body that may also be particularly significant to Maori.

Orders may be applied over rivers, lakes, streams, ponds, wetlands, or aquifers, and can cover freshwater and geothermal water. When granted by the Minister, a water conservation order can restrict or prohibit water 'takes', discharges and other uses of the water.

An order can prohibit or restrict a regional council issuing new water and discharge permits, although it can not affect existing permits. Regional policy statements, regional plans and district plans can not be inconsistent with the provisions of a water conservation order.

Current conservation orders exist on the Maitai River (1997/126) and an application has been made in 2008 by Fish and Game for an order on the Oreti River.

2.10.8.3 Statutory Acknowledgements

Statutory Acknowledgements (Ngai Tahu Claims Settlement Act 1998) recognise Ngai Tahu's mana in relation to a range of sites and areas in the South Island, and provide for this to be reflected in the management of those areas. Statutory Acknowledgements impact upon Resource Management Act 1991 (RMA) processes concerning these areas. Statutory Acknowledgements are in place in the following SDC areas:

- Manawapopore / Hikuraki (Mavora Lakes)
- Te Ana-au (Lake Te Anau)
- Motorau (Lake Manapōuri)
- Waiau River
- Lake Hauroko
- Aparima River
- Ururewa (Lake George)
- Oreti River
- Waituna Wetland
- Mataura River
- Kuramea (Lake Catlins)
- Tokata (The Nuggets)
- Pomahaka River

2.10.9 Summary Table

The following table summarises the key issues outlined above. Specific projects allowing each township required to meet the agreed levels of service are detailed in the relevant chapter of Section 5.0.

Table 14 – Summary of Key Issues

Key Issue	Scheme	Description	Status
Quality drinking water	All	Upgrade water intake infrastructure	Programmed, see Section 5.0
	All	Upgrade water treatment plant infrastructure	Programmed, see Section 5.0
	All	Reticulation upgrades	Programmed, see Section 5.0
MOH Grades	All	Complete PHRMPs	Programmed, see Section 5.0
Customer satisfaction	All	Improve performance and customer communication	Additional staff should improve performance
Project completion	All	Recruitment of appropriately skilled staff. Prioritisation of capital works to ensure high risk projects are undertaken first Smart grouping of projects to optimise SDC time spent.	Additional skilled staff have been employed. Prioritisation complete. Groupings underway.
Protecting Public Health in Unserviced Areas	Browns	Proposed New Water Supply	On hold - pending funding and community discussion, see Sections 5.2.
	Edendale/ Wyndham	Proposed New Water Supply	Under construction in conjunction with sewerage scheme, see Sections 5.5 and 5.27
	Riversdale	Proposed New Water Supply	On hold - pending funding and community discussion, see Sections 5.20.
	Tokanui	Proposed New Water Supply	On hold - pending funding and community discussion, see Sections Error! Reference source not found..
	Waikaia	Proposed New Water Supply	On hold - pending funding and community discussion, see Sections 5.25.
Maintaining fire flows	All	Regular testing of pressure and flow by the NZFS. Capacity upgrades have been	Programmed, see Section 5.0

		programmed in certain areas to improve pressure and flow where a deficiency has been identified.	
--	--	--	--