



A G E N D A

Council

Council Chambers

Thursday 24 January 2013
commencing at 9.00 am

Her Worship the Mayor, M.H. Pugh (Chairperson)
Deputy Mayor Councillor B.O. Thomson
Councillors J.G. Birchfield, A.N. Bradley,
J.H. Butzbach, K.J. Eggeling, A.M. Hurley,
K.R. Scott, F.I.W. Stapleton, C.A. van Beek.

Ordinary Council Agenda

NOTICE IS HEREBY GIVEN THAT AN ORDINARY MEETING OF THE WESTLAND DISTRICT COUNCIL WILL BE HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON THURSDAY 24 JANUARY 2013 COMMENCING AT 9.00 AM

Tanya Winter
Chief Executive

17 January 2013

1. MEMBERS PRESENT AND APOLOGIES

1.1 Apologies

Councillor M.D. Montagu

1.2 Register of Conflicts of Interest

2. CONFIRMATION OF MINUTES

2.1 Confirmation of Minutes of Meetings of Council

2.1.1 Council Meeting – 11 December 2012.

(Pages 6-19)

2.2 Minutes and Reports to be received

2.2.1 Safer Community Council – 07 December 2012.

(Pages 20-23)

3. PUBLIC FORUM

The public forum section of the meeting will commence at 9.00 am.

4. REPORTS

4.1 Chief Executive

(Pages 24-27)

Recommendation

That the Chief Executive's monthly report be received.

4.2 Mayor

Recommendation

That the Mayor's monthly report be received.

(Page 28)

5. GENERAL BUSINESS

5.1 Grant Application, Woodstock Domain Board:

Supporting information from the Woodstock Domain Board and a report and recommendation from the Community Services Officer is attached.

(Pages 29-36)

5.2 Draft Waste Management Minimisation Plan 2012-2018:

Submissions received from the Ratepayers and Residents Group Westland and Lindsay Molloy, Harihari Community Association are attached. (Pages 37-40)

The Ratepayers and Residents Group Westland are coming along to speak to their submission at 10.00am

5.3 Request for Commencement of Consent, Alistair Cameron and Heather Mathers:

A report and recommendation from the Manager Planning and Regulatory is attached. (Pages 41-44)

Mr Cameron will be in attendance at 9.00am

5.4 Hokitika Wildfoods Festival 2013 – Budgets:

A report and recommendation from the Event Manager is attached.

(Pages 45-49)

5.5 Hokitika Airport Term Loan:

A report and recommendation from the Acting GM Corporate Services is attached.

(Pages 50-53)

5.6 Annual Report 2011-12: Westland Holdings Ltd:

A report and recommendation from the Chief Executive is attached.

(Pages 54-87)

5.7 Annual Plan timetable and consultation plan:

A report and recommendation from the Planning and Regulatory Manager is attached.

(Pages 88-91)

5.8 Major District Initiative (MDI) Funding to 19 December 2012

A report and recommendation from the Community Development Officer is attached.

(Pages 92-94)

5.9 Haast Hollyford Road Update

A report and recommendation from the Chief Executive is attached.

(Pages 95-103)

5.10 Delegations

A report and recommendation from the Acting GM Corporate Services is attached.

(Pages 104-108)

6. MATTERS TO BE CONSIDERED IN THE 'PUBLIC EXCLUDED SECTION'

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

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

6.1 Public Excluded Minutes of Meetings of Council

6.2 Nomination for Community Service Award

6.3 Westland District Property Limited: Investment Proposal

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

Item No.	Minutes/ Report of	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
1.	Public Excluded Minutes of Meetings of Council	Confirmation of December Public Excluded Council Minutes.	Good reasons to withhold exists under Section 7.	Section 48(1)(a)
2.	Report to Council	Nomination for Community Service Award.	Good reasons to withhold exists under Section 7.	Section 48(1)(a)
3.	Report to Council	Westland District Property Limited: Investment Proposal.	Good reasons to withhold exists under Section 7.	Section 48(1)(a)

NEXT MEETING: THURSDAY 28 FEBRUARY 2013
COMMENCING AT 9.00 AM

Ordinary Council Minutes

MINUTES OF AN ORDINARY MEETING OF THE WESTLAND DISTRICT COUNCIL, HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON TUESDAY 11 DECEMBER 2012 COMMENCING AT 9.00 AM

The opening prayer was read by Councillor van Beek.

Action
by

1. MEMBERS PRESENT

Her Worship the Mayor, M.H. Pugh (Chairperson)
Deputy Mayor B.O. Thomson
Councillors J.G. Birchfield, A.N. Bradley, J.H. Butzbach, K.J. Eggeling,
A.M. Hurley, M.D. Montagu (from 9.12 am) K.R. Scott, F.I.W. Stapleton,
C.A. van Beek.

1.1 Apologies

Councillor M.D. Montagu for lateness.

ALSO IN ATTENDANCE

T.L. Winter, Chief Executive; G.A. Byrne, Team Leader – Community Services/Community Development Officer; V. Goel, Group Manager – Assets and Operations; R.C. Simpson, Manager Planning and Regulatory; D.M. Maitland, Executive Assistant; T.B. O'Malley, Chief Financial Officer (part of the meeting); Stephen Halliwell (Acting Group Manager – Corporate Services).

1.2 Register of Conflicts of Interest

The Conflicts of Interest Register was circulated and no amendments were noted.

2. CONFIRMATION OF MINUTES

2.1 Confirmation of Minutes of Meetings of Council

2.1.1 Minutes of the Ordinary Meeting of the Westland District Council held on Thursday 22 November 2012

Moved Councillor Bradley, seconded Councillor Butzbach and **Resolved** that the Minutes of the Ordinary Meeting of Council held on the 22 November 2012 be confirmed as a true and correct record of the meeting.

2.1.2 Minutes of the Public Excluded portion of a meeting of the Westland District Council held on Thursday 22 November 2012

(See In Committee Minutes)

2.2 Minutes and Reports to be received

2.2.1 Minutes of the Risk Committee Meeting held on Tuesday 20 November 2012

Moved Councillor van Beek, seconded Councillor Scott and **Resolved** that the Minutes of the Risk Committee Meeting, held on the 20 November 2012 be received.

2.2.2 Minutes of the Strategy Committee Meeting held on Tuesday 20 November 2012

Moved Councillor Stapleton, seconded Councillor Butzbach and **Resolved** that the Minutes of the Strategy Committee Meeting, held on the 20 November 2012 be received.

3. REPORTS

3.1 Chief Executive

The Chief Executive introduced Stephen Halliwell, Acting Group Manager: Corporate Services.

Moved Councillor van Beek, seconded Councillor Butzbach and **Resolved** that the Chief Executive's Report for the period 22 November – 11 December 2012 be received; noting that Council has not received financials for the last five months.

3.2 Mayor

Moved Councillor Stapleton, seconded Councillor Scott and **Resolved** that the Mayor's Report for November/December 2012 be received.

4. GENERAL BUSINESS

4.1 Recommendations from Council Committees

4.1.1 Risk Committee – 20 November 2012

Moved Councillor Butzbach, seconded Councillor Birchfield and **Resolved** that:

CSO

- i) The Fox Glacier Community Centre and Harihari Community Facility proceed on the basis of the operating budget submitted; and
- ii) That should this change, a rate would be levied across the District to fund any shortfall, in accordance with Council's current funding policy for community halls and centres which is 75% Hokitika, 25% District-wide.

Councillor van Beek recorded his vote against the motion.

4.1.2 Strategy Committee – 20 November 2012

- i) **Westland District Liquor Bans Bylaw 2007 - Statement of Proposal**
- ii) **Special Consultative Procedure**

Moved Councillor Montagu, seconded Councillor Stapleton and **Resolved** that:

MPR

- a) The Statement of Proposal for the Westland District Liquor Bans Bylaw 2007 be adopted.
- b) The Special Consultative Procedure commence.
- c) There be an extended consultation period until the 31 January 2013 and that the Chairperson decide at the conclusion of the Special Consultative procedure if the submissions should be heard by the Strategy Committee or the full Council in February 2013.

iii) **Enterprise Hokitika request to enforce parking times in Hokitika – Recommendation from the Strategy Committee**

The Strategy Committee had recommended that Council be encouraged to use its ability to enforce the Parking Bylaw and staff be requested to provide enforcement options to Council.

MPR

The Council noted the recommendation and went on to consider a report prepared by the Manager: Planning and Regulatory.

iv) **Enforcing Parking Time Limits – Recommendation from the Manager Planning and Regulatory**

Moved Councillor Hurley, seconded Councillor van Beek and **Resolved** that Council undertake periodic parking enforcement within the existing staff establishment and existing overheads.

MPR

Councillor Butzbach recorded his vote against the motion.

4.2 **Hokitika Foreshore Erosion**

Moved Councillor Scott, seconded Councillor Eggeling and **Resolved** that:

GMAO

- i) Council approve emergency works along the coastline around the Sunset Point and Tambo area to prevent further coastal erosion to the value of \$20,000.
- ii) Council engage the services of a coastal engineer/consultant with expertise in this area to assess and improve the Coastal Hazard Management Plan for Hokitika, and that external funding be applied for this project.

4.3 **Whitebait Baches on Unformed Legal Roads**

Tanya Winter, Chief Executive spoke to this report.

Moved Councillor Bradley, seconded Councillor Butzbach and **Resolved** that Council confirm its policy for whitebait baches on unformed legal road as follows:

GMAO

“As a matter of policy, the Westland District Council accepts the continued use of existing recreational whitebait baches for residential purposes and this policy reflects that subject to the following conditions:

- i) The total number of whitebait baches on unformed legal road, in the Westland District must not exceed 72.
- ii) Whitebait baches must not be transferred from one river bank to another, for whatever reason.
- iii) Whitebait baches must not interfere with the public right to pass and re-pass along the legal road.
- iv) Whitebait bach licence holders are responsible for obtaining all necessary resource consents and building consents.
- v) Any increase in gross floor area of whitebait baches can only be made with prior consent by Council.
- vi) Whitebait bach licence holders will comply with the conditions of the Licence to Occupy.
- vii) Council will set the fees and charges for whitebait baches on unformed legal road as part of its Annual Plan.
- viii) The policy be reviewed in line with the Long Term Plan."

Councillors Eggeling and Hurley recorded their votes against the motion.

4.4 Borrowing Facilities

Stephen Halliwell, Acting General Manager – Corporate Services spoke to this report.

Moved Councillor Hurley, seconded Councillor Bradley and **Resolved** that:

AGMCS/
CFO

- i) Council ratify the extension of the Westpac overdraft facilities from \$0 to \$800,000.
- ii) Council review finance facilities again in 2013.

4.5 Requests for Support from Community Organisations

Tanya Winter, Chief Executive spoke to this item.

Moved Councillor Montagu, seconded Councillor Scott and **Resolved** that Council decline any ad-hoc requests for support from community organisations until a transparent process is agreed on through the 2013-14 Annual Plan.

CSO

4.6 The Great West Coast Whitebait Festival

Tanya Winter, Chief Executive spoke to this item.

Councillors Hurley and van Beek requested a copy of income and expenditure relating to The Great West Coast Whitebait Festival.

Sonya Matthews, Marketing Manager and Mike Keenan, Events Coordinator, spoke to this item.

The meeting adjourned for morning tea at 10.36 am and reconvened at 11.03 am.

Moved Councillor van Beek, seconded Councillor Butzbach and **Resolved** that: CSO

- a) Council protect "The Great West Coast Whitebait Festival" Brand; and
- b) Council reviews their involvement in the event as part of the 2013-2014 year; and
- c) Staff maintain a watching brief for opportunities to continue with the event in the future.

Councillor Scott recorded his vote against the motion.

4.8 Grant Application, Woodstock Domain Board:

Glenys Byrne, Community Development Officer spoke to this item.

Moved Councillor Montagu, seconded Councillor van Beek and **Resolved** that a decision on the application from the Woodstock Domain Board be deferred to the 24 January 2013 Council Meeting to enable further financial information to be provided.

4.9 Proposed Road Stopping – Second Street, Kumara

Vivek Goel, Group Manager – Assets and Operations spoke to this report.

Moved Councillor Montagu, seconded Councillor Bradley and **Resolved** that: E

- i) Council approve the commencement of road stopping procedure under Section 342 and the Tenth Schedule of the Local Government Act 1974 for a 5 metre wide strip of legal road adjoining Section 99 Town of Kumara (Part of Second Street).

- ii) The portion of road to be stopped, be sold at current market value to the adjoining landowner.

Councillor Eggeling recorded his vote against the motion.

4.10 Glacier Natural Limited: Wok Box

Moved Councillor Eggeling, seconded Councillor Scott and **Resolved** that:

MPR

- i) The request to apply for exemption (of a requirement) from the "Trading in Public Places Management Policy" be declined.
- ii) The Trading in Public Places Management Policy be endorsed as attached as **Appendix 1**.

5. MATTERS TO BE CONSIDERED IN THE 'PUBLIC EXCLUDED SECTION'

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

Moved Councillor Eggeling, seconded Councillor van Beek and **Resolved** that Council exclude the public in accordance with Section 48, Local Government Official Information and Meetings Act 1987.

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

5.1 Public Excluded Minutes

5.2 Reseal Contract Approval

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

Item No.	Minutes/ Report of	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
1.	Public Excluded Minutes	Council Minutes	Good reasons to withhold exists under Section 7.	Section 48(1)(a)
2.	Report to Council	Reseal Contract Approval	Good reasons to withhold exists under Section 7.	Section 48(1)(a)

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public are as follows:

No.	Item	Section
1.	Protect the privacy of natural persons.	Section 7(2)(a)
2	Protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.	Section 7(2)(b)(ii)

Moved Councillor Eggeling, seconded Councillor Stapleton and **Resolved** that the business conducted in the "Public Excluded Section" be confirmed and the public be readmitted.

4. **GENERAL BUSINESS** cont.

4.11 **Public Forum**

i) **Heritage Hokitika – Statues**

Bernie Preston, Rob Daniel, Brian Ward and Russell Gugich attended the public forum on behalf of Heritage Hokitika and spoke regarding Statues in Hokitika.

The representatives gave some background to the statues renovation project and advised that in August 2010, Council had received a concept proposal from Emily Fryer, Christchurch, regarding the conservation of statues in Hokitika. This item had subsequently been

referred to Heritage Hokitika and \$9,741 of capital expenditure had been allocated by Council towards this project.

Her Worship the Mayor formally thanked the Heritage Hokitika representatives for their presentation to Council, noting that they will present more information to the 24 January 2013 Council Meeting; and advised that a letter of support will be forwarded to Heritage Hokitika.

CSO

ii) Hokitika Foreshore Erosion

Mr Dowell attended the public forum and spoke regarding the Hokitika Foreshore Erosion.

Her Worship the Mayor thanked Mr Dowell for attending the meeting and supporting the advice provided to Council by NIWA.

4.7 Graeme King, Westland Holdings Limited

Deputy Mayor Bryce Thomson declared an interest in this matter.

Graeme King, Chair of Westland Holdings Limited attended the meeting and provided the final dividend to Council.

A general discussion was held regarding the industrial park at Three Mile, Hokitika.

Councillor Hurley asked that his concerns regarding the Industrial Park at Three Mile be noted.

Moved Councillor Bradley, seconded Councillor van Beek and **Resolved** that:

- i) The verbal report from Graeme King, Chair of Westland Holdings Limited be received.
- ii) The final distribution of \$240,000 from Westland Holdings Limited be received.
- iii) The Chief Executive obtain a report from Westland Holdings Limited on the current status and future direction of the industrial park at Three Mile.

CEO

After the presentation a copy of the report was given to the Secretary and is attached as **Appendix 2**.

MEETING CLOSED AT 12.30 PM
NEXT MEETING: MONDAY 24 JANUARY 2013
COMMENCING AT 9.00 AM

At the conclusion of the Council Meeting, a Council Workshop was held.

Trading In Public Places Management Policy

Westland's Vision for 2030 seeks to be a world class tourist destination and have industries and businesses leading through innovation and service

Purpose

The purposes of this Trading in Public Places Policy are:

- To ensure that the provisions of the Westland District Trading in Public Places Bylaw 2008 are applied;
- To enrich the pedestrian experience; and
- To provide an open environment that is safe and accommodating for all pedestrians; and
- To create an attractive, cohesive and vibrant public places and provides the community with trading options; and
- To ensure that road users and people and vehicles adjacent to roads are safe.

Scope

- This policy covers all public places managed by the Council.
- This policy also includes street appeals, soliciting for charities and busking except that such activities are not required to have a licence.

Requirements

Amenity

- Display stands and vehicles shall be visually appealing, readily movable and removed entirely at the end of each trading day.
- Council supports the conduct of footpath activity associated with established businesses.
- Solicitation of customers by touting or the use of public address systems is not permitted.

Pedestrian Access

- Any Trading in Public Place activity shall not obstruct pedestrian movement. A minimum clear footpath width of 2.0 m shall be provided at all times.
- Displayed goods shall be at least 2 metres away from any street corner or access;

- Goods will not be permitted on footpaths where access to a loading zone or disabled parking bay will be impeded.

Vehicle Safety

- Every mobile shop operating from a carriage way shall be so orientated as to ensure that customers can only utilise the services of the mobile shop away from the road formation.

Cleaning and Maintenance

- The licence holder shall ensure that the area is kept clean and tidy at all times. The licence holder is responsible for disposal of litter and cleaning of the footpath.
- The licence holder shall ensure that no debris or litter are swept into the street channel and or subsequently washed down the storm water drainage system. No detergents and cleaning agents shall be washed into the street gutter or drainage system.

Administration

- A licence is not transferable to any other person.
- A licence may not be exercised on the day of the Hokitika Wildfoods Festival between the hours of 10.00 am and 5.30 pm in Weld Street, Hokitika, from the railway line to Cass Square or in any part of the Hokitika commercial area; except in a designated market area.
- In granting licences, the Council will only allow sites to be used at which appropriate standards of health, safety, pedestrian priority, vehicle safety and visual amenity are maintained.
- Consideration will be given to health and safety and traffic management issues when considering applications for trading or events in a public place.
- A Trading in Public Places licence only gives the applicant the right to trade either generally or specifically in public places. It is not a permit for the purposes of food hygiene or the sale of liquor and a licence does not constitute an approval for the use of any private roads, state highways or other roads under the control of the New Zealand Transport Agency.
- The conditions of a licence may be reviewed by the Council at any time.

Created February 2012, endorsed by Council 11 December 2012

Appendix 2

Westland Holdings Ltd

Presentation to Councillors

11th December 2012

The financial year ended 30/6/12 has been a record year for the group following a pretty gloomy start. Westroads in particular had a period where they struggled to find work for the employees. Thankfully this resolved itself midway through the year and in the end resulted in a record result.

The group this year has held two collective presentations during the year (September & November). These presentations made to all the Council, CCO Directors and Key Business Leaders within our Community.

Westroads Ltd

This year has started where last year ended with plenty of work in front of them. Work on the cycleway has been hampered in parts by access limitations & consents not being in place.

Stage 1 nearing completion. Will be ready to commence Stage 2 in the early new year assuming consents in place.

Tendered for a lot of Transit work lately, has been close but not quite close enough.

Hopeful of gaining the Paroa to New River section of the GDC cycleway section.

Every major contract comes up for renewal next year including the Greymouth Roading contract which they do not currently hold.

Hokitika Airport Ltd

Improvements continue at the airport with the recent addition to the carparks etc. Increasing the size of the lounge area is under consideration.

The extension to the runway has commenced with work budgeted over the next two years at \$400k. Costings have been done. No cost benefit analysis has been completed at this stage.

All this work is being done from operating cashflow.

HAL is to fully repay its loan to Council (Rockwall in Franz Josef) early in the next few days

Interesting to note that landing fees make up only some 20-25% of total revenue.

Westland District Properties Ltd

Progress continues with the wharf at Jacksons Bay and we now see the start of maintenance too the wharf which will see its life extended well into the future. The Kaniere Road subdivision is a work in progress and ultimately relies on spare capacity time in Westroads workload to move this further towards completion. A healthy sign for Westroads forward work commitments.

The 3 Mile after having spent \$120k on trying to gain a private Plan Change it has been determined by the board to be too much of a financial risk to throw further money at it. Decision made to scale back and subdivide within the existing district plan. Carrying cost to date is \$620k. Section with large shed has valuation of \$400k plus the Blacktopp \$200k unconditional subject to title. The remaining 8 sections (5000m2+) will be available for sale. Hopeful of clearing \$500k upon sale. Should Council decide to assist in the Plan change then WDPL will review their decision.

The Haast-Hollyford Highway proposal is gathering traction and is supported by Government.

To date \$180,615.18 cents have been spent from operating cashflow. These costs have been expensed rather than capitalised on NZ Audits instruction.

At this point in time there is no budget for possible total costs. WDPL has allowed for in its budgets expenditure of \$200k for the 2013 year.

WDPL has no obligation to resource consent costs.

Very much high level discussions at this point.

At some point in the future we will be asking for submissions/approval from Council in relation to formation of a Company under the WHL banner in this regard.

Summary

We are lucky to have on the Boards of the CCO's very competent & able people. The Companies are under good management and have returned this year record profits to the group.

A record group after tax profit of \$1.004m which has allowed the group to return total distributions to WDC for the year ended 30/6/12 of \$514,000. All three CCO's contributed to this result.

As such I now pass over our final distribution of \$240,000 (included in above \$514k total)

(This made up of cash \$340,000 plus subvention payments of \$174,000)

WESTLAND DISTRICT SAFER COMMUNITY COUNCIL

MINUTES OF MEETING OF THE WESTLAND DISTRICT SAFER COMMUNITY COUNCIL HELD IN THE WESTLAND DISTRICT COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA, ON FRIDAY 7 DECEMBER 2012 COMMENCING AT 9:30 A.M.

Charles Lucas opened the meeting with prayer.

1. **MEMBERS PRESENT:**

Councillor Kyle Scott (Chair), Councillor Frances Stapleton, Councillor Kees van Beek, Constable Jon Armstrong, Corrina Gestro-Best, Rev Vivien Harber, Charles Lucas, Carol McIntosh, Waikohatu Scott, Jan Zuckerman, Derek Blight.

Also in attendance for part of meeting – Chief Executive Tanya Winter

Councillor Scott introduced Tanya Winter to the meeting and invited her to address the meeting.

2. **APOLOGIES:**

Cathy Blincoe, Lucy Waller, Jan Weaver, Ned Tauwhare

Moved C. Lucas, seconded W. Scott and **Resolved** that the apologies be received.

3. **MINUTES OF PREVIOUS MEETING HELD 26 OCTOBER 2012:**

Moved Constable Armstrong, seconded C. Gestro-Best and **Resolved** that the Minutes of the previous meeting of the Westland District Safer Community Council be confirmed as a true and correct record of the meeting.

4. **INWARD/OUTWARD CORRESPONDENCE:**

Moved C. Lucas, seconded W. Scott and **Resolved** that the Inward Correspondence be received; that the Outward Correspondence be endorsed and that the Community Development Division of Anglican Care be thanked for their donation of \$500 to the Chit Scheme.

5. **FINANCIAL STATEMENTS:**

No statements were available.

6. **GENERAL BUSINESS:**

6.1 **Police Report**

White Ribbon Motorcycle Ride

The Westland High School hosted a number of motorcycle riders on 19 November as they rode through Hokitika on their way further south during the annual White Ribbon Ride against violence towards women. Although both riders and machines may have looked intimidating en masse, their intentions were completely honourable and the Police had no problems as they travelled south.

Greypower Home and Personal Safety

On 19 November, Age Concern Canterbury ran a home and personal safety course in conjunction with local Police, Fire and Civil Defence for members of Hokitika Greypower. This was an opportunity for the elderly in the community to revisit and update themselves on personal safety precautions. Age Concern ran the same course on consecutive days in Greymouth and Westport.

Theatre Royal Hotel

On 24 November, the Theatre Royal Hotel in Kumara officially opened its doors for trading after a lengthy period of Kumara being a "town with no beer". Much time, money and effort have gone into the refurbishment of this heritage listed facility and judging by the enthusiasm of the community on opening, its success will be almost guaranteed.

2012 Crime Statistics

Listed below are a number of reported crime statistics for the 2012 calendar year within the Westland policing area.

Violence (assaults, intimidation etc.)	116
Domestics (MAF, breach protection orders etc.)	29
Cannabis (possess, grow, sell)	141
Disorder (resist Police, behaviour etc)	65
Breach of Liquor Ban	29
Burglary	65
Theft (ex cars; shoplifting etc)	68
Drink driving	119

Perhaps the saddest statistic has been the 6 lives that have been lost on our roads during this time. They have been: 2 separate crashes in the Otira Gorge, 1 in Haast, 1 on Kaniere-Kowhitirangi Road, 1 on SH6 near Fox Glacier and 1 just off Adairs Road.

2013 Events

The Police are already in the planning stages for the following Events in early 2013:

12 January – Kumara Races

16 January – Hokitika Races

25-27 January – Woodstock Motor Cycle Rally

8-9 February - Speights Coast to Coast"

Moved Constable Armstrong, seconded J. Zuckerman and carried that the Police Report be received.

6.2 International Safe Community Process

C. Blincoe was absent from the meeting so discussion on this matter was postponed until the next meeting.

6.3 Walk the Talk

Councillor Stapleton drew member's attention to this initiative.

6.4 White Ribbon Ride

N. Tauwhare was absent from the meeting so D. Blight gave a verbal report on the ride.

7. COORDINATOR'S REPORT:

The Coordinator's Report was received.

8. **NEXT MEETING DATE:**

Friday 22 February 2013 at 9:30am.

The meeting closed at 10:40am.

Confirmed as a true and correct record.

_____ (Chairperson) _____ (Date)

Report



DATE: 24 January 2013

TO: Mayor and Councillors

FROM: Chief Executive

CHIEF EXECUTIVE'S REPORT

1.0 SUMMARY

- 1.1 The purpose of this report is to present a brief Chief Executive's report for the period 11 December 2012 – 24 January 2013.
- 1.2 This report is on the agenda so that Council are kept fully apprised of Council business.
- 1.3 Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002 Amendment Act 2012. That purpose is:
- (a) To enable democratic local decision-making and action, by and on behalf of, communities; and
 - (b) To meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

The matters raised in this report relate to those elements of the Vision identified in the following table.

Vision's Objectives	Achieved By
The CE's report supports all objectives in Council's Vision Statement: <ul style="list-style-type: none">• Involving the community and stakeholders.• Having inspirational leadership.• Having expanded development opportunities.	Ensuring Council fulfils the commitments made to the community in the Long Term Plan.

<ul style="list-style-type: none"> • Having top class infrastructure for all communities. • Living the "100% Pure NZ" brand. 	
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- 1.4 This report concludes by recommending that Council receives the Chief Executive's report dated 24 January 2013.

2.0 COMMENT

- 2.1 **Management Report** - the Management Report is on the agenda of each Council meeting, and is attached to this report as **Appendix 1**. This report updates Council on key successes, any issues of significance and relevant statistics in three of the five operational areas of Council:

- 2.1.1 Community Services
- 2.1.2 Assets and Operations
- 2.1.3 Planning and Regulatory

- 2.2 **2012-13 Financials** - work on preparing 2012-13 Year To Date financial information for Council continues. This is far more complex than first envisaged.

- 2.3 **"Better Local Government"** - the Local Government Act 2002 Amendment Act 2012 was enacted by Parliament on 5 December 2012. You will notice that the new purpose statement is now being used in all Council reports, that is:

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

Six Council staff participated in a webinar run by SOLGM just prior to Christmas that provided information on the new legislation and the other work the government is working on, namely:

- A) **The Efficiency Taskforce Report** - The Taskforce responsible for this work was asked to look at the planning, decision-making, consultation and financial reporting provisions of the Local Government Act, as well as considering opportunities to build more efficient local government

B) The Productivity Commission's "Towards Better Local Regulation"

Draft Report – the Commission was asked to undertake an inquiry into opportunities to improve regulatory performance in local government.

Information on the Better Local Government suite of reforms can be found here <http://www.dia.govt.nz/Better-Local-Government#3>

- 2.4 **West Coast Wilderness Trail** - a group of 8, including the Chief Executive, cycled 41km of the West Coast Wilderness Trail on Friday 11 January. Jonathan Kennett from the NZ Cycle Trails, the government organisation responsible for funding the trail, was with the group. The purpose of the ride was to:

- 2.4.1 Accurately measure the distance of that section of the trail
- 2.4.2 Determine the level of difficulty, through both gradient measurement and human exertion
- 2.4.3 Have a group with a range of fitness levels and abilities ride the trail
- 2.4.4 Explore opportunities for signage, both directional and interpretive, and trail furniture.

A full report, including the financial status of this project will come to the 28 February 2013 meeting of Council.



Kapitea Reservoir: L-R: Tanya Winter, Diane Maitland, Ginny, Brandon Maitland, Nelson Bradley.

- 2.5 **Hokitika Swimming Pool** – Council transferred the management of the swimming pool over to Westland District Property Ltd on 1 July 2012,

however the staff were not transferred over at that time. A formal transfer process has now been completed, and from Monday 7 January 2013 swimming pool staff ceased being Council employees and are now all employed by WDPL.

3.0 RISKS

3.1 One new risk has arisen since the last report:

3.1.1 **NZ Motor Caravan Association** – papers have been filed in the High Court by the NZMCA seeking to quash Council's Freedom Camping Bylaw. These are yet to be received by Council.

4.0 RECOMMENDATION

A) **THAT** the report of the Chief Executive titled "Chief Executive's Report" dated 24 January 2013 be received.

Tanya Winter
Chief Executive

MAYOR'S ACTIVITIES DECEMBER/JANUARY 2013

- Teleconference LGNZ Conference Committee
- RSA President's pre-ANZAC Day conversation
- Afternoon tea with Chair Mawhera Inc
- Venturer's leadership visit
- Meeting with TUIA Mayor's Leadership Programme reps
- Meeting with land owner re cycle trail access
- Jim Keenan's 90th birthday celebration
- Walk the Talk White Ribbon Day – Cass Square
- Mayors/Chair meeting
- Christmas Tree display opening
- Toastmasters Leadership Programme – certificate presentations
- PHO's new CEO interviews
- PHO meeting
- Opening of Treetop Walkway
- Formal opening of information kiosk at Hokitika Cemetery
- Westland Gun Club trophy presentations

Welcome to the New Year. I trust you have all enjoyed some quality time off with family and friends and are ready to face the exciting, and hopefully, productive challenges of 2013.

The highlight since my last report was the opening of the Treetop Walkway. This is a significant addition to the suite of attractions on offer or planned for Westland, and is a destination "must do" for Hokitika, and unique in New Zealand. I am sure you join with me in wishing the very best to Canopy 01.

I would like to pay tribute to the partnership that saw the stunning new information kiosk opened at the Hokitika Cemetery just before Christmas. Several parties came together to contribute funding, manpower, information and skills that resulted in a structure and record of one of the most significant periods of Hokitika's history. Simon Eyre designed the structure and it was built by Jack Stewart and his team. It is well worth a visit to read the historic panels and enjoy the view.

I have sent a message to our sister city, Meander Valley Council, to wish them well during the fires in Tasmania. Thankfully they have not suffered any damage in their District but the Mayor did appreciate the contact.

At the time of writing this report the media had reported that New Zealand Motor Caravan Association (NZMCA) intends to challenge our Freedom Camping By-Law, but no official papers had been served. Other Councils have a concern about this challenge and we may be in a position to join with other Councils should a legal defence be required. More information may be available at the Council meeting.

Report



DATE: 24 January 2013

TO: Mayor and Councillors

FROM: Community Services Officer

GRANT APPLICATION WOODSTOCK DOMAIN BOARD

1.0 SUMMARY

- 1.1 The purpose of this report is to ask Council to approve the attached application.
- 1.2 This issue arises from a request from the Woodstock Domain Board.
- 1.3 Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002 Amendment Act 2012. That purpose is:
- (a) To enable democratic local decision-making and action, by and on behalf of, communities; and
 - (b) To meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.
- 1.4 The matters raised in this report relate to those elements of the vision identified in the following table.

Vision's Objectives	Achieved By
Involving the community and stakeholders Having top class infrastructure for all communities	Maintenance of existing building.

- 1.5 This report concludes by recommending that Council approve the request.

2.0 BACKGROUND

- 2.1 The Woodstock Domain Board have applied to Council for funding to do much needed maintenance on their Domain Building so that it does not fall into a state of disrepair. A copy of the application is attached as **Appendix 1**.
- 2.2 A report was presented to Council on 11 December 2012 and Council resolved to defer the decision pending further financial information. This information is now included in section 6.0.

3.0 CURRENT SITUATION

- 3.1 If Council approve their request to pay for the paint needed, then the Domain Board will initiate working bees using local volunteers to get the job done.

4.0 OPTIONS

- 4.1 Decline their request.
- 4.2 Approve the entire request.
- 4.3 Approve parts of the request.

5.0 SIGNIFICANCE AND CONSULTATION

- 5.1 The decision is in keeping with Council's intention and prior use of the infrastructure fund, and therefore has a low degree of significance.
- 5.2 The decision to paint and waterproof is one made by the Woodstock Domain Board.

6.0 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

- 6.1 The advantage of approving the request is that the existing building is maintained in good order.
- 6.2 If the request is not approved the building will deteriorate over time.
- 6.3 Council has \$20,000 available for infrastructure/community funding in this current financial year. This is tagged for ongoing maintenance for community halls/facilities/swimming pools. To date only \$2,000 has been granted to the Ross Swimming Pool. \$18,000 is therefore currently available.

7.0 PREFERRED OPTION AND REASONS

- 7.1 The preferred option is to approve the grant as there is money available for it within this year's maintenance budget for community halls/facilities/swimming pools.

8.0 RECOMMENDATION

- A) That Council approves the grant of \$860.51 to the Woodstock Domain Board for maintenance of the Domain Building.

Appendix 1: Application from Woodstock Domain Board

Derek Blight
Community Services Officer

8. Money and Resources

8.1 Outline the costs of your project:

PROJECT COSTS (List the costs associated with this project)	\$	PROJECT INCOME (How organization will contribute)	\$
Electricity for rest of year		Sponsorship	
@ 60 per month maximum	360 -	Fees/Subs	
PAINTS OF DOOR AND BUILDING		Fundraising	
see attached	860.51	Loan/Mortgage/Debentures	
		\$ on hand	
		Other Grants (granted/opposed)	
		Other	
Total cost of project is Total (A)		Your contribution is Total (B)	

8.2 How much are you applying for: \$ 860.51 (Total A - B)

8.3 What other funding have you applied for to fund this project

at present - none - but will be applying to other group

8.4 Please detail amount of donated time/labour for this project

The painting & repairs will be done by voluntary labour.

8.5 Number of members in your organisation 9 Board members

8.6 Please provide a current statement/balance sheet of your organisation's financial position

attached bank statement

9. Is your club/organisation an Incorporated Society?

Yes/No No

10. Final check:

I declare the above information supplied here on behalf of my organisation is correct. If the application is successful, we agree to return a completed accountability form by the due date.

Name: JUDITH HEBBERD

Signature: Judith M C Hebbard

Position in Organisation: Secretary / Treasurer

13 November 2012
Date: 1 August 2012

CHECKLIST

- Have you attached your latest audited accounts and bank statements?
- Have you answered all the relevant questions?
- Can your contact person be reached easily?

Please return this form when completed to:

Community Services, Westland District Council, Private Bag 704, Hokitika
☎ (03) 756 9047, Fax (03) 756 9045

**for professional
painting services**

Quote #

29

From: Hokitika Colour Centre

Phone:

Mobile:

Fax:

Email:

Resene

the paint the professionals use

Description of work	Total
Building Interior	
1 x 10 Lumber side - White 186.50	* 147 = 60
Sub total	
plus GST	
<u>incl TOTAL \$ 147 = 60</u>	

All prices are subject to change without notice.
Any extra work ordered after quoted amount will be charged separately.

Proposed start date:

Signed for and on behalf of the Customer: I have read, understood and agree with the quotation details.

Name:		Date:	
Signature:			

Signed for and on behalf of the Painter:

Name:		Date:	
Signature:			

**for professional
painting services**

Date of quote: 9-8-12

Quote #

33

To: Woodstock Domain Board

Phone:

Mobile:

Fax:

Email:

From:	Hokitika Colour Centre
Phone:	
Mobile:	
Fax:	
Email:	

**We have pleasure in submitting the following quote for your project.
We prefer to use Resene products to ensure a high quality finish.**

Resene

the paint the professionals use

Description of work	Total
Building Exterior	
1x10- Concrete Primer 184=50	147=60
2x10- Lumber siding - White > 184=50 147=60	295=20
1 x 4- Rustacryl- White 129=50	110=00
Sub total	
plus GST	
Inc TOTAL \$ 552=80	

This quotation is valid for a period of 30 days from the date of quoting.
Any extra work other than that quoted above will be charged accordingly.

Proposed start date:

Signed for and on behalf of the Customer: I have read, understood and agree with the quotation details.

Name:		Date:	
Signature:			

Signed for and on behalf of the Painter:

Name:		Date:	
Signature:			

**for professional
painting services**

Date of quote:

9-8-12

Quote #

30

To:	Woodstock Domain Board
Phone:	
Mobile:	
Fax:	
Email:	

From:	Holistic Colour Centre
Phone:	
Mobile:	
Fax:	
Email:	

**We have pleasure in submitting the following quote for your project.
We prefer to use Resene products to ensure a high quality finish.**

Resene

the paint the professionals use

Description of work	Total
Waterproof Silicone = Exterior Blockwork	
2x1 litre Masonry Waterproof Sealer @88.95	177=90
-10% Discount	-17=79
Sub total	
plus GST	
incl TOTAL	\$ 160=11
This quotation is valid for a period of 30 days from the date of quoting. Any extra work other than that quoted above will be charged accordingly.	

Proposed start date:

Signed for and on behalf of the Customer: I have read, understood and agree with the quotation details.

Name:		Date:	
Signature:			

Signed for and on behalf of the Painter:

Name:		Date:	
Signature:			

SCANNED



CE	HWM	MPR	GM AO	CFO	EA	CSO	TLO	ASST ACCT	RATEPAYERS & RESIDENTS GROUP
✓									

WESTLAND

c/o 208 Revell Street
Hokitika

19 November 2012

To:
Chief Executive
Westland District Council
Private Bag 704
Hokitika

Submission – Council's Draft Waste Management and Minimisation Plan 2012 - 2018

Introduction

It is difficult to say anything positive about council's draft plan. Ratepayers are again disappointed at the poor presentation of the plan; to the average ratepayer it is virtually unreadable. The only clear statement contained in the plan is the feedback included from the Medical Officer of Health, to which ratepayers would urge this council pay very close attention, in particular to the final paragraphs of Dr Brunton's comments, emphasizing the need to engage the wider community. It is felt that this draft plan singularly fails to achieve that primary and indispensable objective of engaging the community.

Earlier submissions from ratepayers

It is extremely disappointing to see that important earlier submissions on glass recycling, and in fact the results of the entire Glass Waste Reduction Feasibility Study conducted by Canterbury University, has been virtually ignored in this plan. For this reason, ratepayers are led to understand that all of the massive effort, thought and care that we put into our submissions seems wasted on this council. We do not therefore intend to expend such effort on this submission, which we will confine to a basic overview.

Observations

The tiny population of Westland is charged with the care of one of the most pristine environments in New Zealand – a vast area of West Coast rainforest interspersed with small, isolated communities, which must provide for comparatively high numbers of tourists who are attracted by the untouched beauty of our coast and rivers and mountains. Protecting this land in its pristine state presents a major challenge; doing so with our limited resources from such a small rating base is Herculean. It clearly requires an innovative and motivational approach.

Comparing the Westland draft plan with the innovation and community involvement demonstrated by the likes of the tiny East Coast district of Kaikoura, with its even more limited resources and even greater tourist numbers, being able to motivate and involve the entire community into returning a profit annually in excess of \$100,000, the contrast with Westland's "Neanderthal" backward looking and inward looking plan may be nothing short of catastrophic.

Overseas visitors are becoming more and more discerning of the places they will visit. They expect to see the same level of recycling of everything from their plastic and paper coffee cups to their wine and beer bottles that is available in the larger cities in which they live. Even Mount Everest is now subject to the requisite rubbish removal provisions that are now applied universally. Westland must strive to at least emulate, if not exceed, the standards now expected by travelers, ~~in~~ even in the remotest parts of our planet. Sadly, this plan lacks any initiative and leaves us with a sense of dismay and an expectation of a continued slow decline in the quality of our once pristine environment that we could once proudly showcase to our international visitors.

Specific objections

Attached please find a letter written by one of our members, which details some specific failings identified in council's draft plan.

The Group wishes to be heard in support of this submission.

Ratepayers and Residents Group (Westland)



Chairperson



Secretary

Attachment:

Letter dated 10 November 2012 addressed to the Editor, Hokitika Guardian: WDC Waste Minimisation & Management Plan

240 Kaniere Rd
HOKITIKA

10 November 2012

The Editor
Hokitika Guardian
Fax 7558204

Dear Ed,

Westland District Council Waste Minimisation & Management plan: In response to Manager Assets & Operations reply (Guardian Nov.8):

Butler's landfill life: - Those observing, query Mr Goel's "35 or 60 year terms"? Estimates for a term plan should also show current and expected deposition rates. A concern of underestimation here. Aftercare provision: - Please clarify what the aftercare provision is? Where in Council's Annual Accounts are funds held, for purpose of maintenance or renewal of Westland's infrastructure i.e.landfill?

Improper disposals and fly-tipping will be of concern to Council. Make the observations and understand why this is occurring?. Westland glass waste solutions were brought up, loud and clear, at the last submission process, so why not in this plan already?


Council plans are more than the average ratepayer wants to read. Submissions take a lot of time! Perhaps on-site public open days at refuse sites & landfills could give a better appreciation of how these systems are to work?. We are aware of regions that are enjoying good waste management programmes & recycling systems, at a profit, encouraging community involvement.

Households, farms, businesses and community functions, will be encouraging the sorting of rubbish and dispose of it using proper methods. Communities are encouraged to maintain Westland to be litter free and clean. Watching for and buying products with environ. friendly packaging. All Westland people (young & old) can give a "friendly reminder" to those who aren't up with sensible standards.

Tourism Promotion being charged on rates!. Government could easily introduce Tourism entry tax, to reimburse planned regions being visited for tourist waste disposals costs. In turn, less onus on ratepayers of those districts.

Government & Council will also have to recognise their part in causing improper waste-disposal & allowing contaminants into the environment - i.e. high waste disposal costs, waste disposal sites not meeting consumer requirements. Make it easier to "Keep NZ Clean".

Footnote: WDC may include this letter as a submission to their WMMP.


Anthea Keenan
Kaniere

WST 6

Kirsty Manera

From: Mary & Lindsay <chaos1@xtra.co.nz>
Sent: Saturday, 1 December 2012 8:59 p.m.
To: Kirsty Manera
Subject: Waste Management and Minimisation Plan

SCANNED



re Westland DC Waste Management and Minimisation Policy Consultation Document.

While it is recognised that it is necessary for Council staff to be aware of all the back ground trends of Government and Council obligations, it has very little relevance to us as a small rural community. This document in its current form is complicated, lengthy and lay-person unfriendly with the 100 plus pages many of which are horizontally featured. It requires one at times to be on the floor or a suitable non-vertical reclining position in order to read it. The alternative is to destroy a forest by down-loading it.

What we require from Council is a simple straight-forward summary of the current policy, how changes will affect our community both service and cost wise and the opportunity to suggest changes where we think this can be improved. This should be the basis for any consultation document to the community and should be provided to the community as of right, not require an elaborate complicated process to obtain downloads, digest and understand it. Without this your chances of any meaningful dialogue is remote.

The Hari Hari Community finds the current waste management operation in Hari Hari does not and has not for some years provided a satisfactory service for residents. It is remote, costly and the restricted hours do not suit many people. Most of residents and rural folk avail themselves of the services of South Westland Rubbish Removals, not just because of the convenience and service, both of which are far superior the current council operation.

1. Our submission is that the Council work with our Community and look into closing the Hari Hari transfer station and using that money from that to provide a better service to our community. This could be, but not necessarily, contracting out the service to someone like South Westland Rubbish Removals.

2. The current "love bins" at the Guy Menzies Park are being used by the public and some residents as the Hari Hari Rubbish dump, resulting in an untidy and unsightly mess. We suggest that this be relocated to a more public area where people will be discouraged from misusing the facility.

3. That the Council provide rubbish bins or similar at the car park at the Wanganui River where the track to the mouth starts, during the whitebait season, September, October, November. This would alleviate to some extent, the problem identified in 2. above. This could be charged to back-holders through the Property Company and to the Department of Conservation. The Property Company and the Department of Conservation have stewardship over the whitebaiters huts.

These are some of the issues which our community has with the current rubbish operation. We look forward to working with Council to find the solutions and hope you look favourably on our submissions,

Yours faithfully,

Lindsay Molloy
 Chairman
 Hari Hari Community Association.

CE	HWM	MPR	GM AO	CFO	EA	CSO	TLO	ASST ACCT	

[Handwritten signature]

Report



DATE: 24 January 2013

TO: Mayor and Councillors

FROM: Manager Planning and Regulatory

REQUEST FOR COMMENCEMENT OF CONSENT

1.0 SUMMARY

- 1.1 The purpose of this report is to deal with a request from Alistair Cameron and Heather Mathers to allow a resource consent to commence notwithstanding that an appeal has been lodged with the Environment Court.
- 1.2 This issue arises from the release of the decision on resource consent 120084 which provided consent to a subdivision at Pine Tree Road, Kaniere.
- 1.3 The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002 Amendment Act 2012. That purpose is:
- (a) To enable democratic local decision-making and action, by and on behalf of, communities; and
 - (b) To meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.
- 1.4 Council seeks to meet this obligation and the achievement of the district vision set out in the Long Term Plan 2012-22. The matters raised in this report relate to those elements of the vision identified in the following table.

Vision's Objectives	Achieved By
Having inspirational leadership.	Agreeing to the course of action will allow a residential subdivision activity to proceed without delay.
Having expanded development opportunities.	

- 1.5 This report concludes by recommending that Council consent to the request by Cameron and Mathers that resource consent 120084 commence forthwith notwithstanding the appeal that is currently before the Environment Court and recommends an amendment to the existing Delegations Manual.

2.0 BACKGROUND

- 2.1 Resource consent 120084 was put in place in November 2012. The resource consent provided for subdivision of land on the corner of Kaniera and Pine Tree Roads and was a subdivision involving 26 allotments to be created over five stages.
- 2.2 The subdivision consent was subject to a raft of conditions, none of which were novel.
- 2.3 Prior to the application being made the applicant spoke to Council staff and suggested that instead of a *contribution towards recreation facilities* being imposed that an area of land within the subdivision be set aside for reserve purposes. Staff advised the applicant that such an approach was not encouraged by the Council and was unlikely to be agreed to.
- 2.4 Further discussion on the concept did occur during the consent process and the applicant did not heed the advice of Council staff and the concept of an allotment depositing for reserve purposes was pursued.
- 2.5 The consent was put in place and the desire of the applicant that a particular allotment should be used for reserve purposes was provided for by way of condition 1.12 "lot 4 is to vest as local purpose reserve in the Westland District Council at full cost to the consent holder".
- 2.6 Condition 1.01 required that the additional allotments to be created (4) were to be subject to a *contribution towards recreation facilities*.
- 2.7 Notwithstanding the advice given to the applicant (and their advisors) the applicant was not satisfied with the consent conditions that were put in place. An appeal has been lodged with the Environment Court with regard to the *contribution towards recreation facilities* conditions. The appeal essentially seeks that the Court deletes the conditions relating to contributions towards recreation facilities and confirms the vesting of an allotment for reserve purposes.
- 2.8 In addition, the applicant has made application to the Environment Court for a determination pursuant to Section 116 (1) of the Resource Management Act

1991 seeking the determination of the Environment Court that the consent put in place be able to be exercised notwithstanding the appeal.

- 2.9 The applicant is, accordingly, seeking the consent of the Council for the Court to make such a determination.

3.0 CURRENT SITUATION

- 3.1 Resource consents do not commence until the time for lodging appeals has expired or when the Environment Court determines any appeal or when an appeal is withdrawn. The exception is when the Environment Court makes a determination that a resource consent can commence at another time (Section 116 RMA91).

4.0 OPTIONS

- 4.1 The Council has two options:

1. Give approval to the application for the determination under Section 116 or;
2. Decline to support the application.

5.0 SIGNIFICANCE AND CONSULTATION

- 5.1 Because the resource consent has been put in place (subject to conditions) the expectation is that the consent will be exercised and the existence of an appeal and the processes of determination under Section 116 are of little public consequence and any consultation associated with the resource consent application has been completed.

6.0 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

- 6.1 If the Council agrees to the Environment Court making a determination that the resource consent can be exercised notwithstanding the existence of an appeal then the applicant can proceed with the first stage and meet any sale and purchase obligations. The development can proceed concurrently with the appeal. The outcome of the appeal is incidental to the development and the applicant has proposed a bond to ensure completion of stage one subject to the conditions imposed.
- 6.2 Council could decline to support the section 116 application. The entire development will be delayed for as long as it takes to hear the appeal. If there are sale and purchase obligations the applicant may not be able to meet those obligations.

7.0 PREFERRED OPTION AND REASONS

- 7.1 The preferred option is that Council consent to the application for determination on the basis that the developer can proceed immediately with the subdivision whilst other matters are addressed.
- 7.2 The Council's Delegations Manual does not provide for staff delegation to deal with Section 116 applications. If a delegation existed the staff concerned would have supported the Section 116 application because such a decision would allow the applicant to commence the development contributing towards the development of Westland. The appeal will simply take its course.

8.0 RECOMMENDATIONS

- A) That Council support the application by Cameron and Mathers pursuant to Section 116 (1) of the Resource Management Act 1991.
- B) That resource consent 120084 be allowed to commence and Council advise the Environment Court forthwith.
- C) That the Delegations Manual be amended by authorising the Manager Planning and Regulatory to exercise the discretion to support or oppose any application made to the Environment Court pursuant to Section 116 of the Resource Management Act 1991 and that this delegation be entered in the Delegation Manual.

Richard Simpson

Manager: Planning and Regulatory

Report



DATE: 24 January 2013

TO: Mayor and Councillors

FROM: Events Manager

HOKITIKA WILDFOODS FESTIVAL 2013 - BUDGETS

1.0 SUMMARY

- 1.1 The purpose of this report is to update Council on the budgets for the Hokitika Wildfoods Festival 2013.
- 1.2 This issue arises from management concerns around the LTP budgets.
- 1.3 The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002 Amendment Act 2012. That purpose is:
- (a) To enable democratic local decision-making and action, by and on behalf of, communities; and
 - (b) To meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.
- 1.4 Council seeks to meet this obligation and the achievement of the district vision set out in the Long Term Plan 2012-22. The matters raised in this report relate to those elements of the vision identified in the following table.

Vision's Objectives	Achieved By
Living the '100% Pure NZ' brand	The Hokitika Wildfoods Festival is the iconic event for Westland.

- 1.5 This report concludes by recommending that Council acknowledge that the 2013 event continues to be budgeted to be financially successful and that the revised budgets are realistic and achievable in the current market and that Council continues to self-insure against the effects of an adverse weather event.

2.0 BACKGROUND

- 2.1 The Wildfoods Festival budget for the 2012-22 Long Term Plan was prepared by the Westland Business Unit (WBU) prior to the completion of the 2012 event; budgets were not amended during the LTP process to reflect the actual 2012 performance. For example, the new wine tent venture, while successful, did not achieve the expected revenue result.
- 2.2 With the restructure of the WBU, budgets were altered to reflect normal business practice within Council which includes the allocation of overheads. Should the event cease to operate these overheads continue and will be reallocated elsewhere within Council.
- 2.3 The LTP budget is therefore not considered realistic.
- 2.4 While it has been investigated on a number of occasions the event has not purchased insurance for losses as a result of an adverse weather event. Other insurances are covered by Council's normal policies.
- 2.5 The Festival has been, and should remain, financially successful as an event, as well as an enormous contributor to the community's economic prosperity.

3.0 CURRENT SITUATION

A. Budgets

- 3.1 The revised budget has been prepared based on last year's actual performance adjusted for known changes. Early indications are positive. A comparison of mid Dec 2012 accommodation bookings through the I-site with the same time in 2011 indicate bookings are slightly up.

B. Risk Management

- 3.2 The event has not had, nor budgeted for, insurance for adverse weather events.

4.0 OPTIONS

Recommendation A

- 4.1 Don't change the budget.
- 4.2 Change the budget.

Recommendation B

4.3 Insure against adverse weather.

4.4 Don't insure against adverse weather.

5.0 SIGNIFICANCE AND CONSULTATION

5.1 This is administrative and of low significance.

6.0 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

A. Budgets

6.1 A budget analysis for option 4.1 and 4.2 is shown in **Appendix 1**.

6.2 At this time there is little management can do to achieve the LTP budget (option 4.1). It is too late to put up ticket prices, apply for grants, seek more sponsorship or introduce new revenue generating schemes.

6.3 The event is projected to run at a surplus slightly better than last year's actual result, before overheads.

6.4 There will however be a shortfall against budget (after overheads) of \$68,033. In the LTP budget this was used to fund other activities of Council.

B. Risk Management

6.5 The event has not had insurance for adverse weather for some time. It is estimated it will cost between \$15,000 and \$20,000. A current price hasn't been obtained.

6.6 The event, in 23 years has had some rain, but never sufficient to claim against such a policy.

6.7 The event isn't reliant on a large number of sales on the day, and presold tickets are not refundable. So there will be some revenue to cover costs prior to the event.

6.8 It is likely that there could be additional cost, particularly in relation to reinstating Cass Square.

- 6.9 The additional costs plus lost revenue from income sources such as beer and wine tents would result in a loss to Council. Council has not set aside any reserves from previously successful events and as such a deficit would need to be funded from overall Council operating surpluses (not achieved in recent years) or debt.

7.0 PREFERRED OPTIONS AND REASONS

- 7.1 The preferred option is to recognise the budgeting deficiencies and approve the revised budget. This provides better accountability for the management team, and by setting aside the unrealistic elements of the budget, leads to more focussed financial management of the event.
- 7.2 Regarding “insuring against losses as a result of adverse weather”; the preferred option is for Council to take the risk and self-insure. The reasons being;
- 7.2.1 that the cost of insurance is high.
 - 7.2.2 our experience running 24 previous events is that the risk is low.
 - 7.2.3 our ticketing process provides some mitigation against this risk.

8.0 RECOMMENDATIONS

- A) That Council adopt the revised Hokitika Wildfoods Festival budget attached as **Appendix 1**.
- B) That Council chooses not to insure against adverse weather.

Appendix 1: Hokitika Wildfoods Budget 2012/13

Mike Keenan
Events Manager

Appendix 1: Hokitika Wildfoods Budget 2012/13

Wildfoods Revised Budget 2012/13

Revenue	LTP Budget	2012 Act	Revised Budget
Grants	82,000	30,000	60,000
Admission Fees and Sales	515,388	445,609	421,500
Total Revenue	597,388	475,609	481,500
Total Direct External Costs	455,127	409,343	396,200
Total Direct Internal Costs	9,678	5,737	15,250
Total Direct	464,805	415,080	411,450
Surplus (Deficit) before Overheads	132,583	60,529	70,050
Overheads	30,055	1,314	30,055
Research and Development	0	10,336	5,000
Surplus (Deficit) After Overheads	102,528	48,879	34,995

Explanatory notes:

- Total Direct External Cost
These are variable costs directly related to the event and paid external to Council.
- Total Direct Internal Cost
These are costs variable costs directly related to the event paid to Council. This includes computers, photocopying, phones, Cass Square and Depreciation.
- Overheads
These are costs allocated to this activity from other parts of Council. These costs will be incurred whether or not the event proceeds.
- Research and Development
This is the cost of undertaking the two yearly BERL economic analysis.

Report



DATE: 24 January 2013

TO: Mayor and Councillors

FROM: Acting GM: Corporate Services

HOKITIKA AIRPORT TERM LOAN

1.0 SUMMARY

- 1.1 The purpose of this report is to consider a request by Hokitika Airport Limited (HAL) to repay the outstanding amount of funds they borrowed from Council in January 2011.
- 1.2 This issue arises from a request from the Company.
- 1.3 The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002 Amendment Act 2012. That purpose is:
- (a) To enable democratic local decision-making and action, by and on behalf of, communities; and
 - (b) To meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.
- 1.4 Council seeks to meet this obligation and the achievement of the district vision set out in the Long Term Plan 2012-22. The matters raised in this report relate to those elements of the vision identified in the following table.

Vision's Objectives	Achieved By
Involving the community and stakeholders Having inspirational leadership Having expanded development opportunities	HAL is a key Council stakeholder that operates key infrastructure for the development of the district and promotion of the brand.

Having top class infrastructure for all communities Living the '100% Pure NZ' brand	
--	--

- 1.5 This report concludes by recommending that Council accept early repayment of the loan.

2.0 BACKGROUND

- 2.1 Council entered a term loan contract with HAL in January 2011.
- 2.2 The contract is an investment on which Council receives a good return, in the current market.
- 2.3 The loan principal is \$250,000 with an interest rate of 8%.
- 2.4 Repayment is 60 monthly instalments of \$5,069.10 with final payment due on 28 January 2016.
- 2.5 The loan is secured by registration on the personal property security register (PPSR).
- 2.6 The term loan contract is a standard ADLS Term Loan Contract second edition 1998(2), prepared by Elcock and Johnston on Council's behalf.

3.0 CURRENT SITUATION

- 3.1 The current value of the loan, if repaid on 28 January 2013, will be \$161,764.09 plus the outstanding January instalment invoice of \$5,069.10.

4.0 OPTIONS

- 4.1 Accept early repayment, at the value of the loan.
- 4.2 Accept early repayment, at a negotiated price.
- 4.3 Do not accept early repayment.

5.0 SIGNIFICANCE AND CONSULTATION

- 5.1 This matter has a minor effect on Council's investment portfolio and interest income. On consolidation into the group accounts these transactions are eliminated. It is therefore determined to be of low significance.

6.0 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

Early repayment at loan value \$161,764.09

- 6.1 The contract does not make any provision for early repayment. As such officers do not have delegated authority to accept the offer.
- 6.2 HAL requires the early repayment of this loan to refinance a larger loan to enable the commercial expansion of the company, in accordance with the SOI.
- 6.3 Early repayment of the loan reduces the value of Council's investment portfolio by 1.8%. and will have an adverse impact of \$5,122 on interest income in the 2012/13 year (\$9,465 2013/14) or 4% of budget interest income of \$215,000.

Early repayment of loan at negotiated price

- 6.4 In addition to the value of the outstanding loan principal (\$161,749.09), Council could seek to negotiate an interest penalty for early termination.
- 6.5 If this was the full amount of the interest for the life of the loan, it would be an additional \$20,723.46 of interest to be repaid on termination.
- 6.6 HAL's solicitor has provided a copy of the latest standard ADLS term loan contract which provides (cl.4(e)) for 3 months interest (\$3,235 @ 8%) to paid on early repayment.
- 6.7 It appears the applying the 3 month penalty option is an appropriate arm's length commercial decision.

Do not accept early repayment

- 6.8 Council will continue to receive its interest income. This is a small part of the overall Council portfolio and will have little impact on Council's overall investments.
- 6.9 Making a decision today has a large impact on the opportunities for HAL. Commercial projects are underway and dependent on the restructuring of these financial arrangements.

Tax implications

- 6.10 While general tax advice is being obtained on CCO transactions no specific advice has been sought on this transaction. It is comparatively minor in relation to the other financing arrangements between Council's and the CCO's. The commercial benefits of completing this transaction far outweigh any potential tax benefits of retaining the status quo.

7.0 PREFERRED OPTION AND REASONS

7.1 Option 4.2, early repayment of the loan, with 3 months penalty interest (\$3,235) is the preferred option. This enables HAL to meet its obligations and has a small effect on Council's interest income.

7.2 This option has been discussed with HAL, who are agreeable to it.

8.0 RECOMMENDATIONS

- A) That Council authorise the Chief Executive to accept the termination of this loan on 28 January 2013 on payment of \$161,764.09 principal, \$5,069.10 January monthly payment and \$3,235.00 early repayment interest (based on 3 months)
- B) That Council acknowledges that the term loan agreement does not provide for early repayment, but that it is in the best interest of the Group that this loan be terminated.

Stephen Halliwell
Acting GM: Corporate Services

Report



DATE: 24 January 2013

TO: Mayor and Councillors

FROM: Chief Executive

WESTLAND HOLDINGS LTD: ANNUAL REPORT 2011-12

1.0 SUMMARY

- 1.1 The purpose of this report is to provide Council with the annual report from Westland Holdings Ltd for the year ended 30 June 2012.
- 1.2 This issue arises because it is good practise that Council, as the only shareholder, formally receives the annual report of its subsidiary company.
- 1.3 The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002 Amendment Act 2012. That purpose is:
- (a) To enable democratic local decision-making and action, by and on behalf of, communities; and
 - (b) To meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.
- 1.4 Council seeks to meet this obligation and the achievement of the district vision set out in the Long Term Plan 2012-22. The matters raised in this report relate to those elements of the vision identified in the following table.

Vision's Objectives	Achieved By
Involving the community and stakeholders Having inspirational leadership	Council taking a leadership role to ensure that appropriate accountability measures are in place to report the performance of its subsidiaries.

- 1.5 This report concludes by recommending that Council receive the 2011-12 annual report from Westland Holdings Ltd (WHL).

2.0 BACKGROUND

- 2.1 In accordance with the Companies Act 1993, WHL is required to have an AGM which the shareholder attends to receive the annual report.
- 2.2 WHL held their AGM in November 2012. The Chairman attended the 11 December Council meeting and verbally presented the annual report and the dividend.

3.0 CURRENT SITUATION

- 3.1 The annual report of Westland Holdings Ltd for the year ended 30 June 2012 is attached as **Appendix 1**.
- 3.2 The report complies with the Financial Reporting Act 1993 and has been audited by Audit New Zealand.
- 3.3 Officers have not identified any concerns with the annual report.

4.0 OPTIONS

- 4.1 There are limited options available to Council, as a verbal report from the Chairman has already been received in December 2012.

5.0 SIGNIFICANCE AND CONSULTATION

- 5.1 This decision is administrative and therefore of low significance.
- 5.2 Consultation is not required.

6.0 RECOMMENDATION

- A) That Council receive the 2011-12 Annual Report of Westland Holdings Ltd.

Appendix 1: Westland Holdings Limited Annual Report for Year Ended 30 June 2012.

Tanya Winter
Chief Executive



WESTLAND HOLDINGS LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2012

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Independent Auditor's Report

**To the readers of
Westland Holdings Limited and group's
financial statements and statement of service performance
for the year ended 30 June 2012**

The Auditor-General is the auditor of Westland Holdings Limited (the company) and group. The Auditor-General has appointed me, John Mackey, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and statement of service performance of the company and group on her behalf.

We have audited:

- the financial statements of the company and group on pages 8 to 12, and 14 to 31, that comprise the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the statement of service performance of the company and group on page 13.

Opinion**Financial statements and statement of service performance**

In our opinion:

- the financial statements of the company and group on pages 8 to 12, and 14 to 31:
 - comply with generally accepted accounting practice in New Zealand; and
 - give a true and fair view of the company and group's:
 - financial position as at 30 June 2012; and
 - financial performance and cash flows for the year ended on that date; and
- the statement of service performance of the company and group on page 13:
 - complies with generally accepted accounting practice in New Zealand; and
 - gives a true and fair view of the company's service performance achievements measured against the performance targets adopted for the year ended 30 June 2012.

Other legal requirements

In accordance with the Financial Reporting Act 1993 we report that, in our opinion, proper accounting records have been kept by the company and group as far as appears from an examination of those records.

Our audit was completed on 3 October 2012. This 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 Board of Directors and our responsibilities, and explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements and statement of service performance are free from material misstatement.

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

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements and statement of service performance. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements and statement of service performance whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the company and group's financial statements and statement of service performance that give a true and fair view of the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company and group's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Board of Directors;
- the adequacy of all disclosures in the financial statements and statement of service performance; and
- the overall presentation of the financial statements and statement of service performance.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and statement of service performance. In accordance with the Financial Reporting Act 1993, we report that we have obtained all the information and explanations we have required. We believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Responsibilities of the Board of Directors

The Board of Directors is responsible for preparing financial statements and a statement of service performance that:

- comply with generally accepted accounting practice in New Zealand;
- give a true and fair view of the company and group's financial position, financial performance and cash flows; and
- give a true and fair view of the company and group's service performance.

The Board of Directors is also responsible for such internal control as it determines is necessary to enable the preparation of financial statements and a statement of service performance that are free from material misstatement, whether due to fraud or error.

The Board of Directors' responsibilities arise from the Local Government Act 2002 and the Financial Reporting Act 1993.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and statement of service performance and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and section 69 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, we have no relationship with or interests in the company or any of its subsidiaries.



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

Directory

Directors:

Chairman: Graeme P King

Director: Maureen H Pugh

Director: Anthony Williams

Director: Les Singer - Resigned 7 December 2011

Registered Office:

Westland District Council

36 Weld Street, Hokitika

Phone 03 756 9010

Fax 03 756 9045

Auditor:

Audit New Zealand on behalf of the Controller &
Auditor-General

Bankers:

Westpac Bank, Revell Street, Hokitika

Solicitors:

Elcock & Johnston, PO Box 85, Hokitika

Directors' Report

The Directors present the Annual Report of Westland Holdings Limited for the year ended 30 June 2012. Westland Holdings Ltd was founded in July 2002 as a holding company for the various commercial interests of the Westland District Council. It currently has 3 operating subsidiaries which it owns 100% of, namely

- Westroads Ltd
- Hokitika Airport Ltd &
- Westland District Property Ltd

Review of Operations

	Parent 2011/12 \$000	Group 2011/12 \$000
Result for the year ended 30 June 2012		
Net surplus before Taxation	233	1,293
Income Taxation	(9)	289
Net Surplus after Taxation and total comprehensive income	<u>242</u>	<u>1,004</u>
Movement in Equity		
Equity (opening balance)	8,710	10,158
Distributions to owners	(100)	(100)
Total comprehensive income	<u>242</u>	<u>964</u>
Equity (closing balance)	<u>8,852</u>	<u>11,022</u>

Directors' Interests:

The company did not transact business with any business in which any director had an interest. The directors have no interest in the shares of the company or any of its subsidiaries.

Significant Changes in the State of Affairs

There have been no significant changes in the state of affairs of the company in the year under review.

Remuneration of Directors:

Remuneration and other benefits paid or due to directors on behalf of the Company, for services as a director during the year, are as follows:

L R Singer (Parent & Hokitika Airport Ltd)	\$15,000
M H Pugh	\$ 6,000
G P King	\$ 8,000
A G Williams	\$ 1,500

There were no loans made to the directors during the year or owing from them at the year end.

Director Appointment & Retirement

A G Williams was appointed as a director on 22 September 2011. There were no other director appointments or retirements during the year.

Remuneration of Employees

The parent company does not employ any staff. Within the group there was one employee whose remuneration and benefits package was in the band of \$150,000-\$160,000 and one employee in the band of \$120,000-\$130,000. There were no other employees or former employees that earned more than \$100,000 during the year.

Indemnity and Insurance

Directors and Officers Liability Insurance has been arranged by the company in conjunction with the Westland District Council.

Donations:

There were no donations made by the group during the year.

Auditors:

The Auditor-General is appointed under Section 14 of the Public Audit Act 2001 and Section 70 of the Local Government Act 2002. Audit New Zealand has been appointed to provide these services.

Directors' Declaration

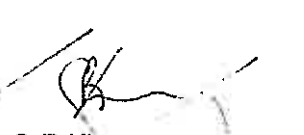
In the opinion of the directors of Westland Holdings Ltd & Group, the financial statements and notes on pages 8 to 31

- comply with New Zealand generally accepted accounting practice and give a true and fair view of the financial position of the Company and Group as at 30 June 2012 and the results of their operations and cash flows for the year ended on that date
- have been prepared using appropriate accounting policies, which have been consistently applied and supported by reasonable judgements and estimates.

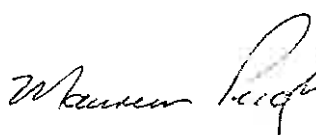
The directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Company and Group and facilitate compliance of the financial statements with the Financial Reporting Act 1993.

The directors consider that they have taken adequate steps to safeguard the assets of the Company and Group, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide a reasonable assurance as to the integrity and reliability of the financial statements.

For and behalf of the Board



G P King
Chairperson
Date: 3 Oct 2012



M H Pugh
Director
Date: 3 Oct 2012

Westland Holdings Limited
Statement of Comprehensive Income
For the Year Ended 30 June 2012

	Notes	Group 2011/12 \$000	Group 2010/11 \$000	Parent 2011/12 \$000	Parent 2010/11 \$000
Revenue		12,586	11,437	-	-
Cost of Sales	5	8,731	8,706	-	-
Gross Profit		3,855	2,731	-	-
 Other Income	4	579	246	266	320
Administrative Expenses	5	2,974	2,409	34	39
Results from operations		1,460	568	232	281
 Interest Received		14	21	1	3
Interest Paid		181	138	-	-
Net Finance Costs		(167)	(117)	1	3
 Profit before Income Tax		1,293	451	233	284
Less income tax expense	6	289	145	(9)	-
Profit for the period		1,004	306	242	284
Other Comprehensive Income		-	-	-	-
Total Comprehensive Income		1,004	306	242	284

The accompanying notes form an integral part of the financial statements.

Westland Holdings Limited
Statement of Changes in Equity
For the Year Ended 30 June 2012

Group	Notes	Share Capital \$000	Retained Earnings \$000	Total \$000
Balance 1 July 2011		8,695	1,463	10,158
Profit for the period and Total Comprehensive Income		-	1,004	1,004
Issue of Shares		-	-	-
Dividend to Equity Holders		-	(100)	(100)
Balance 30 June 2012	7	8,695	2,367	11,062
Balance 1 July 2010		6,068	1,457	7,525
Profit for the period and Total Comprehensive Income		-	306	306
Issue of Shares		2,627	-	2,627
Dividend to Equity Holders		-	(300)	(300)
Balance 30 June 2011		8,695	1,463	10,158

The accompanying notes form an integral part of the financial statements.

Westland Holdings Limited
Statement of Financial Position
As at 30 June 2012

	Notes	Group 2011/12 \$000	Group 2010/11 \$000	Parent 2011/12 \$000	Parent 2010/11 \$000
EQUITY					
Share Capital	7	8,695	8,695	8,695	8,695
Retained Earnings		2,367	1,463	157	15
		11,062	10,158	8,852	8,710
Represented by:					
CURRENT ASSETS					
Cash and Bank		244	494	145	48
Tax Refundable		-	61	-	1
Short Term Investment		-	-	-	-
Accounts Receivable	8	1,821	1,624	-	-
Subvention payment receivable	8	-	-	46	-
Inventories	9	421	459	-	-
Prepayments		3	2	-	-
Work in Progress		95	89	-	-
		2,584	2,729	191	49
CURRENT LIABILITIES					
Accounts Payable and Accruals		1,193	781	43	34
Deferred Income	15	24	1	-	-
Subvention payment payable	6	128	84	-	-
Bank Overdraft (secured)	14	65	111	-	-
Employee Entitlement	19	498	505	-	-
Flexible Finance Loan	14	-	750	-	-
Current Portion of Term Loan	14	400	352	-	-
Tax payable		78	-	-	-
		2,386	2,584	43	34
WORKING CAPITAL		198	145	148	15
NON CURRENT ASSETS					
Property Plant & Equipment	10	10,316	9,799	-	-
Investment Property	13	908	1,218	-	-
Term Inventory	9	989	751	-	-
Intangible Assets	11	448	472	-	-
Deferred Tax Benefit	6	-	-	9	-
		12,661	12,240	9	-
INVESTMENTS	12	-	-	8,695	8,695
NON CURRENT LIABILITIES					
Employee Entitlement	19	129	119	-	-
Bank Term loans	14	1,427	1,788	-	-
Deferred Tax Liability	6	241	320	-	-
		1,797	2,227	-	-
Net Assets at 30 June		11,062	10,158	8,852	8,710

The accompanying notes form an integral part of the financial statements.

Parent	Notes	Share Capital \$000	Retained Earnings \$000	Total \$000
Balance 1 July 2011		8,695	15	8,710
Profit for the period and Total Comprehensive Income		-	242	242
Dividend to Equity Holders		-	(100)	(100)
Balance 30 June 2012	7	8,695	157	8,852
Balance 1 July 2010		6,068	31	6,099
Profit for the period and Total Comprehensive Income		-	284	284
Issue of Shares		2,627	-	2,627
Dividend to Equity Holders		-	(300)	(300)
Balance 30 June 2011		8,695	15	8,710

The accompanying notes form an integral part of the financial statements.

Westland Holdings Limited
Statement of Cash Flows
For the Year Ended 30 June 2012

	Notes	Group 2011/12 \$000	Group 2010/11 \$000	Parent 2011/12 \$000	Parent 2010/11 \$000
Cash Flows from Operating Activities					
<i>Cash was provided from:</i>					
Dividends received		-	-	220	320
Receipts from customers		12,931	11,594	-	-
Interest received		14	21	1	3
Income tax refunded		1	-	1	-
Total Cash Inflow from Operating Activities		12,946	11,615	222	323
<i>Cash was disbursed to:</i>					
Payments to suppliers and employees		(9,863)	(10,039)	(25)	(24)
Taxes paid		(105)	(251)	-	(1)
Subvention payments made		(105)	(90)	-	-
Purchase of Term Inventory		(238)	(751)	-	-
Interest paid		(181)	(138)	-	-
Total Cash Outflow from Operating Activities		(10,492)	(11,269)	(25)	(25)
Net Cash Inflow from Operating Activities	23	2,454	346	197	298
Cash Flows from Investing Activities					
<i>Cash was provided from:</i>					
Proceeds from sale of property, plant and equipment		214	107	-	-
Sale of investments		19	335	-	-
Total Cash Inflow from Investing Activities		233	442	-	-
<i>Cash was applied to:</i>					
Purchase of property, plant and equipment		(1,725)	(4,114)	-	-
Purchase of investments		3	-	-	-
Total Cash Outflow from Investing Activities		(1,728)	(4,114)	-	-
Net Cash Outflow from Investing Activities		(1,495)	(3,672)	-	-
Cash Flows from Financing Activities					
<i>Cash was provided from:</i>					
Proceeds of Loans and Advances		94	1,371	-	-
Contributions from Owners		-	2,627	-	2,627
Total Cash Inflow from Financing Activities		94	3,998	-	2,627
<i>Cash was applied to:</i>					
Loan Repayments		(1,157)	(152)	-	-
Dividends Paid		(100)	(300)	(100)	(300)
Equity Investment in Subsidiaries		-	-	-	(2,627)
Total Cash Outflow from Financing Activities		(1,257)	(452)	(100)	(2,927)
Net Cash (Outflow)/Inflow from Financing Activities		(1,163)	(3,546)	(100)	(300)
Net increase (Decrease) in Cash Held		(204)	220	97	(2)
Add Opening Cash Brought Forward		383	163	48	50
Closing Cash Balance at 30 June		179	383	145	48
<i>Represented by:</i>					
Cash and bank		244	494	145	48
Bank overdrafts		(65)	(111)	-	-
		179	383	145	48

The accompanying notes form an integral part of the financial statements.

**Westland Holdings Limited
Statement of Service Performance
For the year ended 30 June 2012**

Performance Target	Outcome
1. Draft Statement of Intent submitted to WDC for approval by 1 March each year and final by 30 June	Achieved
2. At least two progress reports to be made to WDC in the financial year (in addition to reporting on specific issues), with at least one presentation to be made to Councillors.	Achieved. Progress reports made to council at its August & March meetings
3. Major matters of urgency are reported to the Risk Management Committee within 3 days	There were no matters of urgency to report
4. A formal evaluation of the company's directorate to be made annually	Achieved. Evaluation completed on 17 June 2012
5. The process for each appointment to a subsidiary board is transparent and fully documented	Achieved. M Fekkes appointed to HAL & H Little to WDPL 28 October 2011 and reported to WDC
6. To review the training needs of individual directors, and ensure training is provided where required.	WHL identified a requirement for additional financial based training at June 2012 meeting
7. To pay a dividend for the year within WDC's budget	Did Not Achieve. WDC budget \$240K. WHL paid \$100k
8. To meet budgeted level of dividend income	Achieved
9. That the ratio of shareholders funds to total assets be Not less than 50%.	Achieved (72%)
10. That the directors policy be followed for any director appointments	Achieved. A G Williams appointed September 2011
11. Draft Statements of Intent to be received by subsidiary companies by 14 February	Achieved by Westland District Property Ltd and Hokitika Airport Ltd. Westroads Ltd was not received until 13 March 2012.
12. WHL to respond to draft Statements of Intent by 30 April	Achieved
13. WHL to direct subsidiary companies to produce commercially focused Statements of Intent that also align with any notified WDC strategic directive	Achieved
14. Subsidiary company Statements of Intent to incorporate reporting requirements in accordance with legislative requirements and accepted practice	Achieved
15. Subsidiary company Statements of Intent to incorporate specific statements regarding the processes for the management of risk exposures	Achieved

Westland Holdings Limited
Notes to the financial statements
For the year ended 30 June 2012

1. Reporting Entity

Westland Holdings Limited is registered under the Companies Act 1993 and is domiciled in New Zealand. Westland Holdings Limited is owned by Westland District Council.

The company is a Council Controlled Trading Organisation as defined in Section 6(1) of the Local Government Act 2002.

The financial statements of the Company have been prepared in accordance with the requirements of the Companies Act 1993, the Financial Reporting Act 1993 and the Local Government Act 2002.

The Group consists of Westland Holdings Limited, Hokitika Airport Limited, Westland District Property Limited, Westroads Limited and its 100% owned subsidiary, Westroads Greymouth Limited. All group companies are incorporated in New Zealand.

2. Basis of Preparation

a. Statement of Compliance

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with New Zealand equivalents to International Financial Reporting Standards ("NZIFRS") and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities.

The financial statements were approved by the board of directors on 3 October 2012.

Section 67 of the Local Government Act requires a Council Controlled Organisation to complete its annual report within 3 months after the end of the financial year. The deadline was not met due to delays in the audit process of one of the subsidiaries, Westland District Property Ltd.

b. Measurement Base

The financial statements have been prepared on a historical cost basis, except for the revaluation of investment properties.

c. Functional and presentation currency

These financial statements are presented in New Zealand dollars (\$), which is the Group's functional currency. All financial information presented has been rounded to the nearest thousand.

d. Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described below:

Note 9 - Inventory valuation and provision for obsolescence

Note 10 - Depreciation and estimated useful lives of property, plant and equipment

Note 17 - Employee Entitlements

3. Significant Accounting Policies

Accounting policies set out below have been applied consistently to all periods presented in these financial statements, with the exception of the recognition of tax losses which is disclosed in note 3(p) below.

The following particular accounting policies which materially affect the measurement of financial results and financial position have been applied:

(a) Property, plant & equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

(iii) Depreciation

Depreciation is recognised in the profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

- | | |
|--------------------------------|-------------|
| ○ buildings | 12-50 years |
| ○ plant and equipment | 2-25 years |
| ○ office furniture & equipment | 2-15 years |
| ○ runway infrastructure | 0-50 years |

(b) Investment Properties

Properties leased to third parties under operating leases are classified as investment property.

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.

(c) Intangible assets

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 profit or loss 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 1 year.

Goodwill is allocated to cash generating units for the purposes of impairment testing. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination, in which the goodwill arose. Goodwill is assessed for impairment on an annual basis. Any impairment losses are recognised immediately in the profit or loss.

(d) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

In the case of metal inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Metal inventory cost is calculated on a discounted sale value basis, as an approximation of weighted average cost.

Inventories include development properties that are being developed for sale. These properties are measured at the lower of cost and net realisable value and the cost includes development costs to date.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(e) Construction work in progress

Construction work in progress represents the gross unbilled amount expected to be collected from customers for contract work performed to date. It is measured at cost plus profit recognised to date less progress billings and recognised losses. Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the Group's contract activities based on normal operating capacity.

Accounts Receivable in relation to construction work in progress is presented as part of trade and other receivables in the balance sheet. If payments received from customers exceed the income recognised, then the difference is presented as deferred income in the balance sheet.

(f) Impairment

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any objective evidence of impairment.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in the profit or loss.

(i) Impairment of receivables

The recoverable amount of the Group's investments in receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e., the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted.

Impairment losses on an individual basis are determined by an evaluation of the exposures on an instrument by instrument basis. All individual instruments that are considered significant are subject to this approach.

For trade receivables which are not significant on an individual basis, collective impairment is assessed on a portfolio basis based on numbers of days overdue, and taking into account the historical loss experience in portfolios with a similar amount of days overdue.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, being property, plant and equipment and mining licences, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses are recognised in the profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(g) Financial Instruments

The Group categorises its financial assets as loans and receivables, and its financial liabilities as being at amortised cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. The company's loans and receivables comprise: cash and cash equivalents, and trade and other receivables.

Loans and receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less impairment.

Financial Liabilities

Financial liabilities comprise: trade and other payables, borrowings, and advances. Borrowings are initially recognised at their fair value net of transaction costs, and subsequently measured at amortised cost using the effective interest method.

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.

Interest-bearing borrowings

Interest-bearing borrowings are classified as other non-derivative financial instruments.

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.

(h) Goods and Services Tax (GST)

All items in the financial statements are exclusive of goods and services tax (GST) with the exception of receivables and payables which are stated with GST included. Where GST is irrecoverable as an input tax then it is recognised as part of the related asset or expense.

(i) Employee benefits**(i) Defined contribution plans**

Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit or loss when they are due.

(ii) Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than pension plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted.

(iii) Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date. Termination benefits for voluntary redundancies are recognised if the Group has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

(iv) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(j) Leased assets

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases. The leased assets are not recognised on the Group's balance sheet.

(k) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(l) Revenue

(i) Goods sold

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and 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.

Transfers of risks and rewards vary depending on the individual terms of the contract of sale. For sales of materials, transfer usually occurs when the product is dispatched to the customer.

(ii) Services

Revenue from services rendered is recognised in the profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

(iii) Construction contracts

As soon as the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognised in the profit or loss 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 profit or loss.

(m) Lease payments

Payments made under operating leases are recognised in the profit or loss on a straight-line basis over the term of the lease.

(n) Income tax expense

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

(o) Consolidation

The company has four 100% owned subsidiary companies that are consolidated in these financial statements.

The basis of consolidation: The purchase method is used to prepare the consolidated financial statements, which involves adding together like items of assets, liabilities, equity, income and expenses on a line-by-line basis.

The company consolidates as subsidiaries in the group financial statements all entities where the company 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 the company controls the majority voting power on the governing body, or where such policies have been irreversibly predetermined by the company, 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.

The company measures the cost of a business combination as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, in exchange for control of the subsidiary plus any costs directly attributable to the business combination.

Any excess of the cost of the business combination over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised as goodwill. If the company's interest in the net fair value of the identifiable assets, liabilities, contingencies recognised exceeds the cost of the business combination, the difference will be recognised immediately in the profit or loss.

Investments in subsidiaries are carried at cost in the company's own "parent entity" financial statements.

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(p) Standards not yet adopted

The following new standards, interpretations and amendments are not yet effective for the year ended 30 June 2012, and have not been applied in preparing these financial statements:

NZIFRS 9: Financial Instruments will eventually replace NZIAS 39 Financial Instruments: Recognition and Measurement. This standard is being introduced in stages, and is expected to be adopted for the year ended 30 June 2014. There has been no impact so far from the staged introduction to date.

Notes to the financial statements

	Group 2011/12 \$000	Group 2010/11 \$000	Parent 2011/12 \$000	Parent 2010/11 \$000
4. Other Income				
Gain on sale of property, plant & equipment	43	28	-	-
Lease receipts	532	218	-	-
Subvention payment receivable	-	-	46	-
Change in fair value of investment property	4	-	-	-
Dividends received	-	-	220	320
5. Nature of Expenses				
<i>The following items are included in the expenditure of the Company and the Group</i>				
Audit fees to Audit NZ comprising audit of financial statements	69	63	8	3
Depreciation & amortisation	1,332	1,203	-	-
Loss on sale of property, plant & equipment	34	40	-	-
Directors' Fees	137	113	21	20
Donations	-	3	-	-
Rental and operating lease costs	88	63	-	-
Change in Provision for Doubtful Debts	1	3	-	-
Bad Debts Written off	3	7	-	-
Personnel Expenses				
Wages & Salaries	4,253	4,132	-	-
Contributions to defined contribution plans	119	120	-	-
Long service leave	4	11	-	-
Retiring gratuities	12	5	-	-
	4,388	4,268	-	-
6. Taxation				
Surplus/(deficit) before taxation	1,293	451	233	284
Prima facie taxation @ 28% (2011: 30%)	362	136	65	85
Plus taxation effect of change in deferred tax on buildings	(35)	(10)	-	-
Plus (less) taxation effect of permanent differences	8	19	9	-
Plus Subvention Payments	128	84	-	-
(Less) tax Effect of previously unrecognised tax losses	(45)	-	(45)	-
(Less) Tax Effect of Subvention Payment with Westroads	-	-	13	-
(Less) Tax Effect of Parent Loss Offset with Westroads	-	-	33	-
(Less) Tax Effect of Subvention Payment to WDC	(36)	(25)	-	-
(Less) Tax Effect of Group Loss Offset from WDC	(93)	(59)	-	-
Tax Effect of Imputation Credits	-	-	(84)	(85)
Taxation Expense	289	145	(9)	-
<i>The taxation charge is represented by:</i>				
Current taxation	240	87	-	-
Subvention Payments	128	84	-	-
Deferred taxation	(79)	(26)	(9)	-
	289	145	(9)	-
<i>Deferred taxation asset (liability)</i>				
Opening Balance	(320)	(346)	-	-
Movement Recognised in Profit or Loss	79	26	9	-
	(241)	(320)	9	-

Notes to the financial statements

	Group 2011/12 \$000	Group 2010/11 \$000	Parent 2011/12 \$000	Parent 2010/11 \$000
The deferred tax assets & liabilities arise due to temporary timing differences in the deductibility of expenditure.				
All movements in deferred tax assets & liabilities are recognised in the income statement				
Deferred tax assets and liabilities are attributable to the following:				
Tax Losses Carried Forward (Asset)	10	14	9	-
Employee benefit plans (Asset)	34	33	-	-
Accruals (Asset)	160	143	-	-
Receivables Impairment (Asset)	-	1	-	-
Property, Plant & Equipment (Liability)	(445)	(511)	-	-
	(241)	(320)	9	-

The parent did not recognise a deferred tax asset in relation to tax losses of \$163,000 in 2011

Imputation Credit Account

Balance as at 1 July	564	441	68	62
Income Tax Payments	105	251	-	1
Income Tax Refunds	(1)	-	(1)	-
Credit attached to Dividends Received	-	-	90	133
Credits attached to Dividends Paid	-	(128)	-	(128)
Income Tax Payable at 30 June	78	-	-	-
Balance as at 30 June	746	564	157	68

7. Share Capital

At 30 June 2012 the Company has issued 8,424,792 (2011 8,424,792) shares which are fully paid. All shares carry equal voting rights and the right to share in any surplus on winding up of the company. None of the shares carry fixed dividend rights

8. Receivables

Trade Debtors - non related	864	1,034	-	-
Trade Debtors - related parties	838	511	-	-
Subvention payment receivable	-	-	46	-
GST Receivable	23	24	-	-
Interest Accrued	-	-	-	-
Provision for Doubtful Debts	(14)	(7)	-	-
Cost Fluctuation Adjustment Accruals	78	45	-	-
Contract Retentions	32	17	-	-
	1,821	1,624	46	-

All receivables relate to NZ and their status on a Group basis at the reporting date is as follows:-

	Gross Receivable 2011/12	Impairment 2011/12	Gross Receivable 2010/11	Impairment 2010/11
Not past due	1,381	-	1,204	-
Past due 0-30 days	219	-	239	-
Past due 31-120 days	45	-	74	-
Past due 121-360 days	35	10	20	2
Past due more than 1 year	22	4	8	5

Notes to the financial statements

	Group 2011/12 \$000	Group 2010/11 \$000	Parent 2011/12 \$000	Parent 2010/11 \$000
9. Inventory				
Metal Stocks	177	281	-	-
Other Supplies	244	178	-	-
	421	459	-	-
Provision for Obsolescence	-	-	-	-
	421	459	-	-

Term Inventory

Term Inventory comprises parts of land held for subdivision and sale purposes \$989,000 (2011: \$751,000). Of this \$345,000 (2011: 244,000) was held as tenants in common between Westroads Ltd & Westland District Property Ltd. This property is being developed and funded by Westroads with Westroads receiving 75% of any profits and Westland Property receiving the other 25%.

10. Property, plant and equipment (Group)

	Land & Buildings	Plant & Equipment	Office Furniture & Equipment	Airport Runway Infrastructure	Under Construction	Total
		\$000	\$000	\$000	\$000	\$000
Cost or deemed cost						
Balance at 1 July 2010	1,723	9,631	240	2,059	8	13,661
Additions	1,000	1,723	18	78	85	2,904
Transfer to Land & Buildings	2	-	-	-	(2)	-
Disposals	-	(373)	-	-	-	(373)
Balance at 30 June 2011	2,725	10,981	258	2,137	91	16,192
Balance at 1 July 2011	2,725	10,981	258	2,137	91	16,192
Additions	221	1,343	46	326	8	1,944
Transfer to Land & Buildings	308	-	-	-	(79)	229
Disposals	(4)	(1,185)	-	(63)	-	(1,252)
Balance at 30 June 2012	3,250	11,139	304	2,400	20	17,113
Depreciation and Impairment Losses						
Balance at 1 July 2010	340	4,670	206	244	-	5,460
Depreciation for the year	55	1,083	15	27	-	1,180
Impairment Loss	-	-	-	-	-	-
Disposals	-	(247)	-	-	-	(247)
Balance at 30 June 2011	395	5,506	221	271	-	6,393
Balance at 1 July 2011	395	5,506	221	271	-	6,393
Depreciation for the year	69	1,140	21	36	-	1,256
Impairment Loss	-	40	-	-	13	53
Disposals	-	(842)	-	(63)	-	(905)
Balance at 30 June 2012	464	5,844	242	244	13	6,797
Carrying Amounts						
At 1 July 2010	1,383	4,961	34	1,815	8	8,201
At 30 June 2011	2,330	5,475	37	1,866	91	9,799
At 1 July 2011	2,330	5,475	37	1,866	91	9,799
At 30 June 2012	2,786	5,295	62	2,156	7	10,316

Security

At 30 June 2012 properties with a carrying value of \$980,000 (2011: \$813,000) are subject to a registered mortgage to secure bank loans.
At 30 June 2012 plant & equipment with a carrying value of \$957,000 (2011: \$1,311,000) are subject to a registered chattel security.
All plant & equipment are subject to a general registered debenture.

Property, plant and equipment (Parent)

The parent company owns no property, plant and equipment

Notes to the financial statements

11. Intangible Assets (Group)

The Group's intangible assets are mining licences & goodwill. Mining licences are amortised on a straight line basis over their remaining useful life. At 30 June 2012 the remaining life of mining licences was 1 year. Goodwill is stated as cost less any impairment losses.

The amortisation and any impairment losses are allocated to cost of sales in the statement of financial performance.

	Mining Licences 2011/12 \$000	Goodwill 2011/12 \$000	Total 2011/12 \$000	Mining Licences 2010/11 \$000	Goodwill 2010/11 \$000	Total 2010/11 \$000
Cost or deemed cost						
Balance at 1 July	250	424	674	250	424	674
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Balance at 30 June	250	424	674	250	424	674
Depreciation and impairment losses						
Balance at 1 July	202	-	202	179	-	179
Amortisation for the year	24	-	24	23	-	23
Impairment Loss	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Balance at 30 June	226	-	226	202	-	202
Carrying Amounts						
At 1 July	48	424	472	71	424	495
At 30 June	24	424	448	48	424	472

Intangible Assets (Parent)

The parent company owns no intangible assets.

	Group 2011/12 \$000	Group 2010/11 \$000	Parent 2011/12 \$000	Parent 2010/11 \$000
12. Investments				
Hokitika Airport Limited	-	-	2,718	2,718
Westroads Limited	-	-	3,350	3,350
Westland District Property Ltd	-	-	2,627	2,627
	-	-	8,695	8,695

13. Investment property

Opening Balance 1 July	1,218	-	-	-
Additions from acquisitions	3	-	-	-
Disposals	(19)	-	-	-
Transfers to Property Plant & Equipment	(299)	-	-	-
Gain/(Loss) on Disposal	1	-	-	-
Fair value gains/(losses) on valuation	4	-	-	-
Balance at 30 June	908	1,218	-	-

Investment properties are valued annually effective at 30 June to fair value by Quotable Value.

Quotable Value is an experienced valuer, with extensive market knowledge in the types and location of property owned by the group.

Related lease receipts are \$138,000, with direct operating expenses of \$61,000.

Notes to the financial statements

	Group 2011/12 \$000	Group 2010/11 \$000	Parent 2011/12 \$000	Parent 2010/11 \$000
14. Loan & Borrowings				
Current Account Overdraft	65	111	-	-
Flexible Finance Loan	-	750	-	-
Bank Term Loan	1,827	2,140	-	-
	1,892	3,001	-	-

The bank term loans are split as follows:-

Current	400	352	-	-
Non-current	1,427	1,788	-	-
	1,827	2,140	-	-

Terms and conditions of loans & borrowings and their balances are as follows:-

Group	2011/12 \$000	2010/11 \$000	Maturing	Interest Repricing due
Overdraft Facility (\$400K) - Interest Rate 9.77% (LY 9.9%)	65	111	N/A	Variable
Secured bank loan - Interest Rate 5.96% (LY 5.9%)	129	153	2014	Variable
Secured bank loan - Interest Rate 6.18% (LY 6.12%)	135	150	2014	Variable
Secured bank loan - Interest Rate 6.05% (LY 5.97%)	182	221	2016	3mnths
Secured bank loan - Interest Rate 6.4% (LY N/A)	64	-	2013	3mnths
Secured bank loan - Interest Rate 6.72% (LY N/A)	25	-	2014	3mnths
Secured bank loan - Interest Rate NIL (LY 6.43%)	-	111	-	-
Secured bank loan - Interest Rate N/A (LY 5.89%)	-	0	N/A	N/A
Secured bank loan - Interest Rate 7.4% (LY 7.4%)	686	795	2015	1yr
Secured bank loan - Interest Rate 9.48% (LY 9.48%)	177	198	2013	1yr
Secured bank loan - Interest Rate 5.97% (LY 5.97%)	229	279	2016	3mnths
Secured bank loan - Interest Rate 6.09% (LY N/A)	10	-	2013	N/A
Secured loan WDC - Interest Rate 8% (LY 8%)	189	233	2016	4yrs
Committed Cash Advance Facility (\$950K) - Interest Rate 5.45% (LY 5.35%)	-	750	2014	Variable

(Carrying value is not materially different to Face value)

In managing Interest rate risks the Group aims to reduce the impact of short-term fluctuations on the Group's earnings. Over the longer-term, however, permanent changes in interest rates will have an impact on profit. At 30 June 2012 it is estimated that a 1% increase in interest rates would decrease the Group's profit before tax by approximately \$10,000 (2011 \$14,000)

The company has no formal interest rate hedging policy.

15. Deferred Income

Deferred Income classified as current consists of customer leases paid in advance

16. Contingent Liabilities and Contingent Assets

At 30 June 2012, the Company and Group had the following contingent liabilities:

	Group 2011/12 \$000	Group 2010/11 \$000	Parent 2011/12 \$000	Parent 2010/11 \$000
Guarantees:				
(a) Performance Bonds in favour of Westland District Council	65	50	-	-
(b) Performance Bonds in favour of Grey District Council.	145	135	-	-
(c) Mining Bonds	35	25	-	-
(e) Performance Bond in favour of Transit NZ	63	63	-	-
(f) Performance Bond in favour of Department of Conservation	84	84	-	-
(g) Performance Bond in favour of Hokitika Rimu Tree Top Walk Ltd	41	-	-	-

There are no contingent assets.

Notes to the financial statements

	Group 2011/12 \$000	Group 2010/11 \$000	Parent 2011/12 \$000	Parent 2010/11 \$000
17. Operating Leases				
At 30 June 2012, the Company & Group has the following commitments that relate to leases as lessee:				
Commitment within 12 months	65	51	-	-
Commitment between 12 months & 2 years	37	25	-	-
Commitment between 2 years & 5 years	133	50	-	-
Commitment greater than 5 years	350	375	-	-

Operating Leases as Lessor

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

Not later than one year	5	-	-	-
Later than one year and not later than five years	13	10	-	-
Later than five years	2	15	-	-
Total non-cancellable operating leases	20	25	-	-

No contingent rents have been recognised during the period.

18. Capital Commitments

At 30 June 2012, the Group had capital commitments for the purchase of property plant & equipment due within 12 months of \$627,000 (2011 \$308,000.) The company has no capital commitments (2011 \$Nil.)

19. Employee Entitlements

The Company and Group has the following current employee entitlements

	\$000	\$000	\$000	\$000
Annual Leave	385	406	-	-
Time In Lieu	34	7	-	-
Long Service Leave	7	7	-	-
Sick Leave	15	23	-	-
Retirement Gratuities	57	62	-	-
	498	505	-	-

The Company and Group has the following non current employee entitlements

Retirement Gratuities	74	63	-	-
Long Service Leave	55	56	-	-
	129	119	-	-

Notes to the financial statements

20. Transactions with Related Parties

During the year the Group transacted business with businesses in which Directors and Shareholders had an interest. These transactions were entered into in the ordinary course of the company's business and on its usual terms and conditions. Details of these interests are as follows:

Director/ Shareholder	Business in which an Interest Is Declared	Type of Transaction	Group Transaction Amount \$000	Group Balance at 30 June \$000	Parent Transaction Amount \$000	Parent Balance at 30 June \$000
1 July 2011 to 30 June 2012						
WDC	Westland District Council	Payment - Rentals & Rates & On charges	86	23	-	-
WDC	Westland District Council	Purchase - Vehicle	17	-	-	-
WDC	Westland District Council	Sales	6,701	963	-	-
WDC	Westland District Council	Dividends Paid	100	-	100	-
WDC	Westland District Council	Subvention Payment	105	105	-	-
WDC	Westland District Council	Group Tax Loss offset	270	-	-	-
WDC	Westland District Council	Loans Repayments	44	189	-	-
WDC	Westland District Council	Sale of Land	4	-	-	-
P M Cuff	Cuffs Ltd	Purchase - accounting services	22	-	-	-
P M Cuff	P M Cuff	Sale - plant hire and material sales	24	-	-	-
P M Cuff	Renton Hardware Co Ltd	Purchase - Materials	7	1	-	-
P M Cuff	Renton Hardware Co Ltd	Sale - plant hire and material sales	2	-	-	-
P M Cuff	Renton Chainsaws & Mowers	Purchase - Materials	15	2	-	-
D M J Havill	Aratuna Freighters Ltd	Purchase - fuel, freight & other	572	43	-	-
D M J Havill	Aratuna Freighters Ltd	Sale - plant hire and material sales	14	-	-	-
R B Smith	Rayce Resources Ltd	Purchase - Management Fees	10	-	-	-
R B Smith	Cradenlie Holdings Ltd	Purchase - Management Fees	67	-	-	-
WR	Westroads Ltd	Dividends Received	-	-	210	-
HAL	Hokitika Airport Ltd	Dividends Received	-	-	10	-
AG Williams	Electronet Services	Sale - Plant hire & Material purchase	64	11	-	-
AG Williams	Electronet Services	Purchase - Services & Equipment	66	1	-	-
AG Williams	Ashley Hotel	Purchase - Entertainment/Asset	3	-	-	-
1 July 2010 to 30 June 2011						
WDC	Westland District Council	Payment - Rentals & Rates & On charges	157	25	-	-
WDC	Westland District Council	Sales	4,445	525	-	-
WDC	Westland District Council	Dividends Paid	300	-	300	-
WDC	Westland District Council	Subvention Payment	84	90	-	-
WDC	Westland District Council	Group Tax Loss offset	196	-	-	-
WDC	Westland District Council	Loans advanced to Hokitika Airport Ltd	232	232	-	-
WDC	Westland District Council	Purchase of Land	2,427	-	-	-
M J Fahey	Fahey Contracting	Sale - plant hire and material sales	9	-	-	-
P M Cuff	Cuffs Ltd	Purchase - accounting services	18	1	-	-
P M Cuff	P M Cuff	Sale - plant hire and material sales	25	-	-	-
P M Cuff	Renton Hardware Co Ltd	Purchase - Materials	7	1	-	-
P M Cuff	Renton Hardware Co Ltd	Sale - plant hire and material sales	2	-	-	-
P M Cuff	Renton Chainsaws & Mowers	Purchase - Materials	18	1	-	-
D M J Havill	Aratuna Freighters Ltd	Purchase - fuel, freight & other	507	62	-	-
D M J Havill	Aratuna Freighters Ltd	Sale - plant hire and material sales	22	-	-	-
R B Smith	Rayce Resources	Purchase - Management Fees	5	-	-	-
WR	Westroads Ltd	Dividends Received	-	-	310	-
HAL	Hokitika Airport Ltd	Dividends Received	-	-	10	-

** Includes rentals of \$14,000 that were later passed over to Westland District Property Ltd under an agreement between them and Westland District Council

All amounts billed are based on normal market rates and payable or receivable under normal payment terms.

No related party debts have been written off or forgiven during the year.

Key management personnel disclosure

Key management personnel are deemed to be the directors of Westland Holdings Ltd

	Parent 2011/12 \$000	Parent 2010/11 \$000
Key management personnel compensation comprised		
Short-term employee benefits	21	20
Termination benefits	-	-
	<u>21</u>	<u>20</u>

There are no loans to or from key management personnel

21. Post Balance Date Events

Post Balance date Hokitika Airport Ltd received resource consent for the extension of the runway with the intention of becoming an international airport. This could potentially provide significant business expansion option for the company as well as contributing to the Civil Defence capability on the West Coast. The directors are not aware of any other events subsequent to balance date that require adjustment in these financial statements.

22. Financial Instruments

The accounting policy for financial instruments has been applied to the items below:

	Group	Group	Parent	Parent
	2011/12	2010/11	2011/12	2010/11
	\$000	\$000	\$000	\$000
Cash and cash equivalents	244	494	145	48
Bank overdrafts	(65)	(111)	-	-
Term Deposits	-	-	-	-
Loans and receivables				
Trade accounts receivable	1,821	1,624	-	-
Financial Liabilities at amortised cost				
Trade and other payables	1,193	781	43	34
Borrowings	1,827	2,890	-	-

The amounts reported above represent the company's maximum credit exposure for each class of financial instrument. The anticipated contractual cash flows of the financial instruments are not expected to be materially different to the values shown above, and are all anticipated to occur within twelve months of the balance date, except for borrowings, which are analysed in note 14.

The Company and Group is party to financial instruments as part of its everyday operations. These include instruments such as bank balances, investments, accounts receivable and trade creditors.

The Group has a series of policies providing risk management for interest rates and the concentration of credit

The Group is risk averse and seeks to minimise exposure from its treasury activities. Its policies do not allow any transactions which are speculative in nature to be entered into.

Interest Rate Risk

The company and group is exposed to fair value and cash flow interest rate risk.

Fair value interest rate risk

Fair value interest rate risk is the risk that a financial instrument will fluctuate due to changes in market interest rate. Borrowings at fixed rates expose the company and group to fair value interest rate risk. The company and group have fixed rate borrowings measured at amortised cost, with relatively short maturity periods and interest repricing schedules. The directors do not consider the fair value interest rate risk to be significant at this time.

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. The company and group have most borrowings at variable rates. Accordingly, there is an interest rate risk at present (refer note 14.) The directors consider that this risk is balanced by the considerable benefit of the present lower floating rates.

Currency Risk

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

The Company and Group has no exposure to currency risk.

Credit Risk

Credit risk is the risk that a third party will default on its obligations to the company, causing the Company and Group to incur a loss

Financial instruments which potentially subject the Company and Group to risk consist principally of cash, trade receivables and various off-balance sheet instruments

Notes to the financial statements

The Company and Group invests in high credit quality financial institutions and limits the amount of credit exposure to any one financial institution. Accordingly, the Company and Group does not require any collateral or security to support financial instruments with organisations it deals with.

Concentrations of credit risk with respect to accounts receivable are high due to the reliance on the Westland District Council and Grey District Council for a high proportion of the Company and Group's revenue. However, both councils are considered high credit quality entities.

Fair Values

The estimated fair values of the financial instruments are as stated in the Statement of Financial Position.

Capital Management

The Group's capital includes share capital and retained earnings.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The impact of the level of capital on shareholders' return is also recognised and the group recognises the need to maintain a balance between higher returns that may be possible through greater gearing and advantages and security afforded by a sound capital position.

The Group has a policy of shareholders funds being in the ratio of 40-100% of total assets.

	Group 2011/12 \$000	Group 2010/11 \$000	Parent 2011/12 \$000	Parent 2010/11 \$000
23. Reconciliation of Net Surplus after Taxation with				
Cash Inflow from Operating Activities				
Net surplus after taxation	1,004	308	242	284
<i>Add/(less) non cash items:</i>				
Depreciation and amortisation	1,332	1,203	-	-
Increase (decrease) in provision for doubtful debts	1	3	-	-
Increase/(decrease) in deferred tax liability	-	(26)	-	-
(Increase)/decrease in deferred tax asset	(79)	-	(9)	-
Increase/(decrease) in Employee Entitlements	3	56	-	-
Change in fair value of investment properties	(4)	-	-	-
Total Non-Cash Items	1,253	1,236	(9)	-
<i>Add/(less) items classified</i>				
<i>as investment & financing activities:</i>				
Net loss/(gain) on sale of fixed assets	(8)	12	-	-
Net loss/(gain) on sale of investment property	(1)	-	-	-
Capital accounts payable	(61)	(54)	-	-
Total Investing & Financing Activity Items	(70)	(42)	-	-
<i>Add/(less) movements in working capital items:</i>				
Increase/(decrease) in accounts payable and accruals	465	8	9	15
Increase/(decrease) in income received in advance	23	1	-	-
Increase/(decrease) in provision for taxation	139	(104)	-	-
Increase/(decrease) in Subvention payment payable	44	(6)	-	-
(Increase)/decrease in receivables and prepayments	(200)	(101)	(46)	-
(Increase)/decrease in tax refund due	1	(61)	1	(1)
(Increase)/decrease in inventory	38	(211)	-	-
(Increase)/decrease in term inventory	(238)	(751)	-	-
(Increase)/decrease in work in progress	(6)	71	-	-
Working Capital Movement - Net	267	(1,154)	(36)	14
Net Cash Inflows from Operating Activities	2,454	346	197	298

Notes to the financial statements

24. Segmental Information

	Group 2011/12		Group 2010/11	
	Revenue	Surplus/Deficit before tax	Revenue	Surplus/Deficit before tax
	\$000	\$000	\$000	\$000
Roading and Infrastructural maintenance contracts	12,249	1,266	11,184	482
Airport Operation	489	49	437	31
Property	440	11	80	(25)
Holding Company	1	(33)	3	(37)
	<u>13,179</u>	<u>1,293</u>	<u>11,704</u>	<u>451</u>

	Parent 2011/12		Parent 2010/11	
	Revenue	Surplus/Deficit before tax	Revenue	Surplus/Deficit before tax
	\$000	\$000	\$000	\$000
Roading and Infrastructural maintenance contracts	-	-	-	-
Airport Operation	-	-	-	-
Property	-	-	-	-
Holding Company	267	233	323	284
	<u>267</u>	<u>233</u>	<u>323</u>	<u>284</u>

Revenue includes interest received and other income.

	Group		Parent	
	2011/12	2010/11	2011/12	2010/11
	\$000	\$000	\$000	\$000
25. Construction Contracts				
Contract costs incurred	3,999	3,395	-	-
Recognised profits/losses	<u>1,385</u>	<u>893</u>	-	-
Progress billings	5,384	4,288	-	-
Gross amounts receivable from Customers	<u>5,311</u>	<u>4,240</u>	-	-
	73	48	-	-
Retentions receivable in respect of construction contracts	73	44	-	-

In identifying construction contracts, the company has only included contracts of \$1,000 or more.

Construction contracts include laying waterlines, constructing roads and footpaths, and constructing section pads.

Report



DATE: 24 January 2013

TO: Mayor and Councillors

FROM: Manager Planning and Regulatory

ANNUAL PLAN TIMETABLE 2013/14

1.0 SUMMARY

- 1.1 The purpose of this report is to outline the Annual Plan Timetable 2013/14.
- 1.2 This issue arises from the requirement to run an efficient planning process.
- 1.3 The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002 Amendment Act 2012. That purpose is:
- (a) To enable democratic local decision-making and action, by and on behalf of, communities; and
 - (b) To meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.
- 1.4 Council seeks to meet this obligation and the achievement of the district vision set out in the Long Term Plan 2012-22. The matters raised in this report relate to those elements of the vision identified in the following table.

Vision's Objectives	Achieved By
Involving the community and stakeholders Having inspirational leadership	Delivering an Annual Plan on time that has been clearly communicated and discussed by the community in an engaged consultation process.

- 1.5 This report concludes by recommending that Council adopt the Annual Plan Timetable 2013/14.

2.0 BACKGROUND

- 2.1 Council has completed a detailed budget for 2013/14 in adopting the LTP, just 6 months ago.
- 2.2 Council needs to consider any changes and new developments which may affect this plan before confirming the 2013/14 Annual Plan, by 30 June 2013.
- 2.3 Council must complete a one month special consultative procedure.

3.0 CURRENT SITUATION

- 3.1 There have been changes to Council's financial circumstances since the adoption of the LTP.
- 3.2 Council's Annual Report 2011/12 reported an adverse financial result which must be taken into account when considering the Annual Plan 2013/14.
- 3.3 This matter is complex and is being reviewed by officers.
- 3.4 To provide Council with appropriate advice this timetable proposes to start the Council meeting process later than usual and many of the administrative parts have been condensed.

4.0 OPTIONS

- 4.1 There are limited options, the adoption of an Annual Plan and the process is a statutory requirement.

5.0 SIGNIFICANCE AND CONSULTATION

- 5.1 This matter is administrative and therefore of low significance.

6.0 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

- 6.1 N/a

7.0 PREFERRED OPTION AND REASONS

- 7.1 Council agree with the timetable as proposed.

8.0 RECOMMENDATION

- A) That Council approve the Annual Plan Timetable 2013/14

Appendix 1: Annual Plan Timetable 2013/14

Richard Simpson
Manager Planning and Regulatory

Appendix A

Annual Plan Timetable 2013/14

Date	Type of Meeting	Description
7 March	Workshop	To consider updated financial strategy and recommended variances from LTP.
20 March	Debate #1	Formal meeting to debate financial strategy and recommended changes from LTP.
28 March	Council Ordinary Meeting	Business as usual
11 April	Debate #2	Formal meeting to consider the impact of the decisions from Debate#1 and conclude amendments.
24 April	Adopt Draft Annual Plan	Ordinary Council Meeting. To confirm document for consultation, no debate.
30 April to 30 May	Consultation	Consultation Plan to be confirmed.
5 June	Hearing of Submissions	Formal Meeting to listen to and read submissions.
6 June	Consideration of Submissions	Formal Meeting to consider submissions and seek further advice from Officers
18 June	Last Debate	Formal Meeting to debate final Annual Plan amendments.
27 June	Adopt Annual Plan	Ordinary Council Meeting to adopt Annual Plan. No debate

Report



DATE: 24 January 2013

TO: Mayor and Councillors

FROM: Community Services Officer

MAJOR DISTRICT INITIATIVE (MDI) FUNDING TO 31 DECEMBER 2012

1.0 SUMMARY

- 1.1 The purpose of this report is to provide a monthly update to Council on MDI Funding.
- 1.2 This issue arises from Major District Initiative funds available to Council from Development West Coast, based on their allocation to each West Coast Council of \$400,000 per annum.
- 1.3 The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002 Amendment Act 2012. That purpose is:
- (a) To enable democratic local decision-making and action, by and on behalf of, communities; and
 - (b) To meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.
- 1.4 Council seeks to meet this obligation and the achievement of the district vision set out in the Long Term Plan 2012-22. The matters raised in this report relate to those elements of the vision identified in the following table.

Vision's Objectives	Achieved By
Involving the community and stakeholders Having inspirational leadership Having expanded development	Council approving community projects using MDI funds.

opportunities Having top class infrastructure for all communities	
---	--

1.5 This report concludes by recommending that Council receive this report.

2.0 BACKGROUND

2.1 Work on Donovan's Store Refurbishment at Okarito is continuing but at a much slower rate than planned. The Department of Conservation at Franz Josef Glacier is overseeing the project, assisted by the Okarito Community Association.

3.0 CURRENT SITUATION

3.1 Restoration work is continuing but at a much slower pace than originally planned. Replica wallpaper has been obtained for the side room.

4.0 OPTIONS

4.1 Allow the restoration work to continue subject to the builder's availability.

5.0 SIGNIFICANCE AND CONSULTATION

5.1 The development of the facility will benefit the wellbeing of the Okarito community by providing a facility for community meetings and social gatherings.

5.2 The consultation process has closed.

6.0 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

Total Project Cost	\$323,375
MDI Funding approved	78,375
MDI Funds spent to date	34,483

7.0 PREFERRED OPTION AND REASONS

7.1 The project should continue as MDI funding has been approved.

8.0 RECOMMENDATION

- A) That this report be received.

Derek Blight
Community Services Officer

Report



DATE: 24 January 2013

TO: Mayor and Councillors

FROM: Chief Executive

HAAST HOLLYFORD ROAD UPDATE

1.0 SUMMARY

- 1.1 The purpose of this report is to provide Council with an update on progress regarding the Haast Hollyford Road.
- 1.2 This issue arises from Westland District Property Ltd's (WDPL) wish to keep Council fully informed of progress on this major project.
- 1.3 The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002 Amendment Act 2012. That purpose is:
- (a) To enable democratic local decision-making and action, by and on behalf of, communities; and
 - (b) To meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.
- 1.4 Council seeks to meet this obligation and the achievement of the district vision set out in the Long Term Plan 2012-22. The matters raised in this report relate to those elements of the vision identified in the following table.

Vision's Objectives	Achieved By
Involving the community and stakeholders Having inspirational leadership Having expanded development opportunities Having top class infrastructure for all	One of Council's subsidiary companies taking a leadership role on a project that is of national significance, and ensuring Council is fully informed of progress.

communities Living the '100% Pure NZ' brand	
--	--

1.5 This report concludes by recommending that the information is received.

2.0 BACKGROUND

2.1 Council has been promoting the Haast Hollyford Road link for a number of years.

2.2 In 2010 Council confirmed their support for WDPL continuing the previous work done by Council on this project.

3.0 CURRENT SITUATION

3.1 WDPL have provided Council with an update attached as **Appendix 1**.

4.0 OPTIONS

4.1 Council can choose to receive this report or not receive it.

5.0 SIGNIFICANCE AND CONSULTATION

5.1 This matter is of low significance as it merely provides Council with an update on progress.

5.2 Consultation is not required.

6.0 RECOMMENDATION

A) THAT Council receives this report.

Appendix 1: Report from Westland District Property Ltd.

Tanya Winter
Chief Executive



The Mayor and Councillors
Westland District Council
36 weld Street
Hokitika

January 2013 meeting

Public section

Update Hollyford Road.

In 2010 WDC confirmed its support of Westland District Property Ltd continuing the previous work done by Council towards seeking the construction of the Haast Hollyford Highway.

The road is logical and provides real benefit to the tourism sector in Westland, Southland The South Island and New Zealand.

It completes the missing link and allows a new product to become available to New Zealand.

During 2010 and 2011 investigation was carried out into the most suitable route. The coastal route was always the previously chosen route.

The investigations showed.

- a) Government was not well placed to fund the construction as there were many other roads and projects that ranked higher priority.
- b) That the road would need to be a toll road
- c) That the inland route following the Muller track and approved survey plan had the best chance of progressing.

A detailed analysis of all available information was carried out by independent parties.

In early 2012 the WDPL board decided to investigate Design, Build, Finance ,Maintain and Operate options and seek a partner that would put a proposal forward that recognised three basic principles.

Westland District Property Ltd
PO Box 22, Hokitika 7842
Phone: (03) 755 8497
Email: management@westlanddistrictproperty.co.nz



a) There would be no rate payer guarantee's or funding.

b) That a minimum percentage of the project would remain in WDPL ownership regardless of the capital structure.

c) That a substantial success ^{fee} would be built into the project for WDPL.

On the 29th of June 2012 a non-binding memorandum of understanding was signed along with confidentiality agreements where the parties agreed to Design, Build, Finance, Maintain and Operate a toll road on the Haast Hollyford Highway (Inland Route).

The finance commitment secured from the partners is \$220m and there is no comeback to Southland rate payers, Westland ratepayers or WDPL (Westland Holdings Ltd).

WDPL has met with a number of Government ministers and MPs since March 2012.

In Dec 2012 a meeting was held in Invercargill with the full Southland District Council seeking their support. The meeting went well and the hospitality was outstanding. We have been informed Southland will give its formal response after its first Council meeting of 2013.

In Dec 2012 a meeting was held in Invercargill with significant Southland investors to seek their support which was forthcoming.

In Dec 2012 a meeting was held in Te-Anau with approx 60 local business people seeking their support. This meeting was outstanding with complete support for the Road.

In Dec 2012 a meeting was held in Queenstown with the Mayor and CEO of Lakes District Council seeking to inform them of the project. We specifically did not seek their support. The meeting was open and supportive.

No formal release has been made by WDPL in relation to the Road. All articles in both the papers and media have been driven by the respective organisations involved. This includes both paper and TV.

Our objective at present is to get firm Government support for the Road which we presently await.

This includes an agreement to use the call provisions of the RMA.

Westland District Property Ltd
PO Box 22, Hokitika 7842
Phone: (03) 755 8497
Email: management@westlanddistrictproperty.co.nz



We have had excellent support from Chris Auchinvole and Eric Roy the Southland MP and will continue to seek public support for the road from a number of organisations.

The Road has always enjoyed the support of Westland. Grey District is to consider support at the Feb meeting and we anticipate the formal Southland response shortly.

Yours Faithfully

A handwritten signature in black ink that reads "Durham Havill". The signature is written in a cursive, flowing style.

Durham Havill
Chairman
Westland District Property Ltd

Westland District Property Ltd
PO Box 22, Hokitika 7842
Phone: (03) 755 8497
Email: management@westlanddistrictproperty.co.nz



SOUTH ISLAND Roads



STATE HIGHWAY NETWORK SOUTH ISLAND

PRINCIPAL ROAD NETWORK
State Highway Network at 1 January 2005

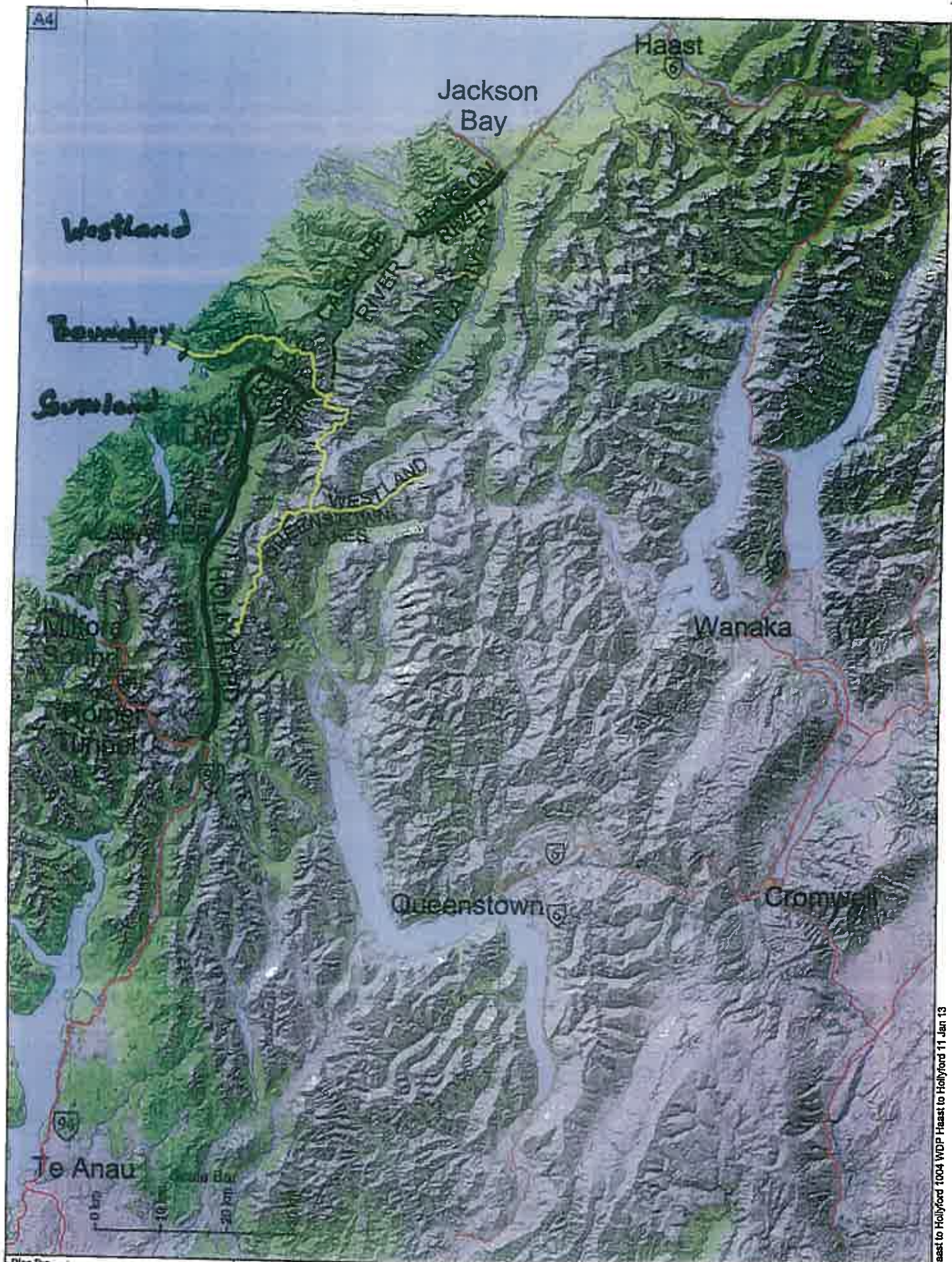


0 50 100 150 200 250
Kilometres



-  Transit Region Boundary
-  State Highway

Cartography by Critchlow Associates Ltd Ph 0800 Mapping



Plan By:



COASTWIDE SURVEYS LTD
LAND SURVEYORS

P.O. Box 194
Hollyford
ph (03) 7566305
fax (03) 7568302

Proposed Route Haast-Hollyford

Applicant: **Westland District Property Ltd**

Project No.
1004

Scale @ A4
1:750000

Date
11 Jan 13

Drawing No.
A4P overview

Rev.
2



Pounamu

Gold

Glaciers

Eco Tourism

Milford Sounds

Queenstown

STEWART ISLAND/

RAKIURA

Report



DATE: 24 January 2013

TO: Mayor and Councillors

FROM: Acting GM: Corporate Services

DELEGATIONS

1.0 SUMMARY

- 1.1 The purpose of this report is to update the Delegations Manual.
- 1.2 This issue arises from difficulties in efficiently conducting the business of Council under the existing delegations.
- 1.3 The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002 Amendment Act 2012. That purpose is:
- (a) To enable democratic local decision-making and action, by and on behalf of, communities; and
 - (b) To meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.
- 1.4 Council seeks to meet this obligation and the achievement of the district vision set out in the Long Term Plan 2012-22. The matters raised in this report relate to those elements of the vision identified in the following table.

Vision's Objectives	Achieved By
Having inspirational leadership	Being able to make efficient decisions.

- 1.5 This report concludes by recommending that Council amend the Delegations Manual.

2.0 BACKGROUND

- 2.1 The Delegations Manual is 55 pages long and covers a large variety of matters including delegations to Committees, the Chief Executive and other officers.
- 2.2 The entire Manual will be updated after the election in October 2013. The changes proposed here are designed to be quick and simple to allow for the efficient and effective operation Council until then.

CURRENT SITUATION

2.3 Elected Representatives Expenses

Audit New Zealand has recommended that *"The District Council has appropriate sensitive expenditure policies and policies in place. However, we noted in previous reports that the Mayor's expense claim forms were approved by the former CEO and vice versa. It is good practice for the Mayor's expense claim to be approved by the Council, which is often delegated to the Audit or Risk Management Committee Chairperson."*

Similarly the Office of the Auditor General's guide on sensitive expenditure advises the following in terms of expense authorisation:

"In the case of people in very senior positions, the principle of approval by a more senior person (the "one-up" principle) should be applied to the maximum extent possible. However, there will be some instances where an alternative approach will be required because there is no more senior person. In such instances, it is essential that there should be no reciprocal arrangement for approving sensitive expenditure (that is, with a person approving expenditure having their own expenditure approved by the person whose expenditure they are approving). An arrangement involving three persons is one way to avoid this problem (for example, A approves B's expenditure, B approves C's expenditure, and C approves A's expenditure)."

The Chief Executive agreed with the audit recommendation. It has been further noted that if the Mayor's expenses are approved by the Deputy Mayor, then as outlined in the OAG advice it is appropriate that the Deputy Mayor's expenses are no longer approved by the Mayor.

Options are:

- a. Expenses approved by a Committee.
- b. Mayor's expenses approved by the Deputy Mayor and Deputy Mayor's expenses approved by Chairperson of Performance Committee.

2.4 Capital Purchases

There appears to be a significant oversight in the adoption of changes to the policy last year. There are no delegations for officers to make capital expenditure except in an emergency. It is proposed the schedule on pages 31 to 39 of the Delegation Manual be amended for each officer by deleting “non-capital” from the table in each case.

This provides each officer with a delegation to spend capital or non-capital expenditure so long as it is within their existing financial limits and in the estimates (Annual Plan Budget). These amounts vary per officer with the highest delegation of \$100,000 being held by the Chief Executive, and Group Manager – Assets and Operations.

Capital purchases above this amount require the authorisation of Council on the recommendation of the Operations Committee.

Options are:

- a. Council approves all capital expenditure.
- b. Alter the delegations with the same limit for capital and non-capital expenditure.
- c. Authorise a maximum delegation to the Chief Executive and allow the Chief Executive to delegate limits to her officers.

The preferred option is (b) as this is the most efficient way that enables Council to operate for the next nine months.

2.5 Credit Cards

The delegation provides for Council to have one credit card in the name of the Chief Financial Officer. Since the decommissioning of the Westland Business Unit (WBU), Council is operating more credit cards than provided for by the delegation. The WBU held 3 cards.

A review has determined that it is operationally efficient to operate two credit cards. The additional card is necessary for the efficient operation of the I-site. The I-site card is held in the I-site Manager’s name.

For all credit cards and sensitive expenditure, as reported by Audit New Zealand, a one-up authorisation policy is recommended. The current delegation does not support this.

Options are:

- a. Council maintains the status quo of one credit card.
- b. Council alters the delegation to allow for two credit cards with a one-up approval process.

The preferred option is (b) so that there is one generic credit card for the organisation and one for the I-site who need it in order to conduct their business efficiently.

3.0 SIGNIFICANCE AND CONSULTATION

3.1 These matters are administrative and of low significance.

4.0 RECOMMENDATIONS

Mayor's Recommendation:

A) That the Delegations Manual be amended to add a new clause 30 to Part III:

30. Elected Member Expenses

Elected members expenses are to be approved consistent with the Remuneration Authority rules and Council's Sensitive Expenditure Policy.

Mayor

30.1 Approval of Councillor expenses, except Deputy Mayor.

Deputy Mayor

30.2 Approval of the Mayor's expenses.

Chairperson of Performance Management Committee

30.3 Approval of the Deputy Mayor's expense

Chief Executive's Recommendations:

- B) That the table on pages 31 to 39 of the Delegations Policy be amended by deleting the word "non-capital" at each occurrence in the table.
- C) That the Delegation Manual be amended as follows:
 - a. Page 40:
 - i. Authority to operate two Business Visa Cards subject to:
 - 1. A credit limit of \$5,000 on each card.
 - 2. Cards are to be in the names of:
 - a. Chief Financial Officer
 - b. I-site Manager
 - ii. Statements are to be approved by the Chief Executive.
 - b. That the existing references to the credit card be removed from the Chief Financial Officers Delegation (page 52) and replaced with "*Authority to operate a Council Business Visa Card as approved by the Chief Executive.*"
 - c. That a new line be add to the table (page 34) for the I-site Managers Delegation "*Authority to operate a Council Business Visa Card as approved by the Chief Executive.*"

Stephen Halliwell
Acting GM: Corporate Services