



ANNUAL REPORT

2009-2010



CONTENTS

INTRODUCTION

Mayor and Chief Executive's Report	3
Role Of The Annual Report Of Council	4
The Long Term Council Community Plan (LTCCP)	7
Monitoring of Progress Towards the Achievement of Community Outcomes	8
Statistical Data	9
Council Financial Statistics	10
Council Five-Year Financial Performance Summary	10
Statement Of Compliance	11

DISTRICT REPRESENTATIVES & STAFF

Mayor and Councillors Contact Details	15
Staff	18

FINANCIAL STATEMENTS

Statement of Comprehensive Income	21
Statement of Changes in Equity	22
Statement of Financial Position	23
Statement of Cash Flows	24
Notes to the Fincial Statements	25

STATEMENTS OF PERFORMANCE

Introduction	53
Library	57
Safer Community Council	59
Cemeteries	61
Elderly Housing	63
Swimming Pools	65
Community Assistance/Funding	67
Community Halls And Buildings	69
Parks & Reserves	71
Land And Buildings	73
Westland Business Unit	75
Financial Summary of Promoting and Supporting Our Community	77
Animal Control	81
Resource Management	83

Inspections And Compliance	85
Financial Summary of Planning for Our Community	87
Civil Defence	91
Rural Fire	93
Transportation	95
Three Water Services: Water Supply, Wastewater And Stormwater	99
Waste Management Solid Waste	107
Public Toilets	111
Community Township Development	113
Financial Summary of Providing Essentials for the Community	115
Governance	119
Financial Summary of Providing Leadership for the Community	121
Council Controlled Organisations	123

DISTRICT ASSETS

District Assets	127
-----------------	-----

REPORT OF THE AUDIT OFFICE

Audit Report	131
--------------	-----

INTRODUCTION



MAYOR & CHIEF EXECUTIVE'S REPORT

Welcome to the Annual Report of the Westland District Council for the year 1st July 2009 to 30th June 2010. Copies of this report can be found on the Council's website www.westland.govt.nz or in hard copy at your local library.

Council embarked on a project to develop cycle trails throughout Westland as part of a National initiative. The West Coast Regional Council agreed to assimilate the cycle trail concepts from the Region to develop an application package for access to central Government funds. The application for funding was successful and the project is now underway for a trail from Greymouth to Ross. Work has begun on a funding application which is hoped to be approved from Development West Coast in the 2010/2011 year.

Westland leads the country in formally opposing the aerial discharge of 1080 poison, while continuing to support the possum control programme. Following our lead other Councils have moved to formalise their views in opposition.

In July/August of 2009, Council commissioned the National Research Bureau's Communitrak survey to seek public opinion of Council's performance and to communicate its decisions and programmes to residents and ratepayers throughout Westland. The advantages and benefits of this are twofold; firstly, Council now has the National Average and Peer Group Average comparisons against which to analyse perceived performance, and secondly, Council has now introduced questions reflecting areas of interest to Westland District residents.

Resident satisfaction is a key performance measure for many Council services. Targets are set in the Annual and Long Term Council Community Plans (LTCCP) and survey results are reported in the Annual Report.

A total of 401 people participated in the survey with a maximum margin of error of 4.9%. The survey was undertaken by telephone.

The most highly rated service was Parks and Reserves while the most lowly rated service was Dog Control.

While the survey was carried out early in the 2009/10 year, we believe that the results are relevant for the full year because there were no major changes to levels of service during the financial year as standards and policies were not changed. Processes followed either remained the same or improved and there were few staff changes during the year.



In the 2009/10 year Council reviewed its levels of service with each township across the District. Detailed feedback from those meetings was invaluable in building relationships within each township. Council formed a Technical Assessment Group which reviewed the commercial rating system. The recommendations will feed into the 2011/12 annual plan. Council is also currently reviewing the District Plan.

In the 2009/10 year Council completed a number of projects associated with water in an endeavour to continually improve water quality. The most significant project was the completion of the Harihari water treatment plant, greatly improving the water quality. Franz Josef waste water is in the process of receiving a new pump station. The Hoffman street pump station identified in the LTCCP capital projects for the 2009/10 year was completed on time. Council has also completed replacing mains in Hokitika. Waste management: rural transfer stations have now been completed and Council still continues to offer a glass collection to the Hokitika area. The Hokitika Gorge public toilets have been also been completed. As always you are invited to contribute your thoughts and ideas as we continually work towards improving Westland and addressing key issues of the community.

Kind regards

Two handwritten signatures. The first is Maureen Pugh's signature, and the second is Robin Reeves' signature.

Maureen Pugh
Mayor
1 November 2010

Robin Reeves

ROLE OF THE ANNUAL REPORT OF COUNCIL

Purpose of this Annual Report

The purpose of this annual report for the year ended 30 June 2010 is to compare the actual performance of Council for the year against what was forecast in the 2009/2010 Annual Plan.

As the LTCCP was prepared and adopted under section 93 of the Local Government Act 2002, the Act requires that the Annual Report for 2009/2010 be prepared under section 98 of that Act. Section 111 of the Local Government Act 2002 includes the requirement to comply with generally accepted accounting practice.

Relationship to Key Documents

Under the Act, a local authority must prepare and adopt these key documents:

- Revenue and Financing Policy (sec:102:4(a))
- Investment Policy (sec:102: 4 (c))

- Liability Management Policy (sec: 102: 4 (b))
- Annual Plan (sec: 95)
- Annual Report (sec: 98)
- Long Term Council Community Plan (sec: 93)
- Policy on Development Contributions or Financial Contributions (sec: 102: 4 (d))
- Policy on Partnerships with the Private Sector (sec: 102: 4 (e))
- Policy on the Remission and Postponement of Rates on Maori Freehold Land (sec: 102: 4 (f))
- Rates Remission and Postponements Policies (sec: 102: 5 (a),(b))

Overview

Council made significant progress during 2009/2010 toward the achievement of objectives and policies as set out in the LTCCP relating to its Revenue and Financing Policy, Investment Policy and Liability Management Policy.

Details of achievement against the objectives and policy are set out below.

Revenue and Financing Policy

The Revenue and Financing Policy identifies significant activities of Council and provides for the associated estimated future expenses, revenues, cash flows and other movements in the Statement of Financial Position.

The general aim of the policy is to ensure that Council has adequately considered and accounted for its future operations in accordance with the following six principles:

- Prudent management of Council activities in the interest of the district and its inhabitants.
- Adequate provision for expenditure needs of Council.
- Adequate consideration and assessment of benefits and costs of different options.
- Lawful funding mechanisms that on reasonable grounds can be considered as appropriate.
- Maintaining prudent levels of debt in accordance with liability management policy.
- Operating revenue to cover all projected operating expenses.

The development and review of the Revenue and Financing Policy followed a three step process which, after setting out the functions that Council performs, addressed the following issues:

- Why Council is involved in each activity and whether there are any alternatives to the way the service can be provided;

Activity	Public Funding		
	Target	Result	Note
Promoting and Supporting the Community			
Library	94%	76%	1
Safer Community Council	24%	54%	2
Cemeteries	60%	100%	3
Elderly Housing - Self-Funding	0%	0%	
Swimming Pools	80%	64%	1
Community Assistance/Funding	100%	77%	2
*Community Halls and Buildings	90%	11%	1
*Parks and Reserves	90%	59%	2
Land and Buildings	0%	0%	
Westland Business Unit	25%	21%	3
Planning for our Community			
Animal Control	6%	5%	1
Resource Management	70%	57%	1
Inspectorate & Regulatory	60%	35%	1
Providing Essentials for the Community			
Civil Defence	98%	100%	2
Rural Fire	100%	100%	2
Transportation	35%	35%	3
Water Supplies	30%	82%	1
**Wastewater	82%	55%	1
**Stormwater	100%	86%	1
Waste Management	100%	78%	1
Public Toilets	100%	73%	3
Community Township Development	100%	100%	4
Providing Leadership for the Community			
Governance	100%	88%	1

Notes

- 1. An operating deficit which was funded from reserves.**
- 2. An operating surplus from less expenditure than budget to be transferred to reserves.**
- 3. An operating surplus from more 'Other income' than budget to be transferred to reserves.**
- 4. Additional rates were raised to fund the Hokitika Concept Plan.**

* These activities also had some unfunded depreciation.

** These activities had infrastructure which was revalued at 30 June 2009. The revaluation resulted in higher values placed on assets which increased depreciation significantly.

Investment Policy

This policy outlines why Council holds various investments, what it does with the proceeds and how the investments are to be managed.

Equity Investments

Management	
Shares are held in Civic Assurance Limited to ensure that adequate insurance arrangements are available at the lowest available cost.	Council reviews its commitment to the scheme annually.
Westland Holdings Limited is a wholly owned Council Controlled Trading Organisation (CCTO) formed on 24 July 2002; it holds 100% of the shares and assets in Hokitika Airport Limited, Westroads Limited and Westland District Property Limited.	Council supports the directors of Westland Holdings Limited, Westroads Limited and Hokitika Airport Limited in the management of each company with the aim to maximise the benefits to Council and the ratepayers of Westland.

Financial Investments

Council's primary objective is the protection of its investment.

Management	
Credit risk is minimised by limiting investments to local authorities, registered banks, strongly rated SOE's and corporate entities within prescribed issuer and portfolio limits..	As at 30 June 2010 Council's investments were with ASB Bank in the amount of \$3,715,000 and \$50,000 with Civic Assurance.

Foreign Exchange Policy

Council does not borrow or enter into incidental arrangements within or outside New Zealand in currency other than NZ currency.

Cash Management

Surplus monies are placed on call or term deposits and operational, special and trust funds are clearly reflected in the general ledger. Council invested surplus funds in 30 – 131 days call investments as required.

Liability Management Policy

Council exercises its borrowing powers within the Local Government Act 2002 S:113-122. The borrowing programme is approved by Council by resolution during the Annual Planning process. Council manages its borrowing by adhering to the following limits:

Limit	Performance
Gross interest expense on all borrowing will not exceed 35% of total annual rates income.	Interest expense is currently 5.1% of total annual rates income, net of remissions.
A debt to income ratio of not more than .80.	Debt to income ratio is currently 0.5.
Net cash inflows from operating activities exceed gross annual interest by two times.	Net cash flows from operating activities exceed annual interest by 10.36 times.
Liquidity ratio of 1:1.	Current liquidity ratio is 1:1.25.
Not more than 75% of existing and forecast borrowings are subject to refinancing in any financial year.	0% of total borrowings was refinanced in the financial year.

THE LONG TERM COUNCIL COMMUNITY PLAN (LTCCP)

The Local Government Act 2002 (the Act) requires all local authorities to develop a LTCCP for their districts. These plans identify the directions or outcomes chosen by the community and the role of Council in achieving these outcomes. The plan also details the cost of Council's activities over the next 10 years. When developing and adopting a LTCCP the community must be consulted.

The Act requires Council to carry out a process once every 6 years of identifying the desired priorities of the residents and ratepayers of Westland for the current and future social, economic, environmental, and cultural well being of Westland District. Council's LTCCP was adopted by Council on 31 July 2009 for the 2009-2019 periods.

The outcomes identified and included in the LTCCP outline the expectation of the residents and communities within the District on how the activities of Council can assist in achieving the goal of developing and maintaining the social, economic, environmental, and cultural well being of Westland District both currently and in the future.

Council was required to consult widely with the Community and organisations within the District to identify the outcomes which form the basis for the LTCCP covering the period commencing 1 July 2009 to 30 June 2019.

In subsequent years, Council is required to report against the targets and forecasts set out in the LTCCP.

Community Outcomes

The six community outcomes that Westland District will aspire to for the 2009-2019 period were:

1. HEALTH
 - Healthy communities with access to quality facilities and services.
 - Opportunities for participation in recreational, sporting and leisure activities.
2. EDUCATION
 - A region that values and supports learning with accessible relevant education and training opportunities.
 - Opportunities for participation in arts, culture and heritage activities.
3. SAFETY
 - A region that is a safe place to live.
4. ECONOMY
 - A thriving, resilient and innovative economy creating opportunities for growth and employment.

- Services and infrastructure systems to support economic growth and development.

5. ENVIRONMENT

- The distinctive character of the environment is appreciated and retained.

6. IDENTITY

- A 'happening' region with a strong community spirit and distinctive lifestyle.
- Accessible leaders working together.
- Opportunities for all to contribute to and participate in decision-making affecting Westland District.

Council's Role in Achieving these Outcomes

The LTCCP set out Westland District Council's contribution in creating an environment where the District can achieve the stated mission of making Westland a better place to live in for its residents and ratepayers.

It also sets out what Council is planning over the next 10 years to 2019 and provides additional detail on the planned activities for the 2009/10 year and the costs associated with these activities.

Community Outcomes are achieved when Council and other organisations within the District undertake activities that provide a community service or output.

Several outputs may contribute to one outcome and similarly one output may contribute toward the achievement of more than one outcome.

Westland District Council will contribute to achieving the community outcomes outlined in the LTCCP by undertaking the activities as summarised in the following table. The rationale for carrying out these activities and services is outlined more fully in the LTCCP.

Monitoring

Council has worked with Buller and Grey District Councils and the West Coast Regional Council to produce a progress report on community outcomes. The councils collected data for indicators that have been identified as appropriate measurements related to a given outcome. The Community Outcomes Report was completed and presented to the Councils in June 2009.

MONITORING OF PROGRESS TOWARDS THE ACHIEVEMENT OF COMMUNITY OUTCOMES

During the 2009/10 financial year the following monitoring of progress towards the community outcomes was completed.

Outcome	Monitoring	At time of LTCCP	2010 Results
Healthy communities with access to quality facilities and services	Drinking Water Quality	Ministry of Health carries out independent assessments of water supplies in the district. At present all the water supplies which require testing have returned unsatisfactory results, according to the Drinking water standards. Council has provided for improvements to these water supplies to become compliant.	Harihari water treatment plant has been commissioned. Ross and Hannah's Clearing schemes are in the design process after funding applications to the Ministry of Health were successful. Hokitika and Harihari are the only two supplies treated to the required drinking water standards.
A district that is a safe place to live.	Youth offending Rates Number of youth offences	Currently there are some key projects being undertaken by the Safer Community Council focusing on youths, as being identified as a concern by council.	63% of residents (NRB Survey) feel that generally Westland District is definitely a safe place to live, 34% say mostly, and 3% say not really - 63% compares favourably with the peer group and National Averages.
	Motor Vehicle Crash Rates	There were four fatal crashes on Westland Roads during the year ended 31/12/07.	One fatal crash on Westland roads during year ended 31/12/09 per NZTA Crash Analysis System - Target was less than 4.
A thriving, resilient and innovative economy creating opportunities for growth and employment.	Building consents issued	Total number 477 - 69% (327 completed within 20 days)	There 320 building consents issued in 2009/10 all were processed within the necessary timeframe of 20 days. 100%
A 'happening' region with a strong community spirit and distinctive lifestyle.	Participation in leisure, arts and cultural activities	i-Site responded to 20,922 recorded enquiries.	i-Site responded to 63,125 recorded enquiries.
Level of visitor waste minimisation activity	Reducing tonnage to the District's landfill.	300 tonnes of recyclable material per year at time of LTCCP	20% reduction in waste to landfill during 09/10 year, while a 10% target was set and exceeded. 504 tonnes of recyclable material weighed between January and June of 2010. The weighbridge was operational from 1 December 2009.

STATISTICAL DATA

Date of Constitution of District	1 November 1989	
District Office	36 Weld Street, Hokitika	
Postal Address	Private Bag 704, Hokitika	
Communications	Phone (03) 756 9010	
	Fax (03) 756 9045	
	Email: council@westlanddc.govt.nz	
	Website: www.westland.govt.nz	
Auditor	Audit New Zealand, on behalf of the Auditor-General	
Bankers	ASB Bank - Hokitika	
Solicitors	Elcock & Johnston, Hokitika	
Insurance Broker	Fraser Macandrew Ryan	
Population - Census Night (2006)	11,202	
Resident in District	8,403	
Total Area	1,188,017 ha	
Rateable Area (11.8%)	140,632 ha	
No. of Rateable Assessments	6,480	
Rateable Capital Value as at 30 June 2010	\$2,322,690,800	
Rateable Land Value as at 30 June 2010	\$1,450,310,700	
Date of Last Valuation	1 September 2008	
Date of Next Valuation	1 September 2011	
System of Rating	General	Land Value
	Waste Management	Capital Value
Public Debt Outstanding at 30 June 2010	\$7,881,121	

COUNCIL FINANCIAL STATISTICS

	Actual 2009/10	Estimate 2009/10	Actual 2008/09
Proportion of general rates to total income	28%	23%	29%
Average general rates per rateable property	678	693	\$657
Public Debt (as a percentage of property, plant and equipment)	2.06%	2.85%	1.74%
Public Debt (per rateable property)	\$1,216	\$1,574	\$941

COUNCIL FIVE-YEAR FINANCIAL PERFORMANCE SUMMARY

	2009/10 \$'000	2008/09 \$'000	2007/08 \$'000	2006/07 \$'000	2005/06 \$'000
Rates – General	4,395	4,405	4,094	3,876	3,586
Net surplus (deficit)	409	(970)	1,098	686	350
Working Capital	1,256	3,875	536	5,220	4,740
Public Debt	7,881	6,313	5,856	5,864	2,865
Total Assets	397,052	395,182	354,742	346,943	296,795

STATEMENT OF COMPLIANCE

The Council of Westland District Council hereby confirms that all statutory requirements in relation to the annual report, as outlined in the Local Government Act 2002, have been complied with.



Maureen Pugh

Mayor

Date: 1 November 2010



Robin Reeves

Chief Executive Officer

Date: 1 November 2010



REPORT OF THE AUDIT OFFICE	DISTRICT ASSETS	STATEMENTS OF SERVICE PERFORMANCE	FINANCIAL STATEMENTS	DISTRICT REPRESENTATIVES & STAFF	INTRODUCTION
-------------------------------	-----------------	--------------------------------------	----------------------	-------------------------------------	--------------



DISTRICT REPRESENTATIVES & STAFF

MAYOR AND COUNCILLORS CONTACT DETAILS

AS AT 30 JUNE 2010

Mayor				
M.H. Pugh (Maureen)	Turiwhate, Private Bag 614, Greymouth 7840	03 736 9843	03 736 9843	maureen.pugh@westlanddc.govt.nz mayor@westlanddc.govt.nz
Northern Ward				
A.N. Bradley (Neil)	Three Mile, RD 2, Hokitika 7882	03 755 7279	03 755 7280	bradleynm@xnet.co.nz
I.W. Hustwick (Ian)	PO Box 95, Hokitika 7842	03 755 8003	03 755 8004	ian.hustwick@kinect.co.nz
A. Payn (Allan)	89 Second Street, Kumara 7832	03 736 9878	03 736 9878	mpayn.wrcih@watchdog.net.nz
Hokitika Ward				
J.H. Butzbach (Jim)	177 Bealey Street, Hokitika 7810	03 755 7942		jimbutzbach@westlandmed.co.nz jbutzy1@gmail.com
A.M. Hurley (Allen)	12 Fitzherbert Street, Hokitika 7810	03 755 8098	03 755 8096	heritage@minidata.co.nz
R.F. Gugich (Russell)	113 Hampden Street, Hokitika 7810	03 755 6559	03 755 6559	aretarussell@netaccess.co.nz
K.R. Scott (Kyle)	88 Stafford Street, Hokitika 7810	03 755 6581	n/a	kylescott@xtra.co.nz
Southern Ward				
J.G. Birchfield (John)	P O Box 130, Bruce Bay. South Westland 7950	03 751 0095	03 751 0195	johnb@internet.co.nz
K.J. Eggeling (Kerry)	P O Box 8, Haast 7844	03 750 0848	03 750 0713	bigegg.dragon@internet.co.nz
B.O. Thomson (Bryce) (Deputy Mayor)	Petersen Road, Harihari 7844	03 753 3138	03 753 3138	bryce.lorraine@xtra.co.nz

Committees

Planning and Development Committee

- Mayor Maureen Pugh
- Deputy Mayor Councillor Bryce Thomson - Chairman
- Councillor John Birchfield
- Councillor Jim Butzbach
- Councillor Allen Hurley
- Councillor Ian Hustwick

Recreation and Community Services Committee

- Councillor Kyle Scott - Chairman
- Councillor Neil Bradley
- Councillor Kerry Eggeling
- Councillor Russell Gugich
- Councillor Allan Payn

Audit and Finance Committee

- Mayor Maureen Pugh
- Deputy Mayor Councillor Bryce Thomson
- Councillor Ian Hustwick - Chairman
- Councillor John Birchfield
- Councillor Jim Butzbach
- Councillor Allen Hurley

Assets Committee

- Councillor Kerry Eggeling - Chairman
- Councillor Neil Bradley
- Councillor Jim Butzbach
- Councillor Russell Gugich
- Councillor Allan Payn
- Councillor Kyle Scott

Library

- Mayor Maureen Pugh
- Councillor Ian Hustwick - Chairman
- Councillor Kyle Scott
- Claudia Landis
- Jean Potter
- Bruce White
- Jenny Derks

Review Committee

- Mayor Maureen Pugh
- Councillor Kerry Eggeling
- Councillor Ian Hustwick
- Councillor Kyle Scott
- Councillor Bryce Thomson

Conduct Review Committee

- Mayor Maureen Pugh
- Councillor Kerry Eggeling
- Councillor Ian Hustwick
- Councillor Kyle Scott
- Deputy Mayor Councillor Bryce Thomson

Hearings and Licensing Commissioners

- Mayor Maureen Pugh
- Councillor Allen Hurley

Westland Business Unit Directors

- Sue Hustwick
- Jeff Daley
- Dave Ritchie

Wildfoods Advisory Committee

- Councillor Russell Gugich
- Councillor Allen Hurley
- Councillor Kyle Scott
- Steven Gwaliasi
- Ron Hazeldine - Chairperson
- Sue Hustwick
- Barry Keenan
- Robyn Lee
- John Plows

Creative New Zealand

- Councillor Kyle Scott – Chairman
- Councillor Neil Bradley
- Councillor Kerry Eggeling
- Councillor Russell Gugich
- Councillor Allan Payn
- Jessica McMillan
- Dave Ogle
- Tracie Piercy
- John Stet

Westland District Safer Community Council

- Mayor Maureen Pugh
- Councillor Kyle Scott – Chairman
- Councillor Neil Bradley
- Derek Blight
- Eunice Brown, Hokitika Health Centre
- Colleen Freitas, Greypower
- Geoff Gallon
- Sergeant Russell Glue
- Barbara Greer, Rata Te Awhina Trust
- Arthur Haworth
- Val Henry
- Ben Hutana, Te Runanga o Ngati Waewae
- Colin Jackson, Enterprise Hokitika
- Charles Lucas
- Christine McKenna
- Shirlene Milne
- Adair Quaife
- Frances Stapleton
- The Tumuaki, Te Runanga o Makaawhio
- Community Constable Chris Maitland
- Pauline Weaver
- Jan Zuckerman

Westland Holdings Limited Directors

- Mayor Maureen Pugh
- Les Singer - Chairman
- Graeme King

Hokitika Airport Limited Directors

- Les Singer
- Bruce Smith - Chairman
- Linda Robertson

Westroads Limited Directors

- Durham Havill - Chairman
- Peter Cuff
- Deputy Mayor Councillor Bryce Thomson
- Maurice Fahey

Westland District Property Limited

- Durham Havill - Chairman
- Bruce Smith
- Sue Merriman

Hokitika Environs and Reserves Committee

- Councillor Russell Gugich - Chairman
- Councillor Neil Bradley
- Councillor Kyle Scott
- Sue Asplin
- Ian Gilbertson
- Helen Love
- Lynn Montagu
- Allison Muir
- Barry Pearson
- Eric Walker

Pensioner Flat Allocation Committee

- Mayor Maureen Pugh
- Councillor Kyle Scott

Solid Waste Management Committee

- Mayor Maureen Pugh (Chair)
- Councillor Allen Hurley
- Councillor Jim Butzbach
- Councillor Kyle Scott
- Deputy Mayor Councillor Bryce Thomson
- Councillor John Birchfield

Westland Wilderness Trust

- Mayor Maureen Pugh - Chairperson
- Councillor Neil Bradley
- Councillor Allen Hurley, Enterprise Hokitika
- Mike Slater, Department of Conservation
- Colin Boniface, Westland Mountain Bike Club
- Robin Reeves, Chief Executive Officer

Appointments to Organisations

Big Brothers Big Sisters	Councillor Neil Bradley
Development West Coast – Appointment Panel	Mayor Maureen Pugh
Development West Coast	Tony Williams (Councils' appointee)
Drinking Water Catchment Boundaries Group (Aerial 1080)	Mayor Maureen Pugh, Councillor John Birchfield, Councillor Neil Bradley, Councillor Allen Hurley and Deputy Mayor Councillor Bryce Thomson.
Enterprise Hokitika	Councillor Kyle Scott
Freedom Camping Forum	Mayor Maureen Pugh
Heritage Hokitika	Councillors Russell Gugich and Kyle Scott
Local Government New Zealand	Mayor Maureen Pugh
Marine Protection Forum	Councillor Kerry Eggeling and John Youngson
New Zealand Historic Places Trust	Manager: Planning and Regulatory
Road Controlling Authority Forum	Manager Operations
Tourism West Coast Representatives	Council's Representatives – Jenny Keogan and Chris Alexander
Wasteminz	Waste Management and Resources Officer
West Coast Primary Health Organisation	Mayor Maureen Pugh
West Coast Regional Land Transport Committee	Councillor Kerry Eggeling
West Coast Rural Fire District	Manager Operations
West Coast Waste Management Group	Mayor Maureen Pugh, Councillors Neil Bradley and Deputy Mayor Councillor Thomson
Westland Community Centre – Council Appointment	John Grey
Life Education Trust	Community Services Officer
Zone 5	Maureen Pugh (Chair), Robin Reeves (Zone Secretary), Diane Maitland (Zone Administration Officer)

STAFF

The Management Team

CHIEF EXECUTIVE OFFICER

Robin Reeves

As Chief Executive Officer, Robin has the overall responsibility to ensure that Westland District Council:

- Receives good policy advice.
- Delivers all services to the desired standard.
- Delivers the Annual, and Long Term Council Community Plan
- Complies with the law.
- In order to achieve this, Robin has the responsibility of ensuring that he has the right people to do the job.

Telephone: 03 756 9010

Email: robin.reeves@westlanddc.govt.nz

MANAGER: FINANCE

Quecha Horning

As Manager Finance, Quecha is responsible for all financial management, office management, preparation of the Long Term Council Community Plan (10 Year Plan), the Annual Plan and the Annual Report.

Telephone: 03 756 9031

Email: quecha.horning@westlanddc.govt.nz

MANAGER: PLANNING AND REGULATORY

Richard Simpson

As Manager: Planning and Regulatory, Richard is responsible for the department of Council which deals with resource and building consents, liquor licensing, environmental health and all registration and licensing. The department also has responsibility for the strategic planning issues and the development and maintaining of the District Plan outcomes.

Telephone: 03 756 9035

Email: richard.simpson@westlanddc.govt.nz

MANAGER: AUDIT AND COMPLIANCE

Geoff Day

As Manager Audit and Compliance, Geoff is responsible for ensuring that Council complies with legislation and has appropriate internal audit systems in place.

Geoff also assists with the management of special projects such as the Major District Initiative Funding applications to Development West Coast currently in progress.

Telephone: 03 756 9030

Email: geoff.day@westlanddc.govt.nz

MANAGER: OPERATIONS

Rob Daniel

As Manager Operations, Rob's primary responsibility is for operating, maintaining and improving Council's infrastructural assets. These include roading, water services, recreational assets, cemeteries, buildings, solid waste disposal and the Jackson Bay Wharf. Rob is also responsible for rural fire management, transportation planning and civil defence.

Telephone: 03 756 9034

Email: rob.daniel@westlanddc.govt.nz



FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2010

		COUNCIL			GROUP	
	NOTE	2010 ACTUAL \$000	2010 BUDGET \$000	2009 ACTUAL \$000	2010 ACTUAL \$000	2009 ACTUAL \$000
Income						
General rates	3	4,395	4,309	4,405	4,240	4,316
Targeted rates	3	2,761	2,937	2,197	2,761	2,197
Income from activities	4	7,247	7,919	7,388	14,070	13,155
Vested assets income		1,132	500	237	1,132	237
Gains/(losses) on Investment Property	15 a	200	0	0	200	0
Total Income		15,735	15,664	14,227	22,403	19,905
Less Expenditure						
Employee benefit expenses	6	3,112	3,008	2,839	7,258	6,508
Depreciation and amortisation	15 16	4,259	3,497	3,742	5,394	4,708
Other expenses	7	7,563	6,845	7,989	8,175	8,400
Other losses	5	4	0	59	14	176
Finance costs	8	367	210	460	539	660
Total Expenditure		15,305	13,560	15,089	21,380	20,452
Net Surplus/(Deficit) before tax		430	2,104	(862)	1,023	(547)
Income tax expense	9	21	0	108	530	227
Net Surplus/(Deficit) after tax		409	2,104	(970)	493	(774)
AddOtherComprehensiveIncome						
Gain on property revaluations	23	0		40,155		40,155
Financial assets at fair value through other comprehensive income	23	129	0	101	129	101
Total Comprehensive Income		538	2,104	39,286	622	39,482

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2010

	NOTE	COUNCIL			GROUP	
		2010 ACTUAL \$000	2010 BUDGET \$000	2009 ACTUAL \$000	2010 ACTUAL \$000	2009 ACTUAL \$000
Equity at start of year		385,055	344,533	345,769	386,005	346,523
Add Total Comprehensive Income for Year		538	2,104	39,286	622	39,482
Equity at end of year	23	385,593	346,637	385,055	386,627	386,005

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2010

		COUNCIL			GROUP	
	NOTE	2010 ACTUAL \$000	2010 BUDGET \$000	2009 ACTUAL \$000	2010 ACTUAL \$000	2009 ACTUAL \$000
Assets						
Current assets						
Cash and cash equivalents	10	70	1,177	188	352	887
Trade and other receivables	11	2,290	2,087	2,470	3,330	3,503
Inventories	12	0	0	0	248	210
Other financial assets	13	3,765	4,990	4,651	4,100	4,651
Stock Work in Progress		0	0	0	0	59
Total current assets		6,125	8,254	7,309	8,031	9,310
Non-current assets						
Property, plant and equipment (PPE)	15	382,789	343,582	380,112	390,990	388,495
Intangible assets	16	20	0	0	91	95
Work in progress	17	1,549	1,166	1,691	1,709	1,691
Investment property	15 a	500	0	0	500	0
Other financial assets	13	6,070	6,120	6,070	2	2
Total non-current assets		390,928	350,868	387,873	393,292	390,283
Total assets		397,052	359,122	395,182	401,322	399,593
Liabilities						
Current liabilities						
Trade and other payables	18	2,206	1,783	2,443	2,635	2,781
Deferred income	19	136	86	97	136	98
Provisions	20	157	121	108	157	108
Employee benefit liabilities	21	234	222	273	685	639
Borrowings	22	2,078	265	505	2,532	2,667
Tax payable		0	0	0	104	18
Derivative financial instruments	14	59	0	8	59	8
Total current liabilities		4,869	2,477	3,434	6,307	6,319
Non-current liabilities						
Provisions	20	272	339	419	272	419
Employee benefit liabilities	21	232	142	204	349	360
Borrowings	22	5,803	9,527	5,808	7,138	6,180
Deferred tax liability	9	283	0	262	629	310
Total non-current liabilities		6,590	10,008	6,693	8,388	7,269
Total liabilities		11,459	12,485	10,127	14,695	13,588
Net Assets		385,593	346,637	385,055	386,627	386,005
Equity						
Retained earnings	23	154,434	158,176	159,350	155,468	160,300
Restricted reserves	23	2,884	157	(2,689)	2,884	(2,689)
Revaluation reserve	23	228,275	188,304	228,394	228,275	228,394
Total equity		385,593	346,637	385,055	386,627	386,005

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2010

COUNCIL				GROUP	
NOTE	2010 ACTUAL \$000	2010 BUDGET \$000	2009 ACTUAL \$000	2010 ACTUAL \$000	2009 ACTUAL \$000
Cash Flows from Operating Activities					
Cash provided from					
Rates	7,199	7,246	5,922	7,199	5,922
Interest received	234	367	41	259	80
Dividends received	251	165	292	1	2
Grants & other sources	6,732	8,367	6,138	14,015	13,635
Agency bookings received	631	0	34	631	34
Cash paid to					
Cost of services	(11,086)	(10,504)	(8,968)	(15,904)	(14,449)
Agency bookings paid	(631)	0	(34)	(631)	(34)
Interest paid	(317)	(481)	(468)	(489)	(668)
Income tax paid	0	0	0	(245)	(99)
NetCashFlowsfromOperatingActivities	24	3,286	5,160	2,957	4,836
Cash Flows from Investing Activities					
Cash provided from					
Sale of fixed assets	308	1,400	256	399	474
Sale of investments	886	0	1,231	886	1,231
Cash paid to					
Purchase of fixed assets	(6,166)	(7,497)	(5,578)	(7,144)	(7,379)
Purchase of investments	0	0	0	(335)	0
NetCashFlowsfromInvestingActivities		(4,972)	(6,097)	(4,091)	(5,674)
Cash Flows from Financing Activities					
Cash provided from					
Loans raised	0	1,581	500	0	1,020
Cash paid to					
Loan repayments	(10)	(166)	(43)	(865)	(377)
Netcashflowsfromfinancingactivities		(10)	1,415	457	643
Net Increase/(Decrease) in Cash,					
cash equivalents and bank overdraft	(1,696)	478	(677)	(2,223)	(608)
Opening Cash and Cash Equivalents	188	700	865	878	1,486
Closing Cash and Cash Equivalents	10	(1,508)	1,177	(1,345)	878

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. StatementOfAccountingPoliciesForTheYear Ended 30 June 2010

1.1 Reporting entity

Westland District Council (Council) is a territorial local authority governed by the Local Government Act 2002. It was formed in November 1989 from the amalgamation of Westland County Council and Hokitika Borough Council. The Westland District Council group (Group) consists of Westland District Council and its subsidiaries, Westland Holdings Limited (100% owned), and its 100% owned subsidiaries Westroads Limited, Hokitika Airport Limited, Westland Wilderness Trust and Westland District Property Limited. Westroads Limited owns 100% of the share capital of Westroads Greymouth Limited.

All Group entities are incorporated in New Zealand and have a financial year ended 30 June.

The primary objective of Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, Council has designated itself and the Group as public benefit entities for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

1.2 Basis of preparation

The financial statements of Council and Group have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98 and Part 3 of Schedule 10, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

These financial statements have been prepared in accordance with NZ GAAP. They comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, investment property and financial instruments (including derivative instruments).

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

The functional currency of Council and Group is New Zealand dollars.

1.3 Cost allocation policy

- 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.

1.4 Subsidiaries

Council consolidates as subsidiaries in the Group financial statements all entities where Council has the capacity to control their financing and operating policies so as to obtain benefits from the activities of the entity. This power exists where Council controls the majority voting power on the governing body or where such policies have been irreversibly predetermined by Council or where the determination of such policies is unable to materially impact the level of potential ownership benefits that arise from the activities of the subsidiary.

1.5 Basis of consolidation

The purchase method is used to prepare the consolidated financial statements, which NZ IFRS involves adding together like items of assets, liabilities, equity, income and expenses on a line-by-line basis. All significant intra-group balances, transactions, income and expenses are eliminated on consolidation.

Council's investments in its subsidiaries are carried at cost in Council's own "parent entity" financial statements.

1.6 Revenue

Revenue is measured at the fair value of consideration received.

• Rates revenue

Rates are set annually by a resolution from 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.

• Other revenue

Water billing revenue is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

Council receives government grants from New Zealand Transport Agency, which subsidises part of Council's costs in maintaining the local roading 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.

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.

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 a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue.

Assets vested in Council are valued, by external valuers, at fair value and recognised as revenue when control over the asset is obtained.

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.

Interest income is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established.

1.7 Construction contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognised in the Surplus or deficit in proportion to the stage of completion of the contract. Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably.

The stage of completion is assessed by reference to surveys of work performed. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in the surplus or deficit.

1.8 Borrowing costs

The Council and Group has elected to defer the adoption of NZ IAS 23 *Borrowing Costs (Revised 2007)* in accordance with its transitional provisions that are applicable to public benefit entities. Consequently, all borrowing costs are recognised as an expense in the period in which they are incurred.

1.9 Income tax

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 income tax payable based on the taxable profit for the current year, plus any adjustments to income 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 utilized.

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 recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Council and Group can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated 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.

Current tax and deferred tax is charged or credited to the surplus or deficit, except when it relates to items charged or credited directly to other comprehensive income or equity, in which case the tax is dealt with in other comprehensive income or equity.

1.10 Leases

• 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 amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the Council and Group 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.

• 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.

1.11 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position.

Trade and other receivables

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Loans, including loans to community organisations made by Council at nil, or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset/ investment.

They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the surplus or deficit as a grant.

A provision for impairment of receivables is established when there is objective evidence that the Council and Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

1.12 Inventories

Inventories are measured at the lower of cost or 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.

1.13 Financial assets

The Council and Group classify its financial assets into the following four categories: financial assets at fair value through the surplus or deficit, held-to-maturity investments, loans and receivables, and financial assets available for sale. 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 and Group 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 and Group has transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Council and Group use a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The four categories of financial assets are:

- **Financial assets at fair value through surplus or deficit**

This category has two sub-categories: financial assets held for trading, and those designated at fair value through surplus or deficit at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the surplus or deficit where hedge accounting is not applied.

Financial assets in this category include derivative financial instruments.

- **Loans and receivables**

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or de-recognised are recognised in the surplus or deficit. Loans and receivables are classified as "trade and other receivables" in the Statement of Financial Position.

- **Held to maturity investments**

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that the Council and Group has the positive intention and ability to hold to maturity.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or de-recognised are recognised in the surplus or deficit.

The Council and Group currently do not have any investments that have been classified as held to maturity investments.

- **Financial assets available for sale**

Financial assets available for sale are those that are designated as available for sale or are not classified in any of the other categories above.

This category encompasses:

- Investments that the Council and Group intends to hold long-term but which may be realised before maturity;
- Share holdings that the Council and Group holds for strategic purposes.

After initial recognition these investments are measured at their fair value.

Gains and losses are recognised directly in equity except for impairment losses, which are recognised in the surplus or deficit.

In the event of impairment, any cumulative losses previously recognised in other comprehensive income will be removed from equity and recognised in surplus or deficit even though the asset has not been de-recognised.

On de-recognition, the cumulative gain or loss previously recognised in other comprehensive income is recognised in the surplus or deficit.

Council's investments in its subsidiaries are not included in this category as they are held at cost as allowed by NZ IAS 27 *Consolidated and Separate Financial Statements*.

1.14 Impairment of financial assets

At each balance sheet date, the Council and Group 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.

1.15 Accounting for derivative financial instruments and hedging activities

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

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 movement in the fair value of the derivative contracts is recognised in the surplus or deficit.

1.16 Property, plant and equipment

Property, plant and equipment consist of:

- **Operational assets**

These include land, buildings, improvements, museum artefacts, Jackson Bay Wharf, library books, plant and equipment, and motor vehicles.

- **Restricted assets**

Restricted assets are parks and reserves owned by 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.

- **Infrastructure assets**

Infrastructural assets are the fixed utility systems owned by Council.

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses. Assets carried at a valuation are detailed below.

1.17 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.

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.

1.18 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 retained earnings.

1.19 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 Group and the cost of the item can be measured reliably.

1.20 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:

Operational	Depreciable life (years)
Buildings	50
Furniture & Fittings	10
Motor Vehicles	5
Plant & Equipment (including computers)	3 to 10
Library collection	8
Jackson Bay Wharf	30
Restricted	
Buildings	50
Infrastructural	
Roads	
Formation	N/A
Sub-Base	N/A
Base Course	20 to 75
Surfacing (Sealed)	1 to 16
Surfacing (unsealed)	5
Bridges	60 to 150
Box culverts/channels	60 to 150
Footpaths	5 to 50
Streetlights	20 to 40
Signs	10

Infrastructural	Depreciable life (years)
Water	
Pipeline	60 to 80
Connections	60
Reservoirs & Tanks	20 to 50
Pump Stations	15 to 20
Sewer	
Pipeline	60 to 80
Manholes	50 to 60
Pump Stations	15 to 20
Oxidation Ponds	60 to 100
Stormwater	
Pipeline	60 to 80
Bank protection	50 to 100
Manholes	50 to 60
Pump Stations	15 to 20
Runway	0 to 67

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

1.21 Revaluation

All valuations are carried out on a five-yearly cycle by independent qualified valuers, 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. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

- **Land and buildings**

Council's operational, restricted and infrastructural land has been valued at fair value by Quotable Value NZ as at 30 June 2009.

Council buildings, excluding pump stations, Treatment Plant buildings and other infrastructure assets, have been valued at net current value as at 30 June 2009 by Quotable NZ.

- **Infrastructural asset classes**

Roading infrastructural assets (including bridges) have been valued by MWH Limited registered valuer at depreciated replacement cost as at 30 June 2009. Sewerage, Water Supply and Stormwater infrastructural assets have been valued by MWH Limited, registered valuers at depreciated replacement cost as at 30 June 2009.

- **Land under roads**

Land under roads was valued based on fair value determined by MWH Limited effective 30 June 2003. Under NZ IFRS Council has elected to use the fair value of land under roads as at 30 June 2003 as deemed cost. Land under roads is no longer revalued.

- **Accounting for revaluations:**

The Council and Group accounts for revaluations of property, plant and equipment on a class of asset basis.

The results of revaluing are credited or debited to other comprehensive income and an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the surplus or deficit. Any subsequent increase on revaluation that off-sets 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 credited to other comprehensive income and the revaluation reserve for that class of asset.

1.22 Intangible assets

Mining licences

Mining licences that are acquired by the Group, which have finite useful lives, 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 estimated remaining useful lives for the mining licences is 5 years.

1.23 Impairment of non-financial assets

Non-financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life 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.

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. For revalued assets the impairment loss is recognised against other comprehensive income and 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.

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

1.24 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 as determined annually by an independent valuer. Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

1.25 Employee benefits

• Short-term benefits

Employee benefits that the Council and Group expects to be settled within 12 months of balance date are measured at nominal values 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 retiring and long service leave entitlements expected to be settled within 12 months.

The Council and Group 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-term benefits

Long service leave and retirement leave

Entitlements that are payable beyond 12 months, such as long service leave and retiring leave; have been 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. A discount rate of between 6.13 and 7.0%, and an inflation factor of 2.1 to 3.0% 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.

1.26 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.

Council belongs to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the board of trustees of 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.

1.27 Provisions

The Council and Group 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. The increase in the provision due to the passage of time is recognised as an interest expense.

1.28 Trade and Other Payables

Trade and other payables are initially measured at fair value, and subsequently measured at amortised cost using the effective interest method.

1.29 Borrowings

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the council or group 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.

1.30 Equity

Equity is the community's interest in the Council and Group and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- Retained earnings
- Separate funds
- Special funds
- Trusts and bequests
- Asset revaluation reserves

1.31 Council created reserves

Council created 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 Council.

Special funds relate to funds that Council has set aside during the year for a special purpose e.g. a major construction project.

Separate funds are those which have been designated as being "self funding accounts".

Revenue is charged by way of separate rates, user charges. Refuse, pensioner flats, sewerage and water supply accounts make up Council's separate funds.

Trust and Bequest funds provided to Council by various people and organisations for specific projects. Each account has been set up as a separate account in the ledger to maintain a degree of independence from general council funds. Payments made from these funds during the year are in accordance with the conditions of the trust or bequest.

Council's objectives, policies and processes for managing capital are described in note 32.

1.32 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.

1.33 Budget figures

The budget figures are those approved by Council at the beginning of the year in the 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 these financial statements 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 are discussed below:

1.34 Landfill aftercare provision

Note 20 discloses an analysis of the exposure of Council in relation to the estimates and uncertainties surrounding the landfill aftercare provision.

1.35 Infrastructural assets

There are a number of assumptions and estimates used when performing DRC 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 stormwater, wastewater and water supply pipes that 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 has 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.

1.36 Critical judgments in applying Council's accounting policies

Management does not consider that there are any material critical judgments in applying Council's accounting policies for the period ended 30 June 2010.

1.37 Standards, amendments and interpretations issued but not yet effective that have not been early adopted

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

Reference	Title	*Application Date	Footnote
NZ IFRS 9	Financial Instruments	1 January 2013	1
NZ IAS 24	Related Party Disclosures (revised)	1 January 2011	2
Various	Annual improvements process – 2010	1 July 2010 or 1 January 2011	3

* The application date is for periods ending on or after this date.

1. NZ IFRS 9 Financial Instruments will eventually replace NZ IAS 39 Financial Instruments: Recognition and Measurement. It proposes changes the requirements for the classification and measurement of financial assets and financial liabilities to reduce the complexity in reporting financial instruments. The first stage of the new standard has been released but only discusses financial assets. When adopted, it will affect the categories under which financial assets are classified in the Annual Report, but will have no impact on the values currently reported.
2. The revision to NZ IAS 24 Related Party Disclosures removes some inconsistencies with the definition of a related party and modifies some of the disclosure requirements for government related entities.
3. The Annual improvements process for 2010 has resulted in various minor amendments and clarifications to existing standards and interpretations.

1.38 Changes in accounting policies

There have been no changes in accounting policies during the financial year.

NZ IAS 1 Presentation of Financial Statements (revised 2007) replaces NZ IAS 1 Presentation of Financial Statements (issued 2004) and is effective for reporting periods beginning on or after 1 January 2009. The revised standard requires information in financial statements to be aggregated on the basis of shared characteristics and introduces a statement of comprehensive income. The Council has adopted this standard for the year ending 30 June 2010, and prepared a single statement of comprehensive income.

2.0 Summary Cost Of Services

	Council		
	Actual	Budget	Actual
	2010 \$000	2010 \$000	2009 \$000
Income			
Governance	20	0	30
Planning and Regulatory	646	696	585
Roading	4,182	4,526	2,988
Water Supplies	111	762	41
Stormwater and Wastewater	58	106	123
Solid Waste Management	56	0	147
Other Operational Activities	93	1	9
Community Services*	2,420	3,126	2,611
Total Activity Income	7,586	9,217	6,534
Westland Holdings Limited	20	0	8
Petrol Tax	113	115	116
Interest	234	367	465
Dividends	251	165	292
General Rates	4,322	3,595	4,376
Rates Penalties	158	160	119
Targeted Rates	1,879	1,995	1,430
Metered Water	882	942	768
Gains/(losses) on Investment Property	200	0	0
Subvention payment	90	105	120
Total income	15,735	16,660	14,228
Expenditure			
Interest paid and bank charges	317	281	437
Loss on fair value of derivative financial instrument	50	0	23
Rates written off	75	75	90
Governance	694	610	788
Planning and Regulatory	1,425	1,248	1,555
Roading	3,911	4,542	4,686
Water Supplies	1,746	1,554	1,399
Stormwater and Wastewater	1,300	964	917
Solid Waste Management	1,107	868	1,134
Other Operational Activities	525	354	52
Community Services*	4,136	4,060	4,000
Westland Holdings Limited	20	0	9
Total operating expenditure	15,305	14,556	15,090
Net Surplus/(Deficit) before tax	430	2,104	(862)

*Governance is shown separately of Community Services in this note.

This note restates the income and expenditure by separating out items which were netted in the LTCCP. The Net Surplus/(Deficit) is the same, but the total operating income and expenditure figures will be different because of that separation.

Each significant activity is stated gross of internal costs and revenues, and includes targeted rates attributable to activities (refer to note 3).

3.0 Rates

	Council		Group	
	Actual	Actual	Actual	Actual
	2010 \$000	2009 \$000	2010 \$000	2009 \$000
General rates	4,322	4,376	4,167	4,287
Rates penalties	158	119	158	119
Targeted rates attributable to activities				
Solid waste management	873	621	873	621
Water supplies	453	342	453	342
Sewerage	553	466	553	466
Metered water	882	768	882	768
Total revenue from rates	7,241	6,693	7,086	6,603

3.1 Rates remissions

Rates revenue is shown net of rates remissions. The Council's rates remission policy allows the Council to remit rates on:

	Council		Group	
	Actual	Actual	Actual	Actual
	2010 \$000	2009 \$000	2010 \$000	2009 \$000
Total rates revenue	7,241	6,693	7,086	6,603
Rates remissions				
Community and sports organisations full remission	12	12	12	12
Community and sports organisations half remission	10	10	10	10
Unoccupied Maori land	15	26	15	26
Other remissions	33	27	33	27
Discounts	15	15	15	15
Total remissions	85	90	85	90
Rates revenue net of remissions	7,156	6,603	7,001	6,513

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 under the Council's rates remission policy.

3.2 Rates summary

	Council		Group	
	Actual	Actual	Actual	Actual
	2010 \$000	2009 \$000	2010 \$000	2009 \$000
General rates	4,322	4,376	4,167	4,287
Rates penalties	158	119	158	119
Rates remissions	(85)	(90)	(85)	(90)
Total	4,395	4,405	4,240	4,316

4. Other Revenue

	Council		Group	
	Actual	Actual	Actual	Actual
	2010 \$000	2009 \$000	2010 \$000	2009 \$000
User charges	224	311	224	311
Westland Milk Products capital contribution	0	0	0	0
NZ Transport Agency government grants	2,939	2,708	2,939	2,708
Regulatory revenue	646	585	646	585
Infringements and fines	10	7	10	7
Rendering of services	2,420	2,611	2,420	2,611
Petrol tax	113	116	113	116
Interest	234	437	259	476
Dividend income from available for sale assets	0	0	0	0
Dividends	251	292	0	0
Subvention receipt	90	120	0	0
Other	320	201	7,458	6,341
Total other revenue	7,247	7,388	14,070	13,155

5. Other Gains/Losses

	Council		Group	
	Actual	Actual	Actual	Actual
	2010 \$000	2009 \$000	2010 \$000	2009 \$000
(Loss)/ gain on disposal of property, plant and equipment	(4)	(59)	(14)	(176)
Total gains/(losses)	(4)	(59)	(14)	(176)

6. Employee Benefit Expenses

	Council		Group	
	Actual	Actual	Actual	Actual
	2010 \$000	2009 \$000	2010 \$000	2009 \$000
Salaries and wages	3,000	2,621	7,057	6,213
Employer contributions to multi-employer defined benefit plans	123	105	236	182
Increase/(decrease) in employee benefit liabilities	(11)	113	(35)	113
Total employee benefit expenses	3,112	2,839	7,258	6,508

7. Other Expenses

	Council		Group	
	Actual	Actual	Actual	Actual
	2010 \$000	2009 \$000	2010 \$000	2009 \$000
<i>Fees to principal auditor:</i>				
Audit fees for current financial statement audit	82	81	136	128
Audit fees for LTCCP	21	86	21	86
Audit fees for 06/07 & 07/08 financial statement audit	53	90	53	90
Donations and grants	99	76	100	76
Lease payments	46	46	117	46
Rates written off	85	90	85	90
Doubtful debts provision movement between years	12	14	8	10
Doubtful debts written off	11	1	32	1
Provision for loans	0	0	0	0
Other operating expenses	7,153	7,504	7,623	7,873
Total other expenses	7,563	7,988	8,175	8,400

8. Finance Costs

	Council		Group	
	Actual	Actual	Actual	Actual
	2010 \$000	2009 \$000	2010 \$000	2009 \$000
Interest expense				
Interest on bank borrowings	317	437	489	637
Fair value (gains)/losses on derivatives				
(Gain)/loss on changes in fair value of interest rate swaps (note 14)	51	23	51	23
Total finance costs	367	460	539	660

9. Tax

Component of tax expense	Council		Group	
	Actual 2010 \$000	Actual 2009 \$000	Actual 2010 \$000	Actual 2009 \$000
Current tax expense	0	0	211	69
Adjustments to current tax rate	0	0	0	0
Deferred tax expense	21	6	319	56
Deferred tax adjustment – prior year	0	102	0	102
Income tax expense	21	108	530	227

Relationship between tax expense and accounting profit	Council		Group	
	Actual 2010 \$000	Actual 2009 \$000	Actual 2010 \$000	Actual 2009 \$000
Surplus/(deficit) before tax	430	(862)	1,023	(547)
Tax @ 30%	129	(258)	307	(164)
Plus/(less) tax effect of permanent differences	(125)	264	(111)	286
Tax loss not recognised	0	0	8	3
Deferred tax adjustment on building depreciation removal	17	0	326	0
Prior year adjustment	0	102	0	102
Deferred tax adjustment – tax rate	0	0	0	0
Tax expense/(credit)	21	108	530	227

Deferred tax assets/(liabilities)	Property, Plant & Equipment	Employee Entitlements	Tax Losses	Other Provisions	Total
Westland District Council					
Balance at 1 July 2008	(286)	0	132	0	(154)
Charged to surplus or deficit	0	0	(6)	0	(6)
Charged to Equity	0	0	0	0	0
Deferred tax adjustment - tax rate	11	0	(113)	0	(102)
Balance at 1 July 2009	(275)	0	13	0	(262)
Charged to surplus or deficit	(21)	0	0	0	(21)
Charged to Equity	0	0	0	0	0
Deferred tax adjustment - prior year	0	0	0	0	0
Balance at 30 June 2010	(296)	0	13	0	(283)
Group					
Balance at 1 July 2008	(489)	130	186	12	(161)
Charged to surplus or deficit	(27)	(2)	(32)	5	(56)
Deferred tax adjustment - tax rate	11	0	(113)	0	(102)
Charged to Equity	(9)	(90)	4	104	9
Balance at 1 July 2009	(514)	38	45	121	(310)
Charged to surplus or deficit	(313)	(8)	(6)	8	(319)
Deferred tax adjustment -prior year	0	0	0	0	0
Charged to Equity	0	0	0	0	0
Balance at 30 June 2010	(827)	30	39	129	(629)

10. Cash And Cash Equivalents

	Council		Group	
	Actual	Actual	Actual	Actual
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Cash at bank and in hand	70	188	352	454
Short term deposits maturing three months or less from date of acquisition	0	0	0	433
Total cash and cash equivalents	70	188	352	887

The carrying value of short-term deposits with original maturity dates of three months or less approximates to their fair value.

Refer to note 13 for weighted average effective interest rate for cash and cash equivalents. Cash and bank overdrafts include the following for the purposes of the cash flow statement:

	Council		Group	
	Actual	Actual	Actual	Actual
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Cash at bank and in hand	70	188	352	454
Short term bank deposits maturing within three months	0	0	0	433
Bank overdrafts (note 22)	(1,578)	0	(1,697)	(9)
	(1,508)	188	(1,345)	878

11. Trade and Other Receivables

	Council		Group	
	Actual	Actual	Actual	Actual
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Rates receivables	901	944	901	944
Other receivables	623	542	1,831	1,704
NZ Transport Agency	652	901	652	901
Amounts due from subsidiaries	73	0	0	0
Subvention receivable	90	120	0	0
	2,340	2,507	3,385	3,549
Less provision for impairment of receivables	(49)	(37)	(54)	(46)
	2,290	2,470	3,330	3,503

Provision for impairment of receivables includes a rates component covering pre 7 year debts, unoccupied Maori land rates and abandoned land rates. Council has various powers under the Local Government (Rating) Act 2002 to recover other outstanding rates. Ratepayers can apply for payment plan options in special circumstances. Where such payment plans are in place debts are discounted to the present value of future repayments.

These powers allow the Council to commence legal proceedings to recover any rates that remain unpaid 4 months after the due date for payment. If payment has not been made within 3 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.

The age of receivables overdue are as follows:

	Council		Group	
	Actual	Actual	Actual	Actual
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
0 to 3 months	1,487	1,643	2,331	2,351
3 to 6 months	191	234	256	459
6 to 9 months	111	110	216	150
9 to 12 months	98	73	117	124
> 12 months	453	447	465	465
Carrying amount	2,340	2,507	3,385	3,549

As of 30 June 2008 and 2009, all overdue receivables, except for rates receivable, have been assessed for impairment and appropriate provisions applied. The Council holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

12. Inventories

	Council		Group	
	Actual	Actual	Actual	Actual
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Metal stocks	0	0	127	130
Other supplies	0	0	121	80
	0	0	248	210
Less provision for obsolescence	0	0	0	0
Total inventories	0	0	248	210

Policy is to store a small amount of inventory, and purchase supplies as required.

13. Other Financial Assets

	Council		Group	
	Actual	Actual	Actual	Actual
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Current portion				
Assets available for sale				
Civic Assurance	50	49	50	49
ASB Bonds	3,715	4,602	3,715	4,602
Loans and receivables				
ASB investments	0	0	335	0
Total current portion	3,765	4,651	4,100	4,651
Non-current portion				
Loans and receivables				
Loan business development	0	0	0	0
Assets available for sale				
Forestry	2	2	2	2
Cost				
Westland Holdings Limited - Hokitika Airport Limited	2,718	2,718	0	0
Westland Holdings Limited - Westroads Limited	3,350	3,350	0	0
Total non-current portion	6,070	6,070	2	2

There were no impairment provisions for other financial assets.

Assets available for sale

The assets available for resale are valued at fair value, based on the published price of the assets.

Maturity analysis and effective interest rates

The maturity dates for all other financial assets with the exception of equity investments are short term deposits for the Council and Group of \$3,715,000 (2009: \$4,601,904), with a weighted average effective interest rate of 9.16% (2009: 8.34%).

14. Derivative Financial Instruments

	Council		Group	
	Actual	Actual	Actual	Actual
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Interest rate swaps asset/ (liability)	(59)	(8)	(59)	(8)
Total current portion	(59)	(8)	(59)	(8)

The notional principal amounts of the outstanding interest rate swap contracts at 30 June 2010 were \$3,000,000 and \$2,800,000 (2009 \$3,000,000 and \$2,800,000).

At 30 June 2010, the fixed interest rate of the interest rate swaps is 4.08% and 4.81% respectively.

The interest rate swap has been included at fair value. The termination dates of the interest rate swap agreements are: 17 March 2012 for the \$3,000,000 swap and 1 October 2012 for the \$2,800,000 swap. Under this agreement the Council has the option of changing the term if there are movements in interest rates, or other events.

15. Property, Plant And Equipment

2010 Group	Cost/ revalue 1-Jul-09	Accdepn 1-Jul-09	Carrying amount 1-Jul-09	Current year additions
	\$000	\$000	\$000	\$000
Council operational assets				
Land (leased)	6,789	0	6,789	
Land (leased airport)	4,756	0	4,756	
Land (operational)	7,602	0	7,602	252
Buildings	6,008	(119)	5,889	118
Furniture and fittings	526	(199)	327	261
Library collections	838	(640)	198	44
Museum Artefacts	158	0	158	
Computer equipment	753	(635)	118	31
Office equipment	400	(323)	77	54
Motor vehicles	348	(204)	144	
Jackson's Bay Wharf	670	(99)	571	
	28,848	(2,219)	26,629	760
Council infrastructural assets				
Land	2,058	0	2,058	
Buildings	315	(7)	308	300
Roading network	162,524	0	162,524	3,160
Land under roads	54,743	0	54,743	304
Bridges	67,471	0	67,471	447
Water Supply	25,998	0	25,998	1,104
Drainage/Stormwater	13,815	0	13,815	346
Sewerage/Wastewater	12,523	0	12,523	401
Total infrastructural assets	339,447	(7)	339,440	6,062
Restricted assets				
Land	1,260	0	1,260	
Public buildings	1,802	(37)	1,765	124
Cemetery buildings	53	(4)	49	
Cemetery land	1,033	0	1,033	
Reserve/recreation land	6,710	0	6,710	157
Reserve/recreation buildings	2,134	(40)	2,094	3
Reserve/improvements	80	(4)	76	59
Swimming pools	1,107	(51)	1,056	50
Total restricted assets	14,179	(136)	14,043	393
Total Council assets	382,474	(2,362)	380,112	7,215

Subsidiaries property, plant and equipment

Buildings	968	(133)	835	
Plant and machinery	9,149	(3,909)	5,240	804
Office equipment	224	(197)	27	22
Hokitika Airport	2,687	(406)	2,281	204
Total subsidiaries	13,028	(4,645)	8,383	1,030
Total Group assets	395,502	(7,007)	388,495	8,245

Current year disposals	Current year impairment	Current yeardepn	Currentyear disposals depn	Reclassify	Revalue depn Changes	Revalue Surplus / (loss)	Cost/ revalue 30-Jun-10	Acc depn 30-Jun-10	Carrying amount 30-Jun-10
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
(45)				60			6,804	0	6,804
							4,756	0	4,756
(215)				(425)			7,214	0	7,214
		(130)					6,126	(248)	5,878
		(44)					787	(243)	544
		(35)					882	(675)	207
							158	0	158
(2)		(49)	1				782	(683)	99
		(17)					454	(340)	114
(30)		(51)	27				318	(228)	90
		(14)					670	(113)	557
(292)	0	(340)	28	(365)	0	0	28,951	(2,530)	26,421
				15			2,073	0	2,073
		(7)					615	(14)	601
		(1,861)					165,684	(1,861)	163,823
				350			55,397	0	55,397
		(695)					67,918	(695)	67,223
		(624)					27,102	(624)	26,478
		(301)					14,161	(301)	13,860
		(339)					12,924	(339)	12,585
0	0	(3,827)	0	365	0	0	345,874	(3,834)	342,040
							1,260	0	1,260
		(36)					1,926	(73)	1,853
		(1)					53	(5)	48
							1,033	0	1,033
							6,867	0	6,867
(20)		(21)	1				2,117	(60)	2,057
		(6)					139	(10)	129
		(25)					1,157	(76)	1,081
(20)	0	(89)	1	0	0	0	14,552	(224)	14,328
(312)	0	(4,256)	29	0	0	0	389,377	(6,588)	382,789
		(24)					968	(157)	811
(380)		(1,013)	279				9,573	(4,643)	4,930
(6)		(15)	6				240	(206)	34
(11)		(59)	11				2,880	(454)	2,426
(397)	0	(1,111)	296	0	0	0	13,661	(5,460)	8,201
(709)	0	(5,367)	325	0	0	0	403,038	(12,048)	390,990

2009 Group	Cost/ revalue 1-Jul-08	Accdepn 1-Jul-08	Carrying amount 1-Jul-08	Current year additions	Current year disposals	Currentyear impairment	Current yeardepn	Currentyear disposals depn	Reclassify
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Council operational assets									
Land (leased)	7,150	0	7,150						(361)
Land (leased airport)	4,756	0	4,756						
Land (operational)	7,711	0	7,711	130	(237)				(2)
Buildings	5,333	(12)	5,321	678	(3)		(107)		
Furniture and fittings	313	(170)	143	213			(29)		
Library collections	795	(610)	185	43			(30)		
Museum Artefacts	158	0	158						
Computer equipment	700	(578)	122	53			(57)		
Office equipment	388	(307)	81	12			(16)		
Motor vehicles	348	(152)	196				(52)		
Jackson's Bay Wharf	664	(86)	578	6			(13)		
	28,316	(1,915)	26,401	1,135	(240)	0	(304)	0	(363)
Council infrastructural assets									
Land	2,061	0	2,061						(3)
Buildings	331	(1)	330		(16)		(6)		
Roading network	149,270	(7,043)	142,227	2,191			(1,809)		
Land under roads	54,362	0	54,362						381
Bridges	66,509	(3,764)	62,745				(647)		
Water Supply	18,837	(1,348)	17,489	3,994			(413)		
Drainage/Stormwater	9,313	(868)	8,445	138			(276)		
Sewerage/Wastewater	8,846	(679)	8,167	126			(201)		
Totalinfrastructural assets	309,529	(13,703)	295,826	6,449	(16)	0	(3,352)	0	378
Restricted assets									
Land	1,253	0	1,253	7					
Public buildings	1,657	(2)	1,655	145			(35)		
Cemetery buildings	53	(2)	51				(2)		
Cemetery land	1,029	0	1,029	4					
Reserve/recreation land	6,719	0	6,719	6					(15)
Reserve/recreation buildings	2,126	(19)	2,107	8			(21)		
Reserve/improvements	0	0	0	80			(4)		
Swimming pools	1,074	(27)	1,047	33			(24)		
Totalrestrictedassets	13,911	(50)	13,861	283	0	0	(86)	0	(15)
TotalCouncilassets	351,756	(15,668)	336,088	7,867	(256)	0	(3,742)	0	0
Subsidiaries property, plant and equipment									
Buildings	968	(106)	862				(27)		
Plant and machinery	8,521	(3,731)	4,790	1,613	(985)		(847)	669	
Office equipment	218	(170)	48	6			(27)		
Hokitika Airport	2,481	(365)	2,116	206			(41)		
Total subsidiaries	12,188	(4,372)	7,816	1,825	(985)	0	(942)	669	0
Total Group assets	363,944	(20,040)	343,904	9,692	(1,241)	0	(4,684)	669	0

All valuations are carried out on a cyclical basis by independent qualified valuers. A detailed valuation was performed by QV Valuations at 30 June 2008 for land and buildings. Infrastructural assets were valued by MWH Limited as at 30 June 2009.

Revalue depn Changes	Revalue Surplus / (loss)	Cost/ revalue 30-Jun-09	Acc depn 30-Jun-09	Carrying amount 30-Jun-09
\$000	\$000	\$000	\$000	\$000
		6,789	0	6,789
		4,756	0	4,756
		7,602	0	7,602
		6,008	(119)	5,889
		526	(199)	327
		838	(640)	198
		158	0	158
		753	(635)	118
		400	(323)	77
		348	(204)	144
		670	(99)	571
0	0	28,848	(2,219)	26,629
		2,058	0	2,058
		315	(7)	308
8,852	11,063	162,524	0	162,524
		54,743	0	54,743
4,411	962	67,471	0	67,471
1,761	3,167	25,998	0	25,998
1,144	4,364	13,815	0	13,815
880	3,551	12,523	0	12,523
17,048	23,107	339,447	(7)	339,440
		1,260	0	1,260
		1,802	(37)	1,765
		53	(4)	49
		1,033	0	1,033
		6,710	0	6,710
		2,134	(40)	2,094
		80	(4)	76
		1,107	(51)	1,056
0	0	14,179	(136)	14,043
17,048	23,107	382,474	(2,362)	380,112
		968	(133)	835
		9,149	(3,909)	5,240
		224	(197)	27
		2,687	(406)	2,281
0	0	13,028	(4,645)	8,383
17,048	23,107	395,502	(7,007)	388,495

15 a. Investment Property

	Council		Group	
	Actual 2010 \$000	Actual 2009 \$000	Actual 2010 \$000	Actual 2009 \$000

Cost or deemed cost

Balance at 1 July	0	0	0	0
Additions	300	0	300	0
Disposals	0	0	0	0
Transfers to inventory	0	0	0	0
Fair value gains/(losses) in valuation	200	0	200	0
Balance at 30 June	500	0	500	0

Investment properties are valued annually effective at 30 June to fair value. The valuation was performed by QV Valuers, an independent valuer. The property above, the Three Mile Sawmill, has subsequently been transferred to Westland District Property Limited at 1 July 2010.

16. Intangible Assets

	Council		Group	
	Actual 2010 \$000	Actual 2009 \$000	Actual 2010 \$000	Actual 2009 \$000

Cost or deemed cost

Balance at 1 July	0	0	250	250
Additions	23	0	23	0
Disposals	0	0	0	0
Balance at 30 June	23	0	273	250

Depreciation and amortisation losses

Balance at 1 July	0	0	155	131
Amortisation for the year	3	0	27	24
Impairment loss	0	0	0	0
Disposals	0	0	0	0
Balance at 30 June	3	0	182	155

Carrying amounts

At 1 July	0	0	95	119
At 30 June	20	0	91	95

17. Work In Progress

	Council		Group	
	Actual 2010 \$000	Actual 2009 \$000	Actual 2010 \$000	Actual 2009 \$000
Capital projects	1,549	1,691	1,709	1,691
Balance at 30 June	1,549	1,691	1,709	1,691

18. Trade And Other Payables

	Council		Group	
	Actual	Actual	Actual	Actual
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Other payables	1,240	1,353	2,118	2,354
Waiho relocation grants	303	303	303	303
Accrued expenses	213	124	213	124
Amounts due to subsidiaries	450	663	0	0
Total trade and other payables	2,206	2,443	2,635	2,781

19. Deferred Income

	Council		Group	
	Actual	Actual	Actual	Actual
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Rates and other revenue received in advance	136	97	136	98
Total deferred income	136	97	136	98

20. Provisions

	Council		Group	
	Actual	Actual	Actual	Actual
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000

Current provisions are represented by:

Landfill closure and monitoring	82	58	82	58
Leaky homes provision	75	50	75	50
Total current provisions	157	108	157	108

Non-current provisions are represented by:

Landfill closure and monitoring	272	419	272	419
Total non-current provisions	272	419	272	419

Council & Group			
	Actual	Actual	
	2010	2009	
	\$000	\$000	
Movement in provisions			
Provision at 1 July	527	510	
Movements in provision	(20)	17	
Amount used in year	(78)	0	
Provision at 30 June	429	527	

Provision for landfill aftercare costs

The Council has responsibility under the resource consent to provide ongoing 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. The provision has been estimated taking into account existing technology and using a discount rate of 6%, and an inflation rate of 3%.

The following major assumption has been made in the calculation of the provision:

- The Council plans to close remaining sites by early 2011.

Insurance risk

The Council has an insurance plan in place for damages as a result of personal bodily injury by an employee over the course of employment that is not covered by the ACC New Zealand.

21. Employee Benefit Liabilities

	Council		Group	
	Actual	Actual	Actual	Actual
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Accrued pay	0	0	0	0
Annual leave	220	208	613	542
Long service leave	14	65	69	108
Retirement gratuities	232	204	352	349
Total employee benefit liabilities	466	477	1,034	999
Comprising:				
Current	234	273	685	639
Non-current	232	204	349	360
Total employee benefit liabilities	466	477	1,034	999

22. Borrowings

	Council		Group	
	Actual	Actual	Actual	Actual
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Current				
Bank overdraft	1,578	0	1,697	9
Secured loans	0	0	0	670
Term debt	500	505	835	1,988
Total current borrowings	2,078	505	2,532	2,667
Non-current				
Secured loans	0	0	0	0
Term debt	5,803	5,808	7,138	6,180
Total non-current borrowings	5,803	5,808	7,138	6,180
Total borrowings	7,881	6,313	9,670	8,847

Fixed-rate debt

The Council's secured debt of \$ 7,881,121 (2009 \$6,313,075) is issued at variable rates of interest. At 30 June 2010 there was an interest rate swap agreement for a face value of \$3,000,000 for 3 years at 4.08%, from 17 March 2009. In addition, an interest rate swap with a face value of \$2,800,000 from 1 October 2009 at 4.81% for 3 years, see note 14.

Borrowings (continued)

Loan Name	Maturity date	Interest rate	Balance at 1 July 2009	New loans raised	Principal Repaid	Balance at 30 June 2010
Westland District Council Overdraft		5.55%		1,577,664		1,577,664
Hokitika Pensioner Housing	10/02/2010	9.59%	8,857		8,857	0
Ross Pensioner Housing	15/11/2017	3.50%	4,219		763	3,456
Hokitika Sewerage 1971	1/02/2009	6.25%	0			0
Hokitika Water Supply	1/11/2008	10.50%	0			0
ASB Facility	17/09/2010	3.46%	500,000			500,000
Westland Holding Limited	1/10/2012	4.81%	2,800,000			2,800,000
Westland Holding Limited	17/03/2012	4.08%	3,000,000			3,000,000
Total Council			6,313,075	1,577,664	9,619	7,881,121
Westroads Limited overdraft		9.35%	9,000	110,000		119,000
Westroads Limited	2014	5.89%	194,000		17,000	177,000
Westroads Limited	2010	9.25%	200,000		46,000	154,000
Westroads Limited	2014	5.90%	255,000		22,000	233,000
Westroads Limited	2014	5.81%	971,000		82,000	889,000
Westroads Limited	2013	9.48%	235,000		18,000	217,000
Westroads Limited - cash advance facility	2014	variable	670,000		670,000	0
			2,534,000	110,000	855,000	1,789,000
Total Group			8,847,075	1,687,664	864,619	9,670,121

Security

The Council's loans are secured over either separate or general rates of the district.

A debenture exists over the assets of Westroads Limited Group. The debenture is held by the BNZ to secure the company's current and term lending facilities.

Refinancing

Under the terms of its Revenue and Financing policy the Council refinanced its term debt as follows:

\$3,000,000 due to mature on 17 March 2009 was refinanced for 36 months terminating on 17 March 2012 at a rate of 4.08% which is subject to an interest rate swap.

\$2,800,000 was refinanced on 1 April 2009 for a term of 42 months terminating on 1 October 2012 at a rate of 4.81% which is subject to an interest rate swap.

The \$500,000 working capital facility was drawn down on 21 January 2009; the maturity date is 17 September 2010 at a rate of 3.46%.

\$1,577,664 of the \$4,000,000 overdraft facility was drawn down on 30 June 2010; the maturity date is 31 March 2011 and has an interest rate of 5.55%.

Maturity analysis and effective interest rates

The following is a maturity analysis of the Council's borrowings.

There are no early repayment options.

	Council	Group
2010	\$000	\$000
Less than one year	2,078	2,532
Later than one year but not more than five years	5,803	7,138
Later than five years	0	0
	7,881	9,670
2009		
Less than one year	505	2,667
Later than one year but not more than five years	5,808	6,180
Later than five years	0	0
	6,313	8,847

Fair values of non-current borrowings

The carrying amounts and the fair values of non-current borrowings are as follows:

	Council		Group	
	Actual 2010 \$000	Actual 2009 \$000	Actual 2010 \$000	Actual 2009 \$000
Term debt	5,803	5,808	7,138	6,180
Total	5,803	5,808	7,138	6,180

The carrying amounts of borrowings repayable within one year approximate their fair value. The fair values have been calculated by reference to the market value of the loans. The interest rate swaps relating to these loans, have been included at fair value as a derivative financial instrument (see note 14).

23. Equity

	Council		Group	
	Actual 2010 \$000	Actual 2009 \$000	Actual 2010 \$000	Actual 2009 \$000
Retained earnings				
As at 1 July	159,350	158,678	160,300	159,432
Transfers to:				
Restricted reserves	(14,337)	(4,058)	(14,337)	(4,058)
Transfers from:				
Restricted reserves	8,764	5,478	8,764	5,478
Revaluation reserve - disposals	248	222	248	222
Surplus/(deficit) for the year	409	(970)	493	(774)
As at 30 June	154,434	159,350	155,468	160,300
Restricted reserves				
As at 1 July	(2,689)	(1,269)	(2,689)	(1,269)
Transfers to Retained Earnings:				
Special funds	(42)	(658)	(42)	(658)
Separate funds	(8,567)	(4,743)	(8,567)	(4,743)
Trusts and bequests	(154)	(78)	(154)	(78)
Transfers from Retained Earnings:				
Special funds	352	313	352	313
Separate funds	13,541	3,639	13,541	3,639
Trusts and bequests	443	106	443	106
As at 30 June	2,884	(2,689)	2,884	(2,689)
Restricted reserves consist of:				
Special funds	2,255	1,945	2,255	1,945
Separate funds	(295)	(5,269)	(295)	(5,269)
Trusts and bequests	924	635	924	635
As at 30 June	2,884	(2,689)	2,884	(2,689)
Asset revaluation reserves				
As at 1 July	228,394	188,360	228,394	188,360
Revaluation of property, plant and equipment	0	40,155	0	40,155
Revaluation of assets held for resale	129	101	129	101
Transfer of revaluation reserve to retained earnings on disposal of property, plant and equipment	(248)	(222)	(248)	(222)
Deferred tax	0	0	0	0
As at 30 June	228,275	228,394	228,275	228,394
Total Equity	385,593	385,055	386,627	386,005

Westland District Council (WDC) has reviewed its reserves account structure and identified that these were not being used in a manner that was consistent with their original purpose. As a consequence, WDC has decided to simplify the accounting structure but still provide accountability to ensure that its revenue and financing policy is followed.

24. Reconciliation Of Net Surplus/(Deficit) After Tax To Net Cash Flow From Operating Activities

	Council		Group	
	Actual	Actual	Actual	Actual
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Surplus/(deficit) after tax	409	(970)	493	(774)
Add/(less) non-cash items:				
Vested assets	(1,132)	(237)	(1,132)	(237)
Depreciation and amortisation	4,259	3,742	5,394	4,708
Increase/(decrease) in Employee entitlements (LT)	28	62	(11)	62
Increase/(decrease) deferred tax	21	(136)	319	149
Gain on fair value of investment property	(200)	0	(200)	0
Movement in fair value of interest rate swap	51	23	51	23
Add/(less) items classified as investing or financing activities:				
(Gains)/losses on sale of assets	4	59	14	176
Add/(less) movements in working capital items:				
Trade and other receivables	180	(436)	173	(123)
Inventories	0	0	(21)	59
Trade and other payables	(236)	771	(316)	282
Deferred income	39	11	38	11
Current and non-current provisions	(98)	17	(98)	17
Employee entitlements (ST)	(39)	51	46	91
Taxation provision	0	0	86	(21)
Net cash inflow/(outflow) from operating activities	3,286	2,957	4,836	4,423

25. Capital Commitments And Operating Leases

	Council		Group	
	Actual	Actual	Actual	Actual
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Capital commitments				
Capital commitments approved and contracted	179	0	347	0
Total capital commitments	179	0	347	0

Operating leases as lessee

The Council has the following non-cancellable operating lease commitments as follows:

	Council		Group	
	Actual	Actual	Actual	Actual
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Not later than one year	14	31	66	58
Later than one year and not later than two years	13	13	46	23
Later than two years and not later than five years	12	21	67	28
	39	65	179	109

Non-cancellable contracts

The Council has entered into non-cancellable contracts with Westroads Limited for roading, water, sewerage, stormwater maintenance.

Details of the commitments under these contracts are as follows:

	Council		Group	
	Actual	Actual	Actual	Actual
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Non-cancellable contracts				
Not later than one year	2,164	2,126	650	611
Later than one year and not later than two years	851	2,164	643	650
Later than two years and not later than five years	1,929	3,170	1,929	3,170
Later than five years	2,037	3,323	2,037	3,323
Total non-cancellable contracts	6,981	10,783	5,259	7,754

Leases can be renewed at the Council's option, with rents set by reference to current market rates for items of equivalent age and condition.

The Council does have the option to purchase the asset at the end of the lease term.

There are no restrictions placed on the Council by any of the leasing arrangements.

26. Contingencies

Contingent liabilities

	Council		Group	
	Actual	Actual	Actual	Actual
	2010	2010	2010	2010
	\$000	\$000	\$000	\$000
Performance bonds	0	0	221	127
Mining bonds	0	0	35	18
Total contingent liabilities (refer note below)	0	0	256	145

The Group has contingent liabilities relating to performance Bonds in favour of Grey District Council.

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. As at 31 March 2009, the Scheme had a past service surplus of \$15.3 million (5.7% of the liabilities). This amount is exclusive of specified superannuation contribution withholding tax. This surplus 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 NZ IAS 19. The actuary to the Scheme has recommended the employer contribution continues at 1.0 times contributors' contribution at present. The 1.0 times is inclusive of specified superannuation contribution withholding tax. The equivalent information as at 31 March 2010 is not available at the date of preparation of these financial statements.

Contingent assets

The Council and Group have no contingent assets at 30 June 2010 (2009 Nil).

27. Related Party Transactions

Related parties' transactions are with Westland Holdings Limited, Westroads Limited and Hokitika Airport Limited, (being subsidiaries of the Council). Council provided administrative services to Westland District Property Limited and Westland Wilderness Trust for the formation of the entities and have paid for the audit fees at the cost of Council. Disclosures that related party transactions were made on terms equivalent to those that prevail in arm's length transactions are made only if such terms can be substantiated. The value of transactions between the Council and these companies are as follows:

	Actual 2010 \$000	Actual 2010 \$000
Westroads Limited		
Revenue earned	49	52
Expenditure charged	4,799	4,549
Accounts payable at 30 June	450	663
Accounts receivable at 30 June	4	4
Group tax Loss offset	210	280
Subvention payable	90	120
Hokitika Airport Limited		
Revenue earned	106	33
Expenditure charged	14	12
Accounts payable at 30 June	0	0
Accounts receivable at 30 June	69	13
Westland Holdings Limited		
Revenue earned	20	11
Expenditure charged	20	11
Accounts payable at 30 June	0	0
Accounts receivable at 30 June	0	0
Dividends received	250	290

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. During the year, the Council purchased services from Heritage Highway Motel and Beachfront Hotel Hokitika in which Councillor Allen Hurley is a shareholder/director. These services cost \$3,200 (2009 \$0) and were supplied on normal commercial terms. There is a balance of \$0 (2009 \$0) outstanding for unpaid invoices at year end. During the year, the Council purchased services from Mahitahi Lodge in which Councillor John Birchfield is a shareholder/director. These services cost \$460 (2009 \$0) and were supplied on normal commercial terms. There is a balance of \$0 (2009 \$0) outstanding for unpaid invoices at year end.

Key management personnel compensation

	Council	
	2010 \$000	2009 \$000
Salaries and other short term employee benefits	888	871
Post employment benefits (including fringe benefit tax)	43	43
Telephone rental	1	1
Expense allowances	4	4
Professional allowances/fees	2	2
Other long term benefits	0	0
Termination benefits	0	0

Key management personnel include the Mayor, Councillors, Chief Executive Officer and Senior Managers.

28. Remuneration

Chief Executive Officer

The Chief Executive Officer of the Council appointed under section 42 (1) of the Local Government Act 2002 received a salary of \$188,718 (2009 \$180,367). In terms of his contract, he also received the following additional benefits:

	2010	2009
Telephone rental	431	431
Professional allowances/fees	459	459

For the year ended 30 June 2010, the total annual cost including fringe benefit tax to the Council of the remuneration package being received by the Chief Executive Officer is calculated at \$189,608 (2009 \$181,257).

Name of elected representative	Position	2010			2009		
		Remuneration	Reimbursements	Total	Remuneration	Reimbursements	Total
*M H Pugh	Mayor	62,203	14,800	77,003	59,483	14,099	73,582
B Thomson	Deputy Mayor	23,480	3,150	26,630	24,200	4,288	28,488
A Payn	Councillor	13,090	714	13,804	12,980	0	12,980
I W Hustwick	Councillor	15,500	658	16,158	14,790	812	15,602
K J Eggeling	Councillor	13,000	6,433	19,433	12,500	5,445	17,945
K R Scott	Councillor	16,970	0	16,970	15,480	0	15,480
J G Birchfield	Councillor	14,780	6,069	20,849	13,240	3,973	17,213
A M Hurley	Councillor	17,660	15	17,675	14,750	0	14,750
A N Bradley	Councillor	15,040	0	15,040	13,760	0	13,760
R F Gugich	Councillor	15,070	133	15,203	13,630	0	13,630
P Davidson	Councillor	0	0	0	6,134	224	6,358
J H Butzbach	Councillor	15,560	57	15,617	4,587	0	4,587
TOTAL		222,353	32,030	254,383	205,534	28,840	234,375

*Remuneration includes \$2,000 for Westland Holdings Limited director's fees and \$2,000 for Zone 5 Chair Honorarium.

29. Severance payments

The Council had no severance payments for the year ended 30 June 2010 (2009: Nil).

The Council had no other payments for final pay or retirement gratuity (2009: Nil).

30. Events after the balance sheet date

As stated in the 2010/11 Annual Plan, a CCO was set up to commence on 1 July 2010. Westland District Property Limited (WDPL) was established in May 2010 to manage a portfolio of Council's property. This does not include any strategic assets. There are two schedules which were transferred, Schedule 1 - Freehold Land With No Restrictions and Schedule 2 - Land to be Transferred for Management Purposes - Requires Council Approval for Use Changes. The fair market value of Schedule 1 which was transferred to WDPL is \$2,304,000. The fair market value of Schedule 2 which was transferred to WDPL for management purposes only (still owned by WDC) is \$4,825,000. The Westland Wilderness Trust was also approved to receive \$3,200,000 from central government but this is still yet to be finalised.

31. Financial instrument risks

The Council and Group is party to financial instruments as part of its normal operations. These instruments relate to the hedging of interest on loans and bank debt.

The interest rates on the Council's investments are disclosed in note 13 and on the Council's borrowings in note 22.

Market risk

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. The Council is exposed to equity securities price risk on its investments, which are classified as financial assets available for sale. This price risk arises due to market movements in share

investments held. This price risk is managed by diversification of the Council's investment portfolio in accordance with the limits set out in Council's Investment policy.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

Council is not exposed to any currency risk, as it does not enter into foreign currency transactions.

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Borrowing issued at fixed rates expose the Council to fair value interest rate risk. The Council's Liability Management Policy outlines the level of borrowing that is to be secured using fixed rate instruments. Fixed to floating interest rate swaps are entered into to cover the fair value interest rate risk arising where the Council has borrowed at fixed rates. In addition, investments at fixed interest rates expose the Council to fair value interest rate risk.

Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose the Council and Group to cash flow interest rate risk.

The Council and Group manages its cash flow interest rate risk on borrowings by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings at floating rates and swaps them into fixed rates that are generally lower than those available if the Council and Group borrowed at fixed rates directly. Under the interest rate swaps, the Council and Group agrees with other parties to exchange at specified intervals, the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

Credit risk

Credit risk is the risk that a third party will default on its obligation to the Group, causing the Group to incur a loss. The Group has no significant concentrations of credit risk other than the New Zealand Transport Agency, as it has a large number of credit customers, mainly ratepayers, and the Council has powers under Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

Maximum exposure to credit risk

	Council		Group	
	Actual 2010 \$000	Actual 2009 \$000	Actual 2010 \$000	Actual 2009 \$000
ASB Bonds	3,715	4,602	3,715	4,602
Cash at bank and term deposit and overdrafts	70	188	687	887
Trade and other receivables	2,290	2,470	3,330	3,503
Local authority and government stock	50	49	50	49
Total credit risk	6,126	7,309	7,783	9,041

The group invests funds only in deposits with registered banks and local authority stock and its Investment policy limits the amount of credit exposure to any one institution or organisation to \$1,000,000. The Council's investment policy only allows investment in financial institutions with a Standard and Poor's credit rating of A and above and A+ and above for New Zealand Corporates.

Future interest payments on floating rate debt are based on the floating rate on the instrument at the balance date. The amounts disclosed are the contractual undiscounted cash flows.

Liquidity risk

Liquidity risk is the risk that the 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.

The Council manages its borrowings in accordance with its Revenue and Financing Policy, and its Liability Management Policy. These policies have been adopted as part of the Council's Long Term Council Community Plan.

The Council has a maximum amount that can be drawn down against its overdraft facility of \$4,000,000 (2009 \$500,000). There are no restrictions on the use of this facility, and this was drawn down to \$1,577,664 as at 30 June 2010.

The maturity profiles of the Council and Group's interest bearing investments and borrowings are disclosed in notes 13 and 22 respectively.

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.

	Carrying amount \$000	Contractual cash flows \$000	Less than 1 year \$000	1-5 years \$000	More than 5 years \$000
Council 2010					
Trade and other payables	2,206	2,206	2,206	0	0
Term debt	6,303	7,098	266	1,031	5,801
Bank Overdraft	1,578	1,578	1,578	0	0
Total	10,087	10,881	4,049	1,031	5,801
Group 2010					
Trade and other payables	2,635	2,635	2,635	0	0
Term debt	7,973	9,947	1,131	3,015	5,801
Bank overdraft	1,697	1,697	1,697	0	0
Total	12,305	14,278	5,462	3,015	5,801
Council 2009					
Trade and other payables	2,443	2,443	2,443	0	0
Term debt	6,313	8,259	529	1,928	5,802
Total	8,756	10,702	2,972	1,928	5,802
Group 2009					
Trade and other payables	2,781	2,781	2,781	0	0
Secured loans	670	670	670	0	0
Term debt	8,168	10,950	1,236	3,912	5,802
Bank overdraft	9	9	9	0	0
Total	11,628	14,410	4,696	3,912	5,802

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.

	Carrying amount \$000	Contractual cash flows \$000	Less than 1 year \$000	1-5 years \$000	More than 5 years \$000
Council 2010					
Cash and cash equivalents	70	70	70	0	0
Trade and other receivables	2,290	2,290	2,290	0	0
ASB Bonds	3,715	4,456	230	665	146
Civic Assurance	50	50	50	0	0
ASB investments	0	0	0	0	0
Total	6,126	6,817	2,590	665	146
Group 2010					
Cash and cash equivalents	352	352	352	0	0
Trade and other receivables	3,330	3,330	3,330	0	0
ASB Bonds	3,715	4,456	230	665	146
Civic Assurance	50	50	50	0	0
ASB investments	335	335	335	0	0
Total	7,783	8,523	4,297	665	146
Council 2009					
Cash and cash equivalents	188	188	188	0	0
Trade and other receivables	2,470	2,470	2,470	0	0
ASB Bonds	4,602	4,404	287	997	255
Civic Assurance	49	49	49	0	0
ASB investments	0	0	0	0	0
Total	4,651	4,453	336	997	255
Group 2009					
Cash and cash equivalents	887	887	887	0	0
Trade and other receivables	3,503	3,503	3,503	0	0
ASB Bonds	4,602	4,404	287	997	255
Civic Assurance	49	49	49	0	0
ASB investments	433	433	433	0	0
Total	9,474	9,276	5,159	997	255

Sensitivity analysis - Borrowings

Interest Rate Risk – Council

As at 30 June 2010 it is estimated that a two percentage point increase/decrease in market interest rates would decrease/increase the Council's equity by approximately \$263,409 (30 June 2009 \$247,000)

This calculation is based on a reassessment of the fair values of financial assets that are classified as available for sale.

Interest Rate Risk – Group

As at 30 June 2010 it is estimated that a two percentage point increase/decrease in market interest rates would decrease/increase the Council and Group's equity by approximately \$279,409 (30 June 2009 \$260,580).

This calculation is the annual impact on loans and borrowings which are subject to a variable market interest rate at balance date.

32. 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 utilizing the Council's assets and not expecting them to meet the full cost of long term assets that will benefit ratepayers 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 provision in its Long Term Council Community Plan (LTCCP) 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 in the Council's LTCCP.

The Council has the following Council created reserves:

- Reserves for different areas of benefit;
- Trust and bequest reserves.

Reserves for different areas of benefit are used where there is a discrete set of rate or levy payers as distinct from the general rate.

Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves.

Self-insurance reserves are built up annually from general rates and are made available for specific unforeseen events. The release of these funds generally can only be approved by Council.

Trust and bequest reserves are set up where Council has been donated funds that are restricted for particular purposes. Interest is added to trust and bequest reserves where applicable and deductions are made where funds have been used for the purpose they were donated.

33. Explanation of major variances against budget

Explanations for major variations from The Council's estimated figures in the 2009/2010 Long Term Council Community Plan are as follows:

Statement of Comprehensive Income

REVENUE: \$70,000 GREATER THAN BUDGET

THIS RESULT WAS THE NET EFFECT OF:

* General Rates

General rates actual income was \$4,395,000 against a budget of \$4,309,000 resulting in an increase in income of \$86,000, due to subdivisions and revaluations.

* Targeted Rates

Actual Targeted rates were \$2,761 compared to a budget of \$2,937, resulting in a decrease in income of \$(176,000). This was due to actual metered water being less than budgeted. Westland Milk Products consumption was not as great as predicted.

* Gains / Losses on Investment Property

The Three Mile Sawmill property was revalued after its purchase resulting in an income gain of \$200,000.

* Income from Activities & Vested Assets

Income from activities actual income was \$673,000 less than budget, which is mainly due to land sales not eventuating. However, vested assets were valued at \$632,000 more than budget.

EXPENDITURE \$1,745,000 GREATER THAN BUDGET

* Resource Management.

Actual expenditure was \$373,406 compared to a budget of \$310,736, resulting in a variance of \$62,670. This was due to consultants fees and legal fees being over budget. The reasons for this were the specialised consent associated with the Franz Josef Heliport and the Judicial review over a resource consent decision made by council.

* Westland Business Unit

2009/2010 actual expenditure of \$1,219,313 but budgeted expenditure was \$995,750 a variance of \$223,563. When the budget was prepared for the 2009-10 LTCCP, the effects of the changes from relocation, increased hours and more staff were not certain. These changes are better understood now and have been incorporated into the 2010/11 Annual Plan.

* Library

The Library's actual depreciation expense was \$34,940 over budget due to the new building.

* Parks and Reserves

Actual expenditure was \$466,315 compared to a budget expense of \$329,514 a variance of \$136,801. Hokitika Reserves had the largest variance due to contractors and repairs & maintenance expenses being \$58,244 above budget. Cass Square was \$25,748 above budget due to overheads. Harper Park expenditure increase of \$19,076 is the result of an asset disposal (a pavilion was demolished).

* Transportation

The largest variance in expense was related to depreciation which was \$2,566,388 compared to a budget of \$2,304,698, resulting in a variance of \$261,690. This is due to additional infrastructure being built and brought into service.

* Water Supply.

Total operating expenditure was \$4,819,331 compared to a budget of \$4,542,150 a difference of \$277,181. In the 2009/2010 financial year a chlorine spill occurred at one of the Hokitika pump sites resulting in unanticipated repairs and maintenance expenses, which included replacing a pump. Depreciation expense for water resulted in a variance increase of \$291,555. This was due to revaluation of infrastructure.

* Waste Management

Actual operating expenditure was \$239,278 higher than budget. This is due to higher than anticipated costs for contractors associated with dayworks, which are additional activities completed by the contractor at a day rate. Depreciation was also higher than anticipated.

* Inspection and Compliance

There was an increase of \$102,023 of actual operating expenditure which was largely due to the accrual for Riskpool calls of \$75,000 which relates to leaky homes

* Overheads

The cost of resources for Council was \$100,000 over budget. This was mainly due to the cost of producing the LTCCP. This used many resources such as staff, consultants, printing and stationery, postage. There were also costs associated with establishing Westland District Property Limited. These included consultants, valuations and legal fees.

SIGNIFICANT CAPITAL VARIANCES

* Land & Buildings

Actual new assets amounting to \$337,781 relate largely to the purchase of the Three Mile Sawmill costing \$301,000. The reason for the purchase of this property was that Council saw it as an opportunity to develop and attract additional business to Westland.

* Community Township Planning

Total capital expenditure is \$303,197 compared to \$170,000, giving a \$133,197 difference. The majority of this relates to the concept plan which is over a five year time period. \$25,000 of these expenses relates to Hokitika figurines which relates to the 2008/2009 budget.

* Water Supply

Capital expenditure is \$416,922 less than budget. The most significant capital expenditure was Hokitika mains replacement at a cost of \$101,037 and completion of the Harihari water treatment plant from the 2005/2006 annual plan at a cost of \$824,936. Projects not completed in the 2009/2010 year included Franz Josef intake and have been included in work in progress.

* Storm Water

Two major capital expenditure projects completed this year were the Hoffman Street Pump station at a cost of \$174,498, (which was scheduled in the 2009/2019 LTCCP for 09/10) and the Hokitika Mains replacement which is also identified in the LTCCP at a cost of \$170,429.

* Waste water

The most significant variance in capital expenditure relates to new mains and pump at Franz Josef at a cost of \$160,159. This project was scheduled in the LTCCP for 2013/2014 but had to be moved forward to the 2009/2010 year as new facilities were being established in Franz Josef i.e. St Johns Headquarters.

* Waste Management

Capital expenditure was budgeted at \$1,025,000, however actual expenditure was only \$300,846. This amount relates to the establishment of the five new rural transfer stations at a cost of \$60,000 each. The total capital expenditure is recognised in the 2009 LTCCP. Butlers Development and the Hokitika Transfer station have been started but are not yet completed.

* Public Toilets

The Hokitika Gorge Toilets were identified as a capital expense in the 2009/2019 LTCCP for the 09/10 year and have been completed at a cost of \$119,026 against a budget of \$82,014. The reason they were over budget in the effluent disposal system was more expensive than anticipated at a cost of \$49,758.

* Westland Business Unit

Capital expenditure related to the refurbishment of the library to accommodate the I-Site at an actual cost of \$549,721. This capital expenditure was identified in the 2009/2019 LTCCP in the 09/10 year as key capital expenditure. The new I-Site location is to help promote tourism in Westland by offering improved facilities and service.

WORK IN PROGRESS

* Work in progress significant projects include: Butlers Refuse site, Hokitika Transfer Station and Ross Water Treatment plant.

BORROWING

* The bank overdraft has increased while Council is investigating other funding options i.e. possible issuing bonds or using bank debt. The additional funds were required to fund key capital projects outlined in the 2009/2019 LTCCP.

REPORT OF THE AUDIT
OFFICE

DISTRICT ASSETS

STATEMENTS OF SERVICE
PERFORMANCE

FINANCIAL STATEMENTS

DISTRICT REPRESENTATIVES
& STAFF

INTRODUCTION



STATEMENTS OF SERVICE PERFORMANCE

INTRODUCTION

Please consider the following key issues as you read through the Statements of Service Performance.

Council embarked on a project to develop cycle trails throughout Westland as part of a Regional plan. The West Coast Regional Council agreed to assimilate the cycle trail concepts from the Region to develop an application package for access to central Government funds. The application for funding was successful and the project is now underway.

Westland lead the country in formally opposing the aerial discharge of 1080 poison, while continuing to support the possum control programme. Following our lead other Councils have moved to formalise their views in opposition.

In the 2009/2010 year Council completed a number of projects associated with water in endeavour to continually improve water quality. The most significant project was the completion of the Harihari water treatment plant, greatly improving the water quality. Franz Josef waste water is in the process of receiving a new pump station. The Hoffman street pump station identified in the LTCCP capital projects for the 09/10 years was completed on time. Council has also completed replacing mains in Hokitika. Waste management, rural refuse stations have now been completed and still continues to offer glass collection to the Hokitika area. The Hokitika gorge public toilets have also been completed.

Resident satisfaction survey

In July/August of 2009, Council commissioned the National Research Bureau's Communitrak survey to seek public opinion and to communicate its decisions and programmes to residents and ratepayers throughout Westland. The advantages and benefits of this are twofold; firstly, Council now has the National Average and Peer Group Average comparisons against which to analyse perceived performance, and secondly, Council has now introduced questions reflecting areas of interest to Westland District.

Resident satisfaction is a key performance measure for many Council services. Targets are set in the Annual and Long Term Council Community Plans (LTCCP) and survey results are reported in the Annual Report.

A total of 401 people participated in the survey with a maximum margin of error of 4.9%. The survey was undertaken by telephone.

The most highly rated service was Parks and Reserves while the most lowly rated service was Dog Control.

While the survey was carried out early in the 2009/10 year, we believe that the results are relevant for the full year because there were no major changes to levels of service during the financial year as standards and policies were not changed, processes followed either remained the same or improved and there were few staff changes during the year.

Any changes in levels of services will be reviewed at the next LTCCP and will incorporate the results of the other engagement processes which Council has undertaken. In the 2009/10 year Council reviewed its levels of service with each township across the District, as well as forming a Technical Assessment Group which reviewed the commercial rating system. Council is also currently reviewing the District Plan.

PROMOTING AND SUPPORTING THE COMMUNITY



LIBRARY

What we do

The library offers an adult collection, books for children and young adults, adult fiction, large print books, non fiction, magazines, newspapers, local interest books, reference books, talking books, video, CD's and DVD's, Housebound Service, visitor membership, Aotearoa Peoples Network, Multimedia Computer, Fundview Databases, photocopying and fax service, reserves, requests, group visits and a book covering service.

Why we do it

To ensure all members of the community have ready access to a wide range of high quality resources in a range of formats for information, education, leisure and cultural enrichment.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	The provision of quality services and facilities for library users
Education	By the provision of and access to quality resources to participate in relevant educational and training activities

Service Levels and Performance Measures

Customer group Core value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2009/10	Target 2009–2011	Target 2012–2019
Accessibility	Library services are available at convenient times and locations	Opening hours are at least 44 hours with a target in 2009-2011 of 52 hours per week over 6 days at the District Library in Hokitika	District Library Opening hours	51 hours	44 to 52 hours	60 hours
		Increased use of library facilities	Library members and issues numbers	3,367 members 86,739 issues	3,200 70,000	4,000 72,000
Quality	Library is safe, clean and comfortable	Customer satisfaction	*Customer surveys	96% customers were satisfied	90%	90%
	There is a wide range of books and formats to choose from	90 % of customers satisfied with the choice of books , other collections and IT services.	*Customer Surveys	95% customers were satisfied	90%	90%
	Special programmes provided i.e. Book Week activities and holiday programmes.	5 programs provided per annum	Feedback and numbers of participants	5 programs are currently provided	6	7
	School and community group visits hosted when requested by the schools or groups	13 groups hosted	Feedback and groups revisiting independently	20 groups	13	14

* We believe that while the residents survey was carried out early in the 2009/10 year, the results are relevant for the full year because there were no major changes to levels of service during the financial year as the standards and policies were not changed in terms of purchasing additional material for the Library, ensuring there remains a wide range of material. The building is new and is therefore maintained to a high standard. No staff changes have ensured that the same staff run the special programmes.

Financial Performance

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	0	0	0
General Rates	331,192	331,192	338,490
Vested Assets	0	0	0
Other Income	52,926	26,500	536,597
Total Operating Revenue	384,118	357,692	875,087
Operating Expenditure			
Expenditure	360,021	316,168	360,674
Interest	0	0	0
Depreciation	76,464	41,524	42,488
Total Operating Expenditure	436,485	357,692	403,162
Operating Surplus/(Deficit)	(52,367)	0	471,925
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserve	(52,367)	0	0
Depreciation not Funded (Retained Earnings)	0		0
Funding for Capital Projects	0	0	471,925
	(52,367)	0	471,925
Capital Expenditure			
New assets	26,932	0	750,713
Renewals assets	44,513	42,766	42,856
Debt Repayment	0	0	0
Capital and Debt Repayment	71,445	42,766	793,569
Vested assets	0	0	0
Operating Deficit	52,367	0	0
Transfers to Reserves	0	0	0
Total Funding Required	123,812	42,766	793,569
Funded by:			
Operating Surplus	0	0	471,925
Funding from Accumulated Depreciation (Funding renewals)	44,513	41,524	42,488
Loans raised	0	0	
Reserves	79,299	1,242	279,156
Total Funding Applied	123,812	42,766	793,569

Other income for 2009/2010 was \$52,926 while the 2008/2009 year was \$536,597. The reason for the reduction is the MDI grant of \$471,593 received in the 2008/2009 year. The Library produced a deficit of \$(52,367). Depreciation was the main cause with an actual cost of \$76,464 compared to a budgeted cost of \$41,524. This was due to increased depreciation costs associated with the new building. Overheads were \$42,559 compared to a budget of \$27,379, cleaning expenses had an actual expense of \$12,020 with no budgeted cost. The capital expenditure was related to additional work required on the building.

SAFER COMMUNITY COUNCIL

What we do

Gather information regarding crime prevention and safer communities and assist in coordinating existing and new crime prevention programmes.

Why we do it

Central Government originally provided funding for this activity. Council wanted to continue the funding of community safety and building capacity in the community and now funds a greater percentage. However the community is heavily involved in looking at the issues and looking to solutions that best fit their communities.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Education	By providing or coordinating training, education and support opportunities for at risk youth, offenders and victims.
Safety	By raising the level of safety through the provision of services and liaison with various government and non government organisations.

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2009/10	Target 2009-2011	Target 2012-2019
Residents Youth Health & Safety	To build capacity in the community by providing youth mentoring	90% satisfaction with level of support given to target community group	Survey	No survey was completed however one is planned for 2010-2011. Discussions with the community indicate a high level of satisfaction with the level of service. Council is currently going through the process of preparing a survey for the 2010/2011 year.	90%	90%
Residents Youth Health & Safety	Achieve a reduction in reported crime such as family violence, burglary and reported traffic crashes by providing mentoring and restorative justice programmes and a Community Patrol.	Number of crimes reduced on previous years	Monthly reports From NZ Police	Family violence notified cases 74. Burglary reported 30. Traffic offences reported 429.	Family violence notified cases 30. Burglary reported 40. Traffic offences 4,000.	Family violence notified cases 30. Burglary reported 40. Traffic offences 4,000.

In July/August 2009, National Research Bureau Limited surveyed the residents of Westland and this was the result:

63% of residents feel that generally Westland District is definitely a safe place to live

34% say it is mostly and

3% of residents think the District is not really a safe place to live.

The percent saying 'yes, definitely' (63%) compares favourably with the Peer Group and National Averages.

Those residents more likely to feel Westland is definitely a safe place to live are in Hokitika and Southern Ward residents and non-ratepayers.

* We believe that while the residents survey was carried out early in the 2009/10 year, the results are relevant for the full year because there were no major changes to levels of service during the financial year as standards and policies were not changed, processes followed remained the same and no staff changes meant that programmes were continued utilising the same staff.

Financial Performance

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	0		0
General Rates	32,644	32,644	22,854
Vested Assets	0	0	0
Other Income	43,281	51,203	51,045
Total Operating Revenue	75,925	83,847	73,899
Operating Expenditure			
Expenditure	60,844	83,628	73,571
Interest	0	0	0
Depreciation	99	219	250
Total Operating Expenditure	60,943	83,847	73,821
Operating Surplus/(Deficit)	14,982	0	78
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	14,982	0	78
	14,982	0	78
Capital Expenditure			
New assets	0	0	328
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	0	0	328
Vested assets	0	0	0
Operating Deficit	0	0	0
Transfers to Reserves	14,982	0	0
Total Funding Required	14,982	0	328
Funded by:			
Operating Surplus	14,982	0	78
Funding from Accumulated Depreciation	0	0	250
Loans raised	0	0	0
Reserves	0	0	0
Total Funding Applied	14,982	0	328

Safer Community Council produced a surplus due to a reduction in expenses. The most significant reduction in actual expenses compared to budget expenses was vehicle expenses with an actual expense of \$6,813 compared to a budget of \$10,200.

CEMETERIES

What we do

The Council manages cemeteries which:

- Provide plots for interment on demand to meet the needs of the bereaved for a suitable resting place for departed relatives or friends
- Provide areas for the burial and recording of ashes
- Provide roading, carparks, seating, footpaths and other infrastructure to meet the needs of visitors
- Meet Council's statutory obligation to provide paupers graves
- Meet the social and cultural needs of the community
- Provide park like grounds which are visually appealing for visitors
- Provide a historical record of the deceased for the community.

Why we do it

The Council is required to ensure that there are sufficient cemeteries within the District under the Burial and Cremation Act 1964.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	Safe well maintained cemetery grounds. Facilities are operated within the required health standard

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2009/10	Target 2009–2011	Target 2012–2019
Cemetery visitors Accessibility	Cemeteries are developed and managed so that users feel safe getting around the cemetery	% of customers feels safe in cemetery grounds.	*Customer satisfaction survey	75% of customers felt safe in cemetery grounds	70%	80% satisfaction
		Headstone structural repair program instigated.	Reports to Council on structural repairs required and carried out	No progress has been made on headstone repair programme. This requires identification of memorials needing repair and an attempt to notify descendants before repairs are carried out.	5 structural repairs to headstones per year	10 structural repairs to headstones per year
		Provision of timely information relating to cemetery records	% of customers satisfied that information is responded to promptly.	*Customer satisfaction survey	91% satisfaction	70% satisfaction 80% satisfaction
Funeral attendees, Recreational users Quality	Cemetery grounds are well maintained tidy, and attractive	Complaints are responded to within 5 working days.	Monthly meeting and audit report from contractor	No complaints	100%	100%
		% customers satisfaction with state of cemetery grounds	*Customer satisfaction survey	75% satisfaction	70% satisfaction	90% satisfaction
Funeral directors Health and Safety	Burials are completed within 3 days of notification of death	Standards for burial are adhered to Cemeteries & Cremations Act 1964.	Cemetery records	100%	100%	100%

*We believe that while the residents survey was carried out early in the 2009/10 year, the results are relevant for the full year because there were no major changes to levels of service during the financial year. Standards, policies and processes remained the same, so users will continue to feel safe within the cemetery grounds. There were no staff turnovers or changes in maintenance contractors. This ensured that the grounds are maintained to the same level, at the time of the survey. The same staff continue to monitor the cemetery grounds and respond to queries pertaining to cemetery records.

Financial Performance

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	0	0	0
General Rates	69,692	69,692	46,281
Vested Assets	0	0	0
Other Income	25,439	32,461	30,631
Total Operating Revenue	95,131	102,153	76,912
Operating Expenditure			
Expenditure	68,201	80,853	73,395
Interest	0	0	0
Depreciation	1,563	300	1,612
Total Operating Expenditure	69,765	81,153	75,007
Operating Surplus/(Deficit)	25,366	21,000	1,905
Operating Surplus Transferred to/(Operating Deficit funded from)			
Funding for Capital Projects	25,366	21,000	1,905
	25,366	21,000	1,905
Capital Expenditure			
New assets	0	21,000	0
Renewals assets	0	10,000	3,517
Debt Repayment	0	0	0
Capital and Debt Repayment	0	31,000	3,517
Vested assets	0	0	0
Operating Deficit	0	0	0
Transfers to Reserves	25,366	0	0
Total Funding Required	25,366	31,000	3,517
Funded by:			
Operating Surplus	25,366	21,000	1,905
Funding from Accumulated Depreciation	0	10,000	1,612
Loans raised	0	0	0
Reserves	0	0	0
Total Funding Applied	25,366	31,000	3,517

Capital expenditure had a budget of \$31,000 but actual capital expenditure was \$nil, as at 30 June 2010 development at the Hokitika cemetery was still ongoing, and is included in work in progress.

ELDERLY HOUSING

What we do

Provide accommodation for the elderly as an alternative to living on their own.

Why we do it

The aim of the activity is to provide good quality low cost accommodation for the elderly of Westland. It also allows the larger houses the elderly may currently occupy to be available for families who may want to enter the housing market.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Identity	Provision of appropriate infrastructure to support a vibrant community e.g. retain colourful characters
Safety	Provision of a safe environment that meets the needs of the elderly

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2009/10	Target 2009–2011	Target 2012–2019
Tenants Health & Safety	The units are safe to live in	Maintenance programme is completed each year	Excel spreadsheet (AMP)	100% of people surveyed felt their unit was safe to live in	100%	100%
Tenants Quality	The units are clean and comfortable	% of satisfaction of tenants with living conditions	Tenants Satisfaction Survey	95% Hokitika 95% Ross	95%	95%
Tenants Responsiveness	Tenants receive prompt responses to their requests for service	% of requests for maintenance or complaints actioned within 7 working days.	Customer RFS System	100% - all requested for maintenance were actioned with 7 working days.	100%	100%

Financial Performance

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	0	0	0
General Rates	0	0	0
Vested Assets	0	0	0
Other Income	139,951	126,563	125,638
Total Operating Revenue	139,951	126,563	125,638
Operating Expenditure			
Expenditure	113,401	89,546	100,674
Interest	273	0	0
Depreciation	41,610	37,017	41,270
Total Operating Expenditure	155,284	126,563	141,944
Operating Surplus/(Deficit)	(15,333)	0	(16,306)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(15,333)	0	(16,306)
	(15,333)	0	(16,306)
Capital Expenditure			
New assets	0	0	0
Renewals assets	43,543	32,700	13,847
Debt Repayment	0	0	0
Capital and Debt Repayment	43,543	32,700	13,847
Vested assets	0	0	0
Operating Deficit	15,333	0	16,306
Transfers to Reserves	0	0	0
Total Funding Required	58,875	32,700	30,153
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	43,543	32,700	13,847
Loans raised	0	0	0
Reserves	15,333	0	16,306
Total Funding Applied	58,875	32,700	30,153

Operating Revenue was \$139,951 compared to a budget of \$126,563. This is due to full occupancy rates. Operating expenses were \$69,765 compared to a budget of \$81,153. The most significant increases were overheads with actual expenses of \$33,711 compared to a budget of \$28,545, insurance actual expenditure \$12,987 compared to a budget of \$8,200 and repairs & maintenance with actual expenses of \$12,914 compared to a budget of \$11,742. Council was required to have a valuation for insurance purposes which led to an increase in the insurance premiums. Repairs & maintenance included some small unexpected repairs.

SWIMMING POOLS

What we do

Provide recreational pool facilities in Hokitika and Ross.
Provision of learn to swim programs at Hokitika.

Why we do it

Council provides swimming pools which allow the community to participate in this recreation activity in a safe environment.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	The provision of clean bathing areas providing the opportunity for recreation, sporting and leisure activities.
Education	Provision of safe training facilities for users.

Service Levels and Performance Measures

Customer Group	Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2009/10	Target 2009–2011	Target 2012–2019
Quality		Maximise the duration of the swimming season	Minimum season October to April	Opening times	The pool was open from 10 August 2009 to 6 June 2010, which is longer than the prior year. There was a forced closure between 24 August and 6 September 2009 due to boiler repairs.	Maintain current hours	Maintain current hours
		Maintain a comfortable water temperature for swimming.	Water temperature to be maintained at between 27.5 and 28.5° Celsius	Monthly report	Between 27°C and 28.5°C	28°C	28°C
		Maximise use of Hokitika pool	Increase pool usage by 1% pa	Annual report	14,118 paying visitors (18,129 2009). This figure has reduced as a result of the Grey Aquatic Centre. Council does not see further development of the pool as a prudent investment with the facility in Greymouth.	1% per annum	1% per annum
Health and Safety		Provide active programmes for swimming pool users	A minimum of 5 courses to be held each year in either learn to swim or exercise programme	Annual Report	6 Learn to Swim courses and a weekly Aqua Exercise class was offered during 2009/2010	6 courses	6 courses
		Ensure safe swimming water	Tests compliant with NZS5826:2000	Monthly report for Ross and Hokitika	99.5% compliant	100%	100%
		Ensure pool user safety	Life guard supervision provided in accordance with Swimming pool Guidelines published by New Zealand Recreation Association (Hokitika Pool only)	Pool Safe Accreditation	Hokitika Pool re-accredited in April 2010	Maintain accreditation	Maintain Accreditation

Financial Performance

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	10,461	10,479	0
General Rates	196,862	196,862	202,052
Vested Assets	0	0	0
Other Income	73,185	105,100	91,444
Total Operating Revenue	280,508	312,441	293,496
Operating Expenditure			
Expenditure	299,912	289,429	258,325
Interest	0	0	0
Depreciation	25,475	18,012	24,960
Total Operating Expenditure	325,387	307,441	283,285
Operating Surplus/(Deficit)	(44,879)	5,000	10,211
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserve	(50,060)	0	0
Depreciation not Funded (Retained Earnings)	0	0	0
Funding for Capital Projects	5,181	5,000	10,211
	(44,879)	5,000	10,211
Capital Expenditure			
New assets	46,296	30,000	0
Renewals assets	5,181	5,000	35,171
Debt Repayment	0	0	0
Capital and Debt Repayment	51,477	35,000	35,171
Vested assets	0	0	0
Operating Deficit	44,879	0	0
Transfers to Reserves	0	0	0
Total Funding Required	96,356	35,000	35,171
Funded by:			
Operating Surplus	5,181	5,000	10,211
Funding from Accumulated Depreciation	23,148	15,000	24,960
Loans raised	0	0	0
Reserves	68,027	15,000	0
Total Funding Applied	96,356	35,000	35,171

Actual other income was less than budget. This is due to the new Greymouth Aquatic centre being established decreasing Hokitika pools admission and retail sales. Actual depreciation is higher than anticipated due to the alterations completed for Ross pool. Capital expenditure had an actual cost of \$51,477 compared to a budgeted cost of \$35,000, the reason for the variance is the costs associated with the Ross Pool Upgrade, which had a budgeted cost of \$30,000 but cost over \$40,000.

COMMUNITY ASSISTANCE/ FUNDING

What we do

Approve requests from Community Groups and Organisations and individuals to assist with recreational and cultural activities and other special events or activities.

Provide advice to the community regarding other funding alternatives

Why we do it

Council assists in building capacity in the Community.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Education	Recognise and support education excellence and opportunity in the District
Identity	Support and encourage community groups and organisations providing events within the region

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2009/10	Target 2009–2011	Target 2012–2019
Community Groups Accessibility	That funding is available and able to be allocated to relevant groups or individual projects	Advertising of grants occurs 4 times per year	Newspaper Ads Advertising in Uniquely Westland	Newspaper Advertising & Uniquely Westland. Funding rounds were advertised and considered in August, November, February and May.	4 times a year	4 times a year
		Number of Groups / Individuals applying	Applications received	41 applications were received by Council for discretionary funding	30	30

Financial Performance

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	84,256	82,064	0
General Rates	311,171	311,171	316,923
Vested Assets	0	0	0
Other Income	24,469	16,500	107,063
Total Operating Revenue	419,896	409,735	423,986
Operating Expenditure			
Expenditure	401,749	408,335	404,082
Interest	0	0	0
Depreciation	1,605	1,400	1,545
Total Operating Expenditure	403,354	409,735	405,627
Operating Surplus/(Deficit)	16,542	0	18,359
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	16,542	0	18,359
	16,542	0	18,359
Capital Expenditure			
New assets	0	0	0
Renewals assets	0	600	0
Debt Repayment	0	0	0
Capital and Debt Repayment	0	600	0
Vested assets	0	0	0
Operating Deficit	0	0	0
Transfers to Reserves	16,543	0	18,359
Total Funding Required	16,543	600	18,359
Funded by:			
Operating Surplus	16,543	0	18,359
Funding from Accumulated Depreciation	0	600	0
Loans raised	0	0	0
Reserves	0	0	0
Total Funding Applied	16,543	600	18,359

Actual other income relates to grants received from Creative New Zealand and SPARC to distribute to the Westland Community. 2008/2009 actual other income has \$107,063 while 2009/2010 actual other income shows \$24,469. The reason for this is the 2008/2009 other income includes the targeted rates for Enterprise Hokitika and Glacier Contry Promotions at \$82,457, while the 2009/2010 year for both actual and budget shows them separately in the targeted rates column.

COMMUNITY HALLS AND BUILDINGS

What we do

Provide and manage various buildings and halls to be used for non commercial purposes by the community

Why we do it

The Council provides halls as a focus for community functions, activities and meetings, to assist with meeting the social and recreational needs of communities.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	Provision of Recreation facilities within the halls
Identity	Halls provide a sense of community

Service Levels and Performance Measures

CustomerGroup Core Value	Level of Service	PerformanceMeasure	Information we will use to measuresuccess	Current Performance 2009/10	Target 2009– 2011	Target 2012– 2019
Community residents Quality	The facilities provide a safe and central resource for the use of the local community.	Buildings have current WOF where required	Annual report	100%	100%	100%
	Community halls are appropriate to the community needs	Percentage of residents satisfied with the standard of their hall or community building	*Satisfaction survey	54% See below.	80%	80%
		Complaints are responded to within 3 working days	Service Request support system	No complaints received	100%	100%

* We believe that while the residents survey was carried out early in the 2009/10 year, the results are relevant for the full year because there were no major changes to levels of service during the financial year. Standards, policies and procedures relating to the community halls and buildings maintenance and community use did not change during the year. There was no staff turnover in the department dealing with these halls and buildings.

In July/August 2009, National Research Bureau Limited surveyed the residents of Westland and this was the result:

54% of residents are satisfied with community halls

17% are not very satisfied

29% are unable to comment because 54% of households have **not** used a community hall in the District in the last 12 months

Of those who have used a community hall, 73% are satisfied and 20% are not very satisfied

The percent not very satisfied is above the Peer Group and National Averages.

The majority of the halls are run by the community. At the direction of the community, Council will assist with developing the hall in accord with what the community desires. In some instances, Major District Initiative funding can be committed to a well-planned project.

Financial Performance

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	0	0	0
General Rates	54,825	54,825	85,349
Vested Assets	0	0	0
Other Income	362,959	647,375	257,186
Total Operating Revenue	417,784	702,200	342,535
Operating Expenditure			
Expenditure	492,311	702,200	342,534
Interest	0	0	0
Depreciation	28,406	28,701	28,883
Total Operating Expenditure	520,716	730,901	371,417
Operating Surplus/(Deficit)	(102,932)	(28,701)	(28,882)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(74,526)	0	0
Depreciation Not Funded (Retained earnings)	(28,406)	(28,701)	(28,882)
	(102,932)	(28,701)	(28,882)
Capital Expenditure			
New assets	0	0	0
Renewals assets	0	0	22,328
Debt Repayment	0	0	0
Capital and Debt Repayment	0	0	22,328
Vested assets	0	0	0
Operating Deficit	102,932	28,701	28,882
Transfers to Reserves	0	0	0
Total Funding Required	102,932	28,701	51,210
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	0	0	28,883
Loans raised	0	0	0
Reserves	102,932	28,701	22,327
Total Funding Applied	102,932	28,701	51,210

Budgeted income was \$702,200 compared to actual income of \$417,784. The reason for the variance is the MDI funding which was budgeted for the Regent Theatre (\$310,000) and Westland Boys Brigade Hall (\$247,349). The actual MDI funding received was Regent Theatre \$196,000 and Westland Boy Brigade Hall \$166,640. Both projects are still in progress, claims are made to Development West Coast as stages of work are completed and the paid invoices are provided with the claim.

PARKS & RESERVES

What we do

The Council manages and maintains a number of parks and reserves throughout the District for active and passive recreation.

Recreation and Local Purpose Reserves are managed under the Reserves Act 1977.

For the past 18 years the main sports ground in Hokitika, Cass Square, has provided the venue for the famous Wildfoods Festival.

Why we do it

There is a public expectation for Council to continue to manage and maintain reserves for the benefit of the community.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	Safe well maintained parks and playgrounds Facilities are provided and maintained for active recreation to support the health of the community.
Identity	The Wildfoods Festival creates a unique identity for Westland District

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we use to measure success	Current Performance 2009/10	Target 2009–2011	Target 2012–2019
Reserves users: Passive Active (Sports people) Availability Accessibility Safety	Reserves are pleasant and enjoyable place	Complaints received about the appearance of reserves	Number of complaints	Nil	Nil	Nil
		Customer satisfaction	*Surveys	83%	80% satisfaction	80% satisfaction
	Sports grounds available for play	Sports ground closures per season	Number of closures	Nil	Nil **	Nil
	Playgrounds are safe	Reported injuries	Number of reported injuries	Nil	Nil	Nil
Wildfoods Festival Reliability	Cass Square available for festival in good condition	Festival committee satisfied with Cass Square venue	Feedback from Festival Committee	Satisfied	Satisfied	Satisfied

* We believe that while the residents survey was carried out early in the 2009/10 year, the results are relevant for the full year because there were no major changes to levels of service during the financial year. Policies, standards and process remain the same in terms of maintenance and quality assurance for the parks and reserves. There were no changes to maintenance contractors and no staff turnovers, ensuring the levels of service provided remained the same.

** There were no official closures to any park or reserve, unfavourable weather conditions do not constitute a closure.

Financial Performance

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	0	0	0
General Rates	275,128	275,128	160,762
Vested Assets	0	0	0
*Other Income	129,427	228,280	227,270
Total Operating Revenue	404,555	503,408	388,032
Operating Expenditure			
Expenditure	441,168	301,388	315,048
Interest	0	0	0
Depreciation	25,146	25,356	25,428
Total Operating Expenditure	466,315	329,514	340,476
Operating Surplus/(Deficit)	(61,760)	176,664	47,556
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(36,614)	0	0
Depreciation Not Funded (Retained earnings)	(25,146)	(25,356)	0
Funding for Capital Projects	0	202,020	47,556
	(61,760)	176,664	47,556
Capital Expenditure			
New assets	66,129	556,300	88,006
Renewals assets	0	0	3,927
Debt Repayment	0	0	0
Capital and Debt Repayment	66,129	556,300	91,933
Vested assets	0	0	0
Operating Deficit	61,760	0	0
Transfers to Reserves	0	0	0
Total Funding Required	127,888	556,300	91,933
Funded by:			
Operating Surplus	0	176,664	47,556
Funding from Accumulated Depreciation	0	0	25,428
Loans raised	0	0	0
Reserves	127,888	379,636	18,949
Total Funding Applied	127,888	556,300	91,933

* Budgeted Other income includes funding for the MDI project, Harihari Community Centre.

Actual income was \$98,853 less than budget as the budget included MDI funding for the Harihari Community centre, to date this subsidy has not been received.

Actual expenditure was \$441,168 compared to a budget of \$301,388 . The largest variances were Hokitika Reserves with contractor and repairs and maintenance actual expenses of \$108,244 compared to a budget of \$50,000 (caused by higher than forecast dayworks expenses such as emptying reserve rubbish bins) Harper Park with an asset disposal (demolishing a pavilion) amounting to \$19,076. Cass Square had a variance of \$25,748 which was due to overheads actual expenditure of \$51,886 compared to a budget of \$26,151.

The major variance in capital expenditure is the Harihari Community Centre project. This project is still being developed by the community.

LAND AND BUILDINGS

What we do

These cover land and buildings managed commercially. Included are:

- Council Headquarters building
- Emergency Centre Haast
- Carnegie Building/Museum
- Houses for Nurses (Harihari, Fox Glacier) and contractor staff (Fox Glacier)
- Forestry Land at Kaniere and Kumara, managed in conjunction with PF Olsen
- Licenses to Occupy legal road
- Leased land
- Works depots at Haast, Fox Glacier, Whataroa and Harihari
- Westland Industrial Heritage Park

Why we do it

Council has a property portfolio from which it expects to earn a commercial return. This activity provides management of these property resources.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Safety	Provision of safe structures which meet the required building standard WOF where required
Economy	Tenants and lessees generate economic returns

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2009/10	Target 2009–2011	Target 2012–2019
Tenants Health and Safety	That facilities are well maintained and of good appearance	Asset management is carried out as per plans	Completion of work according to plan	Building inspection reports completed. This has allowed Council staff to review the condition of the assets and update the maintenance and renewal plans. Plans will be complete in 2010/11.	100%	100%
		Buildings get current WOF where required	WOF issued	100%	100%	100%
		Complaints are responded to within timeframes	Service request system	7 complaints, all responded to within the timeframe of three working days	Within three working days	Within three working days
Ratepayers Affordability	That a commercial rate is charged for space	Return is at market rate	Market review gained	No market review completed. See below.	100%	100%
		Occupancy rate is greater than 95%	Records of occupation	100%	≥95%	≥95%

A Council Controlled Organisation (CCO) was set up to commence on 1 July 2010. **Westland District Property Limited (WDPL)** was established to manage a portfolio of Council's property. This does not include any strategic assets at this time, however some strategic assets may be transferred after being considered by Council and subject to a special consultative process during the next review of the LTCCP. There are two schedules which were transferred, subsequent to the year end. **Schedule 1 - Freehold Land With No Restrictions** and **Schedule 2 - Land to be Transferred for Management Purposes - Requires Council Approval for Use Changes**. The fair market value of Schedule 1, which was transferred to WDPL, is \$2,304,000. The fair market value of Schedule 2 which was transferred to WDPL for management purposes only (still owned by WDC) is \$4,825,000.

Council's intention is that the portfolio will be managed in a more commercial way (with the exception of the strategic assets, if transferred) and that a profit will be returned to Council via a distribution to offset the general rate.

Financial Performance

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	0	0	0
General Rates	0	0	0
Vested Assets	0	0	0
Other Income	397,414	797,500	597,792
Total Operating Revenue	397,414	797,500	597,792
Operating Expenditure			
Expenditure	414,516	630,166	629,698
Interest	0	0	0
Depreciation	64,029	9,788	60,931
Total Operating Expenditure	478,544	639,954	690,629
Operating Surplus/(Deficit)	(81,130)	157,546	(92,837)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(81,130)	0	(92,837)
Depreciation not Funded (Retained Earnings)	0	157,546	0
	(81,130)	157,546	(92,837)
Capital Expenditure			
New assets	337,781	0	130,012
Renewals assets	0	0	6,667
Debt Repayment	0	0	0
Capital and Debt Repayment	337,781	0	136,679
Vested assets	0	0	0
Operating Deficit	81,130	0	92,837
Transfers to Reserves	0	157,546	0
Total Funding Required	418,911	157,546	229,516
Funded by:			
Operating Surplus	0	157,546	0
Funding from Accumulated Depreciation	64,029	0	60,931
Loans raised	0	0	0
Reserves	354,883	0	168,585
Total Funding Applied	418,911	157,546	229,516

Other income's budget included expected land sales which were stated in the LTCCP, however these sales did not eventuate in the 2009/2010 financial year.

Depreciation was \$54,241 higher than expected which is mainly due to alterations to the council building to accommodate the i-Site. Total Operating expenditure was less than budget because the land sale proceeds that were planned as disbursements to the community have not yet occurred.

Actual operating expenditure for 2009/2010 was \$478,544 while 2008/2009 showed operating expenditure of \$639,954, the reason for this variance is that in 2008/2009 council decided to sell its abandoned land which required substantial expenses This variance is referred to in the 2008/2009 annual report.

New assets of \$337,781 was due to the purchase of the Three Mile Sawmill of \$301,000 which was not budgeted for. Council saw this property as an opportunity to develop and attract additional business to Westland.

WESTLAND BUSINESS UNIT

What we do

The Westland Business Unit was established as an autonomous unit of Council in July 2008 to manage, coordinate and lead the marketing of the visitor products and services of the District.

Activities to be undertaken by the Business Unit are to:

- Market Westland.
- Manage events in Westland.
- Manage and promote the Westland i-Site Visitor Information Centre.
- Manage and promote the West Coast Historical Museum.

Why we do it

Our over-arching goal is to market Westland. By marketing the District to visitors, we gain benefit from the transient traveller passing through, and draw attention to where and how we live which may ultimately entice some of those travellers to chose to stay, live and work here.

Our primary target is the visitor market. Tourism is a significant contributor to the national and local economy. At regional level we are a key stakeholder in West Coast tourism; we have the Glaciers within our District. At district level, we will lead and coordinate marketing programmes that attract visitors to our District and its attractions.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Identity	Fosters a strong district identity and promotes it both nationally and internationally through visitor attraction
Economy	Contributes revenue to the economy by the promotion of visitor attractions and activities. By marketing the district, to attract people to visit, and potentially work and live in the district

Service Levels and Performance Measures

CustomerGroup Core Value	Level of Service	Performance Measure	Information we will use to measuresuccess	Current Performance 2009/10	Target 2009– 2011	Target 2012– 2019
Visitors Visitor Services	Market visitor services	Increase visitor numbers by 5% per year	Visitor numbers from Stats NZ	Hokitika i-Site responded to 63,125 enquiries over the period 1 July 2009 – 30 June 2010. In 2008/09, 42,255 enquiries were recorded by the i-Site, an increase of 49%.	To Respond to 53,470 enquiries	To respond to 56,140 enquiries
Events	Run Events	Events run successfully and profitably	Community satisfaction Financial outcome	Maintained. The 2010 Hokitika Wildfoods Festival sold a total of 13,698 tickets to a suite of events, which included the Friday night concert; the Festival and the Festival dance. (13,663 attendees in 2008/09)	Maintain attendee and surplus amounts	Maintain attendee and surplus amounts
Stakeholders Service operators Council Board	Co-ordinate and promote liaison	Promotion coordinated	Stakeholder Satisfaction Survey	Survey is in development for 2010/11. The primary priorities for the period were the i-Site redevelopment; ensuring a profitable Wildfoods Festival and finding operational efficiencies in preparation for moving the Business Unit to an autonomous financial management system.	75%	75%
	Profitability	Gross Margin	Financial Statement of Performance	Surplus of \$113,852 from all operations (2008/09 \$263,224 deficit).	Operate the unit at a surplus	Operate the unit at a surplus

Financial Performance

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	0	0	0
General Rates	257,000	257,000	210,981
Vested Assets	0	0	0
Other Income	1,076,165	1,094,453	586,312
Total Operating Revenue	1,333,165	1,351,453	797,293
Operating Expenditure			
Expenditure	1,204,307	984,088	1,049,528
Interest	0	0	0
Depreciation	15,006	11,662	10,989
Total Operating Expenditure	1,219,313	995,750	1,060,517
Operating Surplus/(Deficit)	113,852	355,703	(263,224)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Restricted reserve (Future events)	(183,101)	58,750	(263,224)
Funding for Capital Projects (MDI Project)	296,953	296,953	0
	113,852	355,703	(263,224)
Capital Expenditure			
New assets	570,331	456,850	8,290
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	570,331	456,850	8,290
Vested assets	0	0	0
Operating Deficit	0	0	263,224
Transfers to Reserves	0	58,750	0
Total Funding Required	570,331	515,600	271,514
Funded by:			
Operating Surplus	113,852	355,703	0
Funding from Accumulated Depreciation	0	0	10,989
Loans raised	0	0	0
Reserves	456,479	159,897	260,525
Total Funding Applied	570,331	515,600	271,514

At the time of completing the 2009/2019 LTCCP, the impact from changes such as the relocation and increased visitor numbers were conservatively estimated.

Capital expenditure related to the refurbishment of the library to accommodate the I-Site at an actual cost of \$549,721. This capital expenditure was identified in the 2009/2019 LTCCP in the 09/10 year as key capital expenditure. The new i-Site location is to help promote tourism in Westland by offering improved facilities and service.

FINANCIAL SUMMARY OF PROMOTING AND SUPPORTING OUR COMMUNITY

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	94,717	92,543	0
General Rates	1,528,514	1,528,514	1,383,692
Vested Assets	0	0	0
Other Income	2,956,217	3,125,935	2,610,978
Total Operating Revenue	4,579,448	4,746,992	3,994,670
Operating Expenditure			
Expenditure	4,487,430	3,885,801	3,607,529
Interest	273	0	0
Depreciation	279,404	173,979	238,356
Total Operating Expenditure	4,767,106	4,059,780	3,845,885
Operating Surplus/(Deficit)	(187,659)	687,212	148,785
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(461,606)	216,296	(353,930)
Ratepayers Equity (Non-Funded Depreciation)	(53,552)	(54,057)	(28,882)
Funding for Capital Projects	327,500	524,973	531,597
	(187,659)	687,212	148,785
Capital Expenditure			
New assets	1,047,469	1,064,150	977,349
Renewals assets	93,237	91,066	128,313
Debt Repayment	0	0	0
Capital and Debt Repayment	1,140,706	1,155,216	1,105,662
Vested assets	0	0	0
Operating Deficit	358,401	28,701	401,249
Transfers to Reserves	56,891	216,296	18,359
Total Funding Required	1,555,997	1,400,213	1,525,270
Funded by:			
*Operating Surplus	175,924	715,913	550,034
Funding from Accumulated Depreciation	175,232	99,824	209,388
Loans raised	0	0	0
Reserves	1,204,841	584,476	765,848
Total Funding Applied	1,555,997	1,400,213	1,525,270

*Despite the group running at an overall deficit, there were surpluses in activities which will be transferred to specific reserves or were used to fund projects.

PLANNING FOR OUR COMMUNITY



ANIMAL CONTROL

What we do

Undertake dog and animal control functions

- Enforcement and control of roaming dogs and other animals
- Ensure all known dogs are registered
- Education of dog owners through dog control contractors
- Provide a dog pound

Why we do it

Council has a statutory obligation to administer the registration of dogs and ensure they don't become a nuisance to the community.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Safety	Menacing and dangerous dogs are identified. Wandering and nuisance causing dogs and other animals are controlled.
Environment	Menacing and dangerous dogs are identified. Wandering and nuisance causing dogs and other animals are controlled.

Service Levels and Performance Measures

Customer Group	Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2009/10	Target 2009–2011	Target 2012–2019
All Residents	Responsiveness	The public are safe from dogs	All complaints are responded to within 1 working day.	Customer complaint form	100% Of the 3 service requests received, 3 were responded to within one working day.	100%	100%
			That the public are satisfied with the service	*External survey	50% See below	95%	95%
			Records will be kept relating to dog numbers, location, sex and breed and in conformity with the National Dog Database (NDDDB).	NDD	Records are updated to the NDDDB every working day and any discrepancies are corrected the next working day.	100%	100%

** We believe that while the residents survey was carried out early in the 2009/10 year, the results are relevant for the full year because there were no major changes to levels of service during the financial. The same standards, procedures and policies remained in place throughout the financial year. The contractor used for stock control remained the same and there was no staff turnover in that time.

In July/August 2009, National Research Bureau Limited surveyed the residents of Westland and this was the result:

50% of residents are satisfied with the control of dogs

42% are not very satisfied

8% are unable to comment

The percent not very satisfied is above the Peer Group and National Averages.

Those residents more likely to be not very satisfied with the control of dogs are the Northern and Hokitika Ward residents, aged 40 years or over, longer term residents (those residing in the District more than 10 years) and ratepayers.

Council has formed a partnership with the SPCA to control dogs and focus more on animal welfare. There are also plans to upgrade the pound and increase resources to patrol.

Financial Performance

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	0	0	0
General Rates	5,093	5,093	9,501
Vested Assets	0	0	0
Other Income	89,997	80,600	75,968
Total Operating Revenue	95,090	85,693	85,469
Operating Expenditure			
Expenditure	96,886	85,693	85,975
Interest	0	0	0
Depreciation	974	0	81
Total Operating Expenditure	97,860	85,693	86,056
Operating Surplus/(Deficit)	(2,771)	0	(587)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Restricted reserve	(2,771)	0	(587)
	(2,771)	0	(587)
Capital Expenditure			
New assets	0	0	3,500
Renewals assets	0	0	994
Debt Repayment	0	0	0
Capital and Debt Repayment	0	0	4,494
Vested assets	0	0	0
Operating Deficit	2,771	0	587
Transfers to Reserves	0	0	0
Total Funding Required	2,771	0	5,081
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	0	0
Reserves	2,771	0	5,081
Total Funding Applied	2,771	0	5,081

Actual expenditure was \$12,167 more than budgeted expenditure. The largest variances were overheads at \$28,948 compared to a budgeted figure of \$25,225 and the management contract with an actual of \$45,776 compared to budget of \$42,000. The Dog Control Officer was compensated for callouts which were in addition to those agreed to in the contract price.

RESOURCE MANAGEMENT

What we do

Day to day activities include:

- District Plan development, policy and planning.
- Processing Resource Consents.
- Issuing Land Information Memoranda (LIM).
- Answering general enquiries.
- Ensuring activities within the District comply with the Resource Management Act and the District Plan.
- Monitoring Resource Management requirements.
- Performing environmental monitoring.

Why we do it

Council has to fulfil statutory functions under the Resource Management Act (RMA). It also has a desire to create an environment for Westland that reflects the needs, values and aspirations of the District.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	Additional recreational activities are funded and improved through financial contributions.
Education	Heritage values are protected.
Safety	Development standards are adopted.
Economy	Opportunities and certainty given to developers.
Environment	Environmental standards are protected.
Identity	Notified Resource Consents and changes to the District Plan are public participatory processes.

Service Levels and Performance Measures

CustomerGroup Core Value	Level of Service	PerformanceMeasure	Information we will use to measure success	CurrentPerformance 2009/10	Target 2009– 2011	Target 2012– 2019
Resource Consent Applicants Responsiveness	Process Resource Consents within statutory timeframes as specified in Resource Management Act.	% of non notified Resource Consents processed within the timeframes of the Act	Monthly report	For the reporting period 100% of non-notified Resource Consent applications without a hearing had been determined within the statutory timeframes.	100%	100%
	Public complaints relating to environment are investigated and responded to in a timely manner	Council respond to within 10 days	Monthly Report	No complaints were received during the reporting period	100%	100%
Quality	Provide and maintain District Plan which is reflective of the community	Work plan is developed on changes required to the District plan and these are effected	Workplan developed and updated annually	The Planning and Development Committee has commenced a review of the District Plan. An *Issues and Options Paper was prepared and adopted for further consultation on 3rd December 2009.	30 June 2010	Annually reviewed
Responsiveness	Process all applications lodged under section 44A of the Local Government Official Information and Meetings Act 1987 within the timeframes specified within the Act	% of LIMs processed within 10 working days	Monthly reports	100%	100%	100%
		% of fast-track LIMs processed within 3 working days	Monthly reports	100%	100%	100%

*ISSUES AND OPTIONS PAPER:

The Planning and Development Committee has adopted an Issues and Options Paper prepared by the District Planner which addresses the various issues brought to the Committee's attention through a consultative process over the last 12 months. This paper has been released for the purposes of further consultation and comments on the paper are being considered. As a consequence, the Committee has commenced a review of township zone boundaries.

Financial Performance

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	0	0	0
General Rates	213,632	213,632	194,198
Vested Assets	0	0	0
Other Income	113,608	97,750	74,885
Total Operating Revenue	327,240	311,382	269,083
Operating Expenditure			
Expenditure	373,406	310,736	269,083
Interest	0	0	0
Depreciation	742	646	771
Total Operating Expenditure	374,148	311,382	269,854
Operating Surplus/(Deficit)	(46,908)	0	(771)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(46,908)	0	(771)
	(46,908)	0	(771)
Capital Expenditure			
New assets	1,572	0	0
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	1,572	0	0
Vested assets	0	0	0
Operating Deficit	46,908	0	771
Transfers to Reserves	0	0	0
Total Funding Required	48,479	0	771
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	0	0
Reserves	48,479	0	771
Total Funding Applied	48,479	0	771

Actual expenditure was \$373,406 compared to a budget of \$310,736, resulting in a variance of \$62,670. This was due to consultants fees and legal fees being over budget. The reasons for this were the specialised consent associated with the Franz Josef Heliport and the Judicial review over a resource consent decision made by Council.

INSPECTIONS AND COMPLIANCE

What we do

The Council's role is principally in the nature of approval, licensing/registration, consents and surveillance. The inspection and compliance function is based on health and safety, community and environmental standards.

This activity comprises

- Building Inspection and Control
- Environmental Health
- Liquor Licensing
- Noise Control
- On-site effluent disposal for new properties (as delegated by the West Coast Regional Council)

Why we do it

The Council has a statutory requirement to undertake these activities.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	Public health standards are maintained and improved.
Safety	Development and environmental standards are met.
Environment	Environmental standards are protected.

Service Levels and Performance Measures

Customer Group Core Value	Levels of Service	Performance Measure	Information we will use to measure success	Current Performance 2009/10	Target 2009–2011	Target 2012–2019
Consent applicants Responsiveness	Process all applications lodged under the Building Act in Inspections & Compliance within the timeframes specified within the Act	% of Building consents processed within 20 working days	Monthly reports	For the reporting period a total of 100% of Building Consent applications had been determined within the statutory time frames.	100%	100%
	Process all applications lodged under the Building Act in Inspections & Compliance within the timeframes specified within the Act	% of PIMs processed within 20 working days	Monthly reports	For the reporting period a total of 100% of PIM applications had been determined within the statutory time frames.	100%	100%
	Process all applications lodged under the Local Government Official information and Meetings Act within the timeframes specified within the Building Act in Inspections & Compliance	% of LIMs processed within 10 working days or, for urgent applications, 3 days	Monthly reports	For the reporting period a total of 100% of LIM applications had been determined within the statutory time frames.	100%	100%
Residents, Consent Holders Quality	Provide day to day advice and assistance regarding proposals and applications	% of walk in customers satisfied with advice	*Survey	The results of the external satisfaction survey show that 50% of respondents are very/fairly satisfied with the service while 56% of users of the service are very/fairly satisfied.	100%	100%
Food premises and liquor licence holders Health and Safety	Encourage compliance by undertaking inspections so that all food, liquor and other licensed premises comply with the relevant legislation.	All licensed premises are inspected at least annually.	Monthly reports	Of the 125 licensed and registered premises, 124 have been inspected since 1 July 2009.	100%	100%
		Investigate complaints about poor food handling and unsanitary conditions in any licensed premises within 3 working days	Monthly reports	For the reporting period there have not been any specified complaints.	100%	100%
		Work with Police and Community Public Health to reduce the negative impacts of alcohol abuse. Quarterly meetings are held	Quarterly reports	The first of planned quarterly meetings was held at Punakaikai on 7th July. A further meeting was held on 4th February. Westland was to host the next session on 18th June but the meeting has been postponed due to CPH becoming unavailable. No new date has been set.	100%	100%

* While the survey was carried out early in the 2009/10 year, we believe that the results are relevant for the full year because there were no major changes to levels of service during the financial year. The major changes we identified were staff turnover or procedural changes, neither of which occurred in the 2009/2010 year.

Financial Performance

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	0	0	0
General Rates	333,488	333,488	514,096
Vested Assets	0	0	0
Other Income	442,223	517,783	432,034
Total Operating Revenue	775,711	851,271	946,130
Operating Expenditure			
Expenditure	949,402	848,226	948,630
Interest	0	0	0
Depreciation	3,892	3,045	3,428
Total Operating Expenditure	953,294	851,271	952,058
Operating Surplus/(Deficit)	(177,583)	0	(5,928)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(177,583)	0	(5,928)
	(177,583)	0	(5,928)
Capital Expenditure			
New assets	0	0	0
Renewals assets	5,328	5,000	0
Debt Repayment	0	0	0
Capital and Debt Repayment	5,328	5,000	0
Vested assets	0	0	0
Operating Deficit	177,583	0	5,928
Transfers to Reserves	0	0	0
Total Funding Required	182,911	5,000	5,928
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	5,328	5,000	0
Loans raised	0	0	0
Reserves	177,583	0	5,928
Total Funding Applied	182,911	5,000	5,928

Budgeted other income was estimated at \$517,783 but actual income was \$442,223. The main reasons for the reduction is the downturn in the economy, reducing building construction and subsequently inspection fees.

The main increases in operating expenditure is due to overheads (\$26,000 over budget) but is primarily due to a provision for leaky homes claims. Riskpool advised Council that \$75,000 of claims will be called over the next three years. Council has provided for this and it is included in this activity.

FINANCIAL SUMMARY OF PLANNING FOR OUR COMMUNITY

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	0	0	0
General Rates	552,213	552,213	717,795
Vested Assets	0	0	0
Other Income	645,828	696,133	582,887
Total Operating Revenue	1,198,041	1,248,346	1,300,682
Operating Expenditure			
Expenditure	1,419,694	1,244,655	1,303,688
Interest	0	0	0
Depreciation	5,609	3,691	4,280
Total Operating Expenditure	1,425,303	1,248,346	1,307,968
Operating Surplus/(Deficit)	(227,262)	0	(7,286)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Depreciation Not Funded	(227,262)	0	(7,286)
Reserves	0	0	0
Funding for Capital Projects	0	0	0
	(227,262)	0	(7,286)
Capital Expenditure			
New assets	1,572	0	3,500
Renewals assets	5,328	5,000	994
Debt Repayment	0	0	0
Capital and Debt Repayment	6,900	5,000	4,494
Vested assets	0	0	0
Operating Deficit	227,262	0	7,286
Transfers to Reserves	0	0	0
Total Funding Required	234,161	5,000	11,780
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	5,328	5,000	0
Loans raised	0	0	0
Reserves	228,833	0	11,780
Total Funding Applied	234,161	5,000	11,780

PROVIDING
ESSENTIALS FOR
THE COMMUNITY



CIVIL DEFENCE

What we do

The Council's goal is the development and maintenance of a Civil Defence Emergency Management Plan which provides for the following:

- Readiness, ensuring the public is aware of the risk and prepared for any civil defence emergency and training volunteers to be able to respond to emergency events.
- Reduction, mitigation of potential problems.
- Response, coordinating response to emergency events
- Recovery, managing the community recovery after a civil defence emergency

Why we do it

It is a statutory function for regions to establish Civil Defence Emergency Management Groups (CDEM) and to adopt a Civil Defence Emergency Management Plan. The Council operates as part of the regional CDEM group and CDEM plan.

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2009/10	Target 2009–2011	Target 2012–2019
Residents Health & Safety	Response systems tested	Number of exercises held per year	Monitoring of these measures will be achieved through the management reports at Council's monthly meetings.	Ru Whenua exercise took place on 18th September, combined with West Coast Shake Out. Lifelines exercise was held in May 2010 testing responses and coordination of lifelines agencies.	2	2
		Number of volunteers	Persons named in Standard Operating Procedures	50	50	50
		Number of school visits / community group visits	Management reports at Council monthly meetings	12 Offer made to all schools when distributing CDEM info.	12	12
		Standard Operating Procedures, (SOP's), documents are reviewed annually and signed off	Latest signed documents held on file	The SOP for Hokitika was reviewed and signed off by 30 June 2010. Franz Josef SOP is currently under review, in conjunction with Franz Inc; and will be signed off when completed.	100%	100%
Residents Quality	Civil Defence plans are in place	Plans updated annually and on Council website	Reports to Regional Civil Defence Emergency Management group	Up to date plan on Website	Plan on Website	Plan on Website
		% residents that believe they are prepared for a civil defence emergency	*Survey	64% of residents reported that they were prepared for a civil defence emergency.	50%	70%

*While the survey was carried out early in the 2009/10 year, we believe that the results are relevant for the full year because there were no major changes to levels of service during the financial year. The major changes we identified were staff turnover or procedural changes, neither of which occurred in the 2009/2010 year.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	The Civil Defence (CD), activity aims at protecting community health and well being at times of CD emergencies.
Economy	The activity aims to make the economy of Westland more resilient to CD emergencies
Environment	This activity includes protection and recovery of the built and natural environment during and after an emergency
Safety	The safety of people in CD emergencies is paramount to this activity,
Education	Public education is a key component of this activity, through schools, community groups and workplaces

Financial Performance

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	0	0	0
General Rates	43,328	43,328	33,720
Vested Assets	0	0	0
Other Income	1,663	1,000	1,539
Total Operating Revenue	44,991	44,328	35,259
Operating Expenditure			
Expenditure	39,634	44,156	35,259
Interest	0	0	0
Depreciation	856	172	169
Total Operating Expenditure	40,491	44,328	35,428
Operating Surplus/(Deficit)	4,500	0	(169)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	4,500	0	(169)
	4,500	0	(169)
Capital Expenditure			
New assets	2,481	0	0
Renewals assets	0	0	8,267
Debt Repayment	0	0	0
Capital and Debt Repayment	2,481	0	8,267
Vested assets	0	0	0
Operating Deficit	0	0	169
Transfers to Reserves	2,019	0	0
Total Funding Required	4,500	0	8,436
Funded by:			
Operating Surplus	4,500	0	0
Funding from Accumulated Depreciation	0	0	8,267
Loans raised	0	0	0
Reserves	0	0	169
Total Funding Applied	4,500	0	8,436

RURAL FIRE

What we do

The Council reduces the likelihood and consequences of rural fire in the District by

- Preventing fires through education, management of hazards and risks, enforcement and administration.
- Maintaining a level of preparedness which complies with the legislation and meets recognised national standards.
- Responding to out of control fires in the Council Rural Fire Zone with the objectives of minimising loss of human life, and minimising fire damage to property, land, vegetation and cultural and environmental values.
- Assisting with the recovery of fire fighters, property owners and the environment, (where practicable), from the adverse impacts of fire and fire suppression activities.

Why we do it

There is a statutory obligation to carry out this activity (Forest and Rural Fires Act) and to undertake the duties of Rural Fire Officer.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome	Measure
Safety	By preventing wild fires in the rural area. By suppressing wild fires in the rural area	Number of fires Hectares burnt
Environment	By educating the public about rural fire danger and the need for fire permits, by preventing and suppressing fires	Hectares burnt
Identity	West Coast Rural Fire Region- all districts working together to achieve rural fire objectives for the West Coast region	Number of Board meetings per year

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2009/10	Target 2009–2011	Target 2012–2019
All residents rural landowners Health & Safety	Rural fires are responded to	Number of Callouts	Number of fires per annum.	2	2	1
		Number of hectares affected	Number of hectares burnt per annum	<1 Taramakau Beach in driftwood and Kumara Straight on private land	6	3
	The public is aware of the need to get a fire permit	Number of permits issued	Number per year	192	200	200
Reliability	Plant and equipment is kept up to date so fire can be effectively fought	Equipment complies with NRFA audits	Compliance	See below	100%	100%
	Provide training for volunteers and rural fire officers.	Number of training sessions is at least 2 per year	Number of NZQA credits achieved per year	Training is managed by the Zone Controller employed by Council. Eight Westroads and two Council staff have obtained NZQA Unit Standard 3285 – Knowledge of protection of personal safety at vegetation fires. 10 credits achieved. 2 training sessions were conducted during the year.	10	10

Report of audit carried by NRFA in June 2009 shows some areas of non compliance which are being addressed. A full Performance Assessment Criteria audit of the West Coast Rural Fire District was carried out by National Rural Fire Authority staff during November.

This identified a number of areas for improvement and shows a decline in standards of equipment. These matters are being addressed by the Rural Fire District before a re-audit is carried out later this year.

Financial Performance

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	8,034	8,063	0
General Rates	60,097	60,097	28,406
Vested Assets	0	0	0
Other Income	425	0	8,891
Total Operating Revenue	68,556	68,160	37,297
Operating Expenditure			
Expenditure	43,308	46,079	37,297
Interest	0	0	0
Depreciation	15,071	14,018	15,122
Total Operating Expenditure	58,379	60,097	52,419
Operating Surplus/(Deficit)	10,177	8,063	(15,122)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Restricted reserve	10,177	8,063	(15,122)
	10,177	8,063	(15,122)
Capital Expenditure			
New assets	0	0	0
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	0	0	0
Vested assets	0	0	0
Operating Deficit	0	0	15,122
Transfers to Reserves	10,177	8,063	0
Total Funding Required	10,177	8,063	15,122
Funded by:			
Operating Surplus	10,177	8,063	0
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	0	0
Reserves	0		15,122
Total Funding Applied	10,177	8,063	15,122

TRANSPORTATION

What we do

The major part of Council's transportation activity is to ensure the safe, efficient and sustainable maintenance, operation, renewal and upgrading of the roads and bridges. This activity covers the following:

- Funding and administration of performance based contract for maintenance of the roading asset
- Programme of roading renewals funded and contracted out.
- Programme of seal extensions, safety improvements and road reconstruction works funded and contracted out.
- Strategy and programme of works to improve walking and cycling network, as part of regional strategy.
- Ongoing programme of maintaining, improving and constructing new footpaths.
- Funding and support for road safety education programmes in Westland, on all roads.
- Funding and support for passenger transport services
- Administrative support for Total Mobility scheme
- Maintenance of the Jackson Bay Wharf

Why we do it

Council is defined as a road controlling authority under the Local Government Act 2002 and must comply with key transport management legislation.

Council has the core function of providing a transport network that is accessible for all people within the district in conjunction with the other transportation agencies.

The Westland District roading network encompasses and requires:

- Ownership or agreed use of land under roads.
- Road pavements and surfacings to provide a carriageway for the safe movement of people and goods.
- Culverts, water tables and a stormwater system to provide drainage.
- Signs, barriers and pavement markings to provide road user information and safe transport.
- Bridges to carry traffic over waterways.
- Footpaths, walkways and cycle-lanes to transport pedestrians and cyclists.
- Street lighting to provide safe and comfortable movement of vehicular and pedestrian traffic at night.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	By providing reliable transportation facilities and services, which meet accepted quality standards.
Safety	By providing safe transportation facilities and services which minimise road deaths and injuries as far as possible
Economy	By supporting economic growth and development through adequate provision of transportation networks. By completing approved capital expenditure within budget. By ensuring that any disruption to transportation services are remedied as quickly as possible to minimise disruption to the Westland economy, particularly impacts on tourism and farming.
Environment	By ensuring that maintenance and upgrading of the transportation network is carried out with minimal adverse affects on the environment. By having resource consents in place which are required to meet accepted environmental standards under the Resource Management Act and associated plans.

Service Levels and Performance Measures

Customer Group	Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2009/10	Target 2009-2011	Target 2012-2019
Health Safety Economy Identity/ Environment		Maintain the district's roads to a standard appropriate to their use, traffic volume and community expectations.	Roading Survey data for Westland roads compares favourably with the national average.	RAMM ¹ condition rating and roughness survey data.	Smooth Travel Exposure ² for *Westland roads is 96% in 2008/09. The national average was 85.8% in 2008/09.	≥ national average	≥ national average
					*4.5% of Westland's network >150 NAASRA ³ counts in 2008/09. The national average is 9.1% for 2008/09	≤ national average	≤ national average
					*The Pavement Integrity Index ⁴ for Westland roads in 2008/09 was 94.5%. The national average was 93.7% in 2008/09..	≥ national average	≥ national average
					*The Surface Condition Index ⁵ for Westland was 98.5% in 2008/09 compared to the national average of 97.7% in 2008/09.	≥ national average	≥ national average
*NZTA requires that the RAMM condition rating and roughness survey is carried out every two years. Professional Services staff are satisfied that the results of the survey are still relevant in 2009/10 because no significant events such as flooding or earthquakes have significantly changed the roading network since the last survey in 2008/09.							
			Audits of the roading network undertaken by NZ Transport Agency confirm that the roading network is of satisfactory condition	NZ Transport Agency Technical Audit Reports.	The last technical audit of Westland roads was conducted in September 2006 ⁶ . It concluded that the "level and quality of the roading maintenance carried out is realistic and acceptable" and "there is real progress towards achieving least-cost long-term maintenance".	Satisfactory condition	Satisfactory condition
			30 kilometres of sealed roads have waterproof sealing applied per year	The resealing contract documents, contract claims and RAMM records	Reseal contract let to Fulton Hogan Limited. Work is 100% complete for 09/10. 26.5 km were sealed ⁷ .	30 kms per annum	30 kms per annum
Health Safety Economy Identity/ Environment		To provide good quality streetlights	Reduce the percentage of sub-standard streetlights by 2% per year	Streetlight condition rating survey to be undertaken every 2 years. (First survey programmed for 2009/10)	Survey in the process of being completed for the 2010/2011 year. Lack of staff resources prevented the work from being done in the 2009/10 year, therefore a consultant is being selected to complete the work by 30 June 2011.	2%	2%
Health Safety Economy Identity/ Environment		To provide good quality kerb and channel in urban areas.	Reduce the percentage of the kerb and channel asset with defects to: 3.0% 2009-2011 2.0% 2012-2019	RAMM condition rating surveys which are undertaken every 2 years.	The kerb and channel asset has less than 4.5% with defects as at 2008/09 condition rating. *See note above.	≤3%	≤2%
Health Safety Economy Identity/ Environment		To provide good quality footpaths in all urban areas.	Reduce the percentage of footpaths defined in the Footpath Asset Management as having a work priority in excess of medium/high to less than 3%. 6% 2009-2011 3% 2012-2019	Condition rating undertaken every 2 years as part of the Asset Management Plan review	Currently 10% of the footpaths in Westland District exceed the medium/high work priority. However the condition rating has been deferred to 2010/11, due to staff availability to complete the work.	6%	3%

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2009/10	Target 2009-2011	Target 2012-2019
Health Safety Economy Identity/ Environment	Increase the amount of sealed roads within the total roading network (currently 406 km)	Seal an additional 1 kilometre of sealed roads each financial year.	Council's annual report, contract documentation and contract as-built plans.	Not commenced. Surveys all complete and Opus International Consultants designs completed in conjunction with Professional Services Staff. NZTA R – Funding criteria changed so projects identified in the LTCCP were no longer eligible for funding. A decreased level of service as compared to what was planned for in the LTCCP, due to lack of funding.	1 km	1 km
Health Safety	Ensure that all bridge assets are safe and well maintained.	All bridges are capable of carrying Class 1 loads	Council's Bridge Inspection Report which is undertaken every 2 years. (The last inspection report was completed in March 2009.)	The Council has 269 Bridges in the District; presently all without weight restrictions limiting their capacity to below Class 1. Council staff routinely check bridge condition and are satisfied that the results of the inspection report are still valid.	100%	100%
		Records are monitored to ensure all bridge structures are regularly inspected for future works maintenance under the road maintenance contracts	Council's Bridge Inspection Report which is undertaken every 2 years. (The last inspection report was completed in March 2009.)	The last inspection and reporting was completed in March 2009 and found that "overall the bridge stock is in a sound condition and is being maintained in a manner consistent with accepted Local Authority rural bridge standards". Inspections are programmed and carried out every 2 years. See above for validity of inspection report.	100%	100%
	Support the West Coast Road Safety Co-ordinating Committee to promote a positive road safety culture.	The number of road crash fatalities to be less than 4 per year. < 4 2009-2011 < 2 2012-2019	NZ Transport Agency Crash Analysis System and annual statistics and reporting.	There was 1 fatal crash on Westland roads during the year ended 31 December 2009. The NZTA Crash Analysis System provides this information per calendar year.	Less than 4	Less than 2
Jackson Bay Wharf						
Health Safety Economy Identity/ Environment	Jackson Bay Wharf is available to commercial and recreational users.	Maintain Jackson Bay Wharf within the approved budget and response to complaints within 10 working days.	Financial data Complaints	No complaints.	Within budget Respond to complaints within timeframe.	Within budget Respond to complaints within timeframe.

- ¹ Road Assessment and Maintenance Management database. This is a computer based system which combines information from field surveys and office records to provide statistical data, road maintenance information, road maintenance priorities and estimates of maintenance costs.
- ² Smooth Travel Exposure measures the proportion (%) of vehicle kilometres travelled in a year that occurs on "smooth" sealed roads and indicates the quality of ride experienced by motorists. The higher the value is the better the quality is.
- ³ Road roughness is measured by a system developed by the former National Association of Australian State Roading Authorities (NAASRA). Values are obtained by a special-purpose vehicle travelling down both outside lanes of the length of the road. The rougher the road, the higher the NAASRA counts per lane km. A NAASRA count over 150 typically indicates a road that is becoming a concern in terms of roughness and the number of complaints likely to be generated.
- ⁴ Pavement Integrity Index is a combined index of the pavement faults in sealed road surfaces. It is a weighted sum of the pavement defects divided by the total lane length. The higher the number is the greater the pavement integrity is.
- ⁵ Surface Condition Index is a combined index of the surface faults in a sealed surface. It combines alligator cracking, scabbing, potholes, pothole patches and flushing. The higher the number is the better the condition is.
- ⁶ The last Technical Audit by NZTA was 2006. These audits are undertaken every four years. This is dependent on how NZTA perceive how Council is performing, this is done by comparing Westland to other local authorities.
- ⁷ 30 kms is not a fixed target, it is dependent on what road surfaces require sealing at what time, in the 2009/2010 year 30 was not required. Factors which affect the amount of resealing include the condition rating of the pavement via the rating and roughness surveys completed every two years, any complaints by road users to Council, the pavements road history, the results of any on-site investigation and current contract pricing.

Financial Performance

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	0	0	0
General Rates	1,371,262	1,371,262	1,342,474
Vested Assets	1,132,360	500,000	236,705
Other Income	2,986,135	4,026,190	2,988,041
Total Operating Revenue	5,489,757	5,897,452	4,567,220
Operating Expenditure			
Expenditure	1,344,182	2,237,452	2,163,129
Interest	0	0	0
Depreciation	2,566,388	2,304,698	2,530,247
Total Operating Expenditure	3,910,570	4,542,150	4,693,376
Operating Surplus/(Deficit)	1,579,187	1,355,302	(126,156)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	0	0	0
Depreciation Not Funded (Retained earnings)	(504,698)	(504,698)	(126,156)
Funding for Capital Projects	2,083,885	1,860,000	0
	1,579,187	1,355,302	(126,156)
Capital Expenditure			
New assets	1,260,800	1,580,000	405,285
Renewals assets	1,365,867	1,800,000	1,525,396
Debt Repayment	0	0	0
Capital and Debt Repayment	2,626,666	3,380,000	1,930,681
Vested assets	1,132,360	500,000	236,705
Operating Deficit	0	0	0
Transfers to Reserves	0	0	0
Total Funding Required	3,759,026	3,880,000	2,167,386
Funded by:			
Operating Surplus	2,083,885	1,355,302	0
Funding from Accumulated Depreciation	1,675,141	1,800,000	2,167,386
Loans raised	0	0	0
Reserves	0	724,698	0
Total Funding Applied	3,759,026	3,880,000	2,167,386

Operating revenue was \$5,489,757 compared to a budget of \$5,897,452, as no R-Funding was approved, due to a criteria change by government. Vested Assets income was higher than budgeted since actual infrastructure vested with Council was valued at \$1,132,000.

Operating expenditure was less compared to last year because more of the road work was recognised as lengthening the life of the asset and was therefore capitalised. Depreciation was \$2,566,388 compared to a budget of \$2,304,698. A revaluation of Council's infrastructure took place after the finalisation of the 2009/19 LTCCP. The revaluation increased the Roading Network by nearly \$20,000,000. This had a knock on effect with depreciation, which was higher than budget by over \$260,000.

As mentioned previously, without R-Funding, the capital projects in the LTCCP cannot proceed. This is the reason that capital expenditure is below budget.

THREE WATER SERVICES

WATER SUPPLY, WASTEWATER AND STORMWATER

What we do

Provide water supply, wastewater and stormwater services to the townships of the District.

Why we do it

- To ensure the protection of public health and the environment
- To provide for the economic wellbeing of the District

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	By providing reliable water supply, wastewater, and stormwater systems which meet accepted health standards
Safety	By providing reliable water supply, wastewater, and stormwater systems which meet accepted health standards
Economy	By supporting economic development through adequate provision of the three water service By completing approved capital expenditure within budget
Environment	By providing reliable water supply, wastewater, and stormwater systems which meet accepted environmental standards under the Resource Management Act and associated plans

Service Levels and Performance Measures

Water

The performance targets are for each year in the target date range unless stated.

Customer Group	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2009/10	Target 2009–2011	Target 2012–2019
Core Value						
Health	Supply water to consumers to meet their needs by providing a continuous 'on-demand' supply of potable water to serviced areas	Water supply interruptions restored within 12 hours of notification	Response time to restore water supply	The system for recording interruptions was not complete for the entire year but is in the process of being improved. There were 13 breakdowns in total for 2009/10. 8 were confirmed as restored within 12 hours, however information was not available for the remaining 5.	100%	100%
Safety		100% of pump failures responded to within 5 hours of alarm	Response time to restore pump failure	No instances of alarm	100%	100%
Economy		At least 24 hours notice of planned shutdowns given to affected customers	Notification to customers	100% of affected residents and businesses notified of planned shutdowns	100%	100%
Environment		Less than three burst water mains or leaks per 10 kilometres of pipeline per annum	Number of bursts or leaks	No bursts or leaks reported.	Less than 3 instances	Less than 3 instances
		100% compliance with NZ Fire Service Code of Practice for all reticulation and storage upgrades	Fire sprinkler system flow and pressure	94% of fire hydrants comply	96%	98%
		No water restrictions are imposed	Number of water restrictions imposed	3 water restrictions were imposed, due to a lack of rain, plant malfunction & Westland Milk Products usage	100%	100%

	Customer Group		Performance Measure	Information we will use to measure success	Current Performance		Target 2012–2019
	Core Value	Level of Service			2009/10	Target 2009–2011	
INTRODUCTION			A minimum of 24 hours water storage available at peak demand by achievement of water storage projects in LTCCP 2009-2019	Number of hours water storage available	Currently when our reservoirs are 100% full and Westland Milk Products (WMP) is at peak production, the Hokitika water supply has only 5 hours storage if there is any significant loss of inflow. If reservoirs are 100% full and WMP is not in production there is 10 hours storage.		
					Project will be completed by and thereafter 100% achievement:		
DISTRICT REPRESENTATIVES & STAFF					Hokitika reservoir 1		2010-2011
					Hokitika reservoir 2		2013-2014
FINANCIAL STATEMENTS					Hokitika reservoir 3		2015-2016
					Arahura reservoir		2015-2016
					Fox Glacier reservoir		2013-2014
STATEMENTS OF SERVICE PERFORMANCE	Health Safety Economy Environment	Provide safe, potable water to residents and ratepayers by maintaining, upgrading and building Council supplied water schemes to comply with Drinking Water Standards New Zealand	Achievement of water treatment programme in LTCCP 2009-2019 to ensure compliance with Drinking Water Standards NZ	Completion of water treatment programmes as per the 2009-2019 LTCCP	<p>Harihari water treatment plant is commissioned. The mains and reservoir have been cleaned with chlorine and the "boil water" notice uplifted.</p> <p>Ministry of Health subsidy applications made in March 2009 for treatment of Ross and Hannah's Clearing water supplies were successful. Design is underway for these schemes.</p> <p>Hannah's Clearing water treatment is currently a Work in Progress. Ross water treatment plant is anticipated to be completed by 30 June 2011. Hannah's Clearing water treatment project design will be completed by 30 June 2011 however implementation will dependent on cost and if the project is affordable to the community.</p> <p>Data is being collected for Hokitika and Harihari. Data from twelve months of continuous water moving through the plant will not be available until the 2010/11 year.</p> <p>Projects will be completed by and thereafter 100% achievement:</p>		
					Haast		2011-2012
DISTRICT ASSETS					Franz Josef		2012-2013
					Fox Glacier		2012-2013
REPORT OF THE AUDIT OFFICE					Kumara water treatment		2012-2013
					Arahura water treatment.		2014-2015
			Water quality tested in accordance with Drinking Water Standards and reported to Council	Water quality test results	Testing was performed with 100% compliance with Drinking Water Standards. Hokitika and Harihari are the only facilities currently treated to Drinking Water Standards. Currently none of the other plants are up to treatment standards. See above for the project timeline.	100%	100%
					<p>For the year to 30th June 2010:</p> <p>Kumara = 85%</p> <p>Arahura = 100%</p> <p>Ross = 42%</p> <p>Harihari = 93%</p> <p>Whataroa = 100%</p> <p>Franz Josef = 100%</p> <p>Fox Glacier = 100%</p> <p>Haast = 100%</p> <p>Hannah's = 25%</p> <p>Kaniere = 0% no testing performed</p>		
	Health Safety Environment	Provide prompt response to customer service requests	Requests for service responded to within 5 working days	Response time to customer requests	20 Service requests were received during the 2009/10 year and all were completed with the timeframe.	100%	100%
			New connections installed within 15 working days of request	Time taken to install new connections	5 new connections were installed within the timeframe.	Within timeframe	Within timeframe

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2009/10	Target 2009–2011	Target 2012–2019
Health Safety Environment	Wastewater is removed from properties by providing reliable reticulated sewerage systems to serviced areas	90% of disruptions rectified within 12 hours of notification	Number of disruptions rectified within time frame	100% of all disruptions were rectified within the specified timeframe.	90%	90%
		Less than three sewer main blockages occur per year	Number of blockages occurring per year	9 blockages were reported. This was due to fat in sewer pipes. Sources of fat under investigation and a Waste Water Bylaw has been proposed and will be subject to a Special Consultative Procedure.	Less than 3 blockages	Less than 3 blockages
		Customers affected by planned interruptions are notified at least 24 hours in advance	Notification given to customers	No planned interruptions for the financial year.	100%	100%
		Overflows of wastewater do not occur due to stormwater infiltration or pump failure	By investigating sources of stormwater infiltration and serving notice on offending property owners. Note: A new Council Bylaw may be required to achieve success.	Achieved. 3 Overflow instances in the 2009/10 year.	Less than 5 instances	Less than 5 instances
		Overflows due to pump failure responded to within 5 hours of alarm or other notification	Response time to alarm notification	Achieved. There were 6 instances of overflow due to pump failure all responded to within timeframe.	100%	100%
Health Safety Economy Environment	Compliance with Resource Management Act by maintaining upgrading and providing waste treatment facilities	100% compliance with conditions on resource consents for discharge to environment by undertaking capital works as per the 2009-2019 LTCCP	Completion of wastewater treatment programmes as per the 2009-2019 LTCCP	Not achieved. Investigations underway to determine optimum means of desludging/upgrading oxidation ponds	100%	100%
Health Safety Environment	Provide prompt response to customer service requests	Requests for service responded to within 5 working days	By the Council and contractors having systems in place for responding to customer service requests.	7 service requests were lodged for 2009/10, all were responded to within 5 working days.	100%	100%
		New connections installed within 15 working days of request	By the Council and contractors having systems in place for responding to customer service requests.	3 new connections were installed within the timeframe.	100%	100%
Health Safety Economy Environment	Provide reticulated wastewater schemes to communities that have health, social & economic needs for such a scheme	Obtain a high level of subsidy from the Ministry of Health for a wastewater scheme to be affordable to local community for the capital works programme in LTCCP 2009-2019 to be completed	Level of subsidy received from Ministry of Health subsidy for new wastewater schemes in Arahura, Kumara & Ross	50% subsidy obtained was obtained for the Ross Sewerage Scheme. This did not meet the required amount of 90% to make it affordable to the community.	90%	90%

Stormwater

Customer Group	Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2009/10	Target 2009-2011	Target 2012-2019
Health Safety Economy Environment		Flooding of properties is avoided by providing reliable reticulated stormwater systems to serviced areas	No flooding above occupied floor level in rainfall or flood events of less than a 50 year return period	Number of properties flooded	No flooding above occupied floor level in rainfall or flood occurred in the 2009/10 year.	100%	100%
			Less than five street closures due to flooding per year	Number of streets closed per year	Achieved. One street was closed during 2009/2010.	Less than 5 closures	Less than 5 closures
			No flooding of private properties in rainfall events of less than 2 year return period.	Number of properties flooded	No flooding of private properties in rainfall events occurred in the 2009/10 year.	100%	100%
			Achievement of capital works programme in LTCCP 2009-2019 to avoid private properties flooding	Completion of Hoffman Street mains extension as per LTCCP 2009-2019	Hoffman Street, Stormwater Pump was installed. at a cost of \$174,500.	100%	100%
FUTURE PROJECTS:							
				Completion of Rolleston Street pump station as per LTCCP 2009-2019	Programmed for 2010/11.	100%	N/A
				Completion of Jollie Street mains extension as per LTCCP 2009-2019	Programmed for 2011/12.	N/A	100%
				Completion of Weld Street mains extension as per LTCCP 2009-2019	Programmed for 2012/13.	N/A	100%
			Less than 3 stormwater pump failures occur per year	Number of pump failures	No pump failures occurred in 2009/2010.	Less than 3 failures	Less than 3 failures
Health Safety Economy Environment			Blockages cleared within 1 hour of reporting in Hokitika and 5 hours in other townships.	By responding to reports of pipe blockages and surface flooding	10 blockages occurred in 2009/2010. Response within the timeframe.	100%	100%
			Surface flooding responded to within 2 hours of report.	By responding to reports of surface flooding	The one instance of flooding was responded to within the timeframe.	100%	100%
			Complaints replied to within 5 working days with advice on solution to flooding and programme.	By responding to general complaints about flooding	18 service requests were received and all were responded within the timeframe.	100%	100%
			Provide prompt response to customer service requests	New connections installed within 15 working days of request.	By the Council and contractors having systems in place for responding to customer service requests.	7 new connections were installed in 2009/2010. All were installed in 15 working days.	100%

Financial Performance

Water Supply

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	1,435,016	1,490,581	1,233,823
General Rates	0	0	9,141
Vested Assets	0	0	0
Other Income	111,188	762,000	41,199
Total Operating Revenue	1,546,204	2,252,581	1,284,163
Operating Expenditure			
Expenditure	1,121,595	878,318	974,814
Interest	0	172,283	0
Depreciation	623,939	503,575	424,410
Total Operating Expenditure	1,745,535	1,554,176	1,399,224
Operating Surplus/(Deficit)	(199,331)	698,405	(115,061)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(133,236)	0	0
Depreciation Not Funded (Retained earnings)	(66,095)	(66,095)	(115,061)
Funding for Capital Projects	0	764,500	0
	(199,331)	698,405	(115,061)
Capital Expenditure			
New assets	982,563	1,265,000	3,942,162
Renewals assets	121,440	120,000	343,843
Debt Repayment	0	135,925	0
Capital and Debt Repayment	1,104,003	1,520,925	4,286,005
Vested assets	0	0	0
Operating Deficit	199,331	0	115,061
Transfers to Reserves	0	0	0
Total Funding Required	1,303,334	1,520,925	4,401,066
Funded by:			
Operating Surplus/(Deficit)	0	698,405	0
Funding from Accumulated Depreciation	121,440	375,925	309,349
Loans raised	0	380,500	0
Reserves	1,181,894	66,095	4,091,717
Total Funding Applied	1,303,334	1,520,925	4,401,066

Total operating income was \$1,546,204 compared to a budget of \$2,252,581. The reduced income was due to Ross and Hannah's Clearing water treatment subsidies not being received in the 2009/10 financial year.

Total operating expenditure was \$1,745,535 compared to a budget of \$1,554,176, the main reason for this variance is a pump failure at the Hokitika site at a cost of over \$90,000, which was recovered through insurance.

Capital expenditure is \$416,922 less than budget. The most significant capital expenditure was Hokitika mains replacement at a cost of \$101,037 and completion of the Harihari water treatment plant from the 2005/2006 Annual Plan at a cost of \$824,936.

Waste Water

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	453,437	477,909	342,271
General Rates	0	0	0
Vested Assets	0	0	0
Other Income	57,343	105,500	106,378
Total Operating Revenue	510,780	583,409	448,649
Operating Expenditure			
Expenditure	476,345	351,738	330,837
Interest	0	1,584	0
Depreciation	344,655	200,087	211,718
Total Operating Expenditure	820,999	553,409	542,555
Operating Surplus/(Deficit)	(310,219)	30,000	(93,906)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(310,219)	0	0
Depreciation not Funded (Retained Earnings)	0	0	(93,906)
Funding for Capital Projects	0	30,000	0
	(310,219)	30,000	(93,906)
Capital Expenditure			
New assets	401,277	130,000	50,029
Renewals assets	0	0	77,273
Debt Repayment	0	1,250	0
Capital and Debt Repayment	401,277	131,250	127,302
Vested assets	0	0	0
Operating Deficit	310,219	0	93,906
Transfers to Reserves	0	0	0
Total Funding Required	711,496	131,250	221,208
Funded by:			
Operating Surplus	0	30,000	0
Funding from Accumulated Depreciation	401,277	51,250	117,812
Loans raised	0	50,000	0
Reserves	310,219	0	103,396
Total Funding Applied	711,496	131,250	221,208

Operating expenditure was over budget mainly due to higher depreciation as result of the 30 June 2009 revaluation of infrastructure. Overhead allocations to this activity is also quite high due to the staff resources required for the activity. Monitoring expenses were also above budget due to the extra samples required for the Regional Council.

The most significant variance in capital expenditure relates to new mains and pump at Franz Josef at a cost of \$160,159. This project was scheduled in the LTCCP for 2013/2014 but had to be moved forward to the 2009/2010 year as new facilities were being established in Franz Josef i.e. the St Johns Headquarters.

Storm Water

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	0	0	212,614
General Rates	410,739	410,739	0
Vested Assets	0	0	0
Other Income	403	0	16,761
Total Operating Revenue	411,142	410,739	229,375
Operating Expenditure			
Expenditure	177,520	131,460	88,713
Interest	0	4,753	0
Depreciation	301,149	274,526	285,713
Total Operating Expenditure	478,669	410,739	374,426
Operating Surplus/(Deficit)	(67,527)	0	(145,051)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(67,527)	0	(145,051)
	(67,527)	0	(145,051)
Capital Expenditure			
New assets	345,852	190,000	97,939
Renewals assets	0		42,723
Debt Repayment		3,750	0
Capital and Debt Repayment	345,852	193,750	140,662
Vested assets	0	0	0
Operating Deficit	67,527	0	145,051
Transfers to Reserves	0	0	0
Total Funding Required	413,379	193,750	285,713
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	345,852	43,750	285,713
Loans raised	0	150,000	0
Reserves	67,527	0	0
Total Funding Applied	413,379	193,750	285,713

Actual operating expenditure was \$67,930 more than budget. This is due to actual depreciation being higher than budgeted which is directly associated with the 2009 revaluation of infrastructure and higher than budgeted capital expenditure. Higher than anticipated costs in overheads (\$33,366 above budget) ,were recorded as a result of the resources required for this activity.

Capital expenditure was \$155,852 higher than budgeted. This was due partially to the Hoffman Street Pump station at a cost of \$174,498, (which was scheduled in the 2009/2019 LTCCP at a cost of \$150,000). This project went over budget because the piping required was larger than originally specified and there were minor alterations at commissioning to get the pump station to perform more efficiently.

There was also the completion of District renewals at a cost of \$170,429 (budget \$181,757 in 2008/09 Annual Plan) which were accounted for in work in progress in the 2008/09 financial year..

WASTE MANAGEMENT

SOLID WASTE

This activity plan encompasses the business plan for Waste and the Summary of the Waste Management Plan

What we do

The Council manages solid waste across Westland District, including waste and recycling collection in the northern part of the District and the provision of transfer stations and disposal sites, serving all townships. Some small rural settlements are provided with waste/recycling trailers.

Why we do it

The Council is responsible, under the Local Government Act 2002, for encouraging efficient and sustainable management of solid waste. The Council must have a plan in place for the management of solid waste which integrates reduction, re-use, recycling and recovery of waste, with treatment or disposal of the remaining waste.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	Provision of safe well maintained facilities for refuse disposal and recycling. Collection of refuse and recyclables from households and businesses in the northern part of the District.
Environment	Part of this activity is the prevention of illegal disposal (fly tipping) of waste to the environment
Education	This activity includes education, through schools, community groups and various media, on waste minimisation.
Safety	Provision of safe facilities for refuse disposal and recycling.

Service Levels and Performance Measures

CustomerGroup Core Value	Level of Service	Performance Measure	Information we will use to measuresuccess	Current Performance 2009/10	Target 2009–2011	Target 2012–2019
Waste collection customers Reliability	Fortnightly Council bag collection	Customer satisfaction	Number of complaints	28 complaints Received regarding non collection (12:2009) which was an increase of 130%.	Reduce complaints by 10% pa	Reduce complaints by 10% pa
Recycling collection customers Reliability	Fortnightly collection of specified recyclables	Customer satisfaction	Number of complaints	No complaints were received.	No more than 20 complaints recorded pa	No more than 20 complaints recorded pa
Refuse and recycling centre users Accessibility, Health and Safety, Reliability	Sites open to the public at specified hours and good service provided	Customer satisfaction	Number of complaints	No complaints received.	No complaints	No complaints
Consent agencies – Sustainability	Adverse effects on the Environment are minimised	100% compliance with conditions of resource consents and monitoring requirements	Regional Council reports on District	No notices of non compliance were received	No notices received	No notices received
Community Sustainability	Adverse effects on the Environment are minimised	Waste to be diverted from landfill from recycling	Tonnes recycled	Weighbridge was operational in January 2009. For the first six months to June 2009, 274.6 tonnes of recycling was weighed. Comparing the six months between January 2010 to 30 June 2010, 503.9 tonnes was weighed, for an increase of 84% for the similar period.	Increase by 5% pa	Increase by 5% pa
Education	Visit Schools & Community groups for education about waste minimisation.	Number of visits to schools and community groups	Monthly reports to Council	7 Visits were achieved by the Waste and Resources Officer	Visits to 6 Schools and 3 Community Groups each year	Visits to 6 Schools and 4 Community Groups each year
Safety	Provide facilities that are safe for the public to use	Complaints from users about facilities being unsafe	Council complaints register	No complaints received.	Less than 4 complaints per year	Less than 2 complaints per year
Environment	Encourage the use of waste minimisation techniques within the District.	Reduce tonnage of waste disposed of to District landfills	Tonnage used to calculate levy on waste under Waste Minimisation Act 2008	A 20% reduction in waste to landfill was achieved for the 2009/10 year. For the first six months to June 2009, 1,372.5 tonnes of waste was weighed. Comparing the six months between January 2010 to 30 June 2010, 1,099.1 tonnes was weighed.	Reduce tonnage by 10% per annum	Reduce tonnage by 10% per annum

Financial Performance

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates (collection)	245,700	245,700	0
Targeted Rates	627,103	622,241	621,456
Vested Assets	0	0	0
Other Income	55,505	0	146,501
Total Operating Revenue	928,308	867,941	767,957
Operating Expenditure			
Expenditure	1,081,953	822,125	1,116,221
Interest	0	31,688	0
Depreciation	25,266	14,128	18,033
Total Operating Expenditure	1,107,219	867,941	1,134,254
Operating Surplus/(Deficit)	(178,911)	0	(366,297)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(178,911)	0	(366,297)
Depreciation not Funded (Retained Earnings)	0	0	0
Funding for Capital Projects	0	0	0
	(178,911)	0	(366,297)
Capital Expenditure			
New assets	300,846	1,000,000	60,018
Renewals assets	0	0	61,074
Debt Repayment	0	25,000	0
Capital and Debt Repayment	300,846	1,025,000	121,092
Vested assets	0	0	0
Operating Deficit	246,464	0	366,297
Transfers to Reserves	0	0	0
Total Funding Required	547,310	1,025,000	487,389
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	0	25,000	18,033
Loans raised	300,846	1,000,000	0
Reserves	246,464	0	469,356
Total Funding Applied	547,310	1,025,000	487,389

Other income was more than budget due to successful grant applications for waste minimisation.

Actual operating expenditure was \$298,208 higher than budget. This is due to higher than anticipated costs for contractors with an actual expense of \$568,337 compared to a budget of \$355,931. Additional callouts were required including emptying bins during the tourist season and these were charged at a higher day works rate. .

Capital expenditure was budgeted at \$1,025,000, however actual expenditure was only \$300,846, which were for the rural transfer stations with five in total at a cost of \$60,000 each identified in the LTCCP as capital expenditure for the 2009/2010. Butlers Development and the Hokitika Transfer station which were included in the 2009/2010 budget have been started but are not yet completed, and are accounted for in work in progress.

PUBLIC TOILETS

What we do

- Provide users with tidy, functional and accessible toilet facilities
- Provision of public dump stations at Hokitika and Haast which flow into the sewerage treatment plant. There are 3 other public dump stations for campervan waste disposal
- Provision of the changing rooms in Hokitika

Why we do it

Council provides these facilities to protect the health of residents and the environment by avoiding public fouling. The Council provides public toilets that are clean and well maintained, for the community and the travelling public to use.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	Provision of adequately serviced toilets
Economy	Provision of facilities to tourists, visitors and the local community
Environment	No negative effects on the environment.

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2009/10	Target 2009–2011	Target 2012–2019
Visitors Quality	All public toileting facilities are to be clean and safe to occupy.	Complaints are investigated and responded to within one day	Database of customer queries	3 Complaints all responded to within 1 day.	Under 5 complaints per year and responded to within 1 day.	Under 5 complaints per year and responded to within 1 day.
		Satisfaction with toilet facilities	*Residents satisfaction survey	65% of residents are satisfied. 57% of households have used a public toilet in the District in the last 12 months. Of these 77% are satisfied and 18% are not very satisfied.	80%	85%

*While the survey was carried out early in the 2009/10 year, we believe that the results are relevant for the full year because there were no major changes to levels of service during the financial year. The number of toilets have remained the same and were maintained to the same standards.

Financial Performance

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	0	0	0
General Rates	154,831	154,831	145,831
Vested Assets	0	0	0
Other Income	82,325	0	0
Total Operating Revenue	237,156	154,831	145,831
Operating Expenditure			
Expenditure	203,271	63,058	145,831
Interest	0	0	0
Depreciation	10,142	9,759	8,545
Total Operating Expenditure	213,413	72,817	154,376
Operating Surplus/(Deficit)	23,743	82,014	(8,545)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(58,271)	0	(8,545)
Depreciation not Funded (Retained Earnings)	0	0	0
Funding for Capital Projects	82,014	82,014	0
	23,743	82,014	(8,545)
Capital Expenditure			
New assets	122,965	82,014	139,766
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	122,965	82,014	139,766
Vested assets	0	0	0
Operating Deficit	0	0	8,545
Transfers to Reserves	0	0	0
Total Funding Required	122,965	82,014	148,311
Funded by:			
Operating Surplus	82,014	82,014	0
Funding from Accumulated Depreciation	0	0	8,545
Loans raised	0	0	0
Reserves	40,951	0	139,766
Total Funding Applied	122,965	82,014	148,311

Actual other income is MDI funding for the Hokitika Gorge Toilets, which was not budgeted for.

Actual expense was \$203,271 compared to \$63,058 which is due to additional expenses associated with the Hokitika Gorge Toilets. Overheads (actual \$87,012 compared to budget of \$26,486) were the reason for the increase in actual expenditure.

The Hokitika Gorge Toilets were identified as a capital expense in the 2009/2019 LTCCP for the 09/10 year and have been completed at a cost of \$119,026 against a budget of \$82,014. The reason they were over budget is the effluent disposal system was more expensive than anticipated at a cost of \$49,758.

COMMUNITY TOWNSHIP DEVELOPMENT

What we do

- Plan for communities and giving direction to future infrastructure
- Upgrade amenities in communities
- Respond to community initiatives

Why we do it

To provide a mechanism for improvements to the Westland communities and assist in their future growth and development

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	Future needs are defined and planned for.
Safety	Development standards are controlled.
Economy	Future needs are defined and planned for.
Identity	Information is gathered, needs identified and communities clear as to future progress.

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2009/10	Target 2009–2011	Target 2012–2019
Residents Community Involvement	Developing plans according to schedule	Consultation occurs with each plan and projects completed to schedule.	Management reports to Council	Hokitika town centre development well underway. Some consultation has taken place with the Franz and Fox communities. Professional Service Engineering Assistant to meet with the Franz Josef Community.	*Priority List	*Priority List
		Majority of Community satisfied with plans produced	**Community surveys	The external satisfaction survey did not address satisfaction with specific plans produced. 50% of residents surveyed were satisfied with Town Planning, including Planning and Inspection Services As part of the District Plan review, various parties have been asked about their satisfaction with the District Plan. This is a matter for further attention as part of the next survey.	70% Satisfaction	80% Satisfaction
	An Aviation Strategy is produced to provide for aviation activity in Westland that meets the needs of users and the surrounding community.	Consultation completed by 2011. Complete plan by 2019.	A drafted plan with minimal submissions.	Council has yet to resolve to proceed with a strategy.	75%	N/A

* A Priority List of projects for the communities will be developed after consultation with each community and timeframes identified.

** While the survey was carried out early in the 2009/10 year, we believe that the results are relevant for the full year because there were no major changes to levels of service during the financial year. The major changes we identified were staff turnover or procedural changes, neither of which occurred in the 2009/2010 year

Financial Performance

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	0	0	0
General Rates	292,178	292,178	245,476
Vested Assets	0	0	0
Other Income	1,004	0	500
Total Operating Revenue	293,182	292,178	245,976
Operating Expenditure			
Expenditure	210,052	172,335	209,135
Interest	0	0	0
Depreciation	2,438	4,843	2,326
Total Operating Expenditure	212,490	177,178	211,461
Operating Surplus/(Deficit)	80,692	115,000	34,515
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	0	0	0
Depreciation not Funded (Retained Earnings)	0	0	0
Funding for Capital Projects	80,692	115,000	34,515
	80,692	115,000	34,515
Capital Expenditure			
New assets	303,197	170,000	36,841
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	303,197	170,000	36,841
Vested assets	0	0	0
Operating Deficit	0	0	0
Transfers to Reserves	0	0	0
Total Funding Required	303,197	170,000	36,841
Funded by:			
Operating Surplus	80,692	115,000	34,515
Funding from Accumulated Depreciation	0	0	2,326
Loans raised	0	0	0
Reserves	222,505	55,000	0
Total Funding Applied	303,197	170,000	36,841

Total operating expenditure was \$212,490 compared to a budget of \$177,1778. The main cause of this variance was the allocation of overheads for this activity was higher than budgeted due to resources required.

Capital expenditure is \$303,197 compared to \$170,000, giving a \$133,197 difference. The majority of this relates to the concept plan which is over a five year time period. \$25,000 of these expenses relates to Hokitika figurines which relates to the 2008/2009 budget.

FINANCIAL SUMMARY OF PROVIDING ESSENTIALS FOR THE COMMUNITY

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	2,769,291	2,844,494	2,410,164
General Rates	2,332,435	2,332,435	1,805,048
Vested Assets	1,132,360	500,000	236,705
Other Income	3,295,990	4,894,690	3,309,810
Total Operating Revenue	9,530,076	10,571,619	7,761,727
Operating Expenditure			
Expenditure	4,697,858	4,746,721	5,101,236
Interest	0	210,308	0
Depreciation	3,889,905	3,325,806	3,496,283
Total Operating Expenditure	8,587,764	8,282,835	8,597,519
Operating Surplus/(Deficit)	942,312	2,288,784	(835,792)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(733,486)	8,063	(535,184)
Depreciation Not Funded	(570,793)	(570,793)	(335,123)
Funding for Capital Projects	2,246,591	2,851,514	34,515
	942,312	2,288,784	(835,792)
Capital Expenditure			
New assets	3,719,982	4,417,014	4,732,040
Renewals assets	1,487,307	1,920,000	2,058,576
Debt Repayment	0	165,925	0
Capital and Debt Repayment	5,207,288	6,502,939	6,790,616
Vested assets	1,132,360	500,000	236,705
Operating Deficit	823,541	0	744,151
Transfers to Reserves	12,197	8,063	0
Total Funding Required	7,175,387	7,011,002	7,771,472
Funded by:			
Operating Surplus	2,261,270	2,288,784	34,515
Funding from Accumulated Depreciation	2,543,711	2,295,925	2,917,431
Loans raised	300,846	1,580,500	0
Reserves	2,069,560	845,793	4,819,526
Total Funding Applied	7,175,387	7,011,002	7,771,472

PROVIDING LEADERSHIP FOR THE COMMUNITY



GOVERNANCE

What we do

The Council is an elected body of representatives who assist in the running of the District.

Responsibilities of their role include:

- Providing representation of residents views
- Providing leadership in setting priorities and decision making
- Development of policy
- Employment of the CEO
- Provide advocacy to central government for other services and make submissions to central government
- Take an active role in Major Regional Initiative(MRI) and Major District Initiatives (MDI) in association with Development West Coast and advocacy for economic development
- Partnering with other organisations to achieve roles

Why we do it

There is a legal requirement for a Council's existence that enables Council to undertake democratic local decision making on behalf of the community and to promote the social, economic, environmental and cultural well being of communities in the present and for the future.

Consultation with Maori

Westland District Council attends bimonthly meetings with Te Runanga of Makaawhio, the Department of Conservation (DOC) and the West Coast Regional Council. The purpose of these meetings is to provide informal discussion and information sharing between the Runanga, DOC and the Councils about the operations of the regulatory bodies and the effects on values of the runanga. The Council staff present are usually from the Operations or Planning Department as discussions often relate to resource consents or engineering work such as roading. Financially, Council contributes the time and travel of the staff that attend, and have provided a venue and catering on a rotational basis. The liaison meetings have fostered a working relationship with Makaawhio that can then lead to further formal consultation on specific Council matters as required.

It is important to note that Makaawhio is one of two Runanga in Westland. Council would be interested in participating in any similar discussions initiated by Te Runanga o Ngati Waewae.

Service Levels and Performance Measures

Customer Group	Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2009/10	Target 2009–2011	Target 2012–2019
All Residents Community Involvement		Opportunities are provided for involvement in decision-making	Public notification of Council meetings must be at least 10 working days before each meeting.	Adverts placed in local newspapers comply	100% All advertisements placed meet the required standard of within 10 working days before each meeting.	100%	100%
			The Annual Plan and LTCCP must be adopted using the special consultative process, within statutory requirements	Date of Council meeting to adopt annual plan within statutory deadlines.	2010/11 Annual Plan was adopted on 17 June 2010 within the statutory deadline.	100%	100%
		Level of involvement in decision making	At least 80% of residents feel they have some influence on decision-making	Customer Satisfaction Survey	53% of residents are very satisfied/satisfied with the way Council involves the public in the decisions it makes, while 22 % are dissatisfied/very dissatisfied. 22% are neither satisfied nor dissatisfied and 3% are unable to comment. The very satisfied/satisfied reading (53%) is on par with the Peer Group Average and above the National Average.	80%	80%

* While the survey was carried out early in the 2009/10 year, we believe that the results are relevant for the full year because there were no major changes to levels of service during the financial year. The major changes we identified were staff turnover or procedural changes, neither of which occurred in the 2009/2010 year

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Identity	The needs of the community are addressed in a fair and equitable manner
Health	Advocate for the local community. Establish an environment of support and assistance to health providers
Education	Advocate for the local community. Support the implementation of employment and training initiatives that offer improved employment, skill and income opportunity
Safety	Provide administrative support to the Safer Community Council
Environment	Ensure that planning processes enable effective public consultation with an appropriate balance between the natural and built environment. Access central Government funds to support infrastructure development and improvement.
Economy	Ensure that any grants are taken up which would have a positive impact on the Districts economy

INTRODUCTION

DISTRICT REPRESENTATIVES & STAFF

FINANCIAL STATEMENTS

STATEMENTS OF SERVICE PERFORMANCE

DISTRICT ASSETS

REPORT OF THE AUDIT OFFICE

INTRODUCTION	Customer Group	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2009/10	Target 2009–2011	Target 2012–2019
	Core Value						
	All Residents Accessibility	Information is provided to residents and enquiries are responded to promptly	At least 90% of items on the agenda are conducted in open meetings	Review agendas for Council	94% The number of confidential items discussed was 18 compared to 17 in 2009. Items discussed in the open part of the meeting was 294 (220 2009)	90%	90%
			The Annual Report must be adopted within statutory requirements 31st October.	Date of Council meeting to adopt annual report within statutory deadlines.	2009 Annual Report Adopted 2 November 09 (within statutory dates)	100%	100%
DISTRICT REPRESENTATIVES & STAFF			Local Government Official Information & Meetings Act 1987 (LGOIMA) requests are complied with within the statutory deadlines of 20 working days.	Review of requests and written replies	90%. 10 requests were received in the 2009/2010 year with one request not answered within the 20 working days, due to a misplacement, which is now been rectified and all requested are now recorded.	100%	100%

Financial Performance

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	0	0	0
General Rates	609,694	609,694	753,659
Vested Assets	0	0	0
Other Income	19,947	0	30,185
Total Operating Revenue	629,641	609,694	783,844
Operating Expenditure			
Expenditure	689,345	606,608	783,844
Interest	0	0	0
Depreciation	4,364	3,086	4,192
Total Operating Expenditure	693,709	609,694	788,036
Operating Surplus/(Deficit)	(64,068)	0	(4,192)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(64,068)	0	(4,192)
	(64,068)	0	(4,192)
Capital Expenditure			
New assets	2,200	0	9,453
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	2,200	0	9,453
Vested assets	0	0	0
Operating Deficit	64,068	0	4,192
Transfers to Reserves	0	0	0
Total Funding Required	66,268	0	13,645
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	2,200	0	4,192
Loans raised	0	0	0
Reserves	64,068	0	9,453
Total Funding Applied	66,268	0	13,645

Total operating expenditure was \$693,709 compared to a budget of \$609,694. The largest variances in expenses were overheads (resources) with an actual expense of \$235,906 compared to budget of \$194,218 showing a variance of \$41,698, honorarium actual expense of \$218,128 against budget of \$200,000 and subscriptions with an actual expense of \$35,329 compared to budget of \$28,000 resulting in a variance of \$7,329. The difference between 2008/2009 actual expenditure of \$783,844 and 2009/2010 actual expenditure relates to costs associated with LTCCP i.e. the allocation of audit fees, consultants and printing costs.

FINANCIAL SUMMARY OF PROVIDING LEADERSHIP FOR THE COMMUNITY

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Targeted Rates	0	0	0
General Rates	609,694	609,694	753,659
Vested Assets	0	0	0
Other Income	19,947	0	30,185
Total Operating Revenue	629,641	609,694	783,844
Operating Expenditure			
Expenditure	689,345	606,608	783,844
Interest	0	0	0
Depreciation	4,364	3,086	4,192
Total Operating Expenditure	693,709	609,694	788,036
Operating Surplus/(Deficit)	(64,068)	0	(4,192)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(64,068)	0	(4,192)
Depreciation not Funded (Retained Earnings)	0	0	0
Funding for Capital Projects	0	0	0
	(64,068)	0	(4,192)
Capital Expenditure			
New assets	2,200	0	9,453
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	2,200	0	9,453
Vested assets	0	0	0
Operating Deficit	64,068	0	4,192
Transfers to Reserves	0	0	0
Total Funding Required	66,268	0	13,645
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	2,200	0	4,192
Loans raised	0	0	0
Reserves	64,068	0	9,453
Total Funding Applied	66,268	0	13,645

COUNCIL CONTROLLED ORGANISATIONS

Westland District Council resolved on, 18 April 2002, to establish a Holding Company, Westland Holdings Limited, to consolidate its Council Controlled Trading Organisations being Westroads Limited and Hokitika Airport Limited under one governance and reporting entity.

On 6 May 2010, it established a company, Westland District Property Limited which became operational on 1 July 2010, and did not trade before 30 June 2010.

Council also controls Westland Wilderness Trust (previously Westland Nature Trust) which will help to promote sustainable outdoor recreational opportunities in Westland.

Westland Holdings Limited

Westland Holdings Limited is 100% owned by Westland District Council. The Company was incorporated on 24 July 2002 when Council raised a loan of \$5,800,000 to finance the transfer of the shares and assets of Westroads Limited and Hokitika Airport Limited from Council to the Holding Company.

The principal activity of the Holding Company is to operate in a governance and reporting role over the activities of the subsidiary companies Westroads Limited and Hokitika Airport Limited. The Company is governed by three directors appointed by Westland District Council.

Westroads Limited main activity is that of a general contractor based in Hokitika and Greymouth as well as depots and staff throughout South Westland. It also operates a crushed metal plant in Greymouth. The Company is governed by four directors appointed by Westland Holdings Limited.

Hokitika Airport Limited was formed in December 2001 and commenced operation on 1 July 2002. Its principal activity is the operation of Hokitika Airport which is the principal airport on the West Coast and operates flights daily to Christchurch for passengers to link to other destinations. The Company is controlled by three Directors appointed by Westland Holdings Limited.

The Council has two Council Controlled Organisations that are exempt from Council Controlled Organisation status due to their size; they are Tourism West Coast and West Coast Rural Fire Trust.

Key Objectives

Westland Holdings Limited

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.

Westroads Limited

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.

Hokitika Airport Limited

To operate the Hokitika Airport in a commercially successful manner in accordance with the Statement of Intent with the aim to extend and further develop the airport activities.

Key Performance Measures

Westland Holdings

- Return a dividend to Council in accordance with the Statement of Intent (SOI)
- **RESULT: The SOI sets our a target of returning a dividend within the Westland District Council's budget. Council's budget was \$165,000, the dividend returned was \$250,000.**
- Prepare an Annual Report in accordance with the requirements of the Local Government Act 2002.
- **RESULT: The financial statements for 30 June 2010 were compliant and approved by the board of directors on 30 September 2010.**
- Subsidiary Statement of Intents will be submitted to the Shareholder (Council) by 1 March and finalised by 30 June.
- **RESULT: The Draft SOIs were submitted to Council by 1 March 2010 and finalised versions were adopted by 30 June 2010.**

Westroads Limited

- Tax paid return on shareholder funds of 9%.
- **RESULT: 9.9% Tax paid return on shareholder funds.**
- Net after tax profit is to be accordance with the Statement of Intent.
- **RESULT: Net after tax profits were \$442,000 compared to a target of \$350,000.**

Hokitika Airport Limited

- Revenue from commercial businesses is to remain at or above current levels.
- **RESULT: Revenue from Services was \$289,000 compared to \$112,000 in 2008/09.**
- Revenue from the rental of land and buildings is to remain at or above current levels.
- **RESULT: Revenue from Lease receipts was \$120,000 compared to \$117,000 in 2008/09.**

Financial Performance

Cost of Services Statement	Actual 2010	Budget 2010	Actual 2009
Operating Revenue			
Westroads Limited	11,618	9,100	10,747
Hokitika Airport Limited	426	247	259
Westland Holdings Limited	310	0	220
Westland District Property Limited	0	0	0
Westland Nature Trust	0	0	0
Total Operating Revenue	12,354	9,347	11,226
Operating Expenditure			
Westroads Limited	10,730	8,600	10,039
Hokitika Airport Limited	356	230	230
Westland Holdings Limited	26	0	11
Westland District Property Limited	0	0	0
Westland Nature Trust	0	0	0
Total Operating Expenditure	11,112	8,830	10,280
Net Surplus Before Taxation	1,242	517	946
Tax Expense	599	155	239
Net Surplus After Taxation	643	362	707

This table summarises the financial performance of each CCO owned by Council. This information is represented in Council financial statements and notes after eliminating entries are performed.

Each CCO is audited individually by Audit NZ. Please refer to the audited annual reports for the financial information and accompanying notes.



DISTRICT ASSETS

DISTRICT ASSETS

REPORT OF THE AUDIT
OFFICE

STATEMENTS OF SERVICE
PERFORMANCE

FINANCIAL STATEMENTS

DISTRICT REPRESENTATIVES
& STAFF

INTRODUCTION

DISTRICT ASSETS

Cemeteries

Arawhata
Harihari
Hokitika
Kumara
Okarito
Ross
Stafford
Whataroa

Civic Amenities

Harihari War Memorial Rooms
Franz Josef Toilets
Fox Glacier Toilets
Haast Township Toilets
Museum - Hokitika
Ross Restrooms
Hokitika Beachfront Toilets

Dwellings

Fox Glacier
Harihari
Nurses House Fox Glacier

Halls

Bruce Bay
Haast
Kokatahi
Okuru
Ross
Three Mile
Waitaha

Land And Buildings

Bandrooms Hokitika
Heritage Historical Park
Council Headquarters, 36 Weld Street
Garages – Railway Terrace
Carnegie Building
RSA Building
46 Pensioner Flats – Hokitika (42)
– Ross (4)
Jackson Bay Wharf
Pavilion – Cass Square
Public Car Park – Revell Street

Libraries

Hokitika Public Library

Parks And Reserves

Cass Square
Harihari Domain
Harper Park
Heritage Area and Walkway
Kokatahi Reserve
Kowhitirangi Reserve
Kumara Sports Field
Lazar Park
Pierson Esplanade
Prossers Bush
Robbins Park
Ross Domain
Wadeson Island
Walker Park
Whitcombe Park
Whataroa Reserve

Playgrounds

Cass Square
Lazar Park
Kumara

Statues And Monuments

Cannon – Heritage Area
Cenotaph – Cass Square
Obelisk – Hokitika Cemetery
Obelisk – Okarito
Pioneer Statue – Hokitika
Robbie Burns Statue – Cass Square
Summer Statue - Museum
Tambo – Hokitika
Town Clock - Hokitika

Swimming Pools

Hokitika
Ross

Works Depots - Leased

Fox Glacier
Haast
Whataroa

DISTRICT ASSETS

REPORT OF THE AUDIT
OFFICE

STATEMENTS OF SERVICE
PERFORMANCE

FINANCIAL STATEMENTS

DISTRICT REPRESENTATIVES
& STAFF

INTRODUCTION



REPORT OF THE AUDIT OFFICE

Audit Report

To the readers of Westland District Council and group's financial statements and service performance information for the year ended 30 June 2010

The Auditor-General is the auditor of Westland District Council (the District Council) and group. The Auditor-General has appointed me, John Mackey, using the staff and resources of Audit New Zealand, to carry out the audit on her behalf. The audit covers the financial statements, the service performance information and the District Council's compliance with the other requirements of Schedule 10 of the Local Government Act 2002 that are included in the annual report of the District Council and group for the year ended 30 June 2010.

Unqualified opinion

In our opinion:

- The financial statements of the District Council and group on pages 21 to 49:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - the District Council and group's financial position as at 30 June 2010; and
 - the results of operations and cash flows for the year ended on that date.
- The service performance information of the District Council on pages 53 to 121:
 - complies with generally accepted accounting practice in New Zealand; and
 - fairly reflects the District Council's levels of service performance for the year ended 30 June 2010, including:
 - the levels of service performance as measured against the intended levels of service performance adopted in the long-term council community plan; and
 - the reasons for any significant variances between the actual service performance and the expected service performance.
- The District Council and group have complied with the other requirements of Schedule 10 of the Local Government Act 2002 that are applicable to the annual report, and that are included in the District Council and group's financial statements and service performance information.

The audit was completed on 1 November 2010, and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Council and the Auditor, and explain our independence.

Basis of opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements, the service performance information and the other requirements did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements, the service performance information and the other requirements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements, the service performance information and the other requirements. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether the significant management and system controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported financial and service performance data;
- reviewing significant estimates and judgements made by the Council;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied;
- determining the appropriateness of the reported service performance information within the Council's framework for reporting performance; and
- determining whether all required disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements, the service performance information and the other requirements.

We evaluated the overall adequacy of the presentation of information in the financial statements, the service performance information and the other requirements. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Council and the Auditor

The Council is responsible for preparing financial statements and service performance information in accordance with generally accepted accounting practice in New Zealand. The financial statements must fairly reflect the financial position of the District Council and group as at 30 June 2010. They must also fairly reflect the results of operations and cash flows for the year ended on that date. The service performance information must fairly reflect the District Council's levels of service performance for the year ended 30 June 2010.

The Council is also responsible for meeting the other requirements of Schedule 10 of the Local Government Act 2002 and including that information in the annual report. The Council's responsibilities arise from section 98 and Schedule 10 of the Local Government Act 2002.

We are responsible for expressing an independent opinion on the financial statements, the service performance information and the other requirements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 99 of the Local Government Act 2002.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

Other than the audit and in carrying out the audit of long-term council community plan, we have no relationship with or interests in the District Council or any of its subsidiaries.



John Mackey
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand