

# AGENDA

## RĀRANGI TAKE

NOTICE OF AN EXTRAORDINARY MEETING OF

# COUNCIL

to be held on **Thursday 15 December** commencing at **3.30pm** in the Council Chambers,  
36 Weld Street, Hokitika and via Zoom

Chairperson: Mayor Helen Lash

Members:

Deputy Mayor Gillett

Cr Neale

Cr Manera

Cr Cassin

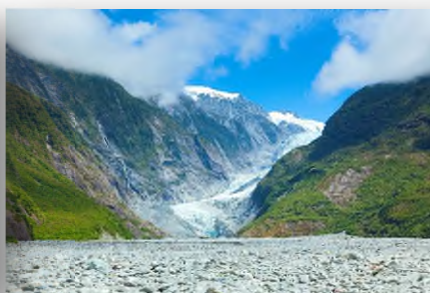
Cr Burden

Cr Baird

Cr Davidson

Kw Madgwick

Kw Tumahai



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

## 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

- **Adopt the Draft Annual Report 2021-2022**  
Group Manager, Corporate Services, Lesley Crichton

(Pages 3-167)

**DATE OF ORDINARY COUNCIL MEETING – THURSDAY 23 FEBRUARY 2023  
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM**

# Report to Council



**DATE:** 15 December 2022  
**TO:** Mayor and Councillors  
**FROM:** Finance Manager and Strategy and Communications Advisor

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## Draft Annual Report 2021/2022 for adoption

### 1. Summary

- 1.1. The purpose of this report is to present the Annual Report for the year ended 30 June 2022 for adoption.
- 1.2. This issue arises from the requirements of the Local Government Act 2002.
- 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 Annual Report for the year ended 30 June 2022.

### 2. Background

- 2.1. The reason the report has come before the Council is due to the requirements of 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. Section 98 was amended on 13 July 2021 to include s 98(7), which allows an extension of time to complete and adopt the Annual Report for the year ended 30 June 2022 by 31 December 2022 due the constraints imposed by Covid-19.

### 3. Current Situation

- 3.1. The current situation is that the draft Annual Report for the year ended 30 June 2022 is attached as **Appendix 1**.
- 3.2. This Annual Report measures performance against the first year of the Long Term Plan 2021 - 2031.
- 3.3. Council and the Group meet the criteria as a Tier 1 entity under the Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS), and the Annual Report for the year ended 30 June 2022 has been prepared in accordance with Tier 1 reporting requirements.
- 3.4. Major variances to the 2021/2022 Long Term Plan are set out within the financial statements on pp 91 – 98 of the draft Annual Report. Council reports a surplus before tax of \$9.6 million before other comprehensive revenue and expense, which is \$5 million favourable to budget.

3.5. The surplus of \$9.6m includes the following revenue:

- Unbudgeted Vested assets which are required to be included as revenue at the fair value of the asset received: \$0.6m
- Capital Grants which are also required to be included as revenue even though they relate to expenditure on Property, Plant & Equipment: \$13.2m
- Net gains on Swaps (Derivatives) which is the movement in value of Council's Swaps portfolio: \$1.4m.

3.6. Appendix 1 is still a draft document. There are not expected to be any material changes.

3.7. The Annual Report is subject to a full audit process carried out by Ernst & Young (EY). All financial statements and information is considered accurate and the audit opinion is unqualified, however the opinion contains an emphasis of matter regarding three waters, which has been issued to every Council.

#### **4. Options**

4.1. Option 1: Do not adopt the Annual Report for the year ended 30 June 2022.

4.2. Option 2: Adopt the Annual Report for the financial year ending 30 June 2022 subject to possible minor administrative changes.

4.3. Option 3: Adopt the Annual Report for the year ended 30 June 2022 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 2022 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 2022 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 2022 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 2022





WESTLAND DISTRICT COUNCIL TE KAHUI O POUTINI  
DRAFT ANNUAL REPORT 2021/2022



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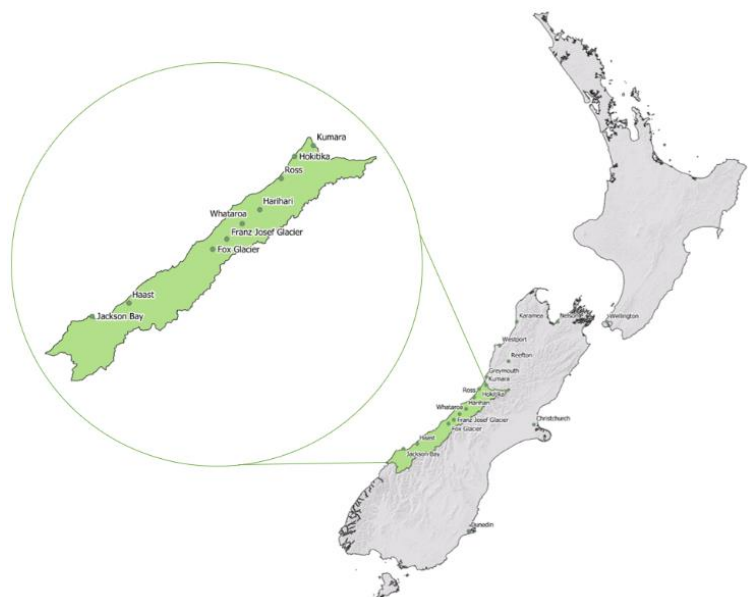


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# District Profile

<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: council@westlanddc.govt.nz Website: www.westland.govt.nz
<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>	6573
<b>No. of Non-rateable Assessments</b>	772
<b>Rateable Capital Value as at 30 June 2020</b>	\$2,472,434,950
<b>Non-rateable Capital Value as at 30 June 2020</b>	\$611,289,700
<b>Rateable Land Value as at 30 June 2020</b>	\$1,292,793,250
<b>Non-rateable Land Value as at 30 June 2020</b>	\$545,379,000
<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>	Audit New Zealand, on behalf of the Auditor-General
<b>Bankers</b>	Westpac Bank
<b>Insurance Brokers</b>	Aon New Zealand
<b>Cover Photo – Hokitika Gorge– Tony Maitland</b>	



## 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.*

Once again we write to you from a position of a year of change and challenge. Like all businesses around the country, Council has been affected by Covid-19 lockdowns, rising costs, staff illness and staff shortages. In spite of this, Council has achieved much of what it set out to do this year.

Council's have to be strong advocates for their communities. This year we joined Communities 4 Local Democracy - He hapori mō te Manapori as a Plenary member. The Westland community made it clear that they do not support the Three Waters Reform and the voice of Westland can be heard better by working with a wider group than standing on its own.

Resource and Building Consents continue to be in high demand, which is extremely positive for the local economy and the community. This means that both these departments are extremely busy and have at times struggled to maintain statutory timeframes. These are not the only departments to have faced difficulties this year. Rising costs have affected the day-to-day work and projects of the District Assets team, and all departments have struggled with recruiting and retaining skilled staff.

Even with these challenges, the hard work of staff ensured that we have achieved many positive results for the community. There has been significant investment, some of which is still ongoing, such as:

- Maintenance and improvements to heritage buildings.
- Maintenance and improvements to community and town halls.
- Improvements to playgrounds around the district.
- Water reticulation upgrades district wide.
- New generators have been installed at all water treatment plants.
- A new water treatment plant for Arahura.
- CCTV work has been carried out within the district's stormwater network.
- Two new large capacity sumps were installed in areas of Hokitika to alleviate roadside flooding during high rainfall events.
- Septage receivers installed at the Fox and Haast oxidation ponds will greatly reduce the potential for odours, which can negatively impact the surrounding environment.
- The new cell was completed at Butlers Landfill using funding from Central Government through the Provincial Growth Fund Covid-19 relief package.

Other highlights can be found in the 2021/2022 Highlights information.

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



**Bruce Smith**

**Mayor 2021/2022**

**Simon Bastion**

**Chief Executive**

## The Planning Cycle



### About the Annual Report

The Annual Report explains what Council has done to deliver the work programmes for 2021/2022 as outlined in the Long Term Plan 2021 – 2031 (LTP) for year 1, 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 2021/2022 have been complied with.

Council adopted this Annual Report on 15 December 2022.



**Bruce Smith**

Mayor 2021/2022



**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 2018-2028 includes a statement of commitment to consultation and engagement with Maori, 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.



## Councillors



Photo Credit: Katrina Thornley Photography

*Inset – Kw Paul Madgwick; Back Row – KW Francois Tumahai, Cr Jenny Keogan, Cr Ryan Kennedy, Cr Ian Hartshorne, Cr Paul Davidson; Front Row – Cr Anna Hart, Cr Latham Martin, Mayor Bruce Smith, Deputy Mayor David Carruthers, Cr Jane Neale.*

<b>Mayor</b>	Mayor Bruce Smith	<a href="mailto:mayor.smith@westlanddc.govt.nz">mayor.smith@westlanddc.govt.nz</a>
<b>Hokitika Ward</b>	Deputy Mayor David Carruthers Cr Paul Davidson Cr Latham Martin	<a href="mailto:cr.carruthers@westlanddc.govt.nz">cr.carruthers@westlanddc.govt.nz</a> <a href="mailto:cr.davidson@westlanddc.govt.nz">cr.davidson@westlanddc.govt.nz</a> <a href="mailto:cr.martin@westlanddc.govt.nz">cr.martin@westlanddc.govt.nz</a>
<b>Northern Ward</b>	Cr Anna Hart Cr Jenny Keogan Cr Jane Neale	<a href="mailto:cr.hart@westlanddc.govt.nz">cr.hart@westlanddc.govt.nz</a> <a href="mailto:cr.keogan@westlanddc.govt.nz">cr.keogan@westlanddc.govt.nz</a> <a href="mailto:cr.neale@westlanddc.govt.nz">cr.neale@westlanddc.govt.nz</a>
<b>Southern Ward</b>	Cr Ian Hartshorne Cr Ryan Kennedy	<a href="mailto:cr.hartshorne@westlanddc.govt.nz">cr.hartshorne@westlanddc.govt.nz</a> (resigned November 2021)

## RŪNANGA REPRESENTATIVES

Francois Tumahai - Chair Te Rūnanga o Ngāti Waewae

Paul Madgwick – Chair Te Rūnanga o Makaawhio



## Executive Team



*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:

- Receives good policy advice
- Delivers all services to the desired standard
- Complies with the law

Simon also oversees economic development, advocacy, mining, sport and recreation and tourism strategy portfolios in conjunction with Westland District Councillors.

### **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.

**Vacant**

Planning Manager

Telephone 03 756 9010

Email:

The Planning Manager leads the team responsible for meeting the District's Resource Management obligations. These include reviewing and utilising the District plan, processing land use resource consent applications and subdivisions, undertaking compliance and monitoring, creating planning policy, submitting on government policy on behalf of Westland and engaging with Central Government through representation in Stakeholder and Working Groups. It also means ongoing engagement with our communities and community groups.

**Lesley Crichton**

Group Manager: Corporate Services

Telephone: 03 756 9081

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

As Group Manager: Corporate Services, Lesley's primary responsibility is to provide effective financial management within the policies adopted by Council. Other responsibilities include the financial inputs and preparation 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. 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 and Community Services

Telephone 03 756 9010

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

As Regulatory Services Manager, Te Aroha is responsible for overseeing the management and delivery of regulatory and community services functions of Council. This includes Building Control, Animal Control, Environmental Health, Liquor Licencing, Compliance, and associated Bylaws, the Museum and Library. Te Aroha is also Council's Maori Liaison Officer, with an oversight of Council's statutory obligations to strengthen the capacity of Maori 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 and has responsibility for the Local Government Information and Meetings Act 1987 responses.

## Highlights of 2021/2022

### Community Awards

Westland residents were recognised during the 2021/2022 year for their community spirit and service.



Mayor Bruce Smith, Lita and Jimmy Gordon

In December 2021, Jimmy Gordon was presented with the award for “Westlander of the Year” in recognition of his work crafting 220 wooden poppy bowls for every RSA branch throughout New Zealand. Each bowl is made from native wood grown on the West Coast and finished with a piece of Pounamu and a penny.

At the same ceremony Ian Gilbertson was awarded “Senior Westlander of the Year”, recognising the 60 years of service that he has given the district in a wide variety of roles. Mr Gilbertson has been involved in sports, Volunteer Fire Brigade, Restorative Justice, Hokitika Chartered Club, RSA and the Westland Industrial Heritage Park.



Howard and Berry Hughes, and Deputy Mayor David Carruthers

Howard Hughes, who voluntarily maintained the town clock for 47 years, received a Community Award for his service in June 2022. Mr Hughes retired from the position in January 2022 for a well-deserved retirement.

### Hokitika Wastewater Treatment Plant Project Oversight Subcommittee

A new subcommittee was formed in August 2021 to oversee the development of the Hokitika Wastewater Treatment Plant. The subcommittee is a co-governance model with local Iwi.

- Ngāti Waewae is represented by James Mason Russell and Ema Weepu.
- Ngāti Maahaki is represented by Barry Wilson and Jackie Douglas.
- Council is represented by Deputy Mayor Carruthers (Chair), His Worship the Mayor, Councillor Davidson and Councillor Martin.



### Arahura Water Treatment Plant

The Arahura Water Treatment Plant project was included in the Long Term Plan 2018-2028. Work began on the plant in October 2020, with contractors Process Flow prefabricating and fitting out the plant at their base in Nelson. The plant was transported to Arahura upon completion. The new water treatment plant addresses issues such as the location of the bore, power supply and monitoring. Water from the new treatment plant will meet the revised Drinking Water Standards, providing a safe and compliant supply for the Arahura Township. The plant is expected to be running by the end of August 2022.



### Three Waters Reform Engagement

Council undertook an engagement with the Westland community in September 2021 to understand the community's preferences regarding three waters reform.

There were 370 responses, with the majority rejecting the proposed reform.

The key reasons that people want us to opt-out are:

- Submitters wanted three water services managed, built and operated locally, by people who understand the area.
- Submitters don't believe the reform will improve efficiencies.
- There were concerns their community won't have a strong democratic say in how their three waters services are provided.
- The community is concerned their rates will fund upgrades in other areas.

### Updated Council Logo



During the 2021-2031 Long Term Plan process, Council was gifted the name 'Te Kahui o Poutini' by local iwi as the formal Te Reo name for Westland District Council.

This year we updated our logo to include the formal Te Reo name and began using it on our website, media and in new documents.



### Glass Recycling

Council began collecting glass for recycling in December 2021, in conjunction with Envirowaste. The glass is sorted by colour and transported to Auckland to be recycled into new glass products. Over 172 tonnes of glass has been diverted from landfill.

### E-Waste Recycling

An E-Waste collection pilot programme with Techcollect began in December 2021. This allows residents to deposit their e-waste for free at Hokitika Transfer station to be taken for recycling. Over 1 tonne of waste has been diverted from landfill since the pilot began.



## Museum – New branding and new website

The new logo and icon were launched in 2022 as part of a rebranding exercise undertaken by the Museum. The overall brand strategy is to tell a broad range of stories concerning life in Westland and the wider West Coast. The Museum’s collection reflects the life of our communities in the extreme and inspiring place that is Te Tai o Poutini -West Coast, New Zealand.



Hokitika Museum’s new website was launched this year, with a focus on improved user experience and a consistent look and feel with the main Council website. On the new website Users are able to contact and interact with staff through online forms that are designed to support them in their requests.

## International Bring Your Dog to Work Day

Staff at Westland District Council celebrated ‘Bring Your Dog to Work Day’ with their canine companions. Having a dog in the office is proven to improve staff wellbeing and both dogs and humans alike enjoyed their day.



## Rainbow Storytime at the Library

Westland District Library hosted their first ever children’s Rainbow Storytime, part of our Pride Month celebration this June. The fabulous drag queens, Erika and CoCo Flash, entertained an audience of over 75 children and adults. They read children’s picture books on themes of acceptance, inclusion and being kind and raised the roof singing favourite children’s songs, including the infamous Baby Shark!

Overview of our activities

127 Resource consents issued

11 groups received Sport NZ Rural Travel Funds

269 Building consents issued

11 groups received Creative Communities Funding

1968 dogs registered

Mayors Taskforce for Jobs 76 people supported into employment

31 dog control infringements issued

- 350 – 400 School students visited the swimming pool;
- 87,182 users recorded on the West Coast Wilderness Trail;
- 64,026 physical items borrowed from the library;
- The museum updated 1419 records in the Past Perfect database;
- 75 people attended Rainbow Storytime at the library

Average quality of primary collector road condition 95.5%

100% compliance with stormwater discharge

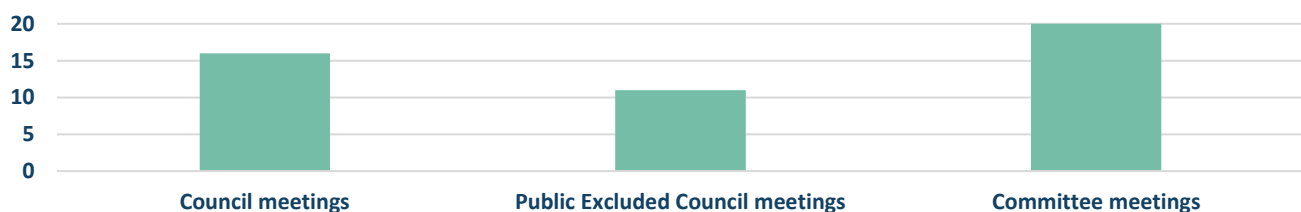
Over 177 tonnes of waste diverted from landfill through glass and e-waste recycling

Hokitika Airport extension



19 Council meetings; 28 Committee meetings; LGOIMA requests decreased 16%; 2586 Facebook followers; ~600 subscribers to Westland Matters

2021/2022





## Statement of Service Performance

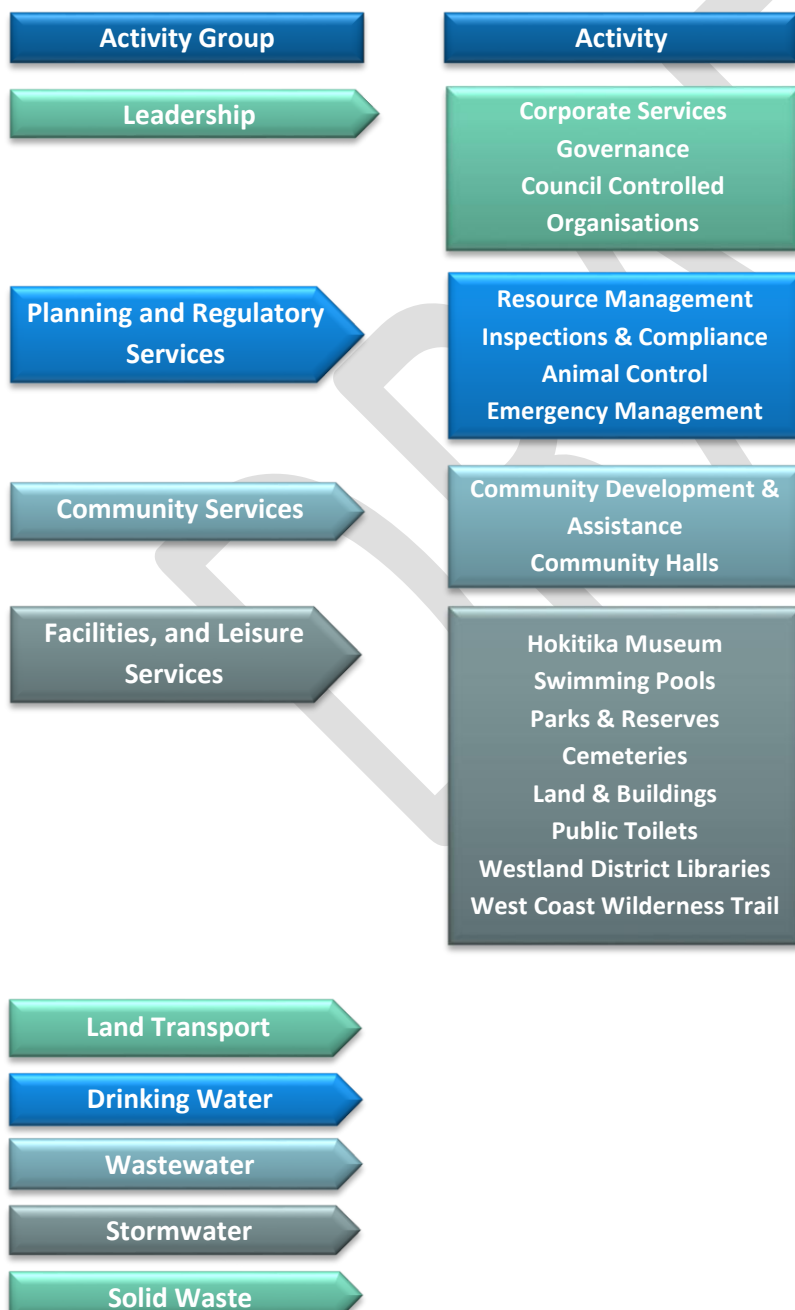
The Council early adopted PBE FRS 48 *Service Performance Reporting* in the 2022 reporting period.

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's Performance in Each Activity

This section of the report identifies progress during 2021/2022 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.
- Key financial information for each group of activities, compared to budgets, including the prescribed Funding Impact Statement.



## How Council Activities Contribute Towards Meeting Its Vision

### Community Outcomes

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 the indicators
<b>Leadership</b>	Governance	Resilient Communities	7	2
	Corporate services Council Controlled Organisations	Diverse Economy	1	0
<b>Planning &amp; Regulatory</b>	Planning	Sustainably Managed Environment	4	2
	Compliance (Building Control, Liquor Licencing, and Food Control)	Resilient Communities	9	8
	Animal Control	Diverse Economy	6	0
	Emergency Management			
<b>Community Services</b>	Community Development Community Halls	Resilient Communities	4	2
<b>Facilities, &amp; Leisure Services</b>	Cemeteries	Sustainably Managed Environment	4	1
	Hokitika Museum			
	Parks & Reserves	Resilient Communities	10	4
	Public Toilets			
	Swimming Pools	Diverse Economy	1	0
	West Coast Wilderness Trail Westland District Library			
<b>Infrastructure</b>	Land Transport	Sustainably Managed Environment	14	7
	Drinking Water			
	Stormwater	Resilient Communities	23	6
	Wastewater			
	Solid Waste	Diverse Economy	3	0

Council is committed to ensuring its services work towards achieving positive outcomes for the community. Difficulties in providing all services due to Covid-19 lockdowns and staff shortages have contributed to lower achievement of the performance measures that relate to Community Outcomes. In some cases, changes to requirements regarding inspections mean that the outcome cannot be achieved due to how 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.

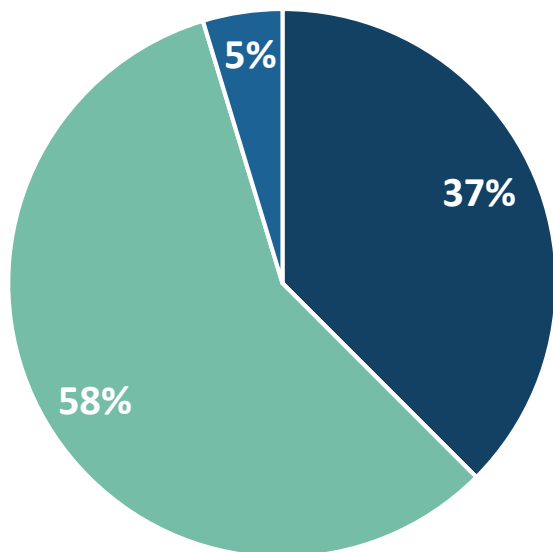
Activities contribute by:

- 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.

DRAFT

## 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.

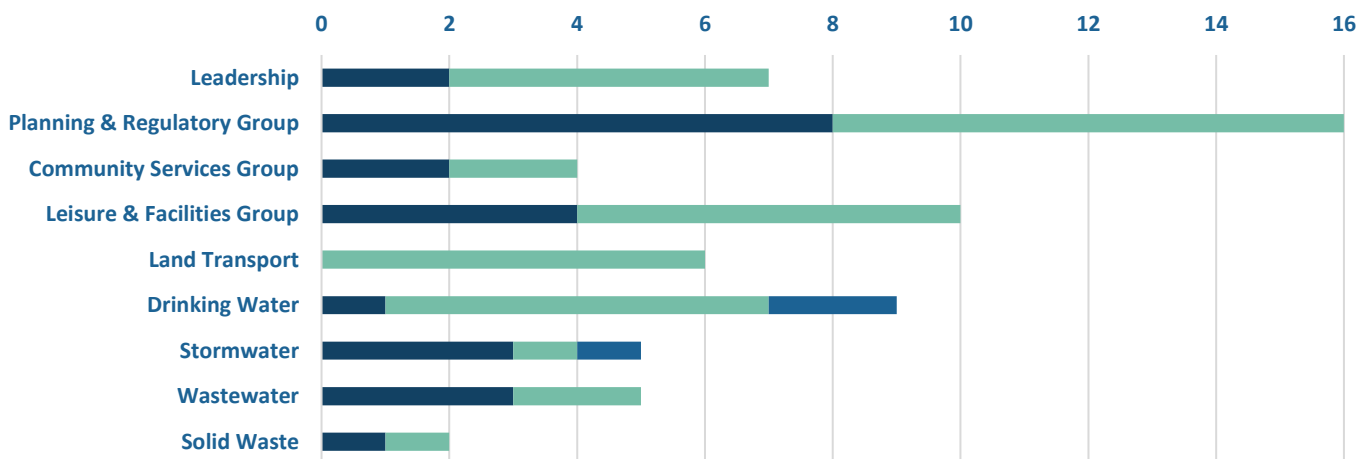


- Achieved
- Not Achieved
- Not Measured

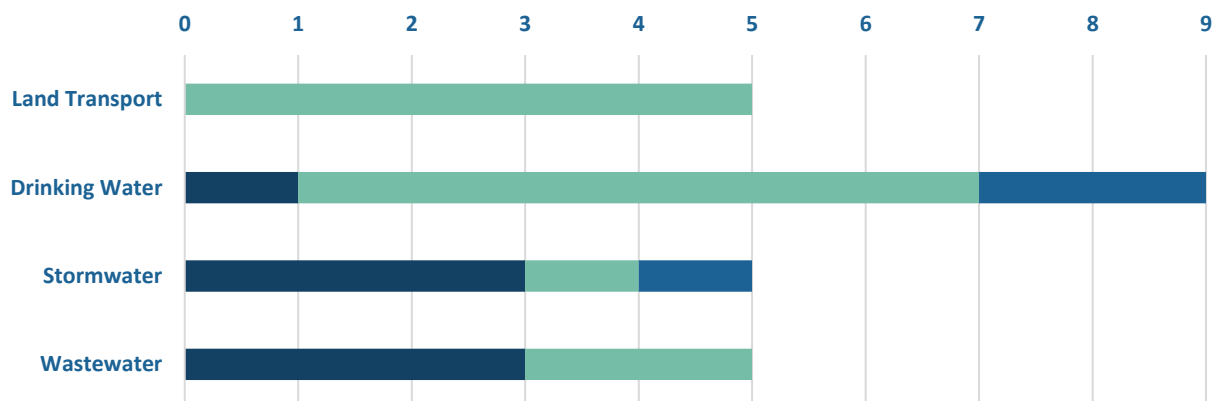
Council has 9 groups of activities. Performance is measured against a number of different indicators. Some of these are mandatory measures set by central government and others are measures that Council set itself. There are 64 measures in total.

- We achieved 37% of the measures (24 out of 64). This includes 30% of the mandatory measures (7 out of 24)
- We did not achieve 58% of the measures (37 out of 64).
- 5% of the measures were not measured (3/64). Two of these are mandatory measures for drinking water. Council does not measure these as to do so would incur an unreasonable cost. One stormwater measure could not be measured as there were no reported flooding events to attend.

### All Measures



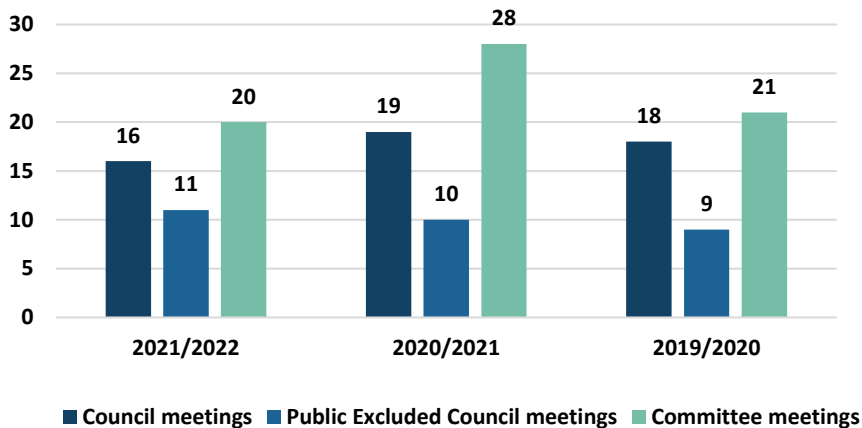
### Mandatory Measures



## Leadership

## Democracy

### Council and Committee Meetings



Council and Committee meetings are publicly notified under the Local Government Official Information and Meetings Act 1987 (LGOIMA), which provides the public with an opportunity to attend. Only matters where there are specific grounds under section 48(1) of the LGOIMA are excluded from the public section of the meetings.

Council continued to work around the varying restrictions of Covid-19 throughout the period. With face-to-face meetings often restricted, all meetings were held using Zoom. These meetings are saved to the Council's Youtube channel for public viewing.

Council adopted a Covid-19 Position Statement around vaccinations for current and new staff to ensure that there was clarity about Council's expectations.

Councillor Ryan Kennedy resigned his seat on 25 November 2021. Council resolved not to fill the vacancy in the Southern Ward as it was less than 12 months before the next Local Government election.

Key milestones for the 2021/2022 year include:

- The Hokitika Waste Water Treatment Plant Project Oversight Committee was formed and an Inaugural meeting was held with the Oversight Subcommittee on the 4 August 2021. This subcommittee is a 50/50 co-governance arrangement with mana whenua Te Rūnanga o Ngāti Waewae and Te Rūnanga o Maakawhio.
- Three Waters Reform – Council joined the “Communities 4 Local Democracy” group as a plenary member and conducted successful community engagement.
- Policies reviewed and updated, or newly adopted include: Smokefree and Vapefree Environments Policy, and the Elected Members Allowances Policy.
- Funding for a feasibility study for an Energy Centre for the Council building, Swimming Pool, Government Building (Seddon House), potentially the Pounamu Pathway and Pakiwaitara building.
- Sport and recreation review contracted to RSL for the Racecourse and Cass Square.
- Te Tai o Poutini Plan for Westland, Grey and Buller Districts prepared for notification.
- Council accepted the vesting of the new Cook Flat Road and Lake Matheson Road Footpath/Cycleway and associated infrastructure into Council ownership.

Funding released from discretionary reserve funds:

- Council approved the release of \$100,000 from the reserve fund to the Kumara Junction Community Incorporated Society for the purpose of providing recreational facilities by way of upgrading the Gentle Annie Track.
- Council released \$10,000 from the Reserves Development Fund for Haast's Marks Road Beautification Project.
- Council increased the funds released to the Three Mile Hall Committee up to \$10,000 for Phase 1 of the Three Mile History Project.

## 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.

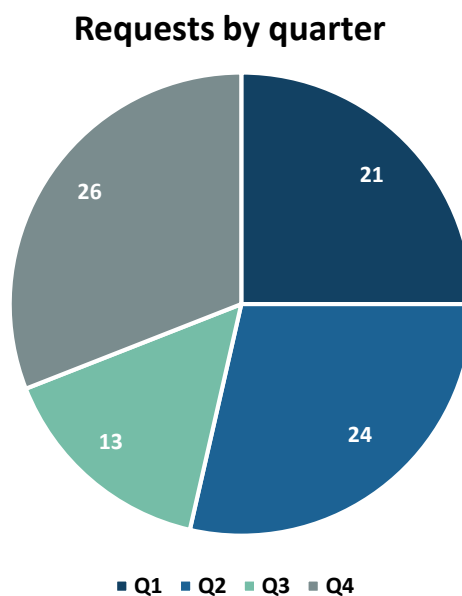
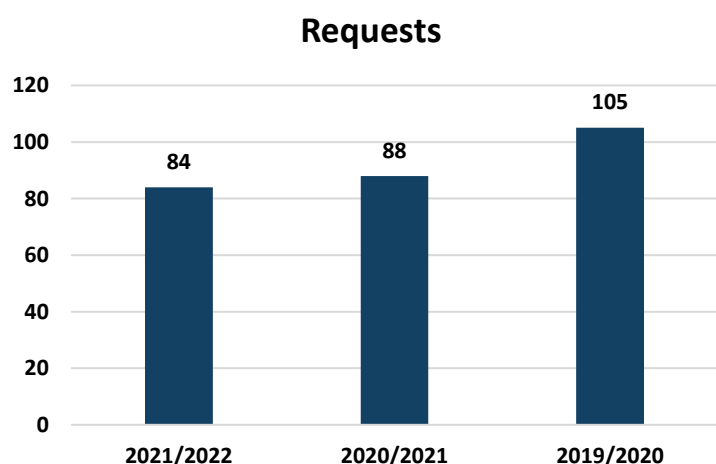
Funding now comes solely from donations.

In the 2021/2022 year, three payments were made from the Mayoral Relief Fund.

- Funding was provided to a member of the community for assistance.
- Funding was provided to a local member of the community for community assistance.
- Council purchased Daffodil and Tulip Bulbs to support the Cancer Society. The bulbs were planted in the Hokitika Central Business District area for beautification purposes.

## LGOIMA

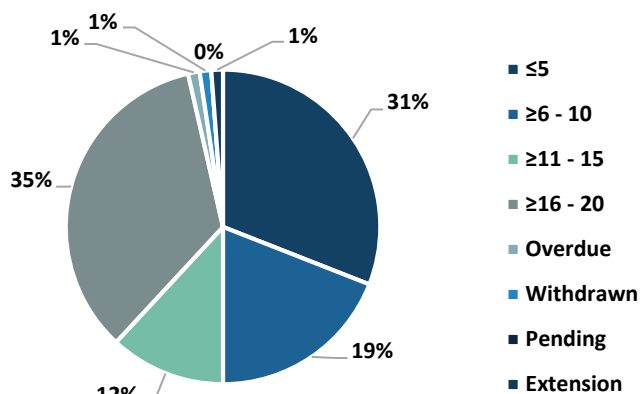
In the 2021/2022 financial year, there were 84 requests for information under the Local Government Information and Meetings Act (2021: 88). An average of 21 requests were received in each quarter of 2021/2022.



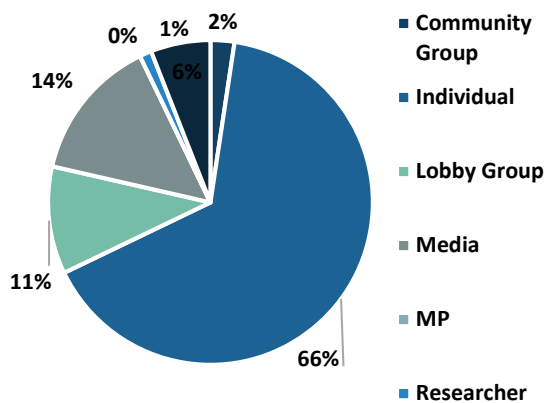


Half the requests received were completed within 10 days. Only one request was not completed within the 20 day statutory timeframe unless otherwise extended.

### Days taken to complete requests



### Requests by Type



The greatest number of requests came from individuals, followed by lobby groups. 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.

Where possible, LGOIMA responses are published on our website. Topics of interest in the 2021/2022 year were:

- Three waters reform and Council information regarding topics of interest within the three waters activity relating to the reform.
- Information around CCTV.
- Covid-19 response and vaccine passes.
- Council funding and financing, including to community groups.
- Resource and building consent information.

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

The Democracy activity contributed to the Resilient Communities outcome through:

- Open and transparent meeting processes, and engagement opportunities with meaningful community involvement. Council publicised the feedback that was given to central government based on the community engagement.
- Council demonstrated iwi participation, partnership and protection with the Hokitika Waste Water Treatment Plant Oversight Committee equal membership between Council and nominated iwi members.
- Conducting a biennial resident satisfaction survey, provides the community with an opportunity to let Council know what they think about the management of services and where there are areas that need to be improved.

## 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>45%</b> - Biennial Residents' Satisfaction Survey February 2022.  <i>(2020/2021: No Resident Satisfaction survey was undertaken in 2021)</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>75%</b> - Biennial Residents' Satisfaction Survey February 2022.  <i>(2020/2021: No Resident Satisfaction survey was undertaken in 2021)</i>

## Corporate Services

### Finance

This year has seen some solid work from the finance team in challenging times. Despite this, the 2020/2021 Annual Report received an unqualified opinion. This is a reflection of the high standard of work of all the staff involved. The emphasis for the year, which will continue into the future, has been on process improvement.

The team's efficiency was tested with staff shortages in the month before the end of the financial year. Fortunately, all the required processing and reporting was completed. At other times during the year when the office was closed, team members have been able to continue working from home as IT have supplied laptops and cloud services for business continuity. For finance work this can be difficult when working with multiple systems at once. In spite of these challenges, the team has worked together in reviewing our processes to ensure the integrity of the data in our financial and rating system which is the source of the information we provide to both customers and Council.

### Strategy and Communications

This has been a typically busy year for the Strategy and Communications advisor (SCA); providing support to teams in other parts of the business, maintaining high quality communications and developing materials required by statute.

In mid-2021 Council engaged with the community to understand their opinion of the proposed three waters reform. The SCA wrote the materials for the community to understand the impact of the reform on Westland and supported staff to report the results back to Council. Following on from this engagement, in June 2022 the SCA wrote Council's submission to the Finance and Expenditure Select Committee on the Water Services Entities Bill. The submission was based on the submission from Communities 4 Local Democracy – He hapori mō te Manapori and included the results of Council's community engagement.

As there were no proposed changes to the Long Term Plan 2021-2031 significant enough to trigger the need to consult on the Annual Plan 2022/2023, staff recommended undertaking broad community engagement instead. This allowed the community to provide their opinion on the draft budget. Council made changes to the draft Annual Plan based on the feedback.

In May 2022, an updated Consultation and Engagement Policy was adopted. This Policy provides staff with improved information about when and how to engage with or consult the community. The Policy is supported by a new

Communications Plan template to improve the way in which Council manages communications around projects and engagement.

Subscribers to Council's Facebook page have grown to over 3000, and with more active use of the Council's LinkedIn page followers are increasing steadily. The SCA is actively posting information on both platforms to engage the different demographics on each platform. Subscription to Westland Matters newsletter remains steady with around 600 subscribers. Efforts to market the newsletter do not result in much change in subscriber numbers.

Ongoing staff training for report writing, and consultation and engagement has been provided by the SCA in conjunction with the Governance team.

## Information Management

### Digitisation

The Land Information Memorandum (LIM) production function has come under the management of the IM team this year and the focus has been on Property Files and improving the efficiency and quality in the reports produced.

A scanning and digitisation routine has been built and a pilot test is in progress. This allows for the digitisation of the huge collection of Property Files and other printed records held at Council offices. These files, once digitised, are stored in a Document Management System and will be more readily available for staff access and public request.

### Public access

The Public Portal Forms system is now live and accessed via our website. Presented on this are a number of digital forms processes that are actively used. These allow customers to submit forms that trigger electronic workflows for our staff: allocating tasks, generating emails, and updating records, among other things. A number of our processes are now fully digital.

### Records Management

Alongside physical files, Council has over half a million files in electronic format that continue to be reviewed. Meta-data is added, duplicates are removed and file structures are improved as documents are moved to the new Document Management System. Even with automation, this is a big project and will take some time to complete.

## Information Technology

The year has been busy with new staff starting and needing IT equipment and support. A new role was created in the IT Team - IT Projects and GIS Officer. This role is important for advancing the Council's IT infrastructure. The existing IT Support Officer moved into this role and a new IT Support officer was appointed. The IT support Officer has the task of managing the helpdesk software, onboarding new staff and offboarding staff as they leave.

A project management framework has been developed and implemented. The framework guides the establishment, management and review of technology projects and is an important part of ensuring requirements are clearly articulated and fit-for-purpose solutions are implemented.

All staff now have laptops and mobile phones - completing the transition to a mobile workforce. Staff have become more adept at working from home when required and there were fewer reports of issues requiring support during the last office closure.

Major projects for the IT team include:

- **D4H** - CDEM incident management and reporting software – this is currently being configured and implemented as the tool for Westland EOC to manage incidents to replace the existing MS Teams solution. It

is easy to use and can be used out in the field with immediate updates. There is also an off-line function which can be utilised.

- **Laserfiche** – Information Management are currently implementing Laserfiche eDRMS. IT have been providing technical support for this project – five new servers plus any technical and security support.
- **Microsoft 365** – Council has now been transitioned from Office 2016 to cloud based Microsoft 365. This has been a very smooth transition with our Outlook Exchange now also cloud based. This is much more resilient and not reliant on the internal servers.
- **MyHR** – Human Resource management and support software – now installed, support and advice being provided to the People and Capability team.
- **MagiQ online payment portal** – Web payments get directly imported into the finance system. Implemented in conjunction with converting all eftpos machines to Windcave.
- **Laevo** – project management software, replacing Microsoft Office Project. Now successfully implemented.
- **New UPS** (Uninterrupted Power Supply) in the server room. It was found the existing UPS needed replacing as it only maintained the servers for about 2 minutes in the event of a power outage, which was not enough time to access and manually shutdown servers. Servers can potentially be corrupted if they are depowered without using the correct shutdown procedures.

## Council Controlled Organisations

Statements of service for Westland Holdings Ltd, Destination Westland Ltd and Westroads Ltd are provided below on pp 26-28.

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

The Corporate Services activity contributes to the Resilient Communities outcome through:

- Open and transparent meeting processes.
- Work by our IT department to improve business continuity and enable staff to work in and out of the Council offices.
- Improvements to processes within the Information Management department that benefit the community and the business.

### Performance in this activity

Community Outcome	Level of service	Measure / Target	Current performance
<b>Resilient Communities</b>	<b>Provide accountability about Council activities</b>	<p>Legally compliant financial plans and reports adopted</p> <p>a. <b>100% LTP, Annual Plans and Reports adopted on time.</b></p> <p>b. <b>100% LTP and Annual Reports receive unqualified Auditor's Opinions.</b></p>	<p>a. <b>100%:</b> The Annual Report 2020/2021 was adopted on 17 December 2021 as allowed by the amendment to the Local Government Act.</p> <p>The Annual Plan 2022/2023 was adopted on 30 June 2022.</p> <p><i>(2020/2021: The Annual Report 2019/2020 was adopted on 2 November 2020 as allowed by the amendment to the Local Government Act.</i></p>

Community Outcome	Level of service	Measure / Target	Current performance
			<p><i>The Long Term Plan 2021-2031 was adopted on 30 June 2021).</i></p> <p>b. <b>100%</b>: The Long Term Plan 2021 – 2031 received an unqualified Auditor’s opinion. The Annual Report 2020/2021 received an unqualified Auditor’s opinion.</p> <p><i>(2020/2021: The Annual Report 2019/2020 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>29%</b> - Biennial Residents’ Satisfaction Survey February 2022.</p> <p><i>(2020/2021: No Resident Satisfaction survey was undertaken in 2021)</i></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>76%</b> - Biennial Residents’ Satisfaction Survey February 2022.</p> <p><i>(2020/2021: No Resident Satisfaction survey was undertaken in 2021)</i></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 – appointed 28 June 2018

Chris Gourley – 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 2018-2028, 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 29 June 2018

### **Directors**

Joanne Conroy – Chair appointed 25 May 2020

Christopher Gourley – appointed 2 June 2020

Marie-louise Tacon – appointed 1 November 2021

Christopher Rea – ceased 31 December 2021

### Key objective:

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

### **Hokitika Airport**

The 'Shovel Ready' funded Hokitika Airport extension was opened in December 2021.



## Elderly housing

In July 2021, Westland District Council transferred ownership of the 55 elderly housing units to Destination Westland.

In October 2021, a new pensioner housing development was approved for eight single-bedroom units (four duplexes) on a central site in Fitzherbert Street. Each unit will contain off-street parking and grassed and landscaped outdoor areas.

Destination Westland's maintenance team have worked to develop easy-care gardens at the Revell Street and Sewell Street units.

As part of the healthy homes initiative, heat pumps have now been installed across 85% of the pensioner units.

## i-SITE

Hokitika i-SITE have continued to be instrumental in providing comprehensive, impartial information and customer services. One of the i-SITE's larger projects was in partnership with Development West Coast, launching the Holiday Booster Packages campaign. The campaign ran from October 2021 to January 2022 offering \$100 off West Coast packages to add an extra incentive for people to explore the region while supporting local businesses and communities.

In October 2021, Hokitika i-SITE underwent a Covid-19 Clean Approved Assessment, an assessment formally recognised by the World Travel & Tourism Council (WTTC). By successfully passing this assessment, it communicates to both our staff and visitors that we are aware of and working to take measures to help prevent the spread of Covid-19.

From mid-May to early June 2022, the i-SITE hosted the Wāhine exhibition, a touring multi-media arts initiative facilitated by the Woven Women. The exhibition has helped to amplify Māori women's voices around Aotearoa, offering communities the opportunity to be enriched by their life stories while fostering mutual understanding.

During Matariki celebrations in June 2022, the i-SITE assisted the Lions Club of Hokitika in facilitating their Midwinter Christmas Wish initiative by hosting the letterbox for locals to mail their nominations for suitable recipients. Also in celebration of Matariki, the i-SITE acquired seven native trees and enlisted the help of local schools and St John Youth to create decorations for them. The trees were later donated to and planted at West Coast Treetop Walkways.

The i-SITE team have launched a number of additional promotions. Having just wrapped up a series of winter promotions, a spring shop and win promotion has now been introduced, whereby customers go in the draw when spending \$20 in store.

## Hokitika Wildfoods and events

As with many events over the past two years, the 2022 Wildfoods Festival fell victim to Covid-19 restrictions. For the first time in its 34 years of running, the difficult decision was made to postpone the event until 11 March 2023. Fortunately, the 2022 entertainment line-up and beer partner, Garage Project, have been secured for next year.

The Destination Westland South Island Ultra Marathon was held on 14 May 2022 for its second consecutive year. Taking place on the West Coast Wilderness Trail, the event had 264 competitors across three categories.



Established January 1995.

**Directors**

Peter Cuff – Chair appointed 18 January 1995

Ross Pickworth – Director appointed 1 November 2017

Mark Rogers – Director appointed 15 October 2019

Robert Caldwell – Director appointed 1 December 2021

Bryce Thomson – ceased 10 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.’ How this activity contributes to Community Outcomes & Well-being

Council Controlled Organisations manage the activities of Council that generate income and provide socio-economic benefits for the region. Many of these activities contribute towards the economic goals of Council by 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.

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 2021/2022  <i>(2020/2021: Not achieved – see individual CCO Annual Report 2020/2021)</i>

Funding Impact Statement (for the Leadership group)  
for the year ended 30 June 2022

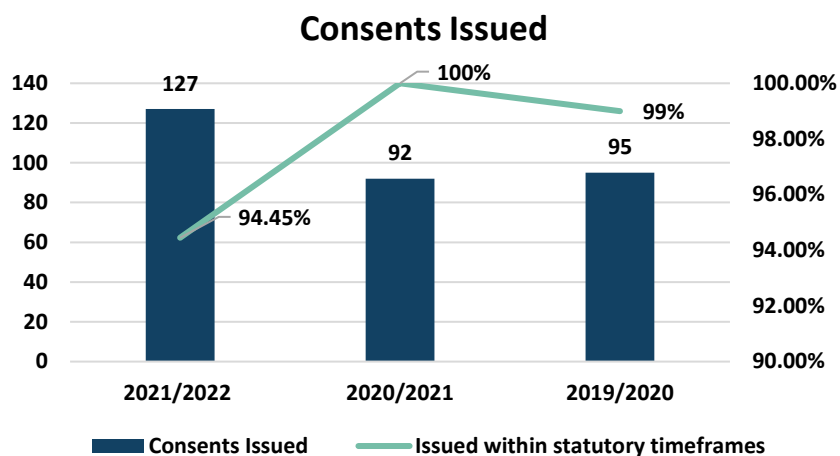
<b>Group Level Funding Impact Statement</b>			
	<b>Long Term Plan 2021 \$000</b>	<b>Long Term Plan 2022 \$000</b>	<b>Actual 2022 \$000</b>
<b>Leadership</b>			
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>			
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	1,103	236	205
Targeted Rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	73	124	96
Interest and dividends from investments	-	-	110
Local authorities fuel tax, fines, infringement fees, and other receipts	682	712	2,080
Internal charges and overheads recovered	3,888	7,005	7,471
<b>Total Operating Funding (A)</b>	<b>5,746</b>	<b>8,077</b>	<b>9,963</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	3,116	5,223	5,934
Finance Costs	423	468	370
Internal charges and overheads applied	2,036	3,034	3,171
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>5,576</b>	<b>8,725</b>	<b>9,475</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>170</b>	<b>(648)</b>	<b>488</b>
<b>(SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(17)	973	3,042
Gross proceeds from sale of assets	-	-	8
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>(17)</b>	<b>973</b>	<b>3,049</b>
<b>Application of Capital Funding</b>			
Capital Expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	-	1,000	106
- to replace existing assets	46	22	122
Increase (decrease) in reserves	107	(697)	3,309
Increase (decrease) of investments	-	-	-
<b>Total Applications of Capital Funding (D)</b>	<b>153</b>	<b>325</b>	<b>3,537</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(170)</b>	<b>648</b>	<b>(488)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Planning and Regulatory

### Resource Management

During this financial year consultation on the exposure Te Tai o Poutini Plan (TTPP), being the one District Plan for Westland, Grey and Buller Districts, was completed and the TTPP was prepared for formal notification early in the next financial year (14 July 2022). Community feedback on the exposure draft was received and considerable consultation occurred throughout the three Districts, satisfying statutory requirements.

Staff turnover in the Planning Department has been high with the resignation of two Planning Managers, an Intermediate Planner and Junior Planner. However, the Trainee Planner was promoted to the Junior Planner position and a new Planning Business Support Officer was hired. Recruitment for vacant roles continues into the next financial year.



The Planning Department issued 127 resource consents, an increase of 36.84% on the 2020/2021 year. Of these 127 resource consents, 92.13% of land uses and 96.77% of subdivisions were issued within the required statutory timeframes (an average of 94.45%), which means all non-notified resource consents were processed within the 10 or 20 working day timeframe set under the RMA 1991.

164 resource consent applications were received during this financial year. The most significant of these relate to:

- 20 Lot subdivision at Mehrtens Road, which included a bundled land use consent application for the purpose of constructing a new road to be vested to Council and a single residential dwelling within each Lot, resulting in a proposed total of 20 new dwellings.
- The redevelopment of an existing accommodation facility in Turiwhate, involving the construction and operation of 26 units, 14 motorhome sites, a café and associated amenities.
- The construction of coastal protection works in the form of a seawall approximately 1100m in length within Hokitika.
- The construction and operate a new industrial scrap metal yard in the Kaniere area.
- To undertake a variation to the approved modification of the Carnegie Building, being a Schedule II heritage building.
- To construct the modified public pool complex within the Commercial Core Zone of Hokitika.
- To upgrade the existing Lake lanthe recreation area, jetty and associated buildings.
- 25 Lot subdivision at Seaview, Hokitika, including 23 residential allotments.

Overall, 127 decisions were issued over the year, including 100% of these consents being granted under delegated authority. Of this total, 31 decisions were for subdivision resource consent and 88 were for land use resource consent.

Based on the outcome of the Planning Department's customer satisfaction survey, customers responded with a 100% rate of satisfaction with the Planning Department's service, which is equal to that of the prior financial year.

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

The assessment of applications and provision of resource consent decisions has contributed to the economic and social well-being of the Westland District whilst ensuring environmental and cultural well-beings are protected or enhanced through sustainable resource use.

The resource consent process enables applicants to undertake activities that would not otherwise be permitted by existing legislation through a decision process that factors in those who may be affected and the receiving environment, in an effort to ensure natural justice achieved.

Ongoing community consultation in respect to the TTPP, being the future District wide statutory document for resource management, has ensured the four recognised well-beings are considered and provided for based on the values and priorities of the community.

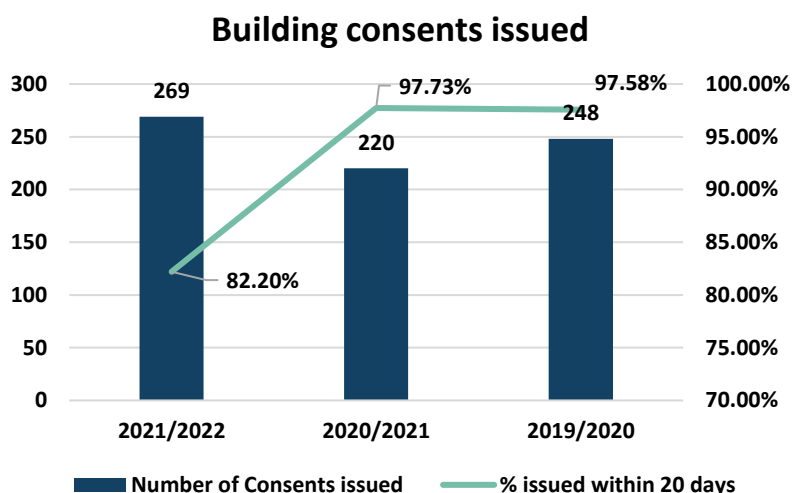
### Performance in this activity

Community Outcome	Level of service	Measure / Target	Current performance
<b>Sustainably Managed Environment</b>	<b>Resource consents processed in accordance with relevant legislation</b>	<b>100%</b> of resource consents processed within statutory Time frames	<b>92.13%</b> of land use and <b>96.77%</b> of subdivision consents processed within statutory time frames. 127 consents processed.  <i>(2020/2021: 100% processed within statutory timeframes. 92 consents processed.)</i>
<b>Resilient Communities</b>	<b>Provide appropriate advice to customers</b>	<b>85%</b> of users satisfied with the quality of the advice provided on resource management matters	<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.  <i>(2020/2021: 100% satisfaction based on the Planning Department's customer feedback survey throughout the year.)</i>

## Inspections and Compliance

### Building Control

The building team has been very busy this financial year with 96 building consents issued for new houses, compared to 56 for new houses the year before. This is the highest number of new house consents ever issued for the district and involves at least 500 additional processing hours and over 400 more inspections to be dealt with. In total 269 building consents were issued out of 303 applications, an increase of 49 consents from previous financial year. Due to staffing constraints and the record high number of consent submissions, only 82.35% of consents were issued on time and 98.6% of code compliances applied for were issued on time.

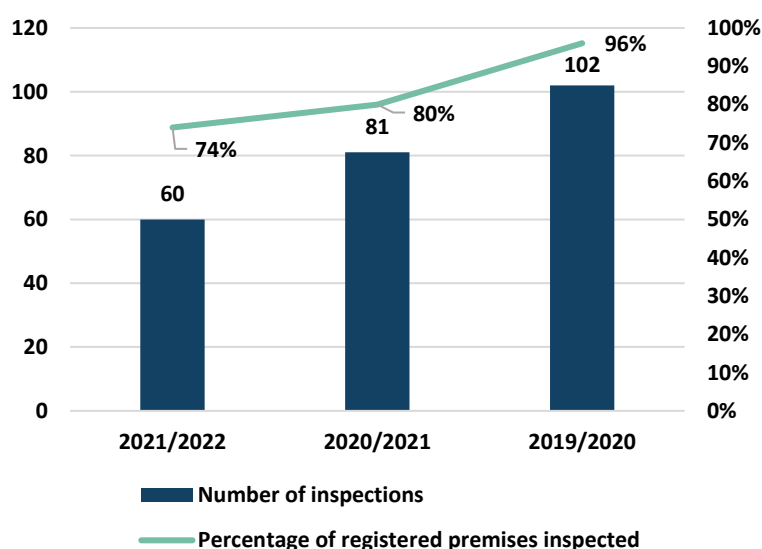


The numbers and trends highlight that more resourcing is required for a number of functions that Building Control administers. There has been success in recruiting additional staff to help spread the workload and try to reduce time delays and additional expenses. The team is still one technical staff member short and recruiting to fill the vacancy.

A lot of additional work is also undertaken following up complaints or queries about work undertaken without a building consent. This can be a costly exercise for some owners to put right if work is done without obtaining a consent. The Ministry of Business, Innovation and Employment have created documents and tools to help owners make informed decisions on what does or does not need a consent. They are owner exemptions, so the responsibility remains with the land owner to decide if they need a consent.

### Environmental Health – Food and Alcohol Licensing

#### Food Licensing



The food inspector has had a busy year, visiting all of the premises required to be verified. Due to the licencing regime, not all registered food premises are required to be inspected in a single year. Premises might be visited between three to twelve monthly, or every eighteen months if they have performed well in previous inspections. The decreasing number of inspections required suggests that compliance to the food licencing regime is improving.

Respondents to the biennial resident survey were more likely to be dissatisfied than satisfied by the service. However, the majority of verbal responses were not about the services of food

licencing. This suggests that there needs to be education in the community about the food licencing and environmental services activities.

## Alcohol Licensing

Inspections of licenced premises has been quieter this year. No after-hours monitoring visits were carried out to licenced premises, mainly due to Covid-19 restrictions. This caused a reduction in the number of premises visited during the year.

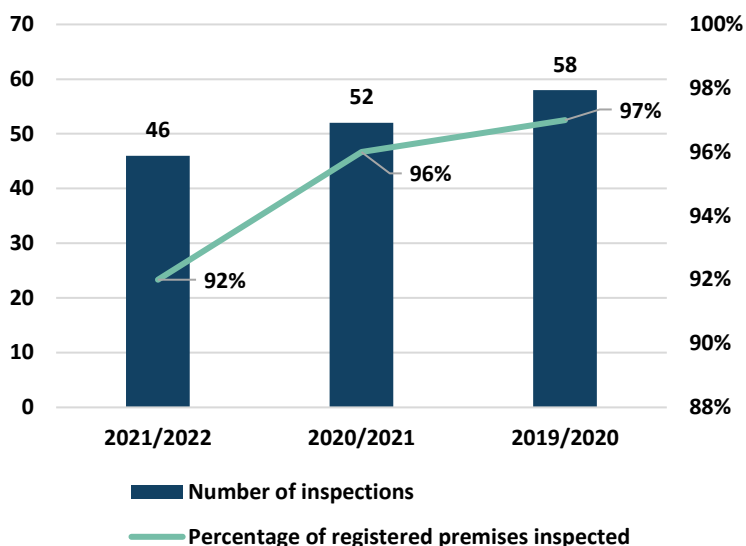
Only a small number of respondents to the biennial Resident Satisfaction survey had contact with Liquor licensing. Staff work hard to provide a positive service to customers but can be constrained by forces outside of their control such as the change in reporting time by external agencies to licence applications. This results in a poorer experience for the customer. Where information supplied by applicants meets the criteria and is complete staff can process the application quickly. Dissatisfaction can arise from incomplete applications and refused applications due to lack of industry experience or functional knowledge.

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

This activity contributes to the diverse economy of the district by enabling business to be complaint to local and national laws and regulations.

This activity supports the social and economic well-being of the district by ensuring that buildings are built safely and to be long lasting. Businesses that serve food and alcohol are supported to ensure a safe and healthy environment for patrons.

### 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	Consents issued = <b>269</b> <b>82.35%</b> issued within 20 day statutory timeframe <i>(2020/2021: Consents issued = 220 97.73% issued within 20 day statutory timeframe )</i>
<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	<b>Building Consents</b> <b>46%</b> - Biennial Residents' Satisfaction Survey February 2022. Note: small base of 41 respondents <i>(2020/2021: A Building Consent Authority satisfaction survey was not conducted in the 2020/2021 year. Staff are</i>



reviewing the process for improvements in the 2021/2022 year.)

**Environmental Health**

**40%** - Biennial Residents' Satisfaction Survey February 2022.

Note: small base of 17 respondents.

*(2020/2021: No Resident Satisfaction survey was undertaken in 2021)*

**Liquor Licencing**

**70%** - Biennial Residents' Satisfaction Survey February 2022.

Note: small base of 10 respondents.

*(2020/2021: No Resident Satisfaction survey was undertaken in 2021)*

**Diverse Economy**

**Encourage compliance with health standards by undertaking inspections so that all food, liquor and other licensed premises comply with the relevant legislation.**

**100%** licensed and registered premises are inspected at least annually.

**Food Premises**

**74%** (60 / 81 – based on currently registered businesses)

*(2020/2021: 80% inspected, 81/101 due to premises closing temporarily or permanently after the Covid-19 pandemic)*

**Liquor Premises**

**92%** (46 / 50 – based on currently registered businesses)

*(2020/2021: 96% inspected, 52/54, due to premises closing temporarily or permanently after the Covid-19 pandemic.)*

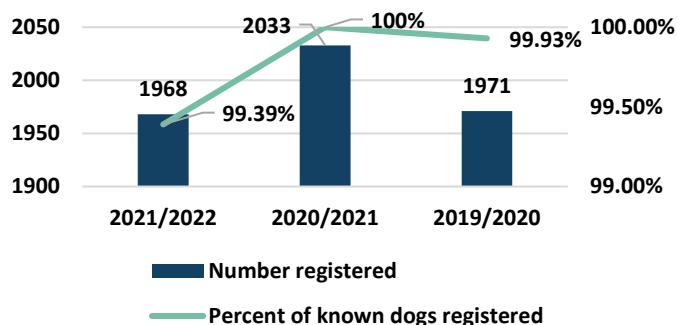
**Animal Control**

Animal Control staff actively work with the community to resolve dog related issues. The focus for staff is on harm reduction through identification and control of both menacing and dangerous dogs. Regular proactive patrols continue with the view to heighten public awareness 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.

A small number of residents surveyed in the biennial satisfaction survey had contact with Animal Control during the year. Dissatisfaction regarding the response from Animal Control was the main theme of the responses. Most residents who have had contact with Animal Control will have made a complaint, so will already have a negative experience prompting their contact. However, anecdotal evidence from dog owners suggests that there is a higher degree of satisfaction with the services provided.

### Compliance

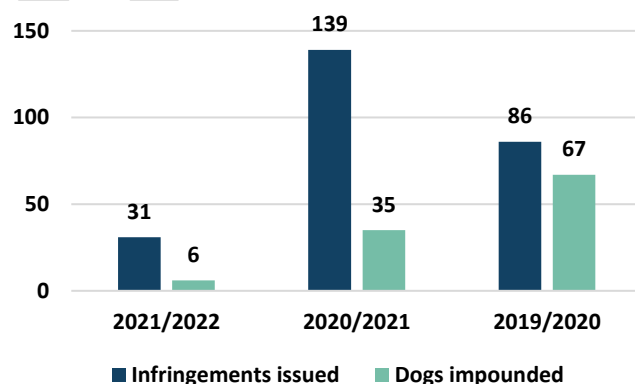
**Dogs registered at 30 June**



There was a large drop in known dogs in the district from 2033 to 1980, with almost 100% of these dogs registered by 30 June 2022. Staff continue to work with owners to ensure that dogs are registered during the financial year.

The strong downward trend in infringements issued and dogs impounded shows that the efforts of staff to educate owners and increase patrols is having a positive effect.

Infringements are only issued where an owner has been non-compliant. Where infringements have reduced, this would reflect a reduction in the number of compliance issues for response by Animal Control staff.



Increased compliance by dog owners also means that there are fewer roaming dogs being impounded.

### Pound activities

There have only been a small number of dogs impounded in the last financial year. All of the dogs were reunited with their owners, including a puppy from out of district.

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

This activity contributes to community resilience and sustainably managed environment, through the minimisation of harm from wandering dogs and stock. Education of owners ensures positive interactions for the community with dogs and stock.

### Performance in this activity

Community Outcome	Level of service	Measure / Target	Current Performance
<b>Sustainably Managed Environment</b>	<b>Keep the public safe from dogs and wandering stock</b>	<b>90%</b> Residents satisfied with the response provided	<b>29%</b> - Biennial Residents' Satisfaction Survey February 2022.
<b>Resilient Communities</b>			Note: small base of 24 respondents.  (2020/2021: No Resident Satisfaction survey was undertaken in 2021)

	<b>99%</b> of known dogs registered by 30 June each year	<b>99.39%</b> - 1968/1980 known dogs registered. <i>(2020/2021: 100%)</i>
	Response times to Priority 1 callouts: <b>30 minutes or less (excluding travel time)</b>	<b>100%</b> of response times to priority 1 callouts in 30 minutes or less. <i>(2020/2021: 100% of response times to Priority callouts in 30 minutes or less.)</i>

## Emergency Management

This has been another busy year with emergency response activations occurring throughout the year. There have been several instances where Emergency Management has partially or fully activated in response to weather events for example the November 2021 weather warning, and January 2022 Tsunami warning. Westland District has also provided support for other areas over this time, such as the Buller flooding in July 2021 and again in February 2022.

Some interruption to the training schedule occurred early this year due to the Covid-19 resurgence, however some good examples of council and community training has occurred over the last twelve months. A focus has been on Council staff and Community Response Groups completing CIMS4 training with the ongoing opportunity to progress into CIMS Function training.



Community resources have also improved with the resilience containers and resources being placed across the district, and more work leading onto improve alternate communications into the next year.

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

There is a 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. Individual and household preparedness continues to be a focus of Emergency Management messaging. Staff have supported other organisations work through [‘Project AF8’](#) and collaborating with Inclement to develop [‘Kit Me’](#), a household preparedness web-based tool that supports communities to get ready for emergency events.

### 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 on several occasions for emergency alerts. <i>(2020/2021: This is a new measure in the Long Term Plan 2021 - 2031)</i>

	At least one Emergency Operations Centre (EOC) activation occurs annually (event or exercise).  <b>Achieved</b>	<b>Achieved</b> A multi-agency activation occurred in November 2021.  <i>(2020/2021: This is a new measure in the Long Term Plan 2021 - 2031)</i>
	At least two training sessions are held annually for Council CDEM Incident Management Personnel  <b>Achieved</b>	<b>Achieved</b> Induction Courses: 6 April 2022 CIMS4: May 2022, Greymouth & Franz Josef  <i>(2020/2021: This is a new measure in the Long Term Plan 2021 - 2031)</i>
<b>Resilient Communities</b>	<b>CDEM relationships with WC CDEM Group 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>	Council was represented at <b>4/4</b> meetings = <b>100%</b> of the time.  <i>(2020/2021: This is a new measure in the Long Term Plan 2021 - 2031)</i>
	Council is represented at CEG meetings by the Chief Executive or a nominated attendee. <b>80% of the time.</b>	Council was represented at <b>4/4</b> meetings = <b>100%</b> of the time.  <i>(2020/2021: This is a new measure in the Long Term Plan 2021 - 2031)</i>

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

for the year ended 30 June 2022

Group Level Funding Impact Statement			
	Long Term Plan 2021 \$000	Long Term Plan 2022 \$000	Actual 2022 \$000
<b>Planning &amp; Regulatory</b>			
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>			
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	1,545	1,790	1,790
Targeted Rates	-	-	-
Subsidies and grants for operating purposes	-	452	54
Fees and charges	952	726	1,066
Local authorities fuel tax, fines, infringement fees, and other receipts	130	224	253
Internal charges and overheads recovered	272	-	-
<b>Total Operating Funding (A)</b>	<b>2,900</b>	<b>3,192</b>	<b>3,163</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	1,917	2,237	2,161
Finance Costs	10	-	3
Internal charges and overheads applied	733	931	953
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>2,660</b>	<b>3,169</b>	<b>3,117</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>240</b>	<b>23</b>	<b>46</b>
<b>(SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(10)	599	22
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>(10)</b>	<b>599</b>	<b>22</b>
<b>Application of Capital Funding</b>			
Capital Expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	-	610	34
- to replace existing assets	-	-	-
Increase (decrease) in reserves	230	12	35
Increase (decrease) of investments	-	-	-
<b>Total Applications of Capital Funding (D)</b>	<b>230</b>	<b>622</b>	<b>68</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(240)</b>	<b>(23)</b>	<b>(46)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Community Services

### Community Development and Assistance

It has been a busy year for the Community Development Advisor (CDA) with high levels of interest in funding and providing support to communities.

#### Welcoming Communities

Westland District Council put forward a successful Expression of Interest to join the Welcoming Communities programme run by Immigration New Zealand. Welcoming Communities supports councils and their communities to create welcoming environments for newcomers.

#### Class 4 Gambling Venue Application

The Community Development Advisor supported Kiwi Gambling to apply for a Gambling Venue Consent Application for four Gaming Machines at Hotel Hari Hari. The application was made under the Westland District Council Class 4 Gambling Venue Policy 2018. Prior consent had expired and a fresh consent was sought after Covid-19 related delays. Regulatory Services also provided assistance. Westland District Council last approved a new Gambling Venue Consent Application in 2004.

#### Events

##### *Waitangi Day, Commemoration 6 February 2022*

Council received \$8,000 for the proposed 2022 commemoration at Te Tauraka Waka a Maui Marae in Mahitahi (Bruce Bay) from the Manatū Taonga – Ministry for Culture and Heritage Commemorating Waitangi Day Fund. Unfortunately the commemoration was cancelled due to a West Coast Weather Event and the funding was subsequently returned. Culture and Heritage were very supportive of Westland making an application for Waitangi Day 2023

#### 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. \$25,518.38 was allocated to applicants this year. This funding included a Covid-19 Delta Top Up of \$5,184.38 additional to Round 2 funding.

**Round 1** funded six Westland projects. Three projects have not been completed. Creative New Zealand have extended timeframes for completion due to the impact of Covid-19 in communities.

<b>Driftwood &amp; Sand Beach Sculpture Art Festival</b>	Tutor and workshop
<b>1920's Wardrobe for Westland Community Celebrations</b>	Creation and Participation
<b>Children's Day &amp; Christmas Parade</b>	Creation and Participation
<b>Basic Stage Makeup Workshop – Old Lodge Theatre</b>	Workshop
<b>Outdoor Public Community Art</b>	Community Participation
<b>Revell in the Community</b>	Workshops/Taster sessions

**Round 2** funded eight Westland projects. These projects are currently in progress.

<b>Information Panel Old Lodge Theatre</b>	Creation
<b>Freedom Sing Workshops</b>	Participation
<b>Raranga Weekend Workshops South Westland</b>	Creation and Participation
<b>Hokitika Street Art</b>	Creation and Participation
<b>Hokitika Driftwood Sign</b>	Creation
<b>Chinese Customs, Culture and language</b>	Participation
<b>Junk2Funk</b>	Workshops
<b>Traditional Moko Kauae</b>	Creation and Participation

#### *Sport NZ Rural Travel Fund*

Westland has submitted the Rural Travel Fund 2021/2022 Report and Accountability Report. Westland's Funding Agreement has been extended to 2023/2024.

The Rural Travel Fund assists a community goal of enabling more kiwi kids to be physically active. It addresses barriers in rural communities: geographical isolation and lack of other funding sources.

\$9,500 was allocated to groups in the 2021/2022 funding year.

<b>South Westland Netball Association</b>	Netball
<b>Lake Mahinapua Aquatic Club</b>	Sailing
<b>Kokatahi-Kowhitirangi Pony Club</b>	Horse riding
<b>Westland United Football Club</b>	Football
<b>Westland Excelsior St Mary's Teams Sport Club</b>	Rugby
<b>Hokitika Hockey Club</b>	Hockey
<b>Westland High School</b>	Football
<b>Hokitika Amateur Swimming Club</b>	Swimming
<b>Hokitika Rugby League</b>	Rugby league
<b>South Westland Bowhunters</b>	Bow hunting
<b>Hokitika Tennis Club</b>	Tennis

#### *Mayors Taskforce for Jobs*

The Mayors Taskforce for Jobs supported 76 people over the past 12 months into employment; bringing the total positions supported to 193 since its inception in 2020.

The focus has shifted from supporting those displaced as a direct result of Covid-19 to predominantly supporting youth between the ages of 16 – 24 into employment.

The team continues to receive applications from local small to medium enterprises and youth seeking employment. September and November 2021 were particularly successful, with 22 and 12 people placed into roles.

#### **Council funding**

##### *Township Development Funding*

The CDA continues to receive excellent support and communication from council staff to work with our communities and to provide requested information to keep our communities updated. The CDA has assisted community groups to apply for funding where applicable ensuring they meet criteria and have support letters where needed.

All Communities that receive Township Development Funding (TDF) are represented by Incorporated Societies. All Accountability 2021-2022 reports have been received, TDF Agreements 2022-2023 are in process.



### Community Public Toilets

Accountability forms for 2021 -2022 have been received and all five communities have received payments of the Community Public Toilet Grant. Inspections and any maintenance issues that have arisen have been addressed. The Facilities and Properties Coordinator has kept the CDA informed on the programme of inspections for the next six months.

### Christmas Lights Funding

Council provides a \$10,000 pool of discretionary funding to encourage townships throughout the district to decorate with Christmas lights. Successful applicants in 2021/2022 were.

<b>Love Hokitika Event</b>	Christmas on the Beach
<b>Hari Hari Community Association</b>	Lighting
<b>Fox Glacier Community</b>	Christmas Display
<b>The Cool Little Market</b>	Street Lighting
<b>Franz Josef Community Council</b>	Christmas Street Decorations
<b>Westland RSA</b>	Christmas Lighting

### Safer Westland

The NZ Safe Community Foundation has dissolved and Safer Westland is going through a re-establishment phase. Communication has been maintained and information updates continue with Coalition members through email and newsletters. Many Coalition members have been restricted from physical meetings as some come from a vulnerable area of our community therefore it has been difficult to hold meetings through the year. Establishing Zoom meetings was unsuccessful.

Safer Westland is working on Strategy 2022-2023.

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

Achieving positive results in funding applications encourages activities that build a sense of community, social inclusion and participation.

Small Events funding encourages recreational and cultural celebrations and activities, which promote the acceptance of diversity with activities open to all life stages.

Most social services and groups are adapting to live with Covid-19 in our communities, programmes to encourage checking on our elderly and our neighbours along with online contact are reducing the negative emotional effects of isolation, supporting wellbeing and increasing community resilience during the pandemic recovery.

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>	CDA co-ordinates funding and committee process for: <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> <b>Achieved</b>	<b>Achieved</b> Funding was advertised and promoted throughout Westland and committees followed procedure for funding allocation <i>(2020/2021: This is a new measure in the Long Term Plan 2021 – 2031)</i>
<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>	<b>Not achieved</b> NZ Safe Community Foundation has dissolved and Safer Westland is going through a re-establishment phase. <i>(2020/2021: This is a new measure in the Long Term Plan 2021 – 2031)</i>
		Safer Westland Community Coalition meets bi-monthly. <b>Achieved</b>	<b>Not achieved</b> There were only two meetings held during the year. <i>(2020/2021: This is a new measure in the Long Term Plan 2021 – 2031)</i>

Community Halls

Satisfaction is high regarding how residents of Westland see the standard of their individual community halls. Westland District Council was successful in achieving some funding towards Halls and Memorials and this has benefited some of our community halls. Our Townships continue to engage with their own communities for the use of Township Development funding.

How this activity contributes to Community Outcomes & Well-being

Community halls are still the centre of our communities when discussing resilience and preparedness. Well maintained community halls provide each community with a social hub that encourages strong social connections.

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>83%</b> - Biennial Residents' Satisfaction Survey February 2022. <i>(2020/2021: No Resident Satisfaction survey was undertaken in 2021)</i>

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

for the year ended 30 June 2022

<b>Group Level Funding Impact Statement</b>			
	<b>Long Term Plan 2021 \$000</b>	<b>Long Term Plan 2022 \$000</b>	<b>Actual 2022 \$000</b>
<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	336	598	598
Targeted Rates	823	850	832
Subsidies and grants for operating purposes	25	39	607
Fees and charges	-	-	-
Interest and dividends from investments	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	21	3	
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>1,205</b>	<b>1,489</b>	<b>2,037</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	834	1,439	1,069
Finance Costs	-	18	3
Internal charges and overheads applied	225	279	300
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>1,059</b>	<b>1,736</b>	<b>1,372</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>147</b>	<b>(246)</b>	<b>665</b>
<b>(SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	-	600	1,109
Development and financial contributions	-	-	-
Increase (decrease) in debt	-	661	985
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>-</b>	<b>1,261</b>	<b>2,093</b>
<b>Application of Capital Funding</b>			
Capital Expenditure:	-	-	-
- to meet additional demand	-	-	12
- to improve the level of service	-	300	267
- to replace existing assets	26	816	2,434
Increase (decrease) in reserves	121	(101)	46
Increase (decrease) of investments	-	-	-
<b>Total Applications of Capital Funding (D)</b>	<b>147</b>	<b>1,015</b>	<b>2,759</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(147)</b>	<b>246</b>	<b>(665)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Facilities, and Leisure Services

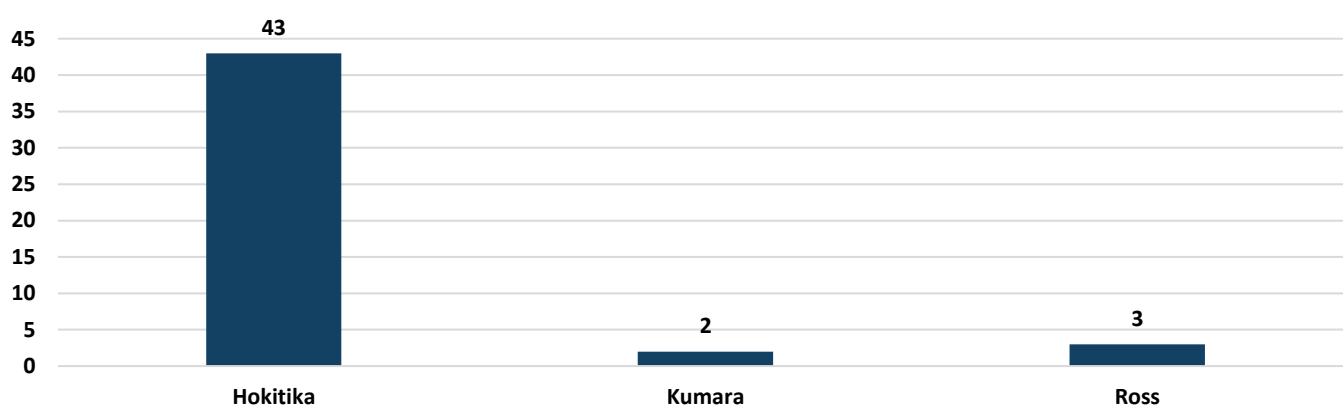
### Cemeteries

Progress has been made this year on the process of developing a burial area for the Muslim community at the Hokitika Cemetery. Discussions with faith leaders and planning operational requirements around specifics for services is underway.

Initial development at Ross Cemetery (lower level) was undertaken to clear and prepare more ground for future burials. Future initiatives, as funding becomes available, includes, ground preparation, drainage installation and fencing.

RSA lead the development of the veteran burial site at Hokitika cemetery. Due to contractor and Covid-19 impacts this has been slow to get underway. This is not a Council led project.

**Number of burials or internments at each site**



Positive feedback has been received by the contractor and Council staff about recent developments and the grounds looking tidy. Seeing projects progressing gives a feeling of care for cemetery along with the constant improvements. Service requests about perceptions of weed growth & mowing cycles remain but are addressed as necessary.

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

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.

Maintenance, landscaping and adhering to the relevant legislation for burials contributes to a sustainably managed environment by providing a pleasant and environmentally sound asset.

#### Performance in this activity

Community Outcome	Level of service	Measure / Target	Current performance
Sustainably Managed Environment Resilient Communities	Council owned cemeteries are appropriately maintained	Customer Satisfaction:	<b>Hokitika: 18</b>
		The number of service requests received per cemetery	<b>Kumara: 3</b> <b>Ross: 4</b>
		<b>Hokitika: ≤ 5</b>	<i>(2020/2021: This is a new measure in the Long Term Plan 2021 – 2031)</i>
		<b>Kumara: ≤ 5</b>	
		<b>Ross: ≤ 5</b>	

Community Outcome	Level of service	Measure / Target	Current performance
<b>Sustainably Managed Environment</b> <b>Resilient Communities</b>	<b>Burials adhere to the relevant legislation</b>	Standards for burial adhere to Cemeteries and Cremations Act 1964 <b>100%</b>	<b>100%</b> 48/48 burials (2020/2021: 100%)

## Hokitika Museum

The Hokitika Museum has been working towards three major priorities:

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

The Hokitika Museum launched its website in April 2022 and continues to work through the other listed priorities, along with collaborative initiatives with other organisations and institutions.

### Income and funding

The Museum's income was \$2,386.24 from donations, retail, research and photography sales, and \$31,640.00 from external funding sources.

Te Urungi Innovation Fund from the Ministry for Culture and Heritage awarded the Hokitika Museum \$20,000.00 seed funding for the feasibility study of the Te Whatanui - Archives and Research Centre Project. An additional grant of \$11,640.00 was awarded to the Hokitika Museum by the Te Paerangi Museum Hardship Fund for the Feasibility Study of the Ngā Whakatūranga – Exhibitions Redevelopment (Carnegie Building and surrounds) Project.

### Marketing

A new logo and icon was launched in 2022, in addition to graphic design for the website, future merchandise and advertising. The Museum website was also redeveloped based on user feedback and in line with the updated branding. Online forms are now available for the public to make contact and interact with Museum staff.

In preparation for the launch of the website in April 2022 all existing social media accounts were updated and are continually maintained. All active social media accounts include: Facebook, Instagram, LinkedIn, TikTok, YouTube and Twitter. Content predominantly focuses on collection highlights, showcasing Museum staff and projects, research highlights, Carnegie project updates, local events and community initiatives. Two new video series named 'Behind the Scenes' and 'In the Community' have been developed to show back of house projects and how the Museum captures current social history.

Top Three Platforms	2021/2022 Posts	General Comments
<b>Facebook</b>	83	Collection Highlights, Research and Museum Content AV, Events
<b>Instagram</b>	70	Collection Highlights, Short AV, Events.
<b>Twitter</b>	45	Links to YouTube and Facebook content and sector tweets.

## Research

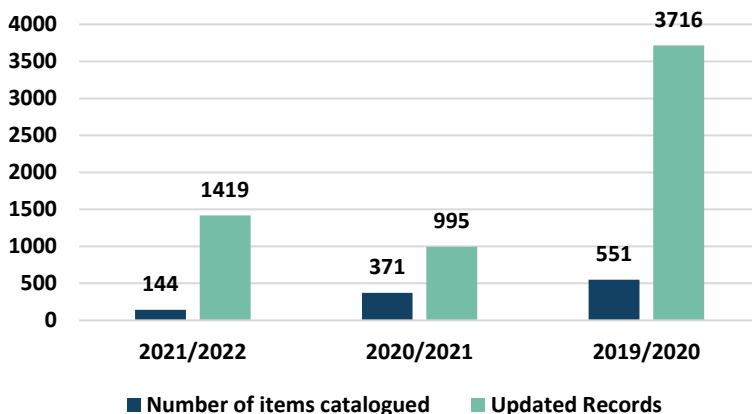
Museum staff have dealt with 182 research enquiries. Cost of this service ranges from \$5 for basic in-house enquiries to \$30 - \$60 per hour for more detailed enquiries. Digital files and prints of photographs in the Museum's collection are available for purchase, and 333 images were supplied in total.

Research highlights have included:

- a) Assisting Ngāi Tahu with notes for biography of Patahi who lived at Arthurstown
- b) Providing research material and photographs for an interpretation Heritage panel project coordinated by Heritage West Coast.
- c) Providing copies of collection photographs to the Department of Conservation for interpretation panels on the West Coast.
- d) Supplying heritage photographs to Destination Hokitika to use on social media posts promoting Hokitika and the region.
- e) Kortegast Family research project and identifying related heritage sites.

## Collections

A total of 144 items were catalogued into the collection database, Past Perfect. These items largely included new acquisitions along with items already in the Museum's care. New acquisitions include - photographs, archives including personal diaries (1932-1967), books, DVD's, objects including Mark Wallace memorial wall clock, glass plate advertising slides from Hokitika Regent Theatre c. 1960's, and 1920's clothing.



A total of 1419 records were updated on the Museum's Past Perfect database. The inventory of the Museum's collection is still being undertaken. In addition, the Museum's collection database is being audited and edited frequently to ensure ease of transfer to the new collection database and online portal. Significant collection items are continually showcased through our social media channels and Collection Highlight page on the Hokitika Museum Website to increase access and participation with the public.

New acquisition collection highlights include:

- The donation of Richard John Seddon's personal desk from living descendants.
- Relocating costumes and set items from the Luminaries production to Hokitika.
- Registering a found Taonga Tūturu with Ministry for Culture and Heritage – small adze found on the shores of Lake Māhinapua.

## Public Programmes (exhibition and events)

Month	Event
July 2021	Collection Management Workshop – Museum hosted collections management expert Chanelle Carrick to hold a three day collection management workshop for Westland District heritage institutions.
August 2021	Developed and hosted a lockdown quiz in the Hokitika Guardian with local history questions.
December 2021	The Mitchell Family History – Museum hosted the Mitchell family gathering to reconnect with their ancestor Samuel Mitchell who received a Victoria Cross at the Battle of Gate Pā in 1864.
January 2022	Driftwood & Sand – Museum supported and assisted the 2022 Driftwood & Sand.
April 2022	The Kortegast Family History Event – The Museum hosted the Kortegast family in researching, site visits and becoming familiar with their family history.
April 2022	The Hokitika Museum website was launched to the public.
April 2022	Presentation of the Ngā Whakatūrangā Project Pre-concept through public online seminar.
May 2022	Presentation of the Ngā Whakatūrangā Project Pre-concept and website launch with a public seminar for Heritage Hokitika and the Heritage community.
May 2022	Presentation of the Ngā Whakatūrangā Project Pre-concept and website launch with a public seminar (including online) for West Coast arts groups and artists.
June 2022	A series of final Ngā Whakatūrangā Project Pre-concept guest presentations were hosted at various events and locations.

## Relationships with heritage organisations

- The Museum has a collaborative relationship with Heritage Hokitika. Recent projects include:
  - Producing and printing the annual Heritage Newsletter.
  - Ngā Whakatūrangā Project.
  - Supporting the Oral History project with recording equipment, technical support and training.
  - The Charlie Douglas project, with staff assisting to source original materials, administration and cataloguing of material.
- The Museum has quarterly meetings with the Westland Industrial Heritage Park to share and collaborate on projects and initiatives. The Museum is also committed to providing advice on collection management, collection care, exhibition development and funding advice.
- Museum staff met with the Kaniere Heritage Group in July 2021 and presented them the option of having the Memorial window (previously located in the Kaniere Hall) installed in the Kōwhitirangi Hall. This offer has been accepted and the window will be installed in the front of the Kōwhitirangi Hall building. Funding has been sourced by the Kōwhitirangi Community committee to complete this work.
- The Museum, with the leadership of Destination Hokitika, has joined the collective of involved institutions and organisations (Heritage Hokitika, Destination Westland, and Westland Industrial Heritage Park) to support and develop the Westland Anniversary 2023 events and initiatives.

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

The 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. The collection reflects the life of our communities in the extreme and inspiring place that is Te Tai Poutini - West Coast, New Zealand.

The Museum's priority is to provide social, heritage, arts and cultural opportunities for the community and visitors. Those engaging with these opportunities will experience significant and sustained improvement in wellbeing.

This engagement can be through online and physical opportunities. In particular, creating a website and content for social media acts as an online conduit between the public and the Museum's heritage collections and initiatives.



To further support community cultural wellbeing, additional collection audits and targeted research has been conducted to support the Museum website, social media accounts, collection readiness priorities, Te Whatanui - Archives and Research Centre Project and Ngā Whakatūrangā Project.

#### 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> (2020/2021: This is a new measure in the Long Term Plan 2021 – 2031)
		Deaccessions and disposals are aligned with Hokitika Museum policies.	<b>Achieved</b> (2020/2021: This is a new measure in the Long Term Plan 2021 – 2031)
		Backlog of records and documentation reduced.	<b>Achieved</b> (2020/2021: This is a new measure in the Long Term Plan 2021 – 2031)

#### Land and Buildings

In the last year there has been 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>Hokitika Flag Trax</b>	January 2021	December 2021	55 flag trax units were installed on the CBD light posts, as well as some along Stafford street, weld street and the entire length of Fitzherbert Street.
<b>Hokitika heritage lighting</b>	January 2021	January 2022	Heritage lighting was installed along Gibson Quay early in 2022. The lights are now a part of the town lighting circuit and are a part of the automation system.
<b>Custom House</b>	January 2021	Ongoing	Repairs and upgrades have been completed at the Custom house. Works include replacing broken external weather boards, painting the exterior and replacing selected piles.
<b>Town Hall projects</b>	January 2021	On-going	As a part of the Provincial Growth Funding Council began maintenance projects for multiple town halls and war memorials around the Westland Community. Six out of the nine projects have been completed. Town halls include Kumara hall, Kokatahi hall, Haast hall, Hokitika band hall, Bruce Bay hall, Grey Power building, Waitaha Hall and the Okuru Hall.
<b>Hokitika Swimming Pool upgrade</b>	31 July 2021	November 2023	The stage 1 works for the strengthening of the pool building included the upgrade of the HVAC system, electrical systems, emergency lighting, and the upgrade for the fire protection system. These have all been completed. Additional accessible toilets and showers have also been completed as part of stage 1 work. The stage 2

			design is complete and will include upgrading the existing pool and pump room alongside a new front of house reception space. Upgrades will also include new changing rooms and bathrooms. Works are estimated to commence in the annual winter shut down (July – October). Stage 2.5 and 3 will be completed next year (2023).
<b>Carnegie Building</b>	1 May 2021	September 2022	<p>Work on the perimeter foundations was completed in September 2021.</p> <p>Over the current financial year internal upgrades were made to the foundations and the building reinforced to 100% NBS.</p> <p>External upgrades were also completed for earthquake strengthening and building maintenance.</p> <p>Work on the building was delayed throughout the period by Covid-19 restrictions and supply chain issues.</p> <p>External upgrades completed consist of securing the brickwork, removing the parapet to install new framing, replacing coloured glass in the windows and full cleaning of the building.</p> <p>Remaining work includes 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, pathway, and signage.</p> <p>The work programme is currently on track for work to be complete in September 2022.</p>
<b>Westland Playground Improvements</b>	January 2021	On-going	<p>Multiple playgrounds throughout Westland received upgrades in 2021/2022:</p> <ul style="list-style-type: none"> <li>• Kumara Playground – Replacement of broken playground equipment.</li> <li>• Haast Playground – New soft fall bark installed.</li> <li>• Whataroa – New playground installed, includes new equipment and new soft fall.</li> </ul>
<b>Revell Street Development</b>	March 2021	On-going	<p>The Revell Street one way trial was completed in early 2022. Developments to the street included two pedestrian crossings, 8 seating areas (decks) and a large amount of bench seating and garden boxes. The trial was successful and the street remains one way.</p>
<b>Pakiwaitara building</b>	June 2021	Deferred	<p>The Pakiwaitara building has undergone weather proofing over the last 12 months.</p>

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

Ensuring that the community has access to suitable facilities promotes resilient communities. 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.

### 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

An incident of vandalism and drought at the start of the year affected the integrity of the Cass Square playing surface. The addition of Rugby league enjoying the facilities and a heavy season of games and training meant the condition of the surface of the grounds needed greater maintenance. In addition, field one was also closed for short periods due to constant rain. This did mean limited games had to be rescheduled to alternative out-of-region fields.

The upside to closing the fields earlier in the season was that the field reopened in time for the highlight of the rugby season - the semi-finals and finals weekends for Hokitika rugby club.

This year the West coast rugby club hosted a mid-week annual representative rugby tournament involving teams from Canterbury and Nelson. Hosting this event brought additional visitors to the District.

Orders have been placed to install a chain and bollard barrier around the perimeter of the square to prevent vehicle access to the playing surface.

The Cenotaph revitalisation continues. It has been difficult to secure the services of specialist contractors to undertake the drilling of the stands due to Covid-19 leaving a limited number of options to engage in a contract.

It is encouraging that a greater proportion of visitors to our parks & reserves facilities had an enjoyed their visit. While it is unfortunate that a very small proportion were dissatisfied with their experience, the WDC team endeavours to improve standards where possible, with the budget available. A new contract is in preparation that covers these facilities and this will improve delivery of contractor services.

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

Recreational facilities provide opportunities for the community to participate in outdoor activities and enhance health and well-being. Sports events bring additional visitors to the district, which contributes to the local economy.

### 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>66%</b> - Biennial Residents' Satisfaction Survey February 2022.
<b>Resilient Communities</b>			<i>(2020/2021: No Resident Satisfaction survey was undertaken in 2021)</i>

## Public Toilets

Over the past financial year Council has continued to invest in improving the public toilet infrastructure.

- A new toilet block has been ordered for Cass Square and is being stored prior to installation later in 2022.
- Pricing and planning for a new toilet block at Paringa has been completed and the block is due to be installed in October 2022.

In an effort to improve customer satisfaction, Council is now 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.

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

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. 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.

### 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>63%</b> - Biennial Residents’ Satisfaction Survey February 2022.
<b>Resilient Communities</b>			(2020/2021: No Resident Satisfaction survey was undertaken in 2021)



## Swimming Pools

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

The facility’s re-opening in January, following an extended closure for maintenance and upgrades, saw a brand-new lifeguard team appointed to the pool. All of the new staff have brought individual strengths and a lot of enthusiasm to the workplace and have been warmly accepted by the pool patrons. One staff member has since enrolled in a Senior Lifeguard apprenticeship, wishing to advance their knowledge and experience in an aquatic facility environment.





Aqua Zumba classes picked up not long after re-opening, later extending to three classes per week. Weekly aqua aerobics classes resumed in May 2022. Both sets of classes normally exceed 15 participants and are particularly popular with our seniors, for whom aquatic aerobics is especially beneficial.



The swim school started in January, initially facilitating a block of summer lessons before Term 1 lessons commenced. The swim school is an area that continues to grow, and new instructors joined the pool community partway through the year in place of our former instructor. With 0-17 year-olds averaging to be our largest pool users (44%), the need for water safety education is more pertinent than ever.

Throughout late February to April, local schools booked the pool to facilitate swimming lessons and eventually their swimming sports. Overall, the pool hosts between 350 – 400 school students annually through regular school bookings.

In April, the pool was audited by Recreation Aotearoa – Te Whai Oranga to determine if it could be re-awarded as a 'Poolsafe' facility. The facility received a high commendation and has been accredited for another year. Poolsafe is a voluntary industry standard, but one that is held by the vast majority of aquatic facilities in the country. It covers lifeguarding supervision, training and assessment, pool water treatment and testing, health and safety policies and more general operating procedures for the running of a public pool. The Hokitika Pool has been recognised as Poolsafe since 2006.

The pool, together with Porky's Townchip and Hokitika's Regent Theatre, hosted two Chip, Dip & Flick events during the school holidays this year. Both were widely attended, with 158 children present altogether.

There has been an increased focus on outdoor education from pool users, demonstrated by regular bookings by Tai Poutini Polytechnic and Westland High School. This has provided a terrific opportunity for secondary and tertiary students to practice their kayaking before applying their skills in an outdoor environment.

Results of the 2022 Residents' Satisfaction Survey demonstrated that 63% of users were satisfied overall with the facility. Many were very complimentary of the staff. A great proportion cited that the facility required upgrading and the changing rooms were 'dated'. Aside from the addition of a roof, improvements to heating and ventilation and stage one of redevelopments, the facility remains much as it was when built in 1960.

Several residents commented on the absence of a pool for younger children – a median between the toddler's pool and main body of water. This is being actively managed and rectified through the redevelopment process. There was



some dissatisfaction over the pool’s prolonged closure, particularly as it coincided with swimming season. As the improvements to the facility were meaningful, an extended closure period was anticipated.

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

Hokitika Pool contributed to the Resilient Communities outcome through:

- Inclusion and care of community users at all life stages. This is demonstrated through the pool appealing to users of varying ages, genders, cultures, abilities and interests. Additionally, the facility has a team committed to the wellbeing and safety of its users.
- Access to a quality recreational facility. Hokitika Pool was awarded its 2022 Poolsafe accreditation, demonstrating that the facility has qualified lifeguards that are committed to their roles, the water quality meets all necessary standards, and a detailed emergency action plan is in place.
- Reduced social isolation. For our elderly users, the pool isn’t merely a source of exercise and leisure; it provides a sense of community and social connectedness that can help to overcome feelings of solitude and loneliness.

### 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>	85% of pool users satisfied.	63% - Biennial Residents’ Satisfaction Survey February 2022. <i>(2020/2021: No Resident Satisfaction survey was undertaken in 2021)</i>

### West Coast Wilderness Trail

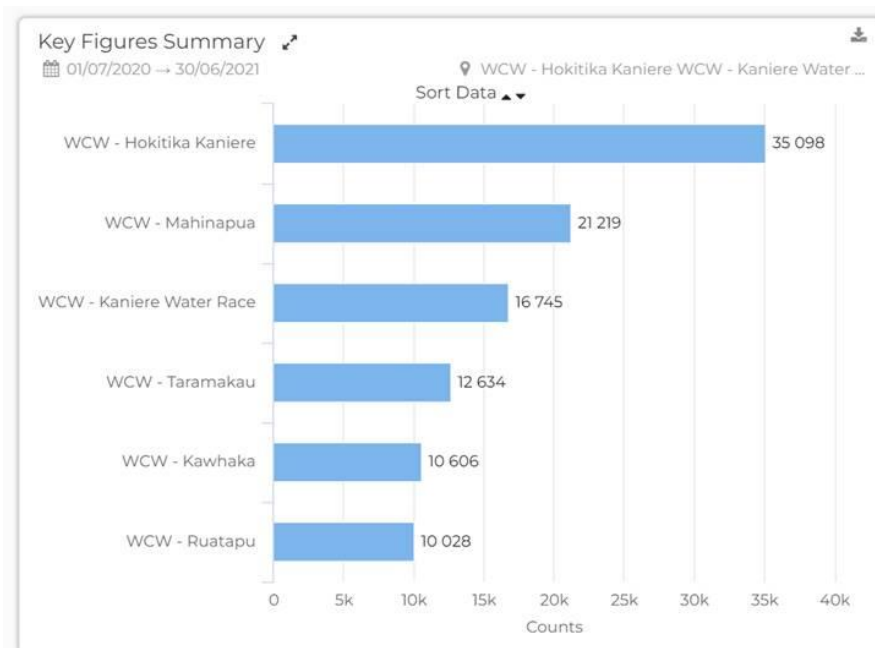
Over the 2021/2022 year the following improvements were made or explored:

- Carpark and turnaround area at Milltown for commercial operators.
- Establishment of Toilets at Milltown and Hurunui Jacks.
- Slumping repairs at Taramakau.
- Initial design concepts for the Mahinapua Lookout.
- Initial detour route and costings for seismic strengthening at Kapitea Reservoir.
- Directional signage have been added or replaced as needed.
- A cattle stop was installed at Milltown, which means users no longer have to open and close a gate.
- Bollards have been installed to discourage quad-bikes and motorbikes.

The trust lodged an application to complete the Accessible Ride Guide. This included having Ross Ormsby (an accessible ride) ride the trail and provide feedback.

Storms in July and September 2021 and February 2022 caused extensive damage to various sections of the trail. Work to prevent this happening in the same areas again in the future included digging out drains, installing extra culvert pipes and creating stable footings along the trail in various sections.

Ongoing restrictions in travel due to Covid-19 and weather events have reduced the number of people using the trail. With the opening up of the borders bringing international tourists back to New Zealand and planned improvements to the trail users are expected to increase. Feedback from trail users remains positive.



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

The West Coast Wilderness Trail contributes to the diverse economy by attracting visitors to the district who contribute to the economy by using tourism operators, accommodation, hospitality venues and retail outlets.

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.

#### Performance in this activity

Community Outcome	Level of service	Measure / Target	Current Performance
<b>Diverse Economy</b> <b>Resilient Communities</b>	The cycle trail is well used	Numbers using the trail as measured by trail counters <b>increase by 10% per annum.</b>	Counters along the trail record between 10,028 and 35,098 annual cycle users at various points. Total users recorded is 87,182.  <b>Decrease of 7.39%</b>  <i>(2020/2021: Counters along the trail record between 9,490 and 46,355 annual cycle users at various points. Total users recorded is 93,623.)</i>

## Westland District Library



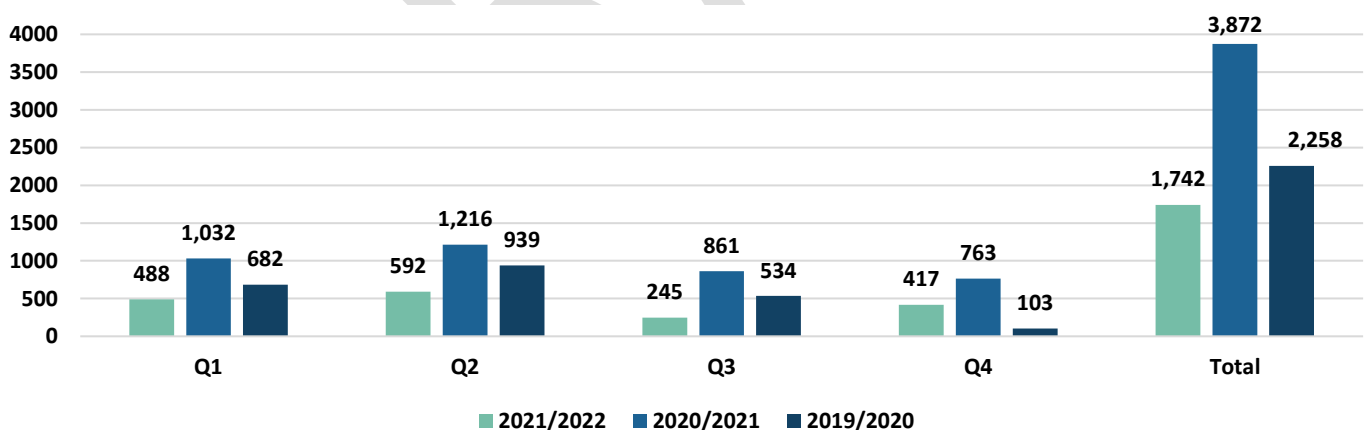
While the Library Service achieved the highest rating of all Council services in the Biennial Residents' Satisfaction survey (91%), feedback from residents regarding the use of Vaccine Passes and temporarily reduced hours (in effect for 9 weeks) accounts for the 8% lower satisfaction rate compared to the 2020 survey (99%). Since the library has returned to standard opening hours and re-introduced face-to-face programming customer satisfaction should improve over time.

The library has continued to support the volunteer-run Community Libraries across the district, however, access to some of these pocket-collections has been restricted due to the impacts of the pandemic and other factors, for example, earthquake strengthening and building maintenance of the Community Library premises and lack of volunteers.

Over the next year, library staff will be engaging with communities to improve access to the Westland District Library collections and services. Volunteers are essential to the library service and staff are grateful for their support. It is thanks to their efforts the house-bound delivery service has run uninterrupted throughout the pandemic, and the library has been able to extend the service to families in Covid-19-isolation.

Funding from the New Zealand Libraries Partnership Programme (NZLPP) significantly contributed to the library's ability to support the well-being of Westland's communities throughout the pandemic and early recovery period. It provided funding for two additional full-time librarian roles and subsidised subscriptions to digital services, public access computers and contributed to workforce development, programming, and other operating costs. This enabled the library to supplement collections, and adapt and maintain community access to services throughout the pandemic. The funding ended on 30 June 2022 and with it the two funded roles. The skills and experience of these employees will be missed, however, many of the adaptations and innovations they developed have been retained.

### Events



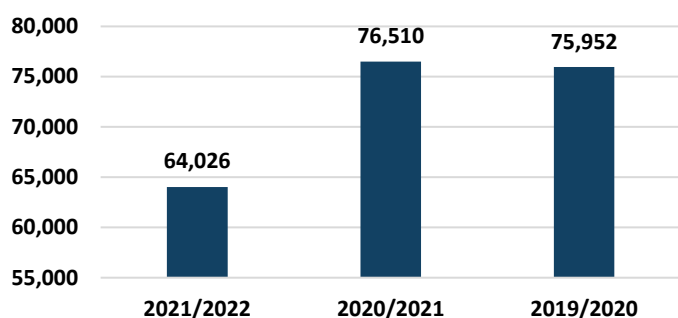
Lockdowns, Covid-19 in the community and evolving regulations led to the suspension of face-to-face events for much of the year.

While contact-less options, take-home packs and online sessions enabled some programmes to be run in a different form, feedback from patrons was that they much prefer face-to-face programmes. Our first in-person event of 2022, Rainbow Storytime, was attended by over 75 people and the reintroduction of other in-person programmes has been met with strong attendance numbers.



## Loans

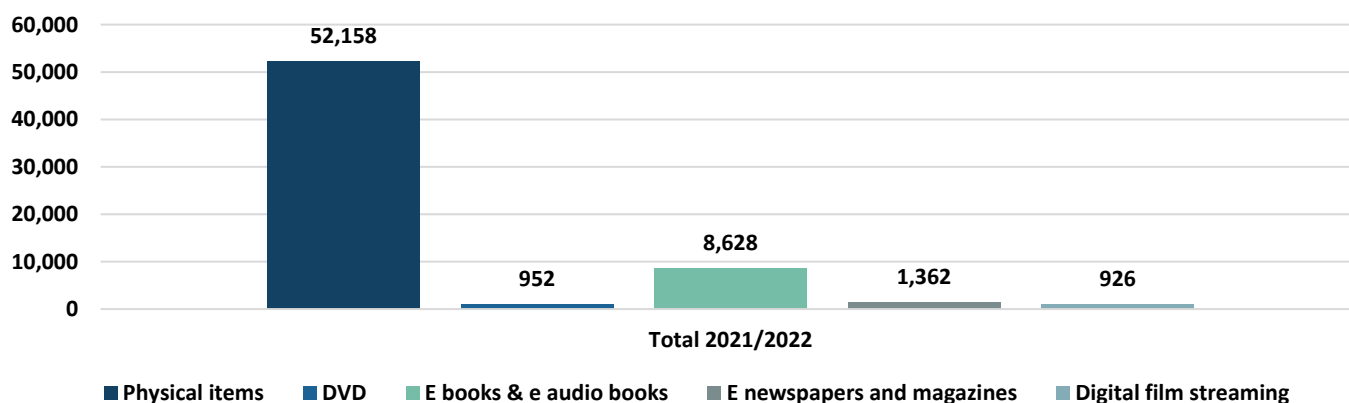
Loans by year



A similar preference for visiting the library is shown by the numbers of physical books issued per quarter over the year, with physical issues in Q4 being higher than the previous quarters as life returned to the new normal. Lending levels have yet to recover to pre-Covid-19 levels.

Demand for digital loans has remained constant, while the lockdown in Q1 and reduced hours in Q3 led to a decrease in loans of physical items. Overall, there was a 16% decrease in total loans compared to last year. As the community adapts to Covid-19 in the community and fear of use of the library public spaces lessens, we expect this to return to pre-Covid-19 levels.

Loans by type



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

The library's activities are inclusive, foster connection and reduce isolation. While the pandemic and associated restrictions required to protect the most vulnerable in our community have reduced library programs, the library has adapted services to both minimise the impact of these restrictions and to ensure that services were not further impacted by staff illness and absence during the peaks of community infection. The library has maintained access to the recreational and cultural facilities it provides and continues to support the wellbeing and resilience of our communities across the district.

Performance in this activity

Community Outcome	Level of service	Performance measures (KPI)	Current performance
<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%</b> of residents satisfied with library services	<b>91%</b> - Biennial Residents' Satisfaction Survey February 2022. <i>(2020/2021: No Resident Satisfaction survey was undertaken in 2021. 2019/2020: 99%)</i>

DRAFT

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

for the year ended 30 June 2022

<b>Group Level Funding Impact Statement</b>			
	<b>Long Term Plan 2021 \$000</b>	<b>Long Term Plan 2022 \$000</b>	<b>Actual 2022 \$000</b>
<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	1,532	2,198	2,198
Targeted Rates	1,007	1,421	1,439
Subsidies and grants for operating purposes	6	175	173
Fees and charges	59	89	52
Local authorities fuel tax, fines, infringement fees, and other receipts	80	51	178
Internal charges and overheads recovered	185	-	-
<b>Total Operating Funding (A)</b>	<b>2,869</b>	<b>3,934</b>	<b>4,041</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	2,132	2,660	2,572
Finance Costs	-	58	47
Internal charges and overheads applied	354	472	460
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>2,486</b>	<b>3,191</b>	<b>3,080</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>383</b>	<b>743</b>	<b>961</b>
<b>(SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	-	397	2,874
Development and financial contributions	97	-	-
Increase (decrease) in debt	(66)	4,216	1,678
Gross proceeds from sale of assets	-	-	4,000
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>30</b>	<b>4,613</b>	<b>8,552</b>
<b>Application of Capital Funding</b>			
Capital Expenditure:			
- to meet additional demand	-	23	151
- to improve the level of service	1	2,879	2,145
- to replace existing assets	233	2,546	605
Increase (decrease) in reserves	179	(92)	2,612
Increase (decrease) of investments	-	-	4,000
<b>Total Applications of Capital Funding (D)</b>	<b>413</b>	<b>5,357</b>	<b>9,513</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(383)</b>	<b>(744)</b>	<b>(961)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Land Transport

In the 2021/2022 financial year significant storm event in February 2022 caused more than \$100,000 in damages. The overall cost for recovery was \$194,340.

In December 2021 the new Rooding Network Maintenance contract began, this is a slightly different contract model than what has been used in past and incorporates Resealing and Pavement Marking as separate subcontracted components. This has been aimed towards creating greater efficiency and consistency of delivery for the contractor.

Approximately 1665m of footpath maintenance and renewal works was carried out which was an increase on the 800m carried out in the previous year.

Cron Street footpath and extension in Franz Josef, and the Old Christchurch Road seal extension were successfully completed. These Projects were funded entirely from Provincial Growth Fund Shovel Ready funding and no cost was passed on to ratepayers or Waka Kotahi.

Increasing costs due to inflation are having an effect on the delivery of some projects, Reseals is a case in point where rising costs over the last 3 years have meant a decreasing trend in the amount of resealing that is achieved with the largest decrease being between 2020/21 and 2021/22.

In late 2021 the “West Coast Transport Collaboration” was nominated as a finalist for an IPWEAA Award for Excellence in Asset Management. The winner of the award was “The Waka Kotahi Strategic Maintenance Investment Justification Project”. This nomination is a credit to the three Council’s Transportation Teams and the efforts made to improve the quality of service delivery throughout the West Coast local roading networks.

The collaboration of the three Councils in the Transportation sector has attracted the attention of other TA’s that are looking towards how this successful collaboration model can be used within other areas of the country.

Rising inflation is starting to cause concerns for the delivery of the full volume of programmed over the next 12 to 24 months. The preceding 12 months already saw a decrease in reseals carried out as a direct result of these rising costs. The next Programme Business Case for funding of the 2024/2027 National Land Transport Plan is currently being produced and will likely include significant increases in the amount of funding applied for in order to keep up with the required amounts of maintenance and renewals work to maintain the network efficiently and safely.

While the satisfaction rating for unsealed roads was only 41%, it should be noted that 30% of respondents were neutral. This leaves only a third of respondents either dissatisfied or very dissatisfied. Of those responses the general theme revolved around potholes and grading / smooth ride. As Council has over 300km of unsealed network, without knowing the specific location of dissatisfaction it is difficult to ensure an improved user experience.

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

Council staff are implementing the Combined West Coast Transportation AMP Improvement plan, which aims to identify and inform the next Land Transport Plan Funding Application in 2023. This is a significant body of development work and investigation that will involve 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. Well-maintained, safe and efficient transportation networks are able to make a measurable contribution towards environmental improvements and sustainability for the wider community.

Performance in this activity

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>1</b> serious injury crash recorded in the 2021/2022 year. <i>(2020/2021: 2 recorded serious crashes so no actual change in total Fatal/Serious Crashes)</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>Primary Collector: 95.5%</b> <b>Secondary Collector: 93.4%</b> <b>Access: 91.1%</b> <b>Low Volume: 87.4%</b> <i>(2020/2021: Amended measure, previous data is not comparable)</i>
Resilient Communities		<b>&gt;70%</b> of residents are satisfied with the standard and safety of Council's unsealed roads.*	<b>41%</b> - Biennial Residents' Satisfaction Survey February 2022. <i>(2020/2021: No Resident Satisfaction survey was undertaken in 2021)</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>3.4%</b> of sealed local road network resurfaced. Continued rising prices for bitumen have affected this result. <i>(2020/2021: 4.9%, as a result of increasing bitumen prices. Work was completed within the allocated budget.)</i>

Community Outcome	Level of service	Performance measures (KPI)	Current performance
Resilient Communities	Footpaths are maintained in good condition and are fit for purpose	<p><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).</p>	<p>Following on from the completed 2021/2022 footpath upgrade and renewal programme the Footpath condition ratings are now:  Rated between 1-4: <b>92%</b>  Rated Between 1-3: <b>72%</b>  Rated 5: <b>8%</b>.</p> <p>There is still no agreed level of service standard for footpaths.</p> <p><i>(2020/2021: All footpaths have now been condition rated on a 1-5 scale with 1 being Excellent and 5 being Very Poor (Fail). 92.4% of footpaths fall within the 1-4 rating. 71.4% within 1-3 and only 7.6% are rated 5 and in need of considerable renewal/upgrade works. There is still presently no agreed level of service standard set for footpaths.)</i></p>
Resilient Communities	Response to service requests are dealt with promptly	<p><b>Customer service requests:</b> 100% within 3 days customer service requests relating to roads and footpaths to which the territorial authority responds.</p>	<p><b>65%</b> of Transportation related service requests were responded to within 3 days (170/262).</p> <p><i>(2020/2021: Amended measure, previous data is not comparable)</i></p>

## Funding Impact Statement (for the Land Transport group)

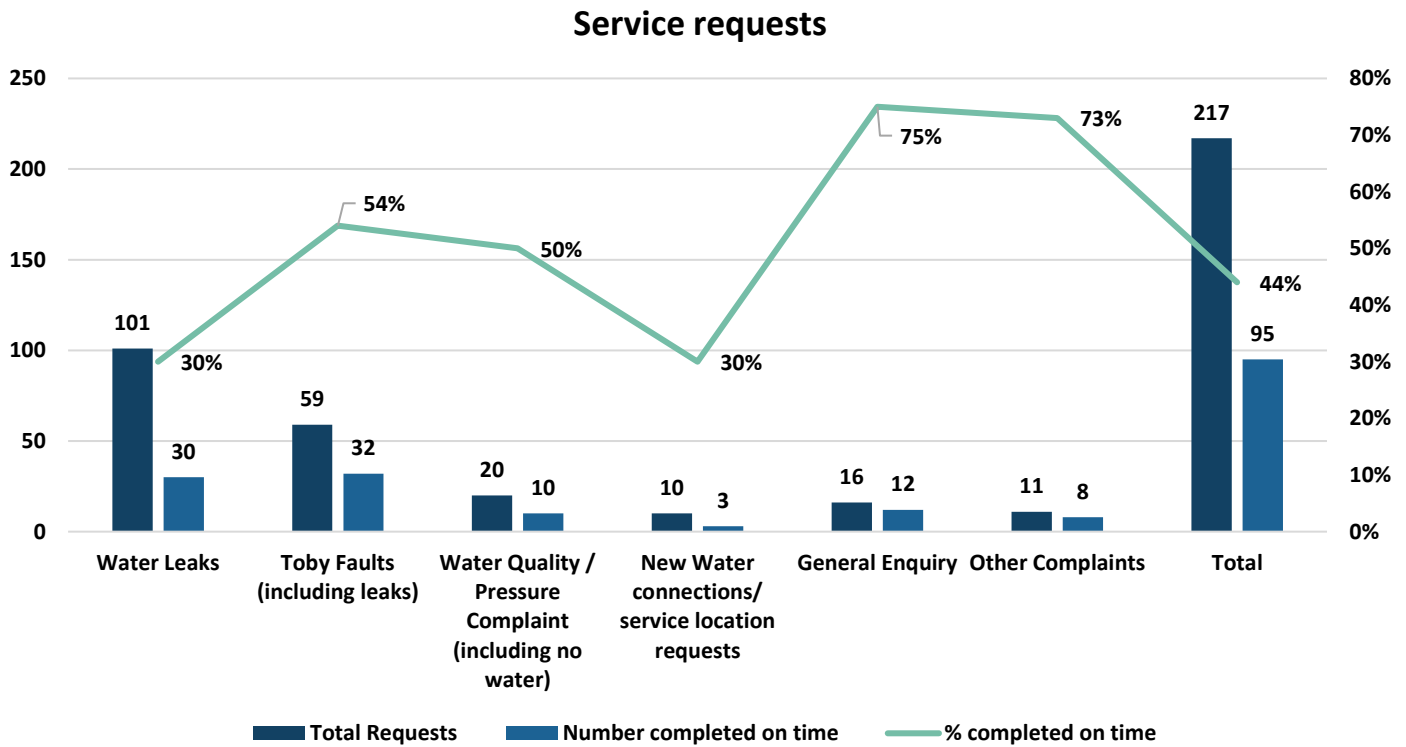
for the year ended 30 June 2022

Group Level Funding Impact Statement			
	Long Term Plan 2021 \$000	Long Term Plan 2022 \$000	Actual 2022 \$000
<b>Land Transport</b>			
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>			
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	2,206	3,117	3,117
Targeted Rates	-	-	-
Subsidies and grants for operating purposes	1,982	1,974	2,375
Fees and charges	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	136	-	20
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>4,324</b>	<b>5,091</b>	<b>5,511</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	2,669	2,962	3,824
Finance Costs	19	19	15
Internal charges and overheads applied	533	490	554
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>3,220</b>	<b>3,471</b>	<b>4,393</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>1,104</b>	<b>1,620</b>	<b>1,118</b>
<b>(SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	1,841	3,623	1,542
Development and financial contributions	-	-	-
Increase (decrease) in debt	(27)	(48)	(49)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>1,814</b>	<b>3,575</b>	<b>1,493</b>
<b>Application of Capital Funding</b>			
Capital Expenditure:			
- to meet additional demand	-	-	827
- to improve the level of service	-	-	16
- to replace existing assets	2,780	4,544	2,110
Increase (decrease) in reserves	138	650	(341)
Increase (decrease) of investments	-	-	-
<b>Total Applications of Capital Funding (D)</b>	<b>2,918</b>	<b>5,194</b>	<b>2,612</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(1,104)</b>	<b>(1,620)</b>	<b>(1,118)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Drinking Water

Council supplies reticulated water to 2797 connections (2021: 2737) 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 (10).

There were 217 drinking water related service requests recorded between 1 July 2021 – 30 June 2022. . A breakdown of service requests is shown below:



Council is in the process of re-negotiating the utilities contract and will be requiring real-time data recording to more accurately represent response and completion times.

Despite the 3 Waters Reform gaining momentum with the Bill to set up the new water entities underway, it has been business as usual in the Three Waters department. The major change being dealt with is the review and implementation of the water rules and regulations under Taumata Arowai. Council made a submission on several items in the consultation period. The indication at submission time was that the new rules would come into effect from 1 July 2022. Taumata Arowai has since reviewed this date with the majority of the new rules and regulations now coming into effect on 14 November 2022. Rules around the National Environmental Performances apply from 1 July 2022. The reporting period to Taumata Arowai has changed from a July – June period to a January – December time frame.

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

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

- Water reticulation upgrades have been carried out district wide providing a sustainable water supply for townships. The upgrades have included replacement and upsizing of some watermains along with new reservoirs for Harihari and Hokitika.
- New generators have been installed at all water treatment plants providing resilience for the townships during power outages.

- A new water treatment plant for Arahura including an upgrade of the reservoirs was constructed during the financial year. The contractor will now carry out performance testing as the plant becomes operational in August 2022.
- The new water treatment plant project for Fox Glacier is underway. A hazard and issues identification workshop is being held in July 2022 to review the design and operation. Equipment procurement is underway with an expected construction completion date in early 2023.

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>(a) 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.</p> <p>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).</p> <p>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.</p> <p>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).</p> <p>Kumara WTP had a transgression in the zone, which resulted in a precautionary boil water notice issued.</p> <p>Currently samples are not taken at Arahura for after plant, as the new WTP is not operational until the end of August 2022.</p> <p>The Fox Glacier WTP is programmed to be operational by March 2023.</p> <p>(b) 0 out of the 9 supplies are compliant with protozoal compliance criteria.</p>



Community Outcome	Level of service	Performance measures (KPI)	Current performance
			<p>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.</p> <p><i>(2020/2021:</i></p> <p><i>(a) For the 2020/2021 year, 3 out of the 9 supplies are fully compliant with bacterial compliance criteria at both the water treatment plant and in the distribution zone.</i></p> <p><i>Hokitika missed 1 sample at the After Plant, which has results in non-compliance.</i></p> <p><i>Fox Glacier missed a sample at the After Plant along with two boil water notices issued within the last quarter.</i></p> <p><i>Franz Josef missed an After Plant and zone sample, which has resulted in non-compliance.</i></p> <p><i>Currently samples are not taken at Arahura for After Plant, due to no plant. The new WTP build is currently underway.</i></p> <p><i>Kumara had a positive E-coli results in the zone and a boil water notice issued.</i></p> <p><i>(b) 0 out of the 9 supplies are compliant with protozoal compliance criteria (Requires DWA approval.)</i></p> <p><i>The Ross WTP had a data logging failure, which has resulted in non-compliance.</i></p> <p><i>Of the remaining 8 WTP's, Arahura and Fox Glacier treatment plants await their upgrades to comply. Kumara, Whataroa, Harihari, Franz Josef and Haast require UV Pro-forma's to be lodged with the Drinking Water Assessor before compliance can be obtained. Hokitika requires exception reporting to be installed.</i></p>

Community Outcome	Level of service	Performance measures (KPI)	Current performance
			<p><i>All plants require data logging reports to be submitted to obtain protozoal compliance.</i></p> <p><i>Council is implementing an external data logging and reporting system, which will provide exception reporting for protozoal compliance. It is expected that this will be in place in the majority of plants by December 2021.)</i></p>
<b>Resilient Communities</b>	<b>Requests for service dealt with promptly</b>	<b>Fault response times:</b> 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: 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 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 resolution of the fault or interruption. ( <b>12 hours</b> ) 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 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> ).	a) <b>84%</b> (16/19) b) <b>32%</b> (6/19) c) <b>63%</b> (101/161) d) <b>41%</b> (66/161) Council is in the process of re-negotiating the utilities contract and will be requiring real-time data recording to more accurately represent response and completion times. (2020/2021: a) <b>91%</b> (39/43) b) <b>68%</b> (121/179) c) <b>42%</b> (18/43) d) <b>37%</b> (66/179))

Community Outcome	Level of service	Performance measures (KPI)	Current performance
Sustainably Managed Environment	Council supplied water is reliable	<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>Not measured</p> <p><b>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.</b></p>
Sustainably Managed Environment		<p><b>Demand management:</b></p> <p>The average consumption of drinking water per day per resident within the territorial authority district is &lt; 500l/day.</p>	<p>Not measured.</p> <p><b>Council does not have the equipment to measure average consumption hence a new three yearly measurement has not been performed since 2016/2017.</b></p> <p><i>Most recent measurement was 2016/2017: Winter 253l per head, Summer 480l per head</i></p>
Resilient Communities	Customers are generally satisfied with the Council supplied water	<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> <li>f) The local authority's response to any of these issues.</li> </ul> <p>Expressed per 1000 connections to the local authority's networked reticulation system.</p> <p><b>25 per 1000 connections (2797 connections)</b></p>	<ul style="list-style-type: none"> <li>a) 1</li> <li>b) 0</li> <li>c) 1</li> <li>d) 3</li> <li>e) 15</li> <li>f) 11</li> </ul> <p>Total number of complaints = <b>31</b></p> <p>Complaints per 1000 connections = <b>11</b></p> <p><i>(2020/2021:</i></p> <ul style="list-style-type: none"> <li>a) 2</li> <li>b) 3</li> <li>c) 1</li> <li>d) 7</li> <li>e) 39</li> <li>f) 8</li> </ul> <p><i>Total number of complaints = 60</i></p> <p><i>Complaints per 1000 connections = 16 [2755 connections])</i></p>

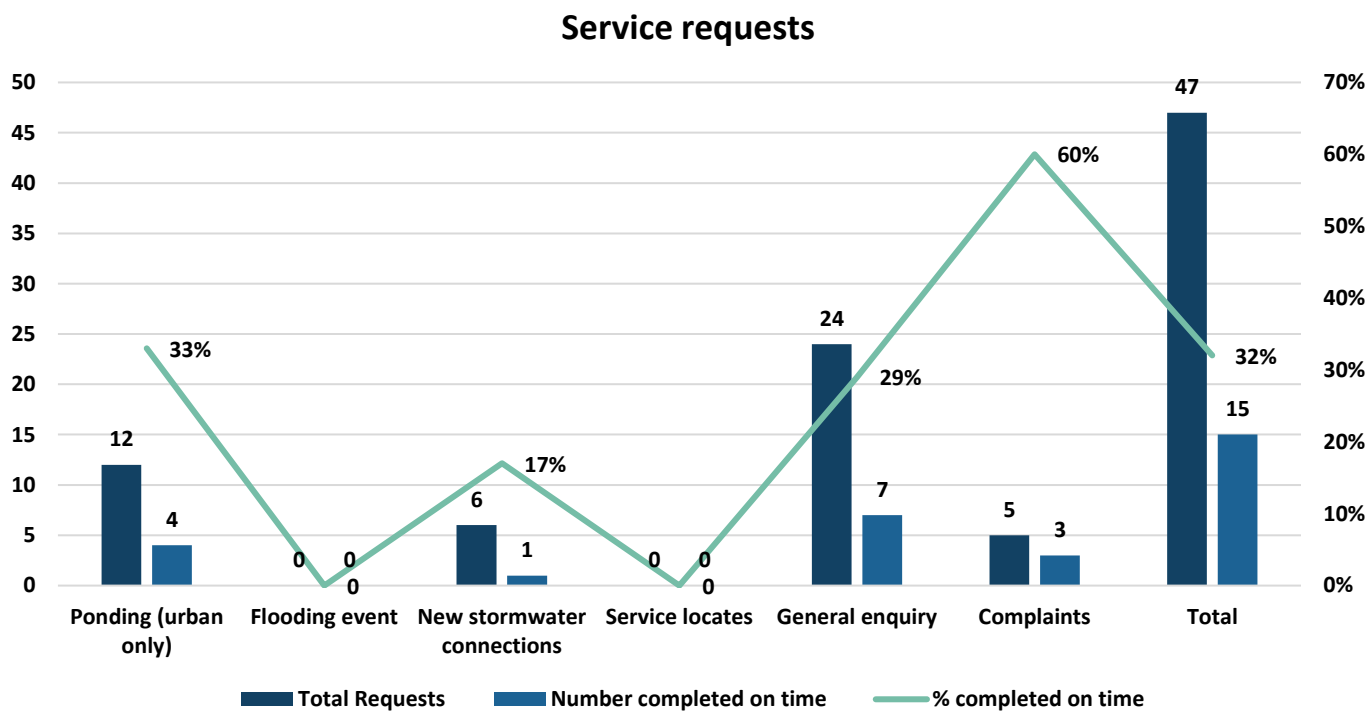
Funding Impact Statement (for the Drinking Water group)  
for the year ended 30 June 2022

<b>Group Level Funding Impact Statement</b>			
	<b>Long Term Plan 2021 \$000</b>	<b>Long Term Plan 2022 \$000</b>	<b>Actual 2022 \$000</b>
<b>Drinking Water</b>			
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>			
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	66	-	-
Targeted Rates	3,770	3,783	3,871
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Interest and dividends from investments	-	2	1
Local authorities fuel tax, fines, infringement fees, and other receipts	3	8	35
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>3,839</b>	<b>3,792</b>	<b>3,906</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	1,077	1,179	1,128
Finance Costs	152	85	60
Internal charges and overheads applied	980	973	1,100
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>2,209</b>	<b>2,237</b>	<b>2,288</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>1,630</b>	<b>1,556</b>	<b>1,618</b>
<b>(SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	-	1,424	2,198
Development and financial contributions	-	-	-
Increase (decrease) in debt	(492)	35	100
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>(492)</b>	<b>1,459</b>	<b>2,298</b>
<b>Application of Capital Funding</b>			
Capital Expenditure:			
- to meet additional demand	-	100	1,251
- to improve the level of service	241	1,120	509
- to replace existing assets	47	1,129	1,215
Increase (decrease) in reserves	850	666	941
Increase (decrease) of investments	-	-	-
<b>Total Applications of Capital Funding (D)</b>	<b>1,138</b>	<b>3,015</b>	<b>3,916</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(1,630)</b>	<b>(1,556)</b>	<b>(1,618)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Stormwater

Council supplies reticulated stormwater to 514 connections in the Hokitika area (2020: 508) 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 47 Stormwater related service requests recorded between 1 July 2021 – 30 June 2022. . A breakdown of service requests is shown below:



Council is in the process of re-negotiating the utilities contract and will be requiring real-time data recording to more accurately represent response and completion times.

During the financial year it has been pleasing to see the reduction of stormwater issues which relate to improvements that have been made. During high rainfall events in Hokitika when site visits have been carried out, new infrastructure has performed well. Improvements included minor upgrades of larger sumps and discharge pipework to CCTV investigations. Several more projects are underway and due for completion during the 2022/2023 financial year, including Town Belt East Stormwater project, installing a soak pit on Beach Street and replacing a section of stormwater line in Jollie Street.

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

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

- CCTV work has been carried out within the district recently to ascertain pipe condition, size confirmation, integrity and issues such as leakage and blockages. Video footage has highlighted a variety of issues including decreased capacity in some areas due to blockages that were previously not known.
- Minor improvements including two new large capacity sumps were installed in areas of Hokitika to alleviate roadside flooding during high rainfall events. Property owners in these areas typically experienced issues during these events.

Performance in this activity

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	<p><b>System adequacy:</b></p> <p>a) The number of flooding events that occur in a territorial authority district. <b>No more than 2.</b></p> <p>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></p>	<p>a) <b>0</b> – flooding events affecting habitable floors within the Council reticulated stormwater system.</p> <p>b) <b>Total habitable floors = 0</b> <b>Per 1000 connections = 0 (514 connections)</b></p> <p>(2020/2021:</p> <p>a) <i>0 – No flooding events affecting habitable floors within the Council reticulated stormwater system.</i></p> <p>b) <b>Total habitable floors = 0</b> <b>Per 1000 connections = 0 (495 connections)</b></p> <p><i>However, media reports for the flash flooding event in February 2020 note that two shops and a couple of sleep-outs may have had stormwater enter the properties.)</i></p>
Sustainably Managed Environment Resilient Communities	Requests for service are dealt with promptly	<p><b>Response times:</b></p> <p>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></p>	<p><b>There were no reported flood events in the 2021/2022 year.</b></p> <p>(2020/2021: <i>There were no reported flooding events to attend.</i>)</p>
Sustainably Managed Environment Resilient Communities		<p><b>Customer Satisfaction:</b></p> <p>The number of complaint 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 (514 connections)</b></p>	<p>Total number of complaints = <b>17</b> Complaints per 1000 = <b>33.1</b></p> <p>(2020/2021: <i>Total number of complaints = 27</i> <i>Complaints per 1000 = 53.1 [495 connections]</i>)</p>
Sustainably Managed Environment Resilient Communities	Council storm water systems protect the natural environment	<p><b>Discharge compliance:</b></p> <p>100% Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of:</p>	<p>a) 0 b) 0 c) 0 d) 0</p> <p><b>100% compliance.</b></p>



Community Outcome	Level of service	Performance measures (KPI)	Current performance
		a) Abatement notices b) Infringement notices c) Enforcement orders; and d) convictions	<i>(2020/2021:</i> <i>a) 0</i> <i>b) 0</i> <i>c) 0</i> <i>d) 0</i>  <i>100% compliance.)</i>

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## Funding Impact Statement (for the Stormwater group)

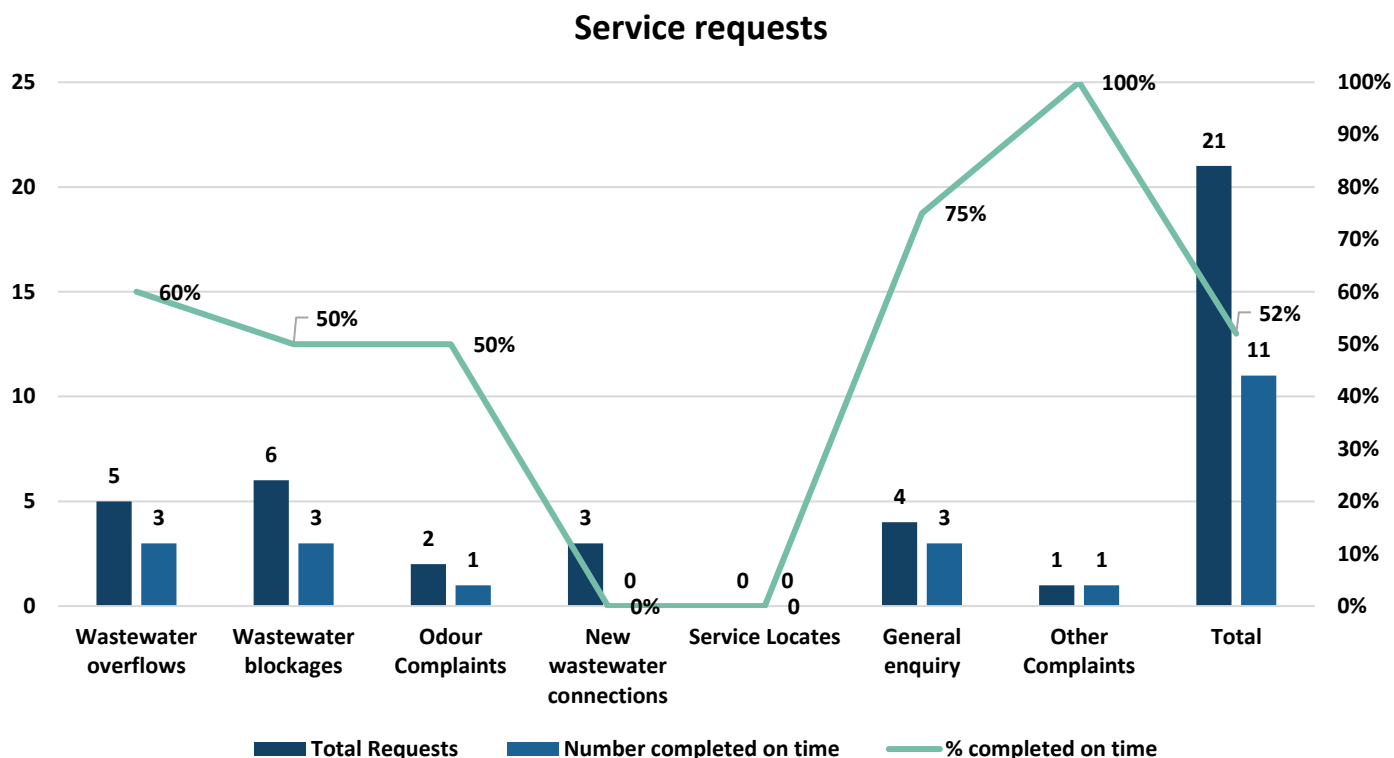
for the year ended 30 June 2022

Group Level Funding Impact Statement			
	Long Term Plan 2021 \$000	Long Term Plan 2022 \$000	Actual 2022 \$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	813	889	889
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	8
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>813</b>	<b>889</b>	<b>897</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	115	160	189
Finance Costs	109	87	21
Internal charges and overheads applied	165	203	229
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>390</b>	<b>450</b>	<b>440</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>423</b>	<b>439</b>	<b>457</b>
<b>(SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	-	100	387
Development and financial contributions	-	-	-
Increase (decrease) in debt	822	107	1,465
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>822</b>	<b>207</b>	<b>1,851</b>
<b>Application of Capital Funding</b>			
Capital Expenditure:			
- to meet additional demand	-	20	46
- to improve the level of service	969	288	205
- to replace existing assets	26	585	568
Increase (decrease) in reserves	249	(247)	1,490
Increase (decrease) of investments	-	-	-
<b>Total Applications of Capital Funding (D)</b>	<b>1,245</b>	<b>646</b>	<b>2,309</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(423)</b>	<b>(439)</b>	<b>(457)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Wastewater

Council supplies reticulated wastewater to 2149 connections in the district (2021: 2129). Ongoing database updates have resulted in there being a different number connections than previously identified, with the exception of new connections (3).

There were 21 Wastewater related service requests recorded between 1 July 2021 – 30 June 2022.



Council is in the process of re-negotiating the utilities contract and will be requiring real-time data recording to more accurately represent response and completion times.

During the financial year Three Waters reform and Annual Plan projects provided new wastewater infrastructure district wide. Challenges faced by the team to complete the projects included Covid-19 related delays and cost increases. Significant wastewater projects carried out includes:

- Mains replacements in Haast, Franz Josef and Fox Glacier.
- The Fox Glacier treatment ponds were upgraded with a septage receiver, aerator and security cameras.
- Pump stations were upgraded in Hokitika and Haast.
- CCTV investigations were completed for Franz Josef, Fox Glacier, Haast and Hokitika.

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

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

- Septage receivers installed at the Fox and Haast oxidation ponds ensure septage deliveries do not adversely affect the biological treatment process of the ponds. The septage receivers will greatly reduce the potential for odours, which can negatively impact the surrounding environment.
- An inflow / infiltration study was carried out in Hokitika and Franz Josef. This project provided useful data to highlight areas within the reticulation networks where stormwater has been accessing pipework and reducing the capacity of the network.

- The Hokitika wastewater treatment plant upgrade project is in the planning stage and will ensure a more robust treatment process and increased capacity for future development. Partnering with iwi is aligned with Resilient Communities relating to community engagement.

Performance in this activity

Community Outcome	Level of service	Performance measures (KPI)	Current performance
Sustainably Managed Environment Resilient Communities	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>	5 dry weather overflows reported. Complaints per 1000 connections = <b>2.3</b> (2149 connections) <i>(2020/2021: 7 dry weather overflows reported.</i>  <i>Complaints per 1000 connections = 3.3 (2129 connections)</i>
Sustainably Managed Environment Resilient Communities	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.	a) 0 b) 0 c) 0 d) 0 <b>100%</b> compliance achieved.  <i>(2020/2021:</i> a) 0 b) 1 c) 0 d) 0 <i>The infringement notice was issued for the Haast WWTP for breaching the discharge consent condition. This issue was rectified within an appropriate timeframe of being notified.)</i>
Sustainably Managed Environment Resilient Communities	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	a) 60% (3/5) b) 60% (3/5)  <i>(2020/2021:</i> a) 50% (4/8) b) 75% (6/8))

Community Outcome	Level of service	Performance measures (KPI)	Current performance
		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>Sustainably Managed Environment Resilient Communities</b>		<b>Customer satisfaction:</b> The total number of complaints received by the territorial authority about any of the following:	a) 2 b) 5 c) 5 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, <b>a) 2 - this measure should not have been included in the LTP and will not be reported on.</b> <b>b) 10 per 1000 connections (2149 connections)</b>	a) <i>New measure – this measure should not have been included in the LTP and will not be reported on.</i> b) Total number of complaints = <b>13</b> Complaints per 1000 connections = <b>6</b> (2020/2021: a) 4 b) 7 c) 13 d) 2  <i>Total number of complaints = 26            Complaints per 1000 connections = 11.8 [2129 connections])</i>

## Funding Impact Statement (for the Wastewater group)

for the year ended 30 June 2022

<b>Group Level Funding Impact Statement</b>			
	<b>Long Term Plan 2021 \$000</b>	<b>Long Term Plan 2022 \$000</b>	<b>Actual 2022 \$000</b>
<b>Wastewater</b>			
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>			
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	31	-	-
Targeted Rates	1,672	1,456	1,456
Subsidies and grants for operating purposes	-	-	-
Fees and charges	72	109	68
Interest and dividends from investments	-	6	4
Local authorities fuel tax, fines, infringement fees, and other receipts	-	1	41
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>1,775</b>	<b>1,572</b>	<b>1,570</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	471	447	391
Finance Costs	41	108	60
Internal charges and overheads applied	231	230	260
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>743</b>	<b>785</b>	<b>710</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>1,032</b>	<b>787</b>	<b>860</b>
<b>(SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	-	1,867	3,318
Development and financial contributions	-	-	-
Increase (decrease) in debt	1,174	(260)	446
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>1,174</b>	<b>1,607</b>	<b>3,764</b>
<b>Application of Capital Funding</b>			
Capital Expenditure:			
- to meet additional demand	10	824	1,644
- to improve the level of service	1,310	640	701
- to replace existing assets	117	525	1,040
Increase (decrease) in reserves	768	405	1,239
Increase (decrease) of investments	-	-	-
<b>Total Applications of Capital Funding (D)</b>	<b>2,206</b>	<b>2,394</b>	<b>4,624</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(1,032)</b>	<b>(787)</b>	<b>(860)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Solid Waste

An E-waste pilot programme administered by TechCollect was initiated 6 December 2021. Crates of 1m<sup>3</sup> are filled with accepted items and transported offsite for recycling. Initially the pilot was scheduled to run until the end of December 2021 but this was extended to 30 September 2022. To-date over 1 tonne of e-waste has successfully been diverted from Landfill.

Glass Recycling started at the Hokitika Transfer Station on 6 December 2021. This was initiated by Council, with the service delivered in conjunction with Envirowaste. Glass is collected and colour sorted (Amber, Green & Clear) into plastic bins, then transported to Auckland to be recycled into new glass products. To-date over 172 tonnes has been diverted from Landfill (December 2021 – June 2022)

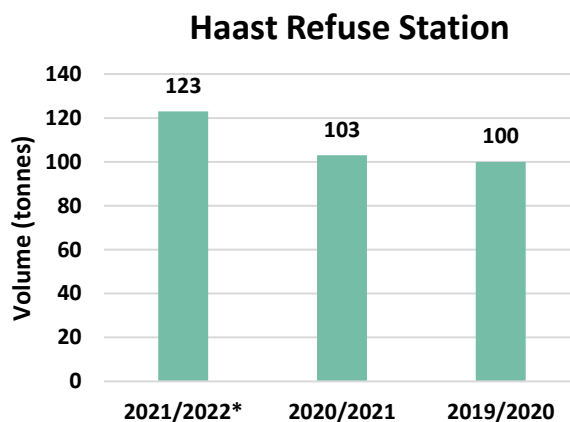
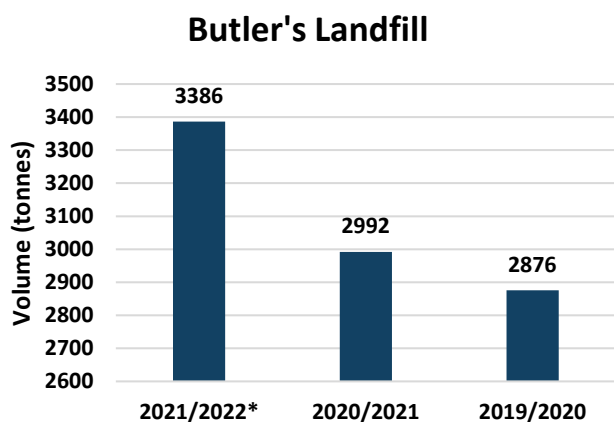
In partnership with Council, Envirowaste have employed a dedicated inspection officer who inspects recycling bins ahead of the truck collection to help reduce contamination, reducing the likelihood of the entire load going to landfill. Part of the role is to feed information back to Council and help educate the public on permitted recycling.

### 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 3 - 5 years, a new cell has now been constructed and will allow disposal for the following 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.	There is an estimated 1 – 1.5 years of life remaining as per AMP information. The landfill will be capped and a small transfer station service will be provided. Limited tourism has continued to extend the life 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

This year the new cell was completed at Butlers Landfill using funding from Central Government through the Provincial Growth Fund Covid-19 relief package. This will supply the next 15 years of landfill requirements for the Westland district and potentially longer if recycling capability becomes greater and more inclusive. Inspectors provided a positive report back to Government in July.



\*Change in reporting method increased tonnage information.

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

These activities contribute to Council's focus on sustainable waste management practices:

- Increasing the quantity of recyclable material extracted from the waste stream.
- Monitoring of recycling bin materials.
- Educating residents on improved waste management practises.

## Performance in this activity

Community Outcome	Level of service	Performance measures	Performance (KPI)	Current performance
<b>Sustainably Managed Environment</b>	<b>Solid waste managed appropriately</b>	is	All necessary consents for solid waste activities and capital projects are applied for, held and monitored accordingly. <b>100%</b>	<b>100%</b> consents in place. <i>(2020/2021: 100% consents in place, all testing requirements for 12 months followed and results provided to West Coast Regional Council.)</i>
<b>Sustainably Managed Environment</b>	<b>Maximised recycling efficiency</b>	Reduce incidents of recycling contamination.	<b>Less than 5% contamination annually.</b>	<b>8.4%</b> contamination <i>(2020/2021: This is a new measure in the Long term Plan 2021 – 2031. Data from July 2019 – June 2020 is approximately 17% contamination.)</i>

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

for the year ended 30 June 2022

Group Level Funding Impact Statement			
	Long Term Plan 2021 \$000	Long Term Plan 2022 \$000	Actual 2022 \$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	817	912	912
Targeted Rates	768	780	780
Subsidies and grants for operating purposes	-	-	-
Fees and charges	862	753	858
Local authorities fuel tax, fines, infringement fees, and other receipts	-	10	6
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>2,447</b>	<b>2,455</b>	<b>2,556</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	1,793	1,978	2,393
Finance Costs	86	60	61
Internal charges and overheads applied	395	392	443
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>2,274</b>	<b>2,429</b>	<b>2,897</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>174</b>	<b>25</b>	<b>(341)</b>
<b>(SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	-	100	1,791
Development and financial contributions	-	-	-
Increase (decrease) in debt	(121)	106	311
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>(121)</b>	<b>206</b>	<b>2,102</b>
<b>Application of Capital Funding</b>			
Capital Expenditure:			
- to meet additional demand	-	-	1,598
- to improve the level of service	-	175	63
- to replace existing assets	52	228	407
Increase (decrease) in reserves	-	(171)	(308)
Increase (decrease) of investments	-	-	-
<b>Total Applications of Capital Funding (D)</b>	<b>52</b>	<b>232</b>	<b>1,761</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(174)</b>	<b>(25)</b>	<b>341</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Financial Performance

### Financial Statistics

	2021/2022	2020/2021	2019/2020	2018/2019	2017/2018
Proportion of general rates to total income	22%	22%	27%	25%	29%
Average general rates per rateable property	1,353	1,200	1,169	1,028	1,019
Public debt (as a percentage of property, plant & equipment)	6%	5%	5%	5%	4%
Public debt (per rateable property)	4,517	3,317	2,994	2,832	2,698

### Financial Performance Summary

	2021/2022 \$000	2020/2021 \$000	2019/2020 \$000	2018/2019 \$000	2017/2018 \$000
Rates - general	8,932	7,891	7,658	6,761	6,808
Net surplus/(deficit)	9,482	7,640	3,428	1,084	238
Working capital	9,794	1,652	2,037	3,634	1,181
Public debt	29,818	21,818	19,618	18,618	18,018
Total assets	536,705	444,563	427,085	422,163	449,340

## Disclosure Statement

The following information is the annual report disclosure statement for year ending 30 June 2021.

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

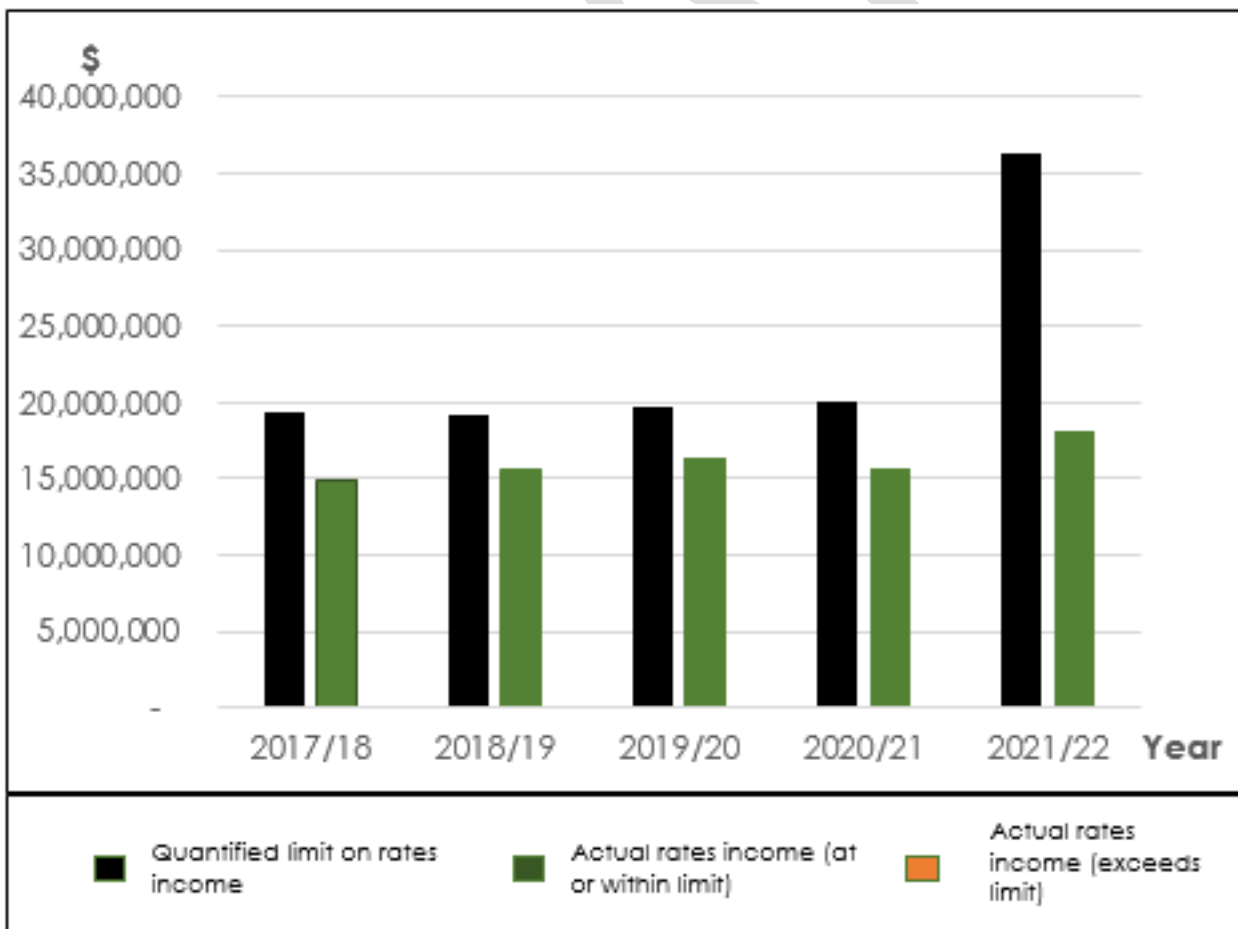
Council meets the rates affordability benchmark if -

- 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 \$36,339,000.

Council has met this measure in the 2021/2022 financial year: rates do not exceed the rates (income) affordability benchmark.

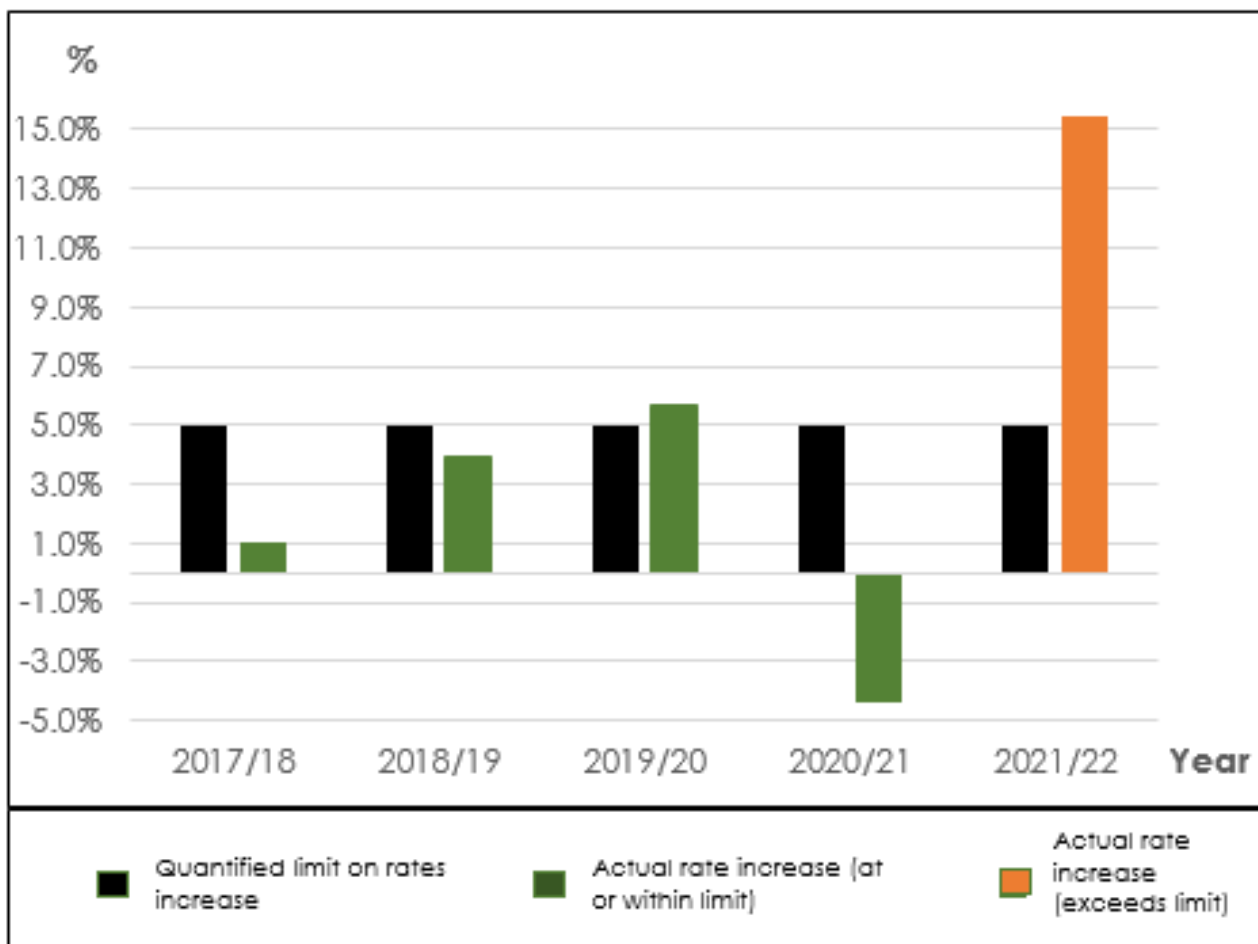
#### Rates (income) affordability



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 not met this measure in the 2021/2022 financial year: rates exceeded the rates (increases) affordability benchmark. This is a flow-on effect from 2020/2021 when, due to the impact of Covid-19 on ratepayers, Council held the rates at the same level as 2019/2020. However, mainly as a result of reduced metered water usage charges due to lower tourist numbers combined with a reduction in the amount charged to Westland Milk Products, the overall impact in 2020/2021 was a decrease in rates compared to the prior year.

**Rates (increases) affordability**



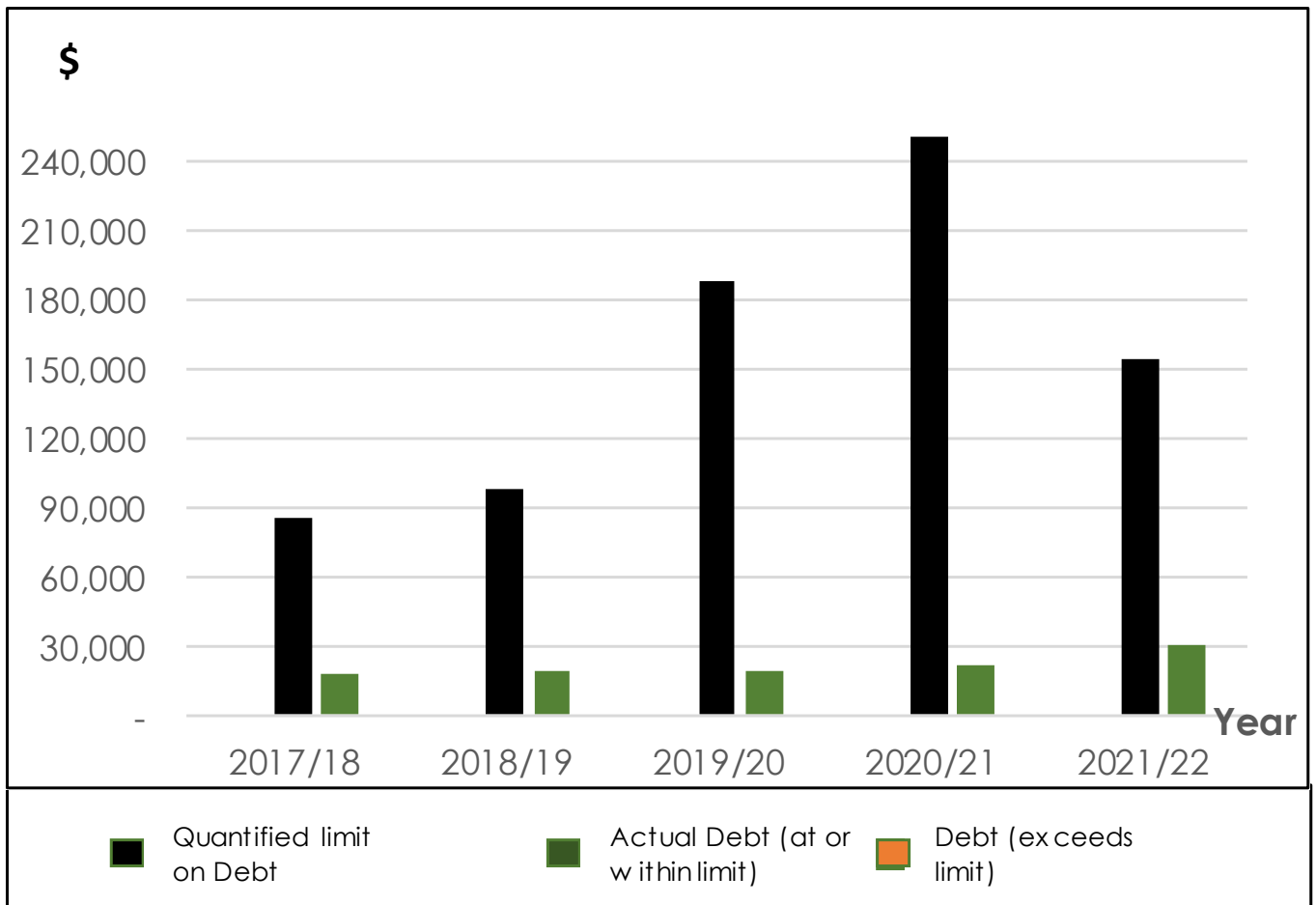


## 2. Debt affordability benchmark

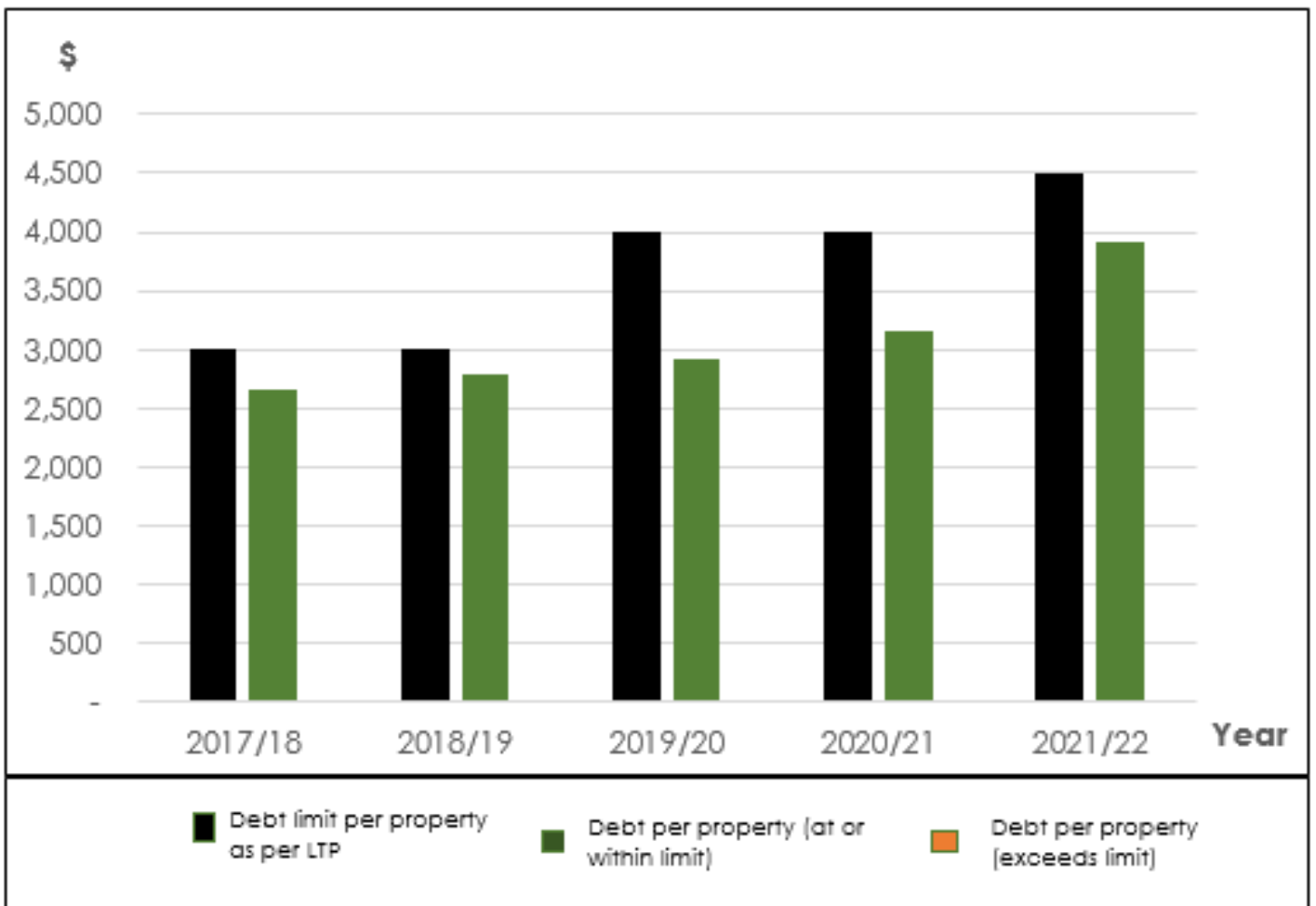
Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing.

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 2021/2022 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 \$3,911 therefore this measure has been met. The limit was increased from \$4,000 to \$4,500 by Council during Long Term Planning processes.

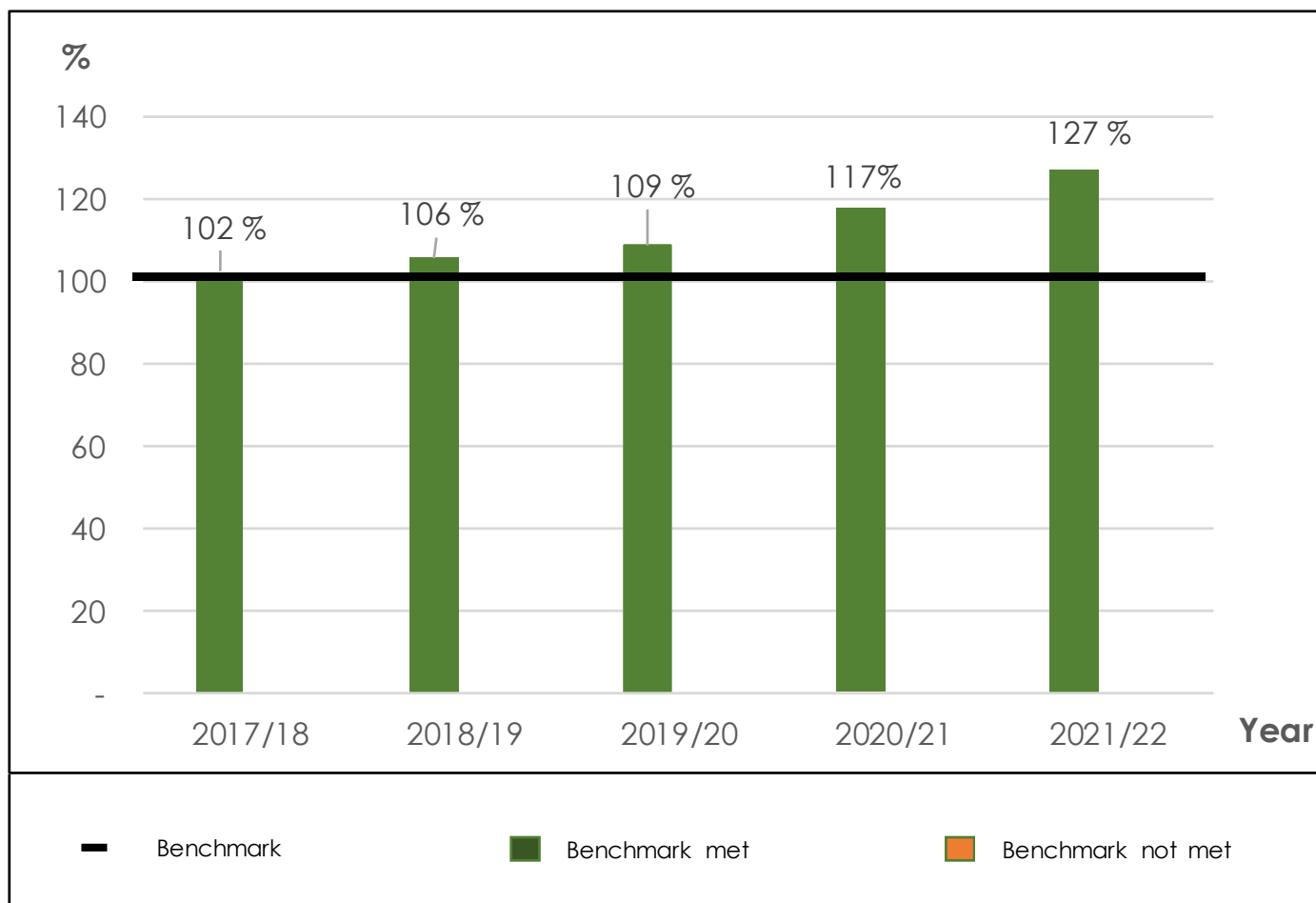


### 3. Balanced budget benchmark

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 been met in the 2021/2022 financial year.

#### Revenue / Expenditure (%)

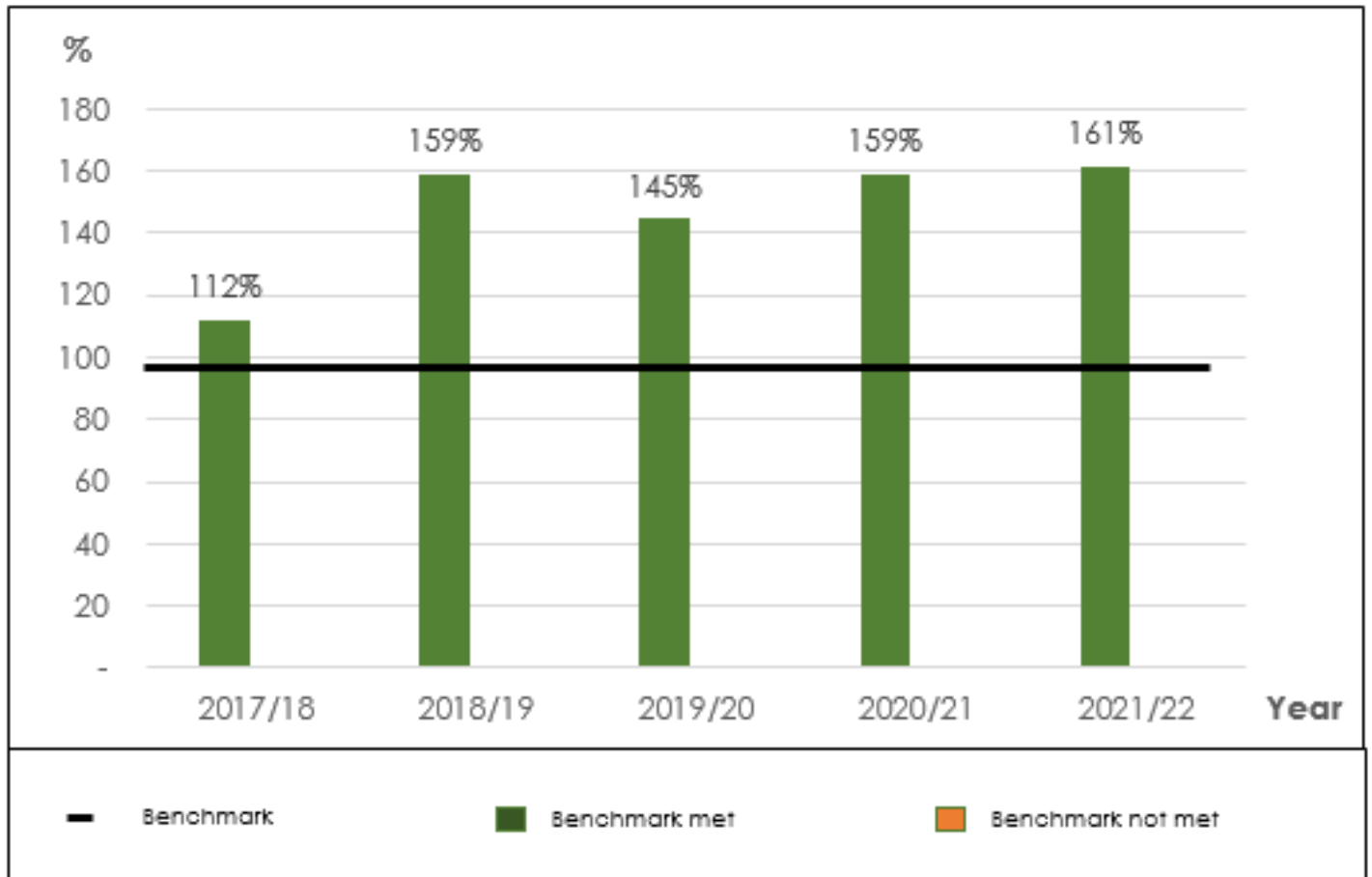


#### 4. Essential services benchmark

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 2021/2022 financial year.

#### Capital expenditure / Depreciation (%)



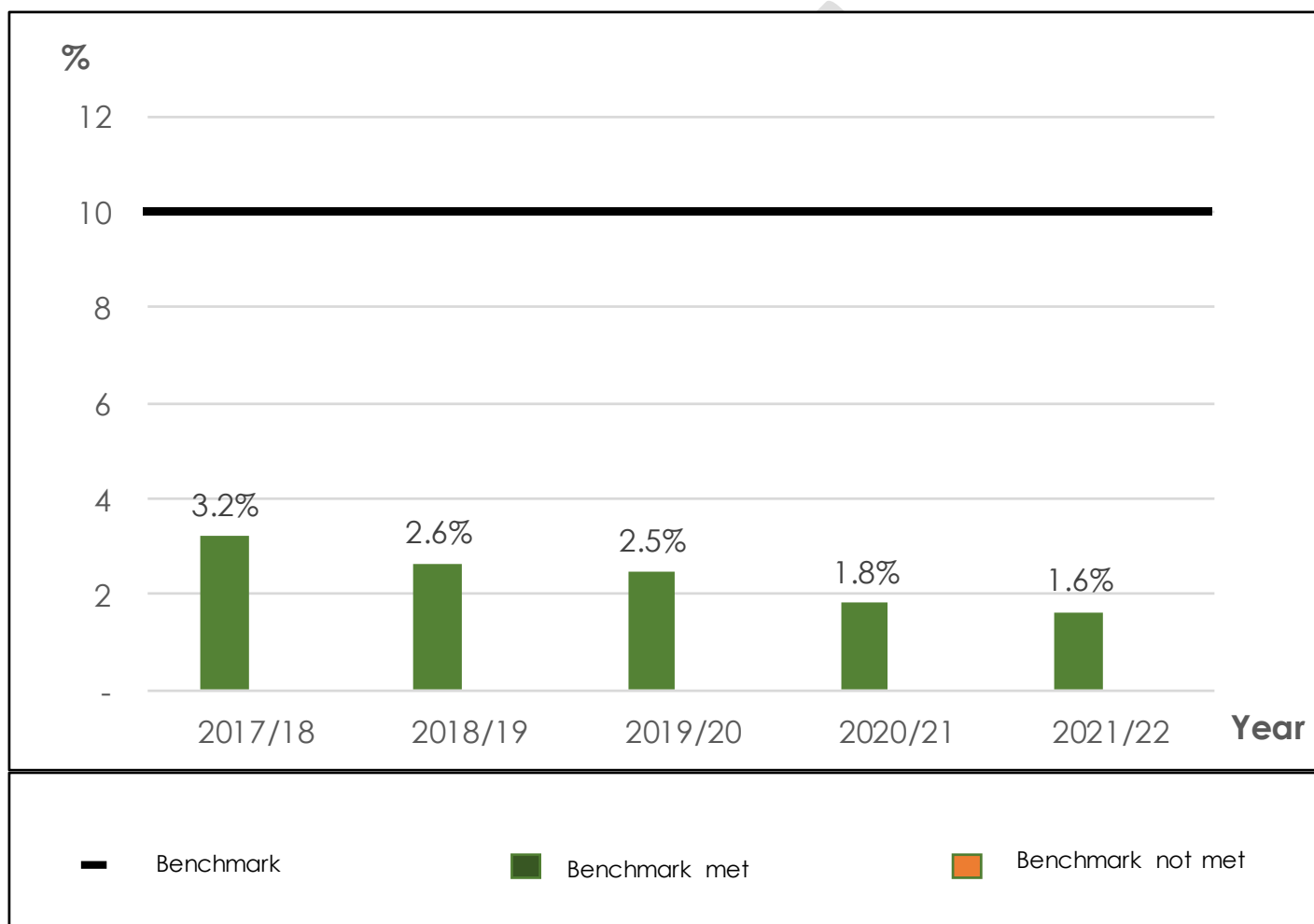
## 5. Debt servicing benchmark

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 2021/2022 financial year.

### Borrowing costs/Revenue (%)

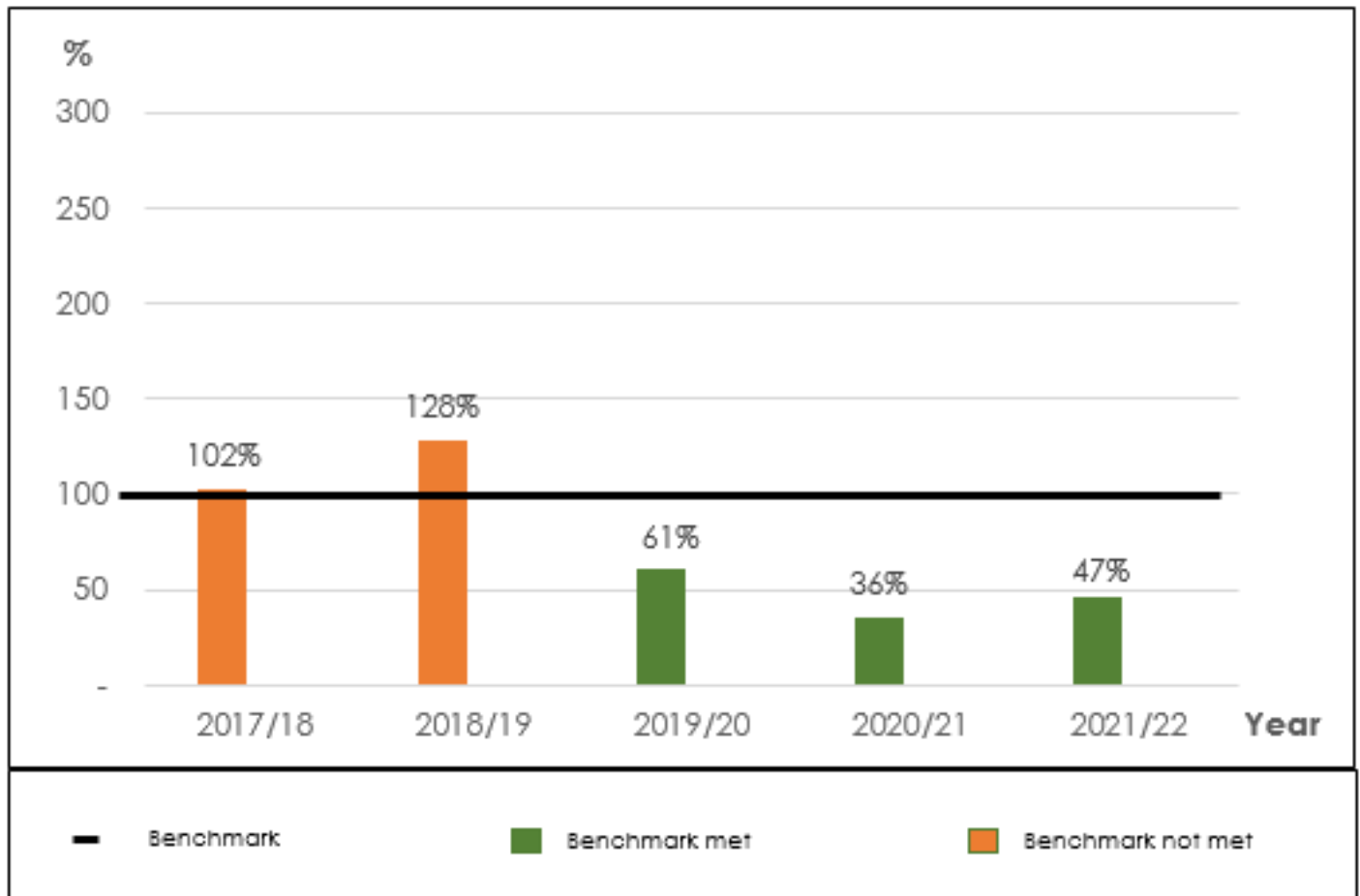


## 6. Debt control benchmark

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 2021/2022 financial year.

### Actual / Budgeted net debt (%)





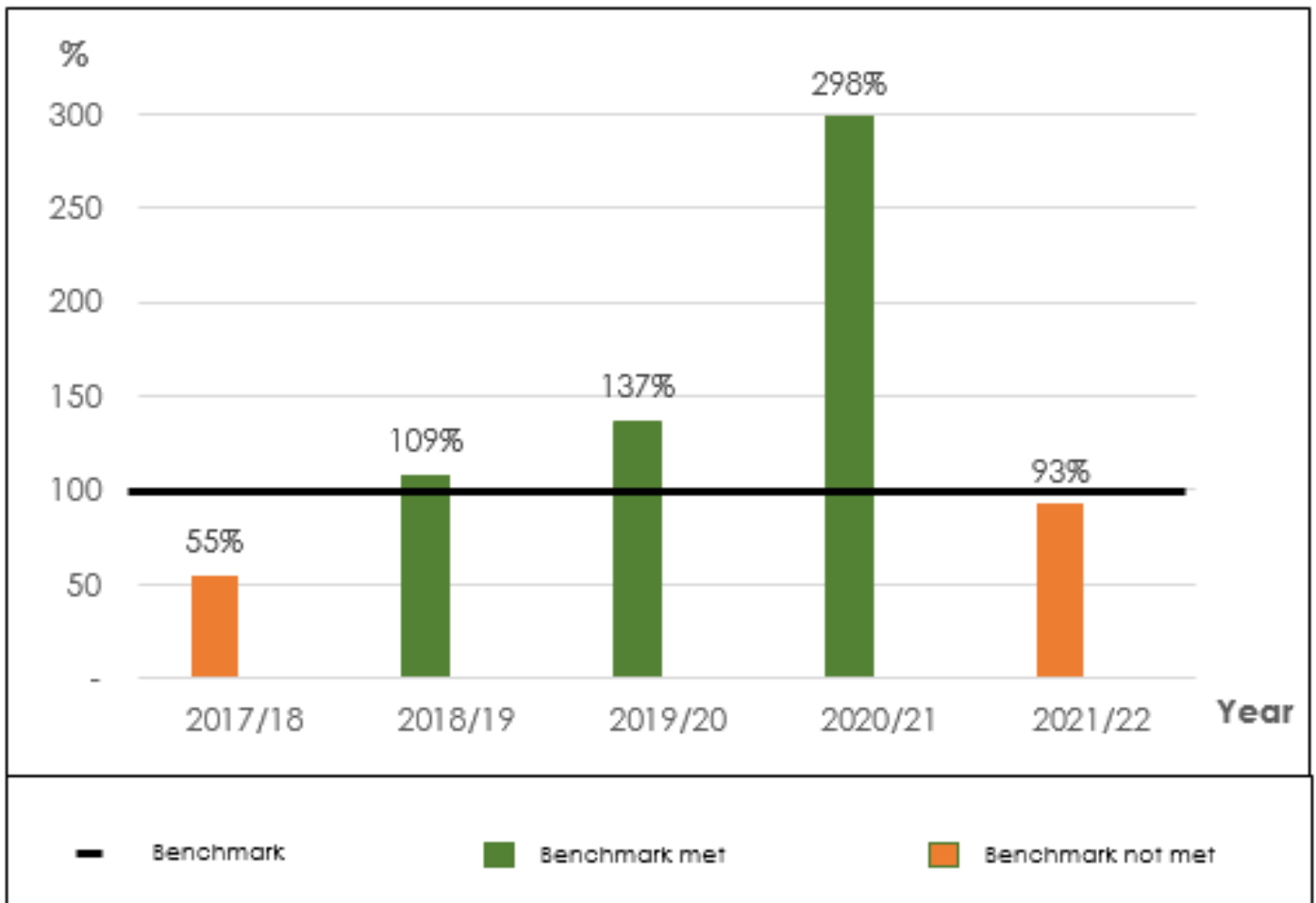
## 7. Operations control benchmark

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 2021/2022 financial year.

### 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

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# Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2022

Statement of Comprehensive Revenue and Expense						
	Council Actual 30 June 2022 \$000	Council Budget 30 June 2022 \$000	Council Actual 30 June 2021 \$000	Group Actual 30 June 2022 \$000	Group Actual 30 June 2021 \$000	Notes
<b>Revenue</b>						
Rates	18,086	18,030	15,670	17,906	15,548	3
Grants and subsidies	16,426	10,750	13,538	17,405	14,552	3
Interest revenue	115	8	51	119	53	3
Fees and charges	2,141	1,801	2,050	2,141	2,050	3
Other revenue	3,192	1,009	3,976	28,635	30,610	3
<b>Total operating revenue</b>	<b>39,961</b>	<b>31,598</b>	<b>35,285</b>	<b>66,207</b>	<b>62,814</b>	
<b>Expenditure</b>						
Employee benefit expenses	5,409	5,474	4,731	16,852	17,146	4
Finance costs	640	904	606	983	970	5
Depreciation and amortisation	8,019	7,864	7,555	10,546	10,125	13 & 14
Other expenses	16,298	12,811	14,803	26,614	27,198	6
<b>Total operating expenditure</b>	<b>30,366</b>	<b>27,053</b>	<b>27,695</b>	<b>54,995</b>	<b>55,439</b>	
<b>Surplus before tax</b>	<b>9,595</b>	<b>4,545</b>	<b>7,591</b>	<b>11,212</b>	<b>7,374</b>	
<b>Income tax expenses/(benefit)</b>						
Income tax expense/(benefit)	(10)	-	(50)	(82)	49	7
<b>Income tax expenses/(benefit)</b>	<b>(10)</b>	<b>-</b>	<b>(50)</b>	<b>(82)</b>	<b>49</b>	
<b>Operating Surplus/(Deficit)</b>	<b>9,605</b>	<b>4,545</b>	<b>7,640</b>	<b>11,293</b>	<b>7,325</b>	<b>-</b>
<b>Other comprehensive revenue and expense</b>						
Gain on revaluation of assets	84,594	15,776	1,877	85,065	2,353	13
Tax on revaluation surplus/(deficit)	90	-	23	90	23	7
Revaluation losses on disposal of assets	(4,006)	-	(294)	(4,006)	(294)	19
Revaluation losses on impairment of assets	(66)	-	-	(66)	-	19
<b>Other Comprehensive Revenue and Expenses Subtotal</b>	<b>80,612</b>	<b>15,776</b>	<b>1,605</b>	<b>81,083</b>	<b>2,081</b>	
<b>Total comprehensive revenue and expense/(deficit) for the year attributable to Council</b>	<b>90,217</b>	<b>20,321</b>	<b>9,245</b>	<b>92,377</b>	<b>9,406</b>	

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 2022

Statement of Changes in Equity					
	Council Actual \$ 30 June 2022 \$000	Council Budget \$ 30 June 2022 \$000	Council Actual \$ 30 June 2021 \$000	Group Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2021 \$000
Balance at 1 July	409,157	413,430	399,911	415,138	405,736
Prior year lease reclassification adjustment		-	-	-	(5)
Impairment reversal*	87	-	-	87	-
<b>Adjusted balance at 1 July</b>	<b>409,243</b>	<b>413,430</b>	<b>399,911</b>	<b>415,225</b>	<b>405,731</b>
Total comprehensive income	90,217	20,321	9,245	92,377	9,406
<b>Balance at 30 June</b>	<b>499,460</b>	<b>433,751</b>	<b>409,157</b>	<b>507,602</b>	<b>415,138</b>

\*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 2022

Statement of Financial Position						
	Council Actual 30 June 2022 \$000	Council Budget 30 June 2022 \$000	Council Actual 30 June 2021 \$000	Group Actual 30 June 2022 \$000	Group Actual 30 June 2021 \$000	Notes
<b>Assets</b>						
<b>Current assets</b>						
Cash & cash equivalents	9,389	13,137	11,411	10,304	12,647	8
Debtors & other receivables	5,029	2,514	4,362	8,560	8,075	9
Inventory	-	-	-	941	727	10
Tax refundable	10	-	1	174	1	7
Work in progress	-	-	-	63	20	13
Derivative financial instruments	12	-	-	12	-	11
Other financial assets	3,048	-	48	3,048	48	12
<b>Total Current Assets</b>	<b>17,487</b>	<b>15,651</b>	<b>15,821</b>	<b>23,101</b>	<b>21,517</b>	
<b>Non-current assets</b>						
Council Controlled Organisation	12,695	11,010	8,695	-	-	12
Deferred Tax	137	-	37	-	-	7
Intangible assets	136	37	65	136	65	14
Assets Under Construction	11,675	-	10,088	11,788	10,897	13
Derivative financial instruments	869	-	94	869	94	11
Other Financial Assets	617	418	394	617	394	12
Investment property	-	-	-	1,125	1,010	13A
Property, Plant and Equipment	493,213	447,281	409,369	515,693	427,911	13
Term Inventory	-	-	-	-	327	10
<b>Total Non-current assets</b>	<b>519,341</b>	<b>458,746</b>	<b>428,742</b>	<b>530,226</b>	<b>440,699</b>	
<b>Total Assets</b>	<b>536,828</b>	<b>474,397</b>	<b>444,564</b>	<b>553,327</b>	<b>462,216</b>	
<b>Liabilities</b>						
<b>Current liabilities</b>						
Creditors & other payables	2,755	2,930	4,082	4,405	6,283	15
Employee benefit liabilities	489	446	436	1,794	1,929	17
Tax payable	-	3	-	-	-	7
Borrowings	3,000	-	3,000	5,031	4,430	18
Derivative financial instruments	-	-	94	-	94	11
Other	1,450	425	6,554	1,863	6,685	18
<b>Total Current Liabilities</b>	<b>7,694</b>	<b>3,804</b>	<b>14,165</b>	<b>13,093</b>	<b>19,421</b>	
<b>Non-current liabilities</b>						
Deferred Tax	-	32	-	223	232	7
Employee benefit liabilities	35	47	41	144	182	17
Provisions	2,821	2,371	1,846	2,821	1,846	16
Borrowings	26,818	33,809	18,818	29,444	24,861	18
Derivative financial instruments	-	583	536	-	536	11
<b>Total Non-Current Liabilities</b>	<b>29,674</b>	<b>36,842</b>	<b>21,241</b>	<b>32,632</b>	<b>27,657</b>	
<b>Total Liabilities</b>	<b>37,368</b>	<b>40,646</b>	<b>35,406</b>	<b>45,725</b>	<b>47,078</b>	
<b>Net Assets</b>	<b>499,460</b>	<b>433,751</b>	<b>409,157</b>	<b>507,602</b>	<b>415,138</b>	

<b>Equity</b>						
Retained Earnings	170,583	166,126	158,744	177,777	164,250	19
Restricted Reserves	12,968	9,361	10,538	12,968	10,538	19
Revaluation reserves	315,733	258,201	239,788	316,681	240,264	19
Other comprehensive revenue and expense reserve	177	64	87	177	87	19
<b>Total Equity</b>	<b>499,460</b>	<b>433,751</b>	<b>409,157</b>	<b>507,602</b>	<b>415,138</b>	

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

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

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# Statement of Cash Flows

For the year ended 30 June 2022

<b>Cash Flow Statement</b>					
	<b>Council Actual \$ 30 June 2022 \$000</b>	<b>Council Budget \$ 30 June 2022 \$000</b>	<b>Council Actual \$ 30 June 2021 \$000</b>	<b>Group Actual \$ 30 June 2022 \$000</b>	<b>Group Actual \$ 30 June 2021 \$000</b>
<b>Cash flows from Operating Activities</b>					
Cash was provided from:					
Rates Revenue	17,530	18,030	16,579	17,353	16,457
Fees, charges, and other receipts (including donations)	2,060	1,801	1,759	2,060	1,759
Interest Received	93	8	48	91	48
Dividends received	-	-	220	-	-
Grants and Subsidies	11,143	10,750	17,330	11,085	18,344
Other Revenue	1,138	754	1,617	24,362	30,677
	<b>31,964</b>	<b>31,344</b>	<b>37,553</b>	<b>54,952</b>	<b>67,285</b>
Cash was applied to:					
Payment Staff & Suppliers	20,139	18,285	17,659	38,552	43,757
Interest Paid	549	904	579	963	983
Income tax paid	9	-	1	10	563
	<b>20,697</b>	<b>19,189</b>	<b>18,240</b>	<b>39,525</b>	<b>45,303</b>
<b>Net cash flow Operating Activities</b>	<b>11,267</b>	<b>12,154</b>	<b>19,313</b>	<b>15,427</b>	<b>21,982</b>
<b>Cash flows from Investment Activities</b>					
Cash was provided from:					
Proceeds from Investments realised	-	-	-	-	46
Proceeds sale of property, plant and equipment	8	-	2	680	242
	<b>8</b>	<b>-</b>	<b>2</b>	<b>680</b>	<b>288</b>
Cash was applied to:					
Purchase of property, plant and equipment	17,792	18,375	15,113	20,049	18,924
Purchase of investment property	-	-	-	-	-
Purchase of intangibles	283	-	117	283	117
Purchase of Investments	-	-	-	-	-
Term Deposit with maturity greater than 90 days	3,000	-	-	3,000	-
	<b>21,075</b>	<b>18,375</b>	<b>15,230</b>	<b>23,332</b>	<b>19,041</b>
<b>Net cash flows from Investment Activities</b>	<b>(21,067)</b>	<b>(18,375)</b>	<b>(15,228)</b>	<b>(22,652)</b>	<b>(18,753)</b>
<b>Cash flows from Financing Activities</b>					
Cash was provided from:					
Proceeds from borrowings	7,773	6,429	2,200	7,793	6,309
Capital works loan repayments	6	-	3	6	3
	<b>7,779</b>	<b>6,429</b>	<b>2,203</b>	<b>7,799</b>	<b>6,312</b>
Cash was applied to:					
Repayment of borrowings	-	-	-	2,436	3,356
	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,436</b>	<b>3,356</b>
<b>Net cash flows from Financing Activities</b>	<b>7,779</b>	<b>6,429</b>	<b>2,203</b>	<b>5,363</b>	<b>2,956</b>

<b>Cash Balance</b>					
Cash Balance					
Net increase/(decrease) in cash held	(2,022)	208	6,288	(1,863)	6,185
Total cash resources at start of the year	11,411	12,929	5,123	12,164	5,979
<b>Cash Balance</b>	<b>9,389</b>	<b>13,137</b>	<b>11,411</b>	<b>10,301</b>	<b>12,164</b>
Cash & cash equivalents	9,389	13,137	11,411	10,304	12,647
Bank overdraft	-	-	-	(3)	(483)
<b>Cash Balance</b>	<b>9,389</b>	<b>13,137</b>	<b>11,411</b>	<b>10,301</b>	<b>12,164</b>

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

<b>Council</b>	<b>Loans</b>
	<b>\$000</b>
<b>Balance as at 01 July 2021</b>	<b>21,818</b>
Cash inflows	7,773
Cash outflows	-
Non-cash changes	817
<b>Balance as at 30 June 2022</b>	<b>30,409</b>

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

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

## Reconciliation of Net Surplus

For the year ended 30 June 2022

<b>Reconciliation of Net Surplus/(Deficit) After Tax to Net Cash Flow from Operating Activities</b>				
	<b>Council Actual \$ 30 June 2022 \$000</b>	<b>Council Actual \$ 30 June 2021 \$000</b>	<b>Group Actual \$ 30 June 2022 \$000</b>	<b>Group Actual \$ 30 June 2021 \$000</b>
<b>Surplus/(deficit) after tax</b>	<b>9,605</b>	<b>7,640</b>	<b>11,293</b>	<b>7,325</b>
<b>Add/(Less) non-cash items</b>				
Depreciation and amortisation	8,019	7,555	10,546	10,125
Property, plant and equipment impairment	53	-	53	52
Increase/(decrease) in provision for doubtful debts	(8)	51	(8)	34
Increase/(decrease) in employee entitlements	(6)	(1)	(38)	30
Increase/(decrease) in deferred tax	(100)	(69)	(8)	(50)
(Gain)/loss on fair value of investment property	-	-	(115)	(79)
(Gain)/loss on fair value of property, plant & equipment	323	-	323	-
Unrealised landfill after care costs	331	(79)	331	(2,181)
Vested asset	(563)	(2,181)	(563)	-
Impairment of goodwill	-	-	-	393
Assets written off	1,671	391	1,671	-
(Gain)/loss on derivative financial instruments	(1,417)	(596)	(1,417)	(596)
	<b>8,303</b>	<b>5,071</b>	<b>10,775</b>	<b>7,728</b>
<b>Add/(less) items classified as investing or financing activities</b>				
(Gains)/losses on sale of assets	(8)	(2)	(150)	(32)
(Gains)/losses on disposal of intangibles	236	104	236	104
Net loss/(gain) on sale of investment property	-	-	-	4
LGFA Floating Rate Securities	-	(82)	-	(82)
(Gain)/Loss on elimination of assets on consolidation	-	-	205	344
<b>Total current portion</b>	<b>228</b>	<b>20</b>	<b>291</b>	<b>339</b>
<b>Add/(less) movements in working capital</b>				
Debtors and other receivables	(573)	(201)	211	1,972
Inventories	-	-	113	(90)
Work in progress	-	-	(43)	(3)
Creditors and other payables	(1,328)	1,394	(2,299)	(292)
Deferred income	(5,104)	5,410	(5,053)	5,516
Employee entitlements	53	(41)	(135)	31
Taxation provision	81	18	274	(544)
	<b>(6,870)</b>	<b>6,581</b>	<b>(6,932)</b>	<b>6,590</b>
<b>Net cash inflow/(outflow) from operating activities</b>	<b>11,267</b>	<b>19,313</b>	<b>15,427</b>	<b>21,982</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 2022

<b>Funding Impact Statement for Whole of Council</b>				
	<b>2021 Annual Plan \$000</b>	<b>2021 Annual Report \$000</b>	<b>2022 Annual Plan \$000</b>	<b>2022 Actual \$000</b>
<b>(SURPLUS) / DEFICIT OF OPERATING FUNDING</b>				
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	7,723	7,603	8,852	8,820
Targeted Rates	8,184	8,068	9,179	9,266
Subsidies and grants for operating purposes	2,896	3,751	2,640	3,208
Fees and charges	1,947	2,050	1,801	2,141
Interest and dividends from investments	293	271	8	115
Local authorities fuel tax, fines, infringement fees, and other receipts	959	1,573	1,009	2,621
<b>Total Operating Funding (A)</b>	<b>22,002</b>	<b>23,316</b>	<b>23,488</b>	<b>26,172</b>
Applications of Operating Funding				
Payments to staff and suppliers	16,609	19,143	18,285	19,660
Finance Costs	867	606	904	640
Other operating funding applications	-	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>17,475</b>	<b>19,749</b>	<b>19,189</b>	<b>20,300</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>4,527</b>	<b>3,567</b>	<b>4,298</b>	<b>5,872</b>
<b>(SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>				
Sources of Capital Funding				
Subsidies and grants for capital expenditure	2,697	9,787	8,111	13,218
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	5,383	2,200	6,391	8,000
Gross proceeds from sale of assets	-	-	-	4,008
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>8,081</b>	<b>11,987</b>	<b>14,502</b>	<b>25,226</b>
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	31	3,032	968	5,528
- to improve the level of service	6,000	6,986	6,937	4,045
- to replace existing assets	5,102	5,212	10,471	8,501
Increase (decrease) in reserves	1,475	323	425	9,023
Increase (decrease) of investments	-	-	-	4,000
<b>Total Applications of Capital Funding (D)</b>	<b>12,608</b>	<b>15,553</b>	<b>18,800</b>	<b>31,098</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(4,527)</b>	<b>(3,567)</b>	<b>(4,298)</b>	<b>(5,872)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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 Wilderness Trust, 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 2022.

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. Under s 98(7)(b) of the Local Government Act 2002 the time limit to complete and adopt the annual report was extended to the close of 31 December 2022 for the financial year ending 30 June 2022.

#### BASIS OF PREPARATION

The financial statements have been prepared in accordance with PBE IPSAS 1.132(a) on the going concern basis, and the accounting policies have been applied consistently throughout the year.

#### 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.

The financial statements are compliant with the International Public Sector Accounting Standards (IPSAS).

## **STANDARDS ISSUED BUT NOT YET EFFECTIVE AND NOT EARLY ADOPTED**

Standards and amendments, issued but not yet effective that have not been early adopted, and which are relevant to the Council and group are:

### **PBE FRS 48 Service Performance Reporting**

PBE FRS 48 replaces the service performance reporting requirements of PBE IPSAS 1 Presentation of Financial Statements and is effective for the year ending 30 June 2023, with earlier adoption permitted. The Council has determined the main impact of the new standard is that additional information will need to be disclosed on those judgements that have the most significant effect on the selection, measurement, aggregation, and presentation of service performance information.

## **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 2022, Westland Holdings Ltd controls two Council Controlled Organisations which are reporting entities under the Local Government Act 2002. As at 30 June 2022 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 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 2021/2022 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 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 2022 \$000	Council Budget \$ 30 June 2022 \$000	Council Actual \$ 30 June 2021 \$000
<b>Revenue</b>			
Community Services	2,547	1,473	1,694
Leadership	9,989	7,426	9,314
Leisure services and facilities	4,717	2,151	3,381
Planning & Regulatory	1,373	1,402	1,623
Solid Waste	3,435	1,643	3,194
Stormwater	1,283	989	592
Transportation	3,937	5,597	7,827
Wastewater	4,887	3,439	1,677
Water Supply	6,104	5,216	4,126
less internal overhead recoveries	(7,471)	(7,005)	(6,178)
General Rates	9,060	9,047	8,035
<b>Total operating revenue</b>	<b>39,861</b>	<b>31,378</b>	<b>35,285</b>
<b>Expenditure</b>			
Community Services	1,717	2,031	2,292
Leadership	9,611	8,710	8,266
Leisure services and facilities	4,409	4,142	4,302
Planning & Regulatory	3,164	3,224	3,189
Solid Waste	3,060	2,547	2,314
Stormwater	809	889	913
Transportation	8,608	7,180	7,443
Wastewater	1,715	1,572	1,578
Water Supply	4,642	3,543	3,576
less internal overhead expenses	(7,471)	(7,005)	(6,178)
<b>Total operating expenditure</b>	<b>30,266</b>	<b>26,833</b>	<b>27,695</b>
<b>Operating Surplus/(Deficit)</b>	<b>9,595</b>	<b>4,545</b>	<b>7,591</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 2021/2022 year.

Rates Revenue					
	Council Actual \$ 30 June 2022 \$000	Council Budget \$ 30 June 2022 \$000	Council Actual \$ 30 June 2021 \$000	Group Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2021 \$000
<b>Gross rates</b>					
<b>General rates</b>					
General rates	8,932	8,937	7,891	8,755	7,774
Penalties	128	110	145	128	145
<b>Total general-purpose rates</b>	<b>9,060</b>	<b>9,047</b>	<b>8,036</b>	<b>8,883</b>	<b>7,919</b>
<b>Targeted rates</b>					
Community rates	2,684	2,684	2,055	2,684	2,055
Sewerage rates	1,456	1,456	1,278	1,456	1,278
Tourism rates	437	437	475	437	475
Enterprise Hokitika rates (DH)	39	39	37	39	37
Waste management	780	780	765	780	765
<b>Total targeted rates excluding water rates</b>	<b>5,396</b>	<b>5,396</b>	<b>4,610</b>	<b>5,396</b>	<b>4,610</b>
<b>Water rates</b>					
Metered water supply	368	280	394	365	388
Westland Milk Products water rate	2,127	2,127	2,096	2,127	2,096
Other water rates	1,376	1,376	967	1,376	967
<b>Total targeted water rates</b>	<b>3,871</b>	<b>3,783</b>	<b>3,457</b>	<b>3,868</b>	<b>3,451</b>
<b>Total rates revenue (gross of remissions)</b>	<b>18,327</b>	<b>18,225</b>	<b>16,103</b>	<b>18,147</b>	<b>15,980</b>
<b>Net rates</b>					
<b>Rates remissions</b>					
Remissions and write offs	184	150	389	184	389
Rates discounts	56	45	44	56	44
<b>Total rates remissions</b>	<b>240</b>	<b>195</b>	<b>433</b>	<b>240</b>	<b>433</b>
<b>Total remissions</b>	<b>240</b>	<b>195</b>	<b>433</b>	<b>240</b>	<b>433</b>
<b>Total rates revenue net of remissions</b>	<b>18,086</b>	<b>18,030</b>	<b>15,670</b>	<b>17,906</b>	<b>15,547</b>

The total amount of rates charged on Council-owned properties that have not been eliminated from revenue and expenditure is \$372,406 (2021: \$253,627). For the Group, rates of \$281,248 (2021: \$253,672) have not been eliminated.

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 2022 \$000	Council Budget \$ 30 June 2022 \$000	Council Actual \$ 30 June 2021 \$000	Group Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2021 \$000
<b>Finance revenue</b>					
Call and current account interest	24	-	2	28	4
Term deposit interest	80	-	38	80	38
Interest on bonds	-	-	-	-	-
Other interest	5	8	7	5	7
Borrower notes	7	-	3	7	3
<b>Total finance revenue</b>	<b>115</b>	<b>8</b>	<b>51</b>	<b>119</b>	<b>53</b>
<b>Subsidies and grants</b>					
NZTA Government grants	3,578	5,560	3,991	3,578	3,991
Tourism Infrastructure grants	550	-	179	550	179
West Coast Wilderness Trail grants	371	442	390	371	390
DIA 3 Waters Reform grant	5,829	3,428	956	5,829	956
Provincial Development Unit: Infrastructure grants	2,249	-	6,152	2,249	6,152
Provincial Development Unit: Hokitika pool	1,247	-	205	1,247	205
Provincial Development Unit: Halls and War Memorials renovations grant	374	-	274	374	274
Regional Culture and Heritage: Carnegie building strengthening grant	795	600	208	795	208
West Coast Development/Lotteries NZ: Carnegie building grant	611	-	-	611	-
Mayors Task Force for Jobs grant	561	-	642	561	642
Other	260	721	541	1,239	1,555
<b>Total subsidies and grants</b>	<b>16,426</b>	<b>10,750</b>	<b>13,538</b>	<b>17,405</b>	<b>14,552</b>
<b>Fees and charges</b>					
Landfill fees	858	753	861	858	861
Building and resource consent fees	236	140	171	236	171
Regulatory fees	754	532	589	754	589
Other fees and charges	293	376	430	293	430
<b>Total fees and charges</b>	<b>2,141</b>	<b>1,801</b>	<b>2,050</b>	<b>2,141</b>	<b>2,050</b>

	Council Actual \$ 30 June 2022 \$000	Council Budget \$ 30 June 2022 \$000	Council Actual \$ 30 June 2021 \$000	Group Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2021 \$000
<b>Other revenue</b>					
Dividend revenue	-	-	220	-	-
Donations	1	3	17	1	17
Gain on interest rate swaps	1,525	255	677	1,525	677
Fair value (gains)/losses on valuation of investment property	-	-	-	115	50
Infringements and fines	10	19	4	10	4
Petrol tax	129	126	136	129	136
Property, plant and equipment: gain on disposal	8	-	2	626	77
Regulatory revenue	152	148	136	152	134
Subvention receipts	100	220	-	100	-
Other revenue*	1,265	237	2,784	25,974	29,515
<b>Total other revenue</b>	<b>3,192</b>	<b>1,009</b>	<b>3,976</b>	<b>28,634</b>	<b>30,610</b>
<b>Total Finance Revenue and Other Revenue</b>	<b>21,875</b>	<b>13,568</b>	<b>19,615</b>	<b>48,300</b>	<b>47,265</b>

\*Other revenue includes vested income of \$0.563m arising from the fair value gain on initial recognition of Lake Mathieson Walkway; a water main at Franz Josef; and the Museum of Fire Shed at Heritage Industrial Park transferred to Westland District Council. Also includes two donated e-Bikes.

There are some unfulfilled conditions or contingencies attached to the subsidies and grants recognised and the value of the unspent portion 2022: \$1.217m (2021: \$5.951m) is treated as income received in advance. All conditions are expected to be fulfilled in the subsequent financial year.

#### *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 Subsidies**

Council receives government grants from New Zealand Transport Agency, which subsidises part of Council's costs in maintaining local roads infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled. Council also from time to time receives grants from other parties that are recognised on the same basis but where conditions have not been fulfilled in the current year, the value of unfulfilled expenditure is transferred from revenue to Grants Received in Advance.

### **(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.

## (v) 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 2022 \$000	Council Actual \$ 30 June 2021 \$000	Group Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2021 \$000
Not later than one year	-	-	27	86
Later than one year and not later than five years	-	-	129	119
Later than five years	-	-	115	115
<b>Total non-cancellable operating leases</b>	<b>-</b>	<b>-</b>	<b>271</b>	<b>320</b>

No contingent rents have been recognised during the period.

## 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.

Employee Benefit Expenses					
	Council Actual \$ 30 June 2022 \$000	Council Budget \$ 30 June 2022 \$000	Council Actual \$ 30 June 2021 \$000	Group Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2021 \$000
Salaries and wages	5,282	5,318	4,522	16,223	16,333
Employer contributions to superannuation schemes and benefits	162	156	139	620	637
Increase/(decrease) in employee entitlements	(36)	-	70	8	176
<b>Total employee benefit expenses</b>	<b>5,409</b>	<b>5,474</b>	<b>4,731</b>	<b>16,852</b>	<b>17,146</b>

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



<b>Personnel Costs</b>		
	<b>Council Actual \$ 30 June 2022 \$000</b>	<b>Council Actual \$ 30 June 2021 \$000</b>
<b>Chief Executive</b>		
Salary	245,313	239,706
Superannuation contribution	7,359	7,191
<b>Total Chief Executive's remuneration</b>	<b>252,672</b>	<b>246,897</b>

<b>Elected representatives received the following remuneration:</b>			
B. Smith	Mayor	82,769	87,866
D. Carruthers	Councillor/ Deputy Mayor	55,789	47,913
L. Martin	Councillor/Committee Chair	40,320	37,255
J. Neale	Councillor	25,371	22,527
P. Davidson	Councillor	25,371	22,527
A. Hart	Councillor	25,371	22,527
I. Hartshorne	Councillor	25,371	22,527
R. Kennedy	Councillor	9,271	22,527
J. Keogan	Councillor	25,371	22,527
<b>Total elected representatives' remuneration</b>		<b>315,001</b>	<b>308,198</b>

There were no directors' fees paid by Westland Holdings Ltd in this financial year (2021: Nil) to councillors. There were no directors' fees paid by Destination Westland Ltd in this financial year (2021: Nil) to councillors.

There were no directors' fees paid by Westroads Ltd in this financial year (2021: Nil) to councillors.

Due to the difficulty in determining the full-time equivalent for Councillors, the full-time equivalent is taken as the number of Councillors.

<b>Council employee remuneration by band</b>	<b>2022</b>	<b>2021</b>
Annual remuneration by band for employees as at 30 June:		
<\$60,000	17	26
\$60,000 - \$79,999	18	18
\$80,000 - \$99,999	14	14
\$100,000 - \$119,999	8	7
\$120,000 - \$179,999	6	4
\$180,000 - \$259,999	1	1
<b>Total employees</b>	<b>64</b>	<b>70</b>

<b>Council employee staffing levels</b>	<b>2022</b>	<b>2021</b>
Number of Full-time Staff	50.00	54.00
Number of Part-time FTE's	9.34	8.86
<b>Total FTE's</b>	<b>59.34</b>	<b>62.86</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 2021-2022 or the 2021-2021 financial years

## NOTE 5: FINANCE COSTS

### Accounting policy

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

<b>Finance Costs</b>					
	<b>Council Actual \$ 30 June 2022 \$000</b>	<b>Council Budget \$ 30 June 2022 \$000</b>	<b>Council Actual \$ 30 June 2021 \$000</b>	<b>Group Actual \$ 30 June 2022 \$000</b>	<b>Group Actual \$ 30 June 2021 \$000</b>
Interest on other	18	-	20	18	20
Interest on secured loans	449	622	292	792	656
Interest rate swaps	173	283	294	173	294
<b>Total finance costs</b>	<b>640</b>	<b>904</b>	<b>606</b>	<b>983</b>	<b>970</b>

## NOTE 6: OTHER EXPENSES

<b>Other revenue</b>					
Dividend revenue	-	-	220	-	-
Donations	1	3	17	1	17
Gain on interest rate swaps	1,525	255	677	1,525	677
Fair value (gains)/losses on valuation of investment property	-	-	-	115	50
Infringements and fines	10	19	4	10	4
Petrol tax	129	126	136	129	136
Property, plant and equipment: gain on disposal	8	-	2	626	77
Regulatory revenue	152	148	136	152	134
Subvention receipts	100	220	-	100	-
Other revenue*	1,265	237	2,784	25,974	29,515
<b>Total other revenue</b>	<b>3,192</b>	<b>1,009</b>	<b>3,976</b>	<b>28,634</b>	<b>30,610</b>
<b>Total Finance Revenue and Other Revenue</b>	<b>21,875</b>	<b>13,568</b>	<b>19,615</b>	<b>48,300</b>	<b>47,265</b>

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.

### 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 2022 \$000	Council Actual \$ 30 June 2021 \$000	Group Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2021 \$000
Not later than one year	267	138	425	291
Later than one year and not later than five years	11	5	523	463
Later than five years	-	-	125	324
<b>Total non-cancellable operating leases</b>	<b>278</b>	<b>143</b>	<b>1,073</b>	<b>1,078</b>

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.

## 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.

<b>Income Tax</b>				
	<b>Council Actual</b>	<b>Council Actual</b>	<b>Group Actual</b>	<b>Group Actual</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Components of tax expense</b>				
Current tax expense	-	-	(164)	(150)
Adjustments to current tax in prior years	-	(20)	-	(20)
Deferred tax expense	10	(47)	82	51
<b>Tax expense</b>	<b>10</b>	<b>(67)</b>	<b>(82)</b>	<b>(119)</b>

<b>Relationship between tax expense and accounting profit</b>				
<b>Net surplus before tax</b>	9,595	7,591	11,211	7,374
<b>Tax at 28%</b>	2,687	2,125	3,139	2,065
Plus (less) tax effect of:				
Effect of non-taxable Council activities	(2,725)	(2,200)	(3,221)	(2,021)
Tax loss not previously recognised	-	-	-	-
Tax loss not recognised	-	-	-	-
Prior year adjustment	-	(20)	-	(20)
Group loss offset [subvention payments]	28	-	-	-
Deferred tax adjustment	-	28	-	28
<b>Tax expense</b>	<b>(10)</b>	<b>(67)</b>	<b>(81)</b>	<b>52</b>

<b>Deferred tax asset (liability) Council</b>				
	<b>Property, plant and equipment</b>	<b>Other provisions</b>	<b>Tax losses</b>	<b>Total</b>
Balance at 30 June 2020	(43)	-	11	(32)
Charged to surplus or deficit	12	-	34	47
Charged to other comprehensive income	22	-	-	22
<b>Balance at 30 June 2021</b>	<b>(8)</b>	<b>-</b>	<b>45</b>	<b>37</b>
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>

<b>Deferred tax asset (liability) Group</b>				
	<b>Property, plant and equipment</b>	<b>Other provisions</b>	<b>Tax losses</b>	<b>Total</b>
Balance at 30 June 2020	(305)	81	22	(202)
Charged to surplus or deficit	(126)	9	64	(52)
Charged to other comprehensive income	22	-	-	22
<b>Balance at 30 June 2021</b>	<b>(408)</b>	<b>90</b>	<b>86</b>	<b>(232)</b>
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>

Council has tax losses of \$202,050 available to carry forward into the 2023 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 2022 \$000	Council Budget \$ 30 June 2022 \$000	Council Actual \$ 30 June 2021 \$000	Group Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2021 \$000
Cash at bank and in hand	4,389	5,177	4,411	5,304	5,647
Term deposits with maturities less than three months at acquisition	5,000	7,960	7,000	5,000	7,000
<b>Total cash and cash equivalents</b>	<b>9,389</b>	<b>13,137</b>	<b>11,411</b>	<b>10,304</b>	<b>12,647</b>
Bank overdrafts	-	-	-	(3)	(483)
<b>Total cash and cash equivalents for the purpose of the statement of cash flows</b>	<b>9,389</b>	<b>13,137</b>	<b>11,411</b>	<b>10,301</b>	<b>12,164</b>

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 2022 \$000	Council Budget \$ 30 June 2022 \$000	Council Actual \$ 30 June 2021 \$000	Group Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2021 \$000
<b>Receivables from non-exchange transactions</b>					
Rates receivable	1,091	1,298	565	1,091	565
Receivables from subsidiaries and associates	2	-	(1)	-	-
Grants receivable	3,046	512	2,839	3,046	2,839
Subvention receivable	100	200	-	-	-
Other receivables	116	6	186	116	186
<b>Total receivables from non-exchange transactions</b>	<b>4,356</b>	<b>2,016</b>	<b>3,591</b>	<b>4,254</b>	<b>3,591</b>
<b>Receivables from exchange transactions</b>					
Construction contract receivable	-	-	-	-	-
Other receivables from exchange contracts	580	584	712	4,337	4,609
Receivables from subsidiaries and associates	106	-	167	-	-
<b>Total receivables from exchange contracts</b>	<b>686</b>	<b>584</b>	<b>879</b>	<b>4,337</b>	<b>4,609</b>
Less provision for impairment of receivables	(14)	(86)	(108)	(31)	(125)
<b>Total receivables</b>	<b>5,029</b>	<b>2,514</b>	<b>4,362</b>	<b>8,560</b>	<b>8,075</b>

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

	Council Actual \$ 30 June 2022 \$000	Council Budget \$ 30 June 2022 \$000	Council Actual \$ 30 June 2021 \$000	Group Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2021 \$000
<b>Opening Balance</b>	<b>108</b>	<b>86</b>	<b>57</b>	<b>125</b>	<b>73</b>
Additional provisions made during this year	9	-	56	23	65
Provisions reversed during the year	(100)	-	-	(100)	-
Receivables written-off during the period	(3)	-	(5)	(17)	(13)
<b>Closing Balance</b>	<b>14</b>	<b>86</b>	<b>108</b>	<b>31</b>	<b>125</b>

## 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 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 (2021: \$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 2022</b>						
Gross receivable amount (\$000)	3,665	872	18	2	81	4,637
Impairment					(14)	(14)
<b>Total</b>	<b>3,665</b>	<b>872</b>	<b>18</b>	<b>2</b>	<b>67</b>	<b>4,623</b>
<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)
<b>Total</b>	<b>6,851</b>	<b>1,200</b>	<b>39</b>	<b>12</b>	<b>53</b>	<b>8,155</b>
<b>Council 30 June 2021</b>						
Gross receivable amount (\$000)	3,700	59	53	38	48	3,897
Impairment	-	-	-	-	(9)	(9)
<b>Total</b>	<b>3,700</b>	<b>59</b>	<b>53</b>	<b>38</b>	<b>39</b>	<b>3,888</b>
<b>Group 30 June 2021</b>						
Gross receivable amount (\$000)	7,131	264	57	41	134	7,627
Impairment	(1)	(1)	(1)	(1)	(22)	(26)
<b>Total</b>	<b>7,130</b>	<b>263</b>	<b>56</b>	<b>40</b>	<b>112</b>	<b>7,601</b>

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>				
	<b>Council Actual 30 June 2022 \$000</b>	<b>Council Actual 30 June 2021 \$000</b>	<b>Group Actual 30 June 2022 \$000</b>	<b>Group Actual 30 June 2021 \$000</b>
Metal stocks	-	-	804	647
Other supplies	-	-	137	80
<b>Total inventory</b>	<b>-</b>	<b>-</b>	<b>941</b>	<b>727</b>
Development land	-	-	-	327
<b>Total term inventory</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>327</b>

Group Term Inventory comprised of land held for subdivision and sale purposes. This property was sold in March 2022 (2021: \$327,000).

#### **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.

<b>Derivative Financial Instruments</b>				
	<b>Council Actual 30 June 2022 \$000</b>	<b>Council Actual 30 June 2021 \$000</b>	<b>Group Actual 30 June 2022 \$000</b>	<b>Group Actual 30 June 2021 \$000</b>
<b>Current asset portion</b>				
Interest rate swaps - cash flow hedges	12	-	12	-
Total current asset portion	12	-	12	-
<b>Non-current asset portion</b>				
Interest rate swaps - cash flow hedges	869	94	94	94
Total non-current asset portion	869	94	94	94
<b>Total derivative financial instrument assets</b>	<b>880</b>	<b>94</b>	<b>106</b>	<b>94</b>
<b>Current liability portion</b>				
Interest rate swaps - cash flow hedges	-	94	-	94
Total current liability portion	-	94	-	94
<b>Non-current liability portion</b>				
Interest rate swaps - cash flow hedges	-	536	-	536
Total non-current liability portion	-	536	-	536
<b>Total derivative financial instrument liabilities</b>	<b>-</b>	<b>630</b>	<b>-</b>	<b>630</b>

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	Amount 2022	Amount 2021
18/09/2017	20/09/2021	3.01%		2,500,000
3/08/2015	1/10/2021	4.10%		5,000,000
17/09/2019	17/03/2023	2.98%	2,500,000	2,500,000
1/10/2021	2/10/2023	3.34%	5,000,000	5,000,000
2/10/2023	2/10/2025	3.67%	5,000,000	5,000,000
17/11/2020	17/11/2026	0.67%	2,500,000	2,500,000
15/03/2023	15/03/2027	1.87%	3,000,000	3,000,000
15/06/2022	15/06/2028	2.76%	2,000,000	-
15/12/2023	15/06/2029	2.75%	2,000,000	-
			22,000,000	25,500,000

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.

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## 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 2022 \$000	Council Budget \$ 30 June 2022 \$000	Council Actual \$ 30 June 2021 \$000	Group Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2021 \$000
<b>Current portion</b>					
<b>Loans and receivables:</b>					
LGFA - Floating rate securities	48	-	48	48	48
Term deposits with maturities greater than three months at acquisition	3,000	-	-	3,000	-
<b>Total loans and receivables</b>	<b>3,048</b>	<b>-</b>	<b>48</b>	<b>3,048</b>	<b>48</b>
<b>Total current portion</b>	<b>3,048</b>	<b>-</b>	<b>48</b>	<b>3,048</b>	<b>48</b>
<b>Non-current portion</b>					
<b>Investment in CCO's</b>					
Westland Holdings Limited	12,695	11,010	8,695	-	-
<b>Total investment in CCO's and similar entities</b>	<b>12,695</b>	<b>11,010</b>	<b>8,695</b>	<b>-</b>	<b>-</b>
<b>Other</b>					
Civic Assurance shares	28	26	27	28	27
Community loan	14	21	20	14	20
LGFA - Floating rate securities	575	371	348	575	348
<b>Total other</b>	<b>617</b>	<b>418</b>	<b>394</b>	<b>617</b>	<b>394</b>
<b>Total non-current portion</b>	<b>13,311</b>	<b>11,428</b>	<b>9,089</b>	<b>617</b>	<b>394</b>
<b>Total other financial assets</b>	<b>16,359</b>	<b>11,428</b>	<b>9,137</b>	<b>3,665</b>	<b>442</b>

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

SHARES HELD	2022	2021
Westland Holdings Limited	12,424,792	8,424,792

## **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.

### *Loans and receivables*

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.

## **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>				
Buildings	2%	10%	10	50
Land	0%	0%	N/A	N/A
<b>Refuse</b>				
Landfill Sites	1%	33%	3	75
Landfill Provision	1%	1%	70	70
<b>Roading</b>				
Bridges	1%	1%	70	100
Culverts	1%	2%	50	80
Edge Mark Post	33%	33%	3	3
Footpaths	2%	3%	34	67
Formation	0%	0%	N/A	N/A
Pave Marking	4%	17%	6	25
Railings	4%	31%	3	24
Raised Reflective Pavement Markers	50%	50%	2	2
Roundabouts	3%	3%	31	31
Sealed Surface	12%	20%	5	20
Signs	19%	34%	3	5
Streetlights	6%	11%	9	17
Structure Base Course	1%	2%	41	91
Structure Sub-Base	0%	0%	N/A	N/A
Unseal Structure Wearing Course	20%	33%	3	5
Unsealed Structure	0%	0%	N/A	N/A
Drainage	2%	3%	37	67
<b>Sewerage</b>				
Line	1%	2%	50	100
Plant	1%	10%	10	88
Point	1%	2%	50	80
<b>Storm water</b>				
Earth	0%	0%	N/A	N/A
Line	1%	2%	50	100
Plant	1%	5%	20	85
Point	1%	2%	50	80
Rock	0%	1%	165	N/A
<b>Water</b>				
Line	1%	5%	20	100
Plant	1%	20%	5	69
Point	1%	10%	10	100

	Minimum	Maximum	Minimum	Maximum
<b>Operational</b>				
Buildings	2%	20%	5	63
Furniture & Fittings	2%	25%	4	60
Jackson Bay Wharf	20%	20%	5	5
Land	0%	0%	N/A	N/A
Library Collection	13%	13%	8	8
Motor Vehicles	20%	20%	5	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 2022 \$000	Council Actual \$ 30 June 2021 \$000
<b>Directly attributable depreciation and amortisation expense by group of activity</b>		
Facilities and Leisure Services	926	1,030
Community Services	343	342
Planning and Regulatory Services	48	50
Transportation	3,802	3,478
Water Supply	1,321	1,242
Wastewater	816	736
Stormwater	364	336
Solid Waste	164	113
Leadership	236	227
<b>Total depreciation and amortisation expense</b>	<b>8,019</b>	<b>7,555</b>

### 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), library books, 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 revalued effective 30 June 2021. The fair value was tested as at 30 June 2022 and the carrying values were adjusted to fair value.

Transportation, 3 Waters and Reserve Improvement assets were all revalued as at 30 June 2022. 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 2022.

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 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 cost \$000	Revaluation surplus/ (deficit) \$000	Cost/revaluation 30 June 2022 \$000	Accumulated depreciation and impairment charges 30 June 2022 \$000	Carrying amount 30 June 2022 \$000
<b>COUNCIL 2022</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
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
<b>Total operational assets</b>	<b>30,863</b>	<b>(3,145)</b>	<b>27,720</b>	<b>1,748</b>	<b>(4,255)</b>	<b>-</b>	<b>(555)</b>	<b>73</b>	<b>443</b>	<b>88</b>	<b>28,661</b>	<b>(3,400)</b>	<b>25,261</b>
<b>Infrastructural assets</b>													
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
<b>Total infrastructural assets</b>	<b>360,997</b>	<b>(11,833)</b>	<b>349,167</b>	<b>14,488</b>	<b>(5,966)</b>	<b>(53)</b>	<b>(6,431)</b>	<b>439</b>	<b>(443)</b>	<b>82,684</b>	<b>434,649</b>	<b>(763)</b>	<b>433,886</b>
<b>Restricted assets</b>													
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
<b>Total restricted assets</b>	<b>33,738</b>	<b>(1,256)</b>	<b>32,482</b>	<b>1,128</b>	<b>(49)</b>	<b>-</b>	<b>(1,009)</b>	<b>16</b>	<b>-</b>	<b>1,499</b>	<b>34,238</b>	<b>(172)</b>	<b>34,066</b>
<b>Total Council</b>	<b>425,599</b>	<b>(16,234)</b>	<b>409,369</b>	<b>17,364</b>	<b>(10,270)</b>	<b>(53)</b>	<b>(7,996)</b>	<b>527</b>	<b>-</b>	<b>84,271</b>	<b>497,548</b>	<b>(4,335)</b>	<b>493,213</b>

Property, Plant, and Equipment

	Cost/ valuation 1 July 2020 \$000	Accumulated depreciation & impairment charges 1 July 2020 \$000	Carrying amount 1 July 2020 \$000	Additions \$000	Disposals \$000	Impairment charges \$000	Depreciation \$000	Disposals depreciation \$000	Reclassification cost \$000	Revaluation surplus/ (deficit) \$000	Cost/revaluation 30 June 2021 \$000	Accumulated depreciation and impairment charges 30 June 2021 \$000	Carrying amount 30 June 2021 \$000
<b>COUNCIL 2021</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
Land (operational)	7,592	-	7,592	-	(9)	-	-	-	-	780	8,370	-	8,370
Buildings	8,474	(536)	7,938	1,263	-	-	(336)	-	-	(138)	8,773	(46)	8,727
Furniture & fittings	1,650	(1,079)	571	332	(1)	-	(62)	1	(34)	-	1,944	(1,137)	807
Library books	707	(445)	262	64	(54)	-	(52)	54	-	-	717	(442)	274
Museum artefacts	165	-	165	-	-	-	-	-	-	-	165	-	165
Computer equipment	659	(481)	178	142	(28)	-	(94)	26	-	-	772	(548)	224
Office equipment	520	(480)	40	36	-	-	(4)	-	-	-	556	(484)	73
Motor Vehicles	422	(320)	102	40	-	-	(40)	-	-	-	462	(360)	102
Operational Plant and Equipment	387	(82)	305	34	-	-	(44)	-	12	-	433	(127)	306
Jackson's Bay wharf	160	(64)	96	-	-	-	(32)	-	-	6	70	-	70
<b>Total operational assets</b>	<b>29,337</b>	<b>(3,487)</b>	<b>25,850</b>	<b>1,909</b>	<b>(93)</b>	<b>-</b>	<b>(663)</b>	<b>82</b>	<b>(22)</b>	<b>648</b>	<b>30,863</b>	<b>(3,145)</b>	<b>27,719</b>
<b>Infrastructural assets</b>													
Land	2,249	-	2,249	-	-	-	-	-	-	(255)	1,994	-	1,994
Buildings	940	(160)	780	-	-	-	(35)	-	-	201	1,112	(165)	947
Roading network	182,119	(2,357)	179,762	2,581	-	-	(2,447)	-	-	-	184,699	(4,804)	179,896
Land under roads	55,365	-	55,365	-	-	-	-	-	-	-	55,365	-	55,365
Bridges	42,070	(922)	41,148	-	-	-	(922)	-	-	-	42,070	(1,844)	40,227
Water supply reticulation	21,132	(440)	20,692	215	(71)	0	(451)	10	-	-	21,277	(881)	20,396
Water supply treatment	12,320	(786)	11,534	415	(307)	-	(817)	51	-	-	12,428	(1,552)	10,876
Drainage/stormwater	16,838	(457)	16,381	59	(226)	-	(457)	23	-	-	16,672	(891)	15,780
Refuse sites (ex Butlers)	2,298	(202)	2,096	392	-	-	(50)	-	-	-	2,690	(252)	2,437
Butlers refuse site	2,828	(153)	2,675	-	-	-	(39)	-	-	(116)	2,713	(192)	2,521
Sewerage system reticulation	10,159	(345)	9,815	457	(5)	0	(352)	1	(208)	-	10,577	(696)	9,882
Sewerage system treatment	9,231	(195)	9,036	258	(124)	-	(374)	17	208	-	9,399	(552)	8,847
<b>Total infrastructural assets</b>	<b>357,550</b>	<b>(6,017)</b>	<b>351,533</b>	<b>4,378</b>	<b>(733)</b>	<b>0</b>	<b>(5,943)</b>	<b>101</b>	<b>-</b>	<b>(169)</b>	<b>360,947</b>	<b>(11,779)</b>	<b>349,168</b>
<b>Restricted assets</b>													
Land	1,192	-	1,192	-	-	-	-	-	-	50	1,242	-	1,242
Public buildings	4,907	(222)	4,685	265	-	-	(142)	-	-	332	5,155	(15)	5,141
Cemetery buildings	56	(19)	37	-	-	-	(4)	-	-	8	59	(18)	41
Cemetery land	1,088	-	1,088	-	-	-	-	-	-	-	1,088	-	1,088
Reserve/recreation land	7,003	-	7,003	225	-	-	-	-	-	120	7,348	-	7,348
Reserve/recreation buildings	2,115	(198)	1,917	2,181	-	-	(196)	-	-	631	4,551	(17)	4,533
Reserve/improvements	10,700	(537)	10,163	1,201	-	-	(534)	-	-	-	11,901	(1,071)	10,830
Swimming pools	2,486	(287)	2,198	-	-	0	(102)	-	22	141	2,394	(135)	2,259
<b>Total restricted assets</b>	<b>29,547</b>	<b>(1,263)</b>	<b>28,283</b>	<b>3,873</b>	<b>-</b>	<b>0</b>	<b>(978)</b>	<b>-</b>	<b>22</b>	<b>1,282</b>	<b>33,738</b>	<b>(1,256)</b>	<b>32,482</b>
<b>Total Council</b>	<b>416,434</b>	<b>(10,767)</b>	<b>405,666</b>	<b>10,160</b>	<b>(825)</b>	<b>0</b>	<b>(7,584)</b>	<b>182</b>	<b>-</b>	<b>1,761</b>	<b>425,548</b>	<b>(16,179)</b>	<b>409,369</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 cost \$000	Revaluation surplus/ (deficit) \$000	Cost/revaluation 30 June 2022 \$000	Accumulated depreciation and impairment charges 30 June 2022 \$000	Carrying amount 30 June 2022 \$000	
<b>GROUP 2022</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 Improvements	2,509	(639)	1,870	-	-	-	(40)	-	-	-	-	2,509	(679)	1,830
Land (operational)	8,370	-	8,370	-	(1,463)	-	-	-	475	20	7,402	-	7,402	
Land & Buildings Other	5,958	(1,463)	4,495	5,722	(118)	-	(204)	42	-	-	11,562	(1,625)	9,937	
Buildings	8,773	(46)	8,727	286	(2,716)	-	(215)	4	(32)	391	6,491	(46)	6,446	
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	1,269	(1,057)	212	13	57	-	78	50	-	-	1,225	1,086	139	
Motor Vehicles	462	(360)	102	5	-	-	(46)	-	-	-	466	(406)	61	
Operational Plant and Equipment	27,408	(14,942)	12,466	1,339.98	(2,217)	-	(2,262)	1,742	-	-	26,531	(15,462)	11,068.97	
Jackson's Bay wharf	70	-	70	1,169	-	-	(16)	-	-	(323)	900	-	900	
<b>Total operational assets</b>	<b>67,018</b>	<b>(20,635)</b>	<b>46,384</b>	<b>8,676</b>	<b>(6,639)</b>	<b>-</b>	<b>(3,082)</b>	<b>1,906</b>	<b>443</b>	<b>88</b>	<b>69,360</b>	<b>(21,585)</b>	<b>47,776</b>	
<b>Infrastructural assets</b>														
Land	1,994	-	1,994	-	-	-	-	-	-	100	2,094	-	2,094	
Buildings	1,112	(165)	947	-	-	-	-	-	(947)	-	-	-	-	
Roading network	184,578	(4,807)	179,774	6,470	(358)	-	(2,768)	32	91	53,168	236,427	(16)	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	45,088	(61)	45,027	
Water supply reticulation	21,277	(881)	20,396	2,248	(2,651)	-	(476)	144	8	15,146	34,815	(1)	34,814	
Water supply treatment	12,428	(1,552)	10,876	990	(237)	-	(845)	95	(6)	(1,780)	9,129	(36)	9,093	
Drainage/stormwater	16,672	(891)	15,780	643	(209)	-	(478)	14	(1)	3,353	19,133	(31)	19,103	
Refuse sites (ex Butlers)	2,690	(252)	2,437	127	-	-	(91)	-	(0)	-	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	1,295	(439)	-	(379)	42	(23)	5,787	16,272	-	16,272	
Sewerage system treatment	9,399	(552)	8,847	1,646	(1,921)	-	(437)	104	477	1,464	10,116	(45)	10,072	
<b>Total Infrastructural assets</b>	<b>360,876</b>	<b>(11,833)</b>	<b>349,047</b>	<b>14,106</b>	<b>(5,966)</b>	<b>(53)</b>	<b>(6,431)</b>	<b>439</b>	<b>(401)</b>	<b>83,112</b>	<b>434,614</b>	<b>(762)</b>	<b>433,852</b>	
<b>Restricted assets</b>														
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	
<b>Total restricted assets</b>	<b>33,738</b>	<b>(1,256)</b>	<b>32,482</b>	<b>1,125</b>	<b>(49)</b>	<b>-</b>	<b>(1,009)</b>	<b>16</b>	<b>(42)</b>	<b>1,542</b>	<b>34,237</b>	<b>(172)</b>	<b>34,065</b>	
<b>Total Group</b>	<b>461,632</b>	<b>(33,724)</b>	<b>427,912</b>	<b>23,908</b>	<b>(12,654)</b>	<b>(53)</b>	<b>(10,522)</b>	<b>2,360</b>	<b>0</b>	<b>84,742</b>	<b>538,211</b>	<b>(22,519)</b>	<b>515,693</b>	

**Property, Plant, and Equipment**

	Cost/ valuation 1 July 2020 \$000	Accumulated depreciation & impairment charges 1 July 2020 \$000	Carrying amount 1 July 2020 \$000	Additions \$000	Disposals \$000	Impairment charges \$000	Depreciation \$000	Disposals depreciation \$000	Reclassification cost \$000	Revaluation surplus/ (deficit) \$000	Cost/revaluati on 30 June 2021 \$000	Accumulated depreciation and impairment charges 30 June 2021 \$000	Carrying amount 30 June 2021 \$000
<b>GROUP 2021</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
Land (operational)	7,592	-	7,592	-	(9)	-	-	-	-	780	8,370	-	8,370
Buildings	8,474	(536)	7,938	1,263	-	-	(336)	-	-	(138)	8,773	(46)	8,727
Furniture & fittings	1,650	(1,079)	571	332	(1)	-	(62)	1	(34)	-	1,944	(1,137)	807
Library books	707	(445)	262	64	(54)	-	(52)	54	-	-	717	(442)	274
Museum artefacts	165	-	165	-	-	-	-	-	-	-	165	-	165
Computer equipment	659	(481)	178	142	(28)	-	(94)	26	-	-	772	(548)	224
Office equipment	520	(480)	40	36	-	-	(4)	-	-	-	556	(484)	73
Motor Vehicles	422	(320)	102	40	-	-	(40)	-	-	-	462	(360)	102
Operational Plant and Equipment	387	(82)	305	34	-	-	(44)	-	12	-	433	(127)	306
Jackson's Bay wharf	160	(64)	96	-	-	-	(32)	-	-	6	70	-	70
<b>Total operational assets</b>	<b>29,337</b>	<b>(3,487)</b>	<b>25,850</b>	<b>1,909</b>	<b>(93)</b>	<b>-</b>	<b>(663)</b>	<b>82</b>	<b>(22)</b>	<b>648</b>	<b>30,863</b>	<b>(3,145)</b>	<b>27,719</b>
<b>Infrastructural assets</b>													
Land	2,249	-	2,249	-	-	-	-	-	-	(255)	1,994	-	1,994
Buildings	940	(160)	780	-	-	-	(35)	-	-	201	1,112	(165)	947
Roading network	182,119	(2,357)	179,762	2,460	-	-	(2,447)	-	-	-	184,578	(4,804)	179,775
Land under roads	55,365	-	55,365	-	-	-	-	-	-	-	55,365	-	55,365
Bridges	42,070	(922)	41,148	-	-	-	(922)	-	-	-	42,070	(1,844)	40,227
Water supply reticulation	21,132	(440)	20,692	215	(71)	-	(451)	10	-	-	21,277	(881)	20,396
Water supply treatment	12,320	(786)	11,534	415	(307)	-	(817)	51	-	-	12,428	(1,552)	10,876
Drainage/stormwater	16,838	(457)	16,381	59	(226)	-	(457)	23	-	-	16,672	(891)	15,780
Refuse sites (ex Butlers)	2,298	(202)	2,096	392	-	-	(50)	-	-	-	2,690	(252)	2,437
Butlers refuse site	2,828	(153)	2,675	-	-	-	(39)	-	-	(116)	2,713	(192)	2,521
Sewerage system reticulation	10,159	(345)	9,815	457	(5)	-	(352)	1	(208)	-	10,577	(696)	9,882
Sewerage system treatment	9,231	(195)	9,036	258	(124)	-	(374)	17	208	-	9,399	(552)	8,847
<b>Total infrastructural assets</b>	<b>357,550</b>	<b>(6,017)</b>	<b>351,533</b>	<b>4,257</b>	<b>(733)</b>	<b>-</b>	<b>(5,943)</b>	<b>101</b>	<b>-</b>	<b>(169)</b>	<b>360,876</b>	<b>(11,829)</b>	<b>349,047</b>
<b>Restricted assets</b>													
Land	1,192	-	1,192	-	-	-	-	-	-	50	1,242	-	1,242
Public buildings	4,907	(222)	4,685	265	-	-	(142)	-	-	332	5,155	(15)	5,141
Cemetery buildings	56	(19)	37	-	-	-	(4)	-	-	8	59	(18)	41
Cemetery land	1,088	-	1,088	-	-	-	-	-	-	-	1,088	-	1,088
Reserve/recreation land	7,003	-	7,003	225	-	-	-	-	-	120	7,348	-	7,348
Reserve/recreation buildings	2,115	(198)	1,917	2,181	-	-	(196)	-	-	631	4,551	(17)	4,533
Reserve/improvements	10,700	(537)	10,163	1,201	-	-	(534)	-	-	-	11,901	(1,071)	10,830
Swimming pools	2,486	(287)	2,198	-	-	-	(102)	-	22	141	2,394	(135)	2,259
<b>Total restricted assets</b>	<b>29,547</b>	<b>(1,263)</b>	<b>28,283</b>	<b>3,873</b>	<b>-</b>	<b>-</b>	<b>(978)</b>	<b>-</b>	<b>22</b>	<b>1,282</b>	<b>33,738</b>	<b>(1,256)</b>	<b>32,482</b>
<b>Total Council</b>	<b>416,434</b>	<b>(10,767)</b>	<b>405,666</b>	<b>10,039</b>	<b>(825)</b>	<b>-</b>	<b>(7,584)</b>	<b>182</b>	<b>-</b>	<b>1,761</b>	<b>425,478</b>	<b>(16,230)</b>	<b>409,247</b>
<b>Subsidiaries property, plant and equipment</b>													
Land & Buildings	5,261	(1,254)	4,007	221	-	(30)	(179)	-	-	476	5,958	(1,463)	4,495
Plant and machinery	25,451	(13,315)	12,136	2,529	(1,005)	-	(2,295)	795	-	-	26,975	(14,815)	12,160
Office equipment	618	(518)	100	95	-	-	(56)	-	-	-	713	(574)	139
Hokitika Airport	2,509	(599)	1,910	-	-	-	(40)	-	-	-	2,509	(639)	1,870
<b>Total subsidiaries</b>	<b>33,839</b>	<b>(15,686)</b>	<b>18,153</b>	<b>2,845</b>	<b>(1,005)</b>	<b>(30)</b>	<b>(2,570)</b>	<b>795</b>	<b>-</b>	<b>476</b>	<b>36,155</b>	<b>(17,491)</b>	<b>18,664</b>
<b>Total Group assets</b>	<b>450,273</b>	<b>(26,454)</b>	<b>423,819</b>	<b>13,005</b>	<b>(1,830)</b>	<b>(30)</b>	<b>(10,154)</b>	<b>977</b>	<b>-</b>	<b>1,761</b>	<b>461,633</b>	<b>(33,721)</b>	<b>427,911</b>

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 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>38,598</b>
<b>Stormwater drainage</b>	<b>19,104</b>	<b>644</b>	-	<b>34,850</b>
<b>Roads and Footpaths</b>	<b>281,439</b>	<b>6,804</b>	-	<b>330,838</b>
	<b>370,825</b>	<b>13,631</b>	<b>86</b>	<b>462,287</b>
<b>COUNCIL 2021</b>				
<b>Water Supply</b>				
- reticulation and other	20,396	215	-	31,880
- treatment plants and facilities	10,876	415	-	22,810
	<b>31,272</b>	<b>631</b>	-	<b>54,691</b>
<b>Sewerage</b>				
- other assets (such as reticulation systems)	9,882	457	-	23,929
- treatment plants and facilities	8,847	258	-	11,711
	<b>18,729</b>	<b>715</b>		<b>35,640</b>
<b>Stormwater drainage</b>	<b>15,780</b>	<b>59</b>	-	<b>34,205</b>
<b>Roads and Footpaths</b>	<b>220,001</b>	<b>2,460</b>	-	<b>324,034</b>
	<b>285,782</b>	<b>3,866</b>	-	<b>448,570</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 2022 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 \$73,044,303, with \$64,172,603 insured at replacement value and \$8,841,700 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 (\$87.1 million) are fully covered at replacement cost. Council's excess is \$250,000. With a total asset base of \$497,769,000 as at 30 June 2022, the above arrangements leave \$410,370,975 self-insured by Council.

Of this \$319,043,000 relate to land and roads. Roads are covered by subsidies that are available from NZTA and the government. This leaves an exposure of \$91,380,000. As at 30 June 2022 asset renewal funds total \$12,059,000 (2021: \$9,059,970).

## Assets under construction

Assets Under Construction				
	Council Actual 30 June 2022 \$000	Council Actual 30 June 2021 \$000	Group Actual 30 June 2022 \$000	Group Actual 30 June 2021 \$000
<b>Capital projects</b>				
Buildings	99	46	99	46
Water	1,143	1,437	1,141	1,214
Waste water	1,393	922	1,387	922
West Coast Wilderness Trail	211	50	210	50
Stormwater	584	410	580	410
Museum Development	2,342	389	2,342	389
Information Management	-	48	-	48
Hokitika Waterfront Development	2	143	2	143
Solid Waste	3,217	1,594	3,191	1,594
Jacksons Bay Wharf	-	833	-	833
Roading & Footpaths	-	3,820	-	3,820
Cass Square new facilities	415	-	414	-
Town Halls major repairs work	377	-	377	-
Swimming Pool - Hokitika	1,444	195	1,444	195
Westland Racing Club development	62	-	62	-
Other	386	202	538	1,234
<b>Balance as on 30 June</b>	<b>11,675</b>	<b>10,088</b>	<b>11,788</b>	<b>10,897</b>

Pump upgrades in Hokitika (\$0.387m) and the Jollie St extension (\$0.187m) make up the bulk of Storm water assets under construction.

Waste water works in progress relate to Hokitika treatment plant works (\$1.310m); pump upgrades and the Z-line replacement.

Water Service assets under constructions include: Arahura treatment plant upgrade (\$0.809m), Fox Glacier treatment plant upgrade (\$1.277m), and Hokitika water mains upgrades (\$0.142m)

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

Assets under construction relating to Solid Waste include \$1,509m for the new cell development at Butlers, with the balance relating to landfill capping at Butlers, Franz Josef and Haast.

The West Coast Wilderness Trail assets under construction include planning and development of a new North Bank route (\$0.076m) and Kaniere water bridges (\$0.062m). The North Bank route project is fully funded.

The Town Halls assets under construction are fully funded projects and relate to works on halls in Haast, Okuru and Waitaha and the Band Rooms in Hokitika.



## Capital commitments

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

There are capital commitments for the Council of \$1,474,787 (2021: \$5,559,648) and Group of \$3,192,180 (2021: \$4,724,433) as at 30 June 2022.

Capital commitments				
	Council Actual \$ 30 June 2022 \$000	Council Actual \$ 30 June 2021 \$000	Group Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2021 \$000
Capital commitments approved and contracted transfers from general funds	1,475	5,560	3,192	4,724
<b>Total capital commitments</b>	<b>1,475</b>	<b>5,560</b>	<b>3,192</b>	<b>4,724</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 2022 \$000	Council Actual 30 June 2021 \$000	Group Actual 30 June 2022 \$000	Group Actual 30 June 2021 \$000
Balance at 1 July	-	-	1,010	1,010
Disposals	-	-	-	(46)
Gain/(loss) on disposal	-	-	-	(4)
Fair value gains/(losses) on valuation	-	-	115	50
<b>Balance at 30 June</b>	<b>-</b>	<b>-</b>	<b>1,125</b>	<b>1,010</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.

## 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*

Purchased Carbon credits are recognised at cost on acquisition. They are not amortised, but instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

### *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 2018-2019 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.

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## Intangible Assets

	Carbon Credits \$000	Computer Software \$000	Council Total \$000	Goodwill \$000	Group \$000 Total
<b>Cost</b>					
Balance at 1 July 2021	40	233	273	151	424
Additions	269	62	331	-	331
Disposals	(236)	(73)	(309)	-	(309)
<b>Balance at 30 June 2022</b>	<b>72</b>	<b>222</b>	<b>294</b>	<b>151</b>	<b>445</b>
Balance at 1 July 2020	27	233	260	151	411
Additions	117	-	117	-	117
Disposals	(104)	-	(104)	-	(104)
<b>Balance at 30 June 2021</b>	<b>40</b>	<b>233</b>	<b>273</b>	<b>151</b>	<b>424</b>
<b>Accumulated amortisation and impairment</b>					
Balance at 1 July 2021	-	208	208	151	359
Amortisation charges	-	24	24	-	24
Impairment loss	-	-	-	-	-
Disposals	-	(73)	(73)	-	(73)
<b>Balance at 30 June 2022</b>	<b>-</b>	<b>159</b>	<b>159</b>	<b>151</b>	<b>310</b>
Balance at 1 July 2020	-	185	185	151	336
Amortisation charges	-	23	23	-	23
Impairment loss	-	-	-	-	-
Disposals	-	-	-	-	-
<b>Balance at 30 June 2021</b>	<b>-</b>	<b>208</b>	<b>208</b>	<b>151</b>	<b>359</b>
<b>Carrying amounts</b>					
Balance at 1 July 2021	40	25	65	-	65
Movement in intangible assets during year	33	38	71	-	71
<b>Balance at 30 June 2022</b>	<b>72</b>	<b>64</b>	<b>136</b>	<b>-</b>	<b>136</b>

## NOTE 15: PAYABLES

### Accounting policy

Trade and other payables are recorded at face value.

<b>Payables</b>					
	<b>Council Actual \$ 30 June 2022 \$000</b>	<b>Council Budget \$ 30 June 2022 \$000</b>	<b>Council Actual \$ 30 June 2021 \$000</b>	<b>Group Actual \$ 30 June 2022 \$000</b>	<b>Group Actual \$ 30 June 2021 \$000</b>
Trade payables	-	1,800	1,890	2,441	5,117
Amounts due to related parties	790	-	1,257	-	-
Accrued expenses	1,616	805	645	1,616	876
Other payables	349	325	289	349	289
<b>Total payables</b>	<b>2,755</b>	<b>2,930</b>	<b>4,082</b>	<b>4,405</b>	<b>6,283</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.

<b>Provisions</b>				
	<b>Council Actual \$ 30 June 2022 \$000</b>	<b>Council Actual \$ 30 June 2021 \$000</b>	<b>Group Actual \$ 30 June 2022 \$000</b>	<b>Group Actual \$ 30 June 2021 \$000</b>
<b>Non-current</b>				
Landfill closure and monitoring	2,821	1,846	2,821	1,846
<b>Total provisions</b>	<b>2,821</b>	<b>1,846</b>	<b>2,821</b>	<b>1,846</b>

The provision has been estimated taking into account existing technology and using discount rates of between 3.72% and 3.96% based on Treasury Risk-free discount rates, and inflation rates using Treasury CPI forecasts. As at 30 June 2022 this was 3.87%. The gross provision before discounting is \$2,058,105 (2021: \$2,378,135).

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

<b>Reconciliation of movement in landfill provision</b>		
<b>Council and Group</b>	<b>Actual 2022 \$000</b>	<b>Actual 2021 \$000</b>
<b>Opening Balance</b>	<b>1,846</b>	<b>2,040</b>
Additional provisions made during this year	1,028	(156)
Amount Used	(71)	(58)
provisions reversed during the year	-	-
Discount unwind	18	20
<b>Closing Balance</b>	<b>2,821</b>	<b>1,846</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.

<b>Employment Benefit Liabilities</b>					
	<b>Council Actual \$ 30 June 2022 \$000</b>	<b>Council Budget \$ 30 June 2022 \$000</b>	<b>Council Actual \$ 30 June 2021 \$000</b>	<b>Group Actual \$ 30 June 2022 \$000</b>	<b>Group Actual \$ 30 June 2021 \$000</b>
<b>Employee benefit liabilities current</b>					
Accrued pay	90	91	78	552	647
Annual leave	399	355	358	1,229	1,258
Retirement and long service	-	-	-	13	24
<b>Total employee benefit liabilities current</b>	<b>489</b>	<b>446</b>	<b>436</b>	<b>1,794</b>	<b>1,929</b>
<b>Employee benefit liabilities non-current</b>					
Retirement and long service	35	47	41	144	182
<b>Total employee benefit liabilities non-current</b>	<b>35</b>	<b>47</b>	<b>41</b>	<b>144</b>	<b>182</b>
<b>Total employee benefit liabilities</b>	<b>524</b>	<b>493</b>	<b>477</b>	<b>1,938</b>	<b>2,111</b>

## Critical accounting estimates and assumptions

### Estimating retirement and long service leave obligations

A discount rate of 2.7%, and an inflation factor of 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 of June 2022 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>				
	<b>Council Actual \$ 30 June 2022 \$000</b>	<b>Council Actual \$ 30 June 2021 \$000</b>	<b>Group Actual \$ 30 June 2022 \$000</b>	<b>Group Actual \$ 30 June 2021 \$000</b>
<b>Current portion</b>				
Bank overdraft	-	-	3	483
Term debts	3,000	3,000	5,013	3,933
Finance leases	-	-	15	14
<b>Total current portion</b>	<b>3,000</b>	<b>3,000</b>	<b>5,031</b>	<b>4,430</b>
<b>Non-current portion</b>				
Secured loans				
Term debts	26,818	18,818	29,444	24,815
Finance leases	-	-	-	46
<b>Total non-current portion</b>	<b>26,818</b>	<b>18,818</b>	<b>29,444</b>	<b>24,861</b>
<b>Total borrowings</b>	<b>29,818</b>	<b>21,818</b>	<b>34,475</b>	<b>29,291</b>

The Council's secured debt of \$29,818,352 (2021: \$21,818,352) 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 (2021: \$4,000,000), and loan facility through the LGFA of \$29,800,000 as borrower only.

The table below shows what Council borrowings relate to.

<b>Loan</b>	<b>Balance 30 June 2021 \$</b>	<b>Pre-funding</b>	<b>New Loans Raised \$</b>	<b>Principal Repaid \$</b>	<b>Balance 30 June 2022 \$</b>
Waste Management Projects	2,386,852		490,533 -	179,670	2,697,715
Hokitika Water Upgrade	249,498		- -	249,498	-
Wastewater Projects	3,304,221		629,926 -	183,654	3,750,493
Water Supply Projects	3,100,348		559,476 -	210,070	3,449,754
Westland Holding Limited	7,845,000		-	-	7,845,000
Other loans	1,695,131		2,781,756 -	140,990	4,335,896
Storm Water Projects	1,070,473		1,526,686 -	61,912	2,535,247
Roading	839,477		- -	48,818	790,659
Building	1,327,352		152,603 -	66,368	1,413,587
Pre-funding		3,000,000	-	-	3,000,000
<b>Total Council Debt</b>	<b>21,818,352</b>	<b>3,000,000</b>	<b>6,140,981 -</b>	<b>1,140,981</b>	<b>29,818,352</b>
<b>Available facility</b>	<b>4,000,000</b>				<b>3,981,648</b>
<b>Total Facility</b>	<b>25,818,352</b>				<b>33,800,000</b>

The pre-funding of \$3,000,000 is offset by a term deposit for the same value. 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 2021/2022. External borrowings for the year were \$8 million (2021: \$2.2 million).

### 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 2022 \$000	Council Actual \$ 30 June 2021 \$000	Group Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2021 \$000
<b>Current</b>				
Rates and other revenue received in advance	1,450	6,554	1,514	6,685
Contract Liabilities	-	-	349	-
<b>Total other liabilities</b>	<b>1,450</b>	<b>6,554</b>	<b>1,863</b>	<b>6,685</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.

<b>Equity</b>				
	<b>Council Actual \$ 30 June 2022 \$000</b>	<b>Council Actual \$ 30 June 2021 \$000</b>	<b>Group Actual \$ 30 June 2022 \$000</b>	<b>Group Actual \$ 30 June 2021 \$000</b>
<b>Retained earnings</b>				
Balance at 1 July	158,744	151,089	164,249	156,913
Prior year lease reclassification adjustment	-	-	-	(5)
Impairment reversal from prior years *	87	-	87	-
<b>Adjusted balance at 1 July</b>	<b>158,830</b>	<b>151,089</b>	<b>164,336</b>	<b>156,908</b>
Transfers to restricted reserves	(6,174)	(4,077)	(6,174)	(4,077)
Transfers from restricted reserves	3,744	2,576	3,744	2,577
Fair Value loss on assets recognised in surplus/deficit for the year	284	-	284	-
Transfer from property revaluation reserve on disposal	4,254	1,515	4,254	1,515
Surplus/(deficit) for the year	9,605	7,640	11,293	7,325
<b>Balance at 30 June</b>	<b>170,543</b>	<b>158,744</b>	<b>177,738</b>	<b>164,250</b>
<b>Restricted reserves</b>				
Balance at 1 July	10,538	9,038	10,538	9,038
Transfers to retained earnings	(3,744)	(2,576)	(3,744)	(2,576)
Transfers from retained earnings	6,174	4,077	6,174	4,077
<b>Balance at 30 June</b>	<b>12,968</b>	<b>10,538</b>	<b>12,968</b>	<b>10,538</b>
<b>Assets revaluation reserve</b>				
Balance at 1 July	239,788	239,721	240,264	239,721
Revaluation gains of property, plant and equipment	84,310	1,877	84,781	2,353
Revaluation Gain/(Loss) on disposal of assets	(4,006)	(294)	(4,006)	(294)
Revaluation Loss on impairment of assets	(66)	-	(66)	-
Transfer of revaluation reserve to retained earnings	(4,254)	(1,515)	(4,254)	(1,515)
<b>Balance at 30 June</b>	<b>315,773</b>	<b>239,788</b>	<b>316,720</b>	<b>240,264</b>
<b>Fair value through other comprehensive revenue and expense reserve</b>				
Balance 1 July	87	64	87	64
Tax on revaluations	90	23	90	23
<b>Balance at 30 June</b>	<b>177</b>	<b>87</b>	<b>177</b>	<b>87</b>
<b>Total equity</b>	<b>499,460</b>	<b>409,157</b>	<b>507,602</b>	<b>415,138</b>

\*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 refer Note 9.

## 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:

<b>Related Party Transactions</b>		
	<b>Council Actual 30 June 2022 \$000</b>	<b>Council Actual 30 June 2021 \$000</b>
<b>Westroads Limited</b>		
Revenue earned	35	54
Expenditure charged	8,716	9,849
Accounts payable by the Council	782	1,245
Accounts receivable to the Council	101	1
Group tax loss offset	-	-
Subvention payment	100	-
<b>Destination Westland</b>		
Revenue earned	279	303
Expenditure charged	1,039	1,020
Purchase of Land	-	-
Accounts payable by the Council	9	12
Accounts receivable to the Council	107	165
Sale of Pensioner Housing	4,000	-
<b>Westland Holdings Limited</b>		
Revenue earned	-	-
Expenditure charged	4	4
Accounts payable by the Council	-	-
Accounts receivable to the Council	-	-
Dividends received	-	220

### 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.

	<b>Council Actual 30 June 2022 \$000</b>	<b>Council Actual 30 June 2021 \$000</b>
Councillors:		
Remuneration	315	308
Senior Management team including Chief Executive:		
Remuneration	850	783
<b>Total key management personnel compensation</b>	<b>1,165</b>	<b>1,092</b>
<b>Total full-time equivalent personnel</b>	<b>14</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.

<b>Construction Contracts</b>				
	<b>Council Actual 30 June 2022 \$000</b>	<b>Council Actual 30 June 2021 \$000</b>	<b>Group Actual 30 June 2022 \$000</b>	<b>Group Actual 30 June 2021 \$000</b>
Contract Costs incurred	-	-	9,011	8,825
Recognised in profits/losses	-	-	1,455	1,129
	-	-	<b>10,466</b>	<b>9,954</b>
Progress billings	-	-	10,321	9,755
<b>gross amounts receivable from Customers</b>	-	-	<b>145</b>	<b>199</b>
<b>Retentions receivable in respect of construction contracts</b>	-	-	<b>912</b>	<b>768</b>

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

## NOTE 22: CONTINGENCIES

### Contingent Liabilities:

<b>Contingencies</b>				
	<b>Council Actual 30 June 2022 \$000</b>	<b>Council Actual 30 June 2021 \$000</b>	<b>Group Actual 30 June 2022 \$000</b>	<b>Group Actual 30 June 2021 \$000</b>
Performance bonds	-	-	1,622	1,320
Mining bonds	-	-	17	17
<b>Total contingent liabilities</b>	-	-	<b>1,639</b>	<b>1,337</b>

The 2021 year has been restated to exclude performance bonds in favour of Council.

### *Council*

At balance sheet date Council is subject of a claim for >\$30,000,000 by the Scenic Circle Hotel Group Ltd. Westland District Council is second plaintiff in these proceedings with West Coast Regional Council (WCRC) being the first plaintiff. This means that if the proceedings against WCRC do not succeed, then the claim may be laid on Council.

The claim is denied and will be defended by Council with the backing of its public liability insurer.

At balance sheet date Council is subject to a claim of threatened legal proceedings relating to a residential property in Hokitika. The homeowner has issued letters of claim to the engineers, and to the Council. The primary responsibility lays with the engineer who designed and supervised the construction of the house (2020: Scenic Circle [ongoing] and CCH).

### *Group*

At balance sheet date the Group is not involved in any litigation (2021: Nil), other than detailed above.

### **Contingent Assets:**

#### *Council*

Council has no contingent assets at 30 June 2022 (2021: Nil).

#### *Group*

The Group has no contingent assets at 30 June 2022 (2021: 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 2022, the Scheme had a past service surplus of \$0.6 million (2021: \$1.3 million surplus) and 1.7% (2021: 2.2%) 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 25. 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:

<b>Financial Instruments</b>				
	<b>Council Actual 30 June 2022 \$000</b>	<b>Council Actual 30 June 2021 \$000</b>	<b>Group Actual 30 June 2022 \$000</b>	<b>Group Actual 30 June 2021 \$000</b>
<b>Financial Assets</b>				
<b>Fair value through surplus or deficit</b>				
Interest rate swaps - cash flow hedges	880	94	880	94
	<b>880</b>	<b>94</b>	<b>880</b>	<b>94</b>
<b>Loans and Receivables</b>				
Cash and cash equivalents	9,389	11,411	10,304	12,647
Receivables	4,687	3,888	8,149	7,249
<b>Other financial assets:</b>				
Civic Assurance	28	27	28	27
Westpac Bonds	-	-	-	-
Floating Rate Securities	623	396	623	396
Term deposits with maturities greater than three months at acquisition	3,000	-	3,000	-
Community loan	14	20	14	20
<b>Total loans and receivables and other financial assets</b>	<b>17,740</b>	<b>15,741</b>	<b>22,118</b>	<b>20,338</b>
<b>Financial Liabilities</b>				
<b>Fair value through surplus or deficit</b>				
Interest rate swaps - cash flow hedges	-	630	-	630
	<b>-</b>	<b>630</b>	<b>-</b>	<b>630</b>
<b>Financial liabilities at amortised cost</b>				
Payables	2,755	4,082	4,405	6,283
<b>Borrowings:</b>				
Bank overdraft	-	-	3	483
Term debts	29,818	21,818	34,472	29,683
<b>Total financial liabilities at amortised cost</b>	<b>32,573</b>	<b>25,900</b>	<b>38,880</b>	<b>36,448</b>
<b>Fair Value Hierachy Disclosures</b>				
		<b>Total Quoted Market Price \$000</b>	<b>Observable inputs \$000</b>	
<b>Fair Value Hierachy Disclosures</b>				
<b>30 June 2022 - Council and Group</b>				
<b>Financial assets</b>				
Derivatives		880	-	880
<b>30 June 2021 - Council and Group</b>				
<b>Financial assets</b>				
Derivatives		94	-	94
<b>Financial liabilities</b>				
Derivatives		630	-	630

## 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. Do to the timing of its cash inflows and outflows, surplus cash is invested into term deposits and bonds, which gives credit risk.

<b>Financial Instrument Risks</b>				
<b>Credit Risk</b>	<b>Council Actual 30 June 2022 \$000</b>	<b>Council Actual 30 June 2021 \$000</b>	<b>Group Actual 30 June 2022 \$000</b>	<b>Group Actual 30 June 2021 \$000</b>
Term Deposits with maturity greater than 3 months	3,000	-	3,000	-
Cash at bank and term deposits with maturity less than 3 months	9,389	11,411	10,304	12,647
Trade and other receivables	4,687	3,887	8,149	7,249
<b>Maximum Exposure</b>	<b>17,076</b>	<b>15,298</b>	<b>21,453</b>	<b>19,895</b>

<b>Credit Quality</b>	<b>Council Actual 30 June 2022 \$000</b>	<b>Council Actual 30 June 2021 \$000</b>	<b>Group Actual 30 June 2022 \$000</b>	<b>Group Actual 30 June 2021 \$000</b>
<b>Cash at bank and term deposits</b>				
AA-	12,389	11,411	13,304	12,647

### 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 2022</b>					
Trade and other payables	2,755	2,755	2,755	-	-
Term debt	29,818	29,818	3,018	18,500	8,300
<b>Total</b>	<b>32,573</b>	<b>32,573</b>	<b>5,773</b>	<b>18,500</b>	<b>8,300</b>
<b>Group 2022</b>					
Trade and other payables	4,405	4,405	4,405	-	-
Term debt	34,472	34,472	5,028	21,144	8,300
Bank overdraft	3	3	3	-	-
<b>Total</b>	<b>38,880</b>	<b>38,880</b>	<b>9,436</b>	<b>21,144</b>	<b>8,300</b>
<b>Council 2021</b>					
Trade and other payables	4,082	4,082	4,082	-	-
Term debt	21,818	21,818	3,000	13,518	5,300
<b>Total</b>	<b>25,900</b>	<b>25,900</b>	<b>7,082</b>	<b>13,518</b>	<b>5,300</b>
<b>Group 2021</b>					
Trade and other payables	6,283	6,283	6,283	-	-
Term debt	24,891	24,891	3,947	15,644	5,300
Bank overdraft	483	483	483	-	-
<b>Total</b>	<b>31,656</b>	<b>31,656</b>	<b>10,713</b>	<b>15,644</b>	<b>5,300</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	Carrying amount	Contractual cash flows	Contractual cash flows		
			Less than 1 year	1-5 years	More than 5 years
<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>
<b>Council 2021</b>					
Cash and cash equivalents	11,411	11,411	11,411	-	-
Trade and other receivables	3,887	3,887	3,887	-	-
Term Deposit	-	-	-	-	-
Civic Assurance	27	-	-	-	-
<b>Total</b>	<b>15,325</b>	<b>15,298</b>	<b>15,298</b>	<b>-</b>	<b>-</b>
<b>Group 2021</b>					
Cash and cash equivalents	12,647	12,647	12,647	-	-
Trade and other receivables	7,249	7,249	7,249	-	-
Term Deposit	-	-	-	-	-
Civic Assurance	27	-	-	-	-
<b>Total</b>	<b>19,923</b>	<b>19,896</b>	<b>19,896</b>	<b>-</b>	<b>-</b>

## Sensitivity Analysis

### Interest Rate Risk – Council

As at 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 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%
	2022	2022	2021	2021
	\$000	\$000	\$000	\$000
<b>Council</b>				
<b>Financial liabilities</b>				
Term debt	426	(426)	376	(376)
Interest rate swaps	1,108	(982)	1,039	(921)
<b>Total</b>	<b>1,534</b>	<b>(1,408)</b>	<b>1,415</b>	<b>(1,297)</b>
<b>Group</b>				
<b>Financial liabilities</b>				
Term debt	519	(519)	515	(515)
Interest rate swaps	1,108	(982)	1,039	(921)
<b>Total</b>	<b>1,627</b>	<b>(1,501)</b>	<b>1,554</b>	<b>(1,436)</b>
<b>Total sensitivity</b>	<b>1,627</b>	<b>(1,501)</b>	<b>1,554</b>	<b>(1,436)</b>

## NOTE 24: EXPLANATION OF VARIANCES

### EXPLANATIONS FOR MAJOR VARIATIONS FROM THE COUNCIL'S BUDGET FIGURES IN THE ANNUAL PLAN FOR 2021/2022 ARE AS FOLLOWS:

#### *Statement of comprehensive revenue and expenses*

#### **1 Rates**

Actual rates income was higher than budgeted mainly due to metered water usage being higher than forecast.

#### **2 Grants and subsidies**

Grants and subsidies were \$5.7m higher 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 \$3.6m of the budgeted grant of \$5.6m for road transport was completed in the 2020-21 year. This is the first year of a three year funding cycle with NZTA during which the balance of any under/over expenditure in select projects can be carried forward into the next two years.
- The work on the 3 waters reform program was expected to have been 50% completed in the previous year but the bulk of it (expenditure totalling \$5.8m) was completed in 2021-22.
- Work funded by the Provincial Growth Fund continued into 2021/22 and included the following funded expenditure:
  - Fox Landfill relocation to Butler's Landfill (\$1.8m)
  - Hokitika swimming pool redevelopment (\$1.2m)
  - Jackson Bay Wharf (\$0.2m)
  - Old Christchurch Road sealing and Cron St works (\$0.3m).
- The Mayor's Task Force for Jobs funding continued with a further \$0.6m of funding recognised in the current year.

- War Memorials and Halls renovation work was also on-going (\$0.4m)
- A new grant for Cass Square toilets (\$0.4m)

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 and, conversely, accruals have been made for any expenditure incurred for which the funds have not yet been received.

### **3 Interest revenue**

Interest on Term Deposits, Borrowers note and cash at call account for the \$0.1m increase in interest revenue over budget.

### **4 Fees and charges**

Demand in the building sector remained strong during the year resulting in resource and consent fees and building regulatory fees contributing an additional \$0.3m to revenue over budget. Landfill fees were overall \$0.1m higher than budget, although reduced tourism numbers in Franz Josef saw a drop in landfill fees of \$0.1m, the increase in revenue at Hokitika refuse station more than compensated for this.

Other fees and charges were below budget mainly due to a reduction in trade waste fees (-\$40k), budgeted revenue for bach licence revenue ceasing at the start of the year (-\$36k) and reduced motor vehicle recovery charges (-\$29k). However, partially offsetting this, with the increased activity in the property market, LIM fees were \$22k above budget.

### **5 Other revenue**

Other revenue was \$2.2m higher than the budget mainly due to below factors:

- Unbudgeted vested assets income was \$0.6m. The assets vested in Council included two E-bikes; a water main at Franz Josef; and the Museum of Fire shed at Heritage Park.
- A \$1.5m gain in financial hedging instruments against a budget of \$0.3m.
- Expense recoveries were \$0.2m higher than budgeted, mainly as a result of the recovery of legal costs (\$66k); costs, such as Civil Defence and Three Waters reporting, shared with the three other West Coast Councils (\$51k); a higher number of sewerage, storm water and water connection cost recoveries than expected (\$56k); and costs recoveries from damage incurred during building works (\$20k).
- Unbudgeted rental income from Pakiwaitara building contributed \$59k

### **6 Employee benefit expenses**

In spite of additional positions being created and funded through the Mayor's Task Force for Jobs and the NZ Libraries Partnership program, staffing levels were down due to the difficulty of recruiting staff in the current economic climate. As a result, employee benefits were down \$60k on budget.

### **7 Finance costs**

Finance costs were \$264k lower than the budget due to lower but rising interest rates following the Covid-19 pandemic and efficient liquidity management.

## 8 Depreciation and amortisation

Depreciation and amortisation cost was \$155k higher than the budget, from revaluations being higher than forecast; and variations in timing, actual costs and depreciation of asset additions.

## 9 Other expenses

Other expenses were higher than budgeted mainly due to following reasons:

- Audit fees include an additional OAG Audit Standards and Quality charge not budgeted for, as well as late charges for the 2021-2031 Long Term Plan.
- Legal costs are higher than budgeted due in part to defamation cases and the provision of employment advice.
- Contractors costs included \$84k unbudgeted costs for emergency works and \$66k project supervision of the war memorial and community hall projects which were fully funded projects.
- Included under Donations and Grants are expenses totalling \$407k relating to the Mayor's Task Force for Jobs project which is a fully funded operational project. The planned grants totalling \$500k for the seawall projects at Hokitika and Franz Josef did not eventuate in this year and the budgeted grant for Westland Sports Hub for \$79k was not required as this was a one-off cost in the prior year.
- Insurance costs were under-estimated by \$73k as insurance companies become even more risk averse and costs increase.
- With the completion of a high number of high value infrastructure renewal projects, such as those funded from the 3-waters stimulus grant, disposals of existing assets account for the unbudgeted loss on disposal of \$1.7m.
- The unbudgeted loss on swaps due to market factors of \$108k is more than offset by an unbudgeted gain on swaps (included in other income).
- Higher than forecast rate of inflation and supply shortages as a result of Covid-19 and its variants, contributed to repairs and maintenance costs exceeding budget by \$519k. Electricity costs were also \$43k over budget and the actual costs of the emissions trading scheme were under-estimated by \$138k.
- As a result of IT systems and requirements continuing to evolve and improve, annual software licence costs exceeded budget by \$110k.
- An impairment loss of \$53k in 2021/22 relates to Rose Creek Bridge No. 49 on Dorothy Falls Road which has been removed and replaced temporarily with a culvert.
- With staffing shortages and high demand in the building sector, more building consents processing had to be out-sourced which resulted in these costs exceeding budget by \$177k.
- A fair value loss on Jackson Bay Wharf of \$323k.

## Current Assets

- Cash & cash equivalents is lower than the budget by \$3.7m. However a term deposit for \$3m maturing 14th April 2023 is included in other financial assets which are higher than budget by this amount. The increase in debtors is also reflected in the lower than forecast cash balance.
- Debtors and Other receivables are \$2.5m higher mainly due to timing differences with claiming for subsidised expenditure.

## Non-Current Assets

Non-current assets are \$61m higher than the budget overall. Key contributing factors include:

- Revaluation of assets was \$69m over budget. This is a reflection of escalating costs and the value of infrastructural work completed during the three years since the last revaluation. Partially offsetting this were unbudgeted asset disposals.
- With rising interest rates, derivative financial instruments moved from a budgeted liability of \$0.6m to an unbudgeted asset of \$0.9m.
- Vested assets also added \$0.6m to non-current assets.
- During the year Council's housing properties were sold to Destination Westland for \$4m which was fully acquitted by way of an equity increase in Council's subsidiary Westland Holdings Limited.
- The increase in interest-bearing borrowers notes held was \$178k higher than budget. Borrowers' notes increase in line with borrowing levels.

## Current Liabilities

Current liabilities are \$3.9m higher than budget mainly due to a short-term loan of \$3m. Income received in advance from grant funding accounts for another \$0.9m increase in current liabilities over budget.

## Non-Current Liabilities

Non-current liabilities are lower than the budget by \$7.2m mainly due to lower than planned long term debt (\$7m). Total debt (current and non-current) is lower than the budget by \$4m due to planned loan funded capital expenditure being either deferred or re-scoped as a result of the prioritisation of grant funded capital works. The receipt of grant funding is subject to achieving pre-determined specified targets.

The annual review of the provision for landfill closure and monitoring costs has resulted in this provision being \$0.4m over budget. Offsetting this is the \$0.6m liability which was budgeted for derivative financial instruments which are now in asset position, as noted above under non-current assets.

## 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: THREE WATERS REFORM PROGRAMME**

In June 2022, the Government introduced legislation to establish four publicly owned water services entities to take over responsibilities for service delivery and infrastructure from local authorities with effect from 1 July 2024. The impact of these proposed reforms, once legislated, will mean that the Council will no longer deliver three waters services or own the assets required to deliver these services. The Bill is currently before Parliament and as such, the impacts of the proposed reforms are currently unclear. Additional legislation is expected later in 2022 that will provide detail on the transfer of assets and liabilities to the water service entities.

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

There are no known post balance date events.

## **NOTE 28: IMPACT OF Covid-19**

Following an outbreak of the 'Delta' variant of Covid-19 in the community on 17 August 2021 the government declared a National State of Emergency, This resulted in the entire country returning to Alert Level 4 from 17 August 2021 until 1 September 2021, when the Alert Level was reduced to Level 3.

Increased costs of supply associated with Covid-19 has impacted on the financial and operational results for the year ended 30 June 2022.

Lock down slowed down the Capital project delivery programme with delays in materials arriving and work ceasing for two weeks during the August 2021 lockdown:

- Renovation works on the Hokitika Swimming Pool were delayed, with the handover running six to eight weeks behind schedule.
- Delays on work to the Carnegie Building have put the work behind schedule. Work is now nearing completion.

The alert levels 3 & 4 lockdown also affected provision of services:

- Westland District Library was closed under Alert Levels 4 and 3, and re-opened with strict hygiene measures, social distancing and contact tracing at Alert Level 2. However staff continued to provide and promote digital services. Programmes of activities have been adapted to online provision and a register and collect service for children's school holiday activities.
- Parks and playgrounds were closed during Alert Levels 4 and 3, in accordance with the Government's Alert levels. These facilities reopened under Alert level 2.
- The i-SITE was closed during Alert Levels 4 and 3. Visitor numbers have dropped significantly with the loss of international tourists.

Council activities in 3 waters, roading, solid waste and public toilets are essential services and remained in operation during lockdown with strict health and safety protocols following the guidance provided by Central Government's Covid-19 Taskforce.

*For full details of impact on activity performance and the work Council refer to the statement of service provision on pages 19-79.*

While the lockdown and potential future impacts of Covid-19 may have negatively impact residents' ability to pay rates, as at 30 June 2022 this does not appear to be the case. Rates penalties were \$17k lower than in than the year ended 30 June 2021.

### ***Destination Westland***

During Alert Levels 4 (August 2021), staff worked remotely where they could, and services were limited to essential services. The impact on the Company's tourism-based activities continues to be significantly impacted and the extent

and duration to which Covid-19 will continue to disrupt and depress economic activity remains to be seen. In 2020, the Company reviewed all its activities to ensure they were viable, reduced nonessential spending, been through a staffing restructure. In 2021, the Company constantly reviewed its performance to ensure continued viability. In 2022, the Company started to experience positive trend in its tourism-based activities.

The Company have prepared (and are continually updating) cash flow forecast that incorporates changes to revenue and expenditure as they appear. Based on this forecast, our current cash reserves and the guaranteed level of management fees, the Board consider that the Company will be able to continue to operate for at least one year from the date of signing their annual report.

The management and Board are continuing to closely monitor the Covid-19 situation and any other changes, and the Company is working closely with the Council and its group to ensure the appropriate actions are taken.

### ***Westroads***

The company's business activity during Alert Level 4 was restricted to providing essential services, (emergency road maintenance, water utilities maintenance, cemetery maintenance & landfill operations). Approximately 25% of staff continued working. During Alert Level 3, all business activity resumed with the required health and safety protocols in place.

The company committed to retaining employees, with staff entitlements partly offset by wage subsidy claimed from the Ministry of Social Development.

While Covid-19 has had a significant economic impact globally throughout 2022, the impact on the company's operations and financial performance and position this time has been minimal, as the Alert Level 4 Lockdown only lasted 2 weeks and at Alert level 3 the entire company was able to return to work.

As part of the impact assessment of Covid-19, Management and the Board considered whether there has been any impact on going concern or impairment of assets. The company has a strong balance sheet, both at 30 June 2022 and for the forecast 2023 year ahead, there is sufficient confirmed forward work and forecast cash requirements can be met by cash on hand and existing facilities. An assessment on debtor balances has been completed and there has been no material impact as a result of Covid-19.

Although the potential future financial impacts of the Covid-19 pandemic are not able to be determined, the company does not expect these future impacts to be substantial. Unless we return to level 4 for an extended period of time, in which case only essential and emergency work would continue therefore potentially 70% of business activities would be put on hold.

The company continues to monitor the Covid-19 situation and is working closely with the Board and customers to ensure the appropriate actions are taken as required and ensuring that health, safety, and wellbeing continues to be an area of focus.

## 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 2021/2022 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 2021/2022.
- 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 2021/2022 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 2021/22 year \$27k 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. The forecast reserve deficit of \$1.3m has been reduced by \$0.7m to \$0.6m due to savings on net forecast revenue and expenditure funded by ratepayers in 2021/22. The deficit balance of this reserve is expected to be funded from future rates.

The Three Mile Domain fund contributed \$1k towards the Three Mile Hall history project.

## Council Created Reserves

Council Created Reserve Funds					
Reserve	Purpose of each reserve fund	Balance 1 July	Transfers into	Transfers out of	Balance 30 June
		2021	fund	fund	2022
		\$000	\$000	\$000	\$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)	1
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)	-
Foreshore	Foreshore Protection for groyne replacement on the foreshore.	11	-	-	11
Glacier country promotions	Targeted rates collected from Glacier Country to provide funding for marketing projects.	-	65	(65)	-
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.)	68	1	-	69
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.	63	1	-	64
Marks Road reserve fund	Net Sale proceeds of section of Marks Road Reserve to be split between Haast Civil Defense and the Haast Community	121	1	(27)	95
Transport renewals	For funding the renewal of roads and bridges.	(81)	1,223	(707)	436
Water renewal	For funding the renewal of water supplies networks	4,192	1,373	(862)	4,703
Waste water renewal	For funding the renewal of sewerage and sewage networks	1,996	824	(66)	2,755
Solid Waste Renewal	For funding the renewal of solid waste systems	-	25	(52)	-27
Stormwater renewal	For funding the renewal of stormwater systems	1,119	459	(122)	1,456
Parks and Reserves renewals	For funding Parks, Reserves, Public Toilets, Ross Pool and Cemeteries Asset Renewal	326	525	(224)	626
Building renewals	For renewal of all Council operational buildings.	866	476	(7)	1,335
Administration renewals	For renewal of office equipment, furniture, technical equipment, vehicles and technology	394	189	(103)	480
Library renewals	To replace library books	249	85	(39)	295
Westland Racing Club reserve fund	Westland Racing Club transferred the racecourse and \$250k to WDC	225	3	(5)	223
General Rates Funding Reserve	For operating costs not covered by rates due to holding rates to a maximum rate percentage increase	-	686	(1314)	(627)
<b>Total Council Created Reserves</b>		<b>9,555</b>	<b>6,085</b>	<b>(3,741)</b>	<b>11,899</b>

## Restricted Reserve Funds

Restricted Reserve Funds					
Reserve	Purpose of each reserve fund	Balance 1 July	Transfers	Transfers	Balance 30 Jun
		2021	into fund	out of fund	2022
		\$000	\$000	\$000	\$000
Offstreet Parking	Collected from developments in town to pay for off-street parking. Imposed by RMA/District Plan	60	1	-	60
Reserve Development	Monies collected from developments. Imposed by RMA/District Plan	350	80	-	431
Museum Assistance Fund	Originally the Museum Bequest Fund	38	-	-	38
Kumara Endowment Fund	Proceeds from sale of Endowment land. Our brief research has not identified the specific terms of the endowment.	357	5	-	362
Euphemia Brown Bequest	Interest earned on funds administered by Public Trust Offices for the estates of Euphemia & William E. Brown.	24	-	-	24
Mayoral Relief Funds	Contributions from James & Margaret Isdell Trust and Coulston Herbert Trust	27	-	(1)	27
Three Mile Domain	To fund the Three Mile Domain costs.	75	1	(1)	75
Ross Endowment Land	Various endowment land parcels in Ross sold over time.	52	1	-	53
Graffiti	Grant funding received	4	-	-	4
Big Brothers Big Sisters	Grant funding received	(1)	-	-	-1
Community Patrol	Grant funding Received	-	-	-	-
Taxi Chits	Grant funding received	(4)	-	(1)	-5
<b>Total Restricted Reserves</b>		<b>982</b>	<b>89</b>	<b>(3)</b>	<b>1,069</b>
<b>Total Reserves</b>		<b>10,537</b>	<b>6,175</b>	<b>(3,744)</b>	<b>12,968</b>



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## Other Information

### Council Committees and Subcommittees

<b>Audit and Risk Committee</b>	<p>Rachael Dean (Independent Chair), His Worship the Mayor, Cr Anna Hart, Cr Jane Neale, Francois Tumahai (Chair of Te Rūnanga o Ngāti Waewae), Paul Madgwick (Chair of Te Rūnanga o Makaawhio)</p>
<b>Capital Projects and Tenders Committee</b>	<p>Deputy Mayor David Carruthers (Chair), His Worship the Mayor (Chair), Cr Paul Davidson, Cr Anna Hart, Cr Ian Hartshorne, Francois Tumahai (Chair of Te Rūnanga o Ngāti Waewae), Paul Madgwick (Chair of Te Rūnanga o Makaawhio)</p>
<b>Community Development Committee</b>	<p>Cr Latham Martin (Chair), His Worship the Mayor, Cr Paul Davidson, Cr Ryan Kennedy, Cr Jenny Keogan, Cr Jane Neale, Francois Tumahai (Chair of Te Rūnanga o Ngāti Waewae), Paul Madgwick (Chair of Te Rūnanga o Makaawhio)</p>
<b>Planning Committee</b>	<p>Cr Latham Martin (Chair), His Worship the Mayor, Cr Paul Davidson, Cr Ryan Kennedy, Cr Ian Hartshorne, Cr Jenny Keogan, Cr Jane Neale, Francois Tumahai (Chair of Te Rūnanga o Ngāti Waewae), Paul Madgwick (Chair of Te Rūnanga o Makaawhio)</p>
<b>Chief Executive's Review Committee</b>	<p>His Worship the Mayor (Chair), Deputy Mayor David Carruthers, Cr Jenny Keogan, Cr Latham Martin</p>
<b>Cycling and Walking Subcommittee</b> [Previously the West Coast Wilderness Trail Subcommittee] <i>(Subcommittee of the Capital Projects and Tenders Committee)</i>	<p>Cr Paul Davidson (Chair), His Worship the Mayor, Francois Tumahai (Chair of Te Rūnanga o Ngāti Waewae), Paul Madgwick (Chair of Te Rūnanga o Makaawhio), Tim Brownlee (Trustpower), John Wood (WCWT Chair), Jackie Gurden (WCWT), Cr Peter Haddock (Grey District Council), Owen Kilgour (Operations Manager, Department of Conservation), Inger Perkins (Walking Access NZ), Liam Anderson (Westland MTB Club).</p>
<b>Hokitika Wastewater Treatment Plant Oversight Subcommittee</b> <i>(Subcommittee of the Capital Projects and Tenders Committee)</i>	<p>Deputy Mayor David Carruthers (Chair), His Worship the Mayor (Chair), Cr Paul Davidson, Cr Latham Martin, Ema Weepu (Te Rūnanga o Ngāti Waewae), James Mason Russell (Te Rūnanga o Ngāti Waewae), Jackie Douglas (Te Rūnanga o Ngāti Maahaki), Barry Wilson (Te Rūnanga o Ngāti Maahaki)</p>

## Other Council Organisations

<p><b>Hokitika Seawall 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><b>Deputy Mayor David Carruthers, Cr Paul Davidson, Cr Jane Neale, Cr Jenny Keogan</b></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 Ian Hartshorne.</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>His Worship the Mayor</p>

## Elected Member Liaison Roles with Community Associations

Organisation	Appointment
<b>Destination Hokitika</b>	Cr Jenny Keogan, Cr Latham Martin
<b>Fox Glacier Community Association</b>	Cr Ian Hartshorne, Cr Ryan Kennedy
<b>Franz Inc</b>	Cr Ian Hartshorne, Cr Ryan Kennedy
<b>Franz Josef / Waiau Community Forum</b>	Cr Ian Hartshorne, Cr Ryan Kennedy
<b>Future Franz</b>	His Worship the Mayor, Cr Hartshorne, Cr Kennedy
<b>Glacier Country Tourism Group</b>	Cr Ian Hartshorne, Cr Ryan Kennedy

<b>Haast Promotions Group</b>	Cr Ian Hartshorne, Cr Ryan Kennedy
<b>Hari Hari Community Association</b>	Cr Ian Hartshorne, Cr Ryan Kennedy
<b>Heritage Hokitika</b>	Deputy Mayor David Carruthers
<b>Heritage West Coast</b>	Deputy Mayor David Carruthers
<b>Kokatahi/Kowhitirangi Community Association</b>	Cr Anna Hart, Cr Jenny Keogan
<b>Kumara Residents Association</b>	Cr Anna Hart, Cr Jenny Keogan
<b>Ōkārito Community Association</b>	Cr Ian Hartshorne, Cr Ryan Kennedy
<b>Road Safety Committee</b>	Cr Jenny Keogan
<b>Ross Community Society</b>	Cr Jenny Keogan, Cr Jane Neale
<b>Safe Community Coalition</b>	Cr Ryan Kennedy, Cr Jane Neale, Cr Paul Davidson
<b>Whataroa Community Association</b>	Cr Ian Hartshorne, Cr Ryan Kennedy

#### Other Appointments

<b>Group</b>	<b>Appointment</b>
<b>Creative Communities Local Assessment Committee</b>	Cr Martin, Cr Neale
<b>Development West Coast – Appointment Panel</b>	His Worship the Mayor
<b>District Licensing Committee</b>	Deputy Mayor Carruthers
<b>Appointment of Deputy Chair</b>	
<b>Sport NZ Rural Travel Fund – Allocation Committee</b>	Cr Neale
<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/Waiiau area in regards to the challenges it faces.)</i>	His Worship the Mayor (Chair), Cr Ian Hartshorne, Cr Ryan Kennedy

## Council Controlled Organisations



<b>Westland Holdings Limited</b>	Joanne Conroy (Chair), Chris Gourley, Chris Rea
<b>Destination Westland Limited</b>	Joanne Conroy – Chair, Christopher Gourley, Marie-louise Tacon (appointed 1 November 2021), Christopher Rea (ceased 31 December 2021)
<b>Westroads Limited</b>	Peter Cuff (Chair), Ross Pickworth, Mark Rogers, Robert Caldwell (appointed 1 December 2021), Bryce Thomson (ceased 10 December 2021)

## 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 assessed 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.