



# AGENDA

## RĀRANGI TAKE

NOTICE OF AN EXTRAORDINARY MEETING OF

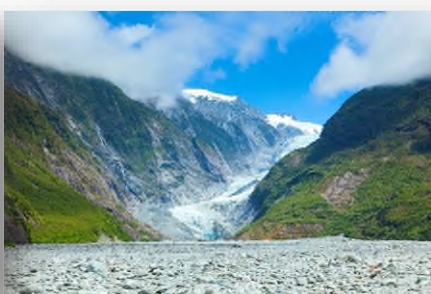
# COUNCIL

to be held on **Tuesday 31 October 2023** commencing at **3:00pm**  
in the Council Chambers, 36 Weld Street, Hokitika and via Zoom

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Chairperson	Her Worship the Mayor
Northern Ward Members:	Cr Neale, Cr Burden, Cr Phelps
Hokitika Ward Members:	Cr Baird, Cr Davidson, Cr Gillett
Southern Ward Member:	Cr Manera
Iwi Representatives:	Kw Tumahai

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In accordance with clause 25B of Schedule 7 of the Local Government Act 2002, members may attend the meeting by audio or audio-visual link

## Council Vision

*We work with the people of Westland to grow and protect our communities, our economy,  
and our unique natural environment.*

# Purpose

The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002. That purpose is:

- (a) To enable democratic local decision-making and action by, and on behalf of, communities; and
- (b) To promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

## 1. NGĀ WHAKAPAAHA APOLOGIES

Cr Cassin (Deputy)  
Kw Madgwick

## 2. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

Members need to stand aside from decision-making when a conflict arises between their role as a Member of the Council and any private or other external interest they might have. This note is provided as a reminder to Members to review the matters on the agenda and assess and identify where they may have a pecuniary or other conflict of interest, or where there may be a perception of a conflict of interest.

If a member feels they do have a conflict of interest, they should publicly declare that at the start of the meeting or of the relevant item of business and refrain from participating in the discussion or voting on that item. If a member thinks they may have a conflict of interest, they can seek advice from the Chief Executive or the Group Manager: Corporate Services (preferably before the meeting). It is noted that while members can seek advice the final decision as to whether a conflict exists rests with the member.

## 3. PŪRONGO KAIMAHI STAFF REPORTS

- **Draft Annual Report 2022/2023 for Adoption** (Pages 4-168)  
Finance Manager and Strategy & Communications Advisor

## 4. KA MATATAPU TE WHAKATAUNGA I TE TŪMATANUI RESOLUTION TO GO INTO PUBLIC EXCLUDED

(to consider and adopt confidential items)

Resolutions to exclude the public: Section 48, Local Government Official Information and Meetings Act 1987.

Council is required to move that the public be excluded from the following parts of the proceedings of this meeting, namely:

The general subject of the matters to be considered while the public are excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of the resolution are as follows:

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
1.	Cass Square Playground Design and Build – Tender Approval	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.  Section 48(1)(a)

This resolution is made in reliance on sections 48(1)(a) and (d) of the Local Government Official Information and Meetings Act 1987 and the particular interests or interests protected by section 7 of that Act, which would be prejudiced by the holding of the relevant part of the proceedings of the meeting in public are as follows:

Item No.	Interest
1	Protect information where the making available of the information: (i) would disclose a trade secret; and (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information (Schedule 7(2)(b)).
1	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (Schedule 7(2)(i))
1	Prevent the disclosure or use of official information for improper gain or improper advantage (Schedule 7(2)(j))

**DATE OF NEXT ORDINARY COUNCIL MEETING – 23 NOVEMBER 2023**  
**COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA**

# Report to Council



**DATE:** 31 October 2023

**TO:** Mayor and Councillors

**FROM:** Finance Manager and Strategy and Communications Advisor

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## Draft Annual Report 2022/2023 for adoption

### 1. Summary

- 1.1. The purpose of this report is to provide the Council with the draft Annual Report 2022/2023 for review and adoption.
- 1.2. This issue arises from the requirements of the Local Government Act 2002 (LGA).
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2021, which are set out in the Long-Term Plan 2021 - 2031. Refer page 2 of the agenda.
- 1.4. This report concludes by recommending that Council adopt the draft Annual Report 2022/2023 (Annual Report).

### 2. Background

- 2.1. The reason the report has come before the Council is due to Section 98 of the Local Government Act 2002 (LGA), which requires Council to formally adopt the Annual Report within 4 months of the year to which it relates.
- 2.2. The draft Annual Report has been reviewed by the Risk and Assurance committee, who recommended it for adoption by Council.

### 3. Current Situation

- 3.1. The current situation is that the draft Annual Report for the year ended 30 June 2023 is attached as **Appendix 1**.
- 3.2. This draft Annual Report measures performance against year 2 of the Long-Term Plan 2021 - 2031.
- 3.3. The Council is subject to Tier 1 reporting requirements of the Accounting Standard for Public Benefit Entities and the Annual Report for the year ended 30 June 2023 has been prepared in accordance with Tier 1 reporting requirements. The Council adopted PBE FRS 48 Service Performance Reporting in the 2022/2023 reporting period.

3.4. Major variances to the 2022/2023 Long Term Plan are set out within the financial statements on pp 91 – 98 of the draft Annual Report. Council reports an operating deficit before tax of \$3.5 million before other comprehensive revenue and expense, which is \$4.4 million unfavourable to budget.

3.5. The operating deficit of \$3.5 million includes:

- Revenue from Grants and subsidies was \$3.4m lower than budgeted. The value of grants is a reflection of either the amount of work completed compared to work expected to be completed for grants actually approved; work completed under new unplanned grants received; or budgeted grants not actually received in the year.
- Finance costs were over budget by \$0.4M due to higher than forecast interest rates, however this was offset by \$0.7M increase in interest revenue.
- Depreciation is higher than budget by \$0.7M mainly due to higher-than-expected asset value revaluation gains.
- Other expenses were higher than budgeted by \$6.5M, due to unbudgeted expenditure in externally funded programmes, costs for outsourcing in planning and building due to staffing shortages, the impact on inflation on repairs and maintenance costs, among other things.
- There was an unbudgeted \$2.9M loss on disposal of assets replaced.

3.6. Appendix 1 is a draft document, however there are not expected to be any material changes to Council's financial figures. The consolidated group figures are still under review and there may be changes to these.

3.7. Annual Reports are subject to a full audit process carried out by Ernst and Young (EY). All financial statements and information are considered accurate, and the audit opinion in the tabled report is unqualified.

#### **4. Options**

4.1. Option 1: Do not adopt the Annual Report for the year ended 30 June 2023.

4.2. Option 2: Adopt the Annual Report for the financial year ending 30 June 2023 subject to possible minor administrative changes.

4.3. Option 3: Adopt the Annual Report for the year ended 30 June 2023 subject to editorial changes recommended by Council.

#### **5. Risk Analysis**

5.1. Risk has been considered and the following risks have been identified:

5.1.1. Non-compliance with statutory requirements if the Annual Report is not adopted on time.

5.1.2. Reputational risk if Council is not seen to be transparent about financial performance and service delivery.

#### **6. Health and Safety**

6.1. Health and Safety has been considered and no items have been identified.

#### **7. Significance and Engagement**

7.1. The level of significance has been assessed as being low against the Significance and Engagement Policy. The Annual Report is an administrative document.

7.1.1. No public consultation is considered necessary. The Annual Report is intended to inform the community.

## **8. Assessment of Options (including Financial Considerations)**

- 8.1. **Option 1:** This is not an option. Adoption of an Annual Report is a statutory requirement.
- 8.2. There are no financial implications to this option.
- 8.3. **Option 2:** Adopt the Annual Report for the year ended 30 June 2023 subject to possible minor administrative changes. Council will meet the statutory deadline for adoption.
- 8.4. There are no financial implications to this option.
- 8.5. **Option 3:** Adopt the Annual Report for the year ended 30 June 2023 subject to changes recommended by Council.

Council may wish to amend or edit the report in light of new information, observations, or recommendations. Material amendments would require further audit work and a deferred adoption.

- 8.6. Financial implications of this option are an increased cost for the audit work.

## **9. Preferred Option(s) and Reasons**

- 9.1. The preferred option is **Option 2**. That Council adopt the Annual Report for the financial year ending 30 June 2022 subject to possible minor administrative changes.
- 9.2. The reason that Option 2 has been identified as the preferred option is that Council would meet the statutory deadline for adoption and the community would be informed about Council's performance and the financial position in a timely manner.

## **10. Recommendation(s)**

- 10.1. That the report be received.
- 10.2. That Council adopt the Annual Report for the financial year ending 30 June 2023 subject to possible minor administrative changes.

**Lynley Truman**  
**Finance Manager**

**Emma Rae**  
**Strategy and Communications Advisor**

**Appendix 1:** Draft Annual Report for the year ended 30 June 2023

## APPENDIX 1



WESTLAND DISTRICT COUNCIL  
ANNUAL REPORT 2022/2023



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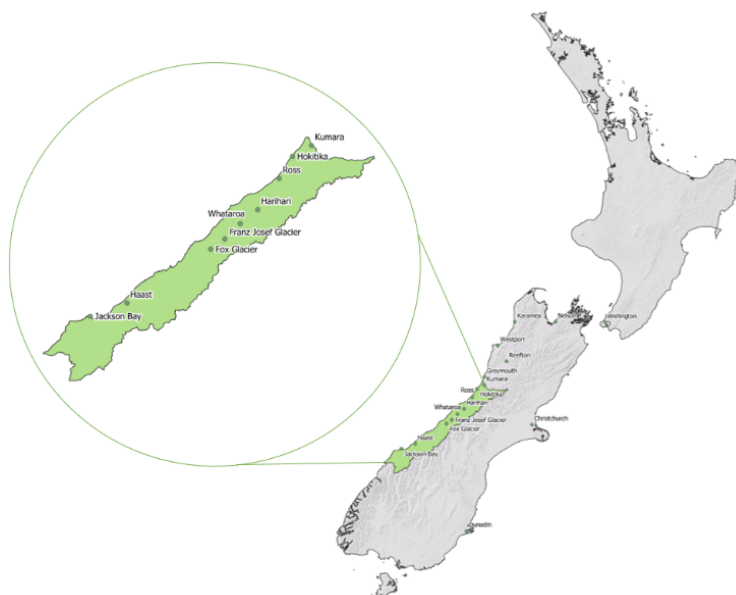
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# District Profile

<b>District Office</b>	36 Weld Street, Hokitika
<b>Postal Address</b>	Private Bag 704, Hokitika
<b>Communications</b>	Phone: (03) 756 9010 Fax: (03) 756 9045 Email: <a href="mailto:council@westlanddc.govt.nz">council@westlanddc.govt.nz</a> Website: <a href="http://www.westland.govt.nz">www.westland.govt.nz</a>
<b>Date of Constitution of District</b>	1 November 1989
<b>Population – Census Night (2018)</b>	11,301
<b>Resident in District (Census 2018)</b>	8,640
<b>Total Area</b>	1,186,272 ha
<b>Rateable Area</b>	141,522 ha
<b>No. of Rateable Assessments</b>	6675
<b>No. of Non-rateable Assessments</b>	816
<b>Rateable Capital Value as at 30 June 2023</b>	\$2,716,462,900
<b>Non-rateable Capital Value as at 30 June 2023</b>	\$735,561,100
<b>Rateable Land Value as at 30 June 2023</b>	\$1,336,426,100
<b>Non-rateable Land Value as at 30 June 2023</b>	\$653,768,800
<b>Date of Last Valuation (by Quotable Valuation Limited)</b>	1 September 2020
<b>Date of Next Valuation (by Quotable Valuation Limited)</b>	1 September 2023
<b>Auditor</b>	EY, on behalf of the Auditor-General
<b>Bankers</b>	Westpac Bank
<b>Insurance Brokers</b>	Aon New Zealand
Cover Photo – Mahitahi – Peter Kurdulijja on Flickr	

## COUNCIL'S VISION

*We work with the people of Westland to grow and protect our communities, our economy and our unique natural environment.*



## Mayor and CE Message

E aku nui, e aku rahi, tēnā koutou katoa. Anei te pūrongo ā-tau hei pānui mā koutou.

*Greetings to all of you. Here is the Annual Report for you to read.*

Following the elections in October 2022 seven new Councillors were elected, with two previous elected members returning to the Council table. This group of elected members brings a fresh perspective and focus to the Council.

Council has made great progress this year with externally funded projects being completed or progressing into the next stage. While we still face challenges with recruiting and retaining staff, this is no different from other Councils around the country.

Affordable Water Reform (three waters) continues apace, with three pieces of legislation passed or in progress this year. While we support the Communities 4 Local Democracy's stance that the reform should be paused until after the elections in October, we have continued to undertake planning and preparation for the eventual transition. Great progress has also been made on the Te Tai Poutini One District Plan that will eventually fully replace the individual District Plans for Westland, Buller, and Grey Districts. The plan has proceeded to the formal statutory stage with submission completed and hearings to begin in the next financial year.

This year Council has continued the programme of significant investment, supported with funding from the Government:

- Works to complete the earthquake strengthening and exterior maintenance of the Carnegie Building with funding from Lotteries and Better Off Fund.
- Further development of Wadeson Island as a whitebait sanctuary and public cycling and walkway.
- Completion of maintenance and refurbishment of Community Halls with funding from the Provincial Growth Fund.
- Community engagement for the future development of Hokitika Racecourse.
- Shortlist of options for the Hokitika Wastewater Treatment Plant.
- Implementing chlorination of un-chlorinated water supplies to meet compliance with Drinking Water Quality Assurance Rules.
- Watermains replacements in Harihari, Hokitika, and Kumara.
- Stormwater improvements in Hokitika.

These are just a selection of the work that Council has done over the past year. We encourage you to read through for full details about our work for the community.

Nō reira e ngā iwi o tēnei rohe Tēnā koutou, tēnā koutou, tēnā tātou katoa

*So, people of this region, thank you, thank you, thank you all.*



Helen Lash

Mayor 2022/2023



Simon Bastion

Chief Executive



### About the Annual Report

The Annual Report explains what Council has done to deliver the work programmes for 2022/2023 as outlined in the Long-Term Plan 2021 – 2031 (LTP) for year 2, as required by section 98 of the Local Government Act 2002. This shows how Council performed financially and whether we delivered the services outlined in the LTP. The Long-Term Plan was adopted by Council on 30 June 2021.

This report is prepared in observance of the Local Government (Financial Reporting and Prudence) Regulations 2014 along with the Local Government Act 2002 Amendment Act provisions.

The diagram above outlines the local government planning and reporting cycle.

## Statement of Compliance

Westland District Council hereby confirms that all statutory requirements contained in the Local Government Act 2002, in relation to the Annual Report 2022/2023 have been complied with.

Council adopted this Annual Report on XXXXXX.



Helen Lash

Mayor 2022/2023



Simon Bastion

Chief Executive

## Māori Contribution to Decision-Making

Section 81 of the Local Government Act 2002 sets out the obligations for Council under clause 35, schedule 10 LGA, to both consult Māori and encourage Māori involvement in the Council's decision-making processes. Section 35 of the Act requires Council to report on the activities that have been undertaken in the year to establish and maintain processes to enable Māori to contribute.

The Long-Term Plan 2021-2031 includes a statement of commitment to consultation and engagement with Māori, particularly mana whenua.

The statement expresses the desire of Council and Poutini Ngāi Tahu (Te Rūnanga o Ngai Tahu, Te Rūnanga o Makaawhio and Te Rūnanga o Ngāti Waewae) to maintain good communication and working relationships. In particular, all parties wish to evolve our relationships to ensure that contribution to decision making continues to occur.

At the 26 July 2018 Ordinary Council Meeting, an invitation was extended to the Chairs of Te Rūnanga o Ngāti Waewae and Te Rūnanga o Makaawhio to attend and participate in Council Meetings and the Business of Council, in acknowledgement of, and to further strengthen, Council's partnership with Mana Whenua of Westland.

The Chairs of Te Rūnanga o Ngāti Waewae and Te Rūnanga o Makaawhio are full members of Committees and are able to participate in Council Meetings.

On the 22 November 2018, Council approved the Manatu Whakaaetanga Partnership Agreement with Te Rūnanga O Ngāti Waewae and Te Rūnanga O Makaawhio. The agreement was signed by Mayor Bruce Smith on behalf of Council and Francois Tumahai on 22 August 2019 and by Paul Madgwick on behalf of Te Rūnanga o Makaawhio on 28 May 2020.





Photo Credit: Katrina Thornley Photography

*Inset – Cr Patrick Phelps; Back Row – Cr Donna Baird, Cr Reilly Burden, Deputy Mayor Ashley Cassin, Kw Paul Madgwick, Kw Francois Tumahai;*

*Front Row –Cr Jane Neale, Cr Steven Gillett, Mayor Helen Lash, Cr Paul Davidson, Cr Brian Manera.*

<b>Mayor</b>	Mayor Helen Lash	<a href="mailto:mayor.lash@westlanddc.govt.nz">mayor.lash@westlanddc.govt.nz</a>
<b>Hokitika Ward</b>	Cr Donna Baird	<a href="mailto:cr.baird@westlanddc.govt.nz">cr.baird@westlanddc.govt.nz</a>
	Cr Paul Davidson	<a href="mailto:cr.davidson@westlanddc.govt.nz">cr.davidson@westlanddc.govt.nz</a>
	Cr Steven Gillett	<a href="mailto:cr.gillet@westlanddc.govt.nz">cr.gillet@westlanddc.govt.nz</a>
<b>Northern Ward</b>	Cr Reilly Burden	<a href="mailto:cr.burden@westlanddc.govt.nz">cr.burden@westlanddc.govt.nz</a>
	Cr Jane Neale	<a href="mailto:cr.neale@westlanddc.govt.nz">cr.neale@westlanddc.govt.nz</a>
	Cr Patrick Phelps	<a href="mailto:cr.phelps@westlanddc.govt.nz">cr.phelps@westlanddc.govt.nz</a>
<b>Southern Ward</b>	Deputy Mayor Ashley Cassin	<a href="mailto:cr.cassin@westlanddc.govt.nz">cr.cassin@westlanddc.govt.nz</a>
	Cr Brian Manera	<a href="mailto:cr.manera@westlanddc.govt.nz">cr.manera@westlanddc.govt.nz</a>

## RŪNANGA REPRESENTATIVES

Francois Tumahai - Chair Te Rūnanga o Ngāti Waewae

Paul Madgwick – Chair Te Rūnanga o Makaawhio





*Photo Credit: Blair Keily*

### **Simon Bastion**

Chief Executive

Telephone: 03 756 9010

Email: [ce@westlanddc.govt.nz](mailto:ce@westlanddc.govt.nz)

As Chief Executive, Simon has the overall responsibility to ensure that Westland District Council delivers on the council and community's aspirations through the Long-Term Plan and Annual Plan processes. Aspects of delivery include:

- Sound financial advocacy.
- Execution of Capital Works program.
- Operational excellence in the delivery of services.
- Compliance with internal and external regulations and laws.
- Supporting each Westland community through improving resilience.
- Providing strategies to support key council projects.
- Linking with council CCO's to ensure the Statement of Intent is delivered.

Simon also represents the Westland in a regional capacity through developing close working relationships with neighbouring local authorities, Development West Coast, and local Runanga Westland District Council representatives."

**Scott Baxendale**

Group Manager District Assets

Telephone: 03 756 9034

Email: [scott.baxendale@westlanddc.govt.nz](mailto:scott.baxendale@westlanddc.govt.nz)

As Group Manager: District Assets, Scott's primary responsibility is to oversee the operation, maintenance, and improvement of Council's infrastructural assets. These include roading, 3 water services, recreational assets, cemeteries, land and buildings, and solid waste disposal. Scott is also responsible for the development of Asset Management / Activity Management Plans and long-term infrastructure strategies.

**Lesley Crichton**

Group Manager Corporate Services and Risk and Assurance

Telephone: 03 756 9081

Email: [lesley.crichton@westlanddc.govt.nz](mailto:lesley.crichton@westlanddc.govt.nz)

As Group Manager: Corporate Services and Risk and Assurance, Lesley's primary responsibility is to provide effective financial management within the policies adopted by Council. Lesley is also responsible for helping Council manage its risk profile through good governance and implementing controls to manage and mitigate risk. Lesley's other responsibilities include the preparation of all aspects of the Annual Report, Annual Plan, and Long-Term Plan, and ensuring the Council Controlled Organisations meet their reporting requirements. Lesley's team also provides information services and Geographical Information System support, business analysis, strategy, and communications, and has responsibility for the Local Government Information and Meetings Act 1987 responses. Lesley's customer service team is responsible for ensuring high quality frontline customer service and is the first port of call for rates payments, dog registration and direction to appropriate departments.

**Te Aroha Cook**

Group Manager Regulatory, Planning and Community Services

Telephone 03 756 9010

Email: [tearoha.cook@westlanddc.govt.nz](mailto:tearoha.cook@westlanddc.govt.nz)

As Group Manager Regulatory, Planning and Community Services Manager, Te Aroha is responsible for overseeing the management and delivery of regulatory, planning and community services functions of Council. This includes Resource Management, Building Control, Animal Control, Environmental Health, Liquor Licensing, Compliance, and associated Bylaws, the Museum, Library, and Community Assistance. Te Aroha is also Council's Māori Liaison Officer, with an oversight of Council's statutory obligations to strengthen the capacity of Māori to take part in local government and its decisions making processes.

**Diane Maitland**

Executive Assistant

Telephone: 03 756 9038

Email: [diane.maitland@westlanddc.govt.nz](mailto:diane.maitland@westlanddc.govt.nz)

As Executive Assistant, Diane provides the Chief Executive, Mayor, and Councillors with a comprehensive and efficient administrative and secretarial service. Diane facilitates and maintains a professional link between the Mayor, Councillors, Chief Executive and Executive Team. Diane's team provides governance functions, running meetings in accordance with legislation and Council policies.



### **July 2022 - Whataroa Playground opening**

A new playground and toilet block was opened in Whataroa on 6 July. The playground replaced out-of-date and worn equipment.



### **August 2022 - Local Government Minister 's visit**

Minister McAnulty visited Westland District Council to discuss key issues for the Westland District with the Deputy Mayor and Elected Members.



### **September 2022 - Greypower Kitchen Pantry donation**

Westland District Council staff collected and donated food and personal care items to the Kitchen Pantry to support the elderly in the community.



### **October 2022 - New Council elected**

Local body elections were held in October 2022 and a new Council was elected consisting of two returning members and seven new members.



### **November 2022 - Body camera implementation**

Staff safety improvements were implemented with a body camera allocated to waste and recycling field officers.



### **December 2022 - Starlink training**

Key staff were trained to set up Starlink Satellite equipment that was purchased to support communications resilience in the event of a civil defence emergency.



### **Community Awards - September & December**

Ten individuals and one community group were presented with Community Awards. These were awarded to recognise individual achievements and community spirit.





### **January 2023 - Councillors Northern Tour**

Councillors were taken on a tour of the Northern part of the district from Ōtira to Hokitika to view and learn about Council's Northern assets.



### **February 2023 - Inspire to Aspire**

Westland Mayors Taskforce for Jobs held the second Inspire to Aspire careers fair at the Pakiwaitara building. Approximately 1200 people attended, including students from throughout Westland and Greymouth.



### **March 2023 - Councillors Southern Tour**

Councillors were taken on a tour of the Southern part of the district from Ross to Jackson Bay to view and learn about Council's Southern assets.



### **April 2023 - 40th anniversary**

Council celebrated dedication and service of Executive Assistant Diane Maitland in April. Diane joined Westland County Council in 1983 continuing with Westland District Council in different roles since amalgamation in 1989.



### **May 2023 - King Charles III Tree planting**

A tree to commemorate the crowning of King Charles III was planted in Cass Square by Mayor Helen Lash and Deputy Mayor Ashley Cassin.



### **June 2023 - Hokitika Swimming Pool Pooches Pool Party**

Staff at Hokitika pool welcomed canines of all shapes and sizes to an end of season pool party before the winter maintenance closure.



### **Citizenship Ceremonies - November 2022, March and June 2023**

Council welcomed 22 new citizens to the Westland District with three ceremonies held during the 2022/2023 year.

## Overview of our activities

**8** new Elderly Housing units built

**134** Resource Consent applications

New toilet block installed at **Paringa**

**3510** people attended library events

**4.8%** of local sealed road resurfaced

**Over 700** swimming lessons provided

**164** research enquiries to the Museum

**93%** registered food premises inspected

**96%** registered liquor premises inspected

**3** citizenship ceremonies and **22** new citizens

**37%** LGOIMA requests answered within **5 days**

**2** dry weather Wastewater overflows reported

**26** complaints received about Stormwater issues

**29** community and sports groups received funding

Starlink emergency satellite kits for **19** communities

**55** notices to fix issued for unconsented building work

Airport passenger number increased by **more than 10,000**

Full length rides of West Coast Wilderness Trail **reduced 1.1%**

**37** Council and Committee meetings and **24** workshops/briefings

**257** Drinking Water service requests received; **66%** completed on time

**100%** of priority 1 animal control call outs attended within 30 minutes or less

**93.5%** of Resource Consent applications processed within legislative timeframes

## Statement of Service Performance

Westland District Council (the Council) is a local authority that is domiciled on the West Coast of New Zealand and governed by the Local Government Act 2002.

Westland District Council enables the economic, social, and cultural development of Westland District, supports individuals and groups, and provides a wide range of services for the wellbeing of the local community.

The Council adopted PBE FRS 48 Service Performance Reporting in the 2022/2023 reporting period.

The Council has made a number of judgements in preparing its service performance information. The judgements exercised do not have a significant effect on the selection, measurement, aggregation, and presentation of the Council's service performance information.

Council has taken the following judgements into account: where there are legislative requirements through various Acts or through the mandatory performance measures, the likely need for a reader to interpret results and how a measure describes the fundamental function of an activity.

The statement was developed in consultation with the Westland District Council leadership team and our Auditors, reviewed by the Risk and Assurance Committee and adopted by Council.

## Council's Performance in Each Activity

This section of the report identifies progress during 2022/2023 towards the achievement of the Council's vision and describes the work and performance of the Council's Groups of Activities, including:

- A summary of key achievements and projects during the year.
- A summary of how the Council performed against performance measures for each activity.
- A summary of significant variances in the achievement of work projects or tasks planned during the year.
- What contribution each activity makes towards Council's community outcomes.
- Key financial information for each group of activities, compared to budgets, including the prescribed Funding Impact Statement.

Activity Group	Activity
Leadership	Corporate Services Governance Council Controlled Organisations
Planning and Regulatory Services	Resource Management Inspections & Compliance Animal Control Emergency Management
Community Services	Community Development & Assistance Community Halls
Facilities, and Leisure Services	Hokitika Museum Swimming Pools Parks & Reserves Cemeteries Land & Buildings Public Toilets Westland District Libraries West Coast Wilderness Trail
Land Transport	
Drinking Water	
Wastewater	
Stormwater	
Solid Waste	

## How Council Activities Contribute Towards Meeting Its Vision

### Community Outcomes

Council adopted the following Community Outcomes in the Long Term Plan 2021 – 2031:

Diverse Economy	Sustainably Managed Environment	Resilient Communities
<i>This means...</i>	<i>This means...</i>	<i>This means...</i>
<ul style="list-style-type: none"> <li>We work to find sustainable, diverse, and resilient options for encouraging economic growth.</li> <li>We collaborate with other stakeholders to achieve common outcomes.</li> <li>Economic growth has a minor / reduced impact on the natural environment.</li> </ul>	<ul style="list-style-type: none"> <li>The district is involved in sustainable waste management practices</li> <li>We support sustainable environmental practices.</li> <li>We support strategies to enhance and protect the district's ecosystems.</li> <li>Development is sustainable, meeting the needs of the present without compromising the ability of future generations to meet their own needs.</li> </ul>	<ul style="list-style-type: none"> <li>All areas of the district have access to quality recreational and cultural facilities.</li> <li>A community that cares for all members at all life stages to reduce isolation and promote inclusion.</li> <li>Communities less vulnerable to natural hazards and climate change.</li> <li>All voices are enabled and heard, power is more evenly distributed, and the community can share its strengths.</li> </ul>

The following groups of activities contribute to the Council's community outcomes and what it intends to achieve during the reporting period:

Group of activities	Activities included within the group	Community outcomes supported by group of activities	Number of performance measures supporting each outcome	Number of performance measures achieving against each outcome
<b>Leadership</b>	<ul style="list-style-type: none"> <li>Governance</li> <li>Corporate services</li> <li>Council Controlled Organisations</li> </ul>	Resilient Communities	7	2
		Diverse Economy	1	0
<b>Planning &amp; Regulatory</b>	<ul style="list-style-type: none"> <li>Planning</li> <li>Compliance (Building Control, Liquor Licencing, and Food Control)</li> <li>Animal Control</li> <li>Emergency Management</li> </ul>	Sustainably Managed Environment	4	2
		Resilient Communities	9	8
		Diverse Economy	6	0



<b>Community Services</b>	<ul style="list-style-type: none"> <li>Community Development</li> <li>Community Halls</li> </ul>	Resilient Communities	4	2
<b>Facilities, &amp; Leisure Services</b>	<ul style="list-style-type: none"> <li>Cemeteries</li> <li>Hokitika Museum</li> <li>Parks &amp; Reserves</li> <li>Public Toilets</li> <li>Swimming Pools</li> <li>West Coast Wilderness Trail</li> <li>Westland District Library</li> </ul>	Sustainably Managed Environment	4	2
		Resilient Communities	10	4
		Diverse Economy	1	0
<b>Infrastructure</b>	<ul style="list-style-type: none"> <li>Land Transport</li> <li>Drinking Water</li> <li>Stormwater</li> <li>Wastewater</li> <li>Solid Waste</li> </ul>	Sustainably Managed Environment	14	5
		Resilient Communities	23	5
		Diverse Economy	3	0

Council is committed to ensuring its services work towards achieving positive outcomes for the community. Council struggled to achieve many of the performance measures that relate to Community Outcomes. Many of Council's performance measures relate to community perception based on the Residents' Satisfaction Survey. The most recent survey was undertaken in the Covid-19 environment, where community satisfaction with Council was low due to the need to implement measures to reduce the spread of infection and follow government mandates. This survey was not undertaken in 2022/2023 and the results of the survey were carried over. Some of the performance measures cannot be achieved because changes to requirements regarding inspections do not match with the way the performance indicator was framed at the time of developing the Long-Term Plan.

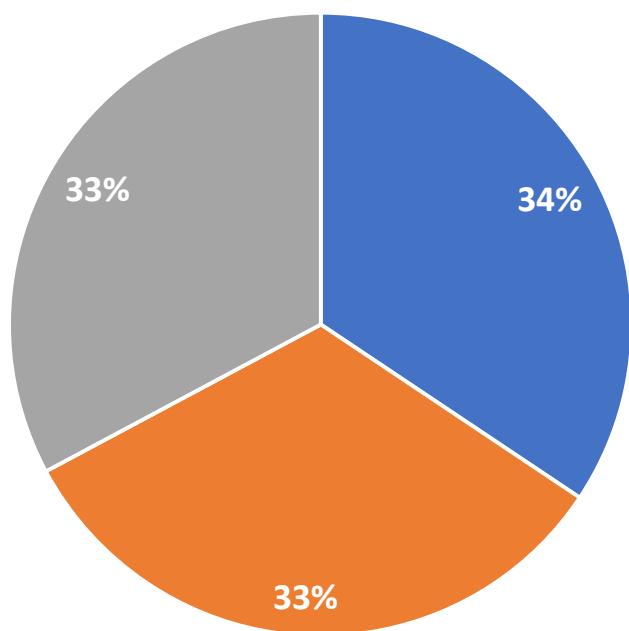
Each activity group has identified the way in which their activity contributes to the measures and indicators of the Community Outcomes, which may not be a part of specified performance measures.

Activities contribute by:

- Open and transparent meeting processes, and engagement opportunities with meaningful community involvement.
- Iwi participation, partnership, and protection.
- Conducting a biennial resident satisfaction survey.
- Creating diverse employment opportunities, encouraging residents to remain in the district, and providing a means for tourists and residents to get to Hokitika.
- Community resilience is enhanced with provision and maintenance of recreational assets and elderly housing.
- Assisting customers to be compliant with legislation.
- Fostering connections and reducing isolation.
- Increasing the quantity of recyclable material extracted from the waste stream.
- Project improvements aligned with sustainably managed environment and resilient communities.

## An Overview of Council Performance

The following Statements of Service provision measure how Council has performed against the performance targets set in the 2021 – 2031 Long Term Plan for each set of activities.

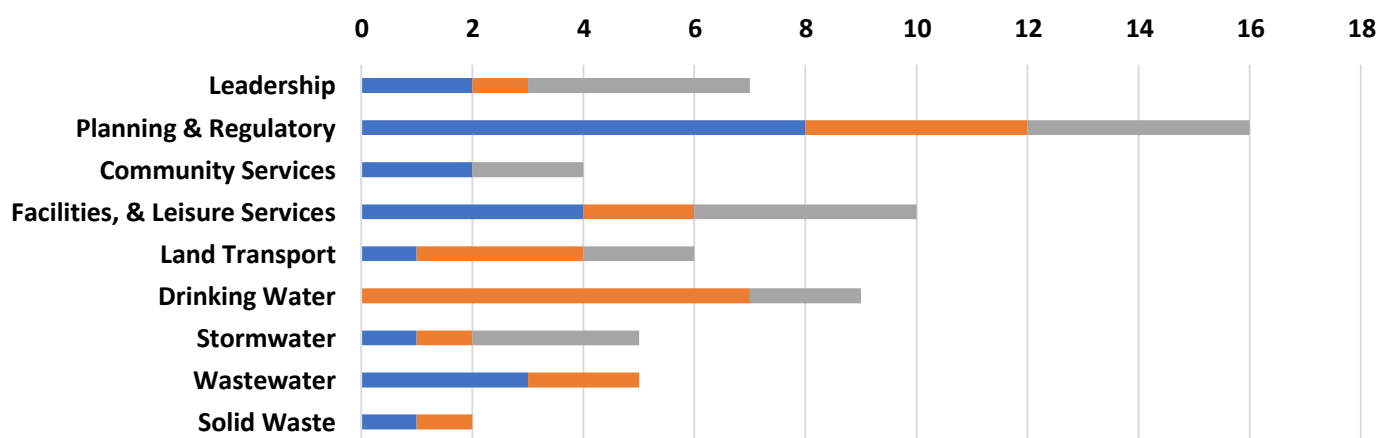


■ Achieved ■ Not Achieved ■ Not Measured

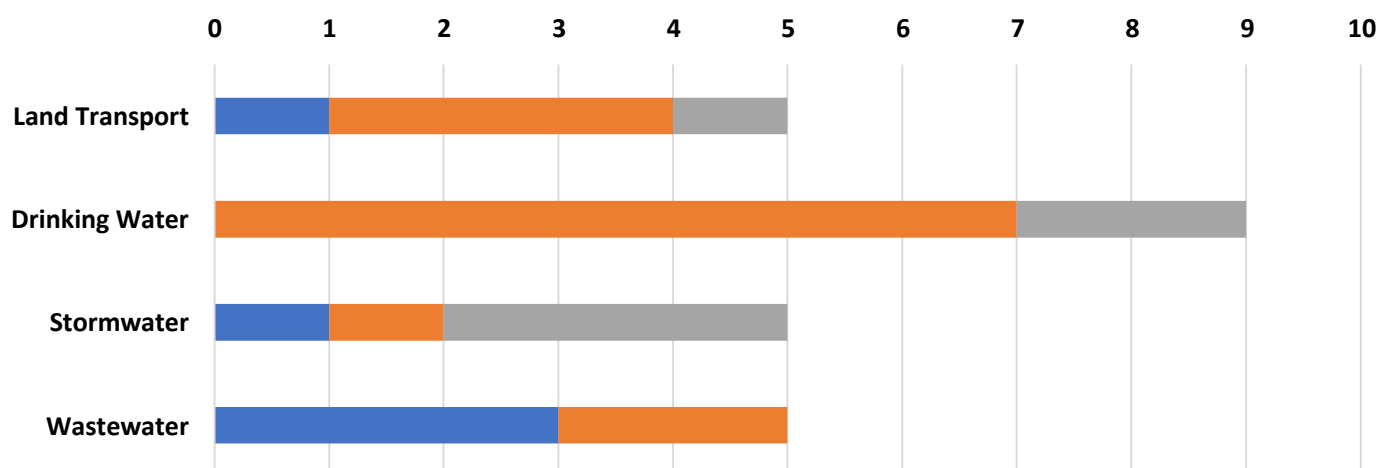
Council has 9 groups of activities. Performance is measured against a number of different indicators. Some of these are mandatory measures set by central government and others are measures that Council set itself. There are 64 measures in total.

- We achieved **34%** of the measures (22 out of 64). This includes **21%** of the mandatory measures (5 out of 24).
- We did not achieve **33%** of the measures (21 out of 64).
- **33%** of the measures were not measured (21/64). Council did not undertake a Resident Satisfaction Survey in the 2022/2023 year. Two of these are mandatory measures for drinking water. Council does not measure these as to do so would incur an unreasonable cost. Three stormwater measures could not be measured as there were no reported flooding events to attend.

All Measures



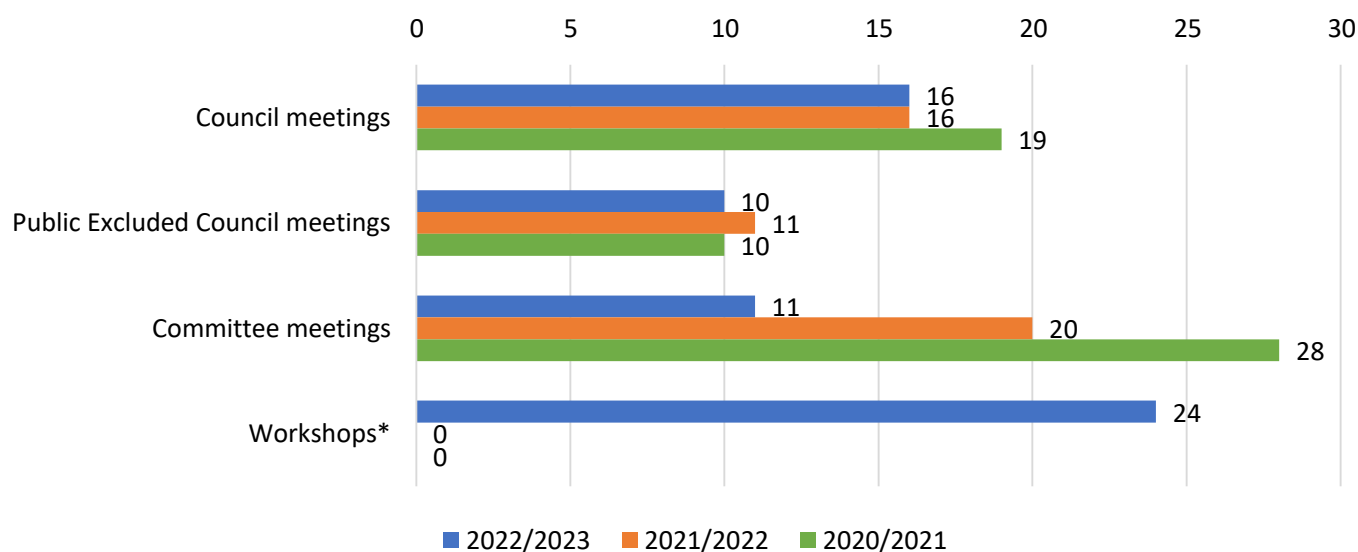
Mandatory Measures



## Leadership

### Democracy

The Council held 37 meetings and 24 workshops/briefings during the period 1 July 2022 to 30 June 2023.



\*Data not collected for workshops in 2020/2021 and 2021/2022.

### Elections

Elections were held in October 2022. Five elected members did not stand for re-election. Of the remaining four, two were re-elected. The new Council, including the new Mayor Helen Lash, was sworn in at a ceremony on the 27<sup>th</sup> of October 2022. Immediately following the election, Councillor Elect Ian Hustwick tendered his resignation. This triggered a by-election held in January 2023.

### Citizenship ceremonies

Westland welcomed 22 new citizens during the financial year. Three ceremonies were held to swear-in the new citizens in front of their friends, family, elected members, and Council staff.

### Mayoral relief funding

Payments made from the Mayoral Relief Fund are at the Mayor's discretion.

The original funding came from the following sources:

- Donations
- Proceeds from the James and Margaret Isdell Trust
- Proceeds from the Herbert Maxton Coulson Estate.

Funding now comes solely from donations.

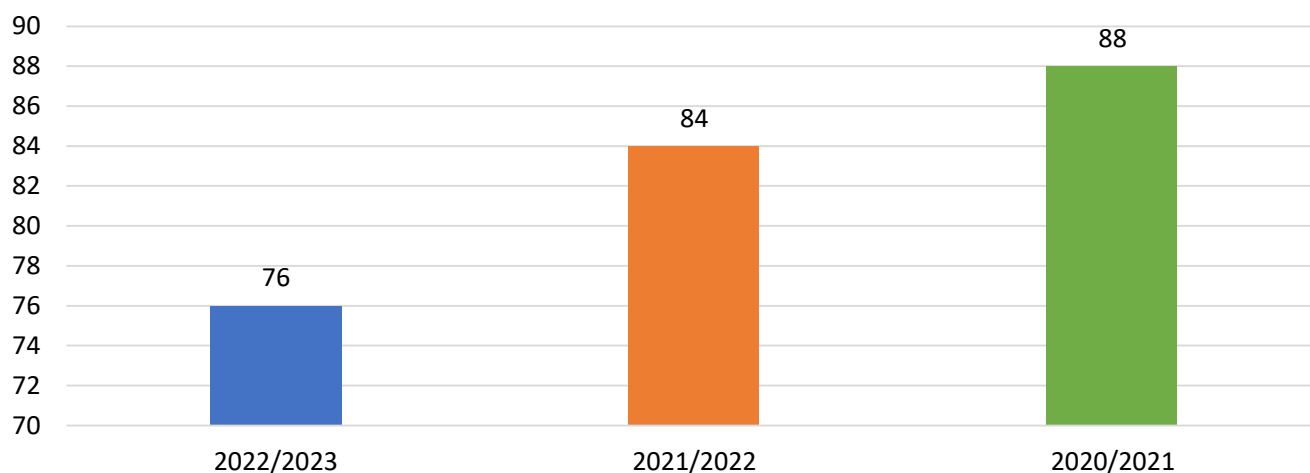
In the 2022/2023 year, two payments were made from the Mayoral Relief Fund totalling \$1,095.

### LGOIMA

There were 76 requests for information under the Local Government Information and Meetings Act in this financial year (2022: 84), with the number of requests trending downwards from 2020/2021. An average of 19 requests were received in each quarter of 2022/2023.

92 requests were sent from the media directly to the Strategy and Communications Advisor for response.

Number of requests by year



Information requested included:

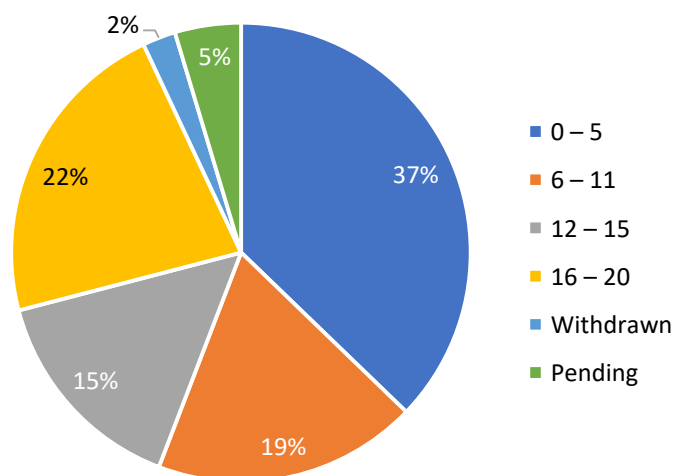
- Staffing statistics
- CCTV hardware and information
- Building consent statistics

All requests that do not fall within the Privacy Act 2020 and the privacy provisions of the Local Government Official Information and Meetings Act 1987 are published on our website.

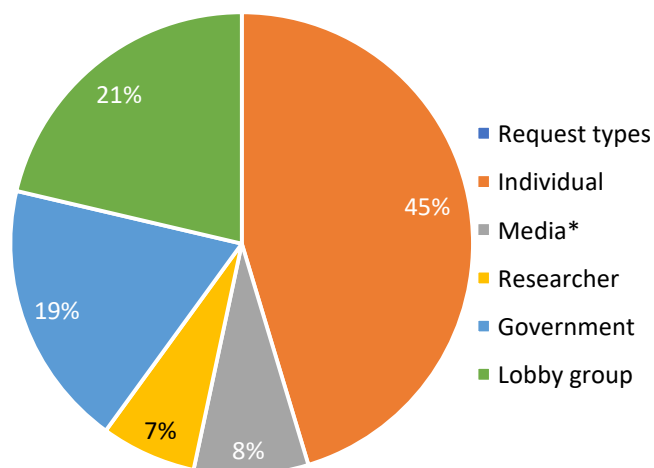
Almost all responses were provided to submitters within the 20-day timeframe (one received at the end of the fourth quarter was still pending on 30 June). Over 30 percent were sent within 5 days of receipt.

\*Not including media requests directly to Communications, which are typically answered on the same day.

Days to complete\* 2022/2023



Request types



An increasing number of requests were received from the New Zealand Taxpayers' Union, these requests varied but were all monetary focused. A higher number of requests from various Ministries were received than the previous year, many of these were about building complaint investigations instigated by our Building Department.

Requests from the media for comments and information on time-sensitive matters is discussed in the Strategy and communications section.

\*Media requests do not include requests answered by the communications advisor

Performance in this activity

Community Outcome	Level of service	Measure / Target	Current performance
<b>Resilient Communities</b>	<b>Responsible leadership</b>	<b>65%</b> of residents satisfied with Council's leadership	<b>Not measured</b>  No Residents' Satisfaction Survey was undertaken in 2023.  <i>(2021/2022: <b>45%</b> - Biennial Residents' Satisfaction Survey February 2022.)</i>
<b>Resilient Communities</b>	<b>The community understands what Council does</b>	<b>70%</b> of residents who understand how Council make decisions	<b>Not measured</b>  No Residents' Satisfaction Survey was undertaken in 2023.  <i>(2021/2022: <b>75%</b> - Biennial Residents' Satisfaction Survey February 2022.)</i>

## Corporate Services

### Finance and corporate planning

A new Graduate Accountant was welcomed to the Finance team in the first quarter of this year, filling an important vacancy.

In the third quarter staff implemented a cloud-based version of the MagiQ system, enabling e-invoicing to be put into operation. E-invoicing is supported and encouraged by government agencies and provides more security for Council's data. There was an initial loss of functionality, particularly regarding specific reports, but these issues were resolved as they arose.

The Finance team and the Strategy and Communications Advisor (SC&A) worked together throughout the year to ensure that all corporate reporting and planning documents were written and adopted within the legislative timeframes. The 2021/2022 Annual Report was adopted on 15 December 2022 as the timeframe was extended under Covid-19 legislation. The 2023/2024 Annual Plan was adopted on 30 June 2023. Each quarter the team also produce a quarterly report which is provided to the Risk and Assurance Committee for receipt, which follows the structure of the Annual Report. This ensures the Risk and Assurance Committee regularly review Council's financial and non-financial performance.

### Strategy and Communications

#### Engagement support

Throughout the year, the SC&A provided support and advice for various public engagement opportunities, including:

- Running and reporting on public consultation for the Annual Plan 2023/2024.
- Working with Joseph and Associates to conduct engagement on the Hokitika Racecourse Land proposals by creating the webform, advising about advertising, developing the 'Key Project' page on the Westland District Council website.
- Assisting Stantec with advice on engagement for the Hokitika Wastewater Treatment Plant options, that will take place in the next financial year. As well as developing the 'Key Project' page on the Westland District Council website.

Advice and training have also been provided to staff.

#### Submissions

There have been a number of opportunities for Council to provide feedback through submissions to the central government on legislation and policy that affects local government. Council has submitted on the following:

- Water Services Legislation
- Water Services Entities Amendment Bill
- Water Services Economic Efficiency and Consumer Protection Bill
- Self-contained Motor Vehicles Legislation
- Future for Local Government Draft Report

#### Communications

Work in the communications area was fairly business-as-usual during the year, with a focus on ensuring that information is provided to the public through Council's communication channels in a timely and accessible manner. Training was provided to new staff around communications processes, and a new method to request media releases through the Laserfiche system implemented.

One of the larger bodies of works was to run a campaign for the October elections, providing information for candidates and encouraging people to vote. This was a successful campaign with a voter turn-out of 58.7% for the district. This was followed at the end of 2022 with communications support for the by-election.

Interest in and followers of our social media continues to grow steadily. Westland Matters newsletter continues to have around 600 subscribers.

## Information Management

### Information Kiosk

The Kiosk computer in the customer service area was well used this year. It allows customers to “self-service” looking up information and submitting requests & applications. This is of great benefit to customers visiting the offices and who may not have internet access at home.

### Migration of Documents

Progress continues to be made in migrating documents from legacy systems to the new electronic Document & Records Management System (eDRMS). This system allows for better management of documents, records and information. It will also allow for quick and easy publication of documents directly to the website and the wider public when complete.

### Privacy

There was considerable progress in this area with all new staff completing Privacy Training when they are inducted into the organisation.

### Property File Digitisation

Much work was completed in building processes to scan and store historical paper-based property files. Final testing is in progress with quality control checks being put in place to ensure no data is lost during this process. Once scanned, paper-based files will be stored securely offsite.

### Online forms & internal processes online.

The digitisation of processes has continued at pace. There are now over 10 online electronic forms on our website and just under 50 internal processes fully digitised. This gives the team the ability to monitor the progress of an application or process. This provides a much-improved oversight and transparency of the status of any given application or process.

## Information Technology

This was an extremely busy year for the IT team, with new initiatives to improve Council’s IT management and create efficiencies within Council activities.

### Penetration Testing

A penetration test (an authorized simulated attack) was performed on Council’s computer system to evaluate its security. Penetration testers use the same tools, techniques, and processes as attackers to find and demonstrate the business impacts of weaknesses in the system. Penetration tests simulate a variety of attacks that could threaten a business. They examine whether a system is robust enough to withstand attacks from authenticated and unauthenticated positions, as well as a range of system roles.

### Cloud migration

Council’s Finance Management System (FMS) was successfully migrated to the cloud, making the system available from anywhere with the right credentials. The management of the software and backup of the data is now managed by the vendor.

### E-Invoicing

As part of the cloud migration of Council’s FMS, software was installed to allow Council to receive e-invoices in line with requirements for central Government. E-Invoicing is the direct exchange of data between any two accounting

systems, this makes doing business smoother, faster and safer. With less manual handling and processing, it can reduce administration, errors, and delays.

## Managed Backups

Management of digital backups of Council computer systems is now outsourced. All backups are held offsite and are indelible. Indelible backups take things a step further by securing backups from being changed, deleted, or overwritten by outside forces or from within the data protection solution until the data has expired.

## D4H Implementation

D4H is a software system designed for the complete management of a civil defence emergency. The system has been set up ready for implementation but is not yet ready to be rolled out for use in an event.

**Emergency Management – Community Satellite setup and install** – in conjunction with Civil Defence Emergency Management staff and the “Better off funding Initiative”, satellite communication equipment has been setup at 18 community locations.

## Audio-visual equipment in the Council Chambers

A new sound system providing better quality audio for live streaming Council meetings was installed in the Council chambers. At the same time, a third television screen was installed to enable the meeting audience to also view presentations made to the Council meetings.

## Council Controlled Organisations

Statements of service for Westland Holdings Ltd, Destination Westland Ltd and Westroads Ltd are provided below on pp 28 - 31.

### Performance in this activity

Community Outcome	Level of service	Measure / Target	Current performance
<b>Resilient Communities</b>	<b>Provide accountability about Council activities</b>	Legally compliant financial plans and reports adopted	<b>Achieved</b>
		a. <b>100% LTP, Annual Plans and Reports adopted on time.</b>	a. <b>100%:</b> The Annual Report 2021/2022 was adopted on 15 December 2022 as allowed by the amendment to the Local Government Act. The Annual Plan 2023/2024 was adopted on 30 June 2023.
		b. <b>100% LTP and Annual Reports receive unqualified Auditor’s Opinions.</b>	(2021/2022: The Annual Report 2020/2021 was adopted on 17 December 2021 as allowed by the amendment to the Local Government Act.  The Annual Plan 2022/2023 was adopted on 30 June 2022.)
			<b>Achieved</b>



Community Outcome	Level of service	Measure / Target	Current performance
			<p>b. <b>100%:</b> The Long-Term Plan 2021 – 2031 received an unqualified Auditor’s opinion. The Annual Report 2021/2022 received an unqualified Auditor’s opinion.</p> <p>(2021/2022: <i>The Annual Report 2020/2021 received an unqualified Auditor’s opinion</i>).</p>
<b>Resilient Communities</b>	<b>Effective engagement of the community during public decision-making opportunities</b>	<b>65%</b> of residents that believe they have been appropriately consulted	<p><b>Not measured</b></p> <p>No Residents’ Satisfaction Survey was undertaken in 2023.</p> <p>(2021/2022: <b>29%</b> - Biennial Residents’ Satisfaction Survey February 2022.)</p>
<b>Resilient Communities</b>	<b>A comprehensive Customer Service Centre</b>	<b>80%</b> of residents satisfied with the service they receive	<p><b>Not measured</b></p> <p>No Residents’ Satisfaction Survey was undertaken in 2023.</p> <p>(2021/2022: <b>76%</b> - Biennial Residents’ Satisfaction Survey February 2022.)</p>

## Council Controlled Organisations

*Commercial reporting entities controlled by Westland District Council*



Established July 2002.

### **Directors:**

Joanne Conroy – Chair – appointed 28 June 2018, appointed Chair 27 June 2019

Chris Rea – Director - appointed 28 June 2018

Chris Gourley – Director - appointed 26 July 2018

Westland Holdings Limited (WHL) is the governance link between Council and its trading entities. The Company is responsible for ensuring the trading organisations meet their statutory, commercial, and public obligations as defined in their Annual Statements of Intent. These are reviewed by WHL on behalf of Council, with reference to the objectives determined in the Long-Term Plan 2021-2031, along with each company's individual strategy. This report concentrates on the performance objectives contained in the Long-Term Plan. The performance of the companies is extensively examined in their own Annual Reports.

### *Key Objective:*

'To achieve the objectives of the shareholder, Westland District Council, both commercially and non-commercially as specified in the Statement of Intent in a manner that recognises sound business practice, good employer obligations and social and environmental responsibility.'



Established 3 July 2018

*(Incorporated as Hokitika Airport 3 January 2002 to 2 July 2018)*

### **Directors**

Christopher Gourley – Chair - appointed 2 June 2020

Marie-Louise Tacon – Director - appointed 1 November 2021

Peter De Goldi – Director - appointed 1 December 2022

Joanne Conroy – Director - ceased 1 February 2023

### *Key objective:*

'Building profits to invest in social outcomes for Westland.'

### Hokitika Airport

Like most Regional airports, Destination Westland is struggling to create a commercial return from the aviation side of the company. This is compounded by increased infrastructure and compliance costs and uncertainty in the network with potential changes to commercial aircraft.

Passenger numbers on the scheduled service increased more than 10,000 to over 41,000 from over 31,000 in the 2022 year.

There was a successful trial of Solar Runway Lighting undertaken, which would replace the existing cabled lighting. However, failure to raise the required funds has paused this project.

### Elderly housing

Construction of eight new elderly housing units at Gibson Quay, was completed on time and with budget. This increases the number of units available for rent to 63, and provides warm, dry and modern facilities for renters of the housing stock.

The painting programme was deferred to the next financial year due to delays in availability of contractors and then poor weather.

### iSite

Staff are seeing the beginning of the return of international visitors to the iSite. Visitors are looking for local knowledge and “go to” spots around the West Coast. There was an increase in the number of operators who wanted to advertise through the iSite, from panoramic signs to social media marketing.

Visitor numbers through the door increased by almost 17,000 people, from 22,400 in 2022 to 39,100 in the 2023 year.

iSite NZ is currently rebranding and ensuring it is “moving with the times” providing a service that is still relevant today.

### Hokitika Wildfoods and events

A successful 2023 Wildfoods event was held in March with headlining acts Sir Dave Dobbyn, Zed and Greg Johnson along with supporting acts.

The event was marred by big groups who were unable to attend due to the cancellation of several ferry crossings between Wellington and Picton during that time, and the weather prior to the weekend hampered set up. However, a more positive note is that the successful relationship with Hokitika Community Trust meant that infrastructure costs were reduced for the community group who hold Kids Day the weekend before Wildfoods.

The event brought in approximately 3,000 visitors from outside West Coast region who came just for the event spending an average of 2.5 nights here. The number of nights is a perceived failure as our target had been at least 3 nights per visitor.



Established January 1995.

#### Directors

Peter Cuff – Chair appointed 18 January 1995

Ross Pickworth – Director appointed 26 October 2017

Mark Rogers – Director appointed 15 October 2019

Robert Caldwell – Director appointed 1 December 2021

Westroads Limited is a general contractor in the infrastructure sector, based in Hokitika and Greymouth and operating depots throughout Westland.

#### Key Objective:

‘Operates a successful business by meeting market requirements in terms of quality, excellence in service and pricing on a commercially competitive basis and ensure a reasonable rate of return to the ratepayers of Westland in accordance with the Statement of Intent.’

#### Performance in this activity

Community Outcome	Level of service	Measure / Target	Current performance
<b>Diverse Economy</b> <b>Resilient Communities</b>	<b>CCOs comply with their Statements of Intent</b>	All performance measures in the CCO Statements of Intent are met, as reported in half yearly and Annual Reports.  <b>Achieved</b>	<b>Not achieved</b>  See individual CCO Annual Reports 2022/2023 for full details.  <b>Westland Holdings Ltd</b> did not meet all of their performance measures. Among other things they did not achieve measures: <ul style="list-style-type: none"> <li>gross revenue to be greater or equal to \$33 million (\$32 million)</li> <li>profit before tax of greater or equal to \$1 million (\$268,000).</li> </ul> Other financial and non-financial measures were not reported on.  <b>Destination Westland Ltd</b> did not meet all of their performance measures. Among other things they did not meet: <ul style="list-style-type: none"> <li>the financial performance measure of net profit before</li> </ul>

taxation and revaluations falling within 1% - 6% (0.8%)

- the non-financial performance measure to complete an Employee satisfaction survey in 2022/2023.

**Westroads Ltd** did not meet all of their performance measures. Among other things they did not meet:

- Return On Average Shareholders' Funds Before Tax and Revaluations of 10% (7.51%).
- Distributions As a Percentage of After-Tax Profits 40 – 70% - is considered to not be met as the measure includes an upper threshold. Westroads exceeded the 70% threshold by reporting a percentage distribution of 204.2%.

*(2021/2022: Not achieved – see individual CCO Annual Report 2021/2022)*

## How this group of activities contribute to Community Outcomes & Well-being

Community outcomes supported by group of activities	Activity
<b>Resilient Communities</b> <ul style="list-style-type: none"> <li>• All areas of the district have access to quality recreational and cultural facilities.</li> <li>• A community that cares for all members at all life stages to reduce isolation and promote inclusion.</li> <li>• Communities less vulnerable to natural hazards and climate change.</li> <li>• All voices are enabled and heard, power is more evenly distributed, and the community can share its strengths.</li> </ul>	<ul style="list-style-type: none"> <li>• Leadership Contributes to Resilient Communities outcome through maintaining open governance and transparency.</li> <li>• Corporate Services Contributes to Resilient Communities by supporting the Council to run its business. Improving digitisation and improved customer service and outreach gives the community the opportunity to participate in Council processes more easily.</li> <li>• CCOs Community resilience is enhanced with provision and maintenance of recreational assets and elderly housing.</li> </ul>
<b>Diverse Economy</b> <ul style="list-style-type: none"> <li>• We work to find sustainable, diverse, and resilient options for encouraging economic growth.</li> <li>• We collaborate with other stakeholders to achieve common outcomes.</li> <li>• Economic growth has a minor / reduced impact on the natural environment.</li> </ul>	<ul style="list-style-type: none"> <li>• CCOs Council Controlled Organisations manage the activities of Council that generate income and provide socio-economic benefits for the region.</li> </ul>

## Funding Impact Statement (for the Leadership group)

for the year ended 30 June 2023

Group Level Funding Impact Statement			
	Long Term Plan 2022 \$000	Long Term Plan 2023 \$000	Actual 2023 \$000
<b>Leadership</b>			
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>			
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	236	829	(504)
Targeted Rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	124	126	73
Interest and dividends from investments	-	250	1,046
Local authorities fuel tax, fines, infringement fees, and other receipts	712	613	1,959
Internal charges and overheads recovered	7,005	7,425	6,833
<b>Total Operating Funding (A)</b>	<b>8,077</b>	<b>9,244</b>	<b>9,408</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	5,223	5,498	6,935
Finance Costs	468	503	488
Internal charges and overheads applied	3,034	3,189	2,621
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>8,725</b>	<b>9,190</b>	<b>10,045</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>(648)</b>	<b>54</b>	<b>(637)</b>
<b>(SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	-	-	17
Development and financial contributions	-	-	-
Increase (decrease) in debt	973	742	(2,897)
Gross proceeds from sale of assets	-	-	11
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>973</b>	<b>742</b>	<b>(2,869)</b>
<b>Application of Capital Funding</b>			
<b>Capital Expenditure:</b>			
-to meet additional demand	-	-	-
-to improve the level of service	1,000	809	69
-to replace existing assets	22	102	133
<b>Increase (decrease) in reserves</b>	<b>(697)</b>	<b>(116)</b>	<b>(3,708)</b>
<b>Increase (decrease) of investments</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Applications of Capital Funding (D)</b>	<b>325</b>	<b>796</b>	<b>(3,505)</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>648</b>	<b>(54)</b>	<b>637</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Planning and Regulatory

### Resource Management

During this financial year, the Proposed Te Tai o Poutini Plan (TPPP) reached further submission stage, with hearings proposed to commence in August 2023.

Recruitment has been a priority over the financial year, and two new staff members have been successfully appointed, these being a Senior and Graduate Planner. Only one vacant role remains, is advertised on the Council website.

### Resource Consents

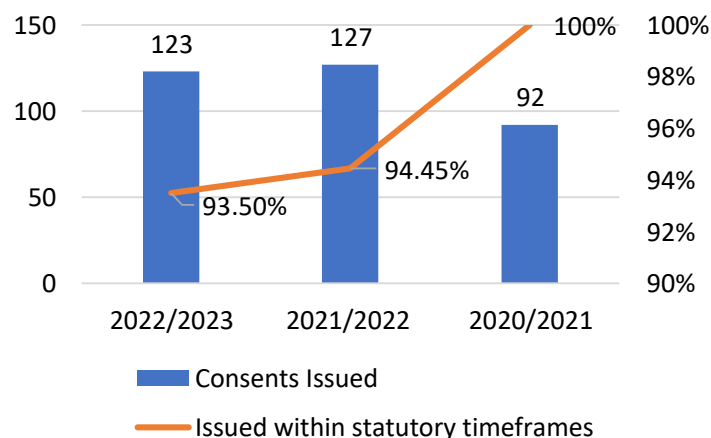
New applications remained steady with 134 applications received for the 2022/2023 financial year (2022: 164). The most significant of these relate to:

- A new classroom block at St Mary's school, including the demolition of an existing classroom block, Hokitika.
- The application to undertake 12ha of vegetation clearance in Whataroa.
- A variation request for the Ross Top 10 campground to provide for the construction of four dome cabins, Ross.
- To subdivide land into 23 allotments and establish 21 residential dwellings on Ruatapu-Ross Road, Ruatapu.
- To operate a commercial rafting operation and camping facility, including helicopter transport on the Landsborough River between Clarke Bluff and Kea Flat.
- To form a 245m section of unformed legal road, being Airport Lane to provide access to two lots, Jackson Bay.
- The construction of a multi-unit development comprising of nine residential dwellings in Hokitika.
- To install a new prefabricated toilet block and shelter at Cass Square, Hokitika.
- Three separate projects, for the construction of a multi-unit development. The total comprising of 15 new residential dwellings in Hokitika.

The planning department issued 123 resource consents over the 2022/2023 financial year. 100% of these consents were granted under Delegated Authority. Of these, 38 were subdivision applications and 85 for land use related activities throughout the district.

### Other activities

Non-compliance matters are ongoing throughout the district with 37 reactionary matters still active on the Compliance Master Log. Monitoring of resource consent conditions continue, although the reactionary matters often lead to time constraints in this space. A focus on undertaking historical consent monitoring will be a priority in the next financial year.



Customer Satisfaction Surveys have not been undertaken during this quarter, with no surveys submitted by the public. The survey remains available within a link contained within the email signature of Planning staff.

### Performance in this activity

Community Outcome		Level of service		Measure / Target	Current performance
Sustainably Managed Environment		Resource consents processed in accordance with relevant legislation		100% of resource consents processed within statutory Time frames	<b>Not achieved</b>
					<b>93.5%</b> of resource consents were processed within statutory time frames.

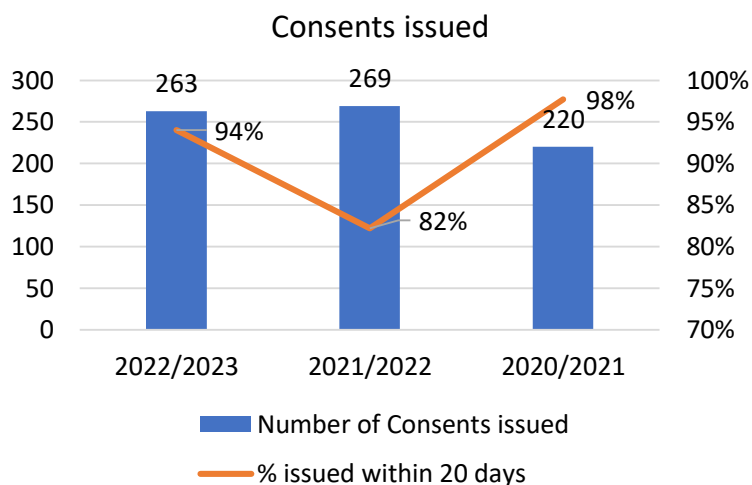
			<p><b>91.8%</b> land use consents and <b>97.4%</b> subdivision consents = <b>123</b> consents in total.</p> <p>Statutory timeframes were exceeded on 8 resource consents due to staffing shortages.</p> <p><i>(2021/2022: <b>92.13%</b> of land use and <b>96.77%</b> of subdivision consents processed within statutory time frames. 127 consents processed.)</i></p>
<b>Resilient Communities</b>	<b>Provide appropriate advice to customers</b>	<p><b>85%</b> of users satisfied with the quality of the advice provided on resource management matters</p>	<p><b>Achieved</b></p> <p><b>100%</b> users satisfied with the quality of the advice provided on resource management matters, based on the Planning Department's customer feedback survey throughout the year.</p> <p><i>(2021/2022: 100% satisfaction based on the Planning Department's customer feedback survey throughout the year.)</i></p>



## Inspections and Compliance

### Building Control

#### Building consents



There was a slight drop in building consents issued this year (263) reflecting the nationwide slow-down in construction.

Council has transitioned to a new consenting software program called Objective Build. This software is now live and being used in place of AlphaOne. All consents and data have been merged in the new system, and customers have access to existing consents. All company consents, that could have been lodged by different account users, can be input into one login so customer can view all their company's consents in one central place. Issuing of consents within the 20-day timeframe has improved (94%).

#### Building Consent costs

There was an increase in queries about the costs of building consents this year. Consents are a user pays service, not ratepayer funded. The fee for a building consent covers the cost of consenting: staff accreditation, training, and competency assessments; insurance; equipment; contractors; and all other operational costs.

#### Unconsented building work

In the 2022/2023 the department has issued 55 notices to fix for unconsented building work. There are many reasons that people undertake work without consent, ranging from being unsure or following incorrect advice, misunderstanding the rules, or choosing not to get one.

#### Earthquake Prone Buildings

Staff completed the project to identify Earthquake Prone Buildings with Earthquake Prone Building notices issued to the last of the buildings in the district. The bulk of these buildings have 15 years to undertake strengthening work, unless they are identified as a priority building. While the change to legislation gave clear methodology for Council staff, owners of buildings are still required to obtain their own assessments to make sure the users of their buildings are safe.

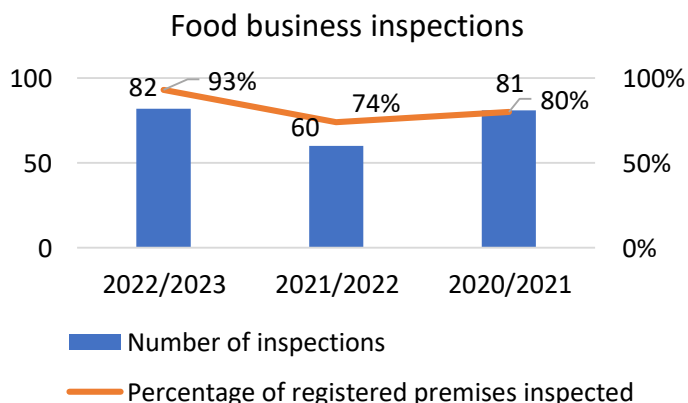
## Environmental Health – Food and Alcohol Licensing

#### Food Licensing

A total of five new food businesses have opened in Westland in the last year. Four businesses that hibernated due to Covid-19 have reopened over the last year. There are 88 registered food premises in the District.

Food inspections are carried out on a varied frequency following changes to food legislation. Premises can be visited every 12 months (initial two visits), 18 months (if they have consecutive acceptable outcomes), or 9 months, 6 months or 3 months if performing poorly.

There are six premises that have inspections regimes less than 12 months and there are 48 premises who are seen every 18 months. Fewer food premises are significantly non-compliant. In previous years there

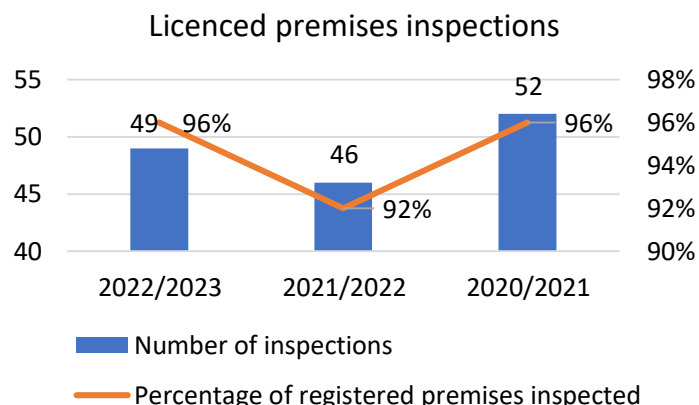


were a greater number of premises on a verification frequency of less than 12 months. Of the six premises visited less than every 12 months: potable water supply was an issue for two premises, continual poor record keeping was an issue for three premises, and one premises had multiple issues.

## Alcohol Licensing

Controlled purchase operations at the time of the Wildfoods festival resulted in one licensed premises in Hokitika and one operator at the Wildfoods festival caught selling alcohol to minors. Those matters have been dealt with by the Police.

The number of visits to licenced premises depends on the time within the three yearly licencing cycle for the renewal of licences plus, any additional new applications made within the year.

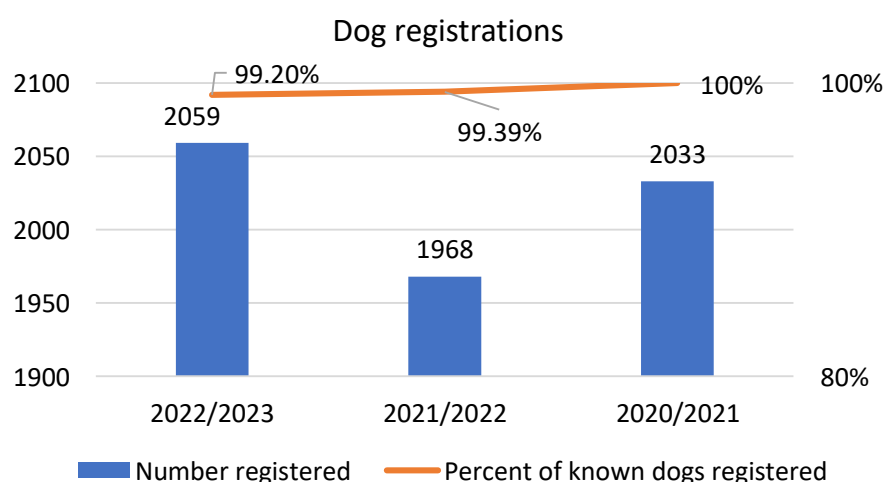


## Performance in this activity

Community Outcome	Level of service	Measure / Target	Current Performance
<b>Diverse Economy</b>	<b>Timely processing of Building Consents.</b>	<b>100%</b> of building consents processed within 20 working days as per the requirements of the Building Act	<p><b>Not achieved</b></p> <p>Consents issued = <b>263</b></p> <p><b>94%</b> issued within the 20 day statutory timeframe.</p> <p>12 consents (6%) were issued outside of the statutory timeframe.</p> <p>Processing of consents continued to be impacted by staffing levels.</p> <p><i>(2021/2022 Consents issued = <b>269</b></i></p> <p><i><b>82.35%</b> issued within 20-day statutory timeframe.)</i></p>
<b>Diverse Economy</b>	<b>Provide appropriate advice to customers.</b>	<b>85%</b> of users satisfied with the quality of the advice provided on building consent, environmental health, and Liquor Licensing matters	<p><b>Building Consents</b></p> <p><b>Not measured</b></p> <p>No Residents' Satisfaction Survey was undertaken in 2023.</p> <p><i>(2021/2022: <b>46%</b> - Biennial Residents' Satisfaction Survey February 2022.</i></p> <p><i>Note: small base of 41 respondents.)</i></p> <p><b>Environmental Health</b></p> <p><b>Not measured</b></p> <p>No Residents' Satisfaction Survey was undertaken in 2023.</p> <p><i>(2021/2022: <b>40%</b> - Biennial Residents' Satisfaction Survey February 2022.</i></p>

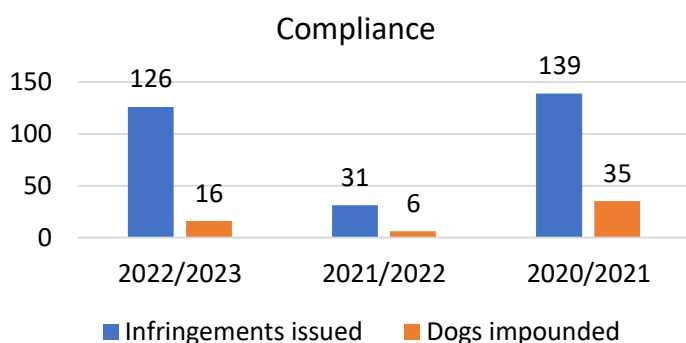
Community Outcome	Level of service	Measure / Target	Current Performance
			<p><i>Note: small base of 17 respondents.)</i></p> <p><b>Liquor Licencing</b></p> <p><b>Not measured</b></p> <p>No Residents' Satisfaction Survey was undertaken in 2023.</p> <p><i>(2021/2022: <b>70%</b> - Biennial Residents' Satisfaction Survey February 2022.</i></p> <p><i>Note: small base of 10 respondents.)</i></p>
<b>Diverse Economy</b>	<b>Encourage compliance with health standards by undertaking inspections so that all food, liquor and other licensed premises comply with the relevant legislation.</b>	<b>100%</b> licensed and registered premises are inspected at least annually.	<p><b>Food Premises</b></p> <p><b>Not achieved</b></p> <p><b>93%</b> (82/88 – based on currently registered businesses)</p> <p><i>(2021/2022: <b>74%</b> [60 / 81 – based on currently registered businesses])</i></p> <p><b>Liquor Premises</b></p> <p><b>Not achieved</b></p> <p><b>96%</b> (49/51 – based on currently registered businesses)</p> <p><i>(2021/2022: <b>92%</b> [46 / 50 – based on currently registered businesses])</i></p>

## Animal Control



Animal Control staff actively work with the community to resolve dog related issues. The focus for this financial year was on harm reduction through identification and control of both menacing and dangerous dogs. Regular proactive patrols and interaction with the community continue with the view to heighten public awareness and education of dog owner responsibilities. Work continues to reinforce with the dog owning community the need to register and microchip their dogs and act as responsible owners.

## Compliance

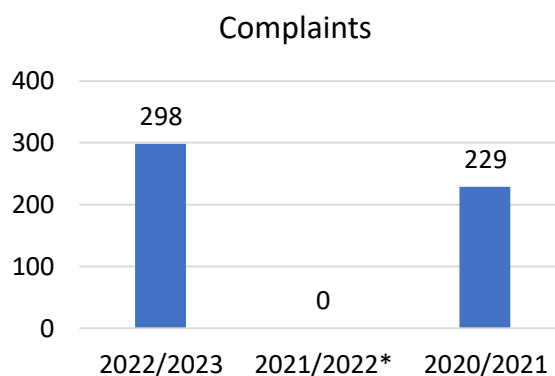


There was an increase in known dogs in the district from 1968 to 2075, with almost 100% of these dogs registered by 30 June 2023. Staff continue to work with owners to ensure that compliance is met by communicating with the public and providing educational material for the dog owner community. By keeping the communication lines open we are taking the proactive approach in ensuring that dogs are registered during the financial year.

A total of 298 complaints were received during the 2022/2023 reporting period and is an increase on complaints in 2020/2021.

### Pound activities

Sixteen dogs were impounded during the reporting period. Twelve were returned to their owners, and four were handed over to SPCA due to welfare concerns. No dogs were euthanised during the reporting period.



\*There is no data recorded as complaints for 2021/2022.

## Performance in this activity

Community Outcome	Level of service	Measure / Target	Current Performance
<b>Resilient Communities</b>	<b>Keep the public safe from dogs and wandering stock</b>	<b>90%</b> Residents satisfied with the response provided	<b>Not measured</b> No Residents' Satisfaction Survey was undertaken in 2023.  (2021/2022: <b>29%</b> - Biennial Residents' Satisfaction Survey February 2022.  Note: small base of 24 respondents.)
<b>Sustainably Managed Environment</b>		<b>99%</b> of known dogs registered by 30 June each year	<b>Achieved</b> <b>99.2%</b> - 2059/2075 known dogs registered  (2021/2022: <b>99.39%</b> - 1968/1980 known dogs registered)
		Response times to Priority 1 callouts:  <b>30 minutes or less (excluding travel time)</b>	<b>Achieved</b> <b>100%</b> - <b>11 / 11</b> of response times to priority 1 callouts in 30 minutes or less  (2021/2022: 100% - 10 / 10 of response times to priority 1 callouts in 30 minutes or less)

## Emergency Management

Some successes this year were the roll out of Starlink Kits to isolated communities. A new Emergency Management Officer came on board in February of 2023. Overall Emergency Management is performing well.

## Performance in this activity

Community Outcome	Level of service	Measure / Target	Current Performance
<b>Resilient Communities</b>	<b>Council is prepared for and maintains an effective response capacity to manage civil defence emergencies</b>	Council's e-text alerting system is tested twice per annum.  <b>Achieved</b>	<b>Achieved</b> Council has utilised e-text system to send 44,698 messages in the last 12 months.  (2021/2022: <b>Achieved</b>  Council has utilised e-text system on several occasions for emergency alerts.)
		At least one Emergency Operations Centre (EOC) activation occurs annually (event or exercise).  <b>Achieved</b>	<b>Achieved</b> Achieved multiple partial activations during financial year. EOC fully set up more than twice.  (2021/2022: <b>Achieved</b>  A multi-agency activation occurred in November 2021.)

	At least two training sessions are held annually for Council Civil Defence Emergency Management (CDEM) Incident Management Personnel	<b>Achieved</b> Welfare Needs Assessment, Assessor training and lifelines coordination training were all run in May 2023. These were open to staff and the public.  A Coordinated Incident Management System (CIMS4) course was also run in Greymouth that was open to all West Coast Council staff and the public.  (2021/2022: <b>Achieved</b> <i>Induction Courses: 6 April 2022</i> <i>CIMS4: May 2022, Greymouth &amp; Franz Josef</i> )
<b>Resilient Communities</b>	<b>CDEM relationships with WC CDEM Group (CDEMG) territorial authorities, emergency services, and life line utilities are maintained and strengthened</b>	Council is represented at CDEMG Joint Committee meetings by the Mayor, or a nominated attendee. <b>80% of the time.</b>  <b>Achieved</b> Council was represented at <b>4/4</b> meetings = <b>100%</b> of the time. (2021/2022: Council was represented at <b>4/4</b> meetings = <b>100%</b> of the time.)
	Council is represented at Coordinating Executive Group meetings by the Chief Executive or a nominated attendee. <b>80% of the time.</b>	<b>Achieved</b> Council was represented at <b>4/4</b> meetings = <b>100%</b> of the time. (2021/2022: Council was represented at <b>4/4</b> meetings = <b>100%</b> of the time.)

#### How this group of activities contribute to Community Outcomes & Well-being

Community outcomes supported by group of activities	Activity
<b>Sustainably Managed Environment</b> <ul style="list-style-type: none"> <li>The district is involved in sustainable waste management practices</li> <li>We support sustainable environmental practices.</li> <li>We support strategies to enhance and protect the district's ecosystems.</li> <li>Development is sustainable, meeting the needs of the present without compromising the ability of future generations to meet their own needs.</li> </ul>	<ul style="list-style-type: none"> <li>Planning The assessment of applications and provision of resource consent decisions ensures environmental well-being is protected or enhanced through sustainable resource use.</li> <li>Animal Control Minimisation of harm to the environment from wandering dogs and stock.</li> </ul>
<b>Resilient Communities</b> <ul style="list-style-type: none"> <li>All areas of the district have access to quality recreational and cultural facilities.</li> <li>A community that cares for all members at all life stages to reduce isolation and promote inclusion.</li> <li>Communities less vulnerable to natural hazards and climate change.</li> </ul>	<ul style="list-style-type: none"> <li>Planning Assessment of applications and provision of resource consent decisions contributes to resilient communities with consideration to appropriate legislation and plans. Community consultation in respect to the Te Tail Poutini Plan, being the future District wide statutory document for resource management, has ensured the four recognised well-beings are</li> </ul>

<ul style="list-style-type: none"> <li>• All voices are enabled and heard, power is more evenly distributed, and the community can share its strengths.</li> </ul>	<p>considered and provided for based on the values and priorities of the community.</p> <ul style="list-style-type: none"> <li>• Animal Control Education of owners ensures positive interactions for the community with dogs and stock.</li> <li>• Emergency Management Direct link between helping communities to be more resilient in terms of not only resources but in the strength of their networks and ability to work together and coordinate themselves in emergency events.</li> </ul>
<p><b>Diverse Economy</b></p> <ul style="list-style-type: none"> <li>• We work to find sustainable, diverse, and resilient options for encouraging economic growth.</li> <li>• We collaborate with other stakeholders to achieve common outcomes.</li> <li>• Economic growth has a minor / reduced impact on the natural environment.</li> </ul>	<ul style="list-style-type: none"> <li>• Inspections and compliance Enables business compliance with local and national laws and regulations. Businesses that serve food and alcohol are supported to ensure a safe and healthy environment for patrons.</li> </ul>

# Funding Impact Statement (for the Planning and Regulatory group)

for the year ended 30 June 2023

Group Level Funding Impact Statement			
	Long Term Plan 2022 \$000	Long Term Plan 2023 \$000	Actual 2023 \$000
Planning & Regulatory			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	1,790	1,860	1,931
Targeted Rates	-	-	-
Subsidies and grants for operating purposes	452	462	254
Fees and charges	726	743	1,064
Local authorities fuel tax, fines, infringement fees, and other receipts	224	229	282
Internal charges and overheads recovered	-	-	-
Total Operating Funding (A)	3,192	3,295	3,532
Applications of Operating Funding			
Payments to staff and suppliers	2,237	2,266	2,747
Finance Costs		15	8
Internal charges and overheads applied	931	980	1,031
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	3,169	3,261	3,786
Surplus/(Deficit) of Operating Funding (A - B)	23	34	(254)
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	599	616	6
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding (C)	599	616	6
Application of Capital Funding			
Capital Expenditure:			
-to meet additional demand	-	-	-
-to improve the level of service	610	647	190
-to replace existing assets	-	72	-
Increase (decrease) in reserves	12	(69)	(438)
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	622	650	(248)
Surplus/(Deficit) of Capital Funding (C - D)	(23)	(34)	254
Funding Balance ((A - B) + (C - D))	-	-	-



## Community Services

### Community Development and Assistance

#### Events

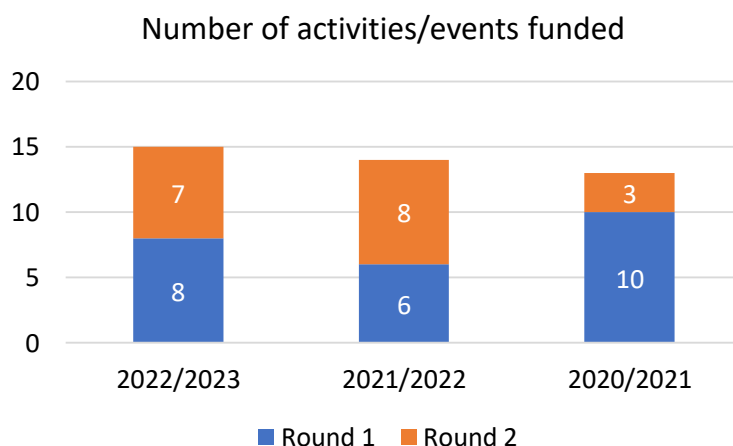
##### Waitangi Day

Waitangi Day is hosted by Te Rūnanga o Makaawhio, assisted by the Community Development Advisor (CDA) in planning. The event received a funding grant of \$11,304.50 including GST from Ministry of Culture and Heritage. The Rūnanga report that the Commemorating Waitangi Day was hugely beneficial for our Westland communities creating a better understanding of Te Ao Māori. By exposing the local community to our history, cultural practice, and values it provides the community the opportunity to learn, reflect and grow, based on their positive experience through simply engaging with Māori at this Commemoration of Waitangi Day.

The day involved oration on the Māori History of the West Coast with a question-and-answer section, stalls and activities including: The Treaty; Rongoa Māori; Traditional Kupenga Bag Making; Children's Activities; Māori-oke with spot prizes. A Hāngi was available for lunch, and the day concluded with a Farewell and Karakia.

#### External Funding

##### Creative Communities



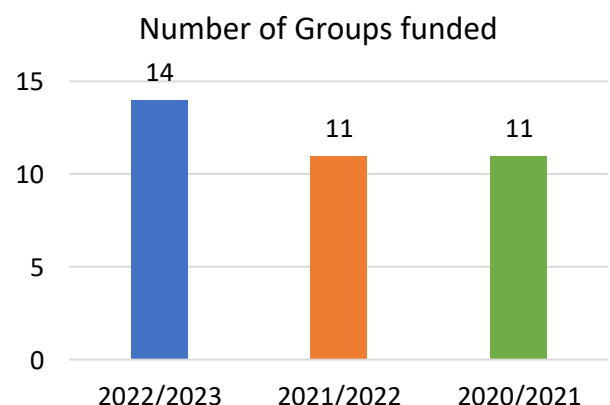
Westland Creative Communities promotes the development of the arts and promotes access to creative activities. Westland District Council supports the wellbeing of Westland Communities by encouraging arts and culture through the Creative Communities funding scheme.

Following the elections in October, nominations were called for new committee members. Council confirmed the appointment of Councillors Reilly Burden and Jane Neale, and eight members of the community to the Westland Creative Community Committee.

##### Sport NZ Rural Travel Fund

The Rural Travel Fund assists a community goal of enabling kiwi kids to be physically active. It addresses barriers in rural communities that Westlanders can identify with, including geographical isolation and lack of other funding sources.

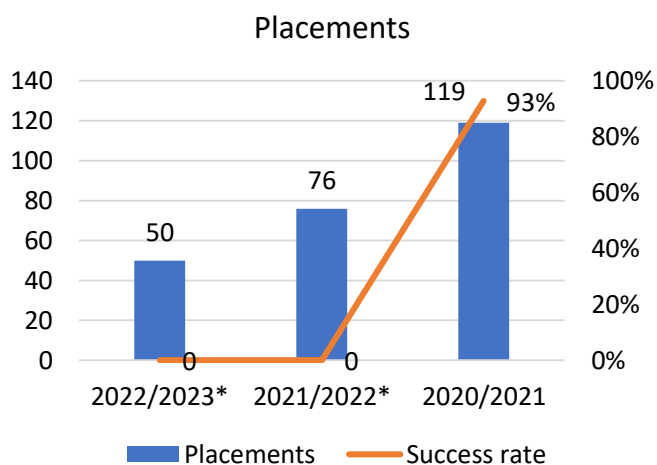
Westland received additional funding for 2022-2023 and 2023-2024 which increased the annual grant from \$9,500 to \$12,825. During the financial year 2022-2023 this was paid to Council in two portions. Eight groups were allocated funding from the first portion of \$9,500, and six groups were allocated funding from the additional funding of \$3,325. This gave more groups the opportunity to receive funding and support more children in their sporting pursuits.



## MTFJ

This year the MTFJ team has grown to three staff members to deliver the programme.

The MTFJ ran a second successful 'Inspire to Aspire' careers fair in 2023. This was attended by 700 students from the Westland and Grey districts and 70 exhibitors showcasing vocational pathways.



50 job placements have been made in this financial year including participants who are enrolled in concurrent education options that support their career path. The fourth Youth Employability programme was delivered to eight participants, providing them with life skills to develop their career options.

A barrier that affects rural youth engaging in employment opportunities is the difficulty in gaining a driver licence, due to limited licencing services. MTFJ is working with West Coast Driver Services and WestREAP to provide support for driver training to assist students to pass their driving tests.

The MTFJ now operates out of the Pakiwaitara Building on Weld Street, which has improved the accessibility of the programme and doubled the number of youth engaging with the team.

## Council Funding

### Township Development Funding

All communities who accumulate Township Development Funds have received the 2022-2023 funding after furnishing Accountability Reports for 2021-2022. All Funding Agreements were signed and in place for 2022-2023.

Funding for community resilience projects continue to be a high priority for Westland communities.

### Major District Initiatives Funding

The CDA has worked with West Coast Riding for the Disabled (WCRDA), to obtain documents and secure a contract extension of the Major District Initiative Funding Agreement with Development West Coast. An extension was required because the funding officially ceased in 2022. The WCRDA payments have been processed and submitted with Development West Coast.

### Community Public Toilets

All recipient communities have been contacted and Accountability Reports for 2022-2023 have been received and payments made for the financial year.

### Matariki Funding

Matariki Festival funding of was allocated \$5,000 in the Annual Plan for local Iwi to hold festivities. Funding was paid early in the 2022-2023 financial year for the 2022 Matariki Festival.

## Christmas Lights

Christmas Lights Funding distributes \$10,000 each year. The following groups throughout the district received funds for their Christmas lights.

<b>Love Hokitika Event</b>	Christmas on the Beach
<b>Hari Hari Community Association</b>	Solar Christmas Lights
<b>Fox Glacier Community</b>	Community Centre Lights
<b>Hokitika Grey Power</b>	Outdoor Building Christmas Lights
<b>Franz Josef Community Council</b>	Lights for town
<b>Ross Community Society</b>	Christmas Lighting in Trees

## Safer Westland

With the start of the new Council triennium a new Governance Group was elected by the Safer Westland Coalition, which provides structure and guidance for Safer Westland meetings. Each meeting has a well-being topic and two presenters. This format has been well received with high attendance at Safer Westland coalition meetings.

Safer Westland projects and initiatives that support well-being outcomes:

- Hokitika Half Price Taxi chits – assisting seniors who have voluntarily given up driving to have access to do essential shopping,
- DriveWEST - Learner driving programme continues with Police reporting far fewer infringements in this area.
- CACTUS – a programme that actively engages young people with different challenges for personal growth.
- GreyPower – activity programme that promotes social connectedness and reduces isolation,
- Hokitika Community Patrol.
- Big Brother Big Sister mentoring programme.
- New Coasters provides connections and social gatherings for newcomers, migrants and those new to the Coast.

## Performance in this activity

Community Outcome	Level of service	Measure / Target	Current performance
<b>Resilient Communities</b>	<b>Supporting Communities to improve their social and cultural wellbeing</b>	<p>CDA co-ordinates funding and committee process for:</p> <ul style="list-style-type: none"> <li>• Creative Community Scheme funding local arts.</li> <li>• Sport NZ Rural Travel Fund.</li> <li>• Funding to promote events for Community well-being and social connectedness.</li> </ul> <p><b>Achieved</b></p>	<p><b>Achieved</b></p> <p>Funding was advertised and promoted throughout Westland and committees followed procedure for funding allocation.</p> <ul style="list-style-type: none"> <li>• Creative Community Committee allocated \$10,167</li> <li>• Sport NZ Rural Travel Fund Committee allocated \$12,825</li> </ul> <p>Funding to promote events:</p>

					<ul style="list-style-type: none"> <li>• Driftwood &amp; Sand \$5,000</li> <li>• Christmas Lights Grant allocated \$10,000</li> </ul> <p><i>(2021/2022: <b>Achieved</b></i></p> <p><i>Funding was advertised and promoted throughout Westland and committees followed procedure for funding allocation.)</i></p>
<b>Resilient Communities</b>	<b>Commitment to “Safer Westland”</b>	Westland Safe Community Coalition maintains “Safer Westland” accreditation with NZ Safe Community Foundation.	<b>Achieved</b>		<p><b>Not measured</b></p> <p>NZ Safe Community Foundation has dissolved, and Safer Westland has appointed a Governance Group and reports to Council through Quarterly Reports</p> <p><i>(2021/2022: <b>Not achieved</b></i></p> <p><i>NZ Safe Community Foundation has dissolved, and Safer Westland is going through a re-establishment phase.)</i></p>
		Safer Westland Community Coalition meets bi-monthly.	<b>Achieved</b>		<p><b>Achieved</b></p> <p>Safer Westland Bi-monthly meetings are established, with the Safer Westland Governance Group meeting quarterly.</p> <p><i>(2021/2022: <b>Not achieved</b></i></p> <p><i>There were only two meetings held during the year.)</i></p>

## Community Halls

The Provincial Growth Funded projects for Community Halls throughout Westland have all been completed. In many instances the work on the halls exposed more work that needed to be done.

Better Off Funding was allocated to seven of these halls and to seven additional halls. Installation of new windows at the Kowhitirangi Hall was completed. The budget of \$9,290 supported a shortfall in Lotteries funding for this project. Other works at the 13 other halls is in progress and will be completed over the next two years.

Community Outcome	Level of service	Measure / Target	Current performance
<b>Resilient Communities</b>	<b>Provide safe and useful community halls</b>	<b>80%</b> of residents satisfied with the standard of their community hall	<b>Not measured</b>  No Residents' Satisfaction Survey was undertaken in 2023.  (2021/2022: <b>83%</b> - Biennial Residents' Satisfaction Survey February 2022.)

### How this group of activities contribute to Community Outcomes & Well-being

Community outcomes supported by group of activities	Activity
<b>Resilient Communities</b> <ul style="list-style-type: none"> <li>All areas of the district have access to quality recreational and cultural facilities.</li> <li>A community that cares for all members at all life stages to reduce isolation and promote inclusion.</li> <li>Communities less vulnerable to natural hazards and climate change.</li> <li>All voices are enabled and heard, power is more evenly distributed, and the community can share its strengths.</li> </ul>	<ul style="list-style-type: none"> <li><b>Community Development and Assistance</b> This supports cultural and social activities. Support is provided to reduce isolation and support inclusion.</li> <li><b>Community Halls</b> Community Halls are a hub of the community that encourages strong social connections. The halls play an important part in resilience and preparedness for natural hazards and climate change.</li> </ul>

## Funding Impact Statement (for the Community Services group)

for the year ended 30 June 2023

Group Level Funding Impact Statement			
	Long Term Plan 2022 \$000	Long Term Plan 2023 \$000	Actual 2023 \$000
<b>Community Services</b>			
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>			
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	598	613	546
Targeted Rates	850	959	1,042
Subsidies and grants for operating purposes	39	39	549
Fees and charges	-	-	-
Interest and dividends from investments	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	3	3	2
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>1,490</b>	<b>1,614</b>	<b>2,139</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	1,439	967	1,337
Finance Costs	18	35	46
Internal charges and overheads applied	279	295	303
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>1,736</b>	<b>1,297</b>	<b>1,686</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>(246)</b>	<b>318</b>	<b>452</b>
<b>(SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	600	614	310
Development and financial contributions	-	-	-
Increase (decrease) in debt	661	(74)	86
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>1,261</b>	<b>540</b>	<b>396</b>
<b>Application of Capital Funding</b>			
<b>Capital Expenditure:</b>			
-to meet additional demand	-	-	174
-to improve the level of service	300	-	225
-to replace existing assets	816	615	721
<b>Increase (decrease) in reserves</b>	<b>(101)</b>	<b>243</b>	<b>(272)</b>
<b>Increase (decrease) of investments</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Applications of Capital Funding (D)</b>	<b>1,015</b>	<b>858</b>	<b>849</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>246</b>	<b>(318)</b>	<b>(452)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Facilities, and Leisure Services

### Cemeteries

#### Hokitika Cemetery

In this financial year there was further development of the Muslim area. Council's next step is to pour berms and then grass the site.

Works this year have included:

- 60m of open drain upgraded to bury 450mm stormwater pipe backing on to properties 14A & 14 Whitcombe Terrace.
- Additional berm was developed accommodating 46 new plots.
- RSA refurbish works completed.

There was an increase in interments at Hokitika cemetery. In part due to the restricted space at Ross Cemetery.

#### Ross Cemetery

There was further development of the new area off Woolhouse Road including backfill of the site, fencing, gates, culverts, and drainage. The next stage is to mark up the internal road and develop berms which includes an Ashes area.

There were four interments this financial year. While limited funding was utilised to the most benefit, due to site conditions and scope of work the availability of vacant plots in the Ross cemetery remains very low. This situation should be remedied at the end of 2023.

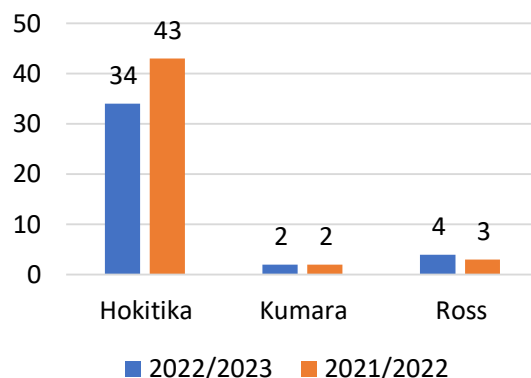
#### Cemetery sites maintained by communities

Memorandum of understandings (MoU) have been put in place with local community groups in Hari Hari & Whataroa for cemetery maintenance. These agreements provide financial support through minimal grants and custodial surety for the community groups involved.

#### Performance in this activity

Community Outcome	Level of service	Measure / Target	Current performance
Resilient Communities Sustainably Managed Environment	Council owned cemeteries are appropriately maintained	Customer Satisfaction: The number of service requests received per cemetery  <b>Hokitika: ≤ 5</b> <b>Kumara: ≤ 5</b> <b>Ross: ≤ 5</b>	<b>Achieved</b> <b>Hokitika: 4</b> <b>Kumara: 4</b> <b>Ross: 0</b> (2021/2022: Hokitika: 18 Kumara: 3 Ross: 4)
Resilient Communities Sustainably Managed Environment	Burials adhere to the relevant legislation	Standards for burial adhere to Cemeteries and Cremations Act 1964 <b>100%</b>	<b>Achieved</b> <b>100% 40/40</b> Interments <b>Hokitika: 34</b> <b>Kumara: 2</b> <b>Ross: 4</b>

Burials at open cemeteries





Community Outcome	Level of service	Measure / Target	Current performance
			(2021/2022: <b>100%</b> 48/48 burials)

## Hokitika Museum

The Hokitika Museum has continued to work towards three major priorities:

- Hokitika Museum website.
- Collection readiness (including the Te Whatanui - Archives and Research Centre Project, and a replacement Collection Management System).
- Ngā Whakatūranga – exhibitions redevelopment (Carnegie Building and surrounds) Project.

Throughout the months of November and December 2022 public workshops were held with communities and schools across Westland. These workshops re-introduced the public to the Museum collections and provided an opportunity to contribute to possible stories for presentation in the new galleries (the Ngā Whakatūranga Project). Other pieces of work have included support of cultural, arts and heritage initiatives in Westland. These initiatives include Westland 2023-2024 100 Years of Connecting, Driftwood and Sand 2023, and Inspire to Aspire 2023. The Museum team investigated funding streams to support priority projects.

In June 2023 the Museum Director left the Hokitika Museum for a new role. A new Museum Director was successfully recruited to start in July 2023.

## Income and funding

The Museum's income was \$1,008 from donations, retail, research, and photography sales.

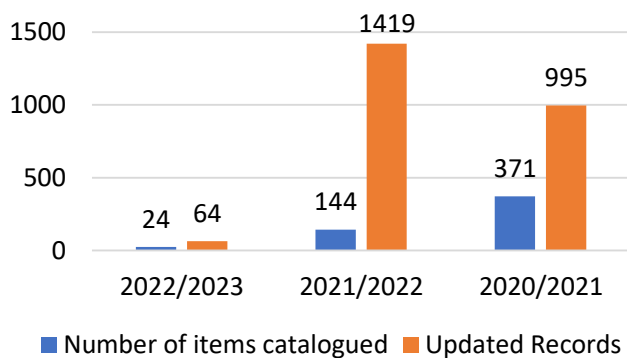
## Research

Museum staff have dealt with 164 research enquiries. Digital files and prints of photographs in the Museum's collection are available for purchase, and 51 images were supplied in total.

Research highlights have included:

- Working with the Irish descendants of James Teer (1826 – 1887, Miner, mariner, Assistant Harbour Master, and ship wreck survivor) who supplied the first quality photograph of Mr Teer, as well as family genealogical materials. The Museum has the seal skin hat in the collection which Teer made while stranded on the Auckland Islands after the sinking of the General Grant.
- Working with Ōtira Centennial Committee on material for centennial publication, and for centennial event planned for 4 August 2023.
- Assisting two researchers on building a database of burials at Okarito.
- Working with a Curator from Glasgow's Kelvingrove Museum, researching the story of the Alliance (later renamed 'New Zealand') which sank off the Hokitika bar in 1865. Assistance was also provided by local community member Max Dowell.
- Extensive work was undertaken in association with researchers from Nes cemetery, Ameland, Netherlands on Albert Frank Bissell from Ruatapu who was killed in action over the English Channel in 1942. He was buried in the Nes Cemetery.
- Undertook extensive work selecting images to be used in a series of 25 interpretation panels around Hokitika region.

## Collections



The Museum has now upgraded their collection database, previously known as Past Perfect. EMu is a powerful Collection Management system that is also used by The Museum of New Zealand Te Papa Tongarewa. Unfortunately, the changeover has taken over 6 months to establish and get the existing records successfully transferred over. We are now up and running and with some training of the new collection management system will be able to continue to catalogue new and existing donations. Approximately 66 donations are ready to catalogue. There is still a significant amount of outstanding donations to be reviewed and sorted.

A total of 24 items were catalogued into the collection database, Past Perfect.

A total of 64 records were updated on the Museum's Past Perfect database. The inventory of the Museum's collection is still being undertaken.

Donations have not been accepted this year due to the transition to the new database.

## Public Programmes (exhibition and events)

Month	Event
<b>February 2023</b>	Inspire to Aspire Careers Day. Museum staff hosted a stand that won the 'most inspirational stand' prize.
<b>June 2023</b>	Set up a display of plate glass cameras and Jos Divis at the Reefton premier of 'The Forgotten Photographer Who Saved a Town', a documentary about Jos Divis.

## Performance in this activity

Community Outcome	Level of service	Measure / Target	Current performance
<b>Resilient Communities</b>	<b>Collections developed and maintained with access provided</b>	Collections continue to grow, in line with Hokitika Museum policies.	<b>Achieved</b> (2021/2022: <i>Achieved</i> )
		<b>Achieved</b>	
		Deaccessions and disposals are aligned with Hokitika Museum policies.	<b>Achieved</b> (2021/2022: <i>Achieved</i> )
		<b>Achieved</b>	
		Backlog of records and documentation reduced.	<b>Not Achieved</b> (2021/2022: <i>Achieved</i> )
		<b>Achieved</b>	

## Land and Buildings

In the last year there was significant investment into community buildings through external government and LTP funding. The following work was completed and begun during the reporting period.

Project	Start date	Projected completion date	Comments
<b>Community Halls</b>	January 2021	Ongoing	See commentary under Community Halls.
<b>Hokitika Swimming Pool</b>	July 2021	Ongoing	Physical work began on stage 2 of the project at the end of the financial year during the annual winter shutdown period with the demolition of the reception area. Stage 2 which includes upgrading the existing pool and pump room alongside a new front of house reception space. Upgrades will also include new changing rooms and bathrooms. The pool will reopen to the public in October 2023 with temporary reception area and changing facilities while construction is being completed.
<b>Carnegie Building – Earthquake strengthening</b>	May 2021	July 2023	<p>Work has continued on the Carnegie building throughout the financial year which included installing plasterboard, painting, commissioning of the electrical services, lighting, emergency lighting and fire protection, completion of the exterior with a new parapet, painting the woodwork, preparing the entryway columns for internal steel reinforcing rods and completing the accessible carpark area.</p> <p>The project is at the final stages of completion and will be handed over soon for the internal fitout to start.</p>
<b>Pakiwaitara Building</b>	June 2021	Deferred	The Pakiwaitara building has undergone only minor maintenance over the last 12 months.

### Performance in this activity

There are no non-financial performance measure for this activity. Instead, this activity is subject to financial accountability reporting for delivering capital programmes.

## Parks and Reserves

Another dry spell over the 2022/2023 summer required irrigation and a short closure of Cass Square to ensure the site was fit for purpose to host the Wildfoods festival, Children's Day, and the multiple rounds of field sports later in the year. The field required some heavy maintenance and a closure after the summer events to allow for playing surface recovery.

A chain and bollard barrier was installed around the perimeter. This prevents a reoccurrence of the vehicle damage sustained in the previous year. It also assists with preventing player and visitor vehicles parking on the site during sports events, which became a high accident risk due to clashes with pedestrians and park users.

The Parks Reserves and Cemetery contract was awarded to Westroads, and council staff and the contractor are focussed on providing value for investment and a high level of compliance to the contract specifications. The Cenotaph revitalisation is underway at Cass Square but has suffered multiple delays in design sign-off and specialist masonry services. The contractor has given assurance that works will be completed at the end of September 2023.

## Performance in this activity

Community Outcome	Level of service	Measure / Target	Current performance
<b>Sustainably Managed Environment</b>	<b>Reserves are pleasant, enjoyable and safe places</b>	<b>90%</b> of residents satisfied with parks and reserves	<b>Not measured</b> No Residents' Satisfaction Survey was undertaken in 2023.
<b>Resilient Communities</b>			(2021/2022: <b>66%</b> - Biennial Residents' Satisfaction Survey February 2022.)

## Public Toilets

Over the past financial year Council has continued to invest in improving the public toilet infrastructure. The new toilet block in Paringa was installed and completed. A new toilet block has been ordered for Cass Square and is ready for installation, in the next financial year. In an effort to improve customer satisfaction, Council is providing information in the toilets about the cleaning schedule and how to contact the Facilities Manager to report any issues. Notifications of broken or damaged items at public toilets are recorded in Council's service request system to ensure they are attended to.

It is difficult to inspect toilets 270km south to Haast or 100km East in Otira. Council staff must rely on users or local communities to report faults and damage. Cleaning of the facilities is managed by each community through a grant from Council each year.

There are two toilets in the Council network that are not on township sewage or septic tank. Otira is a cube toilet which had been used for Freedom Camping sites. This cube toilet requires frequent pump outs from the holding tank. The Bruce Bay toilet is a 'dry vault' system which should only require 6 monthly pump / cleanouts.

## Performance in this activity

Community Outcome	Level of service	Measure / Target	Current Performance
<b>Sustainably Managed Environment</b>	<b>Provide public toilets throughout the district</b>	<b>85%</b> of residents satisfied with the service.	<b>Not measured</b> No Residents' Satisfaction Survey was undertaken in 2023.
<b>Resilient Communities</b>			(2021/2022: <b>63%</b> - Biennial Residents' Satisfaction Survey February 2022.)

## Swimming Pools

*Information about Hokitika Swimming Pool has been supplied by Destination Westland Ltd.*

It has been a mixed year for the Hokitika Swimming Pool. Staff have been pleased to see an increase in the number of swimming pool users, particularly in the morning and the number of participants at Aqua Zumba classes remains strong. During the year, Westland children have participated in over 700 swimming lessons. The Pool Safe Accreditation was renewed in February, providing users with reassurance that the swimming pool is managed using best practice. Prior to the annual winter maintenance close-down, the swimming pool was opened to those who cannot usually use the facilities with a Pooches Pool Party. This was a very popular event, well attended and enjoyed by both canines and their human companions.

Staff recruitment and retention has been difficult this year. This is partially due to uncertainty of the close-down date and timeframes of Stage 2 of the Swimming Pool refurbishment, as well as the difficulty securing housing in the district. This limits the ability to attract potential staff who do not already live in the district.

The HVAC system upgrade was completed as part of Stage 1 of the refurbishment and is in use, however it is not fit-for-purpose and operating costs are above budget. Staff are also contending with rising costs of diesel, power, and other operating costs.

Due to the planned construction at the pool the annual winter shut down period has been extended to 4 months.

Minor repairs on the Ross pool are planned in the next financial year.

### Performance in this activity

Community Outcome	Level of service	Measure / Target	Current Performance
<b>Resilient Communities</b>	<b>A quality swimming or exercise experience at the Hokitika Pool</b>	<b>85% of pool users satisfied.</b>	<b>Not measured</b>  No Residents' Satisfaction Survey was undertaken in 2023.  (2021/2022: <b>63%</b> - Biennial Residents' Satisfaction Survey February 2022.)

## West Coast Wilderness Trail

Over the 2022 -2023 year there was a reduction in the number of everyday riders. It is assessed that this is due to a drop of in local trail participation caused by unforeseen trail closures, storm damage and a drop in short-cycle tourism. Regardless, trail cycle adventure service providers are generally positive about the latest season's customer numbers.

In the last 12 months the following work on Wilderness Trail improvements has been undertaken:

- The completion of the Milltown cycle shelter facilities.
- Design and installation of three new bridges on the Kaniere Water Race section (finalised in July).
- Design, consenting and tender processing for the Mahinapua lookout, with construction scheduled to start August 2023.
- Assessment and design for the Mahinapua boardwalk upgrade.
- New shelter & facilities at Paiere Road.
- Toilets & bike stand at Hurunui Jacks.
- Large directional & information structure at Ross.



- Trail scoping, design and full documentation for the Larrikins Rd safety diversion, which will be reported in due August 2023.
- Began work on Dillmans Dam safety improvements investigation, design & implementation.
- Three separate storm damage remediation projects are still underway.

All of the above works have been co-funded or fully funded by MBIE.

#### Performance in this activity

Community Outcome	Level of service	Measure / Target	Current Performance
<b>Diverse Economy</b>  <b>Resilient Communities</b>	<b>The cycle trail is well used</b>	Numbers using the trail as measured by trail counters <b>increase by 10% per annum.</b>	<b>Not achieved</b>  Counters along the trail recorded between 7,966 and 33,004 annual cycle users at various points. Total users recorded is 90,514.  This represents a <b>decrease</b> in daily utilisation of <b>9%</b> .  Full trail length rider utilisation has only <b>reduced</b> by <b>1.1%</b>  <i>(2021/2022: Counters along the trail record between 10,028 and 35,098 annual cycle users at various points. Total users recorded is 87,182. Decrease of 7.39%)</i>

#### Westland District Library

Over the past twelve months visitor numbers and issues have continued to increase, however, pre-pandemic levels have not yet been achieved.

The library's welcoming and accessible spaces are being utilised by residents and non-residents of all ages, as a comfortable safe space to meet, relax, play, work, use Wi-Fi, computers, print and scan, as well as to read and research. There are a number of Community and Government organisations that are utilising the library spaces for pop-up service desks and library staff support their service users to access computers and online services. The Digital Learning Centre is regularly booked by external organisations and is an additional source of income.

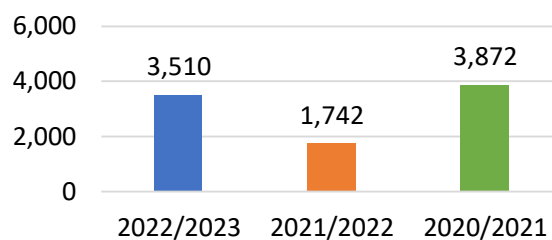
Library staff have continued to upskill, keeping abreast of changes in technology that effect both library systems and the lives of patrons and wider community, for example Large Language Modules (LLM's) such as ChatGPT. All staff have participated in a variety of formal and informal training and development opportunities to improve the ability of the team to deliver a bi-cultural service. The library continues to develop our relationship with mana whenua to increase the strength of our commitment to Te Tiriti o Waitangi and Te Ao Māori.

The library service has always evolved and adapted to the changing needs of the community and with the right space, is in an excellent position to respond to the future needs of the community. Te Arotake I te Anamata mō Ngā Kaunihera – The Review into the Future for Local Government views libraries as being anchor institutions at the heart of their community and in prime position to support Local Governments role of supporting social, environmental, cultural, and economic wellbeing.

## Events

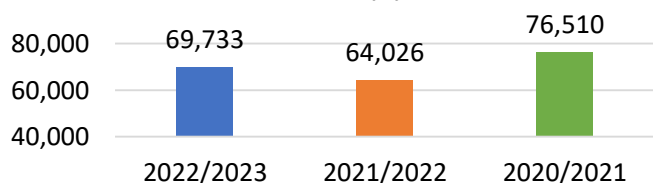
The strongest recovery was the increase in participation in programmes and events, which have increased slightly above pre-pandemic levels. For comparison, in 2018/2019 the library hosted 233 events and had 3345 attendees. For this reporting period, there were 236 events held and 3510 attendees. The library's inclusive events offer opportunities to learn, share and experience together, promoting social and community connection.

Event attendees



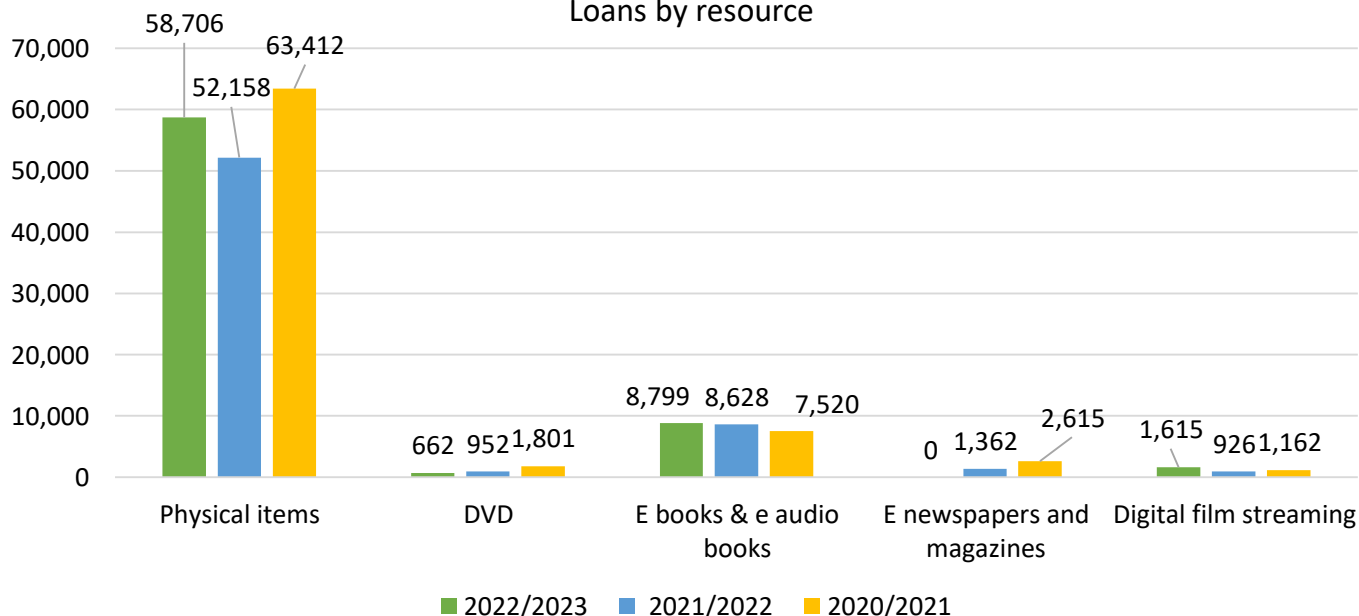
## Loans

Loans by year



Within issues, the use of e-resources overall continues to grow, and DVD use continues to decline sharply. The DVD collection is being phased out and further investment in e-resources is being investigated. Loans are picking up towards pre-pandemic levels.

Loans by resource





## Performance in this activity

Community Outcome	Level of service	Performance measures	Current performance (KPI)
<b>Resilient Communities</b>	<b>Provide the district with quality library services that are responsive to the needs and wellbeing of the diverse communities.</b>	<b>95% of residents satisfied with library services</b>	<b>Not measured</b>  No Residents' Satisfaction Survey was undertaken in 2023.  (2021/2022: <b>91%</b> - Biennial Residents' Satisfaction Survey February 2022.)

## How this group of activities contribute to Community Outcomes & Well-being

Community outcomes supported by group of activities	Activity
<b>Sustainably Managed Environment</b> <ul style="list-style-type: none"> <li>The district is involved in sustainable waste management practices</li> <li>We support sustainable environmental practices.</li> <li>We support strategies to enhance and protect the district's ecosystems.</li> <li>Development is sustainable, meeting the needs of the present without compromising the ability of future generations to meet their own needs.</li> </ul>	<ul style="list-style-type: none"> <li><b>Cemeteries</b> Maintenance, landscaping and adhering to the relevant legislation for burials contributes to a sustainably managed environment by providing a pleasant and environmentally sound asset.</li> <li><b>Parks and Reserves</b> Assets are managed in environmentally sustainable ways.</li> <li><b>Public Toilets</b>  Public toilets protect the environment by providing safe and clean facilities for visitors and residents. Increasing the availability in strategic locations reduces the likelihood of environmental contamination.</li> </ul>
<b>Resilient Communities</b> <ul style="list-style-type: none"> <li>All areas of the district have access to quality recreational and cultural facilities.</li> <li>A community that cares for all members at all life stages to reduce isolation and promote inclusion.</li> <li>Communities less vulnerable to natural hazards and climate change.</li> <li>All voices are enabled and heard, power is more evenly distributed, and the community can share its strengths.</li> </ul>	<ul style="list-style-type: none"> <li><b>Cemeteries</b> Local cemeteries are an important part of the cultural fabric of communities. Ensuring that the cemetery provides a place for all cultural beliefs and practises improves the well-being and cultural connectedness of the community.</li> <li><b>Hokitika Museum</b> Hokitika Museum's vision is 'Hei whakahaumako te tangata: Enriching today and tomorrow's people'. The Museum's mission is to tell the stories of Westland, the wider West Coast, and its people. It provides social, heritage, arts and cultural opportunities for the community and visitors. Those engaging with these opportunities will experience significant and sustained improvement in wellbeing.</li> <li><b>Land and buildings</b> Well maintained recreational and cultural facilities mean that the community has opportunities to take part in these activities, which can aid in inclusion and connectedness.</li> <li><b>Parks and Reserves</b> Recreational facilities provide opportunities for the community to participate in outdoor activities and enhance health and well-being.</li> </ul>

- **Public Toilets**  
Providing public toilets at or near recreation areas such as playgrounds allows the community to enjoy these areas more freely bringing the social benefit of recreation and socialisation.
- **Swimming Pools**  
Access to a quality recreational facility that supports inclusion and care of community users at all life stages. This provides a sense of community and social connectedness. This is demonstrated through the pool appealing to users of varying ages, genders, cultures, abilities, and interests.
- **West Coast Wilderness Trail**  
Recreational use of the trail contributes to the well-being of the community by providing opportunities for health and fitness, and to enjoy competitive events on the trail.
- **Westland District Library**  
The library supports literacy and offers activities that are inclusive, foster connection, reduce isolation and promote active citizenship.

#### **Diverse Economy**

- We work to find sustainable, diverse, and resilient options for encouraging economic growth.
  - We collaborate with other stakeholders to achieve common outcomes.
  - Economic growth has a minor / reduced impact on the natural environment.
- **West Coast Wilderness Trail**  
Attracts visitors to the district who contribute to the economy by using tourism operators, accommodation, hospitality venues and retail outlets.

## Funding Impact Statement (for the Facilities, and Leisure Services group)

for the year ended 30 June 2023

Group Level Funding Impact Statement			
	Long Term Plan 2022 \$000	Long Term Plan 2023 \$000	Actual 2023 \$000
<b>Facilities and Leisure Services</b>			
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>			
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	2,198	2,664	2,545
Targeted Rates	1,421	1,622	1,770
Subsidies and grants for operating purposes	175	48	399
Fees and charges	89	91	60
Local authorities fuel tax, fines, infringement fees, and other receipts	51	53	301
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>3,934</b>	<b>4,478</b>	<b>5,076</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	2,660	3,003	3,146
Finance Costs	58	165	180
Internal charges and overheads applied	472	510	449
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>3,191</b>	<b>3,678</b>	<b>3,774</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>743</b>	<b>800</b>	<b>1,302</b>
<b>(SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	397	639	744
Development and financial contributions	-	-	-
Increase (decrease) in debt	4,216	4,973	321
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>4,613</b>	<b>5,612</b>	<b>1,065</b>
<b>Application of Capital Funding</b>			
<b>Capital Expenditure:</b>			
-to meet additional demand	23	904	330
-to improve the level of service	2,879	3,108	1,924
-to replace existing assets	2,546	2,979	333
Increase (decrease) in reserves	(92)	(579)	(220)
Increase (decrease) of investments	-	-	-
<b>Total Applications of Capital Funding (D)</b>	<b>5,357</b>	<b>6,412</b>	<b>2,367</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(743)</b>	<b>(800)</b>	<b>(1,302)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>

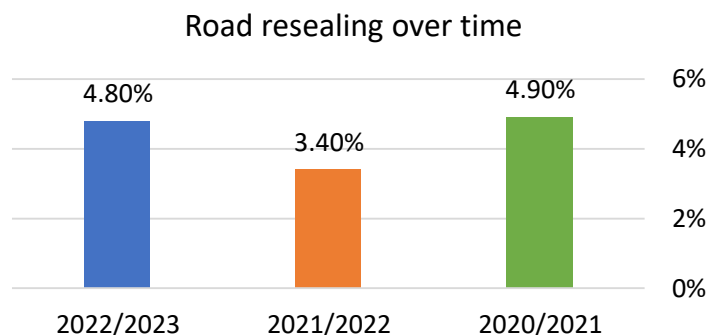
## Land Transport

Land transport activities for the 2022/2023 year have been affected by rising inflation and regular smaller scale storm events. Total costs for smaller scale storm events (<\$100k total event damage) escalated to \$360,000, more than twice the \$150,000 budget. Staff also dealt with a further two >\$100k storm events totalling a further \$447,000 of storm damage, for which funding applications have been submitted to Waka Kotahi.

This has contributed to the financial year being particularly expensive. The result of these challenges means that some funds from the 2023/2024 National Land Transport Plan allocation have been brought forward into the 2022/2023 year.

Staff continue to be involved with the West Coast Transport Collaboration (consisting of Westland, Grey & Buller Councils). This project was successful in obtaining shared services for Asset Management from Beca Ltd and for Bridge & Structure management from WSP Ltd. Projects being developed by these contracts are Maintenance Intervention Strategies for Roads and Bridges as well as 3 years detailed, and 30 years indicative forward works programme development to support planning of our long-term financial requirements and work activities.

The reseal programme continues to be affected by the rising inflation figures as indicated by the percentage of the road network resurfaced annually over the last 3 years. Ideally the target for resurfacing is 6.5% of the network but the present trend is lower than ideal. In future years, it will be necessary to increase the annual reseal budgets to achieve the performance target of 6.5%. Reducing the target would not provide satisfactory results for the community.



Community Outcome	Level of service	Performance measures (KPI)	Current performance
Diverse Economy Resilient Communities	The transportation network is safe for all users in Westland District	<b>Road safety:</b> The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.  <b>0 fatalities and serious crash injuries.</b>	<b>Not achieved</b> <b>1</b> fatality <b>2</b> serious crashes recorded in the 2022/2023 year. <i>(2021/2022: 1 serious injury crash recorded in the 2021/2022 year.)</i>
Diverse Economy Resilient Communities	The surface condition of roads in Westland is of good quality	<b>Road Condition:</b> The average quality of ride on a sealed local road network, measured by smooth travel exposure.  <b>Primary Collector &gt;= 93%</b> <b>Secondary Collector &gt;= 93%</b> <b>Access &gt;= 90%</b> <b>Low Volume &gt;= 89%</b>	<b>Not Measured</b> <b>Primary Collector: 95.5%</b> <b>Secondary Collector: 93.4%</b> <b>Access: 91.1%</b> <b>Low Volume: 87.4%</b> No new roughness survey data was collected hence the similarity with the previous year. <i>(2021/2022: Primary Collector: 95.5%</i> <i>Secondary Collector: 93.4%</i> <i>Access: 91.1%</i> <i>Low Volume: 87.4%)</i>
Resilient Communities		> <b>70%</b> of residents are satisfied with the standard and safety of Council's unsealed roads.*	<b>Not measured</b> No Residents' Satisfaction Survey was undertaken in 2023. <i>(2021/2022: <b>41%</b> - Biennial Residents' Satisfaction Survey February 2022.)</i>
Diverse Economy Resilient Communities	The surface condition of roads in Westland is maintained to a high standard	<b>Road maintenance:</b> ≥ <b>6.5%</b> of the sealed local road network that is resurfaced	<b>Not achieved</b> <b>4.8%</b> of sealed local road network resurfaced. Continued rising prices for bitumen have affected this result. Council did not have funding to complete the resurfacing planned. <i>(2021/2022: 3.4% of sealed local road network resurfaced. Continued rising prices for bitumen have affected this result.)</i>

Community Outcome	Level of service	Performance measures (KPI)	Current performance
<b>Resilient Communities</b>	<b>Footpaths are maintained in good condition and are fit for purpose</b>	<b>Footpaths:</b> 90% footpaths within a territorial authority district that fall within the level of service or service standard for the condition of footpaths that is set out in the territorial authority's relevant document (such as its annual plan, activity management plan, asset management plan, annual works program or long-term plan).	<b>Achieved</b> Footpath condition ratings are now: Rated between 1-4: <b>94%</b> Rated Between 1-3: <b>75%</b> Rated 5: <b>6%</b> . There is still no agreed level of service standard for footpaths. <i>(2021/2022: Following on from the completed 2021/2022 footpath upgrade and renewal programme the Footpath condition ratings are now: Rated between 1-4: 92% Rated Between 1-3: 72% Rated 5: 8%. There is still no agreed level of service standard for footpaths.)</i>
<b>Resilient Communities</b>	<b>Response to service requests are dealt with promptly</b>	<b>Customer service requests:</b> 100% within 3 days customer service requests relating to roads and footpaths to which the territorial authority responds.	<b>Not achieved</b> 47% of Transportation related service requests were responded to within 3 days (154/330 requests). <i>(2021/2022: 65% of Transportation related service requests were responded to within 3 days (170/262).)</i>

### How this group of activities contribute to Community Outcomes & Well-being

Community outcomes supported by group of activities	Activity
<b>Resilient Communities</b> <ul style="list-style-type: none"> <li>All areas of the district have access to quality recreational and cultural facilities.</li> <li>A community that cares for all members at all life stages to reduce isolation and promote inclusion.</li> <li>Communities less vulnerable to natural hazards and climate change.</li> <li>All voices are enabled and heard, power is more evenly distributed, and the community can share its strengths.</li> </ul>	<ul style="list-style-type: none"> <li>Land Transport</li> </ul> <p>The Combined West Coast Transportation AMP Improvement plan involves community engagement to help identify the priority areas as perceived by the customers. This will greatly assist in Council's ability to anticipate and plan future improvement works that improve both social and economic factors within the community</p>
<b>Diverse Economy</b> <ul style="list-style-type: none"> <li>We work to find sustainable, diverse, and resilient options for encouraging economic growth.</li> <li>We collaborate with other stakeholders to achieve common outcomes.</li> <li>Economic growth has a minor / reduced impact on the natural environment.</li> </ul>	<ul style="list-style-type: none"> <li>Land Transport</li> </ul> <p>Well-maintained, safe, and efficient transportation networks are able to make a measurable contribution towards environmental improvements and sustainability for the wider community.</p>

# Funding Impact Statement (for the Land Transport group)

for the year ended 30 June 2023

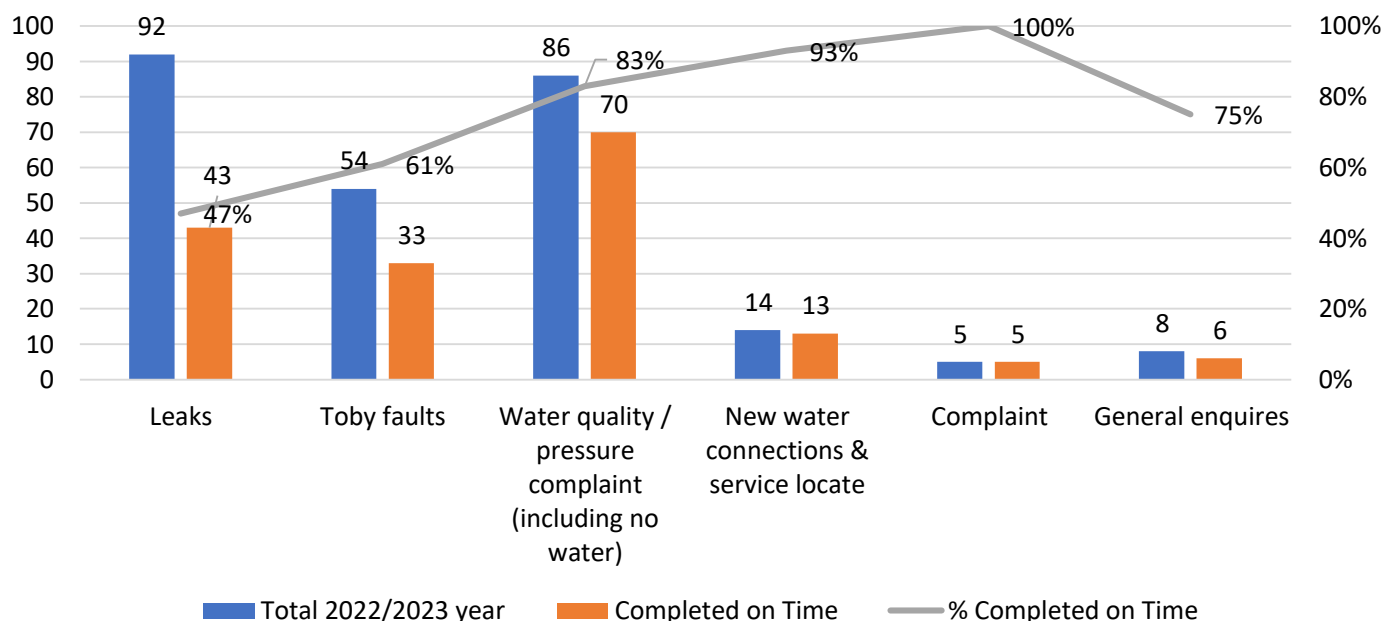
Group Level Funding Impact Statement			
	Long Term Plan 2022 \$000	Long Term Plan 2023 \$000	Actual 2023 \$000
Land Transport			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	3,117	3,282	3,217
Targeted Rates	-	-	-
Subsidies and grants for operating purposes	1,974	2,013	2,665
Fees and charges	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Internal charges and overheads recovered	-	-	-
Total Operating Funding (A)	5,091	5,295	5,881
Applications of Operating Funding			
Payments to staff and suppliers	2,962	3,127	4,178
Finance Costs	19	19	34
Internal charges and overheads applied	490	525	520
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	3,471	3,671	4,732
Surplus/(Deficit) of Operating Funding (A - B)	1,620	1,624	1,149
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	3,623	2,434	2,456
Development and financial contributions	-	-	-
Increase (decrease) in debt	(48)	(48)	(49)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding (C)	3,575	2,386	2,407
Application of Capital Funding			
Capital Expenditure:			
-to meet additional demand	-	-	-
-to improve the level of service	-	-	-
-to replace existing assets	4,544	3,309	3,148
Increase (decrease) in reserves	650	701	409
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	5,194	4,010	3,556
Surplus/(Deficit) of Capital Funding (C - D)	(1,620)	(1,624)	(1,149)
Funding Balance ((A - B) + (C - D))	-	-	-



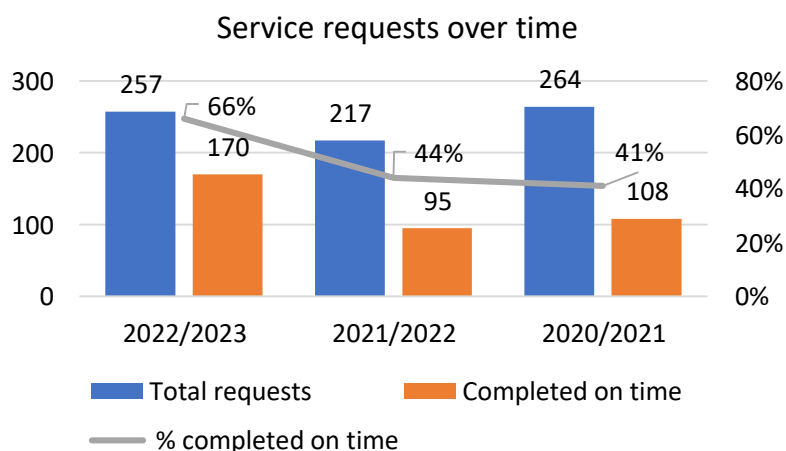
## Drinking Water

Council supplies reticulated water to 2837 connections (2022: 2797) in the district. Connections are calculated through Council's GIS system of properties connected to the network. Ongoing database updates have resulted in there being different number connections than previously identified, with the exception of new connections (14) (2022: 10).

There were 257 drinking water related service requests recorded between 1 July 2022 – 30 June 2023.



During the course of the year, it was noted that there was a time lag in some service request timeframes. After an investigation it was identified that the person who is entering the request is required to refresh their screen to set the receipt time properly. If the screen was not refreshed, then the time received was indicated as the last time the screen was refreshed, which could be hours. This issue was particularly obvious in the fourth quarter. Staff have now been trained to refresh their screens each time and an automated process is being investigated. With a new maintenance contract in place, there was more emphasis on attention to service request details and applying the real time when responding and completion.



The Fox Glacier water treatment plant upgrade is progressing and remains on track for completion in October 2023.

Chlorination equipment was installed at the five previously unchlorinated water treatment plants. This was necessary to achieve compliance with the new Drinking Water Quality Assurance Rules. Commissioning of the equipment will commence later in July 2023.

The Council's safety of drinking water measure has been assessed against the requirements of the New Zealand Drinking Water Standards 2005 - Revised 2018 (DWS). These standards were withdrawn on 14 November 2022, and replaced with the Drinking Water Quality Assurance Rules 2022 (DWQAR). The Council has assessed its safety of Drinking water against the DWS for the period from 1 July 2022 to 31 December 2022 and against the new DWQAR for the period from 1 January 2023 to 30 June 2023.

For compliance with Level 3 (Hokitika and Franz Josef WTPs) under the Drinking Water Quality Assurance Rules, treatment plants are required to provide proof that certain parameters have been monitored in accordance with the

Rules along with having appropriate protozoal barriers in place. Council is currently implementing a compliance data tool to provide this proof. As part of this implementation, historical data will be loaded into the database for the period starting 1 January 2023. Until this has been undertaken, the treatment plant compliance, or non-compliance, cannot be reported on. Level 2 treatment plants (all other plants) can opt for manual sampling or continuous monitoring. WDC will be opting for continuous monitoring using the compliance data tool. The same statement for level 3 historical data applies to level 2 plants.

#### Performance in this activity

Community Outcome	Level of service	Performance measures (KPI)	Current performance
<b>Resilient Communities</b>	<b>Council supplied potable water is safe to drink</b>	<p><b>Safety of drinking water:</b></p> <p>The extent to which the local authority's drinking water supply complies with:</p> <p>a) Part 4 of the drinking water standards (bacteria compliance criteria), <b>90%</b> and</p> <p>b) Part 5 of the drinking-water standards (protozoal compliance criteria) <b>90%</b></p>	<p>Please see the commentary on pp 64-65 for further information.</p> <p><b>Not achieved</b></p> <p>a) 6 out of the 9 supplies are fully compliant with bacterial compliance criteria at both the water treatment plant and in the distribution zone. Fox Glacier is on a permanent boil water notice until the new WTP is operational.</p> <p><b>Not achieved</b></p> <p>b) 0 out of the 9 supplies are compliant with protozoal compliance criteria.</p> <p>Non-compliance is due to technical requirements to prove compliance.</p> <p>Barriers for protozoa are in place and Council staff are working with Lutra on implementing their data compliance tool, Infrastructure Data, at the treatment plants to assist with compliance in this area.</p> <p><i>(2021/2022:</i></p> <p>a) <i>For the 2021/2022 year, 2 out of the 9 supplies (Ross and Harihari) are fully compliant with bacterial compliance criteria at both the water treatment plant and in the distribution zone.</i></p> <p><i>Both Hokitika and Haast WTPs had samples delivered late to the laboratory. (E-coli samples must be delivered within 24 hours of sample being taken).</i></p>

Community Outcome	Level of service	Performance measures (KPI)	Current performance
			<p><i>Franz Josef WTP had a transgression at the after plant. There was also a missed sample in the final quarter in the zone, which means non-compliance in both zone and after plant.</i></p> <p><i>In June 2022, the Whataroa WTP was struck by lightning, which damaged the UV units. As the water could not be disinfected the township was put on a boil water notice until the plant was fully operational (July 2022).</i></p> <p><i>Kumara WTP had a transgression in the zone, which resulted in a precautionary boil water notice issued.</i></p> <p><i>Currently samples are not taken at Arahura for after plant, as the new WTP is not operational until the end of August 2022.</i></p> <p><i>The Fox Glacier WTP is programmed to be operational by March 2023.</i></p> <p><i>b) 0 out of the 9 supplies are compliant with protozoal compliance criteria.</i></p> <p><i>With the implementation of new water regulations and rules, Council is reviewing the current status of data monitoring and reporting and will be looking at a system that aligns with the Taumata Arowai reporting requirements.)</i></p>
Resilient Communities	Requests for service dealt promptly	<p><b>Fault response times:</b></p> <p>Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured:</p> <p>a) <b>95%</b> attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (<b>2 hours</b>), and</p> <p>b) <b>100%</b> resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm</p>	<p><b>a) – d) not achieved</b></p> <p>a) <b>20%</b> (15/76)</p> <p>b) <b>78%</b> (59/76)</p> <p>c) <b>51%</b> (79/148)</p> <p>d) <b>74%</b> (115/148)</p> <p>Fault response times are discussed in the commentary above.</p> <p>(2021/2022:</p> <p>a) <b>84%</b> (16/19)</p> <p>b) <b>32%</b> (6/19)</p> <p>c) <b>63%</b> (101/161)</p> <p>d) <b>41%</b> (66/161)</p> <p><i>Council is in the process of re-negotiating the utilities contract and will be requiring real-time data</i></p>

Community Outcome	Level of service	Performance measures (KPI)	Current performance
		<p>resolution of the fault or interruption. <b>(12 hours)</b></p> <p>c) <b>100%</b> attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site <b>(24 hours)</b>, and</p> <p>d) <b>100%</b> resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption <b>(72 hours)</b>.</p>	<i>recording to more accurately represent response and completion times.)</i>
<b>Sustainably Managed Environment</b>	<b>Council supplied water is reliable</b>	<p><b>Maintenance of the reticulation network:</b></p> <p>The percentage of real water loss from the local authority's networked reticulation system (including a description of the methodology used to calculate this).</p> <p><b>Council does not intend to measure this as it will impose an unreasonable cost.</b></p>	<p><b>Not measured</b></p> <p><i>Monitored in a number of ways including; telemetry, water meters, repair program, mains replacements and pressure management. This is in context with the Benchloss NZ Manual.</i></p>
<b>Sustainably Managed Environment</b>		<p><b>Demand management:</b></p> <p>The average consumption of drinking water per day per resident within the territorial authority district is <b>&lt; 500l/day</b>.</p>	<p><b>Not measured.</b></p> <p><i>Council does not have the equipment to measure average consumption hence a new three yearly measurement has not been performed since 2016/2017.</i></p> <p><i>Most recent measurement was 2016/2017: Winter 253l per head, Summer 480l per head</i></p>
<b>Resilient Communities</b>	<b>Customers are generally satisfied with the Council supplied water</b>	<p><b>Customer satisfaction:</b></p> <p>The total number of complaints received by the local authority about any of the following:</p> <ul style="list-style-type: none"> <li>a) Drinking water clarity</li> <li>b) Drinking water taste</li> <li>c) Drinking water odour</li> <li>d) Drinking water pressure or flow</li> <li>e) Continuity of supply, and</li> </ul>	<p><b>Not achieved</b></p> <ul style="list-style-type: none"> <li>a) 2</li> <li>b) 0</li> <li>c) 0</li> <li>d) 9</li> <li>e) 75</li> <li>f) 5</li> </ul> <p>Total number of complaints = <b>91</b></p> <p>Complaints per 1000 connections = <b>32 (2837 connections)</b></p> <p>The total number of complaints is high this year due to a non-programmed unnotified water shutdown affecting</p>

Community Outcome	Level of service	Performance measures (KPI)	Current performance
		f) The local authority's response to any of these issues.  Expressed per 1000 connections to the local authority's networked reticulation system.  <b>25 per 1000 connections</b>	all of the Hokitika & Kaniere area in the first quarter.  (2021/2022: a) 1 b) 0 c) 1 d) 3 e) 15 f) 11  Total number of complaints = <b>31</b> Complaints per 1000 connections = <b>11</b> )

### How this group of activities contribute to Community Outcomes & Well-being

Community outcomes supported by group of activities	Activity
<b>Sustainably Managed Environment</b> <ul style="list-style-type: none"> <li>The district is involved in sustainable waste management practices</li> <li>We support sustainable environmental practices.</li> <li>We support strategies to enhance and protect the district's ecosystems.</li> <li>Development is sustainable, meeting the needs of the present without compromising the ability of future generations to meet their own needs.</li> </ul>	<ul style="list-style-type: none"> <li><b>Drinking Water</b> A new water pipeline was installed from the Arahura treatment plant to the adjacent Marae water tanks. This will provide an improved quality and supply of drinking water for the Marae.</li> </ul>
<b>Resilient Communities</b> <ul style="list-style-type: none"> <li>All areas of the district have access to quality recreational and cultural facilities.</li> <li>A community that cares for all members at all life stages to reduce isolation and promote inclusion.</li> <li>Communities less vulnerable to natural hazards and climate change.</li> <li>All voices are enabled and heard, power is more evenly distributed, and the community can share its strengths.</li> </ul>	<ul style="list-style-type: none"> <li><b>Drinking Water</b> A new burst valve was installed at the Hokitika water treatment plant to ensure that reservoirs are not drained in the event of a major reticulation failure. This could occur from an earthquake or a watermain rupture</li> </ul>

# Funding Impact Statement (for the Drinking Water group)

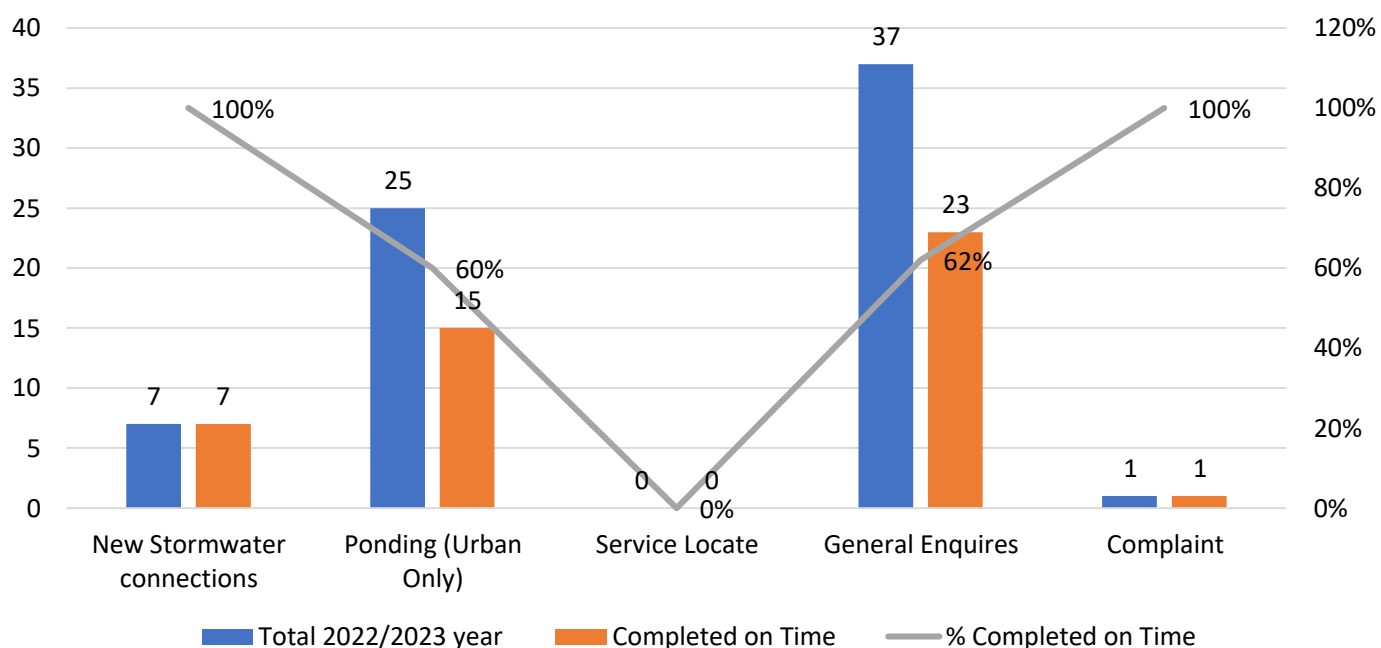
for the year ended 30 June 2023

Group Level Funding Impact Statement			
	Long Term Plan 2022 \$000	Long Term Plan 2023 \$000	Actual 2023 \$000
Drinking Water			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted Rates	3,783	3,752	3,698
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Interest and dividends from investments	2	2	1
Local authorities fuel tax, fines, infringement fees, and other receipts	8	8	52
Internal charges and overheads recovered	-	-	-
Total Operating Funding (A)	3,792	3,762	3,751
Applications of Operating Funding			
Payments to staff and suppliers	1,179	1,228	1,713
Finance Costs	85	91	147
Internal charges and overheads applied	973	1,042	1,033
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	2,237	2,361	2,894
Surplus/(Deficit) of Operating Funding (A - B)	1,556	1,400	857
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	1,424	-	312
Development and financial contributions	-	-	-
Increase (decrease) in debt	35	(188)	26
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding (C)	1,459	(188)	338
Application of Capital Funding			
Capital Expenditure:			
-to meet additional demand	100	-	-
-to improve the level of service	1,120	31	1,366
-to replace existing assets	1,129	164	706
Increase (decrease) in reserves	666	1,017	(877)
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	3,015	1,212	1,195
Surplus/(Deficit) of Capital Funding (C - D)	(1,556)	(1,400)	(857)
Funding Balance ((A - B) + (C - D))	-	-	-

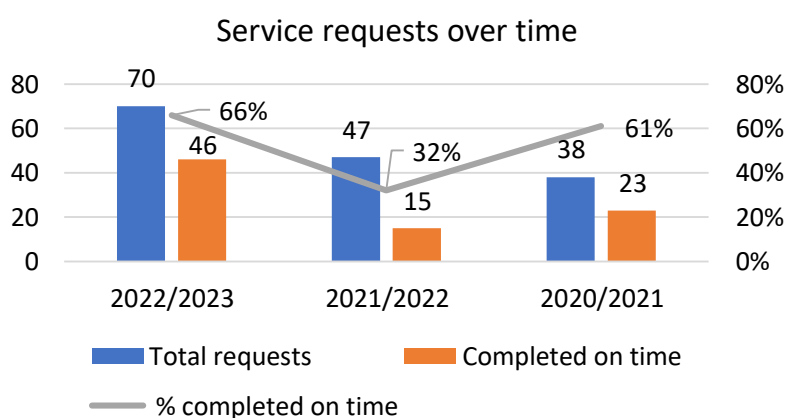
## Stormwater

Council supplies reticulated stormwater to 556 connections in the Hokitika area (2022: 514) and roadside drainage to the remainder of the townships of the district to ensure protection of public health and safety, and of the environment. Connections are calculated through Council's GIS system of properties connected to the network.

There were 70 stormwater related service requests recorded between 1 July 2022 – 30 June 2023.



Consistent with the discussion in the previous drinking water section, during the course of the year, it was noted that there was a time lag in some service request timeframes. After an investigation it was identified that the person who is entering the request is required to refresh their screen to set the receipt time properly. If the screen was not refreshed, then the time received was indicated as the last time the screen was refreshed, which could be hours. This issue was particularly obvious in the fourth quarter. Staff have now been trained to refresh their screens each time and an automated process is being investigated.



However, despite this issue the timeliness to complete service requests is improving, as demonstrated by comparing the data over the last three years. With a new maintenance contract in place, there was more emphasis on attention to service request details and applying the real time when responding and completion.

A new section of stormwater main was installed recently to replace a problematic aged section between Jollie and Davie Streets. This will ensure consistent maximum flow capacity.

New flap gates have been installed at the Sewell Street pump station. This eliminates any possibility of short-circuiting during rain events combined with high river levels.

Community Outcome	Level of service	Performance measures (KPI)	Current performance
Sustainably Managed Environment Resilient Communities	Council Stormwater systems have the capacity to resist major storms and flooding events	<b>System adequacy:</b> a) The number of flooding events that occur in a territorial authority district. <b>No more than 2.</b> b) For each flooding event, the number of habitable floors affected. <b>10 per 1000 properties connected to the territorial authority's stormwater system.</b>	<b>Not measured</b> a) <b>0</b> – flooding events affecting habitable floors within the Council reticulated stormwater system. <b>Not measured</b> b) <b>Total habitable floors = 0</b> <b>Per 1000 connections = 0 (556 connections)</b> <i>(2021/2022:</i> a) <b>0</b> – flooding events affecting habitable floors within the Council reticulated stormwater system. b) <b>Total habitable floors = 0</b> <b>Per 1000 connections = 0 (514 connections))</b>
Sustainably Managed Environment Resilient Communities	Requests for service are dealt with promptly	<b>Response times:</b> The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site. <b>(95% within 2 hours)</b>	<b>Not measured</b> There were no reported flooding events for the 2022/2023 year. <i>(2021/2022: There were no reported flood events in the 2021/2022 year.)</i>
Sustainably Managed Environment Resilient Communities		<b>Customer Satisfaction:</b> The number of complaints received by a territorial authority about the performance of its storm water system, expressed per 1000 properties connected to the territorial authority's storm water system. <b>10 per 1000 connections</b>	<b>Not achieved</b> Total number of complaints = <b>26</b> Complaints per 1000 = <b>46.8</b> A 'complaint' is a service request regarding any of: ponding, complaints, and reported flood events. Several heavy rain events throughout the year resulted in an increase in requests regarding ponding. <i>(2021/2022: Total number of complaints = 17 Complaints per 1000 = 33.1)</i>
Sustainably Managed Environment Resilient Communities	Council storm water systems protect the natural environment	<b>Discharge compliance:</b> <b>100%</b> Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of: a) Abatement notices	<b>Achieved</b> a) 0 b) 0 c) 0 d) 0 <b>100% compliance.</b> <i>(2021/2022:</i>



Community Outcome	Level of service	Performance measures (KPI)	Current performance
		b) Infringement notices c) Enforcement orders; and d) convictions	a) 0 b) 0 c) 0 d) 0  <b>100% compliance.)</b>

### How this group of activities contribute to Community Outcomes & Well-being

Community outcomes supported by group of activities	Activity
<b>Sustainably Managed Environment</b> <ul style="list-style-type: none"> <li>The district is involved in sustainable waste management practices</li> <li>We support sustainable environmental practices.</li> <li>We support strategies to enhance and protect the district's ecosystems.</li> <li>Development is sustainable, meeting the needs of the present without compromising the ability of future generations to meet their own needs.</li> </ul>	<ul style="list-style-type: none"> <li>Stormwater Project improvements such as replacement of aged stormwater assets align with ensuring a sustainably managed environment.</li> </ul>
<b>Resilient Communities</b> <ul style="list-style-type: none"> <li>All areas of the district have access to quality recreational and cultural facilities.</li> <li>A community that cares for all members at all life stages to reduce isolation and promote inclusion.</li> <li>Communities less vulnerable to natural hazards and climate change.</li> <li>All voices are enabled and heard, power is more evenly distributed, and the community can share its strengths.</li> </ul>	<ul style="list-style-type: none"> <li>Stormwater Project improvements to improve network function in the event of heavy rain events align with ensuring resilient communities.</li> </ul>

# Funding Impact Statement (for the Stormwater group)

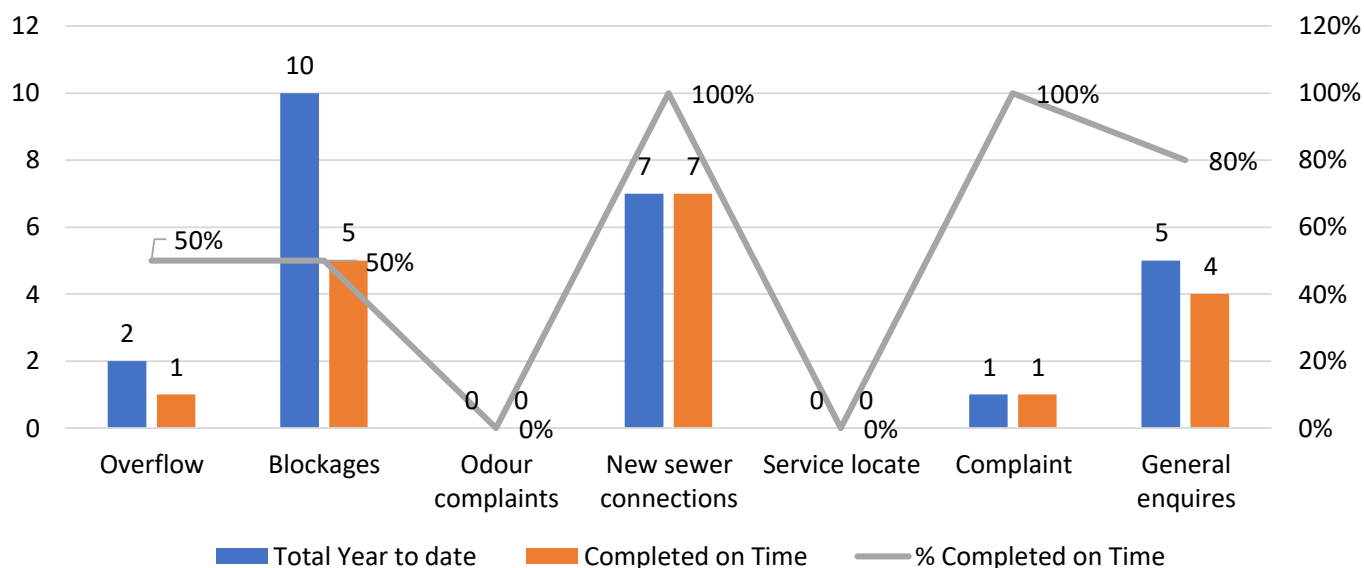
for the year ended 30 June 2023

Group Level Funding Impact Statement			
	Long Term Plan 2022 \$000	Long Term Plan 2023 \$000	Actual 2023 \$000
<b>Stormwater</b>			
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>			
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted Rates	889	944	882
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	11
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>889</b>	<b>944</b>	<b>893</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	160	163	252
Finance Costs	87	95	108
Internal charges and overheads applied	203	217	215
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>450</b>	<b>476</b>	<b>575</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>439</b>	<b>468</b>	<b>318</b>
<b>(SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	100	-	19
Development and financial contributions	-	-	-
Increase (decrease) in debt	107	(144)	(341)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>207</b>	<b>(144)</b>	<b>(323)</b>
<b>Application of Capital Funding</b>			
<b>Capital Expenditure:</b>			
-to meet additional demand	20	10	-
-to improve the level of service	288	61	1,004
-to replace existing assets	585	243	459
Increase (decrease) in reserves	(247)	9	(1,467)
Increase (decrease) of investments	-	-	-
<b>Total Applications of Capital Funding (D)</b>	<b>646</b>	<b>324</b>	<b>(5)</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(439)</b>	<b>(468)</b>	<b>(318)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>

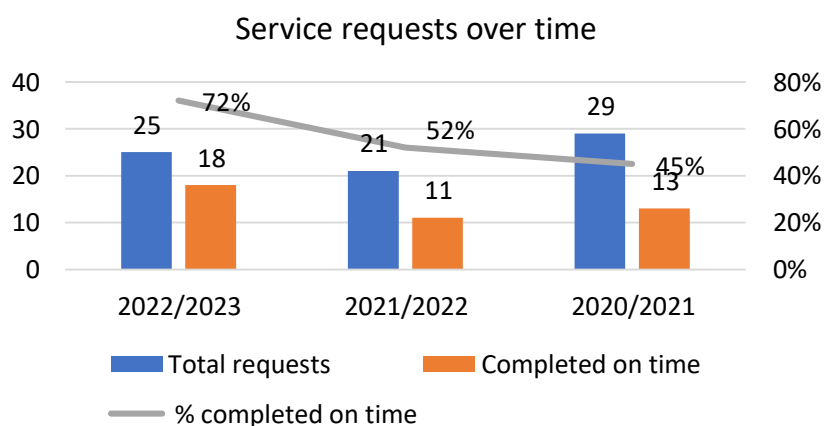
## Wastewater

Council supplies reticulated wastewater to 2208 connections in the district (2022: 2149). Ongoing database updates have resulted in there being a different number connections than previously identified, with the exception of new connections (7) (2022: 3).

There were 25 Wastewater related service requests recorded between 1 July 2022 – 30 June 2023.



Consistent with the discussion in the previous drinking water section, during the course of the year, it was noted that there was a time lag in some service request timeframes. After an investigation it was identified that the person who is entering the request is required to refresh their screen to set the receipt time properly. If the screen was not refreshed, then the time received was indicated as the last time the screen was refreshed, which could be hours. This issue was particularly obvious in the fourth quarter. Staff have now been trained to refresh their screens each time and an automated process is being investigated.



However, despite this issue the timeliness to complete service requests is improving, as demonstrated by comparing the data over the last three years. With a new maintenance contract in place, there was more emphasis on attention to service request details and applying the real time when responding and completion.

The Hokitika wastewater treatment plant upgrade project is progressing well. A shortlist of potential treatment options/locations was agreed on by the Subcommittee.

Minor upgrade work was completed regarding the installation of a 100m new section of gravity main along SH6 north of Hokitika township.

### How this activity contributes to Community Outcomes & Well-being

The following project improvements are aligned with ensuring a sustainably managed environment and resilient communities:

- Sewer pipeline upgrade ('Z line')
- Hokitika Wastewater Treatment Plant Project

Partnering with iwi in a co-governance structure is aligned with Resilient Communities relating to community engagement.

#### Performance in this activity

Community Outcome	Level of service	Performance measures (KPI)	Current performance
Resilient Communities Sustainably Managed Environment	Council wastewater systems are managed without risk to public health	<b>System and adequacy:</b> The number of dry weather sewerage overflows from the territorial authority's sewerage system. <b>10 per 1000 connections</b>	<b>Achieved</b> 2 dry weather overflows reported. Complaints per 1000 connections = <b>0.9</b> (2208 connections) <i>(2021/2022: 5 dry weather overflows reported.</i> <i>Complaints per 1000 connections = 2.3 (2149 connections))</i>
Resilient Communities Sustainably Managed Environment	Council wastewater systems are safe and compliant	<b>Discharge compliance:</b> <b>100%</b> Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of: a) abatement notices b) infringement notices c) enforcement orders, and d) convictions. Received by the territorial authority in relation those resource consents.	<b>Achieved</b> a) 0 b) 0 c) 0 d) 0 <b>100%</b> compliance achieved. <i>(2021/2022:</i> a) 0 b) 0 c) 0 d) 0 <i>100% compliance achieved.))</i>
Resilient Communities Sustainably Managed Environment	Customers are generally satisfied with the Council wastewater systems	<b>Fault response times:</b> Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured: a) attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site (2 hours), <b>95%</b> and b) resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault (4 hours) <b>90%</b> .	<b>Not achieved</b> a) <b>50%</b> (1/2) <b>Not achieved</b> b) <b>50%</b> (1/2) <i>(2021/2022:</i> a) 60% (3/5) b) 60% (3/5))

Community Outcome	Level of service	Performance measures (KPI)	Current performance
<b>Resilient Communities</b>		<b>Customer satisfaction:</b>	<b>Achieved</b>
<b>Sustainably Managed Environment</b>		The total number of complaints received by the territorial authority about any of the following:	a) 0 b) 2 c) 10 d) 1
		a) sewage odour b) sewerage system faults c) sewerage system blockages, and d) the territorial authority's response to issues with its sewerage system,	a) <i>New measure – this measure should not have been included in the LTP and will not be reported on.</i> b) <b>Total number of complaints = 13</b>
		a) <b>2 - this measure should not have been included in the LTP and will not be reported on.</b> b) <b>10 per 1000 connections</b>	<b>Complaints per 1000 connections = 5.9 (2208 connections)</b> (2021/2022: a) 2 b) 5 c) 5 d) 1
			a) <i>New measure – this measure should not have been included in the LTP and will not be reported on.</i> b) <i>Total number of complaints = 13</i>  <i>Complaints per 1000 connections = 6 )</i>

### How this group of activities contribute to Community Outcomes & Well-being

Community outcomes supported by group of activities	Activity
<b>Sustainably Managed Environment</b> <ul style="list-style-type: none"> <li>The district is involved in sustainable waste management practices</li> <li>We support sustainable environmental practices.</li> <li>We support strategies to enhance and protect the district's ecosystems.</li> <li>Development is sustainable, meeting the needs of the present without compromising the ability of future generations to meet their own needs.</li> </ul>	<ul style="list-style-type: none"> <li><b>Wastewater</b> Improvements to wastewater capture and treatment support a sustainably managed environment.</li> </ul>
<b>Resilient Communities</b> <ul style="list-style-type: none"> <li>All areas of the district have access to quality recreational and cultural facilities.</li> <li>A community that cares for all members at all life stages to reduce isolation and promote inclusion.</li> <li>Communities less vulnerable to natural hazards and climate change.</li> <li>All voices are enabled and heard, power is more evenly distributed, and the community can share its strengths.</li> </ul>	<ul style="list-style-type: none"> <li><b>Wastewater</b> Active engagement with local iwi and community members allows solutions and approaches to be agreed with the greatest community input.</li> </ul>

# Funding Impact Statement (for the Wastewater group)

for the year ended 30 June 2023

Group Level Funding Impact Statement			
	Long Term Plan 2022 \$000	Long Term Plan 2023 \$000	Actual 2023 \$000
<b>Wastewater</b>			
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>			
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted Rates	1,456	1,645	1,689
Subsidies and grants for operating purposes	-	-	-
Fees and charges	109	111	76
Interest and dividends from investments	6	6	3
Local authorities fuel tax, fines, infringement fees, and other receipts	1	2	33
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>1,572</b>	<b>1,764</b>	<b>1,801</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	447	458	591
Finance Costs	108	109	160
Internal charges and overheads applied	230	246	244
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>785</b>	<b>812</b>	<b>995</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>787</b>	<b>952</b>	<b>806</b>
<b>(SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	1,867	-	134
Development and financial contributions	-	-	-
Increase (decrease) in debt	(260)	662	(178)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>1,607</b>	<b>662</b>	<b>(44)</b>
<b>Application of Capital Funding</b>			
<b>Capital Expenditure:</b>			
-to meet additional demand	824	317	162
-to improve the level of service	640	614	49
-to replace existing assets	525	2,286	547
Increase (decrease) in reserves	405	(1,604)	6
Increase (decrease) of investments	-	-	-
<b>Total Applications of Capital Funding (D)</b>	<b>2,394</b>	<b>1,614</b>	<b>763</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(787)</b>	<b>(952)</b>	<b>(806)</b>
<b>Funding Balance ((A - B) + (C - D))</b>			

## Solid Waste

Two additional sheds have been built at Butlers Landfill this year with Provincial Growth funding from the Fox landfill waste extraction. A large portion of the site roading network was sealed to reduce dust nuisance.

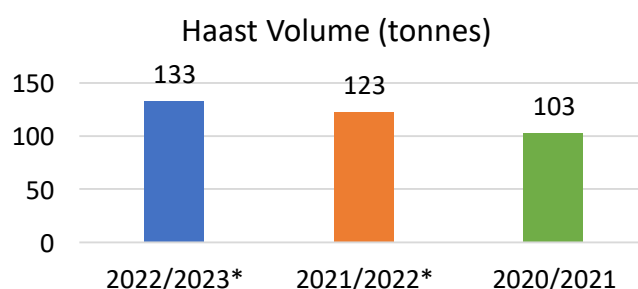
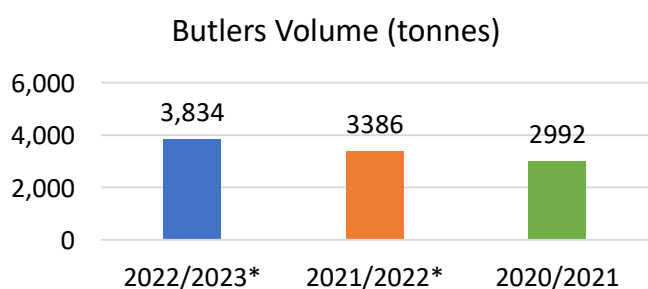
Upgraded pumps have been installed at the leachate ponds. A new aerator was also fitted to the ponds to increase aerobic activity which improves leachate quality. Forest development continues as part of the ongoing future expansion.

### Landfill and Transfer Stations

Landfill	Status	Comment	Expected Capacity
<b>Butlers Landfill</b>	Open	Open for authorised deliveries Via the site contractor on a weekly basis. Site monitoring is carried out in accordance with the resource consent.	Although the existing cell will reach capacity in approximately 2 - 3 years, the new cell will allow disposal for a further 15 years
<b>Haast Landfill</b>	Open	Open twice weekly for limited hours with public access. Monitoring requirements have been updated and plan for the closure due to reaching final capacity is underway.	Estimated 6 - 8 months life left. The landfill will be capped, and a small transfer station service will be provided. Limited tourism has continued to extend the lifespan of this site.
<b>Kumara</b>	Closed	Monitoring requirements only	
<b>Franz Josef</b>	Closed	Monitoring requirements only	
<b>Hannah's Clearing</b>	Closed	Monitoring requirements only	
<b>Hokitika</b>	Closed	Monitoring requirements only	
<b>Cron Road</b>	Closed	Monitoring requirements only	
<b>Transfer stations</b>			
<b>Hokitika</b>	Open Daily	Contracted to EnviroWaste	
<b>Kumara</b>	Open limited hours, twice weekly	Contracted to EnviroWaste	
<b>Fox Glacier</b>	Open limited hours, twice weekly	Mobile operation contracted to South Westland Rubbish Removal	
<b>Whataroa</b>	Open limited hours, twice weekly	Contracted to South Westland Rubbish Removal	
<b>Hari Hari</b>	Open limited hours, twice weekly	Contracted to EnviroWaste	
<b>Ross</b>	Open limited hours, twice weekly	Contracted to EnviroWaste	
<b>Franz Josef</b>	Open limited hours, twice weekly	Contracted to South Westland Rubbish Removal	

### Volumes of Waste

With the increase in tourism throughout the district volumes of waste have increased. \*More accurate data collection was implemented.



## Performance in this activity

Community Outcome	Level of service	Performance measures (KPI)	Current performance
<b>Sustainably Managed Environment</b>	<b>Solid waste is managed appropriately</b>	All necessary consents for solid waste activities and capital projects are applied for, held and monitored accordingly. <b>100%</b>	<b>Achieved</b> <b>100%</b> consents in place and monitored. (2021/2022: <b>100%</b> consents in place.)
<b>Sustainably Managed Environment</b>	<b>Maximised recycling efficiency</b>	Reduce incidents of recycling bin contamination. <b>Less than 5% of bins contaminated annually</b>	<b>Not achieved</b> <b>17%</b> contamination. Investigation is underway to seek clarification on the recent rise in contamination. (2021/2022: <b>8.4%</b> contamination)

## How this group of activities contribute to Community Outcomes & Well-being

Community outcomes supported by group of activities	Activity
<b>Sustainably Managed Environment</b> <ul style="list-style-type: none"> <li>The district is involved in sustainable waste management practices</li> <li>We support sustainable environmental practices.</li> <li>We support strategies to enhance and protect the district's ecosystems.</li> <li>Development is sustainable, meeting the needs of the present without compromising the ability of future generations to meet their own needs.</li> </ul>	<ul style="list-style-type: none"> <li><b>Solid Waste</b> Sustainable environmental practices are supported through community education. Staff are committed to keeping up-to-date with legislative changes and implementing them throughout the district.</li> </ul>



## Funding Impact Statement (for the Solid Waste group)

for the year ended 30 June 2022

Group Level Funding Impact Statement			
	Long Term Plan 2022 \$000	Long Term Plan 2023 \$000	Actual 2023 \$000
<b>Solid Waste</b>			
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>			
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	912	1,245	1,154
Targeted Rates	780	798	798
Subsidies and grants for operating purposes	-	-	-
Fees and charges	753	773	982
Local authorities fuel tax, fines, infringement fees, and other receipts	10	10	7
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>2,455</b>	<b>2,826</b>	<b>2,940</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	1,978	2,064	2,113
Finance Costs	60	66	224
Internal charges and overheads applied	392	420	416
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>2,429</b>	<b>2,550</b>	<b>2,752</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>25</b>	<b>276</b>	<b>188</b>
<b>(SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	100	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	106	(160)	26
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>206</b>	<b>(160)</b>	<b>26</b>
<b>Application of Capital Funding</b>			
<b>Capital Expenditure:</b>			
-to meet additional demand	-	-	-
-to improve the level of service	175	-	102
-to replace existing assets	228	51	220
<b>Increase (decrease) in reserves</b>	<b>(171)</b>	<b>64</b>	<b>(108)</b>
<b>Increase (decrease) of investments</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Applications of Capital Funding (D)</b>	<b>232</b>	<b>116</b>	<b>214</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(25)</b>	<b>(276)</b>	<b>(188)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Financial Performance

### Financial Statistics

	2022/2023	2021/2022	2020/2021	2019/2020	2018/2019
Proportion of general rates to total income	28%	22%	22%	27%	25%
Average general rates per rateable property	1,357	1,352	1,200	1,169	1,028
Public debt (as a percentage of property, plant & equipment)	5%	6%	5%	5%	5%
Public debt (per rateable property)	4,018	4,515	3,317	2,994	2,832

### Financial Performance Summary

	2022/2023 \$000	2021/2022 \$000	2020/2021 \$000	2019/2020 \$000	2018/2019 \$000
Rates - general	9,058	8,932	7,891	7,658	6,761
Net surplus/(deficit)	(3,536)	9,605	7,640	3,428	1,084
Working capital	3,171	9,794	1,656	2,037	3,634
Public debt	26,818	29,818	21,818	19,618	18,618
Total assets	551,133	536,828	444,563	427,085	422,163

## Disclosure Statement

The following information is the annual report disclosure statement for year ending 30 June 2023.

The purpose of this statement is to disclose the council's financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The council is required to include this statement in its annual report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

### 1. Rates affordability

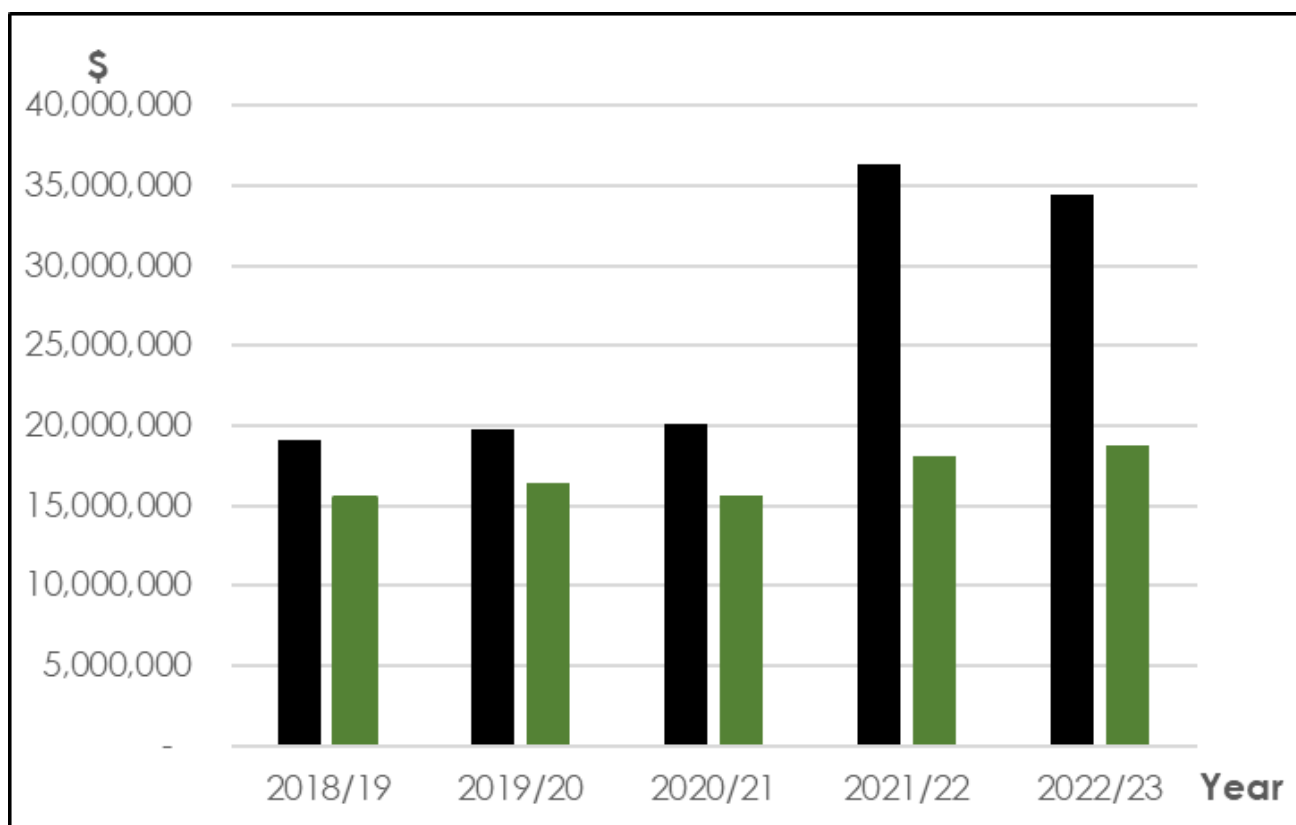
Council meets the rates affordability benchmark if -

- Its actual rates income equals or is less than each quantified limit on rates; and
- Its actual rates increases equal or are less than each quantified limit on rates increases.

The following graph compares the council's actual rates income with a quantified limit on rates contained in the financial strategy included in the council's long-term plan. The quantified limit is \$33,823,293.

Council has met this measure in the 2022/2023 financial year: rates do not exceed the rates (income) affordability benchmark.

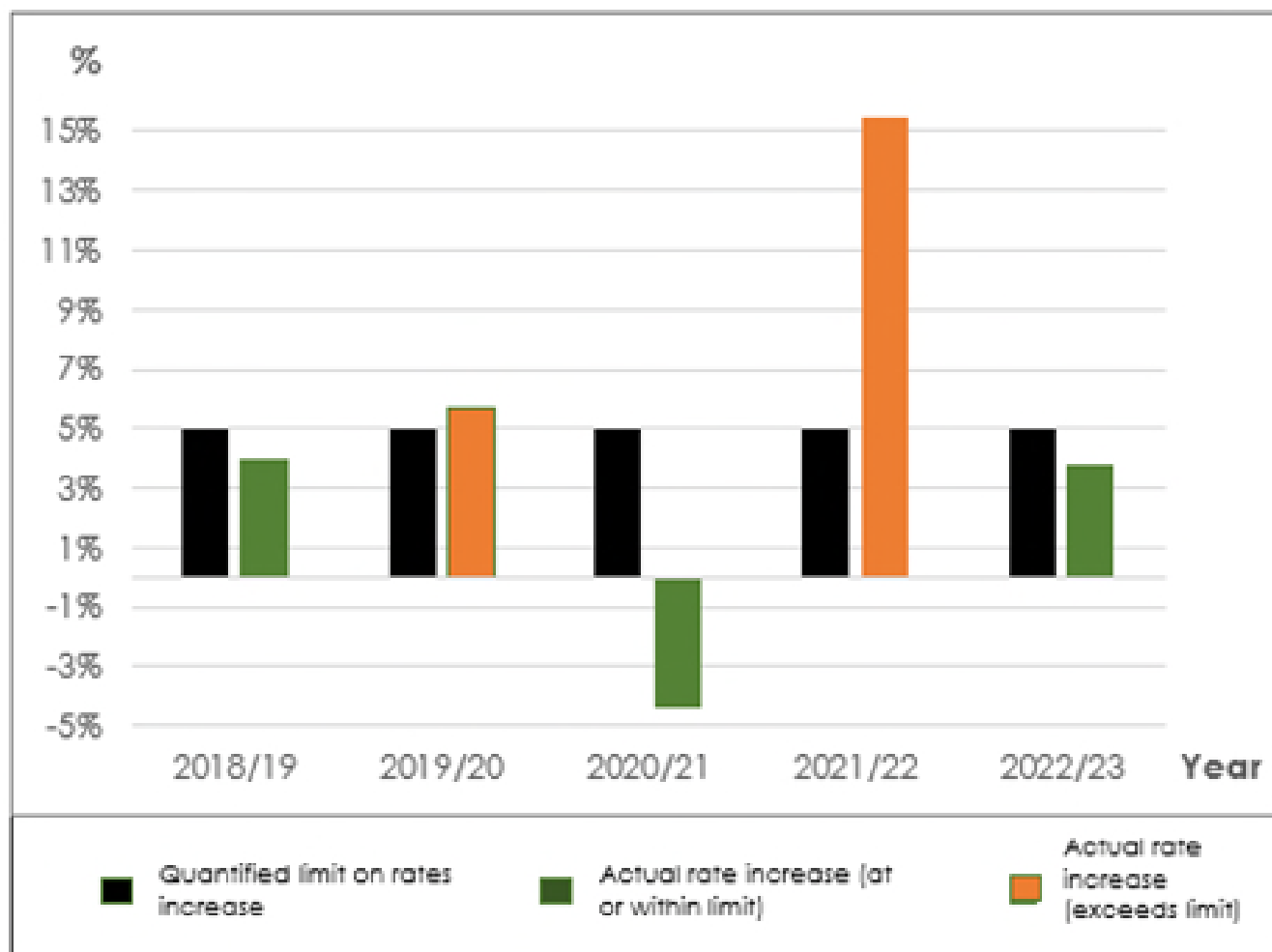
#### Rates (income) affordability



The following graph compares the Council's actual rates increases with a quantified limit on rates increases included in the financial strategy included in the council's long-term plan. The quantified limit is 5% in any one year.

Council has met this measure in the 2022/2023 financial year: rates did not exceed the rates (increases) affordability benchmark.

#### Rates (increases) affordability

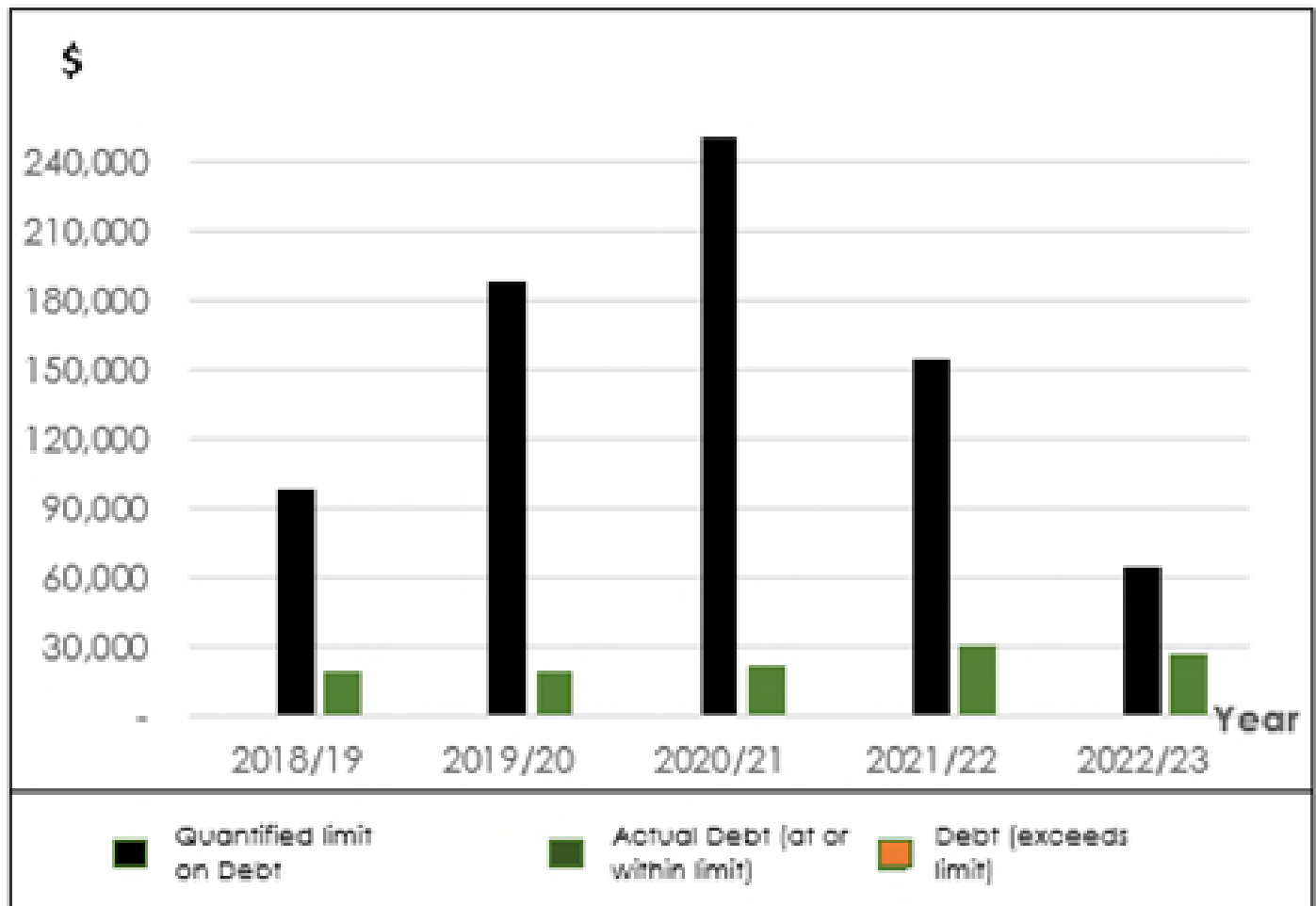


## 2. Debt affordability benchmark

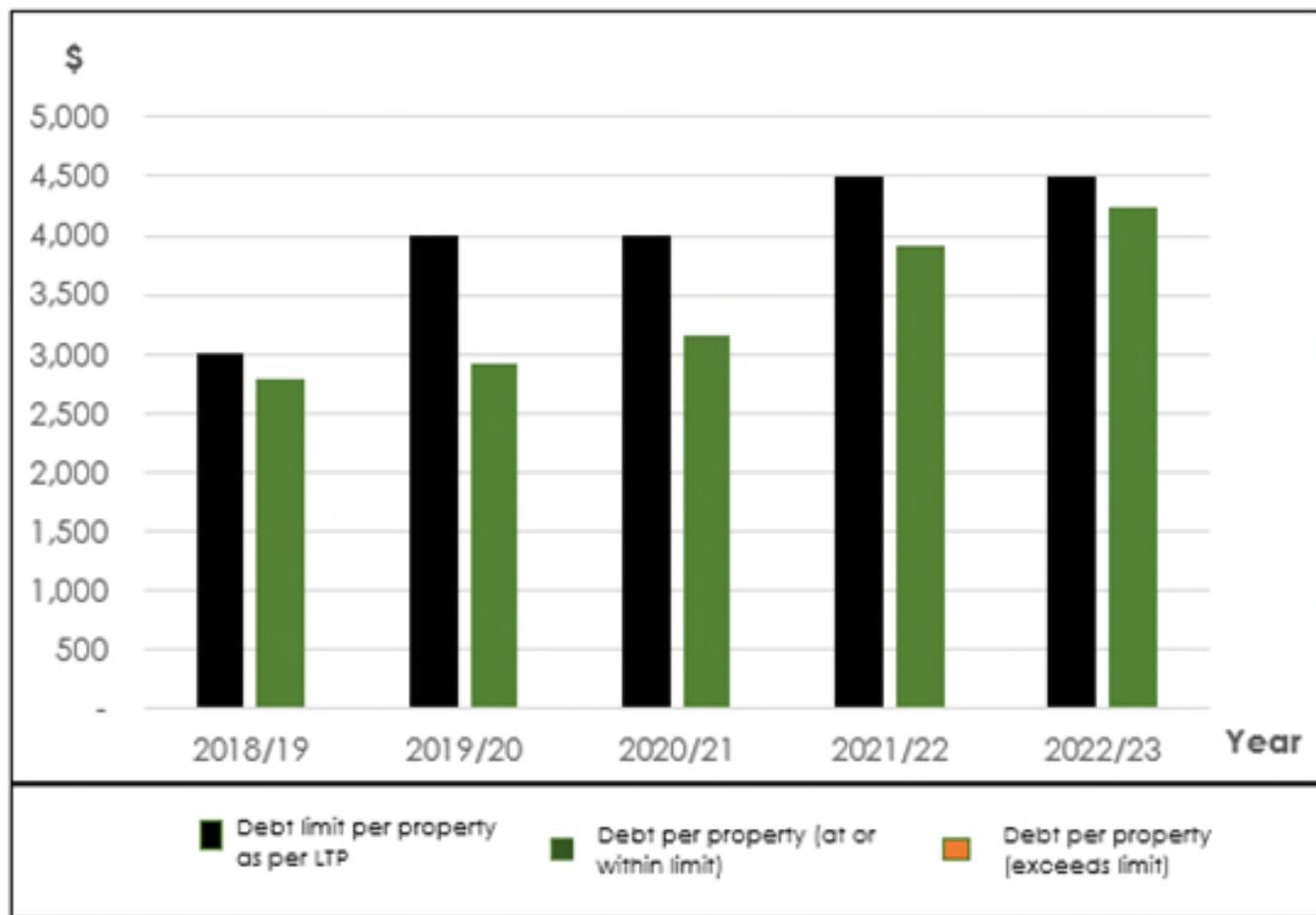
Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing.

The following graph compares the council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the council's long-term plan. The quantified limit is set so that finance costs will not exceed 10% of revenue.

Council has met this measure in the 2022/2023 financial year: debt does not exceed the debt affordability benchmark.



The following graph shows the limits included in the LTP 2021-2031 (which completes the 5-year reporting requirement). The quantified limit is that average debt will not exceed \$4,500 per rateable property. The actual average debt was \$4,242 therefore this measure has been met. The limit was increased from \$4,000 to \$4,500 by Council during Long Term Planning processes.

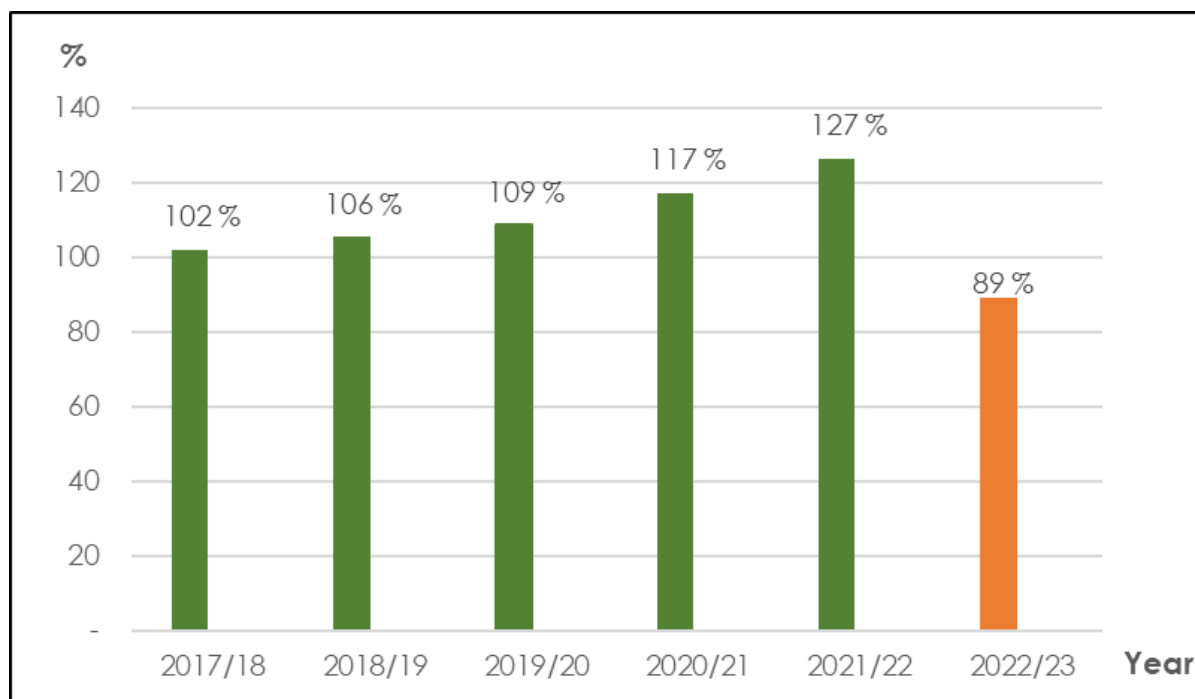


### 3. Balanced budget benchmark

The following graph displays council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment). Council meets this benchmark if its revenue equals or is greater than its operating expenses.

This benchmark has not been met in the 2022/23 financial year. Revenue overall was over budget by \$1.3M which was insufficient to compensate for expenditure exceeding budget by \$6.7M which includes \$2.9M loss on disposal of assets. More information on variances can be found in Note 24.

#### Revenue / Expenditure (%)

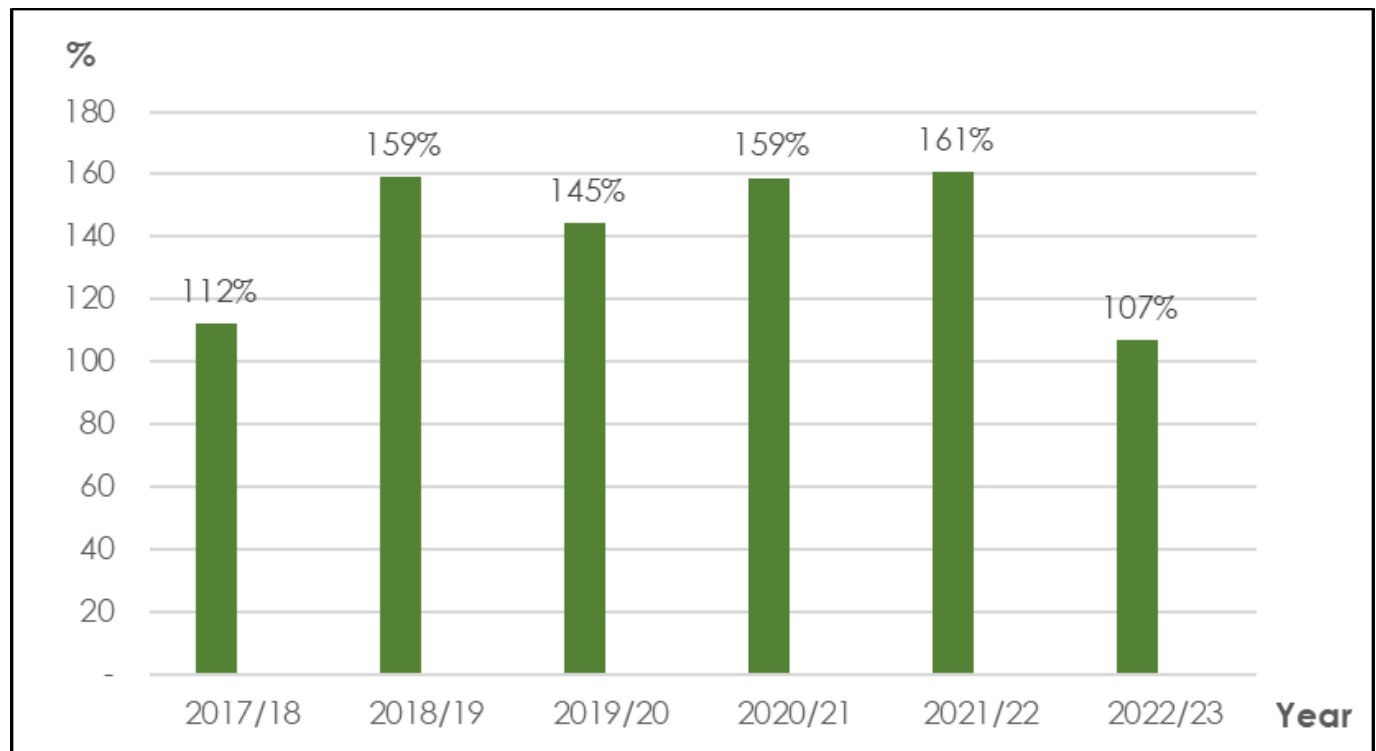


#### 4. Essential services benchmark

The following graph displays council's capital expenditure on network services as a proportion of depreciation on network services. Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network service.

This benchmark has been met in the 2022/2023 financial year.

##### Capital expenditure / Depreciation (%)





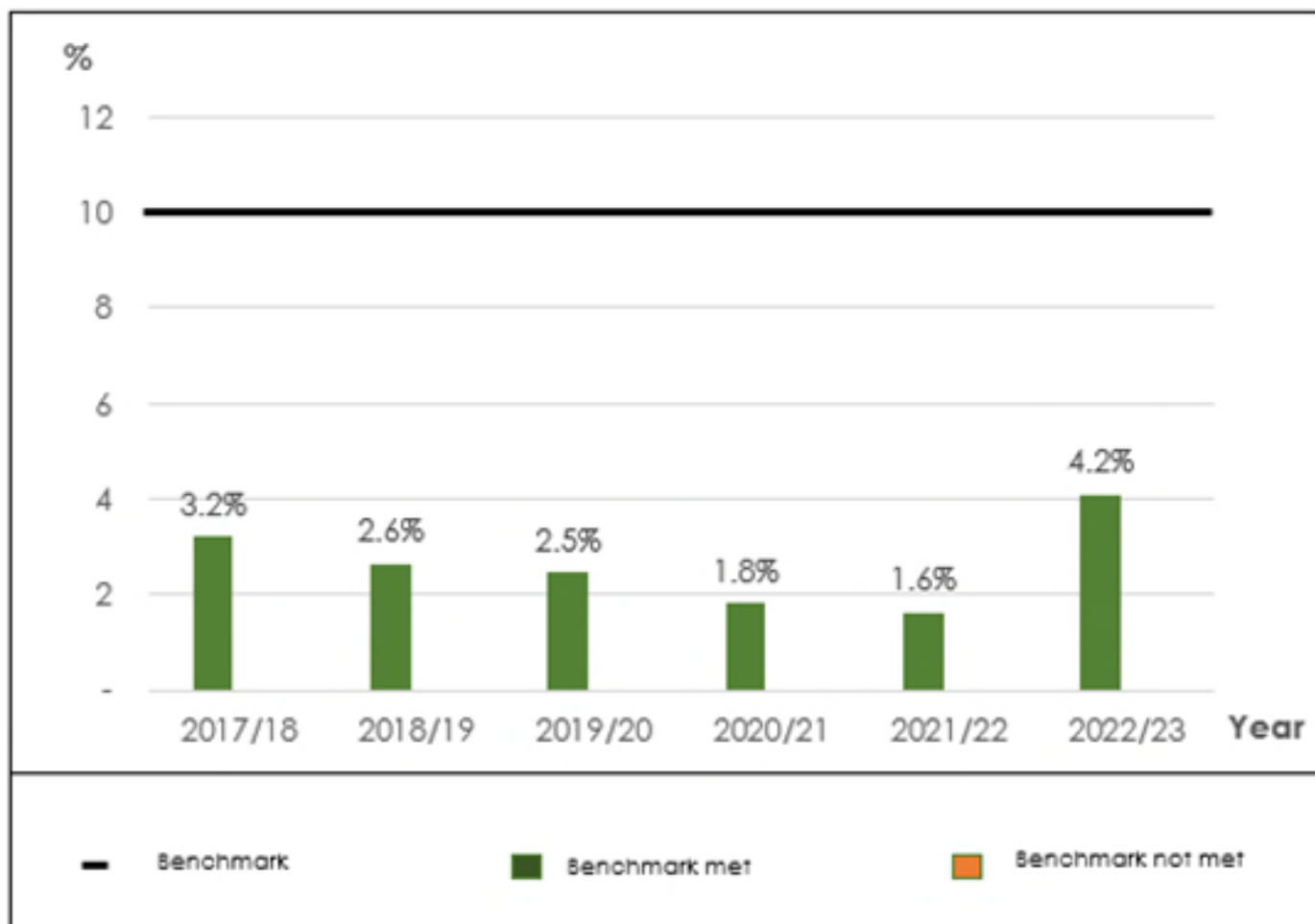
## 5. Debt servicing benchmark

The following graph displays council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

Because Statistics New Zealand projects the Westland District's population will grow more slowly than the national population growth rate, council meets the debt servicing benchmark if its borrowing costs are equal to or are less than 10% of its revenue.

This benchmark has been met in the 2022/2023 financial year.

### Borrowing costs/Revenue (%)

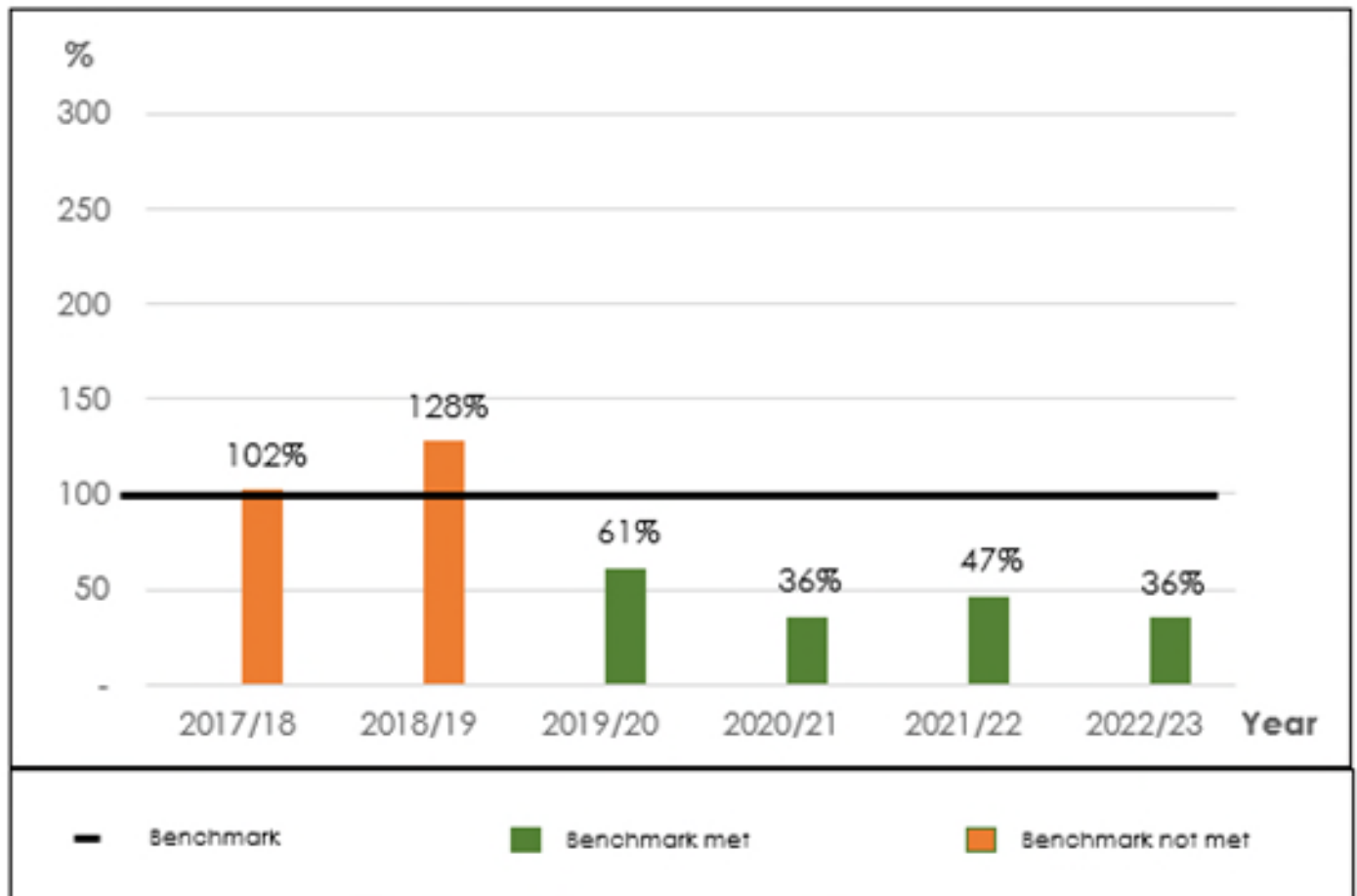


## 6. Debt control benchmark

The following graph displays council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables).

Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt. This benchmark has been met in the 2022/2023 financial year.

### Actual / Budgeted net debt (%)



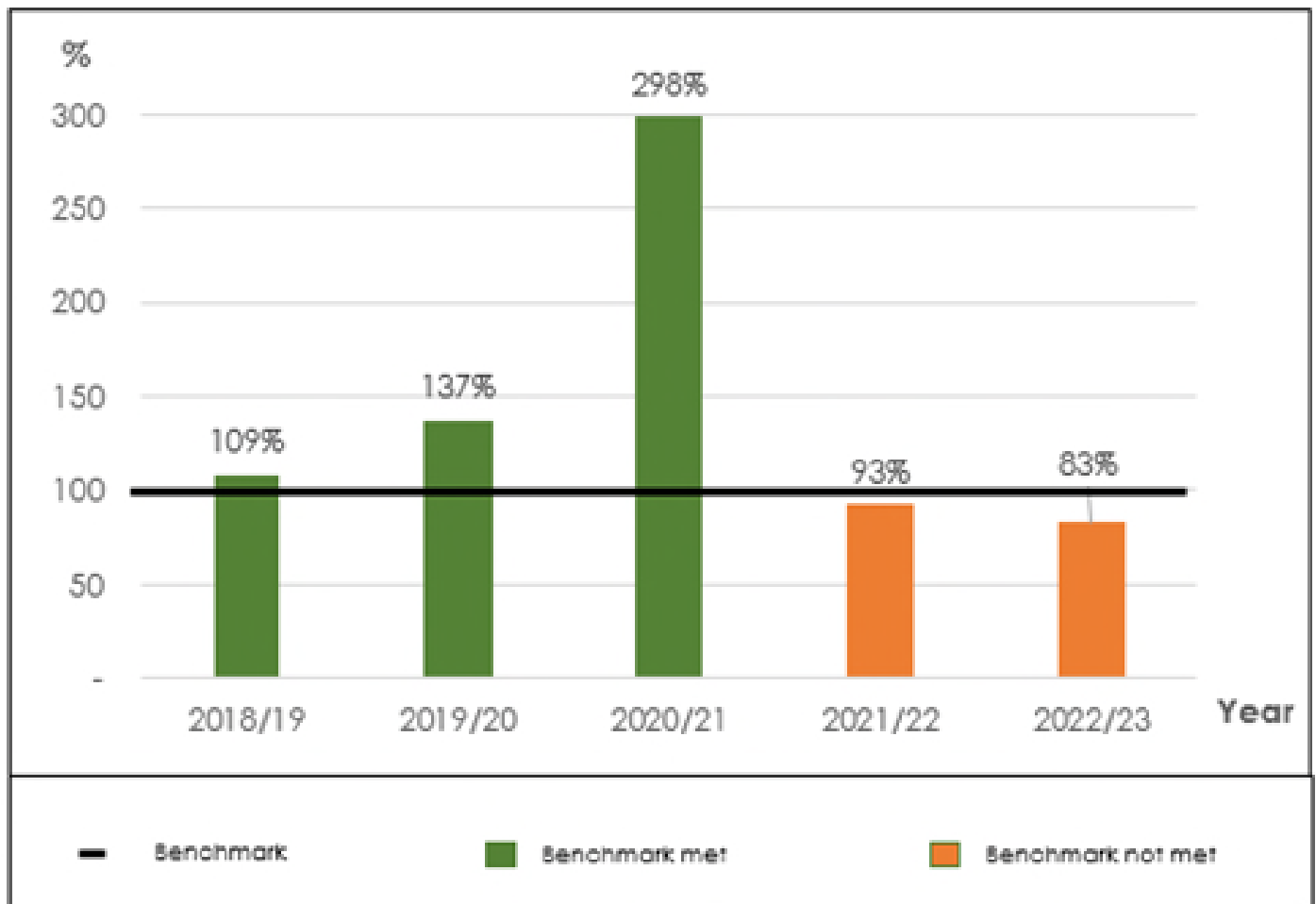
## 7. Operations control benchmark

This graph displays council's actual net cash flow from operations as a proportion of its planned net cash flow from operations.

Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.

This benchmark has not been met in the 2022/2023 financial year. Cash payments for operating expenses exceeded budget by \$1.2M, this combined with Grants and Subsidies cash receipts being below budget by almost \$2m were major factors. More information on variances can be found in Note 24.

### Actual / Budget net cash flow from operations (%)



## Financial Statements

This section outlines Council's financial performance for the year. The following information is included:

- Statement of Comprehensive Revenue and Expense
- Statement of Changes in Equity
- Statement of Financial position
- Statement of Cash Flows
- Whole of Council Funding impact statement
- Notes to the Financial Statements
- Reserve Funds

# Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2023

Statement of Comprehensive Revenue and Expense						
	Council Actual 30 June 2023 \$000	Council Budget 30 June 2023 \$000	Council Actual 30 June 2022 \$000	Group Actual 30 June 2023 \$000	Group Actual 30 June 2022 \$000	Notes
<b>Revenue</b>						
Rates	18,767	19,227	18,086	18,570	17,906	3
Grants and subsidies	7,859	11,291	16,426	7,985	17,405	3
Interest revenue	750	7	115	758	119	3
Fees and charges	2,254	2,037	2,047	2,254	2,141	3
Other revenue	2,961	1,334	3,287	26,163	28,635	3
Total operating revenue	32,592	33,896	39,960	55,731	66,207	
<b>Expenditure</b>						
Employee benefit expenses	5,550	6,079	5,409	17,693	16,852	4
Finance costs	1,395	986	640	1,807	983	5
Depreciation and amortisation	8,754	8,515	8,019	11,404	10,546	13 & 14
Other expenses	20,467	13,871	16,298	29,091	26,614	6
Total operating expenditure	36,166	29,451	30,366	59,995	54,995	
Surplus/(Deficit) before tax	(3,574)	4,445	9,594	(4,264)	11,212	
<b>Income tax expenses/(benefit)</b>						
Income tax expense/(benefit)	(39)	1	(10)	400	(82)	7
<b>Income tax expenses/(benefit)</b>						
Income tax expenses/(benefit)	(39)	1	(10)	400	(82)	
Operating Surplus/(Deficit)	(3,536)	4,444	9,604	(4,664)	11,293	-
<b>Other comprehensive revenue and expense</b>						
Gain on revaluation of assets	19,908	-	84,594	29,260	85,104	13
Tax on revaluation surplus/(deficit)	-	-	90	(2,374)	90	7
Revaluation losses on disposal of assets	-	-	(4,006)	-	(4,006)	19
Revaluation losses on impairment of assets	-	-	(66)	-	(66)	19
Other Comprehensive Revenue and Expenses Subtotal	19,908	-	80,612	26,886	81,122	
Total comprehensive revenue and expense/(deficit) for the year attributable to Council	16,373	4,444	90,216	22,222	92,416	

\*Revenue includes both exchange and non-exchange transactions which are detailed in Note 3(vi).

Explanations of major variances against budget are provided in Note 24.

The accompanying notes form part of these financial statements.

# Statement of Changes in Equity

For the year ended 30 June 2023

Equity				
	Council Actual \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
<b>Retained earnings</b>				
Balance at 1 July	170,583	158,744	177,777	164,249
Impairment reversal from prior years *	-	87	-	87
Adjusted balance at 1 July	170,583	158,830	177,777	164,336
Transfers to restricted reserves	(11,108)	(6,174)	(11,108)	(6,174)
Transfers from restricted reserves	14,002	3,744	14,002	3,744
Reclassification of Landfill Provn	-	-	-	-
Fair Value loss on assets recognised in surplus/deficit for the year	-	323	-	323
Transfer from property revaluation reserve on disposal	2,471	4,254	2,471	4,254
Surplus/(deficit) for the year	(3,536)	9,605	(4,664)	11,293
Balance at 30 June	172,412	170,583	178,477	177,777
<b>Restricted reserves</b>				
Balance at 1 July	12,968	10,538	12,968	10,538
Transfers to retained earnings	(14,002)	(3,744)	(14,002)	(3,744)
Transfers from retained earnings	11,108	6,174	11,108	6,174
Balance at 30 June	10,073	12,968	10,073	12,968
<b>Assets revaluation reserve</b>				
Balance at 1 July	315,733	239,788	316,696	240,264
Revaluation gains of property, plant and equipment	19,908	84,271	29,082	84,757
Revaluation (gains)/losses on disposal of assets	-	(4,006)	-	(4,006)
Revaluation Loss on impairment of assets	-	(66)	-	(66)
Transfer of revaluation reserve to retained earnings	(2,471)	(4,254)	(2,471)	(4,254)
Balance at 30 June	333,170	315,733	343,307	316,696
<b>Taxation on Revaluations</b>				
Balance 1 July	177	87	177	87
Tax on revaluations	-	90	(2,374)	90
Balance at 30 June	177	177	(2,197)	177
Total equity	515,833	499,460	529,660	507,617

\*Re-measurement as a result of Rates Debtors not meeting the definition of financial asset under PBE IPSAS 41 have been recognised directly in accumulated funds. For more details see note 9.

Explanations of major variances against budget are provided in Note 24.

*The accompanying notes form part of these financial statements.*

# Statement of Financial Position

For the year ended 30 June 2023

Statement of Financial Position						
	Council Actual 30 June 2023 \$000	Council Budget 30 June 2023 \$000	Council Actual 30 June 2022 \$000	Group Actual 30 June 2023 \$000	Group Actual 30 June 2022 \$000	Notes
<b>Assets</b>						
<b>Current assets</b>						
Cash & cash equivalents	8,378	2,436	9,389	10,060	10,304	8
Debtors & other receivables	2,809	2,819	5,029	6,418	8,560	9
Inventory	-	-	-	1,021	941	10
Tax refundable	-	-	10	-	174	7
Work in progress	-	-	-	11	63	13
Derivative financial instruments	53	-	12	53	12	11
Other financial assets	48	-	3,048	125	3,048	12
<b>Total Current Assets</b>	<b>11,288</b>	<b>5,255</b>	<b>17,487</b>	<b>17,688</b>	<b>23,101</b>	
<b>Non-current assets</b>						
Council Controlled Organisation	12,695	12,695	12,695	-	-	28
Deferred Tax	176	-	137	-	-	7
Intangible assets	151	392	136	151	136	14
Assets Under Construction	9,571	737	11,675	11,278	11,788	13
Derivative financial instruments	1,052	235	869	1,052	869	11
Other Financial Assets	553	825	617	611	617	12
Investment property	-	-	-	1,105	1,125	13A
Property, Plant and Equipment	515,647	460,329	493,213	546,461	515,708	13
Term Inventory	-	-	-	-	-	10
<b>Total Non-current assets</b>	<b>539,845</b>	<b>475,213</b>	<b>519,341</b>	<b>560,657</b>	<b>530,242</b>	
<b>Total Assets</b>	<b>551,133</b>	<b>480,468</b>	<b>536,828</b>	<b>578,345</b>	<b>553,343</b>	
<b>Liabilities</b>						
<b>Current liabilities</b>						
Creditors & other payables	4,001	2,596	2,755	5,699	4,405	15
Employee benefit liabilities	521	384	489	1,757	1,794	17
Tax payable	-	-	-	231	-	7
Borrowings	3,000	-	3,000	5,647	5,031	18
Derivative financial instruments	-	94	-	-	-	11
Other	595	1,160	1,450	993	1,863	18
<b>Total Current Liabilities</b>	<b>8,117</b>	<b>4,234</b>	<b>7,693</b>	<b>14,328</b>	<b>13,093</b>	
<b>Non-current liabilities</b>						
Deferred Tax	-	10	-	2,402	223	7
Employee benefit liabilities	30	42	35	164	144	17
Provisions	3,335	1,846	2,821	3,335	2,821	16
Borrowings	23,818	35,759	26,818	28,456	29,444	18
Derivative financial instruments	-	272	-	-	-	11
<b>Total Non-Current Liabilities</b>	<b>27,183</b>	<b>37,929</b>	<b>29,674</b>	<b>34,357</b>	<b>32,632</b>	
<b>Total Liabilities</b>	<b>35,300</b>	<b>42,163</b>	<b>37,368</b>	<b>48,685</b>	<b>45,725</b>	
<b>Net Assets</b>	<b>515,833</b>	<b>438,305</b>	<b>499,460</b>	<b>529,660</b>	<b>507,617</b>	

Equity						
Retained Earnings	172,412	182,545	170,583	178,477	177,777	19
Restricted Reserves	10,073	6,747	12,968	10,073	12,968	19
Revaluation reserves	333,170	248,926	315,733	343,307	316,696	19
Other comprehensive revenue and expense reserve	177	87	177	(2197)	177	19
Total Equity	515,833	438,305	499,460	529,660	507,617	

Explanations of major variances against budget are provided in Note 24.

*The accompanying notes form part of these financial statements.*



# Statement of Cash Flows

For the year ended 30 June 2023

Cash Flow Statement						
	Council Actual \$ 30 June 2023 \$000	Council Budget \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000	Notes
<b>Cash flows from Operating Activities</b>						
Cash was provided from:						
Rates Revenue	19,275	19,231	17,530	19,082	17,353	
Fees, charges, and other receipts (including donations)	1,962	2,150	2,099	1,962	2,060	
Interest Received	684	7	93	692	91	
Dividends received	300	250	-	-	-	
Grants and Subsidies	9,320	11,289	11,143	9,446	11,085	
Other Revenue	1,370	786	1,138	24,428	24,363	
	32,911	33,713	32,003	55,611	54,952	
Cash was applied to:						
Payment Staff & Suppliers	20,996	19,774	20,179	41,792	38,552	
Interest Paid	1,141	986	549	1,553	963	
Income tax paid/(refunded)	(10)	-	9	184	10	
	22,127	20,760	20,737	43,529	39,525	
<b>Net cash flow Operating Activities</b>	<b>10,784</b>	<b>12,953</b>	<b>11,267</b>	<b>12,082</b>	<b>15,427</b>	<b>29</b>
<b>Cash flows from Investment Activities</b>						
Cash was provided from:						
Proceeds from investments realised	48	-	-	48	-	
Term Deposit with maturity greater than 90 days	3,000	-	-	3,000	3,000	
Proceeds sale of property, plant and equipment	13	-	8	948	680	
	3,061	-	8	3,996	3,680	
Cash was applied to:						
Purchase of property, plant and equipment	11,649	28,283	17,792	16,822	20,049	
Purchase of investment property	-	-	-	-	-	
Purchase of intangibles	212	239	283	212	283	
Purchase of investments	-	149	-	135	-	
Term Deposit with maturity greater than 90 days	-	-	3,000	-	3,000	
	11,861	28,671	21,075	17,169	23,332	
<b>Net cash flows from Investment Activities</b>	<b>(8,800)</b>	<b>(28,671)</b>	<b>(21,067)</b>	<b>(13,173)</b>	<b>(19,652)</b>	
<b>Cash flows from Financing Activities</b>						
Cash was provided from:						
Proceeds from borrowings	-	5,941	7,773	5,871	7,793	
Capital works loan repayments	5	13	6	5	6	
	5	5,954	7,779	5,876	7,799	
Cash was applied to:						
Repayment of borrowings	3,000	-	-	6,245	2,436	
	3,000	-	-	6,245	2,436	
<b>Net cash flows from Financing Activities</b>	<b>(2,995)</b>	<b>5,954</b>	<b>7,779</b>	<b>(369)</b>	<b>5,363</b>	

Cash Balance					
Cash Balance					
Net increase/(decrease) in cash held	(1,011)	(9,764)	(2,022)	(246)	(1,863)
Total cash resources at start of the year	9,389	12,200	11,411	10,301	12,164
Cash Balance	8,378	2,436	9,389	10,055	10,301
Cash & cash equivalents	8,378	2,436	9,389	10,060	10,304
Bank overdraft	-	-	-	(5)	(3)
Cash Balance	8,378	2,436	9,389	10,055	10,301

#### Reconciliation of movements in liabilities arising from financing activities

Council	Loans
	\$000
<b>Balance as at 01 July 2021</b>	<b>21,818</b>
Cash inflows	7,773
Cash outflows	-
Non-cash changes	227
<b>Balance as at 01 July 2022</b>	<b>29,818</b>
Cash inflows	-
Cash outflows	(3,000)
Non-cash changes	-
<b>Balance as at 30 June 2023</b>	<b>26,818</b>

Group	Loans
	\$000
<b>Balance as at 01 July 2021</b>	<b>29,292</b>
Cash inflows	7,773
Cash outflows	(3,407)
Non-cash changes	817
<b>Balance as at 01 July 2022</b>	<b>34,475</b>
Cash inflows	5,738
Cash outflows	(6,245)
Non-cash changes	135
<b>Balance as at 30 June 2023</b>	<b>34,103</b>

Explanations of major variances against budget are provided in Note 24.

*The accompanying notes form part of these financial statements.*

# Whole of Council Funding Impact Statement

For the year ended 30 June 2023

Funding Impact Statement for Whole of Council				
	2022 Annual Plan \$000	2022 Annual Report \$000	2023 Annual Plan \$000	2023 Actual \$000
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>				
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	8,852	8,820	8,982	8,889
Targeted Rates	9,179	9,266	10,245	9,878
Subsidies and grants for operating purposes	2,640	3,208	2,135	3,867
Fees and charges	1,801	2,047	2,037	2,254
Interest and dividends from investments	8	115	257	1,050
Local authorities fuel tax, fines, infringement fees, and other receipts	1,009	2,716	1,084	2,649
Total Operating Funding (A)	23,488	26,172	24,740	28,588
Applications of Operating Funding				
Payments to staff and suppliers	18,285	19,660	19,950	23,011
Finance Costs	904	640	986	1,395
Total Applications of Operating Funding (B)	19,189	20,300	20,936	24,407
Surplus/(Deficit) of Operating Funding (A - B)	4,298	5,872	3,804	4,181
<b>(SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>				
Sources of Capital Funding				
Subsidies and grants for capital expenditure	8,111	13,218	9,156	3,992
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	6,391	8,000	5,941	(3,000)
Gross proceeds from sale of assets	-	4,008	-	12
Total Sources of Capital Funding (C)	14,502	25,226	15,097	1,004
Application of Capital Funding				
Capital Expenditure:				
-to meet additional demand	968	5,528	1,735	666
-to improve the level of service	6,937	4,045	14,250	4,891
-to replace existing assets	10,471	8,501	12,537	6,276
Increase (decrease) in reserves	425	9,023	(9,770)	(6,647)
Increase (decrease) of investments	-	4,000	149	-
Total Applications of Capital Funding (D)	18,800	31,098	18,901	5,185
Surplus/(Deficit) of Capital Funding (C - D)	(4,298)	(5,872)	(3,804)	(4,181)
Funding Balance ((A - B) + (C - D))	-	-	-	-

Explanations of major variances against budget are provided in Note 24.

*The accompanying notes form part of these financial statements.*

## Notes to the Financial Statements

### NOTE 1: STATEMENT OF ACCOUNTING POLICIES

#### REPORTING ENTITY

Westland District Council (Council) is a territorial local authority governed by the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002.

The Group consists of the ultimate parent, Westland District Council, and its subsidiaries, Westland Holdings Limited (100% owned), and the 100% owned subsidiaries of Westland Holdings Limited: Westroads Limited, Destination Westland Limited.

The primary objective of Council is to contribute to the purpose of local government in the Westland District by:

*Enabling democratic local decision-making and action by, and on behalf of, communities; and meeting the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.*

By providing goods or services for the community rather than making a financial return, Council has designated itself as a public benefit entity (PBE) for Financial Reporting purposes.

The financial statements of the Council and group are for the year ended 30 June 2023.

Section 98(3) of the Local Government Act 2002 requires the Council to complete and adopt the annual report within four months of the end of the financial year to which it relates.

#### BASIS OF PREPARATION

The financial statements have been prepared in accordance with PBE IPSAS 1.132(a) on a historic cost basis except for investment properties, some classes of property, plant and equipment, and derivative financial instruments, which have been measured at fair value. The accounting policies have been applied consistently throughout the year.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

#### Statement of Compliance

The financial statements of the Council have been prepared in accordance with the requirements of the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRP)R) which include the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP). The Financial Statements have been prepared in accordance with Tier 1 PBE Standards.

These financial statements comply with PBE Standards.

#### Functional and Presentation Currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000), unless otherwise stated.

The functional currency of the Council is New Zealand dollars.

## **ACCOUNTING STANDARDS ISSUED FOR PUBLIC BENEFIT ENTITIES**

The Council is subject to Tier 1 reporting requirements of the Accounting Standard for Public Benefit Entities.

## **CHANGES IN ACCOUNTING POLICIES**

The Council has adopted PBE IPSAS 41 Financial Instruments which has superseded PBE IPSAS 29 Financial Instruments: Recognition and Measurement. PBE IPSAS 41 includes the following:

- New financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost.
- A new impairment model for financial assets based on expected losses, which may result in the earlier recognition of impairment losses.
- Revised hedge accounting requirements to better reflect the management of risks.

The impacts of PBE IPSAS 41 are noted in the Financial Statements.

## **SIGNIFICANT ACCOUNTING POLICIES**

Are included in the notes to which they relate.

Significant accounting policies that do not relate to a specific note are outlined below.

### **Basis of consolidation**

The Group (Westland District Council and Westland Holdings Ltd) consolidated accounts are prepared by combining like items of assets, liabilities, equity, revenue, and expenses on a line-by-line basis. All intra-group balances, transactions, revenue, and expenses are eliminated on consolidation.

## **SUBSIDIARIES**

Subsidiaries are those entities in which Council has control. Westland Holdings Ltd is Council's direct reporting subsidiary. As of 30 June 2023, Westland Holdings Ltd controls two Council Controlled Organisations which are reporting entities under the Local Government Act 2002. As at 30 June 2023 the Group consists of Destination Westland Ltd and Westroads Ltd. Investments in subsidiaries are recorded at cost in the Council's parent financial statements. Transactions with subsidiaries are at arm's length and under normal trading terms. Recharges are invoiced at cost.

## **GOODS AND SERVICES TAX (GST)**

All items in the financial statements, including cash flow, are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the Statement of Financial Position. The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

### **Budget figures**

The budget figures are those approved by Council in its 2022/2023 Annual Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by Council for the preparation of the financial statements.

## **CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES, AND ASSUMPTIONS**

In preparing the financial forecasts and statements the Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

- Estimating the landfill aftercare provision – see Note 16.
- Estimating the fair value of land, buildings, and infrastructural assets – see Note 13.
- Estimating the retirement and long service leave obligation – see Note 17.

## **NOTE 2: SUMMARY REVENUE AND EXPENDITURE FOR GROUP OF ACTIVITIES**

### **Accounting policy**

The cost of service for each significant activity of the Council has been derived using the cost allocation system outlined below.

- Direct costs are charged directly to significant activities.
- Indirect costs are charged to significant activities based on cost drivers and related activity/usage information.
- Direct costs are those costs directly attributable to a significant activity.
- Indirect costs are those costs which cannot be identified in an economically feasible manner with a specific significant activity.

The costs of internal services not directly charged to activities are allocated as overheads using appropriate cost drivers such as staff numbers, items processed, and/or based on level of support provided to each activity.

There have been no changes to the cost allocation methodology during the year.

Each significant activity is stated gross of internal costs and revenues and includes targeted rates attributable to activities (refer to Note 3). In order to fairly reflect the total external operations for the Council in the statement of comprehensive revenue and expense, these transactions are eliminated as shown above.

## Summary Revenue and Expenditure for Group of Activities

	Council Actual \$ 30 June 2023 \$000	Council Budget \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000
<b>Revenue</b>			
Community Services	1,903	1,202	2,547
Leadership	9,448	8,405	9,989
Leisure services and facilities	3,291	5,679	4,717
Planning & Regulatory	1,601	1,221	1,373
Solid Waste	1,787	1,958	3,435
Stormwater	912	882	1,283
Transportation	5,121	6,972	3,937
Wastewater	1,935	1,818	4,887
Water Supply	4,063	4,231	6,104
less internal overhead recoveries	(6,833)	(7,914)	(7,471)
General Rates	9,163	9,221	9,060
<b>Total operating revenue</b>	<b>32,392</b>	<b>33,676</b>	<b>39,861</b>
<b>Expenditure</b>			
Community Services	2,083	2,231	1,717
Leadership	10,093	9,690	9,611
Leisure services and facilities	4,696	4,777	4,409
Planning & Regulatory	3,847	3,184	3,164
Solid Waste	2,988	2,810	3,060
Stormwater	1,031	882	809
Transportation	11,131	7,672	8,608
Wastewater	2,223	1,805	1,715
Water Supply	4,707	4,096	4,642
less internal overhead expenses	(6,833)	(7,914)	(7,471)
<b>Total operating expenditure</b>	<b>35,966</b>	<b>29,233</b>	<b>30,266</b>
<b>Operating Surplus/(Deficit)</b>	<b>(3,574)</b>	<b>4,444</b>	<b>9,595</b>

## NOTE 3: REVENUE

### Accounting policy

Revenue is measured at the fair value of consideration received.

#### (i) Rates revenue

Rates, including water-by-meter rates, are set annually by a resolution of Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable. Rates arising from late payment penalties are recognised as revenue when rates become overdue. Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis. Rate remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.

Amendments to the Local Government (Rating) Act 2002 introduced a new power to local authority Chief Executives to write off rates. The Chief Executive has not written off any rates during the 2022/2023 year.

Rates Revenue					
	Council Actual \$ 30 June 2023 \$000	Council Budget \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
Gross rates					
General rates					
General rates	9,075	9,068	8,932	8,882	8,755
Penalties	105	170	128	105	128
Total general-purpose rates	9,180	9,238	9,060	8,987	8,883
Targeted rates					
Community rates	3,110	3,110	2,684	3,110	2,684
Sewerage rates	1,689	1,689	1,456	1,689	1,456
Tourism rates	545	545	437	545	437
Enterprise Hokitika rates (OH)	39	39	39	39	39
Waste management	798	798	780	798	780
Total targeted rates excluding water rates	6,181	6,181	5,396	6,181	5,396
Water rates					
Metered water supply	509	875	368	504	365
Westland Milk Products water rate	1,591	1,591	2,127	1,591	2,127
Other water rates	1,598	1,598	1,376	1,598	1,376
Total targeted water rates	3,698	4,064	3,871	3,693	3,868
Total rates revenue (gross of remissions)	19,059	19,483	18,327	18,861	18,147
Net rates					
Rates remissions					
Remissions and write offs	224	200	184	224	184
Rates discounts	67	56	56	67	56
Total rates remissions	291	256	240	291	240
Total remissions	291	256	240	291	240
Total rates revenue net of remissions	18,767	19,227	18,086	18,570	17,906

The total amount of rates charged on Council-owned properties that have not been eliminated from revenue and expenditure is \$394k (2022: \$372k) for both Council and the Group.



In accordance with the Local Government (Rating) Act 2002 certain properties cannot be rated for general rates. This includes schools, places of religious worship, public gardens, and reserves. These non-rateable properties, where applicable, may be subject to targeted rates in respect of sewerage, water, refuse and sanitation. Non-rateable land does not constitute a remission.

(ii) Other revenue

Finance Revenue and Other Revenue					
	Council Actual \$ 30 June 2023 \$000	Council Budget \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
Finance revenue					
Call and current account interest	180	-	24	188	28
Term deposit interest	299	-	80	299	80
Interest on swaps	243	-	-	243	-
Other interest	4	7	5	4	5
Borrower notes	24	-	7	24	7
Total finance revenue	750	7	115	758	119
Subsidies and grants					
NZTA Government grants	4,548	6,972	3,578	4,548	3,578
Tourism Infrastructure grants	548	1,658	550	548	550
West Coast Wilderness Trail grants	251	706	371	251	371
DIA 3 Waters Reform grant	134	200	5,829	134	5,829
Provincial Development Unit: Infrastructure grants	590	136	2,249	590	2,249
Provincial Development Unit: Hokitika pool	357	1,466	1,247	357	1,247
Provincial Development Unit: Halls and War Memorials renovations grant	431	-	374	431	374
Regional Culture and Heritage: Carnegie building strengthening grant	-	-	795	-	795
West Coast Development/Lotteries NZ: Carnegie building grant	-	-	611	-	611
Mayors Task Force for Jobs grant	462	-	561	462	561
Other	538	154	260	664	1,239
Total subsidies and grants	7,859	11,291	16,426	7,985	17,405
Fees and charges					
Landfill fees	982	855	858	982	858
Building and resource consent fees	264	252	236	264	236
Regulatory fees	800	633	754	800	754
Other fees and charges	208	296	199	208	293
Total fees and charges	2,254	2,037	2,047	2,254	2,141
Other revenue					
Dividend revenue	300	250	-	-	-
Donations	7	3	1	7	1
Gain on interest rate swaps	1,036	150	1,525	1,036	1,525
Fair value gain on valuation of investments	-	-	-	-	115
Infringements and fines	29	2	10	29	10
Petrol tax	122	126	129	122	129
Property, plant and equipment: gain on disposal	12	-	8	438	626
Regulatory revenue	164	143	152	164	152
Subvention receipts	200	220	100	-	-
Other revenue*	1,091	440	1,361	24,368	26,074
Total other revenue	2,961	1,334	3,287	26,163	28,634
Total Finance Revenue and Other Revenue	13,825	14,670	21,875	37,162	48,300

There are some unfulfilled conditions or contingencies attached to the subsidies and grants recognised and the value of the unspent portion \$40,680 (2022: \$875,535) is treated as income received in advance. There are obligations to return funding where the conditions of the funding agreement are not met. All conditions are not expected to be fulfilled in the subsequent financial year.

#### *Non-exchange and exchange transactions*

Exchange transactions are transactions in which the Group receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, the Group either receives value from another entity without directly giving approximately equal value in exchange or gives value to another entity without directly receiving approximately equal value in exchange.

Revenue analysis by non-exchange and exchange transactions is provided at (vi). *Provision of commercially based services*

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided. The stage of completion is assessed by reference to surveys of work performed.

#### *Sales of goods*

Revenue from the sale of goods is measured at fair value of the consideration received or receivable, net of returns or allowances, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods. Where revenue is derived by acting as an agent for another party, the revenue that is recognised is the commission or fee on the transaction.

#### *Infringement fees and fines*

Infringement fees and fines mostly relate to traffic and parking infringements and are recognised when the infringement notice is issued. The revenue recognised is determined based on the probability of collecting fines.

#### *Vested or donated physical assets*

For assets received for no or nominal consideration, the asset is recognised at its fair value when the Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

For long-lived assets that must be used for a specific use (e.g., land must be used as a recreation reserve), the Council immediately recognises the fair value of the asset as revenue. A liability is recognised only if the Council expects it will need to return or pass the asset to another party.

#### *Donated and bequeathed financial assets*

Donated and bequeathed financial assets are recognised as revenue unless there are substantive use or return conditions. A liability is recorded if there are substantive use or return conditions and the liability is released to revenue as the conditions are met e.g., as the funds are spent for the nominated purpose.

#### *Revenue from investments*

Interest revenue is recognised using the effective interest method. Interest revenue on an impaired financial asset is recognised using the original effective interest rate. Dividends are recognised when the right to receive payment has been established. When dividends are declared from pre-acquisition surpluses, the dividend is deducted from the cost of the investment.

### **(iii) Grants and funding**

Revenues from non-exchange transactions with the Government and government agencies is recognised when the Group obtains control of the transferred asset (cash, goods, services, or property), and:

- It is probable that the economic benefits or service potential related to the asset will flow to the Group and can be measured reliably, and
- The transfer is free from conditions that require the asset to be refunded or returned to the Government if the conditions are not fulfilled

Revenue from government grants and funding is measured at the fair value of the assets (cash, goods, services, or property) transferred over to the Group at the time of transfer.

To the extent that there is a condition attached that would give rise to a liability to repay the grant amount or to return the granted asset, a deferred revenue liability is recognised instead of revenue. Revenue is then recognised only once the Group has satisfied these conditions.

### **(iv) Fees and charges**

*Building and resource consent revenue:*

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

*Entrance fees:*

Entrance fees are fees charged to users of the Council's local facilities and events-. Revenue from entrance fees is recognised upon entry to such facilities, or when the event is held.

*Landfill fees:*

Fees for disposing of waste at the Council's landfill are received and recognised as waste is disposed by users.

(vi) Non-exchange and exchange revenue

Non-exchange and Exchange Transactions					
	Council Actual \$ 30 June 2023 \$000	Council Budget \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
<b>Non-exchange</b>					
Dividend revenue	300	250	-	-	-
Donations	7	3	1	7	1
Finance revenue	750	7	115	758	119
Fair value losses on valuation of investments		-	-	-	115
Gain on interest rate swaps	1,036	150	1,525	1,036	1,525
Grants and subsidies	7,859	11,291	16,426	7,984	17,405
Infringements and fines	29	2	10	29	10
Petrol tax	122	126	129	122	129
Rates	18,767	19,227	18,086	18,570	17,906
Recreation contributions	217	43	74	217	74
Subvention receipts	200	220	100	-	-
Unclaimed monies	-	-	89	-	89
Vested Assets	-	-	563	-	563
<b>Total non exchange revenue</b>	<b>29,287</b>	<b>31,320</b>	<b>37,118</b>	<b>28,723</b>	<b>37,938</b>
<b>Exchange</b>					
Fees and charges	2,254	2,037	2,047	2,254	2,141
Property, plant and equipment: gain on disposal	12	-	8	438	626
Regulatory revenue	164	143	152	164	152
Other revenue	875	397	636	24,152	25,350
<b>Total other revenue</b>	<b>3,305</b>	<b>2,576</b>	<b>2,842</b>	<b>27,008</b>	<b>28,270</b>
<b>Total Revenue</b>	<b>32,592</b>	<b>33,896</b>	<b>39,960</b>	<b>55,731</b>	<b>66,208</b>

**NOTE 4: PERSONNEL COSTS**

**Accounting policy**

**Superannuation schemes**

*Defined contribution schemes*

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.

*Defined benefit schemes*

Council belongs to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the board of trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme, the extent to which the surplus/deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

<b>Employee Benefit Expenses</b>					
	Council Actual \$ 30 June 2023 \$000	Council Budget \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
Salaries and wages	5,377	5,903	5,211	16,318	15,343
Employer contributions to superannuation schemes and benefits	167	176	162	625	620
Increase/(decrease) in employee entitlements	6	-	36	50	889
<b>Total employee benefit expenses</b>	<b>5,550</b>	<b>6,079</b>	<b>5,409</b>	<b>16,993</b>	<b>16,852</b>

Employer contributions to superannuation and benefits includes KiwiSaver and the Defined Benefit Plan.

There were no directors' fees paid by Westland Holdings Ltd in this financial year to councillors (2022: Nil).

There were no directors' fees paid by Destination Westland Ltd in this financial year to councillors (2022: Nil).

There were no directors' fees paid by Westroads Ltd in this financial year to councillors (2022: Nil).

Due to the difficulty in determining the full-time equivalent for Councillors, the full-time equivalent is taken as the number of Councillors as at 30 June 2023, which is nine (2022: 8).

Personnel Costs			
		Council Actual \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000
<b>Chief Executive</b>			
Salary		254,662	245,313
Superannuation contribution		7,640	7,359
<b>Total Chief Executive's remuneration</b>		<b>262,302</b>	<b>252,672</b>
<b>Elected representatives received the following remuneration:</b>			
H. Lash	Mayor	74,922	-
A. Cassin	Councillor/ Deputy Mayor	26,936	-
S. Gillett	Councillor	34,261	-
R. Burden	Councillor	20,628	-
D. Baird	Councillor	20,628	-
B. Manera	Councillor	20,788	-
P. Phelps	Councillor	10,030	-
P. Davidson	Councillor	28,369	25,371
J. Neale	Councillor	28,289	25,371
B. Smith	Mayor	32,384	82,769
D. Carruthers	Councillor/ Deputy Mayor	10,786	55,789
L. Martin	Councillor/Committee Chair	13,117	40,320
A. Hart	Councillor	7,695	25,371
I. Hartshorne	Councillor	7,695	25,371
R. Kennedy	Councillor	-	9,271
J. Keogan	Councillor	7,695	25,371
<b>Total elected representatives' remuneration</b>		<b>344,223</b>	<b>315,001</b>
<b>Council employee remuneration by band</b>			
		<b>2023</b>	<b>2022</b>
Annual remuneration by band for employees as at 30 June:			
< \$60,000		15	17
\$60,000 - \$79,999		20	18
\$80,000 - \$99,999		17	14
\$100,000 - \$119,999		7	8
\$120,000 - \$189,999		7	6
\$190,000 - \$259,999		1	1
<b>Total employees</b>		<b>67</b>	<b>64</b>
<b>Council employee staffing levels</b>			
		<b>2023</b>	<b>2022</b>
Number of Full-time Staff		52.00	50.00
Number of Part-time FTE's		11.19	9.34
<b>Total FTE's</b>		<b>63.19</b>	<b>59.34</b>

Total remuneration includes any non-financial benefits provided to employees.

A full-time employee is determined on the basis of a 40-hour working week.

#### Severance Payments

There have been no severance payments in either the 2022-2023 or the 2021-2022 financial years

## NOTE 5: FINANCE COSTS

### Accounting policy

Borrowing costs are recognised as an expense in the period in which they are incurred.

Finance Costs					
	Council Actual \$ 30 June 2023 \$000	Council Budget \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
Interest on other	108	-	18	108	18
Interest on secured loans	1,274	704	449	1,686	792
Interest rate swaps	13	283	173	13	173
Total finance costs	1,395	986	640	1,807	983

## NOTE 6: OTHER EXPENSES

Other Expenses					
	Council Actual \$ 30 June 2023 \$000	Council Budget \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
Fees to Ernst & Young					
Audit fees for financial statement	173	161	156	344	285
Audit fees for other services	4	-	21	4	21
Fees to Audit New Zealand					
Audit fees for long term plan	-	-	-	-	27
Total fees to principal auditors	177	161	177	348	333
Other operating expenses (excl. Audit fees to principal auditors)					
Consultants and legal fees	808	483	519	808	519
Contractors	2,116	1,381	1,382	2,116	1,382
Donations and grants	947	1,104	1,064	947	1,069
Fair value (gains)/losses on valuation of assets	-	-	323	-	323
Fair value (gains)/losses on valuation of investments	9	-	-	29	-
Impairment of receivables	17	-	3	20	3
Insurance premiums	532	437	470	624	470
Loss on held for trading interest rate swaps	814	-	108	814	108
Leases	71	59	45	71	290
Loss on investment	-	-	-	-	55
Property, plant and equipment: loss on disposal	2,887	-	1,671	2,940	1,845
Repairs and maintenance	6,190	5,166	5,050	6,190	5,050
Other operating expenses	5,898	5,080	5,460	14,182	15,168
Total other operating expenses (excl Fees to principal auditor)	20,290	13,710	16,094	28,743	26,281
Total other operating Expenses	20,467	13,871	16,270	29,091	26,614

Material variances are explained in Note 24.



## **Accounting policy**

### *Grant expenditure*

The Council's grants awarded have no substantive conditions attached.

Discretionary grants are those grants where the Council has no obligation to award on the grant application and are recognised as expenditure when approved by the Council and the approval has been communicated to the applicant.

## **NOTE 7: INCOME TAX**

### **Accounting policy**

Income tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax. Current tax is the amount of revenue tax payable based on the taxable profit for the current year, plus any adjustments to revenue tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantively enacted by balance date. Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit. Deferred tax is measured at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, using tax rates that have been enacted or substantively enacted by balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities. Current tax and deferred tax is recognised against the surplus or deficit, except when it relates to a PBE combination, or to transactions recognised in other comprehensive revenue and expense or directly in equity.

Income Tax				
	Council Actual	Council Actual	Group Actual	Group Actual
	2023	2022	2023	2022
	\$0	\$0	\$0	\$0
<b>Components of tax expense</b>				
Current tax expense	-	-	595	(164)
Adjustments to current tax in prior years	-	-	-	-
Deferred tax expense	(39)	(10)	(196)	82
<b>Tax expense</b>	<b>(39)</b>	<b>(10)</b>	<b>400</b>	<b>(82)</b>
<b>Relationship between tax expense and accounting profit</b>				
<b>Net surplus before tax</b>	<b>(3,574)</b>	<b>9,595</b>	<b>(4,264)</b>	<b>11,211</b>
<b>Tax at 28%</b>	<b>(1,001)</b>	<b>2,687</b>	<b>-1194</b>	<b>3139</b>
Plus (less) tax effect of:				
Permanent differences	906	(2,725)	1,594	(3,221)
Tax loss not previously recognised	-	-	-	-
Tax loss not recognised	-	-	-	-
Prior year adjustment	-	-	-	-
Group loss offset [subvention payments]	56	28	-	-
Deferred tax adjustment	-	-	-	-
<b>Tax expense</b>	<b>(39)</b>	<b>(10)</b>	<b>400</b>	<b>(82)</b>
<b>Deferred tax asset (liability) Council</b>				
	Property, plant and equipment	Other provisions	Tax losses	Total
Balance at 30 June 2021	(8)	-	45	37
Charged to surplus or deficit	(1)	-	11	10
Charged to other comprehensive income	91	-	-	91
<b>Balance at 30 June 2022</b>	<b>81</b>	<b>-</b>	<b>57</b>	<b>137</b>
Charged to surplus or deficit	(15)	-	54	39
Charged to other comprehensive income	-	-	-	-
<b>Balance at 30 June 2023</b>	<b>66</b>	<b>-</b>	<b>110</b>	<b>176</b>
<b>Deferred tax asset (liability) Group</b>				
	Property, plant and equipment	Other provisions	Tax losses	Total
Balance at 30 June 2021	(408)	90	86	(232)
Charged to surplus or deficit	16	(77)	(21)	(82)
Charged to other comprehensive income	91	-	-	91
<b>Balance at 30 June 2022</b>	<b>(302)</b>	<b>14</b>	<b>66</b>	<b>(223)</b>
Charged to surplus or deficit	332	(6)	74	400
Charged to other comprehensive income	(2,578)	-	-	(2,578)
<b>Balance at 30 June 2023</b>	<b>(2,548)</b>	<b>8</b>	<b>139</b>	<b>(2,402)</b>

Council has tax losses of \$392,806 (2022: \$202,050) available to carry forward into the 2024 income year.

## NOTE 8: CASH AND CASH EQUIVALENTS

### Accounting policy

Cash and cash equivalents includes cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position.

Cash and Cash Equivalents					
	Council Actual \$ 30 June 2023 \$000	Council Budget \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
Cash at bank and in hand	2,353	436	4,389	4,035	5,304
Term deposits with maturities less than three months at acquisition	6,025	2,000	5,000	6,025	5,000
Total cash and cash equivalents	8,378	2,436	9,389	10,060	10,304
Bank overdrafts	-	-	-	(5)	(3)
Total cash and cash equivalents for the purpose of the statement of cash flows	8,378	2,436	9,389	10,055	10,301

The carrying value of cash at bank and short-term deposits with maturities less than three months approximates their fair value.

## NOTE 9: RECEIVABLES

Receivables					
	Council Actual \$ 30 June 2023 \$000	Council Budget \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
Receivables from non-exchange transactions					
Rates receivable	568	557	1,091	568	1,091
Receivables from subsidiaries and associates		-	2	-	-
Grants receivable	840	121	3,046	840	3,046
Subvention receivable	200	220	100	200	-
Other receivables	497	201	116	497	116
Total receivables from non-exchange transactions	2,104	1,099	4,356	2,104	4,254
Receivables from exchange transactions					
Construction contract receivable	-	-	-	-	-
Other receivables from exchange contracts	681	1,829	581	2,915	4,337
Receivables from subsidiaries and associates	57	-	106	-	-
Total receivables from exchange contracts	738	1,829	686	2,915	4,337
Less provision for impairment of receivables	(33)	(108)	(14)	(53)	(31)
Total receivables	2,809	2,819	5,029	4,965	8,560

Movement in the provision for impairment of receivables are as follows:

	Council Actual \$ 30 June 2023 \$000	Council Budget \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
Opening Balance	14	108	108	31	125
Additional provisions made during this year	19	-	9	18	23
Provisions reversed during the year		-	(100)	-	(100)
Receivables written-off during the period		-	(3)	4	(17)
Closing Balance	33	108	14	53	31

## Accounting policy

### Other receivables

Receivables are recorded at the amount due, less any provision for un-collectability.

A receivable is considered to be uncollectable when there is evidence that the amount due will not be fully collected. The amount that is uncollectable is the difference between the amount due and the present value of the amount expected to be collected.

Receivables are generally short-term and non-interest bearing therefore the carrying value of receivables approximates their fair value.

Due to the short-term nature of receivables, the impact of the expected credit loss is not considered to be material.

### Rates receivable

The Council does not provide for Expected Credit Losses (ECLs) on rates receivable. Council has various powers under the Local Government (Rating) Act 2002 (LG(R)A 2002) to recover any outstanding debts. These powers allow the Council to commence legal proceedings to recover any rates that remain unpaid four months after the due date for payment. If payment has not been made within three months of the Court's judgment, then the Council can apply to the Registrar of the High Court to have the judgment enforced by sale or lease of the rating unit.

Ratepayers can apply for payment plan options in special circumstances. Where such repayment plans are in place, debts are discounted to their present value of future payments if the effect of discounting is material.

LG(R)A 2002 s90D: The Chief Executive did not approve any write-off of rates receivable during the year (2022: \$Nil), under the LG(R)A 2002, Section 90A or Section 90B.

Other Receivables days past due	Current	1-30 days	31-60 days	61-90 days	>90 days	Total
<b>Council 30 June 2023</b>						
Gross receivable amount (\$000)	2,246	91	31	57	100	2,524
Impairment					(33)	(33)
Total	2,246	91	31	57	67	2,491
<b>Group 30 June 2023</b>						
Gross receivable amount (\$000)	5,802	142	47	66	96	6,153
Impairment	(1)	(1)	(1)	(1)	(49)	(53)
Total	5,801	141	46	65	47	6,100
<b>Council 30 June 2022</b>						
Gross receivable amount (\$000)	3,665	872	18	2	81	4,637
Impairment					(14)	(14)
Total	3,665	872	18	2	67	4,623
<b>Group 30 June 2022</b>						
Gross receivable amount (\$000)	6,852	1,201	40	13	80	8,186
Impairment	(1)	(1)	(1)	(1)	(27)	(31)
Total	6,851	1,200	39	12	53	8,155

Receivables in the financial instruments notes may not match the total receivables balances in Note 9 and in the Statement of Financial Position because it excludes rates receivables (other than metered water debtors). Rates receivables are a statutory right, as opposed to a contractual right, therefore it does not meet the definition of a financial. Rates receivables are a statutory right, as opposed to a contractual right, therefore it does not meet the definition of a financial asset under PBE IPSAS 41 Financial Instruments. The reversal of the impairment of rates receivable in prior years, totalling \$86,591, has been recognised directly in accumulated funds.

## NOTE 10: INVENTORIES

### Accounting policy

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down. In the case of metal inventories and work in progress, cost includes an appropriate share of productions overheads based on normal operating capacity. Metal inventory cost is calculated on a discounted sale value basis, as an approximation of weighted average cost. When land held for development and future resale is transferred from investment property/property, plant, and equipment to assets held for sale, the fair value of the land at the date of the transfer is its deemed cost. Costs directly attributable to the developed land are capitalised to inventory, with the exception of infrastructural asset costs which are capitalised to property, plant, and equipment. Net realisable value is the estimated selling prices in the ordinary course of business, less the estimated costs of completion and selling expenses.

<b>Inventory</b>				
	Council Actual 30 June 2023 \$000	Council Actual 30 June 2022 \$000	Group Actual 30 June 2023 \$000	Group Actual 30 June 2022 \$000
Metal stocks	-	-	908	804
Other supplies	-	-	113	137
Total	-	-	1,021	941
Provision for Obsolescence	-	-	-	-
Total inventory	-	-	1,021	941

Group inventory includes property held for development and sale. Land held long term for subdivision was sold in March 2022 (2021: \$327k).

## NOTE 11: ACCOUNTING FOR DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

### Accounting policy

The Council and group use derivative financial instruments to hedge exposure to interest rate risks arising from financing activities. The Council does not hold or issue derivative financial instruments for trading purposes.

Derivative Financial Instruments				
	Council Actual 30 June 2023 \$000	Council Actual 30 June 2022 \$000	Group Actual 30 June 2023 \$000	Group Actual 30 June 2022 \$000
<b>Current asset portion</b>				
Interest rate swaps - cash flow hedges	53	12	53	12
Total current asset portion	53	12	53	12
<b>Non-current asset portion</b>				
Interest rate swaps - cash flow hedges	1,052	869	1,052	869
Total non-current asset portion	1,052	869	1,052	869
Total derivative financial instrument assets	1,105	880	1,105	880
<b>Current liability portion</b>				
Interest rate swaps - cash flow hedges	-	-	-	-
Total current liability portion	-	-	-	-
<b>Non-current liability portion</b>				
Interest rate swaps - cash flow hedges	-	-	-	-
Total non-current liability portion	-	-	-	-
Total derivative financial instrument liabilities	-	-	-	-

The interest rate swaps have been included at fair value. The basis for valuation are observable inputs (Level 2 - see Note 23 for Fair Value Hierarchy).

Details of the outstanding interest rate swap contracts as at 30 June are shown in the table below:

Start Date	Maturity date	Fixed interest rate	2023	2022
17/09/2019	17/03/2023	2.98%		2,500,000
17/11/2020	18/11/2024	0.67%	4,300,000	2,500,000
1/10/2021	2/10/2023	3.34%	5,000,000	5,000,000
15/06/2022	15/06/2025	2.76%	3,000,000	2,000,000
15/03/2023	15/03/2028	2.30%	3,000,000	3,000,000
2/10/2023	2/10/2028	3.97%	5,000,000	5,000,000
15/12/2023	15/06/2029	2.75%	2,000,000	2,000,000
			22,300,000	22,000,000

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each balance date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The movement in the fair value of the derivative contracts that are not hedge accounted is recognised in the surplus or deficit.

Council has no designated hedging instruments.

## NOTE 12: OTHER FINANCIAL ASSETS

### Accounting policy

The Council and Group classify its financial assets into the following four categories for the purpose of measurement: financial assets at fair value through the surplus or deficit, loans and receivables, and fair value through other comprehensive revenue and expense. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date. Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through the surplus or deficit in which case the transaction costs are recognised therein. Purchases or sales of financial assets are recognised on trade-date, the date on which the Council commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

Other Financial Assets					
	Council Actual \$ 30 June 2023 \$000	Council Budget \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
Current portion					
Loans and receivables:					
LGFA – Floating rate securities	48	-	48	125	48
Term deposits with maturities greater than three months at acquisition	-	-	3,000	-	3,000
Total loans and receivables	48	-	3,048	125	3,048
Total current portion	48	-	3,048	125	3,048
Non-current portion					
Other					
Civic Assurance shares	26	27	28	26	28
Community loan	9	101	14	9	14
LGFA – Floating rate securities	518	696	575	576	575
Total other	553	825	617	611	617
Total non-current portion	13,247	13,519	13,311	611	617
Total other financial assets	13,296	13,519	16,359	736	3,665

## **Impairment of financial assets**

At each balance sheet date, the Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the surplus or deficit.

### *Financial assets at amortised cost*

Impairment is established when there is evidence that the Council and group will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership, or liquidation and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written-off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits, local authority stock, government bonds, and community loans, are recognised directly against the instrument's carrying amount.

### *Financial assets at fair value through other comprehensive revenue and expense*

For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment.

For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered objective indicators that the asset is impaired.

If impairment evidence exists for investments at fair value through other comprehensive revenue and expense, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit. Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit. If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed in the surplus or deficit.

## **NOTE 13: PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment consist of:

### **Operational assets**

These include land, buildings, museum artefacts, Jackson Bay Wharf, library books, plant and equipment, and motor vehicles. Land and buildings, and Jackson Bay Wharf are measured at fair value and are revalued where there is an active market, all other assets are measured at cost less accumulated depreciation and impairment losses.

### **Restricted assets**

Restricted assets are parks and reserves owned by the Council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions. These include land vested under the Reserves Act 1977 and endowments or other property held in trust for specific purposes. Reserve land and buildings are revalued to the extent that there are comparable market prices, but reserve land is difficult to dispose of and any revaluation amount would likely be cancelled out by the cost of sale.

Council will assess the fair value in the years that a revaluation does not take place.



## Infrastructure assets

Infrastructural assets are the fixed utility systems owned by the Council. Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses. Each asset class includes all items that are required for the network to function. Infrastructural assets (except land under roads and landfills) are measured at fair value less accumulated depreciation. All other asset classes are measured at cost less accumulated depreciation and impairment losses.

### Basis of measurement by classification

The following table details the specific measurement for each asset classification.

PROPERTY, PLANT, AND EQUIPMENT			
Basis of measurement			
Land (leased)	Valuation	Land for infrastructure	Cost
Land (leased airport)	Valuation	Buildings	Fair value
Land Operational	Cost	Roading network	Fair value
Buildings	Fair Value	Land under roads	Cost
Furniture & fittings	Amortised cost	Bridges	Fair value
Library books	Amortised cost	Water supply reticulation	Fair value
Museum artefacts	Cost	Water supply treatment	Fair value
Computer equipment	Amortised cost	Drainage/stormwater	Fair value
Office equipment	Amortised cost	Refuse sites (ex Butlers)	Fair value
Motor Vehicles	Amortised cost	Butlers refuse site	Amortised cost
Operational Plant and Equipment	Amortised cost	Sewerage system reticulation	Fair value
Jackson's Bay wharf	At Valuation	Sewerage system treatment	Fair value

### Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Council and Group and the cost of the item can be measured reliably. Work in progress is recognised at cost less impairment and is not depreciated. In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

### Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the assets. Gains and losses on disposals are included in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

### Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably. The costs of day-to-day servicing of property, plant, and equipment are recognised as an operating expense in the surplus or deficit as they are incurred.

### Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land and museum artefacts, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

CATEGORY	DEPRECIATION RATES		DEPRECIABLE LIFE (YEARS)	
	Minimum	Maximum	Minimum	Maximum
<b>Infrastructural</b>				
<b>Buildings</b>	2%	10%	10	50
<b>Land</b>	0%	0%	N/A	N/A
<b>Refuse</b>				
<b>Landfill Sites</b>	1%	33%	3	75
<b>Landfill Provision</b>	1%	1%	70	70
<b>Roading</b>				
<b>Bridges incl. major culverts</b>	1%	3%	35	100
<b>Culverts</b>	1%	2%	50	80
<b>Edge Mark Post</b>	10%	25%	4	10
<b>Footpaths</b>	2%	3%	34	67
<b>Formation</b>	0%	0%	N/A	N/A
<b>Pave Marking</b>	100%	100%	1	1
<b>Railings</b>	4%	31%	3	24
<b>Raised Reflective Pavement Markers</b>	50%	50%	2	2
<b>Roundabouts</b>	3%	3%	31	31
<b>Sealed Surface</b>	12%	20%	5	20
<b>Signs</b>	19%	34%	3	5
<b>Street Poles for lighting</b>	3%	4%	25	40
<b>Streetlights</b>	0%	0%	N/A	N/A
<b>Structure Base Course</b>	1%	2%	41	91
<b>Structure Sub-Base</b>	0%	0%	N/A	N/A
<b>Unseal Structure Wearing Course</b>	20%	33%	3	5
<b>Unsealed Structure</b>	0%	0%	N/A	N/A
<b>Drainage</b>	2%	3%	37	67
<b>Sewerage</b>				
<b>Line</b>	1%	2%	50	100
<b>Plant</b>	1%	10%	10	88
<b>Point</b>	1%	5%	20	80
<b>Storm water</b>				
<b>Earth</b>	0%	0%	N/A	N/A
<b>Line</b>	1%	2%	50	100
<b>Plant</b>	1%	5%	20	85
<b>Point</b>	1%	2%	50	80
<b>Rock</b>	0%	1%	165	N/A
<b>Water</b>				
<b>Line</b>	1%	5%	20	100
<b>Plant</b>	1%	20%	5	69
<b>Point</b>	1%	10%	10	100

CATEGORY	DEPRECIATION RATES		DEPRECIABLE LIFE (YEARS)	
	Minimum	Maximum	Minimum	Maximum
<b>Operational</b>				
Buildings	2%	20%	5	63
Furniture & Fittings	2%	25%	4	60
Jackson Bay Wharf	2%	2%	50	50
Land	0%	0%	N/A	N/A
Library Collection	13%	13%	8	8
Motor Vehicles	20%	34%	3	5
Museum Artefacts	0%	0%	N/A	N/A
Office and Computer Equipment	1%	25%	4	120
Plant Equipment	10%	20%	5	10
<b>Restricted</b>				
Buildings	1%	14%	7	199
Land	0%	0%	N/A	N/A
Pools	1%	13%	8	80
Recreation Improvement	1%	72%	1	80

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

Depreciation and Amortisation Expense by Group of Activity		
	Council Actual \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000
<b>Directly attributable depreciation and amortisation expense by group of activity</b>		
Facilities and Leisure Services	907	926
Community Services	358	343
Planning and Regulatory Services	61	48
Transportation	4,051	3,802
Water Supply	1,434	1,321
Wastewater	1,060	816
Stormwater	410	364
Solid Waste	236	164
Leadership	236	236
<b>Total depreciation and amortisation expense*</b>	<b>8,754</b>	<b>8,019</b>

\*Total depreciation and amortisation includes depreciation and amortisation on Property, Plant & Equipment; and Intangibles (refer Note 14).

## Revaluation

All valuations are carried out on a three-yearly cycle by independent qualified valuers or in-house peer reviewers, unless there is a significant change in carrying value, in which case they will be revalued as required. All other asset classes are carried at depreciated historical cost.

Land and buildings (operational and restricted), and infrastructural assets (except land under roads and landfills) are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. Land and Buildings were assessed for fair value effective 30 June 2023. The fair value was tested as at 30 June 2023 and no adjustments were made to the carrying values as the difference between the fair values and carrying values were not material.

Transportation, 3 Waters and Reserve Improvement assets were all revalued as at 30 June 2023. Transportation Assets were valued by Beca mainly from Assetfinda and the RAMM system.

Estimated replacement cost is determined at Council's most recent formal valuations as described above.

The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

Revaluations of property, plant, and equipment are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class-of-asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

### *Land and Buildings*

The most recent fair valuation of land and buildings was performed by an independent registered valuer, Coastal Valuations Ltd, this year. The valuation is effective from 30 June 2023.

Land is valued at fair value using market-based evidence based on its highest and best use with reference to comparable land values.

Where there is a designation against the land or the use of the land is restricted because of reserve endowment status, the valuation approach reflects the restriction in use. Such land is valued based on rural land value plus a location adjustment to reflect different zoning, which is based on the valuer's judgement.

Restrictions on the Council's ability to sell land would not normally impair the value of the land because the Council has operational use of the land for the foreseeable future and will substantially receive full benefits of outright ownership.

### *Buildings (operational and restricted)*

Specialised buildings are valued at fair value using depreciated replacement cost because no reliable market data is available for such buildings.

Depreciated replacement cost is determined using a number of significant assumptions, including:

- Replacement costs.
- Remaining useful life, which is estimated after considering such factors as the condition of the asset, future maintenance and replacement plans, and experiences with similar buildings.
- Straight-line depreciation is applied in determining the depreciated replacement cost value of the asset.

Non-specialised buildings (for example, residential and office buildings) are valued at fair value using market-based evidence.

### **Impairment of property, plant & equipment**

Assets that have a finite useful life are carried at cost and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the assets ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

#### *Value in use for non-cash-generating assets*

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

#### *Value in use for cash-generating assets*

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return. The value in use for cash-generating assets is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus or deficit.

For assets not carried at a revalued amount (other than goodwill) the reversal of an impairment loss is recognised in the surplus or deficit.

### **Critical accounting estimates and assumptions**

#### *Infrastructural assets*

There are a number of assumptions and estimates used when performing Depreciated Replacement Cost valuations over infrastructural assets. These include:

- The physical deterioration and condition of an asset, for example Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets which are not visible, for example storm water, wastewater and water supply pipes which are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- Estimating any obsolescence or surplus capacity of an asset; and
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be affected by the local conditions, for example weather patterns and traffic growth.
  - If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or under estimating the annual depreciation charge recognised as an expense in the surplus or deficit. To minimise this risk, Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group and have been adjusted for local conditions based on past experience.
  - Asset inspections, deterioration and condition modelling are also carried out regularly as part of Council's asset management planning activities, which gives Council further assurance over its useful life estimates. Experienced independent valuers perform Council's infrastructural asset revaluations.

PROPERTY, PLANT, AND EQUIPMENT													
	Cost/ valuation 1 July 2022 \$000	depreciation & impairment charges 1 July 2022 \$000	Carrying amount 1 July 2022 \$000	Additions \$000	Disposals \$000	Impairment charges \$000	Depreciation \$000	Disposals depreciation \$000	Reclassification n cost \$000	Revaluation surplus/ (deficit) \$000	Cost/revaluati on 30 June 2023 \$000	depreciation and impairment charges 30 June 2023	Carrying amount 30 June 2023 \$000
COUNCIL 2023													
Operational assets													
Land (leased)	4,323	-	4,323	-	-	-	-	-	-	-	4,323	-	4,323
Land (leased airport)	4,278	-	4,278	-	-	-	-	-	-	-	4,278	-	4,278
Land (operational)	7,402	-	7,402	-	-	-	-	-	(10)	-	7,392	-	7,392
Buildings	6,493	(46)	6,447	213	-	-	(207)	-	-	-	6,706	(253)	6,453
Furniture & fittings	1,950	(1,196)	754	18	-	-	(73)	-	-	-	1,968	(1,270)	698
Library books	706	(437)	268	71	(137)	-	(59)	136	-	-	640	(360)	279
Museum artefacts	165	-	165	-	-	-	-	-	-	-	165	-	165
Computer equipment	852	(648)	204	12	(6)	-	(83)	5	-	-	858	(726)	132
Office equipment	548	(490)	58	11	-	-	(7)	-	-	-	559	(497)	62
Motor Vehicles	466	(406)	61	81	(38)	-	(40)	35	-	-	510	(410)	100
Operational Plant and Equipment	578	(175)	401	196	-	-	(75)	-	-	-	777	(255)	522
Jackson's Bay wharf	900	-	900	-	-	-	(18)	-	-	-	900	(18)	882
Total operational assets	28,660	(3,398)	25,261	603,381	(180,839)	-	(563)	176	(10)	-	29,076	(3,789)	25,287
Infrastructural assets													
Land	2,094	-	2,094	-	-	-	-	-	-	-	2,094	-	2,094
Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-
Roading network	236,427	(16)	236,410	3,148	(2,647)	(109)	(2,923)	443	-	12,432	246,801	(47)	246,755
Land under roads	55,365	-	55,365	-	-	-	-	-	-	-	55,365	-	55,365
Bridges	45,090	(61)	45,028	-	-	-	(388)	-	-	3,829	47,932	(61)	47,871
Water supply reticulation	34,816	(1)	34,815	939	(383)	-	(850)	4	(71)	2,465	36,919	(0)	36,919
Water supply treatment	9,157	(37)	9,120	71	-	-	(585)	-	71	433	9,204	(95)	9,109
Drainage/stormwater	19,134	(31)	19,104	2,805	(111)	-	(551)	1	-	260	21,577	(68)	21,509
Refuse sites (ex Butlers)	2,816	(343)	2,473	51	-	-	(100)	-	-	-	2,868	(443)	2,425
Butlers refuse site	3,357	(229)	3,128	2,095	-	-	(105)	-	-	-	5,452	(334)	5,119
Sewerage system reticulation	16,272	-	16,272	509	(142)	-	(606)	3	(1,436)	613	15,213	-	15,213
Sewerage system treatment	10,120	(45)	10,075	43	-	-	(455)	-	1,436	(227)	10,879	(6)	10,873
Total infrastructural assets	434,649	(763)	433,886	9,661	(3,282)	(109)	(7,161)	451	-	19,805	454,306	(1,054)	453,252
Restricted assets													
Land	1,242	-	1,242	-	-	-	-	-	-	-	1,242	-	1,242
Public buildings	5,884	(20)	5,864	344	-	-	(149)	-	(545)	-	5,683	(169)	5,514
Cemetery buildings	59	(21)	38	69	(24)	-	(4)	16	-	-	102	(6)	97
Cemetery land	1,088	-	1,088	-	-	-	-	-	-	-	1,088	-	1,088
Reserve/recreation land	7,393	-	7,393	-	-	-	-	-	10	-	7,403	-	7,403
Reserve/recreation buildings	4,737	(27)	4,711	569	(42)	-	(238)	3	545	-	5,810	(262)	5,548
Reserve/improvements	11,531	(62)	11,470	705	(15)	-	(528)	8	-	103	11,804	(62)	11,743
Swimming pools	2,302	(43)	2,261	2,304	-	-	(90)	-	-	-	4,606	(133)	4,474
Total restricted assets	34,238	(172)	34,066	3,991	(81)	-	(1,008)	27	10	103	37,739	(631)	37,108
Total Council	497,547	(4,334)	493,213	14,255	(3,543)	(109)	(8,732)	654	-	19,908	521,121	(5,474)	515,647

PROPERTY, PLANT, AND EQUIPMENT													
	Cost/ valuation 1 July 2021 \$000	depreciation & impairment charges 1 July 2021 \$000	Carrying amount 1 July 2021 \$000	Additions \$000	Disposals \$000	Impairment charges \$000	Depreciation \$000	Disposals depreciation \$000	Reclassification n cost \$000	Revaluation surplus/ (deficit) \$000	Cost/revaluati on 30 June 2022 \$000	depreciation and impairment charges 30 June 2022	Carrying amount 30 June 2022 \$000
COUNCIL 2022													
Operational assets													
Land (leased)	4,323	-	4,323	-	-	-	-	-	-	-	4,323	-	4,323
Land (leased airport)	4,278	-	4,278	-	-	-	-	-	-	-	4,278	-	4,278
Land (operational)	8,370	-	8,370	-	(1,463)	-	-	-	475	20	7,402	-	7,402
Buildings	8,773	(46)	8,727	287	(2,716)	-	(215)	4	(32)	391	6,493	(46)	6,447
Furniture & fittings	1,944	(1,137)	807	12	(6)	-	(66)	6	-	-	1,950	(1,196)	754
Library books	717	(442)	274	51	(62)	-	(56)	62	-	-	706	(437)	268
Museum artefacts	165	-	165	-	-	-	-	-	-	-	165	-	165
Computer equipment	772	(548)	224	80	-	-	(100)	-	-	-	852	(648)	204
Office equipment	556	(484)	73	-	(8)	-	(7)	1	-	-	548	(490)	58
Motor Vehicles	462	(360)	102	5	-	-	(46)	-	-	-	466	(406)	61
Operational Plant and Equipment	433	(127)	306	145	-	-	(50)	-	-	-	579	(177)	401
Jackson's Bay wharf	70	-	70	1,169	-	-	(16)	-	-	(323)	900	-	900
Total operational assets	30,863	(3,145)	27,720	1,748	(4,255)	-	(555)	73	443	88	28,661	(3,400)	25,261
Infrastructural assets													
Land	1,994	-	1,994	-	-	-	-	-	-	100	2,094	-	2,094
Buildings	1,112	(165)	947	-	-	-	-	-	(947)	-	-	-	-
Roading network	184,699	(4,807)	179,896	6,759	(358)	-	(2,768)	32	-	52,850	236,427	(16)	236,410
Land under roads	55,365	-	55,365	-	-	-	-	-	-	-	55,365	-	55,365
Bridges	42,070	(1,844)	40,226	46	(151)	(53)	(920)	7	-	5,873	45,090	(61)	45,029
Water supply reticulation	21,277	(881)	20,396	2,307	(2,651)	-	(476)	144	-	15,095	34,816	(1)	34,815
Water supply treatment	12,428	(1,552)	10,876	1,003	(237)	-	(845)	95	14	(1,786)	9,157	(37)	9,120
Drainage/stormwater	16,672	(891)	15,780	644	(209)	-	(478)	14	-	3,352	19,134	(31)	19,104
Refuse sites (ex Butlers)	2,690	(252)	2,437	127	-	-	(91)	-	-	-	2,816	(343)	2,473
Butlers refuse site	2,713	(192)	2,521	644	-	-	(37)	-	-	-	3,357	(229)	3,128
Sewerage system reticulation	10,577	(696)	9,882	1,302	(439)	-	(380)	42	-	5,756	16,272	-	16,272
Sewerage system treatment	9,399	(552)	8,847	1,656	(1,921)	-	(437)	104	490	1,444	10,120	(45)	10,075
Total infrastructural assets	360,997	(11,833)	349,167	14,488	(5,966)	(53)	(6,431)	439	(443)	82,684	434,649	(763)	433,886
Restricted assets													
Land	1,242	-	1,242	-	-	-	-	-	-	-	1,242	-	1,242
Public buildings	5,155	(15)	5,141	11	-	-	(148)	-	-	861	5,884	(20)	5,864
Cemetery buildings	59	(18)	41	-	-	-	(5)	-	-	2	59	(21)	38
Cemetery land	1,088	-	1,088	-	-	-	-	-	-	-	1,088	-	1,088
Reserve/recreation land	7,348	-	7,348	-	-	-	-	-	-	45	7,393	-	7,393
Reserve/recreation buildings	4,551	(17)	4,533	247	(5)	-	(203)	1	2	136	4,737	(27)	4,711
Reserve/improvements	11,901	(1,071)	10,830	870	(44)	-	(556)	14	(2)	356	11,531	(62)	11,470
Swimming pools	2,394	(135)	2,260	-	-	-	(98)	-	-	99	2,302	(43)	2,260
Total restricted assets	33,738	(1,256)	32,482	1,128	(49)	-	(1,009)	16	-	1,499	34,238	(172)	34,066
Total Council	425,599	(16,234)	409,369	17,364	(10,270)	(53)	(7,996)	527	-	84,271	497,548	(4,335)	493,213

**PROPERTY, PLANT, AND EQUIPMENT**

	Cost/ valuation 1 July 2022 \$000	Accumulated depreciation & impairment charges 1 July 2022 \$000	Carrying amount 1 July 2022 \$000	Additions \$000	Disposals \$000	Impairment charges \$000	Depreciation \$000	Disposals depreciation \$000	Reclassification n cost \$000	Revaluation surplus/ (deficit) \$000	Cost/revaluati on 30 June 2023 \$000	Accumulated depreciation and impairment charges 30 June 2023 \$000	Carrying amount 30 June 2023 \$000
<b>GROUP 2023</b>													
<b>Operational assets</b>													
Land (leased)	4,323	-	4,323	-	-	-	-	-	-	-	4,323	-	4,323
Land (leased airport)	4,278	-	4,278	-	-	-	-	-	-	-	4,278	-	4,278
Hokitika Airport (Runway)	2,509	(679)	1,830	-	-	-	(34)	-	-	3,805	6,314	(713)	5,601
Land (operational)	7,402	-	7,402	-	-	-	-	-	(10)	-	7,392	-	7,392
Land & Buildings Other	11,562	(1,625)	9,937	20	(57)	-	(256)	23	-	4,950	16,475	(1,858)	14,617
Buildings	6,491	(46)	6,446	212	-	-	(207)	-	-	-	6,704	(253)	6,451
Furniture & fittings	1,950	(1,196)	754	18	-	-	(73)	-	-	-	1,968	(1,270)	698
Library books	706	(437)	268	71	(137)	-	(59)	136	-	-	640	(360)	279
Museum artefacts	165	-	165	-	-	-	-	-	-	-	165	-	165
Computer equipment	852	(648)	204	12	(6)	-	(83)	5	-	-	858	(726)	132
Office equipment	1,225	(1,086)	139	91	(7)	-	(94)	-	-	-	1,309	(1,180)	130
Motor Vehicles	466	(406)	61	81	(38)	-	(40)	35	-	-	510	(410)	100
Operational Plant and Equipment	26,531	(15,462)	11,069	2,906	(1,779)	-	(2,343)	1,305	-	-	27,660	(16,502)	11,158
Jackson's Bay wharf	900	-	900	-	-	-	(18)	-	-	-	900	(18)	882
Total operational assets	69,360	(21,585)	47,777	3,411,925	(2,024)	-	(3,208)	1,504	(10)	8,755	79,496	(23,290)	56,206
<b>Infrastructural assets</b>													
Land	2,094	-	2,094	-	-	-	-	-	-	-	2,094	-	2,094
Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-
Roading network	236,427	(16)	236,410	2,629	(2,647)	(109)	(2,923)	443	-	12,880	246,729	(47)	246,682
Land under roads	55,365	-	55,365	-	-	-	-	-	-	-	55,365	-	55,365
Bridges	45,088	(61)	45,027	-	-	-	(988)	-	-	3,832	47,932	(61)	47,871
Water supply reticulation	34,815	(1)	34,814	875	(383)	-	(850)	4	(70)	2,529	36,919	(0)	36,919
Water supply treatment	9,145	(37)	9,108	67	-	-	(585)	-	70	437	9,193	(95)	9,098
Drainage/stormwater	19,133	(31)	19,103	2,782	(111)	-	(551)	1	-	281	21,574	(68)	21,506
Refuse sites (ex Butlers)	2,816	(343)	2,473	51	-	-	(100)	-	-	-	2,868	(443)	2,425
Butlers refuse site	3,357	(229)	3,128	2,080	-	-	(105)	-	-	-	5,437	(334)	5,104
Sewerage system reticulation	16,272	-	16,272	509	(141)	-	(606)	3	(1,436)	613	15,213	-	15,213
Sewerage system treatment	10,116	(45)	10,072	41	-	-	(455)	-	1,436	(224)	10,876	(6)	10,870
Total infrastructural assets	434,630	(763)	433,867	9,034	(3,282)	(109)	(7,160)	451	-	20,347	454,201	(1,054)	453,147
<b>Restricted assets</b>													
Land	1,242	-	1,242	-	-	-	-	-	-	-	1,242	-	1,242
Public buildings	5,884	(20)	5,864	344	-	-	(149)	-	(545)	-	5,532	(18)	5,514
Cemetery buildings	59	(21)	38	69	(24)	-	(4)	16	-	-	98	(1)	97
Cemetery land	1,088	-	1,088	-	-	-	-	-	-	-	1,088	-	1,088
Reserve/recreation land	7,393	-	7,393	-	-	-	-	-	10	-	7,403	-	7,403
Reserve/recreation buildings	4,737	(27)	4,711	569	(42)	-	(238)	3	545	-	5,564	(17)	5,548
Reserve/improvements	11,531	(62)	11,470	649	(15)	-	(528)	8	-	158	11,795	(52)	11,743
Swimming pools	2,302	(43)	2,260	2,304	-	-	(90)	-	-	-	4,517	(43)	4,474
Total restricted assets	34,238	(172)	34,065	3,935	(81)	-	(1,008)	27	10	158	37,240	(132)	37,108
<b>Total Group</b>	<b>538,228</b>	<b>(22,520)</b>	<b>515,708</b>	<b>16,381</b>	<b>(5,386)</b>	<b>(109)</b>	<b>(11,376)</b>	<b>1,982</b>	<b>-</b>	<b>29,260</b>	<b>570,936</b>	<b>(24,476)</b>	<b>546,461</b>



Property, Plant, and Equipment*														
	Cost/ valuation 1 July 2021 \$000	Accumulated depreciation & impairment charges 1 July 2021 \$000	Carrying amount 1 July 2021 \$000	Additions \$000	Disposals \$000	Impairment charges \$000	Depreciation \$000	Disposals depreciation \$000	Reclassification n cost \$000	Revaluation surplus/ (deficit) \$000	Cost/revaluati on 30 June 2022 \$000	depreciation and impairment charges 30 June 2022 \$000	Carrying amount 30 June 2022 \$000	
GROUP 2022														
Operational assets														
Land (leased)	4,323	-	4,323	-	-	-	-	-	-	-	4,323	-	4,323	
Land (leased airport)	4,278	-	4,278	-	-	-	-	-	-	-	4,278	-	4,278	
Hokitika Airport Improvements	2,509	(639)	1,870	-	-	-	(40)	-	-	-	2,509	(40)	1,830	
Land (operational)	8,370	-	8,370	-	(1,463)	-	-	-	475	20	10,328	-	7,402	
Land & Buildings Other	5,958	(1,463)	4,495	5,722	(118)	-	(204)	42	-	-	11,798	(162)	9,937	
Buildings	8,773	(46)	8,727	286	(2,716)	-	(215)	4	(32)	391	12,133	(211)	6,446	
Furniture & fittings	1,944	(1,137)	807	12	(6)	-	(66)	6	-	-	1,963	(59)	754	
Library books	717	(442)	274	51	(62)	-	(56)	62	-	-	829	5	268	
Museum artefacts	165	-	165	-	-	-	-	-	-	-	165	-	165	
Computer equipment	772	(548)	224	80	-	-	(100)	-	-	-	852	(100)	204	
Office equipment	1,269	(1,057)	212	13	57	-	78	50	-	-	1,340	(28)	139	
Motor Vehicles	462	(360)	102	5	-	-	(46)	-	-	-	466	(46)	61	
Operational Plant and Equipment	27,408	(14,942)	12,466	1,340	(2,217)	-	(2,262)	1,742	-	-	30,965	(520)	11,069	
Jackson's Bay wharf	70	-	70	1,169	-	-	(16)	-	-	(323)	916	(16)	900	
Total operational assets	67,018	(20,635)	46,384	8,676	(6,639)	-	(3,082)	1,906	443	88	82,865	(1,176)	47,776	
Infrastructural assets														
Land	1,994	-	1,994	-	-	-	-	-	-	100	2,094	-	2,094	
Buildings	1,112	(165)	947	-	-	-	-	-	(947)	-	165	-	-	
Roading network	184,578	(4,807)	179,774	6,470	(358)	-	(2,768)	32	91	53,168	244,666	(2,735)	236,410	
Land under roads	55,365	-	55,365	-	-	-	-	-	-	-	55,365	-	55,365	
Bridges	42,070	(1,844)	40,227	43	(151)	(53)	(920)	7	-	5,873	48,138	(912)	45,027	
Water supply reticulation	21,277	(881)	20,396	2,248	(2,651)	-	(476)	144	(6)	15,159	41,329	(332)	34,814	
Water supply treatment	12,428	(1,552)	10,876	990	(237)	-	(845)	95	8	(1,778)	11,884	(750)	9,108	
Drainage/stormwater	16,672	(891)	15,780	643	(209)	-	(478)	14	(1)	3,353	20,875	(464)	19,103	
Refuse sites (ex Butlers)	2,690	(252)	2,437	127	-	-	(91)	-	(0)	-	2,816	(91)	2,473	
Butlers refuse site	2,713	(192)	2,521	644	-	-	(37)	-	-	-	3,357	(37)	3,128	
Sewerage system reticulation	10,577	(696)	9,882	1,295	(439)	-	(379)	42	(23)	5,787	18,075	(337)	16,272	
Sewerage system treatment	9,399	(552)	8,847	1,646	(1,921)	-	(437)	104	476	1,464	14,907	(333)	10,072	
Total infrastructural assets	360,876	(11,833)	349,047	14,106	(5,966)	(53)	(6,431)	439	(401)	83,127	463,673	(5,992)	433,867	
Restricted assets														
Land	1,242	-	1,242	-	-	-	-	-	-	-	1,242	-	1,242	
Public buildings	5,155	(15)	5,141	11	-	-	(148)	-	(1)	861	5,884	(20)	5,864	
Cemetery buildings	59	(18)	41	-	-	-	(5)	-	-	2	59	(21)	38	
Cemetery land	1,088	-	1,088	-	-	-	-	-	-	-	1,088	-	1,088	
Reserve/recreation land	7,348	-	7,348	-	-	-	-	-	-	45	7,393	-	7,393	
Reserve/recreation buildings	4,551	(17)	4,533	247	(5)	-	(203)	1	2	136	4,737	(27)	4,711	
Reserve/improvements	11,901	(1,071)	10,830	868	(44)	-	(556)	14	(43)	399	11,531	(62)	11,469	
Swimming pools	2,394	(135)	2,260	-	-	-	(98)	-	-	99	2,302	(43)	2,260	
Total restricted assets	33,738	(1,256)	32,482	1,125	(49)	-	(1,009)	16	(42)	1,542	34,237	(172)	34,065	
Total Group	461,632	(33,724)	427,912	23,908	(12,654)	(53)	(10,522)	2,360	-	84,757	580,775	(7,340)	515,708	

Included within the Council infrastructure assets above are the following core Council assets:

	Closing book value \$000	Additions constructed by Council \$000	Additions transferred to Council \$000	Most recent replacement estimate for revalued assets \$000
<b>COUNCIL 2023</b>				
<b>Water Supply</b>				
- reticulation and other	36,919	939	-	35,126
- treatment plants and facilities	9,109	71	-	23,885
	<b>46,029</b>	<b>1,010</b>	<b>-</b>	<b>59,011</b>
<b>Sewerage</b>				
- other assets (such as reticulation systems)	15,213	509	-	25,739.69
- treatment plants and facilities	15,213	43	-	13,410.07
	<b>30,426</b>	<b>552</b>	<b>-</b>	<b>39,150</b>
<b>Stormwater drainage</b>	<b>21,509</b>	<b>2,805</b>	<b>-</b>	<b>37,655</b>
<b>Roads and Footpaths</b>	<b>294,625</b>	<b>3,148</b>	<b>-</b>	<b>333,986</b>
	<b>392,589</b>	<b>7,515</b>	<b>-</b>	<b>469,802</b>
<b>COUNCIL 2022</b>				
<b>Water Supply</b>				
- reticulation and other	34,815	2,221	86	34,187
- treatment plants and facilities	9,120	1,003	-	23,814
	<b>43,934</b>	<b>3,224</b>	<b>86</b>	<b>58,001</b>
<b>Sewerage</b>				
- other assets (such as reticulation systems)	16,272	1,302	-	25,231
- treatment plants and facilities	10,075	1,656	-	13,367
	<b>26,347</b>	<b>2,958</b>	<b>-</b>	<b>38,598</b>
<b>Stormwater drainage</b>	<b>19,104</b>	<b>644</b>	<b>-</b>	<b>34,850</b>
<b>Roads and Footpaths</b>	<b>281,439</b>	<b>6,804</b>	<b>-</b>	<b>330,838</b>
	<b>370,825</b>	<b>13,631</b>	<b>86</b>	<b>462,287</b>

Assets are recorded at their most recent estimate of depreciated replacement cost. All valuations are carried out on a cyclical basis. A full valuation of the Infrastructure assets at 30 June 2023 was conducted by WDC staff and Beca. Valuations were undertaken of land and buildings 30 June 2021.

#### **Additional Disclosure: Local Government Amendment (No3) Act, Clause 31A - Insurance of assets:**

The total value of assets covered by commercial insurance contracts was \$69,250,336, with \$59,403,504 insured at replacement value and \$9,846,832 at indemnity value, and \$30,000 stock. There is an excess of \$10,000 for all claims except residential dwellings (\$5,000) or weather perils (\$25,000) for any single event.

Westland District Council participates in the South Island Insurance Collective, which provides cover to \$300 million (including \$60 million from central government). This means that all of Council underground infrastructural assets (\$94.3 million) are fully covered at replacement cost. Council's excess is \$250,000. With a total asset base of \$521,733,000 as at 30 June 2023, the above arrangements leave \$427,465,000 self-insured by Council.

Of this \$329,986,000 relate to land and roads. Roads are covered by subsidies that are available from NZTA and the government. This leaves an exposure of \$97,479,000. As at 30 June 2023 asset renewal funds total \$10,407,000 (2022: \$12,059,000).

## Assets under construction

Assets Under Construction				
	Council Actual 30 June 2023 \$000	Council Actual 30 June 2022 \$000	Group Actual 30 June 2023 \$000	Group Actual 30 June 2022 \$000
Capital projects				
Buildings	229	99	229	99
Water	2,201	1,143	2,148	1,141
Waste water	712	1,393	702	1,387
West Coast Wilderness Trail	244	211	243	210
Stormwater	131	584	130	580
Museum Development	2,797	2,342	2,797	2,342
Hokitika Waterfront Development	221	2	221	2
Solid Waste	1,533	3,217	1,517	3,191
Cass Square new facilities	483	415	483	414
Town Halls major repairs work	-	377	-	377
Swimming Pool - Hokitika	1	1,444	1	1,444
Westland Racing Club development	400	62	400	62
Civil Defence	218	-	218	-
Other	401	386	2,189	538
Balance as on 30 June	9,571	11,675	11,278	11,788

Storm water mains replacements in Hokitika (\$67.7k) and the Sewell St pump upgrade (\$63.5k) make up the Storm water assets under construction.

Wastewater works in progress mainly relate to Hokitika treatment plant works (\$610.5k); and pump upgrades.

The key water Service assets under constructions include: Arahura treatment plant upgrade (\$883.8k), monitoring equipment at all treatment plants (\$319.2k), water treatment plant chlorination (\$202k), the Fox Glacier plant upgrade (\$680.7k), Kumara mains replacement (\$46.3k).

The Museum Development is the work being undertaken to earthquake strengthen the Carnegie building which is almost complete.

Assets under construction relating to Solid Waste include \$1,446.8k for the new cell development at Butlers, with the balance relating to landfill capping at Butlers and Haast (\$62.8k), and works on the Refuse sheds at Hokitika transfer station plus minor equipment (\$24.2k)

The West Coast Wilderness Trail assets under construction include Kaniere water bridges (\$108.9k), Lake Kaniere works (\$59.3k) Mahinapua viewing platform and boardwalks (\$22.2k), Minor infrastructure and safety works (\$29.6k), and Totara bridge and Larrikins Road works (\$24k).

Cass Square new facilities assets under constructions mainly relates to the new toilets.

Civil Defence projects underway include the better off funded projects, such as satellite phones and emergency hubs (\$162.3k), other emergency communications equipment (\$26.7k) and preliminary works on an emergency operations centre (\$28.9k).

## Capital commitments

Capital commitments represent capital expenditure contracted at balance date but not yet incurred.

There are capital commitments for the Council of \$2,055,657 (2022: \$1,474,787) and Group of \$2,055,504 as at 30 June 2023 (2022: \$3,192,180).

Capital commitments				
	Council Actual \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
Capital commitments approved and contracted transfers from general funds	2,056	1,475	2,056	3,192
<b>Total capital commitments</b>	<b>2,056</b>	<b>1,475</b>	<b>2,056</b>	<b>3,192</b>

## NOTE 13A: INVESTMENT PROPERTY

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs. After initial recognition, all investment property is measured at fair value at each reporting date. Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

Investment Property				
	Council Actual 30 June 2023 \$000	Council Actual 30 June 2022 \$000	Group Actual 30 June 2023 \$000	Group Actual 30 June 2022 \$000
Balance at 1 July	-	-	1,125	1,010
Disposals	-	-	-	-
Gain/(loss) on disposal	-	-	-	-
Fair value gains/(losses) on valuation	-	-	(20)	115
<b>Balance at 30 June</b>	<b>-</b>	<b>-</b>	<b>1,105</b>	<b>1,125</b>

Investment properties are valued annually effective at 30 June to fair value by David Shaw (MNZIV, MP, NZ Registered Valuer) from Quotable Value. Quotable Value is an experienced valuer with extensive market knowledge in the types and location of property owned by the Group. The valuer has valued these properties using the most recent sales available as market evidence and their knowledge of the locality.

## NOTE 14: INTANGIBLE ASSETS

### Accounting policy

#### Software

Most software licences are services and are expensed rather than capitalised. However, software licences and similar assets which are acquired by the Council and have finite useful lives, are capitalised and are measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised in the surplus or deficit on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The useful lives and associated amortisation rates of the assets class are estimated as follows:

Category	Depreciation rates		Depreciable life (years)	
	Minimum	Maximum	Minimum	Maximum
<b>OPERATIONAL</b>				
Computer Software	10%	25%	4	10

#### *Carbon credits*

Council considers there is no impairment of carbon credits held as they are expected to be fully utilised in satisfying carbon obligations from its landfill operations.

Carbon units have been assessed as having an indefinite useful life because they have no expiry date and will continue to have economic benefit as long as the Emissions Trading Scheme is in place.

#### *Goodwill*

Goodwill on the acquisition of businesses and subsidiaries is included in Intangible assets.

Council considers that there is no impairment of carbon credits held as they are expected to be fully utilised in satisfying carbon obligation from its landfill operations. Carbon credits have been assessed as having an indefinite useful life because they have no expiry date and will continue to have economic benefit as long as the Emissions Trading Scheme is in place.

Purchased Goodwill arose from the acquisition of Trenching Dynamics (part of Westroads), which is a subsidiary of Westland Holdings Limited. This was then an impairment loss in the 2018-2020 financial year.

#### **Impairment of intangible assets**

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.

Intangible Assets					
	Carbon Credits \$000	Computer Software \$000	Council Total \$000	Goodwill \$000	Group \$000 Total
Cost					
Balance at 1 July 2022	72	222	295	151	445
Additions	161	50	212	-	212
Disposals	(173)	-	(173)	-	(173)
Balance at 30 June 2023	60	273	333	151	484
Balance at 1 July 2021	40	233	273	151	424
Additions	269	62	331	-	331
Disposals	(236)	(73)	(309)	-	(309)
Balance at 30 June 2022	72	222	295	151	445
Accumulated amortisation and impairment					
Balance at 1 July 2022	-	159	159	151	310
Amortisation charges	-	23	23	-	23
Impairment loss	-	-	-	-	-
Disposals	-	-	-	-	-
Balance at 30 June 2023	-	182	182	151	333
Balance at 1 July 2021	-	208	208	151	359
Amortisation charges	-	24	24	-	24
Impairment loss	-	-	0	-	0
Disposals	-	(73)	(73)	-	(73)
Balance at 30 June 2022	-	159	159	151	310
Carrying amounts					
Balance at 1 July 2022	72	64	136	-	136
Movement in intangible assets during year	(12)	27	15	-	15
Balance at 30 June 2023	60	91	151	-	151

## NOTE 15: PAYABLES

### Accounting policy

Trade and other payables are recorded at face value.

Payables					
	Council Actual \$ 30 June 2023 \$000	Council Budget \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
Trade payables	1,505	1,500	-	4,201	2,441
Amounts due to related parties	997	-	790	981	-
Accrued expenses	885	684	1,616	(97)	1,616
Other payables	614	412	349	614	349
<b>Total payables</b>	<b>4,001</b>	<b>2,596</b>	<b>2,755</b>	<b>5,699</b>	<b>4,405</b>

Payables are generally non-interest bearing and are normally settled on the 20th of the following month. Therefore, the carrying value of payables approximates their fair value.

## NOTE 16: PROVISIONS

### Accounting policy

The Council recognises a provision for future expenditure of uncertain amount or timing when:

- there is a present obligation (either legal or constructive) as a result of a past event,
- it is probable that expenditures will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

Provisions are not recognised for future operating losses. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

### Critical accounting estimates and assumptions

#### *Landfill aftercare provision*

The estimate of the provision for landfill post-closure is based on assumptions, which may be influenced by changes in technology and society's expectations and could affect future results.

The Council has responsibility under its resource consent to provide on-going maintenance and monitoring of the landfill after the site is closed. The responsibilities include fencing, drainage, signage, planting, coverage and monitoring the site for a set number of years after closure. The cash outflows for landfill post-closure are expected to occur in one to thirty-three years' time. The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred.

Provisions				
	Council Actual \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
<b>Non-current</b>				
Landfill closure and monitoring	3,335	2,821	3,335	2,821
<b>Total provisions</b>	<b>3,335</b>	<b>2,821</b>	<b>3,335</b>	<b>2,821</b>

The provision has been estimated taking into account existing technology and using discount rates of between 3.85% and 4.37% (2022: 3.72% and 3.96%) based on Treasury Risk-free discount rates, and inflation rates using Treasury CPI forecasts. As at 30 June 2023 this was 3.36% (2022: 3.87%). The gross provision before discounting is \$2,577,324 (2022: \$2,058,105).

#### *Reconciliation of movement in landfill provision*

<b>Reconciliation of movement in landfill provision</b>		
	<b>Actual 2023</b>	<b>Actual 2022</b>
<b>Council and Group</b>	<b>\$000</b>	<b>\$000</b>
<b>Opening Balance</b>	<b>2,821</b>	<b>1,846</b>
<b>Additional provisions made during this year</b>	<b>503</b>	<b>1,028</b>
<b>Amount Used</b>	<b>(98)</b>	<b>(71)</b>
<b>provisions reversed during the year</b>	<b>-</b>	<b>-</b>
<b>Discount unwind</b>	<b>108</b>	<b>18</b>
<b>Closing Balance</b>	<b>3,335</b>	<b>2,821</b>

## **NOTE 17: EMPLOYEE BENEFITS**

### **Accounting policy**

#### *Short-term benefits*

Employee benefits that the Council expects to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date and sick leave, retiring and long service leave entitlements expected to be settled within 12 months. A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent it will be used by staff to cover those future absences. The Council recognise a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

#### *Long service leave and retirement leave*

Entitlements that are payable beyond 12 months, after the end of the period in which the employee renders the related service, such as long service leave and retiring leave, are calculated on an actuarial basis. The calculations are based on:

- Likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and
- The present value of the estimated future cash flows.



## Presentation of employee entitlements

Sick leave, annual leave, and vested long service leave entitlements are classified as a current liability. Non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Employment Benefit Liabilities					
	Council Actual \$ 30 June 2023 \$000	Council Budget \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
<b>Employee benefit liabilities current</b>					
Accrued pay	111	-	90	548	552
Annual leave	410	384	399	1,194	1,229
Retirement and long service	-	-	-	15	13
<b>Total employee benefit liabilities current</b>	<b>521</b>	<b>384</b>	<b>489</b>	<b>1,757</b>	<b>1,794</b>
<b>Employee benefit liabilities non-current</b>					
Retirement and long service	30	42	35	164	144
<b>Total employee benefit liabilities non-current</b>	<b>30</b>	<b>42</b>	<b>35</b>	<b>164</b>	<b>144</b>
<b>Total employee benefit liabilities</b>	<b>551</b>	<b>426</b>	<b>524</b>	<b>1,921</b>	<b>1,938</b>

## Critical accounting estimates and assumptions

### Estimating retirement and long service leave obligations

A discount rate of 5.7% (2022: 2.7%), and an inflation factor of 1.8% (2022: 1.8%) were used. The discount rate is based on the weighted average of Government interest rates for stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees. The discount rate is the 90-bank bill rate as at 30 June 2023 and the inflation factor is from BERL forecasts.

## NOTE 18: BORROWINGS

### Accounting policy

Borrowings are initially recognised at their fair value, plus transaction costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date or if the borrowings are expected to be settled within 12 months of balance date.

### Finance leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the commencement of the lease term, the Council and Group recognises finance leases as assets and liabilities in the Statement of Financial Position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

<b>Borrowings</b>				
	Council Actual \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
<b>Current portion</b>				
Bank overdraft:	-	-	5	3
Term debts	3,000	3,000	5,642	5,013
Finance leases	-	-	-	15
<b>Total current portion</b>	<b>3,000</b>	<b>3,000</b>	<b>5,647</b>	<b>5,031</b>
<b>Non-current portion</b>				
<b>Secured loans</b>				
Term debts	23,818	26,818	28,456	29,444
<b>Total non-current portion</b>	<b>23,818</b>	<b>26,818</b>	<b>28,456</b>	<b>29,444</b>
<b>Total borrowings</b>	<b>26,818</b>	<b>29,818</b>	<b>34,103</b>	<b>34,475</b>

The Council's secured debt of \$26,818,352 (2022: \$29,818,352) is issued at variable rates of interest, protected by the swap contracts described in Note 11. Council has a Multi Option Credit Line of \$4,000,000 (2022: \$4,000,000), and loan facility through the LGFA of \$26,800,000 (2022: \$29,800,000) as borrower only.

The table below shows what Council borrowings relate to.

	Balance 30 June 2022	New Loans Raised	Principal Repaid	Balance 30 June 2023
Loan	\$	\$	\$	\$
Waste Management Projects	2,697,715	229,971 -	204,238	2,723,449
Wastewater Projects	3,750,493	121,292 -	299,556	3,572,228
Water Supply Projects	3,449,754	264,049 -	238,085	3,475,718
Westland Holding Limited	7,845,000	-	-	7,845,000
Other loans	4,335,896	913,280 -	322,555	4,926,621
Storm Water Projects	2,535,247	13,696 -	355,035	2,193,909
Roading	790,659	- -	48,818	741,841
Building	1,413,587	- -	74,001	1,339,587
Pre-funding	3,000,000	- -	3,000,000	-
<b>Total Council Debt</b>	<b>29,818,352</b>	<b>1,542,289 -</b>	<b>4,542,288</b>	<b>26,818,353</b>
<b>Available facility</b>	<b>3,981,648</b>			<b>3,981,647</b>
<b>Total Facility</b>	<b>33,800,000</b>			<b>30,800,000</b>

The Council's loans are secured over the district's rates through a debenture trust deed.

A debenture exists over the assets of Westroads Limited Group.

Council had no internal borrowing processes operating in 2022/2023. External borrowings for the year were reduced by \$3 million (2022: \$8 million increase).

## Interest terms for secured loans

The Council's secured loans are mostly issued at floating rate of interest. For floating rate debt, the interest rate is reset quarterly based on the 90-day bank bill rate plus a margin for credit risk.

### Other liabilities

Other Liabilities				
	Council Actual \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
<b>Current</b>				
Rates and other revenue received in advance	595	1,450	781	1,514
Contract liabilities	-	-	212	349
<b>Total other liabilities</b>	<b>595</b>	<b>1,450</b>	<b>993</b>	<b>1,863</b>

There are no non-current other liabilities.

## NOTE 19: EQUITY

### Accounting policy

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserve funds. The components of equity are:

- Retained earnings
- Restricted Reserves (Trusts and Bequests)
- Asset revaluation reserves
- Fair value through other comprehensive revenue and expense

### Restricted Reserves

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Council. Restricted reserves include those subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met. Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

### Asset revaluation reserve

This reserve relates to the revaluation of property, plant, and equipment to fair value.

## Fair value through other comprehensive revenue and expense reserve

This reserve comprises the cumulative net change in the fair value of assets classified as fair value through other comprehensive revenue and expense.

## NOTE 20: RELATED PARTY TRANSACTIONS

The following table depicts the transactions and closing balances for the year ended 30 June between Westland District Council and its trading CCOs:

Related Party Transactions		
	Council Actual 30 June 2023 \$000	Council Actual 30 June 2022 \$000
<b>Westroads Limited</b>		
Revenue earned	38	35
Expenditure charged	10,515	8,716
Accounts payable by the Council	994	782
Accounts receivable to the Council	202	101
Group tax loss offset:	56	28
Subvention paid/receivable	200	100
<b>Destination Westland</b>		
Revenue earned	310	279
Expenditure charged	823	1,039
Accounts payable by the Council	3	9
Accounts receivable to the Council	55	107
Sale of Pensioner Housing	-	4,000
<b>Westland Holdings Limited</b>		
Revenue earned	-	-
Expenditure charged	5	4
Accounts payable by the Council	-	-
Accounts receivable to the Council	-	-
Dividends received	300	-
<b>Councillors</b>		
Revenue from sale of motor vehicle & laptop	12	-

## Transactions with key management personnel:

During the year, Councillors and senior management, as part of a normal customer relationship, were involved in minor transactions with the Council.

	Council Actual 30 June 2023 \$000	Council Actual 30 June 2022 \$000
Councillors:		
Remuneration	344	315
Senior Management team including Chief Executive:		
Remuneration	764	850
<b>Total key management personnel compensation</b>	<b>1,108</b>	<b>1,166</b>
<b>Total full-time equivalent personnel</b>	<b>13</b>	<b>14</b>

## NOTE 21: CONSTRUCTION CONTRACTS

### Accounting policy

Contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion of the contract at balance date. The stage of completion is measured by reference to the contract costs incurred up to balance date as a percentage of total estimated costs for each contract.

Contract costs include all costs directly related to specific contracts, costs that are specifically chargeable to the customer under the terms of the contract, and an allocation of overhead expenses incurred in connection with the group's construction activities in general.

An expected loss on construction contracts is recognised immediately as an expense in the surplus or deficit. Where the outcome of a contract cannot be reliably estimated, contract costs are recognised as an expense as incurred. When it is probable that the costs will be recovered, revenue is recognised to the extent of costs incurred.

Construction work in progress is stated at the aggregate of contract costs incurred to date plus recognised surpluses less recognised losses and progress billings. If there are contracts where progress billings exceed the aggregate costs incurred plus surpluses less losses, the net amounts are presented as a liability.

Construction Contracts				
	Council Actual 30 June 2023 \$000	Council Actual 30 June 2022 \$000	Group Actual 30 June 2023 \$000	Group Actual 30 June 2022 \$000
<b>Contract Costs incurred</b>	-	-	<b>8,681</b>	<b>9,011</b>
<b>Recognised in profits/losses</b>	-	-	<b>1,316</b>	<b>1,455</b>
	-	-	<b>9,997</b>	<b>10,466</b>
<b>Progress billings</b>	-	-	<b>9,887</b>	<b>10,321</b>
<b>gross amounts receivable from Customers</b>	-	-	<b>110</b>	<b>145</b>
<b>Retentions receivable in respect of construction contracts</b>	-	-	<b>956</b>	<b>912</b>

In identifying construction contracts, the Group has only included contracts of \$1,000 or more. Construction contracts include building and facilities upgrades, laying waterlines, constructing roads and footpaths and constructing section pads.

## NOTE 22: COMMITMENTS AND CONTINGENCIES

### Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

### Operating leases as lessee

Operating leases as lessee				
	Council Actual \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
Not later than one year	284	267	410	425
Later than one year and not later than five years	292	11	831	523
Later than five years	-	-	20	125
Total non-cancellable operating leases	576	278	1,261	1,073

Leases generally have a non-cancellable term of 1 – 60 months, with rents set by reference to current market rates for items of equivalent age and condition. Council does not have the option of purchase the asset at the end of the lease term. There are no restrictions placed on the Council by any of the leasing arrangements.

### Operating leases as a lessor

Investment property is leased under operating leases. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

Operating leases as lessor				
	Council Actual \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
Not later than one year	-	-	114	27
Later than one year and not later than five years	-	-	382	129
Later than five years	-	-	225	115
Total non-cancellable operating leases	-	-	721	271

No contingent rents have been recognised during the period.

### Contingent Liabilities:

Contingencies				
	Council Actual 30 June 2023 \$000	Council Actual 30 June 2022 \$000	Group Actual 30 June 2023 \$000	Group Actual 30 June 2022 \$000
Performance bonds	-	-	1,277	1,622
Mining bonds	-	-	17	17
Total contingent liabilities	-	-	1,294	1,639

## *Council*

Westland District Council was previously a member of the New Zealand Mutual Liability Riskpool scheme ('Riskpool'). The Scheme is in wind down; however, the Council has an ongoing obligation to contribute to the scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance), and to fund the ongoing operation of the scheme. The likelihood of any call in respect of historical claims diminishes with each year as limitation periods expire. However, as a result of the Supreme Court decision on 1 August 2023 in *Napier City Council v Local Government Mutual Funds Trustee Limited*, it has been clarified that Riskpool has a liability for that member's claim in relation to non-weather-tight defects (in a mixed claim involving both weather-tight and non-weather-tight defects). Riskpool has advised that it is working through the implications of the Supreme Court decision. At this point any potential liability is unable to be quantified.

## *Group*

At balance sheet date the Group is not involved in any litigation (2022: Nil), other than detailed above.

### **Contingent Assets:**

## *Council*

Council has no contingent assets at 30 June 2023 (2022: Nil).

## *Group*

The Group has no contingent assets at 30 June 2023 (2022: Nil).

### **Defined Benefit Superannuation Scheme:**

The Council is a participating employer in the National Provident Fund's Defined Benefit Plan Contributors Scheme ("the Scheme"), which is a multi-employer defined benefit scheme. If the other participating employers ceased to participate in the Scheme, Council could be responsible for any deficit of the Scheme. Similarly, if a number of employers cease to have employees participating in the Scheme; Council could be responsible for an increased share of any deficit. Insufficient information is available to use defined benefit accounting, as it is not possible to determine, from the terms of the Scheme, the extent to which the deficit will affect future contributions by employers, as there is no prescribed basis for allocation.

As at 31 March 2023, the Scheme had a past service surplus of \$0.2 million (2022: \$0.6 million surplus) and 1.1% (2022: 1.7%) of liabilities. This amount is exclusive of Employer Superannuation Contribution Tax. This deficit was calculated by the actuary to the Scheme using a discount rate equal to the expected return on the assets, but otherwise the assumptions and methodology were consistent with the requirements of PBE IPSAS 39. The actuary to the Scheme has recommended previously that the employer contributions were suspended with effect from 1 April 2011. In the latest report the Actuary recommended employer contributions remain suspended.

## NOTE 23: FINANCIAL INSTRUMENTS

The accounting policies for the financial instruments have been applied to the line items below:

Financial Instruments				
	Council Actual 30 June 2023 \$000	Council Actual 30 June 2022 \$000	Group Actual 30 June 2023 \$000	Group Actual 30 June 2022 \$000
Financial Assets				
Fair value through surplus or deficit				
Interest rate swaps – cash flow hedges	1,105	880	1,105	880
Floating Rate Securities	566	-	701	-
	1,671	880	1,806	880
Loans and Receivables				
Cash and cash equivalents	8,378	9,389	10,060	10,304
Receivables	2,121	4,687	5,687	8,149
Other financial assets:				
Civic Assurance	26	28	26	28
Westpac Bonds	-	-	-	-
Floating Rate Securities	-	623	-	623
Term deposits with maturities greater than three months at acquisition	-	3,000	-	3,000
Community loan	9	14	9	14
Total loans and receivables and other financial assets	10,534	17,740	15,782	22,118
Financial Liabilities				
Fair value through surplus or deficit				
Interest rate swaps – cash flow hedges	-	-	-	-
	-	-	-	-
Financial liabilities at amortised cost				
Payables	4,001	2,755	5,699	4,453
Borrowings:				
Bank overdraft	-	-	5	3
Term debts	26,818	29,818	34,098	34,472
Total financial liabilities at amortised cost	30,819	32,573	39,803	38,929

Fair Value Hierarchy Disclosures			
	Total Quoted Market Price \$000	Observable inputs \$000	
Fair Value Hierarchy Disclosures			
30 June 2023 – Council and Group			
Financial assets			
Derivatives	1,105	-	1,105
Floating Rate Securities	566	-	566
	1,671		1,671
30 June 2022 – Council and Group			
Financial assets			
Derivatives	880	-	880
	880		880



## Fair Value Hierarchy Disclosures

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

*Level 1 Quoted market price* - Financial instruments with quoted prices for identical instruments in active markets.

*Level 2 Valuation technique using observable inputs* - Financial instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are not observable.

There were no transfers between the different levels of the fair value hierarchy.

## Credit risk

Credit risk is the risk that a third party will default on its obligations to the Council and Group, causing it to incur a loss. Due to the timing of its cash inflows and outflows, surplus cash is invested into term deposits and bonds, which gives credit risk.

Financial Instrument Risks				
Credit Risk	Council Actual	Council Actual	Group Actual	Group Actual
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$000	\$000	\$000	\$000
Term Deposits with maturity greater than 3 months	-	3,000	-	3,000
Cash at bank and term deposits with maturity less than 3 months	8,378	9,389	10,060	10,304
Trade and other receivables	2,121	4,686	5,687	8,149
Maximum Exposure	10,499	17,076	15,747	21,453

Credit Quality	Council Actual	Council Actual	Group Actual	Group Actual
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$000	\$000	\$000	\$000
Cash at bank and term deposits				
AA-	8,378	12,389	10,060	13,304

## Liquidity Risk

Liquidity risk is the risk that the Council and Group will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group aims to maintain flexibility in funding by keeping committed credit lines available.

In meeting its liquidity requirements, the Council maintains a liquid portfolio of investments that can be liquidated on short notice as required.

Council borrowings guidelines are defined in its Revenue and Financing Policy and its Liability Management Policy.

The maturity profiles of the Council and Group's interest-bearing investments and borrowings are disclosed in notes 12 and 18.

## Credit Quality of Financial Assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates.

Council's investment policy prescribes a minimum credit rating of A for investments of this type. The group invests funds only in deposits with registered banks and local authority stock.

## Contractual Maturity Analysis of Financial Liabilities

The table below analyses the Council and Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

Contract Maturities - Liabilities	Carrying amount	Contractual cash flows	Less than 1 year	1-5 years	More than 5 years
<b>Council 2023</b>					
Trade and other payables	3,116	3,116	3,116	-	-
Term debt	26,818	26,818	3,018	20,800	3,000
<b>Total</b>	<b>29,934</b>	<b>29,934</b>	<b>6,134</b>	<b>20,800</b>	<b>3,000</b>
<b>Group 2023</b>					
Trade and other payables	4,815	4,815	4,815	-	-
Term debt	34,098	34,098	5,642	25,456	3,000
Bank overdraft	5	5	5	-	-
<b>Total</b>	<b>38,918</b>	<b>38,918</b>	<b>10,462</b>	<b>25,456</b>	<b>3,000</b>
<b>Council 2022</b>					
Trade and other payables	1,139	1,139	1,139	-	-
Term debt	29,818	29,818	3,018	18,500	8,300
<b>Total</b>	<b>30,957</b>	<b>30,957</b>	<b>4,157</b>	<b>18,500</b>	<b>8,300</b>
<b>Group 2022</b>					
Trade and other payables	2,789	2,789	2,789	-	-
Term debt	34,472	34,472	5,028	21,144	8,300
Bank overdraft	3	3	3	-	-
<b>Total</b>	<b>37,264</b>	<b>37,264</b>	<b>7,820</b>	<b>21,144</b>	<b>8,300</b>

## Contractual Maturity Analysis of Financial Assets

The table below analyses the Council and Group's financial assets into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows and include interest receipts.

Contract Maturities - Assets		Contractual cash flows			
	Carrying amount		Less than 1 year	1-5 years	More than 5 years
<b>Council 2023</b>					
Cash and cash equivalents	8,378	8,378	8,378	-	-
Trade and other receivables	2,121	2,121	2,121	-	-
Civic Assurance	26	-	-	-	-
<b>Total</b>	<b>10,525</b>	<b>10,499</b>	<b>10,499</b>	<b>-</b>	<b>-</b>
<b>Group 2023</b>					
Cash and cash equivalents	10,060	10,060	10,060	-	-
Trade and other receivables	5,687	5,687	5,687	-	-
Civic Assurance	26	-	-	-	-
<b>Total</b>	<b>15,773</b>	<b>15,747</b>	<b>15,747</b>	<b>-</b>	<b>-</b>
<b>Council 2022</b>					
Cash and cash equivalents	9,389	9,389	9,389	-	-
Trade and other receivables	4,687	4,687	4,687	-	-
Term Deposit	3,000	3,000	3,000	-	-
Civic Assurance	28	-	-	-	-
<b>Total</b>	<b>17,104</b>	<b>17,076</b>	<b>17,076</b>	<b>-</b>	<b>-</b>
<b>Group 2022</b>					
Cash and cash equivalents	10,304	10,304	10,304	-	-
Trade and other receivables	8,149	8,149	8,149	-	-
Term Deposit	3,000	3,000	-	-	-
Civic Assurance	28	-	-	-	-
<b>Total</b>	<b>21,481</b>	<b>21,453</b>	<b>18,453</b>	<b>-</b>	<b>-</b>

## Sensitivity Analysis

### Interest Rate Risk – Council

As at 30 June 2023 and 30 June 2022 it is estimated that a two percent increase/decrease in market interest rates would decrease/increase the Council's equity by the amounts stated in the table below. This calculation is based on a reassessment of the fair values of financial instruments that are classified as available for sale.

### Interest Rate Risk – Group

As at 30 June 2023 and 30 June 2022 it is estimated that a two percentage point increase/decrease in market interest rates would decrease/increase the Council and Group's equity by the amounts stated in the table below. This calculation is the annual impact on loans and borrowings which are subject to a variable market interest rate at balance date.

## Sensitivity analysis

Interest rate risk	-2%	+2%	-2%	+2%
	2023	2023	2022	2022
	\$000	\$000	\$000	\$000
<b>Council</b>				
<b>Financial liabilities</b>				
<b>Term debt</b>	<b>310</b>	<b>(310)</b>	<b>426</b>	<b>(426)</b>
<b>Interest rate swaps</b>	<b>1,071</b>	<b>(969)</b>	<b>1,108</b>	<b>(982)</b>
<b>Total</b>	<b>1,381</b>	<b>(1,279)</b>	<b>1,534</b>	<b>(1,408)</b>
<b>Group</b>				
<b>Financial liabilities</b>				
<b>Term debt</b>	<b>456</b>	<b>(456)</b>	<b>519</b>	<b>(519)</b>
<b>Interest rate swaps</b>	<b>1,071</b>	<b>(969)</b>	<b>1,108</b>	<b>(982)</b>
<b>Total</b>	<b>1,527</b>	<b>(1,424)</b>	<b>1,627</b>	<b>(1,500)</b>
<b>Total sensitivity</b>	<b>1,527</b>	<b>(1,424)</b>	<b>1,627</b>	<b>(1,500)</b>

## NOTE 24: EXPLANATION OF VARIANCES

EXPLANATIONS FOR MAJOR VARIATIONS FROM THE COUNCIL'S BUDGET FIGURES IN THE ANNUAL PLAN FOR 2022/2023 ARE AS FOLLOWS:

### *Statement of comprehensive revenue and expenses*

#### Rates

Actual rates income was lower than budgeted mainly due to revenue from metered water charges being lower than forecast.

#### Grants and subsidies

Grants and subsidies were \$3.4m lower than budgeted. The value of grants is a reflection of either the amount of work completed compared to work expected to be completed for grants actually approved; work completed under new unplanned grants received; or budgeted grants not actually received in the year. For example:

- Only \$4.5m of the budgeted grant of \$7.0m for road transport was completed in the 2022/23 year. This is the second year of a three-year funding cycle with NZTA during which the balance of any under/over expenditure in selected projects can be carried forward into the next year.
- Work funded by the Provincial Growth Fund (PGF) continued into 2022/23 and included funded expenditure for community halls totalling \$0.6M.
- Receipt of the final grant claim for Old Christchurch Road Seal Extension of \$0.6M
- The Mayor's Task Force for Jobs funding continued with a further \$0.5m of funding recognised in the current year.
- Anticipated \$0.4M Cass Square playground funding not received due to the deferral of project.
- Only \$0.3M of budgeted \$0.7M received for Cycle Trail grants.

Where grants are subject to performance measures not yet fulfilled, Grant actuals have been adjusted for the unspent portion of grants received by transfers to Revenue Received in Advance.

#### Interest revenue

The steep increase in interest rates seen over the last financial year has led to more significant interest revenue from term deposits, interest rate swaps, and the current account.

A positive variance of \$0.7M against budgeted interest revenue more than offsets the adverse increase of \$0.4M in finance costs against budget.

### **Fees and charges**

Regulatory fees exceeded budget by \$0.2M due to a higher number of consents being processed than anticipated. Landfill fees are collectively above budget by \$0.1M - an indication of the return of international tourism.

### **Other revenue**

Other revenue was \$1.6M higher than the budget mainly due to below factors:

- Interest rate swaps increased in value by \$1.0M throughout the 2022/2023 financial year due to the favourable movement in interest rates.
- Unbudgeted cost recoveries for 3-Waters transition support now total \$0.3M.
- Recreation Contributions exceed budget by \$0.2M, with 26 contributions being received in 2022/2023.

### **Employee benefit expenses**

Actual salary cost was lower than anticipated due to unfilled roles. However, the shortages in Planning and Building has resulted in an increase in contractor costs (see 'Other expenses' note below).

### **Finance costs**

While finance costs were over budget by \$0.4M due to higher than forecast interest rates, these costs are more than offset by interest revenue, as mentioned within the 'Interest revenue' note above.

### **Depreciation and amortization**

Depreciation is higher than budget by \$0.7M mainly due to higher-than-expected asset value revaluation gains.

### **Other expenses**

Other expenses were higher than budgeted by \$6.5M mainly due to following reasons:

- Non-cash loss on interest rate swaps of \$0.8M which is offset by the \$1.0M gain on swaps mentioned under the 'Other revenue' note above.
- Unbudgeted contractor costs for Responsible Camping are \$0.4M but there is grant funding, of which \$0.3M was received this year, to offset this.
- With staffing shortages and high demand in the planning and building sectors, more resource and building consents processing had to be outsourced which resulted in these costs exceeding budget by \$0.4M. This is offset by reduced employee benefit expenditure due to the aforementioned staff shortages as well as regulatory fees as mentioned under the 'Fees and charges' note above.
- MTFJ funded programme costs of \$0.4M. This programme is fully funded so neither the revenue nor expenditure were budgeted for.
- PGF funded project management costs of \$0.2M were not budgeted for.
- Numerous asset disposals throughout the year resulted in realising a loss on disposal, including \$0.3M loss on Hokitika Water Supply assets and a \$0.1M loss on road transport assets.
- Repairs & Maintenance costs are over budget \$1.0M. This is, in part, due to the impact of a higher than forecast rate of inflation.
- Land transport costs exceed budget by \$0.4M, mostly due to unbudgeted repair works for storm damages.
- Unbudgeted \$2.9M loss on disposal of assets replaced.

### *Statement of Financial Position*

#### **Current Assets**

Cash & cash equivalents is higher than the budget by \$5.9m. This includes two term deposits at \$3M each.

The main reason for this variance is forecast capital program expenditure was under budget.

#### **NOTE 25: CAPITAL MANAGEMENT**

The Council's capital is its equity (or ratepayers' funds), which comprise retained earnings and reserves. Equity is represented by net assets.

The Local Government Act 2002 [the Act] requires the Council to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayers' funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Act and applied by the Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets and not expecting them to meet the full cost of long-term assets that will benefit residents in future generations. Additionally, the Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires the Council to make adequate and effective provisions in its Long-Term Plan and in its Annual Plan (where applicable) to meet the expenditure needs identified in those plans. The Act sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the Revenue and Financing Policy.

Council also maintains specific purpose reserves funds. These are reported in the next section.

#### **NOTE 26: WATER SERVICES REFORM PROGRAMME**

The New Zealand Government is implementing a water services reform programme that is intended to ensure all New Zealanders have safe, clean, and affordable water services. The Government believes this will be achieved by establishing new public entities to take on the delivery of drinking water, wastewater, and stormwater services across New Zealand. The reform will be enacted by three pieces of legislation:

- The Water Services Entities Act 2022, which (as amended by the Water Services Entities Amendment Act 2023 on 23 August 2023) establishes ten publicly owned water services entities and sets out their ownership, governance, and accountability arrangements. A water services entity is established (for transitional purposes) on the date on which the appointment of the entity's establishment board takes effect, and its establishment date (operational date) will be a date between 1 July 2024 and 1 July 2026.
- The Water Services Legislation Act 2023, which amended the Water Services Entities Act 2022 on 31 August 2023 to provide for the transfer of water services assets and liabilities to the water services entities.
- The Water Services Economic Efficiency and Consumer Protection Act 2023, which provides the economic regulation and consumer protection framework for water services. The consumer protection framework will come into force on 1 July 2024 and the rest of the Act came into force on 31 August 2023.

#### **NOTE 27: POST BALANCE DATE EVENT DISCLOSURE**

There are no known post balance date events.

## NOTE 28: INVESTMENTS

Investments in subsidiaries are recorded at cost. Since their shares are not traded any attempt to assess their market value would be arbitrary.

Investments					
	Council Actual \$ 30 June 2023 \$000	Council Budget \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
Investment in CCO's					
Westland Holdings Limited	12,695	12,695	12,695	-	-
Total investment in CCO's and similar entities	12,695	12,695	12,695	-	-

**NOTE 29: RECONCILIATION AFTER TAX TO NET CASH FLOW FROM OPERATING ACTIVITIES**

<b>Reconciliation of Net Surplus/(Deficit) After Tax to Net Cash Flow from Operating Activities</b>				
	Council Actual \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
Surplus/(deficit) after tax	(3,536)	9,604	(4,664)	11,293
Add/(Less) non-cash items				
Depreciation and amortisation	8,754	8,019	11,404	10,546
Property, plant and equipment impairment	108	53	109	53
Increase/(decrease) in provision for doubtful debts	19	(8)	22	(8)
Increase/(decrease) in employee entitlements	(5)	(6)	20	(38)
Increase/(decrease) in deferred tax	(39)	(99)	2,179	(8)
(Gain)/loss on fair value of property, plant & equipment	-	323	12	323
Unrealised landfill after care costs	12	331	-	331
Vested asset	-	(563)	-	(563)
Assets written off	2,888	1,671	2,887	1,671
(Gain)/loss on derivative financial instruments	(222)	(1,417)	(222)	(1,417)
	11,515	8,304	16,411	10,890
Add/(less) items classified as investing or financing activities				
(Gains)/losses on sale of assets	(12)	(8)	(385)	(150)
(Gains)/losses on disposal of intangibles	173	236	173	236
(Gain)/loss on fair value of investments	-	-	20	(115)
(Gain)/loss on fair valuation of LGFA floating rate securities	9	-	9	-
(Gain)/loss on elimination of assets on consolidation	-	-	-	205
Total current portion	170	228	(183)	176
Add/(less) movements in working capital				
Debtors and other receivables	2,200	(572)	3,130	211
Inventories	-	-	(80)	113
Work in progress	-	-	52	(43)
Creditors and other payables	1,247	(1,327)	296	(2,299)
Deferred income	(854)	(5,104)	(733)	(5,053)
Employee entitlements	32	53	(37)	(135)
(Gains)/loss on contract liabilities	-	-	(137)	-
(Gains)/loss on contract assets	-	-	(12)	-
Taxation provision	10	81	(1,961)	274
	2,635	(6,869)	518	(6,932)
Net cash inflow/(outflow) from operating activities	10,784	11,267	12,082	15,427



# Reserve Funds Report

## Summary

### **Reserves are divided into two categories:**

**Restricted Reserves:** These reserves can only be used for the purpose as set out in either legislation or by the funder.

**Council Created Reserves:** These reserves exist solely at the discretion of Council, as a matter of good business practice.

### **Financial Management Principles for Reserve Funds**

- There are no reserves that are required to be represented by specific cash funds. Council therefore takes a portfolio approach to treasury management.
- Reserves are funded by interest income from investments and available borrowing capacity.
- Reserve balances will grow by interest calculated at the weighted average 90-day bill rate, transferred quarterly into the reserve.
- During 2022/2023 new depreciation reserves will grow quarterly. Interest will be earned on those reserves calculated based on the average 90-day bill rate. This will be funded from external interest revenue (or deficit reserves – internal borrowing) for 2022/2023.
- Interest will be charged on any reserve in deficit at the Council's weighted average cost of asset term debt.
- No funds shall be withdrawn from the Westpac Bonds or any reserve unless provided for in the Annual Plan or by Council resolution.

### **In the 2022/2023 financial year**

All community township funding has been claimed during the year. This will be distributed to the community group on their becoming a registered group.

The renewal reserves funds (depreciated funded reserves) have been used for replacement of existing assets with revenues received from funded depreciation.

Marks Road Reserve fund was created in the 2018/2019 year from the proceeds of sale after costs, of Marks Road. This fund will be split between civil defence requirements in Haast, and the Haast community to use towards community projects. In the 2022/23 year \$8.8k has been withdrawn from this fund for Civil Defence work.

The General Rates Funding Reserve was created to allow for the spreading of costs to reduce the rates charged to ratepayers in 2021/22 and 2022/23. The \$2M deficit balance of this reserve is expected to be funded from future rates.

## Council Created Reserves

Council Created Reserve Funds					
Reserve	Purpose of each reserve fund	Balance 1 July 2022 \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance 30 June 2023 \$000
Kumara Township fund	Township funding for the purpose of community related projects	-	14	(14)	-
HariHari township	Township funding for the purpose of community related projects	2	14	(14)	2
Whataroa township	Township funding for the purpose of community related projects	2	14	(14)	2
Ross township	Township funding for the purpose of community related projects	1	14	(14)	-
Haast township	Township funding for the purpose of community related projects	(3)	14	(14)	-3
Franz township	Township funding for the purpose of community related projects	2	35	(35)	2
Fox township	Township funding for the purpose of community related projects	1	35	(35)	1
Kokatahi community fund	Township funding for the purpose of community related projects		8	(8)	1-
Foreshore	Foreshore Protection for groyne replacement on the foreshore.	11	1-	-	12
Glacier country promotions	Targeted rates collected from Glacier Country to provide funding for marketing projects.		78	(78)	-1-
Prestons bush	Mr Preston donated the reserve to Council. This fund was for the community to beautify the bush with tracks and interpretation boards.	-	-	-	-
HariHari community complex	The Harihari Pony Club land was sold and the funding was to go towards a new community complex. (Another \$100,000 is allocated from the Reserve Development Fund.)	69	3	-	72
Guy Menzies trust	Surplus from Guy Menzies Day Event.	1	-	-	1
Cycle partnership contributions	Contributions from commercial partners towards upkeep of the Wilderness Trail	-	-	-	-
Emergency contingency fund	Fund to support Westland in a Civil Defence emergency.	64	3	-	67
Marks Road reserve fund	Net Sale proceeds of section of Marks Road Reserve to be split between Haast Civil Defense and the Haast Community	95	4	(9)	91
Transport renewals	For funding the renewal of roads and bridges.	435,609	1,655	(953)	1,138
Water renewal	For funding the renewal of water supplies networks	4,703	4,089	(5705)	3,086
Waste water renewal	For funding the renewal of sewerage and sewage networks	2,755	1,935	(2710)	1,980
Solid Waste Renewal	For funding the renewal of solid waste systems	-27-	35	(17)	-9
Stormwater renewal	For funding the renewal of stormwater systems	1,456	1,080	(1804)	732
Parks and Reserves renewals	For funding Parks, Reserves, Public Toilets, Ross Pool and Cemeteries Asset Renewal	626	577	(264)	939
Building renewals	For renewal of all Council operational buildings.	1,335	415	(124)	1,625
Administration renewals	For renewal of office equipment, furniture, technical equipment, vehicles and technology	480	238	(132)	586
Library renewals	To replace library books	295	107	(71)	330
Westland Racing Club reserve fund	Westland Racing Club transferred the racecourse and \$250k to WDC	223	10	(8)	226
General Rates Funding Reserve	For operating costs not covered by rates due to iholding rates to a maximim rate percentage increase	- 627-	460	(1852)	(2020)
<b>Total Council Created Reserves</b>		<b>11,899</b>	<b>10,837</b>	<b>(13,875)</b>	<b>8,862</b>

## Restricted Reserve Funds

Restricted Reserve Funds					
Reserve	Purpose of each reserve fund	Balance 1 July 2022 \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance 30 Jun 2023 \$000
Offstreet Parking	Collected from developments in town to pay for off-street parking. Imposed by RMA/District Plan	60	3	-	63
Reserve Development	Monies collected from developments. Imposed by RMA/District Plan	431	240	(125)	546
Museum Assistance Fund	Originally the Museum Bequest Fund	38	2	-	40
Kumara Endowment Fund	Proceeds from sale of Endowment land. Our brief research has not identified the specific terms of the endowment.	362	17	-	379
Euphemia Brown Bequest	Interest earned on funds administered by Public Trust Offices for the estates of Euphemia & William E. Brown.	24	1	-	26
Mayoral Relief Funds	Contributions from James & Margaret Isdell Trust and Coulston Herbert Trust	27	1	(1)	27
Three Mile Domain	To fund the Three Mile Domain costs.	75	4	0	78
Ross Endowment Land	Various endowment land parcels in Ross sold over time.	53	2	-	55
Graffiti	Grant funding received	4	-	-	4
Big Brothers Big Sisters	Grant funding received	(1)	-	-	-1
Community Patrol	Grant funding Received	-	-	-	1
Taxi Chits	Grant funding received	(5)	-	(1)	-6
<b>Total Restricted Reserves</b>		<b>1,068</b>	<b>271</b>	<b>(127)</b>	<b>1,212</b>
<b>Total Reserves</b>		<b>12,967</b>	<b>11,108</b>	<b>(14,002)</b>	<b>10,073</b>
<b>Total Council Created Reserves</b>		<b>11,899</b>	<b>10,837</b>	<b>(13,875)</b>	<b>8,862</b>

## Independent Auditor's Report

## Other Information

### Council Committees and Subcommittees

<b>Risk and Assurance Committee</b>	Rachael Dean (Independent Chair), Her Worship the Mayor, Cr Donna Baird, Cr Jane Neale, Cr Patrick Phelps, Kw Francois Tumahai (Chair of Te Rūnanga o Ngāti Waewae), Kw Paul Madgwick (Chair of Te Rūnanga o Makaawhio)
<b>Chief Executive's Review Committee</b>	Her Worship the Mayor (Chair), Deputy Mayor Ashley Cassin, Cr Steven Gillett, Cr Jane Neale
<b>Cycling and Walking Subcommittee</b> <i>(Subcommittee of the Council)</i>	<p>Cr Paul Davidson (Chair), Her Worship the Mayor, Cr Donna Baird, Cr Steven Gillett, Cr Jane Neale, Kw Francois Tumahai (Chair of Te Rūnanga o Ngāti Waewae), Kw Paul Madgwick (Chair of Te Rūnanga o Makaawhio)</p> <p><i>Independent Members</i></p> <p>Cr Jack O'Connor (Grey District Council) Tim Brownlee (Manawa Energy), John Wood (WCWT Chair), Jackie Gurden (Trail Manager, WCWT), Owen Kilgour (Operations Manager, Department of Conservation), Inger Perkins (Herenga a Nuku Aotearoa Outdoor Access), Liam Anderson (Westland Mountain Bike Club).</p>
<b>Hokitika Wastewater Treatment Plant Oversight Subcommittee</b> <i>(Subcommittee of the Council)</i>	Her Worship the Mayor (Chair), Deputy Mayor Ashley Cassin, Cr Reilly Burden, Cr Patrick Phelps, Ema Weepu (Te Rūnanga o Ngāti Waewae), James Mason Russell (Te Rūnanga o Ngāti Waewae), Pauline Adams (Te Rūnanga o Ngati Maahaki), Steve McClaren (Te Rūnanga o Ngati Maahaki)
<b>Tenders Subcommittee</b> <i>(Subcommittee of the Risk and Assurance Committee)</i>	Cr Steven Gillett (Chair), Her Worship the Mayor, Cr Brian Manera, Cr Patrick Phelps, Kw Francois Tumahai (Chair of Te Rūnanga o Ngāti Waewae), Kw Paul Madgwick (Chair of Te Rūnanga o Makaawhio)

## Other Council Organisations

<p><b>Cass Square Working Group</b></p>	<p>Her Worship the Mayor, Deputy Mayor Ashley Cassin, Cr Donna Baird, Cr Reilly Burden, Cr Jane Neale, Kw Paul Madgwick, Kw Francois Tumahai</p> <p><i>Independent Members</i></p> <p>Nigel Ogilvie, Anthony Jones, Cindy Greig</p>
<p><b>Hokitika Rating District Joint Committee</b></p> <p><i>(This is a Joint Committee with the West Coast Regional Council established to oversee the management of the Hokitika Seawall).</i></p>	<p>Her Worship the Mayor, Deputy Mayor Ashley Cassin, Cr Patrick Phelps</p>
<p><b>Franz Josef/Waiau Rating District Joint Committee</b></p>	<p>Her Worship the Mayor, Deputy Mayor Ashley Cassin, Cr Brian Manera</p>
<p><b>West Coast Regional Transport Committee</b></p> <p><i>(This Joint Committee is a Committee of Council that is required under section 105 of the Land Transport Management Act.</i></p> <p><i>Council is required to appoint one elected member as representative on this Committee.)</i></p>	<p>Cr Reilly Burden, Cr Davidson (<i>alternate</i>)</p>
<p><b>Membership of Civil Defence Emergency Management Groups -</b></p> <p><b>West Coast Emergency Management Group</b></p> <p><i>(Section 13 of the Civil Defence and Emergency Management Act 2002 states that "Each local authority that is a member of a Group with other local authorities must be represented on the Group by 1, and only 1, person, being the mayor or chairperson of that local authority or an elected person from that local authority who has delegated authority to act for the mayor or chairperson.")</i></p>	<p>Her Worship the Mayor</p>
<p><b>District Licencing Committee (DLC)</b></p> <p><i>(The DLC is responsible for considering and determining all applications and renewals for Licenses and Managers Certificate. The DLC is also responsible for the consideration and determination of Temporary Authorities and Special Licenses made under the Act.)</i></p>	<p>Richard Simpson (Commissioner)</p> <p><i>Committee Members:</i></p> <ul style="list-style-type: none"> <li>• Bryce Thomson</li> <li>• Jim McDermott</li> <li>• Jacqui Low</li> <li>• Miriama Johnson</li> <li>• Jane Teen</li> <li>• Alan Stobie</li> </ul>

## Elected Member Liaison Roles with Community Associations

Organisation	Appointment
Destination Hokitika	Her Worship the Mayor, Cr Steven Gillett
Fox Glacier Community Association	Deputy Mayor Ashely Cassin, Cr Brian Manera
Franz Inc	Deputy Mayor Ashely Cassin, Cr Brian Manera
Franz Josef / Waiau Community Forum	Deputy Mayor Ashely Cassin, Cr Brian Manera
Glacier Country Tourism Group	Deputy Mayor Ashely Cassin
Haast Community	Deputy Mayor Ashely Cassin, Cr Brian Manera
Hari Hari Community Association	Deputy Mayor Ashely Cassin, Cr Brian Manera
Heritage Hokitika	Her Worship the Mayor, Cr Steven Gillett
Heritage West Coast	Her Worship the Mayor, Cr Steven Gillett
Kokatahi/Kowhitirangi Community Association	Cr Reilly Burden, Cr Jane Neale, Cr Patrick Phelps
Kumara Residents Association	Cr Reilly Burden, Cr Jane Neale, Cr Patrick Phelps
Ōkārito Community Association	Deputy Mayor Ashely Cassin, Cr Brian Manera
Otira Community Association	Cr Reilly Burden, Cr Jane Neale, Cr Patrick Phelps
Ross Community Society	Cr Reilly Burden, Cr Jane Neale, Cr Patrick Phelps
Safe Community Coalition	Cr Paul Davidson, Cr Brian Manera, Cr Jane Neale
Whataroa Community Association	Deputy Mayor Ashely Cassin, Cr Brian Manera

### Other Appointments

Group	Appointment
Creative Communities Local Assessment Committee	Cr Reilly Burden, Cr Jane Neale  <i>Independent Members</i> Delwyn Alexander, Mary-anne Bell, Paul Kerridge, Emma Kay, Nikki-Leigh Wilson-Beazley, Sophie Roberts, Phoebe Wilson, Tallulah Ngahuia Martin-Taylor

<b>Destination Management Plan – Reference Group</b>	Her Worship the Mayor
<b>Development West Coast – Appointment Panel</b>	Her Worship the Mayor, Cr Steven Gillet (Delegate)
<b>Future Franz</b> <i>(The purpose of the Working Group is to work in a collaborative manner to plan for the future of the Franz Josef/Waiau area in regard to the challenges it faces.)</i>	Her Worship the Mayor (Chair), Deputy Mayor Ashely Cassin
<b>Sport NZ Rural Travel Fund – Allocation Committee</b>	Deputy Mayor Ashley Cassin
<b>Te Tai o Poutini District Plan</b>	Her Worship the Mayor (Chair), Deputy Mayor Ashely Cassin
<b>West Coast Road Safety Coordinating Committee</b>	Cr Paul Davidson, Cr Jane Neale

## Council Controlled Organisations



<b>Westland Holdings Limited</b>	Joanne Conroy (Chair), Chris Gourley, Chris Rea
<b>Destination Westland Limited</b>	Christopher Gourley, Marie-louise Tacon, Peter De Goldi (appointed 1 December 2022), Joanne Conroy (ceased 1 February 2023)
<b>Westroads Limited</b>	Peter Cuff (Chair), Ross Pickworth, Mark Rogers, Robert Caldwell



## Glossary of Terms

### **Activity**

Services provided by, or on behalf of, Council, for example the library.

### **Activity / Asset Management Plan**

A plan for managing an activity ensuring that it has capacity to maintain service, there is a future strategy and work, and future costs are planned for.

### **Activity Group**

Several activities grouped together. There are nine activity groups at Westland District Council.

### **Annual Plan**

The Annual Plan is produced in years 2 and 3 of the Long-Term Plan. It includes the work programme for the year and financial statements and identify any amendments to the Long-Term Plan for that year.

### **Annual Report**

An audited end of financial year report on the performance of Council against the objectives, policies, activities, performance measures, indicative costs, and sources of funds outlined in the Annual Plan and Long-Term Plan. Any variances are explained.

### **Asset**

Something that the Council owns on behalf of the community, generally infrastructure.

### **Assumptions**

These are the underlying ideas made by Council that affects financial planning for Council activities.

### **Borrowing**

Raising of loans for capital items, such as water treatment.

### **Capital Expenditure**

Expenditure that will increase the value of Council's assets. Generally replacing an existing asset or building a new one.

### **Capital Value**

Value of land including any improvements.

### **Community**

Everyone who lives and works in Westland District.

### **Consultation**

The dialogue held before decision-making. An exchange of information, points of view and options for decisions between affected people and decision makers.

### **Consultation Document**

A document used to consult on issues. It may contain options and preferred options.

### **Cost of Services**

Relate to a specific activity. This includes the direct and indirect costs that have been allocated to the activity. Indirect costs include interest on public debt, cost of support services and depreciation allowances.

### **Council Controlled Organisation (CCO)**

Defined by s 6 of the Local Government Act. An organisation in which one or more local authorities:

- 50 percent or more shareholding
- 50 percent or more voting rights; or
- Right to appoint 50 percent or more of the directors.

### **Depreciation**

The wearing out, consumption or loss of value of an asset over time.

### **Financial Strategy**

Required under s 101A of the Local Government Act. Council's financial direction, including information around revenue, expenditure, rating, debt and investments.

### **Financial Year**

Runs from 1 July to 30 June of the following year.

**General Rate**

A rate levied across all properties in a district for activities that benefit the whole district.

**Income**

Includes fees and licences charged for Council services and contributions by outside parties.

**Infrastructure**

The assets that provide essential services.

**Infrastructure Strategy**

Under s 101B of the Local Government Act. A 30-year strategy that at minimum covers roading and footpaths, sewer, stormwater, flood control and water supply.

**Land Value**

Value of land, excluding any improvements.

**Levels of Service**

The standard to which Council commits to provide services.

**Local Government Act 2002**

The legislations that defines the powers and responsibilities of local authorities.

**Long Term Plan (LTP)**

The ten-year plan setting out Council's strategic framework, work programme, performance framework, funding approach and budgets for the next ten years.

**Operating Expenditure**

Day-to-day spending on expenses such as salaries, utilities, and rentals.

**Operating Revenue**

Money received by way of grants or assistance for provision of particular services, and income generated through activities such as permits and fees.

**Operating Surplus/(Deficit)**

Accounting terms meaning greater income than expenditure, and greater expenditure than income respectively. This is inclusive of non-cash items such as income and expenditure owing but not paid (debtors and creditors) and depreciation.

**Performance Measures**

Measures used to assess if the Council is achieving objectives set in the Long-Term Plan.

**Rates**

Funds collected from levies on property. Based on the land value of the property. Can include Uniform Annual General Charges and Targeted Rates.

**Revenue and Financing Policy**

Describes how the Council's work will be paid for and how funds will be gathered.

**Significance**

The degree of importance of an issue, proposal, decision, or matter, as assessed by the local authority.

**Significance and Engagement Policy**

A policy adopted by Council that enables Council and communities to identify the degree of significance attached to particular issues, proposals, assets, decisions, and activities. Describes how and when communities can expect to be engaged in decisions that Council is making.

**Solid Waste**

Waste products that are not liquid or gas, for example, general household rubbish.

**Statement of Cash Flows**

The cash effect of transactions. Broken down into operating, investing and financial activities.

**Statement of Comprehensive Revenue and Expense**

Also known as the Profit and Loss Statement, Income Statement or Operating Statement. Shows the financial results of Council activities at the end of each period, either as surplus or deficit. Does not include asset purchases or disposals.

**Statement of Financial Position**

Also known as the Balance Sheet. The financial state of affairs at a particular time.

**Stormwater**

Water that is discharged during rain and run-off from hard surfaces.

**Subsidies**

Amounts received from other agencies for the provision of services.

**Targeted Rates**

A rate that is for users of a specific service, rather than a general rate. For example, water use.

**Transfer to/from Reserves**

Transfer of funds to reserves are generally surpluses on operations. Transfers from reserves assist to fund capital expenditure.

**Uniform Annual General Charge (UAGC)**

A portion of the general rate collected for each property. All properties receive equal benefit for services regardless of the rateable value. For example, libraries.

**User Charges**

Charges levied for the use of Council services, for example Building Consent fees.

**Wastewater**

Waste products from homes and businesses.

**Working Capital**

Net current assets held in cash or readily converted to cash; less liabilities due for payment within a year. This is indicative of Council's abilities to meet its obligations as they become due.