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Report to the Utility Services Committee
from Dan Roberts, Group Manager Operations

Wellington City Council Annual Report 1998/99 : Statement of Service Performance

1. Purpose

- To provide information relating to the performance of the Network Section as described by the Wellington City Council in their 1998/99 Annual Report (Attachment 1).

2. Introduction

The Network Section in one form or another has been carrying out the maintenance of the reticulation system within the Wellington City boundaries for many years.

In 1993 the arrangements were finalised under the terms of a Facilities Management Contract.

Since 1 July 1998 a new Facilities Management Contract came into operation and was renegotiated under the terms and conditions of NZS 3910:1998. This Contract, which expires on 31 June 2000, was signed in December 1998.

Suffice to say that this has not been the easiest Contract to operate and relationships between the client and ourselves have at times been strained.

Various initiatives have been undertaken to address the changing requirements of the Principal and the requirement to accurately monitor and audit our performance. Our compliance with the performance targets is not limited to our own performance but in some instances is influenced by the actions of other organisations not under our control. In assessing levels of performance one has to be realistic and, as with any maintenance activity, if one wishes to fail a job for whatever reason, it is only too easy to identify some minor defect.

In monitoring our performance against the time parameters if we fail to complete within the allotted time period, be it a couple of minutes outside, then we will say

so. In the past the reporting of compliance figures was presumptive. Now it is accurate.

On a monthly basis we have improved our reporting system and include a full analysis of our performance, not only on a monthly basis, but also annually and year to date (see Attachment 2). The introduction of the Job Despatch System has also enabled us to improve the control of work activities and to more readily monitor performance.

3. **Compliance with Water Supply Asset Management Plan Service Level Targets**

3.1 **General**

In the Wellington City Council 1998/99 Annual Report it is reported that we have failed to meet 9 out of 14 service level targets. We believe that we have only failed to meet the requirements on four service level targets and would question the seriousness of the impact of those failures.

The Annual Report states that compliance with targets was not achieved because of poor contractor performance in the following areas:

3.2 **Responding to Complaints about Water Quality**

We believe that we have met the required service level target of 95 percent.

This relates to performance target PT 2.1, which states:

For complaints regarding water quality, visit site, and take sample as required within four hours.

Tests results to be received by Wellington Regional Council within two working days of sample being taken by Wellington Regional Council.

Customer and Wellington Regional Council to be supplied with a copy of analysis results within three working days of Wellington Regional Council receiving results from the Laboratory.

During 1998/9 we received 97 requests for quality samples of domestic water supply. We complied with the performance target on 90 occasions, which equated to a compliance level of 93 percent.

- | | | |
|---|--|--------|
| ➤ | On three occasions we missed the target by | 1 day |
| ➤ | On two occasions we missed the target by | 3 days |
| ➤ | On one occasion we missed the target by | 5 days |
| ➤ | On one occasion we missed the target by | 6 days |

On three occasions these were caused by delays that occurred in receiving the results from the Laboratory. On one occasion the analysis undertaken was not for water quality and should not have been included in the summary.

Our actual report of compliance should therefore have been identified as follows:

➤	Samples taken	96
➤	Our compliance level	92
➤	Percentage compliance	96 percent

3.3 **Shutdown Notification**

We believe that we have met the required service level target.

This relates to performance targets PT 6.1 and PT 6.2, which state:

PT 6.1 All unplanned shutdowns are to be notified to all identifiable customers at least one normal working day prior to the shut-down time.

PT 6.2 All unplanned shutdowns are to be notified to all identifiable customers personally, immediately, prior to the shut-down, except as otherwise provided for in Clause E.1.5.4.

This is a difficult service level to monitor and measure. However, records show that during the year 158 shutdown procedures were initiated and it is believed that we are now complying, as we have not received any notification identifying a situation where we have not followed the required procedure.

3.4 **Responding to Correspondence**

We believe that we have met the required service level target of 95 percent.

This relates to performance target PT 3.1, which states:

Provide an interim response to correspondence addressed to Wellington City Water within 3 working days of receipt and a substantial reply to 95% of the correspondence within ten working days, or further response advising what action is being taken and when a substantial response can be expected.

3.5 **Providing an Effective Mark-out Service**

We believe that we have met the required service level target of 95 percent.

This relates to performance target PT 10.1, which states:

Requests for mark-out of mains or services on site to be actioned and completed within two working days, or as agreed with the applicant.

During the year we have carried out 823 mark-outs and have failed to comply with the required criteria on only one occasion.

Compliance level 99 percent.

3.6 **Actioning Requests for Information**

We believe that we have met the required service level target.

This refers to performance targets PT 11.1 and PT 11.2, which state:

PT 11.1 Request for information from system plans, or other records, to be provided to enquirers within one working day or as agreed.

PT 11.2 LIM's and PIM's requests to be responded to within three and five working days respectively.

3.7 **Standards of Work Reinstatement**

We believe that we have met the required service level for PT 20.1 and that we are now meeting the requirement for PT 20.2.

This refers to performance targets PT 20.1 and PT 20.2, which state:

PT 20.1 No more than 140 residents or 15 per month complained regarding reinstatement.

During the year we received 18 complaints from members of the public which equates to 100 percent compliance.

PT 20.2 90% compliance with ECBU trench reinstatement requirements as reported by ECBU.

During the year we applied for approximately 3,878 Street Opening Notices. Subsequent inspections of the work by ECBU identified that in August and September 1998 we were failing to meet the required level of performance. This was a result of work carried out for us by a subcontractor. We are now employing our own staff to carry out backfilling and reinstatement work.

There is now a definite improvement in the standard of work and a reduction in failures reported by the ECBU.

3.8 Responding to Reported Leakage Problems

This refers to performance targets PT 9.1, PT 9.1a and PT 9.2, which respectively state:

PT 9.1 95% of leaking tobies and hydrants are repaired within 3 working days of leak being identified (and any hole temporarily reinstated). Permanent reinstatement to be completed within 10 working days of leak being repaired.

PT 9.1a 95% of all leaking valves are to be attended to and leakage suppressed within 3 working days of date of notification. Valve to be programmed for repacking, or replacement within 20 working days.

PT 9.2 For all reported incidents of non specific source leakage repairs are to be completed within 3 working days of the identification of the origin of the leakage 95% of the time. This is to include temporary reinstatement. Permanent reinstatement to be completed within 10 working days of leak being repaired.

During the year we carried out 8,760 jobs in this category. Of these, 7,514 were completed within the performance levels, which indicated an 86 percent compliance figure.

This resulted in our failing to meet the service level target of 95 percent

We have now introduced the Job Despatch System, which enables more accurate monitoring and tracking of work requests.

3.9 Repairs Undertaken

This refers to PT 21.1, which states:

No greater than 1% of all repairs require a return visit, because of inadequate or faulty initial repairs as determined by the Engineer.

This performance level is virtually impossible to achieve, as many of the reasons for failing a job on the standard of work can be identified as being caused by an ever increasing demand by our client to improve the standard of work. As we attempted to meet the required performance levels and specifications laid down within the contract, it has been necessary to change the work practices and mindset of Network staff, many of whom have been doing the work for over 30 years.

Many of the identified failures have been because of minor deficiencies, which have been addressed. We now self-monitor the standard of work since we introduced our own auditing procedures in January 1999. This has produced an improvement in

our failure rate, but even so, there still exists the tendency to “find fault” rather than “how can we improve the work undertaken?”

At the present time, it is necessary for us to return for one minor reason or another, to approximately 10 percent of the repair work we carry out. This figure continues to drop but it is difficult to draw the line between speed of job completion and standard of work.

We failed to achieve compliance with this service level target of 1 percent.

3.10 **Responding to All Reported Incidents**

Respond to all notifications within the response times set out in EI.3.1.

95% of calls involving burst mains or situations involving loss of supply attended within 30 minutes of notification to the contractor.

Overall for this section we responded to 3,670 incidents and completed 3,264 within the required time frame. This produced a compliance figure of 89 percent.

We failed to meet the service level target of 95 percent.

This statement refers to the overall compliance level with six performance targets, these being:

PT 16.1.1 Burst pipes or major leakages likely to affect the water supply or cause damage to pavements or property.

During the year we attended to 70 bursts and repaired 69 within the response time of eight hours. Actual compliance was 99 percent.

We met the service level target of 95 percent.

PT 16.1.2 No water or pump station failure.

During the year we received 347 no-water calls and responded within eight hours on 325 occasions. This produced a compliance rating of 94 percent.

We failed to meet the service level target of 95 percent.

PT 16.1.3 Possible serious health risk (life threatening) water quality problem.

This was achieved, as there were no such situations during the year.

PT 16.1.4 Minor leaks including from fittings, connections, meters, etc. 95% attended to within the time frame including temporary reinstatement.

During the year we received 2,879 complaints and responded to 2,505 within the time frame permitted of three days. This produced a compliance rating of 87 percent. It should be emphasised that these are minor with the majority of the items identified as failing to be completed within a five day time frame.

We failed to meet the service level target of 95 percent.

PT 16.1.5 Assured non serious water quality problems including poor pressure and flow 95% attended to within the time frame.

During the year we received 188 complaints in respect of poor pressure and attended to 186 of them within the time frame allowed of three days. This produced a compliance rating of 99 percent.

We met the service level target of 95 percent.

PT 16.1.6 Initial repair to valves, 95% compliance (repair completed with time frames as identified within PT 9.1a) including temporary reinstatement.

During the year we received 186 complaints in respect of leaking valves and repaired 179 within the time frame allowed. This produced a compliance rating of 96 percent.

We met the service level target of 95 percent.

As identified above, the overall service level compliance failure of 89 percent was totally because of our response level to minor leaks.

4. Survey of Opinion as to Service Provided

In an attempt to determine the requirements of the end user we commissioned C M Research to carry out a review to assess the service provided to the residents of Wellington.

This survey was carried out on a random selection of people who had actually complained through the Wellington City Council service line. The results of this review are now available and it is interesting to note that the service provided by the Wellington Regional Council is *regarded highly* by most of the complainants within the Wellington City Council area.

We had previously identified our concerns that it is necessary to improve communication with members of the public, with one of our aims being to adopt the "Total Quality" approach of "closing the loop", i.e., telephoning back on completion of the work activity. This requirement was also identified within the survey.

It was also identified that the communication channels between Wellington City Council and ourselves leads to confusion in the minds of our customers, many of whom do not realise that we act as contractor to the Wellington City Council. There also appeared to be some confusion between the information transmitted by the complainant and the information recorded on the service line. It was also suggested that the complainant should be advised as to the time frame within which their complaint would be addressed.

People questioned during the survey identified that they would prefer to receive at least 24 hours' notice of any planned water shutdown and would prefer a direct approach in the form of a leaflet in the mail.

From the survey it is interesting to note that:

- 85 percent of respondents were not dissatisfied with the service provided. Of that 85 percent, 62 percent were either satisfied or very satisfied.
- 94 percent of respondents said they were satisfied or had no comment on the quality of water.
- 79 percent of respondents were not dissatisfied with the service they received in respect of leaks or bursts.
- 86 percent of respondents were not dissatisfied with the service they received in respect of location and repairs to service valves.
- 90 percent were not dissatisfied with the service they received in respect of supply interruptions or reinstatements.
- 57 percent of respondents said they were notified in advance of water shutdowns.

5. **Conclusion**

There is no dispute that we have failed to meet the service level targets on four occasions but not nine as maintained by the Wellington City Council report. However, it is a question of perspective as to our overall level of performance as a contractor for Wellington City Council. The monitoring of our performance is now accurate, and in many instances, we have only just failed to meet the time targets by short periods. Less accurate monitoring would not have identified these deficiencies.

The work specifications included within the contract are particularly stringent in detail and it is believed that the attitude that has been adopted by our client has been to find fault with our work, rather than identifying ways in which our performance can be improved.

We have embarked upon numerous initiatives to improve our performance, many of which have been successful. Our aim must be to meet customer anticipation, whilst achieving, at worst, a financial break-even situation.

Research that we recently had completed by C M Research concluded that the service provided was *highly regarded* by most of those interviewed.

6. **Recommendation**

That the report be received and the information noted.

Report prepared by:

Approved for submission:

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Attachments : 2